



Council Agenda

ORDINARY COUNCIL MEETING

5.30pm, 05 December 2017

Council Chambers, Civic Centre, Dundebur Road, Wanneroo

PUBLIC QUESTION AND STATEMENT TIME

1. TIME PERMITTED

A minimum of 15 minutes is permitted for public questions at each Council Meeting. If there are not sufficient questions to fill the allocated time, the person presiding will move to the next item. If there are more questions than can be considered within 15 minutes, the person presiding will determine whether to extend question time. Each person seeking to ask questions during public question time may address the Council for a maximum of 3 minutes each.

2. PROTOCOLS

No member of the public may interrupt the meeting's proceedings or enter into conversation.

Members of the public wishing to ask a question/s at the Council Meeting are to register on the night at the main reception desk located outside of the Chamber. Members of the public wishing to submit written questions are requested to lodge them with the Chief Executive Officer at least 30 hours prior to the start of the meeting (that is by noon on the day before the meeting).

The person presiding will control public question time and ensure that each person wishing to ask a question is given a fair and equal opportunity to do so. Members of the public wishing to ask a question should state his or her name and address before asking the question. If the question relates to an item on the agenda, the item number should be stated.

3. GENERAL RULES

The following general rules apply to public question and statement time:

- Questions and statements should only relate to the business of the local government and should not be a statement or personal opinion.
- Only questions relating to matters affecting the local government will be considered at an ordinary meeting, and only questions that relate to the purpose of the meeting will be considered at a special meeting.
- Questions may be taken on notice and responded to after the meeting.
- Questions may not be directed at specific Elected Members or Employees.
- Questions are not to be framed in such a way as to reflect adversely on a particular Elected Member or Employee.
- First priority will be given to persons who are asking questions relating to items on the current meeting agenda.
- Second priority will be given to public statements. Only statements regarding items on the agenda under consideration will be heard.

DEPUTATIONS

An informal session will be held on the same day as the Council meeting at the Civic Centre, Wanneroo, commencing at 6.00pm where members of the public may, by appointment, present deputations relating to items on the current agenda. To present a deputation members of the public are required to submit a request for deputation in writing at least three clear business days prior to the meeting addressed to the Chief Executive Officer. A request for a deputation must be received by Council Support by 12 noon on the Friday before the Council Meeting.

- Deputation requests must relate to items on the current agenda.
- A deputation is not to exceed 3 persons in number and only those persons may address the meeting.
- Members of a deputation are collectively to have a maximum of 10 minutes to address the meeting, unless an extension of time is granted by the Council.

**Please ensure mobile phones are switched off before entering the Council Chamber.
For further information please contact Council Support on 9405 5027.**

Recording of Council Meetings Policy

Objective

- To ensure that there is a process in place to outline access to the recorded proceedings of Council.
- To emphasise that the reason for recording of Council Meetings is to ensure the accuracy of Council Minutes and that any reproduction is for the sole purpose of Council business.

Statement

Recording of Proceedings

- (1) Proceedings for meetings of the Council, Electors, and Public Question Time during Council Briefing Sessions shall be recorded by the City on sound recording equipment, except in the case of meetings of the Council where the Council closes the meeting to the public.
- (2) Notwithstanding subclause (1), proceedings of a meeting of the Council which is closed to the public shall be recorded where the Council resolves to do so.
- (3) No member of the public is to use any electronic, visual or vocal recording device or instrument to record the proceedings of the Council or a committee without the written permission of the Council.

Access to Recordings

- (4) Members of the public may purchase a copy of recorded proceedings or alternatively listen to recorded proceedings with the supervision of a City Officer. Costs of providing recorded proceedings to members of the public will be the cost of the recording plus staff time to make the copy of the proceedings. The cost of supervised listening to recorded proceedings will be the cost of the staff time. The cost of staff time will be set in the City's schedule of fees and charges each year.
- (5) Elected Members may request a recording of the Council proceedings at no charge. However, no transcript will be produced without the approval of the Chief Executive Officer. All Elected Members are to be notified when recordings are requested by individual Members.

Retention of Recordings

- (6) Recordings pertaining to the proceedings of Council Meetings shall be retained in accordance with the State Records Act 2000.

Disclosure of Policy

- (7) This policy shall be printed within the agenda of all Council, Special Council, Electors and Special Electors meetings to advise the public that the proceedings of the meeting are recorded.



Notice is given that the next Ordinary Council Meeting will be held at the Council Chambers, Civic Centre, Dundobar Road, Wanneroo on **Tuesday 5 December, 2017** commencing at **5.30pm**.

D Simms
Chief Executive Officer
30 November, 2017

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A G E N D A

Good evening Councillors, staff, ladies and gentlemen, we wish to acknowledge the traditional custodians of the land we are meeting on, the Whadjuk people. We would like to pay respect to the Elders of the Nyoongar nation, past and present, who have walked and cared for the land and we acknowledge and respect their continuing culture and the contributions made to the life of this city and this region and I invite you to bow your head in prayer:

Lord, We ask for your blessing upon our City, our community and our Council. Guide us in our decision making to act fairly, without fear or favour and with compassion, integrity and honesty. May we show true leadership, be inclusive of all, and guide the City of Wanneroo to a prosperous future that all may share. We ask this in your name. Amen

Item 1 Attendances

Item 2 Apologies and Leave of Absence

Item 3 Public Question Time

Item 4 Confirmation of Minutes

OC01-12/17 Minutes of Ordinary Council Meeting held on 14 November 2017

That the minutes of Ordinary Council Meeting held on 14 November 2017 be confirmed.

Item 5 Announcements by the Mayor without Discussion

Item 6 Questions from Elected Members

Item 7 Petitions

New Petitions Received

Update on Petitions

Item 8 Reports

Declarations of Interest by Elected Members, including the nature and extent of the interest. Declaration of Interest forms to be completed and handed to the Chief Executive Officer.

Planning and Sustainability

City Growth

PS01-12/17 Whiteman Yanchep Highway: Neaves Road Realignment into Flynn Drive

File Ref:	21039 – 17/400665
Responsible Officer:	Director Planning and Sustainability
Disclosure of Interest:	Nil
Attachments:	3

Issue

To consider proposed alignments for the southern part of the proposed Whiteman Yanchep Highway (WYH) (between Gngangara Road and Neaves Road) and a proposed realignment of Neaves Road into Flynn Drive.

Background

The need for a new major north-south regional road to the east of the other major north-south routes in the North-West Sub-region of the metropolitan region (Mitchell Freeway, Wanneroo Road and Marmion Avenue) was identified by the State planning and transport agencies in 2009/10.

This new regional road (now referred to as Whiteman Yanchep Highway) was subsequently indicatively shown on the East Wanneroo Structure Plan (2011), the draft Perth-Peel at 3.5 Million Strategy and the associated draft North-West Sub-regional Planning Framework (2015), and the draft and final Perth-Peel at 3.5 million Transport Strategy.

Main Roads Western Australia (MRWA) has now undertaken an Alignment Definition Study to determine a proposed detailed alignment for the southern part of the WYH, between Gngangara Road and Neaves Road, as well as a proposed realignment of Neaves Road into Flynn Drive. A full background on this proposal and details regarding these proposed alignments (including plans) and how they have been determined are included in the Summary Report at **Attachment 1**.

A plan showing how the proposed alignments relate to the current Metropolitan Region Scheme (MRS) zoning of the area concerned is included in **Attachment 2**.

MRWA is seeking this City's support for these proposed alignments, as well as support to an application MRWA is making to the Western Australian Planning Commission (WAPC) for an amendment to the MRS to reserve the WYH route as Primary Regional Road, and the Neaves Road realignment as Other Regional Road.

Detail

WYH Alignment

The proposed WYH reservation is 100 metres minimum width, to ultimately accommodate three traffic lanes in each direction. A median width of 22m is provided for, to allow for a possible future option of a railway line.

The proposed WYH alignment is generally to the east of the proposed East Wanneroo urban areas, within the State Forest reserve. While this reflects the indicative alignments shown on

the East Wannon Structure Plan and the draft North-West Sub-regional Planning Framework, it may be noted that when Council considered the latter at its meeting of 21 July 2015 (item PS09-07/15), Council resolved to include in its submission to WAPC on the draft Planning Framework, a comment that consideration be given to the WYH being aligned through the proposed new urban areas (instead of well to the east of them) so as to be more readily accessible to these areas. This was on the understanding that the highway was also intended to accommodate a proposed railway line, and it was argued that such a rail service and its associated stations should be within the new urban areas to allow proper integration of land use and transport planning, as is the case for the new stations proposed at Alkimos, Eglinton and Yanchep as part of the Metronet extension of the northern suburbs rail line.

The proposed alignment is currently located approximately 2 km to the east of the proposed East Wannon urban boundary (although it tapers to within approximately 400m at its northern extent) and approximately 4 km from the centre of the proposed urban area. These distances are not conducive to proper land use and transport integration and would result in local residents needing to drive or catch public transport to any future rail stations if the future rail alignment were to remain within the WYH alignment. The issue of the future alignment of the railway line is being addressed through the current preparation by the Department of Planning, Lands and Heritage (DPLH) of the East Wannon District Structure Plan, and MRWA advises that provision for a possible railway in the highway median is only intended to preserve that as a possible long term option, and is not intended to pre-empt the outcome of the current study on this matter.

On this basis, the proposed WYH alignment is recommended for support on a without prejudice basis.

In respect to possible timing of construction of this road, MRWA advises that transport modelling indicates that it will be required up to Neaves Road by 2031.

Neaves Road Realignment

The proposal to realign Neaves Road into Flynn Drive (for this to then form a main east-west link between the North-West and North-East Sub-regions, rather than Joondalup Drive forming part of that link as per previous plans) was first put forward as part of the draft North-West Sub-regional Planning Framework (2015). Council's submission on the draft Planning Framework supported this proposal.

What is new, however, in the current proposal is for the realignment to commence further to the east, so that the new road will pass just to the north of the existing private properties in that area, rather than continue further west along the existing Neaves Road, and pass along the frontage of those existing properties. **Attachment 3** shows the proposed new realignment route (in blue) compared to the original realignment route (in yellow).

The reason for this new alignment (to the north of the private properties) is that it reduces impacts on Bush Forever Sites in the vicinity, and avoids having to provide service roads along Neaves Road to retain property access (as no direct property access would have been permitted to an upgraded Neaves Road).

It may be noted from the MRWA Summary Report that the proposed new alignment for Neaves Road has been moved slightly northwards from an earlier draft alignment that had been subject to community consultation by MRWA, to avoid direct impacts on the private properties in that area. This is shown in Figure 1 in **Attachment 1**.

Regional Road Connections onto WYH

Between Gnaragar Road and Neaves Road, two future east-west regional roads are proposed to connect onto the WYH:

- Ranch Road: this is as per what is proposed under the East Wanneroo Structure Plan and the draft North-West Sub-regional Planning Framework.
- Elliot Road: this is different to what was proposed in the above previous plans, with the intention being to have the future Elliot Road aligned further to the south (just to the west of the WYH) so as to reduce impact on the Bush Forever Sites in that vicinity. This will mean a reduced impact on six rural residential properties near Pinecrest Way, but a more significant impact on a number of private properties on Joyce Road, Gnangara. (See **Attachment 3** which shows the proposed new alignment (in blue) compared to the originally proposed alignment (in yellow)). A number of the Joyce Road landowners have, expressed concern to MRWA regarding the proposal for the proposed Elliot Road regional road to run along the front of their properties. They have been advised of the importance of making submissions when the MRS Amendment is advertised, so it will also be important that these landowners are adequately made aware of when the MRS Amendment is advertised.

Consultation

MRWA has undertaken consultation (including with the local community in and near the areas concerned) in the course of undertaking the Alignment Definition Study. The community consultation has been undertaken through letters to the directly affected community and newsletters to the wider community. Meetings with directly affected landowners were offered, and accepted by one landowner.

MRWA advises that the key feedback received from the community was to avoid private property impacts. This led to the proposed further northward realignment of Neaves Road to avoid private property impacts in that area.

Should the WAPC agree to initiate the proposed MRS amendment, the amendment process will involve the State planning agencies undertaking further consultation with the community and other agencies, including the City. This will initially involve a request from the State planning agencies for preliminary comments, and subsequently formal advertising for submissions. MRWA advises that judging by other similar projects it has done, it may possibly be several years before formal advertising occurs. When this does occur, a report will be presented for Council consideration.

Comment

The future provision of this proposed north-south route is required to facilitate the efficient and economic movement of traffic (including freight) throughout this part of the metropolitan region.

The future provision of the proposed Neaves Road realignment will result in a major link between the North-West and North-East Sub-regions, and will provide a direct freight link between the Neerabup Industrial Area (and any other future industrial areas in this vicinity such as South Pinjar) and the major freight handling facilities at Muchea. This should also significantly improve the Neerabup Industrial Area's exposure, as compared to the previous plans to have Joondalup Drive as part of the east-west regional link.

It is therefore recommended that Council support the MRWA's proposals as presented, but subject to this being without prejudice to Council's further future consideration of these proposals when the WAPC undertakes further consultation as part of the formal MRS amendment process.

Statutory Compliance

Should the proposed regional road reserves be reserved under the MRS, they will be automatically reflected as regional reserves on City of Wanneroo District Planning Scheme No. 2 (DPS 2), with no requirement for amendment of DPS 2 to do this.

Strategic Implications

The proposal aligns with the following objective within the Strategic Community Plan 2017 – 2027:

“3 *Environment (Built)*

3.5 *Connected and Accessible City*

3.5.3 *Advocate for major integrated transport close to communities”*

Risk Management Considerations

There are no existing Strategic or Corporate risks within the City's existing risk registers which relate to the issues contained in this report.

Policy Implications

Nil

Financial Implications

Provision of the WYH in respect to both land acquisition and construction will be a State government responsibility.

Provision of the Neaves Road realignment in respect to land acquisition and construction is anticipated to be either State government responsibility, or subject to future developer contribution arrangements, depending on where the relevant section of the road lies in respect to future land development.

Voting Requirements

Simple Majority




Recommendation

That Council ADVISES Main Roads Western Australia (MRWA) that, without prejudice to any further consideration it may give to this matter through the course of the intended Metropolitan Region Scheme amendment process:-

- 1. It SUPPORTS the proposed alignments for the Whiteman Yanchep Highway (Gnangara Road to Neaves Road) and the proposed alignment of Neaves Road into Flynn Drive as shown on the plans included in Attachments 1 and 2 of this report;**
- 2. It SUPPORTS MRWA in making an application to the Western Australian Planning Commission to amend the Metropolitan Region Scheme to reserve these proposed road alignments under that scheme; and**

3. It DOES NOT SUPPORT the location of the future East Wanneroo rail corridor along the Whiteman Yanchep Highway alignment and that the City will continue to advocate for the rail corridor to be located within the new East Wanneroo urban area to achieve better transport and land use integration.

Attachments:

- | | | |
|---|-----------------------------|-----------|
| 1  | Summary WYH.pdf | 17/405938 |
| 2  | WYH reservation on MRS.pdf | 17/405745 |
| 3  | WYH preferred alignment.pdf | 17/406063 |

Whiteman Yanchep Highway – Summary for City of Wanneroo, October 2017

Summary

Main Roads has been progressing an Alignment Definition Study for the Whiteman Yanchep Highway between Gngangara Road and Neaves Road, including a Realignment of Neaves Road into Flynn Drive.

Planning for the highway further north of Neaves Road, up to the Mitchell Fwy in the vicinity of Yanchep, will be the subject of a future planning study yet to commence.

This is a long term planning activity and there is currently no funding for construction. Transport modelling indicates the Whiteman Yanchep Highway will be required up to Neaves Road by 2031.

The future opportunity for heavy rail in the median has been provided, however this is subject to more detailed planning on the East Wanneroo Rail Line.

Main Roads is now seeking the following, either from City of Wanneroo Council or Administration:

- Endorsement for the progress to date on the Whiteman Yanchep Highway, Gngangara Road to Neaves Road, Alignment Definition Study.
- Endorsement of Main Roads progression towards a Metropolitan Region Scheme Amendment for the Whiteman Yanchep Highway, Gngangara Road to Neaves Road.

Background

The need for a new North South route in East Wanneroo was originally identified in the North West Corridor Structure Plan Review conducted by ARRB on behalf of the Department of Planning (DoP) in 2009. The route was subsequently endorsed by the Infrastructure Coordinating Committee of the Western Australian Planning Commission in June 2010. An indicative alignment for the route between Gngangara Rd and Neaves Rd was first identified in the East Wanneroo Structure Plan 2011.

The proposed highway is located in the North West Corridor of the Perth metropolitan area. It is within the City of Swan and the City of Wanneroo and runs from just south of Gngangara Rd where it deviates from the Perth Darwin National Highway (PDNH) / Tonkin Highway which is part of the NorthLink WA Project, up to Mitchell Freeway in the vicinity of Yanchep.

A possible alignment between Gngangara Road and Neaves Road was identified as part of the road study undertaken by the DoP in 2010. Main Roads has reviewed this previous work and has progressed work to define an alignment and subsequent reservation in the MRS.

A preferred alignment for the section north of Neaves Road up to Mitchell Freeway in the vicinity of Yanchep was selected as part of the Alignment Selection Study conducted by Main Roads WA in consultation with key stakeholders. The outcomes of this study and preferred alignment were presented to the WAPC in April 2015 and a preferred alignment endorsed by the WAPC in June 2015. A subsequent alignment change at the northern end was endorsed by the WAPC at the October 2016 meeting. The alignment change was to avoid impact to a Caves TEC which is a key commonwealth environmental value the SAPPR is aiming to protect.

Refinements to the preferred alignment for the southern section, between Gngangara Road and Neaves Road was endorsed by the WAPC in November 2015. These alignment changes aimed to minimise Bush Forever impacts which was a key point of feedback through the SAPPR process. The Alignment Definition Study for the southern section, is now complete and is ready for the initiation of an MRS Amendment.

Progress to Date

Main Roads has been progressing an Alignment Definition Study for the Whiteman Yanchep Highway, Gngangara Road to Neaves Road, which is now complete. The purpose of this study was to undertake activities required to inform an Ultimate Planning Design Concept and required road reservation so a Metropolitan Region Scheme (MRS) Amendment can be progressed.

The scope of the study includes an extension of Flynn Dr between Old Yanchep Road and the Whiteman Yanchep Hwy which is proposed to connect into Neaves Rd to the east at a grade separated interchange with the highway. The study also includes a realignment of Neaves Rd between the highway and the Local Government boundary between the City of Swan and the City of Wanneroo. This work links into the Neaves-Rutland Other Regional Road study currently being conducted by the Department of Planning and previous planning work conducted along Flynn Dr.

The following key activities have been conducted as part of the alignment definition study:

- Review of the Preferred Alignment and connecting road network
- Interchange Option Assessment
- Transport Modelling & Traffic Analysis
- Opportunities and Constraint Assessment
- Preparation of Ultimate Planning Design Concept, Carriageway Pattern and Profiles Drawings, and Land Protection Plan Drawings.
- Access Strategy
- Utilities Strategy
- Water Management Strategy
- Environmental Impact Assessment
- Heritage Assessment
- Noise Impact Assessment
- Basic Raw Materials Strategy
- Stakeholder & Community Consultation

The traffic assessment was based on transport modelling conducted jointly with the NorthLink WA project for an ultimate build out time horizon, indicatively around 2050. The Planning Design Concept was prepared to provide sufficient future capacity identified through the traffic assessment. An assessment to provide for managed freeway requirements was also conducted. Transport modelling indicates this section of the highway, up to Neaves Road, is required before 2031 and the section north of Neaves Road is required sometime after 2031.

A desktop constraints and opportunities assessment was conducted as part of the study. The key constraints identified within the study area were small areas of Bush Forever and Conservation Category Wetlands, Wellhead Protection Zones and water pipelines associated with water bore infrastructure, mining tenements and leases. The large majority of the study area is within the Gngangara Moore River State Forest and the Priority 1 Underground Water Pollution Control Area associated with the Gngangara Mound.

The Planning Design Concept prepared comprised road design for the control of access

highway including three interchanges at Elliot Road, Ranch Road and Neaves Road / Flynn Drive, waterways and drainage design, a principal shared path and a required road reservation. Concept Plan, Carriageway Pattern and Profile Drawings and Land Protection Plans were drafted based on the Ultimate Planning Design Concept to inform the MRS Amendment.

Ultimate planning for the Whiteman Yanchep Highway between Gngangara Road and Neaves Road is for a six lane control of access highway with grade separated interchanges at all cross roads. A 22m median has been adopted to provide the potential for future heavy rail in the median. This is the alignment for the East Wanneroo Rail Line, as denoted in the Draft Perth and Peel at 3.5 Million Population Framework. Interchanges are planned at Gngangara Road, Elliot Road, Ranch Road and Neaves Road / Flynn Drive. Elliot Road and Ranch Road have been designed as Grade Separated Dogbone Roundabout Interchanges. Gngangara Road and Neaves Road / Flynn Drive have been designed as Grade Separated Egg-shaped Roundabout Interchanges.

An access strategy was developed to map out agreed future access points. This included the identification of future access points to the Whiteman Yanchep Highway, which are to be at interchange locations only, as well as access to the sections of Neaves Road and Flynn Drive within the study area. No private property access is to be permitted to the Whiteman Yanchep Highway, Neaves Road or Flynn Drive. Access to the State Forest area east of the highway is proposed to be retained via interchanges, to driveway standard only to the east.

A utilities strategy was developed to identify utilities within the study area, which include Western Power Distribution & Transmission Lines, Water Corporation Bore Main Pipelines, Telstra Underground Cables, Underground Gas Pipeline, Underground Electrical Cable and Telecommunication Towers. The majority of the services are low risk and should be managed at detailed design stage. High risk services include high voltage power lines north of Neaves Road, which the alignment has been modified to accommodate and a high pressure gas main adjacent to the Neaves Road Realignment.

A water management strategy was developed to manage the risk to the Underground Water Pollution Control Area and the associated water bore infrastructure. The strategy outlines the drainage approach taken for the study, which adopted a water sensitive urban design approach. This meant, even through the Wellhead Protection Zones, an unkerbed cross-section has been assumed with 3m flat bottom swale drains allowing for infiltration.

An Environmental Impact Assessment was undertaken to determine likely environmental approval processes and activities required prior to project approval. This included biological surveys conducted in spring 2014 and spring 2015. An Avoid, Minimise, Mitigate then Offset approach was taken to potential environmental value impacts. Several Bush Forever Sites were unable to be avoided by the proposed road reservation, with impacts totalling 13.9 hectares.

A Heritage Assessment was undertaken to determine if any Aboriginal Sites exist within the proposed highway corridor. Fieldwork for the surveys were conducted in February and May 2017. No known sites are within the survey area. No places that might be defined as sites were found, one place was identified as a potential heritage place but no consensus was reached. Main Roads intends to investigate whether avoidance of potential heritage place at further detailed planning and project development stages. Section 18 approval will be sought prior to construction of the future highway for the entire project corridor.

A Noise Impact Assessment was undertaken to determine the need for any noise mitigation measures required in accordance with Western Australian Planning Commission State Planning Policy 5.4 Road and Rail Transport Noise and Freight Considerations in Land Use Planning. The assessment found noise barriers would not be required to not exceed the limit, but would be required along Neaves Road to not exceed the target noise thresholds.

The majority of the alignment is covered by mining tenements and leases for sand materials. A Basic Raw Materials strategy was prepared based on this being a key risk to the future development of the route. Timing for mining operations, and finish levels at the time the highway is constructed, potentially post mining operations, are currently unknown. This will require further refinement and agreement throughout more detail planning and development stages. Consultation with mining operators has commenced and is anticipated to be ongoing.

A high level risk assessment was undertaken to outline the key risks to the future development of the route. The key risks were identified to be the Priority 1 Underground Water Pollution Control Area and associated water bore infrastructure, Basic Raw Materials, Mining Tenements and Mining Leases along and adjacent to the alignment, staging of development within the East Wanneroo Structure Plan area, the alignment of the East Wanneroo Rail Line and the Strategic Assessment of the Perth and Peel Regions and the required environmental approvals.

Stakeholder and community consultation was undertaken to ensure valuable feedback was received and communication was made at this early planning stage. Stakeholder consultation was undertaken in the form of Stakeholder Reference Group meetings. Community consultation was undertaken in the form of letters to the directly affected community and newsletters to the wider community. Further community consultation will be conducted as part of the MRS Amendment Public Comment Period.

A realignment to Neaves Road was investigated subsequent to community consultation, as shown at Figure 1, with the previous alignment in yellow and the new alignment in red. This realignment aimed to avoid impact to private properties north of Neaves Road, which was a key point of feedback received, as well as a 10m offset to a high pressure gas main. There was an additional impact to environmental values identified by the realignment, including to Bush Forever sites 398 and 399. The original reservation and earthworks impacted 11.5 hectares versus the new proposed realignment impacting 13.9 hectares of Bush Forever. There are similar impacts to wetlands from both the original and proposed alignments. The Neaves Road Realignment was accepted and included in SAPPR.

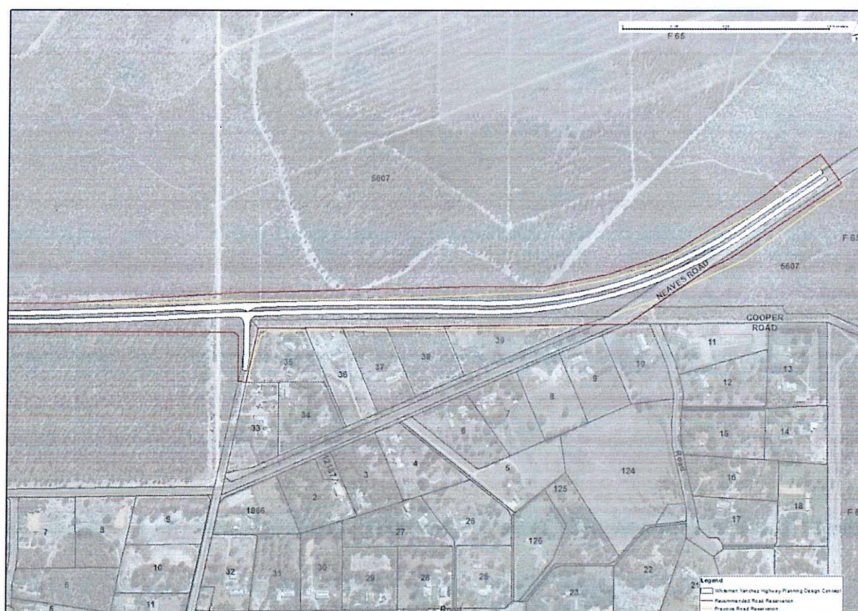


Figure 1 – Neaves Road Realignment

The required road reservation, as shown at Figure 2, was identified through activities conducted as part of this Alignment Definition Study, and is based on the Ultimate Planning Design Concept. The required reservation is now recommended to be taken forward to a Metropolitan Region Scheme Amendment. As most (92%) of the required reservation falls within the Gnaragara Moore River State Forest, an excision from Conservation Estate process through both houses of parliament will also be required.



Figure 2 – Ultimate Planning Design Concept & Recommended Road Reservation

Consultation

Consultation with key stakeholders as part of the Alignment Definition Study has taken place mainly in the form of Stakeholder Reference Group meetings held on the 19th June 2015, 23rd September 2015. The following organisations were consulted with as part of the study:

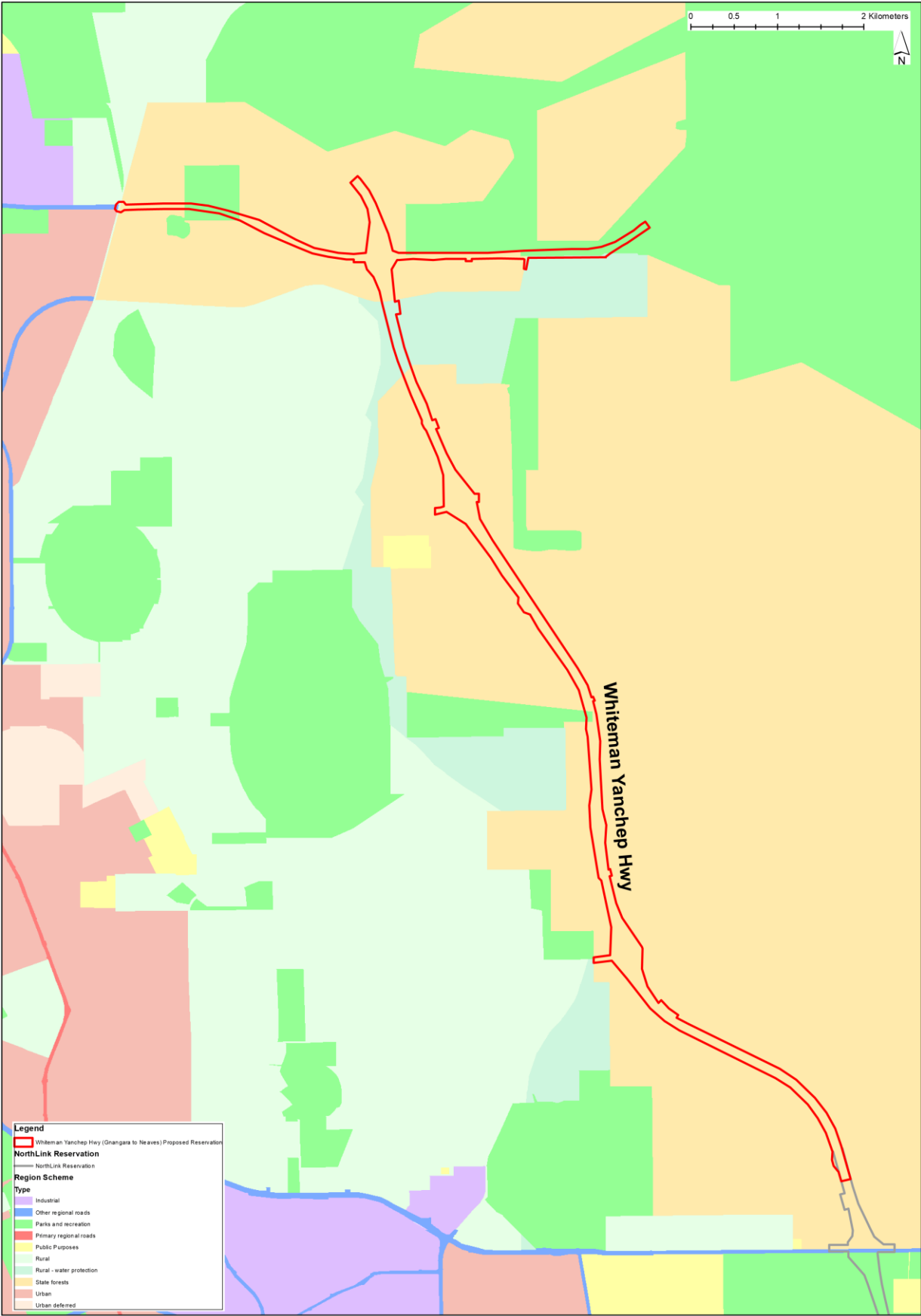
- Department of Transport
- Public Transport Authority
- Department of Planning
- City of Wanneroo
- City of Swan
- Department of Housing
- LandCorp
- Department of Water
- Water Corporation
- Department of Parks & Wildlife
- Office of the Environmental Protection Authority
- Department of Environmental Regulation (distribution only)
- Department of Mines and Petroleum
- Western Power
- Department of Health
- Department of Premier and Cabinet (distribution only)
- ATCO Gas

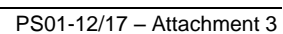
All stakeholders to date have been supportive of the proposal.

A Briefing to City of Swan Council was held February 2016 and support was confirmed in April 2016.

Community consultation has also been conducted. Letters to directly affected landowners and mining tenement holders were sent 7th November 2016. Subsequently a newsletter was distributed to the wider community. Meetings with mining operators have been held and consultation is expected to be ongoing till construction. Meetings with directly affected land owners were offered, land owners from one property took up this offer. Banksia Grove Residents' Association have provided support for the future highway in a letter dated 23rd January 2017.

A key point of feedback received through community consultation was to avoid private property impacts. Subsequently a realignment of Neaves Road to avoid private property impacts north of Neaves Road was investigated, as discussed above, and included in the final proposal.





Approval Services

PS02-12/17 SAT Reconsideration of Development Application (DA2015/2161) for Restaurant and Rural Use at Lot 506 (272) Old Yanchep Road, Carabooda

File Ref:	DA2015/2161 – 17/342688
Responsible Officer:	Director Planning and Sustainability
Disclosure of Interest:	Nil
Attachments:	5
Previous Items:	PS01-04/17 - SAT Reconsideration of Development Application (DA2015/2161) for Restaurant and Rural Use at Lot 506 (272) Old Yanchep Road, Carabooda - Ordinary Council - 04 Apr 2017 7.00pm PS03-12/16 - Consideration of Development Application for Restaurant and Rural Use at Lot 506 (272) Old Yanchep Road, Carabooda (DA2015/2161) - Ordinary Council - 06 Dec 2016 6.00pm

Issue

To reconsider the refusal of a development application for a Restaurant and Rural Use at Lot 506 (272) Old Yanchep Road, Carabooda (subject site) in response to an invitation made by the State Administrative Tribunal (SAT), pursuant to Section 31 of the *State Administrative Tribunal Act 2004 (WA)*.

Applicant	Gary Wood and Karla Champion
Owner	Gary Wood and Karla Champion
Location	Lot 506 (272) Old Yanchep Road, Carabooda
Site Area	10.2 hectares
DPS 2 Zoning	Rural Resource

Background

On 23 November 2015, the City received a development application (DA2015/2161) for a Restaurant and Rural Use at the subject site. A location plan of the subject site is provided as **Attachment 1**. The applicant proposed a Restaurant and Rural Use which are intended to operate alongside the existing lavender farm on the subject site. The details of the proposal when submitted are outlined below:

Restaurant

- Construction of a new building to accommodate a Restaurant, with both indoor and outdoor seating;
- Operating hours: 10.30am – 10.30pm (Monday to Sunday, including Public Holidays);
- Six Restaurant employees;
- 42 onsite car parking bays and three bus parking bays;
- Maximum 50 customers per day (Monday to Wednesday) and 152 customers per day (Thursday to Sunday, including Public Holidays).

Rural Use

- Distilling of lavender products in an existing shed on the subject site, which was approved by the City in 2006;
- Three Rural Use employees;
- Operating hours: 7.00am – 5.00pm (Monday to Sunday, including Public Holidays);

- Selling (by retail) products made from the lavender grown on the farm, such as oils, dried flowers, soaps, creams, potpourri, plants, lavender tea, honey and ice cream. The retail sale of products will take place from a stall within the proposed Restaurant.

DA2015/2161 was advertised for a period of 14 days in accordance with Clause 64(3) of the Deemed Provisions of DPS 2. Four submissions were received during this time, raising objections to the proposed development. The main objections raised by the submitters related to:

- The incompatibility of the Restaurant use with the surrounding agricultural area; and
- Potential complaints from the owners of the Restaurant, regarding noise and odour from surrounding agricultural land uses, which will threaten the viability of these agricultural land uses.

On 6 December 2016, Administration presented a report to Council (PS03-12/16) to determine DA2015/2161, whereby the application was refused for the following reasons:

1. *The proposed Restaurant is not considered to be compatible with the surrounding Intensive Agriculture land uses and is therefore not considered to be consistent with the objectives of the Rural Resource zone; and*
2. *The proposed Restaurant may be impacted by the activities associated with the operations of the Intensive Agriculture uses in the surrounding area.*

State Administrative Tribunal (SAT) Proceedings

Following Council's decision, the applicants exercised their rights to seek a review of the decision at SAT.

Following SAT mediation on 14 February 2017, the applicants provided a revised application, including:

- Proposed signage to warn Restaurant customers that they are entering an agricultural area, and may be exposed to noise, odour and spray; and
- Landscaping to be planted around the proposed Restaurant to reduce the effects of noise, odour and spray.

SAT invited Council to reconsider its 6 December 2016 decision in light of the revised application. At its 4 April 2017 meeting, Council affirmed its 6 December 2016 decision and refused the modified application, for the same reasons as the refusal dated 6 December 2016.

Following a further SAT mediation on 3 October 2017 the SAT issued the following orders:

1. By 23 October 2017 the applicant shall file with the Tribunal and copy to the respondent revised plans and supporting information for the proposed development.
2. Pursuant to s31(1) of the State Administrative Tribunal Act 2004 (WA) the respondent is invited to reconsider its decision in light of the revised plans at the Ordinary Council meeting on 5 December 2017.
3. The proceeding is adjourned to a directions hearing at the Tribunal at 9.30am on Friday 15 December 2017 in order to await the reconsideration.

As per the SAT orders the applicants submitted a modified application on 16 October 2017, which is included as **Attachment 2**.

Rural Use Component

As advised in a memorandum to the Mayor and Councillors dated 24 October 2017, Administration has approved the Rural Use component of the proposal under a separate application (DA2017/1054), which was submitted to the City on 21 August 2017. This application was approved under delegated authority on the basis that Rural Use is a permitted 'P' use in the Rural Resource zone and is compliant with the requirements of DPS 2.

Under DA2017/1054, the point of sale for the lavender products was approved within the existing shed on the subject site. The applicants have since advised that they would also like to sell lavender products from within the Restaurant, if approved. This proposal is considered in the 'Discussion' section below.

Detail

The modified application included a plan for a fencing and vegetation buffer to be installed to reduce the effects of noise, odour and spray drift from the surrounding properties (included in **Attachment 2**). The details of this proposed buffer are as follows:

- 1.8m-high cyclone fencing, covered in a hessian material, on portions of the western and eastern lot boundaries; and
- The planting of a variety of vegetation species along the western and eastern lot boundaries.

Consultation

The submitters to the application have been advised that DA2017/1054 has been approved by Administration under delegated authority. Additionally, the submitters have been advised of the proposed modifications to the application for the Restaurant.

Comment

Rural Use

In addition to the Rural Use approved under DA2017/1054, the applicants have proposed to include the retail sale of lavender products from a stall within the Restaurant. As discussed in the report to Council dated 6 December 2016, the proposed Rural Use is consistent with the objectives of the Rural Resource zone and is therefore supported by Administration.

Noise, Odour and Spray Drift from Surrounding Agricultural Properties

One of the reasons for refusal of the original application was that the proposed Restaurant may be impacted by the activities associated with the operations of the Intensive Agriculture uses in the surrounding area. Administration considers that the potential impacts on the Restaurant may relate to noise, odour and spray drift produced by the surrounding Intensive Agriculture uses.

The surrounding properties which are currently being used for Intensive Agriculture are required to comply with the relevant legislation relating to noise, odour, dust and pesticide use, which are as follows:

- Noise: *Environmental Protection (Noise) Regulations 1997*
- Dust and odour: *Private Property Local Law 2001*
- Spray drift: *Health (Pesticides) Regulations 2011*

This legislation applies to the surrounding properties, irrespective of whether the proposed Restaurant is operating from the subject site. The City will be required to investigate any complaints from the landowners of the subject site. If there are no breaches to the relevant legislation, then no action will need to be taken by the City. Notwithstanding these requirements, the applicants have proposed a landscaping and fencing buffer to manage any dust, odour and spray drift that may result from the operations of the surrounding properties. The City has not received any complaints from the existing two dwellings located on the subject site relating to the intensive agriculture operations on the adjacent sites which indicates that they have not caused any significant noise, dust, odour or spray drift issues.

As discussed in the report presented to Council on 4 April 2017, the landscaping buffer shown in the modified plans provided following the 14 February 2017 SAT mediation was not considered sufficient to act as a buffer to noise, odour and spray drift from the surrounding agricultural land uses.

Following the refusal of the modified application at the 4 April 2017 Council Meeting, the applicants engaged a landscaping consultant, who prepared a plan for a fencing and vegetation buffer on the subject site, including maintenance details (included in **Attachment 2**). The applicant has also provided advice from an environmental consultant on the proposed buffer (**Attachment 3**).

Altus Planning, who were appointed by the City to assist with the SAT matter, also engaged an environmental consultant to review the applicants' buffer plan.

Further discussion on the issues of noise, odour and spray drift is provided below.

Noise

As per section 6.19 of **Attachment 3**, the environmental consultant engaged by the applicants advised that the potential for noise from the surrounding agricultural uses to be an issue for customers of the proposed Restaurant is very low, given the setbacks of the proposed Restaurant from the lot boundaries of the surrounding agricultural properties. As illustrated in **Attachment 2**, the proposed Restaurant is setback a minimum of 80m from each of the lot boundaries.

The environmental consultant engaged on behalf of the City has provided the following comments in relation to potential noise impacts on the Restaurant: *"Given the transient nature of the agricultural uses, it is unlikely that there will be any significant risk of unacceptable impacts at the restaurant...the buffers and fencing will assist in reducing any noise from the adjacent agricultural uses."*

Notwithstanding these comments above, Administration notes that there is still the potential for the operations of the surrounding agricultural uses to impose noise impacts on the customers of the Restaurant, particularly for those customers of the outdoor alfresco areas. As no acoustic consultant's report was provided with the modified application provided on 16 October 2017, a condition of approval is recommended, requiring an acoustic consultant's report to be provided by the applicant, prior to the commencement of the development. If the acoustic consultant's report identifies any specific modifications to the Restaurant that are required to ensure that the noise levels received by the indoor and outdoor seating areas comply with the *Environmental Protection (Noise) Regulation 1997*, then these modifications would need to be made to the satisfaction of the City.

Odour and Spray Drift

The property to the west of the subject site (222 Old Yanchep Road, Carabooda) is cultivated for the production of various crops, including broccoli, cauliflower, iceberg lettuce and melons. Spraying at this property occurs on a weekly basis, with the assistance of fans. The property to the east of the subject site (296 Old Yanchep Road, Carabooda) is cultivated for

the production of cabbage, celery and lettuce. Details on the spray frequency for the property to the east have not been provided. No market garden operations are currently present on the lot to the south of the subject site (260 Old Yanchep Road, Carabooda).

As detailed in the report to Council dated 4 April 2017, an effective vegetation buffer should satisfy a number of requirements, one of which is being a minimum of 40m in width, made up of a 20m-wide landscaping area with 10m-wide fire breaks on either side. These landscaping buffer requirements are established by the Department of Health (DoH). So as to avoid conflicting with the existing lavender fields, the applicants have proposed a 10m-wide landscaping strip, in lieu of the 20m strip specified by the DoH. As per sections 6.12 – 6.13 of **Attachment 3**, the environmental consultant engaged by the applicants advised that studies have found that a reduced landscaping width is still effective in mitigating odour and spray drift issues. Therefore, the applicants' environmental consultant concluded that the reduced landscaping width is considered to meet the buffer requirements of the DoH.

In addition to the vegetation buffer proposed, the applicants have also proposed 1.8m-high cyclone fencing on portions of the western and eastern lot boundaries (see **Attachment 2**). The fencing will be covered in a hessian mesh cloth material, which allows 50% air flow. This fencing is intended to provide a buffer until the proposed vegetation buffer is established.

As shown in the floor plan of **Attachment 2**, additional shade cloth-type screening is proposed to the alfresco area, which is to be incorporated into the western side of the Restaurant. This screening could be lowered when wind speeds increase around the Restaurant, increasing the comfort of Restaurant customers.

The environmental consultant engaged on behalf of the City has provided the following comments in relation to potential odour and spray impacts on the Restaurant: *"I am satisfied that what is proposed, as outlined in the Witness Statement of [the applicant's environmental consultant], will provide an appropriate level of protection in relation to spray drift, dust and odour."* Further to this advice, two conditions are recommended to ensure that the proposed buffer is a sufficient mechanism for addressing odour and spray drift: 1) the extension of the proposed fencing (including the hessian material) on the western boundary down to the southern lot boundary; and 2) maintenance of the proposed landscaping and fencing to be in accordance with the maintenance plan included in **Attachment 2**. Both of these are included as recommended conditions of any development approval issued.

In relation to the absence of a landscaping buffer on the eastern boundary, the City's environmental consultant has advised the following:

"The level of impact on the eastern boundary is unlikely to be as significant as that from the west. There is less of a 'source' due to a more limited area of agriculture and greater separation between source and receptor. Further to this, the general prevailing winds will be south-westerly/westerly and thus the need for the vegetated buffer along the western boundary of the property. The eastern boundary will however incorporate a 'fenced' buffer to provide further reduction of any realised impacts if they arise."

In response to Administration's concerns that the proposed landscaping will not be able to provide a sufficient buffer until such time as it is fully grown, the City's environmental consultant has advised the following:

"The fenced buffer proposed along both boundaries will provide appropriate protection from the potential impacts associated with dust, spray drift and odour from the agricultural uses on the adjacent properties."

It is also noted that the fencing and vegetation buffer plan provided by the applicant identifies the proposed species as fast growing.

In accordance with the City's *Fencing Local Law 2016*, a sufficient dividing fence for a rural lot is a fence which is no more than 1.2m in height and is constructed of posts and wire. The proposed fencing, shown in **Attachment 2**, is 1.8m in height and is covered in a hessian material, which is inconsistent with the definition of a sufficient fence under the *Fencing Local Law 2016*. In accordance with the *Fencing Local Law 2016*, a person must not construct a dividing fence that does not satisfy the requirements of a sufficient fence, unless by agreement between the owners of the adjoining properties. To this end, the applicant has provided comments from the owners of the lots which have battle-axe driveways adjoining the proposed fencing, who have indicated that they have no objection to the height and materials proposed (see **Attachment 4**). It is noted that as per Clause 61(1)(n) of the Deemed Provisions of DPS 2, the erection of a boundary (dividing) fence does not require development approval.

In accordance with Clause 3.17.2(i) of DPS 2, applications for 'sensitive uses' (which includes public establishments where food and drink are consumed) within the Rural Resource zone are to be accompanied by a written statement from the landowners, acknowledging the nature and legitimacy of nearby existing and future priority uses (that is, intensive agriculture, horticulture and basic raw materials extraction). This written statement is also required to demonstrate the landowner's acceptance of the existence, or potential existence, of noise, dust, odour and other impacts which may be associated with priority uses. A written statement to this effect has been provided by the owners of the subject site.

Further to the above, Clause 3.17.2(k) of DPS 2 requires the landowners to arrange for the inclusion of a notification on the title of the subject site, alerting future landowners of the odours, noise, spray drift and dust which may be associated with the existing and future operation of the priority land uses. A condition of Development Approval has therefore been recommended to address this requirement.

To summarise the above, the applicants have provided a plan for a fencing and vegetation buffer on the subject site which is intended to address potential spray drift and odour issues. The applicants have engaged an environmental consultant to review the plan, who has advised that the proposed landscaping and fencing is considered to meet the buffer requirements of the Department of Health. The environmental consultant engaged on behalf of the City has also reviewed the plan and has advised that the proposed buffer is considered appropriate to address potential spray drift and odour issues. The applicants have also provided a written statement, acknowledging the nature and legitimacy of nearby existing and future priority uses, as required under DPS 2.

Access and Egress Considerations for the Subject Site

The applicant has advised that the proposed Restaurant and Rural Use will attract a maximum of 152 customers per day. The proposal was referred to the City's Traffic and Transport business unit, who advised that the traffic volumes associated with the proposed development will exceed those of a standard rural property. The City's Traffic and Transport service unit has advised that the existing crossover to the subject site is required to be upgraded to the specifications detailed in *Austroads Guide to Road Design*, in order to allow vehicles to safely transition between the low speed driveway on the subject site and Old Yanchep Road which has a speed limit of 110 km/hr. This upgrade involves the construction of short entry and exit crossover wings so that buses and smaller vehicles can safely decelerate to enter the subject site and have adequate sightlines to safely exit the subject site. It is therefore recommended that, as a condition of any development approval granted, the crossover for the subject site be upgraded in accordance with *Austroads Guide to Road Design*.

In order to suppress dust from the site, and to improve the safety of vehicles entering the property, an additional condition is recommended, which requires the applicant to compact and seal the first 10m of the driveway, as measured from the street boundary.

Car Parking

In accordance with DPS 2, the proposed development requires at least 38 car parking bays to be provided onsite (one bay for every four people accommodated). The application includes the provision of 42 onsite car parking bays and 3 onsite bus parking bays to service the proposed development which complies with the provisions of DPS 2. **Attachment 5** shows the area of the existing lavender fields, the proposed Restaurant and the car parking area.

Compatibility of a Restaurant in the Rural Resource Zone

State Planning Policy 2.5 – Rural Planning (SPP 2.5), which emphasises the importance of intensive agricultural products to the State's economy, identifies Carabooda as a main provider of such products. One of the objectives of SPP 2.5 is to limit the introduction of sensitive land uses that may compromise existing and future primary production on rural land. Whilst the definition of 'sensitive land use' under SPP 2.5 largely relates to residential and institutional buildings (such as dwellings, schools and hospitals), the definition of 'sensitive use' under DPS 2 specifically refers to public establishments where food and drink is consumed (such as a Restaurant).

Similar to the objectives of SPP 2.5, DPS 2 specifies that the objectives of the Rural Resource zone, in which the subject site is located, are as follows:

- a) *Protect from incompatible uses or subdivision, intensive agriculture, horticulture and animal husbandry areas with best prospects for continued expanded use; and*
- b) *Protect from incompatible uses or subdivision basic raw materials priority areas and basic raw materials key extraction areas.*

At its meeting on 4 April 2017, Council resolved to affirm its decision to refuse the application for a Restaurant and Rural Use on the basis that a Restaurant is an incompatible land use within the Rural Resource zone.

Whilst the proposed Restaurant may be considered a 'sensitive land use', the modifications made to the application are considered to satisfactorily address the potential impacts on the Restaurant (specifically relating to noise, odour and spray drift) by the activities associated with the operations of the Intensive Agriculture uses in the surrounding area. As such, the operation of the proposed Restaurant is not considered to compromise the ongoing Intensive Agriculture uses in the surrounding area and is therefore considered to be capable of approval amongst the surrounding uses.

The City has previously approved a Restaurant in the Rural Resource zone at 336 Karoborup Road, Carabooda (The Leopard Lodge), which is approximately 3.5km south of the subject site. Planning Approval was issued for this Restaurant in 2010 and since this time the surrounding area has continued to be used for a number of other land uses, including Intensive Agriculture, Aquaculture and a Cattery. There is no record of complaints from the Leopard Lodge regarding these surrounding land uses.

Outside of the City of Wanneroo, a number of tourism-related land uses co-exist besides rural land uses in other municipalities. The following examples from the City of Swan are located within the Swan Valley Rural zone, the objectives for which are similar to those of the City of Wanneroo's Rural Resource zone, in terms of protecting rural land uses from incompatible uses:

- The Feral Brewery
 - Located at 152 Haddrill Road, Baskerville;
 - Includes a restaurant which is open seven days per week;
 - Is surrounded by rural land uses.

- The Laughin' Barrel Winery
 - Located at 247 Haddrill Road, Baskerville;
 - Includes a restaurant which is open five days per week;
 - Is surrounded by rural land uses.
- Lamont's Winery
 - Located at 85 Bisdee Road, Millendon;
 - Includes a restaurant which is open four days per week;
 - Is surrounded by rural land uses.

The following example from the City of Busselton is located within the Agriculture zone, the objectives of which are also similar to those of the City of Wanneroo's Rural Resource zone, in terms of protecting the rural production capacity of the land:

- Cape Lavender Tea House
 - Located at 2 Canal Rocks Road, Yallingup;
 - Includes a restaurant which is open seven days per week;
 - Is surrounded by rural land uses.

These examples above, whilst from outside of the City of Wanneroo, demonstrate that a Restaurant is not, in its nature, incompatible with rural land uses such as those which surround the subject site. The process for dealing with the applications for these land uses are likely to be the same as this application, for example relating to considering the advice of traffic, health and other service units.

Contribution to Tourism in the City of Wanneroo

In the City's *Economic Development Strategy 2016 – 2021* (EDS), the continued growth and development of the local tourism industry is identified as one of the means of ensuring economic resilience for the City into the future. In conjunction with the EDS, the *Tourism Strategy and Action Plan 2011 – 2017* (TSAP) identifies tourism-specific goals and targets for the City. The vision of the TSAP is to “*provide a visitor experience that reflects the unique mix of culture, heritage and environment that makes Wanneroo a top ‘beach to bush’ destination*”.

The Restaurant and Rural Use is proposed to operate alongside the existing lavender farm on the subject site, with lavender products (for example soaps and oils) processed on site and available for sale. The applicant has advised that the Restaurant is proposed to be used to showcase and promote the local farming areas in Carabooda and to educate the public on horticulture across the broader Perth area.

The setting of the proposed Restaurant alongside an operational lavender farm provides visitors to the subject site the opportunity to experience an agricultural environment, which is in line with the vision of TSAP. As such, Administration considers that the proposed Restaurant and Rural Use will positively contribute to local tourism within the City.

Bushfire Planning Requirements

The subject site is identified as being located within a bushfire prone area. In accordance with *State Planning Policy 3.7 – Planning in Bushfire Prone Areas* (SPP 3.7) a development application within a bushfire prone area is to be accompanied by a Bushfire Attack Level (BAL) assessment. The BAL assessment provided with this application identified the site as having a fire rating of BAL – LOW, which is a low fire risk. Therefore, there are no further requirements for the applicant to comply with under SPP 3.7.

Conclusion

In light of the above, Administration considers that the amended application has adequately addressed the reasons for refusal and, subject to the recommended conditions, the proposed Restaurant and Rural Use are compatible with the surrounding intensive agriculture land uses and are consistent with the objectives of the Rural Resource zone and SPP 2.5.

Further to the above, Administration considers that the nature of the proposed Restaurant and Rural Use at the subject site will balance the value of ongoing Intensive Agriculture uses in the area and the value of promoting tourism within the City of Wanneroo.

Statutory Compliance

This application has been assessed in accordance with the City of Wanneroo's District Planning Scheme No. 2.

Strategic Implications

The proposal aligns with the following objective within the Strategic Community Plan 2017 – 2027:

“2 *Economy*

2.1 *Local Jobs*

2.1.2 *Build capacity for businesses to grow”*

Risk Management Considerations

Risk Title	Risk Rating
ST-S12 Economic Growth	Moderate
Accountability	Action Planning Option
Director Planning and Sustainability	Manage

The above risk relating to the issue contained within this report has been identified and considered within the City's Strategic risk register. Action plans have been developed to manage this risk to support and improve the existing management systems.

Policy Implications

State Planning Policy 2.5 – Rural Planning

Local Planning Policy 4.17 – State Administrative Tribunal

Financial Implications

Nil

Voting Requirements

Simple Majority

Recommendation

1. That Council pursuant to Section 31 (2) of the State Administrative Tribunal Act 2004 (WA), SETS ASIDE its decisions dated 6 December 2016 and 4 April 2017 and APPROVES the Development Application (DA2015/2161) as shown in Attachment 2 for the Restaurant at Lot 506 (272) Old Yanchep Road, Carabooda, subject to the following conditions:

- a) This approval only relates to the proposed Restaurant and Rural Use, as shown on Attachment 2. It does not relate to any other development on the site.
- b) The use of the approved premises shall conform to the City of Wanneroo's District Planning Scheme No. 2 definitions of Restaurant and Rural Use, which are:

Restaurant: means any premises where the predominant use is the preparation of food for sale and consumption within the building or portion thereof. The expression may include the sale of food for consumption off the premises, where Council is of the opinion that it is incidental to the business. The term may include an outdoor eating area which shall be treated as being within the building of the Restaurant. The expression excludes Drive Through Food Outlets.






Rural Use: Means agriculture, horticulture and may include aquaculture, and includes the raising of livestock and the retail sale of the produce of the property where satisfactory access and parking can be provide, and provided that any processing of the produce prior to sale can take place on site.

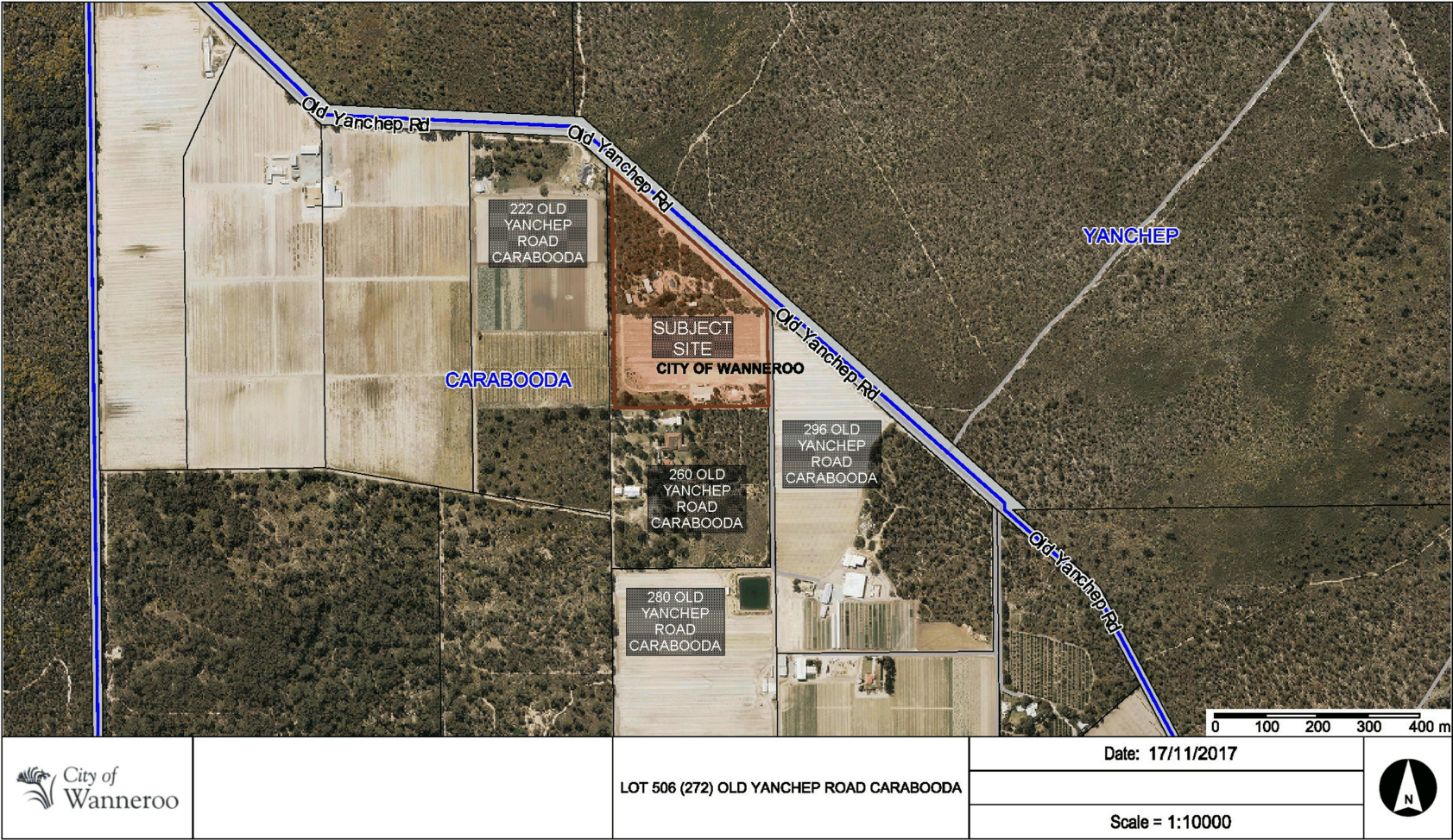
- c) Stormwater and any other water run-off from buildings or paved areas shall be collected and contained on site.
- d) The Restaurant shall be limited to a maximum of 152 customers at any one time.
- e) The operating hours of the Restaurant shall be limited to between 10.30am – 10.30pm, Monday to Sunday and on Public Holidays.
- f) The operating hours of the Rural Use shall be limited to between 7.00am – 5.00pm, Monday to Sunday and on Public Holidays.
- g) The existing vehicle crossover to the subject site shall be modified and constructed to the rural specifications detailed in *Austrroads Guide to Road Design*, prior to the Restaurant use commencing.
- h) The first 10m of the driveway from the street boundary is to be compacted and sealed to the satisfaction of the City.
- i) Parking areas shall be constructed with suitable materials appropriate to the rural location, to the satisfaction of the City.
- j) The plan for a fencing and vegetation buffer on the subject site (included in Attachment 2) shall be amended to show the proposed fencing (including the hessian material) on the western boundary extended to the southern boundary, and submitted to the City for approval prior to the Restaurant use commencing. Planting and installation shall be in accordance with the approved plan and thereafter shall be maintained to the satisfaction of the City.
- k) A notification under Section 70A of the Transfer of Land Act 1893 is to be prepared in a form acceptable to the City and lodged with the Registrar of Titles for endorsement on the Certificate of Title for the subject site, prior to the commencement of works associated with the Restaurant and Rural Use. The notification is to state as follows:

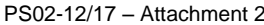
“This lot is located in the Rural Resource zone, where the priority land uses are intensive agriculture, horticulture and basic raw materials extraction. This lot may be affected by odours, noise, spray drift and dust associated with the existing and future operation of these land uses.”

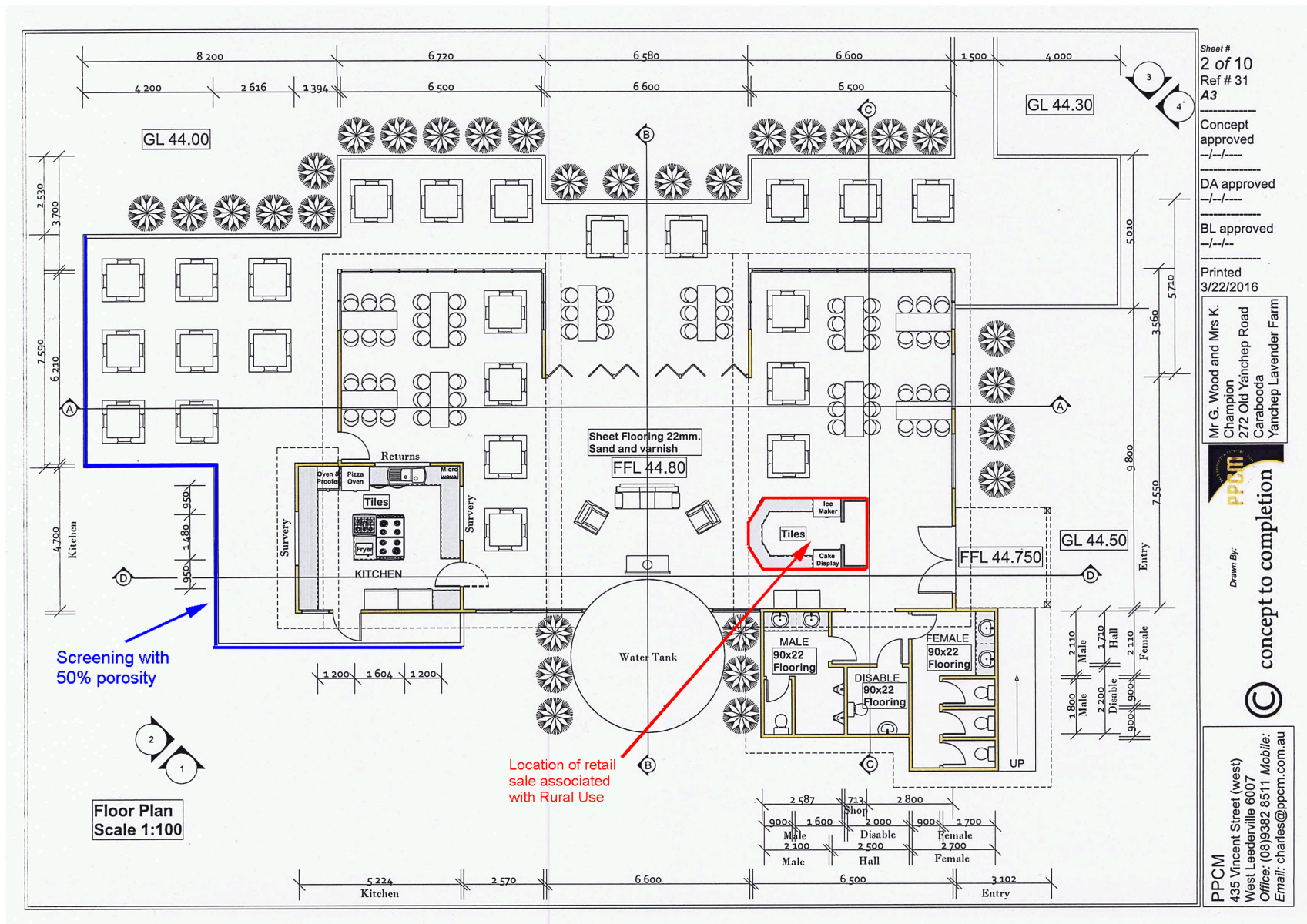
- I) An acoustic consultant's report is to be provided for the City's approval, prior to the commencement of development. This report is to indicate the anticipated sound level measurements for all types of noise associated with the surrounding agricultural land uses. The report must also indicate any specific requirements that are needed to ensure noise levels received by the indoor and outdoor seating areas of the proposed Restaurant comply with the Environmental Protection (Noise) Regulation 1997. Upon approval of that report by the City, any modifications required to the development as a result of its recommendations, shall be made to the City's satisfaction.**
- 2. ADVISES the State Administrative Tribunal, the applicant and the submitters of this decision.**

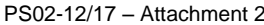
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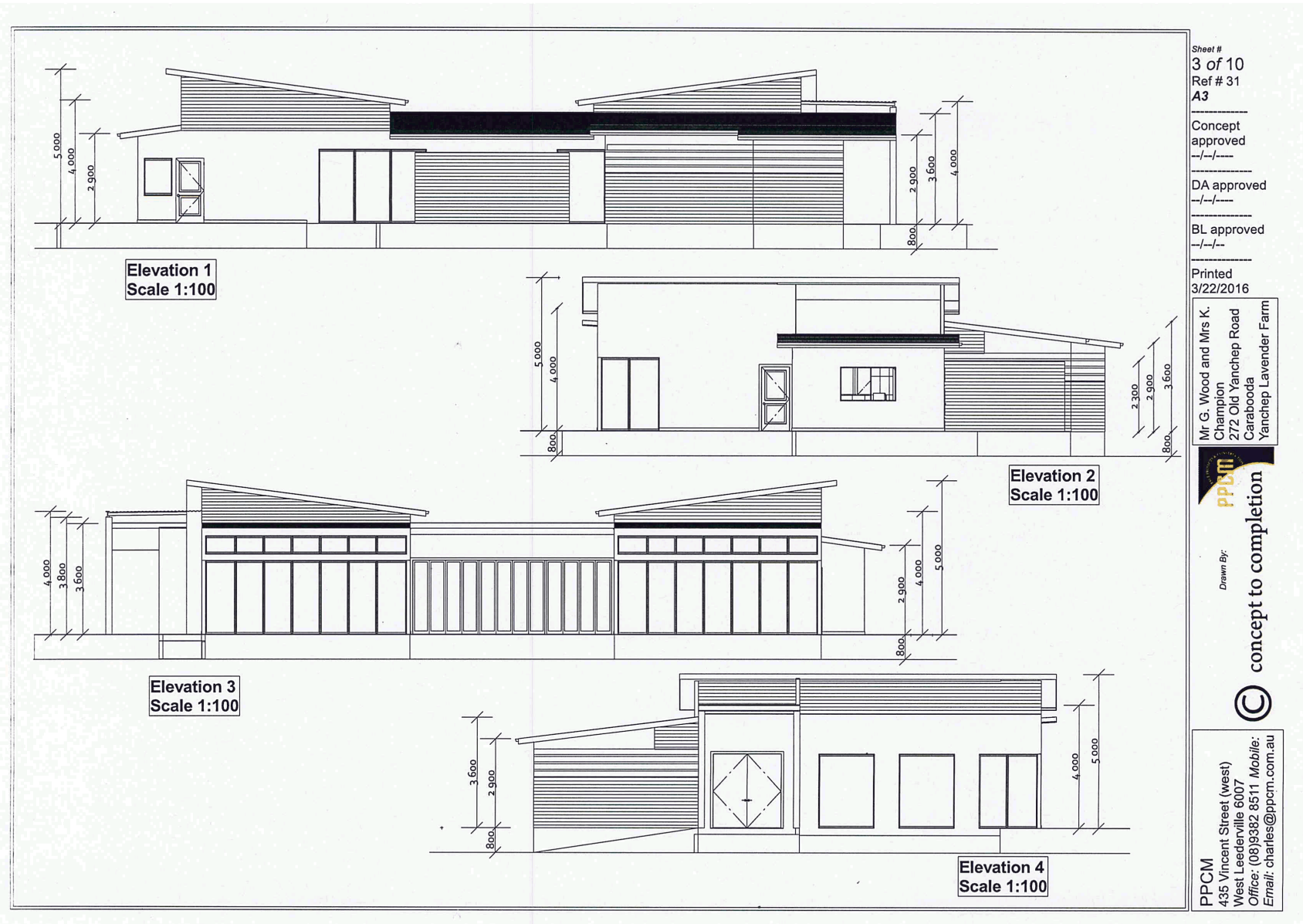
1	DA2015/2161 - Location Plan	17/398969	
2	DA2015/2161 - Development and Landscaping Plans	17/377286	Minuted
3	DA2015/2161 - Applicants' Environmental Consultant Comments	17/394430	
4	DA2015/2161 - Adjoining Landowner Comments on Proposed Boundary Fencing	17/377310	
5	DA2015/2161 - Site Plan Showing Area of Lavender Fields, Restaurant and Car Park	17/414038	











Signage to be displayed in a visible location within the car parking area

Warning

Please be aware that you are entering an Intensive Agriculture farming area.

In the normal course of operations during farming there may be noise from farming equipment and also dust generation, the wind may also carry some odours /mist.

Please take action if you have known allergies or if you feel ill notify management immediately.

Entrance to this venue is at your own risk.



YANCHEP LAVENDER FARM
VEGETATION BUFFER
LANDSCAPE PLAN

October 2017

Document Status				
Rev	Author	Reviewer	Approved	Date
A	Lara Jefferson	Jon Harper		25/09/17
0			Jon Harper	02/10/17

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1.0 INTRODUCTION

The award winning Yanchep Lavender Farm (lavender farm), located at 272 Old Yanchep Road in Carabooda within the City of Wanneroo, is seeking approval to develop a shop and restaurant. The lavender farm is located within the rural resource zone and adjacent landowners have raised concerns that noise, odour or drift may impact visitors to the shop and restaurant.

Potential impacts are likely to be intermittent depending on season, time of day and type of activity. Mitigation strategies can be implemented to prevent potential impacts. One such strategy is to implement a vegetative buffer to prevent impacts from 'drift'. The design of vegetation buffer forms the focus of this report.

Aim: Design a vegetation buffer along the western side of the lavender farm (as shown in Figure 1)



FIGURE 1 VEGETATION BUFFER (HIGHLIGHTED IN GREEN) ALONG WESTERN BOUNDARY OF THE LAVENDER FARM.

The vegetation buffer is 150 m in length (North - South) and 10 m in width (East - West). The western boundary of the buffer has a line of goodbye neighbours (*Acmena smithii*), which will remain as a component of the buffer. Trees also occur on the adjacent property; the canopy of the trees occurs on the western side of the proposed vegetation buffer shown in Figure 1.

2.0 THE GUIDELINES

The design of the vegetation buffer follows the criteria outlined in the *Guidelines for separation of agricultural and residential land uses* (the guideline; Department of Health), which assists in minimising health and nuisance impacts from chemical use and dust.

The guideline states that in order to be effective barriers to spray drift, vegetated buffers must:

- be located as close as practicable to the point of release of the spray;
- be a minimum total width of 40 m, made up of 10 m cleared fire break area either side of a 20 m wide planted area;
- contain random plantings of a variety of tree and shrub species of differing growth habitats, with a spacing of 4 to 5 m between plants;

- include species with long, thin (needle-like) and rough (furry/hairy) foliage which facilitates the more efficient capture of spray droplets and which are fast growing and hardy;
- foliage should be from the base to the crown; mixed plantings of trees may be required to ensure there are no gaps in the lower canopy;
- provide a permeable barrier which allows air to pass through the buffer: A porosity of 0.5 is acceptable i.e., approximately 50 per cent of the screen should be air space;
- have a mature tree height twice the height of the spray release height; and
- have mature height and width dimensions, which do not detrimentally impact upon adjacent crop land.

The guidelines recommend a detailed landscaping plan indicating the extent of the buffer area, the location and spacing of trees and shrubs and a list of tree and shrub species.

3.0 LANDSCAPING PLAN

3.1 EXTENT OF BUFFER AND LOCATION

The buffer area is 150 m long and 10 m wide, as shown in Figure 1, and described in section 1.

3.2 SPECIES LIST

A selection of species took into account criteria in the guidelines, namely:

1. include species with A) long, thin (needle-like) and B) rough (furry/hairy) foliage which facilitates the more efficient capture of spray droplets and which are C) fast growing and hardy;
2. foliage should be from the base to the crown; mixed plantings of trees may be required to ensure there are no gaps in the lower canopy;
3. provide a permeable barrier which allows air to pass through the buffer: A porosity of 0.5 is acceptable i.e., approximately 50 per cent of the screen should be air space;
4. have a mature tree height twice the height of the spray release height; and
5. have mature height and width dimensions, which do not detrimentally impact upon adjacent crop land.

All species, listed in Table 1, are native to the Swan coastal plain, and many are representative of the Banksia woodlands, listed as an endangered Threatened Ecological Community under the Commonwealth *Environment Protection and Biodiversity Conservation Act 2000*. The following information sources were utilised:

- Nature Map (Department of Biodiversity, Conservation and Attractions; prev. DPaW)
- *Significant Species of Flora of the Coastal Belt (Quindalup and Spearwood Systems) of the Swan Coastal Plain* (Keighery 1992)
- *Banksia Woodlands of the Swan Coastal Plain – Draft description and threats* (Department of the Environment, na)

In addition, the species were also selected based on their availability from native plant nurseries.

3.3 SPACING AND LOCATION

Existing trees growing adjacent to the buffer are taken into account in the development of the vegetation buffer. Their canopies are approximately 15 m wide (as shown in Figure 1). However, gaps occur in a number of locations. Six trees are proposed for inclusion in the vegetation buffer, located where there are gaps in the adjacent canopy. The trees will be planted to the western side of the buffer, adjacent to the existing planting of *Acmena smithii*.



FIGURE 2 LOCATION OF TREE PLANTINGS (BLACK CIRCLE OUTLINE)

The remainder of the vegetation buffer includes a variety of shrub species, which will be randomly planted (Table 1). The five small trees and 66 shrubs will be planted approximately 4 -5 m apart in a random pattern. The species in Table 1 meet the criteria for a vegetation buffer, however, these species can be supplemented with other local native species to increase the diversity of species in the vegetation buffer.

3.4 ESTABLISHMENT PHASE

The native species shall be fast growing and establish over a relatively short period of time. Depending on the size of the plants, time of planting, etc, it is recommended that they are planted in spring, and provided with irrigation and mulch during the first two summer seasons to aid survival and establishment.

3.5 MAINTENANCE PHASE

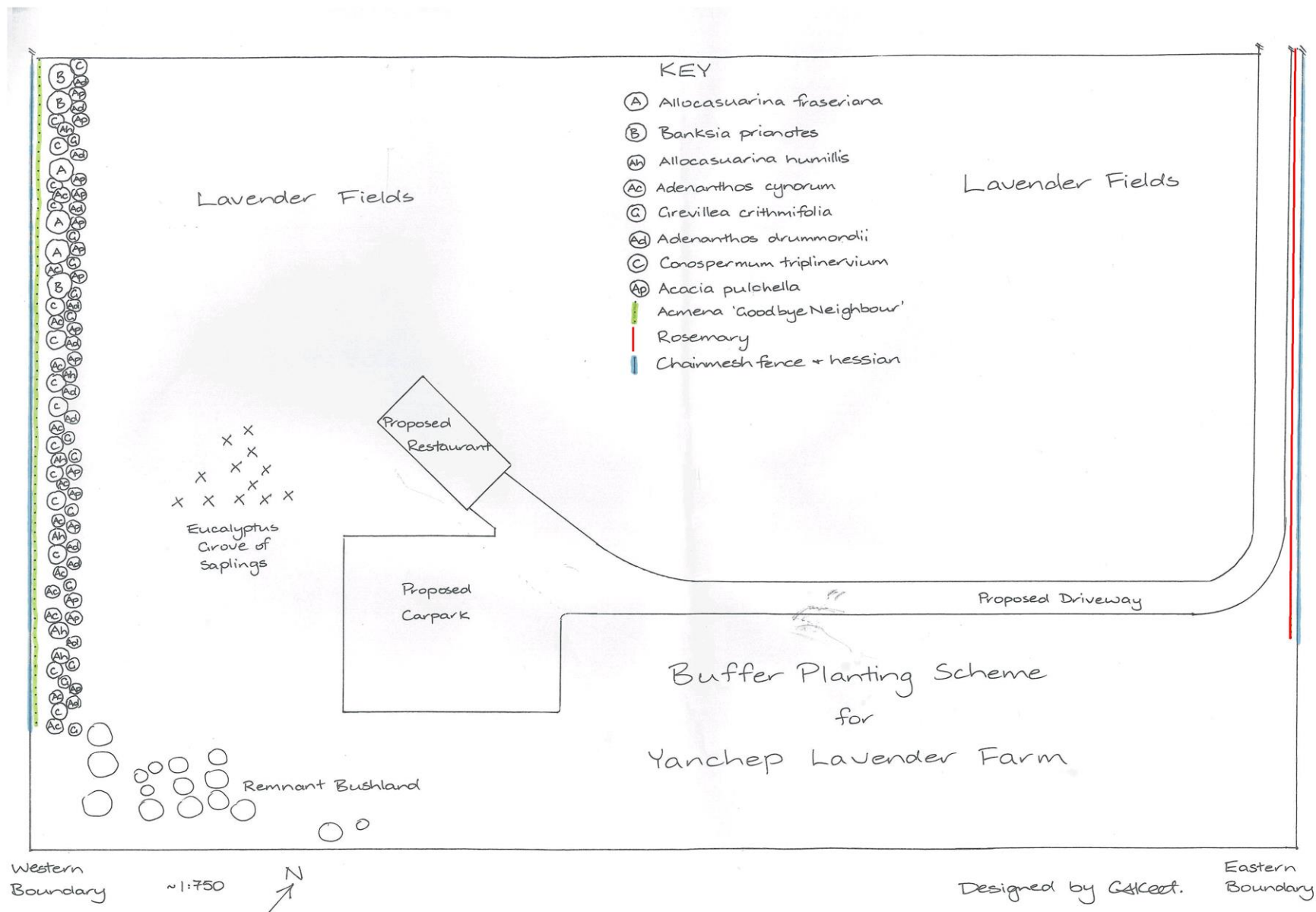
Once established, maintenance includes replacing individuals that have not survived, removing dead branches and pruning some species, such as *Adenanthos cygnorum* (maintains a strong, stable and dense life form if pruned).

TABLE 1 SPECIES LIST

Species	Number of plants	Form	Leaf type	Height	Canopy radius
<i>Allocasuarina fraseriana</i> (western sheoak)	3	Tree	Needles	8 m	3 m
<i>Banksia prionotes</i>	3	Tree	Hairy branchlets. Leaves petiolate, alternate, 150-280 mm long, 12-23 mm wide, hairy	5 – 10 m	2.5 m
<i>Allocasuarina humilis</i> (dwarf sheoak)	5	Small tree	Needles	2 m	1.0 m
<i>Adenanthos cygnorum</i> (woolly bush)	12	Shrub	Closely packed, small, hairy leaves	3 m	1.0 m
<i>Grevillea crithmifolia</i>	12	Shrub	Leaves alternate, 12-30 mm long, hairy	0.6 - 2 m	0.5 m
<i>Adenanthos drummondii</i>	12	Shrub	Leaves alternate, 6- 15 mm long, glabrous	0.2 – 1 m	0.5 m
<i>Conospermum triplinervum</i> (tree smokebush)	15	Shrub	Leaves alternate, 30-140 mm long, 3- 20 mm wide, glabrous. Grey, woolly flowers.	1 m	0.5 m
<i>Acacia pulchella</i>	15	Small shrub	Small bipinnate leaves.	0.5 – 1.5 m	0.5 m
TOTAL	77				

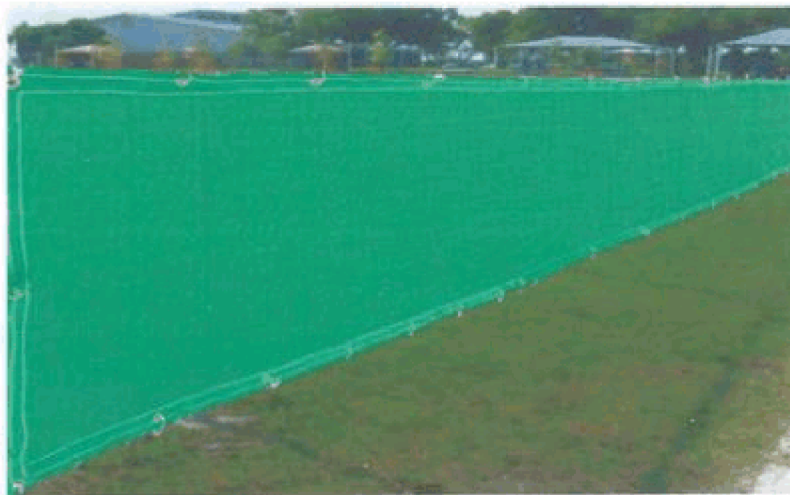
4.0 CONCLUSION

The above landscaping plan has been prepared for the Yanchep Lavender Farm, in accordance with the guidelines. A selection of species have been chosen that have a variety of life forms, yet have general characteristics best suited to mitigate impacts from noise and drift. The species are all native to the local area and thus are expected to be fast growing and establish quickly. Mulch and irrigation over the first two summer seasons are recommended to facilitate their establishment.



Proposed Fencing

- The owners are proposing a 1.8m-high cyclone mesh fence (see below) along the western and eastern boundaries of the subject site;
- The fencing will be covered with a hessian mesh cloth material, which allows 50% air flow;
- This fencing will provide a buffer until the vegetation is established.



Maintenance of Vegetation and Fencing

- The subject site is currently fully irrigated;
- New plants will be irrigated with dripper lines to each tree/shrub;
- All plants will have suitable mulch to encourage growth;
- Failed trees/shrubs will be replaced as required;
- Weekly detailed site inspections will be carried out and an inspection log kept on site;
- The fencing will be replaced every two years as required.

Witness Statement – Jon Harper

2 October 2017

1. Personal Details

- 1.1. My full name is Jonathon David Harper
- 1.2. I reside at 11 Cascarilla Road, Bennett Springs, WA, 6063
- 1.3. I am the Director and Principal Scientist at Environmental Technologies & Analytics. My principle place of business is at my residential address.

2. Qualifications and Experience

- 2.1. I have extensive experience in air quality having undertaken numerous projects, including field based assessments, across a range of topics including quantification, and abatement, of fugitive particulate matter. A brief history of my employment is as follows:
 - 2.1.1. From 2001 to 2010 I was employed as an atmospheric scientist at Sinclair Knight Merz (SKM), now Jacobs.
 - 2.1.2. From 2011 to August 2017 I was employed as the Western Australian State Manager for Pacific Environment Limited (PEL)
 - 2.1.3. Since August 2017 I have been employed as Director and Principal Scientist for Environmental Technologies & Analytics.
- 2.2. My qualifications are:
 - 2.2.1. Bachelor of Science - Murdoch University
 - 2.2.2. President of Clean Air Society of Australia and New Zealand (CASANZ) – West Australia Branch
 - 2.2.3. Certified Air Quality Professional (CAQP) with CASANZ
- 2.3. A copy of my resume is attached as Attachment A
- 2.4. As required I have read the State Administrative Tribunal (SAT) document 'Info Sheet 11 – Guide to Giving Expert Evidence' and agree to be bound by the obligations stated within it.

3. Involvement in Proposal

- 3.1. I was contacted by Edward O'Connell, a Town Planner employed at Dynamic Planning and Developments, Suite 15/29 Collier Road, Morley in late August 2017 in regard to a proposed Restaurant at 272 Old Yanchep Road, Carabooda
- 3.2. I was then engaged by the applicants to address the points raised by the Expert Witness for the City of Wanneroo.
- 3.3. My advice is limited to addressing the concerns regarding air quality including: spray drift, dust, odour and noise.

4. Background

- 4.1. The details on the background of the proposed restaurant are fully contained within the Witness Statement from Andrew James Mack and the following points briefly summarise the process to date.
- 4.2. On 23 November 2015, the Applicants lodged with the City of Wanneroo a development application for a Restaurant and Rural Use. The details of the proposed development are:
- 4.2.1. Restaurant*
- 4.2.1.1. Construction of a new building to accommodate a Restaurant, with both indoor and outdoor seating;
 - 4.2.1.2. Operating hours: 10.30am - 10.30pm (Monday to Sunday, including Public Holidays);
 - 4.2.1.3. Six Restaurant employees;
 - 4.2.1.4. 42 onsite car parking bays and three bus parking bays;
 - 4.2.1.5. Maximum 50 customers per day (Monday to Wednesday) and 152 customers per day (Thursday to Sunday, including Public Holidays).
- 4.2.2. Rural Use*
- 4.2.2.1. Distilling of lavender products in an existing shed on the subject land, which was approved by the City in 2006;
 - 4.2.2.2. Three Rural Use employees;
 - 4.2.2.3. Operating hours: 7.00am - 5.00pm (Monday to Sunday, including Public Holidays);
 - 4.2.2.4. Selling (by retail) products made from the lavender grown on the farm, such as oils, dried flowers, soaps, creams, potpourri, plants, lavender tea, honey and ice cream. The retail sale of products will take place from a stall within the proposed Restaurant.
- 4.3. It was the intention of the Applicant that the proposed development would operate alongside the existing lavender farm on the subject land.
- 4.4. Public consultation for the application commenced on 7 June 2016 and closed 20 June 2016. A total of four submissions were received, all objecting to the proposal.
- 4.5. The application was considered at the Ordinary Council Meeting on 6 December 2016, where the application was refused.
- 4.6. Subsequently, the Applicants lodged an application for review at SAT on 20 December 2016.
- 4.7. On 14 February 2017, an on-site mediation was held, where the following matters were considered in response to the Council's refusal reasons:

- 4.7.1. Options for preventing the Restaurant from being affected by noise, odour and spray drift from the surrounding properties; and
- 4.7.2. Options for preventing complaints from visitors to the Restaurant about noise, odour and spray drift from the surrounding properties.
- 4.8. The Tribunal made an order for the Applicants to submit to the Respondent an amended proposal by 21 February 2017 and another order inviting the Respondent to reconsider its original decision under Section 31 of the State Administrative Tribunal Act 2004 ('SAT Act') by 4 April 2017.
- 4.9. The amended application was submitted to the Respondent on 21 February 2017, which made the following changes:
- 4.9.1. Signage to be displayed in the car parking area advising
- 'Please be aware that you are entering an Intensive Agriculture farming area. In the normal course of operations during farming there may be noise from farming equipment and also dust generation, the wind may also carry some odours/mist. Please take action if you have known allergies or if you feel ill notify management immediately. Entrance to this venue is at your own risk.'
- 4.9.2. A landscape plan showing plant species to be installed around the proposed Restaurant and on the boundaries of the subject site to reduce the effects of noise, odour and spray drift from the surrounding properties.
- 4.10. On 4 April 2017, the amended application was considered at the Ordinary Council Meeting, with Council choosing to affirm the original decision citing the following reasons:
- 4.10.1. *The proposed Restaurant is not considered to be compatible with the surrounding Intensive Agriculture land uses and is therefore not considered to be consistent with the objectives of the Rural Resource zone; and*
- 4.10.2. *The proposed Restaurant may be impacted by the activities associated with the operations of the Intensive Agriculture uses in the surrounding area.*
- 4.11. According to the Witness Statement by Andrew Mack the amended application is the one now being determined by the Tribunal and formed the basis of his evidence.
- 4.12. The Witness Statement by Andrew Mack concluded that:
- 4.12.1. The likely impacts associated with market gardens are with noise, dust, odour and spray drift.
- 4.12.2. These impacts may give rise to amenity and health risk impacts at the proposed Restaurant.
- 4.12.3. The Environmental Protection Authority (EPA) default separation distance between market gardens and sensitive receptors is 300 – 500m (depending on the size of the operations).

- 4.12.4. The Department of Health (DoH) guidelines are similar with the statement that this can be reduced with an appropriate vegetative buffer.
- 4.12.5. The applicants have submitted a landscape plan, however Andrew Mack stated that this did not fulfil the requirements of a detailed plan. The plan did not:
 - 4.12.5.1. Consider the range of chemicals that are likely to be used within the operations of the market gardens
 - 4.12.5.2. Select suitable species of vegetation as many of the species were non-native and deciduous.

5. Addressing Issues

- 5.1. The issues raised in the Witness Statement by Andrew Mack are addressed in the following section.
- 5.2. One of the points raised is that the range of chemicals used within the market gardens was not considered.
- 5.3. This is also a requirement of the DoH when designing a buffer.
- 5.4. As part of his Witness Statement Andrew Mack supplied the Safety Data Sheets (SDS) of 17 chemicals used within the operations of Mr Terranova.
- 5.5. According to Safe Work Australia '*SDS are documents that provide critical information about hazardous chemicals*'. They include information on the chemicals identity and ingredients, safe handling and storage, health and physical hazards, toxicological and ecological information, and measures for first aid, firefighting, accidental release.
- 5.6. An SDS must be supplied when a hazardous chemical is provided to a workplace and available to all personnel handling, using or storing that chemical.
- 5.7. As stated by Safe Work Australia a hazardous chemical is a substance, mixture and article that can pose a significant risk to health and safety if not managed correctly.
- 5.8. This can cover a wide range of chemical substances used within a workplace including both the Matador Tint Base 40 wood coating and the Success 135 carpet spotter (carpet cleaner) products that were included in the SDS sheets contained in the Witness Statement.
- 5.9. When determining the potential impacts of the chemicals used on the market gardens consideration should also be given to the dilution of the substance required for application, the application rate and the number of times that substance is to be applied.
- 5.10. The following section outlines each chemical noted as an SDS in the Witness Statement and includes its application rate (focussing on potential market garden produce) and frequency of recommended application:
 - 5.10.1. Abamectin: An insecticide/miticide
 - 5.10.1.1. Application rate: 300mL/ha

- 5.10.1.2. Frequency of application: 28 days between sprays and no more than 2 sprays per crop
- 5.10.1.3. Other information: highly toxic, very toxic to aquatic organisms
- 5.10.2. Amistar Fungicide: Fungicide
 - 5.10.2.1. Application rate: variable based on produce but varies from 400mL to 800mL per hectare
 - 5.10.2.2. Frequency of application: every 7 – 14 days but no more than 2-3 applications per crop
- 5.10.3. Bayer Antracol: Fungicide
 - 5.10.3.1. Application rate: 200g/L or 2 kg/ha
 - 5.10.3.2. Frequency of application: Apply when conditions are favourable to disease development and then every 7-10 days.
 - 5.10.3.3. Other information: toxic to fish
- 5.10.4. Bravo Weather Stik: Fungicide
 - 5.10.4.1. Application rate: 1.8 – 2.3 L/ha
 - 5.10.4.2. Frequency of application: every 7-14 days.
- 5.10.5. Confidor 200SC: Insecticide
 - 5.10.5.1. Application rate: 20 – 50 mL / 1000 seedlings
 - 5.10.5.2. Frequency of application: 4 – 6 weeks.
- 5.10.6. Dimethoate 400: Insecticide
 - 5.10.6.1. Application rate: 75mL/100L
 - 5.10.6.2. Frequency of application: apply when pests appear and repeat as necessary (note that for some produce the application may be constrained to 3 weekly intervals).
 - 5.10.6.3. Other information: highly toxic to bees
- 5.10.7. Coragen Insect Control: Resistant Insecticide
 - 5.10.7.1. Application rate: approx. 100mL/100L
 - 5.10.7.2. Frequency of application: Minimum spray interval of 5 days.
- 5.10.8. Fontelis Fungicide: Fungicide
 - 5.10.8.1. Application rate: approx. 1.75L/ha
 - 5.10.8.2. Frequency of application: 7-10 day intervals with no more than 2 sequential applications. Maximum seasonal usage of 3.5L/ha

- 5.10.9. Zorvec: Fungicide
 - 5.10.9.1. Application rate: 350mL/ha
 - 5.10.9.2. Frequency of application: two consecutive sprays 7 to 10 days apart. Do not apply more than 3 sprays per crop
 - 5.10.9.3. Other information: Very toxic to aquatic life
- 5.10.10. Durivo: Insecticide
 - 5.10.10.1. Application rate: 22mL to 50mL per 1000 seedlings
 - 5.10.10.2. Frequency of application: single application
- 5.10.11. Kocide 2000: Fungicide/Bactericide
 - 5.10.11.1. Application rate: 1.5lbs – 3.75lbs/acre
 - 5.10.11.2. Frequency of application: repeat from 7-10 to 10-14 days depending on crop
- 5.10.12. Trichlorfon: Insecticide
 - 5.10.12.1. Application rate: 100mL – 250mL/100L
 - 5.10.12.2. Frequency of application: repeat at half concentrations every 7 to 10 days
- 5.10.13. Mavrik Aquaflow: Insecticide/Miticide
 - 5.10.13.1. Application rate: 0.2-0.3 fl oz / 5 gallon
 - 5.10.13.2. Frequency of application: 14-28 days with no more than 16 applications per year
- 5.10.14. Movento 240C: Insecticide
 - 5.10.14.1. Application rate: 200mL/ha
 - 5.10.14.2. Frequency of application: Do not spray within 7 days and no more than 2 applications per crop
- 5.10.15. Ridomil Gold MZ WG: Fungicide
 - 5.10.15.1. Application rate: 2.5kg in 200 to 500L of water/ha
 - 5.10.15.2. Frequency of application: 2 consecutive sprays at 7-10 day intervals
- 5.11. It is important to note that all of these chemicals are diluted in water before application.
- 5.12. Some of the chemicals were noted as being toxic to fish. This is considered important as during the site investigation it was observed that the applicants, who live on the property, effectively have a moat around their house. Within the moat there is an extensive number of Koi (carp) (see photos in Attachment B). Considering the apparent age of the Koi within the moat and that the applicants stated that they rarely add more fish to the moat as

mortality is very low is an indication that the concentrations of the chemicals, via spray drift, is very low.

- 5.13. One of the chemicals in use is also toxic to bees. The applicants have four beehives on the property and during the field investigation numerous bees were observed both around the hives and out over the lavender field (see photos in Attachment B). This is further indication that the concentrations of the listed chemicals are extremely low.
- 5.14. The DoH guidelines recommend a buffer of 300-500m from market gardens to new residential developments to control spray drift, dust, smoke and ash. However a 40m separation distance can be used where a vegetative buffer adequately designed, implemented and maintained in accordance with their guidelines. In some circumstances a temporary, suitably designed constructed buffer with 50% porosity and of sufficient height may be accepted.
- 5.15. The DoH requirements for vegetative buffers state that it should be a minimum with of 40m made up of 10m cleared firebreak either side of a 20m wide planted area.
- 5.16. It was noted during the site visit that the applicants do not have this amount of land available to them on the western boundary of their property without significantly reducing their own crop of lavender (photos in attachment B).
- 5.17. The requirement of a 20m wide planted area is commonly referenced by various state agencies however the source of this requirement is not stated.
- 5.18. A research project for the Primary Industries and Resources South Australia (PIRSA) in 2009 states that *'The 20m width is based on reasonable worst-case drift exposure risk which is usually from aerial application scenarios'*.
- 5.19. This aim of the PIRSA research project was to assess the effectiveness of natural and artificial barriers in reducing spray drift from a vineyard with vines approximately 2m high. Sampling was undertaken for three operating scenarios:
- 5.19.1. Vegetative barrier: Acacia species approximately 4.7m high with a width of 10m
- 5.19.2. Artificial barrier: Mesh with a porosity of 47% and a height of 3.6m
- 5.19.3. No barrier.
- 5.20. For the testing the authors of the study utilised two different sprayers.
- 5.21. The study concludes that an artificial or natural barrier may be effective at intercepting some of the droplets and deflecting the airflow to reduce spray drift potential by 60 to 90%.
- 5.22. Given that the vegetative barrier used in the South Australian study was 10m in width and still achieved a significant reduction in spray drift downwind and, as stated in 5.18, that the 20m width is based on reasonable worst case which is usually from aerial applications, then it would be expected than a narrower than stipulated vegetated buffer would be acceptable.

- 5.23. Therefore along the western boundary of the property a 10m wide vegetative buffer is proposed. The landscape plan for this buffer was undertaken by EnPeritus and is presented in Attachment C.
- 5.24. There is a road easement immediately to the west of the western boundary and this contains a line of mature native trees which would also assist as a vegetative buffer – see photos in Attachment B.
- 5.25. In keeping with the DoH guidelines a temporary artificial barrier will be installed along the boundary fence on the western side of the property. This will require the applicants to repair or replace the existing fence and install a mesh with 50% porosity along it.
- 5.26. Another component noted by Andrew Mack in his Witness Statement was dust.
- 5.27. There are two potential localised sources of dust; wind generated and mechanical (primarily vehicular movement):
- 5.27.1. Wind generated dust occurs when the wind speed exceeds a “threshold” velocity (nominally in the 6 – 10 m/s range) for erosion of the underlying surface. Under these conditions, particles greater than 100 microns (µm) in diameter that protrude above the surface are dislodged by shear forces and bounce and creep across the surface. These particles (through their bouncing or skipping motion) can dislodge smaller particles, which then remain suspended in the air. The amount of particulate matter generated is highly dependent upon the wind speed: below the wind speed threshold, no particulate matter is generated, whilst above the threshold, particulate matter generation tends to increase with the cube of the wind speed.
- 5.27.2. Mechanical processes that generate and potentially release particulate matter include material movement (such as grinding operations, stacking and reclaiming), blasting and vehicular movement over unsealed or dust laden surfaces. The amount of particulate matter generated from these processes does not have as high a wind speed dependency as that from wind erosion, but is more dependent on the moisture properties of the material being transferred, the particle size distribution of the material, drop heights and the dust management measures and emission controls in place for the sources.
- 5.28. For this location the main potential sources of dust will be from wind erosion from the market garden to the west and vehicular traffic from the access road for the market garden immediately to the east.
- 5.29. As outlined in 5.28.1 wind erosion occurs when the wind speed exceeds a threshold velocity. To gain an understanding of the wind speed in the immediate region the data from two Bureau of Meteorology (BoM) meteorological stations was examined.
- 5.30. The first station was the Lancelin Automatic Weather Station (AWS). This station is located on a coastal location approximately 65km to the north of the proposed restaurant.
- 5.31. The second station was the Gingin AWS which is located approximately 18km to the north east of the proposed restaurant.

- 5.32. The statistics for wind speed, rainfall and temperature from both of these stations is presented in Attachment D.
- 5.33. Using this data as a guide the mean wind speed exceeds 6m/s, at both stations, in the afternoons in January, February, March, September, October, November and December.
- 5.34. Given that these months also correspond to higher temperatures and low rainfall it can be reasonably assumed that the afternoons of these months have the highest wind erosion potential.
- 5.35. The 3pm wind roses from the BoM for each of these months for both Gingin Aero and Lancelin are presented in Attachment E.
- 5.36. For the 3pm wind roses for Lancelin:
- 5.36.1. The September wind rose has a prevailing wind direction from south to west, with the greatest frequency of strong winds from the west
 - 5.36.2. The October wind rose shows that the prevailing wind is predominately southerly with lower frequencies from the southwest and west
 - 5.36.3. From November through to March the predominate wind direction is southerly.
- 5.37. For the 3pm wind roses at Gingin Aero:
- 5.37.1. The September wind rose has a prevailing wind direction of southwest to west
 - 5.37.2. From October to January the prevailing wind direction is south westerly
 - 5.37.3. The prevailing wind direction in February and March is also south westerly though there is an increasing component of easterly winds.
- 5.38. Based on the prevailing winds, the location of the proposed restaurant and the existing, and potential, market gardens the following can be surmised:
- 5.38.1. The prevailing south west wind direction should not result in any wind erosion impacts from the market garden (including proposed gardens) on the proposed restaurant (see attachment F).
 - 5.38.2. The westerly winds, which occur primarily in September, have the potential to result in dust derived from wind erosion to impact the proposed restaurant.
- 5.39. To negate the potential of dust from wind erosion sources impacting the proposed restaurant the following measures will be applied:
- 5.39.1. The vegetative buffer will assist in reducing the impact of the dust.
 - 5.39.2. The western side of the restaurant will have vegetation planted that will grow to a sufficient height to act as a secondary vegetative buffer.
 - 5.39.3. The restaurant will install screens, with 50% porosity, on the western side of the outdoor area that can be lowered when the wind speed increases – this would also be important for the comfort of restaurant patrons.

- 5.40. All of the proposed measures listed in 5.39 will ensure that any exposure of restaurant patrons, and employees, to wind-blown dust is minimised.
- 5.41. As noted in 5.28 the other potential source of dust is from the vehicular traffic along the access road for the market garden immediately to the east of the proposed restaurant. Andrew Mack noted in his Witness Statement that there was 'significant vehicle movements' along this road 'with large trucks using the road every hour and up to 20 additional commercial vehicles every hour'.
- 5.42. This access road runs from Old Yanchep Road to what appears to be a series of sheds, greenhouses and a house/office. The fence line immediately to the west of this access road is the boundary between the market garden and the applicants' property.
- 5.43. The section of this access road that runs adjacent to the lavender field is approximately 150m long.
- 5.44. Given that the vehicles travelling on the access road for the market garden have either just entered from, or are planning to exit onto, Old Yanchep Road then it can be expected that vehicle speed, especially for the heavy trucks, will be relatively low.
- 5.45. The most effective way for the applicants to limit dust from vehicular traffic, along the market garden access road, impacting their operations will be to install a 50% porosity artificial screen along the length of the fence.
- 5.46. As this artificial screen is located immediately adjacent to the source it will be very effective at significantly reducing dust emissions derived from the vehicle movements.
- 5.47. The third potential issue that was outlined in Andrew Mack's Witness Statement was noise from the market garden operations.
- 5.48. Given that the distance from the proposed restaurant to the boundary fence of the market garden operations on either side is 100m and that the amount of machinery operating at any one time is limited the potential of noise becoming an issue is extremely low.
- 5.49. The fourth potential issue raised was odour.
- 5.50. It should be noted that the operations nearby are market gardens and not chicken farms, piggeries, wastewater treatment facilities or rendering plants.
- 5.51. The potential for odour emissions from market gardens tend to be limited to
- 5.51.1. Stockpiling of organic fertilisers
 - 5.51.2. Application of organic fertilisers (manure/poultry litter)
 - 5.51.3. Application of agricultural chemicals
- 5.52. There is no evidence of organic fertilisers being stockpiled within 300m of the proposed restaurant which would eliminate this as a potential odour source.
- 5.53. It is unknown if the market gardens apply organic fertilisers but the applicants stated that they have no issues with odour.

- 5.54. The application of agricultural chemicals is a potential issue. However the vegetative buffer outlined in 5.23 and Attachment C should be sufficient in abating any potential odour.

6. Summary

- 6.1. In the Witness Statement of Andrew Mack a few potential risks were raised that needed to be addressed.
- 6.2. These risks were around spray drift, dust, odour and noise.
- 6.3. The range of chemicals that are utilised at a market garden adjacent to the proposed restaurant, which were obtained as SDS in Andrew Mack's Witness Statement, were investigated.
- 6.4. It is noted that of the 17 SDS's, 1 was for a wood coating while another was for a carpet cleaner.
- 6.5. The range of chemicals was examined, including the dilution ratio and application rate.
- 6.6. Some of the chemicals in use were noted as being toxic to fish, and as the applicant has an extensive number of Koi within a moat around their house. As the mortality rate, according to the applicant, is very low it can be concluded that the concentrations of the chemicals, that are toxic to fish, is very low.
- 6.7. One of the chemicals is also toxic to bees and as the applicant has four active beehives on their property and that bees were observed around the lavender field provides further evidence that the concentrations of the listed chemicals is very low.
- 6.8. Given that the proposed restaurant is within the DoH recommended buffer a vegetative buffer is required.
- 6.9. Although the DoH guidelines say that a vegetative buffers should be a minimum width of 40m made up of 10m cleared firebreak either side of a 20m wide planted area this amount of land is not available to the applicants without significantly reducing their own crop of lavender.
- 6.10. A research paper from PIRSA stated that '*The 20m width is based on reasonable worst-case drift exposure risk which is usually from aerial application scenarios*'.
- 6.11. The study concluded that an artificial or natural barrier may be effective at intercepting some of the droplets and deflecting the airflow to reduce spray drift potential by 60 to 90%.
- 6.12. Given that the vegetative barrier used in the South Australian study was 10m in width and still achieved a significant reduction in spray drift downwind then it would be expected that a narrower than stipulated vegetated buffer would be acceptable.
- 6.13. Therefore along the western boundary of the property a 10m wide vegetative buffer is proposed. A landscape plan, that meets all the requirements of the DoH, was prepared by EnPeritus.

- 6.14. In keeping with the DoH guidelines a temporary artificial barrier will be installed along the boundary fence on the western side of the property. This will require the applicants to repair or replace the existing fence and install a mesh with 50% porosity along it.
- 6.15. For potential impacts of wind blown dust the meteorology from the BoM AWS's at Lancelin and Gingin were analysed.
- 6.16. This analysis determined that the most likely periods for impacts of wind blown dust were in the afternoons of January, February, March, September, October, November and December.
- 6.17. To negate the potential of dust from wind erosion sources impacting the proposed restaurant the following measures will be applied:
- 6.17.1. The vegetative buffer will assist in reducing the impact of the dust.
- 6.17.2. The western side of the restaurant will have vegetation planted that will grow to a sufficient height to act as a secondary vegetative buffer.
- 6.17.3. The restaurant will install screens, with 50% porosity, on the western side of the outdoor area that can be lowered when the wind speed increases – this would also be important for the comfort of restaurant patrons.
- 6.18. To limit dust from vehicular traffic, along the market garden access road, impacting the proposed restaurant, the applicants will install a 50% porosity artificial screen along the 150m length of the eastern boundary fence.
- 6.19. The potential of noise being an issue is very low given that the distance from the proposed restaurant to the boundary fence of the market garden operations on either side is 100m and that the amount of machinery operating at any one time is limited.
- 6.20. The vegetative buffer should be sufficient in abating any potential odour issues arising from the application of agricultural chemicals.

Dated: 1 October 2017



Jon Harper

B. Site photographs

Figure 1: Koi in pond at applicants house



Figure 2: Koi in pond at applicants house



Figure 3: Beehive, with bees, at applicant's house



Figure 4: Bees on lavender adjacent to proposed restaurant



Figure 5: Western end of applicant's lavender field – note limited space for vegetative buffer



Figure 6: View down road easement on western boundary



Figure 7: View down main access road to proposed restaurant – eastern boundary.

F. Direction of prevailing winds

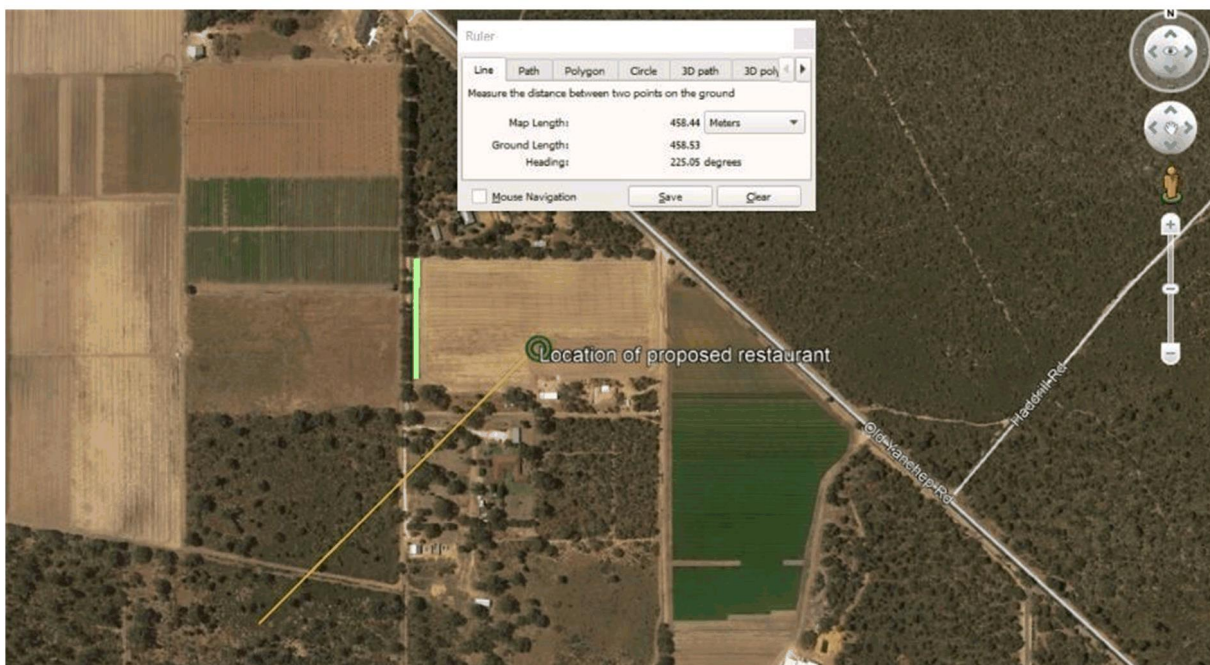


Figure 11: South west from proposed restaurant

Yanchep Lavender

272 Old Yanchep Rd

Carabooda W.A 6033

To Mr Michael Monte

I Gary Wood and Karla Champion would like to know if you have any objections to us erecting a 1.8-meter chain link mesh fence along length of the property boundary. We propose this fence to replace the existing fence from the existing post at the entry corner of the property for approx. 200 meters to begin with.

As a condition to have the Restaurant and Rural use proposal to go ahead we will also be required to have shade cloth attached to the fence. This will be of the lightest of colours.

If you could please sign below,

Much Appreciated

Gary & Karla

Approve:

Name:

Signature:

Name:

Signature:

REJECT:

Name:

Signature:

Name:

Signature:

Yanchep Lavender

272 Old Yanchep Rd

Carabooda W.A 6033

To Mr & Mrs Neil & Fiona Brodie

I Gary Wood and Karla Champion would like to know if you have any objections to us erecting a 1.8-meter chain link mesh fence along length of the property boundary. We propose this fence to replace the existing fence from the existing post at the Southern corner of the property for approx. 200 meters to begin with.

As a condition to have the Restaurant and Rural use proposal to go ahead we will also be required to have shade cloth attached to the fence. This will be of the lightest of colours either in beige or green.

If you could please sign below,

Much Appreciated

Gary & Karla

Approve:

Name:

Fiona Brodie

Signature:

[Signature]

Name:

Signature:

REJECT:

Name:

Signature:

Name:

Signature:



PS03-12/17 Consideration of Development Application for a Change of Use to Residential Building at Lot 263 (224) Ocean Drive, Quinns Rocks (DA2016/1848)

File Ref: DA2016/1848 – 17/295106
 Responsible Officer: Director Planning and Sustainability
 Disclosure of Interest: Nil
 Attachments: 3

Issue

To consider a development application (DA2016/1848) for a Change of Use to a Residential Building at Lot 263 (224) Ocean Drive, Quinns Rocks (subject site).

Applicant	Colin Flavel
Owner	Colin Flavel
Location	Lot 263 (224) Ocean Drive, Quinns Rocks
Site Area	911m ²
DPS 2 Zoning	Residential R20

Background

A Single House was approved on the subject site in 2001, however, the subject site is currently being used as a Residential Building for the purpose of short term accommodation. The property is currently advertised on 'Airbnb' and 'Stayz', which are short term accommodation booking websites. The applicant has advised that the property has been used for short term accommodation since October 2007.

Compliance History

There have been a number of complaints lodged with the City's Health Services by the owner of the adjoining property at Lot 250 (8) Fairford Way, Quinns Rocks in respect to noise (including shouting, screaming and loud music) and anti-social behaviour occurring from the subject site. The initial complaints were received by the City in November and December 2016.

Following these complaints, the City's Compliance Services advised the landowner of the subject site on 21 December 2016 that should they wish to continue operating short term accommodation, a development application will need to be submitted to the City to seek retrospective planning approval for this use. This approach is consistent with the City's Local Planning Policy 4.14 – Compliance (LPP 4.14).

Clause 4.2 of LPP 4.14 identifies that if a use is determined to have a significant adverse impact on amenity, a notice may be issued requiring the land use to be stopped immediately, to allow the non-compliance to be rectified. Clause 4.3 identifies that, notwithstanding Clause 4.2, the City may use its absolute discretion to defer the commencement of compliance action where an application for development approval has been submitted. In this instance, the City's Compliance Services applied Clause 4.3 of LPP 4.14, on the basis that the use was considered capable of approval, and have deferred compliance action pending the determination of this application.

On 29 December 2016, the landowner lodged DA2016/1848 seeking retrospective approval for a Change of Use to a Residential Building on the subject site.

Following the application being lodged, a further complaint was received in April 2017 regarding noise and anti-social behaviour. In response to this, the City's Health Services advised the landowner that the noise would be investigated to ensure compliance with the *Environmental Protection (Noise) Regulations 1997 (Regulations)*, and requested that the landowner advise of their intentions to resolve this issue. Health Services investigated the complaints, but did not witness any instances of excessive noise or anti-social behaviour. In response to this complaint, the landowner provided a copy of the code of conduct which the guests are required to comply with under the terms of their stay, which aims to minimise noise and anti-social behaviour. This was considered as an acceptable solution to the noise issue. Further consideration on the code of conduct in respect to this development application is included in the 'Comment' section of this report.

Since the most recent complaint in April 2017, no further complaints regarding the property have been received by Administration.

Draft Local Planning Policy 4.21: Short Term Accommodation

Administration presented the Draft Local Planning Policy 4.21 - Short Term Accommodation (Draft LPP 4.21) and *Draft Short Term Accommodation Local Law 2017* to Council to guide future applications at its meeting on 14 November 2017 (Item No. PS05-11/17), where it was resolved to adopt Draft LPP 4.21 for the purposes of advertising. This development application has been assessed against the provisions of Draft LPP 4.21, as outlined in the 'Comment' section of this report.

Detail

The subject site is zoned Residential under the City of Wanneroo's District Planning Scheme No. 2 (DPS 2) with a residential density code of R20. The subject site is bounded by Ocean Drive to the west, and residential lots to the north, south and east. A location plan is included as **Attachment 1**. The subject site currently consists of a two-storey Single House (including six bedrooms), and a swimming pool. A current site plan and floor plan of the dwelling is included as **Attachment 2**.

The development application proposes a Change of Use from a Single House to a Residential Building, to allow the dwelling to be rented out for short term accommodation. As advised by the applicant, this consists of:

- Short term stays by guests for generally between seven and 21 days, and no longer than three months at any one time;
- A maximum of 14 guests at any one time, which generally consists of a family, or a group of families. No pets are permitted to be kept in the dwelling by guests;
- The owner does not live in the dwelling, and no bed and breakfast is provided; and
- No alterations to the existing dwelling are proposed as part of this application.

The proposed application is considered to be consistent with the definition of a Residential Building. As per the Residential Design Codes (R-Codes), a Residential Building is defined as:

"A building or portion of a building, together with rooms and outbuildings separate from such building but incidental thereto, such building being used or intended, adapted or designed to be used for the purpose of human habitation:

- *Temporarily by two or more persons; or*
- *Permanently by seven or more persons, who do not comprise a single family, but does not include a hospital or sanatorium, a prison, a hotel, a motel or residential school."*

As the dwelling is intended to be occupied temporarily by more than two people, the proposal is considered to fall within the Residential Building use class. A Residential Building is a Discretionary "D" use within a Residential zone under DPS 2.

Consultation

Advertising of the proposal was undertaken by the City writing to the affected occupiers and landowners adjoining the subject site to the north (228 Ocean Drive), south (222 Ocean Drive), and east (8 Fairford Way, and 20 and 22 Dartmouth Circuit). These properties are identified in **Attachment 1**. Advertising was undertaken for a period of 21 days between 2 February 2017 and 23 February 2017. One submission was received from the property at 8 Fairford Way, which objected to the proposal. The adjoining landowner raised concerns with anti-social behaviour (including noise from music and the tenants, and smoking/drug use). A summary of the submission received, and Administration's response is provided as **Attachment 3**.

Comment

The application has been assessed in accordance with the provisions of DPS 2, the Western Australian Planning Commission's (WAPC) Planning Bulletin 99 – Holiday Homes Guidelines (Planning Bulletin 99), and Draft LPP 4.21. Although this Bulletin was released in 2009, it was developed to deal with issues of purchasing or building homes to be used as a holiday home and is still applicable to current short term accommodation proposals. Planning Bulletin 99 provides guidance for assessing applications for short term accommodation, including the appropriate location of holiday homes, the provision of a management plan to demonstrate how the property will be managed, and approval being granted for an initial 12 month period as a 'trial' of the use.

The main issues identified by Administration relate to the appropriateness of the land use, the management of the short term accommodation, approval timeframe, parking and the control of potential antisocial behaviour. These issues are addressed in greater detail below.

Appropriateness of Land Use

The appropriateness of the land use has been assessed against the objectives of the Residential Zone, outlined in DPS 2, and location requirements of Planning Bulletin 99.

Consistency with Objectives of Residential Zone

The relevant objectives of the Residential Zone are to:

- Maintain the predominantly single residential character and amenity of established residential areas; and
- Provide for compatible urban support services.

The proposed Residential Building will not physically change the existing dwelling and no further building work is required. As such, the residential character of the building will be maintained. To ensure that the residential amenity of the area is retained, the applicant has provided a management plan, which includes measures to manage guests and their behaviour to minimise any disruption to the locality. The management plan is discussed in further detail in the 'Draft LPP 4.21' section of this report.

The proposal will provide compatible urban support services as the Residential Building offers an alternative form of accommodation in the area. The applicant has advised that guests typically consist of a family or a group of families. Therefore, this Residential Building is considered to provide diverse accommodation opportunities to visitors of the area.

Administration considers that the proposal provides for compatible urban support services to visitors, and the single residential character and amenity of the area will not be adversely impacted, where it is operated in strict accordance with the management plan provided. In light of this, it is considered that the proposal meets the relevant objectives of the Residential Zone.

Location Requirements of Planning Bulletin 99

Planning Bulletin 99 outlines four key criteria to be used to determine whether the location and surrounding context of a site is suitable to accommodate short term accommodation. An assessment against these criteria is undertaken below:

- *Zoning - Tourist accommodation should be located within preferred areas identified in the local planning strategy or a local planning policy.*

The City's planning framework does not provide any control or guidance on appropriate tourist accommodation locations. In the absence of this, it is acknowledged that a Residential Building is a "D" use within a Residential zone and is capable of approval. In this regard, it is considered that the zoning is appropriate for the proposed use.

- *Amenities - Tourist accommodation should be located within close proximity to key tourism attractions such as the beach or town centre.*

The subject site is located approximately 110m to the east of the beach, which is identified in Planning Bulletin 99 as a tourist attraction, and is approximately 3.1km north of the Mindarie Marina. The subject site is also located approximately 1.2km south-west of the existing shopping centre on the corner of Kingsbridge Boulevard and Marmion Avenue, approximately 2km south-west of the Butler Activity Centre, and approximately 780m south of the future Jindalee Village Centre. In this regard, the subject site is considered to be located within close proximity of tourist attractions and local amenities.

- *Transport - Tourist accommodation should be located within close proximity to road links and public transport.*

The subject site is located approximately 1.4km west of Marmion Avenue, and Lukin Drive, which provide key north-south and east-west linkages respectively. The subject site is located approximately 530m west of the nearest bus stop, at the corner of Santa Barbara Parade and Weymouth Boulevard, which is an approximate 8 minute walk. From this stop, public transport can be used to access the nearby centres, or train stations at Butler or Currambine. While the distance may not necessarily be considered as 'close', the location of the subject site is accessible by car and public transport.

- *Tenure - The use of Grouped or Multiple Dwellings will generally not be supported for holiday home accommodation given the potential impacts on adjoining residents, unless all owners are in agreement.*

The site is a Single House, and is considered to have an appropriate tenure to accommodate short term accommodation.

Based on the above, the location of the proposed Residential Building is considered appropriate.

Draft LPP 4.21

Car Parking

In accordance with Clause 4.14 of DPS 2, a Residential Building requires one car bay per two people accommodated to be provided. The application proposes 14 guests, which requires seven car parking spaces to be provided.

The existing Single House has a garage located at the rear of the subject site, which is capable of accommodating two cars. In addition to this, the driveway has a length of 31.5m, and a minimum width of 3.1m (which expands to 6m in some parts). As the standard dimensions of a car parking space (as per the City's Infrastructure Standard Drawings) is 2.5m wide by 5.5m long, it is considered that a minimum of six cars can be accommodated on the driveway. On this basis, a minimum of eight car parking spaces is provided which satisfies the requirements of the DPS 2. It is also noted that there is a hardstand area at the rear of the subject site, which can accommodate a further two – four vehicles. On this basis, Administration considers that there is an adequate provision of on-site car parking spaces on the site.

Provision of Management Plan and Guest Register

In order to ensure that the property is appropriately managed and maintained, the applicant has provided a management plan identifying how the short term accommodation will be managed. This is also relevant as the key concern raised by the submitter was the control of anti-social behaviour and noise. To address these issues, the applicant has provided a management plan to minimise and prevent noise and anti-social behaviour impacts on adjoining properties. The management plan includes details relating to:

- A code of conduct outlining the obligations and expected behaviour of guests;
- Management of complaints, and includes a contact number for the owner/managing agent;
- Control of anti-social behaviour and noise from the Residential Building to minimise the impacts on surrounding residents;
- Details of guest check in and check out procedures;
- Management of car parking;
- Waste management; and
- The keeping of a guest register of all persons occupying the Residential Building.

A copy of this management plan will be made available to Elected Members for information. The applicant has advised that guests are required to agree to the code of conduct prior to their booking being confirmed. A copy of the code of conduct shall be displayed inside the house in a prominent position.

As discussed in the management plan, the property will accommodate a maximum of 14 guests at any given time and all parking will be contained on site, which is proposed to be included as a condition of planning approval.

The management plan establishes the parameters of how the premises will be managed and maintained to minimise the impacts on the surrounding area. Key points of the guest's code of conduct within the management plan include:

- The property will accommodate for a maximum number of 14 guests with prior approval from the owner. An extra rate is charged for each guest beyond eight, and the maximum number includes both guests and visitors to the property;
- Visitors to the property are required to leave by 10pm;
- Parking to be fully contained on site, and not on the road verge or front lawn;
- Guests must ensure that noise is in accordance with the *Environmental Protection (Noise) Regulation 1997* at all times, which regulates noise during the day and evenings.

The management plan also specifically limits noise between the hours of 10pm and 7am on Monday to Saturday, and 10pm and 9am on Sunday and public holidays and during arrival and departure at any time throughout the occupancy, to ensure that neighbouring properties are not disturbed. Further, the swimming pool must not be used between the hours of 10pm and 7am on Monday to Saturday, and 10pm and 9am on Sunday and public holidays;

- The use of amplified music in the swimming pool area is prohibited at any time, as is the use of glassware and diving off structures;
- The property is not to be used for parties, functions, or commercial events, or as a 'party house', including use for 'hens' parties, 'bucks' parties, or 'schoolies' events;
- No smoking is permitted inside or outside of the property; and
- Managers shall provide general, after hours and emergency telephone numbers to guests and neighbours.

The restriction of noise during the specified hours is consistent with the *Environmental Protection (Noise) Regulations 1997*, which requires noise generated during the evening to be less than during the day. If noise is at a level that becomes a nuisance to local residents, Administration would investigate the noise levels and if substantiated, require the property owner to undertake appropriate measures to ensure compliance. In light of the above, it is considered that the issues raised by the objection can be dealt with through the management plan and/or through the enforcement of the *Environmental Protection (Noise) Regulations 1997*.

In the event of non-compliance with the terms of the management plan, the applicant has advised that guests may incur additional cleaning or damage fees, and/or be evicted from the property by the landowner. It should be noted that in the event of antisocial behaviour, including excessive noise, the Police should be contacted and Administration should be notified in writing of the issue. Substantiated complaints will be taken into consideration by Administration when the applicant proposes to renew the planning approval.

It is noted that prior to the lodgement of this application in November and December 2016, and following the lodgement of this application in April 2017, complaints have been received by the City in regards to the management of the property, primarily in respect to noise. In response to these concerns, the landowner has prepared the above management plan (submitted to the City in August 2017), and implemented the code of conduct as a part of accepting and managing bookings. In the time since this has been prepared and implemented by the landowner, Administration is not aware of any complaints regarding the operation of the short term accommodation, which indicates that the enforcement of the management plan has been successful.

In light of this, Administration recommends that a condition of approval be imposed requiring the management plan to be implemented, to ensure that this continues. Non-compliance with this condition of approval would then be subject to compliance action in accordance with LPP 4.14 if a complaint is submitted to the City and is substantiated. As the initial approval is proposed to be time limited, substantiated complaints will also be taken into consideration should the applicant apply to renew the approval. Time limiting the approval is discussed in further detail below.

Time Limited Approval

The applicant has advised that the dwelling has been used for short term accommodation since 2007. Planning Bulletin 99 recommends that short term accommodation should be approved for an initial period of one year, which is supported by Draft LPP 4.21. Following this initial year, the applicant will be required to renew the approval. This allows Administration to reconsider the application based on whether any substantiated complaints have been received based on the use.

This time limited approval is also considered appropriate when considering the complaints received in November and December 2016, and April 2017. Since the landowner has prepared and implemented a code of conduct on guests, Administration is not aware of any further complaints regarding the short term accommodation being made, which indicates that the management plan is successful. In light of this, the imposition of a 12 month time limited approval (during which time the management plan is to be implemented) will provide the opportunity to ensure that the property can be managed and operated appropriately. This approach enables flexibility for the City to observe the use for this period and assess the effectiveness of the management measures.

At the conclusion of the 12 month period, the use of the property must revert back to being a Single House land use unless further approval is granted. Should the operation of the Residential Building be considered to be incompatible with the surrounding area in one year's time, a further approval may not be granted. If a further approval is granted, this may be time limited again, although it is noted that this will be determined as part of a future application.

Swimming Pool

It is noted that there is a swimming pool on the subject site for use by guests of the short term accommodation. The swimming pool is considered an 'aquatic facility' as per the *Health (Aquatic Facilities) Regulations 2007*, as the owner does not live at the property and operates its use as part of a business. Aside from the various planning requirements of Residential Buildings, swimming pools that are considered 'aquatic facilities' are also required to comply with the *Health (Aquatic Facilities) Regulations 2007*. The *Health (Aquatic Facilities) Regulations 2007* includes a number of requirements which must be satisfied, and stipulates that patrons are not permitted to use the swimming pool until a certificate of compliance regarding the aquatic facility is obtained and the Chief Health Officer has granted a permit to operate the aquatic facility. The matter of approving the use of the swimming pool as an 'aquatic facility' is subject to separate legislation which is required to be satisfied. It is also noted that in any planning approval granted, an advice note is included which states that it is the applicant's responsibility to comply with all other applicable legislation and obtain all the required approvals, licenses and permits, prior to the commencement of the development.

Bushfire Prone Area

The subject site is located in a bushfire prone area as identified in the Planning in Bushfire Prone Areas State Planning Policy 3.7 (SPP 3.7). In accordance with SPP 3.7, the applicant provided a Bushfire Attack Level (BAL) assessment, prepared by Bushfire Prone Planning (an accredited bushfire planning consultant). This BAL assessment determined that the BAL rating applicable to the site is BAL-12.5. Clause 6.6.1 of the Planning in Bushfire Prone Areas State Planning Policy 3.7 (SPP 3.7) states that development applications for vulnerable land uses in areas between Bushfire Attack Level (BAL) 12.5 and BAL 29 will not be supported unless they are accompanied by a Bushfire Management Plan (BMP) jointly endorsed by the relevant local government and DFES.

Subsequently, a BMP was prepared by Bushfire Prone Planning on behalf of the applicant. This BMP was provided to Administration, and referred to DFES for comment on 8 September 2017. On 27 October 2017, DFES advised that the BMP satisfactorily addressed the bushfire protection criteria. In light of this endorsement by DFES, Administration considers that the proposal is consistent with the requirements of SPP 3.7, and is supported subject to the imposition of a condition requiring the implementation of the BMP.

Compliance

LPP 4.14 does not prescribe specific criteria for when prosecution for a retrospective use should be undertaken following approval being sought. However, it is considered that in this

instance prosecution should not be undertaken, as Administration is recommending that the approval be time limited to 12 months. As noted throughout the report, since the landowner has instigated the management plan informally, no further complaints have been received by Administration in regards to the use of the property. The 12 month period will allow for the use to be undertaken and for the effectiveness of the management measures to be assessed. At the completion of this 12 month period, should no further approval be granted and the use continue to operate, compliance action in accordance with LPP 4.14 could be initiated.

In light of the above, it recommended that no prosecution is undertaken should approval be granted.

Conclusion

The development application seeks approval for a change of use to a Residential Building for the purposes of operating short term accommodation from the subject site, which was identified through the investigation of complaints received from an adjoining property.

It is noted that prior to the lodgement of this application in November and December 2016, and following the lodgement of this application in April 2017, complaints have been received by the City in regards to the management of the short term accommodation, primarily in respect to noise. In response to these concerns, the landowner has prepared a management plan, and implemented a code of conduct as a part of accepting and managing bookings. In the time since this has been prepared and implemented by the landowner, Administration is not aware of any complaints regarding the operation of the short term accommodation, which indicates that the enforcement of the management plan obligations has been successful.

In light of this, it is considered that the application be approved subject to conditions, including the implementation of the management plan and for a period of 12 months, with the ability for a further approval to be granted having regard to any substantiated complaints received during this period.

Statutory Compliance

This application has been assessed in accordance with the City of Wanneroo's District Planning Scheme No. 2.

Strategic Implications

The proposal aligns with the following objective within the Strategic Community Plan 2017 – 2027:

“3 *Environment (Built)*

3.6 *Housing Choice*

3.6.1 *Facilitate housing diversity to reflect changing community needs”*

Risk Management Considerations

There are no existing Strategic or Corporate risks within the City's existing risk registers which relate to the issues contained in this report.

Policy Implications

This application has been assessed in accordance with the requirements of the following:

- District Planning Scheme No. 2;
- State Planning Policy 3.1 - Residential Design Codes;

- State Planning Policy 3.7 - Planning in Bushfire Prone Areas;
- Planning Bulletin 99 - Holiday Homes Guidelines;
- Local Planning Policy 4.14 - Compliance; and
- Draft Local Planning 4.21 - Short-Term Accommodation.

Financial Implications

Nil

Voting Requirements

Simple Majority

Recommendation

That Council:-

1. Pursuant to Clause 68(2)(b) of the Deemed Provisions of District Planning Scheme No. 2, APPROVES the Development Application (DA2016/1848), as shown in Attachment 2, for a Change of Use to a Residential Building at Lot 263 (224) Ocean Drive, Quinns Rocks, subject to the following conditions:
 - a) This approval only relates to the proposed Change of Use to a Residential Building, as indicated on the approved plans. It does not relate to any other development on the lot.
 - b) The use of the approved premise shall conform to the District Planning Scheme No. 2 definition of a Residential Building which states:

“Residential Building: means a building or portion of a building, together with rooms and outbuildings separate from such building but incidental thereto, such building being used or intended, adapted or designed to be used for the purpose of human habitation:

 - *Temporarily by two or more persons; or*
 - *Permanently by seven or more persons, who do not comprise a single family, but does not include a hospital or sanatorium, a prison, a hotel, a motel or residential school.”*
 - c) This planning approval is time limited and shall expire in 12 months from the date of this approval, unless a further approval is issued by the City. If a new approval has not been issued, the property shall only be used after the expiry date as a Single House.
 - d) The maximum number of guests accommodated at any one time shall be 14.
 - e) The use shall be operated in accordance with the ‘Le Chateau d’Ocean Holiday and Short-Term Rental Code of Conduct’, to the satisfaction of the City.
 - f) Contact details of the manager of the property shall be provided to the owners and occupiers of the adjoining properties to enable the manager to be contacted in the event of any issues arising from the use of the property. If the property manager receives a complaint, they shall attend in the first instance and advise the City of any complaints received.

- g) The provision of a sufficient area to provide for a minimum of 7 car parking spaces, so as to ensure that there is no parking on the road verge or obstructing of movement onto or along the road, to the satisfaction of the City.
 - h) The use shall be implemented in accordance with all recommendations of the Bushfire Management Plan prepared by Bushfire Prone Planning, dated 5 September 2017.
 - i) The approval is valid from the date of the Council's decision and does not retrospectively authorise any other unapproved use of the premises.
2. **ENDORSES** Administration's responses to the submission as provided in Attachment 3; and
3. **ADVISES** the submitter of its decision.

Attachments:

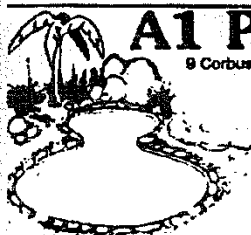
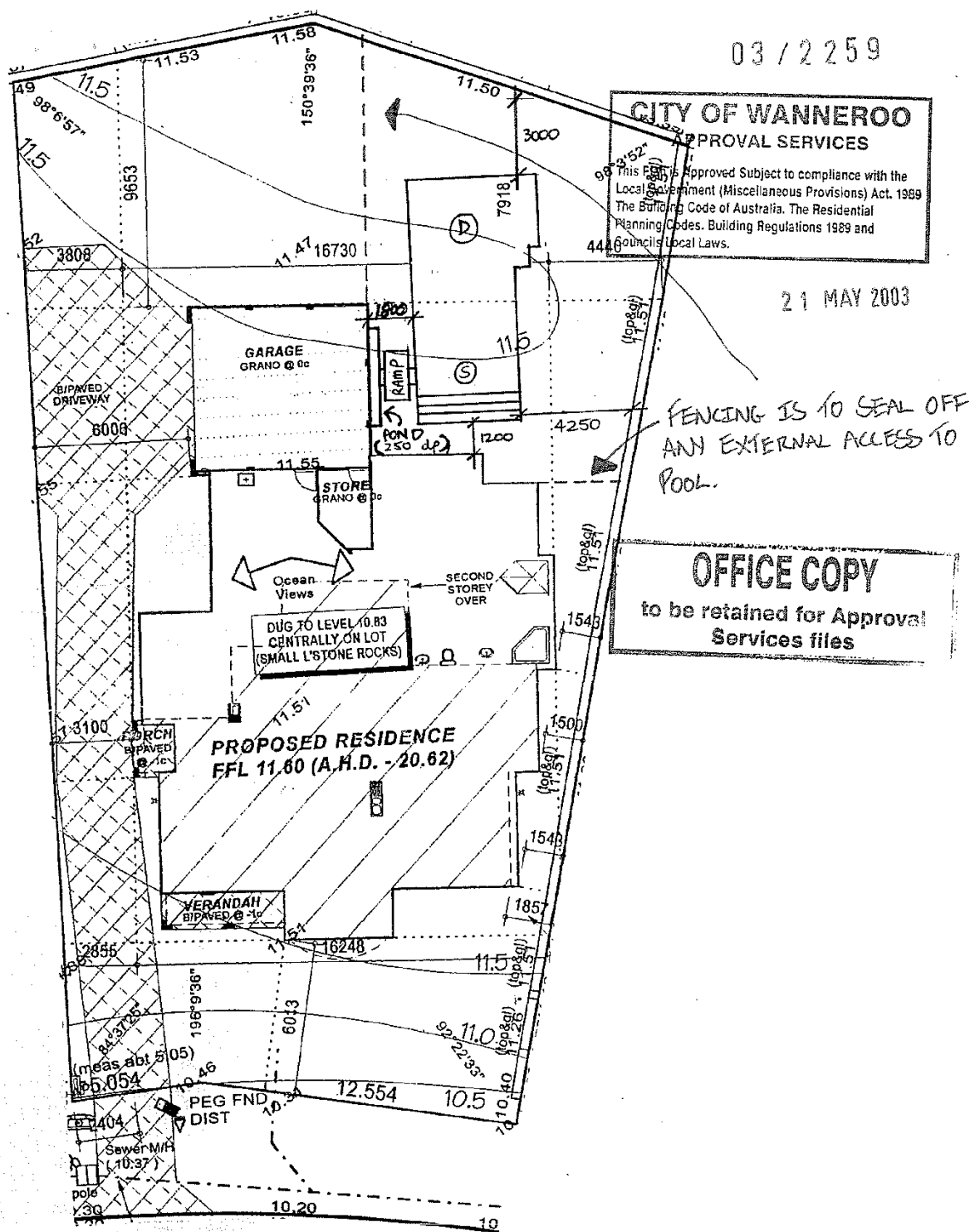
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|---|-----------|---------|
| 1.  Attachment 1 - Location Plan | 17/313967 | |
| 2.  Attachment 3 - Schedule of Submissions following Advertising - Change of Use to Holiday Accommodation - 224 Ocean Drive QUINNS ROCKS | AD178003 | Minuted |
| 3.  Attachment 2 - House Plans | 17/82874 | Minuted |



CITY OF WANNEROO
DA2016/1848 CHANGE OF USE TO RESIDENTIAL BUILDING
SCHEDULE OF SUBMISSIONS FOLLOWING ADVERTISING
(Advertising Closed 23 February 2017)

No.	Summary of Submission	Administration Comment	Recommendation
1.	Sean Freestone 8 Fairford Way, Quinns Rocks		
1.1	<p>Experienced a number of incidences of anti-social behaviour as a result of the property being used as short term accommodation, including:</p> <ul style="list-style-type: none"> • Verbal abuse by drunk and disorderly tenants; • Tenants jumping from the boundary wall into the pool; • Swearing, screaming and yelling from tenants, which can include between 30 and 40 people; • Smoking and drug use; • Excessively loud music during the day and night until early in the morning; and • Live music from a band playing at a birthday party with up to 30 people. 	<p>Anti-social behaviour is not a matter for the City, and should be reported to the police, as the City does not have the ability to take action against unruly guests.</p> <p>To address these issues, however, the applicant has provided a management plan as outlined in the 'Draft LPP 4.21' section of this report. This management plan includes a number of provisions to minimise and prevent noise and anti-social behaviour impacts on adjoining properties, including:</p> <ul style="list-style-type: none"> • Guests must limit noise between the hours of 10pm and 7am on Monday to Saturday, and 10pm and 9am on Sunday and public holidays, to minimise any impact on the occupiers of neighbouring properties. The management plan also identifies that guests are to ensure noise is compliant with the <i>Environmental Protection (Noise) Regulations 1997</i>, and that excessive noise which disturbs neighbouring properties is prohibited.; • The property is not to be used for parties, functions, or commercial event, or as a 'party house', including use for 'hens' parties, 'bucks' parties, or 'schoolies' events; 	<p>Imposition of a condition requiring the implementation of the management plan.</p>

No.	Summary of Submission	Administration Comment	Recommendation
		<ul style="list-style-type: none"> • The use of the balcony, swimming pool, and outdoor garden area is not permitted between between the hours of 10pm and 7am on Monday to Saturday, and 10pm and 9am on Sunday and public holidays; • The use of amplified music in the swimming pool area is prohibited at any time, as is the use of glassware and diving off structures; and • No smoking is permitted inside or outside of the property. <p>In the event of non-compliance with the terms of the management</p> <p>It should be noted that in the event of antisocial behaviour, including excessive noise, the Police should be contacted and Administration should be notified in writing of the issue. Substantiated complaints will be taken into consideration by Administration when the applicant proposes to renew the planning approval.</p>	
1.2	This is a quiet residential area, but due to people holidaying at the property it is treated as a party house with large numbers attending.	<p>Noted.</p> <p>Refer to response 1.1 above.</p>	No modification required.



No 1 FOR QUALITY SERVICE AND PRICE

A1 POOLS

9 Corbusier Place, Balatta 6021

Vic Rapoff

Manager

File 8344 7748

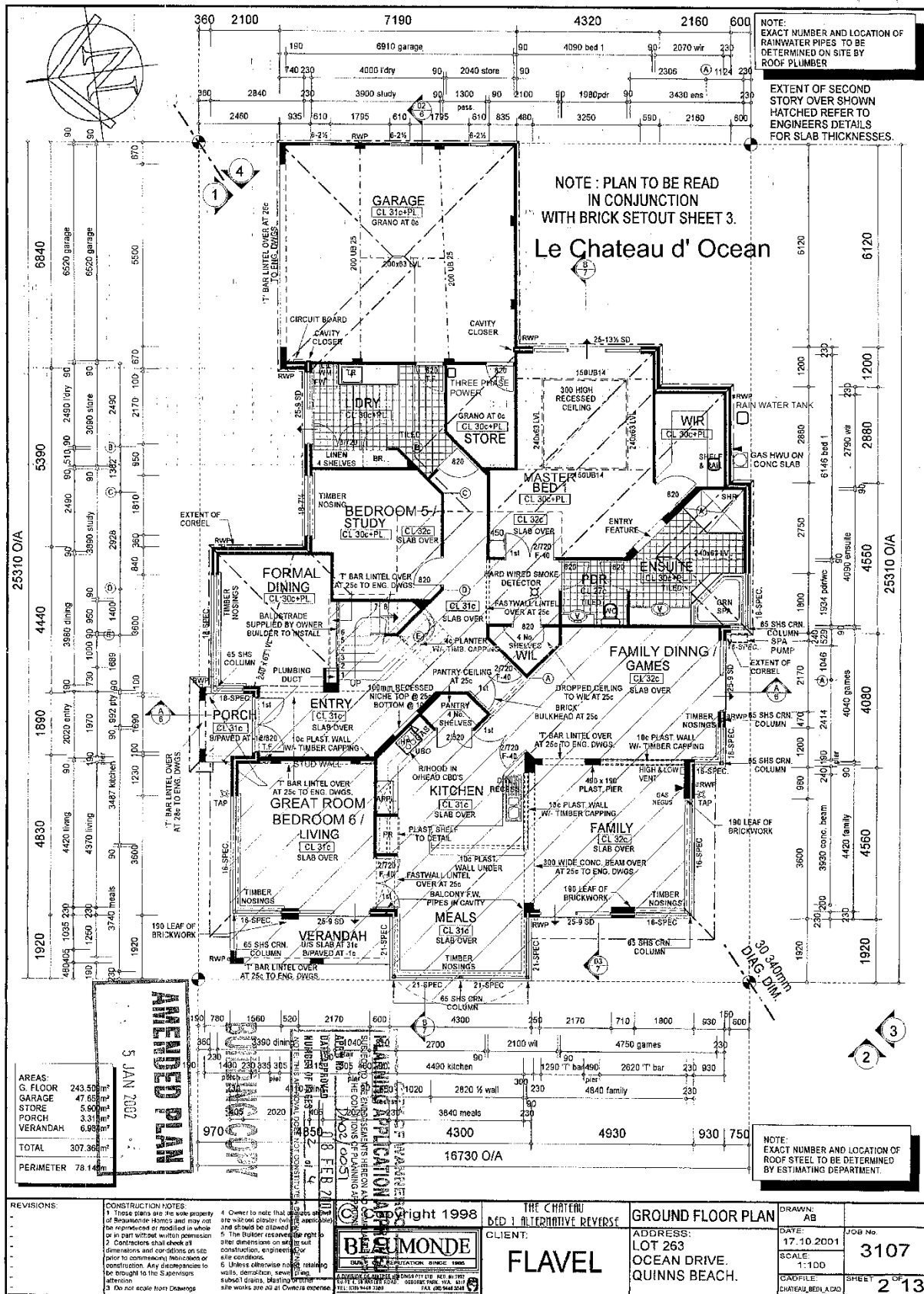
A/c: 9246 7832

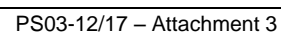
Mobile: 0418 828 077
Fax: 0850 1017

Fax: 8240 1237

Name: FLAVEL

Address: 224 OCEAN DVE
QUINNS BEACH





**PS04-12/17 Refusal of Proposed Amendment to Local Development Plan -
Zamia Rise Dunes, Yanchep**

File Ref:	3389-D2 – 17/348782
Responsible Officer:	Director Planning and Sustainability
Disclosure of Interest:	Nil
Attachments:	6

Issue

To consider a proposed amendment to Detailed Area Plan (now referred to as Local Development Plan) - Zamia Rise Dunes (LDP) located within the area of Capricorn Coastal Village Approved Structure Plan No.44 (ASP 44).

Background

The LDP was endorsed by the City in March 2008 and was subsequently amended on 23 September 2015 (**Attachment 1**).

The LDP designates building envelopes for each lot for the purpose of natural vegetation and topography retention, as required under ASP 44. The LDP also establishes built form provisions relating to finished floor level, retaining height and building setbacks.

An amendment to the endorsed LDP was submitted by Mr Michael Bruno on 9 May 2017 on behalf of the landowners of Lot 787 (33) Cave Loop, Yanchep (subject site), Mathew and Denise Arrigoni.

The LDP area is zoned Urban Development under District Planning Scheme No. 2 (DPS 2) and Residential under ASP 44, with a residential density coding of R5.

Detail

The proposed amendment to the LDP (**Amendment 2**) modifies the existing building envelope for the subject site increasing it from 621m² to 652m². A Site Plan showing further detail of the proposed modification to the building envelope is included as **Attachment 3**.

The building envelope modification is intended to accommodate Single House Additions (Outbuilding, Retaining Walls and Swimming Pool), which have already been constructed outside of the existing building envelope (the outbuilding has only been semi-constructed).

It is noted that the applicant originally applied for retrospective Development Approval for the Single House Additions (Outbuilding and Retaining Walls). However, given that these structures are located outside of the existing building envelope, the applicant was instructed to withdraw the application and first apply for an amendment to the LDP to modify the building envelope.

The proposed LDP amendment makes the following changes to the setbacks of the building envelope on the subject site:

- Setback from rear boundary reduced from minimum of 16.2m to minimum of 1.5m; and
- Setback from eastern boundary reduced from minimum of 4.7m to minimum of 3.9m.

Consultation

The application was advertised for a period of 21 days in accordance with Clause 50 (2) of the Deemed Provisions of DPS 2 by means of correspondence to the affected adjoining landowners. The advertising period commenced on 7 June 2017 and closed on 28 June 2017.

Advertising was undertaken to the owners of the property adjoining the rear boundary of the subject site (18 Seagrass Street, Yanchep). The owners of this property submitted comments to the City, objecting to the proposal for the following reasons:

- The proposed building envelope extension area (and semi-constructed outbuilding which has been constructed within the area) is located too close to the rear boundary of the subject site, allowing for the excessive building bulk of the outbuilding to be viewed from the alfresco area of the property; and
- The setback of the proposed building envelope extension area from the rear boundary does not allow sufficient space for the planting of vegetation, which may help to reduce the impact of the outbuilding.

A summary of the submission is provided in **Attachment 4**. It is noted that when the Development Approval for the Single House Additions (Outbuilding and Retaining Walls) was lodged with the City, the owners of the rear property signed copies of the site plan and elevations, indicating their support of these structures. As noted above, the owners of the rear property have since withdrawn their support and have objected to the outbuilding and building envelope modification.

As discussed in the 'Comments' section below, the impact of the proposed building envelope modification on the property adjoining the eastern boundary of the subject site is considered minimal. Therefore, advertising to this property was not undertaken.

Comment

ASP 44 does not impose any restrictions on the size of building envelopes. The purpose of the building envelopes designated in the LDP is to ensure maximum retention of natural vegetation and topography. Furthermore, the LDP prohibits the removal of vegetation outside of the designated building envelope (except for fire breaks and driveways).

Extension of Building Envelope to Accommodate Outbuilding

The extension of the building envelope around the outbuilding is not supported by Administration, given that a large area of vegetation has been cleared outside the building envelope to accommodate the outbuilding, and because of the impact on the rear property.

Vegetation Clearing

The Background Report (Part 2) of ASP 44 sets out the importance of establishing a conservation link through the structure plan area by identifying areas of public open space and by designating R5 and R10-coded lots with building envelopes to ensure maximum retention of natural vegetation and dunal topography. ASP 44 allows for LDPs to be prepared in order to designate building envelopes and include provisions for the retention of vegetation and topography. The LDP therefore establishes building envelopes for the lots and prohibits the clearing of vegetation outside of the building envelopes except for the purpose of constructing driveways and firebreaks. In light of these provisions, Administration would not consider supporting a proposal to modify a building envelope within the LDP area, unless it could be demonstrated that the modification did not compromise the vegetation retention objectives of ASP 44.

As shown in **Attachment 5**, the proposed building envelope extension area around the outbuilding was vegetated prior to the commencement of development on the site. The area to the east of the outbuilding, which is not included in the proposed building envelope, has also been cleared. Collectively, this existing vegetation which has been cleared outside of the building envelope is approximately 680m² in area.

It is noted that the applicant has provided a list of species that have been planted on the property, outside of the proposed building envelope, as a means of compensating for the vegetation which has been cleared. This list of species is included on the site plan in **Attachment 3**. The species included in this list are largely consistent with the species of the Quindalup Vegetation Complex, which covers the subject site.

Notwithstanding the above, given the retrospective nature of the clearing in the area of the outbuilding, Administration is not able to ascertain which species were present in this area, or the health of vegetation present. As such, Administration is not able to determine whether the areas of replanting may be considered to sufficiently compensate for the area which has been cleared.

Impact on Rear Property

The LDP prescribes that the boundary setback provisions of the R-Codes shall only apply if the cone of vision from major openings of structures proposed overlooks part of a designated building envelope of a neighbouring property. The outbuilding does not incorporate any major openings, so this provision would suggest that the setback provisions of the R-Codes do not apply. Notwithstanding, the existing locations of the building envelopes within the LDP are located in such a way as to allow them to be screened from adjoining properties by the existing vegetation.

The semi-constructed outbuilding has a wall height of 4m and pitched roof height of 5m, with a total area of 96m². It is setback a minimum of 1.5m and a maximum of 3m from the rear boundary. To accommodate this outbuilding, the applicant has proposed to reduce the setback of the building envelope from the rear boundary from the current setback of 16.2m to minimum of 1.5m. As shown in **Attachment 6(b)** and **6(c)**, the frame of the outbuilding currently extends approximately 2m above the existing boundary fence between the subject site and the rear property, and can also be seen from the rear property's alfresco area. The applicant has advised that they would consider reducing the height of the outbuilding to a wall height of 3m and a pitched roof height of 4m. It is noted this would still exceed the 'deemed-to-comply' wall height of an outbuilding under the R-Codes, being 2.4m. Generally, building bulk arises from large solid walls and structures that impact the amenity of the adjoining properties. Given the setback of the outbuilding from the rear boundary, an outbuilding 3m in wall height would still be considered to impose excessive building bulk on the rear property.

Whilst vegetation has been planted between the outbuilding and the rear boundary fence, the applicant has not indicated which of the species from the list provided in **Attachment 3** have been planted in this location. Administration is therefore not able to ascertain whether this vegetation will be able to screen the outbuilding, as viewed from the rear property, once fully grown.

Extension of Building Envelope to Accommodate Swimming Pool and Retaining Walls

In accordance with Clause 61(1)(d) of the Deemed Provisions of DPS 2, a swimming pool is exempt from requiring development approval where it is in addition to a single house. A Building Permit for the swimming pool was issued on 15 November 2016. The plans submitted by the applicant for the Building Permit showed the building envelope in the wrong location, containing the swimming pool. On this basis, the Building Permit for the swimming pool was issued by the City.

No development approval or building permit has been issued for the retaining walls around the swimming pool, despite the requirement to obtain these approvals.

Notwithstanding the above, the extension of the building envelope around the swimming pool and retaining walls is considered acceptable for the following reasons:

- As shown in **Attachment 5**, the extension area around the swimming pool and retaining walls was vegetated prior to undertaking these works. Notwithstanding, the area cleared for these structures is considered minimal, and would still allow for the majority of the existing vegetation to be retained; and
- As shown in **Attachment 6(a)**, the subject site is at a lower level than that of the adjoining property to the east (37 Cave Loop, Yanchep). As such, the works within this extension area (being the swimming pool and retaining walls) will not be visible from the dwelling and outdoor living areas of 37 Cave Loop, Yanchep.

Determination of Application

In accordance with the Deemed Provisions of District Planning Scheme No. 2 (DPS 2), the City, following consideration of a proposed amendment to an LDP, must:

- a) Approve the LDP amendment;
- b) Require the person who prepared the LDP amendment to:
 - i. Modify the LDP in the manner specified by the local government; and
 - ii. Resubmit the modified LDP to the local government for approval;
- Or
- c) Refuse to approve the LDP.

In the process of considering the proposed amendment, the applicant was advised that Administration supports the extension of the building envelope around the swimming pool and associated retaining walls, but does not support the extension of the building envelope around the outbuilding, as discussed above. Consequently, the applicant was given the opportunity to modify the proposed LDP amendment accordingly. The applicant advised that they would like to keep the building envelope as it is, so as to allow for the semi-constructed outbuilding to be completed. Whilst the extension of the building envelope around the existing swimming pool and retaining walls is supported, no modified LDP amendment has been submitted to show the building envelope modification which is supported by Administration. As such, a determination needs to be made on the application as submitted, which as discussed above, Administration does not support.

Assessment against State Planning Policy 3.7: Planning in Bushfire Prone Areas (SPP 3.7)

The subject site is identified as being located within a bushfire prone area. Given that Administration does not support the proposed LDP amendment for the reasons discussed above, a Bushfire Attack Level (BAL) assessment was not requested from the applicant.

Compliance

The building envelope modification is intended to accommodate structures which have already been fully or partially constructed outside of the existing building envelope. In addition to refusing this application, Administration recommends that the owners of the subject site be required to remove the existing structures outside of the approved building envelope and revegetate the area which has been cleared. If this recommendation is supported by Council, the City's Compliance team would then proceed to take compliance action against the landowners, in accordance with Local Planning Policy 4.14 – Planning Compliance (LPP 4.14).

Conclusion

As discussed above, the extension of the building envelope around the outbuilding is not supported, given that a large area of vegetation has been cleared outside the building envelope to accommodate the outbuilding, and because of the impact on the rear property. The extension of the building envelope around the swimming pool and retaining walls, however, is considered acceptable given that the associated vegetation clearing is minor in nature and the impact on the adjoining property is not considered significant.

In accordance with the Deemed Provisions of DPS 2, Administration gave the applicant the opportunity to modify the proposed LDP amendment to reflect the building envelope supported by Administration. As noted above, however, the applicant advised that they would like to keep the building envelope as it is, so as to allow for the semi-constructed outbuilding to be completed. As such, Administration has provided a recommendation of refusal based on the application as submitted.

If Council resolves to approve the application to extend the building envelope in the LDP, then the applicants would need to obtain the following additional approvals from the City:

- Development Approval for the Outbuilding and Retaining Walls; and
- A Building Permit for the Outbuilding and Retaining Walls.

If Council resolves to refuse the application, then the applicants would have the following options:

- Remove the structures outside of the existing building envelope;
- Lodge a new LDP amendment application, showing the building envelope extension around only the swimming pool and retaining walls (not the outbuilding). The outbuilding would then need to be removed; or
- Appeal the decision at the State Administrative Tribunal.

Statutory Compliance

This application has been assessed in accordance with the City of Wanneroo's District Planning Scheme No. 2.

Strategic Implications

The proposal aligns with the following objective within the Strategic Community Plan 2017 – 2027:

“3 *Environment (Natural)*

3.2 *Enhanced Environment*

3.2.3 *Optimize retention of significant vegetation and habitat”*

Risk Management Considerations

There are no existing Strategic or Corporate risks within the City's existing risk registers which relate to the issues contained in this report.

Policy Implications

Local Planning Policy 4.14 – Planning Compliance (LPP 4.14)

Financial Implications

Nil

Voting Requirements







Simple Majority

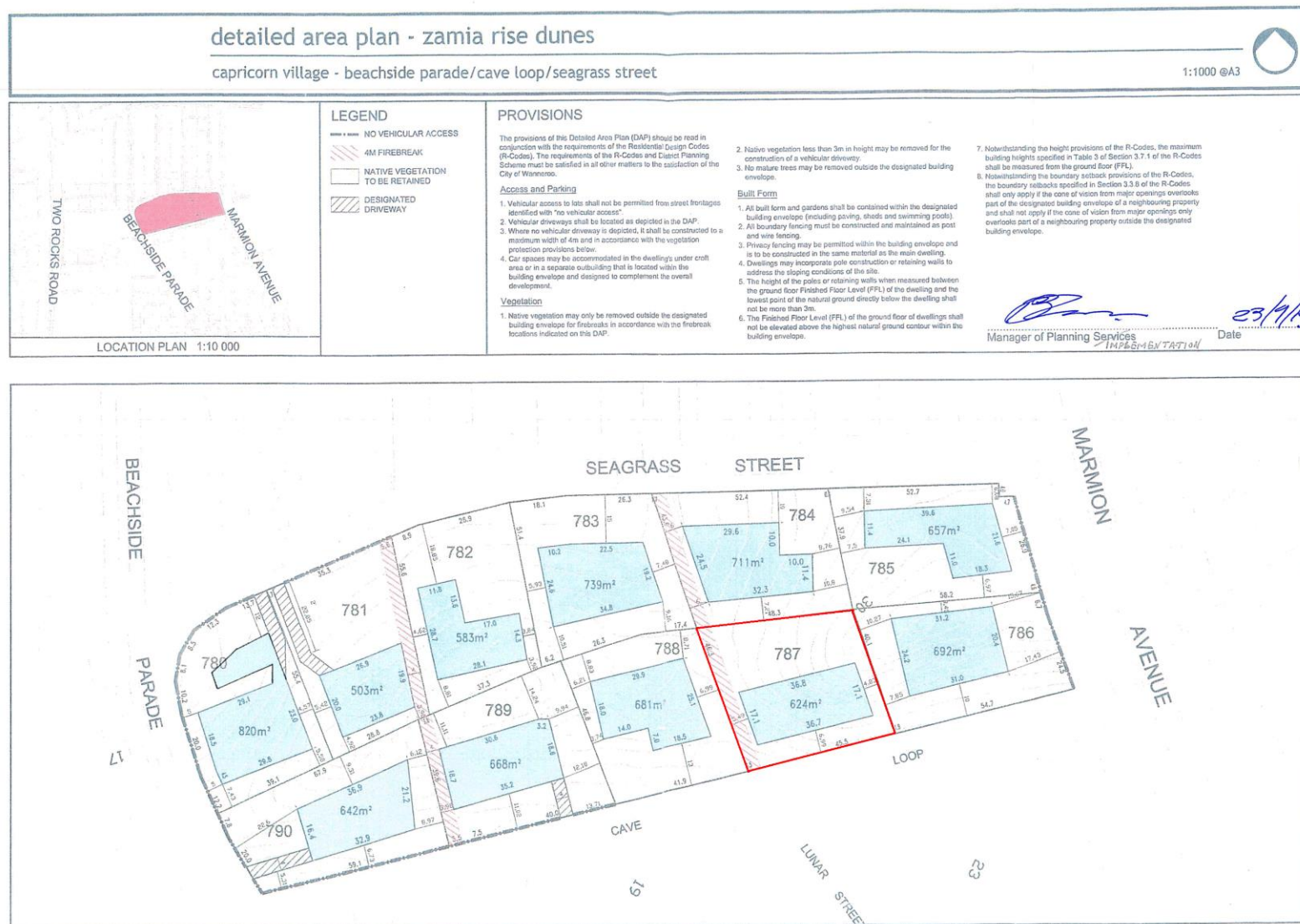
Recommendation

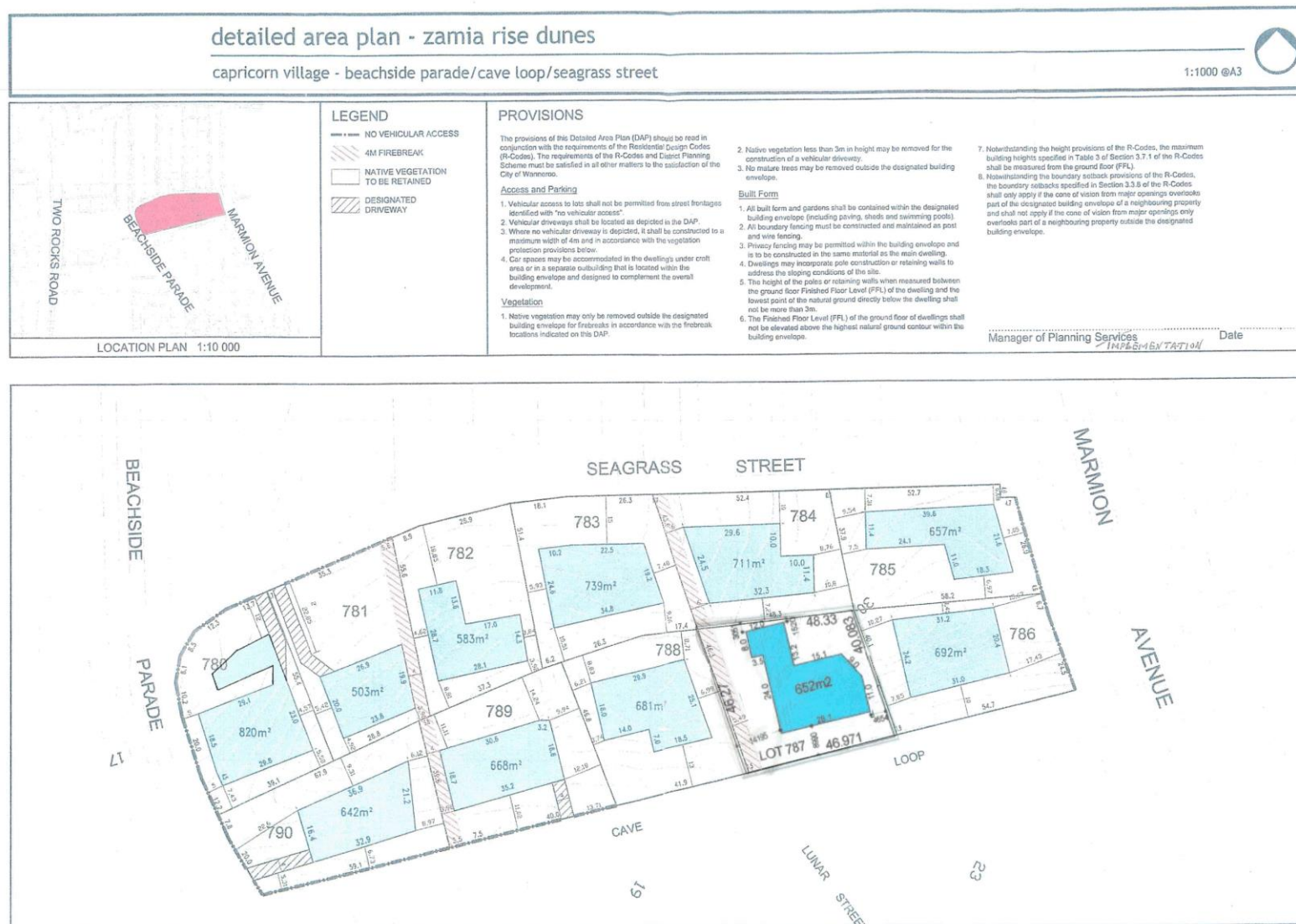
That Council:-

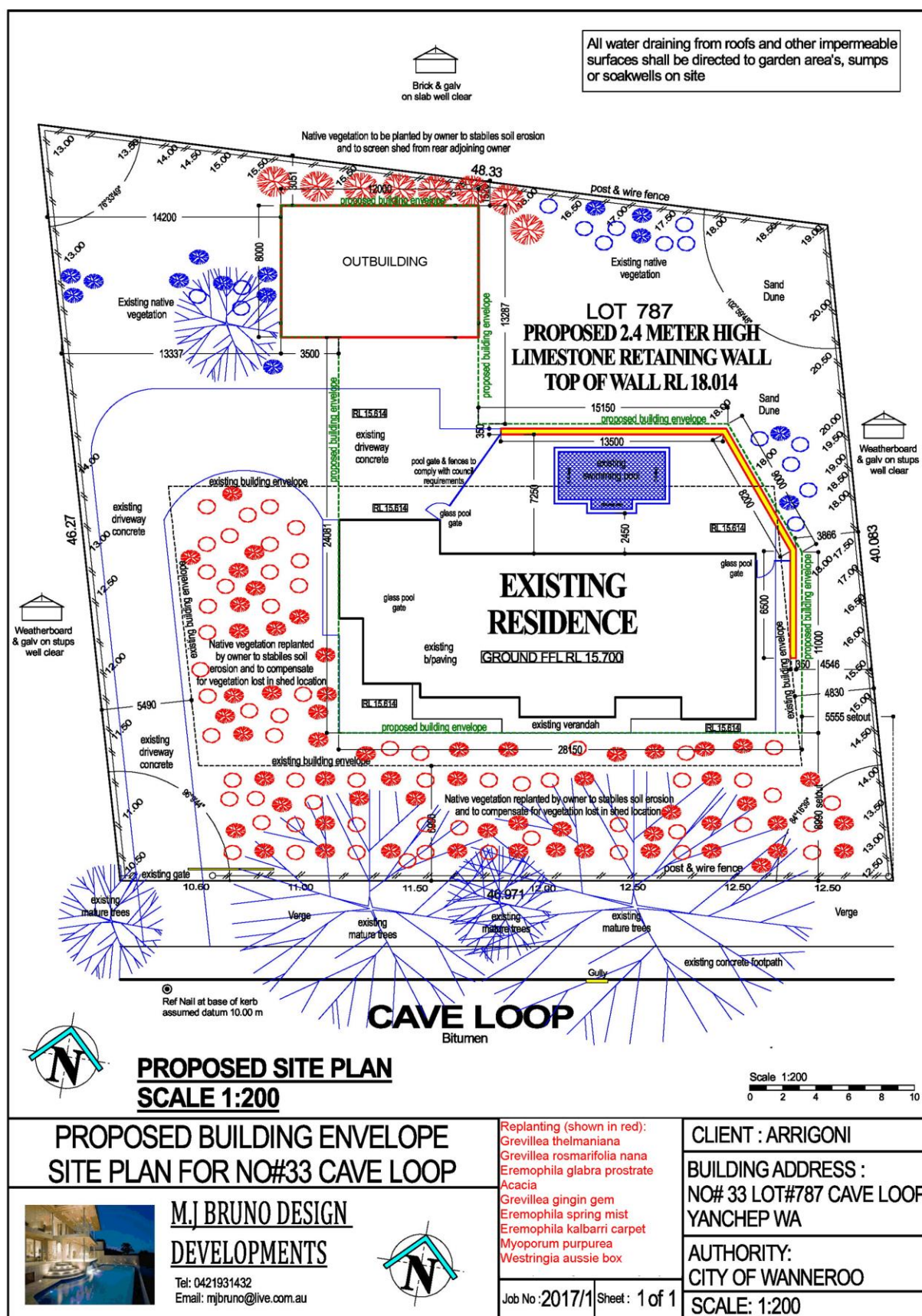
1. Pursuant to subclause 52(1)(a) of the Deemed Provisions of the City of Wanneroo District Planning Scheme No. 2 **REFUSES** the Local Development Plan Amendment, as shown in Attachment 2, for the following reasons:
 - a) A large area of vegetation has been cleared outside the existing building envelope, which is contrary to the purpose of the Local Development Plan and the provisions of Approved Structure Plan No. 44 – Capricorn Coastal Village, Yanchep;
 - b) The proposed extension of the building envelope is considered to adversely impact the amenity of the rear adjoining property.
2. In accordance with LPP 4.14, **ADVISES** the City's Compliance Services to instruct the owners of the subject site to remove the existing structures outside of the existing building envelope and revegetate the area which has been cleared, to the satisfaction of the City.

Attachments:

1 	Zamia Rise Dunes - Endorsed LDP	17/402508	
2 	Zamia Rise Dunes - Proposed LDP Amendment	17/144630	Minuted
3 	33 Cave Loop, Yanchep - Site Plan Showing Proposed Building Envelope Modification	17/260168	
4 	33 Cave Loop, Yanchep - Summary of Submission	17/389181	
5 	33 Cave Loop, Yanchep - Aerial Images	17/389195	
6 	33 Cave Loop, Yanchep - Site Visit Photos	17/389121	







Attachment 4 – Summary of Submission

Submission	Issue	Administration Comment
1.0	Landowners of 18 Seagrass Street, Yanchep	
1.1	Object to proposal.	Noted.
1.2	The outbuilding is too close to rear boundary and is too tall.	Agree. As discussed in the body of the report, Administration considers that, in light of the setback and height of the outbuilding, it is considered to impose excessive building bulk on the rear property, including the rear property's alfresco area.
1.3	The impact of the outbuilding would be reduced if the height was reduced to 2.4m wall height and the setback was increased to allow for decent vegetation to be planted as a screen.	Noted. These comments were passed onto the applicant for consideration, and they advised that they would consider reducing the height of the outbuilding to 3m wall height and 4m pitched roof height. No other changes were proposed. As discussed in the body of the report, given the setback of the outbuilding from the rear boundary, an outbuilding which is 3m in wall height would still be considered to impose excessive building bulk on the rear property.
1.4	The outbuilding will reduce their property value.	Impact on property value is not a relevant planning consideration.

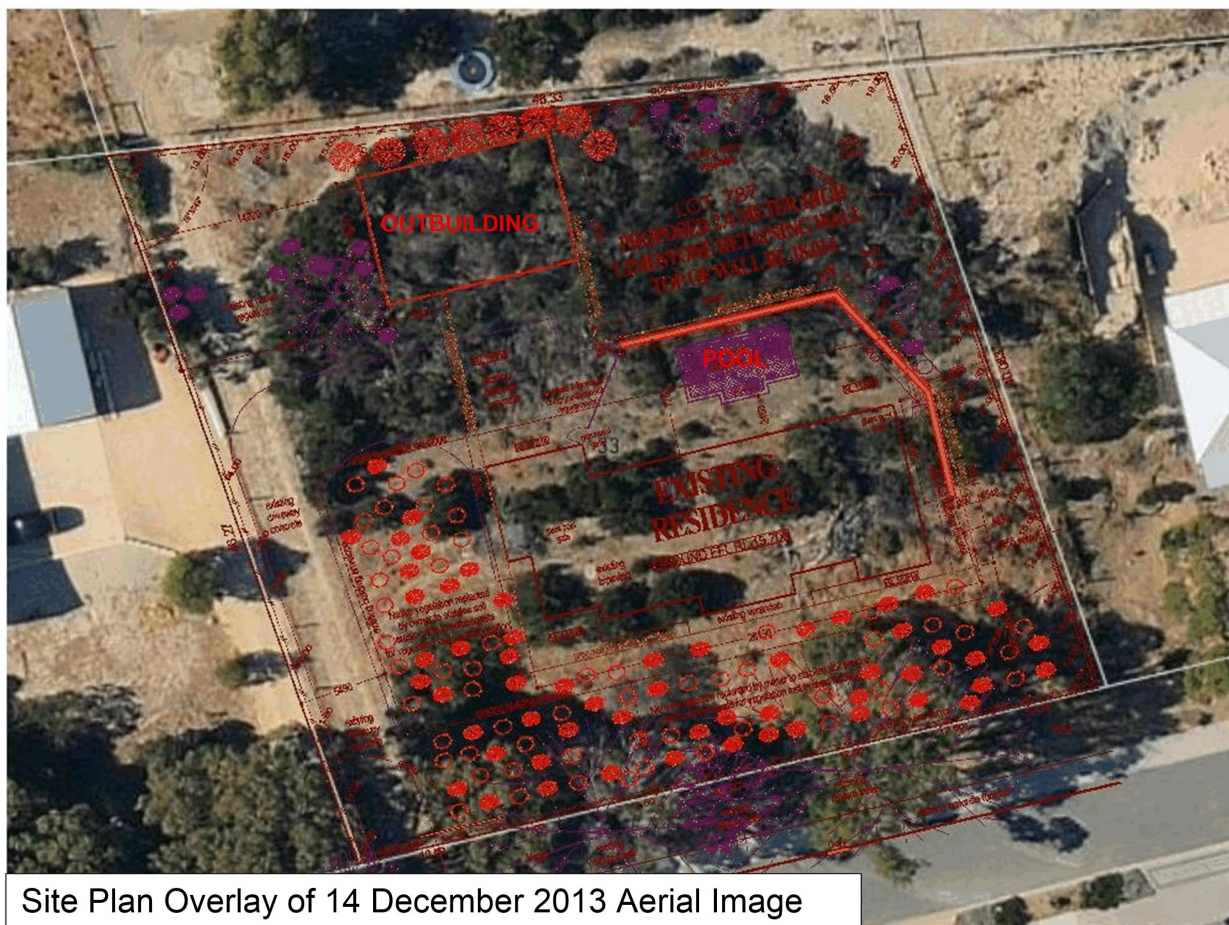
Attachment 5 - Aerial Imagery of 33 Cave Loop, Yanchep and Surrounding Properties



Attachment 5 - Aerial Imagery of 33 Cave Loop, Yanchep and Surrounding Properties



Attachment 5 - Aerial Imagery of 33 Cave Loop, Yanchep and Surrounding Properties



Attachment 6 – Site Visit Photos



6(a) - View from swimming pool area on subject site, looking towards 37 Cave Loop, Yanchep

Attachment 6 – Site Visit Photos



6(b) - View from rear of 18 Seagrass Street, Yanchep looking towards subject site

Attachment 6 – Site Visit Photos



6(c) - View from alfresco area of 18 Seagrass Street, Yanchep looking towards subject site

Attachment 6 – Site Visit Photos



6(d) – Setback area between semi-constructed outbuilding and rear boundary on subject site

Assets

Asset Operations & Services

AS01-12/17 2017/18 Bus Shelter Installation Program and Petition PT01-10/17 Installation of Bus Shelter at Stop 21902 on Kingsway

File Ref:	7242 – 17/370370
Responsible Officer:	Director Assets
Disclosure of Interest:	Nil
Attachments:	18

Issue

To consider 2017/18 Bus Shelter Installation Program and Petition PT01-10/17 requesting the installation of a bus shelter at stop 21902 on Kingsway east of Regency Avenue.

Background

To encourage the use of Public Transport and reduce vehicle congestion on the road network, the City has allocated \$60,000 (PR-1055) in the 2017/2018 Capital Works Program to install bus shelters in qualifying bus stop locations. To achieve the best outcome for residents and public transport users, the City gives priority to bus stops qualifying for co-funding (50/50) through the Public Transport Authority's (PTA) Bus Shelter Grants Scheme (BSGS). To qualify for PTA funding under the BSGS, the nominated bus stop requires an average minimum patronage figure of 15 boarding passengers per weekday. Council further confirmed this position on 2 April 2013, (Item IN06-04/13 refers) and resolved as follows:

"SUPPORTS the ongoing practice of giving priority to installing bus shelters at sites that meet the Public Transport Authority's Bus Shelter Grant Scheme".

Furthermore, Council received petition PT01-10/17 at its meeting on 10 October 2017 the petition contained 113 signatures and reads as follows:

"We, the undersigned, all being residents of the City of Wanneroo do formally request Council's consideration on the installation of a bus shelter at stop 21902 Kingsway east of Regency Avenue."

Detail

This report provides a list of bus stops to be considered for the installation of bus shelters in line with the abovementioned Council's resolution, in addition to considering a petition requesting the installation of a bus shelter at bus stop 21902 Kingsway east of Regency Avenue.

The typical cost to install a new bus shelter without 50/50 funding from the BSGS is currently \$11,000. These costs can increase depending on additional site costs. Based on the City funding 100% of costs, up to five new bus shelters can be installed per year. Should the City continue to give priority to installation of bus shelters at sites that meet the PTA's Bus Shelter Grant Scheme, 8 bus shelters can be installed depending on the specific site costs.

When determining sites for bus shelter installation, Administration considers patronage, road reserve width, sightlines at property crossovers and intersections, as well as the potential impact on the adjacent residents. Currently, there are 785 PTA bus stops (excluding school bus stops) within the City with 151 stops have shelters, including illuminated advertising

shelters. The remaining 634 stops do not have bus shelters, with many of these bus stops only used for the return journey and consequently having little demand from boarding passengers.

Using the patronage data of all bus stops within the City provided by PTA in June 2017, the following 17 bus stops have over 20 boardings per day, the lower threshold selected for this year. The City has consulted with the PTA to gauge their support.

Priority No.	Stop No.	Location	Patronage	Recommendation
1	26506	Benenden Avenue before Santorini Promenade, Alkimos (Refer to Attachment 1 for location map)	63	<i>PTA does not support the location as the stop is not on the final route alignment. Administration recommends not proceeding with the installation of a shelter at this location.</i>
2	26997	Butler Boulevard before Camborne Parkway, Butler (Refer to Attachment 2 for location map)	62	PTA supports installing a bus shelter at this location. Bus Stop located in Butler Town Centre adjacent to commercial/ state government land
3	26862	Glasshouse Drive after Burma Loop, Banksia Grove (Refer to Attachment 3 for location map)	51	<i>PTA does not support the location as the stop is not on the final route alignment. Administration recommends not proceeding with the installation of a shelter at this location.</i>
4	26579	Porrecta Link after Joseph Banks Boulevard, Banksia Grove (Refer to Attachment 4 for location map)	42	<i>PTA does not support the location as the stop is not on the final route alignment. Administration recommends not proceeding with the installation of a shelter at this location.</i>
5	26121	Carosa Road after Taplow Parade, Ashby (Refer to Attachment 5 for location map)	34	PTA supports installing a bus shelter at this location. Bus Stop located adjacent to parkland. Residents across from proposed installation notified.
6	21913	Ocean Keys Boulevard after Verrado Way, Clarkson (Refer to Attachment 6 for location map)	33	<i>PTA does not support the location. Administration recommends not proceeding with the installation of a shelter at this location.</i>
7	27537	Brooklyn Avenue before Willespie Drive, Pearsall (Refer to Attachment 7 for location map)	30	<i>PTA does not support this location at the current time due to a pending ministerial request to relocate the stop. Administration recommends not proceeding with the installation of a shelter at this location.</i>
8	26948	Yandella Promenade after Waldburg Drive, Tapping (Refer to Attachment 8 for location map)	30	<i>PTA does not support the location as the long term route may change after the grade separation of Wanneroo Road and Joondalup Drive. Administration</i>

		location map)		<i>recommends not proceeding with the installation of a shelter at this location.</i>
9	26933	Botanic Avenue after Woolly Road, Banksia Grove (Refer to Attachment 9 for location map)	29	PTA supports installing a bus shelter at this location. Bus Stop located in parkland. Residents across from proposed installation notified.
10	18226	Santa Barbara Parade after Ceduna Way, Quinns Rocks (Refer to Attachment 10 for location map)	29	PTA supports installing a bus shelter at this location. Consultation required as stop located on the side of residential properties.
11	23351	Ghost Gum Boulevard after Kurrajong Boulevard, Banksia Grove (Refer to Attachment 11 for location map)	28	PTA supports installing a bus shelter at this location. As the stop is located on the side of residential properties, community consultation has been undertaken and adjoining residents have objected to the installation due to access issues.
12	27545	Alhambra Parkway before Kingsway, Landsdale (Refer to Attachment 12 for location map)	25	PTA supports installing a bus shelter at this location. Bus Stop located adjacent to parkland. Residents across from proposed installation notified.
13	18208	Lukin Drive after Marmion Avenue, Butler (Refer to Attachment 13 for location map)	25	PTA yet to provide comments. Does not affect any residential property directly.
14	25558	Marmion Avenue after Hughie Edwards Drive, Merriwa (Refer to Attachment 14 for location map)	25	PTA yet to provide comments. Does not affect any residential property directly.
15	18156	Rothsay Heights before Rochester Drive, Mindarie (Refer to Attachment 15 for location map)	23	PTA yet to provide comments. Does not affect any residential property directly.
16	23916	Connolly Drive before Walyunga Boulevard, Clarkson (Refer to Attachment 16 for location map)	23	<i>Patronage at this stop has declined and the PTA does not support a shelter at this time. Administration recommends not proceeding with the installation of a shelter at this location.</i>
17	26293	Excellence Drive after Inspiration Drive, Wangara (Refer to Attachment 17 for	22	<i>PTA does not support the location as the stop is not on the final route alignment. Administration recommends not proceeding with the installation of a shelter at this</i>

		location map)		<i>location.</i>
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The PTA does not support eight of the above locations. Out of the remaining nine locations, two of the stops are located on the side of residential properties and require community consultation and four of the locations are located in parkland or adjacent to commercial land and the remaining three do not affect any residential property but still require PTA support.

In considering the residents' objection to the installation of the bus shelter at stop number 23351, Administration does not recommend for this installation to proceed.

In addition to the 17 bus stops analysed above, Administration also reviewed the patronage data for bus stop no. 21902 Kingsway east of Regency Avenue, Madeley (**Attachment 18** refers). Bus stop no. 21902 has a patronage of two boardings per day. Furthermore, the installation of a bus shelter at this location will affect the sight distance at two access points for Kingsway Court Village.

Consultation

The City consulted with residents potentially affected by the proposed installation of a bus shelter adjacent to their property with the consultation period extending from 2 November to 23 November 2017. The City also notified residents that are directly across the street from the other four stops.

Comment

While the City would like to encourage public transport use by providing facilities at all bus stops it is committed to achieving the best result for all public transport users by funding those bus stops with the highest patronage which also attract 50/50 grant funding from PTA. The City receives patronage data from the PTA on an annual basis to determine the potential sites for installation of bus shelters. Each year the patronage levels at bus stops vary due to development, extension or alteration of bus routes and residents moving, which results in Administration only being able to formalise an installation program on an annual basis. This practice ensures that the highest patronage sites are prioritised using the most up to date information.

Taking into consideration the initial response from the PTA, the proposed priority of installation for 2017/18 Bus Shelter Installation Program is recommended below:

Priority No.	Stop No.	Location	Recommendation
1	26997	Butler Boulevard before Camborne Parkway, Butler (Refer to Attachment 2 for location map)	PTA supports installing a bus shelter at this location.
2	26121	Carosa Road after Taplow Parade, Ashby (Refer to Attachment 5 for location map)	PTA supports installing a bus shelter at this location.
3	26933	Botanic Avenue after Woolly Road, Banksia Grove (Refer to Attachment 9 for location map)	PTA supports installing a bus shelter at this location.
4	18226	Santa Barbara Parade after Ceduna Way, Quinns Rocks (Refer to Attachment 10 for location map)	PTA supports installing a bus shelter at this location.
5	27545	Alhambra Parkway before Kingsway, Landsdale (Refer to Attachment 12 for location map)	PTA supports installing a bus shelter at this location.
6	18208	Lukin Drive after Marmion Avenue,	PTA yet to provide comments.

		Butler (Refer to Attachment 13 for location map)	Does not affect any residential property directly.
7	25558	Marmion Avenue after Hughie Edwards Drive, Merriwa (Refer to Attachment 14 for location map)	PTA yet to provide comments. Does not affect any residential property directly.
8	18156	Rothsay Heights before Rochester Drive, Mindarie (Refer to Attachment 15 for location map)	PTA yet to provide comments. Does not affect any residential property directly.

Subject to the outcome of the community consultation in relation to shelter listed at 4 in the table above, it is proposed that the Director Assets considers the objections (if any) and makes a decision on the installation of this shelter. Should this shelter installation not proceed, the remaining shelters will be installed as per the above priority order.

Administration is confident that the PTA is likely to support the installation of bus shelters at bus stops 18208, 25558 and 18156. Should the PTA not support the installation of any of these three bus shelters, it is proposed that the Director Assets be authorised to identify further bus stops and approve their inclusion in the 2017/18 Bus Shelter Installation Program.

The cost associated with the installation of six shelters supported by the PTA above is approximately \$51,000 which will allow the installation of one more shelter in 2017/18.

Bus Stop 21902 at Kingsway east of Regency Avenue is not considered to be a high priority by Administration based on the low patronage figure of 2 boardings per day. Bus stop 21902 has already been upgraded to comply with disability standards by the PTA without consideration of the installation of a bus shelter. The cost associated with the bus shelter installation at this stop will need to be fully funded by the City at an approximate cost of \$11,000. Based on the low patronage data and sight distance issue, Administration does not support the installation of a bus shelter at bus stop no. 21902.

Statutory Compliance

Nil

Strategic Implications

The proposal aligns with the following objective within the Strategic Community Plan 2017 – 2027:

“3 *Environment (Built)*

3.5 *Connected and Accessible City*

3.5.1 *Deliver local transport infrastructure including roads, footpaths and cycle ways to improve accessibility”*

Risk Management Considerations

There are no existing Strategic or Corporate risks within the City's existing risk registers which relate to the issues contained in this report.

Policy Implications

Administration has developed a Draft Bus Stop Infrastructure Policy which will be considered by Council before the end of the 2017/18 financial year. The draft policy includes a multi-criteria analysis to guide the selection of bus stops for the annual Bus Shelter Installation Program. All projects recommended as part of the 2017/18 Bus Shelter Installation Program score highly in accordance with the draft policy.

Financial Implications

An allocation of \$60,000 forms part of Project No PR-1055 in the City's Capital Works Program for bus shelter installation in 2017/2018. Should BSGS funding be utilised for the installation of all the bus shelters, the City would be able to install seven bus shelters in 2017/2018.

Voting Requirements

Simple Majority



Recommendation

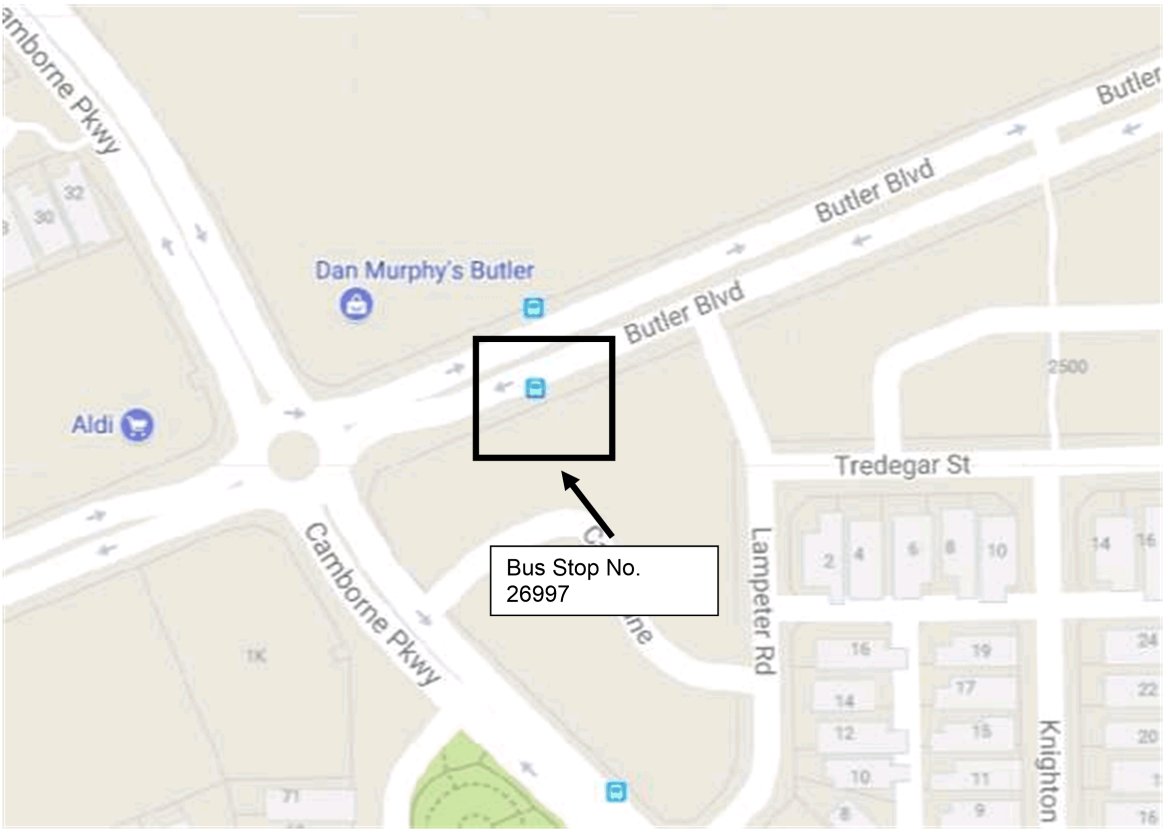


That Council:-

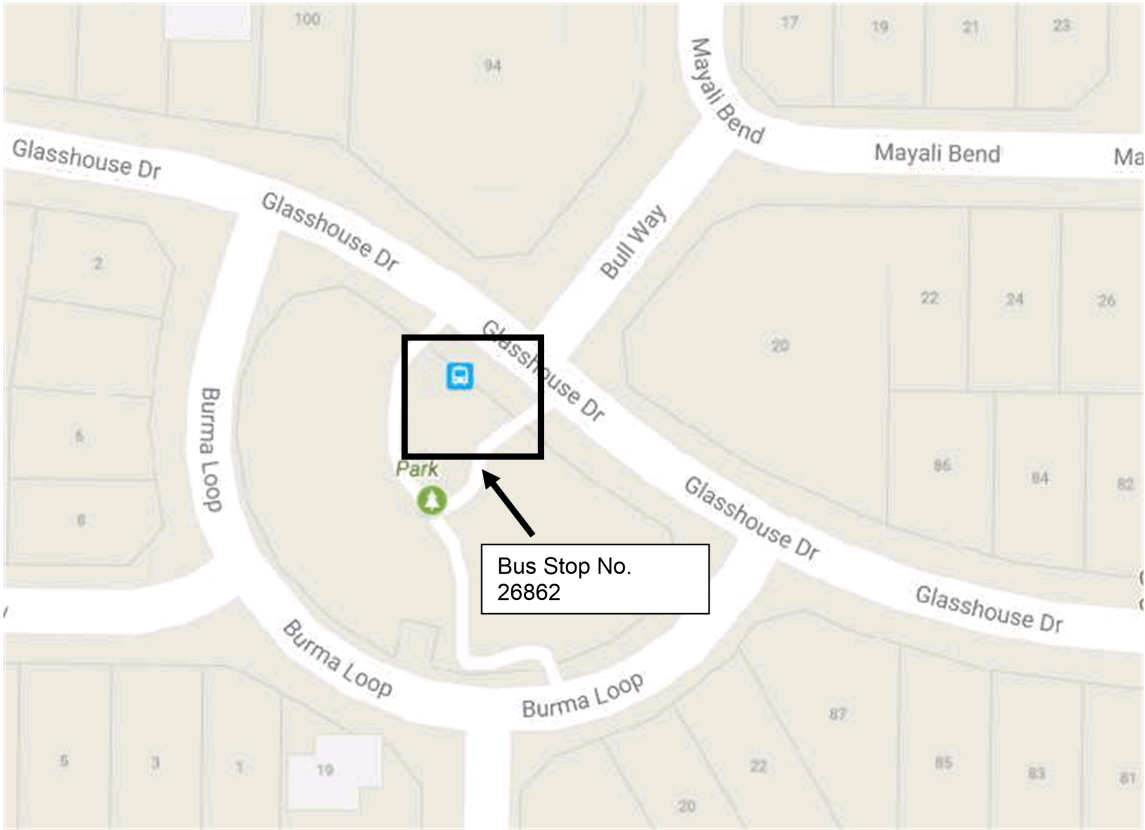


1. **SUPPORTS** the ongoing practice of giving priority to installing bus shelters at sites that meet the Public Transport Authority's Bus Shelter Grant Scheme;
2. **DOES NOT SUPPORT** the installation of a bus shelter at bus stop no 21902 Kingsway after Regency Avenue;
3. **ADVISES** the petition organiser of Council's decision; and
4. **AUTHORISES** the Director Assets to:
 - a) consider the outcome of community consultation in relation to bus stop 23351 and approve the installation of bus shelters in the priority order noted in the report; and
 - b) identify further bus stops and approve their inclusion in the 2017/18 Bus Shelter Installation Program, should the Public Transport Authority not support the installation of shelters at any of the bus stop numbers 18208, 25558 and 18156.

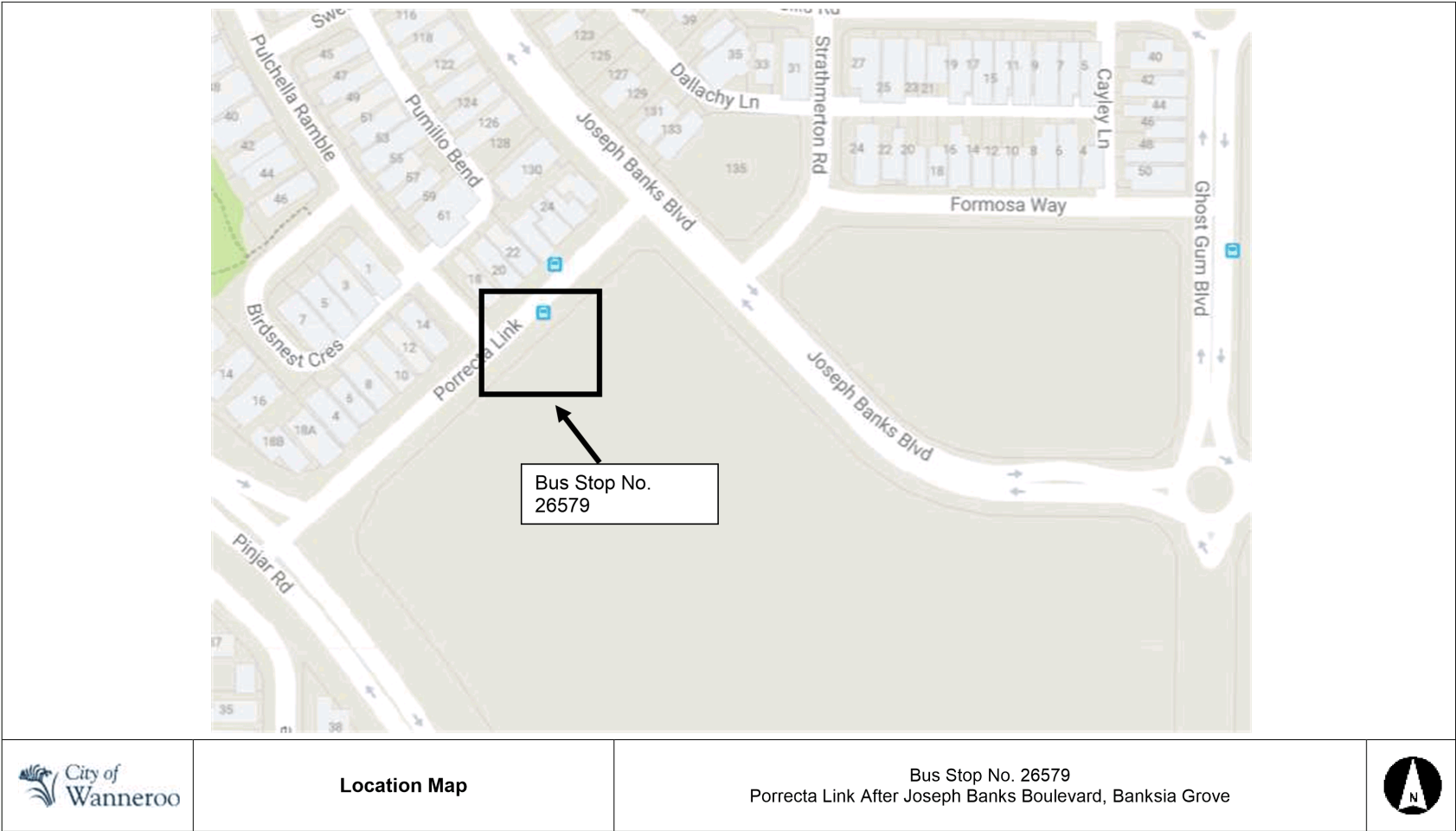
Attachments:

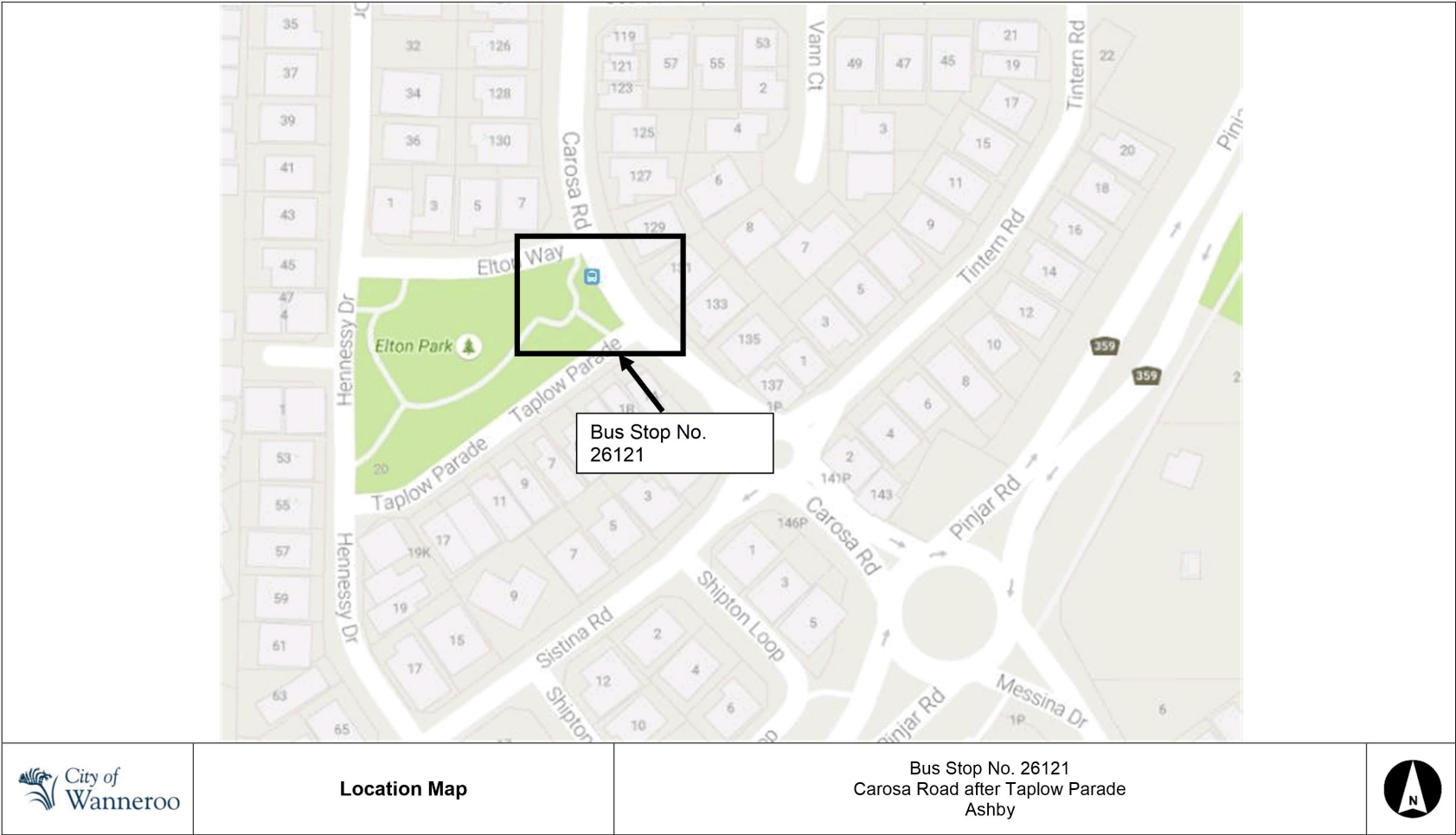
1 	Location Map - Bus Stop No. 26506 - Benenden Avenue, Alkimos	17/387721
2 	Location Map - Bus Stop No 26997 - Butler Boulevard Before Camborne Parkway, Butler	17/387738
3 	Location Map - Bus Stop No 26862 - Glasshouse Drive After Burma Loop, Banksia Grove	17/387747
4 	Location Map - Bus Stop No 26579 - Porrecta Link After Burma Loop, Banksia Grove	17/387761
5 	Location Map - Bus Stop No. 26121 - Carosa Road, Ashby	16/318943
6 	Location Map - Bus Stop No. 21913 - Ocean Keys Boulevard, Clarkson	16/319324
7 	Location Map - Bus Stop No 27537- Brooklyn Avenue before Willespie Drive, Pearsall	17/387795
8 	Location Map Bus Stop No. 26948 Yandella Promenade after Waldburg Drive, Tapping	17/387812
9 	Location Map - Bus Stop No. 26933 - Botanic Avenue, Banksia Grove	16/318950
10 	Location map - Bus Stop No. 18226 Santa Barbara Parade after Ceduna Way, Quinns Rocks	17/387826
11 	Location map - Bus Stop No. 23351 Ghost Gum Boulevard after Kurrajong Boulevard, Banksia Grove	17/387859
12 	Location map - Bus Stop No 27545 Alhambra Parkway before Kingsway, Landsdale	17/387874
13 	Location map - Bus Stop No 18208 Lukin Drive after Marmion Avenue, Butler	17/387898
14 	Location map -Bus Stop No 25558 Marmion Avenue after Hughie Edwards Drive, Merriwa	17/387906
15 	Location map -Bus Stop No 18156 Rothesay Heights before Rochester Drive, Mindarie	17/387914
16 	Location map - Bus Stop No. 23916 Connolly Drive before Walyunga Boulevard, Clarkson	17/387887
17 	Location map - Bus Stop No. 26293 Excellence Drive after Inspiration Drive, Wangara	17/387890
18 	Location map -Bus Stop No 21902 Kingsway after Regency Avenue, Madeley	17/388020

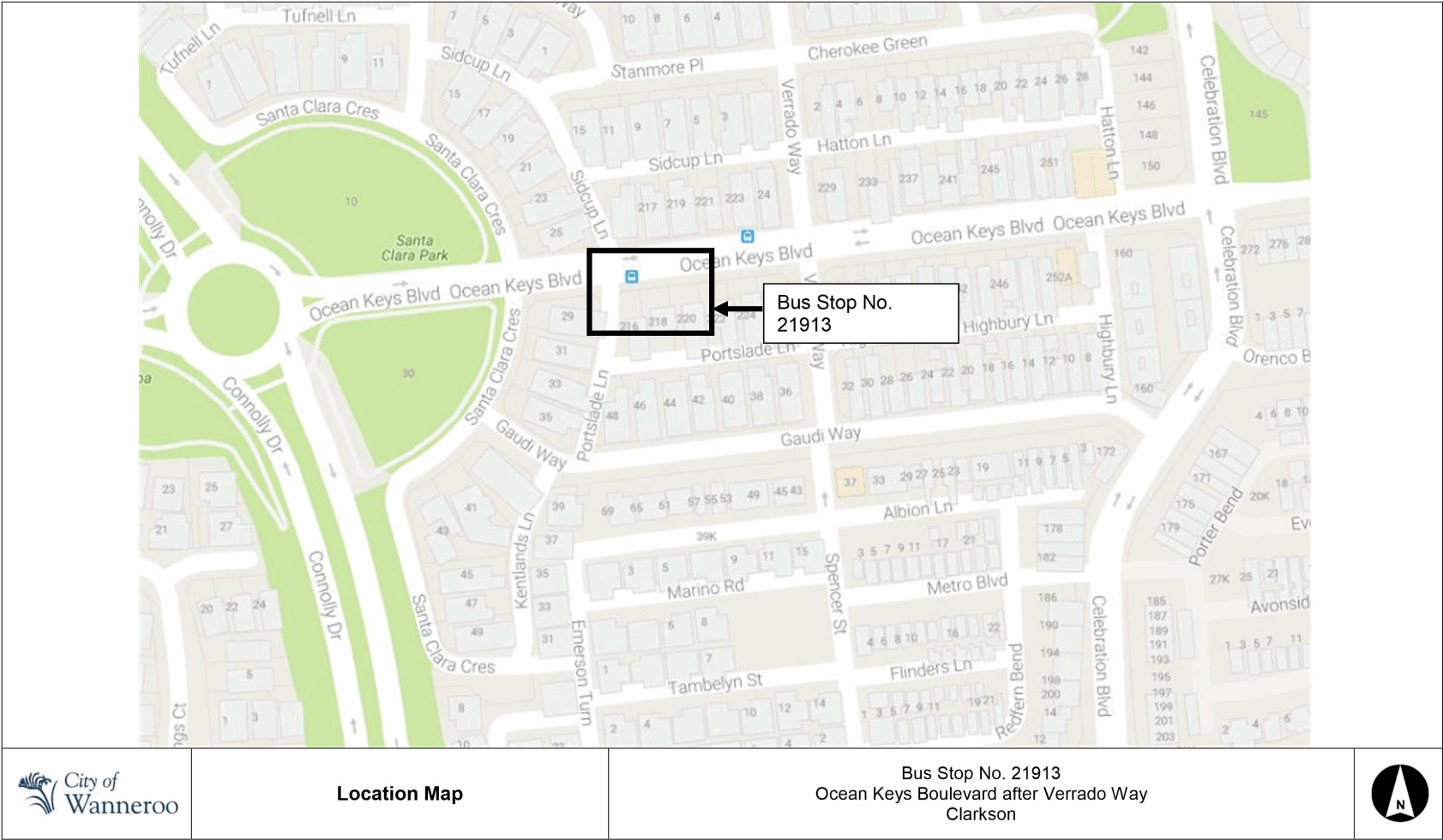
			
	Location Map	Bus Stop No. 26506 Benenden Avenue Before Santorini Promenade, Alkimos	

			
	Location Map	Bus Stop No. 26997 Butler Boulevard Before Camborne Parkway, Butler	

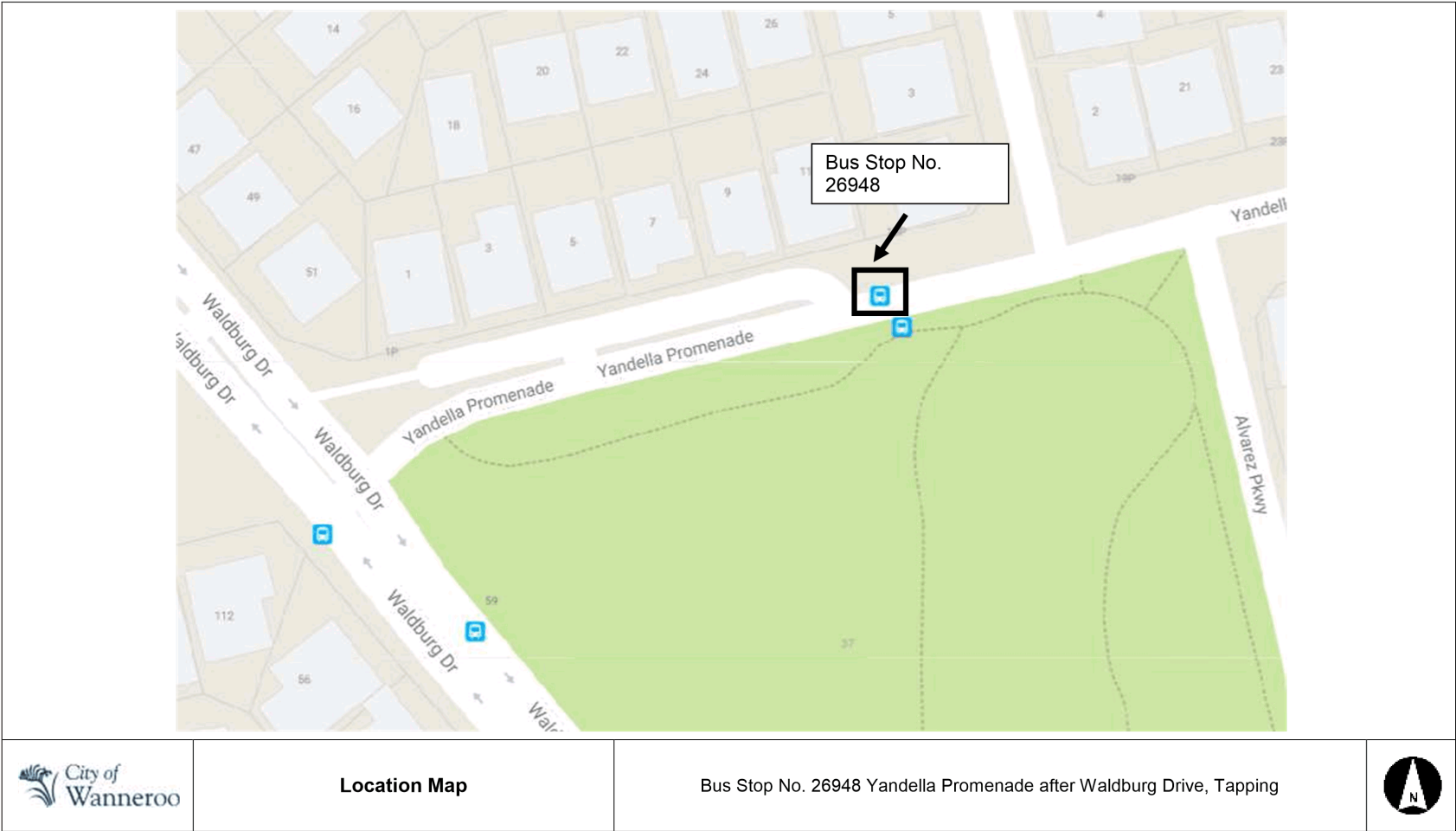
			
	Location Map	Bus Stop No. 26862 Glasshouse Drive After Burma Loop, Banksia Grove	

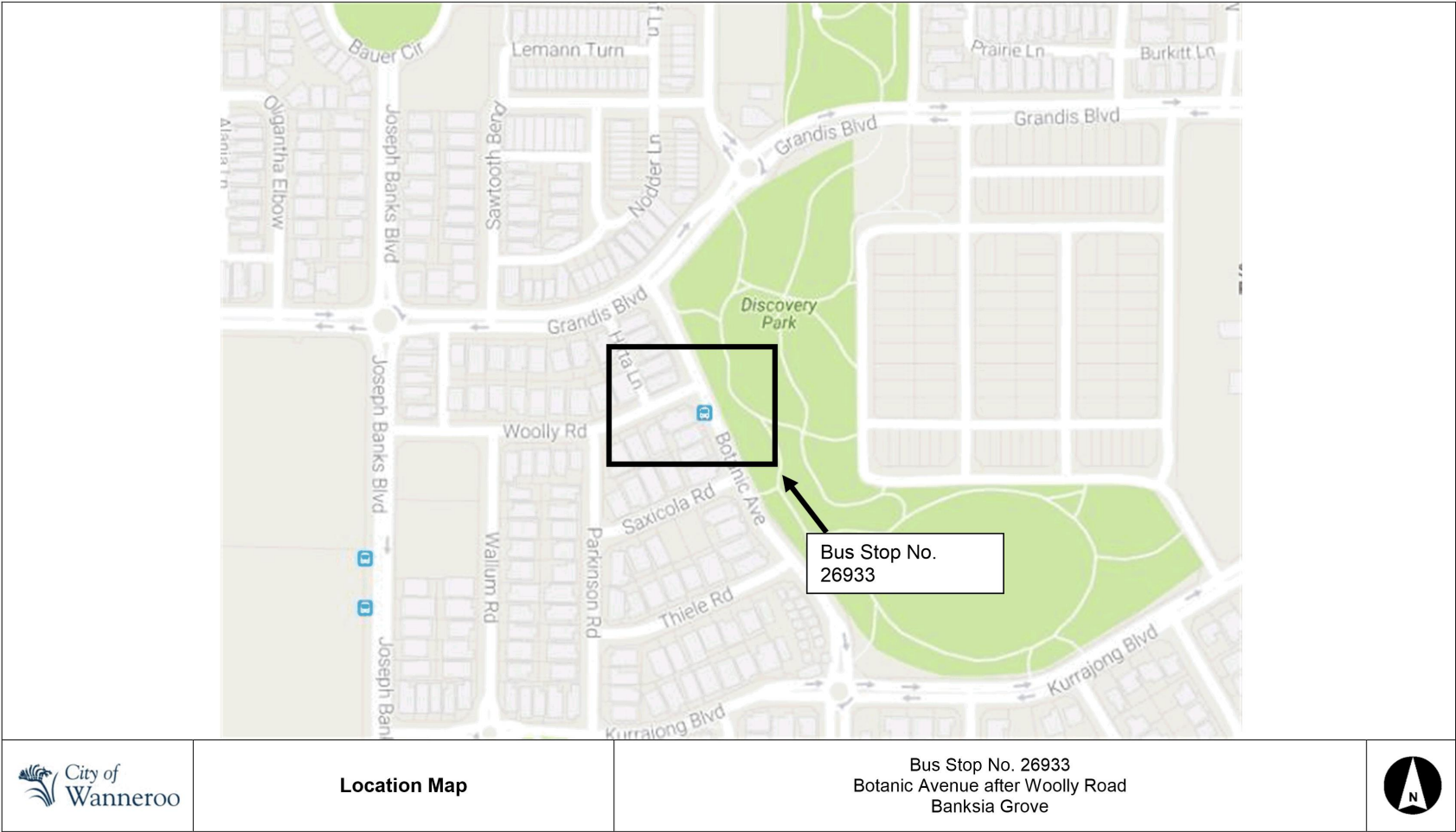




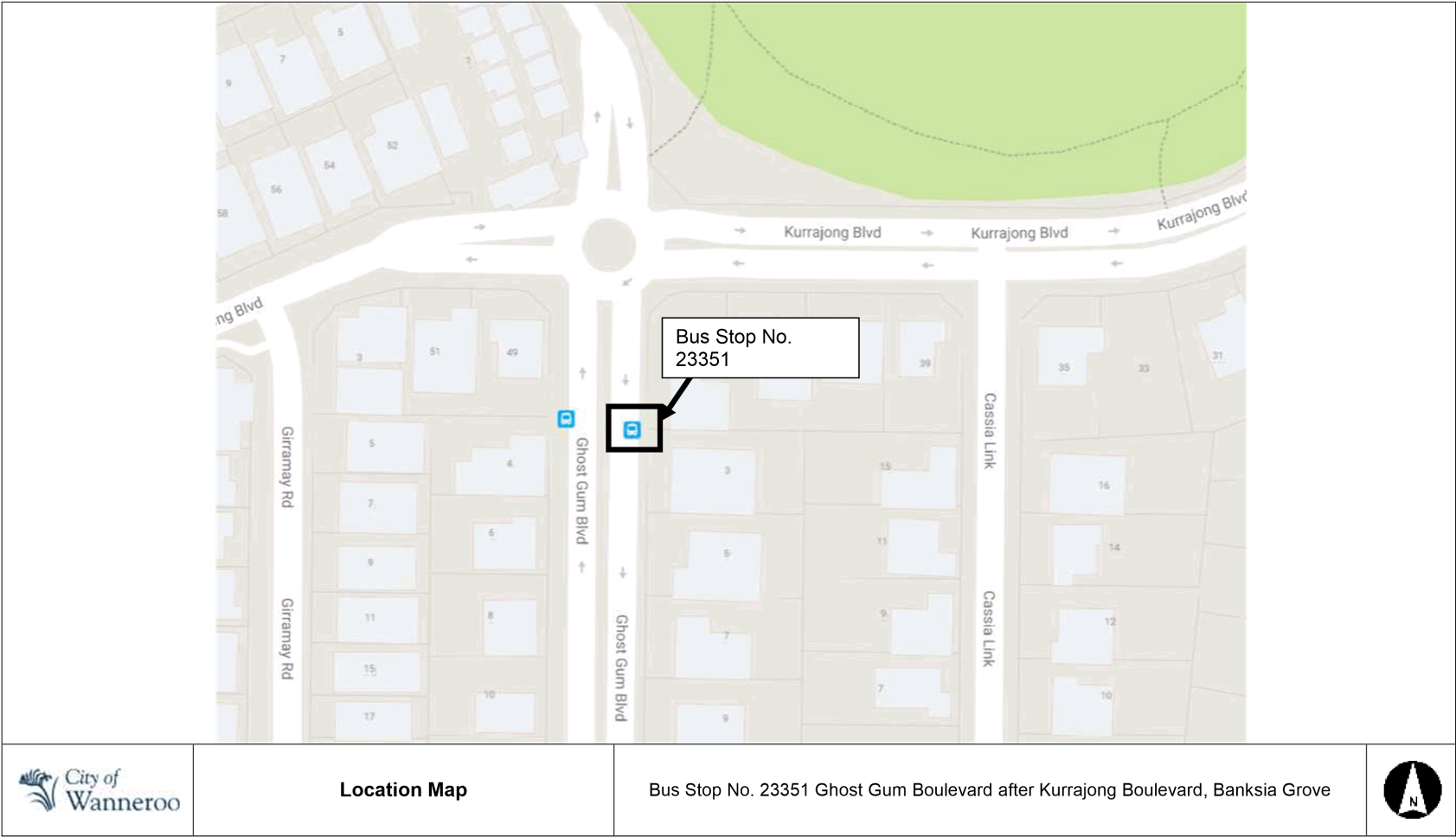


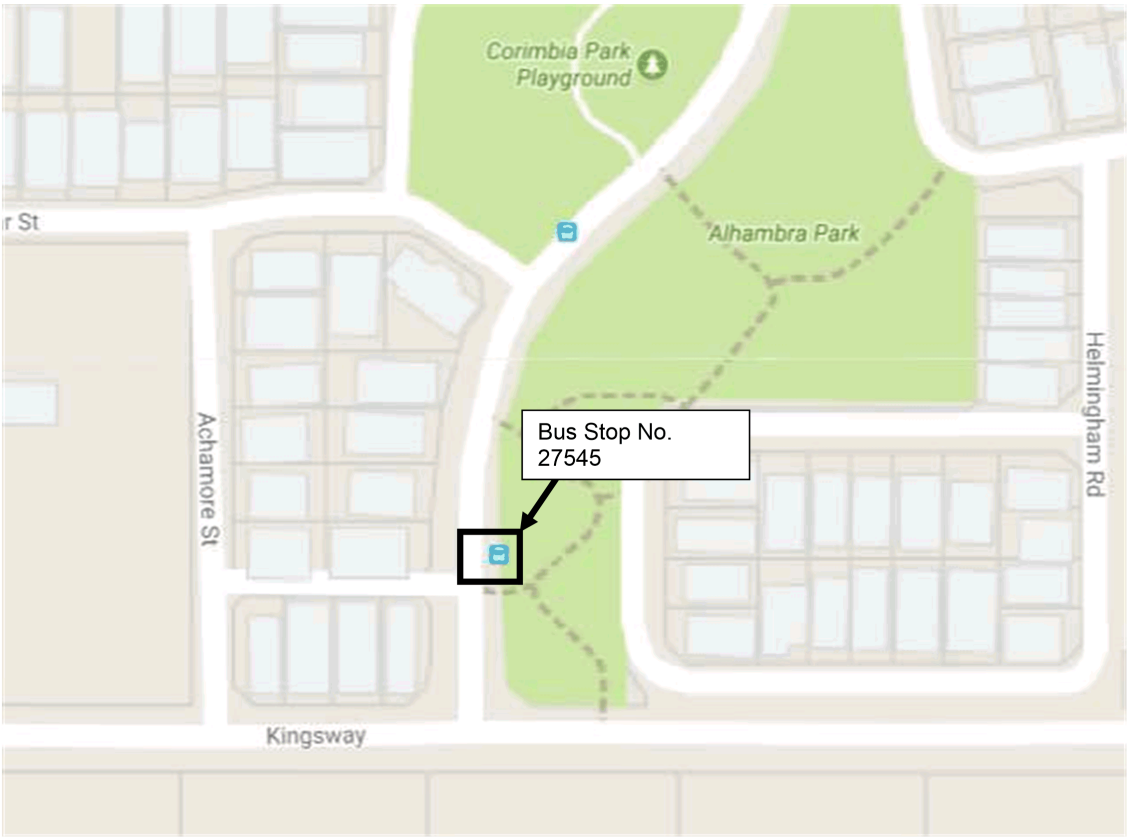




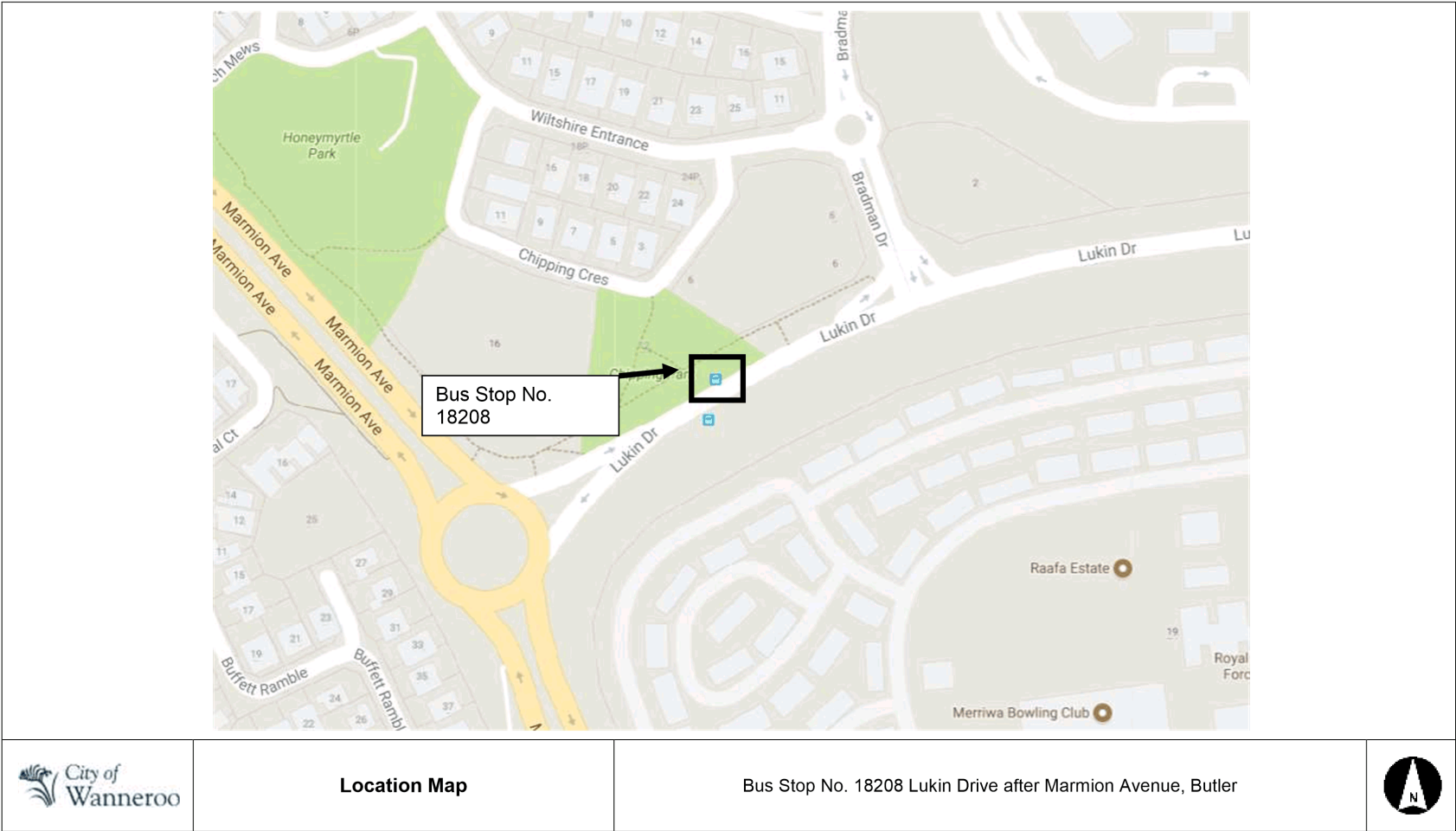


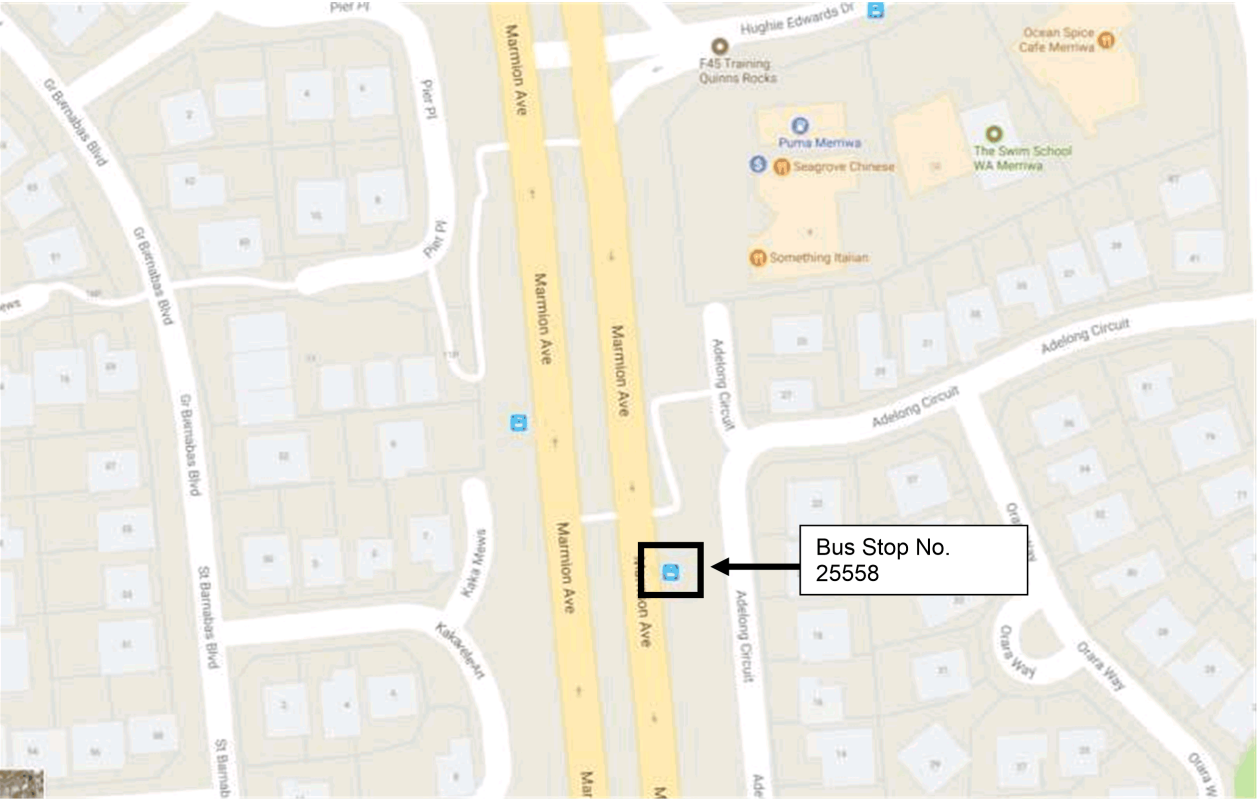




	Location Map	Bus Stop No. 18226 Santa Barbara Parade after Ceduna Way, Quinns Rocks	

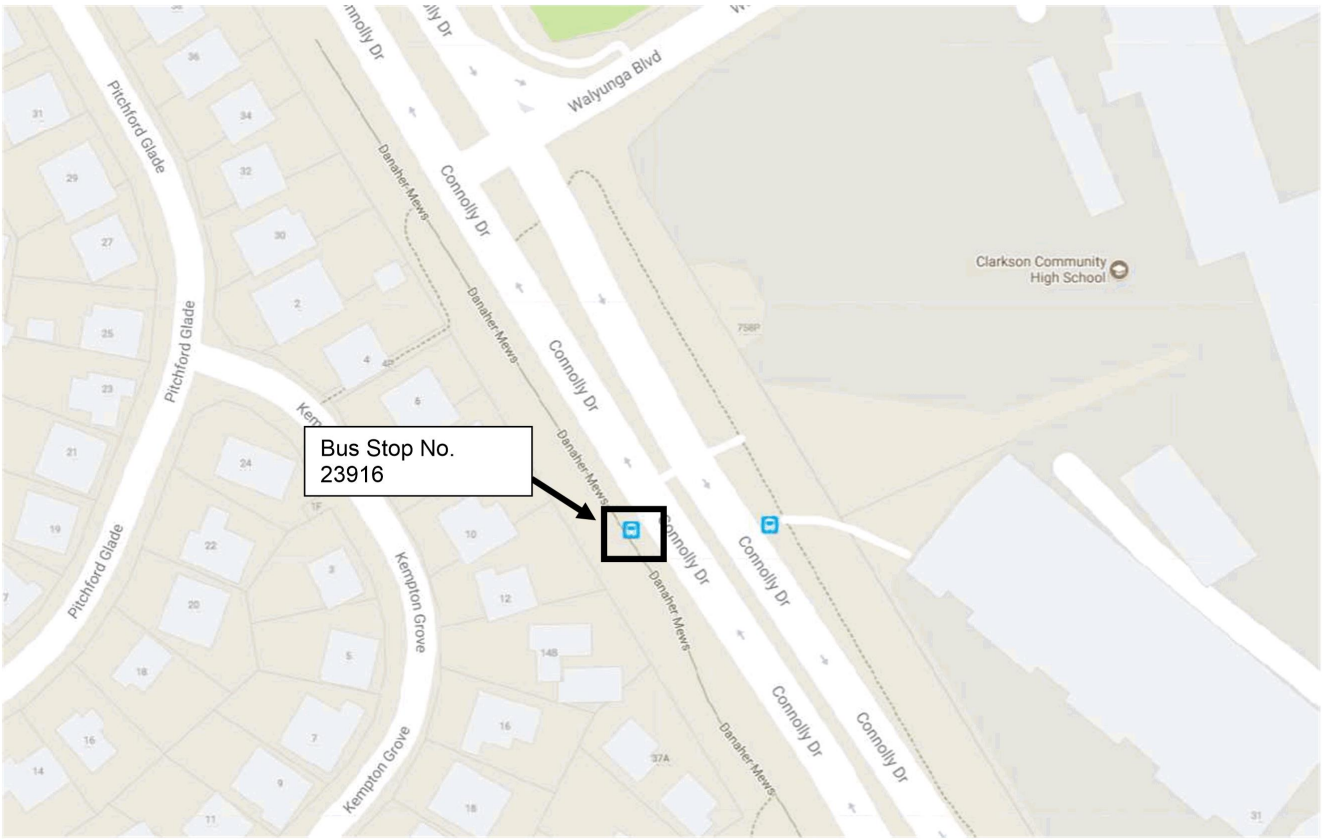




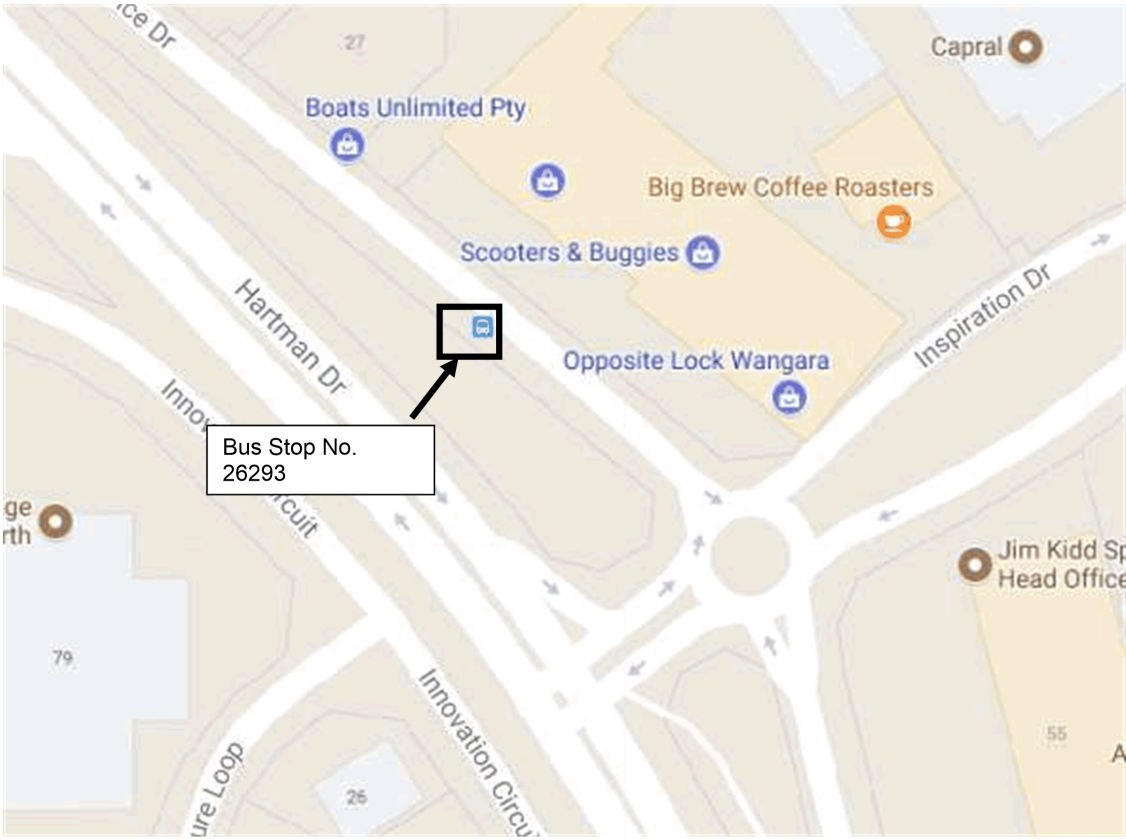


			
	Location Map	Bus Stop No. 27545 Alhambra Parkway before Kingsway, Landsdale	

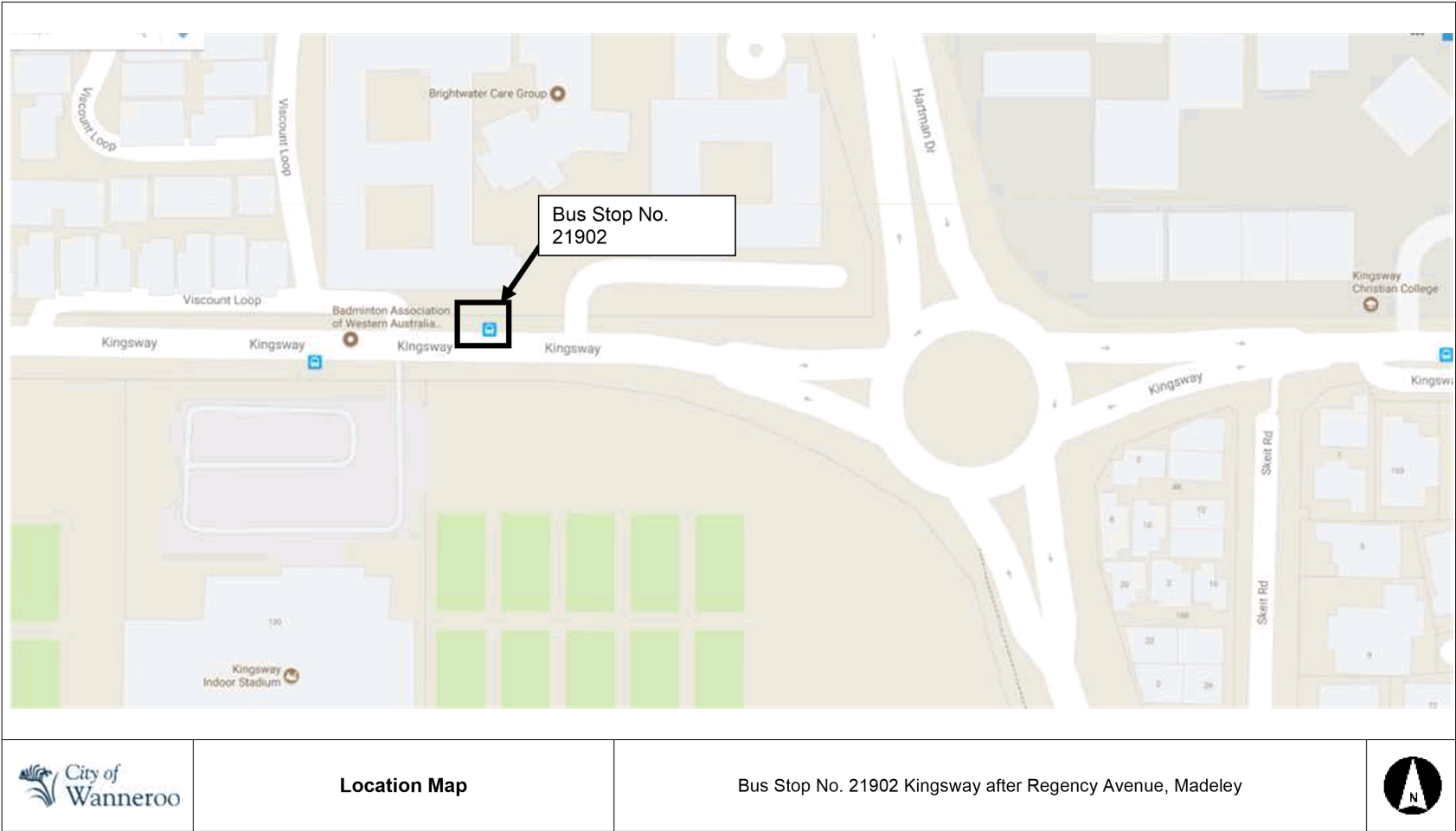


			
	Location Map	Bus Stop No. 25558 Marmion Avenue after Hughie Edwards Drive, Merriwa	

	Location Map	Bus Stop No. 18156 Rothesay Heights before Rochester Drive, Mindarie	

			
	Location Map	Bus Stop No. 23916 Connolly Drive before Walyunga Boulevard, Clarkson	

			
	Location Map	Bus Stop No. 26293 Excellence Drive after Inspiration Drive, Wangara	



Assets Maintenance

AS02-12/17 Nominations for the Department of Transport's Two Rocks Reference Group

File Ref: 1702 – 17/375158
Responsible Officer: Director Assets
Disclosure of Interest: Nil
Attachments: 1

Issue

To consider the nomination of Elected Members and Administration for membership and participation in the Department of Transport's Two Rocks Reference Group.

Background

Issues along the Two Rocks coastline adjacent to the Two Rocks Marina have been recently considered by Council as follows:

- IN02-07/15 – Two Rocks Coastal Management;
- AS04-10/16 – Sovereign Drive Two Rocks Beach Access; and
- AS01-04/17 – Two Rocks Beach Access Options Assessment.

The Two Rocks Coastal Management Study was completed in 2015 which recommended options to address the ongoing coastal erosion issues north of the Two Rocks Marina including managed retreat and staged construction of two rock armoured groynes. Since the completion of this study, the City has continued to regularly monitor this section of coast via photographic beach monitoring and beach surveys. The erosion issues north of the Two Rocks Marina, along with the seagrass wrack accumulation issues to the south of the marina, are a direct result of the marina construction and has resulted in a number of coastal management reports, as well as customer and Councillor enquiries over a twenty year period. On this basis the City has continued to request coastal management action from the State Government for this section of coastline.

Additionally, this section of coastline was identified as an area at risk of being impacted by coastal erosion and inundation in Part 1 of the City's Coastal Hazard Risk Management Adaptation Plan (CHRMAP Part 1) – Coastal Vulnerability Assessment, which was finalised in 2015. Administration is currently in the process of preparing Part 2 of the CHRMAP (CHRMAP Part 2) which involves the identification of adaptation measures for these vulnerable areas and the City's remaining coastline.

Furthermore, the ongoing erosion and severe storm induced erosion experienced in May 2016 resulted in damage to the existing beach access staircase on Sovereign Drive. Demolition and removal of the unsafe structure was undertaken in October 2016 following engineering assessments and significant community consultation. A Beach Access Options Assessment, including consultation with the Two Rocks Community, was presented to Council at its Ordinary Meeting in April 2017 (AS01-04/17) and one of the Council Resolutions was as follows:

"That Council:

- 2 *REQUESTS the Mayor to seek an urgent meeting with the Minister for Transport and Attorney General to:*

- a) *discuss the funding of the design and construction of the recommended beach access option given that the coastal erosion issues and subsequent loss of the previous staircase is a direct result of the construction of the Two Rocks Marina;*
- b) *seek early implementation of the long term coastal management measures as recommended in the "Two Rocks Coastal Management Study – March 2015" and/or re-design the Two Rocks Marina to address ongoing erosion issues; and*
- c) *discuss the need for State Government consultation with the Two Rocks Community regarding future coastal management and marina development plans, through the establishment of a Community Reference Group including City of Wanneroo members;"*

Based on Council Resolution 2 (AS01-04/17) above, a meeting was held on 29 June 2017 between the Minister for Transport, Planning and Lands, Mayor Roberts, Chief Executive Officer and Director Assets. All parties were supportive of the establishment of a Reference Group to guide long-term planning and progress a vision for the redevelopment of the Two Rocks Marina, including consideration of seagrass wrack accumulation and coastal erosion issues adjacent to the marina.

This matter was considered by Council at its Ordinary Council Meeting held on 14 November 2017 (Item AS02-11/17 refers) and Council resolved *"That the Motion be referred back to Administration for further consideration."*

This report considers the details relating to the establishment of a Reference Group by the Department of Transport (DoT) and nomination of Elected Members and Administration for membership and participation in this Group.

Detail

On 14 September 2017 the Minister for Transport, Planning and Lands announced a \$6 million upgrade of the Two Rocks Marina. As part of this announcement, the Minister also announced an opportunity for members of the community to register their interest to be involved in a Reference Group which will guide long-term planning and progress a vision for the redevelopment of the marina, including consideration of seagrass wrack accumulation and coastal erosion adjacent to the marina.

The Reference Group will play a key role in ensuring community and user group interests and concerns are identified and addressed in any long-term planning for marina redevelopment and/or coastal management.

A Community Information Session was held at the Phil Renkin Centre on 11 October 2017 in relation to the immediate \$6 million upgrade works. This was attended by DoT staff, City of Wanneroo Administration, coastal engineering consultants and 41 members of the public, including three North Coast Ward Councillors. A total of 15 expressions of interest for membership in the Reference Group were received at this Community Information Session including community members, business owners, Elected Members and Sun City Yacht Club members.

The Terms of Reference for the Group are currently in the process of being finalised. DoT intends for the Terms of Reference to largely reflect that of the Quinns Beach Long Term Coastal Protection Community Reference Group and the City will be engaged for review and comment prior to finalising the Terms. The proposed Aims and Functions of the Group are as follows:

- To ensure the issues and concerns of the community are adequately understood and addressed;
- To represent the wider interests of the community;

- To act as a conduit to disseminate information and feedback to and from the wider community; and
- To provide input into the long term redevelopment of the marina.

Membership of the Group is proposed to consist of the Chair and approximately 12 persons comprising the following:

- DoT Manager Coastal Management;
- DoT Manager Maritime Planning;
- One North Coast Ward Councillor;
- One City Administration representative;
- Director North Coastal Planning at the Department of Planning; and
- Six - Eight representatives of the community/community groups.

All administration support for the Reference Group will be undertaken by the DoT.

A letter was received from the Department of Transport, dated 19 October 2017, which formally invited the City to participate in the Reference Group via the inclusion of Administration and Elected Members as members of the Group and Mayor Roberts as the Chair. Refer to **Attachment 1**.

A further meeting will be held in November 2017 between the DoT and City of Wanneroo Administration to discuss and finalise the details, membership and Terms of Reference for the Reference Group which as per the Department's advice are expected to be similar to the Terms of Reference used by the City for the *Quinns Beach Long Term Coastal Protection Community Reference Group* established by the City in 2014.

Since the Ordinary Council Meeting held on 14 November 2017, in response to a clarification from Administration, the Department of Transport has advised the following:

"To ensure the balance of membership of the reference group DoT advises that the City of Wanneroo may only nominate 2 members in addition to the Chair. However, notwithstanding our original request which invited one Ward Councillor and one City administration representative, we can advise that DoT accepts that it should be at the City's discretion to delegate the 2 member positions made available to the City."

Therefore the options available to the Council is to nominate (in addition to the Chair):

1. Two Elected Members; or
2. One Elected Member and one City administration representative; or
3. Two City administration representatives.

In addition to the members, the City may also provide administration staff to attend the meetings in the capacity of technical support. DoT would request that this be restricted to two people. These attendees would be observers and would be required to maintain an observation role unless specifically called upon by a member to provide advice.

In regards to Option 2 above, DoT would support the nomination of a deputy to the Elected Member. The deputy may also attend the meetings in the capacity as an observer, with the same conditions applying to the deputy Elected Member as described above for administration staff.

Administration recommends Option 2 as proposed by DoT supported by a deputy Elected Member nomination.

Consultation

The City is committed to ongoing consultation with the Two Rocks Community on all coastal matters as evidenced by recent community engagement associated with the Two Rocks Coastal Management Study, CHRMAP Part 1 Coastal Vulnerability Assessment, CHRMAP Part 2 Coastal Values Survey and consultation sessions and Two Rocks Beach Access.

The DoT is also committed to engaging with the marina stakeholders and the Two Rocks Community through the establishment of the proposed Reference Group and arrangement of Community meetings such as the Information Session held on 11 October 2017, as described in the *Detail Section* above. Further Community meetings will be held by the DoT at key project stages associated with future marina development and coastal management works.

The establishment of a Reference Group will also assist with community consultation by providing a conduit to disseminate information and feedback to and from the wider community.

Comment

The establishment of a Reference Group by DoT is expected to greatly assist with the understanding of the community preferences and concerns and will provide a means of disseminating information to the wider community in relation to the redevelopment of the Two Rocks Marina and coastal management issues/intentions.

This approach has worked very well with the Quinns Beach Long Term Coastal Protection Community Reference Group, which enabled community input into the development of long term coastal management options for the Quinns Rocks coastline.

Reference Group membership for Elected Members and Administration, as requested by the DoT, is recommended for the following reasons:

- it will enable the City to better understand the interests and concerns of the Two Rocks Community;
- it will ensure that the City remains included in future re-development plans and coastal management decisions for this important coastal location; and
- Any planned management options implemented in the Two Rocks Marina will have a direct impact on the current and future reviews of the City's CHRMAP assessments. This is important for the consideration of future potential adaptation options for this area and the information that is being communicated to the City's community.

Statutory Compliance

Clause 9.4 of the City of Wanneroo Standing Orders states that *'Where there is no provision or insufficient provision is made in this local law, the presiding person is to determine the procedure to be observed'*.

Therefore, the Mayor has the authority to determine the procedure for selection of the preferred nominee. When the preferred nominee has been selected, the name of that nominee will be added to the recommendation for Council's full consideration.

Strategic Implications

The proposal aligns with the following objective within the Strategic Community Plan 2017 – 2027:

- “1 Society
 - 1.4 Connected Communities
 - 1.4.1 Connect communities through engagement and involvement ”
- “3 Environment (Natural)
 - 3.1 Resource Management
 - 3.1.1 Minimise impacts of climate change”

Risk Management Considerations

Risk Title	Risk Rating
ST-23 Stakeholder Relationships	Moderate
Accountability	Action Planning Option
CEO	Manage

The above risk relating to the issue contained within this report has been identified and considered within the City's Strategic risk register. Action plans have been developed to manage/mitigate/accept this risk to support existing management systems.

Policy Implications

Nil

Financial Implications

Costs associated with the establishment and administration of the Reference Group will be the responsibility of the Department of Transport and costs associated with Administration attendance at Reference Group Meetings will be accommodated from within the City's Operating Budget.

Voting Requirements

Simple Majority

Recommendation

That Council:-

- SUPPORTS** the establishment of a Reference Group which will guide long-term planning and progress a vision for the redevelopment of the Two Rocks Marina, including consideration of seagrass wrack accumulation and coastal erosion issues adjacent to the marina;
- ACCEPTS** Department of Transport's request for the nomination of Mayor Tracey Roberts as Chair of the Two Rocks Reference Group;
- NOMINATES** Cr, North Coast Ward Councillor as a member of the Two Rocks Reference Group;
- NOMINATES** Cr, North Coast Ward Councillor as a deputy for the Elected Member nominated in Item 3 above as a member of the Two Rocks Reference Group; and

5. **NOMINATES** the Chief Executive Officer or his nominated delegate(s), as member(s) of the Two Rocks Reference Group.

Attachments:

1 [!\[\]\(cbe80b694ebd74fcfe136a095b608235_img.jpg\)](#). Attachment 1 - Two Rocks Marina Future Development - Reference Group Invitation 17/369207



Government of **Western Australia**
Department of **Transport**
Coastal Infrastructure

Our ref: A9697134
Enquiries: James Holder

Daniel Simms
Chief Executive Officer
City of Wanneroo
23 Dundobar Road
Wanneroo WA 6065

Dear Daniel,

RE: Two Rocks Marina Future Development – Reference Group Invitation

On 14 September 2017 the Minister for Transport announced a \$6 million upgrade of the Two Rocks Marina. As part of this announcement, the Minister also announced an opportunity to register to be involved in a Reference Group which will guide long-term planning and progress a vision for the redevelopment of the marina, which will include consideration of seagrass wrack accumulation and beach erosion around the marina.

The Reference Group will play a key role in ensuring community and user group interests and concerns are identified and addressed. For this reason the Department of Transport (the Department) considers the involvement of the City of Wanneroo (the City) paramount to the success of the Reference Group and the delivery of actions leading from the Reference Group process.

We would like to invite the City to participate on this Reference Group with representation from the administrative staff and an Elected Member. Furthermore, we would like to invite the Mayor of the City to Chair the Reference Group.

Stakeholder Engagement

The Department is committed to engaging with the marina stakeholders and the community of Two Rocks. An information session has already been held at the Phil Renkin Recreation Centre on October 11th 2017 regarding the immediate \$6 million upgrade works, which was attended by 41 members of the public, including three current Ward Councillors.

The Department has committed to continuing to update the community regarding the project in addition to the Reference Group and project information will be maintained on the Department's website.

Reference Group Details

Although we will engage with the City before finalising the Terms of Reference (ToR), it is expected that the ToR would largely reflect the ToR being used for the *Quinns Beach Long Term Coastal Protection CRG* terms. The 'Aims and Functions' proposed are:

GPO Box C102 Perth Western Australia 6839
Telephone (08) 9435 7559 Email james.holder@transport.wa.gov.au
www.transport.wa.gov.au ABN 27 285 643 255

City of Wanneroo IM 26-10-2017

- To ensure the issues and concerns of the community are adequately understood and addressed;
- To represent the wider interests of the community;
- To act as a conduit to disseminate information and feedback to and from the wider community; and
- To provide input into the long term redevelopment of the marina.

Membership is proposed to consist of the Chair and approximately 12 persons comprising the following:

- DoT Manager Coastal Management
- DoT Manager Maritime Planning
- One Ward Councillor of the North Coastal Ward
- One City administration representative
- Director North Coastal Planning at the Department of Planning
- Six - Eight representatives of the community/community groups

Representation of business owners, landowners and general community will be a factor in the reference group selection. Administration support will be undertaken by the Department.

Summary

The Department looks forward to an ongoing relationship with the City and the opportunity to plan for a significant employment and activity node in the northern most part of the Metropolitan Region. We would like to arrange a meeting between the Department and the City as soon as is practical to discuss the finer details of the Reference Group and to update you on any project progress.

We look forward to speaking with you soon. Please do not hesitate to contact myself, James Holder, A/Director Maritime Planning to make an arrangement via email James.Holder@transport.wa.gov.au or phone 08 9435 7559.

Yours sincerely



James Holder
A/Director Maritime Planning

19 / 10 / 2017

Community & Place

Community Facilities

CP01-12/17 Electronic Scoreboard Installation - Budget Re-allocation

File Ref:	28029 – 17/394059
Responsible Officer:	Director Community and Place
Disclosure of Interest:	Nil
Attachments:	3

Issue

To consider an amendment to the adopted 2017/18 Budget to accommodate costs associated with the installation of electronic scoreboards at City of Wanneroo Active Reserves.

Background

Administration has been working with the resident AFL Clubs at the Wanneroo Showgrounds and the Kingsway Regional Sporting Complex, the Wanneroo Amateurs Football Club and the Kingsway Football Club respectively, (the Clubs) since early 2017 in respect to the electronic scoreboard (the scoreboard) installation.

The Clubs secured funding for the purchase of the scoreboards via separate applications to the Federal Government through the Stronger Communities Program, which is administered by the Federal Department of Infrastructure and Regional Development.

In both cases the grant applications occurred without the knowledge or input from the City. Each grant provided a sum of approximately \$13,000 for the purchase of the electronic scoreboards, with allowance for installation and power connection.

The proposed location of the scoreboards at each site is shown in **Attachment 1**, noting that the scoreboard at the Wanneroo Showgrounds has been installed by the Club (without the approval of Administration). A copy of the approved engineering design of the proposed supporting structure for the Wanneroo Showgrounds and Kingsway Regional Sporting Complex scoreboards has been included in **Attachment 2** and **Attachment 3**, respectively.

Detail

As this is a unique request (Administration has not previously installed equipment of this nature on a City of Wanneroo Active Reserve), Administration has been required to further investigate the approvals, procurement and project delivery approach appropriate to an installation of this type. As a result, Administration's proposed process in relation to the installation of the scoreboards at the Wanneroo Showgrounds and the Kingsway Regional Sporting Complex is as follows:

- Confirmation of the scoreboard specifications (including documentation) from the resident Clubs. Completed;
- Development and approval of a certified engineering drawing of the required structure to support the scoreboard (and as per manufacture's requirements). Completed by Administration for both installations;
- Clubs to manufacture and fund the scoreboard supporting structure to the approved structural engineering requirements.

- Installation of the scoreboard supporting structure to be undertaken (and funded) by the City, inclusive of attaching the electronic scoreboard. It should be noted that the Wanneroo Showgrounds scoreboard has been installed by the club. As a result Administration was required to engage a structural engineer to inspect and provided retrospective approval of the structure. This cost (\$800) will be passed onto the Club;
- Connection of the scoreboard to a suitable power supply to be undertaken (and funded) by the City; and
- The City to undertake an annual inspection, maintenance and fault correction using its existing contractors at the respective Club's cost.

In addressing the above points, the primary concern was ensuring that both the City and the Club are adequately protected from a risk and public liability perspective and taking into account the complexity of non-City of Wanneroo contractors undertaking this work.

In respect to future scoreboard installations of this type, the proposed process will be as follows:

- Clubs to notify Administration prior to making a grant submission;
- Clubs to provide a certified structural engineer's plan for the proposed supporting structure for the scoreboard and submit to Administration for approval;
- Clubs to manufacture the supporting structure to the requirements of the approved structural engineer's specifications and delivered to site, at the Club's cost;
- City of Wanneroo to install the supporting structure and the scoreboard;
- City of Wanneroo to undertake connection of the scoreboard to a suitable power supply;
- City of Wanneroo to undertake annual inspection, maintenance and fault correction using its existing contractors at the Club's cost; and
- Replacement of the scoreboard and the supporting structure will be the responsibility of the Club.

In this regard, the costs to be met by the City will be listed within the Long Term Financial Plan.

Consultation

Consultation throughout this process has been undertaken with both the Wanneroo Amateur Football Club and the Kingsway Football Club.

Comment

Nil

Statutory Compliance

The proposed works are considered to constitute public works by a public authority in accordance with section 6 of the Planning and Development Act 2005 (PD Act), and section 2 of the Public Works Act 1902. Accordingly, the Western Australian Planning Commission's (WAPC) approval under the Metropolitan Region Scheme (MRS) is not required.

Schedule 4 – Item 5 of the Building Regulations 2012 provide circumstances where freestanding structures such as masts, signs and antennas are exempt from requiring a building permit. Given that the proposed scoreboards are freestanding and in excess of 3m in height, they do not fall within the exemptions listed in this schedule. Consequently a Building Permit application is required for the scoreboards.

Strategic Implications

The proposal aligns with the following objective within the Strategic Community Plan 2017 – 2027:

“1 Society

1.1 Healthy and Active People

1.1.1 Create opportunities that encourage community wellbeing and active and healthy lifestyles”

Risk Management Considerations

Risk Title	Risk Rating
CO-O04 - Asset Management	Moderate
Accountability	Action Planning Option
Director Assets	Manage

The above risk/s relating to the issue contained within this report has been identified and considered within the City's Corporate risk register. Action plans have been developed to manage this risk to support existing management systems.

Policy Implications

Nil

Financial Implications

The cost estimate for the installation of the scoreboard frame, attachment of the scoreboard and power connection for the scoreboard at the Kingsway Regional Sporting Complex is \$12,000. The cost of the power connection for the scoreboard at the Wanneroo Showgrounds is estimated to be \$5,000.

The total cost for the completion of both scoreboard installations is estimated at \$17,000.

As these projects are not listed in the 2017/18 Budget, this report will seek to use identified project savings from project PR-4054 Passive Park Elements Active Reserve Master Plan. This project has funds of \$60,000 in the 2017/18 budget and has the capacity to fund the scoreboard installation as a result of cost savings achieved from sub project actual costs being lower than budget forecasts.

Voting Requirements

Absolute Majority

Recommendation

That Council:-

1. **NOTES the successful Federal Government Stronger Communities Program grant applications by the Wanneroo Amateur Football Club and the Kingsway Football Club for the purchase of electronic scoreboards for installation at the Wanneroo Showgrounds and the Kingsway Regional Sporting Complex, respectively;**

2. **APPROVES BY ABSOLUTE MAJORITY** the unbudgeted expenditure listed in the following table, pursuant to Section 6.8(1)(b) of the Local Government Act 1995 for the Installation and Connection of Electronic Scoreboards at the Wanneroo Showgrounds and Kingsway Regional Sporting Complex :

Description	GL Account/ Capital Project	Current Budget	Adjusted Budget
Installation and Connection of Electronic Scoreboards at the Wanneroo Showgrounds and Kingsway Regional Sporting Complex.	PR-TBA	\$0	\$17,000

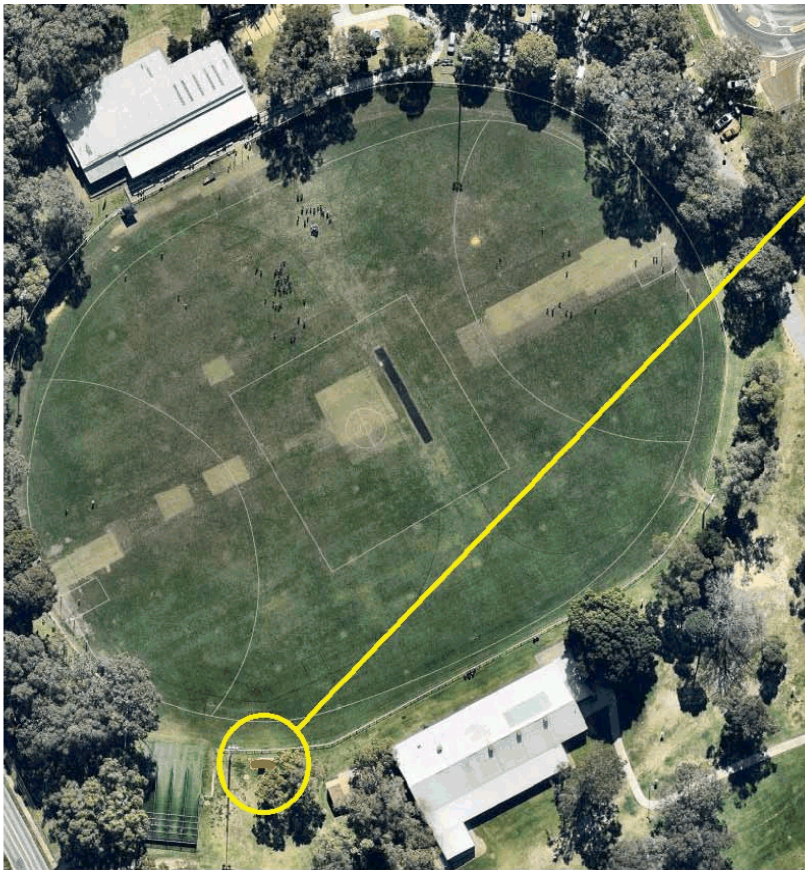
3. **APPROVES BY ABSOLUTE MAJORITY** the following budget amendment, pursuant to Section 6.8(1)(b) of the Local Government Act 1995 to address the Installation and Connection of Electronic Scoreboards at the Wanneroo Showgrounds and Kingsway Regional Sporting Complex, noting that a new Project Number will be created upon Council endorsement;

Project Number	From	To	Description
PR-4050	\$17,000		Passive Park Elements Program Active Reserve Master Plan
PR- TBA		\$17,000	Installation and Connection of Electronic Scoreboards at the Wanneroo Showgrounds and Kingsway Regional Sporting Complex.

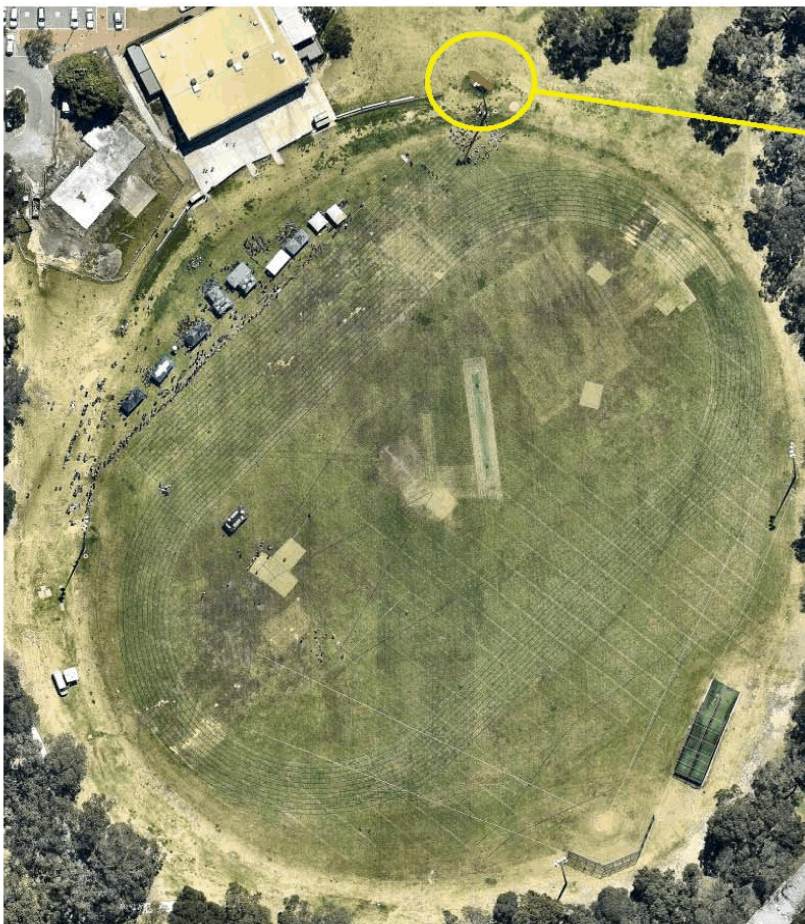
4. **NOTES** that Administration will seek reimbursement, where appropriate, from the Wanneroo Amateur Football Club and the Kingsway Football Clubs' Federal Government Stronger Communities Program grants for the costs incurred by the City of Wanneroo relating to the installation of the scoreboard frame and power connection at the Wanneroo Showgrounds and Kingsway Regional Sporting Complex.

Attachments:

1. [!\[\]\(8d139a66f540002704b5c70b7fe6cc7a_img.jpg\)](#) Electronic Scoreboard Locations - Wanneroo Showgrounds and Kingsway Regional Sporting Complex 17/397734
2. [!\[\]\(c209541a4bc5f45e44bd7791f9477320_img.jpg\)](#) Wanneroo Showgrounds Electronic Scoreboard - Approved Supporting Structure Design 17/397801
3. [!\[\]\(8fd54d112e752061b5361c5bdf346185_img.jpg\)](#) Kingsway Regional Sporting Complex (AFL Ground) - Approved Supporting Structure Design 17/397743

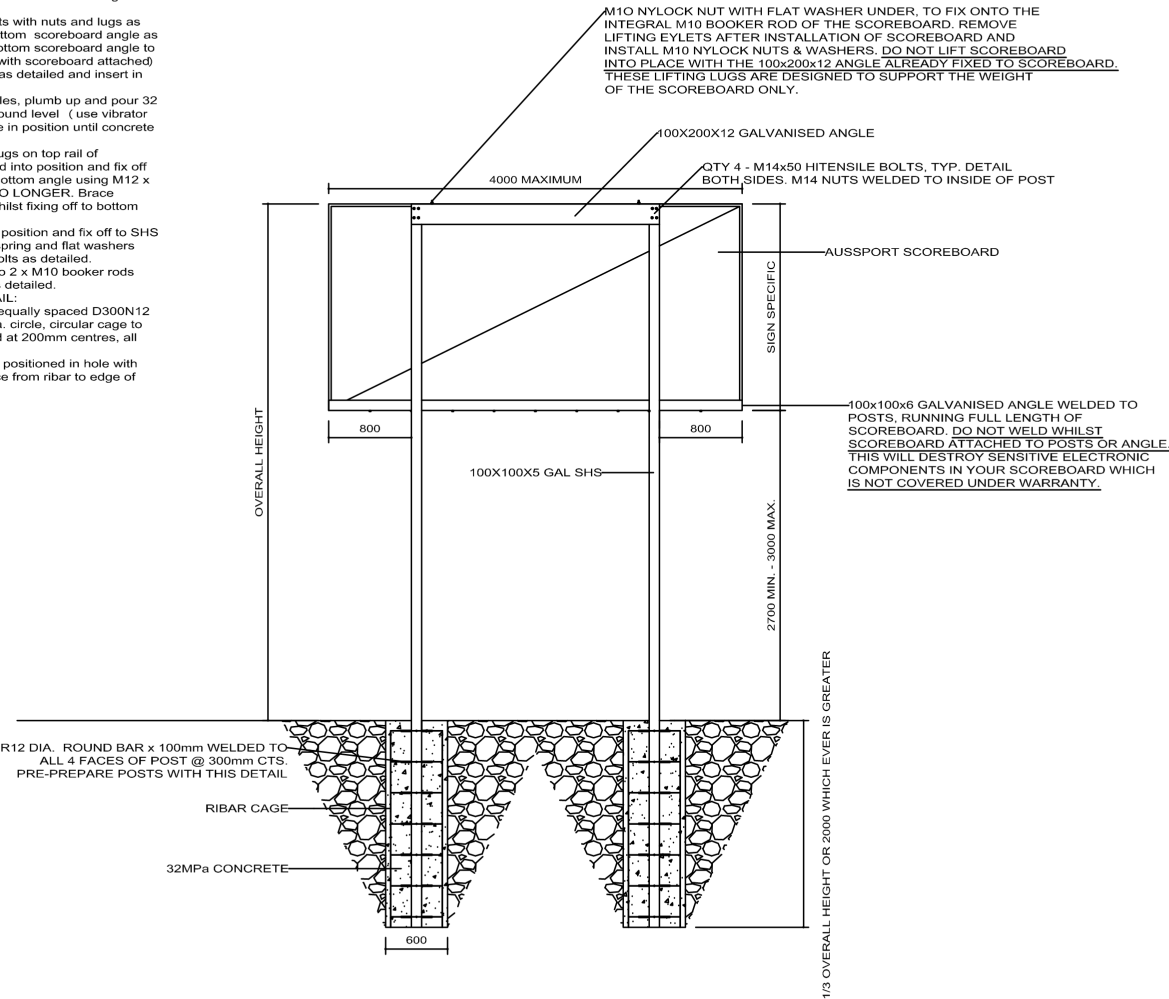


Wanneroo Showgrounds
Scoreboard location



Kingsway AFL
Scoreboard location

- INSTALLATION METHOD:
1. Auger 2 off 600mm dia holes into virgin ground
 2. Prepare 2 off posts with nuts and lugs as detailed, prepare bottom scoreboard angle as detailed and weld bottom scoreboard angle to posts (never weld with scoreboard attached)
 3. Prepare cage rio as detailed and insert in holes
 4. Stand posts in holes, plumb up and pour 32 MPa concrete, to ground level (use vibrator to settle) and brace in position until concrete goes off.
 5. Using 2 x lifting lugs on top rail of scoreboard, lift board into position and fix off along full length of bottom angle using M12 x 25mm tek screws. NO LONGER. Brace scoreboard at top whilst fixing off to bottom angle.
 6. Lift top angle into position and fix off to SHS posts using locitite, spring and flat washers under high tensile bolts as detailed.
 7. Fix off top angle to 2 x M10 booker rods using nylock nuts as detailed.
- RIBAR CAGE DETAIL:
Uprights to be 6 off equally spaced D300N12 ribar in a 500mm dia. circle, circular cage to be R250N10 spaced at 200mm centres, all fully welded.
Ensure ribar cage is positioned in hole with min 40mm cl earence from ribar to edge of hole.



General Notes

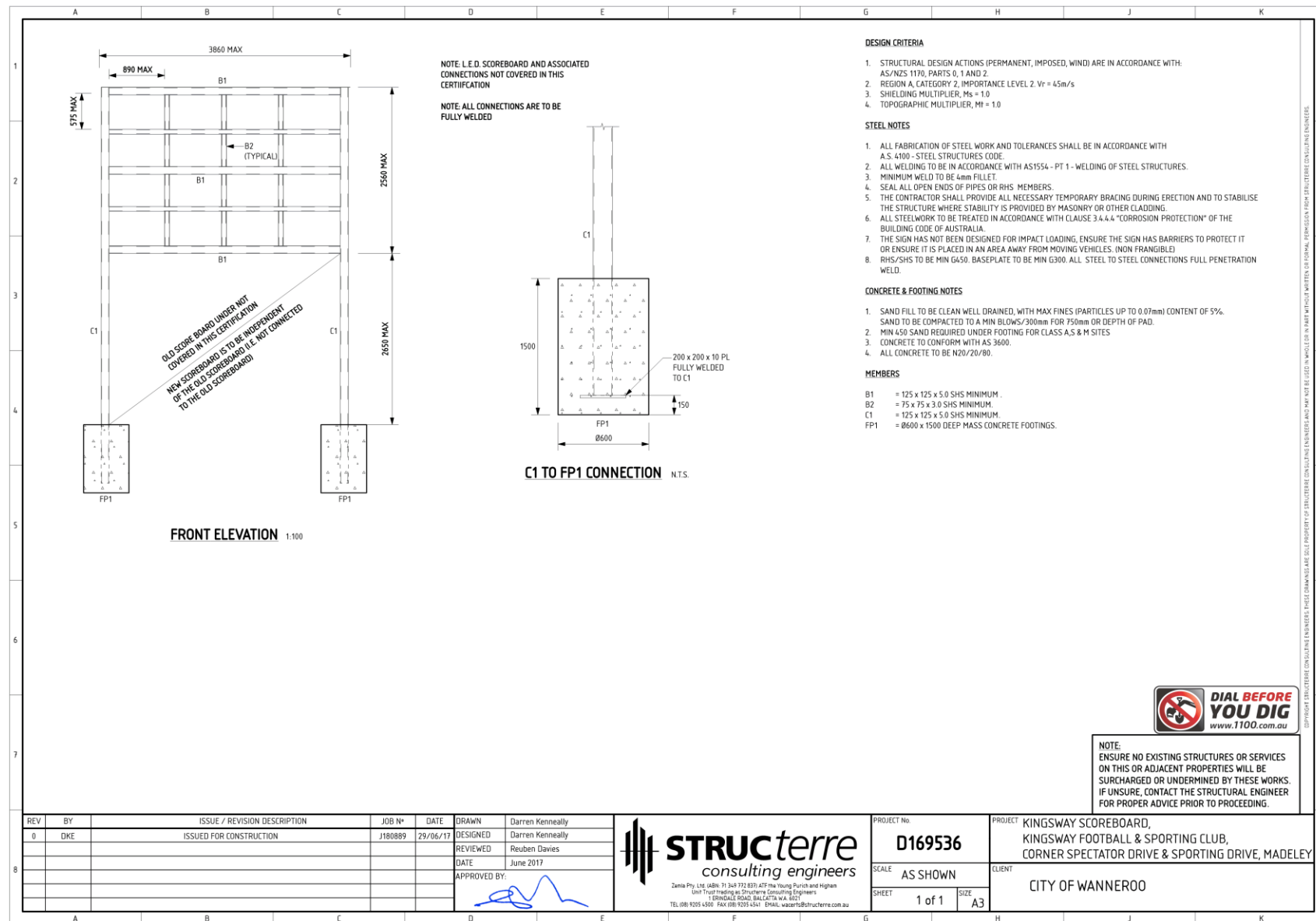
These standard installation suggestions are based on well drained, consolidated, fine grained soil conditions & normal wind loading conditions. Installation in areas outside of these conditions require the client to seek independant engineering certification for their particular installation conditions. AusSport make no guarantee (implied or otherwise) that these installation suggestions will be sufficient for the support of your scoreboard. AusSport will not be held liable for in any instance if the client chooses to install an AusSport scoreboard to these suggestions. The client expressly releases AusSport of any liability associated with installation of an AusSport scoreboard to these suggestions.

No. Revision/Issue Date

File Name and Address
AusSport
Unit 1 / 5 Janola
Circuit
PORT
MACQUARIE,
NSW, 2444

Project Name and Address
Suggested
Installation for
AusSport scoreboard
upto 4000mm long

Rear Elevation
Date
2/5/15
Scale
NTS



Community Services

CP02-12/17 Amendments to City's Fees and Charges Schedule for HACC Services

File Ref:	26263 – 17/381244
Responsible Officer:	Director Community and Place
Disclosure of Interest:	Nil
Attachments:	1

Issue

To consider amendments to the existing Fees and Charges Schedule adopted by Council in June 2017.

Background

On 1 July 2017, the State Department of Health (responsible for the administration of the Home and Community Care Program), reviewed their WA Standard Fees Schedule for all HACC service providers with no changes. These charges, along with the guidelines in the HACC Fees Policy, ensure that the fee paying process is fair and equitable for both customers and HACC service providers. HACC customers are able to apply for a fee waiver or reduction in accordance with guidelines set by the HACC Program.

For the 2017/18 financial year, Council adopted the recommended fees schedule as set by HACC however Administration did not provide a range of fees that could be applied if a client is eligible for a fee reduction or waiver. Administration also did not consider private paying customers receiving HACC services within the City's Fees and Charges Schedule. This report recommends amendments to the City's Fees and Charges Schedule to align with what customers are required to pay.

Detail

The HACC program requires all HACC funded service providers to charge fees to HACC customers as per the WA HACC Standard Fees Schedule, however it also states that a client's financial inability to pay cannot be used as a basis for refusing assistance to people who are assessed as requiring HACC support. The HACC program also allows for private paying customers to access HACC support services on a cost recovery basis and the range of fees which are proposed are stated in **(Attachment 1)**.

The City has procedures in place to ensure that all HACC customers pay their fee in accordance with the WA HACC Fee policy and WA HACC Fees Schedule.

The City's fees for private paying customers accessing HACC services are significantly lower than the industry average. The impact of this is currently being reviewed as part of the transition out of delivering HACC services in order to prepare customers for a potential price increase under a new provider. Impacted customers are currently undergoing a consultation process as noted below. The proposed fees for private paying customers are expressed as a range in order for the City to support customers with this change.

Consultation

Customers are aware of their right to apply for a fee reduction or waiver when they are first assessed by the Regional Assessment Service. Once referred to the City of Wanneroo a Community Support Officer visits the potential client and provides all the information

regarding the service that has been offered, together with informing them of the fee schedule and the process to be followed if they wish to apply for a fee waiver or reduction. Private paying customers are informed of the City's full cost recovery process at the time of assessment.

Private paying customers paying below the full cost recovery fee are being consulted on a one on one basis to assess their ability to pay and provide them with sufficient notice for any increase in fees aligned to the industry average. Administration is working closely with the new provider to reduce the impact on customers as much as practicably possible.

Comment

HACC customers and HACC service providers are required to adhere to the WA HACC Fees Policy and the WA HACC Standard Fees Schedule. Compliance is regularly monitored by the WA Department of Health via a HACC Quality Reporting framework.

Statutory Compliance

The proposed amendments to the 2017/18 Fees and Charges Schedule are required to comply with the WA HACC Fees policy and WA HACC Fees Schedule and the *Local Government Act 1995*.

Strategic Implications

The proposal aligns with the following objective within the Strategic Community Plan 2017 – 2027:

“4 Civic Leadership

4.2 Good Governance

4.2.1 Provide transparent and accountable governance and leadership”

Risk Management Considerations

Risk Title	Risk Rating
Financial Management	Low
Accountability	Action Planning Option
Director Corporate Strategy and Performance	Manage

The above risk relating to the issue contained within this report has been identified and considered within the City's Corporate risk register. Action plans have been developed to mitigate this risk to support existing management systems.

An internal audit was undertaken in 2017 in relation to waiver of fees and charges in respect of partnering agreements entered into by the City and external parties. The audit report was presented to the Audit and Risk Committee on 6 September 2017 and whilst a number of high risk issues were identified, work has been undertaken to resolve these issues including undertaking a comprehensive review of all fee and charges and any waivers, to ensure compliance with the requirements of the Local Government Act.

Policy Implications

Nil

Financial Implications

Fee reductions were taken into consideration when the 2017/18 budget was prepared for adoption by Council.

Voting Requirements

Absolute Majority

Recommendation

That Council APPROVES BY ABSOLUTE MAJORITY the amendment to the Fees and Charges Schedule applicable to the delivery of Home and Community Care services in accordance with Attachment 1 that forms part of this report.

Attachments:

1. [Proposed Fees and charges 2017 18](#) 17/389057 Minuted

Schedule of Fees and Charges 2017/2018



Description	Basis of Charge	Statutory Fee "S"	2017/18 Fee Range	Proposed Fee Range	GST Y/N
Funded Services					
Community Services (non HACC clients)					
Community Transport Service - Group Bus Transport	Per client per one way trip		\$2.50 Cost Recovery	\$2.50 to Cost Recovery	N
Community Transport Service - Program Attendance	Per client per one way trip		\$2.50 Cost Recovery	\$2.50 to Cost Recovery	N
Prepared Meal within Community	Per Meal		Cost of Meal	Not Required - Delete	N
HACC Program					
Shopping Transport Service	Per client per one way trip - Level 1		\$2.50	\$0 to \$2.50	N
	Per client per one way trip - Level 2		Nil	\$0 to cost recovery	N
Transport Service (CBDC or Group bus/vehicle)	Per client per one way trip - Level 1		\$2.50	\$0 to \$2.50	N
	Per client per one way trip - Level 2		Nil	\$0 to cost recovery	N
Social Support (One-on-One)	Per Hour Per Client (up to max \$71 per week for Level 1)		\$8.00	\$0 to \$8.00	N
	Per Hour Per Client (up to max \$162 per week for Level 2)		Nil	\$0 to cost recovery	N
Social Support (Group)	Client per activity (up to max \$71 per week for Level 1)		\$8.00	\$0 to \$8.00	N
	Client per activity (up to max \$162 per week for Level 2)		Nil	\$0 to cost recovery	N
Personal Care	Per Hour Per Client (up to max \$71 per week for Level 1)		\$8.00	\$0 to \$8.00	N
	Per Hour Per Client (up to max \$162 per week for Level 2)		Nil	\$0 to cost recovery	N
Respite	Per Hour Per Client (up to max \$71 per week for Level 1)		\$8.00	\$0 to \$8.00	N
	Per Hour Per Client (up to max \$162 per week for Level 2)		Nil	\$0 to cost recovery	N
Domestic Assistance	Per Hour Per Client (up to max \$71 per week for Level 1)		\$8.00	\$0 to \$8.00	N
	Per Hour Per Client (up to max \$162 per week for Level 2)		Nil	\$0 to cost recovery	N
Other Food Services (Food preparation)	Per Hour Per Client (up to max \$71 per week for Level 1)		\$8.00	\$0 to \$8.00	N
	Per Hour Per Client (up to max \$162 per week for Level 2)		Nil	\$0 to cost recovery	N
Centre Based Day Care (excludes Transport & Meal) Attendance Fee	Client per activity (up to max \$71 per week for Level 1)		\$8.00	\$0 to \$8.00	N
	Client per activity (up to max \$162 per week for Level 2)		Nil	\$0 to cost recovery	N
Home Delivered Frozen Meals Service	Per meal per client		\$7.00	\$7.00	N
Centre Based Day Centre Meals	Per Meal per client		Cost of meal	\$0 to \$ 6.00	N
Cancellation Fees - applies to all services types as listed above	Less Than 24 Hours Notice (except in specific circumstances)		As per above charges	\$0 to cost recovery depending on service type	N
Private Fee Paying Customers accessing HACC Services	Based on cost recovery per hour or activity		Nil	\$0 to cost recovery	N

HACC Program *All HACC funded service providers are required to use the WA HACC Standard Fees Schedule. A client's financial inability to pay fees cannot be used as a basis for refusing support to people who are assessed as requiring HACC support. (HACC Program WA HACC Fees Policy July 2017)

Place Activation

CP03-12/17 Community Funding Program October 2017 Round

File Ref: 19964 – 17/377031
Responsible Officer: Director Community and Place
Disclosure of Interest: Nil
Attachments: 2

Issue

To consider applications from community groups requesting funding through the City's Community Funding Program October 2017 round for specified projects, activities or events.

Background

The Community Funding Program currently offers two application rounds per year, one in October and one in March. The October 2017 round represents the first round for the 2017/2018 financial year. Assessment criteria and eligibility requirements are detailed in the City's *Community Funding Policy (Attachment 1)*.

The Community Funding Working Group met on Tuesday 14 November 2017 to review Administration recommendations for the Community Funding Program October 2017 round. The Community Funding Working Group supported Administration recommendations as follows:

- “1. *NOTES THE APPROVAL of \$9,000.00 to the North Suburbs Men's Shed via MN02-08/17 for payment of six months' rent for the period 1 October 2017 to 29 March 2018 for premises at Unit1/C 288 Gnangara Road Landsdale;*
2. *APPROVES \$2,375.00 to the Australia Day Council of Western Australia Inc for a Community Citizenship Forum via Community Development Funding on 17 April 2018 at the Girrawheen Hub, Girrawheen SUBJECT to receipt of written confirmation of financial support by the Office of Multicultural Interests;*
3. *APPROVES \$1,656.00 to Atlantis Productions Incorporated for the Flashback Reunion and Carneval via Community Development Funding at the Yanchep Two Rocks Community Recreation Association 40th Anniversary Family Fun Day, Charnwood Park, Two Rocks on a date yet to be confirmed by the Yanchep Two Rocks Community Recreation Association SUBJECT to receipt of a renewed Certificate of Public Liability Insurance and new event date excluding 10 and 11 March 2018 in consideration of the City's Retro Rewind Event at Yanchep National Park on 10 March 2018;*
4. *APPROVES \$3,000.00 to the Recreational Trail Bike Riders Association of Western Australia Inc for the Friends of Pinjar Project via Community Development Funding at the Pinjar Off Road Vehicle Area, Nowergup Road from 1 March 2018 to 31 May 2018 SUBJECT to receipt of a satisfactory Risk Management Plan, Certificate of Public Liability Insurance and a City of Wanneroo Event Application approval for the Come and Try Day component of the project;*
5. *APPROVES \$1,760.00 to the Challenge Brass Band for the Autumn Concert at the Wanneroo Community Centre including musical workshops at the Wanneroo Recreation Centre via Community Event Funding from 14 April 2018 to 5 May 2018 SUBJECT to a City of Wanneroo Event Application approval;*

6. *APPROVES \$5,000.00 to the Vietnamese Community in Australia – WA Chapter for the TET New Year 2018 Celebrations at the Wanneroo Showgrounds via Community Event Funding on 23 to 24 February 2018 SUBJECT to receipt of Event-specific Certificate of Public Liability Insurance and City of Wanneroo Event Application approval;*
7. *APPROVES \$8,070.90 to the Yanchep Two Rocks Community Recreation for the Yanchep Two Rocks Community Recreation 40th Anniversary Family Fun Day at Charnwood Park, Two Rocks via Community Event Funding on a date yet to be confirmed SUBJECT to a new event date excluding 10 and 11 March 2018 in consideration of the City's Retro Rewind Event at Yanchep National Park on 10 March 2018 confirmation of receipt of other income sources (Lotterywest and Developers) and City of Wanneroo Event Application approval;*
8. *APPROVES \$5,000.00 to Nature Play WA for Cubby Town 2 at Yanchep National Park, Yanchep via Community Event Funding on 28 April 2018 SUBJECT to receipt of a renewed Certificate of Public Liability Insurance and a City of Wanneroo Event Application approval;*
9. *APPROVES \$1,900.00 to the Royal Australian Air Force Association (WA Division) Inc for an ANZAC Day Memorial Service and Sausage Sizzle on 25 April 2018 and a Remembrance Day 100th Anniversary Memorial Service and Sausage Sizzle on 11 November 2018 at the Cambrai Memorial Village War Memorial, Merriwa via Hallmark Event Funding SUBJECT to receipt of a renewed Certificate of Public Liability Insurance, a City of Wanneroo Event Application approval and satisfactory acquittal of 2017 Hallmark Event Funding;*
10. *APPROVES \$8,673.00 to the Quinns Rocks RSL Sub Branch for an ANZAC Day Commemorative Service and Gunfire Breakfast on 25 April 2018, a Vietnam Veteran's Day Service and Lunch on 18 August 2018 and a Remembrance Day Service and Lunch on 11 November 2018 at Tapping Way, Quinns Rocks via Hallmark Event Funding SUBJECT to receipt of a renewed Certificate of Public Liability Insurance, a City of Wanneroo Event Application approval and satisfactory acquittal of 2017 Hallmark Event Funding;*
11. *APPROVES \$3,549.00 to the Yanchep Two Rocks RSL Sub Branch for an ANZAC Day Commemorative Service and Gunfire Breakfast on 25 April 2018, a Vietnam Veterans Day Commemorative Service on 18 August 2018, a Merchant Navy Day Commemorative Service on 3 September 2018, a Battle for Australia Day Commemorative Service on 6 September 2018 and a Remembrance Day Commemorative Service on 11 November 2018 at the Yanchep National Park Memorial and the Yanchep Sport and Social Club, Yanchep via Hallmark Event Funding SUBJECT to receipt of further supporting budget information and documentation, a renewed Certificate of Public Liability Insurance, a City of Wanneroo Event Application approval and satisfactory acquittal of 2017 Hallmark Event Funding; and*
12. *APPROVES \$3,500.00 to the Wanneroo Scout Group for an Australia Day Breakfast in the Park 2018 on 26 January 2018 at the Wanneroo Showgrounds, Wanneroo via Hallmark Event Funding SUBJECT to receipt of further supporting budget information and documentation, a City of Wanneroo Event Application approval and agreement to consult with the City's Diversity Officer (Aboriginal & CaLD) to ensure the proposed Aboriginal activity is coordinated with cultural integrity."*

Detail

Twelve applications with the following ward distribution were received in the October 2017 round.

Four of the applications received were from first-time Community Funding applicants.

The table below provides further information regarding applications received:

Ward	Projects	Community Events	Hallmark Events	Applications from organisations outside of the City	TOTAL
South	2			1	2
Central	1	2	1	2	4
North Coast	1	2	3	1	6
Delivered outside of the City				0	
TOTAL	4	4	4	0	12

A summary of each application together with Administration recommendations has been attached (**Attachment 2**).

Consultation

Distribution of community funding information to community groups was undertaken via relevant databases, contact lists and networks.

Potential applicants were invited to discuss their project and event ideas with the Community Funding Officer prior to attending one of the four ward-based Community Funding Information Sessions. The sessions for this round of funding received minimal interest, with only seven community group representatives attending.

Groups whose project or activity ideas did not satisfactorily meet community funding eligibility criteria, were supported to receive information about other City and non-City funding opportunities as well as resources to enhance future capacity and success.

Comment

The Community Funding Program October 2017 round was promoted through:

- Wanneroo Link;
- What's Happening;
- Email notification to Community & Place databases and network groups;
- City of Wanneroo website and Facebook page;
- Brochures and flyers displayed at the Wanneroo Library Cultural Centre and across the City's libraries and community centres.

A total of 37 community funding enquiries were received, resulting in 12 submitted applications. A register of enquiries was compiled to capture the scope of ward-specific projects, events and outcomes (**Attachment 3**).

Statutory Compliance

Nil

Strategic Implications

The proposal aligns with the following objective within the Strategic Community Plan 2017 – 2027:

- “1 Society
 - 1.1 Healthy and Active People
 - 1.1.1 Create opportunities that encourage community wellbeing and active and healthy lifestyles”
 - 1.4 Connected Communities
 - 1.4.1 Connect communities through engagement and involvement.”

Risk Management Considerations

Risk Title	Risk Rating
Productive Communities	Moderate
Accountability	Action Planning Option
Director Community & Place	Manage

Policy Implications

Administration has assessed the applications against the Community Funding Policy and provided recommendations for each application.

There are no significant policy implications impacting the 11 of the 12 applications.

It should be noted that Application Number one submitted by the North Suburbs Men's Shed was approved via MN02-08/17 prior to the October 2017 round of funding opening for applications. This application does not demonstrate eligibility under Section Two of the Community Funding Policy:

- Deficit funding – for organisations which are experiencing a shortfall in cash or revenue or anticipated revenue.
- Recurrent expenditure – salaries and wages for permanent or ongoing staff, operational costs such as electricity, water, rates, insurances and items such as computer maintenance, stationery purchased for the operation of the organisation and other overheads.

The North Suburbs Men's Shed has been requested to continue working closely with Administration to achieve specific capacity building and sustainability outcomes during the six-month project period to reduce the reliance on ongoing financial support.

The Community Funding Policy Review will be incorporated into a broader review being undertaken of all financial assistance provided to the community that will commence in early 2018.

Financial Implications

It is noted that a total amount of \$53,483.90 was requested from 12 community funding applications. The average request for this funding round was \$4,456.99.

Following is a breakdown of funding requested in the 12 submitted applications:

Category	No. of Applications	% Value	\$ Value requested by applicants
A – Community Development Funding	4	30%	\$16,031.00
B – Community Event Funding	4	37%	\$19,830.90
C – Hallmark Event Funding	4	33%	\$17,622.00
TOTAL REQUESTED	12	100%	\$53,483.90

The value of Administration recommendations in the October 2017 round of Community Funding for consideration by the Community Funding Working Group is \$53,483.90.

The Community Funding Program October 2017 round is funded through the 2017/2018 adopted budget for Community Funding.

Annual Community Funding Budget 2017/18	\$90,000.00
Less 2017/18 expenditure/commitments to-date: Estimated 2017 Community Celebration Christmas Event (Category D) allocations	<u>\$15,000.00</u>
Balance available for October 2017 round	\$75,000.00
Less value of Administration recommendations for October 2017 round	<u>\$53,483.90</u>
Balance available for March 2018 round	\$21,516.10

Voting Requirements

Simple Majority

Recommendation

That Council:-

1. **APPROVES \$2,375.00 to the Australia Day Council of Western Australia Inc for a Community Citizenship Forum via Community Development Funding on 17 April 2018 at the Girrawheen Hub, Girrawheen SUBJECT to receipt of written confirmation of financial support by the Office of Multicultural Interests;**
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Wanneroo Event Application approval for the Come and Try Day component of the project;

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11. **APPROVES \$3,500.00 to the Wanneroo Scout Group for an Australia Day Breakfast in the Park 2018 on 26 January 2018 at the Wanneroo Showgrounds, Wanneroo via Hallmark Event Funding SUBJECT to receipt of further supporting budget information and documentation, a City of Wanneroo Event Application approval and agreement to consult with the City's Diversity Officer (Aboriginal & CaLD) to ensure the proposed Aboriginal activity is coordinated with cultural integrity.**

Attachments:

- 1 [!\[\]\(aca6fcc8bd95e8255b9ea1b1d08ef300_img.jpg\)](#). *Summary of Applications - October 2017 round* 17/358113
2 [!\[\]\(0083087c61cec498ac803a4aec5bb1bd_img.jpg\)](#). *Enquiries Register - Community Funding Program October 2017 round* 17/376713

**City of Wanneroo Community Funding Program
October 2017 Round**

SUMMARY OF 12 SUBMITTED APPLICATIONS

App No.	Application	Project	Event	Hallmark Event	Ward	\$ Leveraged	\$ Requested	\$ Recommended	Comment
1.	North Suburbs Men's Shed Inc for six months' rental payment (1 Oct 2017 to 29 Mar 2018) for current premises at Unit1/C 288 Gnangara Road Landsdale.	✓			South	\$4,500.00 (Org)	\$9,000.00	\$9,000.00	Approved via MN02-08/17.
2.	Australia Day Council of Western Australia Inc for a Community Citizenship Forum on 17 April 2017 at the Girrawheen Hub, Girrawheen.	✓			South	\$725.00 (Org) \$6,187.50 (Other)	\$2,375.00	\$2,375.00	Meets eligibility criteria subject to receipt of: <ul style="list-style-type: none"> • Written confirmation of financial support by the Office of Multicultural Interests.
3.	Atlantis Productions Incorporated for the Flashback Reunion and Carnival 2018 Project on 11 March 2018 at Charnwood Park, Two Rocks. NOTE: This project is an activity being delivered as a part of the Yanchep Two Rocks Community Recreation Association 40th Anniversary Event (see Application No 7).	✓			North Coast	\$24,125.00 (Org)	\$1,656.00	\$1,656.00	Meets eligibility criteria subject to receipt of: <ul style="list-style-type: none"> • Change of project date in consideration of the City's Retro Rewind Event at Yanchep National Park on 10 March 2018. • Renewed Certificate of Public Liability Insurance.

App No.	Application	Project	Event	Hallmark Event	Ward	\$ Leveraged	\$ Requested	\$ Recommended	Comment
4.	Recreational Trail Bike Riders Association of Western Australia Inc for a project involving the local community and other stakeholders to design, document and undertake the implementation of a volunteer management program to create a "Friends of Pinjar" from 1 March 2018 to 31 May 2018 for the Off Road Vehicle Area, Nowergup.	✓			Central	\$6,785.00 (Org) \$10,700.00 (Other)	\$3,000.00	\$3,000.00	Meets eligibility criteria subject to receipt of: <ul style="list-style-type: none"> • Satisfactory Risk Management Plan for the Come and Try Day • Satisfactory Certificate of Public Liability Insurance for the Come and Try Day • City of Wanneroo Event Application approval.
5.	Challenge Brass Band for an Autumn Concert at the Wanneroo Community Centre on 5 May 2018 and community workshops preceding the event from 14 April 2018 at the Wanneroo Recreation Centre, Wanneroo.		✓		Central	\$4,825.00 (Org) \$173.79 (COW Waiver of Fees & charges)	\$1,760.00	\$1,760.00	Meets eligibility criteria subject to receipt of: <ul style="list-style-type: none"> • City of Wanneroo Event Application approval.
6.	Vietnamese Community in Australia – WA Chapter for TET New Year 2018 Celebrations on 23 Feb 2018 at the Wanneroo Showgrounds, Wanneroo.		✓		Central	\$20,000.00 (Org) \$45,000.00 (Other)	\$5,000.00	\$5,000.00	Meets eligibility criteria subject to receipt of: <ul style="list-style-type: none"> • Event-specific Certificate of Insurance • City of Wanneroo Event Application approval.

App No.	Application	Project	Event	Hallmark Event	Ward	\$ Leveraged	\$ Requested	\$ Recommended	Comment
7.	<p>Yanchep Two Rocks Community Recreation Association for the Yanchep Two Rocks Community Recreation Association 40th Anniversary Family Fun Day on 11 March 2018 at Charnwood Park, Two Rocks.</p> <p>NOTE: The group has been informed of the City's Retro Rewind Event at Yanchep National Park on 10 March 2018 and has been asked to consider a change of date for its event to allow for both events to enjoy maximum attendance.</p>		✓		North Coast	\$5,251.90 (Org) \$7,500.00 (Other)	\$8,070.90	\$8,070.90	<p>Meets eligibility criteria subject to receipt of:</p> <ul style="list-style-type: none"> • Change of event date in consideration of the City's Retro Rewind Event at Yanchep National Park on 10 March 2018. • Confirmation of receipt of other income sources (Lotterywest and Developers). • City of Wanneroo Event Application approval.
8.	<p>Nature Play WA for Cubby Town 2 on 28 April 2018 at Yanchep National Park, Yanchep.</p> <p>NOTE: This event is supported by the City's Early Childhood Team as it addresses Priority Areas 3 and 4 of the City of Wanneroo Early Childhood Strategic Plan.</p>		✓		North Coast	\$9,565.96 (Org) \$34,132.00 (Other)	\$5,000.00	\$5,000.00	<p>Meets eligibility criteria subject to receipt of:</p> <ul style="list-style-type: none"> • Renewed Certificate of Public Liability Insurance • City of Wanneroo Event Application approval.

App No.	Application	Project	Event	Hallmark Event	Ward	\$ Leveraged	\$ Requested	\$ Recommended	Comment
9.	Royal Australian Air Force Association (WA Division) Inc for and ANZAC Day Memorial Service and Sausage Sizzle Lunch on 25 April 2018 and a Remembrance Day 100 th Anniversary Memorial Service and Sausage Sizzle on 11 November 2018 at the Cambrai Village War Memorial, Merriwa.			✓	North Coast	\$11,080.00 (Org)	\$1,900.00	\$1,900.00	Meets eligibility criteria subject to receipt of: <ul style="list-style-type: none"> • Renewed Certificate of Public Liability Insurance • City of Wanneroo Event Application approval • Satisfactory acquittal of 2017 Hallmark Event. Funding.
10.	Quinns Rocks RSL Sub Branch for an ANZAC Day Commemorative Service and Gunfire Breakfast on 25 April 2018, a Vietnam Veterans Day Service and lunch on 18 August 2018 and a Remembrance Day Service and Lunch on 11 November 2018 at Tapping Way, Quinns Rocks.			✓	North Coast	\$6,800.00 (Org) \$9,900.00 (Other)	\$8,673.00	\$8,673.00	Meets eligibility criteria subject to receipt of: <ul style="list-style-type: none"> • Renewed Certificate of Public Liability Insurance • City of Wanneroo Event Application approval • Satisfactory acquittal of 2017 Hallmark Event funding.

App No.	Application	Project	Event	Hallmark Event	Ward	\$ Leveraged	\$ Requested	\$ Recommended	Comment
11.	Yanchep Two Rocks RSL Sub-Branch for an ANZAC Day Commemorative Service and Gunfire Breakfast on 25 April 2018, a Vietnam Veterans Day Commemorative Service on 18 August 2018, a Merchant Navy Day Commemorative Service on 3 September 2018, a Battle for Australia Day Commemorative Service on 6 September 2018 and a Remembrance Day Commemorative Service on 11 November 2018 at the Yanchep National Park Memorial and the Yanchep Sport and Social Club.			✓	North Coast	\$10,100.00 (Org) \$3,646.00 (Other)	\$3,549.00	\$3,549.00	Meets eligibility criteria subject to receipt of: <ul style="list-style-type: none"> • Further supporting documentation • Renewed Certificate of Public Liability Insurance • City of Wanneroo Event Application approval. • Satisfactory acquittal of 2017 Hallmark Event funding.
12.	Wanneroo Scout Group for Australia Day Breakfast in the Park 2018 (includes an Aboriginal cultural and heritage activity on 26 Jan 2018 at the Wanneroo Showgrounds, Wanneroo.			✓	Central	\$6,000 (Org TBC)	\$3,500.00	\$3,500.00	Meets eligibility criteria subject to receipt of: <ul style="list-style-type: none"> • Further supporting documentation • City of Wanneroo Event Application approval. And subject to: <ul style="list-style-type: none"> • Agreement to work with the City's Diversity Officer (Aboriginal & CaLD) to ensure the proposed Aboriginal activity is coordinated with cultural integrity.
TOTAL		4	4	4		\$226,997.15	\$53,483.90	\$53,483.90	

ANALYSIS BY WARD

Ward	Projects	Events	Hallmark Events	Recommended	Not Recommended	% Value	\$ Value recommended by Administration
South	2	0	0	2	0	21%	\$11,375.00
Central	1	2	1	4	0	25%	\$13,260.00
North Coast	1	2	3	6	0	54%	\$28,848.90
Outside of City	0	0	0	0	0		\$0.00
TOTAL	4	4	4	12	0	100%	\$53,483.90

BUDGET

Annual Community Funding Budget 2017/18 GL 717253-1205-316	\$90,000.00
Less 2017/18 expenditure/commitments to-date: Estimated 2017 Community Celebration Christmas Event (Category D) allocations	<u>\$15,000.00</u>
Balance available for October 2017 round	\$75,000.00
Less value of Administration recommendations for October 2017 round	<u>\$53,483.90</u>
Balance available for March 2018 round	\$21,516.10

**City of Wanneroo Community Funding Program
Summary of Applications received
October 2017 round**

October 2017 City of Wanneroo Community Funding Application No 1

Organisation Name	North Suburbs Men's Shed Inc.
Contact Person Full Name	Mr Ken Kingwell
Project Title	Six months' rent for premises occupied by the Northern Suburbs Men's Shed via Community Funding October 2017 round
Brief Summary of Project or Event	Six months' rent for premises occupied by the Northern Suburbs Men's Shed via Community Funding October 2017 round
Venue or Location	Unit1/C 288 Gnangara Road Landsdale
Proposed Start Date	01/10/2017
Proposed Finish Date	29/03/2018
Amount Contributed by Your Organisation	\$4,500.00 (\$750 per month outgoings)
Funding from other sources	\$ Nil
Amount requested from the City of Wanneroo	\$9,000.00
Total Cost of Project	\$13,500.00
What will your project or events involve	Six months' rent for premises occupied by the Northern Suburbs Men's Shed via Community Funding October 2017 round
Who can be a part of your project or event	Our 45 shed members (26 of whom reside in the City of Wanneroo)
How will your project/event be promoted and advertised	Not applicable to the grant funding arrangements
How will you know if your project/event has been a success	<p>Grant has six months' timeline. During this project period, the following actions will measure level of success as requested by City of Wanneroo:</p> <ul style="list-style-type: none"> • Record number of people accessing the service. • Record number of days operating. • Note size of membership and its increase during the project period. • Take photos - at least 3 relevant (electronic) photos of each Men's Shed community/community development activity delivered during the six-month period. • Note number and type of partnerships formed. • Note number and type of initiatives run that benefit the wider City of Wanneroo community (non-NSMS members). • Develop a Sustainability Plan which includes strategies for securing long-term premises.

	<ul style="list-style-type: none"> Engage with the City of Wanneroo Central Ward Place Development Facilitator on a regular basis to demonstrate support and guidance has been received/provided.
What support do you have from other groups	Nil
How will your project/event benefit the City of Wanneroo community	Directly contribute to the continuation and relocation of the Northern Suburbs Men's Shed to permanent premises
How long has your organisation been operating	Since February 2010
How many members does your organisation currently have	45
How many of these members live in the City of Wanneroo	26

Comments:

- First-time applicant.
- During the six-month project period, the following actions will be undertaken by the North Suburbs Men's Shed to measure project success:
 - Record number of people accessing the service.
 - Record number of days operating.
 - Note size of membership and its increase during the project period.
 - Take photos - at least 3 relevant (electronic) photos of each Men's Shed community/community development activity delivered during the six-month period.
 - Note number and type of partnerships formed.
 - Note number and type of initiatives run that benefit the wider City of Wanneroo community (non-NSMS members).
 - Develop a Sustainability Plan which includes strategies for securing long-term premises.
 - Engage with the City of Wanneroo Central Ward Place Development Facilitator on a regular basis to demonstrate support and guidance has been received/provided.
- The group has asked the City for \$9,000.00 to pay for six months rental of its premises at Unit1/C 288 Gnangara Road Landsdale.

APPROVED \$9,000.00 via MN02-08/17.

October 2017 City of Wanneroo Community Funding Application 2

Organisation Name	Australia Day Council of Western Australia Inc
Contact Person Full Name	Mrs Kirsten Larkin
Project Title	Community Citizenship Forum
Brief Summary of Project or Event	The Community Citizenship Forums aim to promote the value of community contribution and active citizenship to multicultural communities. The program would enable Ausday WA Award finalists and winners (Ambassadors), to speak directly to community groups about their background, work and community contribution.
Venue or Location	Girrawheen Hub - Patrick Court Girrawheen
Proposed Start Date	17/04/2018
Proposed Finish Date	17/04/2018
Amount Contributed by Your Organisation	\$725.00
Funding from other sources	\$6,187.50
Amount requested from the City of Wanneroo	\$2,375.00
Total Cost of Project	\$9,287.50
What will your project or events involve	Ausday WA will talk about our organisation and the role of active citizenship in the community. We will talk about the recognition programs available that encourage people to actively participate in making their community a better place. Guest Speaker from our Great Australians Network discussing their own contribution towards active citizenship, community contribution and involvement and the benefits of this both personally and for their community
Who can be a part of your project or event	Multicultural groups and CaLD community members Australia Day Council, WA Great Australians Network, Australia Day Council, WA Office of Multicultural Interests
How will your project/event be promoted and advertised	Email flyer and mail out to Multicultural and CaLD Group Database, OMI eDM, Ausday WA Website and social media pages including Facebook page and paid ads, Instagram, SEM Google Adwords.
How will you know if your project/event has been a success	Participants will be asked to fill in an evaluation form at the end of the session. We aim for 75% or more of responses indicating high satisfaction.
What support do you have from other groups	Office of Multicultural Interests Multicultural Services Centre of Western Australia
How will your project/event benefit the City of Wanneroo	The objectives of the forum include the promotion of active citizenship and what it means; to encourage community participation and contribution to community; to highlight and promote community based leadership and achievement and; to

community	provide a sense of belonging and confidence in being a part of the fabric of our community. By engaging with our newest Australians from CaLD and multicultural backgrounds about our values, we can engender confidence and a sense of belonging as part of our national identity as a dynamic modern society.
How long has your organisation been operating	40 Years
How many members does your organisation currently have	80 members from local government authorities, corporate groups and individuals
How many of these members live in the City of Wanneroo	Our forums are to be presented to CaLD and multicultural groups within CoW, they are not required to be members of our organisation

Comments:

- First-time applicant.
- This will be the first collaboration between the Australia Day Council of Western Australia Inc and a Local Government Authority (LGA) for delivery of Community Forums. The group will explore possibilities with other LGAs going forward.
- The group has asked the City for \$2,375.00:

Design and printing	\$703.00
Advertising	\$250.00
Catering	\$417.00
Bottled Water and Milk	\$60.00
Venue Hire	\$30.00
Complimentary participant materials	\$452.50
Audio Visual Hire	\$412.50
Speaker Reimbursement	<u>\$50.00</u>
TOTAL	\$2,375.00

This request satisfies the Community Funding Policy criteria.

RECOMMEND \$2,375.00 subject to receipt of written confirmation of financial support by the Office of Multicultural Interests.

The Community Funding Working Group agreed with this recommendation.

October 2017 City of Wanneroo Community Funding Application No 3

Organisation Name	Atlantis Productions Incorporated
Contact Person Full Name	Mrs Anita Stockburger
Project Title	Flashback Reunion and Carneval 2018 project
Brief Summary of Project or Event	A celebration project of our 20th Anniversary in conjunction with the 40th Anniversary of the Yanchep-Two Rocks Rec Association. Interpreted and presented with a Reunion of past participants and performers who will be invited as guests with their families to meet and greet and be entertained. The present members dressed in Carneval Costume will act as Hosts and Guides to the Funfair and Entertainment.
Venue or Location	Charnwood Park Two Rocks
Proposed Start Date	11/03/2018
Proposed Finish Date	11/03/2018
Amount Contributed by Your Organisation	\$24,125.00 (including volunteer-in-kind hours)
Funding from other sources	Nil
Amount requested from the City of Wanneroo	\$1,656.00
Total Cost of Event	\$25,781.00
What will your project or events involve	Search process for past members, construction of Scenery and Set, 10 weeks of workshops for Cast and Crew
Who can be a part of your project or event	Dans-Z-Dance Studio, Two Rocks Playgroup, Sun City Art Society, Two Rocks Yanchep Community Arts Network. Mermaid Community Theatre Club, Two Rocks Playgroup, Dans-Z-Studio, Parents and Friends
How will your project/event be promoted and advertised	Social Networking and Facebook, School Publications, local Library, Community Radio, Posters and flyers in shopping Centres, Community Newspaper. Roadside signage.
How will you know if your project/event has been a success	Word of mouth, Attendance figures, sponsor satisfaction, Participants Enthusiasm to repeat. Media Reports
What support do you have from other groups	Yanchep-Two Rocks Recreation Assn, Yanchep Community Arts Network
How will your project/event benefit the City of Wanneroo community	It will remind them and new residential suburbs of this community's cultural endeavours over 20 years and foster their interest in the performing arts. It will nourish the essential cultural identity of this community and its support of the City's cultural aspirations.
How long has your	March 1998

organisation been operating	
How many members does your organisation currently have	Participants in any event have to be members for 12 months. This figure fluctuates with the season's events. Members to date: 30.
How many of these members live in the City of Wanneroo	All

Comments:

- No outstanding Community Funding acquittals.
- This group has previously received community funding:

Year	Round	\$ Amount
2008	Oct	\$2,144.00
2009	Oct	\$495.75
2010	Oct	\$2,500.00
2012	Mar	\$658.00
2013	Mar	\$1,780.00
2014	Oct	\$1,000.00 (approved but forfeited funding stating lack of capacity to deliver)
2015	Mar	\$3,000.00
- The group has asked the City for \$1,656.00:

Costume and headgear hire	\$560.00
Marquee hire	\$546.00
Barbecue	\$298.00
Advertising and promotion	\$252.00
TOTAL	\$1,656.00
- The project is an activity at the Yanchep Two Rocks Community Recreation Association 40th Anniversary Family Fun Day (Application No 7). Therefore the project date is subject to change along with the 40th Anniversary Event.
- Renewed Public Liability Insurance Certificate required.

This request satisfies Community Funding Policy criteria.

RECOMMEND \$1,656.00 subject to receipt of renewed Certificate of Public Liability Insurance and new event date for the Yanchep Two Rocks Community Recreation Association 40th Anniversary Family Fun Day excluding 10 and 11 March 2018 in consideration of the City's Retro Rewind Event at Yanchep National Park on 10 March 2018.

The Community Funding Working Group agreed with this recommendation.

October 2017 City of Wanneroo Community Funding Application No 4

Organisation Name	Recreational Trail Bike Riders Association (RTRA) of Western Australia Inc.
Contact Person Full Name	Mr Don Martin
Project Title	Friends of Pinjar
Brief Summary of Project or Event	<p>This project involves the local community and other stakeholders to design, document and undertake the implementation of a volunteer management program to create and run a "Friends of Pinjar". A Come and Try Day is also included in the project.</p> <p>To do this RTRA has requested quotations through a competitive tender process, and is looking to engage a consultant to design and deliver the "Friends of Pinjar" project objectives, which are:</p> <ol style="list-style-type: none"> 1. To encourage community stewardship of Pinjar Off Road Vehicle Area (ORVA). 2. To provide a resource base of trained volunteers to make a significant contribution to the management, maintenance and development of the area. 3. To work with Parks & Wildlife to fulfill objectives for the area. 4. Guiding and promoting desired rider behaviour. 5. Rehabilitation of the area and protecting rehabilitation efforts.
Venue or Location	Pinjar Off Road Vehicle Area (ORVA), Nowergup situated off Wesco Road between Old Yanchep Road and Wanneroo Road - http://rtra.asn.au/Where/Pinjar
Proposed Start Date	01/03/2018
Proposed Finish Date	31/05/2018
Amount Contributed by Your Organisation	\$6,875.00 (includes \$6,375.00 volunteer in-kind hours)
Funding from other sources	\$10,700.00 (TBC – Healthway, DLGC and Lotterywest Trails Funding)
Amount requested from the City of Wanneroo	\$3,000.00
Total Cost of Application	\$20,575.00
What will your project or events involve	Creation of a "Friends of Pinjar" active local management program
Who can be a part of your project or event	<p>Pinjar Off road Vehicle Area is open to the public so anyone from anywhere is free to attend the site and participate.</p> <p>The program itself aims to increase local patronage</p> <p>Statistically out of the top 10 selling motorcycles in Australia 5 of these are kids bikes, 4 of which are specifically catering to under 8 year olds - refer to attached sales data</p>
How will your	<ul style="list-style-type: none"> • Via yet to be created "Friends of Pinjar" social media • On-site via signage, this could also include acknowledgement of the City of

project/event be promoted and advertised	<p>Wanneroo as a supporter of the project/event.</p> <ul style="list-style-type: none"> • City of Wanneroo's Facebook, Library and cultural centre if possible • Recreational Trail Riders website and newsletter • Department of Parks and Wildlife Pinjar - https://www.facebook.com/dpawpinjarmotorcyclearea/ • Recreational Trail Riders Facebook page - https://www.facebook.com/RecreationalTrailbikeRidersAssociation/ • Motorcycling Western Australia newsletter • Local industry businesses within the City of Wanneroo Letter of support from local Wanneroo business is attached) • Paid targeted advertising via social media, can be aimed at a specific area with specific interests.
How will you know if your project/event has been a success	<ul style="list-style-type: none"> • Yet to be created "Friends of Pinjar" social media likes quantifiable • Design, documentation and implementation of a volunteer management program and the creation of a "Friends of Pinjar" • Trails counters on-site (historical information is attached) so easy to quantify and determine increased usage. It should be noted that there are vast areas of the site which are not monitored by counters so the numbers are thought to be substantially higher than shown on the attached spreadsheet. • There is a planned "Community Come and Try Day - Kids and Youth at Pinjar" planned for April 2018.
What support do you have from other groups	<p>Motorised Adoption Agreement with the Department of Parks and Wildlife (letter attached)</p> <p>Motorcycle Studio Wangara (letter attached)</p> <p>Department of Sport and Recreation (Historical contributor to the project, letter TBC)</p> <p>Lotterywest (Historical Contributor to the Pinjar Project (letter TBC)</p> <p>Motorcycling Western Australia support (letter TBC)</p> <p>Offroad Riding Club of WA (letter TBC)</p> <p>Trail and Enduro Club of Western Australia (letter TBC)</p>
How will your project/event benefit the City of Wanneroo community	<p>Increased community awareness and involvement.</p> <p>Increased tourism opportunities in the City of Wanneroo through people travelling from other shires.</p> <p>Increased retail activity within the local area</p> <p>Decrease in unlawful off road vehicle usage in residential and environmentally sensitive areas</p> <p>To encourage a community that is committed to improving and developing its own resources and the people within it</p> <p>Stronger, more resilient healthier communities</p> <p>Better rider education and best practice principles (Eg minimal impact riding)</p> <p>Decreased strain on City's Ranger and other enforcement organisations</p> <p>Provides amenity for residents and families who ride</p> <p>Offers an attractive alternative to riding in environmentally sensitive areas, parks, Bush Forever etc,</p> <p>Brings people from elsewhere to Pinjar to ride - may buy fuel, food, drink nearby or on the way in Wanneroo,</p> <p>The area is an excellent case study of setting up a ride area correctly and is currently setting the standard for other local governments></p>
How long has your organisation been operating	>10 Years

How many members does your organisation currently have	5037 on social media, Exact number of financial members TBC but in excess of 500 financial
How many of these members live in the City of Wanneroo	TBC, Membership is not required to use Pinjar facilities, RTRA membership heat map is attached. Due to proximity you could argue that the largest percentage of users would be from the City of Wanneroo

Comments:

- First-time applicant.
- The group has asked the City for \$3,000.00:

Contribution towards consultant for program development	\$2,000.00
Road directional signage	\$500.00
Come and Try Day sausages	\$100.00
Come and Try Day bread	\$100.00
Come and Try Day drinks	\$100.00
Come and Try Day signage	\$100.00
Come and Try Day Risk Management Plan	\$100.00
TOTAL	\$3,000.00
- The high risk nature of the event component of this project (Come and Try Day) requires documentary evidence of satisfactory risk management.
- A City of Wanneroo Event application and approval is required for the Come and Try Day.
- Documentary evidence of satisfactory Public Liability Insurance is required for the Come and Try Day.

This request satisfies the Community Funding Policy criteria.

RECOMMEND \$3,000.00 subject to receipt of a satisfactory Risk Management Plan, Certificate of Public Liability Insurance and a City of Wanneroo Event Application approval for the Come and Try Day component of the project.

The Community Funding Working Group agreed with this recommendation.

October 2017 City of Wanneroo Community Funding Application No 5

Organisation Name	Challenge Brass Band
Contact Person Full Name	Mr Ricky Wileman
Project Title	Autumn Concert and Workshops
Brief Summary of Project or Event	Free workshops offered to students in Wanneroo and the surrounding suburbs which will culminate in a performance to senior citizens at a free Autumn Concert. The event will also partner with Mentally Healthy WA in order to promote their Act Belong Commit initiative. The overall purpose of the concert and workshops is to promote the role that music plays in the community and its value to individuals and families. An event that includes both the youngest and eldest in the community will highlight the lifelong commitment that people make to music. The workshops will be open to students in Wanneroo and the surrounding suburbs who are learning a brass instrument or percussion. They will be run by experienced brass band musicians. The end product of the workshops will be a performance of around 20 minutes at a free Autumn Concert which will feature the Challenge Brass Band. The free concert will be promoted to senior citizens living in Wanneroo.
Venue or Location	The Autumn Concert will be held at the Wanneroo Community Centre. The workshops will be run at the Wanneroo Recreation Centre.
Proposed Start Date	14/04/2018
Proposed Finish Date	05/05/2018
Amount Contributed by Your Organisation	\$4,825.00 (includes \$4625 voluntary hours in-kind)
Funding from other sources	\$173.79 for venue hire (City of Wanneroo Waiver of Fees and Charges)
Amount requested from the City of Wanneroo	\$1,760.00
Total Cost of Project/Event	\$6,758.79
What will your project or events involve	Free workshops offered to students in Wanneroo and the surrounding suburbs which will culminate in a performance to senior citizens at a free Autumn Concert. The event will also partner with Mentally Healthy WA in order to promote their Act Belong Commit initiative. The overall purpose of the concert and workshops is to promote the role that music plays in the community and its value to individuals and families. An event that includes both the youngest and eldest in the community will highlight the lifelong commitment that people make to music. The workshops will be open to students in Wanneroo and the surrounding suburbs who are learning a brass instrument or percussion. They will be run by experienced brass band musicians. The end product of the workshops will be a performance of around 20 minutes at a free Autumn Concert which will feature the Challenge Brass Band.
Who can be a part of your project or event	The workshops will be open to students at schools in Wanneroo and the surrounding suburbs who are learning a brass instrument. Students will be able to access the workshops regardless of cultural, linguistic or socio economic background. The band will provide all music and can, in most cases, even

	<p>provide an instrument for students to play at no cost to themselves.</p> <p>The Autumn Concert will be aimed at senior citizens living in Wanneroo and the surrounding suburbs. In order to include people in the event from a variety of backgrounds, the event will be free and we shall provide a free bus service for up to 50 guests.</p> <p>We will also partner with Mentally Healthy WA in order to promote their Act, Belong, Commit initiative</p> <p>We will work with senior citizen groups such as the Wanneroo Senior Citizens Club in order to promote the Autumn Concert</p> <p>We will work with the Department of Education's Instrumental Music School Services in order to promote the workshops.</p>
How will your project event be promoted and advertised	<p>Making early contact with educators and senior citizen groups to ask them for advice on how best to approach their respective groups.</p> <p>Develop flyer / poster - one for workshops and one for Autumn Concert</p> <p>Distribute workshop poster to schools</p> <p>Distribute Autumn Concert poster to libraries, community centres, retirement villages, schools, shopping centre noticeboards</p> <p>Social media (Facebook, Twitter)</p> <p>Promotion of websites (eg Wanneroo Council website, ABC Website)</p> <p>Advertising in print media</p> <p>Contact Wanneroo Times for a story to cover the event</p>
How will you know if your project event has been a success	<p>Our quantitative success indicators will include:</p> <ul style="list-style-type: none"> > Number of students attending the workshops > Number of senior citizens in the audience <p>Our qualitative success indicators will include:</p> <ul style="list-style-type: none"> > New relationships formed with local educators > New relationships formed with senior citizen organisations > Feedback from audience and participants
What support do you have from other groups	<p>We will have letters of support from:</p> <p>Mentally Healthy WA (Sarah Graham)</p> <p>Department of Education's Instrumental School of Music (Bruce Herriman - Principal)</p>
How will your project event benefit the City of Wanneroo community	<p>The central aim of our event is to raise awareness about the role of music in the community.</p> <p>Please refer to section 8 - under 'other documentation' - for a full explanation of the benefits to the community.</p>
How long has your organisation been operating	30 years
How many members does your organisation currently have	28 senior band member
How many of these members live in the City of Wanneroo	8 members

Comments:

- This groups has previously received community funding:
 - Apr 2001 \$2,045.00
 - Oct 2003 \$500.00
 - Mar 2006 \$1,800.00
 - Mar 2007 \$1,061.00
- The group has asked the City for \$1,760.00:

Refreshments	\$100.00
Flyers	\$100.00
Music for senior band	\$500.00
Fuel for buses	\$100.00
Music for Youth Band	\$420.00
Music stands	\$490.00
Refreshments for workshops	<u>\$50.00</u>
TOTAL	\$1,760.00

This request satisfies the Community Funding Policy criteria.

RECOMMEND \$1,760.00 subject to City of Wanneroo Event Application approval.

The Community Funding Working Group agreed with this recommendation.

October 2017 City of Wanneroo Community Funding Application No 6

Organisation Name	Vietnamese Community in Australia - WA Chapter
Contact Person Full Name	Dr Anh Nguyen
Project Title	Tet New Year 2018 Celebrations
Brief Summary of Project or Event	Tet Celebration has been annual event in Wanneroo Showgrounds since 2011. This is the biggest Vietnamese Cultural event, welcoming all Australians regardless of backgrounds. Last year there about 12,000 people attended, mainly for Vietnamese but also enjoyed by a very big proportion of Non-Vietnamese including local Wanneroo residents and people across the Metropolitan area. The name Tet Festival has become one of the icons of the local celebrations.
Venue or Location	Wanneroo Showgrounds
Proposed Start Date	23/02/2018
Proposed Finish Date	24/02/2018
Amount Contributed by Your Organisation	\$20,000.00
Funding from other sources	\$45,000.00
Amount requested from the City of Wanneroo	\$5,000.00
Total Cost of Event	\$70,000.00
What will your project or events involve	Contributions (+ In-kind contributions) from many associations and sponsors to help organise the Tet New Year Celebration
Who can be a part of your project or event	Lotterywest Office of Multicultural Interests Healthway Community Sponsors In kind support
How will your project/event be promoted and advertised	It will be promoted by posters, social media, Websites, FaceBook, flyers, community radios, local newspapers, Vietnamese community groups and religious bodies. The celebration was free-entry since 2017 Festival and will continue to be so, so there is no barrier for any disadvantaged groups.
How will you know if your project/event has been a success	It has so far been a success for more than 6 consecutive years, with excellent positive feedback; It has reflected the Vietnamese cultural values and has impressed the audience through its quality of service, entertainment, authentic foods, traditional costumes (also for VIP guests) and its vibrant activities. The success was measured by the increase number of patrons year after year, the level of peace and security, and the renowned safety and healthy environment and post event evaluation.
What support do you have from other groups	Many groups provide in-kind support. Amongst the highest level of involvement are the Viet Tan Political Party, the Vietnamese Language School, the Catholic Community, other religious bodies, Veteran Associations and Women's Association, Senior Association...

	The 2 associations we are asking for support letter are: Catholic Community and Viet Tan Party.
How will your project/event benefit the City of Wanneroo community	The event will add vibrancy and contribute to the reputation of the City because it attracts local people of all walks of life, in addition to the larger community across the metropolitan and the whole Vietnamese population statewide. The firework has been a major facelift of our Festival in last 2 years, which attracted more people, elevate their enjoyment and because of its sound and spectacular Wanneroo night sky, Firework has become an exciting element of the Celebration that in the past the Vietnamese Community had never been able to include it. People flocked to Wanneroo Showgrounds to enjoy this, and certainly the City of Wanneroo received more credit for its reputation.
How long has your organisation been operating	since 1978
How many members does your organisation currently have	Active and participating is around 16,000
How many of these members live in the City of Wanneroo	6% of general population of Wanneroo which is about 1000 Vietnamese

Comment:

- This group has previously received community funding:
Oct 2008 \$5,750.00
Mar 2010 \$6,325.00
Oct 2010 \$5,000.00
Oct 2011 \$5,000.00
- The group will provide the following supporting documentation as a part of the City of Wanneroo Event Application form:
 1. 2018 Letter to Fire Brigade
 2. 2018 Letter to Police
 3. 2018 Ambulance arrangements
 4. 2018 Letter to Wanneroo Residents
 5. 2018 Order of Proceedings
 6. 2018 Firework Licence application
 7. 2018 Event Risk Management Plan (including management of fireworks)
 8. 2018 Evaluation survey.
- The group has requested \$5,000 for a contribution towards the event's fireworks costs.
- A 2018 Event-specific Certificate of Public Liability Insurance is required.

This request satisfies the Community Funding Policy criteria.

RECOMMEND \$5,000.00 subject to receipt of event-specific Certificate of Public Liability Insurance and City of Wanneroo Event Application approval.

The Community Funding Working Group agreed with this recommendation.

October 2017 City of Wanneroo Community Funding Application No 7

Organisation Name	Yanchep Two Rocks Community Recreation Association
Contact Person Full Name	Mrs Dorothy Dean
Project Title	Yanchep Two Rocks Community Recreation Association 40th Anniversary Family Fun Day
Brief Summary of Project or Event	<p>This event will be aligned with the delivery of the 11 March 2018 Sunset Markets, Two Rocks with the 40th celebration component being the Family Fun Day. What a better way celebrate the YTRCRA's 40th year than to join in with Sunset Markets, an event that has already a well established reputation within the community with two past events under its belt which attracted between 2000-4000 people.</p> <p>As this event is planned on a bigger scale again, with plenty more free activities, and plenty more advertising, we anticipate attracting 4000+ visitors. This will be marketed as a free community event, which celebrates the history of Yanchep /Two Rocks and involves the participation from all of the community groups. We anticipate this event will include: All day entertainment that entails a band and solo acts, local dance groups and community acts. Local schools will also be invited to take part, while a history of the Phil Renkin Centre and local history will be incorporated.</p> <p>Community organisations will be invited to host their own stalls that provide the community with information about their respective groups.</p> <p>Local businesses and developers will be invited to sponsor "a section" i.e kid's entertainment or music via a monetary donation. A Lotterywest Grant will also be applied for.</p> <p>By achieving sponsorships from these parties, as well as funding from COW, and Lotterywest; the YTRCRA will be afforded the ability to provide the community with free entertainment as well as providing the equipment that will support the logistics of an event of this scale.</p> <p>Markets & Food Vans will also be invited as a means of providing an income source to cover costs for the event.</p>
Venue or Location	Charnwood Park, Two Rocks
Proposed Start Date	11/03/2018
Proposed Finish Date	11/03/2018
Amount Contributed by Your Organisation	\$5,251.90 (includes \$4,000 volunteer in-kind)
Funding from other sources	\$7,500.00
Amount requested from the City of Wanneroo	\$8,070.90
Total Cost of Event	\$20,822.80
What will your project or events involve	Markets, rides, entertainment, local history display
Who can be a part of your project or event	<p>The local Yanchep/Two Rocks community as well as anyone outside of the community is invited to participate.</p> <p>Local Scouts group, Two Rocks Volunteer Fire Brigade, Volunteer Sea Rescue, CWA, Little Athletics, Local Martial Arts, Local dance schools, local businesses</p>

	and local developers.
How will your project/event be promoted and advertised	Social media, media relations, advertising posters, through schools and local groups.
How will you know if your project/event has been a success	The number of people attending, feedback from the general community and via social media.
What support do you have from other groups	Yanchep Little Athletics, Yanchep Community Bus, CWA, Two Rocks Volunteer Fire Brigade and Scouts
How will your project/event benefit the City of Wanneroo community	Yanchep & Two Rocks are often the forgotten suburbs where very little entertainment or events are planned for the community here. This free event will provide the local community with something to do, somewhere to go close to home, as well as providing a sense of community while attending. We plan on having an historical display which will bring about a sense of nostalgia for long-residing residents.
How long has your organisation been operating	40 years
How many members does your organisation currently have	50
How many of these members live in the City of Wanneroo	all of them

Comment:

- This group has previously received community funding:

Mar 2004	\$2,000.00
Mar 2005	\$2,000.00
Oct 2005	\$3,061.18
Mar 2007	\$2,000.00
Mar 2008	\$5,000.00
Mar 2009	\$6,000.00
Mar 2011	\$1,000.00
Mar 2012	\$750.00
Mar 2013	\$1,755.00 annually for 2014, 2015 and 2016 (Australia Day Hallmark Event)
Jul 2013	\$3,000.00 cash and up to \$1,000.00 in-kind annually from 2014 to 2018 inclusive (Category D Christmas Event)
- The group has been informed of the City's Retro Rewind Event at Yanchep National Park on 10 March 2018 and has been asked to consider a change of date for its event to allow for both events to enjoy maximum attendance.
- The group has asked the City for \$8,070.90:

Marquee, stage, structure and flooring hire	\$3,462.00
Freedom Fairies	\$2,640.00
Oz Carts	\$1,318.90
Jumpy Castles Hire	\$650.00
TOTAL	\$8,070.90

This request satisfies the Community Funding Policy criteria.

RECOMMEND \$8,070.90 subject to change of event date in consideration of the City's Retro Rewind Event at Yanchep National Park on 10 March 2018, confirmation of receipt of other income sources (Lotterywest and Developers) and City of Wanneroo Event Application approval.

The Community Funding Working Group agreed with this recommendation.

October 2017 City of Wanneroo Community Funding Application No 8

Organisation Name	Nature Play WA
Contact Person Full Name	Miss Nicole McNamara
Project Title	Cubby Town 2
Brief Summary of Project or Event	<p>In April 2017, Nature Play WA in partnership with the City of Wanneroo, Department of Parks and Wildlife and Yanchep National Park delivered the first Cubby Town event in Western Australia. With over 5,000 attendees, this event provided families with the opportunity to take part in nature play activities at their own pace, ensuring parents were involved and left the event feeling motivated and well-equipped to continue their nature play journey at home. Thanks to the support received from the City of Wanneroo, this event was provided FREE to the public, allowing families from a wide range of socioeconomic backgrounds with the opportunity to experience Yanchep National Park for what may have been the first time.</p> <p>Nature Play WA would like to deliver Cubby Town 2 on 28 April 2018 at Yanchep National Park. Due to the significance of this event, and the benefits to the wider City of Wanneroo community, Nature Play WA is requesting sponsorship of \$5,000.00. This will cover essential costs including external activity providers and important safety precautions, allowing for a bigger and better community event to the City of Wanneroo, and the Northern Corridor.</p>
Venue or Location	Yanchep National Park
Proposed Start Date	28 April 2018
Proposed Finish Date	28 April 2018
Amount Contributed by Your Organisation	\$9,565.96
Funding from other sources	\$34,132.00
Amount requested from the City of Wanneroo	\$5,000.00
Total Cost of Event	\$47,197.96
What will your project or events involve	Cubby Town 2 is a FREE community event, featuring a variety of activity spaces for attendees to take part in. Nature Play WA is all about unstructured play, allowing participants to take part in their own time and to their own abilities. This event provides families with the opportunity to experience nature play in a fun and safe environment, and also provides community members with the opportunity to strengthen community bonds and engage with local businesses and organisations.
Who can be a part of your project or event	It is hoped that through funding provided by the City of Wanneroo and other funding partners, Nature Play WA will be able to deliver this event free to the community again in 2018. This means that the event itself will not be limited in terms of demographics. With the number of activities on offer, and the space available at Yanchep National Park, attendance figures are estimated to exceed 5,000 people (based on the 2017 event). Nature Play WA's general target market ranges from 0 - 12 years old and their families, however, an event such as Cubby Town is suitable for the whole family with no age restrictions.

	<p>As this event is FREE to attend, families from various socioeconomic backgrounds will have the opportunity to attend, and visit Yanchep National Park for what may be the first time. Additionally, this event is open to people with a disability, people from diverse backgrounds, and any age group. Local businesses such as Wanslea, Little Gumnuts and the City of Wanneroo Library will be invited again to attend the event, allowing Nature Play WA with the opportunity to include local businesses, education providers, and passionate nature play enthusiasts.</p>
How will your project/event be promoted and advertised	<p>Cubby Town 2 will be promoted through a variety of Nature Play WA networks, including the Nature Play WA Facebook page with over 23,000 followers and sent to the Nature Play WA newsletter database of over 10,000 contacts. As this is a free event, Cubby Town 2 will be advertised on a variety of online event sites. Additionally, it is anticipated that the event will receive a large amount of media attention (as per the 2017 event). The local Community News team will be contacted to again promote the event, which will provide a large reach to the local community from diverse backgrounds (through print and online).</p> <p>The City of Wanneroo will be acknowledged as the official sponsor of the event through all communications and event related content. It is hoped that the City of Wanneroo will promote the event to residents and ratepayers through ratepayer notices, online content and/or flyers.</p>
How will you know if your project/event has been a success	<p>The success of the event will be determined by the number of families reached in our marketing campaign (through online portals, including social media), as well as the number of individuals who attend the event. Attendees will be asked to register their interest before the event, providing Nature Play WA with valuable information for resources as well as contact details for feedback surveys. One survey will be sent to participants after the event, asking them simple questions regarding nature play and the event itself. This will provide Nature Play WA with information regarding improvements, suggestions and general community feedback.</p> <p>Nature Play WA staff will work closely with Yanchep National Park in recording the number of attendees who enter the park for the event. This process was very successful at the first event, and provided valuable information to both Nature Play WA and Yanchep National Park.</p>
What support do you have from other groups	<p>City of Wanneroo Early Childhood Officer, Karen Dales-Anderson Department of Biodiversity, Conservation and Attractions (Parks and Wildlife Service - Yanchep National Park)</p>
How will your project/event benefit the City of Wanneroo community	<p>Cubby Town 2 will provide a variety of benefits to the City of Wanneroo community, including:</p> <ul style="list-style-type: none"> - Opportunity for local families to engage in a healthy and active lifestyle through nature play. - Provide a safe environment for families to experience nature play, and demonstrate how easy it is for families to incorporate it into their daily lives. - Opportunity for locals to engage with highly experienced and qualified educators and nature play professionals, who will provide support and ideas to parents and guardians on how to encourage nature play in their family. - Opportunity for community members to strengthen their community bonds, and celebrate the uniqueness of their local attraction, Yanchep National Park. - Free event provided to the public, allowing families from a wide range of socio-economic backgrounds the opportunity to experience Yanchep National Park for what may be the first time.

	- Opportunity for the community to interact with each other, and interact with City of Wanneroo, Nature Play WA and Yanchep National Park staff and volunteers.
How long has your organisation been operating	6 years
How many members does your organisation currently have	NA
How many of these members live in the City of Wanneroo	NA

Comments:

- First-time applicant. The group ran the inaugural Cubby Town Event at Yanchep National Park in 2017 with the City's support via the Donations Program. The City's Early Childhood Officers attended and participated in the event which they deemed extremely well-attended and successful.
- The group has asked the City for \$5,000.00:

Radrock Activities	\$3,200.00
Educated by Nature Activity	\$1,780.00
St John's Ambulance Event Staff	<u>\$20.00</u>
TOTAL	\$5,000.00
- This event is supported by the City's Early Childhood Team as it addresses Priority Areas 3 and 4 of the City of Wanneroo Early Childhood Strategic Plan.

This request satisfies the Community Funding Policy criteria.

- **RECOMMEND \$5,000.00 subject to receipt of renewed Certificate of Public Liability Insurance and a City of Wanneroo Event Application approval.**

The Community Funding Working Group agreed with this recommendation.

October 2017 City of Wanneroo Community Funding Application No 9

Organisation Name	Royal Australian Air Force Association (WA Division) Inc
Contact Person e	Mrs Maureen Farrell
Project Title	1. Anzac Day Memorial Service & Sausage Sizzle. 2. Remembrance Day 100th Anniversary Memorial Service & Sausage Sizzle
Brief Summary of Project or Event	<p>1. Anzac Day Memorial Service is held at the Cambrai Memorial Village, 85 Hester Avenue Merriwa on 25th April each year. It is proposed to hold the ceremony at 10.00am to allow a greater representation from the surrounding areas and out of respect for the many veterans who reside at Cambrai with mobility problems. A fly-over by a RAAF jet has been applied for. A free sausage sizzle lunch will be provided to all who attend.</p> <p>2. Remembrance Day Memorial Service is held at the same venue each year on 11th November. As 2018 will commemorate the 100th Anniversary of the signing of the Armistice it will be particularly significant to veterans in Cambrai and from the surrounding area. A free sausage sizzle lunch will follow for all who attend. A fly-over by a RAAF jet has been applied for.</p>
Venue or Location	Cambrai Memorial Village. War Memorial. 85 Hester Avenue, MERRIWA WA
Proposed Start Date	25/04/2018
Proposed Finish Date	11/11/2018
Amount Contributed by Your Organisation	\$11,080.00
Funding from other sources	\$0.00
Amount requested from the City of Wanneroo	\$1,900.00
Total Cost of Event	\$12,980.00
What will your project or events involve	Provide solemn, respectful and meaningful Memorial Services to all members of the community both in Cambrai and surrounding areas.
Who can be a part of your project or event	The general public are encouraged to attend these events along with all residents of Cambrai Village and their families. The Village has over 420 residents plus a further 80 in care at Bullwinkel Lodge within the Village. Those in care are brought to the services and meal by nursing staff. Mindarie Senior College staff and students attend our events and participate in the actual ceremonies. We intent to issue personal invitations to Disability Support Services in the City of Wanneroo and promote extensively to encourage people from culturally diverse backgrounds and varying socio economic backgrounds a welcoming opportunity to join with veterans as they commemorate two very important events.
How will your project/event be promoted and advertised	By letters of invitation to local dignitaries and relevant associations, eg Disability Support Services, Salvation Army, posters, notices in the local press, through school newsletters, local Police station and local Fire Services.
How will you know if your project/event has	By the numbers attending. In previous years both Anzac Day and Remembrance Day Ceremonies have been very well attended and supported by our own

been a success	residents, their families, staff & students from Mindarie Senior College, local police and Fire Brigade and people from diverse backgrounds who recognise the symbolic nature of the need to commemorate and recognise those who gave their lives for their country. For recording purposes, a head count will be taken at both services and an 'Expression of Interest/booking sheet' will be used to record those who wish to attend the Sausage Sizzles. Visitors & guests will be invited to RSVP by phone. This method has worked preciously for us.
What support do you have from other groups	These events will be completely organised by the Cambrai Village Residents' Branch Committee with assistance from the Cambrai Village Commemorations Committee, residential volunteers as well as assistance of RAAFA staff. The two organisations who have written letters of support are the Mindarie Senior College and the Reverend Lieutenant Colonel Mark Walker of the Anglican Church Diocese of Perth.
How will your project/event benefit the City of Wanneroo community	Anzac Day and Remembrance Day services at Cambrai Memorial Village create a community spirit, which commemorate those who gave their lives for Australia. It maintains a community awareness of the sacrifice amongst residents of the Village and their families and promotes an understanding of sacrifice and appreciation. Community members from surrounding areas and young people from Mindarie Senior College attend and take part in the services. Interaction between young people and ex-service residents at the meals has proven invaluable in spreading awareness in the Community. The Mayor of Wanneroo or a City of Wanneroo Councillor always attends our services and lays a wreath. Our committee ensures that all are aware of the City involvement, both in our posters and publications. It is also acknowledged on the particular service day. The City benefits from the public knowledge that it supports the community in this matter.
How long has your organisation been operating	Since May 1929
How many members does your organisation currently have	In excess of 4500
How many of these members live in the City of Wanneroo	1000

Comments:

- The group is currently in receipt of 2017 Hallmark Event funding which is scheduled for acquittal by 24 December 2017.
- The group has previously received community funding:

<u>Year</u>	<u>Round</u>	<u>Amount</u>
2006	Mar-06	\$255.00
2010	Oct-09	\$2,000.00
2011	Oct-10	\$750.00
2012	Mar-12	\$850.00
2013	Oct-12	\$2,000.00
2012	Oct-12	\$300.00

2014	Mar-13	\$2,700.00
2015	Mar-13	\$2,700.00
2016	Mar-13	\$2,700.00
2017	Oct-16	\$3,000.00

- The group has asked the City for \$1,900.00 for catering.

This request satisfies the Community Funding Policy criteria.

RECOMMEND \$1,900.00 subject to receipt of a renewed Certificate of Public Liability Insurance, a City of Wanneroo Event Application approval and satisfactory acquittal of 2017 Hallmark Event Funding.

The Community Funding Working Group agreed with this recommendation.

October 2017 City of Wanneroo Community Funding Application No 10

Organisation Name	Quinns Rocks RSL Sub Branch
Contact Person	Mrs Elaine Ballard
Project Title	ANZAC DAY Commemorative Service and Gunfire Breakfast, Vietnam Veterans Day Service and lunch & Remembrance Day Service and Lunch
Brief Summary of Project or Event	<p>Anzac Day is the biggest of our events involving the whole community, Local Churches, schools and Scout Groups.</p> <p>It includes and Dawn Service attended by 5,000+ people and the a Gunfire Breakfast.</p> <p>Vietnam Veterans Day includes a commemorative service followed by a light lunch</p> <p>Remembrance Day includes a commemorative service followed by a light lunch, this year will be a large event due to it being the 100th Anniversary of the end of the 1st World War, it will have a large advertising campaign back by Government</p>
Venue or Location	Tapping Way, Quinns Rocks 6030
Proposed Start Date	25/04/2018
Proposed Finish Date	11/11/2018
Amount Contributed by Your Organisation	\$6,800.00
Funding from other sources	\$9,900.00
Amount requested from the City of Wanneroo	\$8,673.00
Total Cost of Event	\$25,373.00
What will your project or events involve	Commemorative Services
Who can be a part of your project or event	<p>ANYBODY can be part of all 3 events. All people including people with a disability, people from a culturally or linguistically diverse background and, varying social economic backgrounds.</p> <p>We encourage the participation of Local Schools, Churches and clubs from in and around the area</p> <p>We also have a specially formed choir for the events know as 'Community Choir'</p>
How will your project/event be promoted and advertised	Local Papers, flyers, email through community networks(including disability, CALD and ATSI communities), Facebook page, RSL WA and community goodwill
How will you know if your project/event has been a success	By good attendance and community feedback
What support do you have from other groups	<p>Major Nikki Norvell , Salvation Army</p> <p>Lynne Haast, NCWS</p> <p>Justin Tonti, Peter Moyes</p>

How will your project/event benefit the City of Wanneroo community	The Quinns Rocks RSL commemorative services are a long established highly attended community events bringing people and groups together from across the City of Wanneroo and ensuring the City of Wanneroo can attend commemorative services without having to travel out of the local area. Our ANZAC Day event attracts 5000+ attendees showing we reach the wider community. Vietnam Veterans Day and Remembrance Day also attracts community member attendance in addition to war veterans to connect and show respect for our history. These events help different generation connect and help the younger generation respect and understand Australia's history. Our Vietnam Veterans Day now includes veterans and families from all conflicts including Afghanistan, Iran, Iraq etc which is now reaching the community of Wanneroo, so it is now connecting with other younger generations
How long has your organisation been operating	Approx 16 years
How many members does your organisation currently have	96 (local members)
How many of these members live in the City of Wanneroo	All

Comments:

- This group is currently in receipt of 2017 Hallmark Event funding which is scheduled for acquittal by 24 December 2017.
- The group has previously received community funding:

<u>Year</u>	<u>Amount</u>	<u>Round</u>
2004	\$1,000.00	Oct-01
2003	\$1,000.00	Oct-01
2002	\$1,000.00	Oct-01
2003	\$1,000.00	Mar-03
2004	\$1,300.00	Oct-03
2007	\$1,250.00	Oct-04
2006	\$1,250.00	Oct-04
2005	\$1,300.00	Oct-04
2005	\$1,250.00	Oct-04
2006	\$1,700.00	Mar-06
2007	\$1,000.00	Oct-06
2007	\$1,500.00	Mar-07
2010	\$2,000.00	Oct-07
2009	\$2,000.00	Oct-07
2008	\$2,000.00	Oct-07
2008	\$1,000.00	Oct-07
2008	\$2,032.00	Mar-08
2008	\$1,500.00	Oct-08
2009	\$2,250.00	Mar-09
2010	\$2,000.00	Mar-10
2010	\$1,000.00	Mar-10
2013	\$3,000.00	Oct-10

2012	\$3,000.00	Oct-10
2011	\$3,000.00	Oct-10
2011	\$2,000.00	Mar-11
2014	\$8,000.00	Oct-13
	(returned \$1638.70)	
2015	\$8,000.00	Oct-13
	(returned \$1699.50)	
2016	\$8,000.00	Oct-13
2017	\$8,000.00	Oct-16

- The group has asked the City for \$8,673.00:

Food	\$7,325.00
Security staff	\$418.00
Sound equipment hire	\$130.00
Wreaths	\$300.00
Materials (lapel badges for school children and scouts)	<u>\$500.00</u>
TOTAL	\$8,673.00

This request satisfies the Community Funding Policy criteria.

- RECOMMEND \$8,673.00 subject to receipt of a renewed Certificate of Public Liability Insurance, a City of Wanneroo Event Application approval and satisfactory acquittal of 2017 Hallmark Event Funding.**

The Community Funding Working Group agreed with this recommendation.

October 2017 City of Wannon Community Funding Application No 11

Organisation Name	RSL of W A - Yanchep Two Rocks RSL Sub-branch
Contact Person Full Name	Mr William Bell
Project Title	Memorial Services for the Armed Services
Brief Summary of Project or Event	25 April 2018 - ANZAC Day - Conduct a community Dawn memorial service and provide a Gunfire breakfast for veterans and families. 18 August 2018 Vietnam Day Conduct a community Service Yanchep National Park. 3 September 2018 - Merchant Navy Day - Conduct a community memorial service at the Yanchep Sports & Social Club for the many merchant Seamen who lost their lives in the world wars. Followed by a luncheon for community members. 6 September 2018 - Battle for Australia Day - Conduct a Community Service at the Yanchep Sports & Social Club, followed by a luncheon for community members. 11 November 2018 - conduct a community service at the Yanchep National Park. Luncheon for veterans & families
Venue or Location	Yanchep National Park Memorial. Yanchep Sports & Social club
Proposed Start Date	25/04/2018
Proposed Finish Date	11/11/2018
Amount Contributed by Your Organisation	\$10,100.00 (including \$8,900.00 volunteer in-kind hours)
Funding from other sources	\$3,646.00
Amount requested from the City of Wannon	\$3,549.00
Total Cost of Application	\$17,295.00
What will your project or events involve	Community based memorial services on remembrance days for the armed services.
Who can be a part of your project or event	In the memorial services VIPs The mayor of Wannon, The attorney General, Service cadets, police, Fire Brigade, scouts, veterans attended by members of the community. Contributions are received from the Lions Club, the Yanchep Sports and Social Club and the Yanchep National Park.
How will your project/event be promoted and advertised	Pamphlets, road signs and general advertising of the major events and local paper of the minor events.
How will you know if your project/event has been a success	ANZAC Day - by the attendance of 2000 - 3000 community members at the event. Vietnam Veterans Day - by the attendance of some 100 community members Remembrance Day - by the attendance of some 200 community members. Merchant Navy Day & Battle for Australia Day some 50 community members.
What support do you have from other groups	The Lions Club of Yanchep Two Rocks and The Yanchep Sports & Social Club. have submitted letters. We also have support from the Police and scouts.
How will your project/event benefit	By cementing the community values of our Nation, in honouring those who fought and died so bravely for our Freedom.

the City of Wanneroo community	
How long has your organisation been operating	98 years
How many members does your organisation currently have	71
How many of these members live in the City of Wanneroo	69

Comments:

- This group is currently in receipt of 2017 Hallmark Event funding which is scheduled for acquittal by 24 December 2017.

- The group has previously received community funding:

<u>Year</u>	<u>Amount</u>	<u>Round</u>
2004	\$1,179.00	Oct-01
2003	\$1,179.00	Oct-01
2002	\$1,179.00	Oct-01
2007	\$1,289.00	Oct-04
2006	\$1,289.00	Oct-04
2005	\$1,289.00	Oct-04
2007	\$2,000.00	Mar-07
2010	\$1,578.00	Oct-07
2009	\$1,578.00	Oct-07
2008	\$1,578.00	Oct-07
2008	\$2,000.00	Mar-08
2008	\$740.00	Oct-08
2009	\$2,400.00	Mar-09
2010	\$740.00	Oct-09
2009	\$740.00	Oct-09
2010	\$3,000.00	Mar-10
2013	\$1,866.25	Oct-10
2012	\$1,866.25	Oct-10
2011	\$1,866.25	Oct-10
2011	\$2,000.00	Mar-11
2012	\$1,200.00	Mar-12
2012	\$1,000.00	Mar-12
2014	\$5,150.00	Mar-13
2015	\$5,150.00	Mar-13
2016	\$5,150.00	Mar-13
2017	\$5,422.00	Oct-16

- The group has asked the City for \$3,549.00 but has not provided a balanced budget or a quote for the marquee hire and Perth Concert Sounds:

Catering Yanchep Inn	\$1,710.00
Marquee hire	\$923.00

Perth Concert Sounds	\$490.00
ANZAC Day Service Program printing	\$316.00
Baine Marie	\$110.00
Total	\$3,549.00

This request satisfies the Community Funding Policy criteria.

RECOMMEND \$3,549.00 subject to receipt of further supporting budget information and documentation, a renewed Certificate of Public Liability Insurance, a City of Wanneroo Event Application approval and satisfactory acquittal of 2017 Hallmark Event Funding.

The Community Funding Working Group agreed with this recommendation.

October 2017 City of Wanneroo Community Funding Application No 12

Organisation Name	Wanneroo Scout Group
Contact Person	Mr Chris Barugh
Project Title	Australia Day Breakfast in the Park 2018
Brief Summary of Project or Event	The event is designed to celebrate Australia Day in an inclusive way by having a breakfast at the Wanneroo Showground available to all members of the Wanneroo Community to enjoy. The event is open to all residents of the City of Wanneroo
Venue or Location	East End of Wanneroo show grounds
Proposed Start Date	26/01/2018
Proposed Finish Date	26/01/2018
Amount Contributed by Your Organisation	\$6,000.00 (in-kind volunteer hours TBC)
Funding from other sources	\$0
Amount requested from the City of Wanneroo	\$3,500.00
Total Cost of Event	\$9,500.00 (TBC)
What will your project or events involve	Providing a breakfast to members of the Wanneroo Community
Who can be a part of your project or event	All residents of the City of Wanneroo. The venue is accessible all members of the public and all cultural and socioeconomic groups are encouraged to attend. We will be contacting the local indigenous community to come along and participate in a spirit of reconciliation and enabling the indigenous community to present information on their culture and heritage
How will your project/event be promoted and advertised	There will be an advertisement placed in the Community news, it will be promoted on our face book page to members of the community
How will you know if your project/event has been a success	That all sections of the Wanneroo Community are represented on the day and by the smiles on their faces. Photographs taken on the day and media publicity gained. There have been images and video footage shown on the local news in past years.
What support do you have from other groups	We will receive letters of support from the Wanneroo Rotary Club and the Wanneroo RSL
How will your project/event benefit the City of Wanneroo community	By promoting a community event that promotes harmony and inclusion by encouraging all cultures to interact in a manner of companionship and friendship as a community of Australians regardless of ethnicity or social standing. Recognising the indigenous community as the First Australians and building a strong relationship with all sections of the Wanneroo community.
How long has your organisation been	50 years

operating	
How many members does your organisation currently have	82
How many of these members live in the City of Wanneroo	76

Comments:

- The group has no outstanding community funding acquittals.
- The group has previously received community funding:

Year	Amount	Round
2005	\$1,322.83	Oct-04
2006	\$1,322.83	Oct-04
2007	\$1,322.83	Oct-04
2008	\$2,300.00	Oct-07
2009	\$2,300.00	Oct-07
2010	\$2,300.00	Oct-07
2011	\$3,400.00	Oct-10
2012	\$3,400.00	Oct-10
2013	\$3,400.00	Oct-10
2014	\$3,500.00	Mar-13
2015	\$3,500.00	Mar-13
2016	\$3,500.00	Mar-13
2017	\$3,500.00	Oct-16
- Community funding is requested for catering \$3,500.00 (TBC).
- Expected number of attendees, satisfactory current quotes (separate to catering costs provided for the City's 2018 Australia Day Ceremony), budget clarification and support letters are still required to finalise the application.
- The group has indicated that they plan to include an Aboriginal cultural and heritage activity as a part of the Australia Day Breakfast. The group has been informed of the City's Reconciliation Action Plan (RAP) and the RAP Working Group and has been asked to make contact with the City's Diversity Officer (Aboriginal and CaLD) to ensure that the proposed Aboriginal activity is coordinated with cultural integrity.

This request satisfies the Community Funding Policy criteria.

RECOMMEND \$3,500.00 subject to receipt of further supporting budget information and documentation, a City of Wanneroo Event Application approval and agreement to consult with the City's Diversity Officer (Aboriginal & CaLD) to ensure the proposed Aboriginal activity is coordinated with cultural integrity.

The Community Funding Working Group agreed with this recommendation.

CITY OF WANNEROO COMMUNITY FUNDING PROGRAM

OCTOBER 2017 ROUND ENQUIRIES REGISTER

	Date	Ward	Name of Group/Organisation	Project/Event	Outcome
1	29/06/2017	North Coast	RAAFA Cambrai Village Merriwa	2018 ANZAC Day and Remembrance Day Events	Application submitted.
2	04/07/2017	Central	Community Vision (located outside of City of Wanneroo but project delivery is in WLCC)	Age of Love Movie Event	Attended Community Funding Information Session but did not proceed with application for this event.
3	05/07/2017	North Coast	Alkimos Scout Group	new trailer and unspecified potential event in Alkimos	Trailer ineligible for community funding. Provided emailed information about other funding opportunities. Provided further information about event planning for community funding process and a community project plan template.
4	06/07/2017	not known	Sarah Bass (individual community member)	No project or event - wanted to attend a community funding Information Session as a skill-building activity.	Suggested CSRFF grant and added to Connected and Resilient Communities community contact list for notification of next capacity building sessions.
5	07/07/2017	Central	Wanneroo Pony Club	Re-vamping cross country course - ineligible project	Added to Connected and Resilient Communities community contact list for notification of next capacity building sessions.
6	14/07/2017	North Coast	True North Church	April 2018 School Holiday activities	Decided against submitting an application in this round and will consider the next round.
7	18/07/2017	not known	Sibling Music	No specific project or event in mind but will involve young people and music.	Late registration for community funding Information Session and attended without prior discussion. Will undertake planning for her project as it takes shape.
8	18/07/2017	Central	Rosie Sitorus, Dr Ann Aly's Office on behalf of Wanneroo Amateur Football Club	No project or event but wanted general information about community funding eligibility	Emailed information about community funding eligibility requirements.
9	20/07/2017	not known	Patricia Giles Centre	Photography workshops	Insufficient evidence to show benefit to wider CoW community at this stage of planning. Provided guidance and project planning documentation.

	Date	Ward	Name of Group/Organisation	Project/Event	Outcome
10	25/07/2017	North Coast Ward	Jindowie Residents Association	2017 Christmas Event in Jindowie	Date of event makes it ineligible for Oct round but provided further community funding and project planning information and referred Helen to staff at Yanchep Community Centre for further support for planning 2018 event.
11	25/07/2017	North Coast Ward	Vishva Hindu Parishad Council of Australia Inc - WA Chapter	workshop for children	Attended one-to-one Community Funding Information Session
12	25/07/2017	Central Ward	Banksia Grove Residents Association	no specific project or event in mind - several ideas	Wanted to attend community funding information session but did not have eligible project or event. Was provided with further information and community project planning documentation
13	25/07/2017	Central Ward	Challenge Brass Band	Concert/Event	Application submitted.
14	25/07/2017	not known	West Australian Music (WAM)	partnership to deliver 2018 WAMFEST concert in CoW	Referred to City of Wanneroo Events Team for discussion regarding potential Event Sponsorship.
15	09/08/2017	North Coast Ward	Boomerang Bags	purchase of an overlocker	Referral from Mayor's Office. Established that the City's Donations Program is best CoW funding option. Also referred to Rotary Club and North Coastal Women's Shed.
16	23/08/2017	not known	Intelife	not specified	Provided further information via phone followed by emailed information about community project planning.
17	24/08/2017	North Coast Ward	Atlantis Productions	Purchase of equipment and/or a project	Application submitted.
18	30/08/2017	South Ward	Organisation of African Communities	Dancing activity	Provided information on the City's facilities, Community Funding and Donations Program and contact details for South Ward Girrawheen Hub Team.
19	31/08/2017	South Ward	African and CaLD Elder Services WA	Funding for ongoing services and possible separate project	Referred to Volunteering Development Officer and sourced volunteer grant writer and website developer to support the group's operations. Will consider community funding for the March 2018 round.
20	05/09/2017	North Coast Ward	Quinns Rocks RSL Sub Branch	2018 Commemorative Services	Application submitted.

	Date	Ward	Name of Group/Organisation	Project/Event	Outcome
21	08/09/2017	South Ward	Grandchildren raised by Grandparents	recreational workshops	Provided information on the City's Community Funding and Donations Programs, Mercy Foundation Funding as well as Connect Groups.
22	12/09/2017	South Ward	Hainsworth Edible Garden Project	Progressing the Hainsworth Edible Garden with external funding	Provided with information about the City's Community Funding and Donations Program and other governance guidance for group to consider.
23	13/09/2017	South Ward	Oz Harvest	Food, nutrition and cooking program for delivery at Hainsworth Centre	Emailed extensive information about community funding eligibility and community project planning.
24	14/09/2017	South Ward	Australia Day WA Council Inc	Australia Day Citizenship Forum	Application submitted.
25	14/09/2017	South Ward	North Suburbs Men's Shed	Payment of rental costs for premises in Landsdale for a 6-month period.	Application submitted.
26	14/09/2017	Central Ward	Vietnamese Community WA Chapter	2018 TET Festival	Application submitted.
27	15/09/2017	outside of the City	Grace and Decorum Face to Face Heritage	Operates a grooming and deportment business	Provided information about City of Swan, grant opportunity for individuals and small business as well as community funding for her information and to present to eligible organisations.
28	17/09/2017	Central Ward	Belonging	Individual Artist seeking funding to support her art exhibition entitled Belonging	Provided information about community funding program and also referred Gabby to the Central Ward Place Activation Officer for further consideration of grants and funding opportunities available to artists.
29	18/09/2017	North Coast Ward	Nature Play WA	Cubby Town 2	Application submitted.
30	03/10/2017	North Coast Ward	Alkimos Lacrosse Club	Lacrosse program for young people in Alkimos and surrounds via schools or via public facility	Provided develop funding opportunities and also the City's Club Development Officer details.
31	03/10/2017	not known	Danielle	Individual enquiring on behalf of client with Cerebral Palsy to find funding for purchase of a modified vehicle	Provided funding options available and also referred to Disability Services Commission, Carers WA and the Cerebral Palsy Association,

	Date	Ward	Name of Group/Organisation	Project/Event	Outcome
32	3/10/2017	Central Ward	Wanneroo Scout Group	Australia Day 2018 Community Breakfast	Application submitted
33	04/10/2017	North Coast Ward	Yanchep Two Rocks Community Recreation Association	Yanchep Two Rocks 40th Anniversary Family Fun Day	Application submitted.
34	04/10/2017	North Coast Ward	Yanchep Two Rocks RSL Sub Branch	2018 Commemorative Services	Application submitted.
35	06/10/2017	South Ward	Live Church, Girrawheen	Delivery of community activities at Live Church in Girrawheen	Provided Community Funding information and community project planning and research information regarding the local area. Also referred to the City's Youth and Early Childhood Teams.
36	10/10/2017	not specified	Ed Connect Australia	not specified	Was provided with Community Funding Program information as well as information about the City's Donations Program. Also suggested that Karen make contact with the City's Youth Team and provided contact information.
37	10/10/2017	Mr Don Martin	Recreational Trail Bike Riders Association of Western Australia Inc.	Forming the Friends of Pinjar Volunteer Management Program including a Come and Try Day	Application submitted.

Corporate Strategy & Performance

Business & Finance

CS01-12/17 Annual Audited Financial Statements for the period ended 30 June 2017

File Ref:	1870 – 17/407394
Responsible Officer:	Director Corporate Strategy and Performance
Disclosure of Interest:	Nil
Attachments:	1

Issue

To consider the Audit and Risk Committee's recommendation to Council to adopt the City's Annual Audited Financial Report (the **Report**) for the year ended 30 June 2017, audited by the City's Auditors, Grant Thornton Pty Ltd (**Grant Thornton**).

Background

In accordance with the *Local Government Act 1995* a local government is required to prepare an annual financial report on its operations for the preceding financial year by 30 September and submit the report to its Auditors.

The City submitted its Annual Financial Report to its Auditors, Grant Thornton prior to 30 September 2017 and they have completed their audit and issued the Report for the year ended 30 June 2017.

Detail

The Report is per **Attachment 1**. Grant Thornton has provided soft clearance to the Report. As part of the City's audit process, as agreed with Grant Thornton, the Audit and Risk Committee is requested to review the Report and recommend for the Chief Executive Officer (**CEO**) to sign the "Statement By Chief Executive Officer" (**page 2 of Attachment 1**), as required by the *Local Government (Financial Management) Regulations 1996* Regulation 51. Subsequent to the receipt of a version of the Report that is signed by the CEO, Grant Thornton will issue the Independent Auditor's Report.

Consultation

The Report was presented to the Audit and Risk Committee held on 22 November 2017, it was resolved that the Committee:

1. *RECOMMENDS the CEO to sign the "Statement by Chief Executive Officer" (page 2 of Attachment 1), as required by the Local Government (Financial Management) Regulations 1996 Regulation 51; and*
2. *RECOMMENDS that Council ADOPTS the Annual Audited Financial Report for the City of Wanneroo for the year ended 30 June 2017 as detailed in Attachment 1."*

Comment

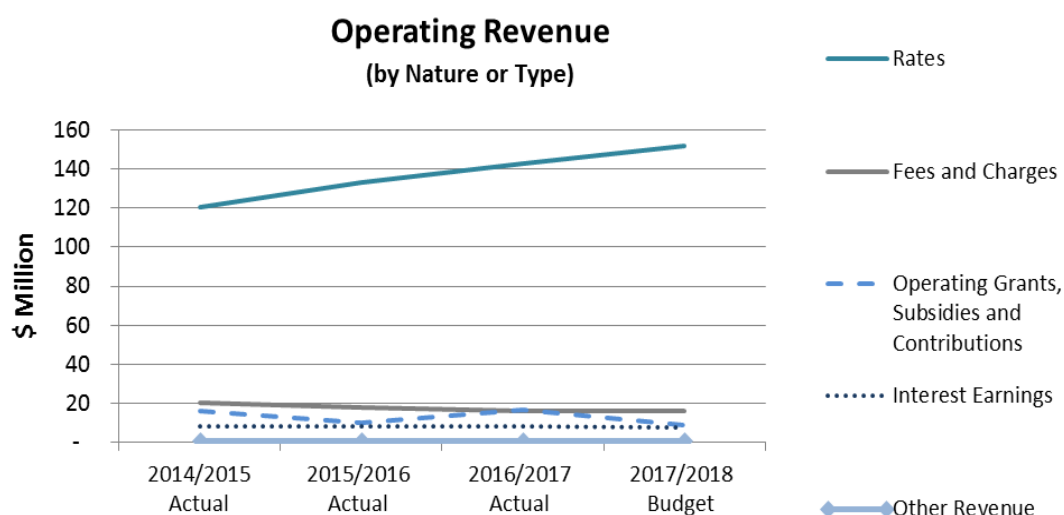
It should be noted that within the context of the Report, actual results are compared with the original adopted budget and not the revised budget adopted by Council during the year by

review. The Budget document is an evolving document that changes throughout the year as circumstances in the City of Wanneroo change. The changes are recognised and recorded through the process of the Budget reviews approved by Council and the updated Budget is referred to as the Revised Budget. A monthly financial activity statement is provided to Council explaining the year to date budget variances using the Revised Budgets as comparison.

The following commentary is provided to highlight the most critical financial information and to acknowledge areas of financial interest, achievement or concern.

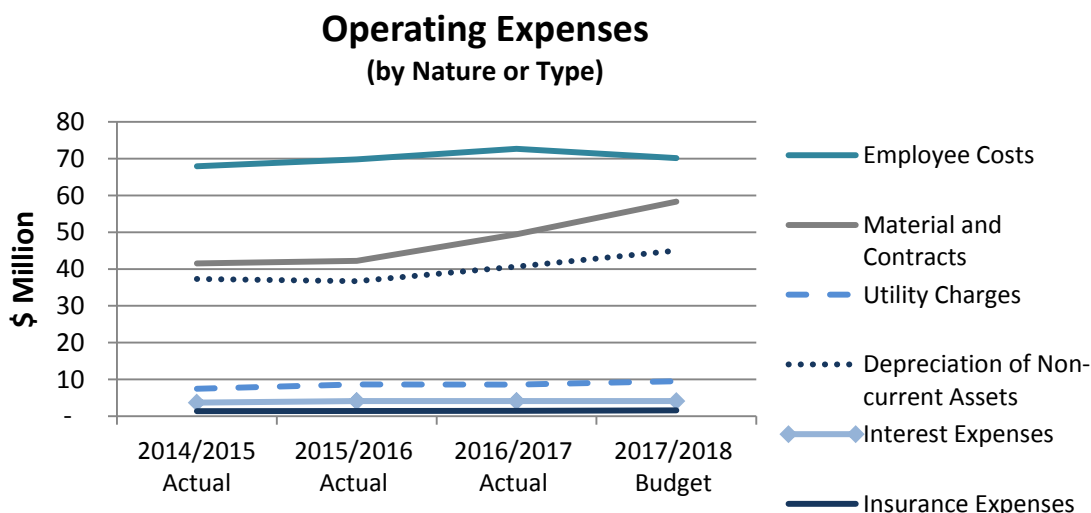
1. Operating Revenue

Operating revenue for 2016/2017 reflects an 8.3% increase over 2015/2016 results. The largest contributor to operating revenue by value is Rates, which accounts for 77% of total operating revenue and grew by 7.3%. Actual Rates exceeded budgeted Rates in 2016/2017 due to additional growth in the City. To provide a visual presentation of the comparative results for each income category, a graph is presented below displaying figures for the previous three years and the Adopted Budget for 2017/18.



2. Operating Expenses

Operating Expenses for 2016/2017 increased by 8.5% over that recorded for 2015/2016. With Employee Costs having the largest influence on Operating Expenses, it is noted that this category presented a 4.1% increase over the previous year, due to increases in staffing resources, collective agreement pay rates and entitlements. The second most substantial category is Materials and Contracts which recorded a 17.0% increase over the 2015/2016 results due to an increase in volume and tariffs relating to refuse removal expenses. Additionally there was increased expenditure in Contract Expenses-Other due to increased service levels for parks and street scape maintenance. These increased service levels was a response from customer feedback. To further illustrate the breakdown of Operating Expense categories, the graph below presents the results for each area over the previous three years and the 2017/2018 year's Adopted Budget.



3. Operating Result from Continued Operations

When considering financial sustainability one of the key measures is the Operating Result from Continued Operations, which is calculated by subtracting Operating Expenses from Operating Revenues. Prior year results have been tabled below.

Financial Year	2014/2015	2015/2016	2016/2017
Operating Result	\$ 7,243,005	\$ 7,620,194	\$ 7,930,444

4. Capital Expenditure

Historically, the City has undertaken significant capital works programs to accommodate the substantial growth occurring within the municipality.

During the 2016/2017 financial year a capital works program equating to \$92.4 million was originally budgeted, which was subsequently revised to \$80.5 million due mainly to delays in several large infrastructure projects. Net capital expenditure for 2016/2017 amounts to \$67.0 million, with significant projects including but not limited to:

- Wanneroo Civic Centre Extension (\$14.0 million),
- Yanchep District Playing Fields (\$4.3 million),
- Mindarie Surf Life Saving Club (\$3.5 million),
- Connolly Drive Dual Carriageway Construction (\$2.9 million), and
- Yanchep Surf Life Saving Club (\$2.7 million).

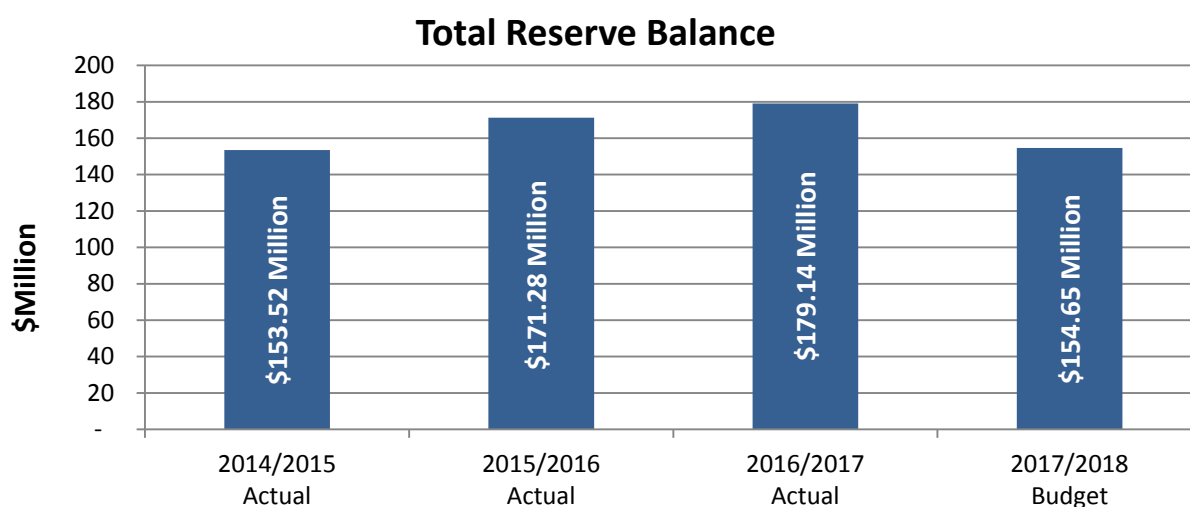
5. Rate Setting Statement

To best appreciate the City's overall underlying funding capacity a Rate Setting Statement (**Page 9 of Attachment 1**) is prepared. This statement collates all operating accounts, capital

expenditures, funding transfers and adjustments for non-cash revenues and expenditures, with the resulting bottom line indicating the amount required to be raised from Rates charges. Whilst the Budget will generally reflect a balanced position, in accordance to the City's Financial (Cash Backed) Reserves Management Procedure, any unallocated surplus identified at the end of the year (after allowing for municipal funding toward carry forward capital projects) is transferred to the Strategic Projects/Initiatives Reserve.

6. Reserve Balances

To ensure the effective management of municipal funds the City has a number of reserve accounts created for specific purposes. These funds are systematically invested to maximise their use until required, as identified in the Long Term Financial Plan (**LTFP**). Indicated below are the total balances of Reserves recorded to account for the past three financial years and budgeted balance for 2017/2018 (**Note 12 of Attachment 1**).



Whilst the 2016/2017 Budget provided for a net outflow from Reserves of \$11.9 million to meet operational and capital project funding requirements, an improvement in the end of year operating results and capital expenditure delays resulted in a net inflow to Reserves of \$7.9 million. Whilst the total net reserve transfer for 2016/17 presented a \$19.8m difference from original budgets the more significant movements are as follows:

Reserve	2016/2017 Net Reserve Transfer		Comment
	Actual	Budget	
Plant Replacement Reserve	\$ 4,405,613	-\$ 744,229	Plant replacement delayed
Strategic Projects/ Initiatives Reserve	\$ -3,135,729	\$ -10,943,816	Improved result from operations
Yanchep/Two Rocks Coastal Corridor Community Facilities reserve	\$127,304	-\$1,512,723	Capital expenditure delayed
Carry Forward Capital Projects Reserve	\$5,524,685	\$0	Capital expenditure delayed
Asset Replacement Reserve	\$287,407	\$2,641,687	Additional replacement requirements

7. Ratios

Each year a number of financial ratios are prepared as part of the statements, to help further analyse financial results. The City has maintained positive results across most ratios. However, in 2016/2017 the Current Ratio, the Asset Sustainability Ratio and the Asset Renewal Funding Ratio fell below the benchmark.

A description of the purpose of each ratio and explanation for variations to benchmark ratios has been provided in the following pages.

Financial Ratios	2014/2015 Actual	2015/2016 Actual	2016/2017 Actual	Benchmark
<i>Liquidity Ratio</i>				
1. Current Ratio				
(Current Assets - Restricted Current Assets) (Current Liabilities - Liabilities Associated with Restricted Assets)	0.85 : 1	0.88 : 1	0.86 : 1	>1 : 1
<i>Debt Ratio</i>				
2. Debt Service Cover Ratio				
(Operating Surplus before Interest and Depreciation Exp) (Principal and Interest Repayments)	21.74 : 1	13.26 : 1	14.86 : 1	>2 : 1
<i>Coverage Ratio</i>				
3. Own Source Revenue Coverage Ratio				
(Own Source Operating Revenue) (Operating Expense)	1.14 : 1	1.02 : 1	1.00 : 1	>0.4 : 1
<i>Financial Performance Ratio</i>				
4. Operating Surplus Ratio				
(Operating Revenue - Operating Expense) (Own Source Operating Revenue)	0.21 : 1	0.08 : 1	0.09 : 1	>0.01 : 1
<i>Asset Management Ratios</i>				
5. Asset Consumption Ratio				
(Depreciated Replacement Cost of Depreciable Assets) (Current Replacement Cost of Depreciable Assets)	0.84 : 1	0.73 : 1	0.73 : 1	>0.5 : 1
6. Asset Sustainability Ratio				
(Capital Renewal and Replacement Expenditure) (Depreciation Expense)	0.31 : 1	0.28 : 1	0.23 : 1	>0.9 : 1
7. Asset Renewal Funding Ratio				
(NPV of Planned Capital Renewals over 10 years) (NPV of Required Capital Expenditure over 10 years)	0.74 : 1	0.72 : 1	0.74 : 1	>0.75 : 1

Ratio Description (*Local Government Operational Guidelines – Number 18*)

Current Ratio	This ratio is designed to focus on the liquidity position of a local government that has arisen from past year's transaction.
Debt Service Cover Ratio	This ratio is the measurement of a local government's ability to repay its debt including lease payments; the higher the ratio, the greater the borrowing capacity.
Own Source Revenue Ratio	This ratio is the measurement of a local government's ability to cover its costs through its own revenue efforts.
Operating Surplus Ratio	This ratio is a measure of a local government's ability to cover its operational costs and have revenues available for capital funding or other purposes.

Asset Consumption Ratio	This ratio measures the extent to which depreciable assets have been consumed by comparing their written down value to their replacement cost.
Asset Sustainability Ratio	This ratio indicates whether a local government is replacing or renewing existing non-financial assets at the same rate that its overall asset stock is wearing out.
Asset Renewal Funding	This ratio is a measure of the ability of a local government to fund its projected asset renewal/replacements in the future.

Specific Ratio Result Explanations

Current Ratio	Standard has not been met as the Ratio is less than 1:1. This is primarily a result of the restriction of the rate setting unallocated surplus to Strategic Projects/Initiatives Reserve and unspent municipal funds relating to carried forward capital works to a restricted reserve.
Debt Service Cover Ratio	An Advanced Standard has been met as the Ratio is greater than five. However, this ratio does not take into account 'interest only' loans, in circumstances where the Principal is to be repaid in a future year. The City has a separate reserve for the accumulation of funds for the repayment of the \$60.78 million loan in 2026.
Own Source Revenue Ratio	An Advanced Standard has been achieved as the Ratio is greater than 90% (0.90).
Operating Surplus Ratio	Standard has been met as the Ratio is greater than 1% (0.01).
Asset Consumption Ratio	The Standard has been met as it exceeds the 50% target.
Asset Sustainability Ratio	This Standard has not been met as the Ratio is less than 90% (0.90). Please see detailed response below.
Asset Renewal Funding	The Standard has not been met as the Ratio is 0.01% below the 75% target.

Asset Sustainability Ratio

The Department of Local Government, Sport and Cultural Industries Asset Management Framework and Guidelines publication provides the following explanation in respect to the Asset Sustainability Ratio (ASR):

"If capital expenditure on renewing or replacing assets is at least equal to depreciation on average over time, then the local government is ensuring the value of its existing stock of physical assets is maintained. If capital expenditure on existing assets is less than depreciation then, unless a local government's overall asset stock is relatively new, it is likely that it is underspending on renewal or replacement."

A large percentage of the City's assets are in new to very good condition with approximately 85% of the total asset base at or below condition 2 (a rating of '0' represents a new asset and a '10' represents an asset that has failed). Less than 1% of the asset base is at or above condition 8, which represents assets that require intervention.

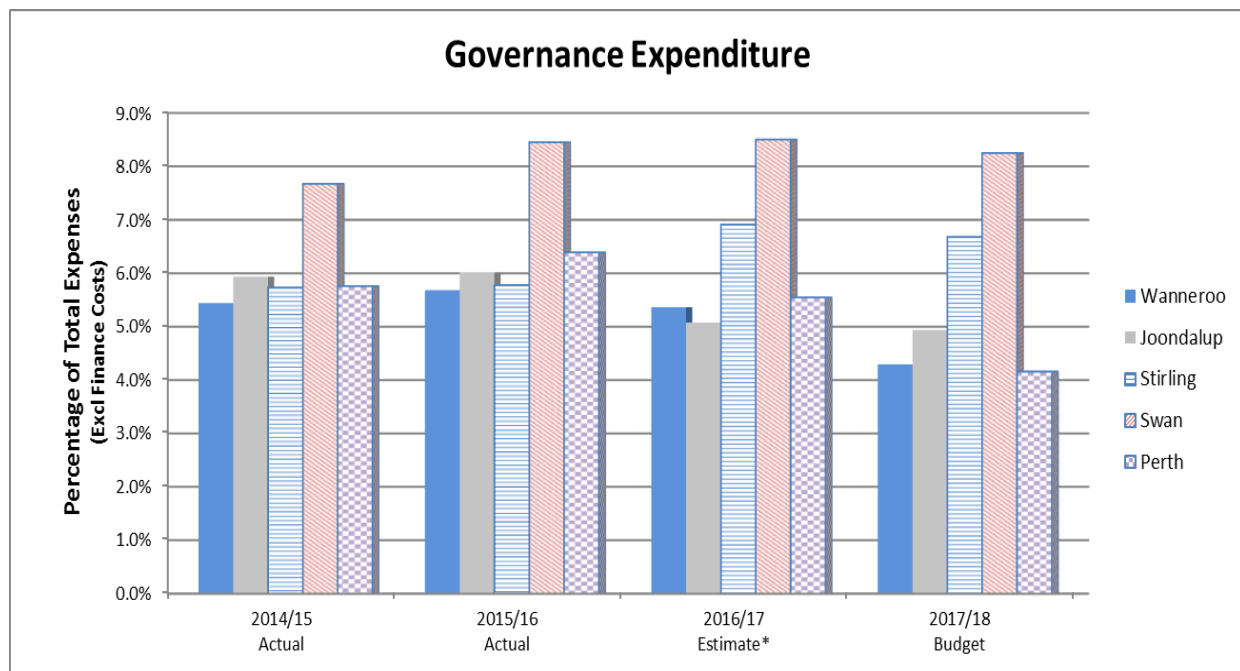
With the City's current mix of old and new assets and continued high growth, a lower than average ASR is expected, and the current condition of assets and level of renewal expenditure confirms this position. As the stock ages and renewal expenditure incrementally increases the ratio should increase, however continued growth may keep it relatively lower than the industry standard.

Taking a long term outlook, the level of asset stock and renewal demand necessitates the development of strategies to address the future impact and ensure that the City can continue to grow and maintain its assets in a financially sustainable manner. Given that renewal

expenditure is lower than the depreciation being charged and that certain years' experience significant spikes in demand, a specific Asset Renewal Reserve has been established.

8. Governance Expense

When accounting for local government activities, Program categories are also used to assist in the consistent presentation of financial information. This allows readers to compare results between categories and other Councils. The following graph reflects the percentage of expenditure for the Governance Program category at the City of Wanneroo alongside those calculated for neighbouring Councils and the City of Perth.



* Estimated results included due to annual reports not yet released to the public for Joondalup and Swan. All other Councils figures are based on actual results.

Summary

As demonstrated by the financial data available for each of the key indicators above, the 2016/2017 financial results for the City present a strong and sustainable financial position, this recognises the City's focus on effective and efficient financial management.

Statutory Compliance

Local Government (Financial Management) Regulations 1996 regulation 36 specifies the information that is to be included in the Annual Financial Report.

The *Local Government (Audit) Regulations 1996* prescribes the following compliance matters in respect to the Audit Report:

"10. Report by auditor

- (1) *An auditor's report is to be forwarded to the persons specified in section 7.9(1) within 30 days of completing the audit.*
- (2) *The report is to give the auditor's opinion on —*
 - (a) *the financial position of the local government; and*
 - (b) *the results of the operations of the local government.*

(3) *The report is to include —*

- (a) *any material matters that in the opinion of the auditor indicate significant adverse trends in the financial position or the financial management practices of the local government; and*
 - (b) *any matters indicating non-compliance with Part 6 of the Act, the Local Government (Financial Management) Regulations 1996 or applicable financial controls in any other written law; and*
 - (c) *details of whether information and explanations were obtained by the auditor; and*
 - (d) *a report on the conduct of the audit; and*
 - (e) *the opinion of the auditor as to whether or not the following financial ratios included in the annual financial report are supported by verifiable information and reasonable assumptions-*
 - (i) *the asset consumption ratio; and*
 - (ii) *the asset renewal funding ratio.*
- (4) *Where it is considered by the auditor to be appropriate to do so, the auditor is to prepare a management report to accompany the auditor's report and to forward a copy of the management report to the persons specified in section 7.9(1) with the auditor's report."*

Strategic Implications

The proposal aligns with the following objective within the Strategic Community Plan 2017 – 2027:

*"4 Civic Leadership**4.2 Good Governance**4.2.1 Provide transparent and accountable governance and leadership"***Risk Management Considerations**

Risk Title	Risk Rating
Financial Management	Moderate
Accountability	Action Planning Option
Executive Management Team	Manage

The above risk relating to the issue contained within this report has been identified and considered within the City's Corporate Risk Register. Action plans have been developed to manage this risk to improve the existing management systems.

Policy Implications

Nil

Financial Implications

As detailed in the Report.

Voting Requirements

Simple Majority

Recommendation

That Council:-

1. **ADOPTS the Annual Audited Financial Report for the City of Wanneroo for the year ended 30 June 2017 as detailed in Attachment 1 as recommended by Audit and Risk Committee; and**
2. **ADOPTS the Independent Auditor's Report from Grant Thornton as detailed in Attachment 1.**

Attachments:

1 [!\[\]\(e3f8612927870f2e0f9f5989e6dd3064_img.jpg\)](#). *Annual Financial Statements 2016/2017* 17/413355



2016 | 2017

FINANCIAL STATEMENTS

City of Wanneroo

General Purpose Financial Statements

for the year ended 30 June 2017

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Overview

- (i) These financial statements are General Purpose Financial Statements and cover the consolidated operations for the City of Wanneroo.
 - (ii) All figures presented in these financial statements are presented in Australian Currency.
 - (iii) These financial statements were adopted by Council on 5 Dec 2017.
Council has the power to amend and reissue the financial statements.
-

City of Wanneroo

General Purpose Financial Statements for the year ended 30 June 2017

Understanding Council's Financial Statements

Introduction

Each year, individual Local Governments across Western Australia are required to present a set of audited Financial Statements to their Council and Community in accordance with the *Local Government Act 1995* and the *Local Government (Financial Management) Regulations 1996*.

About the Certification of Financial Statements

The Financial Statements must be certified by the Chief Executive Officer as (i) presenting fairly the Council's financial results for the year and (ii) complying with Australian Accounting Standards and the *Local Government Act 1995*.

What you will find in the Financial Statements

The Financial Statements set out the financial performance, financial position and cash flows of Council for the financial year ended 30 June 2017.

The format of the Financial Statements is standard across all Western Australian Councils and complies with both the accounting and reporting requirements of Australian Accounting Standards and the requirements as set down in the Western Australian Local Government Accounting Manual.

The Financial Statements incorporate six "primary" financial statements:

1. A Statement of Comprehensive Income (by Nature or Type)

A summary of Council's financial performance for the year, listing all income and expenses by their "nature or type". This allows users of the financial statements to identify a break up of operating revenues and expenses for the year.

2. A Statement of Comprehensive Income (by Program)

A summary of Council's financial performance for the year, listing all income and expenses by "program". This allows users of the financial statements to identify the cost relating to each Council Program and whether or not these costs were recovered from Program revenues.

3. A Statement of Financial Position

A 30 June snapshot of Council's financial position listing its assets and liabilities.

4. A Statement of Changes in Equity

The overall change for the year (in dollars) of Council's "net wealth".

5. A Statement of Cash Flows

Indicates where Council's cash came from and where it was spent across operating, investing and financing activities.

6. A Rate Setting Statement

A Statement showing the amount of rates was raised during the year to fund the Council's proposed Programs (and any budget surplus/deficit from prior years).

About the Notes to the Financial Statements

The Notes to the Financial Statements provide greater detail and additional information on the six Primary Financial Statements.

About the Auditor's Reports

Council's Financial Statements are required to be audited by external accountants (that generally specialise in Local Government).

In Western Australia, the Auditor provides an audit report that provides an opinion on whether the Financial Statements present fairly the Council's financial performance and position.

Who uses the Financial Statements?

The Financial Statements are publicly available documents and are used by (but not limited to) Councillors, Residents and Ratepayers, Employees, Suppliers, Contractors, Customers, the Department of Local Government, Sport and Cultural Industries, and Financiers including Banks and other Financial Institutions.

Under the *Local Government Act 1995* the Financial Statements must be made available at the office of the Council.

Financial Statements 2017

City of Wanneroo

General Purpose Financial Statements for the year ended 30 June 2017

Statement by Chief Executive Officer

The attached financial report of the City of Wanneroo, being the annual financial report and supporting notes and other information, for the financial year ended 30 June 2017 are, in my opinion, properly drawn up to present fairly the financial position of the City of Wanneroo at 30 June 2017 and the results of the operations for the financial year then ended in accordance with the Australian Accounting Standards and comply with the provisions of the *Local Government Act 1995* and the regulations under that Act.

Signed on the 28th day of November 2017


Daniel Simms
CHIEF EXECUTIVE OFFICER

Financial Statements 2017

City of Wanneroo

Statement of Comprehensive Income (by Nature or Type)
for the year ended 30 June 2017

\$	Notes	2017 Actual	2017 Budget	2016 Actual
Revenue				
Rates	24	143,090,395	142,127,655	133,367,040
Operating Grants, Subsidies & Contributions	28(a)	16,575,517	12,583,297	10,324,953
Fees & Charges	27	15,993,918	19,763,958	17,786,913
Interest Earnings	2(a)	8,199,375	8,546,744	8,129,355
Other Revenue		982,018	644,420	983,887
		<u>184,841,223</u>	<u>183,666,074</u>	<u>170,592,148</u>
Expenses				
Employee Costs	31	(72,692,362)	(71,194,905)	(69,828,973)
Materials & Contracts		(49,429,584)	(55,833,956)	(42,234,148)
Utilities		(8,592,081)	(8,852,923)	(8,646,255)
Depreciation of Non-Current Assets	2(a)	(40,650,505)	(40,054,948)	(36,710,312)
Interest Expenses (Municipal)	2(a)	(4,118,180)	(4,114,682)	(4,132,557)
Insurance		(1,428,067)	(1,584,844)	(1,419,709)
		<u>(176,910,779)</u>	<u>(181,636,258)</u>	<u>(162,971,954)</u>
Operating Result from Continuing Operations		<u>7,930,444</u>	<u>2,029,816</u>	<u>7,620,194</u>
Non-Operating Grants, Subsidies & Contributions	28(a)	83,706,469	67,492,373	88,709,347
Town Planning Scheme Income (Inc Interest)		14,663,820	24,301,911	19,275,110
Town Planning Scheme Expenses (Inc Interest)		(7,090,210)	(18,928,500)	(15,010,923)
Loss on revaluation of plant and equipment	7(b)	-	-	(660,445)
Net Share of Interests in Controlled Entities, Associated Entities & Joint Ventures	17	53,258	-	509,291
Profit on Asset Disposals	21	2,136,186	3,806,662	4,708,829
Loss on Asset Disposals	21	(223,184)	(500,000)	(480,362)
		<u>93,246,339</u>	<u>76,172,446</u>	<u>97,050,847</u>
Net Result		<u>101,176,783</u>	<u>78,202,262</u>	<u>104,671,041</u>
Other Comprehensive Income				
Changes on Revaluation of Non-Current Assets (net)	13	321,759,689	-	3,980,942
Total Other Comprehensive Income		<u>321,759,689</u>	<u>-</u>	<u>3,980,942</u>
Total Comprehensive Income		<u>422,936,472</u>	<u>78,202,262</u>	<u>108,651,983</u>

This statement should be read in conjunction with the accompanying notes.

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Financial Statements 2017

City of Wanneroo

Statement of Comprehensive Income (by Program)
for the year ended 30 June 2017

\$	Notes	2017 Actual	2017 Budget	2016 Actual
Revenue				
Governance		377,817	268,434	1,282,391
General Purpose Funding		162,089,508	157,756,818	145,835,002
Law, Order, Public Safety		1,372,995	1,408,015	1,438,453
Health		611,724	630,360	369,477
Education & Welfare		3,915,384	4,234,687	4,180,683
Community Amenities		3,454,103	6,154,233	4,849,997
Recreation & Culture		8,692,858	8,636,991	8,573,710
Transport		1,496,878	1,343,160	1,307,840
Economic Services		2,558,011	3,020,000	3,033,540
Other Property & Services		14,856,924	24,515,275	19,544,284
		<u>199,426,202</u>	<u>207,967,973</u>	<u>190,415,377</u>
Expenses (excl. Finance Costs)				
Governance		(9,637,432)	(10,454,478)	(9,919,442)
General Purpose Funding		(1,621,024)	(1,662,260)	(972,343)
Law, Order, Public Safety		(8,257,036)	(7,255,573)	(6,510,635)
Health		(2,418,104)	(2,705,457)	(2,810,117)
Education & Welfare		(9,911,771)	(9,556,939)	(9,087,896)
Community Amenities		(36,914,170)	(37,600,605)	(34,065,465)
Recreation & Culture		(55,060,539)	(56,212,810)	(49,637,547)
Transport		(44,346,962)	(41,612,040)	(41,207,979)
Economic Services		(3,792,791)	(5,903,375)	(4,518,181)
Other Property & Services		(7,720,673)	(22,986,507)	(15,819,988)
		<u>(179,680,502)</u>	<u>(195,950,044)</u>	<u>(174,549,593)</u>
Finance Costs				
General Purpose Funding		(704,630)	(686,276)	(1,053,666)
Recreation & Culture		(3,162,129)	(2,898,751)	(2,898,816)
Transport		(143,398)	(411,321)	(102,280)
Other Property & Services		(178,231)	(618,334)	(77,795)
	2(a)	<u>(4,188,388)</u>	<u>(4,614,682)</u>	<u>(4,132,557)</u>
		<u>15,557,312</u>	<u>7,403,247</u>	<u>11,733,227</u>
Non-Operating Grants, Subsidies, Contributions				
Governance		150,000	-	19,845
Law, Order, Public Safety		-	-	10,705
Community Amenities		57,826	13,000,000	153,377
Recreation & Culture		8,543,674	-	15,094,854
Transport		74,822,894	54,492,353	72,261,007
Other Property & Services		132,075	-	1,169,559
	28	<u>83,706,469</u>	<u>67,492,353</u>	<u>88,709,347</u>

This statement should be read in conjunction with the accompanying notes.

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Financial Statements 2017

City of Wanneroo

Statement of Comprehensive Income (by Program) (continued)
for the year ended 30 June 2017

\$	Notes	2017 Actual	2017 Budget	2016 Actual
Profit/(Loss) on Disposal of Assets				
Governance		(5,205)	-	(2,392)
Education & Welfare		-	-	(13,318)
Community Amenities		-	-	1,641
Recreation & Culture		-	-	(2,952)
Other Property & Services		1,918,207	3,306,662	4,245,488
	21	<u>1,913,002</u>	<u>3,306,662</u>	<u>4,228,467</u>
Net Result		<u>101,176,783</u>	<u>78,202,262</u>	<u>104,671,041</u>
Other Comprehensive Income				
Changes on Revaluation of Non-Current Assets	13	321,759,689	-	3,980,942
Total Other Comprehensive Income		<u>321,759,689</u>	<u>-</u>	<u>3,980,942</u>
Total Comprehensive Income		<u>422,936,472</u>	<u>78,202,262</u>	<u>108,651,983</u>

This statement should be read in conjunction with the accompanying notes.

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Financial Statements 2017

City of Wanneroo

Statement of Financial Position
as at 30 June 2017

\$	Notes	2017 Actual	2016 Actual
ASSETS			
Current Assets			
Cash and Cash Equivalents	3	359,431,307	319,626,869
Trade and Other Receivables	5	19,218,020	20,047,001
Inventories	6	355,123	385,056
Total Current Assets		379,004,450	340,058,926
Non-Current Assets			
Investments	4	17,801,403	19,040,464
Trade and Other Receivables	5	2,650,278	2,360,587
Inventories	6	19,612,517	17,432,679
Property, Plant and Equipment	7	554,632,142	533,983,721
Infrastructure	8	1,937,817,466	1,564,991,352
Total Non-Current Assets		2,532,513,806	2,137,808,803
TOTAL ASSETS	19	2,911,518,256	2,477,867,729
LIABILITIES			
Current Liabilities			
Trade and Other Payables	9	28,012,349	24,937,538
Provisions	11	16,620,016	14,778,818
Total Current Liabilities		44,632,365	39,716,356
Non-Current Liabilities			
Long Term Borrowings	10	66,378,188	60,778,188
Provisions	11	1,619,272	1,421,226
Total Non-Current Liabilities		67,997,460	62,199,414
TOTAL LIABILITIES		112,629,825	101,915,770
Net Assets		2,798,888,431	2,375,951,959
EQUITY			
Retained Surplus		1,209,474,073	1,119,949,524
Reserves - Cash/Investment Backed	12	179,140,478	171,281,078
Reserves - Asset Revaluation	13	1,296,640,548	974,880,859
Town Planning Schemes		113,633,332	109,840,498
Total Equity		2,798,888,431	2,375,951,959

This statement should be read in conjunction with the accompanying notes.

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Financial Statements 2017

City of Wanneroo

Statement of Changes in Equity
for the year ended 30 June 2017

\$	Notes	Reserves			Town Planning Schemes	Total Equity
		Retained Surplus	Cash / Investment Backed	Asset Revaluation Reserve		
Balance as at 1 July 2015		1,029,442,415	153,516,686	970,899,917	113,440,958	2,267,299,976
Net Result		104,671,041	-	-	-	104,671,041
Asset Revaluation (net)	13	-	-	3,980,942	-	3,980,942
Reserve Transfers	12	(17,764,392)	17,764,392	-	-	-
Town Planning Scheme Transfers	33	3,600,460	-	-	(3,600,460)	-
Balance as at 30 June 2016		1,119,949,524	171,281,078	974,880,859	109,840,498	2,375,951,959
Net Result		101,176,783	-	-	-	101,176,783
Asset Revaluation (net)	13	-	-	321,759,689	-	321,759,689
Reserve Transfers	12	(7,859,400)	7,859,400	-	-	-
Town Planning Scheme Transfers	33	(3,792,834)	-	-	3,792,834	-
Balance as at 30 June 2017		1,209,474,073	179,140,478	1,296,640,548	113,633,332	2,798,888,431

This statement should be read in conjunction with the accompanying notes.

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Financial Statements 2017

City of Wanneroo

Statement of Cash Flows

for the year ended 30 June 2017

\$	Notes	2017 Actual	2017 Budget	2016 Actual
Cash Flows from Operating Activities				
Receipts:				
Rates		141,965,045	142,127,655	132,784,375
Operating Grants, Subsidies and Contributions		16,575,517	12,583,297	10,324,956
Fees and Charges		15,776,382	19,763,958	18,324,629
Interest Earnings		8,774,163	8,546,744	9,773,396
Goods and Services Tax		12,323,929	9,700,000	10,907,405
Other Revenue		2,722,039	644,408	199,643
		<u>198,137,075</u>	<u>193,366,062</u>	<u>182,314,404</u>
Payments:				
Employee Costs		(70,359,892)	(71,299,429)	(67,614,101)
Materials and Contracts		(48,341,387)	(55,557,400)	(40,402,433)
Utilities		(8,592,081)	(8,852,923)	(8,646,255)
Insurance		(1,428,067)	(1,584,844)	(1,419,709)
Interest		(3,884,821)	(4,614,682)	(3,814,873)
Goods and Services Tax		(11,266,600)	(9,700,000)	(10,762,926)
		<u>(143,872,848)</u>	<u>(151,609,278)</u>	<u>(132,660,297)</u>
Net Cash provided (or used in) Operating Activities	14(b)	<u>54,264,227</u>	<u>41,756,784</u>	<u>49,654,107</u>
Cash Flows from Investing Activities				
Receipts:				
Non-Operating Grants, Subsidies and Contributions		37,037,918	19,224,353	13,544,947
Proceeds from Sale of Assets		4,442,197	5,481,043	7,947,934
Town Planning Scheme Income (Inc. Interest)		14,663,820	22,569,911	16,957,469
Payments:				
Payments for Development of Land Held for Resale		(3,519,137)	-	(6,671,831)
Payments for Purchase of Property, Plant & Equipment		(30,695,149)	(62,271,797)	(19,483,278)
Payments for Construction of Infrastructure		(36,236,326)	(30,156,590)	(29,690,236)
Town Planning Scheme Expenses		(7,090,210)	(18,600,500)	(15,012,347)
Movement in Equity Investments				
Equity Contribution - Mindarie Regional Council		(47,441)	-	(44,674)
Equity Contributions - Tamala Regional Council		1,384,539	-	(104,603)
		<u>(20,059,789)</u>	<u>(63,753,580)</u>	<u>(32,556,619)</u>
Net Cash provided (or used in) Investing Activities		<u>(20,059,789)</u>	<u>(63,753,580)</u>	<u>(32,556,619)</u>
Cash Flows from Financing Activities				
Proceeds from New Loans		5,600,000	11,100,000	-
Net Cash provided (or used in) Financing Activities		<u>5,600,000</u>	<u>11,100,000</u>	<u>-</u>
Net Increase/(Decrease) in Cash & Cash Equivalents		<u>39,804,438</u>	<u>(10,896,796)</u>	<u>17,097,488</u>
Cash at the beginning of the year	3	319,626,869	281,200,317	302,529,381
Cash & Cash Equivalents - End of the Year	14(a)	<u>359,431,307</u>	<u>270,303,521</u>	<u>319,626,869</u>
Additional Information:				
Plus: Investments on hand - end of year	4	17,801,403	19,040,464	19,040,464
Total Cash, Cash Equivalents & Investments		<u>377,232,710</u>	<u>289,343,985</u>	<u>338,667,333</u>

This statement should be read in conjunction with the accompanying notes.

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Financial Statements 2017

City of Wanneroo

Rate Setting Statement (by Program)
for the year ended 30 June 2017

\$	Notes	2017 Actual	2017 Budget	2016 Actual
Net current assets at start of financial year - surplus/(deficit)				
		-	-	-
		-	-	-
OPERATING ACTIVITIES				
Revenue from operating activities (excluding rates)				
Governance		527,817	268,434	1,302,236
General Purpose Funding (Excl. Rates)		18,999,113	15,629,163	12,467,962
Law, Order, Public Safety		1,372,995	1,408,015	1,449,158
Health		611,724	630,360	369,477
Education and Welfare		3,915,384	4,234,687	4,180,683
Community Amenities		3,511,929	19,154,233	5,005,015
Recreation and Culture		17,236,532	8,636,991	23,668,564
Transport		76,319,772	55,835,513	73,530,022
Economic Services		2,558,011	3,020,000	3,033,540
Other Property and Services		16,907,206	27,821,937	24,959,327
		<u>141,960,483</u>	<u>136,639,333</u>	<u>149,965,984</u>
Expenses from operating activities				
Governance		(9,642,637)	(10,454,478)	(10,007,143)
General Purpose Funding		(2,325,654)	(2,348,536)	(2,026,009)
Law, Order, Public Safety		(8,257,036)	(7,255,573)	(6,510,635)
Health		(2,418,104)	(2,705,457)	(2,823,435)
Education and Welfare		(9,911,771)	(9,556,939)	(9,087,896)
Community Amenities		(36,914,170)	(37,600,605)	(34,065,465)
Recreation and Culture		(58,222,668)	(57,406,057)	(52,539,315)
Transport		(44,490,360)	(42,023,361)	(41,310,259)
Economic Services		(3,792,791)	(5,903,375)	(4,518,181)
Other Property and Services		(7,898,904)	(23,604,841)	(15,773,645)
		<u>(183,874,095)</u>	<u>(198,859,222)</u>	<u>(178,661,983)</u>
Operating activities excluded from budget				
(Profit)/Loss on Asset Disposal	21	(1,913,002)	(3,306,662)	(4,228,467)
Movement in Non-Current Deferred Pensioner Rates		(289,691)	-	(265,018)
Movement in Non-Current Employee Benefit Provisions		198,046	-	90,649
Depreciation & Amortisation on Assets	2(a)	40,650,505	40,054,948	36,710,312
Movement in Equity Accounted Investments		(53,258)	-	(509,291)
Loss on revaluation of plant and equipment		-	-	660,445
Amount attributable to operating activities		<u>38,592,600</u>	<u>36,748,286</u>	<u>32,458,630</u>
INVESTING ACTIVITIES				
Purchase and Development of Land Held for Resale		(3,519,137)	-	(6,671,842)
Physical Assets Received from Developers		(46,668,551)	(50,000,000)	(77,174,162)
Purchase Land and Buildings		(8,744,802)	(51,162,468)	(12,131,721)
Purchase Plant and Equipment		(3,040,041)	(5,799,358)	(5,368,846)
Purchase Furniture and Equipment		(2,224,685)	(5,309,971)	(1,794,780)
Infrastructure Assets		(27,499,654)	(30,156,590)	(26,589,351)
Equity Contribution - Tamala Park Regional Council		1,384,540	-	(104,603)
Equity Contribution - Mindarie Regional Council		(47,442)	-	(44,674)
Movement in Works in progress		(25,422,292)	-	(3,288,816)
Proceeds from New Loans		5,600,000	11,100,000	-
Proceeds from Disposal of Assets	21	4,442,197	5,481,043	7,947,934
Amount attributable to investing activities		<u>(105,739,867)</u>	<u>(125,847,344)</u>	<u>(125,220,861)</u>

This statement should be read in conjunction with the accompanying notes.

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Financial Statements 2017

City of Wanneroo

Rate Setting Statement (by Program) (continued)
for the year ended 30 June 2017

\$	Notes	2017 Actual	2017 Budget	2016 Actual
FINANCING ACTIVITIES				
Transfers to Reserves (Restricted Assets)	12	(45,014,887)	(25,761,433)	(60,684,844)
Transfers from Reserves (Restricted Assets)	12	37,155,487	37,681,298	42,920,452
Movement in Restricted Grants, Contributions & Unspent Loans		(22,625,593)	510,838	2,192,514
Leave Provision Written Back (Transferred to Reserve)		248,308	-	62,605
Transfers to Town Planning Schemes		(18,456,651)	(22,569,911)	(16,957,469)
Transfers from Town Planning Schemes		14,663,820	19,330,500	20,557,932
Amount attributable to financing activities		(34,029,516)	9,191,292	(11,908,810)
Surplus/(deficiency) before general rates		(143,090,395)	(142,127,655)	(133,367,040)
Total amount raised from general rates		143,090,395	142,127,655	133,367,040
Net current assets as at June 30 c/fwd - surplus/(deficit)		-	-	-

This statement should be read in conjunction with the accompanying notes.

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City of Wanneroo

Notes to the Financial Statements

for the year ended 30 June 2017

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City of Wanneroo

Notes to the Financial Statements

for the year ended 30 June 2017

Note 1. Summary of Significant Accounting Policies

The principal accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

All monies held in the Trust Fund are excluded from the financial statements. A separate statement of those monies appears at Note 18 to this financial report.

(a) Basis of Preparation

The financial report is a general purpose financial statement which has been prepared in accordance with Australian Accounting Standards (as they apply to local governments and not-for-profit entities), Australian Accounting Interpretations, other authoritative pronouncements of the Australian Standards Board, *Local Government Act 1995* and accompanying regulations. Material accounting policies which have been adopted in the preparation of this financial report are presented below and have been consistently applied unless stated otherwise.

Except for cash flow and rate setting information, the report has been prepared on the accrual basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and liabilities.

Critical Accounting Estimates

The preparation of a financial report in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that effect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. The results of this experience and other factors combine to form the basis of making judgements about carrying values of assets and liabilities not readily apparent from other sources. Actual results may differ from these estimates.

(b) The Local Government Reporting Entity

All Funds through which the City controls resources to carry on its functions, have been included in the financial statements forming part of this financial report. In the process of reporting on the local government as a single unit, all transactions and balances between those Funds (for example, loans and transfers between Funds) have been eliminated.

(c) Goods and Services Tax

In accordance with recommended practice, revenues, expenses and assets capitalised are stated net of any GST recoverable. Receivables and payables in the Statement of Financial Position are stated inclusive of applicable GST.

(d) Cash and Cash Equivalents

Cash and cash equivalents in the Statement of Financial Position comprise cash at bank and on hand and short-term deposits with an original maturity 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.

For the purposes of the Statement of Cash Flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts. Bank overdrafts are included as short-term borrowings in current liabilities on the Statement of Financial Position.

(e) Trade and Other Receivables

Collectability of trade and other receivables is reviewed on an ongoing basis. Debts that are known to be uncollectible are written off when identified. An allowance for doubtful debts is raised when there is objective evidence that the debt will not be collectible.

(f) Inventories

(i) Raw materials and stores, work in progress and finished goods

Raw materials and stores, work in progress and finished goods are stated at the lower of cost and net realisable value. Cost comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Costs are assigned to individual items of inventory on the basis of weighted average costs. Net realisable value is the established selling price in the ordinary course of business less the estimated costs of

City of Wanneroo

Notes to the Financial Statements

for the year ended 30 June 2017

Note 1. Summary of Significant Accounting Policies (continued)

completion and the estimated costs necessary to make the sale.

(ii) Land held for resale/capitalisation of borrowing costs

Land held for resale is stated at the lower of cost and net realisable value. Cost is assigned by specific identification and includes the cost of acquisition, development and borrowing costs during development. When development is completed, borrowing costs and other holding charges are expensed as incurred. Borrowing costs included in the cost of land held for resale are those costs that would have been avoided if the expenditure on the acquisition and development of the land had not been made. Borrowing costs incurred while active development is interrupted for extended periods are recognised as expenses.

Revenue arising from the sale of property is recognised in the operating statement as at the time of signing a binding contract of sale. Land held for resale is classified as current except where it is held as non-current based on the City's intentions to release for sale.

(g) Fixed Assets

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

Mandatory requirement to revalue non-current assets

Effective from 1 July 2012, the Local Government (Financial Management) Regulations were amended and the measurement of non-current assets at Fair Value became mandatory.

During the year ended 30 June 2013, the City commenced the process of adopting Fair Value in accordance with the Regulations. Whilst the amendments initially allowed for a phasing in of fair value in relation to fixed assets over three years, as at 30 June 2015 all non-current assets were carried at Fair Value in accordance with the requirements.

Thereafter, each asset class must be revalued in accordance with the regulatory framework

established and the City revalues its asset classes in accordance with this mandatory timetable.

Relevant disclosures, in accordance with the requirements of Australian Accounting Standards, have been made in the financial report as necessary.

Initial recognition and measurement between mandatory revaluation dates

All assets are initially recognised at cost and subsequently revalued in accordance with the mandatory measurement framework detailed above.

In relation to this initial measurement, cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition. For assets acquired at no cost or for nominal consideration, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by the City includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overheads.

Individual assets acquired between initial recognition and the next revaluation of the asset class in accordance with the mandatory measurement framework detailed above, are carried at cost less accumulated depreciation as management believes this approximates fair value. They will be subject to subsequent revaluation at the next anniversary date in accordance with the mandatory measurement framework detailed above.

Revaluation

Increases in the carrying amount arising on revaluation of assets are credited to a revaluation reserve in equity. Decreases in the carrying amount that offset previous increases of the same asset are charged against fair value reserves directly in equity; all other decreases are charged to the statement of comprehensive income.

Land under Roads

In Western Australia, all land under roads is Crown land. The responsibility for managing land under roads is vested in the local government.

Effective as at 1 July 2008, City elected not to recognise any value for land under roads acquired on or before 30 June 2008. This accords with the

City of Wanneroo

Notes to the Financial Statements

for the year ended 30 June 2017

Note 1. Summary of Significant Accounting Policies (continued)

treatment available in Australian Accounting Standard AASB 1051 *Land Under Roads and Local Government (Financial Management) Regulation* 16(a)(i), which prohibits local governments from recognising such land as an asset.

Consequently, any land under roads acquired on or after 1 July 2008 is not included as an asset of the City.

(h) Depreciation of Non-Current Assets

All non-current assets that have a limited useful life are separately and systematically depreciated over their useful lives in a manner that reflects the consumption of the future economic benefits embodied in those assets. Assets are depreciated from the date of acquisition or, in respect of internally constructed assets, from the time the asset is completed and held ready for use.

Depreciation for infrastructure assets is calculated from the end of the year in which the asset was completed and brought into account.

Expenditure on items of equipment under \$1,000 are not capitalised but are placed on an "Attractive Items" list for reference and maintenance.

Depreciation is recognised on a straight-line basis, using rates which are reviewed each reporting period. Major depreciation periods are:

Buildings	40 years
Bus Shelters*	30 - 50 years
Computer Hardware	3 years
Computer Software	2 years
Pathways*	25 - 70 years
Furniture & Equipment	10 years
Heavy Vehicles - 1,201 kg to 4,000 kg	
6 years/100,000 km's (45% residual)	
Heavy Vehicles - 4,001 kg to 9,000 kg	
6 years/200,000 km's (40% residual)	
Heavy Vehicles - 9,001 kg to 12,000 kg	
8 years/500,000 km's (48% residual)	
Heavy Vehicles - Refuse	5 years (20% residual)
Irrigation Piping	30 years
Light Vehicles	3 years (60% residual)
Other Infrastructure*	15 - 30 years
Other Plant and Equipment	10 years
Parks & Reserves*	12 - 85 years
Plant	10 years (50% residual)
Reserves/Playground Equipment*	12 - 15 years
Sealed Car Parks - Pavement	85 years
Road - Kerb	55 years
Road - Seal*	18 - 40 years

Road Pavement - Seal*	85 - 100 years
Street Lighting	33 years
Tennis/Basketball Courts (Acrylic)	12 years
Underpasses	100 years
Water Supply Piping & Drainage Systems*	50 - 100 years

*Due to useful lives of the individual assets within each asset type varying, despite being of a similar nature, the asset types denoted have a range of depreciation periods.

The assets residual value and useful lives are reviewed and adjusted, if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the Statement of Comprehensive Income. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

(i) Financial Instruments

Initial Recognition and Measurement

Financial assets and financial liabilities are recognised when the City becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the City commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss immediately.

Classification and Subsequent Measurement

Financial instruments are subsequently measured at amortised cost using the effective interest rate method or cost.

Fair value represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Available quoted prices in an active market are used to determine fair

City of Wanneroo

Notes to the Financial Statements

for the year ended 30 June 2017

Note 1. Summary of Significant Accounting Policies (continued)

value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as:

- (a) the amount at which the financial asset or financial liability is measured at initial recognition;
- (b) less principal repayments;
- (c) plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest rate method; and
- (d) less any reduction for impairment.

The effective interest method used is to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums of discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

(i) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are classified as held for trading unless they are designated as hedges. Assets in this category are classified as current assets.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than 12 months after the Statement of Financial Position date that are classified as non-current assets. Loans and receivables are included in trade and other receivables in the Statement of Financial Position.

(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the City's management has the positive intention and ability to hold to maturity. If the City was to sell other than an insignificant amount of held-to-maturity financial assets, the whole category would be tainted and reclassified as available-for-sale. Held-to-maturity financial assets are included in non-current assets, except for those with maturities less than 12 months from the reporting date, which are classified as current assets.

(iv) Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

Impairment

At the end of each reporting period, the City assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether impairment has arisen. Impairment losses are recognised in the Statement of Comprehensive Income.

(j) Fair Value Estimation

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

The fair value of financial instruments traded in active markets is determined using valuation techniques. The City uses a variety of methods and makes assumptions that are based on market conditions existing at each balance date. Quoted market prices or dealer quotes for similar instruments are used for long-term debt instruments held. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments.

The nominal value less estimated credit adjustments of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the

City of Wanneroo

Notes to the Financial Statements

for the year ended 30 June 2017

Note 1. Summary of Significant Accounting Policies (continued)

current market interest rate that is available to the City for similar financial instruments.

(k) Provisions

Provisions are recognised when the City has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised for future operating losses. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow, with respect to any one item included in the same class of obligations, may be small.

(l) Leases

Leases of property, plant and equipment, where the City has substantially all the risks and rewards of ownership, are classified as finance leases. Finance leases are capitalised at the lease's inception recorded at the lower of the fair value of the leased property and the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in other long term payables. Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The interest element of the finance cost is charged to the Statement of Comprehensive Income, over the lease period, so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under finance leases are depreciated over the shorter of the asset's useful life and the lease term. Lease payments under operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

(m) Investments in Associates

An associate is an entity over which the City has significant influence. Significant influence is the power to participate in the financial operating policy decisions of that entity but is not control or joint control of those policies. Investments in associates are accounted for in the financial statements by applying the equity method of accounting, whereby

the investment is initially recognised at cost and adjusted thereafter for the post-acquisition change in the City's share of net assets of the associates. In addition, the City's share of the profit or loss of the associate is included in the City's profit or loss.

The carrying amount of the investment includes, where applicable, goodwill relating to the associate. Any discount on acquisition, whereby the City's share of the net fair value of the associate exceeds the cost of investment, is recognised in profit or loss in the period in which the investment is acquired. Profits and losses resulting from transactions between the City and the associate are eliminated to the extent of the City's interest in the associate.

When the City's share of losses in an associate equals or exceeds its interest in the associate, the City discontinues recognising its share of further losses. This occurs unless the City has incurred legal or constructive obligations or made payments on behalf of the associate. When the associate subsequently makes profits, the City will resume recognising its share of those profits once its share of the profits equals the share of the losses not recognised.

(n) Impairment

In accordance with Australian Accounting Standards the City's assets, other than inventories, are tested annually for impairment. Where such an indication exists, an estimate of the recoverable amount of the asset is made in accordance with *AASB 136 Impairment of Assets* and appropriate adjustments made. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Impairment losses are recognised in the Statement of Comprehensive Income.

For non-cash generating assets of the City such as roads, drains, public buildings and the like, value in use is represented by the asset's written down replacement cost.

City of Wanneroo

Notes to the Financial Statements

for the year ended 30 June 2017

Note 1. Summary of Significant Accounting Policies (continued)

(o) Trade and Other Payables

Trade and other payables are carried at amortised cost. They represent liabilities for goods and services provided to the Municipality prior to the end of the financial year that are unpaid and arise when the Municipality becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 30 days of recognition.

(p) Interest-bearing Loans and Borrowings

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Fees paid for the establishment of loan facilities that are yield related are included as part of the carrying amount of the loans and borrowings.

Borrowings are classified as current liabilities unless the City has an unconditional right to defer settlement of the liability for at least 12 months after the Statement of Financial Position date. 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.

(q) Employee Benefits

The provisions for employee benefits relates to amounts expected to be paid for long service leave, annual leave, wages and salaries and are calculated as follows:

Wages, Salaries, Annual Leave and Long Service Leave (Short-term Benefits)

The provision for employees' benefits wages, salaries, annual leave and long service leave expected to be settled within 12 months represents the amount the City has a present obligation to pay resulting from employee's services provided to balance date. The provision has been calculated at nominal amounts based on remuneration rates the City expects to pay and includes related on-costs.

Long Service Leave (Long-term Benefits)

The liability for long service leave is recognised in the provision for employee benefits. It is measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date, using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity, and currency, that match as closely as possible, the estimated future cash outflows.

Where the City does not have the unconditional right to defer settlement beyond 12 months, the liability is recognised as a current liability.

(r) Superannuation

The City contributes to a number of Superannuation Funds on behalf of their employees. Contributions to defined contribution plans are recognised as an expense as they become payable. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

(s) Interests in Joint Arrangements

Joint arrangements represent the contractual sharing of control between parties in a business venture where unanimous decisions about relevant activities are required.

Separate joint venture entities providing joint venturers with an interest to net assets are classified as a joint venture and accounted for using the equity method. Refer to Note 1(m) for a description of the equity method of accounting.

Joint operations represent arrangements whereby joint operators maintain direct interests in each asset and exposure to each liability of the arrangement. The Council's interests in the assets, liabilities, revenue and expenses of joint operations are included in the respective line items of the financial statements

City of Wanneroo

Notes to the Financial Statements

for the year ended 30 June 2017

Note 1. Summary of Significant Accounting Policies (continued)

(t) Rates, Grants, Donations and Other Contributions

Rates, grants, donations and other contributions are recognised as revenues when the local government obtains control over the assets comprising the contributions. Control over assets acquired from rates is obtained at the commencement of the rating period or, where earlier, upon receipt of the rates.

Where contributions recognised as revenues during the reporting period were obtained on the condition that they be expended in a particular manner or used over a particular period, and those conditions were undischarged as at the reporting date, the nature of and amounts pertaining to those undischarged conditions are disclosed at Note 2(d). That note also discloses the amount of contributions recognised as revenues in a previous reporting period, which were obtained in respect of the local government's operation for the current reporting period.

(u) 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. The asset or liability is classified as current if it is expected to be settled within the next 12 months, being the City's operation cycle. In the case of liabilities where the City does not have the unconditional right to defer settlement beyond 12 months, such as vested long service leave, the liability is classified as current even if not expected to be settled within the next 12 months. Inventories held for trading are classified as current even if not expected to be realised in the next 12 months. An exception exists for land held for resale, where it is held as non-current based on the City's intentions to release for sale.

(v) Rounding Off Figures

All figures shown in this annual financial report, other than a rate in the dollar, are rounded to the nearest dollar.

(w) Comparative Figures

Where required, comparative figures have been adjusted to conform with changes in presentation for the current financial year.

When the City applies an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in its financial statement, a statement of financial position as at the beginning of the earliest period will be disclosed.

(x) Budget Comparative Figures

Unless otherwise stated, the budget comparative figures shown in this annual financial report relate to the original budget estimate for the relevant item of disclosure.

(y) Investment Property

Investment property, principally comprising freehold office buildings, is held for long-term rental yields. Investment property is carried at fair value, representing open-market value determined annually by external users.

(z) Non-Current Assets (or Disposal Groups) "Held for Sale" and Discontinued Operations

Non-current assets (or disposal groups) are classified as held for sale and stated at the lower of either (i) their carrying amount, or (ii) fair value less costs to sell, if their carrying amount will be recovered principally through a sale transaction rather than through continuing use.

The exception to this is plant and motor vehicles, which are turned over on a regular basis. Plant and motor vehicles are retained in Non-Current Assets under the classification of Property, Plant and Equipment - unless the assets are to be traded in after 30 June and the replacement assets were already purchased and accounted for as at 30 June.

For any assets or disposal groups classified as Non-Current Assets "held for sale", an impairment loss is recognised at any time when the assets carrying value is greater than its fair value less costs to sell.

City of Wanneroo

Notes to the Financial Statements

for the year ended 30 June 2017

Note 1. Summary of Significant Accounting Policies (continued)

Non-current assets "held for sale" are not depreciated or amortised while they are classified as "held for sale".

Non-current assets classified as "held for sale" are presented separately from the other assets in the balance sheet.

A Discontinued Operation is a component of the City's operations that has been disposed of or is classified as "held for sale" and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale.

The results of discontinued operations are presented separately on the face of the income statement.

(aa) Intangible Assets

The City has not classified any assets as Intangible.

(ab) New Accounting Standards and Interpretations for Application in Future Periods

In the current year, the City adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to its operations and effective for the current reporting period. The adoption of the new and revised Standards and Interpretations has not resulted in any material changes to the City's accounting policies.

AASB 9 *Financial Instruments* (incorporating AASB 2014-7 and AASB 2014-8), which replaces AASB 139 *Financial Instruments: Recognition and Measurement*, is effective for reporting periods beginning on or after 1 January 2018 and must be applied retrospectively. The main impact of AASB 9 is to change the requirements for the classification, measurement and disclosures associated with financial assets. Under the new requirements, the four current categories of financial assets stipulated in AASB 139 will be replaced with two measurement categories: fair value and amortised cost. Financial assets will only be able to be measured at amortised cost where specific conditions are met.

AASB 15 *Revenue from Contracts with Customers* is effective from 1 January 2019 and will replace AASB 118 *Revenue*, AASB 111 *Construction Contracts* and a number of Interpretations. It establishes principles for entities to apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer. The effect of this Standard will depend upon the nature of future transactions the City has with those third parties it has dealings with. It may or may not be significant.

AASB 16 *Leases* is effective from 1 January 2019 and will replace AASB 117 *Leases*. Under AASB 16 there is no longer a distinction between finance and operating leases. Lessees will now bring to account a right-to-use asset and lease liability onto their statement of financial position for all leases. Effectively this means the vast majority of operating leases as defined by the current AASB 117 *Leases* which currently do not impact the statement of financial position will be required to be capitalised on the statement of financial position once AASB 16 is adopted.

Currently, operating lease payments are expensed as incurred. This will cease and will be replaced by both depreciation and interest charges. Based on the current number of operating leases held by the City, the impact is not expected to be significant.

AASB 1058 *Income of Non-for-Profit Entities* (incorporating AASB 2016-7 and AASB 2016-8) is effective from 1 January 2019. Under this standard, it is likely to have a significant impact on the income recognition for Not-for-Profit Entities. Key areas for consideration are: assets received below fair value, transfers received to acquire or construct non-financial assets, grants received, prepaid rates, leases entered into at below market rates and volunteer services.

Whilst it is not possible to quantify the financial impact (or if it is material) of these key areas until the details of future transactions are known, they will all have application to the City's operations.

From 1 July 2016 AASB 124 *Related Party Disclosures* became applicable to the City, which means that the City has disclosed more information about related parties and transactions with those related parties.

City of Wanneroo

Notes to the Financial Statements

for the year ended 30 June 2017

Note 1. Summary of Significant Accounting Policies (continued)

Other amended Australian Accounting Standards and Interpretations, which were issued at the date of authorisation of the financial report, but have future commencement dates are not likely to have a material impact on the financial statements.

The City does not expect to adopt the new standards before their operative date and before the standards become applicable to the City.

Not applicable to Local Government per se;

There are no other standards that are "not yet effective" and expected to have a material impact on the City in the current or future reporting periods and on foreseeable future transactions.

(ac) Disclaimer

Nothing contained within these statements may be taken to be an admission of any liability to any person under any circumstance.

Financial Statements 2017

City of Wanneroo

Notes to the Financial Statements

for the year ended 30 June 2017

Note 2. Operating Revenues and Expenses

\$	Notes	2017 Actual	2017 Budget	2016 Actual
(a) Net Result				
The Result includes:				
(i) Charging as an Expense:				
Auditors Remuneration				
- Audit		47,010	32,350	58,339
Bad & Doubtful Debts				
Sundry Debtors		159,952	-	13,071
Depreciation & Amortisation				
<i>Property, Plant & Equipment</i>	7(b)			
- Buildings		3,210,824	-	2,970,649
- Furniture and Equipment		1,276,317	-	1,292,562
- Plant and Equipment		4,369,691	-	2,623,572
<i>Infrastructure</i>	8(b)			
- Roads		15,268,034	-	14,681,520
- Drainage		2,676,769	-	2,473,161
- Other Infrastructure		3,950,419	-	3,847,581
- Pathways		2,053,788	-	1,957,759
- Car Parks		420,295	-	455,847
- Reserves		7,424,368	-	6,407,661
		40,650,505	-	36,710,312
Interest Expenses (Finance Costs)				
Accrued Interest on Loans		22,384	-	16,709
Loans	23(a)	4,166,004	4,614,682	4,115,848
		4,188,388	4,614,682	4,132,557
- Municipal Fund		4,118,180	4,114,682	4,132,557
- Developer Contribution Schemes		70,208	500,000	-
Interest Expenses (Finance Costs)		4,188,388	4,614,682	4,132,557
(ii) Crediting as Revenue:				
Interest Earnings				
Investments - Municipal Funds		1,985,263	2,480,370	2,235,912
Investments - Reserve Funds		4,160,979	4,516,874	4,037,533
Other Interest Revenue	26	2,053,133	1,549,500	1,855,910
		8,199,375	8,546,744	8,129,355
Town Planning Schemes		3,688,841	3,150,000	3,907,189
Total		11,888,216	11,696,744	12,036,544

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City of Wanneroo

Notes to the Financial Statements

for the year ended 30 June 2017

Note 2. Operating Revenues and Expenses (continued)

(b) Statement of Objectives, Reporting Programs and Nature or Type

Statement of Objective

In order to discharge its responsibilities to the Community, the Council has developed a set of operational and financial objectives. These objectives have been established both on an overall basis, reflected by the Council's Vision, and for each of the Council's broad activities/programs.

With reference to the City of Wanneroo's Strategic Community Plan 2017/18 - 2026/27:

Vision

Inspired by our past, working to create a vibrant, progressive City, providing opportunity and investment to enable our growing communities to prosper.

Community Aspirations

The Community aspirations, developed under the four pillars of the community priorities are:

- 1) Society
Healthy, safe, vibrant and connected communities.
- 2) Economy
Progressive, connected communities that enable economic growth and employment.
- 3) Environment
A healthy and sustainable natural and built environment.
- 4) Civic Leadership
Working with others to ensure the best use of our resources.

REPORTING PROGRAM DESCRIPTIONS

Council operations that are disclosed encompass the following service orientated activities/programs:

GOVERNANCE

Objective: To provide a decision making process for the efficient allocation of scarce resources.

Activities: Includes the activities of members of Council and the administrative support available to the Council for the provision of governance of the district. Other costs relate to the task of assisting elected members and ratepayers on matters that do not concern specific Council services.

GENERAL PURPOSE FUNDING

Objective: To collect revenue to allow for the provision of services.

Activities: Collection of rates, general purpose government grants and interest revenue.

City of Wanneroo

Notes to the Financial Statements

for the year ended 30 June 2017

Note 2. Operating Revenues and Expenses (continued)

(b) Statement of Objectives, Reporting Programs and Nature or Type (continued)

LAW, ORDER, PUBLIC SAFETY

Objective: To provide services to help ensure a safer and environmentally conscious Community.

Activities: Supervision and enforcement of various local laws relating to fire prevention, animal control and protection of the environment and other aspects of public safety including emergency services.

HEALTH

Objective: To provide services to achieve community and environmental health.

Activities: Maternal and infant health facilities, immunisation, meat inspection services, inspection of food outlets, noise control and pest control services.

EDUCATION AND WELFARE

Objective: To provide services to children, youth, the elderly and disadvantaged persons.

Activities: Pre-school and other education services, child minding facilities, playgroups, senior citizens centres, meals on wheels and home care services.

COMMUNITY AMENITIES

Objective: To provide services required by the Community.

Activities: Rubbish collection services, operation of rubbish disposal sites, litter control, construction and maintenance of urban storm water drains, protection of the environment, administration of town planning schemes and public conveniences.

RECREATION AND CULTURE

Objective: To establish and effectively manage infrastructure and resources which will help the social wellbeing of the community.

Activities: Maintenance of public halls, civic centre, aquatic centre, beaches, recreation centres and various sporting facilities. Provision and maintenance of parks, gardens and playgrounds. Operation of library, museum and other cultural facilities.

TRANSPORT

Objective: To provide safe, effective and efficient transport services to the Community.

Activities: Construction (if not capitalised) and maintenance of roads, streets, footpaths, depots, cycleways, parking facilities and traffic control. Water transport facilities, cleaning of streets, maintenance of street trees and street lighting.

City of Wanneroo

Notes to the Financial Statements

for the year ended 30 June 2017

Note 2. Operating Revenues and Expenses (continued)

(b) Statement of Objectives, Reporting Programs and Nature or Type (continued)

ECONOMIC SERVICES

Objective: To help promote the City and its economic wellbeing.

Activities: Tourism and provision of rural services including weed control, vermin control and standpipes.
Building control services.

OTHER PROPERTY AND SERVICES

Objective: To monitor and control council's overheads operating accounts.

Activities: Plant repair, operational costs and engineering costs.

(c) Nature or Type Classifications

In accordance with Australian Accounting Standards, the City of Wanneroo is required to disclose revenue and expenditure according to its nature or type classification. Additionally, the following nature or function descriptions are required by State Government regulations.

REVENUE

Rates

All rates levied under the *Local Government Act 1995*. This includes general, differential, specific area rates, minimum rates, interim rates, back rates and ex-gratia rates, less discounts offered. This excludes administration fees, interest on instalments, interest on arrears, service charges and waste and sewerage rates.

Operating Grants, Subsidies and Contributions

This refers to all amounts received as grants, subsidies and contributions that are not classified as non-operating grants.

Non-Operating Grants, Subsidies and Contributions

These are amounts received specifically for the acquisition, construction of new or the upgrade of non-current assets paid to a local government. They are included irrespective of whether these amounts are received as capital grants, subsidies, contributions or donations.

City of Wanneroo

Notes to the Financial Statements

for the year ended 30 June 2017

Note 2. Operating Revenues and Expenses (continued)

(c) Nature or Type Classifications (continued)

Profit on Asset Disposal

Profit on the disposal of fixed assets.

Fees and Charges

Revenue (other than service charges) from the use of facilities and charges made for local government services, rentals, hire charges, fee for service, photocopying charges, licences, sale of goods or information, fines, penalties and administration fees.

Service Charges

Service charges imposed under Division 6 of Part 6 of the *Local Government Act 1995*. Regulation 54 of the *Local Government (Financial Management) Regulations* identifies the charges which can be raised. These charges are television and radio rebroadcasting, underground electricity, property surveillance and security and water services. This excludes rubbish removal and charges for the provision of waste services. The City has not levied service charges for the years ended 30 June 2016 and 30 June 2017.

Interest Earnings

Interest and other items of a similar nature received from bank and investment accounts, interest on rate instalments, interest on rate arrears and interest on debtors.

Other Revenue

Other revenue, which cannot be classified under the above headings. This includes dividends, discounts and rebates.

EXPENDITURE

Employee Costs

All costs associated with the employment of persons such as salaries, wages, allowances, benefits (such as vehicle and housing), superannuation, employment expenses, removal expenses, relocation expenses, worker's compensation insurance, training costs, conferences, safety expenses, medical examinations and fringe benefits tax.

Material and Contracts

All expenditure on materials, supplies and contracts not classified under other headings. These include supply of goods and materials, legal expenses, consultancy, maintenance agreements, communication expenses, advertising expenses, membership, periodicals, publications, hire expenses, rental, leases, postage and freight.

Utilities (Gas, Electricity, Water and Telephones)

Expenditures made to respective agencies for the provision of power, gas, water or telephones. This excludes expenditure incurred for the re-instatement of services after road works on behalf of these agencies.

City of Wanneroo

Notes to the Financial Statements

for the year ended 30 June 2017

Note 2. Operating Revenues and Expenses (continued)

(c) Nature or Type Classifications (continued)

Depreciation and Amortisation on Non-Current Assets

Depreciation and amortisation expense raised on all classes of assets except land.

Loss on Asset Disposal

Loss on the disposal of fixed assets. Losses are disclosed under the expenditure classifications

Interest Expenses

Interest and other costs of finance paid, including costs of finance for loans, overdraft accommodation and re-financing expenses.

Insurance

All insurance other than worker's compensation and health benefit insurance. These are included as a cost of employment.

Other Expenditure

Statutory fees, taxes and provision of bad debts. Donations and subsidies made to community groups and expenditure not otherwise classified.

Financial Statements 2017

City of Wanneroo

Notes to the Financial Statements

for the year ended 30 June 2017

Note 2. Operating Revenues and Expenses (continued)

	Opening Balance ¹ 01-Jul-15	Received ² 2016	Expended ³ 2016	Closing Balance ¹ 30-Jun-16	Received ² 2017	Expended ³ 2017	Closing Balance 30-Jun-17
\$							
(d) Conditions Over Grants, Subsidies & Contributions							
Grant/Subsidy/Contribution							
<u>Economic Development</u>							
Economic Development Initiatives for Two Rocks	92,000	-	-	92,000	-	-	92,000
Economic Development Initiatives for Lot 12 Marmion Ave Jindalee	76,800	-	-	76,800	-	-	76,800
Economic Development Contributions for Somerly	42,200	-	-	42,200	-	-	42,200
<u>Emergency Services & Environmental Protection</u>							
Emergency Services Levy Grant	-	475,242	(399,057)	76,185	437,058	(432,193)	81,050
Emergency Relief Funding LotteryWest	25,082	96,000	(80,335)	40,747	(18,147)	(22,600)	-
Coast Protection Works Quinns Rocks Long Term Coastal Management	-	65,000	-	65,000	-	(65,000)	-
Girrawheen Greening Project	1,000	-	-	1,000	-	-	1,000
Coast Protection Quinns - Department of Transport	138,394	-	(138,394)	-	-	-	-
<u>Health & Fitness</u>							
Age Friendly Grant 2017 - Department of Local Government & Communities	-	10,000	-	10,000	-	(7,696)	2,304
Volunteer Grant 2017 - Department of Social Services	-	3,750	-	3,750	-	(3,750)	-
Kidsport 2015/2016 - Department of Sports and Recreation	-	425,000	(425,000)	-	-	-	-
Your Move Project 2014/2015	20,785	100,000	(76,744)	44,041	(1,156)	(42,885)	-
Abbeville Park Fitness Equipment - Department of Sports and Recreation	-	-	-	-	10,000	-	10,000
Tauranga Park Fitness Equipment - Department of Sports and Recreation	-	-	-	-	17,000	-	17,000
Floodlighting Shelvock Park Koondoola	-	-	-	-	140,000	-	140,000

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City of Wanneroo

Notes to the Financial Statements

for the year ended 30 June 2017

Note 2. Operating Revenues and Expenses (continued)

	Opening Balance ¹ 01-Jul-15	Received ² 2016	Expended ³ 2016	Closing Balance ¹ 30-Jun-16	Received ² 2017	Expended ³ 2017	Closing Balance 30-Jun-17
\$							
(d) Conditions Over Grants, Subsidies & Contributions (continued)							
Grant/Subsidy/Contribution (continued)							
Youth Services							
YSpeak! A face, place and voice - Youth Friendly Communities Project							
- Department of Local Government & Communities	1,931	-	(1,931)	-	-	-	-
North Zone Youth Services - Department of Child Protection & Family Services				-	147,933	(144,839)	3,094
Carramar Youth Project - Community Crime Prevention Fund	18,041	-	(18,041)	-	-	-	-
Buildings							
Gumblossom Community Centre Storage Room Construction							
- Quinns Football Club Contribution	-	43,850	(41,331)	2,519	-	(2,519)	-
Alexander Heights Day Club Construction - Department of Health				-	550,000	-	550,000
Recreation & Culture							
Anzac Last Post Grant - Department of Veterans Affairs	11,963	-	(11,963)	-	-	-	-
Department of Health - HACC Bus Funds diverted to My Life My Words Project 2014	5,438	-	(229)	5,209	-	-	5,209
Roads							
Prindiville Road Intersection Upgrade Contribution - Clifford Rocke Scott							
- Langdon & John Buback as Managers & Receivers of Watson Property	-	112,645	-	112,645	-	-	112,645
Prindiville Road Intersection Upgrade Contribution - Endeavor Properties Pty	-	87,229	-	87,229	-	-	87,229
Prindiville Road Intersection Upgrade Contribution - Watson Property	-	77,325	-	77,325	-	-	77,325
Prindiville Road Intersection Upgrade Contribution - ABN Group	-	215,267	-	215,267	-	-	215,267
Traffic Management Scheme Landsdale Road Darch							
- Department of Infrastructure	-	221,400	(167,146)	54,254	-	(54,254)	-
Project Management Cost - Road Resurfacing Program 2015/2016	-	407,818	(135,740)	272,078	-	(272,078)	-

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City of Wanneroo

Notes to the Financial Statements

for the year ended 30 June 2017

Note 2. Operating Revenues and Expenses (continued)

	Opening Balance ¹ 01-Jul-15	Received ² 2016	Expended ³ 2016	Closing Balance ¹ 30-Jun-16	Received ² 2017	Expended ³ 2017	Closing Balance 30-Jun-17
\$							
(d) Conditions Over Grants, Subsidies & Contributions (continued)							
Grant/Subsidy/Contribution (continued)							
Roads (continued)							
Design Consultancy & Construction Marmion Avenue Duplication							
- Lukin Drive to Butler Boulevard - Main Roads WA	-	1,333,333	(210,207)	1,123,126	1,333,333	(2,392,360)	64,099
Mirrabooka Avenue Road Improvement Grant Funding - Main Roads WA	-	1,466,667	-	1,466,667	-	(213,617)	1,253,050
Bravado Nominees P/L Lot 75 Cooper Street Madeley	10,000	-	-	10,000	-	-	10,000
Lancaster Industrial Park P/L	76,747	-	-	76,747	-	-	76,747
Watson Property Group Woodvale Ltd Cont to Madeley Rise							
Stage 5 Madeley	42,216	-	-	42,216	-	-	42,216
Re Ledger Pty Ltd - Curtin Road Marangaroo	2,730	-	-	2,730	-	-	2,730
Peet & Co - Yanchep Ocean Lagoon Contributions	450	-	-	450	-	-	450
Peet & Co - Contributions East Road/Wanneroo Road	12,701	-	-	12,701	-	-	12,701
Civil Technology - East Wanneroo Road Intersection	3,050	-	-	3,050	-	-	3,050
AHG - Wanneroo Road & Lancaster Road	77,234	-	-	77,234	-	-	77,234
Geary Ray - Drainage Upgrade- High Road	11,135	-	-	11,135	-	-	11,135
Silverton Limited - Lots 1000 & 1001 Quinns North	6,000	-	-	6,000	-	-	6,000
Australand - Contribution for East Road/Wanneroo Road Upgrade	14,757	-	-	14,757	-	-	14,757
Stockland WA - Roundabout - Driver Road & Waterford Parade							
Stage 7 Ashdale Gardens	18,000	-	-	18,000	-	-	18,000
Zebra Properties Pty Ltd - Wanneroo Cell No 6	16,200	-	-	16,200	-	-	16,200
Australand Investments Const of Roundabout Intersection of							
Librizzi Parade & Basico Avenue (Olive Ridge Stage 1 & 2)	20,265	-	-	20,265	-	-	20,265
Mendelawitz Morton Quality Settlements - Landsdale Cell 9 Road							
Construction Repayment	252,178	-	-	252,178	-	-	252,178

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City of Wanneroo

Notes to the Financial Statements

for the year ended 30 June 2017

Note 2. Operating Revenues and Expenses (continued)

	Opening Balance ¹ 01-Jul-15	Received ² 2016	Expended ³ 2016	Closing Balance ¹ 30-Jun-16	Received ² 2017	Expended ³ 2017	Closing Balance 30-Jun-17
\$							
(d) Conditions Over Grants, Subsidies & Contributions (continued)							
Grant/Subsidy/Contribution (continued)							
<u>Roads (continued)</u>							
Re-Lot 84 Nicholas Road, Subdivision 06/047 second part of a two part \$200,000 contribution as a condition approving the discharge of stormwater into the City's Ranworth Road Drainage Swale - Marauba P/L	24,000	-	-	24,000	-	-	24,000
Re-Lot 84 Nicholas Road, Subdivision 06/047 second part of a two part \$200,000 contribution as a condition approving the discharge of stormwater into the City's Ranworth rd Drainage Swale - Mammoth Nominees P/L	176,000	-	-	176,000	-	-	176,000
Peet Ashton Heights Contribution for future resurfacing of roundabouts in Ashton Heights	25,000	-	-	25,000	-	-	25,000
Compensation for road widening at Lot 600 Wattle Avenue Neerabup Signalised intersection contribution Stage 11 for Yanchep Beach Road Jindowie	1,028,120	-	-	1,028,120	-	-	1,028,120
Contribution for roundabout at Shiraz & Cabernet Loop Pearsall	121,875	-	-	121,875	-	(121,875)	-
Construction of Connolly Drive dual carriageway Neerabup Road to Hester Avenue, Clarkson	55,571	-	-	55,571	-	-	55,571
Construction of Neerabup Road duplication (Connolly Drive to Bunnings access)	1,219,601	-	(1,219,601)	-	-	-	-
Construction of Connolly Drive dual carriageway Hester Avenue to Lukin Drive Merriwa	-	-	-	-	1,670,195	(1,088,148)	582,047
Contribution for Subdivision of Lot 507 Pederick Road, Neerabup (Road Deed No 2)	838,569	-	(838,569)	-	-	-	-
	2,022,077	-	-	2,022,077	-	-	2,022,077

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City of Wanneroo

Notes to the Financial Statements
for the year ended 30 June 2017

Note 2. Operating Revenues and Expenses (continued)

	Opening Balance ¹ 01-Jul-15	Received ² 2016	Expended ³ 2016	Closing Balance ¹ 30-Jun-16	Received ² 2017	Expended ³ 2017	Closing Balance 30-Jun-17
\$							
(d) Conditions Over Grants, Subsidies & Contributions (continued)							
Grant/Subsidy/Contribution (continued)							
Contribution for Subdivision of Lot 507 Pederick Road, Neerabup (Road Deed No 1)	1,503,803	-	-	1,503,803	-	-	1,503,803
Intersection upgrade at Caporn Street Sinagra - Department of Infrastructure Design Consultancy & Construction Marmion Avenue Duplication				-	463,870	(191,619)	272,251
- Butler Boulevard to Yanchep Beach Road - Main Roads WA				-	23,000,000	-	23,000,000
Blackmore Avenue Traffic calming - Department of Transport				-	30,000	-	30,000
Installation of Anti-skid treatment on North and South intersection of Mirrabooka Drive/Marangaroo Drive Girrawheen					38,400	(27,880)	10,520
Road resurfacing 2016-2017 Carramar Road Carramar					39,578	(30,344)	9,234
Safer WA							
Upgrade Graffiti Management and Reporting System Project	-	19,845	(19,768)	77	-	(77)	-
CCTV Hub Kingsway Sporting Complex - Department of Attorney General	-	-	-	-	150,000	-	150,000
Other Property and Services							
Development of play and park facilities at Hardcastle Park	36,364	-	(36,364)	-	-	-	-
Total Unspent Grants, Subsidies & Contributions	8,048,277	5,160,371	(3,820,420)	9,388,228	28,008,064	(5,113,734)	32,282,558

Notes:

- (1) - Grants/contributions recognised as revenue in a previous reporting period that were not expended at the close of the previous period.
- (2) - New grants/contributions which were recognised as revenues during the reporting period and that had not yet been fully expended in the manner specified by the contributor.
- (3) - Grants/contributions which had been recognised as revenues in a previous reporting period or received in the current reporting period and that were expended in the current reporting period in the manner specified by the contributor.

Financial Statements 2017

City of Wanneroo

Notes to the Financial Statements

for the year ended 30 June 2017

Note 3. Cash and Cash Equivalents

\$	Notes	2017 Actual	2016 Actual
Unrestricted			
Cash Municipal		18,589,233	14,346,438
Cash on Hand		16,196	17,296
		<u>18,605,429</u>	<u>14,363,734</u>
Restricted			
Reserves - Cash Backed		179,140,478	171,281,078
Town Planning Schemes		118,378,852	113,301,102
Unspent Grants		32,282,558	9,388,228
Unspent Loans		11,023,990	11,292,727
		<u>340,825,878</u>	<u>305,263,135</u>
Total Cash and Cash Equivalents	14(a)	<u>359,431,307</u>	<u>319,626,869</u>
The following restrictions have been imposed by regulations or other externally imposed requirements:			
Alkimos/Eglinton Coastal Corridor Community Facilities Reserve	12	11,341,202	10,225,362
Asset Renewal Reserve	12	11,250,050	7,012,070
Asset Replacement Reserve	12	4,786,149	4,498,742
Butler Collaborative Planning Agreement Reserve	12	2,960,483	2,878,128
Carried Forward Capital Projects Reserve	12	5,524,685	9,515,574
Coastal Infrastructure Management Reserve	12	7,490,388	6,042,049
Domestic Refuse Reserve	12	8,571,718	8,346,169
Fleming Park Lake Reserve	12	220,034	213,913
Golf Course Reserve	12	1,593,554	1,465,539
Home and Community Care Asset Replacement Reserve	12	619,126	541,505
Land Acquisition Reserve	12	2,178,175	2,117,746
Leave Liability Reserve	12	1,708,512	1,460,204
Loan Repayment Reserve	12	20,937,950	18,569,409
Materials Recovery Facility Upgrade Reserve	12	-	94,189
Neerabup Development Reserve	12	4,524,110	4,694,253
Plant Replacement Reserve	12	10,090,454	5,684,841
Regional Open Space Reserve	12	5,155,485	5,012,070
Section 152 Reserve (formerly Section 20A Land Reserve)	12	1,589,909	1,545,681
Strategic Projects/Initiatives Reserve	12	71,307,498	74,443,227
Sustainability Investment Reserve (formerly Environmental Initiatives Reserve)	12	127,540	75,383
TPS 20 - District Distributor Road Headworks Reserve	12	6,772,576	6,584,185
Yanchep Bus Reserve	12	98,397	95,660
Yanchep/Two Rocks Coastal Corridor Community Facilities Reserve	12	292,483	165,179
Total Reserves		<u>179,140,478</u>	<u>171,281,078</u>
Unspent Grants and Contributions	2(d)	32,282,558	9,388,228
Unspent Loan Funds	23(c)	11,023,990	11,292,727
Total Unspent Grants and Loans		<u>43,306,548</u>	<u>20,680,955</u>
Town Planning Schemes		<u>118,378,852</u>	<u>113,301,102</u>
Other Restrictions		<u>118,378,852</u>	<u>113,301,102</u>
Total Restricted Cash		<u>340,825,878</u>	<u>305,263,135</u>

Financial Statements 2017

City of Wanneroo

Notes to the Financial Statements
for the year ended 30 June 2017

Note 4. Investments

		2017	2016
\$	Notes	Actual	Actual
Non Current			
Equity Accounted Investments			
Tamala Park Regional Council	17(a)	6,865,580	8,203,429
Mindarie Regional Council	17(b)	10,935,823	10,837,035
		<u>17,801,403</u>	<u>19,040,464</u>
Total Investments		<u>17,801,403</u>	<u>19,040,464</u>
Classified as:			
Unrestricted (Municipal Fund)		17,801,403	19,040,464
Total Investments		<u>17,801,403</u>	<u>19,040,464</u>

Note 5. Trade & Other Receivables

		2017	2016
\$	Notes	Actual	Actual
Current			
Rates Outstanding (Inclusive of Refuse and Swimming Pool Inspection)		12,797,340	12,734,353
Prepayments		688,777	341,294
GST Receivable		81,542	1,138,872
Accrued Income		4,712,012	5,256,855
Sundry Debtors		1,690,895	1,168,221
Provision for Doubtful Debts		(752,546)	(592,594)
Total Current Trade & Other Receivables		<u>19,218,020</u>	<u>20,047,001</u>
Non-Current			
Rates Outstanding - Pensioners		2,642,923	2,353,232
Deferred Debtors		7,355	7,355
Total Non-Current Trade & Other Receivables		<u>2,650,278</u>	<u>2,360,587</u>

Financial Statements 2017

City of Wanneroo

Notes to the Financial Statements

for the year ended 30 June 2017

Note 6. Inventories

	2017 Actual	2016 Actual
\$		
Current		
Stores and Materials (Held at Cost)	355,123	385,056
Total Current Inventories	<u>355,123</u>	<u>385,056</u>
Non-Current		
Land Held for Resale - Development Costs	19,612,517	17,432,679
Total Non-Current Inventories	<u>19,612,517</u>	<u>17,432,679</u>

Financial Statements 2017

City of Wanneroo

Notes to the Financial Statements

for the year ended 30 June 2017

Note 7. Property, Plant and Equipment

	Notes	2017 Actual	2016 Actual
\$			
(a) Carrying Amounts			
Land - Fair Value		331,318,082	331,318,059
Land - Cost		713,523	713,546
		332,031,605	332,031,605
Buildings - Fair Value		163,570,386	163,570,386
Buildings - Cost		20,149,659	11,427,916
less: Accumulated Depreciation		(6,181,473)	(2,993,708)
		177,538,572	172,004,594
Furniture and Equipment - Fair Value		5,109,671	5,114,876
Furniture and Equipment - Cost		4,017,618	1,794,555
less: Accumulated Depreciation		(2,567,509)	(1,292,814)
		6,559,780	5,616,617
Plant and Equipment - Fair Value		19,187,014	20,371,705
Plant and Equipment - Additions after Revaluation - Cost		2,865,762	-
less: Accumulated Depreciation		(4,195,412)	-
		17,857,364	20,371,705
Works in Progress - Cost		20,644,821	3,959,200
		20,644,821	3,959,200
Total Property, Plant & Equipment	7(b)	554,632,142	533,983,721

The fair value of property, plant and equipment is determined at least every three years in accordance with legislative requirements. Additions since the date of valuation are shown as cost. Given that additions were acquired at arms length, and any accumulated depreciation reflects the usage of service potential, it is considered the recorded written down value approximates fair value. At the end of each intervening period valuations are reviewed and, where appropriate, fair value is updated to reflect current market conditions. This process is considered to be in accordance with *Local Government (Financial Management) Regulation 17A (2)*, which requires property, plant and equipment to be shown at fair value.

City of Wanneroo

Notes to the Financial Statements
for the year ended 30 June 2017

Note 7 Property, Plant and Equipment (continued)

(b) Movements in Carrying Amounts

		Land	Buildings	Furniture and Equipment	Plant and Equipment	Works in Progress	Total
\$	Notes	Fair Value	Fair Value	Fair Value	Fair Value	Cost	
Balance as at 1 July 2015		331,318,059	163,570,386	5,119,744	19,851,209	1,931,226	521,790,624
Additions		704,963	9,922,427	1,769,766	5,368,846	1,717,276	19,483,278
Transfers from Works in Progress		8,583	1,495,748	25,014	-	(1,529,345)	-
Disposals		-	(13,318)	(5,345)	(1,564,333)	-	(1,582,996)
Revaluation - Increments/(Decrements)		-	-	-	(660,445)	-	(660,445)
Depreciation	2(a)	-	(2,970,649)	(1,292,562)	(2,623,572)	-	(6,886,783)
Property, Plant & Equipment at 30 June 2016		332,031,605	172,004,594	5,616,617	20,371,705	2,119,157	532,143,678
Reclassification	37	-	-	-	-	1,840,043	1,840,043
Restated Balance as at 30 June 2016		332,031,605	172,004,594	5,616,617	20,371,705	3,959,200	533,983,721
Additions	20		5,450,238	2,140,322	3,030,040	20,074,549	30,695,149
Transfers from Works in Progress			3,294,564	84,363	10,001	(3,388,928)	-
Disposals	21	-	-	(5,205)	(1,184,691)	-	(1,189,896)
Depreciation	2(a)	-	(3,210,824)	(1,276,317)	(4,369,691)	-	(8,856,832)
Property, Plant & Equipment at 30 June 2017		332,031,605	177,538,572	6,559,780	17,857,364	20,644,821	554,632,142

City of Wanneroo

Notes to the Financial Statements

for the year ended 30 June 2017

Note 8 Infrastructure Assets

\$	Notes	2017 Actual	2016 Actual
(a) Carrying Amounts			
Roads - Fair Value		1,121,814,763	941,546,284
Roads - Additions after Valuation - Cost		-	109,697,104
less: Accumulated Depreciation		-	(28,128,839)
		<u>1,121,814,763</u>	<u>1,023,114,549</u>
Drainage - Fair Value		372,823,358	181,191,341
Drainage - Additions after Valuation - Cost		-	23,635,933
less: Accumulated Depreciation		-	(4,854,257)
		<u>372,823,358</u>	<u>199,973,017</u>
Other Infrastructure - Fair Value		59,965,094	49,390,650
Other Infrastructure - Cost		-	7,563,271
less: Accumulated Depreciation		-	(7,756,672)
		<u>59,965,094</u>	<u>49,197,249</u>
Pathways - Fair Value		135,514,683	95,218,417
Pathways - Additions after Valuation - Cost		-	12,091,492
less: Accumulated Depreciation		-	(3,781,229)
		<u>135,514,683</u>	<u>103,528,680</u>
Car Parks - Fair Value		42,021,070	10,020,026
Car Parks - Additions after Valuation - Cost		-	1,863,916
less: Accumulated Depreciation		-	(1,288,488)
		<u>42,021,070</u>	<u>10,595,454</u>
Reserves - Fair Value		194,698,376	155,383,907
Reserves - Additions after Valuation - Cost		-	34,499,955
less: Accumulated Depreciation		-	(13,544,909)
		<u>194,698,376</u>	<u>176,338,953</u>
Works in Progress		<u>10,980,122</u>	<u>2,243,450</u>
		10,980,122	2,243,450
Total Infrastructure	8(b)	<u><u>1,937,817,466</u></u>	<u><u>1,564,991,352</u></u>

The fair value of infrastructure is determined at least every three years in accordance with legislative requirements. Additions since the date of valuation are shown as cost. Given that additions were acquired at arms length, and any accumulated depreciation reflects the usage of service potential, it is considered the recorded written down value approximates fair value. At the end of each intervening period valuations are reviewed and, where appropriate, fair value is updated to reflect current market conditions. This process is considered to be in accordance with *Local Government (Financial Management) Regulation 17A (2)*, which requires property, plant and equipment to be shown at fair value.

City of Wanneroo

Notes to the Financial Statements
for the year ended 30 June 2017

Note 8 Infrastructure Assets (continued)

(b) Movements in Carrying Amounts

		Roads	Drainage	Other Infrastructure	Pathways	Car Parks	Reserves	Works in Progress	Total
\$	Notes	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Cost	
Balance as at 1 July 2015		978,381,792	186,207,183	49,386,480	98,726,452	10,627,997	165,478,014	982,608	1,489,790,526
Additions		59,119,870	16,238,433	3,654,600	6,756,341	298,304	17,229,756	3,567,094	106,864,398
Transfers from Works in Progress		294,407	562	3,750	3,646	125,000	38,844	(466,209)	-
Depreciation	2(a)	(14,681,520)	(2,473,161)	(3,847,581)	(1,957,759)	(455,847)	(6,407,661)	-	(29,823,529)
Infrastructure at 30 June 2016		1,023,114,549	199,973,017	49,197,249	103,528,680	10,595,454	176,338,953	4,083,493	1,566,831,395
Reclassification		-	-	-	-	-	-	(1,840,043)	(1,840,043)
Restated Balance as at 30 June 2016		1,023,114,549	199,973,017	49,197,249	103,528,680	10,595,454	176,338,953	2,243,450	1,564,991,352
Additions	20	43,773,456	5,126,773	2,699,940	5,103,455	188,694	16,178,868	9,833,691	82,904,877
Transfers from Works in Progress		434,165	21,265	27,741	141,668	291,604	180,576	(1,097,019)	-
Revaluation - Increments	13	69,760,627	170,379,072	11,990,583	28,794,668	31,365,613	9,424,347	-	321,714,910
Depreciation	2(a)	(15,268,034)	(2,676,769)	(3,950,419)	(2,053,788)	(420,295)	(7,424,368)	-	(31,793,673)
Infrastructure at 30 June 2017		1,121,814,763	372,823,358	59,965,094	135,514,683	42,021,070	194,698,376	10,980,122	1,937,817,466

Financial Statements 2017

City of Wanneroo

Notes to the Financial Statements

for the year ended 30 June 2017

Note 9. Trade and Other Payables

	2017	2016
\$	Actual	Actual
Current Trade and Other Payables		
Trade Payables	22,466,183	20,537,802
Bonds and Security Deposits	5,546,166	4,399,736
Total Current Trade and Other Payables	28,012,349	24,937,538

Note 10. Long Term Borrowings

		2017	2016
\$	Notes	Actual	Actual
Non-Current Borrowings			
Secured by Floating Charge - Loans	23(a)	66,378,188	60,778,188
Total Non-Current Borrowings		66,378,188	60,778,188

Additional detail on borrowings is provided in Note 23.

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City of Wanneroo

Notes to the Financial Statements

for the year ended 30 June 2017

Note 11. Provisions

	2017	2016
\$	Actual	Actual

Current Provisions

Provision for Annual Leave	5,828,433	5,390,128
Provision for Long Service Leave	5,784,339	5,163,413
Provision for Time in Lieu	98,942	107,824
Provision for Sick Leave	319,063	283,587
Provision for Additional Leave Agreement	71,001	97,175
Provision for Workers Compensation	4,518,238	3,736,691
Total Current Provisions	16,620,016	14,778,818

Non-Current Provisions

Provision for Long Service Leave	1,619,272	1,421,226
Total Non-Current Provisions	1,619,272	1,421,226

Movements in Provisions

Class of Provision	2016	2017				
	Opening Balance as at 1/7/16	Additional Provisions	Decrease due to Payments	Remeasurement effects due to Discounting	Unused amounts reversed	Closing Balance as at 30/6/17
Provision for Annual Leave	5,390,128	5,624,372	(5,186,067)		-	5,828,433
Provision for Long Service Leave	6,584,639	1,544,986	(636,774)	(89,240)	-	7,403,611
Provision for Time in Lieu	107,824	166,251	(175,133)		-	98,942
Provision for Sick Leave	283,587	50,310	(14,834)		-	319,063
Provision for Additional Leave Agreement	97,175	307,482	(333,656)		-	71,001
Provision for Workers Compensation	3,736,691	2,286,992	(1,505,445)		-	4,518,238
TOTAL	16,200,044	9,980,393	(7,851,909)	(89,240)	-	18,239,288

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City of Wanneroo

Notes to the Financial Statements

for the year ended 30 June 2017

Note 12. Reserves - Cash/Investment Backed

\$	2017 Actual	2017 Budget	2016 Actual
(a) Alkimos/Eglinton Coastal Corridor Community Facilities Reserve			
Opening Balance	10,225,362	10,395,200	8,393,577
Amount Set Aside/Transfer to Reserve	1,186,783	1,422,856	1,921,701
Amount Used/Transfer from Reserve	(70,943)	(79,200)	(89,916)
	<u>11,341,202</u>	<u>11,738,856</u>	<u>10,225,362</u>
(b) Asset Renewal Reserve			
Opening Balance	7,012,070	7,000,000	-
Amount Set Aside/Transfer to Reserve	4,237,980	4,210,000	7,012,070
	<u>11,250,050</u>	<u>11,210,000</u>	<u>7,012,070</u>
(c) Asset Replacement Reserve			
Opening Balance	4,498,742	4,378,227	4,719,983
Amount Set Aside/Transfer to Reserve	2,124,540	4,531,347	915,898
Amount Used/Transfer from Reserve	(1,837,133)	(1,889,660)	(1,137,139)
	<u>4,786,149</u>	<u>7,019,914</u>	<u>4,498,742</u>
(d) Butler Collaborative Planning Agreement Reserve			
Opening Balance	2,878,128	2,868,983	2,792,198
Amount Set Aside/Transfer to Reserve	82,355	86,070	85,930
	<u>2,960,483</u>	<u>2,955,053</u>	<u>2,878,128</u>
(e) Carried Forward Capital Projects Reserve			
Opening Balance	9,515,574	9,515,574	10,011,748
Amount Set Aside/Transfer to Reserve	5,524,685	-	9,515,574
Amount Used/Transfer from Reserve	(9,515,574)	(9,515,574)	(10,011,748)
	<u>5,524,685</u>	<u>-</u>	<u>9,515,574</u>
(f) Commercial Refuse Reserve			
Opening Balance	-	-	2,072,690
Amount Set Aside/Transfer to Reserve	-	-	58,053
Amount Used/Transfer from Reserve	-	-	(2,130,743)
	<u>-</u>	<u>-</u>	<u>-</u>

City of Wanneroo

Notes to the Financial Statements

for the year ended 30 June 2017

Note 12. Reserves - Cash/Investment Backed (continued)

\$	2017 Actual	2017 Budget	2016 Actual
(g) Coastal Infrastructure Management Reserve			
Opening Balance	6,042,049	6,019,955	-
Amount Set Aside/Transfer to Reserve	1,448,339	1,180,599	6,042,049
	<u>7,490,388</u>	<u>7,200,554</u>	<u>6,042,049</u>
(h) Domestic Refuse Reserve			
Opening Balance	8,346,169	7,348,734	5,343,797
Amount Set Aside/Transfer to Reserve	238,507	220,462	3,136,336
Amount Used/Transfer from Reserve	(12,958)	(1,092,000)	(133,964)
	<u>8,571,718</u>	<u>6,477,196</u>	<u>8,346,169</u>
(i) Fleming Park Lake Reserve			
Opening Balance	213,913	213,233	207,526
Amount Set Aside/Transfer to Reserve	6,121	6,397	6,387
	<u>220,034</u>	<u>219,630</u>	<u>213,913</u>
(j) Golf Course Reserve			
Opening Balance	1,465,539	1,398,113	1,261,734
Amount Set Aside/Transfer to Reserve	469,933	391,943	452,124
Amount Used/Transfer from Reserve	(341,918)	(412,500)	(248,319)
	<u>1,593,554</u>	<u>1,377,556</u>	<u>1,465,539</u>
(k) Home and Community Care Asset Replacement Reserve			
Opening Balance	541,505	550,912	506,970
Amount Set Aside/Transfer to Reserve	77,621	46,527	34,535
	<u>619,126</u>	<u>597,439</u>	<u>541,505</u>
(l) Land Acquisition Reserve			
Opening Balance	2,117,746	2,070,743	1,572,499
Amount Set Aside/Transfer to Reserve	60,595	562,122	547,956
Amount Used/Transfer from Reserve	(166)	-	(2,709)
	<u>2,178,175</u>	<u>2,632,865</u>	<u>2,117,746</u>

City of Wanneroo

Notes to the Financial Statements

for the year ended 30 June 2017

Note 12. Reserves - Cash/Investment Backed (continued)

\$	2017 Actual	2017 Budget	2016 Actual
(m) Leave Liability Reserve			
Opening Balance	1,460,204	1,486,033	1,397,599
Amount Set Aside/Transfer to Reserve	248,308	94,581	62,605
	<u>1,708,512</u>	<u>1,580,614</u>	<u>1,460,204</u>
(n) Loan Repayment Reserve			
Opening Balance	18,569,409	19,668,690	15,573,746
Amount Set Aside/Transfer to Reserve	2,368,541	2,423,394	2,995,663
	<u>20,937,950</u>	<u>22,092,084</u>	<u>18,569,409</u>
(o) Materials Recovery Facility Upgrade Reserve			
Opening Balance	94,189	-	91,377
Amount Set Aside/Transfer to Reserve	2,695	-	2,812
Amount Used / Transfer from Reserve	(96,884)	-	-
	<u>-</u>	<u>-</u>	<u>94,189</u>
(p) Neerabup Development Reserve			
Opening Balance	4,694,253	4,620,594	5,645,389
Amount Set Aside/Transfer to Reserve	132,270	138,618	173,086
Amount Used/Transfer from Reserve	(302,413)	(1,448,750)	(1,124,222)
	<u>4,524,110</u>	<u>3,310,462</u>	<u>4,694,253</u>
(q) Plant Replacement Reserve			
Opening Balance	5,684,841	5,282,490	3,562,426
Amount Set Aside/Transfer to Reserve	6,084,225	6,500,330	6,697,708
Amount Used/Transfer from Reserve	(1,678,612)	(7,244,559)	(4,575,293)
	<u>10,090,454</u>	<u>4,538,261</u>	<u>5,684,841</u>
(r) Regional Open Space Reserve			
Opening Balance	5,012,070	5,000,000	-
Amount Set Aside/Transfer to Reserve	143,415	150,000	5,012,070
	<u>5,155,485</u>	<u>5,150,000</u>	<u>5,012,070</u>

Financial Statements 2017

City of Wanneroo

Notes to the Financial Statements

for the year ended 30 June 2017

Note 12. Reserves - Cash/Investment Backed (continued)

\$	2017 Actual	2017 Budget	2016 Actual
(s) Section 152 Reserve (formerly Section 20A Land Reserve)			
Opening Balance	1,545,681	1,540,770	1,499,533
Amount Set Aside/Transfer to Reserve	44,228	46,223	46,148
	<u>1,589,909</u>	<u>1,586,993</u>	<u>1,545,681</u>
(t) Strategic Projects/Initiatives Reserve			
Opening Balance	74,443,227	62,352,417	81,160,162
Amount Set Aside/Transfer to Reserve	18,845,128	2,838,428	15,281,995
Amount Used/Transfer from Reserve	(21,980,857)	(13,782,244)	(21,998,930)
	<u>71,307,498</u>	<u>51,408,601</u>	<u>74,443,227</u>
(u) Sustainability Investment Reserve (formerly Environmental Initiatives Reserve)			
Opening Balance	75,383	91,164	120,732
Amount Set Aside/Transfer to Reserve	52,157	52,735	53,515
Amount Used/Transfer from Reserve	-	(50,000)	(98,864)
	<u>127,540</u>	<u>93,899</u>	<u>75,383</u>
(v) TPS 20 - District Distributor Road Headworks Reserve			
Opening Balance	6,584,185	6,563,272	6,387,614
Amount Set Aside/Transfer to Reserve	188,391	196,899	196,571
	<u>6,772,576</u>	<u>6,760,171</u>	<u>6,584,185</u>
(w) Yanchep Bus Reserve			
Opening Balance	95,660	93,799	172,405
Amount Set Aside/Transfer to Reserve	2,737	7,814	44,329
Amount Used/Transfer from Reserve	-	-	(121,074)
	<u>98,397</u>	<u>101,613</u>	<u>95,660</u>
(x) Yanchep/Two Rocks Coastal Corridor Community Facilities Reserve			
Opening Balance	165,179	1,102,932	1,022,981
Amount Set Aside/Transfer to Reserve	1,445,333	654,088	389,729
Amount Used/Transfer from Reserve	(1,318,029)	(2,166,811)	(1,247,531)
	<u>292,483</u>	<u>(409,791)</u>	<u>165,179</u>
Total Reserves	<u><u>179,140,478</u></u>	<u><u>147,641,970</u></u>	<u><u>171,281,078</u></u>

City of Wanneroo

Notes to the Financial Statements

for the year ended 30 June 2017

Note 12. Reserves - Cash/Investment Backed (continued)

\$	2017 Actual	2017 Budget	2016 Actual
Summary of Reserve Transfers			
Transfers to Reserves			
Alkimos/Eglinton Coastal Corridor Community Facilities Reserve	1,186,783	1,422,856	1,921,701
Asset Renewal Reserve	4,237,980	4,210,000	7,012,070
Asset Replacement Reserve	2,124,540	4,531,347	915,898
Butler Collaborative Planning Agreement Reserve	82,355	86,070	85,930
Carried Forward Capital Projects Reserve	5,524,685	-	9,515,574
Commercial Refuse Reserve	-	-	58,053
Coastal Infrastructure Management Reserve	1,448,339	1,180,599	6,042,049
Domestic Refuse Reserve	238,507	220,462	3,136,336
Fleming Park Lake Reserve	6,121	6,397	6,387
Golf Course Reserve	469,933	391,943	452,124
Home and Community Care Asset Replacement Reserve	77,621	46,527	34,535
Land Acquisition Reserve	60,595	562,122	547,956
Leave Liability Reserve	248,308	94,581	62,605
Loan Repayment Reserve	2,368,541	2,423,394	2,995,663
Materials Recovery Facility Upgrade Reserve	2,695	-	2,812
Neerabup Development Reserve	132,270	138,618	173,086
Plant Replacement Reserve	6,084,225	6,500,330	6,697,708
Regional Open Space Reserve	143,415	150,000	5,012,070
Section 152 Reserve (formerly Section 20A Land Reserve)	44,228	46,223	46,148
Strategic Projects/Initiatives Reserve	18,845,128	2,838,428	15,281,995
Sustainability Investment Reserve (formerly Environmental Initiatives Reserve)	52,157	52,735	53,515
Town Planning Scheme 20 - District Distributor Road			
Headworks Reserve	188,391	196,899	196,571
Yanchep Bus Reserve	2,737	7,814	44,329
Yanchep/Two Rocks Coastal Corridor Community Facilities Reserve	1,445,333	654,088	389,729
Total Transfers to Reserves	45,014,887	25,761,433	60,684,844

City of Wanneroo

Notes to the Financial Statements

for the year ended 30 June 2017

Note 12. Reserves - Cash/Investment Backed (continued)

\$	2017 Actual	2017 Budget	2016 Actual
Transfers from Reserves			
Alkimos/Eglinton Coastal Corridor Community Facilities Reserve	(70,943)	(79,200)	(89,916)
Asset Replacement Reserve	(1,837,133)	(1,889,660)	(1,137,139)
Carried Forward Capital Projects Reserve	(9,515,574)	(9,515,574)	(10,011,748)
Commercial Refuse Reserve	-	-	(2,130,743)
Domestic Refuse Reserve	(12,958)	(1,092,000)	(133,964)
Golf Course Reserve	(341,918)	(412,500)	(248,319)
Land Acquisition Reserve	(166)	-	(2,709)
Materials Recovery Facility Upgrade Reserve	(96,884)	-	-
Neerabup Development Reserve	(302,413)	(1,448,750)	(1,124,222)
Plant Replacement Reserve	(1,678,612)	(7,244,559)	(4,575,293)
Strategic Projects/Initiatives Reserve	(21,980,857)	(13,782,244)	(21,998,930)
Sustainability Investment Reserve (formerly Environmental Initiatives Reserve)	-	(50,000)	(98,864)
Yanchep Bus Reserve	-	-	(121,074)
Yanchep/Two Rocks Coastal Corridor Community Facilities Reserve	(1,318,029)	(2,166,811)	(1,247,531)
Total Transfers from Reserves	(37,155,487)	(37,681,298)	(42,920,452)
Total Net Transfer to/(from) Reserves	7,859,400	(11,919,865)	17,764,392

All of the cash backed reserve accounts are supported by money held in financial institutions and match the amounts shown as restricted cash in Note 3 to this financial report.

In accordance with Council resolutions in relation to each reserve account, the purpose for which the reserves are set aside are as follows:

Alkimos/Eglinton Coastal Corridor Community Facilities Reserve

To be used for accumulating Developer Contributions for the capital funding of community facilities and associated costs related to the administration and implementation of the Developer Contribution Plan in the Alkimos/Eglinton Development Contribution Area.

Asset Renewal Reserve

To be used for funding of asset renewal and upgrade works.

Asset Replacement Reserve

To be used for receiving the proceeds of the sale of significant property assets. Funds held are to be used in acquiring new or replacement assets for the City.

Butler Collaborative Planning Agreement Reserve

To be used for meeting future maintenance costs of infrastructure in Stage 1, Brighton Estate, Butler as established in the Butler Collaborative Planning Agreement and any such other related expenditure provided such expenditure shall be within the Brighton Estate.

City of Wanneroo

Notes to the Financial Statements

for the year ended 30 June 2017

Note 12. Reserves - Cash/Investment Backed (continued)

Carried Forward Capital Projects Reserve

To be used for accumulating funds to support the municipally funded carried forward capital works.

Commercial Refuse Reserve

To be used for additional requirements, specifically needed for the provision of the commercial refuse collection service. Now closed.

Coastal Infrastructure Management Reserve

To be used for accumulating funds to support Coastal Infrastructure capital works.

Domestic Refuse Reserve

To be used for additional requirements specifically needed for the provision of the domestic collection service.

Fleming Park Lake Reserve

To be used for holding funds provided by the developer for the upkeep and maintenance of the Fleming Park Lake.

Golf Course Reserve

To be used for the capital improvement of the Carramar and Marangaroo Golf Courses.

Home and Community Care Asset Replacement Reserve

To be used for replacing Council's assets where the funding of the original asset was from HACC. This is a requirement of the operating funding agreement with HACC.

Land Acquisition Reserve

To be used for purchasing municipal land for road and drainage purposes.

Leave Liability Reserve

To be used for cashing back the liability of the City for long service leave and annual leave.

Loan Repayment Reserve

To be used for setting aside adequate funds over time to repay loan commitments per the City's Long Term Financial Management Plans Debt Management Policy.

City of Wanneroo

Notes to the Financial Statements

for the year ended 30 June 2017

Note 12. Reserves - Cash/Investment Backed (continued)

Materials Recovery Facility Upgrade Reserve

To be used for setting aside funds (contributed by the Cities of Swan, Joondalup and Wanneroo) for the refitting of the Materials Recovery Facility. This reserve operates under a service agreement between the Cities of Wanneroo, Joondalup and Swan. The deficiency of funding will be contributed by equal share by the three Cities, should budgeted capital projects proceed. Now closed.

Neerabup Development Reserve

To be used for meeting the associated cost of developing the City's investment land in Neerabup.

Plant Replacement Reserve

To be used for replacing Council's plant and equipment.

Regional Open Space Reserve

To be used for accumulating funds to support regional open space capital works.

Section 152 Reserve (formerly Section 20A Land Reserve)

To be used for capital improvements on recreation reserves in the general locality from which funds were sourced.

Strategic Projects/Initiatives Reserve

To be used for accumulating funds to be used for the introduction of new or upgrade of existing services, maintenance, renewal, upgrade of existing assets and purchase of new assets or project works of the City over an expected period of 10 years. The annual funds transfer is derived from the rate setting surplus less municipal funding of capital works carried forward.

Sustainability Investment Reserve (formerly Environmental Initiatives Reserve)

To be used for the provision of funding future costs associated with environmental needs and initiatives.

TPS 20 - District Distributor Road Headworks Reserve

To be used for the construction of District Distribution Roads associated with Town Planning Scheme 20.

Yanchep Bus Reserve

To be used for accumulating funds from the Yanchep Community for the costs associated with the replacement of the community bus.

Yanchep/Two Rocks Coastal Corridor Community Facilities Reserve

To be used for the purpose of accumulating Developer Contributions for the capital funding of community facilities and associated costs related to the administration and implementation of the Developer Contribution Plan in the Yanchep/Two Rocks Development Contribution Area.

The majority of these reserves are not expected to be used within a set period. Further transfers to the reserve accounts are expected to occur as funds are utilised.

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City of Wanneroo

Notes to the Financial Statements

for the year ended 30 June 2017

Note 13. Reserves - Asset Revaluation

\$	Notes	2017 Actual	2016 Actual
Asset revaluation reserves have arisen on revaluation of the following classes of assets:			
(a) Land			
Opening Balance		321,428,173	321,428,173
Revaluation Increment	7(b)	-	-
Revaluation Decrement	7(b)	-	-
		321,428,173	321,428,173
(b) Buildings			
Opening Balance		82,686,540	82,686,540
Revaluation Increment	7(b)	-	-
Revaluation Decrement	7(b)	-	-
		82,686,540	82,686,540
(c) Artworks			
Opening Balance		246,092	246,092
Revaluation Increment	7(b)	-	-
Revaluation Decrement	7(b)	-	-
		246,092	246,092
(d) Equity Accounted Investments			
Opening Balance		4,917,697	936,755
Revaluation Increment	17(b)(ii)	44,779	3,981,136
Revaluation Decrement	17(a)(ii)	-	(194)
		4,962,476	4,917,697
(e) Infrastructure Assets			
Opening Balance		565,602,357	565,602,357
Revaluation Increment	8(b)	321,714,910	-
Revaluation Decrement	8(b)	-	-
		887,317,267	565,602,357
Total Asset Revaluation Reserves		1,296,640,548	974,880,859

City of Wanneroo

Notes to the Financial Statements

for the year ended 30 June 2017

Note 14. Notes to the Statement of Cash flows

\$	Notes	2017 Actual	2017 Budget	2016 Actual
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(a) Reconciliation of Cash

For the purposes of the Statement of Cash Flows, cash includes cash on hand and cash equivalents, net of outstanding bank overdrafts. Cash at the end of the reporting period is reconciled to the related items in the Statement of Financial Position as follows:

Cash and Cash Equivalents	3	<u>359,431,307</u>	<u>270,303,521</u>	<u>319,626,869</u>
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(b) Reconciliation of Net Cash Provided By Operating Activities to Net Result

Net Result		101,176,783	78,202,262	104,671,041
Depreciation		40,650,505	40,054,948	36,710,312
(Profit)/Loss on Sale of Assets		(1,913,002)	(3,306,662)	(4,228,467)
Share of Net (Profits) of Associates		(53,258)	-	(509,291)
Loss on revaluation of plant and equipment		-	-	660,445
Town Planning Scheme Income (Inc. Interest)		(14,663,820)	(22,569,911)	(16,957,469)
Town Planning Scheme Expenses		7,090,210	18,600,500	15,012,347
Decrease/(Increase) in Receivables		699,242	(94,581)	512,974
Decrease/(Increase) in Provision for Doubtful Debts		(159,952)	-	(13,071)
Decrease/(Increase) in Inventories		29,933	-	(15,448)
Increase/(Decrease) in Payables & Accruals		3,074,811	-	3,077,733
Increase/(Decrease) in Employee Leave Entitlements		586,216	-	(33,660)
Increase/(Decrease) in Other Provisions		1,453,028	94,581	1,485,772
Grants/Contributions for the Development of Assets		(83,706,469)	(69,224,353)	(90,719,111)
Net Cash from Operating Activities		<u>54,264,227</u>	<u>41,756,784</u>	<u>49,654,107</u>

(c) Undrawn Borrowing Facilities
Credit Standby Arrangements

Bank Overdraft Limit		1,000,000	1,000,000	1,000,000
Bank Overdraft at Balance Date		-	-	-
Credit Card Limit*		550,000	305,500	550,000
Credit Card Balance at Balance Date		(17,323)	(150,000)	(22,274)
Total Amount of Credit Unused		<u>1,532,677</u>	<u>1,155,500</u>	<u>1,527,726</u>

* The City of Wanneroo currently has the facility credit limit of \$550,000 (2016: \$550,000) with total amount of credit cards currently in use is \$298,500 (2016: \$355,500).

Loan Facilities

Loan Facilities - Non-Current	10	66,378,188	71,878,188	60,778,188
Total Facilities in Use at Balance Date		<u>66,378,188</u>	<u>71,878,188</u>	<u>60,778,188</u>

City of Wanneroo

Notes to the Financial Statements

for the year ended 30 June 2017

Note 15. Contingent Liabilities and Contingent Assets

The following assets and liabilities do not qualify for recognition in the Statement of Financial Position, but disclosure of existence is considered relevant to the users of Council's Financial Report.

Liabilities not recognised:

(a) Guarantees

- (i) In line with the other equity holders in the Mindarie Regional Council (MRC) the City has accepted the contingent liability resulting from the provision of an irrevocable financial guarantee on behalf of MRC for its contractual liability to the Contractor undertaking the operation of the Resource Recovery Facility. The extent of the City's contingent liability is contingent on the type of default and whilst proportional and several (not joint and several) and is either limited to:

- (1) in case of termination, one sixth of any subsequent payment to the Contractor and the maximum amount that may be payable by the City under the Guarantee is one sixth of \$101.5M amounting to \$16.91M; and
- (2) in case of the MRC has failed to pay its normal operating obligations under the Resource Recovery Facility Agreement, the maximum amount that may be payable by the City under the Guarantee is \$1.13M per month.

The term of the guarantee is 20 years unless the MRC liability under the agreement with the contractor is fully extinguished earlier. This guarantee expires on 15 July 2027.

(b) Bank Guarantees

The City of Wanneroo currently holds bank guarantees of \$125,330,460 (2016: \$23,202,090) with respect to commercial customers and property developers.

(c) Other

- (i) The City compulsorily acquired a portion of land at Lot 3 (185) Mary Street Wanneroo under the Land Administration Act 1997 (WA). The City's valuation (expert and legal advice) is in the vicinity of \$1,239,000. However, the claimants' compensation claim is \$2,150,000. The City paid \$1,156,850 on 24 August 2012 and the claimant is pursuing their claim. The matter has been mediated without resolution and will be scheduled for hearing in the Supreme Court. Subject to the decision of the Supreme Court, the City could be liable to pay the claimant the difference between what the City has already paid and the amount the claimant has claimed.
- (ii) The City compulsorily acquired a portion of land at Lot 6 (359) Gngara Road Wangara under the Land Administration Act 1997 (WA). The City's valuation (expert and legal advice) is in the vicinity of \$1,623,300 however the claimants' compensation claim is \$9,093,574. The City paid \$1,460,970 on 29 July 2011 however the claimant pursued their claim in the Supreme Court. The matter was heard in the Supreme Court in late 2016 with judgement handed down on 26 October 2017 awarding the claimant the amount of \$1,916,937 plus applicable interest. The City is required to pay the claimant the difference between what the City has already paid and the amount the Supreme Court awarded plus the applicable interest amounting to \$457,742.
- (iii) The City is currently in dispute in relation to parcel of land at Lot 1 and 8 Wanneroo Road Wanneroo. The landowner has lodged a claim for compensation for injurious affection against the City and the Western Australian Planning Commission for the amount of \$14,085,000. The City's exposure is the amount of \$12,490,500. The landowner claims \$12,490,500 compensation for injurious affection to a land area of 1.1266 hectares. On the current Cell value, the area would attract \$1,950,000 per hectare acquisition value, totalling \$2,196,870. The matter was heard both in the State Administrative Tribunal (SAT) and then on appeal to the Supreme Court in which the City was successful on both occasions. The claimant has further appealed to the full bench of the Supreme Court with the matter to be heard in 2017. The City has not yet acquired this land.

City of Wanneroo

Notes to the Financial Statements

for the year ended 30 June 2017

Note 15. Contingent Liabilities and Contingent Assets (continued)

(iv) In accordance with District Planning Scheme No. 2, contributions have been collected to undertake infrastructure and capital works in respect of East Wanneroo (Cells 1 to 9). Excess contributions (after all infrastructure and capital works, and all other deductions) are required to be distributed back to the parties that made the contributions. The unspent funds at any time is recorded with the Town Planning Schemes Equity section of the Statement of Financial Position.

Note 16. Capital and Leasing Commitments

	2017	2016
\$	Actual	Actual
Capital Expenditure Commitments		
Contracted for:		
- Land and Building Works	8,881,800	21,967,128
- Engineering Works	1,559,185	5,871,145
- Parks Works	1,219,172	1,732,854
- Plant & Equipment Purchases	1,203,617	361,870
Total Capital Expenditure Commitments	12,863,774	29,932,997
Payable:		
- Not later than one year	12,863,774	29,932,997
Total Capital Expenditure Commitments	12,863,774	29,932,997

City of Wanneroo

Notes to the Financial Statements

for the year ended 30 June 2017

Note 17 Equity Accounted Investments

(a) Tamala Park Regional Council

The City of Wanneroo, along with the City of Perth, City of Joondalup, City of Stirling, City of Vincent, Town of Cambridge and Town of Victoria Park is a member of the Tamala Park Regional Council. The establishment of the Tamala Park Regional Council was pursuant to Section 3.61 of the *Local Government Act 1995*. The Tamala Park Regional Council formally came into existence on the 3 February 2006. The Tamala Park Regional Council's activities centre around the development of Mindarie lot 9504 on Deposit Plan 52070. Lot 9504 (subdivided from Lot 118) was initially purchased in 1981 to provide a refuse landfill site for member councils of the Mindarie Regional Council, this lot is now being developed with a purpose of creating a new urban land development and a new urban community. The City of Wanneroo will contribute one sixth of any funding required for capital or operating costs and also receive one sixth of net proceeds.

	2017	2016
\$	Actual	Actual

(i) Retained Surplus Attributable to Equity Accounted Investments

Balance at beginning of the financial year	226,100	142,792
Share of Profit from activity after tax	46,690	83,308
Balance at end of the Financial Year	272,790	226,100

(ii) Carrying Amount of Equity Accounted Investments

Balance at beginning of the financial year	8,203,429	8,015,712
Share of profit/(loss) from activity after tax	46,690	83,308
Share of Revaluation of Assets	-	(194)
Distribution to participants	(1,833,333)	(2,500,001)
Movement in Capital Contributions	448,794	2,604,604
Balance at end of the Financial Year	6,865,580	8,203,429

The City's interest in the Regional Council as at 30 June 2017 and 30 June 2016 is as follows:

Interest in Regional Council	6,865,580	8,203,429
Current Assets	6,587,378	7,923,410
Non-Current Assets	324,981	321,895
Total Assets	6,912,359	8,245,305
Current Liabilities	(46,346)	(32,434)
Non-Current Liabilities	(433)	(9,442)
Total Liabilities	(46,779)	(41,876)
Net Assets	6,865,580	8,203,429

City of Wanneroo

Notes to the Financial Statements

for the year ended 30 June 2017

Note 17. Equity Accounted Investments (continued)

(b) Mindarie Regional Council

The City of Wanneroo, along with the City of Perth, City of Joondalup, City of Stirling, City of Vincent, Town of Cambridge and Town of Victoria Park is a member of the Mindarie Regional Council. The Mindarie Regional Council's objective is to establish and operate a long term refuse disposal site on Mindarie Lot 9504 on Deposit Plan 52070. The City of Wanneroo has contributed one sixth of the land and establishment costs of the refuse disposal facility. The City uses the refuse disposal facility at Mindarie to deposit all non recyclable waste collected by the City's domestic waste services. Capital contributions paid during establishment are represented in the accounts of the City of Wanneroo as a Non-Current Asset.

	2017	2016
\$	Actual	Actual

(i) Retained Surplus Attributable to Equity Accounted Investments

Balance at beginning of the financial year	5,299,185	4,873,202
Share of (Loss)/Profit from activity after tax	(3,354)	425,983
Adjustment on Asset Disposal	9,922	-
Balance at end of the Financial Year	5,305,753	5,299,185

(ii) Carrying Amount of Equity Accounted Investments

Balance at beginning of the financial year	10,837,035	6,385,241
Share of profit/(loss) from activity after tax	(3,354)	425,983
Adjustment on Asset Disposal	9,922	-
Share of Revaluation of assets	44,779	3,981,136
Movement in Capital Contributions	47,441	44,675
Balance at end of the Financial Year	10,935,823	10,837,035

The City's interest in the regional council as at 30 June 2017 and 30 June 2016 is as follows:

Interest in Regional Council	10,935,823	10,837,035
Current Assets	4,863,624	4,760,650
Non-Current Assets	9,995,588	10,564,436
Total Assets	14,859,212	15,325,086
Current Liabilities	(1,159,909)	(1,776,583)
Non-Current Liabilities	(2,763,480)	(2,711,468)
Total Liabilities	(3,923,389)	(4,488,051)
Net Assets	10,935,823	10,837,035
Total Carry Amount - Equity Accounted Investments	17,801,403	19,040,464

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City of Wanneroo

Notes to the Financial Statements
for the year ended 30 June 2017

Note 18. Trust Funds

	Balance 01-Jul-16	Amounts Received	Amounts Paid	Balance 30-Jun-17
\$				
Miscellaneous/Appeals	34,832	5,748	(8,661)	31,919
Public Open Space	2,864,948	228,945	-	3,093,893
	<u>2,899,780</u>	<u>234,693</u>	<u>(8,661)</u>	<u>3,125,812</u>

Note 19. Total Assets Classified by Function and Activity

	2017 Actual	2016 Actual
\$		
Governance	55,466,515	38,923,282
Law, Order, Public Safety	1,949,607	1,743,809
Health	2,512,190	2,525,018
Education & Welfare	3,064,653	3,564,672
Community Amenities	58,767,466	55,654,885
Recreation & Culture	634,333,899	581,592,298
Transport	1,672,203,885	1,342,763,242
Economic Services	1,715,923	1,985,632
Other Property & Services	82,047,987	81,452,285
Unallocated (Assets other than Fixed Assets)	399,456,131	367,662,606
	<u>2,911,518,256</u>	<u>2,477,867,729</u>

Note 20. Acquisition of Assets

	2017 Actual	2017 Budget
\$		
By Class		
<i>Property, Plant & Equipment</i>	7(b)	
- Buildings	5,450,238	51,162,468
- Furniture and Equipment	2,140,322	5,309,971
- Plant and Equipment	3,030,040	5,799,358
- Works in Progress	20,074,549	-
<i>Infrastructure</i>	8(b)	
- Roads	43,773,456	59,222,982
- Drainage	5,126,773	6,295,000
- Other Infrastructure	2,699,940	-
- Pathways	5,103,455	3,695,000
- Car Parks	188,694	-
- Reserves	16,178,868	10,943,608
- Works in Progress	9,833,691	-
	<u>113,600,026</u>	<u>142,428,387</u>

City of Wanneroo

Notes to the Financial Statements

for the year ended 30 June 2017

Note 20. Acquisition of Assets (continued)

	2017 Actual	2017 Budget
\$		
The City received assets to the value of \$46,668,551 from developers. The value of these assets is included in total value of Acquisition of Assets \$113,600,025 on page 55. The value of the assets by Class are as follows:		
<i>Infrastructure</i>		
- Roads	30,280,800	41,000,000
- Drainage	5,071,199	6,000,000
- Parks & Gardens	6,531,388	3,000,000
- Pathways	4,785,164	-
	46,668,551	50,000,000

Note 21. Disposal of Assets

	Net Book Value		Sale Price		Profit/(Loss)	
	Actual	Budget	Actual	Budget	Actual	Budget
\$						
The following assets were disposed of during the year.						
By Program						
Governance	5,205		-		(5,205)	-
Other Property and Services	2,523,990	2,174,381	4,442,197	5,481,043	1,918,207	3,306,662
	2,529,195	2,174,381	4,442,197	5,481,043	1,913,002	3,306,662
By Class						
<i>Land Held for Resale</i>	1,339,299	926,671	3,322,186	4,233,333	1,982,887	3,306,662
<i>Property, Plant & Equipment</i> 7(b)						
Furniture and Equipment	5,205		-		(5,205)	-
Plant and Equipment	1,184,691	1,247,710	1,120,011	1,247,710	(64,680)	-
Total	2,529,195	2,174,381	4,442,197	5,481,043	1,913,002	3,306,662

	2017 Actual	2017 Budget	2016 Actual
\$			
Summary			
Profit on Asset Disposals	2,136,186	3,806,662	4,708,829
Loss on Asset Disposals	(223,184)	(500,000)	(480,362)
Net Profit/(Loss) on Disposal of Assets	1,913,002	3,306,662	4,228,467

City of Wanneroo

Notes to the Financial Statements

for the year ended 30 June 2017

Note 22. Financial Ratios

	2017	2016	2015
<i>Liquidity Ratio</i>			
1. Current Ratio ⁽¹⁾			
<u>Current Assets less Restricted Current Assets</u>	0.86 : 1	0.88 : 1	0.85 : 1
Current Liabilities less Liabilities Associated with Restricted Assets			
<i>Debt Ratio</i>			
2. Debt Service Cover Ratio ⁽²⁾			
<u>Operating Surplus before Interest and Depreciation Expense</u>	14.86 : 1	13.26 : 1	21.74 : 1
Principal and Interest Repayments			
<i>Coverage Ratio</i>			
3. Own Source Revenue Coverage Ratio ⁽³⁾			
<u>Own Source Operating Revenue</u>	1.00 : 1	1.02 : 1	1.14 : 1
Operating Expense			
<i>Financial Performance Ratio</i>			
4. Operating Surplus Ratio ⁽⁴⁾			
<u>Operating Revenue less Operating Expense</u>	0.09 : 1	0.08 : 1	0.21 : 1
Own Source Operating Revenue			
<i>Asset Management Ratios</i>			
5. Asset Consumption Ratio ⁽⁵⁾			
<u>Depreciated Replacement Cost of Depreciable Assets</u>	0.73 : 1	0.73 : 1	0.84 : 1
Current Replacement Cost of Depreciable Assets			
6. Asset Sustainability Ratio ⁽⁶⁾			
<u>Capital Renewal and Replacement Expenditure</u>	0.23 : 1	0.28 : 1	0.31 : 1
Depreciation Expense			
7. Asset Renewal Funding Ratio ⁽⁷⁾			
<u>NPV of Planned Capital Renewals over 10 years</u>	0.74 : 1	0.72 : 1	0.74 : 1
NPV of Required Capital Expenditure over 10 years			

Notes

⁽¹⁾ This ratio is designed to focus on the liquidity position of the Council that has arisen from past year's transactions.

⁽²⁾ This ratio is the measurement of Council's ability to repay its debt including lease payments.

⁽³⁾ This ratio is the measurement of Council's ability to cover its costs through its own revenue efforts.

⁽⁴⁾ This ratio is a measure of Council's ability to cover its operational costs and have revenues available for capital funding or other purposes.

⁽⁵⁾ This ratio measures the extent to which depreciable assets have been consumed by comparing their written down value to their replacement cost.

⁽⁶⁾ This ratio indicates whether Council is replacing or renewing existing non-financial assets at the same rate that its overall asset stock is wearing out.

⁽⁷⁾ This ratio is a measure of the ability of Council to fund its projected asset renewal/replacements in the future.

City of Wanneroo

Notes to the Financial Statements
for the year ended 30 June 2017

Note 23. Information on Borrowings

\$	Principal 01-Jul-16	Interest Repayments		Principal 30-Jun-17	
	Actual	Actual	Budget	Actual	Budget
(a) Loan Repayments					
Loan 1					
Recreation & Culture					
- Wanneroo Regional Museum and Library	10,416,178	705,375	705,175	10,416,178	10,416,178
- Construct Community Centre - Butler	278,000	18,826	18,821	278,000	278,000
- Develop Accessible and Inclusive Playgrounc	222,000	15,034	15,029	222,000	222,000
- Kingsway Regional Sporting Complex	20,840,902	1,411,329	1,413,040	20,840,902	20,840,902
- Upgrade Aquamotion	7,926,000	536,742	536,590	7,926,000	7,926,000
- Yanchep Active Open Space	56,460	3,823	3,822	56,460	56,460
- Kingsway Regional Playground	650,000	44,017	44,005	650,000	650,000
- Yanchep Lagoon - Brazier Road Realignmen	3,859,181	261,341	260,743	3,859,181	3,859,181
- Yanchep Surf Life Saving Club	1,157,500	78,385	103,581	1,157,500	1,157,500
- Southern Suburbs Library	5,800,000	392,771	392,660	5,800,000	5,800,000
Transport					
- Pinjar Road - Wanneroo and Carosa Road	728,849	49,357	49,343	728,849	728,849
- Upgrade Rocca Way Dundobar Road	54,715	3,705	3,704	54,715	54,715
- Flynn Drive Neerabup - Construct Road	3,367,220	228,025	175,132	3,367,220	3,367,220
Other Property & Services					
- Develop Industrial Estate - Neerabup	317,887	21,527	21,521	317,887	317,887
- Redevelop Wanneroo Townsite	1,214,615	82,253	82,229	1,214,615	1,214,615
- Redevelop Koondoola Precinct	1,293,000	87,561	87,536	1,293,000	1,293,000
- Develop Wangara Industrial Area (Lot 257)	43,857	2,970	33,647	43,857	43,857
- Develop Wangara Industrial Area (Lot 15)	2,550,024	172,685	167,982	2,550,024	2,550,024
- Lot 12 Fowey Loop	1,800	(1,043)	122	1,800	1,800

City of Wanneroo

Notes to the Financial Statements
for the year ended 30 June 2017

Note 23. Information on Borrowings (continued)

	Principal 01-Jul-16		Interest Repayments		Principal 30-Jun-17	
\$	Actual		Actual	Budget	Actual	Budget
(a) Loan Repayments (continued)						
Loan 2						
Recreation & Culture				500,000		11,100,000
- Yanchep Active Open Space Oval Ground Works	-	9,507	-	-	1,037,331	-
- Yanchep District Playing Fields	-	21,338	-	-	2,328,272	-
- Yanchep District Sports Amenities Building Stage 1	-	4,030	-	-	439,828	-
- Yanchep Surf Life Saving Club	-	16,446	-	-	1,794,569	-
	60,778,188	4,166,004	4,614,682		66,378,188	71,878,188
(b) New Loans						
Loan 2						
Recreation & Culture				500,000		11,100,000
- Yanchep Active Open Space Oval Ground Works	-	9,507	-	-	1,037,331	-
- Yanchep District Playing Fields	-	21,338	-	-	2,328,272	-
- Yanchep District Sports Amenities Building Stage 1	-	4,030	-	-	439,828	-
- Yanchep Surf Life Saving Club	-	16,446	-	-	1,794,569	-
	-	51,321	500,000		5,600,000	11,100,000

City of Wanneroo

Notes to the Financial Statements
for the year ended 30 June 2017

Note 23. Information on Borrowings (continued)

	Date Borrowed	Balance* 01-Jul-16	Borrowed During Year	Expended During Year	Balance 30-Jun-17
\$					
(c) Unspent Loans					
Loan 1					
Recreation & Culture					
Kingsway Regional Sporting Complex	1 Dec 2006	1,950,832	-	(52,600)	1,898,232
Southern Suburbs Library	1 Dec 2006	5,800,000	-	-	5,800,000
Transport					
Flynn Drive Neerabup - Construct Road	1 Dec 2006	2,152,895	-	(341,555)	1,811,340
Other Property & Services					
Develop Wangara Industrial Area (Lot 15)	1 Dec 2006	1,389,000	-	(35,458)	1,353,542
Loan 2					
Yanchep Development Area Projects					
Yanchep Active Open Space Oval Ground Works		-	1,037,331	(1,037,331)	-
Yanchep District Playing Fields		-	2,328,272	(2,167,396)	160,876
Yanchep District Sports Amenities Building Stage 1		-	439,828	(439,828)	-
Yanchep Surf Life Saving Club		-	1,794,569	(1,794,569)	-
		11,292,727	5,600,000	(5,868,737)	11,023,990

* Under Section 6.20(4)(a) of the *Local Government Act 1995*, a change in purpose of the use of borrowings can be disclosed in the annual budget. This was done so as part of the 2016/17 Budget. As such, the table above indicates the resulting change in the unspent balance in column "Balance 01-Jul-16" resulting from the change of purpose of borrowings.

(d) Overdraft

The City operates separate bank accounts for the each of its Town Planning Schemes and Structure plans as recorded in Note 14. In addition to these bank accounts, the City uses four operating bank accounts, the Municipal Fund, Advance Account, Reserve Account and Trust Fund. The grouped total of these limits is \$1,000,000 and no overdraft was required as at 30 June 2016 or 30 June 2017.

City of Wanneroo

Notes to the Financial Statements
for the year ended 30 June 2017

Note 24. Rating Information (2016/17 Financial Year)

	Rate in \$	Number of Properties	Rateable Value	Rate Revenue	Interim Rates	Back Rates	Total Revenue	Budget Rate Revenue	Budget Interim Rate	Budget Back Rate	Budget Total Revenue
\$	Notes										
Rate Type											
Differential General Rate											
GRV - Residential Improved	7.7581	50,353	1,064,161,232	82,558,688	3,631,480	-	86,190,168	82,511,129	1,820,925		84,332,054
GRV - Residential Vacant	11.8820	3,129	60,033,460	7,133,177	(940,474)	-	6,192,703	7,134,085			7,134,085
GRV - Commercial/Industrial Improved	6.3874	2,612	311,169,944	19,875,669	626,774	-	20,502,443	19,783,829	436,606		20,220,435
GRV - Commercial/Industrial Vacant	5.9420	176	14,353,250	852,870	(112,762)	-	740,108	869,627			869,627
UV - Residential Improved	0.3568	187	163,124,845	582,029	(2,621)	-	579,408	582,029	12,845		594,874
UV - Residential Vacant	0.5283	98	675,330,000	3,567,768	(20,030)	-	3,547,738	3,567,768			3,567,768
UV - Commercial/Industrial Improved	0.2697	38	78,232,042	210,992	(17,367)	-	193,625	209,508	4,624		214,132
UV - Commercial/Industrial Vacant	0.2957	9	26,320,000	77,828	19,541	-	97,369	77,828			77,828
UV - Rural and Mining Improved	0.3500	404	647,985,467	2,267,949	(88,269)	-	2,179,680	2,267,949			2,267,949
UV - Rural and Mining Vacant	0.3809	84	90,060,000	343,039	(2,399)	-	340,640	343,039			343,039
Sub-Total		57,090	3,130,770,240	117,470,009	3,093,873	-	120,563,882	117,346,791	2,275,000	-	119,621,791

* GRV = Gross Rental Value

UV = Unimproved Value

City of Wanneroo

Notes to the Financial Statements
for the year ended 30 June 2017

Note 24. Rating Information (2016/17 Financial Year) (continued)

		Number of	Rateable	Rate	Interim	Back	Total	Budget	Budget	Budget	Budget
		Properties	Value	Revenue	Rates	Rates	Revenue	Rate	Interim	Back	Total
\$	Notes							Revenue	Rate	Rate	Revenue
Minimum Rates											
	Minimum										
GRV - Residential Improved	1,305	15,141	228,818,144	19,759,005			19,759,005	19,760,311	-	-	19,760,311
GRV - Residential Vacant	745	2,637	13,000,301	1,964,565			1,964,565	1,957,860	-	-	1,957,860
GRV - Commercial/Industrial Improved	1,280	499	7,628,827	638,720			638,720	629,760	-	-	629,760
GRV - Commercial/Industrial Vacant	1,280	32	487,155	40,960			40,960	39,680	-	-	39,680
GRV - Commercial/Industrial Improved - Lesser Minimum Strata	640	77	247,999	49,280			49,280	49,280	-	-	49,280
UV - Residential Improved	1,305	6	1,953,113	7,830			7,830	7,830	-	-	7,830
UV - Residential Vacant	745	3	30,700	2,235			2,235	2,235	-	-	2,235
UV - Commercial/Industrial Improved	1,280	7	1,630,000	8,960			8,960	7,680	-	-	7,680
UV - Rural and Mining Improved	1,292	2	614,533	2,584			2,584	2,584	-	-	2,584
UV - Rural and Mining Vacant	868	33	345,256	28,644			28,644	28,644	-	-	28,644
Sub-Total		18,437	254,756,028	22,502,783	-	-	22,502,783	22,485,864	-	-	22,485,864
Ex Gratia Rates							23,730				20,000
Totals							143,090,395				142,127,655

* GRV = Gross Rental Value

UV = Unimproved Value

Financial Statements 2017

City of Wanneroo

Notes to the Financial Statements

for the year ended 30 June 2017

Note 25. Discounts, Incentives, Concessions & Write-offs (2016/17 Financial Year)

	Type	Total Cost / Value	Budget Cost / Value
\$			
Details			
Debts Written Off	Write Off	55	-
Community Groups Rates Waiver	Waiver	78,051	80,000
		78,106	80,000

No rates discounts have been budgeted for the 2016/2017 Financial year.

Council Rates (excluding Emergency Services Levy) for land leased by the City to the following community groups):

- AJS Motorcycle Club of WA Inc.
- Kingsway Football & Sporting Club Inc.
- Olympic Kingsway Sports Club
- Pinjar Motorcycle Park Inc.
- Quinns Mindarie Surf Lifesaving Club Inc.
- Quinns Rocks Sports Club
- Tiger Kart Club Inc.
- Vikings Softball Club Inc & The Wanneroo Giants Baseball Club Inc.
- Wanneroo Agricultural Society
- Wanneroo Amateur Football Club Inc, Wanneroo Cricket Club, Wanneroo Junior Cricket Club Inc & Wanneroo Jt Football Club
- Wanneroo BMX Club
- Wanneroo City Soccer Club Inc.
- Wanneroo Districts Cricket Club Inc. & Wanneroo Districts Hockey Association Inc.
- Wanneroo Districts Netball Association
- Wanneroo Districts Rugby Union Football Club Inc.
- Wanneroo Horse & Pony Club
- Wanneroo Racing Pigeon Club
- Wanneroo Shooting Complex Inc.
- Wanneroo Sports & Social Club
- Wanneroo Tennis Club
- Wanneroo Trotting & Training Club Inc.
- Yanchep Golf Club
- Yanchep Sports Club Inc.
- Yanchep Surf Lifesaving Club Inc.
- Youth Futures WA (inc).

The circumstances in which the waiver is granted to sporting clubs is when Council believes financial support is warranted. The objective is improving these clubs financial viability in order to assist with the fostering of good health in the community.

City of Wanneroo

Notes to the Financial Statements for the year ended 30 June 2017

Note 26. Interest Charges and Instalments (2016/17 Financial Year)

\$	Interest Rate %	Admin. Charge	Revenue	Budgeted Revenue
Interest on Unpaid Rates	8.45%	-	1,376,674	929,500
Interest on Instalments Plan	5.50%	-	676,459	620,000
			2,053,133	1,549,500
Charges on Instalment Plan			375,156	379,100
			2,428,289	1,928,600

An interest rate of 8.45% (2016: 8.45%) was charged on all rates, both current and arrears, that remain unpaid after 35 days from the issue date of the rate notice (1 August 2016). Three option plans were available to ratepayers for payment of their rates by instalments.

Option 1 (Full Payment)

Full amount of rates and charges, including arrears, to be paid on or before 35 days from the issue date appearing on the rate notice (5 September 2016).

Option 2 (Two instalments)

First instalment to be received on or before 35 days after the issue date appearing on the rate notice, including all arrears and half of the current rates and service charges (5 September 2016). The second and final instalment becomes due and payable 63 days after the due date of the first instalment (7 November 2016).

Option 3 (Four instalments)

First instalment to be received on or before 35 days after the issue date appearing on the rate notice, including all arrears and a quarter of the current rates and service charges (5 September 2016). The second, third and fourth instalments are to be made at 63 day intervals, thereafter (7 November 2016, 9 January 2017 and 13 March 2017).

Cost of the instalment Options

The cost of the instalment options will comprise simple interest of 5.5% (2016: 5.5%) per annum, calculated from the date of the first instalment is due and payable, together with an administration fee of \$5.00 (2016: \$5.00) for each instalment, excluding the first.

Special Arrangements and Late Payment Penalty

In addition to the late payment interest of 8.45%, an administration fee of \$25.00 (2016: \$25.00) per assessment is charged to any ratepayers wishing to enter into special payment agreements with the City.

City of Wanneroo

Notes to the Financial Statements

for the year ended 30 June 2017

Note 27. Fees & Charges

	2017	2017	2016
\$	Actual	Budget	Actual
Governance	21,391	29,408	28,112
General Purpose Funding	485,178	548,900	493,275
Law, Order, Public Safety	758,032	929,000	809,800
Health	432,935	319,860	309,593
Education and Welfare	339,668	375,282	362,581
Community Amenities	3,383,458	6,095,907	4,623,309
Recreation and Culture	7,113,483	7,547,598	7,315,292
Transport	1,042,439	1,010,000	960,638
Economic Services	2,411,383	2,902,000	2,878,392
Other Property and Services	5,951	6,003	5,921
	15,993,918	19,763,958	17,786,913

Note 28. Grants, Subsidies & Contributions

	2017	2016
\$	Actual	Actual

Grants, subsidies and contributions are included as operating revenues in the Statement of Comprehensive Income:

(a) By Nature & Type

Operating Grants, Subsidies and Contributions	16,575,517	10,324,953
Non-Operating Grants, Subsidies and Contributions	83,706,469	88,709,347
	100,281,986	99,034,300

(b) By Program

Governance	383,579	1,192,381
General Purpose Funding	10,204,805	3,336,040
Law, Order, Public Safety	439,143	487,563
Health	178,790	59,884
Education & Welfare	3,574,109	3,817,472
Community Amenities	87,370	179,389
Recreation & Culture	10,052,313	16,268,012
Transport	75,213,274	72,472,510
Economic Services	4,030	7,916
Other Property & Services	144,573	1,213,133
	100,281,986	99,034,300

City of Wanneroo

Notes to the Financial Statements

for the year ended 30 June 2017

Note 29. Employee Numbers

	2017	2016	2015
\$	Actual	Actual	Actual
The number of full-time equivalent employees at balance date	849	854	853

Note 30. Councillor Remuneration

	2017	2017	2016
\$	Actual	Budget	Actual
The following fees, expenses and allowances were paid to council members and/or the president.			
Meeting Fees	479,137	469,530	478,950
Mayor's Allowance	88,856	88,864	87,550
Deputy Mayor's Allowance	22,214	22,216	21,887
Travelling & Other Expenses	13,129	132,105	18,296
Telecommunications Allowance	52,500	52,500	52,500
	655,836	765,215	659,183

Note 31. Employee Costs

	2017	2016
\$	Actual	Actual
Wages and Salaries	63,331,629	60,386,890
Superannuation	6,806,213	6,572,538
Fringe Benefits Tax	344,820	460,920
Conference and Training	579,474	585,069
Workers' Compensation Insurance	1,991,746	2,430,446
External Labour Hire	3,276,527	2,756,042
Protective Clothing & Uniforms	236,676	334,754
Staff Amenities (Milk/Tea/Coffee)	48,449	49,159
Vehicle Usage Reimbursements	18,075	23,560
Total Employee Costs	76,633,609	73,599,378
less: Capitalised Costs	(3,941,247)	(3,770,405)
	72,692,362	69,828,973

City of Wanneroo

Notes to the Financial Statements

for the year ended 30 June 2017

Note 32. Related Party Transactions

	2017
\$	Actual

Key Management Personnel (KMP) Compensation Disclosures

The total of remuneration paid to KMP of the City during the year are as follows:

Short-term employee benefits	1,504,743
Post-employment benefits	162,771
Other long-term benefits	34,716
	<u><u>1,702,230</u></u>

Short-term employee benefits

These amounts include all salary, paid leave, fringe benefits and cash bonuses awarded to KMP. Details in respect to fees and benefits paid to elected members may be found at Note 30.

Post-employee benefits

These amounts are the current-year's estimated cost of providing the City's superannuation contributions made during the year.

Other long-term benefits

These amounts represent long service benefits accruing during the year.

Related Party

The City's main related parties are as follows:

(a) Key Management Personnel

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any elected member, are considered key management personnel.

(b) Entities subject to significant influence by the City

An entity that has the power to participate in the financial and operating policy decisions of an entity but does not have control over those policies, is an entity which holds significant influence. Significant influence may be gained by share ownership, statute or agreement.

(c) Joint Venture Agreement accounted for under the equity method

The City has one sixth interest in two regional councils. These interest are accounted for in these financial statements using the equity method of accounting. Refer to Note 17 for details of these interests.

City of Wanneroo

Notes to the Financial Statements

for the year ended 30 June 2017

Note 32. Related Party Transactions (continued)

	2017
\$	Actual

Transactions with related parties

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

The following transactions occurred with related parties:

Associated companies/individuals:

Sale of goods and services	53,736
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Post-employment benefits	-
--------------------------	---

Joint venture entities:

Distributions received from joint venture entities	-
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Amounts outstanding from related parties:

Trade and other receivables	4,567
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Loans to associated entities	-
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Loans to key management personnel	-
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Amounts payable to related parties:

Trade and other payables	-
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Loans from associated entities	-
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City of Wanneroo

Notes to the Financial Statements for the year ended 30 June 2017

Note 33. Major Land Transactions

(a) Town Planning Schemes

The City's major land transactions incorporated in the 2016/2017 Financial Report relate to its role in Town Planning and Regional Development. In addition to its involvement with the Cities of Perth, Stirling and Joondalup and the Towns of Cambridge, Vincent and Victoria Park with Lot 17 Mindarie, the City has Town Planning Schemes and Development Areas in Operation:

Development Area	Locality
- Town Planning Scheme No 5 - Landsdale	- Landsdale
- East Wanneroo Development Area Cells 1-9	- East Wanneroo
- Berkley Road Local Structure Plan	- Marangaroo/Alexander Heights
- Neerabup Development	- Neerabup

The Development Contribution Plans for Yanchep/Two Rocks Community Facilities and Alkimos/Eglington Community Facilities are not disclosed in this note but they are disclosed in Note 36.

(i) Town Planning Scheme No 5 - Landsdale

An industrial zone guided development which was gazetted in June 1973. The total area of the scheme is approximately 100 hectares (ha). The western sectors comprising 47 ha is identified as Stage 1 and it was fully subdivided and developed in accordance with the scheme map several years ago.

The eastern sector of 53 ha known as Stage 2 is either low lying land comprising 2 ha parcels along Gngangara Road or an operating sand pit on two larger lots. Subdivision and development of this sector is entirely at the discretion of the individual land owners. It appears unlikely that there will be any subdivision or development undertaken in this sector in the short term.

	2017 Actual	2017 Budget	2016 Actual
\$			
Operating Income			
Interest on Investments	19,378	21,286	20,224
	19,378	21,286	20,224
Net Result	19,378	21,286	20,224

City of Wanneroo

Notes to the Financial Statements

for the year ended 30 June 2017

Note 33. Major Land Transactions (continued)

	2017 Actual	2017 Budget	2016 Actual
\$			
(i) Town Planning Scheme No 5 - Landsdale (continued)			
Financial Position			
ASSETS			
Current Assets			
Cash and Cash Equivalent Assets	697,132	695,834	677,754
Total Current Assets	697,132	695,834	677,754
TOTAL ASSETS	697,132	695,834	677,754
Net Assets	697,132	695,834	677,754
EQUITY			
Accumulated Surplus	697,132	695,834	677,754
Total Equity	697,132	695,834	677,754

East Wanneroo Development Area - Cells 1 - 9

The East Wanneroo Cells 1-9 provide for the development of the area generally east of Wanneroo Road between Hepburn Avenue and Flynn Drive. It will provide for residential, industrial and commercial subdivision/development to complement existing pockets of those land uses within the scheme area.

The area consists of 10 cells, which provide for regional infrastructure including public open space and regional roads. The format, structure and funding aspects are subject to ongoing review. The costing mechanisms are yet to be finalised for Cell 9.

(ii) East Wanneroo Development Area - Cell 1

	2017 Actual	2017 Budget	2016 Actual
\$			
Operating Income			
Headworks Levy	259,549	1,110,929	-
Interest on Investments	802,916	878,012	833,851
	1,062,465	1,988,941	833,851
Operating Expense			
Advertising	-	(100)	(325)
Compensation Payments - Public Open Space	-	(1,317,000)	-
Consulting Fees	(44,170)	(2,000)	-
Legal Fees	(1,202)	-	(936)
Administration Allocation	(193,000)	(25,000)	(22,965)
Audit Fees	(2,560)	-	-
	(240,932)	(1,344,100)	(24,226)
Net Result	821,533	644,841	809,625

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City of Wanneroo

Notes to the Financial Statements

for the year ended 30 June 2017

Note 33. Major Land Transactions (continued)

	2017	2017	2016
\$	Actual	Budget	Actual

(ii) East Wanneroo Development Area - Cell 1 (continued)

Financial Position

ASSETS

Current Assets

Cash and Cash Equivalent Assets

Total Current Assets

TOTAL ASSETS

LIABILITIES

Nil

Net Assets

EQUITY

Accumulated Surplus

Total Equity

	2017	2017	2016
\$	Actual	Budget	Actual

Operating Income

Headworks Levy

Interest on Investments

Operating Expense

Advertising

Construction Costs

Compensation Payments - Public Open Space

Consulting Fees

Legal Fees

Valuation Fees

Administration Allocation

Net Result

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City of Wanneroo

Notes to the Financial Statements

for the year ended 30 June 2017

Note 33. Major Land Transactions (continued)

	2017 Actual	2017 Budget	2016 Actual
\$			
(iii) East Wanneroo Development Area - Cell 2 (continued)			
Financial Position			
ASSETS			
Current Assets			
Cash and Cash Equivalent Assets	8,550,648	8,439,035	6,640,548
Total Current Assets	8,550,648	8,439,035	6,640,548
TOTAL ASSETS	8,550,648	8,439,035	6,640,548
LIABILITIES			
Nil			
Net Assets	8,550,648	8,439,035	6,640,548
EQUITY			
Accumulated Surplus	8,550,648	8,439,035	6,640,548
Total Equity	8,550,648	8,439,035	6,640,548
(iv) East Wanneroo Development Area - Cell 3			
	2017 Actual	2017 Budget	2016 Actual
\$			
Operating Income			
Interest on Investments	41,930	46,185	43,844
	41,930	46,185	43,844
Operating Expense			
Advertising	-	(100)	(325)
Consulting Fees	(1,500)	(2,000)	-
Legal Fees	(1,202)	-	(936)
Administration Allocation	(48,672)	(20,000)	(1,767)
	(51,374)	(22,100)	(3,028)
Net Result	(9,444)	24,085	40,816

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City of Wanneroo

Notes to the Financial Statements

for the year ended 30 June 2017

Note 33. Major Land Transactions (continued)

	2017	2017	2016
\$	Actual	Budget	Actual

(iv) East Wanneroo Development Area - Cell 3 (continued)

Financial Position

ASSETS

Current Assets

Cash and Cash Equivalent Assets	1,456,433	1,471,823	1,465,877
Total Current Assets	1,456,433	1,471,823	1,465,877

TOTAL ASSETS	1,456,433	1,471,823	1,465,877
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LIABILITIES

Nil

Net Assets	1,456,433	1,471,823	1,465,877
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EQUITY

Accumulated Surplus	1,456,433	1,471,823	1,465,877
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Total Equity	1,456,433	1,471,823	1,465,877
--------------	-----------	-----------	-----------

(v) East Wanneroo Development Area - Cell 4

	2017	2017	2016
\$	Actual	Budget	Actual

Operating Income			
Development Headworks Levy	1,492,963	6,998,265	2,751,092
Interest on Investments	423,326	493,802	448,607
	1,916,289	7,492,067	3,199,699

Operating Expense			
Advertising	-	(100)	(325)
Audit Fees	(23,328)	-	-
Compensation Payments - Public Open Space	-	(8,564,600)	-
Construction Costs	(131,324)	(650,000)	(4,522,101)
Consulting Fees	(1,500)	(2,000)	-
Legal Fees	(138,136)	-	(163,954)
Administration Allocation	(106,476)	(25,000)	(12,366)
	(400,764)	(9,241,700)	(4,698,746)

Net Result	1,515,525	(1,749,633)	(1,499,047)
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City of Wanneroo

Notes to the Financial Statements
for the year ended 30 June 2017

Note 33. Major Land Transactions (continued)

	2017	2017	2016
\$	Actual	Budget	Actual

(v) East Wanneroo Development Area - Cell 4 (continued)

Financial Position

ASSETS

Current Assets

Cash and Cash Equivalent Assets

	14,639,018	4,983,324	13,123,491
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Total Current Assets	14,639,018	4,983,324	13,123,491
----------------------	------------	-----------	------------

TOTAL ASSETS	14,639,018	4,983,324	13,123,491
--------------	------------	-----------	------------

LIABILITIES

Nil

Net Assets

14,639,018	4,983,324	13,123,491
------------	-----------	------------

EQUITY

Accumulated Surplus

14,639,018	4,983,324	13,123,491
------------	-----------	------------

Total Equity

14,639,018	4,983,324	13,123,491
------------	-----------	------------

(vi) East Wanneroo Development Area - Cell 5

	2017	2017	2016
\$	Actual	Budget	Actual

Operating Income

Development Headworks Levy

1,714,564	1,576,364	34,429
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Interest on Investments	253,309	343,734	325,760
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1,967,873	1,920,098	360,189
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Operating Expense

Advertising

-	(100)	(325)
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Compensation Payments - Public Open Space	(433,673)	(1,800,000)	(3,585,986)
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Legal Fees	(14,857)	-	(205,239)
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Consulting Fees	-	(2,000)	(119,720)
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Administration Allocation	(63,391)	(20,000)	(12,366)
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(511,921)	(1,822,100)	(3,923,636)
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Net Result

1,455,952	97,998	(3,563,447)
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City of Wanneroo

Notes to the Financial Statements

for the year ended 30 June 2017

Note 33. Major Land Transactions (continued)

	2017 Actual	2017 Budget	2016 Actual
\$			
(vi) East Wanneroo Development Area - Cell 5 (continued)			
Financial Position			
ASSETS			
Current Assets			
Cash and Cash Equivalent Assets	9,153,704	7,056,986	7,703,578
Total Current Assets	9,153,704	7,056,986	7,703,578
TOTAL ASSETS	9,153,704	7,056,986	7,703,578
LIABILITIES			
Current Liabilities			
Trade and Other Payables		-	(5,827)
Total Current Liabilities	-	-	(5,827)
TOTAL LIABILITIES	-	-	(5,827)
Net Assets	9,153,704	7,056,986	7,697,751
EQUITY			
Accumulated Surplus	9,153,704	7,056,986	7,697,751
Total Equity	9,153,704	7,056,986	7,697,751

(vii) East Wanneroo Development Area - Cell 6

	2017 Actual	2017 Budget	2016 Actual
\$			
Operating Income			
Development Headworks Levy	1,399,820	1,480,720	1,709,691
Interest on Investments	783,945	852,247	811,355
	2,183,765	2,332,967	2,521,046
Operating Expense			
Advertising	-	(100)	(326)
Legal Fees	(1,202)	-	(936)
Contract Expenses	-	-	(8,890)
Construction Costs	(4,279)	(15,000)	(10,000)
Consulting Fees	(3,361)	(6,000)	-
Compensation Payments - Road Reserves	(536,250)	-	(248,706)
Compensation Payments - Sump Land	-	(2,000,000)	-
Administration Allocation	(69,635)	(22,000)	(14,132)
Compensation Payments - Public Open Space	(1,739,159)	-	(819,340)
	(2,353,886)	(2,043,100)	(1,102,330)
Net Result	(170,121)	289,867	1,418,716

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City of Wanneroo

Notes to the Financial Statements

for the year ended 30 June 2017

Note 33. Major Land Transactions (continued)

	2017	2017	2016
\$	Actual	Budget	Actual

(vii) East Wanneroo Development Area - Cell 6 (continued)

Financial Position

ASSETS

Current Assets

Cash and Cash Equivalent Assets

27,105,660	27,286,048	27,275,780
------------	------------	------------

Total Current Assets

27,105,660	27,286,048	27,275,780
------------	------------	------------

TOTAL ASSETS

27,105,660	27,286,048	27,275,780
------------	------------	------------

LIABILITIES

Nil

Net Assets

27,105,660	27,286,048	27,275,780
------------	------------	------------

EQUITY

Accumulated Surplus

27,105,660	27,286,048	27,275,780
------------	------------	------------

Total Equity

27,105,660	27,286,048	27,275,780
------------	------------	------------

(viii) East Wanneroo Development Area - Cell 7

	2017	2017	2016
\$	Actual	Budget	Actual

Operating Income

Development Headworks Levy

-	526,000	223,221
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Interest on Investments

122,813	152,300	146,071
---------	---------	---------

122,813	678,300	369,292
---------	---------	---------

Operating Expense

Advertising

-	(100)	(325)
---	-------	-------

Compensation Payments - Road Reserves

-	(2,000,000)	-
---	-------------	---

Legal Fees

(3,231)	-	(936)
---------	---	-------

Construction Costs

-	(15,000)	(10,000)
---	----------	----------

Contract Expenses

(1,745,905)	-	(9,047)
-------------	---	---------

Consulting Fees

(7,835)	(6,000)	-
---------	---------	---

Administration Allocation

(109,916)	(25,000)	(14,132)
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(1,866,887)	(2,046,100)	(34,440)
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Net Result

(1,744,074)	(1,367,800)	334,852
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Financial Statements 2017

City of Wanneroo

Notes to the Financial Statements

for the year ended 30 June 2017

Note 33. Major Land Transactions (continued)

	2017	2017	2016
\$	Actual	Budget	Actual

(viii) East Wanneroo Development Area - Cell 7 (continued)

Financial Position

ASSETS

Current Assets

Cash and Cash Equivalent Assets

Total Current Assets

TOTAL ASSETS

3,220,127	2,097,884	4,964,201
3,220,127	2,097,884	4,964,201
3,220,127	2,097,884	4,964,201

LIABILITIES

Nil

Net Assets

3,220,127	2,097,884	4,964,201
-----------	-----------	-----------

EQUITY

Accumulated Surplus

Total Equity

3,220,127	2,097,884	4,964,201
-----------	-----------	-----------

(ix) East Wanneroo Development Area - Cell 8

	2017	2017	2016
\$	Actual	Budget	Actual
Operating Income			
Development Headworks Levy	653,990	488,800	170,248
Interest on Investments	101,792	102,195	97,141
	755,782	590,995	267,389
Operating Expense			
Construction Costs	(39,886)	(50,000)	-
Advertising	-	-	(325)
Compensation Payments - Road Reserves	(36,022)	(1,820,000)	-
Legal Fees	(14,857)	-	(202,337)
Consulting Fees	-	(2,000)	(125,515)
Administration Allocation	(96,125)	(25,000)	(22,965)
	(186,890)	(1,897,000)	(351,142)
Net Result	568,892	(1,306,005)	(83,753)

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Financial Statements 2017

City of Wanneroo

Notes to the Financial Statements

for the year ended 30 June 2017

Note 33. Major Land Transactions (continued)

	2017 Actual	2017 Budget	2016 Actual
\$			
(ix) East Wanneroo Development Area - Cell 8 (continued)			
Financial Position			
ASSETS			
Current Assets			
Cash and Cash Equivalent Assets	3,619,671	2,957,470	3,056,608
Total Current Assets	3,619,671	2,957,470	3,056,608
TOTAL ASSETS	3,619,671	2,957,470	3,056,608
LIABILITIES			
Current Liabilities			
Trade and Other Payables	-	-	(5,828)
Total Current Liabilities	-	-	(5,828)
TOTAL LIABILITIES	-	-	(5,828)
Net Assets	3,619,671	2,957,470	3,050,780
EQUITY			
Accumulated Surplus	3,619,671	2,957,470	3,050,780
Total Equity	3,619,671	2,957,470	3,050,780

(x) East Wanneroo Development Area - Cell 9

	2017 Actual	2017 Budget	2016 Actual
\$			
Operating Income			
Development Headworks Levy	1,384,815	4,861,950	7,860,426
Interest on Investments	511,081	643,198	596,106
	1,895,896	5,505,148	8,456,532
Operating Expense			
Advertising	-	(100)	-
Legal Fees	(13,278)	-	-
Consulting Fees	(864,276)	(2,000)	-
Construction Costs	-	-	(964,655)
Compensation Payments - Public Open Space	(697,915)	(865,000)	(7,691,002)
Compensation Payments - Road Reserves	(532,418)	-	(370,739)
Administration Allocation	(96,202)	(25,000)	(26,498)
Reimbursement Expenses - Other	(346,314)	-	(1,051,641)
	(2,550,403)	(892,100)	(10,104,535)
Net Result	(654,507)	4,613,048	(1,648,003)

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Financial Statements 2017

City of Wanneroo

Notes to the Financial Statements

for the year ended 30 June 2017

Note 33. Major Land Transactions (continued)

	2017 Actual	2017 Budget	2016 Actual
\$			
(x) East Wanneroo Development Area - Cell 9 (continue)			
Financial Position			
ASSETS			
Current Assets			
Cash and Cash Equivalent Assets	18,351,969	20,544,539	17,709,900
Total Current Assets	18,351,969	20,544,539	17,709,900
TOTAL ASSETS	18,351,969	20,544,539	17,709,900
LIABILITIES			
Current Liabilities			
Trade and Other Payables	(1,296,576)	-	-
Total Current Liabilities	(1,296,576)	-	-
TOTAL LIABILITIES	(1,296,576)	-	-
Net Assets	17,055,393	20,544,539	17,709,900
EQUITY			
Accumulated Surplus	17,055,393	20,544,539	17,709,900
Total Equity	17,055,393	20,544,539	17,709,900

(xi) Berkley Road Local Structure Plan

The Berkley Road Local Structure Plan rationalises the drainage sumps, road system and open space requirements for the residential development of the area. All subdividing landowners in the area pay a development headworks levy to the City and those funds are used to compensate those owners who actually provide the drainage, regional road and open space sites.

	2017 Actual	2017 Budget	2016 Actual
\$			
Operating Income			
Interest on Investments	79,763	91,608	85,960
	79,763	91,608	85,960
Operating Expense			
Compensation Payments - Road Reserves	-	-	(207,092)
Administration Allocation	(166)	-	-
	(166)	-	(207,092)
Net Result	79,597	91,608	(121,132)

City of Wanneroo

Notes to the Financial Statements
for the year ended 30 June 2017

Note 33. Major Land Transactions (continued)

	2017 Actual	2017 Budget	2016 Actual
\$			
(xi) Berkley Road Local Structure Plan (continued)			
Financial Position			
ASSETS			
Current Assets			
Cash and Cash Equivalent Assets	2,867,903	2,857,844	2,788,306
Total Current Assets	2,867,903	2,857,844	2,788,306
TOTAL ASSETS	2,867,903	2,857,844	2,788,306
LIABILITIES			
Nil			
Net Assets	2,867,903	2,857,844	2,788,306
EQUITY			
Accumulated Surplus	2,867,903	2,857,844	2,788,306
Total Equity	2,867,903	2,857,844	2,788,306

(xii) Neerabup Industrial Area Structure Plan

The Neerabup Industrial Area Structure Plan No 17 is designed to provide for the industrial development contained within an area bounded by Wanneroo Road, Flynn Drive, Old Yanchep Road and Wattle Avenue. This industrial area will be a major employment centre for the North West residential corridor.

The format, structure and environmental aspects are being finalised for the ongoing development of the area. All landowners in the area will pay an infrastructure development contribution to the City for the provision of the shared infrastructure to service the industrial area.

The Neerabup Industrial Area Structure Plan has no operating transaction either in financial year 2015/2016 or 2016/2017.

City of Wanneroo

Notes to the Financial Statements

for the year ended 30 June 2017

Note 33. Major Land Transactions (continued)

	2017 Actual	2017 Budget	2016 Actual
\$			
(xii) Neerabup Industrial Area Structure Plan (continued)			
Financial Position			
LIABILITIES			
Trade and Other Payables	(3,448,943)	(3,410,582)	(3,448,943)
Total Current Liabilities	(3,448,943)	(3,410,582)	(3,448,943)
TOTAL LIABILITIES	(3,448,943)	(3,410,582)	(3,448,943)
Net Assets	(3,448,943)	(3,410,582)	(3,448,943)
EQUITY			
Accumulated Surplus	(3,448,943)	(3,410,582)	(3,448,943)
Total Equity/(Deficiency)	(3,448,943)	(3,410,582)	(3,448,943)
Total Equity of Planning/Land Development	113,633,332	102,988,530	109,840,498

(b) The development and subdivision of part Lot 118 Mindarie. (Tamala Park)

The City of Wanneroo, along with the City of Perth, City of Stirling, City of Joondalup and the Town of Cambridge, City of Vincent and Town of Victoria Park is a member of the Tamala Park Regional Council.

The activities on Tamala Park Regional Council centers around the development of part Lot 118 Mindarie. This lot has been developed during the current and previous financial years with the purposes of creating new urban land lots and a new urban community.

The City of Wanneroo will contribute one sixth of any funding required for capital or operating costs and will also be entitled to one sixth of the net revenue from the sale of lots of land.

	2017 Actual	2016 Actual
\$		
Income from Sales	3,322,186	6,423,391
Development Expenses	(2,825,965)	(3,767,111)
Surplus/(Deficit)	496,221	2,656,280

City of Wanneroo

Notes to the Financial Statements for the year ended 30 June 2017

Note 34. Financial Risk Management

\$

Council's activities expose it to a variety of financial risks including price risk, credit risk, liquidity risk and interest rate risk.

The Council's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Council.

Council does not engage in transactions expressed in foreign currencies and is therefore not subject to foreign currency risk.

Financial risk management is carried out by Council's Finance Department under policies approved by the Council.

The City held the following financial instruments at balance date:

		Carrying Value		Fair Value	
	Notes	2017	2016	2017	2016
Financial Assets					
Cash and Cash Equivalents	3	359,431,307	319,626,869	359,431,307	319,626,869
Receivables (Current & Non-Current)	5	21,868,298	22,407,588	21,868,298	22,407,588
		<u>381,299,605</u>	<u>342,034,457</u>	<u>381,299,605</u>	<u>342,034,457</u>
Financial Liabilities					
Payables (Current & Non-Current)	9	28,012,349	24,937,538	28,012,349	24,937,538
Borrowings (Current & Non-Current)	10	66,378,188	60,778,188	66,378,188	60,778,188
		<u>94,390,537</u>	<u>85,715,726</u>	<u>94,390,537</u>	<u>85,715,726</u>

Fair Value is determined as follows:

- **Cash & Cash Equivalents, Receivables, Payables** - are estimated to be the carrying value which approximates market value.

- **Borrowings & Held to Maturity Investments** - are estimated future cash flows discounted by the current market interest rates applicable to assets and liabilities with similar risk profiles.

- Financial Assets classified (i) "**at fair value through profit & loss**" or (ii) **Available for Sale** - based on quoted market prices at the reporting date or independent valuation.

City of Wanneroo

Notes to the Financial Statements

for the year ended 30 June 2017

Note 34. Financial Risk Management (continued)

(a) Cash & Cash Equivalents, Financial Assets "at Fair Value through Profit & Loss", "Available-for-Sale Financial Assets" and "Held-to-Maturity" Investments

Council's objective is to maximise its return on cash and investments, whilst maintaining an adequate level of liquidity and preserving capital.

Council has an Investment Policy which complies with the relevant legislation. The policy is regularly reviewed by Council and an Investment Report is tabled before Council on a monthly basis setting out the make-up and performance of the portfolio.

Cash and investments are also subject to interest rate risk - the risk that movements in interest rates could affect returns and income.

A further risk associated with cash and investments is credit risk - the risk that the investment counterparty will not complete their obligations particular to a financial instrument, resulting in a financial loss to Council - be it of a capital or income nature.

Council manages these risks by diversifying its portfolio and only purchasing investments with high credit ratings or capital guarantees in accordance with investment restrictions prescribed in the Local Government (Financial Management) Regulations 1996.

	30-Jun-17	30-Jun-16
Impact of a 1% ⁽¹⁾ movement in interest rates on cash and investments		
Equity	3,812,996	3,420,345
Statement of Comprehensive Income	3,812,996	3,420,345

Notes:

(1) Sensitivity percentages based on management's expectations of future possible market movements. (Price movements calculated on investments subject to fair value adjustments. Interest rate movements calculated on cash, cash equivalents and managed funds.)

City of Wanneroo

Notes to the Financial Statements

for the year ended 30 June 2017

Note 34. Financial Risk Management (continued)

(b) Receivables

Council's major receivables comprise rates and annual charges and user charges and fees.

The major risk associated with these receivables is credit risk - the risk that debts due and payable to Council may not be repaid.

Council manages this risk by monitoring outstanding debt and employing stringent debt recovery procedures. It also encourages ratepayers to pay their rates by the due date through incentives.

Credit risk on rates and annual charges is minimised by the ability of Council to secure a charge over the land relating to the debts - that is, the land can be sold to recover the debt. Council is also able to charge interest on overdue rates and annual charges, which further encourages the payment of debt.

The level of outstanding receivables is reported to Council monthly and benchmarks are set and monitored for acceptable collection performance.

Council makes suitable provision for doubtful receivables, as required, and carries out credit checks on most non-rate debtors.

There are no material receivables that have been subjected to a re-negotiation of repayment terms.

A profile of Council's current receivables credit risk at balance date follows:

	30-Jun-17 %	30-Jun-16 %
Percentage of Rates and Annual Charges		
Current	0.00%	0.00%
Overdue	100.00%	100.00%
Percentage of Other Receivables		
Current	91.27%	97.94%
Overdue	8.73%	2.06%

City of Wanneroo

Notes to the Financial Statements

for the year ended 30 June 2017

Note 34. Financial Risk Management (continued)

(c) Payables & Borrowings

Payables and Borrowings are both subject to liquidity risk - the risk that insufficient funds may be on hand to meet payment obligations as and when they fall due.

Council manages this risk by monitoring its cash flow requirements and liquidity levels and maintaining an adequate cash buffer.

The contractual undiscounted cash outflows (i.e. principal and interest) of Council's payables and borrowings are set out in the Liquidity Table below:

\$	Due within 1 year	Due between 1 & 5 years	Due after 5 years	Total contractual cash flows	Carrying values
2017					
Payables	28,012,349	-	-	28,012,349	28,012,349
Borrowings	4,166,005	17,538,510	92,613,208	114,317,723	66,378,188
	32,178,354	17,538,510	92,613,208	142,330,072	94,390,537
2016					
Payables	24,937,538	-	-	24,937,538	24,937,538
Borrowings	4,114,683	16,458,733	87,523,630	108,097,046	60,778,188
	29,052,221	16,458,733	87,523,630	133,034,584	85,715,726

Borrowings are also subject to interest rate risk - the risk that movements in interest rates could adversely affect funding costs & debt servicing requirements. Council manages this risk by borrowing long term and fixing the interest rate on a basis that is most suitable for the circumstance. Council Officers regularly review interest rate movements to determine if it would be advantageous to refinance or renegotiate part, or all, of the loan portfolio.

The following interest rates were applicable to the Council's Borrowings at balance date:

	30-Jun-17		30-Jun-16	
	Weighted average interest rate %	Balance \$	Weighted average interest rate %	Balance \$
Bank Loans - Fixed	6.77%	60,778,188	6.77%	60,778,188
Bank Loans - Variable	3.29%	5,600,000	-	-
		66,378,188		60,778,188

Notes:

1. The interest rate risk applicable to variable rate bank loan is not considered significant.
2. Inclusive of 0.7% (Government Guarantee Fee) in the fixed interest rate of 6.77%.

City of Wanneroo

Notes to the Financial Statements

for the year ended 30 June 2017

Note 35. Fair Value Measurements

\$

The Council measures the following asset and liability classes at fair value on a recurring basis:

- Infrastructure, Property, Plant and Equipment
- Financial Assets & Liabilities

The fair value of assets and liabilities must be estimated in accordance with various Accounting Standards for either recognition and measurement requirements or for disclosure purposes.

AASB 13 Fair Value Measurement requires all assets and liabilities measured at fair value to be assigned to a "level" in the fair value hierarchy as follows:

Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

(1) The following table presents all assets and liabilities that have been measured and recognised at fair values:

2017	Fair Value Measurement using:				Total
	Level 1	Level 2	Level 3		
	Date of latest Valuation	Quoted prices in active mkts	Significant observable inputs	Significant unobservable inputs	
Property, Plant & Equipment					
- Land	30/06/15	-	331,318,082	-	331,318,082
- Buildings	30/06/15	-	-	163,570,386	163,570,386
- Furniture and Equipment	30/06/15	-	-	5,109,671	5,109,671
- Plant and Equipment	30/06/16	-	19,187,014	-	19,187,014
Total Property, Plant & Equipment		-	350,505,096	168,680,057	519,185,153
Infrastructure					
- Reserves	30/06/17	-	-	194,698,376	194,698,376
- Roads	30/06/17	-	-	1,121,814,763	1,121,814,763
- Pathways	30/06/17	-	-	135,514,683	135,514,683
- Car Parking	30/06/17	-	-	42,021,070	42,021,070
- Drainage	30/06/17	-	-	372,823,358	372,823,358
- Other Infrastructure	30/06/17	-	-	59,965,094	59,965,094
Total Infrastructure		-	-	1,926,837,344	1,926,837,344

City of Wanneroo

Notes to the Financial Statements for the year ended 30 June 2017

Note 35. Fair Value Measurements (continued)

(3) Valuation Techniques used to derive Level 2 and Level 3 Fair Values

Where Council is unable to derive fair valuations using quoted market prices of identical assets (i.e. Level 1 inputs), Council instead utilises a spread of both observable inputs (Level 2 inputs) and unobservable inputs (Level 3 inputs).

The fair valuation techniques Council has employed while utilising Level 2 and Level 3 inputs are as follows:

Property, Plant & Equipment

Land

The City's land was valued by independent valuers. Except in the circumstance of any assets being held for sale (valued in accordance with *AASB 5 Assets Held for Sale*) or in accordance with specific accounting standards (such as Investment Properties) the balance of the portfolio is valued in accordance with *AASB 116 Property Plant and Equipment* at fair value.

Depending upon the unique circumstances of each lot, land has been valued using a range of approaches. Where there is an active market the 'market approach' has been adopted. If its value is primarily dependent on its income generating capability the income approach was used. For other types of land the 'cost approach' was adopted. Details of each approach are detailed below.

Level 2 Valuation Inputs

Market (Direct Comparison) – This has been applied to land held in freehold title and has been assessed on the basis of the estimated amount which the interest in each property being valued might reasonably be expected to realise on the date of valuation in an exchange between market participants given highest and best use or highest and best alternative use. This was determined by comparison to recent sales of land with similar characteristics. This was then adjusted to reflect condition and comparability. As this was based on observable evidence they have been classified as Level 2.

Cost (Direct Comparison) - The valuation of some restricted or otherwise non-saleable land has been valued using the cost approach. This approach was used where, assuming if City of Wanneroo Council need to purchase the land or acquire additional land from an adjoining neighbour, the value of that land could be determined based on known zoning and town planning restrictions. This was determined by comparison to recent sales of land with similar characteristics. This was then adjusted to reflect condition and comparability. As this was based on observable evidence they have been classified as Level 2.

City of Wanneroo

Notes to the Financial Statements

for the year ended 30 June 2017

Note 35. Fair Value Measurements (continued)

(3) Valuation Techniques used to derive Level 2 and Level 3 Fair Values (continued)

Level 3 Valuation Inputs

Cost (Hypothetical Analysis) – These were determining the cost approach. However the determination of the replacement cost involved detailed analysis of a hypothetical highest alternative land use. Typically this included estimating the number of potential residential or commercial lots that could be developed on the site. These are observable based on existing Town Planning rules and have been classified as Level 2. The third input is the developer's interest which effectively is the rate of return the developer requires based on the existing market conditions. This requires the valuers to exercise professional judgement and accordingly has been classified as level 3.

Cost (Complex Analysis) – These relate to land which is unique and requires consideration of a range of alternative uses that could be used to maximise the value. Typically these include sites which would enable subdivision into lots with different zonings and uses. They require the extensive exercise of professional judgement and require determination of a range of assumptions.

Buildings

The City's buildings were valued by independent valuers. The valuation of buildings, structural improvements and site services includes those items that form part of the building services installation (e.g. heating, cooling and climate control equipment, lifts, escalators, fire alarms, sprinklers and fire fighting equipment, and general lighting etc).

Excluded from this report are all items of plant, machinery, equipment, cranes, tools, furniture or chattels.

Level 3 Valuation Inputs

Cost (Depreciated) – These buildings were valued using the cost approach using professionally qualified Registered Valuers.

Under this approach, the cost to replace the asset is calculated and then adjusted to take account of an accumulated depreciation. The Valuer disaggregated the building into different components and for each component determined a value based on the inter-relationship between a range of factors. These include asset condition, legal and commercial obsolescence and the determination of key depreciation related assumptions such as residual value and the pattern of consumption of the future economic benefit.

City of Wanneroo

Notes to the Financial Statements for the year ended 30 June 2017

Note 35. Fair Value Measurements (continued)

(3) Valuation Techniques used to derive Level 2 and Level 3 Fair Values (continued)

Plant and Equipment

The City's plant and equipment was valued by Management as at 30 June 2016. Subsequent to the 2016 revaluation the assets are reviewed to ensure that the carry amount does not vary significantly from that determination using fair value at the reporting date.

Valuations were undertaken utilising in-house professional staff, referencing market conditions, and the availability of sales evidence.

Level 2 valuation inputs have been applied having regard to the condition and the useful life of the asset class.

Furniture and Equipment

It was deemed by Management that no material variance exists between the fair value of furniture and equipment using Level 3 inputs and the carrying cost of this class. It is considered that the value disclosed is fairly stated.

Infrastructure

All the City's infrastructure has been valued at fair value utilising in-house qualified and experienced Asset Management staff.

All of the City's infrastructure assets were valued using a depreciated cost valuation technique. This method used assets current replacement cost less accumulated depreciation calculated on the basis of such cost to reflect potential of the asset was established then adjusted to take into account the expired service potential of the asset.

The current replacement cost was measured by referencing the lowest cost at which the asset could be obtained in the normal course of business.

The total cost values have been calculated using unit cost rate based on current tender and general market rates.

Level 2 and Level 3 valuation inputs have been applied to all infrastructure asset classes. Level 2 inputs being construction cost and current condition and Level 3 inputs being residual values and remaining useful life assessments.

The above techniques and inputs were utilised for all of the following classes:

- Roads
- Drainage
- Pathways
- Car Parks
- Reserves
- Other Infrastructure

City of Wanneroo

Notes to the Financial Statements

for the year ended 30 June 2017

Note 35. Fair Value Measurements (continued)

\$

(4). Fair Value Measurements using Significant Unobservable Inputs (Level 3)

The following tables present the changes in Level 3 fair value asset classes.

	Buildings	Reserves	Roads	Pathways	Total
Closing Balance - 30 June 2016	172,004,594	176,338,953	1,023,114,549	103,528,680	1,474,986,776
Purchases (GBV)	8,744,802	16,359,444	44,207,621	5,245,123	74,556,990
Disposals (WDV)	-	-	-	-	-
Depreciation & Impairment	(3,210,824)	(7,424,368)	(15,268,034)	(2,053,788)	(27,957,014)
Closing Balance - 30 June 2017	177,538,572	185,274,029	1,052,054,136	106,720,015	1,521,586,752

	Furniture & Equipment	Drainage	Car Parking	Other Infrastructure	Total
Closing Balance - 30 June 2016	5,616,617	199,973,017	10,595,454	49,197,249	265,382,337
Purchases (GBV)	2,224,685	5,148,038	480,298	2,727,681	10,580,702
Disposals (WDV)	(5,205)	-	-	-	(5,205)
Depreciation & Impairment	(1,276,317)	(2,676,769)	(420,295)	(3,950,419)	(8,323,800)
Closing Balance - 30 June 2017	6,559,780	202,444,286	10,655,457	47,974,511	267,634,034

* GBV = Gross Book Value
WDV = Witten Down Value

(5) Highest and best use

All of Council's non-financial assets are considered to be utilised for their highest and best use.

City of Wanneroo

Notes to the Financial Statements

for the year ended 30 June 2017

Note 36. Development Contribution Plans

Development Contribution Plans

All Town Planning Schemes are disclosed in Note 33(a). They are: Town Planning Scheme No 5 - Landsdale, East Wanneroo Development Area Cells 1 to 9, Berkley Road Local Structure Plan and Neerabup Development.

(a) Yanchep/Two Rocks Community Facilities

The Yanchep/Two Rocks Development Contribution Plan (YTRDCP) was gazetted on 9 September 2014 to collect contributions from developing landowners in Yanchep and Two Rocks towards the cost of providing district level community facilities. The YTRDCP will ultimately provide for the delivery of three district level facilities over a period of 10 years, including the Yanchep Surf Life Saving Club, Yanchep District Open Space and the Capricorn Coastal node facilities.

\$	2017 Actual	2017 Budget	2016 Actual
Operating Income			
Development Contributions	1,407,697	621,000	356,040
Interest on Investments	37,636	20,000	33,689
	<u>1,445,333</u>	<u>641,000</u>	<u>389,729</u>
Operating Expense			
Advertising Expenses	-	(500)	-
Interest Expenses	(70,208)	-	-
Construction Costs	(6,587,998)	(11,052,386)	-
Consulting Fees	(3,900)	(12,000)	(52,601)
Administration Allocation	(95,046)	(20,000)	(1,194,930)
	<u>(6,757,152)</u>	<u>(11,084,886)</u>	<u>(1,247,531)</u>
Total	<u>(5,311,819)</u>	<u>(10,443,886)</u>	<u>(857,802)</u>
Financial Position			
ASSETS			
Current Assets			
Cash and Cash Equivalent Assets	453,359	409,791	165,179
Total Current Assets	<u>453,359</u>	<u>409,791</u>	<u>165,179</u>
TOTAL ASSETS	<u>453,359</u>	<u>409,791</u>	<u>165,179</u>
LIABILITIES			
Loan	(5,600,000)	-	-
Net Assets	<u>(5,146,641)</u>	<u>409,791</u>	<u>165,179</u>
EQUITY			
Accumulated (Deficit)/Surplus	(5,146,641)	409,791	165,179
Total Equity	<u>(5,146,641)</u>	<u>409,791</u>	<u>165,179</u>

City of Wanneroo

Notes to the Financial Statements

for the year ended 30 June 2017

Note 36. Development Contribution Plans (continued)

(b) Alkimos/Eglinton Community Facilities

The Alkimos/Eglinton Development Contribution Plan (AEDCP) was gazetted on 9 September 2014 to collect contributions from developing landowners in Alkimos and Eglinton towards the cost of providing district level community facilities. The AEDCP will ultimately provide for the delivery of 11 district level facilities over a period of 25 years, including libraries, community centres, indoor recreation facilities, sporting precincts and a surf life saving club.

\$	2017 Actual	2017 Budget	2016 Actual
Operating Income			
Development Contributions	883,159	1,111,000	1,647,514
Interest on Investments	303,624	300,000	274,187
	<u>1,186,783</u>	<u>1,411,000</u>	<u>1,921,701</u>
Operating Expense			
Advertising Expenses	-	(500)	-
Construction Costs	(5,550)	-	
Consulting Fees	-	(12,000)	(72,251)
Administration Allocation	(65,443)	(20,000)	(17,666)
	<u>(70,993)</u>	<u>(32,500)</u>	<u>(89,917)</u>
Total	<u>1,115,790</u>	<u>1,378,500</u>	<u>1,831,784</u>
Financial Position			
ASSETS			
Current Assets			
Cash and Cash Equivalent Assets	11,341,201	11,738,856	10,225,361
Total Current Assets	<u>11,341,201</u>	<u>11,738,856</u>	<u>10,225,361</u>
TOTAL ASSETS	<u>11,341,201</u>	<u>11,738,856</u>	<u>10,225,361</u>
Net Assets	<u>11,341,201</u>	<u>11,738,856</u>	<u>10,225,361</u>
EQUITY			
Accumulated Surplus	11,341,201	11,738,856	10,225,361
Total Equity	<u>11,341,201</u>	<u>11,738,856</u>	<u>10,225,361</u>

City of Wanneroo

Notes to the Financial Statements

for the year ended 30 June 2017

Note 37. Reclassification of Assets

\$

To facilitate the management of the City's labour costs labour service provided by external parties and Project Management Charges Recovered have been reclassified from Material and Contracts to Employee Costs. Developer Contribution Schemes for Alkimos/Eglington and Yanchep/Two Rocks operating expenses and revenue have been reclassified as Town Planning Scheme expenses and revenue to assist in the interpretation of the Financial Report by users. These items were previous classified with several Nature and Type Classifications. Furthermore, Work in Progress has been reviewed and reclassified between Infrastructure and Property Plant and Equipment.

	Amount
Employee Costs and Town Planning Schemes	
Previous Classification	
Interest Earnings	8,437,231
Non-Operating Grants, Subsidies & Contributions	90,719,111
Town Planning Scheme Income (inc Interest)	16,957,469
Employee Costs	(69,864,610)
Materials and Contracts	(42,197,086)
Town Planning Scheme Expenses	(15,012,347)
	<u><u>(10,960,232)</u></u>
Reviewed Classification	
Interest Earnings	8,129,355
Non-Operating Grants, Subsidies & Contributions	88,709,347
Town Planning Scheme Income (inc Interest)	19,275,110
Employee Costs	(69,828,973)
Materials and Contracts	(42,234,148)
Town Planning Scheme Expenses	(15,010,923)
	<u><u>(10,960,232)</u></u>
Work in Progress	
Previous Classification	
Infrastructure Works in Progress	4,083,493
Property Plant and Equipment Works in Progress	2,119,157
	<u><u>6,202,650</u></u>
Reviewed Classification	
Infrastructure Works in Progress	2,243,450
Property Plant and Equipment Works in Progress	3,959,200
	<u><u>6,202,650</u></u>

City of Wanneroo

Notes to the Financial Statements

for the year ended 30 June 2017

Note 38. Events occurring after the Reporting Period

Events that occur between the end of the reporting period (ending 30 June 2017) and the date when the financial statements are "authorised for issue" have been taken into account in preparing these statements.

The date of receipt of the Auditors' Report is the applicable "authorised for issue" date relating to these General Purpose Financial Statements.

Events that occur after the Reporting Period represent one of two types:

(i) Events that provide evidence of conditions that existed at the Reporting Period

These financial statements (and the figures therein) incorporate all "adjusting events" that provided evidence of conditions that existed at 30 June 2017.

(ii) Events that provide evidence of conditions that arose after the Reporting Period

These financial statements (and figures therein) do not incorporate any "non-adjusting events" that have occurred after 30 June 2017 and which are only indicative of conditions that arose after 30 June 2017.

There has not been any material or significant "non-adjusting events" that should be disclosed.



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Independent Auditor's Report to the Rate Payers of City of Wanneroo

Auditor's Opinion

We have audited the financial report of City of Wanneroo, which comprises the statement of financial position as at 30 June 2017, and the statement of comprehensive income by nature or type and statement of comprehensive income by program, statement of changes in equity and statement of cash flows for the year then ended, and comprising notes to the financial statements, including a summary of significant accounting policies and the Chief Executive Officer's statement.

In our opinion, the accompanying financial report of City of Wanneroo:

- a presents fairly, in all material respects, the City of Wanneroo's financial position as at 30 June 2017 and of its performance and cash flows for the year then ended; and
- b complies with Australian Accounting Standards (including the Australian Accounting Interpretations),
- c are prepared in accordance with the requirements of the Local Government Act 1995 Part 6 (as amended) and Regulations under the Act.

Basis for Auditor's Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the City of Wanneroo in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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**Statutory compliance**

I did not, during the course of my audit, become aware of any instance where the Council did not comply with the requirements of the Local Government Act 1995 and Local Government (Financial Management) Regulations 1996 as they apply to financial statements.

Responsibility of the Chief Executive Officer for the Financial Report

The Chief Executive Officer of the City of Wanneroo is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and Local Government Act 1995 Part 6. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

The Council is responsible for overseeing the City of Wanneroo's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at:

http://www.auasb.gov.au/auditors_files/ar3.pdf.

This description forms part of our auditor's report.

A handwritten signature in black ink that reads "Grant Thornton".

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

A handwritten signature in black ink that reads "P. Warr".

P W Warr
Partner - Audit & Assurance

Perth, 28 November 2017

CS02-12/17 Financial Activity Statement for the Period Ended 31 October 2017

File Ref: 25974 – 17/383692
 Responsible Officer: Director Corporate Strategy and Performance
 Disclosure of Interest: Nil
 Attachments: 5

Issue

To consider the Financial Activity Statement for the period ended 31 October 2017.

Background

In accordance with *Local Government Regulations*, the Financial Activity Statement has been prepared in compliance with the following:

1. *Regulation 34(1) of the Local Government (Financial Management) Regulations 1996*, which requires a local government to prepare a statement of financial activity each month, presented according to nature and type, by program, or by business unit. For the 2017/18 financial year the statement of financial activity will be presented by nature and type.
2. *Regulation 34(5) of the Local Government (Financial Management) Regulations 1996*, which requires a local government to adopt a percentage or value, calculated in accordance with Australian Accounting Standards, to be used in statements of financial activity for reporting material variances. For the 2017/18 financial year 10% and a value greater than \$100,000 will be used for the reporting of variances.

Detail

Summary

OVERALL SUMMARY OF CURRENT MONTH FINANCIAL FIGURES

Result from Operations

Description	Current Month				Comments
	Actual \$m	Budget \$m	Variance \$m	Variance %	
Operating Revenue	3.6	3.5	0.1	3.0	The favourable variance relates to Operating Grants income exceeded budgets due to a rebate from insurance schemes. Interest earnings resulted in a positive variance through higher interest penalty income for late payments of rates. Within fees and charges an adverse variance was observed due to lower user entry fee income at various facilities. Rate income was unfavourable due to lower than budgeted interim rates receipts.
Operating Expense	(14.8)	(15.8)	1.1	6.7	The favourable variance is a result of lower employee expenditure through leave utilisation reducing provision balances as well as a reallocation of expenses from employee costs. Depreciation also contributed to the variance due to asset values differing from original projections in the Long Term Financial Plan.
Result from Operations	(11.2)	(12.4)	1.2	9.4	

Capital Program

Description	Month Actual \$m	Annual Budget \$m	% Complete
Expenditure	4.87	85.14	6%

OVERALL COMMENTS ON YEAR-TO-DATE (YTD) FIGURES**Result from Operations**

Description	Year-To-Date				Comments
	Actual \$m	Budget \$m	Variance \$m	Variance %	
Operating Revenue	162.7	163.3	(0.6)	(0.4)	The unfavourable variance relates to lower rates income through lower than anticipated rates receipts, and fees and charges through lower rubbish collection fee income, lower user entry fee income and application licence permit fee activity. These were partially offset by Operating Grants where funding relating to the Girrawheen Hub was received however not anticipated during budget development.
Operating Expense	(55.9)	(63.6)	7.7	12.1	The favourable variance is a result of lower Materials and Contracts expenditure which is attributed by a large amount of service units. However the more significant variances are within Parks and Assets maintenance as a result of lower maintenance requirements from seasonal weather and related conditions. Depreciation also impacted the favourable variance through asset values differing from expectations resulting in reduced cost.
Result from Operations	106.8	99.7	7.1	7.2	

Capital Program Progress

Description	YTD Actual \$m	Annual Budget \$m	% Complete
Expenditure	14.68	85.14	17%

Investment Portfolio Performance

Portfolio Value \$m	YTD Return &	Comments
415.67	2.65%	Balance has increased by \$1.21m from September through rates receipts. Capital works expenditure for October was \$4.9m. Return is 0.89% above benchmark.

**DETAILED ANALYSIS OF STATEMENT OF COMPREHENSIVE INCOME
(ATTACHMENT 1)**

Comments relating to the Statement of Comprehensive Income are provided under the following two sections:

- Current month comparison of actuals to budgets, and
- Year to date and end of year comparison of actuals to budgets.

a) Current Month Comparison of Actuals to Budgets

The below table highlights the operating performance for the current month and identifies variances of actual to budget for each category of Revenue & Expense.

Description	Current Month			
	Actual	Revised Budget	Variance	
	\$	\$	\$	%
Revenues				
Rates	126,883	248,234	(121,351)	(49)
Operating Grants, Subsidies & Contributions	1,259,156	1,106,964	152,192	14
Fees & Charges	1,214,758	1,330,363	(115,605)	(9)
Interest Earnings	890,374	686,236	204,138	30
Other Revenue	66,413	82,349	(15,936)	(19)
Total Operating Revenue	3,557,585	3,454,146	103,439	3
Expenses				
Employee Costs	(5,531,429)	(5,951,148)	419,719	7
Materials & Contracts	(4,726,670)	(4,897,404)	170,734	3
Utility Charges	(818,079)	(781,307)	(36,772)	(5)
Depreciation	(3,281,753)	(3,748,497)	466,744	12
Interest Expenses	(342,016)	(342,890)	874	0
Insurance	(93,882)	(128,681)	34,799	27
Total Operating Expenditure	(14,793,828)	(15,849,927)	1,056,099	7
RESULT FROM OPERATIONS	(11,236,244)	(12,395,781)	1,159,537	9
Other Revenue & Expenses				
Non Operating Grants, Subsidies & Contributions	887,156	1,304,768	(417,612)	(32)
Contributed Physical Assets	0	12,500,000	(12,500,000)	0
Profit on Asset Disposals	332,612	41,667	290,946	698
Loss on Assets Disposals	(80,184)	(41,667)	(38,517)	(92)
Town Planning Scheme Revenues	2,546,063	268,486	2,277,577	848
Town Planning Scheme Expenses	406,588	(28,400)	434,988	1,532
Total Other Revenue and Expenses	4,092,236	14,044,854	(9,952,618)	(71)
NET RESULT	(7,144,008)	1,649,073	(8,793,080)	(533)
Other Comprehensive Income	0	0	0	0
TOTAL COMPREHENSIVE INCOME	(7,144,008)	1,649,073	(8,793,080)	(533)

Total Comprehensive Income

An unfavourable variance of -\$8.8m was observed in October. The larger contributor of the unfavourable variance was Developer Contributed Assets not being recognised in October. Work is still being undertaken by relevant service units to ascertain values for contributed assets to be included in the financial accounts. Town Planning Scheme income however offset some of the unfavourable variance through a receipt relating to lot 25/26 at Rangeview road being received whilst expectations were that funds would be realised in 2021/22. Town Planning Scheme expenses also closed the month favourably mainly as a result of an accrual reversal from prior months for Cell 9 being recognised.

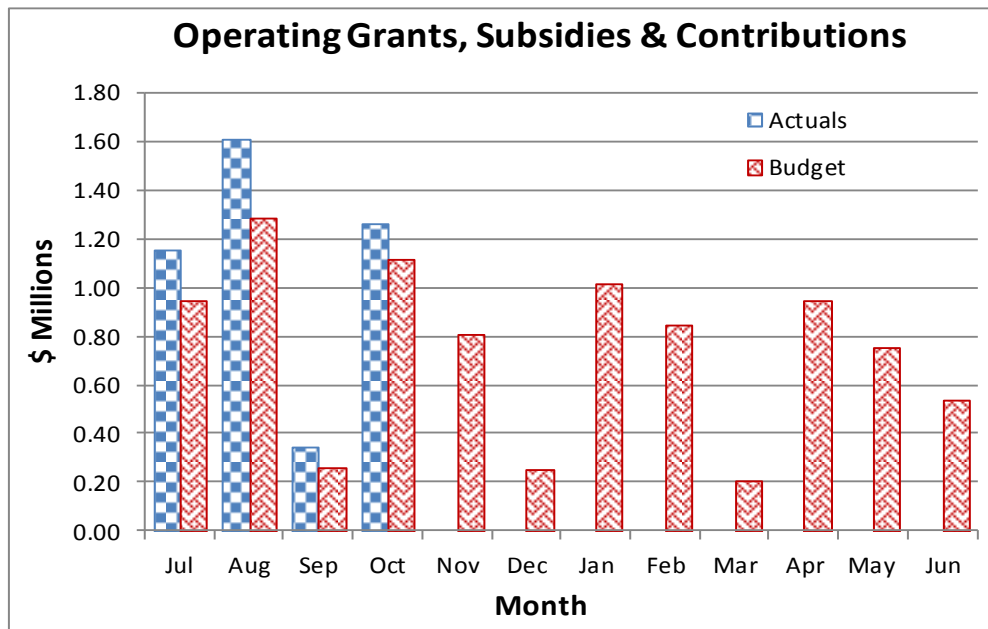
Depreciation resulted in a favourable variance (+\$467K) for the month of October. A large number of plant items have reached their minimum written down values and have not been replaced when compared to the Long Term Financial Plan, and as a consequence are not depreciable. It is noted that the depreciation budget was based on the Long Term Financial Plan.

Employee expenses also presented a favourable outcome for October through higher recognition of utilised annual leave resulting in a reduced provision balance. Additionally in October there was a reclassification of contract labour expenses to Materials and Contracts which also contributed to the favourable variance.

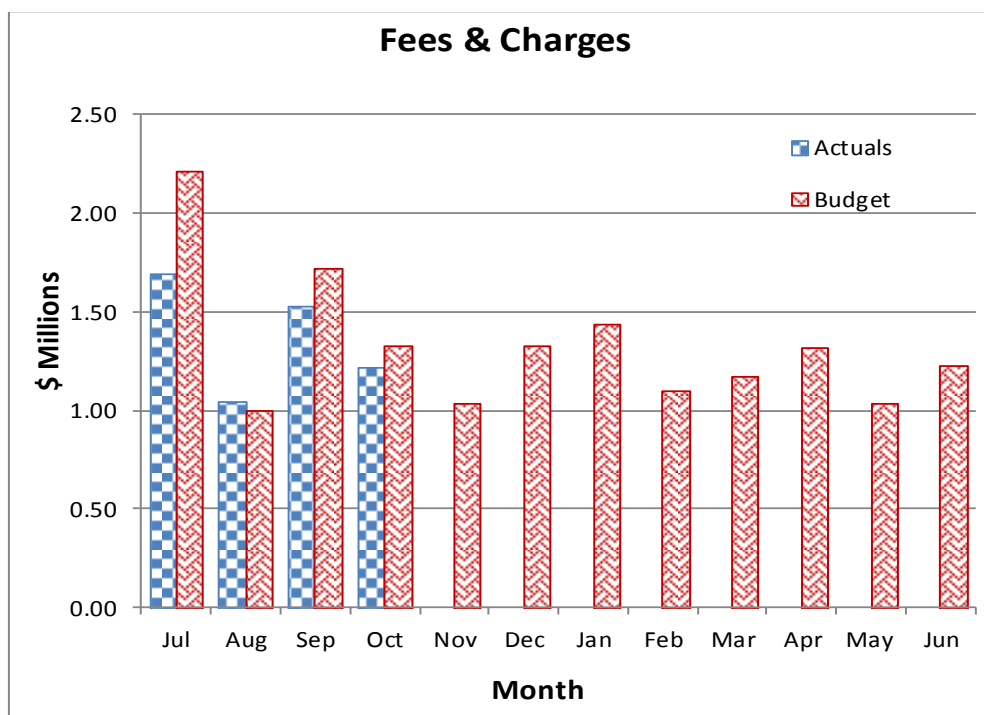
Operating Revenues

The month of October resulted in a favourable variance for Total Operating Revenue of +\$103K. Operating Grants, Subsidies and Contributions presented a favourable variance through the receipt of an insurance rebate from the City's insurance scheme. Interest

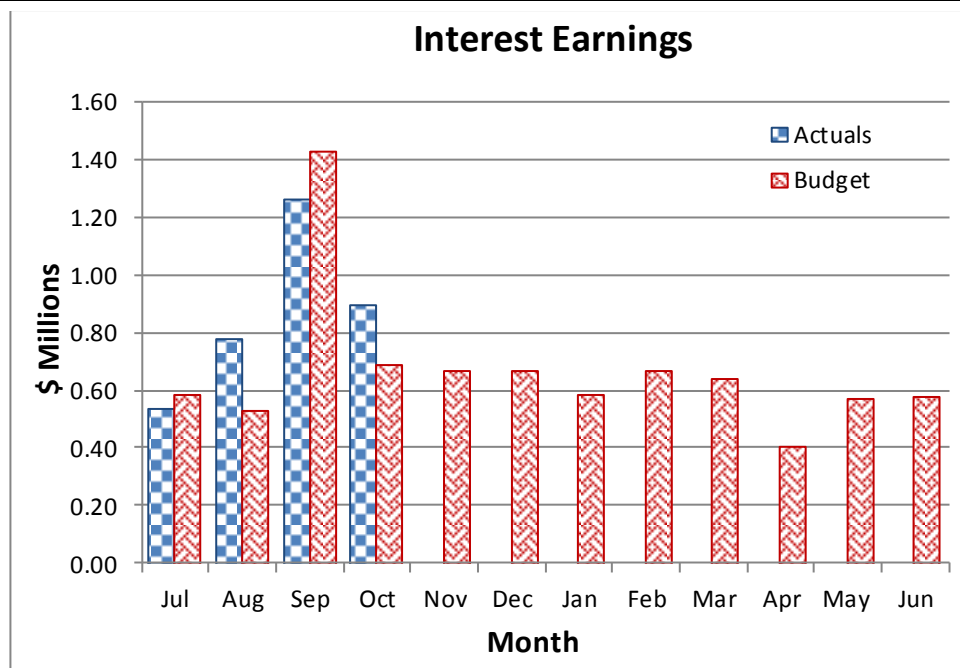
earnings were also higher than budgeted due to higher interest penalty income from late payments of levied rates. Rates income was however lower than expected due to interim rates activity not achieving budget expectations through subdued property market conditions (As lot sales have declined interim rates have also declined as they are directly related on property sales). Fees and charges were below budget due to lower attendance as well as facility hire at various recreational complexes in October.



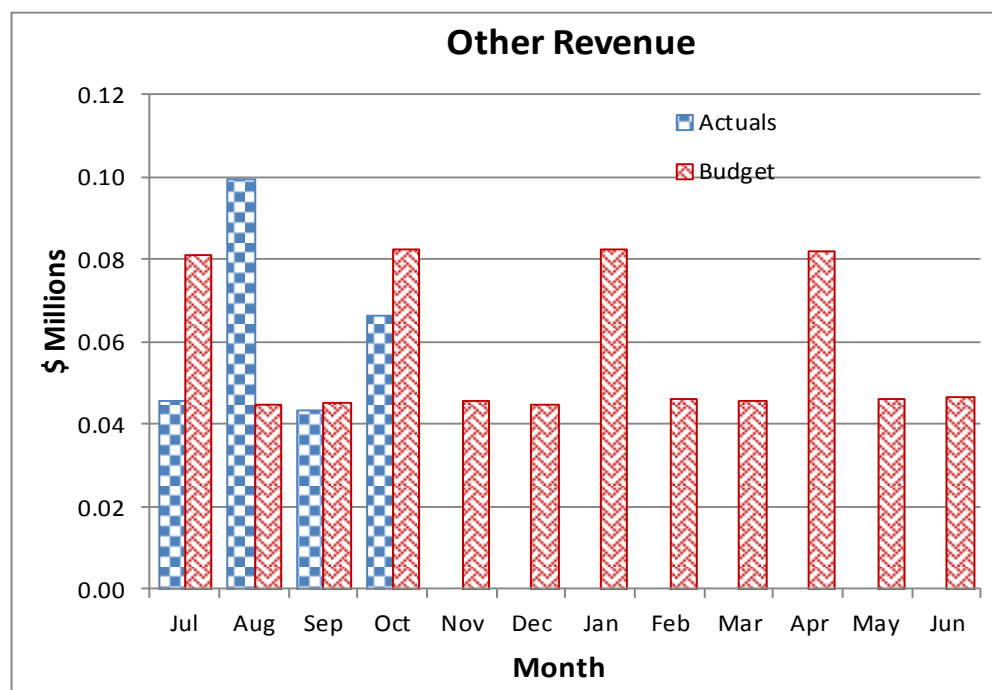
The positive variance for October is due to a credit for insurance scheme rebates being received.



The unfavourable variance of -\$116K relates to lower user entry fee income at Aquamotion as well as lower than expected Green Waste sales. Lower facility booking fees at Aquamotion also contributed to the variance.



The favourable variance in October is a result of penalty interest income relating to over due rates being higher than anticipated.



October resulted in an unfavourable variance predominately from lower abandoned vehicle sales. This income stream has been outsourced on a trial basis and is offset by reduced costs.

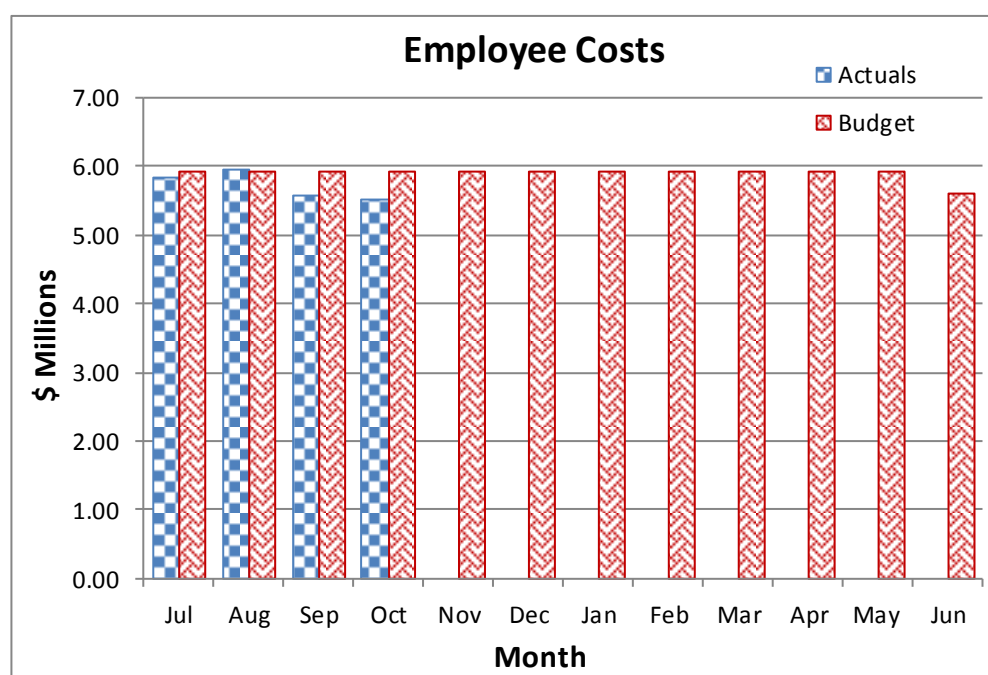
Operating Expenses

The favourable variance for October relates to Employee costs where there has been higher utilisation of annual leave resulting in a reduction to the provision. Additionally in October

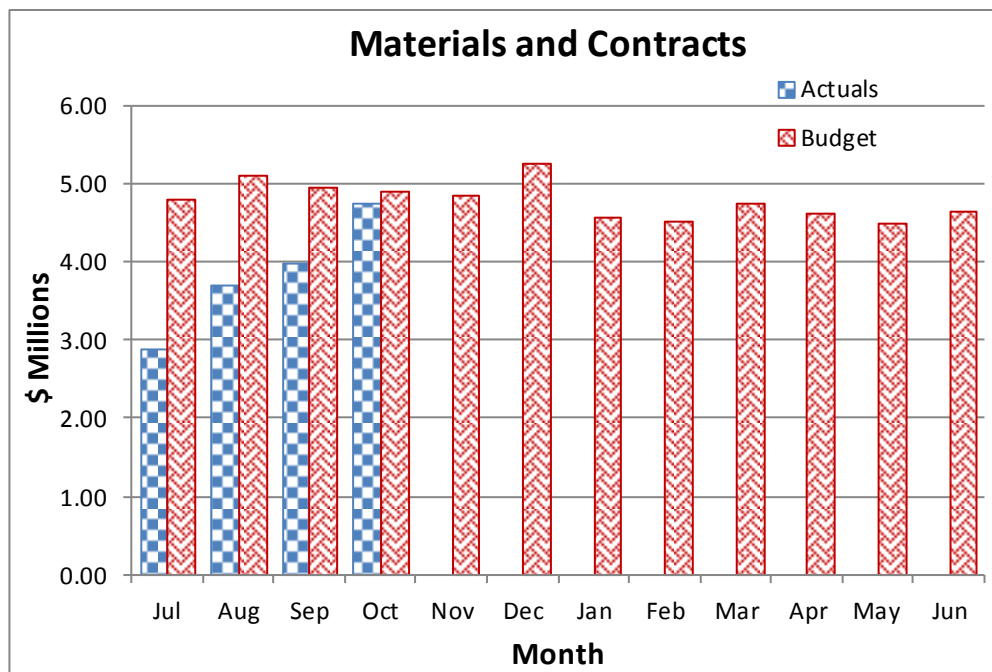
there was a reclassification of contract labour expenses in Employee costs moved to Materials and Contracts (Other contract expenses are classified under Materials and Contracts). These expenses relate to Home and Community Care Programs.

Materials and Contracts resulted in a positive variance through lower postage expenses relating to rates notices being lower in volume for October than anticipated. General material expenses were also lower than anticipated for October however these expenses cover a large amount of service units.

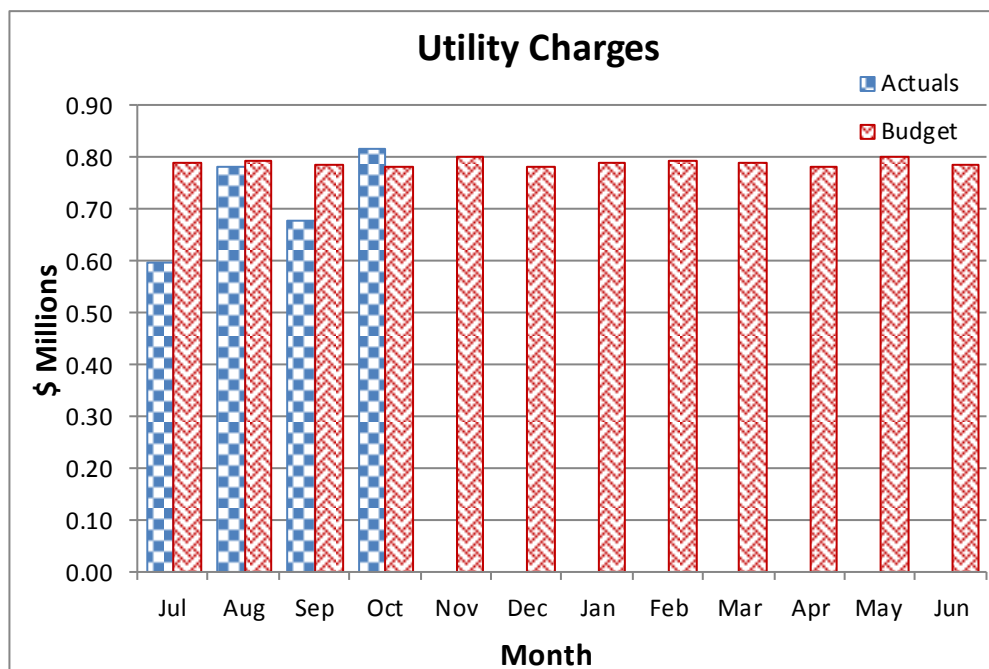
Depreciation expenses also resulted in a favourable variance for October (+\$467K). A large number of plant items have reached their minimum written down values and have not been replaced when compared to the Long Term Financial Plan. A larger portion of infrastructure assets than forecast are not depreciable when also compared with the Long Term Financial Plan. It is noted that the depreciation budget was based on the Long Term Financial Plan.



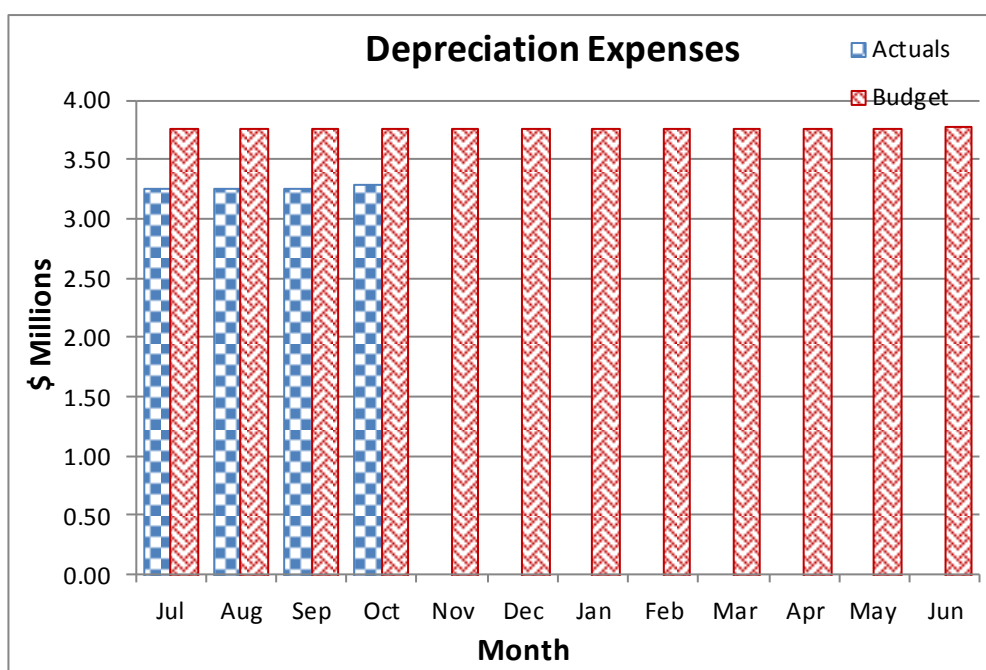
October resulted in a favourable variance of +\$420K through utilised leave resulting in a reduced provision balance for the month as well as a reclassification of expenses not relating to employee costs (Detailed in the Operating Expenses summary).



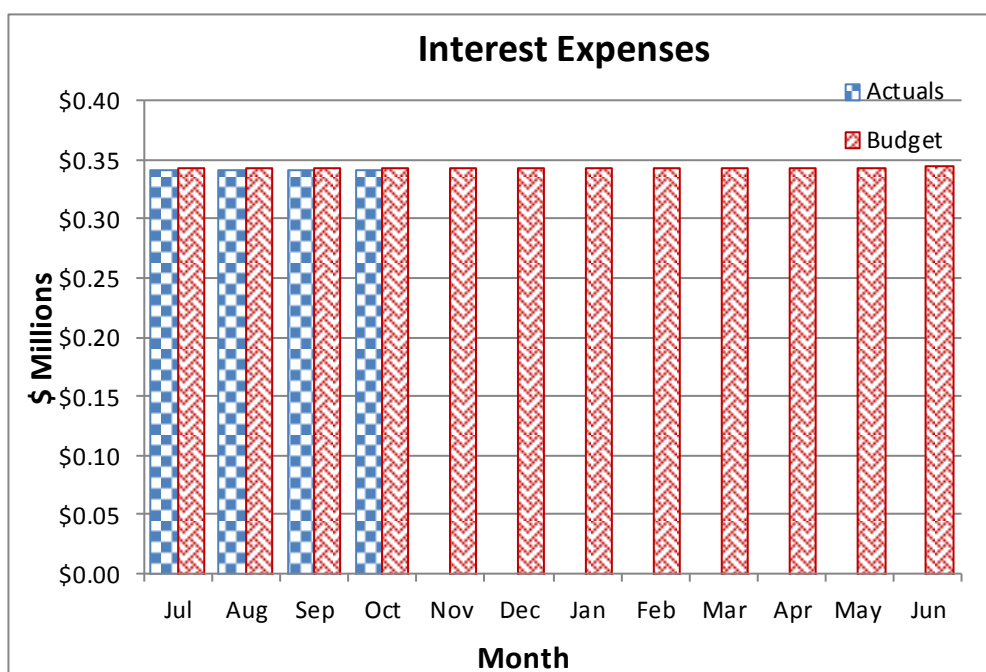
The main contributor for the favourable variance for October is a result of lower postage expenses through lower than anticipated rates notices for the month. Lower general material expenses covering a large amount of service units and lower software licence and support expenditure.



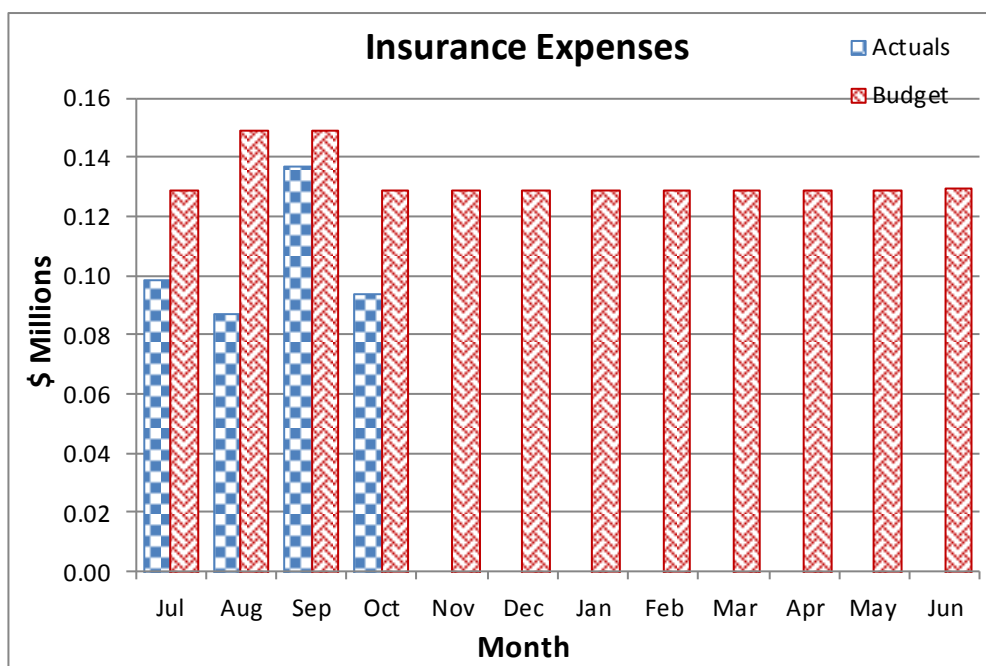
October resulted in an unfavourable variance due to higher telephone expenses as well as higher water consumption charges across a number of areas.



The favourable variance for October is a result of some asset classes reaching minimum written down values and some not being depreciable. These assets differed from the original projections in the Long Term Financial Plan.



Interest expenses comprise the loan drawn in 2006.



October resulted in a favourable variance. This is due to annual premiums being lower than budgeted.

Other Revenue & Expenses

October resulted in an unfavourable variance of -\$10.0m. The main contributor was Developer Contributed Assets (-\$12.5m) where no recognition of assets was established in October. Further discussions are taking place between relevant service units to ascertain information required to provide reasonable quarterly estimates on the contributed assets. An outcome is expected to be finalised in December. Town Planning Scheme revenues offset some of the unfavourable variance through the recognition of income relating to lot 25/26 at Rangeview Road being received however not anticipated to be recognised until 2021/22. Town Planning Scheme expenses also contributed to the variance offset through the reversal of an accrual relating to prior periods being processed in October and resulting in a favourable balance.

b) Year to Date and End of Year Comparison of Actuals to Budgets

	Year to Date				Annual			
	Actual	Rev. Budget	Variance		Orig. Budget	Rev. Budget	Variance	
	\$m	\$m	\$m	%	\$m	\$m	\$m	%
Revenues	162.70	163.28	(0.58)	(0.36)	185.46	185.46	0.00	0.00
Expenses	(55.86)	(63.58)	7.72	12.14	(188.67)	(188.55)	(0.12)	(0.06)
Result From Operations	106.84	99.70	7.13	7.16	(3.21)	(3.09)	0.12	(3.93)
Other Rev. & Exp.	7.79	33.10	(25.31)	(76.46)	65.15	66.58	(1.43)	(2.15)
Net Result	114.63	132.81	(18.18)	(13.69)	61.94	63.49	(1.55)	(2.45)

Details for the variances are outlined below.

Operating Revenues

Operating Grants, Subsidies and Contributions (Actual \$4.4m, Revised Budget \$3.6m)

The positive variance to October relates to an unbudgeted grant from the Department of Local Government for job creation and community support services at the newly established Girrawheen Hub. Additionally the first instalment for the 2017/18 Financial Assistance Grant

from the State Government was higher than budgeted. There was also a grant from the Department of Education for school oval maintenance which was received earlier than anticipated.

Fees and Charges (Actual \$5.5m, Revised Budget \$6.3m)

The year to October presented an unfavourable variance of -\$780K. This is a result of additional bin requests for waste collection from ratepayers yet to meet budget expectations, a reduction in recreation facility membership income due to market competition affecting uptake, reduced green waste resale demand, lower building application licence permit activity than anticipated and lower seasonal facility booking fee income for sport and recreational venues.

Operating Expenses

Materials and Contracts (Actual \$15.3m, Revised Budget \$19.7m)

The majority of the favourable variance to October relates to lower contract expenses in Parks Maintenance and Assets Maintenance. The contract expenses in these areas have been budgeted on an assumption of equal expenditure throughout the year however seasonal weather changes have resulted in the reduction of maintenance requirements to October. Whilst a majority of these costs are attributable to Parks and Assets maintenance it is noted that these expenditures are attributed to a large number of service units.

In engineering maintenance there are a number of seasonal work programmes about to commence such as the road patching programme and beach cleaning activities. In addition, a number of drainage preventative maintenance programmes are behind the originally planned schedule due to weather considerations and delaying the commencement of works to account for more suitable conditions.

Within building maintenance a number of programmes/contracts which are yet to take place including pest control, electrical compliance testing and asbestos inspections. There is also a number of new buildings and leased sites which will become the City's responsibility later in the financial year.

Within Parks and Conservation Management the underspend is primarily related to the timing of weed control throughout the year that is based on post fire weed control and programmed seasonal weed control schedules. Additionally the underspend is also related to works not yet commenced in the areas of streetscape and tree watering contracted works, ongoing turf renovations, Irrigation maintenance/repairs, weed mitigation control and beach cleaning/sand renourishment.

Refuse removal expenses were also lower than budgeted due to a late invoice relating to Mindarie Regional Council tip fees being receipted however not captured within the system for October.

Consulting fee expenses were also lower than budgeted to October reflecting requirements lower than anticipated.

Depreciation (Actual \$13.0m, Revised Budget \$15.0m)

Depreciation presented a favourable variance to October (+\$2.0m). This is a result of the asset system being rolled over with new revaluations recorded. It is noted that a large number of plant items have reached their written down value and have not been replaced, A greater portion of infrastructure assets are not depreciable than originally forecast with the Long Term Financial Plan. Depreciation budgets will be reassessed during the mid-year review process to align budgets with new asset values more accurately.

Insurance Expenses (Actual \$0.4m, Revised Budget \$0.6m)

The favourable result for October is due to annual premiums being lower than budgeted.

Other Revenue & ExpensesNon-Operating Grants, Subsidies and Contributions (Actual \$2.9m, Revised Budget \$5.2m)

The unfavourable variance is related to expected grants yet to be received. The majority of receipts are awarded on progress of capital works projects.

Contributed Physical Assets (Actual \$0.0m, Revised Budget \$25.0m)

The year to October resulted in an adverse variance due to no recognition of contributed assets from developers. Further discussions are taking place between relevant service units to ascertain information required to provide reasonable quarterly estimates on the contributed assets. An outcome is expected to be finalised in December.

Profit / Loss on Asset Disposals (Actual \$0.7m, Revised Budget \$0.0m)

The favourable variance is a result of Tamala Park Regional Council land sale accruals being recorded while budget expectations were to receive the sale revenue in December. As the timing of asset disposals cannot be reliably estimated results to budgets can be subject to variations.

Town Planning Scheme (TPS) Revenues (Actual \$12.7m, Revised Budget \$4.2m)

Town Planning Schemes had a positive variance to October due to revenue relating to development at Nicholson Road and East Road not expected to be received this financial year. Income related to lots 25/26 at Rangeview Road being recognised however not budgeted until 2021/22. Finally there were contributions deferred by deed relating to Cell 9 however were repaid earlier than expected.

Town Planning Scheme (TPS) Expenses (Actual \$8.4m, Revised Budget \$1.3m)

The adverse variance to October largely relates to the 22 East Road development which was originally budgeted for 2016/17 however applications were received late leading to expenditure being recognised in the current financial year.

STATEMENT OF FINANCIAL POSITION (Attachment 2)

Description	30-Jun Actual \$	YTD Actual \$	Annual	
			Adopted Budget \$	Revised Budget \$
Current Assets	378,844,530	495,244,997	288,016,586	288,016,586
Current Liabilities	(44,472,446)	(45,685,472)	(35,277,160)	(35,277,160)
NET CURRENT ASSETS	334,372,084	449,559,525	252,739,426	252,739,426
Non Current Assets	2,532,570,260	2,534,673,527	2,040,974,990	2,040,974,990
Non Current Liabilities	(67,997,460)	(70,660,033)	(62,358,802)	(62,358,802)
NET ASSETS	2,798,944,884	2,913,573,019	2,231,355,614	2,231,355,614
TOTAL EQUITY	(2,798,944,884)	(2,913,573,019)	(2,231,355,614)	(2,231,355,614)

Net Current Assets

When compared to the opening position Net Current Assets have increased by \$114.6m which largely reflects the timing of Rates receipts for 2017/18.

Current Receivables are mainly comprised of collectable Rates income (\$68.7m). The majority of the remaining current receivables relates to Sundry Debtor accounts (\$5.1m) and Emergency Services Levy collections (\$2.4m).

Non-Current Assets

Year to date Non-Current Assets have increased by \$2.1m from 2016/17 estimates. The movement is mainly the recognition of capital related works in progress being offset by recognition of depreciation to October.

Non-Current receivables largely relate to Deferred Pensioner Rebates; being funds that cannot be collected until the Pensioner ceases to reside at the rateable property.

Non-Current Liabilities

Year to date Non-Current Liabilities have increased by \$2.7m which is attributed to a draw down on the new loan facility for the Yanchep DCP. The existing loan with the Western Australia Treasury Corporation remains unchanged and when combined with the new loan make up 98% of total Non-Current Liabilities.

FINANCIAL PERFORMANCE INDICATORS

The table below presents data on relevant financial ratios, comparing the minimum standard expected as per the Department of Local Government, Sport & Cultural Industries status at the beginning of the financial year, and year to date figures. An explanation of the purpose of each ratio is also provided together with commentary where a ratio does not meet the minimum standard (highlighted in Red). A green highlight is used where the minimum standard is met or exceeded.

Details	Minimum Standard	30 June (Estimated)	YTD	Minimum Standard Met
Current Ratio				
The ability to meet short term financial obligations from unrestricted current assets.				
Current Assets - Restricted Current Assets (RCA)	=>1.00:1	1.35:1	3.35:1	YES
Current Liabilities (CL) - CL Associated with RCA				
Debt Service Cover Ratio				
The ability to produce enough cash to cover debt payments.				
Operating Surplus before Interest & Depreciation	=>2.00:1	15.29:1	71.19:1	YES
Principle & Interest Repayments				
Operating Surplus Ratio				
The ability to cover operational costs and have revenues available for capital funding or other purposes.				
Operating Revenue - Operating Expense	=>0.01:1	0.14:1	0.7:1	YES
Own Source Operating Revenue				
Own Source Revenue Coverage Ratio				
The ability to cover costs through own revenue efforts.				
Own Source Operating Revenue	=>0.40:1	1.01:1	2.67:1	YES
Operating Expense				

CAPITAL PROGRAM

The current status of the Capital Program is summarised below by Sub-Program category.

Sub-Program	No. of Projects	Current Month Actual \$	YTD Actual \$	Annual Budget \$	% Spend
Bus Shelters	2	-	-	160,000	0%
Community Buildings	26	519,674	2,528,759	6,523,150	39%
Community Safety	4	1,332	104,395	592,720	18%
Conservation Reserves	5	41,227	157,104	390,000	40%
Corporate Buildings	4	564,424	3,284,445	11,355,505	29%
Environmental Offset	4	46,237	66,176	588,000	11%
Fleet Mgt - Corporate	6	-	242,366	3,447,342	7%
Foreshore Management	9	50,889	98,165	3,663,000	3%
Golf Courses	6	59,793	132,927	1,292,500	10%
Investment Projects	11	1,791	218,619	5,388,161	4%
IT Equipment & Software	14	291,068	672,313	5,304,122	13%
Other Corporate Items	5	-	13,575	54,203	25%
Parks Furniture	9	53,548	177,726	2,335,066	8%
Parks Rehabilitation	1	116,883	150,119	1,406,500	11%
Passive Park Development	8	85,944	405,127	1,865,682	22%
Pathways and Trails	11	37,887	95,653	1,025,296	9%
Roads	20	2,042,911	3,209,359	10,043,275	32%
Sports Facilities	68	777,466	2,474,945	19,290,021	13%
Stormwater Drainage	5	-	50,110	845,000	6%
Street Landscaping	5	75,608	84,221	545,275	15%
Street Lighting	6	441	109,995	303,280	36%
Traffic Treatments	18	73,271	261,365	4,246,580	6%
Waste Management	2	30,450	145,741	4,467,986	3%
Land Acquisition	1	-	166	10,000	2%
Grand Total	250	4,870,847	14,683,374	85,142,664	17%

As at 31 October 2017, the City has expended \$4.3m (35%) of the \$12.4m adjusted carry forward budget from 2016/2017.

Key carry forward projects to be progressed in 2017/2018 to eliminate the carry forward balance include:

- Domestic Waste Vehicle Replacement – \$1.4m
- Light Vehicle Replacement Program – \$621K
- Motivation Drive, Wangara: Lot 9005 contaminated sites investigation/remediation – \$593K
- Pinjar Park Old Yanchep Road, contaminated sites investigation/remediation – \$562K
- Develop Industrial Estate, Neerabup – \$415K

Actual expenditure of the projects within the full adopted capital works program equates to 17%, being \$14.7 million, of the revised \$85.1m budget as at 31 October 2017. Currently the City has \$ 20.7m committed expenditure and is finalising a further \$ 11.7m of tender contract documentation before calendar year end.

During the calendar month of October, \$4.9m of works were expended. Significant capital works undertaken in October included:

- \$556K Civic Centre extension with \$5m committed to be expended,
- \$545K Road Resurfacing Program with \$1.7m committed to be expended,
- \$468K Yanchep Surf Life Saving Club with \$479K committed to be expended,
- \$420K Roads Rehabilitation - Buckingham Dr, Wangara,
- \$369K Roads Rehabilitation - Hartman Dr, Wangara Software, and
- \$354K Upgrade Mirrabooka Ave, Darch/Landsdale with \$1.2m committed to be expended.

Other significant commitments in the capital works program include:

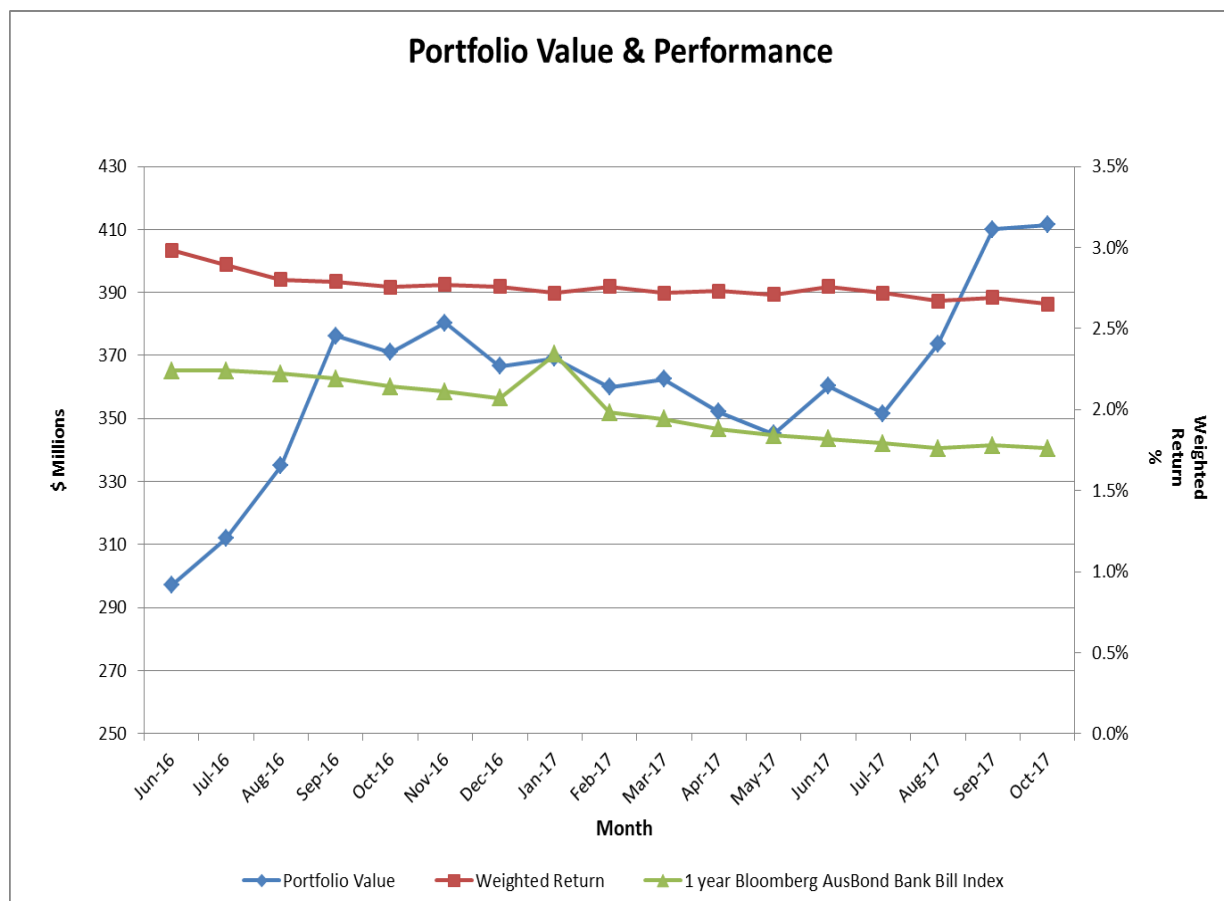
- \$2.5m – Banksia Grove Sports Ground, Banksia Grove, and
- \$994K - Mary Lindsay Homestead Building, Yanchep.

To further expand on the Capital Works Program information above, key capital projects are selected to be specifically reported on, which are itemised in the Top Capital Projects attachment to this report (**Attachment 3**).

INVESTMENT PORTFOLIO (Attachment 4)

In accordance with the *Local Government (Financial Management) Regulations 1996* (and per the City's Investment Policy), the City only invests in the following highly secured investments in Australian currency:

1. Deposits with authorised deposit taking institutions and the Western Australian Treasury Corporation for a term not exceeding 12 months;
2. Bonds that are guaranteed by the Commonwealth Government or a State or Territory for a term not exceeding three years.



As at the current month end, the City holds an investment portfolio (cash & cash equivalents) of \$411.5m (Face Value), equating to \$415.7m inclusive of accrued interest. The City's year to date investment portfolio return has exceeded the Bank Bill index benchmark by 0.89% pa (2.65% pa vs. 1.76% pa), however it is noted that Interest Earnings were budgeted at a 2.75% yield.

All investments undertaken have been to provide the City with the most effective return whilst also adhering to the internal investment policy.

RATE SETTING STATEMENT (Attachment 5)

The Rate Setting Statement represents a composite view of the finances of the City, identifying the movement in the Surplus/(Deficit) based on the Revenues (excluding Rates), Expenses, Capital Works and Funding Movements, resulting in the Rating Income required. It is noted that the closing Surplus/(Deficit) will balance to the reconciliation of Net Current Assets Surplus/(Deficit) Carried Forward (detailed below).

Description	30 June Actual \$	YTD Actual \$	Annual	
			Adopted Budget \$	Revised Budget \$
Current Assets				
Cash & Cash Equivalents - Unrestricted	14,372,314	74,094,954	15,983,481	15,983,481
Cash & Cash Equivalents - Restricted	305,254,552	342,339,502	254,320,040	254,320,040
Receivables	19,058,103	78,793,162	17,343,457	17,343,457
Inventory	355,123	343,385	369,608	369,608
TOTAL CURRENT ASSETS	339,040,092	495,571,003	288,016,586	288,016,586
Current Liabilities				
Payables	(27,852,428)	(29,340,210)	(33,696,546)	(33,696,546)
Provisions	(16,620,018)	(16,345,262)	(1,580,614)	(1,580,614)
TOTAL CURRENT LIABILITIES	(44,472,446)	(45,685,472)	(35,277,160)	(35,277,160)
Net Current Assets	294,567,646	449,885,531	252,739,426	252,739,426
Adjustments for Restrictions				
Cash & Cash Equivalents - Restricted	(305,254,552)	(342,339,502)	(254,320,040)	(254,320,040)
Provisions Cash Backed	1,486,033	6,454,032	1,580,614	1,580,614
TOTAL RESTRICTED ASSETS	(303,768,519)	(335,885,470)	(252,739,426)	(252,739,426)
Surplus/(Deficit) Carried Forward	(9,200,873)	114,000,061	0	0

Consultation

This document has been prepared in consultation with Responsible Officers for review and analysis.

Comment

The budget figures within this report incorporate approved budget amendments.

As per item 2 in Background, comments on material variances have been provided.

In reference to tables provided in the report, the following colours have been used to categorise three levels of variance:

- Green >+10%,
- Orange <+/-10%, and
- Red >-10%.

Statutory Compliance

This monthly financial report complies with *Section 6.4 of the Local Government Act 1995* and *Regulations 33A and 34 of the Local Government (Financial Management) Regulations 1996*.

Strategic Implications

The proposal aligns with the following objective within the Strategic Community Plan 2017 – 2027:

“4 Civic Leadership

4.2 Good Governance

4.2.2 *Provide responsible resource and planning management which recognises our significant future growth”*

Risk Management Considerations

Risk Title	Risk Rating
Financial Management	Moderate
Accountability	Action Planning Option
Executive Management Team	Manage

The above risk relating to the issue contained within this report has been identified and considered within the City's corporate risk register. Action plans have been developed to manage this risk to improve the existing management systems.

Policy Implications

- Accounting Policy
- Strategic Budget Policy
- Investment Policy

Financial Implications

As outlined above and detailed in **Attachments 1 – 5**

Voting Requirement

Simple Majority

Recommendation

That Council RECEIVES the Financial Activity Statements and commentaries on variances to YTD Budget for the period ended 31 October 2017, consisting of:

- 1. October 2017 YTD Actuals;**
- 2. October 2017 YTD Statement of Financial Position and Net Current Assets; and**
- 3. October 2017 YTD Material Financial Variance Notes**

Attachments:

1 	October 2017 Statement of Comprehensive Income	17/388057	Minuted
2 	October 2017 Statement of Financial Position	17/388059	Minuted
3 	Top Projects 2017-18 - October 2017	16/151914[v20]	Minuted
4 	October 2017 Rate Setting Statement	17/388061	Minuted
5 	October 2017 Investment Report	17/388078	Minuted

STATEMENT OF COMPREHENSIVE INCOME BY NATURE OR TYPE

FOR THE PERIOD ENDED 31 OCTOBER 2017

Description	Year to Date				Annual			
	Actual	Revised Budget	Variance		Original Budget	Revised Budget	Variance	
	\$	\$	\$	%	\$	\$	\$	%
Revenues								
Rates	149,159,824	149,973,482	(813,658)	(1)	151,980,546	151,980,546	0	0
Operating Grants, Subsidies & Contributions	4,351,285	3,582,504	768,781	21	8,912,445	8,912,445	0	0
Fees & Charges	5,481,557	6,261,199	(779,642)	(12)	15,916,164	15,916,164	0	0
Interest Earnings	3,450,115	3,209,637	240,478	7	7,954,156	7,954,156	0	0
Other Revenue	254,998	253,410	1,588	1	693,708	693,708	0	0
Total Operating Revenue	162,697,779	163,280,232	(582,453)	(0)	185,457,019	185,457,019	0	0
Expenses								
Employee Costs	(22,921,691)	(23,763,188)	841,497	4	(70,171,359)	(70,976,803)	(805,444)	(1)
Materials & Contracts	(15,261,863)	(19,742,189)	4,480,326	23	(58,319,654)	(57,392,634)	927,020	2
Utility Charges	(2,878,568)	(3,153,451)	274,883	9	(9,478,651)	(9,478,651)	0	0
Depreciation	(13,015,655)	(14,993,988)	1,978,333	13	(45,000,000)	(45,000,000)	0	0
Interest Expenses	(1,368,064)	(1,371,012)	2,948	0	(4,114,682)	(4,114,682)	0	0
Insurance	(416,432)	(554,724)	138,292	25	(1,584,844)	(1,584,844)	0	0
Total Operating Expenditure	(55,862,274)	(63,578,552)	7,716,278	12	(188,669,190)	(188,547,614)	121,576	0
RESULT FROM OPERATIONS	106,835,505	99,701,680	7,133,825	7	(3,212,171)	(3,090,595)	121,576	(4)
Other Revenue & Expenses								
Non Operating Grants, Subsidies & Contributions	2,848,415	5,219,068	(2,370,653)	(45)	16,116,328	15,662,973	(453,355)	(3)
Contributed Physical Assets	0	25,000,000	(25,000,000)	(100)	50,000,000	50,000,000	0	0
Profit on Asset Disposals	740,547	166,667	573,881	344	1,000,000	1,000,000	0	0
Loss on Assets Disposals	(80,184)	(166,667)	86,483	52	(500,000)	(500,000)	0	0
Town Planning Scheme Revenues	12,657,491	4,156,851	8,500,640	204	9,888,811	11,888,127	1,999,316	20
Town Planning Scheme Expenses	(8,373,641)	(1,271,600)	(7,102,041)	(559)	(11,355,740)	(11,470,860)	(115,120)	(1)
Total Other Revenue and Expenses	7,792,629	33,104,319	(25,311,690)	(76)	65,149,399	66,580,240	1,430,841	2
NET RESULT	114,628,134	132,805,999	(18,177,865)	(14)	61,937,228	63,489,645	1,552,417	3
Other Comprehensive Income	0	0	0	0	0	0	0	0
TOTAL COMPREHENSIVE INCOME	114,628,134	132,805,999	(18,177,865)	(14)	61,937,228	63,489,645	1,552,417	3

STATEMENT OF FINANCIAL POSITION
FOR THE PERIOD ENDED 31 OCTOBER 2017

Description	30-Jun Actual (Estimated) \$	YTD Actual \$	Annual	
			Adopted Budget \$	Revised Budget \$
Current Assets				
Cash at Bank	3,783,240	431,679	5,639,773	5,639,773
Investments	355,648,064	415,676,771	264,663,748	264,663,748
Receivables	19,058,103	78,793,162	17,343,457	17,343,457
Inventory	355,123	343,385	369,608	369,608
	378,844,530	495,244,997	288,016,586	288,016,586
Current Liabilities				
Payables	(27,852,428)	(29,340,210)	(21,859,805)	(21,859,805)
Provisions	(16,620,018)	(16,345,262)	(13,417,355)	(13,417,355)
	(44,472,446)	(45,685,472)	(35,277,160)	(35,277,160)
NET CURRENT ASSETS	334,372,084	449,559,525	252,739,426	252,739,426
Non Current Assets				
Receivables	2,650,278	2,577,311	16,496,520	16,496,520
Investments	17,857,896	18,569,658		
Land	351,198,458	351,198,458	343,894,773	343,894,773
Buildings	174,771,138	173,636,968	160,880,704	160,880,704
Plant	17,652,840	16,277,059	18,844,336	18,844,336
Equipment	80,689,549	79,350,123	59,029,132	59,029,132
Furniture & Fittings	6,951,926	6,713,566	5,426,970	5,426,970
Infrastructure	1,848,997,560	1,840,411,245	1,433,479,823	1,433,479,823
Work in Progress	31,800,615	45,939,139	2,922,732	2,922,732
	2,532,570,260	2,534,673,527	2,040,974,990	2,040,974,990
Non Current Liabilities				
Interest Bearing Liabilities	(66,378,188)	(69,078,188)	(60,778,188)	(60,778,188)
Provisions	(1,619,272)	(1,581,845)	(1,580,614)	(1,580,614)
	(67,997,460)	(70,660,033)	(62,358,802)	(62,358,802)
NET ASSETS	2,798,944,884	2,913,573,019	2,231,355,614	2,231,355,614
Equity				
Accumulated Surplus	(1,323,163,962)	(1,440,422,353)	(1,106,938,996)	(1,106,938,996)
Municipal Reserves	(1,475,780,922)	(1,473,150,666)	(1,124,416,618)	(1,124,416,618)
Non Cash Reserves	0	0	0	0
TOTAL EQUITY	(2,798,944,884)	(2,913,573,019)	(2,231,355,614)	(2,231,355,614)

Top Capital Projects 2017/18 - October 2017												
PMO Project Registration			Financial Summary				Project Indicators				Project Progress	
PMO Code	Name of Project	Project Description	Finance Code	Project Budget Current Year	Actual Expenditure	Commitment Spend Current Year (A)	Schedule Indicator	Current Year Budget Indicator	Total Budget Indicator	Overall Risk Rating	Actual % Complete	Comment
PMO 1505	Yanchep Surf Life Saving Club	Development Yanchep Surf Lifesaving Club	PR-1048	2,729,418	1,790,482	478,669	A	A	G	G	80%	Construction Phase Tender awarded, endorsed by Council 7 March 2017. Change control in progress to increase funding. Due to inclement weather schedule extended to 20 November 2017.
PMO 1512	Yanchep District Playing Fields, Yanchep	Development of additional playing fields to meet current demand in the Yanchep / Two Rocks area	PR-2072	1,055,212	269,205	42,560	R	R	G	A	85%	Construction Phase Full Practical Completion achieved on 24 October. Forecast finish 30 August 2018 to allow for defects and close out. Potential project saving to be returned at Mid-Year Review.
PMO 1515	Yanchep District Sports Amenities Building	Design Development & Construction of the Yanchep District Sports Amenities Building	PR-2253	2,247,239	1,234,384	282,593	G	R	A	G	90%	Construction Phase Forecast practical completion November 2017. Potential project saving to be returned at Mid-Year Review.
PMO 1517	Civic Centre, Wannon Extension	Construction of a two storey, with basement, office building linked to the existing Civic Centre	PR-2332	10,000,000	3,281,121	5,028,392	G	G	G	A	75%	Construction Phase Practical completion achieved 08 September 2017. Stage 1 fit-out 50% complete. Staff moves anticipated for end January 2018.
PMO 1523	Quinns Rocks Beach Coastal Protection Works	Design of long-term coastal protection works at Quinns Beach	PR-2561	3,249,212	6,207	7,585	G	G	G	G	30%	Procurement Phase Detailed design study endorsed by Council 4 April 2017. Tender report approved by Council 10 October 2017. Construction contract awarded.
PMO16054	Upgrade Marmion Ave - Lukin Dr to Butler Blv	Construct dual carriageway. Marmion Ave, Butler - Lukin Drive to Butler Boulevard	PR-3073	850,000	324,919	89,358	G	R	R	G	95%	Defects Liability Period Construction completed 14 July 2017. Under budget due to competitive market. Project savings to be returned at Mid-Year Review.
PMO16061	Butler North District Open Space Masterplan	Butler North District Open Space - Construction of Sports Facilities	PR-2955	2,488,584	27,808	70,916	G	R	G	A	37%	Design Phase Project Board reviewing annual scope and budget requirements. Surplus annual budget to be returned at Mid-Year Review.

Top Capital Projects 2017/18 - October 2017												
PMO Project Registration			Financial Summary				Project Indicators				Project Progress	
PMO Code	Name of Project	Project Description	Finance Code	Project Budget Current Year	Actual Expenditure	Commitment Spend Current Year (A)	Schedule Indicator	Current Year Budget Indicator	Total Budget Indicator	Overall Risk Rating	Actual % Complete	Comment
PMO16063	Banksia Grove Sports Ground, Banksia Grove	Design and construction of new community facility / amenities and new floodlighting for the Banksia Grove DOS	PR-2819	2,819,006	136,159	2,474,412	G	G	G	G	62%	Construction Phase Structural steel works fabrication and installation in progress. Potential project saving to be returned at Mid-Year Review.
PMO16064	Kingsway Olympic Clubrooms, Madeley	Design and construction of new change rooms facilities adjacent to the Kingsway Olympic Sports Clubrooms	PR-2621	2,155,044	49,432	40,209	G	A	G	G	42%	Procurement Phase Construction tender closed 31 October 2017. Tender submissions compliancy checks have commenced.
PMO17038	Mary Lindsay Homestead Building, Yanchep	Building redevelopment - design and construction of building and infrastructure including services	PR-2467	1,720,433	359,270	993,775	G	G	G	G	82%	Construction Phase Forecast completion 15 January 2018. Construction progressing as scheduled.
PMO17047	Upgrade Mirrabooka Ave, Darch/Landsdale	MRRP Road Improvement: Upgrade Mirrabooka Avenue, Darch/Landsdale - Hepburn Avenue to Gngara Road	PR-4046	2,310,000	371,065	1,176,288	G	G	G	G	5%	Procurement Phase Design at completion. Construction works out to tender. Adjustment required at MYR to update funding sources for specific service works to Scheme funding.
PMO18063	Neerabup Industrial Area Development	Staged development of the City's Landholdings within the Neerabup Industrial Area	PR-4088	955,000	2,305	0	G	G	G	A	2%	Design Phase Design tender award anticipated to for end November 2017. Budget not likely to be spent if construction does not start in this financial year.
			TOTAL	32,579,148	7,852,357	10,684,757						

Schedule Status-Indicator	Current Year Budget & Total Budget Indicator	Overall Risk Indicator
On Target-Baseline (<10%timeincrease)	On Target (Variance <10%)	Low
Behind Schedule (10 - 20%timeincrease)	Almost on Budget (Variance of 10 - 20%)	Medium
Behind Schedule (>20%timeincrease)	Under / Over Budget (Variance > 20%)	High

RATE SETTING STATEMENT
FOR THE PERIOD ENDED 31 OCTOBER 2017

Description	Year To Date				Annual			
	Actual	Revised Budget	Variance		Adopted Budget	Revised Budget	Variance	
	\$	\$	\$	%	\$	\$	\$	%
Opening Surplus/(Deficit)	0	0	0	0	0	0	0	0
OPERATING ACTIVITIES								
Revenues								
Operating Grants, Subsidies & Contributions	4,351,285	3,582,504	768,781	21	8,912,445	8,912,445	0	0
Fees & Charges	5,481,557	6,261,199	(779,642)	(12)	15,916,164	15,916,164	0	0
Interest Earnings	3,450,115	3,209,637	240,478	7	7,954,156	7,954,156	0	0
Other Revenue	254,998	253,410	1,588	1	693,708	693,708	0	0
	13,537,955	13,306,750	231,205	2	33,476,473	33,476,473	0	0
Expenses								
Employee Costs	(22,921,691)	(23,763,188)	841,497	4	(70,171,359)	(70,976,803)	(805,444)	(1)
Materials & Contracts	(15,261,863)	(19,742,189)	4,480,326	23	(58,319,654)	(57,392,634)	927,020	2
Utility Charges	(2,878,568)	(3,153,451)	274,883	9	(9,478,651)	(9,478,651)	0	0
Depreciation	(13,015,655)	(14,993,988)	1,978,333	13	(45,000,000)	(45,000,000)	0	0
Interest Expenses	(1,368,064)	(1,371,012)	2,948	0	(4,114,682)	(4,114,682)	0	0
Insurance	(416,432)	(554,724)	138,292	25	(1,584,844)	(1,584,844)	0	0
	(55,862,274)	(63,578,552)	7,716,278	12	(188,669,190)	(188,547,614)	121,576	0
Non-Cash Amounts Excluded								
Depreciation	13,015,655	14,993,988	(1,978,333)	(13)	45,000,000	45,000,000	0	0
	(29,308,664)	(35,277,814)	5,969,150	(17)	(110,192,717)	(110,071,141)	121,576	0
INVESTING ACTIVITIES								
Non Operating Grants, Subsidies & Contributions	2,848,415	5,219,068	(2,370,653)	(45)	16,116,328	15,662,973	(453,355)	(3)
Contributed Physical Assets	0	25,000,000	(25,000,000)	(100)	50,000,000	50,000,000	0	0
Profit on Asset Disposals	740,547	166,667	573,881	344	1,000,000	1,000,000	0	0
Loss on Assets Disposals	(80,184)	(166,667)	86,483	52	(500,000)	(500,000)	0	0
Town Planning Scheme Revenues	12,657,491	4,156,851	8,500,640	204	9,888,811	11,888,127	1,999,316	17
Town Planning Scheme Expenses	(8,373,641)	(1,271,600)	(7,102,041)	(559)	(11,355,740)	(11,470,860)	(115,120)	(1)
Capital Expenditure	(14,683,374)	(28,380,888)	13,697,514	48	(83,216,863)	(85,142,664)	(1,925,801)	(2)
Proceeds From Disposal Of Assets	519,699	484,455	35,244	7	1,453,365	1,453,365	0	0
	(6,371,046)	5,207,886	(11,578,932)	(222)	(16,614,099)	(17,109,059)	(494,960)	(3)
Non-Cash Amounts Excluded								
Contributed Physical Assets	0	(25,000,000)	25,000,000	100	(50,000,000)	(50,000,000)	0	0
Profit on Asset Disposals	(740,547)	(166,667)	(573,881)	(344)	(1,000,000)	(1,000,000)	0	0
Loss on Assets Disposals	80,184	166,667	(86,483)	(52)	500,000	500,000	0	0
	(660,363)	(25,000,000)	24,339,637	97	(50,500,000)	(50,500,000)	0	0
	(7,031,409)	(19,792,114)	12,760,705	64	(67,114,099)	(67,609,059)	(494,960)	(1)
FINANCING ACTIVITIES								
Contributions from New Loans	2,700,000	3,262,653	(562,653)	(21)	3,262,653	3,262,653	0	0
Transfers from Restricted Grants, Contributions & Loans	0	976,808	(976,808)	(100)	2,930,424	2,930,424	0	0
Transfers to Restricted Grants, Contributions & Loans	(693,072)	0	(693,072)	(100)	0	0	0	0
Transfers from Reserves	2,525,790	15,008,831	(12,483,041)	(494)	46,479,857	45,026,492	(1,453,365)	(3)
Transfers to Reserves	0	(9,120,076)	9,120,076	100	(27,360,228)	(27,360,228)	0	0
Transfers from Schemes	0	3,785,247	(3,785,247)	(100)	11,355,740	11,355,740	0	0
Transfers to Schemes	(3,352,408)	(3,296,270)	(56,138)	(2)	(9,888,811)	(9,888,811)	0	0
	1,180,310	10,617,192	(9,436,882)	(89)	26,779,635	25,326,270	(1,453,365)	(5)
BUDGET DEFICIENCY	(35,159,763)	(44,452,736)	9,292,973	21	(150,527,181)	(152,353,930)	(1,826,749)	(1)
Amount To Be Raised From Rates	(149,159,824)	(149,973,482)	813,658	1	(151,980,546)	(151,980,546)	0	0

INVESTMENT SUMMARY - As At 31 October 2017

Face Value \$	Interest Rate %	Borrower	Rating	Maturity Date	Purchase price	Purchase Date	Current Value \$	YTD Accrued Interest \$	Accrued Interest
Current Account Investment Group									
19,475,400.00	1.45	Commonwealth Bank of Australia Perth	A1	N/A		N/A	19,475,400.00		
1,163.29	0.00	Commonwealth Bank of Australia Perth	A1	N/A		N/A	1,163.29		
Term Investment Group									
10,000,000.00	2.83	Westpac Banking Corporation	A1	14-September-2018	10,000,000.00	14-September-2017	10,036,441.10	36,441.10	36,441.10
0.00	2.82	Bendigo Bank	A2	20-October-2017	0.00	21-October-2016	0.00	-	0.00
0.00	2.85	Westpac Banking Corporation	A1	26-October-2017	0.00	26-October-2016	0.00	-	0.00
5,000,000.00	2.70	Bank of Queensland	A2	29-March-2018	5,000,000.00	29-March-2017	5,079,890.41	45,493.15	79,890.41
20,000,000.00	2.92	Bendigo Bank	A2	17-November-2017	20,000,000.00	18-November-2016	20,555,200.00	196,800.00	555,200.00
20,000,000.00	2.99	Westpac Banking Corporation	A1	06-December-2017	20,000,000.00	06-December-2016	20,539,019.18	201,517.81	539,019.18
25,000,000.00	2.75	Bank of Queensland	A2	15-February-2018	25,000,000.00	16-February-2017	25,484,075.34	231,678.08	484,075.34
15,000,000.00	2.71	Commonwealth Bank of Australia Perth	A1	07-March-2018	15,000,000.00	07-March-2017	15,265,060.27	136,984.93	265,060.27
20,000,000.00	2.69	Commonwealth Bank of Australia Perth	A1	21-March-2018	20,000,000.00	21-March-2017	20,330,169.86	181,298.63	330,169.86
15,000,000.00	2.70	Bendigo Bank	A2	08-January-2018	15,000,000.00	07-April-2017	15,229,684.93	136,479.45	229,684.93
10,000,000.00	2.80	Bendigo Bank	A2	09-April-2018	10,000,000.00	07-April-2017	10,158,794.52	94,356.16	158,794.52
10,000,000.00	2.80	Members Equity Bank Melbourne	A2	03-May-2018	10,000,000.00	03-May-2017	10,138,849.32	94,356.16	138,849.32
12,000,000.00	2.66	Members Equity Bank Melbourne	A2	10-November-2017	12,000,000.00	29-June-2017	12,108,440.55	107,566.03	108,440.55
10,000,000.00	2.70	Members Equity Bank Melbourne	A2	30-January-2018	10,000,000.00	29-June-2017	10,091,726.03	90,986.30	91,726.03
10,000,000.00	2.65	Bank of Queensland	A2	30-April-2018	10,000,000.00	29-June-2017	10,090,027.40	89,301.37	90,027.40
10,000,000.00	2.65	Bank of Queensland	A2	31-May-2018	10,000,000.00	29-June-2017	10,090,027.40	89,301.37	90,027.40
10,000,000.00	2.65	Bank of Queensland	A2	29-June-2018	10,000,000.00	29-June-2017	10,090,027.40	89,301.37	90,027.40
10,000,000.00	2.68	Bank of Queensland	A2	19-January-2018	10,000,000.00	04-July-2017	10,087,375.34	87,375.34	87,375.34
10,000,000.00	2.70	Bank of Queensland	A2	07-June-2018	10,000,000.00	04-July-2017	10,088,027.40	88,027.40	88,027.40
5,000,000.00	2.69	Members Equity Bank Melbourne	A2	28-December-2017	5,000,000.00	04-July-2017	5,043,850.68	43,850.68	43,850.68
5,000,000.00	2.80	Westpac Banking Corporation	A1	07-July-2018	5,000,000.00	07-July-2017	5,044,493.15	44,493.15	44,493.15
5,000,000.00	2.69	Members Equity Bank Melbourne	A2	30-January-2018	5,000,000.00	07-July-2017	5,042,745.21	42,745.21	42,745.21
10,000,000.00	2.68	Members Equity Bank Melbourne	A2	26-April-2018	10,000,000.00	07-July-2017	10,085,172.60	85,172.60	85,172.60
5,000,000.00	2.47	National Australia Bank	A1	12-February-2018	5,000,000.00	15-August-2017	5,026,053.42	26,053.42	26,053.42
5,000,000.00	2.50	National Australia Bank	A1	15-May-2018	5,000,000.00	15-August-2017	5,026,369.86	26,369.86	26,369.86
10,000,000.00	2.55	National Australia Bank	A1	20-August-2018	10,000,000.00	18-August-2017	10,051,698.63	51,698.63	51,698.63
5,000,000.00	2.55	Members Equity Bank Melbourne	A2	19-February-2018	5,000,000.00	21-August-2017	5,024,801.37	24,801.37	24,801.37
5,000,000.00	2.65	Members Equity Bank Melbourne	A2	18-June-2018	5,000,000.00	21-August-2017	5,025,773.97	25,773.97	25,773.97
5,000,000.00	2.65	Members Equity Bank Melbourne	A2	23-July-2018	5,000,000.00	21-August-2017	5,025,773.97	25,773.97	25,773.97
5,000,000.00	2.65	Members Equity Bank Melbourne	A2	21-August-2018	5,000,000.00	21-August-2017	5,025,773.97	25,773.97	25,773.97
10,000,000.00	2.55	National Australia Bank	A1	03-August-2018	10,000,000.00	29-August-2017	10,044,013.70	44,013.70	44,013.70
10,000,000.00	2.62	Commonwealth Bank of Australia Perth	A1	31-August-2018	10,000,000.00	05-September-2017	10,040,197.26	40,197.26	40,197.26
20,000,000.00	2.62	Commonwealth Bank of Australia Perth	A1	10-September-2018	20,000,000.00	05-September-2017	20,080,394.52	80,394.52	80,394.52
20,000,000.00	2.62	Commonwealth Bank of Australia Perth	A1	26-September-2018	20,000,000.00	05-September-2017	20,080,394.52	80,394.52	80,394.52
15,000,000.00	2.83	Westpac Banking Corporation	A1	18-September-2018	15,000,000.00	14-September-2017	15,054,661.64	54,661.64	54,661.64
10,000,000.00	2.59	Commonwealth Bank of Australia Perth	A1	15-October-2018	10,000,000.00	20-October-2017	10,007,805.48	7,805.48	7,805.48
20,000,000.00	2.70	Westpac Banking Corporation	A1	26-October-2018	20,000,000.00	26-October-2017	20,007,397.26	7,397.26	7,397.26
	Weighted Return								
411,476,563.29	2.65%	Totals					415,676,770.96	2,734,635.89	4,200,207.67

1.76% 12 month Bloomberg AusBond Bank Bill Index for 31 October 2017

0.89% Differential between Council's Weighted Return and Bloomberg AusBond Bank Bill Index

Notes: Face Value - refers to the principal amount invested.

Interest Rate - refers to the annual interest rate applicable to the investment.

Borrower - refers to the institution through which the City's monies are invested.

Rating - refers to the Standard & Poor Short Term Rating of the Borrower which, per Council Policy, must be a minimum of A2.

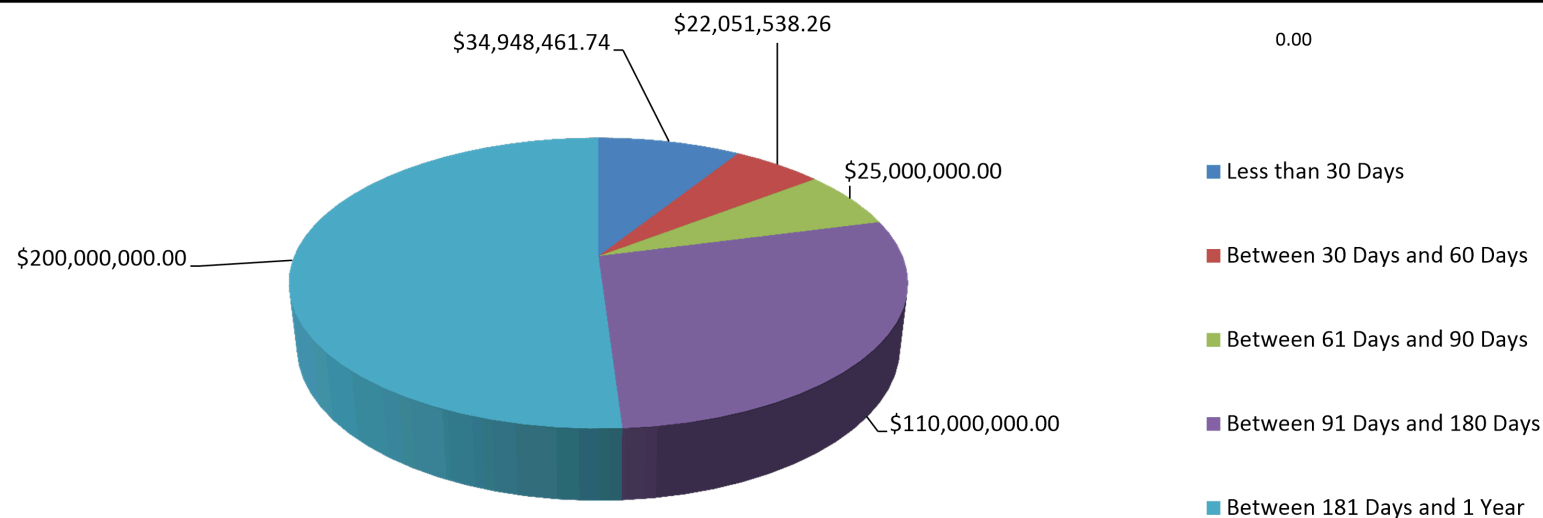
INDIVIDUAL ADI LIMITS - As At 31 October 2017

BORROWER	INVESTMENT RATING	FACE VALUE (\$)	MAXIMUM LIMIT PER INVESTMENT POLICY (\$)	INVESTMENT BALANCE (%)	MAXIMUM LIMIT PER INVESTMENT POLICY (%)
Commonwealth Bank of Australia Perth	A1	114,476,563.29	205,738,281.65	27.82	50.00
National Australia Bank	A1	30,000,000.00	205,738,281.65	7.29	50.00
Westpac Banking Corporation	A1	70,000,000.00	205,738,281.65	17.01	50.00
Bank of Queensland	A2	80,000,000.00	102,869,140.82	19.44	25.00
Bendigo Bank	A2	45,000,000.00	102,869,140.82	10.94	25.00
Members Equity Bank Melbourne	A2	72,000,000.00	102,869,140.82	17.50	25.00
Totals		411,476,563.29		100.00	

OVERALL CREDIT PROFILE - As At 31 October 2017

	INVESTMENT RATING	FACE VALUE (\$)	MAXIMUM LIMIT PER INVESTMENT POLICY (\$)	INVESTMENT BALANCE (%)	MAXIMUM LIMIT PER INVESTMENT POLICY (%)
Subtotal of Securities	A1	214,476,563.29	411,476,563.29	52.12	100.00
Subtotal of Securities	A2	197,000,000.00	329,181,250.63	47.88	80.00
Totals		411,476,563.29		100.00	

Maturity Breakdown - As At 31 October 2017					
Maturity Profile	Face Value	% Portfolio	Number of Investments	Minimum Investment Value	Maximum Value Investment
Current Account	\$19,476,563.29	4.73%	2.00	\$1,163.29	\$19,475,400.00
Less than 30 Days	\$34,948,461.74	8.49%	2.00	\$12,000,000.00	\$20,000,000.00
Between 30 Days and 60 Days	\$22,051,538.26	5.36%	2.00	\$5,000,000.00	\$20,000,000.00
Between 61 Days and 90 Days	\$25,000,000.00	6.08%	2.00	\$10,000,000.00	\$15,000,000.00
Between 91 Days and 180 Days	\$110,000,000.00	26.73%	10.00	\$5,000,000.00	\$25,000,000.00
Between 181 Days and 1 Year	\$200,000,000.00	48.61%	19.00	\$5,000,000.00	\$20,000,000.00
Totals	\$411,476,563.29	100.00%	37.00		



Strategic & Business Planning

CS03-12/17 Annual Report 2016/17

File Ref:	29932 – 17/407597
Responsible Officer:	Director Corporate Strategy and Performance
Disclosure of Interest:	Nil
Attachments:	1

Issue

To consider the unbranded City of Wanneroo Annual Report 2016/17.

Background

The development of an Annual Report is a requirement of the *Local Government Act 1995* (the Act). Section 5.53(1) of the Act requires local governments to develop and publish an annual report for each financial year with the required content of the annual report specified in section 5.53(2) of the Act.

Detail

The Annual Report 2016/17 outlines the progress made on delivering the strategic objectives as set out in the City's Strategic Community Plan 2013-2023. Detail is provided on achievements and performance against the 2016/17 commitments of the Corporate Business Plan 2016/2017 – 2019/20.

The content and structure of the Annual Report incorporates the learnings and formal feedback received from the Australasian Reporting Awards adjudicator. The exception to this is the detailed Elected Member profiles which have been excluded as these were not readily available. It is worth noting that this was identified by the ARA adjudicator as an important aspect for inclusion, and this will be further developed for the next Annual Report.

The Audited Financial Statements and the Audit Report of the Financial Statements are listed as separate items for Council consideration at this meeting. Please note that in the branded version of the Annual Report that will be submitted to the AGM on 30 January 2018, these two items will be incorporated into the Report.

Consultation

In preparing the Annual Report, consultation has occurred with Elected Members and a broad range of the Administration including the Executive Leadership Team.

Comment

The ARA provides an opportunity for the City to benchmark its report against the ARA criteria, with the purpose being to improve the standards and quality of financial and business reporting. The Annual Report 2016/17 will again be entered into the Australasian Reporting Awards (ARA).

Statutory Compliance

Section 5.55 of the Act requires that Council give local public notice of the availability of the Annual Report once adopted by Council. This will be carried out via advertisements in newspapers, the City's website and notices placed on Council's Public Notice Boards.

Section 5.27 of the Act states that a General Meeting of the Electors (AGM) is to be held once every financial year and not more than 56 days after the local government accepts the Annual Report.

The AGM is scheduled to be held on 30 January 2018, 56 days after Council adoption; this will ensure that the Annual Report complies with section 5.27 of the Act which requires the report to be submitted to an AGM within 56 days.

Strategic Implications

The proposal aligns with the following objective within the Strategic Community Plan 2017 – 2027:

- “4 Civic Leadership
 - 4.2 Good Governance
 - 4.2.1 Provide transparent and accountable governance and leadership”

Risk Management Considerations

Risk Title	Risk Rating
Strategic Community Plan	Low
Accountability	Action Planning Option
Director Corporate Strategy and Performance	Manage

Risk Title	Risk Rating
Integrated Planning and Reporting	Low
Accountability	Action Planning Option
Executive Leadership Team	Manage

Risk Title	Risk Rating
Financial Management	Moderate
Accountability	Action Planning Option
Executive Leadership Team	Manage

The above risks relating to the issue contained within this report have been identified and considered within the City’s Strategic and Corporate risk registers respectively. Action plans have been developed to manage these risks and to support existing management systems.

Policy Implications

Nil

Financial Implications

The cost of developing the Annual Report will be met through the City’s operating budget.

Voting Requirements

Absolute Majority

Recommendation

That Council BY ABSOLUTE MAJORITY ACCEPTS the unbranded City of Wanneroo Annual Report 2016/17 as shown in Attachment 1, in accordance with Clause 5.54(1) of the Local Government Act 1995.

Attachments:

1. [Draft Annual Report 2016/17 \(Separate to Agenda\)](#) 17/389468

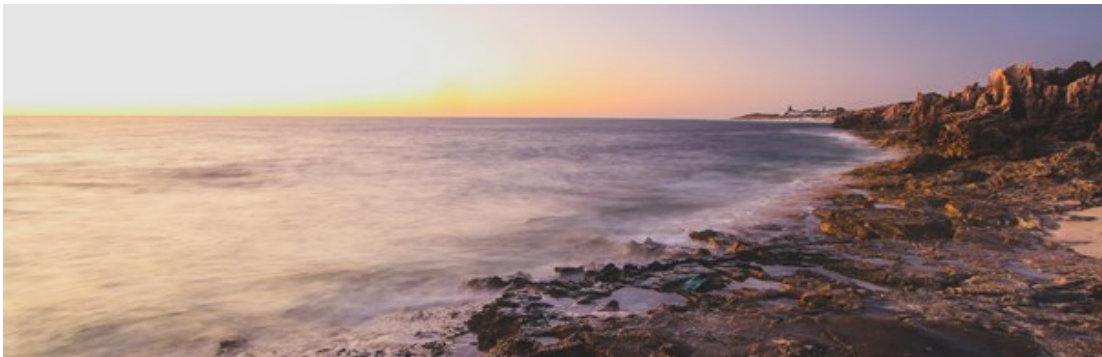
Attachment 1 – The Draft Annual Report

This attachment will be available under separate printed cover.

Administration Use Only

Attachment 1 – HPE 17/348676

Annual Report 2016/17



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Introduction

Acknowledgement of Country

The City of Wanneroo acknowledges the Traditional Custodians of this land, the Wadjuk people of the Noongar Nation. We acknowledge the traditional custodians of the lands on which the City is located and where we conduct our business. We pay our respects to ancestors and Elders, past, present and future. The City of Wanneroo is committed to honouring Australian Aboriginal peoples' unique cultural and spiritual relationships to the land, waters and seas and their rich contribution to the community.

The area encompassed by the City has a significant Aboriginal cultural history and an active community. It is important to acknowledge the traditional owners of the land on which the City's events and activities are conducted. Holding a Welcome to Country or an Acknowledgement of Country recognises the unique position of Aboriginal people in Wanneroo's culture and history. It enables the wider community to share in Aboriginal culture and heritage and facilitates improved relationships between Aboriginal and non-Aboriginal people.

To acknowledge and show respect for the Wadjuk history, culture and shared future, Welcome to Country is conducted at all significant City events, including Australia Day celebrations, Volunteer Week events, Wanneroo Community Centre open days and exhibitions.

The City's vision and Strategic Community Plan recognise the significance of our heritage, a key commitment being to create connected communities by building on the strength of the cultural and heritage diversity of our community. Heritage also plays a big part in shaping an area, and in recognising this, we are committed to creating a city with distinctive places based on the identity of areas.

Welcome to the Annual Report 2016/17

The City of Wanneroo is proud to present the *Annual Report 2016/17*. This report outlines the City's financial and operational performance over the financial year against the key objectives, strategies and priorities of the Strategic Community Plan (SCP), the Corporate Business Plan (CBP) and Annual Budget.

The Western Australian *Local Government Act 1995* requires local governments to produce an annual report by 31 December each year.

The City of Wanneroo goes beyond statutory requirements by producing a report that is comprehensive and engaging, encompassing a wide range of the activities undertaken and services delivered. We view the Annual Report as an essential tool to inform key stakeholders—City of Wanneroo residents and ratepayers, local businesses, non-government organisations, our partners and other government departments and agencies—about achievements and challenges as well as future plans.

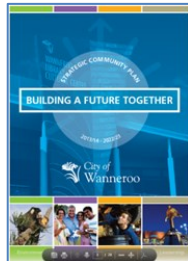
This report assesses our performance in delivering on the Strategic Community Plan (SCP), the CBP and the budget for 2016/17. The report is structured in line with the Planning and Reporting Framework (**page 11**). This is divided into four strategic themes supported by 13 strategic objectives, each of which includes a number of strategies.

It is also a great way to inform and engage our employees with information on how well we have performed over the year, how their efforts have contributed to achieving our vision and

what to expect in the coming year. It also provides information on how we will address opportunities for improvement. The Strategic Community Plan (2013–23) and Corporate Business Plan (2016/17 to 2019/20) provide a detailed outline of the City's progress towards achieving our proposed goals and objectives.

Strategic Community Plan

2013/14 – 2022/23



Corporate Business Plan

2016/17 – 2019/20



We hope this report helps you understand the City of Wanneroo's operations. We would appreciate your feedback to help us improve our reporting to the community so that it is even better in future. For further information and to provide feedback, please contact our Customer Relations Centre at: enquiries@wanneroo.wa.gov.au.

Our Purpose

The City's priorities to achieve our vision and further improve services and facilities are described in the Corporate Business Plan (CBP) 2016/17 – 2019/20. The CBP and associated Budget 2016/17 are reported on in this document.

The City of Wanneroo's Vision and Values

Vision

Building our future together.

The Council has determined that this vision will be achieved through the following strategic themes:

Environment	Society	Economy	Civic Leadership
A healthy and sustainable natural and built environment	Healthy, safe, vibrant and active communities	Progressive, connected communities that enable economic growth and employment	Working with others to ensure the best use of our resources

Values

How we deliver enhanced services to the community:

Communication	<i>We practice clear and timely exchange of information and feedback.</i>
Continuous Improvement	<i>We build capacity by improving our systems and processes.</i>
Innovation	<i>We add creativity and excitement to the workplace and projects we undertake.</i>
Integrity	<i>We behave in an honest, open, respectful and accountable manner.</i>
Teamwork	<i>WE build functional relationships and work collaboratively to achieve common goals.</i>
Valuing our People	<i>We are committed to providing a safe workplace and the development of a healthy, productive, flexible and skilled workforce to adequately resource the organisation.</i>

Strategic Themes and Strategic Objectives

The SCP sets out strategic objectives for each of the four strategic themes and how the Council will achieve them.

ENVIRONMENT:

A healthy and sustainable natural and built environment

1.1 Environmentally Friendly: You will be part of a community that has a balance of environmentally friendly development and conservation areas for future generations to enjoy.

1.2 Conserve Water: We will have a community that encourages water conservation resulting in access to the right amount of water to meet our requirements.

1.3 Reduce, Reuse, and Recycle Waste: Our community will be a leading example of recycling, reusing and waste management.

SOCIETY:

Healthy, safe, vibrant and active communities

2.1 Great Places and Quality Lifestyle: People from many different cultures find Wanneroo an exciting place to live with quality facilities and services.

2.2 Healthy and Active People: We get active in our local area and we have many opportunities to experience a healthy lifestyle.

2.3 Safe Communities: We feel safe at home and in our local area.

ECONOMY:

Progressive, connected communities that enable economic growth and employment

3.1 Local Jobs: You can choose to work locally and reduce the impact of travel time on you and your family.

3.2 Growing Business: Our community is a preferred place for business to locate and grow.

3.3 Easy to Get Around: The community is well connected and accessible with an integrated transport approach for all.

3.4 Smart Communities: Our community and businesses have access to the right information, education and technology they need to be successful.

CIVIC LEADERSHIP:

Working with others to ensure the best use of our resources

4.1 Listening and Leading: Our community actively participates in forums and events to discuss and inform the local decision-making.

4.2 Working with Others: The community is a desirable place to live and work as the City works in partnership with others to deliver the most appropriate outcomes.

4.3 A strong and Progressive Organisation: You will recognise the hard work and professionalism delivered by your Council through your interactions and how our community is developing.

A message from the Mayor

I am pleased to present the City of Wanneroo's Annual Report for Financial Year 2016/17.

From a community perspective, it has been a busy year with both Council and Administration engaging with the community to ensure residents have significant input to the strategies, plans and projects that help shape our City.

This collaborative approach has resulted in the successful delivery of many projects and numerous highlights, which are detailed on the following pages.

Our City remains the largest growing local government authority in Western Australia and is now home to more than 208,000 people, which is expected to grow to more than 300,000 by 2030. During the 2016/17 financial year we welcomed 140 new residents to our City each week.

Sustaining this rate of growth requires continued investment in infrastructure and services to support the lifestyles of our residents and ensure the City of Wanneroo is a great place to live, work and visit.

In support of these aspirations, the City embarked on an ambitious \$82.9 million community-informed capital works program for 2016/17, delivering new infrastructure, facilities and upgrades across the City.

For greater insight of the City's strategic position and priorities, this annual report should be read in conjunction with the City's Strategic Community Plan 2017/2018 to 2026/2027, and Corporate Business Plan 2017/18-2020/21.

2016/17 Highlights

- More than \$50,000 was provided to support community based climate change and environmental projects delivered by community groups and organisations.
- Illegal dumping was reduced by 29%.
- The Early Childhood Strategic Plan was adopted. The City is widely recognised as a leader in facilitating effective, evidence based early childhood initiatives.
- The City was proud to win the Master Builders Local Government Best Practice Award for Construction Excellence and the WA Local Government Seniors Award.
- The City's five free Community Events drew a record 27,000 people, an increase of 38%.
- The country's largest Australia Day Citizenship event was conducted for 795 Wanneroo residents at the Wanneroo Showgrounds.
- Community Hubs were launched in Merriwa and Girrawheen.
- More than \$100,000 was provided to support community projects and events
- The Quinns Beach Swimming Enclosure was installed
- Local jobs increased by 3.56%, while business numbers grew by 5.66%.
- The City launched its first tourism visitor website, Discover Wanneroo; and
- 21km of pathways and 25km of roads were constructed.

A host of important projects were also completed or achieved significant progress including:

- Completion of the Pearsall Hocking and Quinns Mindarie community centres;
- Completion of Yanchep Surf Lifesaving Club;
- Construction of Yanchep Active Open Space and Amenities;
- Old Yanchep Road Blackspot Road Safety Improvement works;
- Completion of the Hepburn Avenue/Highclere roundabout and Joondalup Drive/Cheriton Drive roundabout;

- Dualling of Connolly Drive and Neerabup Road
- First aid room upgrade and signage at Kingsway Indoor Stadium;
- Dog Park Installation at Kingsway Reserve;
- Playground upgrades at Ronsard Park, Ridgewood; Sandison Park, Landsdale; and Tamarama Park, Clarkson; and
- Park upgrades and floodlighting installation at Hudson Park, Girrawheen.

Community priorities

The City is committed to continued robust community engagement, which forms the cornerstone of the budget, service delivery and Capital Works Program.

Engagement activities including focus groups, forums and the Mayor's Ideas Community Breakfasts, informed the City's Strategic Community Plan 2017/2018 to 2026/2027. This Plan presents the vision and aspirations for the future of our community and sets out the required strategies and actions.

The Plan was subsequently adopted by Council in December 2016 and can be downloaded from the City's website.

In early 2017 the City conducted its biannual Community Survey; this valuable feedback is already being used to enhance service delivery and will inform the City's future planning and investment. Thank you to everyone who completed the survey.

Opportunities and Looking Ahead

The City will continue to invest in key infrastructure. This includes a \$70 million 2017/18 Capital Works Program that will deliver a range of new facilities as well as upgrades and maintenance of the \$2.9 billion of assets currently under management right across our 36 suburbs.

The City is committed to strengthening transport links throughout the city; helping to create the right environment for businesses to prosper and for the creation of 100,000 local jobs over the next decade.

We will continue to build on the success of the Connect Wanneroo campaign to ensure the rail line arrives in Yanchep and Alkimos and maintain our pressure on the State and Federal Governments to extend the Mitchell Freeway further into our city's northern suburbs.

Thank You

To the residents, community groups, local businesses and volunteers of the City of Wanneroo, I extend my sincere thanks as it is with your valued and continued contribution that our City is becoming a more vibrant and progressive place.

I would also like to thank the City's Councillors for their continued support and commitment; our Chief Executive Officer, Mr Daniel Simms; his Leadership Team; and all the staff at the City of Wanneroo.



Tracey Roberts JP
Mayor

A message from the Chief Executive Officer

I am pleased to present this annual report as an overview of the City of Wanneroo's operations throughout the year. This year a multitude of projects contributed to community wellbeing, infrastructure development and service improvements. I am proud of how our programs and projects are achieving our vision to shape the City into a vibrant, progressive and prosperous place to live, work and play.

The City fosters a 'customer first' culture where staff are encouraged to think creatively, work collaboratively with accountability and respect. This culture is important to meet growing community expectations and deliver value for money.

Playing a key role in the delivery of the City's *Economic Development Strategy & Action Plan 2016-2021* was a Jobs Summit proudly hosted by the City of Wanneroo. Gathering innovative thinkers including world-renowned transport expert, Professor Robert Cervero, the Jobs Summit focused on actively reviewing and developing initiatives and mechanisms to cater for our rapidly growing population. The successful Jobs Summit captured the interest of local businesses, entrepreneurs, social enterprises, land developers, education institutions and local, state and federal government representatives. More details about the Jobs Summit are on page 167.

Financial Management

The City is committed to improving the City's financial performance and is focused on efficiencies and savings to ensure the achievement of the most cost-effective outcomes. The City drives its financial performance through a robust budgeting process which requires all costs to be justified and diligently reviewed throughout the year, backed up by a strong governance model and procurement process.

The City's financial position remains sound. The City's asset portfolio continues to grow reflecting continued investment and inheriting assets in infrastructure such as community facilities, parks, roads, landscaping and community safety such as street lighting. The City's assets have increased in value over the past 12 months by more than \$434 million to approximately \$2.9 billion.

Measuring our Performance

Compared to previous years we delivered the highest number of projects from our Corporate Business Plan as a result of improved project management, annual planning, performance reporting and a solid team effort.

The City has delivered an extensive program of work including \$67 million of capital works projects that has spanned the themes of our Strategic Community Plan – Society, Economy, Environment and Civic Leadership.

The City is in its second year using the internationally recognised Australian Business Excellence Framework to achieve best practice service delivery through continuously improving what we do.

Awards

With a key focus on building connected communities, the quality of the organisation's work was recognised through a number of awards this year, including:

- Parks and Leisure Australia (WA) Award for Inclusive and Connected Communities. This award recognises outstanding programs, projects, practices or events which create and strengthen inclusive and connected communities through leisure opportunities and activities. The Your Move Wanneroo program created a more active and connected community by increasing active modes of transport and physical activity in more than 10,500 households in the City.
- WA Seniors Award in the local government category. The City's Community Services Team provides a range of opportunities for seniors to continue to engage within the community with the main aim of reducing the incidence of social isolation and providing meaningful connections.

Looking ahead

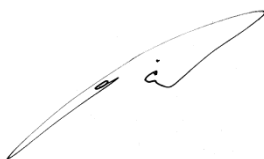
By reviewing the City's environmental management obligations and commitments, it has helped us identify the best way to manage the needs of our natural environment. We are focussed on protecting, maintaining and enhancing our coastline, wetlands system, ecosystems, native vegetation, air and water quality whilst also achieving sustainable development outcomes. Delivering on our environmental management obligations is key to the wellbeing of our residents and generations to come.

As a growth area, we are excited about the opportunity to continue creating distinctive places where communities feel connected, while also maintaining and reinvigorating established areas.

We are playing an important role in creating positive outcomes and being an influencer to realise positive change.

With operational highlights provided throughout this report, our many achievements would not have been possible without our supportive community.

Also, the progress we are making is the result of a concerted team effort. Therefore, I would like to thank the Mayor, Councillors, City's Leadership Team, employees and volunteers for their tireless work and who help make our City such a vibrant, progressive and prosperous place.



Daniel Simms
Chief Executive Officer
City of Wanneroo

How to read our Annual Report

This report is divided into four main sections:

- An overview of the Council and the organisation (Introduction, The year in review, Our City, Governance and Our Organisation)
- Our Performance
- Additional statutory information
- Audited financial statements and financial audit report.

Each strategic theme includes information on achievements, challenges, a look ahead (next financial year actions), key performance indicators, SCP measures and performance against the CBP. Details of our performance can be found on pages **88–140**.

Overall performance for each strategic theme is based on the individual scores of the priorities within the CBP. A summary of our performance under the CBP for the past four years and overall performance on the current year can be found on page **21**.

Integrated Planning and Reporting Framework

The City has developed an Integrated Planning and Reporting Framework, which demonstrates the alignment and interrelationship of the various levels and types of strategic, operational, resourcing and informing plans. This framework meets the requirements of the *Local Government Act 1995* and encompasses the advisory standards provided for local governments in Western Australia.

Level 1 provides for an overarching 10-year Strategic Community Plan. This sets out the vision and direction of Council, which is informed by community views and aspirations. Through the four themes of **Environment**, **Society**, **Economy**, and **Civic Leadership**, the Council determines the strategies that will guide the next level of business planning and priority setting. This plan is reviewed every two years through a process that engages our community and stakeholders, the most recent review conducted in 2016/17.

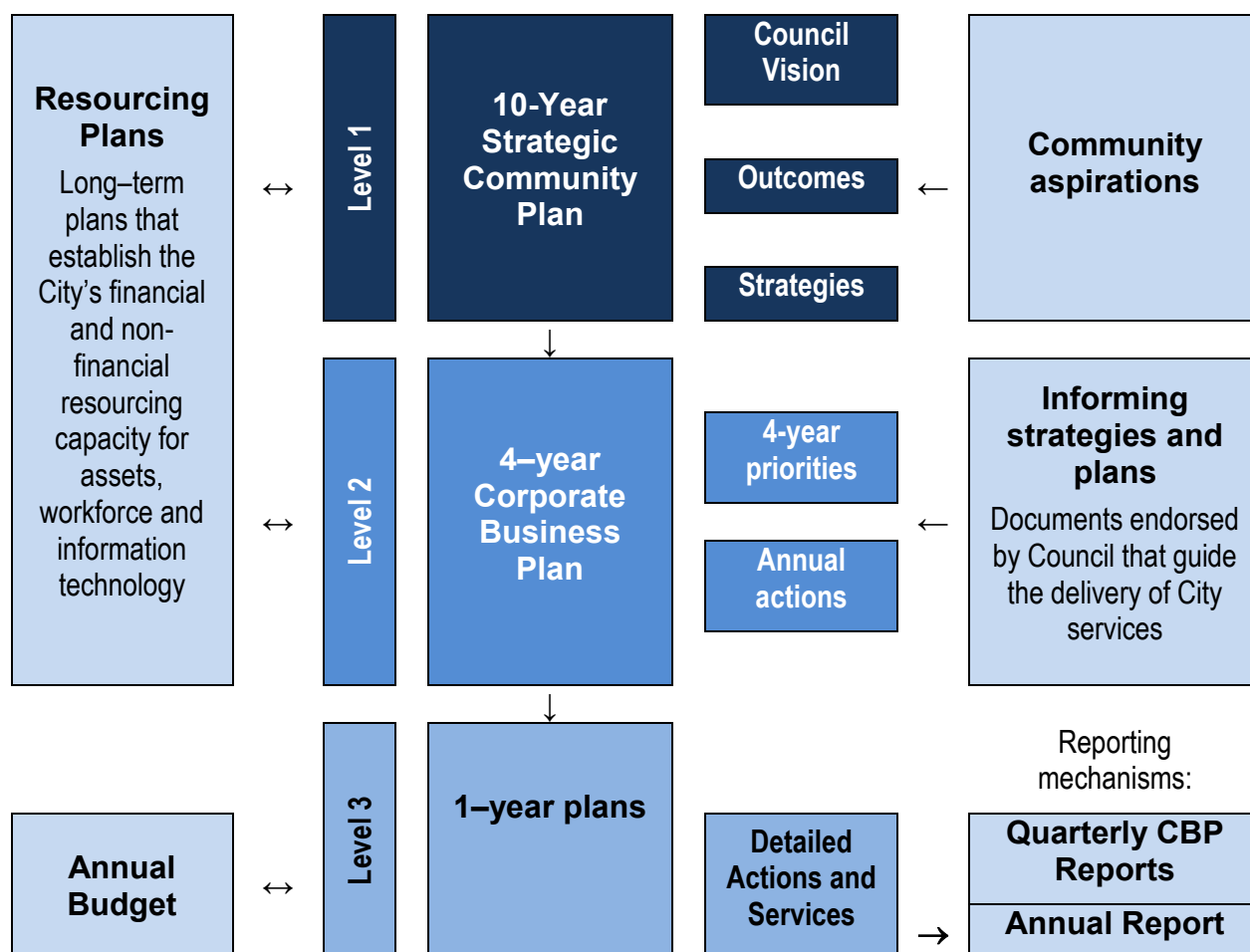
Level 2 is the CBP under which 10-year strategies frame four-year priorities that are delivered through a set of annual actions. The annual review and updating of the rolling four-year CBP forms part of the City's annual planning and budgeting process by which the Council sets the priorities and associated annual actions for the following year.

Level 3 comprises the annual actions together with annual service plans that encompass the services, actions and projects that will be delivered in relation to each of the City's services.

Plans incorporated within the **Resourcing Framework** are long-term plans that establish the City's resourcing capability. They include the Financial Plan, Strategic Asset Management Plan, Workforce Management Plan, and Information and Communication Technology (ICT) Strategic Plan. Each of these plans informs reviews of the CBP.

The final output in our Planning and Reporting Framework is the **Annual Report**. This document provides a summary of the City's performance and achievements against the SCP and CBP for that year, and sets out the priorities and actions planned for the coming year. The Annual Report is supplemented by quarterly reporting to the Audit & Risk Committee to enable tracking and scrutiny of the performance.

The key levels and components of the City's Integrated Planning and Reporting Framework are depicted below:



The year in review

Highlights

Environment

Environmentally Friendly

- To promote 'greening' of the City, a Street Tree Policy and a draft Local Planning Policy (streetscapes) were developed.
- Over 3000 trees were planted through a free verge tree-planting service while 13,270 tube stock plants and 100 trees were planted during winter planting events.
- Significant parks rehabilitation projects have been constructed.
- A Climate Change Adaptation and Mitigation Strategy as well as an Energy Reduction Plan were developed.
- Yanchep was identified as the suburb with the 7th highest uptake of solar photovoltaic systems in Perth.
- The Yellagonga Integrated Catchment Management Plan was implemented.
- The City's Local Biodiversity Strategy was reviewed.
- Along with a Coastal Assets Policy, a detailed design plan was developed for the long-term management of Quinns Beach.
- The City was nominated for the WA Coastal Excellence Award 2017.
- The City provided about \$50,000 to support community-based climate change and environmental projects delivered by community groups and organisations.

Conserve Water

- The Water Conservation Plan was reviewed.
- The City won the Irrigation Australia Awards of Excellence.

Reduce, Reuse, Recycle Waste

- The Strategic Waste Management Plan was developed.
- The City participated for the first time in the nationwide reuse initiative of the Garage Sale Trail and received the award for 'best newcomer (metro)' from the Garage Sale Trail Foundation.
- The City reduced illegal dumping by 29%.
- The City decreased waste to landfill kilograms per capita from 193kg to 187kg in the past two years.

More details on Environmental highlights can be found starting on page 90.

Society

Great Places and Quality Lifestyle

- The City received a commendation for the development of *It's All About Play* program from the Library Board of WA.
- The City's Early Childhood Strategic Plan has been adopted. The City is widely recognised as a leader in facilitating effective, evidence-based early childhood initiatives for its community.
- The number of visitors to the Wanneroo Library and Cultural Centre increased by 50%.
- The City received the Western Australian Local Government Association/Returned Services League WA Anzac Day Award for 2017 in recognition of collaboration with our community and the Anzac spirit.
- The City won the Master Builders' Local Government Best Practice Award for Construction Excellence.
- The City was named a finalist in the category of Leisure Facility of the Year.
- Six sport facilities and community buildings have been constructed.
- Wanneroo Aquamotion achieved a Royal Life Saving Safety Assessment & Safety Audit score of 98.34%.
- A new record of 27,000 attendees was achieved at the City's five free community events.
- The City held Australia's largest citizenship ceremony on Australia Day at the Wanneroo Showgrounds with 795 people from 56 countries taking the pledge to become citizens.
- The City successfully developed community hubs in Merriwa and Girrawheen.
- The City launched a successful Food Truck Trading Trial.
- Attendance at community events increased by 38%.
- The City provided more than \$100,000 to support community projects and events.

Healthy and Active People

- The Public Health Plan received a State Highly Commended award from The Heart Foundation Local Government Awards for viewing all aspects of the plan through a health lens.
- The Public Health Advocacy Institute of WA recognised the City in two categories.
- The City received the WA Local Government Seniors Award.

Safe Communities

- A decrease of 15% in household crime and 17% in drug and assault offences occurred over the past two years, an overall decline in crime of 15%.
- Installation of the Quinns Beach swimming enclosure was completed, enhancing the safety of beach users.
- Wanneroo's Local Emergency Management Arrangements and Recovery Plan were tested successfully via a multi-agency state emergency exercise.
- Funding was secured for seven road Blackspot applications.

More details on Society highlights can be found starting on page 102.

Economy

Local Jobs

- The number of local jobs increased by 3.56%.
- The City hosted the Wanneroo Jobs Summit, with key speaker Professor Robert Cervero (see page 118).
- Stage 1 of the Neerabup Industrial Area was planned.

Growing Business

- The number of businesses in the City increased by 5.66%.
- The City launched its first tourism visitor website, *Discover Wanneroo*, and participated in two *WA Weekender* lifestyle program episodes.

Easy to Get Around

- 21km of pathways and 25km of new roads were constructed.
- A Pathways Policy was adopted.
- A 6km extension of the Mitchell Freeway was built, including development of the associated road network (Neerabup Road and Hester Avenue).
- The City secured the rail to Yanchep (13.8km from Butler, with new stations at Alkimos and Eglinton and Yanchep).
- Key road projects included new traffic interchanges at Wanneroo Road and Joondalup Drive; Wanneroo Road and Ocean Reef Road; and the Wanneroo Road dual carriageway between Joondalup Drive and Flynn Drive.

Smart Communities

- The Strategic Library Services Plan has been developed.
- The City launched a successful drone campaign to further enforce a ban on beach driving.

More details of Economic highlights can be found starting on page 118.

Civic Leadership

Listening and Leading

- Findings of the community and business perception survey which is conducted 2-yearly confirmed the City's strategic alignment with community priorities.
- The City participated as a member of the National Growth Areas Alliance in a national campaign called *Fund our Future*.
- The City launched a successful campaign *Connect Wanneroo: Get on Board* for road and rail funding.
- The Community Engagement Policy, Procedure and Framework were reviewed and a community engagement toolkit was developed.

Working with Others

- The post-2016 Jobs Summit brochure was finalised, with new programming for the *Connect Series* (Global Connect) delivered with an external partner, Entrepreneur In Residence.
- The City partnered with youth organisation Young Australia League (YAL) to offer a scholarship to a deserving full-time student from years 10–12.
- The City built a successful relationship with the Western Australia Vietnam Business Council (WAVBC), aiming to avail Wanneroo businesses of export opportunities in Vietnam.
- A meeting framework was agreed with the City of Swan about north-eastern collaboration and joint advocacy.
- The City joined with the City of Joondalup to advance the Yellagonga Wetlands Smart Cities program; a submission to the federal government was completed.
- The City conducted 90 engagement programs during the year compared with 57 the previous year.

A Strong and Progressive Organisation

- The result from operations remained steady with a **\$7.9 million surplus**.
- Net assets increased by 17.8% (\$423 million) to **\$2.9 billion**.
- 81% of priorities in the 2017/18 CBP were delivered on time.
- The City's *Annual Report 2015/16* received a Silver Award from the Australasian Reporting Awards.
- The City has expanded its range of online services to improve customer access.
- The City delivered 80% of Year 1 actions of the Customer First Strategy.
- The City continued to prioritise safety at work; the number of workplace incidents decreased by 40%. The number associated with workers' compensation claims also declined.
- 95% of all Customer Relationship Management (CRM) requests were responded to on time — a 12% improvement.
- The City received an unqualified audit for the 2016/17 financial statements.

More details on Civic Leadership highlights can be found starting on page **128**.

Key challenges facing the City

Environment (Natural and Built)

Natural Environment

Environmental pressures have increased community awareness of the scarcity of resources and the need to protect our beaches, parks, bushland and wetlands.

Key challenges:

- ensuring continuing improvements in the management of water quality and reduction of water usage
- managing natural areas to maintain biodiversity of bushland, wetland and coastal areas
- managing and responding to the impacts of climate change
- effectively planning for the impact of sea-level rise and coastal processes
- optimising retention of significant vegetation types and habitat in urban-zoned land to maintain amenity, local habitat and canopy cover
- implementing energy reduction initiatives and reducing greenhouse gas emissions
- balancing urban development and community access with the protection and appropriate management of the City's environmental assets
- monitoring any emerging carbon and water policies that will impact on the City

Built Environment

The provision and facilitation of adequate public infrastructure (drainage, streetscapes, parks) and facilities (community buildings, recreation amenities and public areas) form a significant portion of the City's budget.

Key challenges:

- ensuring the ongoing provision of high-quality services and facilities for people of all ages
- ensuring residents and visitors feel safe in the community
- ensuring demand for neighbourhood connectedness and amenity is met
- meeting demand for housing choice and affordability
- ensuring enhanced transport connectivity and advocating for an integrated transport plan for Wanneroo (including rail to Yanchep and other strategic transport infrastructure)

More details on Environment challenges can be found starting on page **90**.

Society

The City's population is culturally and linguistically diverse (CaLD) with 40% of people born overseas and 18% who do not speak English at home. The age profile is also diverse, generally with older, more established suburbs home to ageing populations, and newer areas in the north of the City home to young families. Given the demographics of young, old and diverse cultures, the span and demand of services is increasing.

While less than forecast, population growth continues to put pressure on housing choice and diversity while increasing expectations for locally based services. The City continues to spread geographically.

Key challenges:

- ensuring the ongoing provision of high-quality services and facilities for people of all ages
- ensuring residents and visitors feel safe in the community
- ensuring demand for neighbourhood connectedness and amenity is met
- ensuring an accessible and inclusive community for people with disability and CaLD groups

More detail on Society challenges can be found starting on page **102**.

Economy

The City is the largest growing local government area in Western Australia. Perth's next major strategic metropolitan centre is being developed at Yanchep in the City's north. Wanneroo is regarded as an established, thriving and significant city centre within the wider metropolitan area, bringing demands of transport and infrastructure growth.

Slower economic growth and increased unemployment in Western Australia have impacted residents. At the same time, the City's population is forecast to grow to more than 411,000 by 2041, increasing demand for jobs, recreation and services close to home and increasing pressure for transport solutions.

Key challenges:

- facilitating employment self-sufficiency to improve local employment opportunities
- ensuring land and infrastructure is made available to support economic development
- promoting and facilitating tourism opportunities
- focusing on strategic industry development, including clean technology, agribusiness and advanced manufacturing and engineering
- cooperating with the state government and other agencies to ensure awareness of policies that support economic growth
- facilitating the strategic economic development of the Neerabup Industrial Area
- partnering with service providers to enhance the provision of workforce development and business support services

More details on Economic challenges can be found starting on page **118**.

Civic Leadership

Community diversity and significant population growth has increased demand for a wide range of services. Funding constraints mean the City will need to respond to expectations for future services through advocacy, partnerships and different service models.

Key challenges:

- facilitating partnerships and relationships with stakeholders
- improved strategic asset planning to enhance understanding and strengthen long-term financial planning for the costs of built assets while planning for the future activation of local areas
- leveraging alternative revenue and funding sources to minimise the impact on rates while delivering on infrastructure associated with population growth and development
- ensuring a good customer experience – clear 'line-of-site' to customers
- ensuring frontline employees have good technology competency
- ensuring ongoing good governance, including efficient and effective financial sustainability, workforce capability and innovative solutions
- ensuring community inclusiveness and engagement
- advocating on behalf of our community

More details on Civic Leadership challenges can be found starting on page **128**.

Important events in the City 2016/17

During 2016/17, the City hosted, sponsored and supported varied events that provided residents, businesses and visitors with the opportunity to connect within the distinctive and diverse natural and built environments of Wanneroo. These included major community, sporting, arts and music events.

2016					
July	Aug	Sept	Oct	Nov	Dec
Eden Beach Farmers Markets	Eden Beach Farmers Markets	Eden Beach Farmers Markets	Eden Beach Farmers Markets	Wanneroo Show	Eden Beach Farmers Markets
Citizenship ceremony	Citizenship ceremony	Citizenship ceremony	Living & Leisure Expo featuring Dogs Breakfast	Eden Beach Farmers Markets	Girradoola community Christmas celebration
Express citizenship ceremonies	Vietnam Veterans Day commemorative service (Quinns Rocks Sports Club)	Heritage and Library Services volunteers appreciation dinner	Race in your rates	City of Wanneroo presents: British India	Wanneroo Community Carols by Candlelight
Pioneers lunch	Vietnam Veterans Day commemorative event (Yanchep National Park Memorial)	Merchant Navy Day commemorative event (Yanchep Sports and Social Club Memorial)	Citizenship ceremony	Citizenship ceremony	Quinns Beach Primary School community carols night
		Battle for Australia Day commemorative event (Yanchep Sports and Social Club Memorial)	Corporate Charity Golf Day	Spring in the Grove	Somerly Carols in the Park
			Cancer Council Relay for Life Event	Westcoast Songfest	Carols in the Park, Two Rocks
				Stage performance of <i>Oliver Twist</i> (Phil Renkin Centre, Two Rocks)	Wanneroo Christmas lunch (Wanneroo Showgrounds)
				Remembrance Day memorial service & free sausage sizzle lunch (Cambrai Village, Merriwa)	Community Christmas carols event (Warradale Reserve, Landsdale)
				Remembrance Day commemorative services (Quinns Rocks Sports Club and Yanchep National Park Memorial)	
				Wanneroo Business Association Annual Business Awards	




2017					
Jan	Feb	Mar	April	May	June
Eden Beach Farmers Markets	Eden Beach Farmers Markets	Toast to the Coast	Eden Beach Farmers Market	V8 Supercars	Emergency Services volunteers appreciation dinner
Australia Day citizenship ceremony	Live in the Amphitheatre	Eden Beach Farmers Markets	Citizenship ceremony	Supercars gala dinner	Citizenship ceremony
Australia Day Breakfast in the Park (Wanneroo Showgrounds)	Citizenship ceremony	Retro Rewind	Anzac Day march and service at Wanneroo Memorial Park	Citizenship ceremony	
Australia Day breakfast (Phil Renkin Centre, Two Rocks)	Community Services and Conservation volunteers appreciation dinner	Citizenship ceremony	Anzac Day dawn service and gunfire breakfast (Cambrai Village, Merriwa)	West Australian Folk Federation Urban Folk Day (Wanneroo Showgrounds)	
Phoenix Calisthenics Club Have a Go and Family Fun Day (Margaret Cockman Pavilion)	Sunset Markets (Two Rocks)	Landsdale Neighbour Day 2016	Anzac Day commemorative service (Quinns Rocks Sports Club)	Citizenship ceremony	
Australia Day breakfast (Hudson Park, Girrawheen)	Citizenship ceremony	International Women's Day (Addison Park)	Anzac Day commemorative event (Yanchep National Park Memorial and Yanchep Sports and Social Club Memorial)		
		Global Beats & Eats	Citizenship ceremony		

Performance Reporting

A colour-coding system to add further clarity to our Corporate Business Plan performance results. Further explanations are provided later in this report where the result has not achieved blue or green status.

Completed
On target
Under target
On hold
Not yet started

The community satisfaction results are illustrated using the following criteria:

Decrease 
 Increase 
 No change 

The results of the Strategic Community Plan measures and Service Key Performance Indicators are illustrated using the following criteria:



Target has been met or exceeded



Target has not been met

The performance results of the capital projects are illustrated using the following criteria:

Schedule Status	Current Year Budget Status	Total Budget Status	Risks and Issues
On target – baseline (<10% time increase)	On target (<10% time increase)	On target (<10% time increase)	Low (<300)
Behind schedule (10–20% time increase)	Almost on budget (10–20% time increase)	Almost on budget (10–20% time increase)	Medium (between 300 and 500)
Behind schedule (>20% time increase)	Under/Over budget (>20% time increase)	Under/Over budget (>20% time increase)	High (>500)

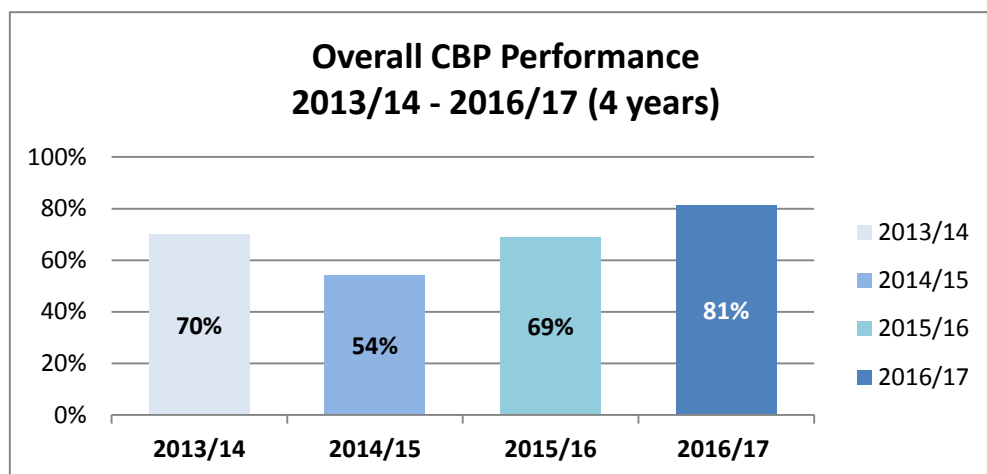
The audited financial statements, (see **page 146**), set out the financial performance, financial position and cash flows of the City for the 2016/17 financial year.

Organisational Performance Summary

Achieving our strategic objectives (see page 12) each year ensures that we are working towards our long-term vision of ***Building a future together***. We will continue to monitor our progress to ensure we remain on track.

Analysis of the 4-year Corporate Business Plan Performance

The graph below illustrates the City's overall Corporate Business Plan performance for the past four years.



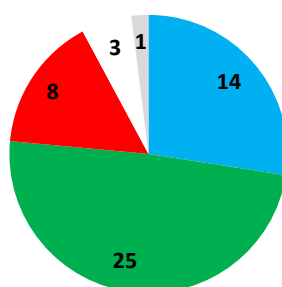
The City achieved an overall Corporate Business Plan performance of 81% during the 2016/17 financial year. This is an improvement of 12% from the previous year (69%).

Overall Performance on Corporate Business Plan for 2016/17

The strategies of the 10-year Strategic Community Plan are delivered through four-year priorities (listed in the Corporate Business Plan). In turn, these priorities are delivered through more detailed annual actions. The Council adopted 51 priorities at the beginning of 2016/17. One priority was not due to start in 2016/17 and three were deferred to 2017/18. Thirty-nine priorities were either completed or on target by 30 June 2017. More details on the deferred priorities can be found on page 82. The dashboard and graph below illustrate the status of priorities at 30 June 2017.

■ Completed
 ■ On Target
 ■ Under Target
 ■ On Hold
 ■ Not yet started

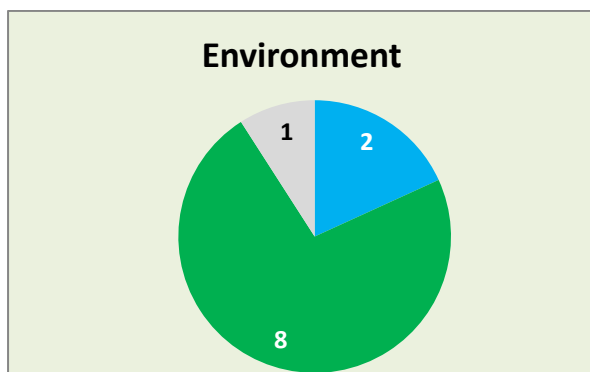
Corporate Business Plan Four Year Priorities Performance



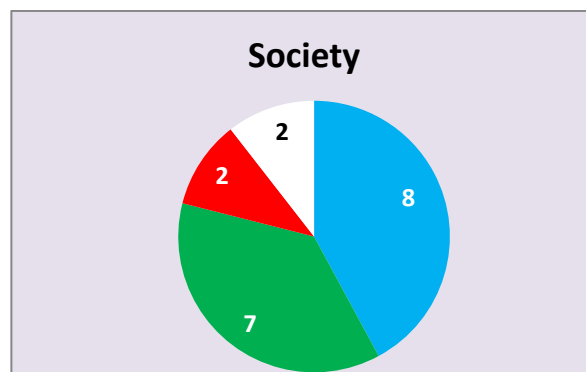
Performance on Strategic Themes:

The dashboards below illustrate how the City has performed against each of the SCP strategic themes of Environment, Society, Economy and Civic Leadership.

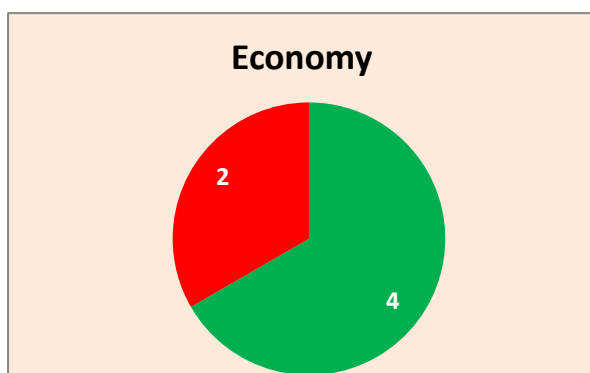
■ Completed ■ On Target ■ Under Target ■ On Hold ■ Not yet started



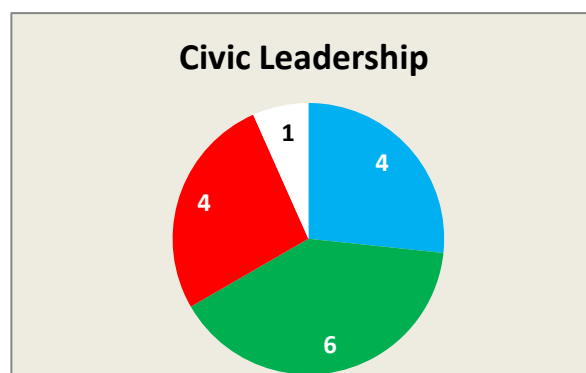
91% (10) of CBP priorities aligned to the Environment theme were either on target or completed.



79% (15) of CBP priorities aligned to the Society theme were either on target or completed.



67% of CBP priorities aligned to the Economy theme were on target.



67% of CBP priorities aligned to the Civic Leadership theme were either on target or completed.

More details can be found on pages **97, 115, 124 and 139**.

Financial Performance Summary

The 2016/17 financial results reflect strong and sustainable performance. The City achieved an operational surplus of **\$7.9 million**, which was marginally higher than in 2015/16 (\$7.6m) and is in keeping with the parameters of the *Local Government Act 1995*. This result was primarily driven by favourable rate income and lower than anticipated costs associated with maintaining City assets such as parks and gardens and building maintenance costs.

Compared with 2015/16, both income and costs have increased (income \$14.2m; costs \$13.9m) and were within budget. Increases primarily reflect growth in the size of the City's population and the commitment the Council has made to its residents to improve City services and amenity.

The City's net assets increased in value by \$423 million to approximately **\$2.8 billion**. The City's balance sheet remains robust with cash and investments totalling \$377.3 million against liabilities of \$112.6 million.

The Council's financial statements were completed within the statutory timeframe and the audit report was unqualified.

The following information presents a summary of financial results for 2016/17.

Full details of the Council's audited annual financial statements are included in this report. (All budget figures are in accordance with the original adopted Annual Budget.)

Financial Snapshot

» Result from Operations stable at **\$7.9 million Surplus**

» Operating Revenues increased by 8.4% (\$14.2million) to **\$184.8 million**

» Rates Revenue (77% of Operating Revenues) increased by 7.3% (\$9.7 million) to **\$143.1 million**

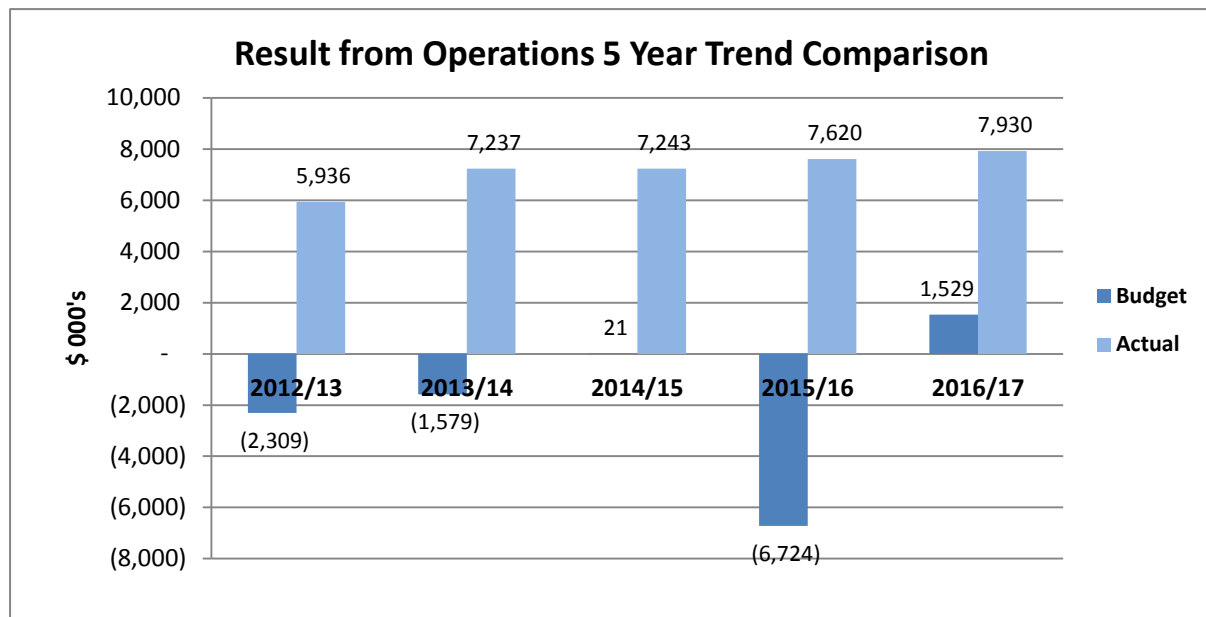
» Operating Expenses increased by 8.6% (\$13.9 million) to **\$176.9 million**

» Net Assets increased by 17.8% (\$423.0 million) to **\$2.8 billion**

» Cash & Investments increased by 11.4% (\$38.6 million) to **\$377.3 million**

» Capital Projects Expenditure increased by 36.1% (\$17.7 million) to **\$66.9 million**

Result from Operations

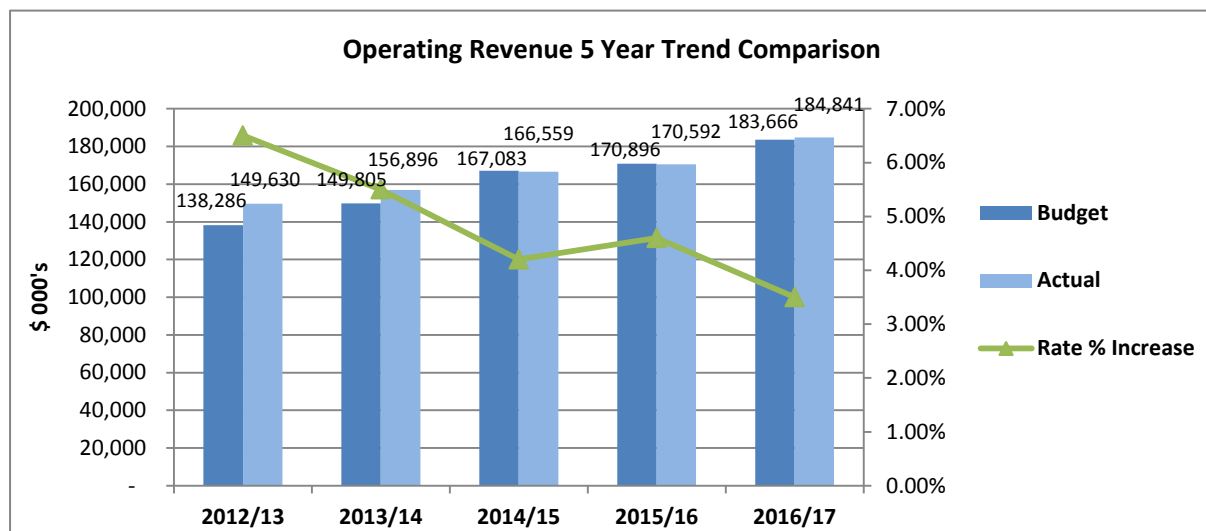


The City achieved a surplus for 2016/17 of \$7.9 million. This outcome was the result of higher than anticipated rate income, reflecting a greater number of interim rateable properties, and an additional \$3.4 million received from the Department of Local Government, Sport and Cultural Industries (financial assistance grants). The outcome also reflected contained costs mainly in parks and gardens, and building maintenance costs, partially offset by lower than expected community amenity charges.

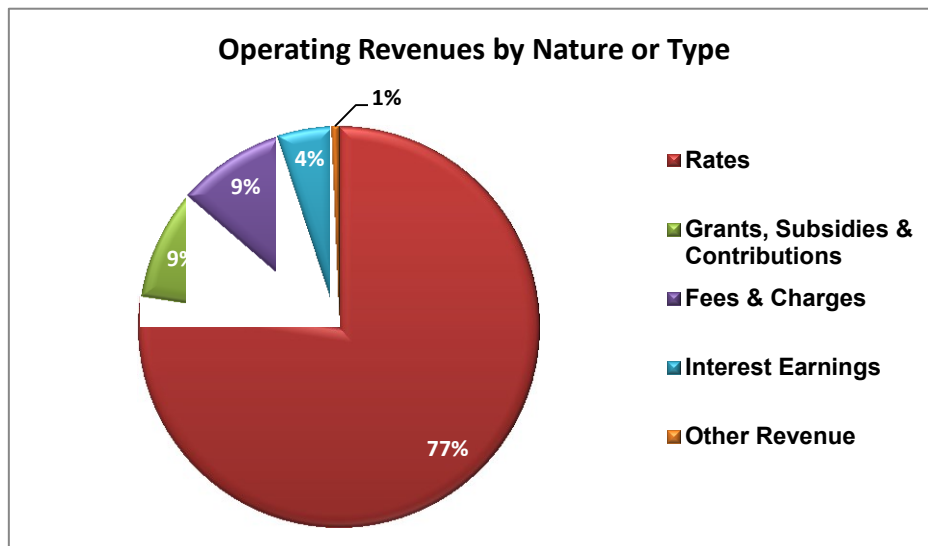
In developing the 2015/16 Budget, the City was mindful of the impact of subdued economic conditions on the financial capacity of ratepayers. To minimise this impact, an operating deficit was deemed acceptable. It was funded through Reserves.

Operating Revenue

The City's revenue is derived from various sources, including rates, fees & charges, interest earnings, other revenue & grants, subsidies & contributions. The breakdown is shown below.



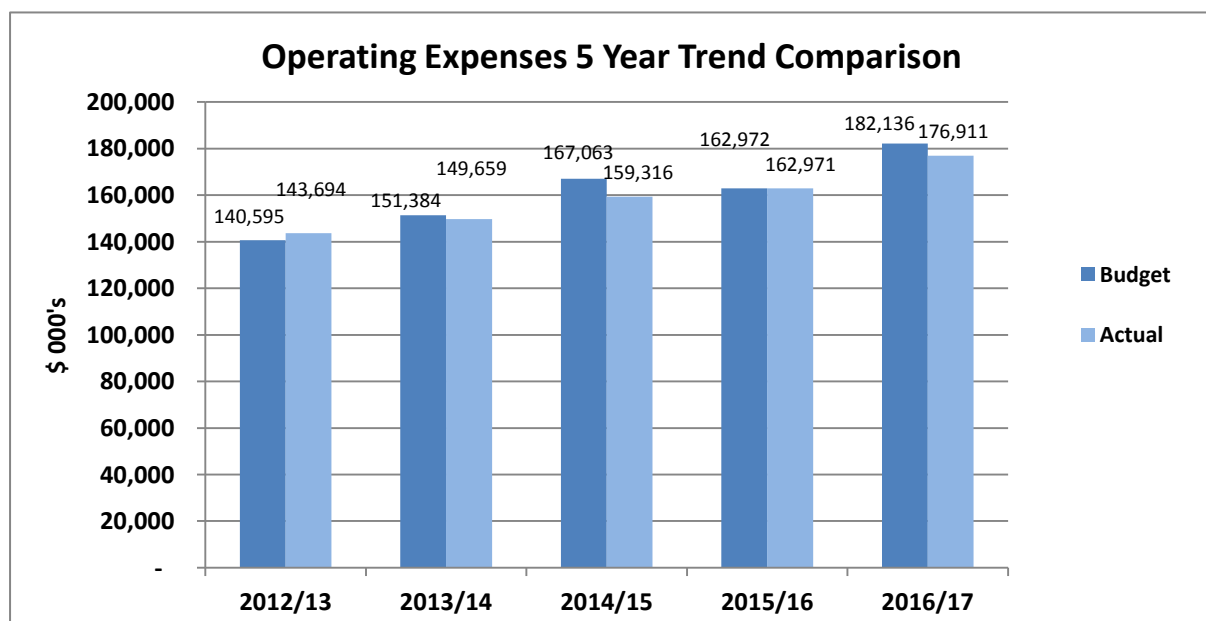
An increase in operating revenue of \$14.2 million was the result of an increased number of rateable properties (and therefore rate income of \$9.7m) and receipt of additional financial assistance grants of \$3.4 million from the Department of Local Government, Sport and Cultural Industries.



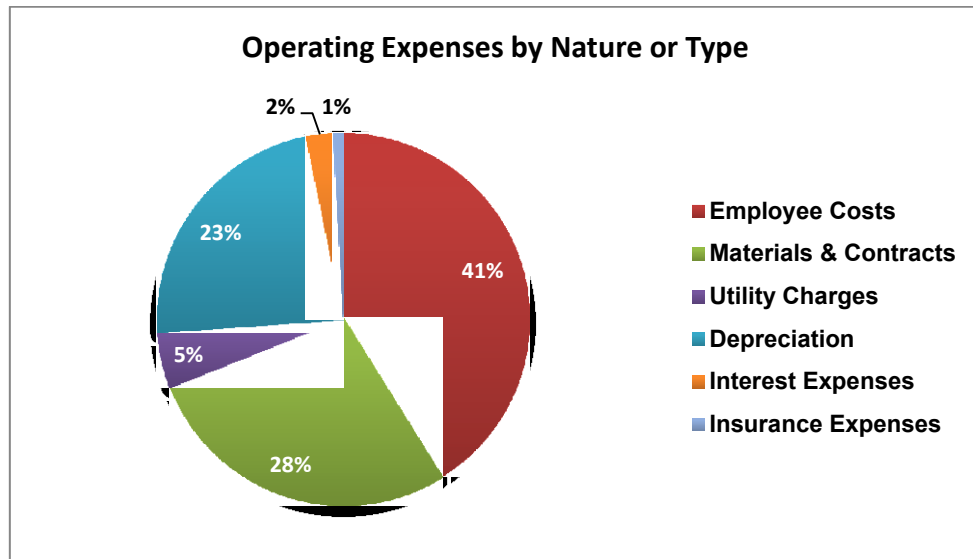
As illustrated in the breakdown above, over three-quarters (77%) of the City's operating revenue is attributable to Rates. While the proportion of Rates income is consistent with previous years, there is a greater focus on increasing alternative revenue sources through grants, subsidies & contributions, and fees & charges.

Operating Expenses

Operating expenses consist of employee costs, materials & contracts, utilities, depreciation, interest expense and insurance. The breakdown is shown below:



The rise in operating expenses was mainly due to the cost of service-level programs for parks and streetscapes, in line with community expectations. Depreciation (a non-cash expense) also contributed. Rising depreciation expenses resulted from a combination of new asset construction, developer-contributed assets and fair value revaluations.



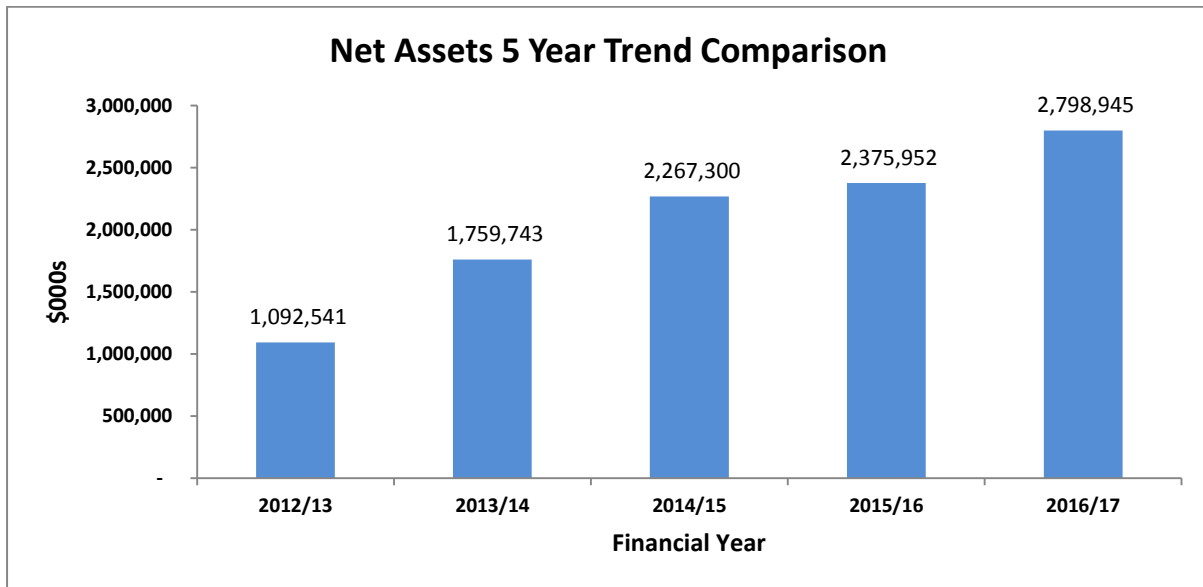
Over 90% (92%) of the City's operating expenses are captured in three categories, these being employee costs, materials and contracts, and depreciation. The proportion represented by these three areas combined is similar to previous financial years, and reflects the City's continued and consistent levels of growth.

Statement of Financial Position

Description	2012/13	2013/14	2014/15	2015/16	2016/17		Variance
	Actual \$000	Actual \$000	Actual \$000	Actual \$000	Budget \$000	Actual \$000	%
Total assets	1,185,225	1,852,617	2,364,686	2,477,868	2,562,834	2,911,518	17.5
Total liabilities	92,684	92,874	97,386	101,916	111,055	112,630	10.5
Net assets	1,092,541	1,759,743	2,267,300	2,375,952	2,451,779	2,798,888	17.8
Equity	1,092,541	1,759,743	2,267,300	2,375,592	2,451,779	2,798,888	17.8

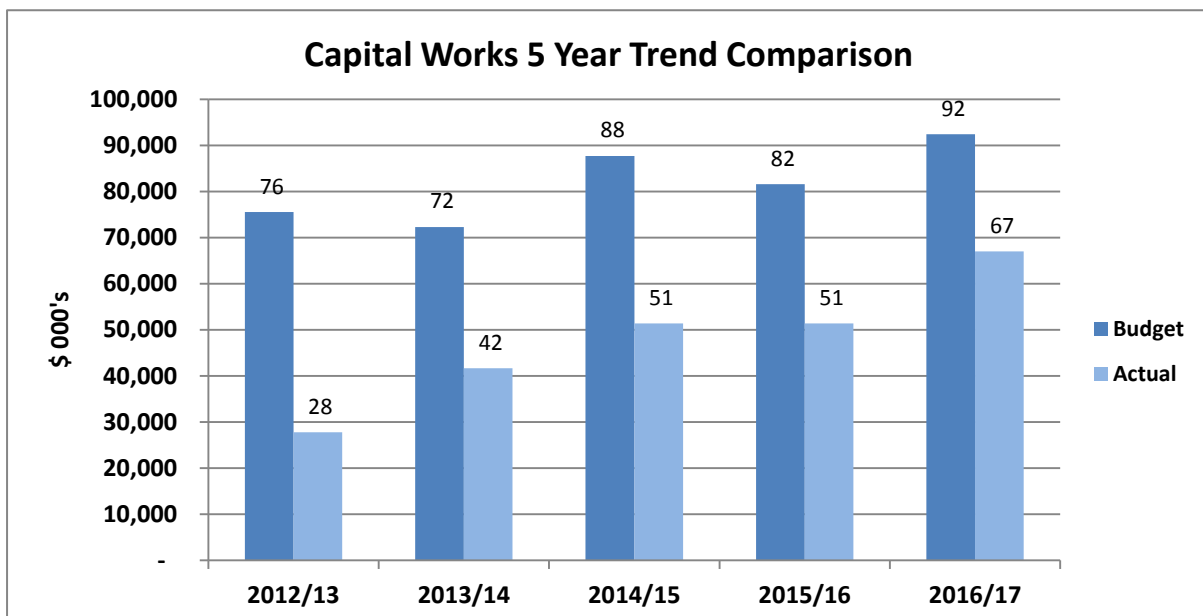
A significant increase in assets is the result of ongoing expansion and development of the City through capital works, upgrades and renewal of infrastructure. Revaluations have also contributed.

It is noted that while **\$66.9 million** was spent on capital programs in 2016/17, an additional **\$46.7 million** of infrastructure assets were constructed by developers as part of subdivisional development and handed over to the City by developers, highlighting the City's continuous growth. The infrastructure assets that are handed over to the City by developers are public infrastructure such as roads, pathways, stormwater drainage and parks which the City has the ongoing responsibility for their maintenance and upkeep.



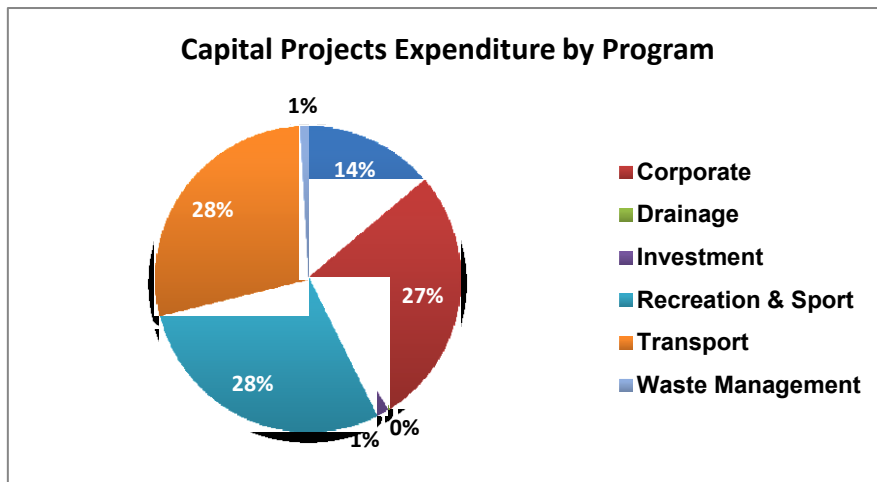
The significant increase in assets is a result of ongoing expansion and development of the City through capital works, upgrades and renewal of infrastructure, including assets handed over by Developers. Revaluations have also contributed.

Capital Expenditure



Total capital spend was less than budgeted (\$67m v. \$92m) and reflects slippage in a number of projects including: domestic waste plant replacement; light vehicle plant replacement; Lot 9005 contaminated sites investigation; remediation for Motivation Drive, Wangara; and development of Yanchep Surf Life Saving Club. While \$92 million reflects the original adopted budget, note that changes made to capital budgets throughout the year resulted in a revised total budget of **\$80.5 million**. Nevertheless, this outcome is an improvement on previous years, highlighting the City's focus on meeting community expectations. Out of the revised budget of \$80.5 million, an estimated **\$12.8 million** was brought forward to 2017/18.

A more robust budget development program as well as an increased focus on monitoring expenditure reduced total carry forward funds of \$4 million compared to 2015/16.

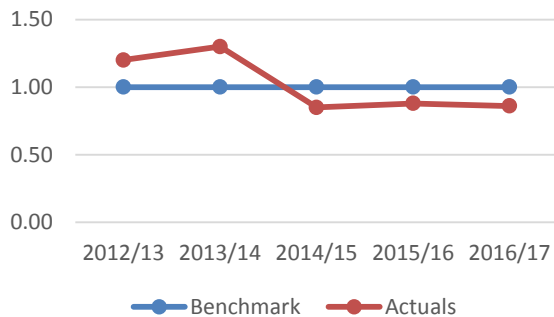


The two main categories of capital project expenditure related to transport, and recreation & sport (totalling 56%), which reflects the City's need to support ongoing expansion. A significant increase in the corporate category resulted from investment in extending the civic centre administration building.

Financial Ratios

Current Ratio

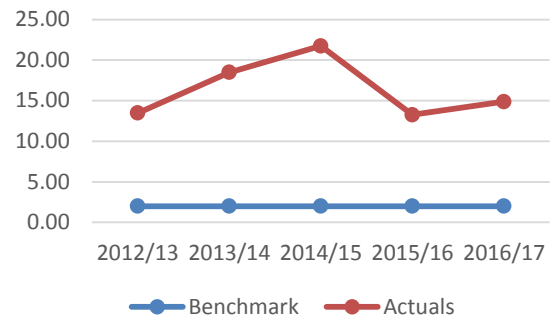
This ratio is designed to show the liquidity position of the City.



The benchmark has not been met primarily as a result of the restriction of municipal funds relating to additional capital grants received.

Debt Service Cover Ratio

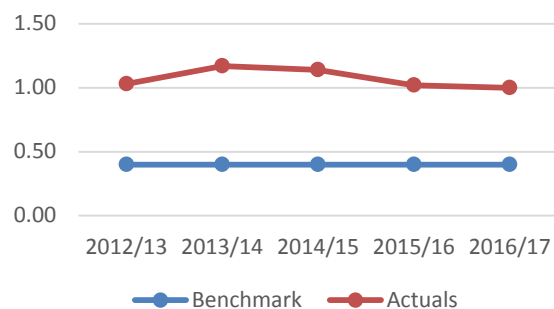
This ratio is the measurement of the City's ability to repay its debt including lease payments.



The ratio does not take into account 'interest only' loans, in circumstances where the Principal is to be repaid in a future year. The City has a provision in the Loan Repayment Reserve for the repayment of its debt by 2026.

Own Source Revenue Coverage Ratio

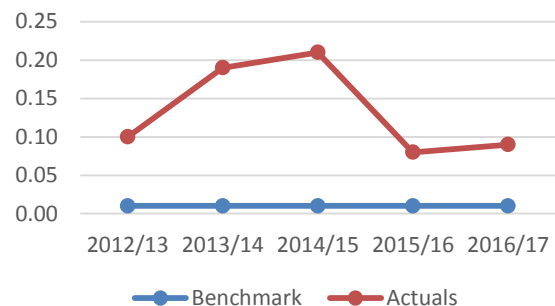
This ratio is the measurement of the City's ability to cover its costs through its own revenue efforts.



The City has met the benchmark for 2016/17 due to its own source operating revenue far exceeding the operating expenses, with Rates income being a significant contributor representing 77%. Capital program funding is in part drawn from the City's own source revenue.

Operating Surplus Ratio

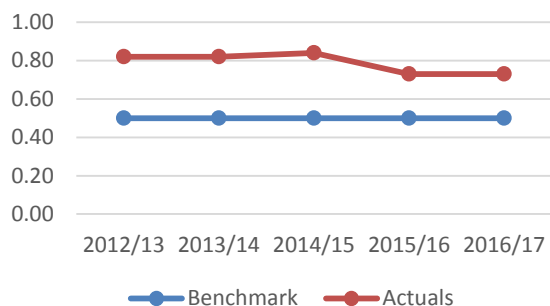
This ratio is a measure of the City's ability to cover its operational costs and have revenues available for capital funding or other purposes.



The City has consistently exceeded the benchmark due to substantial own source operating revenue to cover both operating and capital expenses.

Asset Consumption Ratio

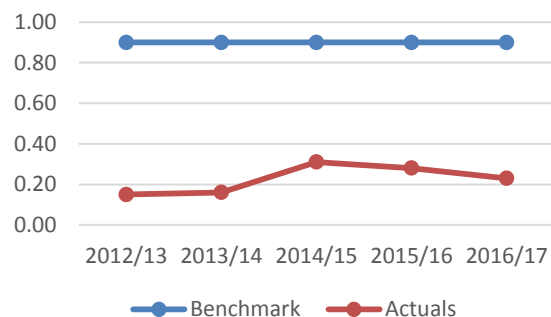
This ratio measures the extent to which depreciable assets have been consumed by comparing their written down value to their replacement cost.



The benchmark has been met consistently as City's assets are in new to very good condition.

Asset Sustainability Ratio

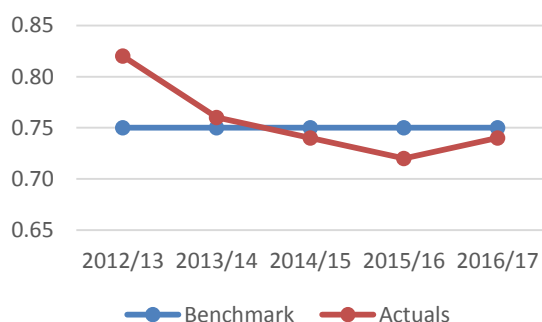
This ratio indicates whether the City is replacing or renewing existing non-financial assets at the same rate that its overall asset stock is wearing out.



The benchmark has not been met as 85% of the City's assets are in new to very good condition and less than 1% requiring immediate attention.

Asset Renewal Funding Ratio

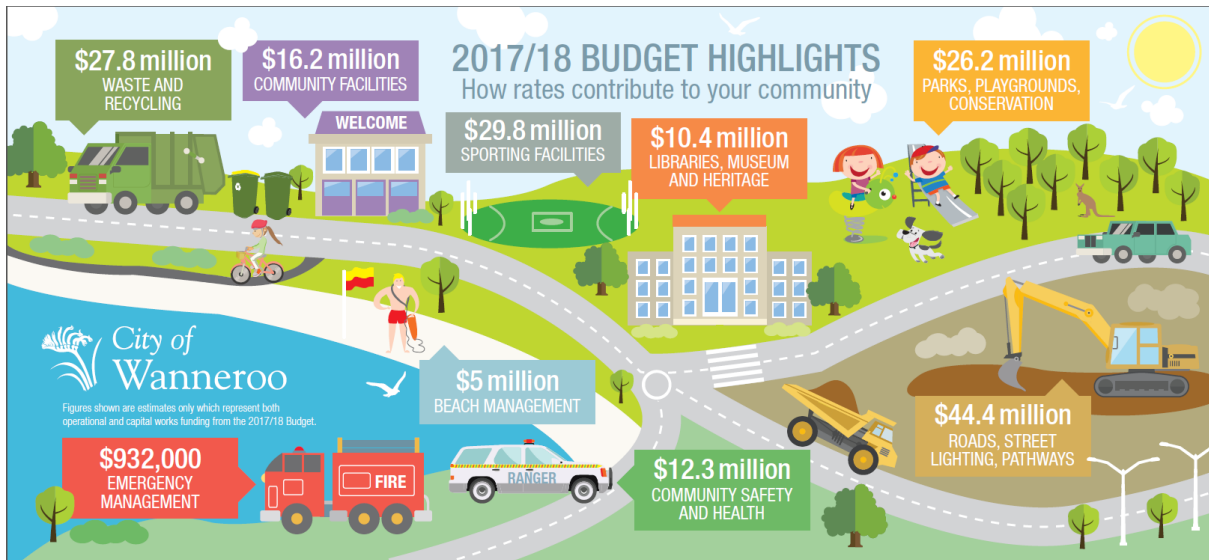
This is a measure of the ability for the City to fund its projected asset renewal/replacements in the future.



Due to the City's growth in new areas there is currently a greater amount of expenditure on new assets than renewal.

More detail can be found in the City's Long Term Financial Plan. ([link](#))

Looking Ahead



We continue to direct our resources to respond to community priorities and aspirations as articulated through the Council's SCP. Our two-yearly Community Perceptions Survey, which was conducted during 2016/17, identified the following areas as key priorities of our community:

- playgrounds, parks and reserves
- streetscapes
- safety and security
- traffic management
- footpaths and cycleways
- sport and recreation facilities.

The City's **\$67 million** Capital Works Program is well aligned to community priorities with some of the biggest spending for new and upgraded community buildings (\$4.6m), sporting facilities (\$17.4m), roadworks (\$9.3m) and coastal foreshore management (\$3.7m), all catering for our existing and growing communities.

As Perth's fastest-growing city, we are building new facilities and infrastructure while also maintaining and upgrading existing buildings and infrastructure. As such, more than \$3 million is earmarked for traffic treatments on local roads. Another \$2.5 million will be spent on park rehabilitation and renewing furniture and equipment, \$1.3 million on improving public golf courses and a similar amount for upgrading street lighting and stormwater drainage. The focus is on more efficient service delivery and sustainable solutions to most effectively manage ongoing costs. The result is that this year's increase in residential rates averaged just 2.45% across the City.

The CBP and 20-year Capital Works Program collectively affirm the City's alignment with community priorities. These are reviewed annually as part of the integrated planning and budgeting process to balance priorities and resourcing requirements.

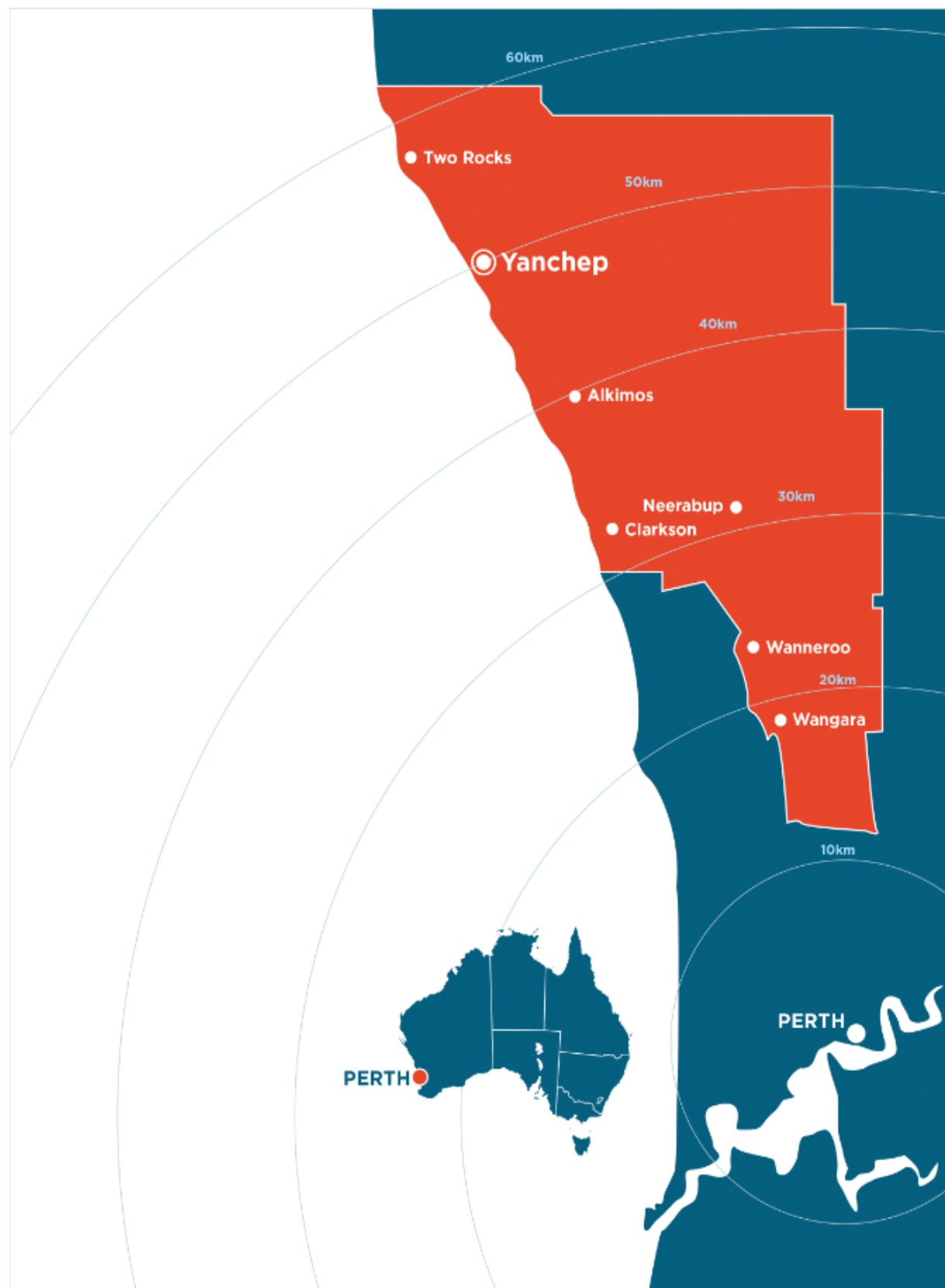
Details of the City's customer satisfaction results can be found on page **79**.

Top Capital Projects for 2017/18

Project	2017/18
	Budget
	\$000
Wanneroo Civic Centre extension	10,336
Quinns Beach coastal management works	2,950
Banksia Grove sports ground	2,816
Yanchep Surf Lifesaving Club development	2,648
Butler North District open space	2,449
Mirrabooka Avenue upgrade	2,327
Yanchep District sports amenities building	2,210
Kingsway Olympic clubrooms	2,154
Mary Lindsay Homestead building development	1,611
Yanchep District playing fields	1,055
Neerabup Industrial Area development	950
Marmion Avenue, Butler, upgrade	860
Total	32,366

The abovementioned capital projects have been identified by Elected Members as significant for the City. These will be specifically reported against on a monthly basis to the Council throughout 2017/18 to provide transparency and demonstrate accountability, thereby also allowing for greater scrutiny.

OUR CITY



City Profile

The City of Wanneroo lies on the north-eastern urban fringe of the Perth metropolitan area, about 12km from the Perth CBD at its nearest point and 62km at its farthest point. The City is bounded by the Shire of Gingin in the north, the Shire of Chittering and the City of Swan in the east, the cities of Stirling and Joondalup in the south, and the Indian Ocean to the west.

It is Western Australia's largest growing local government area and has consistently been chosen by many as a preferred place to live and do business.

The City is characterised by a diverse mix of urban, rural and industrial land uses, as well as a significant area of natural bushland and state forest, including Yanchep National Park, Neerabup National Park and Yellagonga Regional Park. A natural wetland system runs through the City, dominated by the pristine Lake Joondalup that separates the City of Wanneroo from the City of Joondalup. Urban land is predominantly residential, with a number of commercial centres providing jobs and services, along with the established industrial centre of Wangara and the newly emerging Neerabup Industrial Area site.

Land area: 687km ² Coastline: 32km	36 suburbs	Residential population: 195,253
<p>The City's 687km² includes coastal plains, wetlands, market gardens, bushland and wineries. Most of the rural areas are in the north and east. Rural land is used mainly for horticulture, agriculture and quarrying.</p> <p>Further urban centres are planned at Alkimos, Yanchep and Two Rocks to coincide with rapid metropolitan expansion and development in the area.</p> <p>The area is also home to the Yanchep and Neerabup National Parks, as well as the Neerabup Industrial Area.</p>	<p>The City's three wards include the following suburbs:</p> <p>North Coast Ward: Alkimos, Butler, Clarkson, Eglinton, Jindalee, Merriwa, Mindarie, Quinns Rocks, Ridgewood, Tamala Park, Two Rocks and Yanchep</p> <p>Central Ward: Ashby, Banksia Grove, Carabooda, Carramar, Hocking, Jandabup, Mariginiup, Neerabup, Nowergup, Pinjar, Pearsall, Sinagra, Tapping and Wanneroo</p> <p>South Ward: Alexander Heights, Darch, Girrawheen, Gngara, Koondoola, Landsdale, Madeley, Marangaroo, Wangara and part of Woodvale</p>	<p>Between 2001 and 2016, the population grew from 80,400 to 195,253.</p> <p>The forecast for 2017 is 207,168 and for 2041 is 411,006 (up 98%).</p> <p>There will be about 150,000 dwellings. Some 20 new residents move to the City each day.</p> <p>Most of the growth is expected to occur in:</p> <ul style="list-style-type: none"> • coastal areas – Alkimos, Eglinton, Yanchep and Two Rocks (+109,000 people) • East Wanneroo – Gngara, Jandabup, Mariginiup and Wanneroo (+57,000 people)

<p>Local industry creates \$4674 million</p> <p>The top three industries are construction, manufacturing and retail.</p> <p>Construction is the most productive industry, generating \$1104 million in 2015/16.</p> <p>Manufacturing created \$639 million value added to the economy.</p> <p>In 20 years, Wanneroo will be known for its success in agribusiness, clean technology and advanced manufacturing and engineering.</p>	<p>2016 Gross regional product (GRP): \$6.61 billion</p> <p>The City's GRP of \$6.61 billion represents 2.7% of the gross state product.</p> <p>The City's GRP grew by 0.8% since the previous year.</p>	<p>Local businesses: 12,495</p> <p>Wanneroo is a place of opportunity for business, with the Clarkson and Wanneroo secondary centres providing strong retail and associated employment opportunities, and the Wangara Industrial Area providing a hub for office headquarters, showrooms and manufacturing.</p> <p>Future growth will see new lifestyle and business opportunities in the rapidly growing coastal corridor and major emerging activity centres at Yanchep, Alkimos and Neerabup.</p>
<p>Local jobs: 50,268</p> <p>In 2015/16, construction was the largest employment industry, generating 9307 (18%) local jobs followed by the retail trade with 7687 (15.3%) and education and training with 6582 (13.1%).</p>	<p>Specialised industry</p> <p>Job creation and economic activity is concentrated:</p> <ul style="list-style-type: none"> • agribusiness (primary production) • tourism (predominantly coastal) • commercial fishing (Two Rocks and Mindarie). 	<p>2 major industrial areas</p> <p>The two major industrial areas are Wangara (including Landsdale) and Neerabup.</p> <p>Our commercial and industrial areas are well located on major transport routes, including Wanneroo Road, Marmion Avenue, Gngara Road and Ocean Reef Road.</p> <p>They also have strong regional connections, particularly to Joondalup Regional Centre, and easy access to the Perth CBD and Great Northern Highway (to access the north of the state).</p>
<p>7 major activity centres</p> <p>Two secondary centres: Clarkson and Wanneroo</p> <p>Five district centres: Alexander Heights, Banksia Grove, Butler, Girrawheen and Kingsway</p> <p>Future Metropolitan Centre: Yanchep</p> <p>Over 30 smaller local and neighbourhood centres</p>	<p>4 regional community facilities</p> <ul style="list-style-type: none"> • Marangaroo Golf Course • Carramar Golf Course • Kingsway Regional Sporting Complex • Wanneroo Showgrounds <p>30 community centres</p>	<p>538 parks and open space areas</p> <p>Parks, including 39 active parks, and open spaces total 2342ha.</p>

3 Major Retail Centres <ul style="list-style-type: none"> • Wanneroo Town Centre • Kingsway City • Ocean Keys 	2 Major Recreation Centres <ul style="list-style-type: none"> • Wanneroo Aquamotion • Kingsway Indoor Recreation Centre 	4 libraries <ul style="list-style-type: none"> • Girrawheen • Wanneroo • Clarkson • Two Rocks
33 years: median age of residents (2016) <ul style="list-style-type: none"> • The Indigenous population makes up 1.4% of the whole. • 30% of residents are aged under 20. • 14% of residents are 60 or more years old. • 40% of households are made up of couples with children. • There is an average of 3 people per dwelling. • The median weekly household income is \$1692. • The number of employed residents is 97,319. 	41% of residents born overseas <p>Our diversity is characterised by a high proportion of the population born overseas:</p> <ul style="list-style-type: none"> • UK (16%) born in United Kingdom • New Zealand (4%) • South African (3%) • Vietnam (2%) • India (2%) • Other countries (14%) 	1634km of roads and 1244km of pathways <p>The City is served by two north–south arterial roads—Wanneroo Road and Marmion Avenue. The two roads run parallel to each other through Wanneroo's eastern and western suburbs respectively.</p> <p>A third north–south arterial route, the Mitchell Freeway, has been extended by 6km from Burns Beach Road through to Hester Avenue.</p> <p>The City has two railway stations (Clarkson and Butler).</p> <p>Following the 2017 state elections, the Joondalup line was due to be extended from Butler to Yanchep with stations at Eglinton, Alkimos and Yanchep. The extension is due for completion in 2022.</p>

History

First recognised as a Roads District in 1902, the Wanneroo District held its first elections and Road Board Meeting in January 1903. In 1961, the Wanneroo Roads Board became the Shire of Wanneroo and in 1985, the City of Wanneroo.

In 1998, the City was divided into the Shire of Wanneroo and the City of Joondalup. That same year, Wanneroo again attained the status of a City only to relinquish that status later in 1998 when Wanneroo and Joondalup split. In 1999, Wanneroo finally regained its City status and operated as a separate local government area from the City of Joondalup. The inaugural Council of the new City of Wanneroo was elected on 11 December 1999, with Jon Kelly as Mayor and 14 ward Councillors.

The area encompassed by the City of Wanneroo has a significant Aboriginal cultural history. In Noongar Boodjar (country) there are 14 language groups. Wanneroo is situated in Whadjuk country and the word "Wanneroo" is a Noongar word which means 'place of Aboriginal woman's digging stick'.

At the time of early European settlement, the Whadjuk people were divided by the Swan River into four resident groups, each with its own territory. These were described by the then imprisoned Aboriginal resistance leader Yagan in 1832 during an interview with writer Robert Lyon:

- **Beelias** – led by Midgegooroo, father of Yagan, were south of the Swan River and south west of the Canning River;
- **Beeloo** – led by Munday, were in the region south of the Swan and north east of the Canning, to the Helena Rivers;
- **Mooro** – led by Yellagonga, north of the Swan River and east to Ellen's Brook, and;
- **"Mountain tribe"** (Noongar name unknown) – led by Weeip, in the Darling Range (north east of Beeloo and east of Mooro). (Green, 1984)

Wanneroo is part of Mooro Country, the district of Yellagonga, an important Noongar elder and leader. The Mooro people used the lakes and surrounds as camping, social and ceremonial areas, and as an importance source of sustenance. The lake areas were used as rest points between the foothills and the ocean, and between Mt Eliza (Kings Park) and the Moore River as Mooro people moved according to season. Wanneroo's lakes, caves and coastline are part of Dreaming stories which remain important to Noongar people today. Many Dreaming stories explain how local landforms and animals came to be created.

Like the Noongar people the new settlers used the natural resources of the 'lakes districts' to sustain them and by 1872 there were 60 new families in the area. The City had a population of 100 people at the time of settlement in 1902, growing to 1100 in 1950, 8000 in 1970, 80,000 in 2001 and 195,253 in 2016. Over the past 14 years, the population has more than doubled.

The area is rich in history and is proud of its heritage, with a number of original buildings and sites, including:

- Atlantis Marine Park
- Buckingham House and Old Wanneroo School House
- Cockman House
- Cooper's Lime Kilns
- Fisherman's Hollow
- Leeman's Landing Monument
- Lime Kilns – Emerald Reserve

- Mary Lindsay Homestead
- Perry's Paddock
- Wanneroo Show Grounds
- Wanneroo War Memorial
- Yanchep National Park
- Yanchep War Memorial (Yanchep National Park)
- Yellagonga Regional Park

(Source: *Discover Wanneroo*) ([Link](#))

City Services

The City provides a wide range of services to the local community. These services meet local community needs and support the priorities of the SCP. The City also delivers a range of internal functions that act to support and strengthen service delivery.

In addition to these services, the City delivers specific operating and capital works actions and projects. Some of these are key drivers to support service delivery planning; others are one-off actions to meet the priorities and objectives of the SCP.

Society	Economy	Environment Natural	Environment Built	Civic Leadership
Community Services	Industry Diversification	Environmental Management Planning	Future Land Use Planning	Strategic and Operational Planning and Improvement
Community Development and Engagement	Employment Locations	Environmental Compliance	Planning and Building Approvals	Human Resource Management
Community Recreation Programs and Facilities	Investment Attraction	Natural And Conservation Areas	Planning and Building Compliance	Strategic and Transactional Finance
Library Services	Advocacy	Waste Management	Plan Community Infrastructure	Governance and Legal Support
Cultural Services and Facilities	Business Support And Workforce Development		Deliver Community Infrastructure	Council and Corporate Administrative Support
Community Safety and Emergency Management	Tourism		Asset Maintenance	Marketing and Communications
Environmental Health Services			Property Services	Information Technology and Communications
			Parks and Recreation Areas	

GOVERNANCE

As one of Australia's three tiers of government (federal, state and local), local government most closely affects the daily lives of people in the community. This third tier of government is referred to as councils, shires or local governments.

The City of Wanneroo is one of 139 local governments in Western Australia operating in accordance with the *Local Government Act 1995*. The Act sets out a system of local government by providing for Elected Members to form a Council, describing the functions of local governments, providing for the conduct of elections and polls, and providing a framework for the administration and financial management of local government, including accountability and transparency.

Further Reading

The *Local Government Act 1995* can be downloaded from the State Law Publisher at www.slp.wa.gov.au ([Link](#))

Democratic Governance

Governance is the system and structures by which councils are directed and controlled. It is the process of governing (formal or informal) by which the Council makes decisions; distributes and exercises authority and power; determines strategic goals; develops institutional rules; and assigns responsibility for those matters.

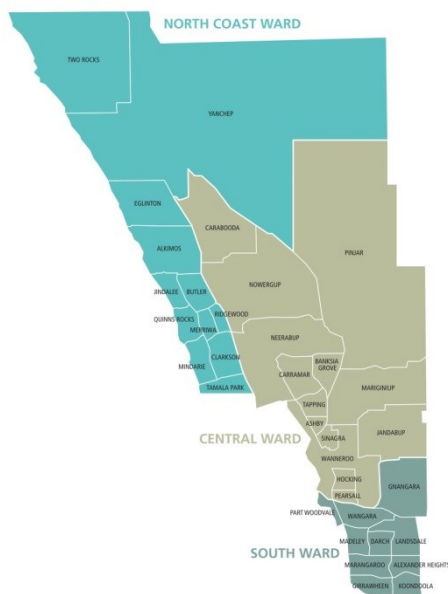
Governance involves a focus on the clarity of roles and responsibilities, which support accountability (internal and external) and public access to decision-making and information.

Benefits of effective governance include:

- better management
- improved communication
- sustainability and growth
- attracting funding
- appeal to insurers
- improved services
- enhanced reputation.

Democratic governance is the process by which democratically elected governments undertake their duty of governing for and on behalf of their constituents and the community as a whole. This is essential to an understanding of good governance in the local government context.

Our Elected Members and District Wards



The Wanneroo City Council consists of a popularly Mayor and 14 Councillors. The City is divided into three wards – South Ward, Central Ward and North Coast Ward – with representative Councillors elected to their respective wards.

The 15 Elected Members represent all residents and ratepayers within the City. Elected Members form the Council and are responsible for setting the strategic direction for the municipality, policy development, identifying service standards and monitoring performance across the organisation.



Mayor Tracey Roberts JP

Mayor Tracey Roberts was elected to the position of Mayor of the City of Wanneroo in 2011 and re-elected as Mayor in October 2015.

Mayor Roberts has qualifications in Business Management and in 2010 was one of the first recipients of a Local Government Scholarship. In 2011, she was one of six people Australia-wide to be awarded the Diploma of Local Government. Mayor Roberts is a Graduate of the Australian Institute of Company Directors and a Justice of the Peace.

2016/17 Representation on Committees and Working Groups

Delegate Member

Audit & Risk Committee
 Community Funding Working Group
 Community Safety Working Group
 Festival and Cultural Events Committee (FACE)
 Multicultural Advisory Group
 North Coast Ward Community Reference & Sporting Group
 Quinns Beach Long term Coastal Protection Community Reference Group
 Quinns Rocks Caravan Park Re-Development Working Group
 Rating Strategy Review Committee
 South Ward Community Reference & Sporting User Group
 Wanneroo BMX Raceway Club Relocation Working Group
 Wanneroo Business & Tourism Development Working Group
 Wanneroo Town Centre Advisory Group
 Waste Management Advisory Committee
 WALGA North Metro Zone
 WALGA State Council

Deputy Delegate Member

Art Advisory Committee

North Coast Ward



Cr Linda Aitken

Elected in 2013



Cr Russell Driver

Elected in 2011 and has served continuously as Councillor since that time



Cr Glynis Parker

Elected in 2013.

2016/17 Representation on Committees and Working Groups	2016/17 Representation on Committees and Working Groups	2016/17 Representation on Committees and Working Groups
Delegate Member	Delegate Member	Delegate Member
Audit & Risk Committee	Audit & Risk Committee	Art Advisory Committee
North Coast Ward Community Reference & Sporting Group	Metro North-West Joint Development Assessment Panel (JDAP)	Audit & Risk Committee
Quinns Beach Long term Coastal Protection Community Reference Group	Heritage Services Advisory Group	Community Safety Working Group
Quinns Rocks Caravan Park Re-Development Working Group	Mindarie Regional Council	Festival and Cultural Events Committee (FACE)
Rating Strategy Review Committee	North Coast Ward Community Reference & Sporting Group	North Coast Ward Community Reference & Sporting Group
Wanneroo & Districts Historical Society	Quinns Beach Long term Coastal Protection Community Reference Group	Quinns Beach Long term Coastal Protection Community Reference Group
Waste Management Advisory Committee	Quinns Rocks Caravan Park Re-Development Working Group	Quinns Rocks Caravan Park Re-Development Working Group
Deputy Delegate Member	Rating Strategy Review Committee	Rating Strategy Review Committee
WALGA North Metro Zone	Waste Management Advisory Committee	Small Business Centre North West Metro Board
Yanchep/Two Rocks Community Bus Management Committee	Deputy Delegate Member	Wanneroo Business & Tourism Development Working Group
	Community Funding Working Group	Deputy Delegate Member
	Environmental Advisory Committee	Metro North-West Joint Development Assessment Panel (JDAP)
	Festival and Cultural Events Committee (FACE)	WALGA North Metro Zone
	WALGA North Metro Zone	



Cr Natalie Sangalli

Elected in 2015



Cr Sabine Winton

Elected in 2013. Resigned in March 2017 when elected to State Parliament as the Member for Wanneroo

2016/17 Representation on Committees and Working Groups	
Delegate Member	Delegate Member
Audit & Risk Committee	Audit & Risk Committee
Community Funding Working Group	Environmental Advisory Committee
Environmental Advisory Committee	Multicultural Advisory Group
Heritage Services Advisory Group	North Coast Ward Community Reference & Sporting Group
North Coast Ward Community Reference & Sporting Group	Quinns Beach Long term Coastal Protection Community Reference Group
Quinns Beach Long term Coastal Protection Community Reference Group	Quinns Rocks Caravan Park Re-Development Working Group
Quinns Rocks Caravan Park Re-Development Working Group	Rating Strategy Review Committee
Rating Strategy Review Committee	Reconciliation Action Plan Working Group
RoadWise Working Group	WALGA North Metro Zone
Deputy Delegate Member	Yellagonga Regional Park Community Advisory Committee
Community Safety Working Group	Deputy Delegate Member
Wanneroo and Districts Historical Society	Metro North-West Joint Development Assessment Panel (JDAP)
Yanchep/Two Rocks Community Bus Management Committee	

Central Ward



Cr Frank Cvitan JP

Elected to the Shire of Wanneroo in 1999 which later became the City of Wanneroo. Served as Councillor from 1999 to 2009 and again from 2011



Cr Samantha Fenn

Elected in 2015

2016/17 Representation on Committees and Working Groups	2016/17 Representation on Committees and Working Groups
Delegate Member	Delegate Member
Art Advisory Committee	Audit & Risk Committee
Audit & Risk Committee	Quinns Rocks Caravan Park Re-Development Working Group
Metro North-West Joint Development Assessment Panel (JDAP)	Rating Strategy Review Committee
Elderbloom Community Care Centres Board of Management	Wanneroo BMX Raceway Club Relocation Working Group
Rating Strategy Review Committee	WALGA North Metro Zone
Wanneroo BMX Raceway Club Relocation Working Group	Deputy Delegate Member
Wanneroo Town Centre Advisory Group	Art Advisory Committee
Waste Management Advisory Committee	Community Funding Working Group
WALGA North Metro Zone	Elderbloom Community Care Centres Board of Management
Deputy Delegate Member	Environmental Advisory Committee
Community Safety Working Group	Festival and Cultural Events Committee (FACE)
Small Business Centre North West Metro Board	Metro North-West Joint Development Assessment Panel (JDAP)
Wanneroo Agricultural Society	North West Regional Road Sub Group
WALGA State Council	Wanneroo Town Centre Advisory Group
Yellagonga Regional Park Community Advisory Committee	Wanneroo/Joondalup Local Emergency Management Committee
	North West District Emergency Management Committee



Cr Dianne Guise
Deputy Mayor

Elected in 2009 and has served continuously on Council since that time. Elected Deputy Mayor in 2015



Cr Dot Newton JP

Elected in 2001 and has served continuously on Council since that time. Elected Deputy Mayor from 2013-2015

2016/17 Representation on Committees and Working Groups	2016/17 Representation on Committees and Working Groups
Delegate Member	Delegate Member
Audit & Risk Committee	Audit & Risk Committee
Community Funding Working Group	Community Safety Working Group
Multicultural Advisory Group	Environmental Advisory Committee
Rating Strategy Review Committee	Festival and Cultural Events Committee (FACE)
Tamala Park Regional Council	Mindarie Regional Council
Wanneroo Agricultural Society	Rating Strategy Review Committee
Wanneroo BMX Raceway Club Relocation Working Group	RoadWise Working Group
Wanneroo Town Centre Advisory Group	Wanneroo BMX Raceway Club Relocation Working Group
Deputy Delegate Member	Wanneroo Business & Tourism Development Working Group
Environmental Advisory Committee	Wanneroo Town Centre Advisory Group
Quinns Rocks Caravan Park Re-Development Working Group	Wanneroo/Joondalup Local Emergency Management Committee
Reconciliation Action Plan Working Group	North West District Emergency Management Committee
	Waste Management Advisory Committee

South Ward



Cr Denis Hayden

Elected in 2011 and has served continuously as Councillor since that time



Cr Hugh Nguyen

Elected in 2013



Cr Lara Simpkins JP

Elected in 2015

2016/17 Representation on Committees and Working Groups	2016/17 Representation on Committees and Working Groups	2016/17 Representation on Committees and Working Groups
Delegate Member	Delegate Member	Delegate Member
Audit & Risk Committee	Audit & Risk Committee	Audit & Risk Committee
Heritage Services Advisory Group	Community Safety Working Group	Rating Strategy Review Committee
Rating Strategy Review Committee	Joondalup Health Campus Community Board of Advice	RoadWise Working Group
Reconciliation Action Plan Working Group	Rating Strategy Review Committee	South Ward Community Reference & Sporting User Group
South Ward Community Reference & Sporting User Group	South Ward Community Reference & Sporting User Group	Wanneroo Business & Tourism Development Working Group
Deputy Delegate Member	Waste Management Advisory Committee	
Community Safety Working Group	Deputy Delegate Member	
	Community Funding Working Group	
	Tamala Park Regional Council	



Cr Brett Treby

Elected to the Shire of Wanneroo in 1999 which later became the City of Wanneroo and has served continuously as Councillor since that time. Elected Deputy Mayor from 2007-2009



Cr Domenic Zappa

Elected in 2013

2016/17 Representation on Committees and Working Groups		2016/17 Representation on Committees and Working Groups	
Delegate Member		Delegate Member	
Audit & Risk Committee		Audit & Risk Committee	
Multicultural Advisory Group		Community Funding Working Group	
Quinns Rocks Caravan Park Re-Development Working Group		Festival and Cultural Events Committee (FACE)	
Rating Strategy Review Committee		North West Regional Road Sub Group	
South Ward Community Reference & Sporting User Group		Rating Strategy Review Committee	
Tamala Park Regional Council		South Ward Community Reference & Sporting User Group	
Deputy Delegate Member		WALGA North Metro Zone	
Festival and Cultural Events Committee (FACE)		Deputy Delegate Member	
WALGA North Metro Zone		Quinns Rocks Caravan Park Re-Development Working Group	
		Tamala Park Regional Council	

Council Elections

Ordinary local government elections are held every two years on the third Saturday in October, with half of the available Councillor positions being contested. An ordinary mayoral election is held every four years. Each successful Elected Member is appointed for a term of four years. Any eligible elector of the City of Wanneroo can nominate for election.

For each election, successful candidates to the position of Mayor and Councillor are determined by the votes of the electors of the City. Voting in local government elections is open to any person who is registered on the State Electoral Roll and is a registered eligible elector of the City of Wanneroo. Voting is not compulsory.

The position of Deputy Mayor is determined by the Council at an election held at the first Council meeting following an ordinary election. The appointment of Deputy Mayor is for a term of two years.

During 2017, the state election resulted in former Councillor Winton being elected to State Parliament and as a result was disqualified from sitting on the Council. The Council sought approval from the Western Australian Electoral Commissioner to allow the resulting vacancy to remain unfilled. In May 2017, the Commissioner approved this request in accordance with s. 4.17(2) of the *Local Government Act 1995*.

The next ordinary local government election is due to be held on 21 October 2017.

The Role of the Mayor and Councillors

Elected Members make important decisions relating to the whole of the local government by considering the views of the community. They also work together with the community, the CEO and the administration to set the strategic direction of the City. The role of the Elected Members is defined in the *Local Government Act 1995*.

The role of the Mayor is to:

- preside at meetings in accordance with the *Local Government Act 1995*
- provide leadership and guidance to the community
- carry out civic and ceremonial duties on behalf of the local government
- speak on behalf of the local government
- liaise with the CEO on the affairs of local government and the performance of its functions.

The role of Councillor is to:

- represent the interests of electors, ratepayers and residents
- provide leadership and guidance to the community
- facilitate communication between the community and the Council
- participate in local government decision-making processes at Council and Committee meetings.

Conduct of Elected Members

Section 5.103 of the *Local Government Act 1995* requires that every local government prepare a Code of Conduct to be observed by Elected Members. The City's Elected Member Code of Conduct is currently under review. As part of this review, a Complaints Framework has been developed to support resolution of allegations of breaches against the code.

Local Government (Rules of Conduct) Regulations 2007

The City's processes also support managing complaints in relation to the Local Government (Rules of Conduct) Regulations 2007, which deal with:

- disclosure of confidential information
- improper use of the position of Councillor to gain a personal advantage or cause detriment to the local government or others
- the misuse of local government resources
- unauthorised involvement in administration matters
- improperly directing, influencing or making offensive or objectionable statements about a local government employee
- disclosure of 'impartiality' interests
- notifiable and prohibited gifts.

Section 5.121 of the Act requires a local government to maintain a register of complaints that result in an action under s. 5.110(6)(b) or (c) of the Act.

Three complaints were reported to the Local Government Standards Panel in 2016/17. Outcomes have yet to be determined.

Ethics

The City has a zero tolerance approach to fraud, corruption, bribery and misconduct and has implemented a Fraud and Misconduct Control and Resilience Framework to prevent, detect and respond to misconduct and fraudulent or corrupt behaviour. This framework is aligned to the Australian Standards AS 8001:2008 Fraud and Corruption Control and represents the City's proactive approach to:

- ensuring and maintaining the highest ethical standards and to reinforce the City's values
- eliminating, or at the very least minimising, the opportunities for fraud, corruption and misconduct to occur at, by or against, the City
- providing a clear statement to employees, contractors and Elected Members that fraud, corruption and misconduct are not acceptable and will not be tolerated
- ensuring that all parties are aware of, and accountable for, their responsibilities in relation to the prevention, detection and response to fraud, corruption and misconduct risks and incidents
- enabling sound corporate governance, robust internal controls and transparency.

The City has a dedicated Governance and Legal Service Unit responsible for investigating allegations of fraud, serious misconduct and corruption and is currently facilitating information training sessions in respect of the framework.

The City's fraud and misconduct internet page provides an online form to report suspected fraud and misconduct and includes comprehensive information in relation to the framework, including the *Public Interest Disclosure Act 2003*.

The City has also adopted a Code of Conduct for employees and Committee members.

Statement of Business Ethics

The City has introduced a Statement of Business Ethics to provide guidance to the City's contractors, service providers and suppliers, of the City's expectations of integrity and ethical conduct. The City's key business ethic principles are: safety, ethics and integrity, governance, openness and effective communication, value for money and sustainability.

Conflict of interest

The Conflict of Interest Policy and associated management procedures provide clear direction to employees in managing their interests in accordance with legislative requirements with the following objectives:

- ensure that in situations of real, apparent or potential conflict of interest or interests affecting impartiality, decisions are made in a manner that upholds the public interest and facilitates ethical decision-making
- establish measures to help manage and resolve conflict of interest or interests affecting impartiality that could impair either the integrity of the City or the public's perception of its integrity.

The Gifts and Benefits Policy and associated management procedure establishes a common understanding of appropriate conduct expected of all employees in relation to gifts, benefits and hospitality.

Elected Members are required to comply with the *Local Government Act 1995* and the Local Government (Rules of Conduct) Regulations 2007. In particular, regulations 11 and 12 require the disclosure of interests that may affect the decision-making of Elected Members at meetings. The City's formal process requires interests to be disclosed.

Compliance

The Audit & Risk Committee recommends a report to Council in respect of the City's annual compliance audit return. The Mayor and CEO are required to sign off on the audit return and forward it to the Department of Local Government, Sport and Cultural Industries.

The Audit & Risk Committee receives a report from the internal Auditor on the CEO's twice-yearly review about the effectiveness of the City's legislative compliance system, internal controls and relevant processes.

Council and Committee meetings

Ordinary Council meetings are held every fourth Tuesday evening. The Mayor presides at Council meetings, which are also attended by Councillors, the CEO and directors of the City of Wanneroo. Reports are formally presented to provide information and advice to assist the Council in the decision-making process.

Members of the public are welcome to attend Council meetings and there is an opportunity to ask questions during public question time. However, members of the public are not permitted to take part in Council debate.

In accordance with the *Local Government Act 1995*, minutes are kept of Council meeting proceedings and the unconfirmed minutes are published on the City of Wanneroo website in the week following the meeting. The minutes are presented at the next ordinary meeting of the Council for confirmation.

The Council has established a number of committees to provide advice and support to Council on issues and activities and to contribute towards the planning and delivery of services. The terms of reference and membership of each committee is determined by appointment of the Council. None of the committees holds delegated authority to exercise the powers and discharge the duties of the local government.

Council Meeting Attendance

The following table details the types of meetings held during 2016/17, the number of meetings held [n] and the record of attendance of each elected member.

Elected Members	Electors AGM	Ordinary Council	Special Council
No. of meetings held	[1]	[12]	[1]
Mayor T Roberts JP	1	12	1
Cr L Aitken	1	11	1
Cr F Cvitan JP	1	12	1
Cr R Driver	1	10	0
Cr S Fenn	1	11	1
Cr D Guise (Deputy Mayor)	0	11	1
Cr D Hayden	0	4	0
Cr D Newton JP	1	12	1
Cr H Nguyen	0	10	1
Cr G Parker	1	11	1
Cr N Sangalli	1	12	1
Cr L Simpkins JP	1	10	1
Cr S Winton (until 13.03.17)	1	6	1
Cr D Zappa	1	12	1
Cr B Treby	1	11	1

Committee Meeting Attendance

The following table details the types of meetings held during 2016/17, the number of meetings held and the record of attendance of each elected member.

Elected Members	Audit & Risk Committee	Arts Advisory Committee	Environmental Advisory Committee	Festival and Cultural Events Committee	Waste Management Advisory Committee	Yanchep/Two Rocks Bus Management Committee
No. of meetings held	[6]	[3]	[3]	[3]	[5]	[9]
Mayor T Roberts JP	6	n/a*	n/a	3	n/a	n/a
Cr L Aitken	5	n/a	n/a	n/a	5	2
Cr F Cvitan JP	6	3	n/a	n/a	3	n/a
Cr R Driver	3	n/a	n/a	n/a	4	n/a
Cr S Fenn	5	n/a	n/a	n/a	n/a	n/a
Cr D Guise (Deputy Mayor)	5	n/a	n/a	n/a	n/a	n/a
Cr D Hayden	n/a	n/a	n/a	n/a	n/a	n/a
Cr D Newton JP	5	n/a	2	3	3	n/a
Cr H Nguyen	4	n/a	n/a	n/a	1	n/a
Cr G Parker	6	1	n/a	3	n/a	n/a
Cr N Sangalli	5	n/a	2	n/a	n/a	5
Cr L Simpkins JP	4	n/a	n/a	n/a	n/a	n/a
Cr B Treby	4	n/a	n/a	n/a	n/a	n/a
Cr S Winton (until 13.03.17)	2	n/a	1	n/a	n/a	n/a
Cr D Zappa	6	n/a	n/a	1	n/a	n/a

Note: *n/a = not applicable

The Council considered the terms of reference for the Rating Strategy Review Committee in March 2017. The Committee was subsequently renamed the Revenue Review Committee. No meetings were held in 2016/17.

Council Meeting Dates

The following table details the dates of ordinary and special Council meetings held in 2016/17 and the number of items submitted to ordinary Council meetings.

Dates of ordinary Council meeting	No. of items submitted to ordinary Council	Dates of special Council meeting
19 July 2016	24	4 October 2016
16 August 2016	30	
13 September 2016	23	
11 October 2016	23	
7 November 2016	26	
6 December 2016	28	
7 February 2017	26	
7 March 2017	25	
4 April 2017	13	
9 May 2017	22	
30 May 2017	11	
27 June 2017	26	

Committee Meetings Dates

The following table records the dates of Committee meetings held in 2016/17.

Audit & Risk Committee	Art Advisory Committee	Environmental Advisory Committee	Festival and Cultural Events Committee	Waste Management Advisory Committee	Yanchep/Two Rocks Community Bus Management Committee
2016 23 August 25 October 22 November 2017 21 February 14 March 6 June	2016 27 September 2017 21 March 10 May	2016 12 September 12 December 2017 2 May 2017	2016 25 August 2017 21 February 9 May	2016 23 August 30 August 18 October 2017 7 February 28 March	2016 14 July 11 August 8 September 14 October 10 November 8 December 2017 16 March 11 May 1 June

No Revenue Review Committee meetings were held during 2016/17 financial year.

Committee and Working Groups

The Council has established nine committees, of which seven have elected member representatives. In addition to these committees, there are 13 internal working groups and 15 external committees and working groups, all of which have elected member representation.

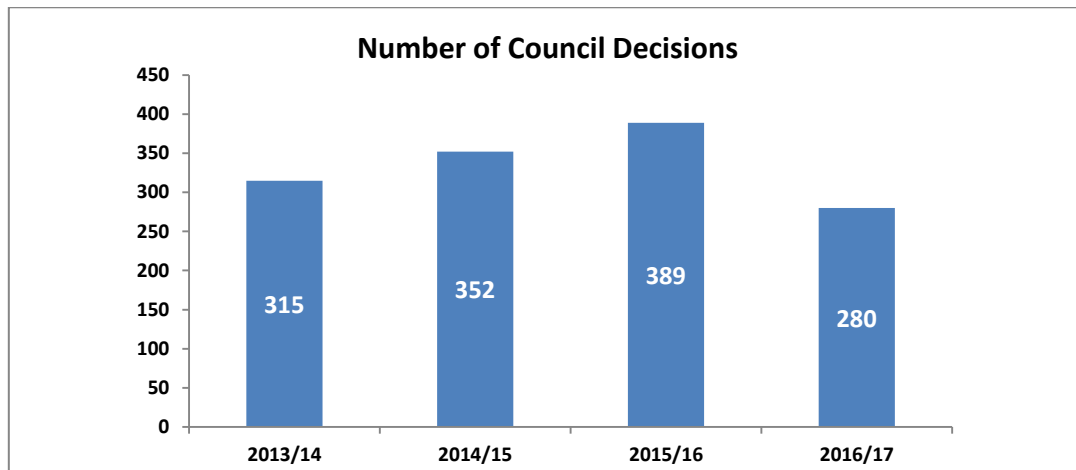
Committees and working groups are established as required to consider and provide advice to the Council on a number of issues. The following table lists all committees and working groups.

Internal	External
Alkimos–Eglinton Development Contribution Plan Technical Advisory Committee	Metro North-West Joint Development Assessment Panel
Art Advisory Committee	Elderbloom Community Care Centre's Board of Management
Audit & Risk Committee	Joondalup Health Campus Community Board of Advice
Community Funding Working Group	Mindarie Regional Council
Community Safety Working Group	North West Regional Road Sub Group
Environmental Advisory Committee	Small Business Centre North West Metro Board of Management
Festival and Cultural Events Committee (FACE)	Tamala Park Regional Council
Heritage Services Advisory Group	Wanneroo Agricultural Society
Multicultural Advisory group	Wanneroo & Districts Historical Society
North Coast Ward Community Reference and Sporting Group	Wanneroo/Joondalup Local Emergency Management Committee (LEMC)
Quinns Beach Long Term Coastal Protection Community Reference Group	North West Metropolitan District Emergency Management Committee (DEMC)
Quinns Rocks Caravan Park Redevelopment – Councillor Working Group	Western Australian Local Government Association (WALGA) North Metropolitan Zone
Reconciliation Action Plan Working Group	Western Australian Local Government Association State Council
Revenue Review Committee (previously Rating Strategy Review Committee)	Yanchep/Two Rocks Community Bus Management Committee
RoadWise Working Group	Yellagonga Regional Park Community Advisory Committee
South Ward Community Reference & Sporting User Group	
Wanneroo BMX Raceway Club Relocation Working Group	
Wanneroo Business and Tourism Development Working Group	
Wanneroo Town Centre Advisory Group	
Waste Management Advisory Committee	
Yanchep Two Rocks Development Contribution Plan Technical Advisory Committee	

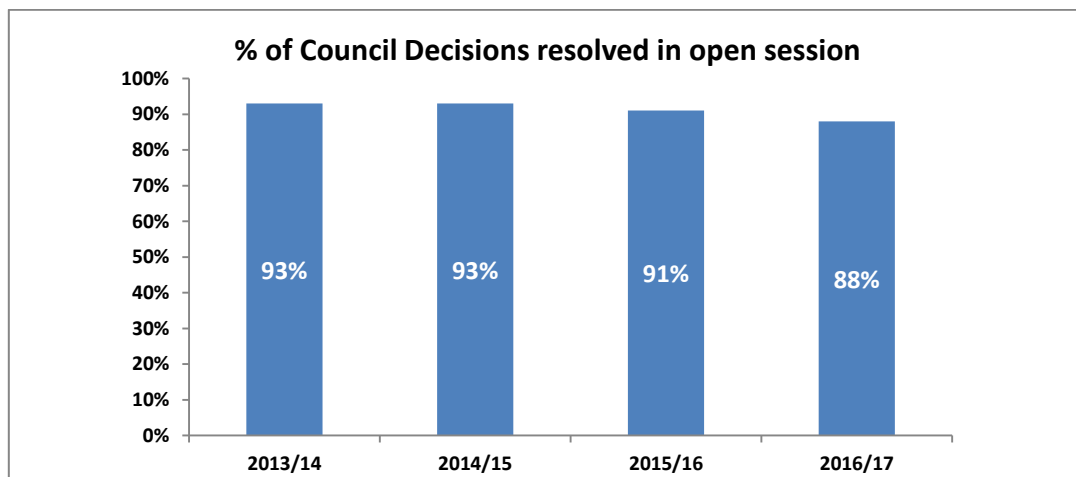
Council Decisions

The Council recognises the importance of being transparent and accountable. All Council meetings are open to the public, except when sensitive confidential matters are being considered. Recommendations are submitted by the administration to the full Council at its ordinary or special Council meetings and agendas; minutes for all these meetings are published on the City website and available for review. A link to the Council meetings and agendas is available on the City's website:

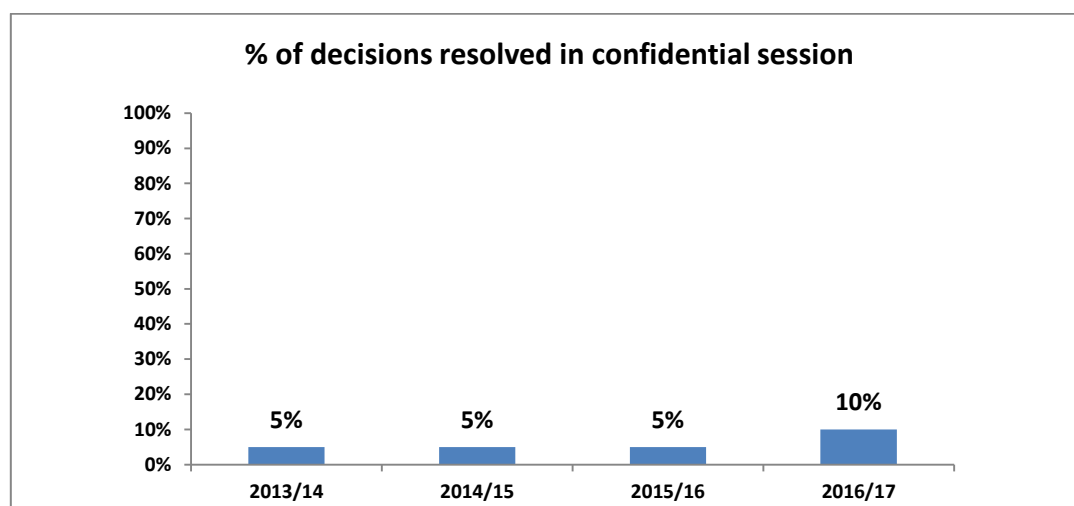
http://www.wanneroo.wa.gov.au/info/20003/council/10/council_meetings/2 ([Link](#))



The City continues to review processes and improve decision-making practices for its community and customers. Appropriate decisions made under delegated authority or guided by policy can aid customer response times. However, all matters that require Council consideration are referred through the Council decision-making process for determination.



Council strives to be open and transparent in the decision-making process, with 88% of all Council decisions being resolved in open session.



Items that may be considered confidential are defined in s. 5.23(2) of the *Local Government Act 1995*. Although these items may be discussed in confidential session, any decision made (the resolution) is always read aloud immediately after the Council meeting is re-opened to the public.

Disbanded Committees and Working Groups

Nil.

Delegations of Authority

Delegations of Authority provide officers with the power to carry out duties and make determinations. Under the *Local Government Act 1995*, both the Council and the CEO are given certain powers and duties to be discharged.

The Council may delegate in writing by absolute majority to the CEO the exercise of any of its powers or the discharge of any of its duties under various Acts, apart from those specified in s. 5.43 of the Act.

The CEO may delegate to any employee the exercise of any of the chief executive's powers or the discharge of any CEO duties, other than the power of delegation, including those powers and duties delegated by Council, subject to any conditions imposed by the Council.

The Local Government Act 1995 requires the CEO to keep a register of delegations and arrange once every financial year for those delegations to be reviewed by the delegator.

Advocacy

The City is a strong advocate in the interests of our community. The Council has adopted four advocacy priorities:

- Roads – delivery of major regional road transport infrastructure
- Rail – expansion of the northern suburbs rail network
- Reserves (active regional open space) – reservation, land acquisition and development
- Region – collaborative planning for major regional economic growth. In 2016, the Council add agribusiness as a regional priority.

What is advocacy?

The City defines advocacy as a strategic, proactive, whole-of-community approach aiming to influence decisions within the state and federal political spheres and government agencies in a way that recognises and prioritises the needs of our local community.

Our Advocacy Plan ensures that advocacy for major infrastructure projects is coordinated, collaborative, effective and maximises the potential for these projects to attract federal and state government funding

Advocacy Achievements for 2016/17

It was a positive and busy year for the City's advocacy agenda, with two government elections held within the year. The federal election was held on 2 July 2016 and the state election on 11 March 2017.

In both instances, the City worked with the community to mobilise efforts to bring to the attention of politicians two key projects:

- extension of the rail line north to Yanchep
- extension of the Mitchell Freeway north to Romeo Road.

Our approach to advocacy was different for each election. For the federal election (as reported in 2015/16), the City participated as a member of the National Growth Areas Alliance in a national campaign called Fund our Future.

For the state election, the brand *Connect Wanneroo: Get on Board* was launched in October 2016 and will remain the flagship for the City's future advocacy agenda. The community embraced the online campaign by getting involved via social media and at face-to-face events across the City. Work to date has set the scene for *Connect Wanneroo* to be an effective way for the community to have their voices heard on issues of importance, and the brand enables the community to recognise future campaigns.

The City secured proposed investment in the rail line to Yanchep via the government's promotion of Metronet along with key road projects:

- opening of the Mitchell Freeway extension to Hester Avenue
- completed widening of Marmion Avenue from Lukin Drive to Butler Boulevard
- planned widening of Marmion Avenue from Butler to Yanchep Beach Road
- announced widening of Wanneroo Road between Joondalup Drive and Flynn Drive
- the Wanneroo Road and Ocean Reef Road Interchange. This project is funded by the Commonwealth and state governments as part of a \$2.3 billion investment in road and rail infrastructure, announced by Premier Mark McGowan on 7 May 2017
- the Wanneroo Road and Joondalup Drive Interchange.

- A review of the City's advocacy agenda will occur in 2017/18 with new project priorities to be set by Council. *Connect Wanneroo* continues to focus on the Mitchell Freeway extension to Romeo Road through strong online engagement with residents.
- More details can be found on page **128**.

Economic Development

The City is Western Australia's largest growing local government area with a rapidly growing population of around 7000 per year, which is projected to continue over the next 50 years. This growth presents significant challenges in job and business creation, attraction, expansion and retention. These challenges include:

- low jobs growth rate – current jobs growth is 1600 new jobs per year but we need a minimum of 2800 new jobs per year or 100,000 local jobs in total to support our growing population
- low employment self-sufficiency – currently at 43%, local jobs need to grow by 43,000 by 2031 to achieve the state government's 60% employment self-sufficiency target (WA Department of Planning, *Directions 2031 and beyond*)
- increasing local unemployment – currently at 8.6% (March 2017), this has increased from 6.1% in March 2015
- significant work commutes – current estimates suggest 65,000 people travel outside the City daily for work, up from 53,900 in 2011 (ABS Census 2011)
- limited range of job opportunities for local residents – currently four industries (construction, manufacturing, retail and education) account for 60% of local jobs
- skills gaps – currently exist between students/graduates and local business, impacting on the ability for students to seek meaningful employment
- hope for the future – the City needs to achieve our community's vision and aspirations set in the SCP.

Economy is one of the four strategic themes within the SCP, with the community indicating the City should aspire to 'progressive, connected communities that enable economic growth and employment'.

The City is facing a major challenge: to create 100,000 new local jobs to support our rapidly growing population; reduce traffic; overcome environmental and infrastructure issues; and provide residents with a great quality of life.

The City has designed, developed and implemented initiatives to stimulate economic growth and employment opportunities. This occurred through collaborative input, commitment and action from all stakeholders with a role in job creation in Perth's North-West Metropolitan Region. These stakeholders are residents, businesses, education providers, not-for-profit organisations, developers and all tiers of government.

Details of Economic achievements can be found starting on page 118.

Citizenship Ceremonies

Local governments conduct citizenship ceremonies on behalf of the Department of Immigration and Border Protection.

In accordance with the *Australian Citizenship Act 2007*, the Mayor or CEO presides at the citizenship ceremonies held at least monthly by the City of Wanneroo.

Sixteen ceremonies were held in 2016/17 as the City welcomed more than 1900 new citizens. On Australia Day In 2017, the City held Australia's largest citizenship ceremony at the Wanneroo Showgrounds, with 795 people from 56 countries taking the pledge to become citizens. The event attracted state and national media coverage, putting the City on the map and attracting attention from all around Australia.

The Australia Day ceremony is a highlight of the City's calendar and will continue to be bigger and better each year as our population grows.

Connecting with our Community

Effectively connecting with the community is key to the success of any local government, and as a 'listening Council', this is something the City takes great pride in. The City consults, engages and communicates with residents and businesses on diverse issues and activities, and at strategic and operational levels. These include review and development of the Strategic Community Plan, programs, services, and issues to reach the best community outcomes. In addition, we promote local issues and advocate on the community's behalf to attract support from other tiers of government.

Open discussion with the community ensures the Council governs strategically and effectively. The City communicates to residents through a fortnightly advertorial, *Wanneroo Link*, in local newspapers, a quarterly magazine *What's Happening*, the Mayor's monthly radio interviews, 'Meet the Mayor' sessions, media releases, advertising, e-newsletters, a community safety guide, community events, the City's website, social media platforms and the Annual Report. Each edition of *What's Happening* reaches more than 77,000 households and gives the community a snapshot of events, programs and progress in each ward.

The City's website and social media platforms provide important information resources, helping residents to connect and interact with the Council. These platforms continue to attract an increasing number of visitors each year. The City also keeps the community up to date via Twitter, where issues including road closures, prescribed burns or events can be communicated quickly. Social media is a vital tool that enables residents to share ideas and give feedback to the City to improve overall customer service. Statistical information on social media can be found on page 125.

The City strives to keep the region's CaLD community actively involved, fully informed and vibrantly connected to the world around them through a range of communications and events.

Council values the importance of positive relationships with local and metropolitan media outlets and seeks to maintain this relationship in a respectful and efficient manner. In 2014/15, the Council distributed 174 media releases. In 2015/16, that number rose to 185 and in 2016/17 to 206. The City also regularly assisted journalists with media enquiries on specific topics including growth, advocacy, planning, environment, youth and events.

The City helps to build the capacity, social inclusion, wellbeing and connection of the community through a range of approaches, including coordination, partnering and, in some cases, service delivery.

In 2016/17, the City established the inaugural Multicultural Advisory Group to advise, support and implement initiatives affecting our multicultural community. The group is made up of representatives from a broad range of backgrounds and beliefs.

Another milestone was the establishment of Perth's first accessible training site (Dinosaur Park, Kingsway) for community members with vision impairment. This is an important practical application of the City's Access and Inclusion Plan. In addition, the City's website was upgraded to enhance accessibility, library eBooks enhanced to include high contrast and dyslexic font options, and disability awareness training is available for employees.

The City celebrated the success of the *Your Move Wanneroo* program, with community members reporting that 12 months after the program finished, they were more active, using their cars less and trying to use 'active' transport options to get around.

Another occasion for celebration was the success of the City's Parkrun events held at the Quinns Rocks foreshore. Parkrun is a free, weekly, timed 5km run or walk designed to encourage an active lifestyle. The event is staffed by volunteers and is held every Saturday at no cost to community.

The City delivered a range of activities that promoted Aboriginal culture as part of the City's Reconciliation Action Plan throughout the year.

Activities included celebrations during NAIDOC Week and Reconciliation Week that featured a 'reconciliation walk' around Lake Joondalup, basket weaving, Noongar language classes and art activities. The City also hosted three guided walks on the Yaberoo Budjara Heritage Trail in partnership with Yanchep National Park. This 28km one-way trail is based on the movement of Yellagonga and his people between Lake Joondalup and Yanchep.

Traditional Custodians now conduct Welcome to Country at all major City events such as the Australia Day celebrations, Volunteer Week, Community Centre open days and exhibitions.

Aboriginal and Torres Strait Islander education activities were included at major City events—dance and music at Live in the Amphitheatre opening night; an Aboriginal-themed Live in the Amphitheatre movie night featuring *Rabbit Proof Fence*, Noongar language classes delivered in each ward; and an Aboriginal-themed community canvas created at the Global Beats & Eats Festival with community members.

The City hosted five Aboriginal art exhibitions, including Tracey Moffatt's films 'Montages: The Full Cut 1999–2015', and the Girrawheen Senior High School exhibition 'Yokayi Waarbiny Wer Malayin Djin-Djin' (celebrate art and cultural spirit).

In 2016, the City was awarded Gold in the Children's Environment and Health Local Government Report Card in the category of Aboriginal Child Health. The awards are run by the Public Health Advocacy Institute of WA.

City employees participated in a training session to increase their understanding of protocols around Acknowledgement, Country, Welcome to Country and Smoking Ceremonies. The session was delivered by members of the Reconciliation Action Plan working group at a local Aboriginal Dreaming site that holds great significance for local Noongar people.

Community events

The City's annual calendar of family-friendly community events aims to bring the community together and to highlight the unique art, music and culture of the state and Australia.

The event season runs from October to March, providing a range of free activities and entertainment, enabling residents to access experiences they might not otherwise be able to enjoy.

These popular events promote a positive health message, generate local revenue, and encourage networking and service delivery opportunities by involving local businesses wherever possible. The City successfully delivers these safe public events to the highest standard.

The event calendar for 2016/17 can be found on page **19**.

Highlights included the following events:

Living and Leisure Expo featuring Dog's Breakfast

This home and lifestyle exhibition, held at the Kingsway Regional Sporting Complex in October 2016, provided a showcase for exhibitors across the home, leisure, pet and adventure markets. Thousands of visitors enjoyed the exhibitions and activities on offer.

Special guests Anna and Jordan Bruno, stars of *My Kitchen Rules*, presented recipes, tips and tricks for the kitchen to the crowd. With free children's activities, live demonstrations and giveaways, this annual pooch-friendly event has become increasingly popular.

City of Wanneroo Presents: British India

This annual concert is one of the most popular events in the City, having featured high-quality Australian acts such as Eskimo Joe, the Hoodoo Gurus, Evermore, British India, Lisa Mitchell and Josh Pyke.

Over 8000 people attended the concert—headlined by indie rock band British India—that was held at the Wanneroo Showgrounds in November 2016.

The crowd enjoyed international food catered by mobile food trucks and free children's activities, including craft workshops, the adventurous 'stunt jump' and bubble soccer. This flagship event continues to be immensely popular with residents.

Live in the Amphitheatre

Live in the Amphitheatre is an eight-week outdoor cinema program held under the stars in the City's Jacaranda Amphitheatre.

Catering for all demographics, the event featured a mix of classic, blockbuster and family-friendly films throughout January and February 2017.

People were encouraged to pack a picnic and come early to enjoy the setting sun and spend some quality time with family and friends.

With no permanent cinema located in the City, the event continues to be a major draw for residents. In 2017, about 5000 local residents attended the program and statistics indicate a strong demand for outdoor movies in the area.

Retro Rewind

The City continued its partnership with The Vintage Collective Markets. The 2017 Retro Rewind event featured over 70 vintage-themed stalls.

Held in Yanchep National Park, Retro Rewind encourages people to pack a picnic, swing dance to live entertainment and reminisce about days gone by.

Entertainment included live performances from retro bands. Headliner 'Bloom' kicked off her 2017 national tour belting out tributes to Adele and Amy Winehouse.

Other attractions included a vintage hot-rod display, workshops and activities designed to celebrate all things retro.

Global Beats & Eats

Growing in popularity each year, Global Beats & Eats celebrates multiculturalism and diversity in the City. The event brings people together to experience eclectic sounds, music and tastes from around the world.

Held at Paloma Park in Marangaroo in March 2017, the event featured Grace Barbé, Salt Tree, Caravãna Sun and Jakubi. Headliner indie pop band San Cisco attracted bumper crowds.

The crowd enjoyed roving performances by hula dancers, samba dancers and Chinese lion dancers, and drumming workshops.

Free children's activities included craft workshops, bubble soccer, a bouncy castle and face painting. Perth's international mobile food vans catered for the event.

Customer Service

The City's Customer Relations Centre (CRC) answered 96,802 telephone enquiries during the year, with an average wait time of one minute and 37 seconds, and an average talk time of four minutes and 24 seconds—similar to last year. Other key statistics:

Service	No.	Percentage
Emails	46,217	6% increase
Incoming calls	44,166	9% decrease
In-person enquiries at civic centre	21,576	24% decrease
In-person enquiries at Clarkson Library, City Services desk	8763	2% increase

The City's inaugural Customer First Strategy and Action Plan was developed during the year. With a focus on 'Customer First', the plan incorporates key projects that relate to customer service over the next four years with a focus on:

- simplicity – delivering an uncomplicated, personalised customer experience
- accessibility – providing options so that information and help is accessible to all
- quality – delivering an accurate, effective and impressive service
- performance – engaging with customers and continually assessing our performance against customer expectations to drive continuous improvement.

Customer First achievements during the first year of the plan's operation include:

- small internal process changes to improve efficiencies
- development of a knowledge management system as a source of consistent information
- development and implementation of corporate customer service standards
- a renewed Customer Service Charter (now called Our Customer Service Commitment)
- additional online services (bin orders and payment arrangements)
- employee training in customer service.

We are excited to continue the 'Customer First' approach in the years ahead to help meet our commitment of delivering service excellence.

Community Engagement

The legitimacy of local government depends in no small part on the experiences that individuals have when public agencies use their power not only to provide services but also to impose obligations. This City is committed to the application of high quality and best practice community and stakeholder engagement.

This year, we revised our Community Engagement Policy and Management Procedure to take into account the quality assurance standards of the International Association for Community and Stakeholder Engagement.

As well as the policy updates, the City developed a number of internal resources to support effective planning and engagement. Building capacity and support for engagement contributes to better informing our community and stakeholders in a consistent manner.

Community Engagement Principles

Under the Community Engagement Policy, the City commits to the following principles:

- encouraging participation by people who live, work, visit or support the City
- encouraging broad representation from stakeholders (residents and ratepayers, local businesses, non-government organisations, our partners and other government departments and agencies residents) to ensure that a diverse range of views is expressed and considered
- minimising barriers to participation
- clearly stating the purpose and aims of engagement and any associated limitations or constraints
- ensuring relevant information is readily available and that it is accurate, comprehensive and easy to understand
- clearly defining the engagement period and allowing sufficient time and opportunity for stakeholders to participate
- listening, responding and providing feedback to stakeholders about how information gathered through the engagement process was used to inform decisions or outcomes
- being efficient, responsible and accountable for each engagement undertaken and the decisions made as a result
- keeping accurate, comprehensive records
- allocating appropriate resources for effective engagement and to address the principles listed above.

How we engage and Communication Information

Engagement Methods	Description
<i>Your Say</i>	<i>Your Say</i> is an online portal where the community is able to view information and associated documents on particular projects and provide feedback via online surveys and submission forms.
Surveys	A common method for obtaining information from the community is through surveys. These are available online through the <i>Your Say</i> page or in hard copy at the City's libraries and civic centre.
Telephone surveys	The City employs a consultant on occasion to conduct telephone surveys for obtaining specific information.
Community workshops & information sessions	The City holds community workshops to share information and obtain feedback or to work towards solutions in a more personal way. Community members are able to interact directly with the City and have their questions and concerns listened to and answered.
Submissions	Where a survey is not relevant, a submission is requested as an alternative means of capturing community comments, concerns and opinions. Submissions are generally delivered by email or less frequently sent or dropped into the City.
City's website	The latest news, key projects and important documents are all available for the community to view on the City's website.
Advertisements	The City regularly advertises engagement opportunities in the <i>North Coast Times</i> , <i>Wanneroo Times</i> and the <i>Weekender</i> .
Letters	The City sends information and feedback forms to members of the community likely to be directly affected by a decision, project or upgrade.
Social media	The City may inform community and stakeholders of engagement opportunities through social media providing links to information and <i>Your Say</i> .
Promotional posters	Posters are sometimes displayed in the City's main public places (civic centre, libraries and community centres) to advertise engagement opportunities.

What we engaged on

The City undertook 90 separate initiatives in 2016/17 to engage different segments of the community. Highlights include the following initiatives:

Strategic Community Plan

Adopted in November 2016, the Strategic Community Plan 2017/18 – 2026/27 was developed through extensive engagement of community and stakeholder during late 2016/17. This engagement in reviewing and developing an updated strategic plan was led by Council to gather the view and priorities for the City through breakfast forums, surveys, and focus groups. Outcomes from other community engagement that had been recently conducted was also reviewed to ensure a broad source of inputs and a good level of understanding of aspirations across the various stakeholder groups.

Public open spaces and recreational facilities

Feedback was invited on several projects during the year. Examples of projects included the Warradale Nature Play Area, Kingsway Dog Park, Hardcastle Park Development, Warradale BMX Track and Banksia Grove Skate Park. Community members provided valuable feedback on concept plans, with over 1400 responses (in total) received from surveys alone. Responses to each project were collated and considered in the decision-making processes. This helped ensure proper planning and development.

Age-Friendly 2016

The City 'age-friendly' vision is to build a safe and inclusive City, with opportunities to maintain a good quality of life and to have access to services as residents age.

A Wanneroo age-friendly community is one which:

- recognises the great diversity among older people
- promotes inclusion and contribution in all areas of community life
- respects older people's decisions and lifestyle choices
- anticipates and responds to ageing-related needs and preferences.

The City is in the final stages of developing an Age-Friendly Strategy. A community engagement process was undertaken in April and October 2016 with about 450 seniors, carers, service providers, employees, representatives of government and non-government agencies, and other stakeholders.

The objective of the strategy is to provide guidance and actions to support the creation of an age-friendly City.

Hands on with Wanneroo

The City takes a holistic approach to health, reconciliation, diversity and inclusion. To improve our understanding of community perspectives, the Health and Inclusive Communities Team delivered themed creative and interactive engagement activities such as Wanneroo Global Beats & Eats 2017.

Activities included asking participants to consider what their top three health priorities would be if they were Mayor for a day, and participating in the creation of a large Aboriginal art painting. This engagement not only attracted large groups but also provided opportunities for City officers and community members to ask questions and grow local knowledge around the themes.

Youth Engagement: YSpeak! Yanchep Engagement

Starting in June 2017, this engagement project aims to establish the needs and interests of young people (aged 8 to 25) in Yanchep to help assess future planning needs.

Engagement activities included surveys, workshops and youth focus groups. By the end of the reporting year, over 382 online surveys responses had been received. More were expected by the closing date of September 2017. Questions enquired about awareness of services and deterrents to usage, activities of interest, and issues that young people faced.

About two-thirds of the surveys were completed by young people and the remainder by parents/guardians, stakeholders and community members. The top three activities respondents requested for Yanchep were events, and fitness and recreational activities. A Yspeak! report will be developed at the completion of the engagement.

Food Truck Trials

With the increasing popularity of 'street food', the City conducted a food truck trial between January and June 2017. The initiative received the greatest number of responses and highest participation rate of all engagement issues to date, with participation from 9574 residents. The trial involved coordinating mobile food vendors based at one of several locations across the City on a fortnightly basis to sell diverse types of food. The City's policy currently only allows for one or two food trucks to operate at any one location so the aim of this trial and engagement was to identify and assess the challenges and benefits of a multi-food truck model. Feedback has been collated into a report that will be used to refine the model into the future.

Community Wellbeing Indicators

The City conducted a health and wellbeing survey to gather residents' views on the community and the newly opened Girrawheen Hub. The pilot Community Wellbeing Indicators survey was initiated as part of the hub project. This wellbeing survey is a 'first' for the City and most WA local governments. The information collected will assist the City better understand the level of community connection as well as important information about health and wellbeing within a localised area.

Challenges & Limitations

The process of engagement raises important questions for the City and residents. While engagement is a vital part of local government, the City recognises that fatigue can set in if the community becomes 'over surveyed' and therefore needs to include additional engagement options that are informative, effective, accessible and resource-efficient.

Comprehensive engagement is not possible without the availability of reliable information systems and current data, preferably in one place. The City will be exploring opportunities to improve online engagement to ensure that information is accessible and available in one location.

In addition, to get the most out of engagement the community and stakeholders have to be informed and aware of opportunities for engagement. We need to bring choices to their attention. While people have the right to decide if they wish to respond to any particular engagement opportunity, it is important for the City to do as much as possible to place individuals and organisations in a strong position to assess opportunities. At the same time, the community and stakeholders need to be aware of where information can be found so that they too can play a part in being actively informed.

Looking Ahead

The City has made notable progress in community and stakeholder engagement in the past 12 months and hopes to build on this success. To exploit more opportunities to create engagement in the year ahead, the City plans to:

- research and develop an Engagement Strategy to identify future needs while at the same time positioning the City as an exemplar for engagement practice across the local government sector
- engage with community and stakeholders in a review of three of the City's plans relating to health, wellbeing and inclusion. These are the Public Health Plan, the Reconciliation Action Plan and the Access and Inclusion Plan. We look forward to hearing the community's ideas and taking the next steps to chart a positive course to sustaining health, wellbeing and inclusion in the City.

Community Hubs

Community hubs provide a focal point and facilities to foster greater local community activity and bring residents, the local business community and smaller organisations together to improve the quality of life in their areas. To expand the number of partnering and collaborative arrangements to support this 'place-based' delivery of services, the City boosted development at a number of community hubs.

In Merriwa, the City partnered with MercyCare to develop the **Merriwa Community Hub** aimed at supporting lifelong learning and wellbeing activities with a preventative focus. To date, 2323 people have engaged with the Merriwa Community Hub to attend community events, undertake a program or receive support. Objectives for the next 12 months include increasing the number of partnering agencies, growing community awareness through marketing and engagement, and fostering local relationships.

In February 2017, the City established the **Girrawheen Hub**, which focuses on job readiness, micro-business and lifelong learning for Aboriginal and multicultural communities. Based in the old Scout Hall behind the Girrawheen Library, the Girrawheen Hub is still in the early stages of commissioning. However, strong interest has been received by organisations seeking to offer services and training, or to have a physical presence. The City is also investigating services to offer 'in place', reducing the need for customers to travel to the Wanneroo Civic Centre. Currently, services relate to the City's Place Activation / Community Development and (land-use planning) Approval Services areas.

To include multicultural communities and provide a space for groups to meet and conduct business, the City partnered with the state government to deliver a Local Projects for Local Jobs program at the **Girrawheen Hub**. This initiative will see \$100,000 contributed over three years to support over 25 multicultural groups with access to offices, meeting spaces and business equipment, including online infrastructure such as Wi-Fi, computers and printing. Further work will occur in the next 12 months to increase the number and variety of training opportunities and services offered, to increase the number of businesses using incubator spaces and to refine the City-based services on offer.

As part of a service-level agreement with the state government, the **Yanchep Community Centre** received over \$95,000 to support a range of community capacity-building activities focusing on lifelong learning, wellbeing and community connection. In the past 12 months,

71 activities were held that supported community collaboration or partnering. Over 170 (175) people accessed activities conducted by external groups or providers, while 663 people received information and support about local activities, connections or support services. During this period, four playgroups operated, providing participation of both parents and children.

Volunteers

The City supports volunteering in the community through its Volunteer Resource Centre as well as programs that engage volunteers to support the City's various community services.

Volunteers provide valuable assistance and knowledge to enrich the lives of the people and groups they help. During in the year, more than 500 volunteers donated over **100,000 hours** to Wanneroo community programs which include:

- adult day centres, social support and a shoppers' bus – providing much needed services to our older residents who may otherwise be living in social isolation.
- Fire and Emergency Services – keeping our community safe from natural and human-made disasters.
- cultural services – supporting arts programs, supervising exhibitions, assisting in galleries, guiding school groups and preparing art activities for the community. Volunteers also provide memorable visits for thousands of school students at two heritage locations in the City—Buckingham House (a modest 1880 cottage) and Cockman House (the oldest remaining house in the Wanneroo area).
- Books on Wheels – delivering books to community members unable to access libraries due to age or disability.

Volunteer Bush Fire Brigade

The Volunteer Bush Fire Brigades provide fire prevention and suppression services for the City. Currently, there are four Volunteer Bush Fire Brigades in the City (Wanneroo, Quinns Rocks, Wanneroo Fire Support and Two Rocks) with a combined membership of 280 volunteers. In times of an emergency, the City's brigades also assist other state government agencies (such as WA Police and St John Ambulance) with fire response.

Volunteer Resource Centre

The Wanneroo Volunteer Resource Centre (WVRC) is a City initiative that continues to develop the culture of volunteering and therefore creating more vibrant and connected communities.

The centre is available for members of the public to learn about volunteering and find suitable volunteer roles. It also provides a referral or advisory service to numerous not-for-profit organisations seeking volunteers.

The City has 525 volunteers engaged on a regular basis that provide support to its many services and programs. Based on Volunteering WA's calculated hourly rate for volunteering (\$33), the estimated economic value generated from volunteering within the City equates to almost **\$3.6 million** per annum.

This year alone, 463 community members registered to become a volunteer, bringing the total number registered to 600. Of these, 50 found a volunteer role with the City; the rest with other organisations.

The WVRC has provided volunteers to many community groups and organisations, including:

- East Wanneroo and Waddington primary schools – reading program
- Quinns Rocks RSL – governance and administration
- Kidzucate – financial management
- Ashdale Special Families – administration, board members
- EdConnect – school mentors
- St John Ambulance – various roles
- Volunteer Task Force – gardening maintenance.

The WVRC provided ongoing training and development to over 150 individuals and groups by offering workshops under the following headings:

- Grant Writing
- Financial Management for Small Businesses
- Mentoring
- Teaching English as a Second Language
- Change and Loss
- Volunteering Information Sessions (Keep Calm and Volunteer!).

International Volunteer Day

The City celebrates and acknowledges its volunteers at three Volunteer Appreciation dinners held throughout the year. Volunteer Excellence Awards are also presented by the Mayor to nominated volunteers for their contribution to the community.

- 56 library and heritage volunteers attended the dinner on 23 September 2016 at Bridgeleigh Reception Centre.
- 52 community service and conservation volunteers attended the dinner on 10 March 2017 at Bridgeleigh Reception Centre.
- 25 State Emergency Service, 23 Two Rocks Marine Rescue and 10 Yanchep Fire and Rescue Volunteers attended the dinner held on 23 June 2017 at Mindarie Marina.

Bush Fire Brigade Volunteers are also acknowledged at their annual End of Fire Season Dinner and Awards night.

Community Funding Program

The City is committed to building connected and resilient communities and activating local spaces through its Community Funding Program.

The program continues to be a valuable source of partnering income and support, particularly for local community groups. There are four categories of funding:

- Category A – community development
- Category B – community events
- Category C – hallmark events (Australia Day, Anzac Day and Remembrance Day)
- Category D – Christmas community celebration events.

Over \$85,000 was approved for distribution to 24 community groups through the Community Funding Program (CFP) during 2016/17. Some of these activities will be delivered in the following financial year.

The table below shows details of 22 CFP activities delivered during 2016/17 for which the City invested over \$67,000 to leverage more than \$230,000.

Community funding recipient	Community funding category	Initiative	Amount
Black Swan State Theatre Company	Community development project	Shadowboxing Production	\$1500
Quinns Rocks Environmental Group	Community development project	Exploring Nature by the Noongar Seasons	\$3030
Brighton Community Garden	Community development project	Learn, Grow and Heal: Build Community Medicinal Herb Garden Project	\$1540
Quinns Rocks Primary School P & C	Community development project	Living Laboratory Community Garden	\$3000
Northern Suburbs Stroke Support Group	Community development project	Have a Go Challenge	\$1239
Yanchep Two Rocks Community Recreation Association	Community event	November 2016 Sunset Markets	\$1645
One Big Voice Festival	Community event	One Big Voice Festival 2016	\$1186
Heart and Lung Transplant Foundation of WA (Auspicing Jindalee Oz Day Working Group)	Community event	Australia Day family event 2017	\$3180
The Salvation Army	Community event	Community Christmas carols	\$1000
One Church Perth Inc.	Community event	Wanneroo Christmas lunch 2016	\$4000
Landsdale Residents Association	Community event	10 street-corner barbecues at various parks in Landsdale	\$3000
Edmund Rice Centre Mirrabooka Inc.	Community event	Edmund Rice Community Sports Festival	\$3030
Charles Rawlins Taekwondo (Black Swan Taekwondo)	Community event	Celebration of Martial Arts School opening for children in the Pearsall Hocking area	\$747
Wanneroo Junior Motocross Club	Community event	Motocross Come and Try Day	\$3000
Royal Australian Airforce Association (WA Division)	Hallmark event	Anzac Day dawn service 2017; gunfire breakfast, Remembrance Day memorial service and sausage sizzle lunch 2016	\$3000
Quinns Rocks RSL Sub Branch	Hallmark event	Gunfire breakfast, Vietnam Veterans Day services and lunch, Remembrance Day service 2016; Lunch and Anzac Day commemorative service 2017	\$8000
Yanchep Two Rocks RSL Sub Branch	Hallmark event	Vietnam Veterans Day service 2016 and lunch; Merchant Navy Day service 2016 and lunch; Battle for Australia Day service 2016 and lunch; Remembrance Day service 2016 and lunch; Anzac Day service 2017 and gunfire breakfast	\$5422
Wanneroo Scout Group	Hallmark event	Australia Day community breakfast 2017	\$3500
The Smith Family	Christmas community celebration event	Girradoola Community Christmas Celebration	\$3000 and up to \$1000 in-kind
Wanneroo Residents & Ratepayers Association	Christmas community celebration event	Wanneroo Community Carols by Candlelight	\$3000 and up to \$1000 in-kind
True North Church	Christmas community celebration event	Somerly Carols in the Park	\$3000 and up to \$1000 in-kind
Yanchep Two Rocks Community Recreation Association	Christmas community celebration event	Carols in the Park	\$3000 and up to \$1000 in-kind

Sponsorships, Donations and Waiver of Fees & Charges

The City provides an annual budget to support:

- community groups applying for a donation towards an activity, event or program with a charitable or community service purpose
- individual residents (up to 18 years old) who have been chosen to participate in local, interstate or international competitions through sponsorships applied for on their behalf by sporting organisations and clubs.

During the 2016/17 financial year, a total of \$114,815 in sponsorships, donations and waivers was contributed to community groups and individuals (compared with \$101,064 in 2015/16):

- \$91,723 (\$71,890 in 2015/16) were contributions approved by Elected Members at a Council meeting
- \$23,092 (\$29,174 in 2015/16) were authorised contributions under delegated authority by the Director Corporate Strategy and Performance.

The combined contributions of \$114,815 comprised three categories:

- sponsorships \$58,400 (\$58,925 in 2015/16)
- donations \$47,565 (\$30,898 in 2015/16)
- waiver of fees & charges \$8850 (\$11,242 in 2015/16).

The City also supports significant external events that benefit residents. In 2016/17, the City sponsored Parkrun Australia, Wanneroo RSL Sub Branch and the Wanneroo Agricultural Society to deliver important community initiatives. Wanneroo RSL Sub Branch received support from the City to deliver its inaugural Anzac Day dawn service at the Wanneroo War Memorial in 2017 that attracted a big crowd.

Facility Hire Subsidies

The City of Wanneroo provides facilities (spaces and places) for a variety of functions, events and activities for the community. Under the Facility Hire and Use Policy, certain clubs, organisations and groups can qualify for subsidised use of City facilities. They include:

- junior and senior clubs and organisations
- service clubs and charitable institutions
- emergency service organisations
- disability groups
- City of Wanneroo Elected Members

During 2016/17, the City generated **\$3,726,028** through fees & charges for the use of facilities. After discounting for subsidies under the policy (an amount of **\$3,189,739**), a total of **\$536,289** was collected.

Inwards Investment – Grants

In working towards agreed social outcomes for our community, the City's approach to long-term financial planning is to ensure our financial sustainability without overburdening the present generation of ratepayers. It is appropriate that the City take a cautious and prudent approach to managing the Budget for the future.

Strategies to attract additional financial support include seeking alternative sources of income through various mechanisms such as building strategic partnerships, advocating for strategic regional and local priorities, and attracting investment through grant funding for specific operational and capital projects.

The City seeks to identify potential sources of funding early and to set priorities aligning inward opportunities with our strategic direction and corporate priorities. Our efforts are also focused on building capacity within the organisation to achieve this.

In 2016/17, the City received funding from federal and state governments for both ongoing activities and one-off projects and events. The revenue received from external grants continues to be an important aspect of the City's budget and enhances the City's capacity to meet community needs.

Significant external funding has been received for infrastructure and traffic management projects (Roads to Recovery and the Black Spot Program), the Emergency Services Levy (Bush Fire Brigades), HACC, the Kidsport program and community facilities (Community Sport and Recreation Facility Fund and Lotterywest).

The City receives Department of Fire and Emergency Services grant funding for both capital and operational purposes for the Bush Fire Brigades, which is assessed against Local Government Grant Scheme (LGGS) criteria.

The City's total expenditure related to Bush Fire Brigades for 2016/17 was \$378,373. The ESL contribution was \$304,740, resulting in a municipal contribution towards our Bush Fire Brigades of \$73,633. Additionally, the City contributes \$2500 per brigade annually (\$10,000 in total) for operational expenses.

Grants have also been received by the City to deliver community development activities throughout various parts of Wanneroo. Other areas that have attracted funding for one-off activities include City of Wanneroo events, coastal management and maintenance, cycling facilities, youth activities and emergency management.

Corporate Governance

Corporate governance is the system that directs and controls local government and allows for better decision-making. Sound decision-making helps to instil a culture of confidence in the Council and protect the Council from unfair criticism. Corporate governance also includes the relationships that Council has with stakeholders and the goals that direct the institution.

Strategic Asset Management

Overview

Holding jurisdiction over an asset portfolio valued at more than **\$2.9 billion**, of which more than **\$1.7 billion** is a renewal component value, the City can be categorised as an 'asset intensive organisation'.

Asset Management Policy

The purpose of the Asset Management Policy is to ensure the City has information knowledge and understanding about the long-term and the cumulative consequences of being the custodian of public infrastructure. The policy guides the strategic management of our diverse portfolio. The policy is currently being reviewed. All protocols in the proposed policy are aligned with the state government's Integrated Planning and Reporting Framework.

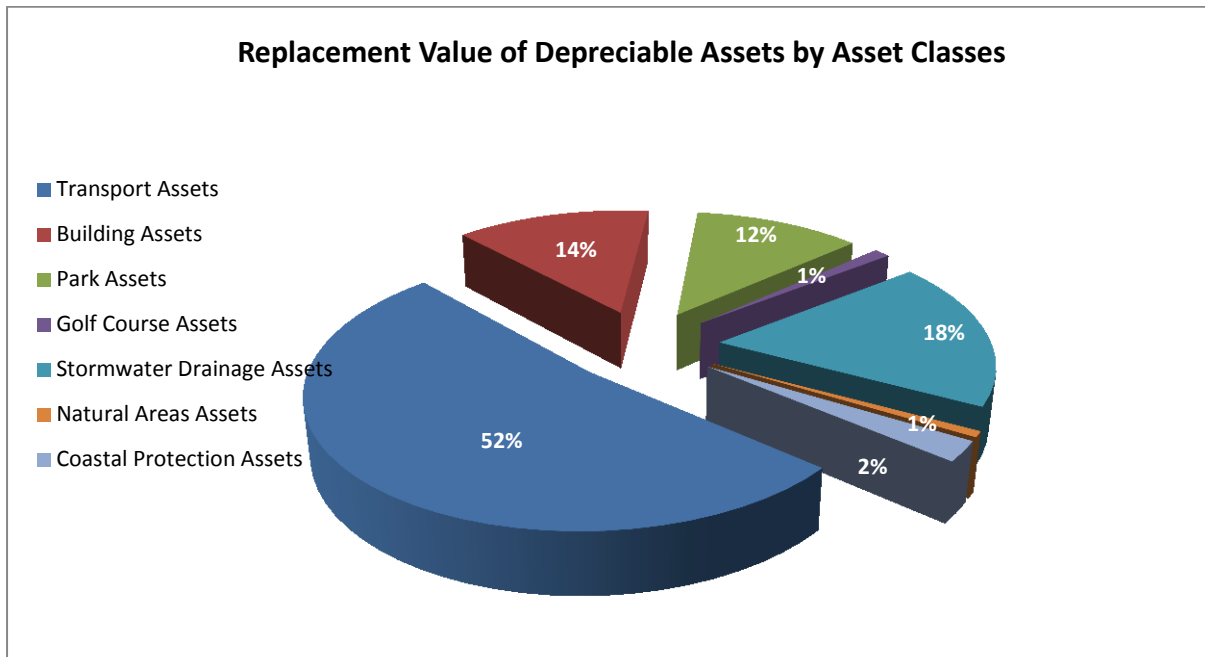
Asset Management Plans

The City's first set of asset management plans were adopted by Council in 2010 and 2011. They covered three of a possible six categories of assets, including transportation infrastructure, buildings and stormwater drainage. The plans focused on establishing a sustainable strategy to manage the asset renewal funding gap and to address long-term demand for asset renewal (renewal demand is expenditure needed to maintain or replace an existing asset.)

A review of the City's asset management plans is underway. The current review, to be finalised in 2017/18, will include the preparation of plans for two more asset categories, being parks, and natural area assets. Development of an asset management plan for the final category (coastal protection infrastructure) is scheduled for completion in 2018/19.

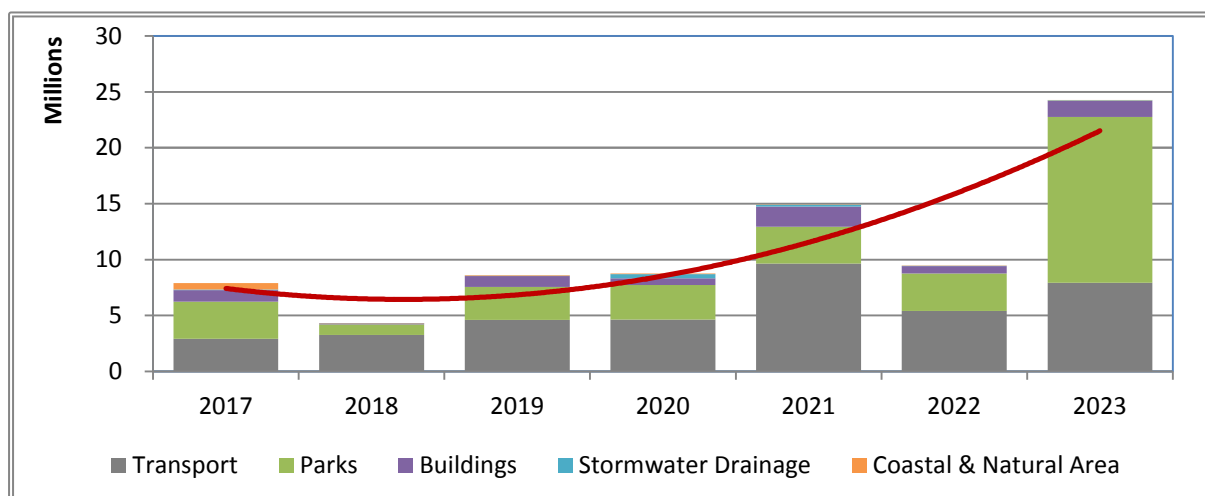
Current Infrastructure Asset Portfolio, Replacement Cost, and growth trend

The City manages and maintains a diverse infrastructure asset portfolio. The breakdown by value of the various asset classes is shown in the pie chart below.



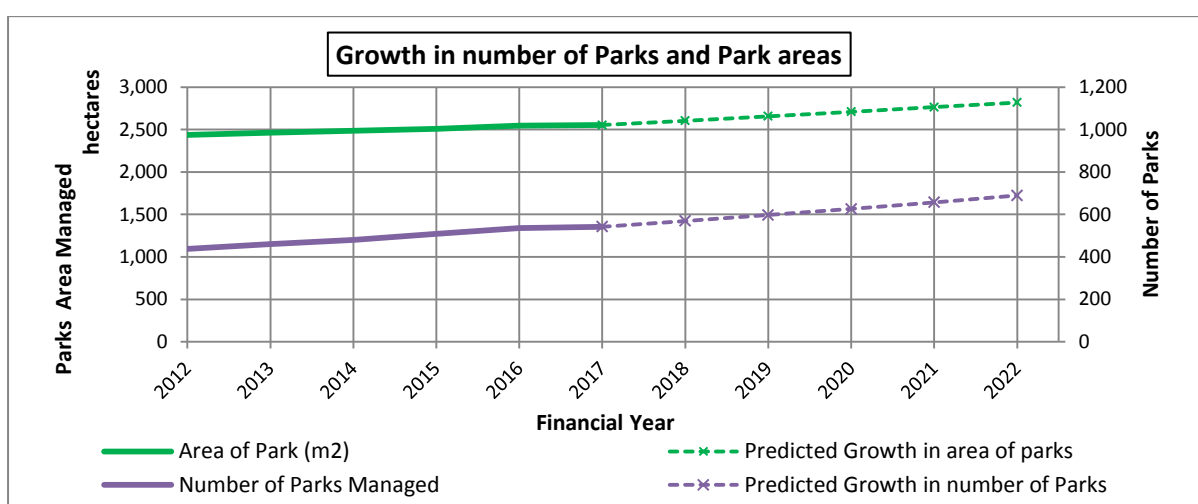
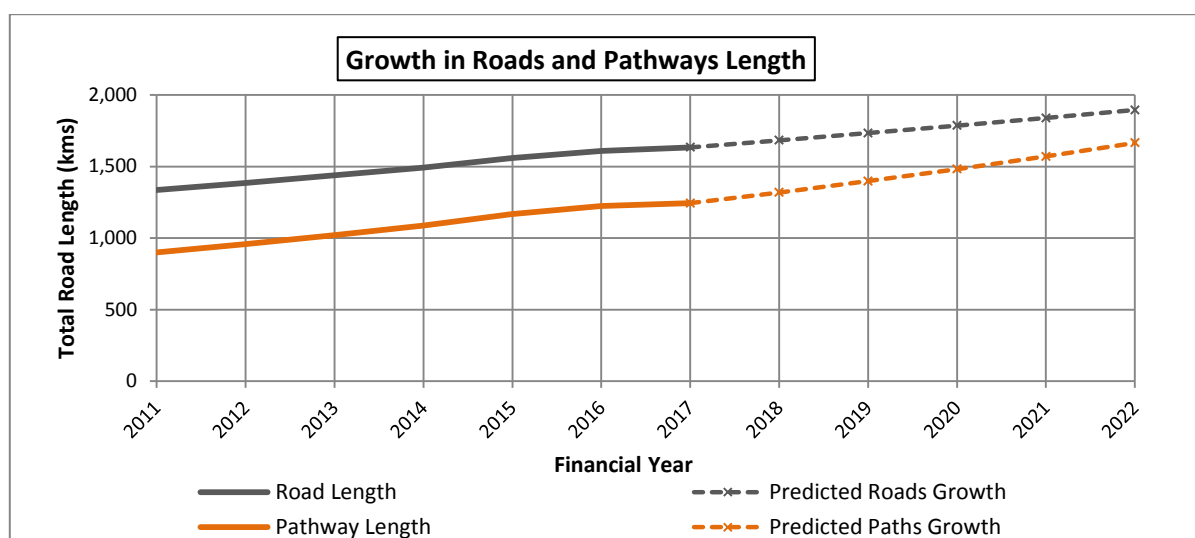
Long Term Asset Renewal Demand Predictions

The profile of the City's predicted long-term asset renewal demand is shown in the chart below. Transport and parks are the two main asset classes. Renewal of assets is addressed by the City through prudent planning which includes the creation of a number of specific reserves.



The two major components of the transport asset class are roads and pathways. These components, together with parks, will have the largest influence on the demand for long-term renewal funding into the future.

The growth statistics for these assets are shown in the charts below.



Over the next five years, the length of road is expected to increase by 16% while the length of pathways will increase by 30%. Over the same period, the area of parks that the City will need to maintain is expected to increase by 10%.

Asset Management Activities

During 2016/17, the following activities commenced and will be further refined in the years ahead.

- review and update of the Strategic Asset Management Framework
- development of a strategy to adopt a systematic approach to asset management aligned with AS ISO 55001
- activation of analysis modelling tools ('optioneering' models) for better informed decision-making on asset acquisition
- finalisation of asset management plans for all categories of infrastructure assets.

Enterprise Risk Management

Risk Management Framework and Methodology

An enterprise approach to managing risks underpins the City's conduct of business and decision-making. Enterprise risk management (ERM) enables an organisation to consider the potential impact of all types of risks on all processes, activities, stakeholders, products and services. We use a robust (and consistently applied) ERM methodology, aligned with current best practice and ISO 31000 principles and guidelines, to identify, prioritise and respond to risk management issues that may prevent us from achieving our business objectives.

Developments in the City's risk management during 2016/17 include:

- a review of the Risk Management Policy (to be submitted for Council endorsement in 2017/18)
- a review of the City's risk methodology (commenced in January 2016). This will be implemented following the adoption of the revised Risk Management Policy
- the completion of business continuity plans at service unit and directorate levels
- an exercise (facilitated by the Local Government Insurance Service) conducted in August 2016 to test the Crisis Management Plan
- an update of the Crisis Management Plan (endorsed by the Executive Leadership Team (ELT) in February 2017). Similar to the previous year, ongoing risk training aligned to ISO 31000 principles has been provided across the City
- development of an e-Learning module for ERM. This will be rolled out in 2017/18
- formal refresher risk training for the ELT in June 2016 and for Elected Members in February 2017. The training was facilitated by Board Business consultancy services.

The City maintains three levels of risk registers within its Risk Management Framework as follows:

Strategic Risks

Strategic risks are risks that may impact the achievement of the City's SCP. They are aligned against the objectives of the SCP to assist with planning. The strategic risks are:

- reviewed quarterly with the ELT
- reported quarterly to the Audit & Risk Committee
- Seven strategic risks are currently captured in the register and are listed as below:
 - Long Term Financial Planning
 - Integrated Infrastructure & Utility Planning
 - Water Availability
 - Economic Growth
 - Strategic Community Plan
 - Climate Change
 - Stakeholder Relationships

Corporate Risks

Corporate risks are systematic risks that may impact across the directorates. These risks are aligned against the four-year CBP and annual operational plan. Corporate risks are:

- reviewed twice a year with the ELT
- reported twice a year to the Audit & Risk Committee.

Twenty-three corporate risks are currently captured in the register.

Operational Risks

- Operational risks are risks that may impact a single directorate, service unit or project and are aligned to individual service unit, project or program plans. Operational risks are reviewed annually by each directorate leadership team. Each directorate maintains an operational risk register.

Insurance broking and risk management services

The Local Government Insurance Service (LGIS) works with the City to provide a unique and tailored suite of insurance and risk management services.

The service, incorporating the LGIS WorkCare, Liability and Property funds, provides a pooled fund and mutual scheme for local governments in WA. The scheme allows the City to take control of risk and minimise costs as an alternative to traditional insurance. Our ability to manage exposure is achieved by taking a coordinated and holistic approach to risk management, claims management and injury management.

The contribution paid by the City is required to fund the actual and potential costs of exposure to risk. Our positive claims performance over recent years has resulted in an annual dividend disbursement to the City.

Insurance premiums

The City's overall insurance expenses (contributions and premiums) in 2016/17 decreased by \$167,237 on the previous year. The decrease is due to the implementation of effective risk and injury management processes. The City has been further financially rewarded with a reduction in the minimum, deposit and maximum rates for 2017/18.

The City continues to strive to achieve lower cost premiums while maintaining comprehensive cover for our insurable risks.

Audit & Risk Committee

The primary role of the Audit & Risk Committee is to liaise with internal and external auditors so the Council can be satisfied with the performance of the local government in managing its affairs. The Committee also advises the organisation on the management of business enterprise risks, the strategic risk register and high-risk issues.

The terms of reference for the Audit & Risk Committee were reviewed and adopted by the Council in March 2017. An internal audit charter has been developed and will be presented to the Audit & Risk Committee and to the Council for adoption in 2017.

Membership of the Audit & Risk Committee comprises the Mayor and all Councillors. During 2016/17, Councillor Zappa held the position of Chair and Councillor Treby that of Deputy Chair.

The Audit & Risk Committee met six times during 2016/17:

- 23 August 2016
- 25 October 2016
- 22 November 2016
- 21 February 2017
- 14 March 2017
- 6 June 2017.

Internal Audit

The City has an internal audit function that complies with Institute of Internal Auditors standards. The function is diversified between external auditors (William Buck Consulting WA) and in-house resources.

The City's three-year Strategic Internal Audit Plan was reviewed in December 2016 and adopted by the Council in March 2017.

The Audit & Risk Committee receives a quarterly report from the internal audit service provider. The reports cover the activities of the internal audits and the progress of agreed management actions as captured in the City's internal audit log.

Regulation 17 of Local Government Regulations 1996 places responsibility on local governments to review their audit systems and procedures in relation to risk management, internal controls and legislative compliance at least twice a year. As a result, the Audit & Risk Committee receives the relevant audit reports every six months.

During 2016/17, William Buck Consulting WA and the City's in-house Audit and Assurance Officer conducted audits or reviews of the following areas:

- environmental management
- human resources/payroll
- Regulation 17 of the Local Government (Audit) Regulations 1996
- emergency services levies
- occupational health & safety
- procurement and contract management
- Fraud and misconduct risk assessment
- internal audit review of partnering agreements – waiver of fees.

An internal audit methodology is currently being developed. An Internal Controls Framework, also in preparation, will be presented to the Audit & Risk Committee in 2017.

External Audit

External audit services were provided by the accounting firm Grant Thornton. The audit partner, Mr Patrick Warr, attended the Audit & Risk Committee meeting held on 25 October 2016 to present the independent audit report and the external audit management letter for 2015/16. As part of the external audit, the three-year Internal Audit Plan was reviewed. The revised Internal Audit Plan for 2016/17 to 2018/19 was adopted by the Council on 7 March 2017.

Significant Audit Issue

Grant Thornton determined that the ability of employees outside the Transactional Finance Service Unit to process general journals represented a risk to the accuracy of the City's financial information. No instances were identified during the audit where employees outside of the unit had processed general journals. Further, Grant Thornton noted that management put in place sufficient access controls.

Contracts and Procurement

Legislation and Policy Framework

All procurement ('purchasing') is conducted in compliance with the requirements of the *Local Government Act 1995*, the Local Government (Functions and General) Regulations 1996 (as amended) and the City's Purchasing Policy, Statement of Business Ethics and associated management procedures.

The City has undertaken a comprehensive revision of its procurement policy framework and has developed and delivered a training program to employees undertaking procurement activities.

Unless a tender exemption applies, the purchase of goods and services and the acquisition of contractors for works above a specified value threshold (\$150,000) are acquired through a public tender process. Purchases below this value or through tender-exempt processes must comply with the City's Purchasing Policy.

Public Tender recommendations are approved by the Council or in accordance with delegated authority, with details of published tenders and contracts awarded available through the City's website.

Public Tenders, Request for Quotations and Purchasing

The City issued 45 public tenders and 145 formal requests for quotation documents (value greater than \$50,000) during 2016/17, resulting in contracts awarded with an estimated value of **\$40.5 million** for that period. Significant contracts awarded included:

- Yanchep Active Open Space (\$3.8m)
- completion of Yanchep Surf Life Saving Clubrooms (\$3.3m)
- Quinns Mindarie Community Centre (\$3m)
- construction of a dual carriageway along Marmion Avenue (\$2.2m).

Lower value purchasing is undertaken by authorised officers across the City with compliance oversight by a centralised contracts and procurement function. Purchasing system approval limits dictate individual officer spending levels. There is an automatic escalation of approvals in accordance with prescribed limits.

In 2016/17, the City issued 16,154 purchase orders with 3881 suppliers for procurement valued at **\$115.3 million**.

The City's has an independent corporate service unit for the contracts and procurement function. The unit guides and facilitates internal stakeholders in delivering value-for-money outcomes from their procurement activities. At the same time, they maintain transparency of process and ensure compliance with statutory and internal procurement requirements.

More details on procurement initiatives can be found on page **131**.

Management of Contracts

The City's contract management system integrates all contract management information across a single platform. The system features an e-tendering capability that enables self-registration for interested suppliers to set up automatic notifications of the City's current sourcing requirements. In the future, it will also facilitate local supplier panel arrangements.

All contract templates were refreshed during the year to include bespoke forms of contract for minor works and consultancy services. Process mapping for procurement-related activities was carried out to meet training requirements and to ensure consistency of application.

Regular reporting to the Audit & Risk Committee also provides the status of all contracts in terms of performance.

Business Ethics and Risk

In addition to compliance with the City's Purchasing Policy, the Council is committed to ensuring that business dealings with contractors, service providers and suppliers are conducted to the highest possible standard. A Statement of Business Ethics sets out the key principles expected when doing business with the City. Independent probity advisory services are also engaged for high-risk procurement activities.

Regular management 'exception reports' are provided on purchasing transactions, including details on purchasing anomalies and key statistics. The increased emphasis on such analysis and reporting has led to the close-out of all outstanding purchasing-related audit recommendations and observations.

A fraud and misconduct risk assessment was undertaken, including into aspects of procurement-related risks for both high- and low-value procurement activities (including the use of purchase cards). The existing management controls were assessed, with recommendations to refine and strengthen such controls where appropriate.

Education and Training

A key focus for the year was on education and training, with an online training suite of modules now mandatory for all panel members involved in tender evaluation. Facilitated workshops with relevant stakeholders were conducted to support the City's procurement and contract management policies and framework requirements. Training materials were updated to reflect best practice in procurement planning, specification writing, supplier evaluation and selection, and contract management.

Value for Money and Assessment of Safety Risk

The assessment of suppliers and contractors involves a value-for-money approach, which provides for the best possible outcome for the City. The evaluation process therefore includes an assessment of both price and qualitative factors, including organisational capability and experience and the ability to perform work in a safe, environmentally sound manner and in accordance with all legislative requirements. Due diligence from a

perspective of financial capacity and operational performance is also undertaken for all recommended tenderers.

The City has introduced a more robust contractor assessment process for occupational safety and health (OSH). The assessment takes into consideration specific aspects of the goods, services or works to formulate an initial safety risk rating, to develop a customised questionnaire for tender and quotation documentation, and to enable more consistent application of subsequent tender and quotation assessment.

Social Responsibility

In considering the supply of products and services, the Council is committed to providing a preference to organisations that demonstrate sustainable business practices and high levels of corporate social responsibility. This includes the capacity for the City to enter into direct contract arrangements with Western Australian Disability Enterprises and registered Aboriginal businesses

Local Supplier Opportunity

The Council also gives local businesses opportunities to compete for the supply of goods and services to the City and for the administration to consider the economic impact to the City in the procurement assessment process.

The administration therefore works closely with local business associations throughout the year, including facilitating 'Doing Business with the City' seminars and active participation in other business networking opportunities.

Data collection for 2016/17 reveals the City spent over **\$25 million** with local suppliers and that about 20% of public tenders were won by local businesses.

Criteria in public tender documentation cover the sustainable practices of tendering organisations and their commitment to the broader economic impact of the particular procurement for the City.



Occupational Safety and Health (OSH)

The City remains focused on developing a workforce that is capable and engaged to deliver desired outcomes and improved performance to benefit the local community. In 2016/17, the City initiated numerous projects to ensure the workforce has capable, high-performing people in the right roles, who act safely, to improve organisational performance. The City maintains a proactive commitment to providing a safe, healthy workplace for all employees and to support employees health and wellbeing.

The City regularly reviews its policies, procedures, and practices to ensure compliance with relevant legislation, including the *Occupational Safety and Health Act 1984* and the *Equal Employment Opportunity Act 1984*. Commitment to continuous improvement includes regular reporting and analysis of workplace incidents to determine changes and actions that will minimise future incidents.

Throughout 2016/ 2017 the City reinforced its commitment to improving the health and safety for all employees through the implementation of a number of new initiatives.

More details can be found starting on page **129**.

Employee Wellbeing

The City continued to strengthen its commitment to promoting a healthy and productive workforce. Through an LGIS-funded program, the City continued to offer:

- skin screenings for outdoor workers
- flu vaccinations
- a voluntary 'Fit to Waist Away' exercise program.

Training in mental health was offered for leaders and all employees. With about 40% of the City's workforce also being local community members, the City's approach to health and wellbeing is holistic, complementing its ongoing commitment to community health and wellness.

Workplace ergonomics (designing workplaces, products and systems so they fit the people who use them) was emphasised through an increased number of ergonomic assessments. Job Dictionaries that specify physical requirements for various tasks were also updated.

Workplace Incident Statistics

The City experienced a 40% reduction in workplace incidents compared with the previous financial year, as summarised below (by directorate):

Directorate	2015/16	2016/17
Office of the CEO	2	0
Assets	244	175
Community and Place	140	68
Corporate Strategy and Performance	42	12
Planning and Sustainability	14	10
TOTAL	442	265

The Assets directorate, with the highest proportion of high-risk positions, also experienced a 28% reduction. Acknowledging however that room for improvement remains, Assets continues to focus on ongoing leadership safety development and the introduction of a new safety procurement tool to more accurately assess safety risks through procurement and contracting.

Typical works within Assets include mobile plant, manual handling, waste operations, use of powered plant and hand tools, and off-road operations. The City also started a two-year project—Verification of Competency using Plant and Mobile Equipment.

Injury Management

The City's focus on injury management continues to instil positive behaviours and practices, ensuring injured employees are encouraged to return safely back to the workplace within the shortest possible time.

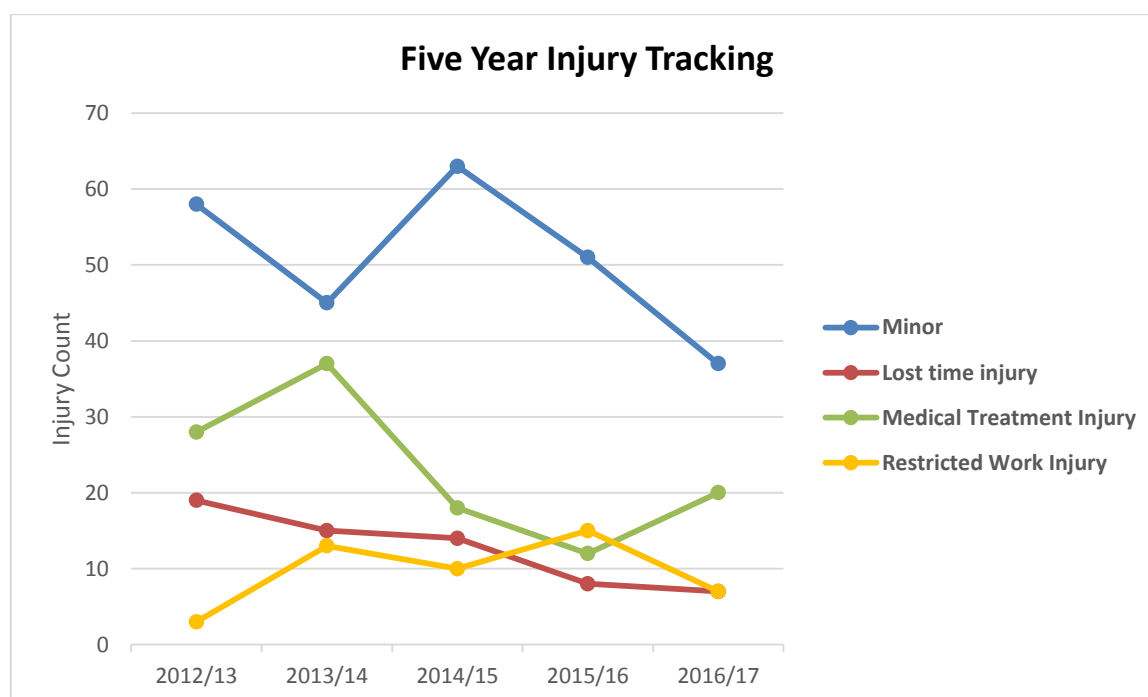
Leaders maintain a hands-on involvement with employees regarding injury management processes. The outsourced model for injury management has also succeeded, as reflected in the continued reduction in open workers' compensation claims and a reduction in the time claims remain open.

The people and culture team also work closely with leaders and employees to effectively manage non-work related injuries and fitness for work concerns, ensuring employees present for work only when fit to undertake full duties, to minimise the risk of injury at work.

Workplace Injury Statistics

The graph below shows the trend of recorded injuries in the workplace over the past four financial years. The trend relating to restricted work injuries remained relatively stable while lost time injuries and injuries requiring medical treatment improved dramatically.

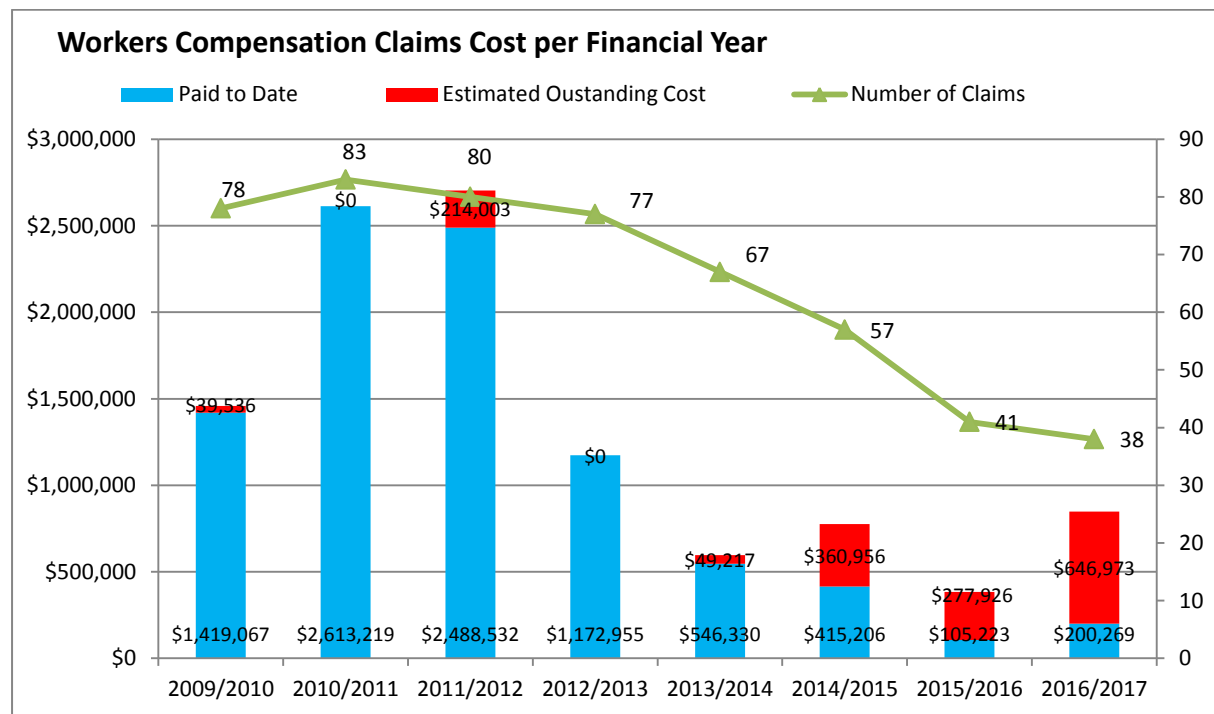
Minor injury reports also declined, which may positively be attributed to the range of safety development and promotion programs introduced, particularly for the outdoor workforce, over the past few years.



Workers Compensation Claims

The graph below shows the consistent and significant decline in the cost of workers' compensation claims to the City. In 2010/11, the cost was \$2.6 million. In 2016/17 the cost had fallen to \$847,000.

Several complex claims in 2016/17 that were awaiting close-out account for the rise in the cost of outstanding claims from the previous financial year. The number of claims has also reduced significantly from 83 in 2010/11 to 38 in 2016/17, a reduction of over half (54%).



OUR ORGANISATION

The Council is the governing body that appoints a Chief Executive Officer. The CEO has responsibility for the day-to-day management of operations in accordance with the Council's strategic direction. The strategic direction is set out in the City's SCP and the four-year priorities of the CBP. Four directors, together with the CEO, form the Executive Leadership Team (ELT) that leads the organisation. The CEO is directly accountable to the Council elected by the residents of the City of Wanneroo.

Our Executive Leadership Team




During 2016/17, the Executive continued to apply the Australian Business Excellence Framework to build organisational capacity and leadership capability to deliver the objectives and outcomes of the SCP. Opportunities for improvement were actioned through the CBP process, to ensure services were delivered in line with community expectations while continuing to strengthen the long-term sustainability of the City.



The Executive continued to develop the City's governance framework, deploying projects and initiatives through a planned deployment and project management approach.

Organisational Structure

The City's organisational structure is made up of the Office of the CEO and four directorates—Assets, Community and Place, Corporate Strategy and Performance and Planning and Sustainability.

The leadership team comprises the Executive and the Operational Management Team (OMT). The following table details the structure of the Executive 30 June 2017.

 <p>Daniel Simms Chief Executive Officer</p>	<p>Starting date: 11 September 2008</p> <p>Degree: Bachelor of Applied Science and a Graduate Diploma in Business in Local Government Management (Deakin University).</p> <p>Daniel has extensive experience in local government in both metropolitan and regional WA, working across many disciplines, including planning and development, finance and administration, governance and strategic planning.</p>	<p>Services</p> <ul style="list-style-type: none"> • Advocacy and Economic Development • Governance and Legal • CEO Administrative Functions
 <p>Harminder Singh Director Assets</p>	<p>Starting date: 1 July 1996</p> <p>Degree: Bachelor of Civil Engineering (Punjab University, India) and Master of Technology (Civil Engineering) from the College of Agricultural Engineering (Punjab Agricultural University).</p> <p>Harminder has been employed at the City over the past 21 years, including leadership positions for the past 10 years.</p>	<p>Services</p> <ul style="list-style-type: none"> • Assets Maintenance • Infrastructure Capital Works • Parks and Conservation Management • Strategic Asset Management • Traffic Services • Waste Services
 <p>Debbie Terelinck Director Community & Place</p>	<p>Starting date: 4 January 2017</p> <p>Degree: Graduate Diploma in Business (Curtin University); Diploma in Human Resource Management.</p> <p>Debbie has more than 20 years' experience in leadership roles and significant experience within local government across many disciplines. These include transport and roads, community development, library, arts and heritage services, recreation, sport and leisure, access and inclusion, and social programs.</p>	<p>Services</p> <ul style="list-style-type: none"> • Communications, Marketing & Events • Community Facilities • Community Safety & Emergency Management • Community Services • Cultural Development • Place Activation

 <p>Noelene Jennings Director Corporate Strategy & Performance</p>	<p>Starting Date: 7 July 2014.</p> <p>Degree: Bachelor of Science (UWA); Graduate Diploma in Computing (Curtin University); Master of Commerce (Industrial Relations) (UWA).</p> <p>With over 25 years in senior leadership roles in state and local government, Noelene has also been an Australian Business Excellence Evaluator since 2000.</p>	<p>Services</p> <ul style="list-style-type: none"> • Contracts & Procurement • Council & Corporate Support • Customer & Information Services • People & Culture • Property Services • Strategic & Business Planning • Strategic Finance • Transactional Finance
 <p>Mark Dickson; Director Planning & Sustainability</p>	<p>Starting date: 11 September 2006</p> <p>Degree: Bachelor of Arts (Hon.) in Urban & Regional Planning; Bachelor of Town Planning; and Post-Graduate Diploma in Management Studies.</p> <p>Mark has over 16 years' experience in senior leadership positions and over 24 years in local government.</p>	<p>Services</p> <ul style="list-style-type: none"> • Approval Services • Strategic Land Use Planning • Health & Compliance • Land Development

As reported in 2015/16, a new high-level organisational structure was deployed in the previous reporting period. In 2016/17, the City's leadership efforts continued to focus on building collaborative efforts to strengthen corporate accountability, particularly in the delivery of projects and services reflecting commitments within the CBP. The following summarises the role of each directorate:

The **CEO** provides overall leadership to the senior management team and oversees the strategic planning, policy and program development across all aspects of the City's operations. The CEO is responsible for the system we work within, the support we provide to the elected Council and the implementation of Council decisions. As a directorate, the **Office of the CEO** encompasses corporate governance, legal advice, advocacy and economic development.

The **Assets** directorate is responsible for ensuring the City's assets are strategically planned, built and managed to a high standard. This includes ensuring the effective and efficient deployment of resources to maximise benefits to the community. These benefits may be gained from major infrastructure projects, like roads and buildings, and infrastructure, like parks and coastal environments.

The **Community and Place** directorate has a strong interface with the community, providing community infrastructure, programs and services as well as advocating for funding and services by other agencies. The directorate provides support for a range of community priorities, encouraging the growth of self-sufficient community organisations to assist them.

The **Corporate Strategy and Performance** directorate addresses the full range of functions dealing with 'running the organisation'. This includes a coordinated approach to corporate planning, monitoring and reporting while ensuring business processes and systems are effectively supported, reviewed and enhanced. Their goals include facilitating continuous improvement, maintaining high corporate standards and delivering long-term financial sustainability.

The **Planning and Sustainability** directorate is responsible for managing the land-use planning and development functions of the City, from project inception, assessment and approval through to construction and delivery of new developments and communities.

Our Employees

The City's workforce of **849** full-time equivalent (**1029 headcount**) at 30 June 2017 is our most valuable resource. Our employees individually and collectively contribute to delivering services, working towards achievement of the City's vision and actions as outlined in the CBP. They lead our organisation and culture in Australian Business Excellence Framework approaches.

The City delivers more than **100** different services to a community of **195,253** residents. A breakdown of the main services can be found on **page 19**. Successful delivery of these services relies on employing highly capable and committed people from various disciplines and professions. Employees have access to a range of opportunities to support them in achieving their professional and personal goals, and to ensure they continue to develop their capability to meet current and future operational requirements.

The City actively promotes the recently revised values (customer focused, improvement, accountability, collaboration and respect), which underpin everything the City does to build a productive, engaged and customer-focused culture. All activities and processes focus on encouraging and recognising behaviours aligned with the values.

Salaried Employees

Regulation 19B of the Local Government (Administration) Regulations 1996 requires the City to include the following information in its Annual Report:

- the number of employees within the City entitled to an annual salary of \$100,000 or more
- the number of those employees with an annual salary entitlement that falls within each band of the \$10,000 over \$100,000.

To remove confusion associated with the treatment of benefits other than cash salary, the City has adopted a total employee cost approach to remuneration. This packages all remuneration into one total number. This is considered a more transparent and open approach to payment and exceeds the requirement of the regulations.

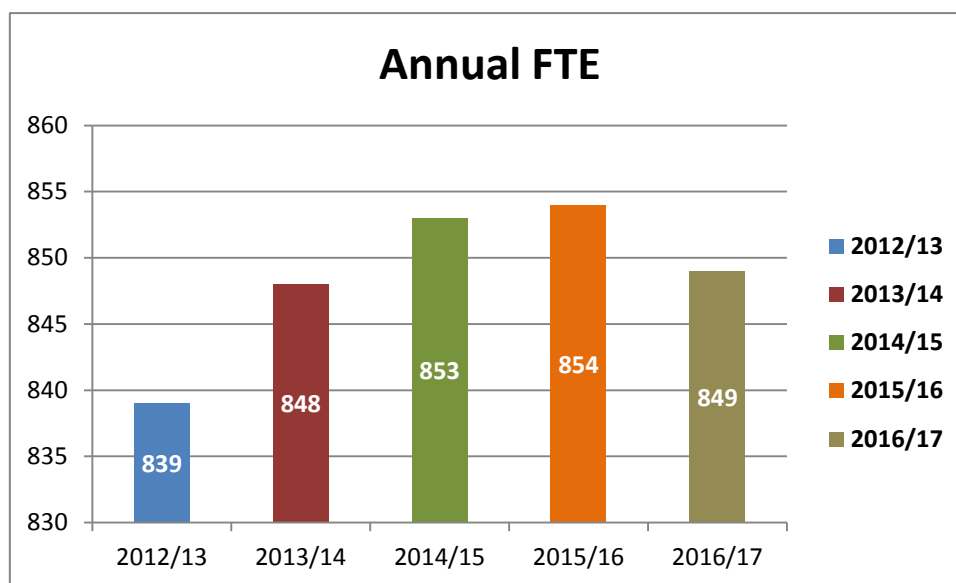
The table is based on the remuneration each employee actually received over the reporting period, whether employed for a full year or not. It includes:

- annual cash component
- statutory 9.5% superannuation, plus City matching contributions to additional superannuation, where applicable
- salary sacrifice
- allowance for motor vehicle or cash value equivalent
- overtime payments
- cash-out of leave (either on request or termination)
- higher duties where applicable)
- termination payments employee profile.

Salary band		No. of employees
\$ From	\$ To	
\$100,000	\$109,999	50
\$110,000	\$119,999	26
\$120,000	\$129,999	11
\$130,000	\$139,999	4
\$140,000	\$149,999	6
\$150,000	\$159,999	2
\$160,000	\$169,999	3
\$170,000	\$179,999	8
\$180,000	\$189,999	4
\$190,000	\$199,999	3
\$200,000	\$209,999	2
\$210,000	\$219,999	2
\$220,000	\$229,999	0
\$230,000	\$239,999	0
\$240,000	\$249,999	2
\$250,000	\$259,999	0

Salary band		No. of employees
\$ From	\$ To	
\$250,000	\$259,999	0
\$260,000	\$269,999	1
\$270,000	\$279,999	0
\$280,000	\$289,999	0
\$290,000	\$299,999	0
\$300,000	\$309,999	0
\$310,000	\$319,999	0
\$320,000	\$329,999	0
\$330,000	\$339,999	0
\$340,000	\$349,999	0
\$350,000	\$359,999	0
\$360,000	\$369,999	1
\$370,000	\$379,999	0
\$380,000	\$389,999	0
\$390,000	\$399,999	0
Total		125

Employee Profile



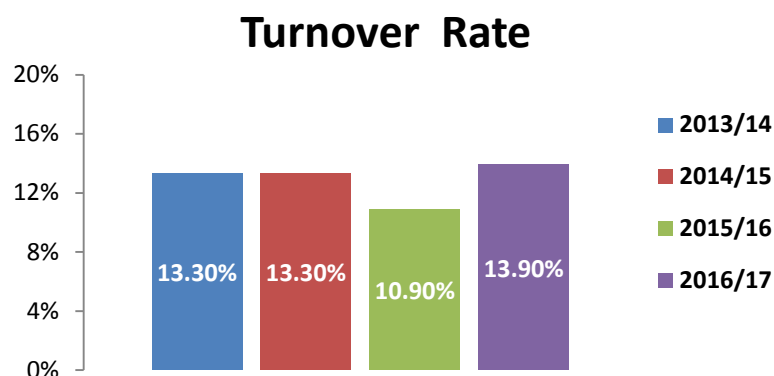
The City monitors workforce growth very carefully to ensure that as a large-growth Council we remain financially viable in the long term. Potential growth (or planned decline) in full-time equivalent employee (FTE) occurs through the City's annual integrated planning cycle reinforced by a comprehensive business case approach, with decisions informed by key strategic corporate projects and community growth areas. Vacancies are critically assessed for the senior leadership team (CEO, directors and managers) to consider whether:

- the work remains core to continue
- there is opportunity to reassign the work across existing resources
- the work could be undertaken through a more efficient mode of delivery
- the FTE could be reassigned to an area of greater corporate priority.

This business case and planning approach aligns with the City's Australian Business Excellence Framework, seeking to develop a sustainable organisation. The slight reduction in FTE of 1.05% was attributed to the non-renewal of a federally funded HACC program during the year.

Employee Turnover (Excluding Casual Employees)

Employee turnover is relatively consistent on a year-to-year basis. However, in response to slightly higher turnover this year—and in keeping with the City's commitment to continuous improvement—the City will review our on-boarding program, acknowledging increased turnover during the first few years of employment. The slightly higher turnover may be attributed to changes in the City's HACC program.

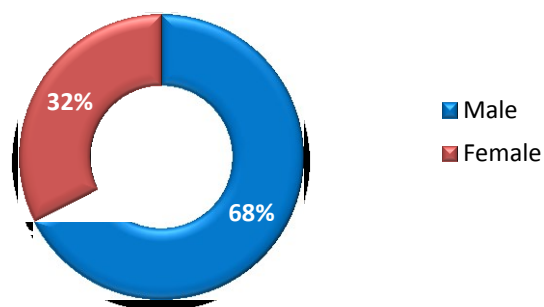


Gender Diverse Workforce (by employee category)

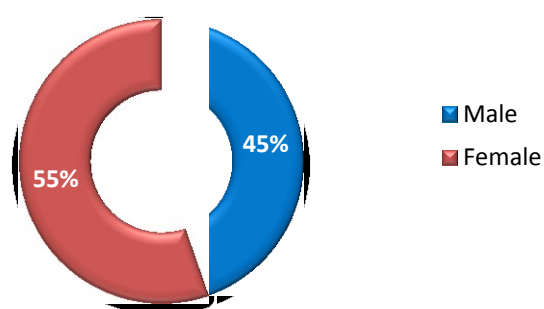
The City strives to maintain gender equity and is proud of its 2016/17 results. At 30 June 2017, the City's workforce had 55% female employee, and 32% of employees at manager level and above were women.

Level	2014/2015			2015/2016			2016/2017		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Executive	5	3	8	3	2	5	3	2	5
Managerial	16	6	22	18	8	26	24	11	35
Total managerial	21	9	30	21	10	31	27	13	40
Non-managerial	421	544	965	425	549	974	432	557	989
Total	442	553	995	446	559	1,005	459	570	1,029

Senior Management Group



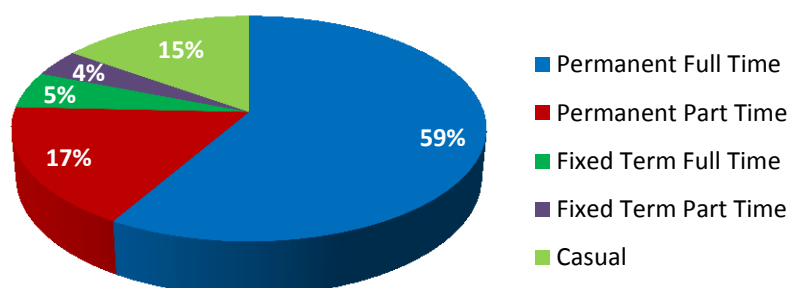
Overall employees by female/male ratio



The City's Senior Leadership Team comprises the CEO, directors and managers. At 30 June 2017, the profile included:

- 2 female and 3 male members for the Executive (40/60 ratio)
- 11 females and 24 males on the senior leadership group (30/70)
- well-balanced male and female representation for all employees below the senior leadership group.

Employees by employment type



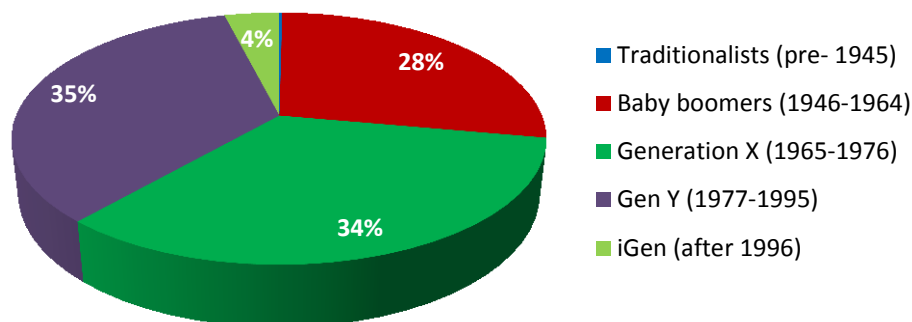
The City's contractual make-up is representative of its desire to provide stability to attract and retain capable employees, and the need to have some level of agility to meet changing and seasonal operational requirements.

- 59% are permanent full time

- 17% are permanent part time
- 5% are fixed-term full time
- 4% are fixed-term part time
- 15% casual

Permanent part-time and casual or contract employees support the City to maintain a level of agility and flexibility to respond to changes in community and workload demands throughout the year, in particular the changing economies between the seasons (wet and dry).

Workforce Age Demographic Profile



In terms of age, our workforce is a relatively even mix of baby boomers, Gen X and Gen Y, with a small but increasing number of iGen now entering the workforce. The challenges for the City will be to provide effective leadership and retention and attraction incentives to meet the diverse expectations of each generation.

Organisational Development

Vision and Values

Recognising the critical importance of a clear vision and consistent values in building a cohesive culture, the City adopted a new vision in 2016/17 to better reflect our long-term goals. In addition, we re-evaluated our core values and supporting behaviour statements. The new values, behaviours and vision align with the City's CSP and CBP. They also support the Customer First Strategy and 'Executive agreed' approaches for each category of the Australian Business Excellence Framework. Through the alignment of values, behaviours and vision, the City has advanced in its quest to operate as 'one culture, one system, one vision'.

Building Organisational Capacity and Capability

Role Clarification, stage 1 of the Strategic Workforce Planning Project, continued during 2016/17. Our in-house workforce planning consultant built capability by coaching leaders to better understand all roles across the organisation. The project profiles employee capability and capacity by ensuring all positions have been consistently and methodically assessed to meet current and future operational needs. The consultative process involves all leaders and employees (under the Salaried Officers Enterprise Agreement) building improved engagement across the workforce.

Effective Leadership

The City adopted a Leadership Meeting Framework that strengthens the City's ambition of building 'one culture, one system, one vision' by:

- ensuring efficient use of all resources for delivering service outcomes to the community
- aligning the deployment of key projects and initiatives to build organisational capacity and capability
- increasing integration and interdependencies at an organisational level versus functional units
- strengthening communication of corporate direction at all levels by developing, agreeing and sharing key messages in a 'cascaded' system.

Employee Engagement Survey

In May 2016, the City carried out an employee satisfaction survey. Following the survey, the City deployed a communication and action plan that included strategies to both maintain areas of strength and improve areas of relative weakness. These strategies include a greater focus on connecting employees to the City's vision and the value of the work they do as individuals as service units to deliver on the City's CBP. Activities included:

- a series of CEO roadshow presentations – 'CEO Cultural & Strategic Update'
- a review of the vision and values
- an employee forum in October 2017 with over 760 attendees
- employment of an internal communications advisor, within the Office of the CEO
- deployment of a new leadership development program for frontline leaders, including an increased focus on safety leadership

- communications to employees via the fortnightly electronic internal publication *Wannaknow*, and access through the intranet to the CEO blog
- inclusion of individualised plans within Service Plans to develop team-level action plans.

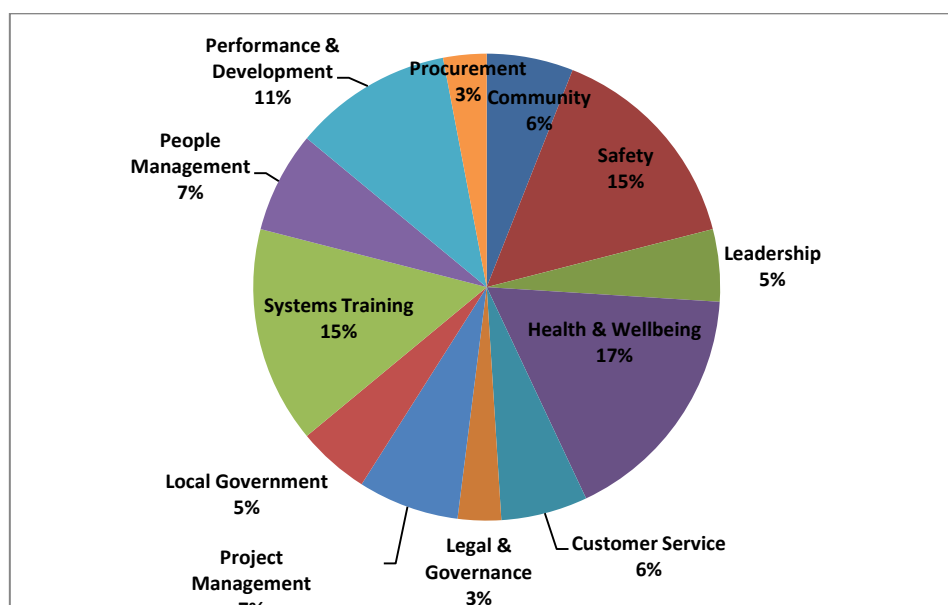
To affirm the City's commitment to the value of continuous improvement, the City conducted a short survey of employee engagement in June 2017, to monitor the impact of activities to date and to identify areas for further improvement. Results of the survey are due early in 2017/18.

Building Organisational Capability

The City recognises the importance of attracting, retaining and developing capable and high-performing people in the right roles. The right people will help improve organisational performance and deliver quality outcomes for the community. Investment in the learning and development of our people reinforces the City's commitment to having an engaged workforce—with the required capability and transferable skills—to meet dynamic workforce requirements.

Training is provided across a range of areas to improve performance in individual roles and to build capability and compliance in the local government sector. The dual aim is both to enhance individual career development and to meet OSH standards and other key legislative requirements.

During 2016/17, the City recognised the value of investing resources in the development of e-learning capability. The ease of learning via computer enables greater consistency, accessibility and timeliness of mandatory training topics. The pie chart below shows the e-learning modules developed so far.



The City encourages employees to undertake further education that in turn helps the City to reach its strategic and operational objectives. Study assistance supports employees to gain a qualification that is relevant to their position and that maximises their contribution to the achievement of the City's goals. In 2016/17, the City continued to support further education at a vocational, graduate and post-graduate level, with a 24% increase in access to the Study Assistance Program.

Policies and Procedures

Greater alignment between governance and compliance was achieved through a significant focus on the systematic development and review of policies and procedures. The following policies and procedures were reviewed during the year:

- Disciplinary Process and Actions Procedure
- Equal Employment Opportunity and Diversity Policy
- Fitness for Work Policy and Procedure
- OSH Policy
- Flexible Working Arrangements Policy and Procedure
- Managing Poor Performance and Unacceptable Conduct Procedure
- Recruitment, Selection and Internal Movements Policy and Procedure
- Workplace Bullying and Harassment and Discrimination Policy
- Payment to Employees in Addition to a Contract or Award (Council) Policy.

The following policies and procedures were developed during the year:

- Drug and Alcohol Policy and Procedure
- Corporate Communications by Text or Personal Email Policy
- Working from Home Policy and Procedure.

Awards and Recognition

The City proudly employs a workforce with a diverse and broad range of skills to meet the demand for community services. We continue to develop a culture that recognises, encourages and celebrates excellence in the workplace. Through its rewards and recognition program, employees who have demonstrated an exceptional commitment to the vision and values are recognised more formally through nomination for industry awards, and informally through team-based and directorate meetings and events.

The City holds twice-yearly celebrations that culminate in an annual event to recognise years of service as shown in the table below.

Years in service	Directorate				
	Office of the CEO	Assets	Community and Place	Corporate Strategy and Performance	Planning and Sustainability
5	0	17	25	8	8
10	1	18	13	3	7
15	0	3	5	2	2
20	0	11	7	0	0
25	0	1	0	0	0
30	0	1	0	0	0
35	0	1	0	0	3
40	0	1	0	0	0

This year, the City again entered a team in the Australasian Management Challenge (formerly Local Government Management Australia Challenge). This event is a sophisticated development program that provides real-life, problem-solving experiences that create tangible and enduring benefits for participating employees and the City. It is a shining example of the value of teamwork and what can be accomplished when we work together towards a common goal. This year, the team received national recognition for their pre-challenge report.

External Awards and Nominations

The City received a number of prestigious awards and nominations in 2016/17. These awards and nominations acknowledge innovative work in key areas and demonstrate that Wanneroo is a leader in local government.

Australasian Reporting Awards

The City's *Annual Report 2015/16* received a Silver Award at the Australasian Reporting Awards in June 2017. This is the second year the City has participated in the awards, and follows the achievement in 2016 of a Gold Award, and Best First Time Entrant Award for the *Annual Report 2014/15*.

Irrigation Australia Awards of Excellence

The City was the winner of the Irrigation Australia Awards of Excellence – Local Government Improvement and Efficiency Award 2016.

Garage Sale Trail Council Awards

The City received the award for Best Newcomer (Metro) from the Garage Sale Trail Foundation in 2016. Reaching a top 10 spot on the national leaderboard in the City's first year, Wanneroo ran a magnificent marketing campaign, supporting a group sale that attracted almost 200 sellers and over 1000 shoppers.

Under the Garage Sale Trail scheme, sellers and shoppers connect over one big weekend of garage sales in communities right across Australia. Pre-loved items find a new home, friendships are forged and funds are raised for great causes, charities and households. The event, now in its 7th year, is powered by local government.

The foundation recognises award-winning Councils for their outstanding achievements from the 153 supporting local Councils, who represent more than half of Australia's population.

WA Local government Seniors Award

Recognising the City's commitment to creating healthy, safe, vibrant and active communities, the City received the WA Local Government Seniors Award for the range of opportunities provided for seniors to engage with the community.

These include the 'Poppin In' program, which matches volunteers with socially isolated seniors; 'My Life, My Words', a volunteer biography program recording the life stories of seniors; and a social support outings program, which provides holistic activities to promote wellbeing.

WA Library Board

The Library Board of WA awarded the City a 2017 Award for Excellence commendation for the development of *It's All About Play*. This project focused on creating a unique play environment offering early learning and development opportunities for children. It also assists parents and carers to further their understanding of the importance of play in early childhood development.

The project aligns with the City's strategic objective to 'provide a range of quality facilities and services', and it supports implementation of our Early Childhood Development Strategy.

WALGA/ RSL WA Anzac Day Award 2017

The City was awarded the WA Local Government Association/RSL WA Anzac Day Award in 2017 in recognition of the strong community–Council collaboration inspired by the Anzac spirit on Anzac Day, April 25.

The Anzac Day event was an enormous success with over 3000 people attending the inaugural Anzac Day service, march and gunfire breakfast at the Wanneroo War Memorial.

State Highly Commended award

The City received a State Highly Commended award in The Heart Foundation Local Government Awards for our Public Health Plan and for viewing all aspects of the plan through a health lens. The Public Health Plan aligns with the City's strategic objective of 'safe communities'. It identifies actions to prevent or minimise public health risks, and enable people living in the community to achieve maximum health and wellbeing.

Public Health Advocacy Institute of WA

Public Health Advocacy Institute of Western Australia's Children's Environment and Health Local Government Report Card recognised the City in two categories: environments promoting physical activity, and planning healthy communities for children. The recognition affirmed the positive work the City is delivering to achieve the strategic objectives of 'great places and quality lifestyles', 'healthy and active people', and 'safe communities'.

Western Australia Rangers Association Lifetime Member award

A Lifetime Member award was presented by the WA Rangers Association to City of Wanneroo ranger Eric Ayers, in recognition of his work since 2006. The City provides a 24/7 community safety service for our residents and the City's ranger patrols are a vital part of helping to make our community a safer place.

Wanneroo Aquamotion Swim School

In accordance with the strategic objectives of 'great places and quality lifestyles' and 'healthy and active people', the City delivers a swim school at the aquatic facility, Aquamotion.

The aquatic facility was named WA Recognised Swim Centre of the Year 2016 by AUSTSWIM and won 2016 Best Swim School for Staff Development awarded by Swim Australia at the annual Australia Swimming Coaches & Teachers Association (ASCTA) awards. This is across all aspects of the running of our swim school. This is the second time the City won this award, having received it in 2012. During the 2015/16 financial year the City received an award for the category of Staff Development at the Swim School in Wanneroo Aquamotion.

2017 Parks and Leisure Australia (WA) Awards of Excellence

The City made the finals in two categories of the Parks and Leisure Australia (WA) Awards of Excellence in 2017. The categories were Leisure Facility of the Year (Houghton Park BMX Jumps, Wanneroo Skate Park and Pearsall Hocking Community Centre); and Play Space (minor) of the Year (Warradale Nature Play Park).

HR Practitioner of the Year

The City's Manager People and Culture, Georgie Monkhouse was a State Finalist in the Institute of Public Administration Australia (IPAA) State Awards for Human Resources Practitioner of the Year Award. Georgie, who started with the City of Wanneroo in 2013, was recognised for her 'leading role in supporting the CEO with a systematic transition from a semi-rural Council to a vibrant professional local authority by employing a series of interlinking projects and initiatives'.

OUR PERFORMANCE


How the community rates the City's four strategic themes

The City reviews levels of satisfaction with our services twice a year through community and business perceptions surveys. The results of the latest independent survey indicated broad success for the City.

The statistics told a clear story. Overall, residents were satisfied with services. Compared with other local governments, the City's overall performance was above the industry average, with 90% of residents satisfied with our performance (previously 86%) and 94% (previously 90%) happy to live in the City. The survey found 86% (previous 81%) of residents were satisfied with the City's performance as a governing organisation.






The following symbols are used to illustrate an increase, decrease or no change to the results when comparing the 2014 results with 2017 results:












Decrease 




Increase 






No change 












The tables below show the results of the survey conducted in June 2017. These satisfaction measures are linked to the City's 4 strategic themes and 13 strategic objectives listed in the Strategic Community Plan 2013/14 – 2022/23 and the Corporate Business Plan 2016/17 – 2019/20.

Community Satisfaction KPI	2014 Result	2017 Result	Increase / Decrease
1. Environment			
1.1 Environmentally friendly			
Conservation and environmental management	81%	82%	1% 
Midge control	64%	75%	11% 
1.2 Conserve water			
Water Resource Management	68%	84%	16% 
1.3 Reduce, reuse, recycle waste			
Weekly rubbish collections	94%	94%	no change 
Fortnightly recycling services	89%	91%	2% 
Verge-side bulk rubbish collections	82%	82%	no change
Management of local beaches and coastline	-	82%	new - no comparison
Management of food, health, noise and pollution	-	71%	new - no comparison
Natural disaster education	-	76%	new - no comparison

Community Satisfaction KPI	2014 Result	2017 Result	Increase / Decrease
2. Social			
2.1 Great places and quality lifestyle			
Streetscapes, parks and sporting grounds	83%	72%	11% 
Festivals, events and cultural activities	82%	85%	3% 
How local history and heritage is preserved and promoted	72%	80%	8% 
Access to services and facilities for people with disabilities	67%	74%	7% 
Service and facilities for youth	69%	58%	11% 
Facilities, services and care available for seniors	75%	72%	3% 
The mix and diversity of housing types in your local area	78%	84%	6% 
2.2 Healthy and active people			
Community buildings, halls and toilets	70%	76%	6% 
Sport and recreation facilities	81%	78%	3% 
2.3 Safe communities			
Enforcement of local-laws	73%	-	no comparison
Safety and security	71%	66%	5% 
How visible rangers are in the community	62%	-	no comparison
Planning and building approvals	68%	61%	7% 
Playgrounds and Parks	-	81%	new - no comparison

Community Satisfaction KPI	2014 Result	2017 Result	Increase / Decrease
3. Economy			
3.1 Local jobs			
Economic development and job creation	63%	64%	2% 
Tourism	60%		
3.2 Growing business			
Range of commercial services	81%	-	no comparison
3.3 Easy to get around			
Access to public transport	73%	74%	1% 
Footpaths and cycleways	79%	75%	4% 

Community Satisfaction KPI	2014 Result	2017 Result	Increase / Decrease
Parking in commercial areas	75%	77%	2% 
Management and control of traffic on local roads	68%	65%	3% 
Community satisfaction with local roads/road maintenance	78%	74%	4% 
3.4 Smart communities			
Education and training opportunities	70%	70%	no change 
Library & information services	90%	91%	1% 

Community Satisfaction KPI	2014 Result	2017 Result	Increase / Decrease
4. Civic Leadership			
4.1 Listening and leading			
Overall satisfaction with the City as a place to live	90%	94%	4% 
Overall satisfaction with the City as a governing organisation	81%	86%	5% 
Value for money from rates	59%	64%	5% 
Council leadership within the community	70%	77%	7% 
The City has developed and communicated a clear vision for the area	50%	70%	20% 
The City has a good understanding of the community's needs	63%	75%	12% 
Community trust the City to make decisions on their behalf	66%	-	no comparison
How the community is consulted about local issues	60%	63%	3% 
How the community is informed about local issues	71%	65%	6% 
4.2 Working with others			
What the City is doing to promote the area	68%	68%	no change 
4.3 A strong and progressive organisation			
Efficiency and effectiveness of customer service	80%	80%	no change 
Council's website	81%	86%	5% 
City's image	79%	-	no comparison

Performance Reporting

Monitoring and reporting on the progress of actions listed in the CBP took place throughout the financial year; quarterly reports were submitted to the Audit & Risk Committee and six-monthly reports were submitted to the Council. The following reports were submitted to the Audit & Risk Committee and the Council during 2016/17.

Reports	Meeting	Date submitted
1st quarter CBP Performance Report	Audit & Risk Committee	22 November 2016
Mid-year CBP Performance Report	Audit & Risk Committee and Council	21 February 2017 7 March 2017
3rd quarter CBP Performance Report	Audit & Risk Committee	6 June 2017
Year-end CBP and Financial Performance Report	Audit & Risk Committee and Council	6 September 2017 (A&RC); 19 September 2017 (Council)
<i>Annual Report 2015/16</i>	Audit & Risk Committee and Council	25 October 2016 7 November 2016

More details of how the City performed on the SCP and CBP can be found starting on page **89**.

Strategic Community Plan Review

The City revised the SCP and amendments to the plan's vision, outcomes and strategies were adopted at a meeting of the Council in November 2017. As part of the review, the City researched factors, both current and forecast, that would affect operations, including rapid population growth, economic changes, and environmental effects of climate change and urban development.

The revised vision, outcomes and strategies took into account themes identified by the community, Council priorities and inevitable changes facing the City. This new vision better reflects the strategic direction and future based on the prioritised aspirations of the community.

The adopted outcomes and strategies include encouraging healthy and active lifestyles, creating distinctive places based on identity of areas, connecting communities, developing strong economic hubs locally and near transport, activating Yanchep as a future city of the north, minimising impacts of climate change and providing transparent and accountable governance and leadership.

Corporate Business Plan Review

During the mid-year review of the CBP and budgets, the timeframes for the priorities and annual actions were reviewed. New deadlines were set for those priorities and annual actions deemed unachievable by the original completion dates.

The mid-year CBP performance report was submitted to the Council on 7 March 2017 with the following two priorities being deferred to 2017/18:

- develop a Coastal Hazard Risk Management Adaptation Plan (Planning & Sustainability)
- investigate the options for managing the City's Animals Local Law (Community & Place).

At 30 June 2017, the following priorities were deferred to 2017/18.

- deliver a Place Strengthening Community Strategy
- explore partnership models for emergency management
- deliver strategic land management
- review the Code of Conduct for Elected Members
- develop the Information Communication Technology (ICT) Strategy.

Significant projects

Significant roads projects constructed during the financial year:

- dual carriageway on Connolly Drive
- dual carriageway on Neerabup Road
- dual carriageway started on Marmion Avenue
- Road Resurfacing program
- Road Rehabilitation program
- Footpath program
- Old Yanchep Road Blackspot road safety improvement
- Pippidiny Road upgrade

- Hepburn Avenue/Highclere roundabout
- Joondalup Drive/Cheriton Drive roundabout.
- Significant traffic treatments were constructed on Destiny Way.
- Significant stormwater drainage projects were completed in Wangara.

The following community facilities were constructed:

- Pearsall Hocking Community Centre
- Quinns Mindarie Community Centre
- Yanchep Surf Lifesaving Club.

The following sports facilities and community centres were upgraded:

- Riverlinks sports amenities building and carpark
- Gumblossom sports amenities extension
- Hudson Park upgrades and floodlighting installation
- Artwork restoration at Fisherman's Hollow, Yanchep
- New spin room and group fitness room at Aquamotion (aquatic sports facility)
- First-aid room upgrade and signage at Kingsway Indoor Stadium
- Sports fields at Yanchep District Open Space
- Yanchep Surf Life Saving Club building.

The following parks furniture projects were completed:

- Ronsard Park, Ridgewood – new playground equipment
- Sandison Park, Landsdale – new playground equipment
- Oldham Park, Yanchep – new shade structure
- San Teodoro Park, Sinagra – new shade structure
- Blackmore Park, Girrawheen – new shade structure
- Houghton Park, Carramar – drinking fountain, three rubbish bins and two benches
- Peridot Park, Banksia Grove – two benches
- Butterworth Park, Koondoola – bench seating
- Fisherman's Hollow, Yanchep – toilet block refurbishment
- Kingsway Reserve, Madeley – dog park
- Tamarama Park, Clarkson – swings.

The following passive park development projects were completed:

- Salitage Park, Pearsall
- Curtis Park, Girrawheen
- Rendall Park, Koondoola
- Warradale Nature Play, Landsdale.

Other significant projects constructed during the financial year include:

- playground renewal
- Civic Centre extension
- Yanchep active open space and amenities
- Mary Lyndsay public open space
- Jimbub remedial works
- floodlighting program.

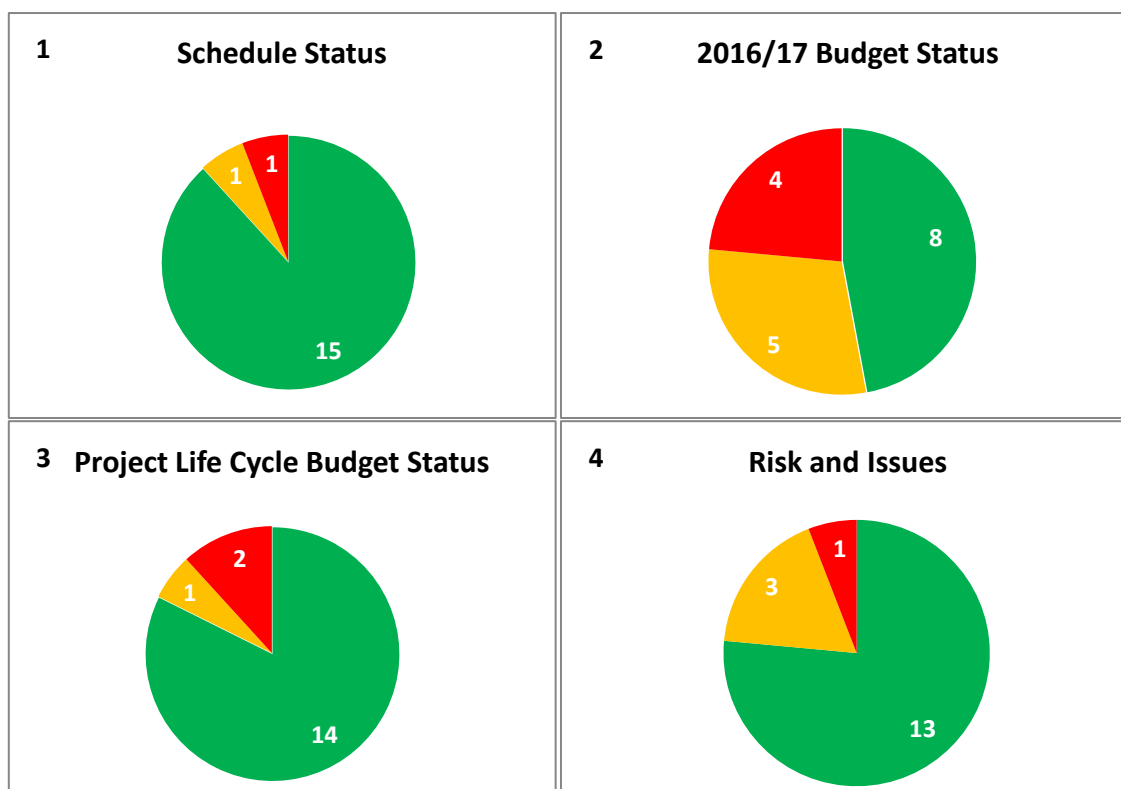
Top Capital Projects Performance

The City identified 17 top capital projects for 2016/17, some of which are not due for completion until future years. The table below illustrates the expenditure on the projects against the relevant budget for 2016/17:

Description	2016/17	
	Budget \$000	Actual \$000
Wanneroo Civic Centre extension	13,178	14,041
Yanchep active open space	3,994	4,255
Quinns Surf Lifesaving Club works	3,954	3,484
Yanchep Surf Lifesaving Club development	3,333	2,743
Connolly Drive, Clarkson (dualling)	3,129	2,881
Connolly Drive, Merriwa (dualling)	2,375	2,231
Marmion Avenue (dualling)	2,040	2,392
Neerabup Road (dualling)	1,762	1,679
Riverlinks Park sports amenities building	1,481	1,304
Yanchep active open space groundworks	1,399	2,582
Yanchep District sports amenities building	1,299	1,052
Old Yanchep Road upgrade	1,161	1,085
Mary Lindsay Homestead building development	1,150	572
Neerabup Industrial Area development	881	297
Mary Lindsay Homestead public open space development	830	318
Quinns Beach shark barrier installation	450	439
Quinns Beach coastal management works	250	134
Total	42,666	41,489

The selection criterion for the above projects included two factors: community interest or significance and financial value. Almost all (97%) of the relevant budget for these projects was spent as at 30 June 2017. **\$3.7 million** from the top 17 capital projects outlined above will be carried forward to 2017/18.

■ On Target (<10% time increase)
 ■ Almost on Budget (10-20% time increase)
 ■ Under/over Budget (>20% time increase)



Schedule status (dashboard 1)

Most (88%) of the top 17 projects were on target with their relevant schedules at 30 June 2017. However, development of public open space at the Mary Lindsay Homestead fell behind schedule and practical completion is now anticipated for August 2017. The design and construction of the new Yanchep Surf Life Saving Club ran slightly behind schedule and is due for completion in 2017/18.

Budget status (dashboard 2)

Eight (47%) of the top 17 projects were on target with spending their relevant budgets; five (29%) had a variance of between 10 and 20%; and four (24%) had a variance of more than 20%. They were:

- development of the Neerabup Industrial Area (phase 2)
- development of the Mary Lindsay Homestead public open space
- development of Mary Lindsay Homestead building
- groundworks for the Yanchep active open space oval.

Project life cycle budget status (dashboard 3)

Fourteen (82%) of the top projects were on target with spending their relevant life cycle budgets. One (6%) had a budget variance of between 10 and 20%; two (12%) projects had a variance of more than 20%. They were:

- upgrade of Marmion Avenue (Lukin Drive to Butler Boulevard)
- groundworks for the Yanchep Active Open Space Oval.

Risk and issues (dashboard 4)

Thirteen (76%) of the top projects had a low risk rating at the end of June 2017; three (18%) had a medium risk rating; and one (6%) had a high risk rating. The medium and high risk rating projects are:

- development of the Neerabup Industrial Area (medium)
- development of Yanchep active open space (medium)
- Quinns Mindarie Life Saving Club (medium)
- Wanneroo Civic Centre extension (high).

Detailed Performance on Strategic Themes

The following section (**pages 89 – 140**) is divided into the four Strategic Themes with their respective strategic objectives, each including:

- interesting facts
- achievements
- challenges
- looking ahead – next financial year CBP actions
- SCP measures
- Service KPIs
- CBP detailed performance.

The following symbols are used to illustrate performance status of the SCP measures. The Service KPIs are indicated as below:



Target has been met or exceeded

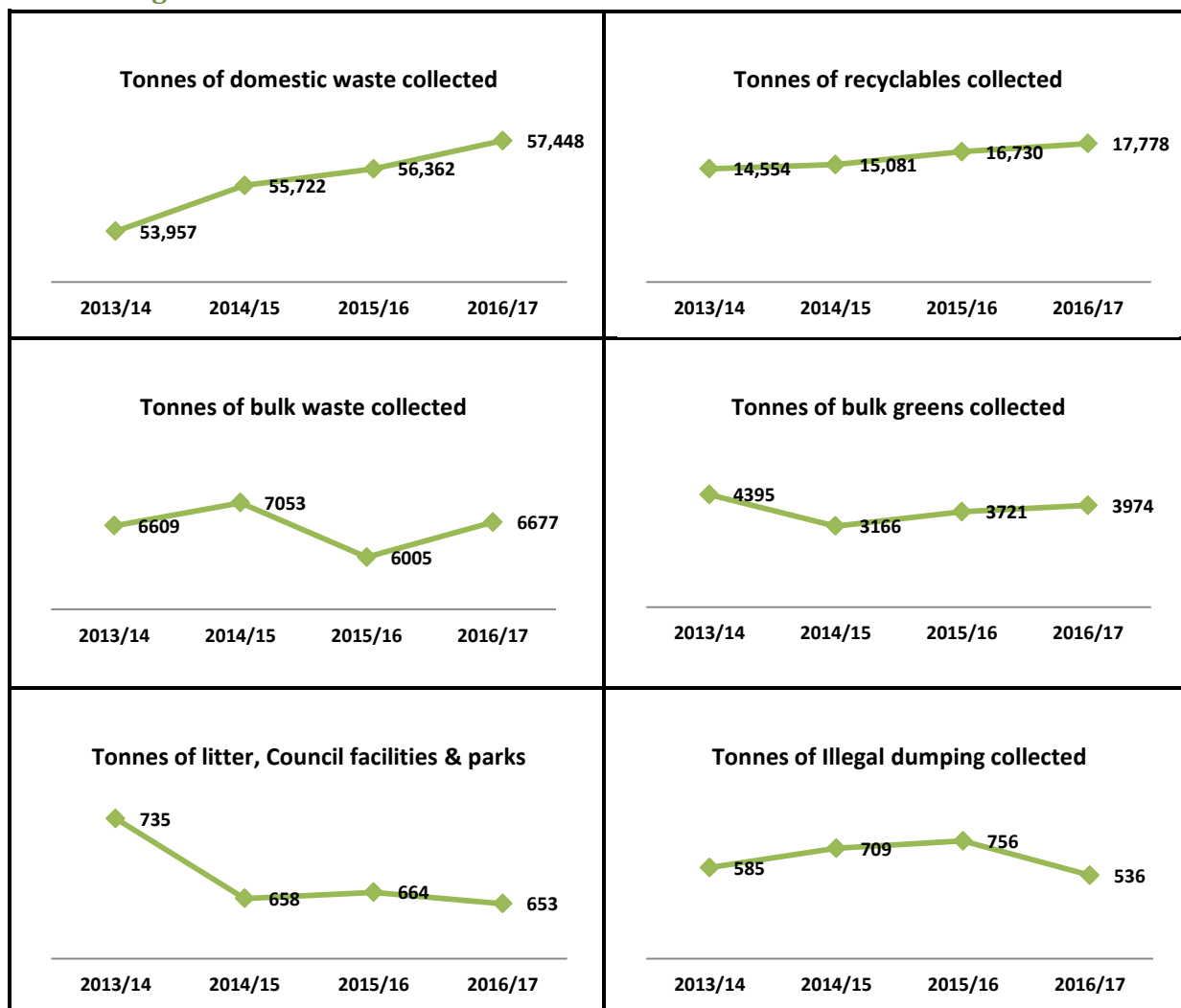


Target has not been met

Environment

Aspiration: A healthy and sustainable natural and built environment

Interesting facts



Achievements, challenges and future projects

The table below includes the major achievements and challenges for 2016/17 as well as strategic projects planned for the new financial year.

Strategic objective: 1.1 Environmentally friendly
Our achievements in 2016/17
<p>Parks and conservation management</p> <p>Landscape upgrades were carried out on Wanneroo Road, Marmion Avenue, Hepburn Avenue, Ocean Reef Road, Joondalup Drive and Hester Avenue medians, which continues to raise the standard of landscaping and aesthetic value of roads in the City.</p> <p>The Street Tree Pilot Planting Program was delivered across the City to help create cooler and more attractive streetscapes. The success of this program will be reviewed and further tree-planting projects will be identified in 2017/18.</p> <p>The City developed a Street Tree Policy that outlines the requirements for planting and replacing street trees, and provides guidance on the management and removal of street trees. A draft Local Planning Policy 4.10: Streetscapes has also been developed that provides guidance on the planning and design of residential streetscapes in greenfield areas. Taken together, these policies will assist the City in moving towards a greener, more liveable City by increasing tree numbers (and ultimately canopy coverage) across the City.</p> <p>The City offers a free verge tree-planting service to residents and businesses every winter. Over 3000 trees were planted in parks, streetscapes and residential verges during the 2016/17 Annual Street Tree Planting Program to help increase tree canopy cover in the City.</p> <p>During winter planting events, 13,270 tube stock plants and 100 trees were planted in conservation reserves, with the support of 731 volunteers from local schools, environmental groups, members of the community and local residents.</p> <p>The Pesticide Management Policy was developed and is due to be adopted next financial year. The objective of the policy is to ensure the City meets its environmental, legal and community obligations for pesticide use on land that it administers in a manner that is environmentally, socially and economically responsible. It also ensures that pesticides are applied in the City's parks, streetscapes and conservation reserves in accordance with the relevant state government Acts and guidelines, and industry best practice.</p> <p>Significant parks rehabilitation projects have been constructed during the year:</p> <ul style="list-style-type: none"> • delivery of the Irrigation Parks Renewal Program • delivery of golf course green and tee upgrades at Carramar and Marangaroo Golf Courses • delivery of a new centralised irrigation system at Marangaroo Golf Course.
<p>Climate change and environmental management</p> <p>A Climate Change Adaptation and Mitigation Strategy was developed and adopted to guide the City in our efforts to adapt to climate change. These actions aim to minimise the risks to the community from increasing temperature, reduced rainfall, extreme weather events, coastal storm surges and other climate-related risks.</p> <p>An Energy Reduction Plan was developed and adopted. This plan was a key initiative of the Climate Change Adaptation and Mitigation Strategy 2015–2020 and has been informed by a comprehensive Energy Audit and Energy Monitoring Strategy.</p>

Yanchep was identified as having the 7th highest uptake of solar photovoltaic systems of all Perth suburbs, demonstrating residents' commitment to harnessing alternative energy sources.

Year 2 actions from the Yellagonga Integrated Catchment Management Plan 2015–2019 were implemented:

- completion of annual ground and surface water monitoring
- finalisation of the Acid Sulphate Soil Management Framework
- completion of flora surveys for site 3 (North Lake Joondalup) and site 4 (South Lake Joondalup)
- completion of the South Lake Joondalup Revegetation Plan and implementation of initial revegetation work.

The City's Local Biodiversity Strategy was reviewed during 2016/17. This strategy provides guidance on the protection of priority vegetation and natural assets within the City.

Assets maintenance

Council adopted the Quinns Beach Long Term Coastal Management Detailed Design Plan in April 2017 which commits to:

- detailed design for the study
- staging of works:
 - 2017/18: construction of Groyne 4, beach renourishment and construction of a beach access ramp
 - 2018/19: extension of Groyne 2 and beach renourishment
 - 2019/20: extension of Groyne 3 and beach renourishment.

The Coastal Assets Policy was adopted during 2016/17. This provides guidance to land developers, consultants, the community and contractors as to the type of permanent and temporary assets that the City will consider within the foreshore reserve. It also guides the location of proposed assets relative to the projected onset of coastal processes, as calculated in accordance with State Coastal Planning Policy 2.6.

Photographic monitoring and beach surveys confirmed gradual erosion to the north of the Quinns Beach groynes. The City proactively scheduled beach renourishment works at the Dog Beach and in front of the Quinns Beach car park to enhance protection for these sites before the 2017 winter storm season.

The City received State government funding for coastal projects including:

- Quinns Beach swimming enclosure (\$200,000)
- Quinns Beach coastal management (\$300,000).

The City received recertification of a quality management system that complies with ISO 9001:2008 for the provision of building maintenance, repairs and minor works, building access, building cleaning services and graffiti removal services.

The City was nominated for the WA Coastal Excellence Award 2017. These awards recognise and celebrate the outstanding achievements of individuals, community groups, schools, government agencies and other organisations that protect and manage our unique

coast. The achievements involve volunteers programs, management of weeds, foreshore rehabilitation and revegetation, raising community awareness of coastal hazard risks, eco-tourism and conservation focused on the sustainable use of the coastline.

Our challenges in 2016/17

Climate change

The City has a challenge ahead to ensure its assets and the community are prepared for the potential impacts of climate change. Effective adaptation planning is needed to reduce the expected impacts, consequences and risks associated with climate change.

Looking ahead – 2017/18 CBP priorities

- Manage coastal erosion
- Work in partnership to manage coastal infrastructure assets
- Protect, retain and enhance rare vegetation complexes
- Increase the community's stewardship of local and national parks within the City
- Plan for management and use of coastal areas
- Develop partnerships for the management of park and regional conservation reserves
- Advocate for the management of key regional reserves
- Plan for the effects of climate change
- Reduce energy use across City-owned facilities
- Investigate and develop an Energy Precinct in the Neerabup Industrial Area
- Delivery of capital works sub-programs for conservation reserves, environmental offset and foreshore management.

Strategic objective: 1.2 Conserve water

Our achievements in 2016/17

Water

The Water Conservation Plan was reviewed. This Plan sets out how the City will improve management of water resources and highlights the significant issue of water availability for irrigation purposes.

The City was the winner of the Irrigation Australia Awards of Excellence – Local Government Improvement and Efficiency Award 2016.

Our challenges in 2016/17

Water

Availability of groundwater for irrigation purposes continues to present challenges in developing and maintaining quality parks in the northern growth corridor. Reduced groundwater allocations in these areas impact on the quality of turf and vegetation.

Looking ahead – 2017/18 CBP priorities

- Optimise water usage within City owned and managed reserves and facilities
- Delivery of the Stormwater Drainage Capital Works Sub-Program.
- Delivery of the Parks Rehabilitation Capital Works Sub-Program

Strategic objective: 1.3 Reduce, reuse, recycle waste

Our achievements in 2016/17

Waste

The five-year Strategic Waste Management Plan was adopted. It provides direction on waste services, including diversion of waste from landfill and improvements to recycling practices.

Garage Sale Trail is a waste education initiative that engages communities to rethink what they waste and encourages the reuse of items bought and sold at garage sales. The City participated for the first time in this nationwide reuse initiative in 2016. There were 127 individual garage sales held in the City with nearly 57,000 items listed for sale, and another

200 stalls at the Wanneroo Showground Sale. The City received the award for Best Newcomer (Metro) from the Garage Sale Trail Foundation.

The following initiatives have diverted waste away from landfill and engaged the City's residents:

- City residents diverted over 17,778 tonnes of recyclable waste via their yellow-lidded recycling bin.
- 57,451 tonnes of domestic waste was disposed of via the City's green-lidded waste bin. This waste was processed at the Suez Resource Recovery Facility in Neerabup where over 26,000 tonnes was processed into compost.
- Wangara Greens Recycling Centre (WGRC) received nearly 4000 tonnes of green waste from residents. This was sent for onward treatment and processed into mulch. The WGRC also recovered/recycled 22,000 litres of waste oil, one tonne of batteries and 12 tonnes of cardboard.
- An initiative was introduced to divert metals and fridges away from landfill. This resulted in 137 tonnes of metal and 76 tonnes of fridges being sent for onward processing and diverted from landfill.
- The City hosted a number of drop-off days for e-waste, cardboard, clothing and paint (Paintback). These drop-off days resulted in a further 31 tonnes of waste diverted from landfill.
- A collection drive was held to clear the City of illegally dumped tyres. Over 800 tyres were collected in one week. This resulted in a projected diversion of 7.2 tonnes of tyres away from landfill.
- The City reduced illegal dumping by 220 tonnes (a 29% reduction) in 2016/2017 following new proactive measures implemented across the City. These included wrapping illegally dumped rubbish with barrier tape in conjunction with issuing flyers to nearby residents' homes, informing the community that rubbish needed to be removed from verge sides, and that the City was carrying out an investigation to identify offenders.

Our challenges in 2016/17

Waste

- To divert 65% of waste from landfill by 2020 (Western Australian Waste Strategy target)
- Decommissioning and reuse of the Wangara Recycling Centre

Looking ahead – 2017/18 CBP priorities

- Promote diversion from landfill in line with the 'waste hierarchy'
- Increase community and industry awareness of waste minimisation
- Collaborate with stakeholders within the waste industry to identify innovative waste management solutions
- Deliver on the Waste Management Capital Works Sub-Program

Strategic Community Plan Measures

The table below shows the progress of each measure in the SCP within the theme of Environment.

Strategic objective: 1.1. Environmentally friendly					
Measure: Extent of native vegetation protection areas					
Results from previous years			2016/17		
2013/14	2014/15	2015/16	Target	Actual	Result
There has been no decrease – due to preservation under Bush Forever	Since 2012, 6 additional conservation reserves were created, offering protection to an additional 11.3ha of native vegetation	2 additional sites (total land area 5.6ha) have been handed to the City by developers	No decrease	Increase – 2 additional sites (total 10.3ha) have been handed to the City by developers	↑
Measure: Community satisfaction with the City's conservation and environmental management					
Results from previous years			2016/17		
2013/14	2014/15	2015/16	Target	Actual	Result
68% satisfaction	81% satisfaction	No survey in 2015/16	Maintain/improve on 3-year average	82% satisfaction (improved by 1%)	↑
Strategic objective: 1.2 Conserve water					
Measure: Scheme water use by the Council					
Results from previous years			2016/17		
2013/14	2014/15	2015/16	Target	Actual	Result
89,671KL	113,388KL	97,269 KL	No increase per capita	108,912KL (increase of 11,643KL)	↓
Strategic Community Plan Measure: Bore Water use by Council					
Results from previous years			2016/17		
2013/14	2014/15	2015/16	Target	Actual	Result
3,151,060KL	3,730,287KL	3,710,294KL	Decrease in irrigation water use per hectare	3,716,390KL (increase* of 6096KL)	↓
* The City's overall groundwater allocation shows a slight increase in water use. This is due to an increase of water allocation and irrigated land managed by the City. Per hectare, we have used less this year than the previous year.					
Measure: Community satisfaction with the City's water resource management					
Results from previous years			2016/17		
2013/14	2014/15	2015/16	Target	Actual	Result
56% satisfaction	68% satisfaction	No survey in 2015/16	Maintain/improve on 3-year average	84% satisfaction (improved by 16%)	↑
Strategic objective: 1.3 Reduce, reuse, recycle waste					
Measure: Waste to landfill – kilograms per capita					
Results from previous years			2016/17		
2013/14	2014/15	2015/16	Target	Actual	Result
215kg	204kg	193kg	Maintain/decrease	187kg (decrease by 6kg)	↑
Measure: Waste to recycle – kilograms per capita					
Results from previous years			2016/17		
2013/14	2014/15	2015/16	Target	Actual	Result
404kg	394kg	258kg	Increase	246kg (decrease* by 12kg)	↓
* The reason for the slight decrease is because the previous years' kg/per capita figure included all tonnage received at the City's Wangara Greens Recycling Facility, including that from residents of the City of Joondalup.					

Service Key Performance Indicators (KPIs)

Service: Waste management

KPI: Waste recovered

Unit of measure: % of total waste diverted from landfill

2013/14 Actual	2014/15 Actual	2015/16 Actual	2016/17 Target	Actual	Result
No previous result	49%	57.50%	50% (WA Waste Strategy Targets for metropolitan regions (2012))	56.7%	↑

KPI: Kerbside collection waste diverted from landfill (domestic)

Unit of measure: % volume of waste diverted away from landfill

2013/14 Actual	2014/15 Actual	2015/16 Actual	2016/17 Target	Actual	Result
No previous result	51%	51%	51%	51%	↑

KPI: Kerbside collection waste diverted from landfill (recycling)

Unit of measure: % volume of waste diverted away from landfill

2013/14 Actual	2014/15 Actual	2015/16 Actual	2016/17 Target	Actual	Result
No previous result	84%	84%	84%	84%	↑

Note: Waste diverted from landfill. 50,997 tonnes of waste was diverted away from landfill out of 89,897 tonnes collected during 2016/17. This was made up of:

- 29,298 tonnes of domestic waste processed at the Resource Recycling Facility (RRF) into soil conditioner
- 14,894 tonnes of materials (glass, paper, plastic, metals) recycled
- 3165 tonnes of bulk verge collection green waste processed into mulch
- 3640 tonnes of green waste from the Wangara Greens Facility.

Service: Climate change

KPI: Climate Change Adaptation & Mitigation Strategy

Unit of measure: Strategy in place

2013/14 Actual	2014/15 Actual	2015/16 Actual	2016/17 Target	Actual	Result
No plan	Draft in place	Draft strategy endorsed by Council for public advertising.	Plan adopted	Plan adopted	↑

Service: Energy**KPI: Energy consumption****Unit of measure:** Reduce energy consumption (excluding street light data)

2013/14 Actual	2014/15 Actual	2015/16 Actual	2016/17 Target	2016/17 Actual	Result
9,588,793kWh	9,282,091kWh	9,385,444 kWh	Reduce energy consumption	9,437,989kWh (increase of 52,545kWh)	↓

Service: Water**KPI: Water consumption****Unit of measure:** Reduce water consumption (scheme water)

2013/14 Actual	2014/15 Actual	2015/16 Actual	2016/17 Target	2016/17 Actual	Result
89,671KL	113,388KL	97,269 KL	Decrease water usage	108,912KL (Increase of 11,643KL)	↓

KPI: Water consumption***Unit of measure:** Reduce water consumption (bore water)

2013/14 Actual	2014/15 Actual	2015/16 Actual	2016/17 Target	2016/17 Actual	Result
3,151,060KL	3,730,287KL	3,710,294KL	Decrease water usage	3,716,390KL (Increase by 6096KL)	↓

* The City's overall groundwater allocation increased by 64,537KL from 2015/16 to 2016/17 due to new land being handed over to the City. This resulted in an increase of water allocation and irrigated land managed. Per hectare, we have used less this year than the previous year.

Corporate Business Plan 4-year priorities

The table below shows the progress of each action under the SCP within the theme of Environment. Refer to **page 20** for status colour codes. A 'corrective measure' is linked to all actions that were 'on hold' or 'under target' at 30 June 2017.

No	CBP priority	Directorate	31 Dec 2016 Status	30 June 2017 Status	Reference Number
SCP Theme: Environment					
SCP Strategic objective: Environmentally friendly					
SCP Strategy: Conserve the best of our environment					
1	Manage coastal erosion at Quinns Rocks	Assets	On target	On target	
2	Manage coastal infrastructure assets	Assets	On target	On target	
3	Develop a Coastal Hazard Risk Management Adaptation Plan	Planning & Sustainability	Under target	On target	
4	Develop the Coastal Assets Policy	Planning & Sustainability	Completed	Completed	
SCP Strategy: Ensure healthy beaches, waterways and bushland					
5	Deliver a Part 2 Coastal Management Plan	Planning & Sustainability	Not yet started	Not yet started	1
SCP Strategy: Minimise contamination					
6	Manage contaminated sites at Pinjar and Wangara	Corporate Strategy & Performance	Under target	On target	
SCP Strategy: Minimise impacts of climate change					
7	Investigate and develop Energy Precinct at Neerabup Industrial Area	Office of the CEO	On target	On target	
8	Reduce the City's energy usage through an <i>Energy Reduction Plan</i>	Planning & Sustainability	Under target	Completed	
9	Develop a <i>Strategic Environmental Plan</i>	Planning & Sustainability	On target	On target	
10	Implement a <i>Climate Change Adaptation and Mitigation Strategy</i>	Planning and Sustainability	On target	On target	
SCP Strategic objective: Reduce, Reuse, Recycle Waste					
SCP Strategy: Improve waste sorting, collection and processing					
11	Adopt and implement a <i>Strategic Waste Management Plan</i>	Assets	On target	On target	

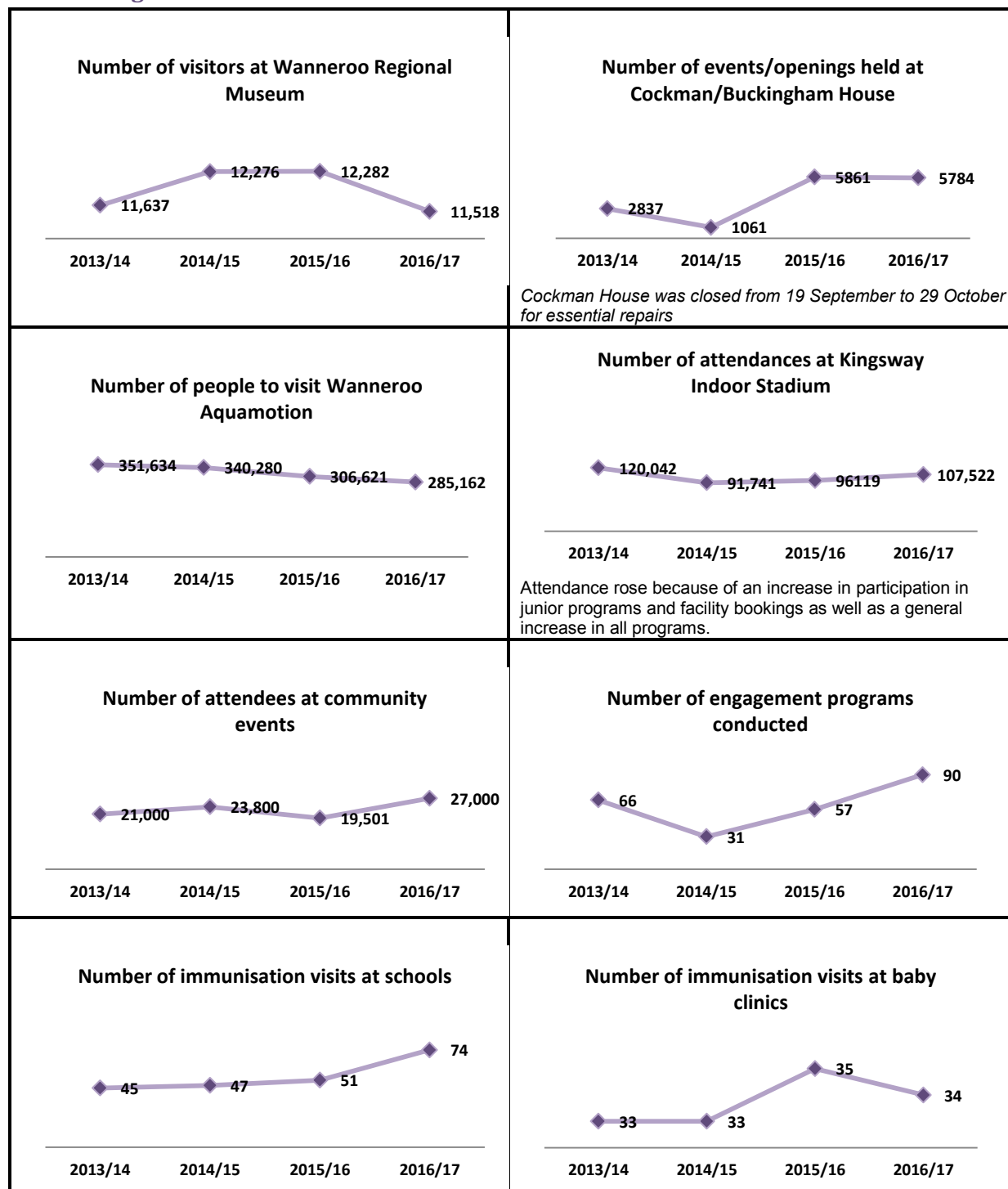
The table below provides the comments and corrective measures for priorities that were 'on hold', 'under target' or 'not yet started'.

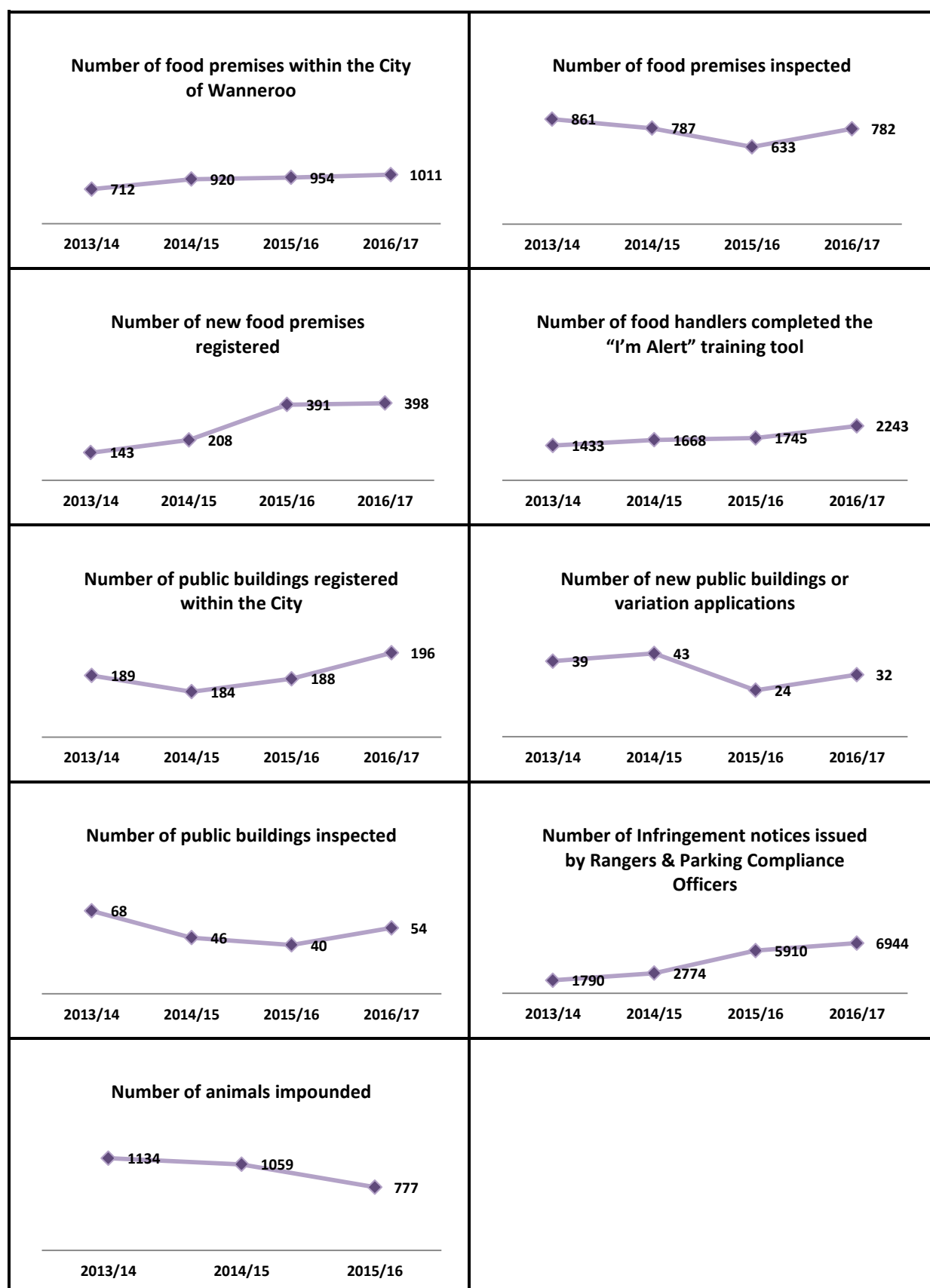
Reference no.	4th Quarter (Apr – June 17) Comments on priorities
1	This priority is only due to start in 2019/20 financial year.

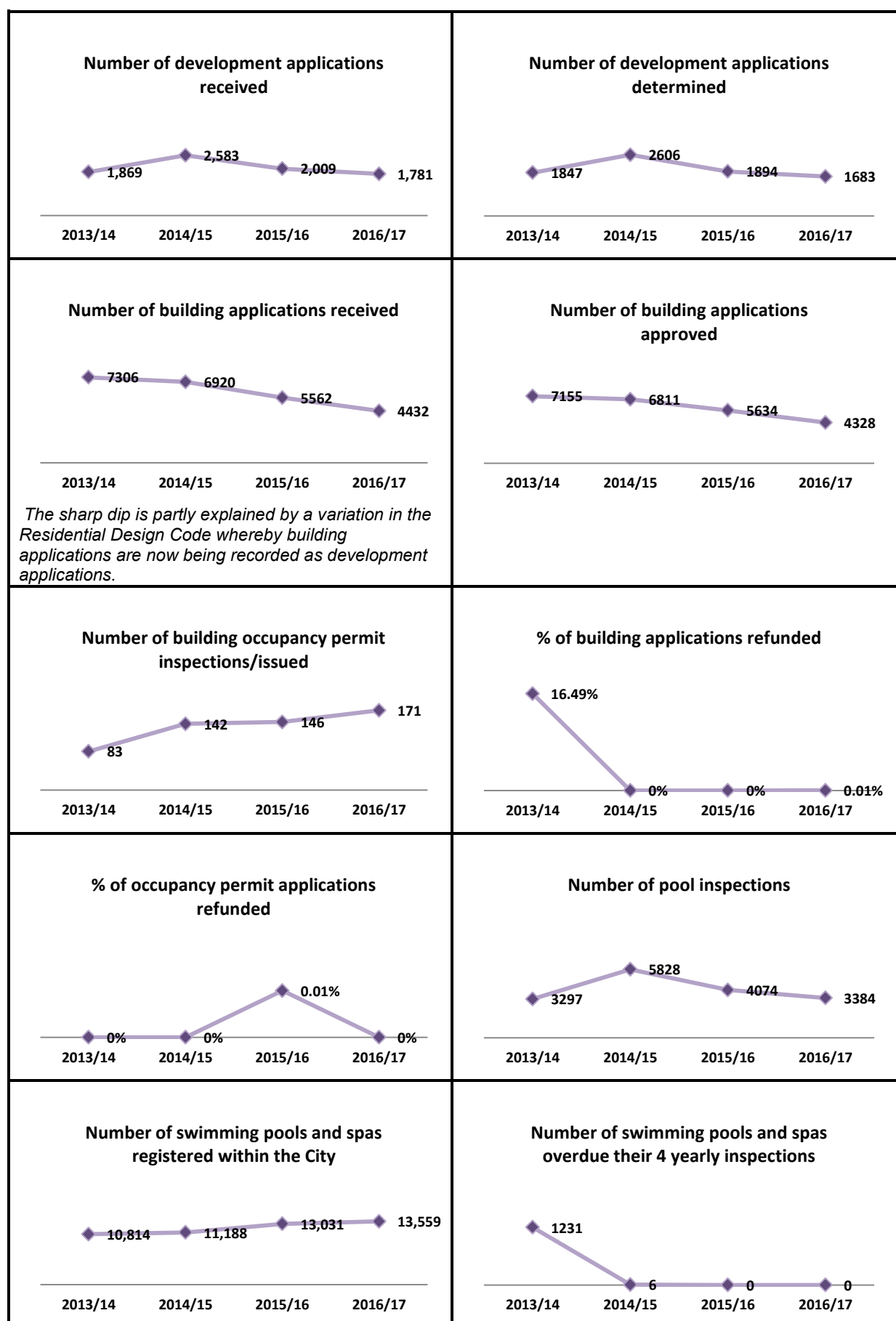
Society

Aspiration: Healthy, safe, vibrant and active communities

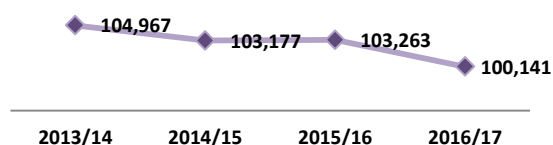
Interesting facts





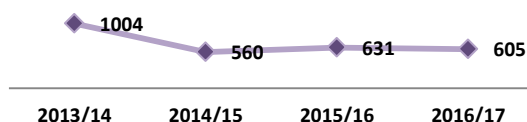


Number of Home and Community Care services delivered



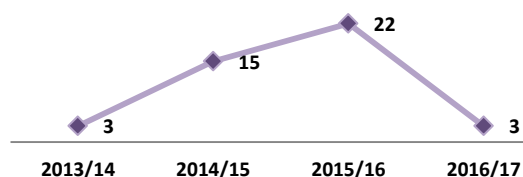
HACC services include a range of in-home services to support people to remain living independently in their home, and a range of community-based activities, including day clubs, shoppers' transport and an outings program.

Youth Programs delivered by City of Wanneroo



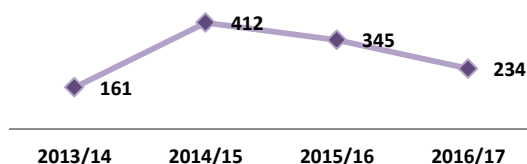
The City continued its focus on increasing and developing quality relationships with key youth organisations to deliver services to young people. The City is completing a review of its youth services to ensure it aligns with the City's SCP and the future needs of the young residents.

Youth Active Partnerships



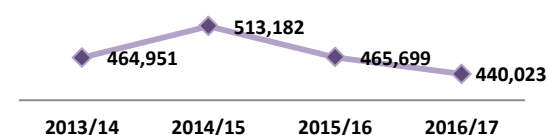
Youth Services facilitated a range of community engagement and consultation activities. The activities will inform the future direction of Youth Service and the role of the City in working collaboratively with youth services in the future.

Youth Programs delivered through partnerships

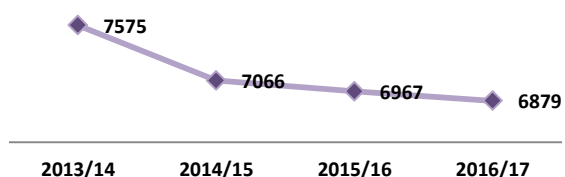


The City continued to engage a broad range of stakeholders, including community service, in delivering programs and events targeted at supporting and promoting young people.

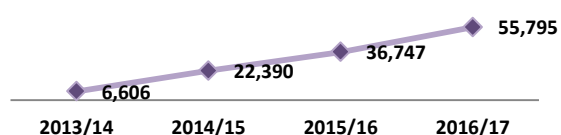
Number of visits at the 4 libraries (people counter)



Number of new library members



Number of library e-books issued/renewed



Achievements, challenges and future projects

The table below includes the Major Achievements and Challenges for the 2016/17 financial year as well as Strategic Projects for the new financial year 2017/18.

Strategic objective: 2.1 Great places and quality lifestyle
Our achievements in 2016/17
<p>Early childhood development</p> <p>The Early Childhood Plan emphasises the need for the City to continue working with partners and the community so that children in their formative years have opportunities to be healthy, and socially, emotionally and cognitively prepared for success in school and life.</p> <p>The popular <i>It's All About Play</i> program has been extended from Wanneroo Library to Clarkson, Girrawheen and the Alkimos pop-up library. The City of Fremantle has adopted <i>It's All About Play</i> and other local governments have shown interest.</p> <p>The City received a commendation at the 2017 Award for Excellence for the development of 'It's All About Play' from The Library Board of WA.</p> <p>The City joined with Child and Adolescent Health and ECU (Edith Cowan University) Pregnancy to Parenthood to strengthen the delivery of <i>It's All About Play</i> in libraries.</p> <p>Our partnership with City and ECU's was reported in the international journal, <i>Zero to Three</i>.</p> <p>The most recent (2015) results from Australian Early Development Census (AEDC) showed that while 21.2% of five-year-old children in the City remain vulnerable in one or more domains, this is a 3.8% improvement since 2012.</p> <p>Library services</p> <p>The Strategic Library Services Plan was developed to guide and prioritise operations and improvements to the Library Service over the next five years.</p> <p>The 'Little Learners Pilot Program' is a school-readiness program for pre-kindergarten children and their parents delivered jointly by the Library Service and participating schools. The series comprises eight sessions relating to the development of pre-literacy skills, parental involvement, introduction to school routines and concepts, and development of school-readiness skills.</p> <p>A Literacy and Learning Framework was established to guide the planning and programming of Cultural Development's community learning programs. Four key themes were identified: supporting active citizenship, supporting skills and knowledge for work and employment, supporting community and cultural connections, and supporting creativity and innovation. The themes apply across three life stages—early years learning, learning through the school years and adult learning.</p> <p>Community funding</p> <p>Delivery of the Community Funding Program was completed across two rounds with 31 recipient groups each receiving part of the \$85,000 available. Core funding of the program was successful in leveraging a further \$230,000 for community benefit from participating groups and supporters.</p> <p>Volunteer Resource Centre</p> <p>In 2016/17, 463 community members registered to become a volunteer, pushing the total number registered to 600. Of these, 50 found volunteer roles within this local government and most were referred to other organisations.</p>

Community workshops

The success of last year's *Wannabeinspired* (encouraging people to create their own neighbourhood projects) inspired a series of follow-up *Wannagetinvolved* interactive community development workshops. The first of six workshops was held in Clarkson Library in July 2016, with over 120 community members attending across the series of events.

Following the workshops, the City facilitated an additional 17 information sessions and workshops to generate further interest and build community capacity in the following areas:

- community funding
- know your neighbour
- starting a walking group
- community gardening
- keep calm and volunteer
- forming a community group
- community project planning.

Heritage, museum and arts

The inaugural Yokayi program and exhibition was held featuring the work of Aboriginal girls from Girrawheen Senior High School. Artwork from the exhibition was also used on limited edition library cards to celebrate NAIDOC week.

Displaying Wanneroo's rich history, two successful exhibitions featuring the museum and local history collections were mounted. The Collecting Stories and Telling Tales exhibit attracted over 1,100 people over two months and 450 people attend Live Work Play over one month.

The number of visitors to the Wanneroo Library and Cultural Centre galleries increased by 50%, giving a total attendance of over 8,200 people.

The Heritage program was extended with open days, including Christmas at Cockman House with over 600 people attending. A heritage bus tour followed by high tea at Buckingham House was one of the highlights of the Heritage festival.

The City received the WALGA/RSL WA Anzac Day Award for 2017 in recognition of collaboration with our community and the Anzac spirit. Over 3000 people attended the inaugural Anzac Day service, march and gunfire breakfast at the Wanneroo War Memorial to commemorate Anzac Day 2017.

Strategic land-use planning

The City's Local Heritage Survey was reviewed under s. 45 of the *Heritage of Western Australia Act 1990* to ensure that records of locally significant heritage places were up to date. The survey identifies the level of significance of local heritage places and assigns a management category to reflect their level of protection.

The City's Scheme Heritage List was reviewed and updated under Part 3, Clause 8 of the deemed provisions of District Planning Scheme No. 2 and the *Heritage of Western Australia Act 1990*. The list contains all places that are identified as having 'exceptional' or 'considerable' significance and which require the formal protection of the City's local planning scheme.

Local Planning Policy 4.20: Split Code Areas was reviewed to articulate the Council's position on the planning, design and development of residential areas that are subject to a Split Density Code. Residential split coding refers to a residential area with more than one

allocated density coding. Split coding provides a flexible approach to residential development.

The Wanneroo Town Centre Action Plan was developed to revitalise the Wanneroo Town Centre and to create a place that will help to engage and connect with our diverse communities.

Significant progress was made on the review of District Planning Scheme No. 2 and preparation of a new Local Planning Scheme No. 3.

The City adopted District Planning Scheme No. 2 – Amendment No. 148 and Local Planning Policy 2.8 – Licensed Premises. The planning scheme amendment requires proposals for liquor stores and taverns to be advertised for public comment in commercial and business zones. Local Planning Policy 2.8 guides discretionary planning decisions for liquor store and tavern applications and outlines the City's role and responsibilities in the liquor licensing process under the *Liquor Control Act 1988*.

To assist the Council in making decisions under District Planning Scheme No. 2, the following local planning policies were reviewed and adopted:

- Local Planning Policy 2.1: Residential Development
- Local Planning Policy 2.6: Ancillary Accommodation
- Local Planning Policy 4.19: Medium Density Housing
- Local Planning Policy 4.18: Earthworks and Sand Drift.

The Yanchep Two Rocks Development Contribution Plan was reviewed to ensure the cost contribution amount was correctly set to provide sufficient funds to cover the lifetime cost of approved infrastructure items.

An agreement was reached with the Department of Planning, Lands & Heritage on an approach to finalise the Local Planning Strategy.

A submission on the Draft Perth Transport Plan was a matter of strategic importance to the City, particularly in relation to the timing of the delivery of a range of transport infrastructure initiatives to support the sustainable growth of the City.

Building services

The City won the Master Builders Local Government Best Practice Award for Construction Excellence at the Master Builders–Bankwest Housing Excellence Awards for the second year running.

Community facilities

The City was named a finalist in the categories of Leisure Facility of the Year (Houghton Park BMX Jumps, Wanneroo Skate Park and Pearsall Hocking Community Centre); and Play Space (minor) of the Year (Warradale Nature Play Park) at the 2017 Parks and Leisure Australia WA Awards of Excellence.

The City assessed the National Competition Policy for both Wanneroo Aquamotion and Kingsway Indoor Stadium facilities in November 2016. The assessment noted the City was compliant with the requirements of the policy.

Official openings of the following sports facilities and community buildings occurred:

- Koondoola Community Centre

- Kingsway baseball clubrooms
- Pearsall Hocking Community Centre
- Gumblossom multipurpose room
- Houghton Park BMX track
- Wanneroo Skate Park.

The City made successful funding applications to the Department of Sport and Recreation's Community Sport and Recreation Facility Fund (CSRFF) to the value of **\$3 million** (from a total funding pool of \$12 million).

Successful Lotterywest funding applications were made for the Koondoola Community Centre (\$700,000), Pearsall Hocking Community Centre (\$500,000), Wanneroo Skate Park (\$200,000), Yanchep Surf Life Saving Club (\$500,000) and Quinns Mindarie Community Centre (\$700,000).

The City implemented Stage 1 of the SMS Floodlighting Control Project. This system allows use of SMS technology to control floodlights on sports reserves. The lights can be switched on by the clubs on arrival and switched off after use, resulting in a more effective operation of floodlights.

Wanneroo Aquamotion achieved a Royal Life Saving Safety Assessment & Safety Audit score of 98.34%, up from 97.5% in 2012 and higher than the industry average of 92% for the period. The audit assesses operations and water quality standards against the Department of Health – Code of Practice for the Operation of Aquatic Facilities, RLSSA Pool Safety Guidelines and relevant Australian Standards.

Details on significant infrastructure projects completed can be found on page **83**.

Community events

A new record of 27,000 attendees was achieved at the City's five free community events.

The country's largest Australia Day citizenship event was conducted for 795 Wanneroo residents from 56 different countries who took the pledge to become citizens.

Freedom of Entry was conferred upon the 704 Squadron and 721 Squadron Australian Air Force Cadets, whose association with the City dates back to 1986.

Place strengthening

The City has successfully developed community hubs in Merriwa and Girrawheen. The purpose of an integrated services hub is to facilitate collaborative and integrated service provision across a specific locality.

A Food Truck Trading Trial was conducted. Feedback from 550 respondents indicated 98.5% support for food truck trading, with 79% of respondents saying they would like to see food trucks trading year-round. Food truck trading will continue, with new locations added from spring 2017.

Our challenges in 2016/17

Planning and development

Formulation of the City's draft Local Planning Scheme No. 3 and Local Planning Strategy was impacted by the state government's release of the draft North West Corridor Sub Regional Framework, the Perth and Peel Green Growth Plan and the Planning and Development (Local Planning Scheme) Regulations 2015.

Subsidiary planning regulations introduced changes to statutory procedures, including the manner in which development applications are assessed and processed when situated in bushfire-prone areas.

Looking ahead – 2017/18 CBP priorities

- Enable place management and place making
- Work collaboratively and in partnership to deliver place services
- Value and support the City's heritage and cultural diversity
- Develop self-sufficiency in community organisations
- Promote and manage volunteering opportunities in the City
- Improve local amenity through greening
- Define an integrated approach to local area land-use plans to create distinctive activated places
- Review the safety of the City's centres, facilities and open spaces
- Improve accessibility of the City's spaces, centres and facilities
- Progress planning and development for East Wanneroo
- Retain areas of natural landscape significance
- Reflect distinctive character of different areas of the City through built form and spaces
- Reflect changing demographic needs and household structures through housing design
- Deliver the capital works sub-programs for passive park development, community buildings and street landscaping

2.2 Healthy and active people

Our achievements in 2016/17

Healthy and inclusive communities

Delivery of the fitness program *Your Move Wanneroo* started in 2015 with participation from 10,500 households, with the following results:

- 24% of participants increased their weekly physical activity
- average sitting time per participant decreased by 10 minutes
- the number of car trips per participant fell by 5.5%.

The Public Health Plan received a State Highly Commended award from The Heart Foundation Local Government Awards for viewing all aspects of the plan through a health lens.

The Public Health Advocacy Institute of WA – Children's Environment and Health Local Government Report Card recognised the City in two categories: Environments Promoting Physical Activity and Planning Healthy Communities for Children.

Social inclusion

The following actions were successfully delivered through the Access and Inclusion Plan:

- establishment of the inaugural Multicultural Advisory Group
- development of disability awareness training for City employees
- delivery of multicultural awareness training for City employees
- delivery of English conversation classes and 'Learning English Through Story Time' sessions in City libraries for CaLD community members
- building upgrades, including visual access improvements to Kingsway Dinosaur Park. This is now a learning and training site for community members with vision impairment and the first in a metropolitan area
- enhancement of the City's library eBooks to include high contrast and dyslexic font options for vision impaired readers
- First Living Books event coordinated for CaLD community members celebrating cultural

diversity.

The following actions were successfully delivered through the Reconciliation Action Plan:

- launch of Yaberoo Budjara Heritage Trail Walks, in partnership with Yanchep National Park
- launch of Noongar language classes as part of Reconciliation Week
- launch of City's first Reconciliation Walk at Scenic Park, Lake Joondalup, as part of Reconciliation Week
- Aboriginal cultural education through Aboriginal-themed story times in City libraries
- Aboriginal cultural education through NAIDOC Week art and dance activities with City primary schools
- launch and celebration of Aboriginal cultural education from girls at Girrawheen High School with a City Art Exhibition
- involvement of Clontarf Academy (for Aboriginal boys) with Jamie's Ministry of Food Program to promote healthy eating and cooking.

Community service (youth, aged care)

A three-year Age-Friendly Strategy was developed. This aims to provide guidance and actions to support the creation of an age-friendly City and to support seniors in line with the World Health Organization's Active Ageing Framework. Having an Age-Friendly Strategy, supports the City to become one of the leading Age-Friendly cities in WA. Our older residents will experience a better quality of life as they age, develop lifelong learning opportunities, good health and wellbeing and a feeling of security.

The City received the WA Local Government Seniors Award for a range of opportunities that was provided for seniors to engage with the community. These include the 'Poppin In' program, which matches volunteers with socially isolated seniors; 'My Life, My Words', a volunteer biography program recording the life stories of seniors; and a social support outings program which provides holistic activities to promote wellbeing.

Three significant community events for young people were delivered, including:

- the official opening of the Wanneroo Skate Park in January 2017. A working group including young people planned and implemented the skate park. This is a state-of-the-art purpose-built community facility for all ages and abilities.
- a Careers Expo held as part of National Youth Week in April 2017. This provided an opportunity for young people to receive information on a range of services and employment opportunities within the community. About 20 agencies, including employment and education institutions, participated and the event attracted many young people and schools.
- the 'Butler Bonanza' in January 2017. This was a free community event for young people aged 10+ to participate in a variety of sports and other activities and get information about relevant youth topics. About 700 young people and adults participated. The event, which included a skate competition, artistic performance and activities for young people, was attended by a number of community services.

Our challenges in 2016/17

Disability services and aged care

Federal government restructuring of the funding model for disability services and aged care.

Financial counselling

State government reduction and restructuring of the funding model for financial counselling services.

Youth services

Determining the role of Youth Services within a local government environment in a growth region. Feedback received from community and stakeholder engagement will be used to draft a new Youth Strategy.

Looking ahead – 2017/18 CBP priorities

- Support community wellbeing through development of an overarching Social Plan
- Attract elite sporting activities to the City
- Deliver the capital works sub-programs for sports facilities, parks furniture and golf courses

2.3 Safe communities

Our achievements in 2016/17

Health and compliance

The Council adopted amended Local Planning Policy 4.14: Compliance in May 2017. The purpose of this policy is to establish a consistent, transparent and integrated process for planning and building compliance.

Significant work was carried out to improve public health and safety:

- An infra-red swimming pool audit was conducted, identifying 731 unauthorised pools and barriers. 100% of unauthorised pools and barriers were brought into compliance within a six-month period.
- 782 food premises inspections were conducted and 891 statutory applications were assessed.
- Over 8000 vaccinations were administered through the City's immunisation program at 16 City of Wanneroo high schools and three baby clinics as part of the National Immunisation Program.
- 6309 City of Wanneroo food handlers successfully completed 'I'm Alert' food safety training.
- Two editions of the 'Paddock2Plate' food safety newsletter were distributed to 805 food businesses and were published on the City's website.

Community safety

The new Quinns Beach swimming enclosure is the fifth barrier funded by the state government across Perth and the South-West as part of efforts to safeguard swimmers from sharks.

Community safety education sessions were held at both the City's Life and Leisure Expo and Wanneroo Show; the dog and cat registrations and micro-chipping services were particularly popular.

The City implemented a trial to outsource the process of storing, returning or disposing of abandoned vehicles.

Coastal rangers were employed to enhance community safety along the City's coastal foreshores. The coastal rangers carry out regular patrols of the City's 32km of coastline to ensure the safety of residents and visitors to our beaches as well as monitor 4WD access points.

The WA Rangers Association nominated one of the City's rangers (see page 78) for a lifetime member award for his service and dedication to the Association in his role as a member of the Association and then as president for a number of years.

Drone technology was introduced to support surveillance of driving on beaches over the

summer school holidays; an average of one vehicle per day was infringed. A campaign to further enforce the decade-old ban on beach driving was launched just before Christmas following several near-miss incidents. The tougher measures also aimed at protecting foreshore and dune systems that are already susceptible to erosion.

Emergency management

The City, in conjunction with the Volunteer Bushfire Brigades, provided bushfire awareness information at the Wanneroo Agriculture Show. Information packs were provided to local residents, including information relating to 'how to prepare your property to reduce your bushfire risk' and 'how a bushfire survival plan can save your life'. The Office of Emergency Management acknowledged the City's work in this area.

A successful exercise tested Wanneroo's local emergency management arrangements (LEMA) and Recovery Plan. The state emergency multi-agency exercise was held at the Quinns Rocks Fire Station in October 2016, highlighting coordination of multi-agency responses to multiple hazards. The City's LEMA and Recovery Plan were tested during the scenario, including information relating to contact officers, aged-care accommodation locations, schools, evacuation centres and equipment requests. State government agencies commended the City's LEMA.

Road safety

Blackspots are the locations in the road network that have historic crash records. Out of 10 Black Spot funding applications made by the City, state and federal government funding was secured for seven.

Our challenges in 2016/17

Community safety

CCTV Strategy 2016–2020 to be completed, which will amalgamate and integrate various functions into a coordinated implementation plan.

Looking ahead – 2017/18 CBP priorities

- Enhance community safety through initiatives and programs
- Work in partnership to deliver effective emergency management
- Deliver the Community Safety Capital Works Sub-Program

Strategic Community Plan measures

The table below shows the progress of each measure of the SCP within the theme of Society.

Strategic objective: 2.1 Great places and quality lifestyle					
SCP measure: No. of people who participate in cultural activities and utilise available sport and recreational facilities					
Results from previous years			2016/17		
2013/14	2014/15	2015/16	Target	Actual	Result
28,400 attended City cultural activities in 2013/2014	513,182 people visited the City's libraries	465,699 people visited the City's libraries	Maintain/increase proportion	440,023 people visited the City's libraries	↓
	7682 children participated in the school heritage education program	9236 children participated in the heritage education program and school holiday activities		9822 children participated in the heritage education program	↑
	8164 people attended exhibitions (including the Wanneroo Art Awards)	8455 people attended exhibitions at the Wanneroo Library and Cultural Centre Gallery (including 1354 at the Community Art Awards and Exhibition)		9828 people attended exhibitions (including the Community Art Awards)	↑
	12,276 visits to the Wanneroo Regional Museum	12,282 people visited the Wanneroo Regional Museum and a further 5681 visited Cockman House and Buckingham House		14,216 people visited the Wanneroo Regional Museum, Cockman House and Buckingham House	↑
		29,533 people attended library events		41,391 people attended library programs and events	↑
SCP measure: Satisfaction with streetscapes, parks, sport facilities					
Results from previous years			2016/17		
2013/14	2014/15	2015/16	Target	Actual	Result
Streetscapes, parks and sporting grounds: 78%	Streetscapes, parks and sporting grounds: 83%	No survey in 2015/16	Maintain/improve on 3-year average	Streetscapes, parks and sporting grounds: 72% (decreased by 11%)	↓
Sport and recreation facilities: 82%	Sport and recreation facilities: 81%			Sport and recreation facilities: 78% (decreased by 3%)	↓

Strategic objective: 2.2 Healthy and active people						
Strategic Community Plan Measure: People are satisfied with the programs, facilities and services provided in their community						
Results from previous years			2016/17			
2013/14	2014/15	2015/16	Target	Actual	Result	
Festival, events and cultural activities: 74%	Festival, events and cultural activities: 82%	No survey in 2015/16	Maintain/improve on 3-year average	Festival, events and cultural activities: 85% improved by 3%)	↑	
Services and facilities for youth: 61%	Services and facilities for youth: 69%			Services and facilities for youth: 58% (decreased by 11%)	↓	
Facilities, services and care available for seniors: 71%	Facilities, services and care available for seniors: 75%			Facilities, services and care available for seniors: 72% (decreased by 3%)	↓	
Access to services and facilities for people with disabilities: 64%	Access to services and facilities for people with disabilities: 67%			Access to services and facilities for people with disabilities: 74% (improved by 7%)	↑	
SCP measure: Estimated no. of residents who meet the current Australian recommended guidelines for physical activity						
Results from previous years			2016/17			
2013/14	2014/15	2015/16	Target	Actual	Result	
The Department of Health WA's Health and Wellbeing Surveillance System (2012) showed 49.6% of residents met recommended guidelines	The Department of Health WA's Health and Wellbeing Surveillance System (2005–14) showed 61% of residents (18+) met recommended guidelines of 150 minutes or more of physical activity per week	10,558 households in the City participated in the 'Your Move Wanneroo' program. Results after the program indicated that 64% of households in the program reported they were more active with others, and 91% set either a physical activity or active transport goal	Maintain/increase proportion	Follow-up calls were conducted with the 10,558 participants, to check progress against with their goals	↑	
				25% increased their weekly physical activity		↑
				8% shift of people ranking as 'insufficiently active' to 'sufficiently active'		
				10-minute average decrease in daily sitting time		
				9-minute daily average increase of physical activity per person.		
				5.5% reduction in car trips		
				6% reduction in car driver minutes per participant	↑	

SCP measure: People feel safe (satisfaction with safety and security)					
Results from previous years			2016/17		
2013/14	2014/15	2015/16	Target	Actual	Result
61%	71%	No survey in 2015/16	Maintain/improve on 3-year average	66% (decreased by 5%)	↓
SCP measure: No. of personal and household crime incidents					
2013/14	2014/15	2015/16	Target	Actual	Result
6862 (not including drug offences or assaults)	8425 (not including drug offences or assaults). <i>The rise in crime within the City is due to population increase in the northern corridor, particularly Clarkson and Yanchep</i>	<ul style="list-style-type: none"> • 8809 (household crime) • 3343 (drug and assault offences) • Total offences – 12,152 The rise in crime is to the illegal use of the drug methamphetamine	No increase in per capita/household rates	Decrease <ul style="list-style-type: none"> • 7520 (household crime) • 2768 (drug and assault offences) • Total offences – 10,288 The fall in criminal and drug offences is the result of a police crackdown on the drug trade	↑

Service KPIs

Service: Statutory compliance

KPI: Statutory inspection requirements

Unit of measure: % of swimming pools and spas inspected for barrier compliance under legislated requirements

2013/14 Actual	2014/15 Actual	2015/16 Actual	2016/17		
			Target	Actual	Result
60.5%	99.99%	117%	100%	134% (Contractor ((RLSSWA)) are tracking 34% ahead of statutory timeframes)	↑

Service: Environmental health

KPI: Statutory inspection requirements

Unit of measure: % of inspections conducted within statutory timeframes

2013/14 actual	2014/15 actual	2015/16 actual	2016/17		
			Target	Actual	Result
100%	100%	100%	100%	100%	↑

Service: Building applications

KPI: Building permit processing (certified and uncertified)

Unit of measure: % of building permit applications (certified and uncertified) processed within regulatory timeframes

2013/14 Actual	2014/15 Actual	2015/16 Actual	2016/17		
			Target	Actual	Result
84%	100%	100%	100%	99.99% (One application was outside of timeframes)	↑

KPI: Building permit processing (certified and uncertified)

Unit of measure: Average timeframe for processing building applications

2013/14 Actual	2014/15 Actual	2015/16 Actual	2016/17		
			Target	Actual	Result
13 business days	9 business days	6 business days	5 business days	6 business days	↓

Service: Planning applications

KPI: Development application processing

Unit of measure: % development applications processed within the regulatory timeframes (60 and 90 days)

2013/14 Actual	2014/15 Actual	2015/16 Actual	2016/17		
			Target	Actual	Result
No results available	No results available	97%	100%	94%	↓

KPI: Development application processing					
Unit of measure: Average timeframe for determination of development applications					
2013/14 Actual	2014/15 Actual	2015/16 Actual	2016/17 Target	Actual	Result
20 days	15 days	16 days	60 days without advertising 90 days with advertising	19 days	↑

Service: Occupancy permit

KPI: Occupancy permit processing					
Unit of measure: % of occupancy permits processed within regulatory timeframes					
2013/14 Actual	2014/15 Actual	2015/16 Actual	2016/17 Target	Actual	Result
100%	100%	99.99%	100%	100%	↑

Corporate Business Plan 4-year priorities

The table below shows the progress of each action within the Strategic Theme: Society. Refer to **page 20** for (Results criteria) status colour codes. A “corrective measure” is linked to all actions that were “on hold” or “under target” by 30 June 2017.

No	CBP priority	Directorate	31 Dec 2016 status	30 June 2017 status	Reference no.
SCP theme: Society					
SCP Strategic objective: Great places and quality lifestyles					
SCP Strategy: Create places people are proud of and want to live in					
12	Progress planning for East Wanneroo	Planning and Sustainability	Under target	On target	1
13	Plan for support of community wellbeing	Community and Place	On target	Under target	
14	Manage golf courses	Corporate Strategy and Performance	On target	On target	
15	Deliver a Place Strengthening Community Strategy	Community and Place	Under target	On hold	2
16	Deliver urban planning	Planning and Sustainability	On target	On target	
SCP Strategy: Celebrate our cultural diversity and promote our distinctive identity					
17	Develop a Community Cultural Plan to coordinate learning communities, arts, culture and heritage programs	Community and Place	On target	Completed	
18	Deliver the Early Childhood Development Strategy	Community and Place	On target	Completed	
19	Deliver the Access and Inclusion Plan	Community and Place	On target	Completed	
20	Deliver the Reconciliation Action Plan	Community and Place	On target	Completed	
SCP Strategy: Provide a range of quality facilities and services					
21	Plan for library services provision	Community and Place	Under target	Completed	
SCP Strategic objective: Healthy and active people					
SCP Strategy: Create opportunities that encourage people to be active and healthy					
22	Develop Quinns Rocks Caravan Park site	Corporate Strategy and Performance	Under target	On target	
SCP Strategy: Provide physical environments that encourage healthy activity					
23	Consider future delivery of services at Wanneroo Aquamotion and Kingsway Indoor Centre	Community and Place	On target	Completed	
SCP Strategy: Support and celebrate our community					
24	Investigate the options for managing the City's Animals Local Law	Community and Place	Under target	On hold	3
25	Promote and manage volunteering opportunities	Community and Place	Under target	On target	
26	Deliver community funding opportunities	Community and Place	On target	On target	
27	Develop and deliver a Community Facility Planning Framework	Community and Place	Under target	On target	

No	CBP priority	Directorate	31 Dec 2016 status	30 June 2017 status	Reference no.
SCP Strategic objective: Safe communities					
SCP Strategy: Promote a sense of safety in the community					
28	Deliver safety initiatives and programs in the community	Community and Place	On target	Completed	
29	Improve public health through planning and delivery of the Public Health Plan	Community and Place	On target	Completed	
SCP Strategy: Be prepared for potential local emergencies					
30	Explore partnership models for emergency management	Community and Place	On target	Under target	4

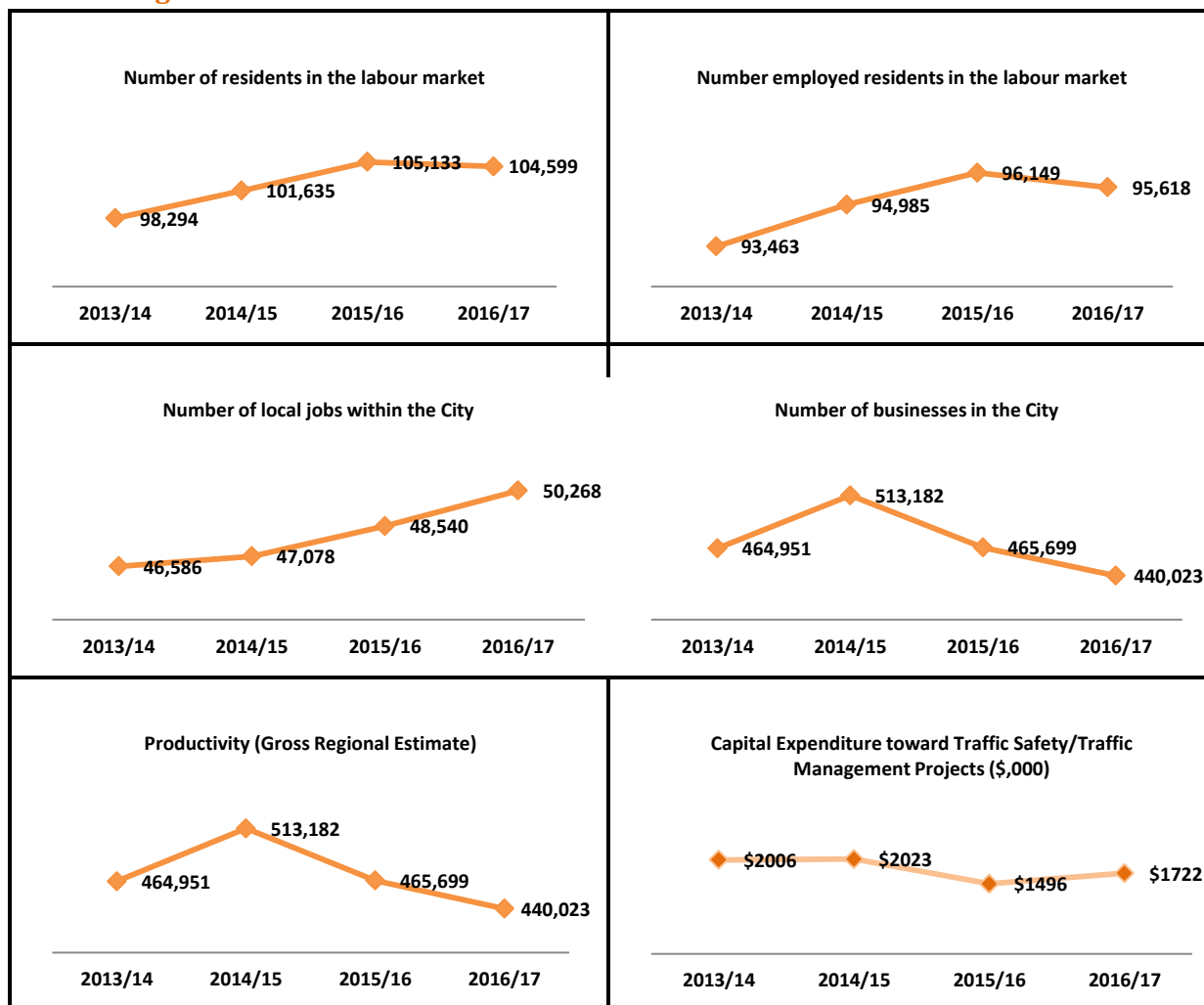
The table below provides the comments and corrective measures for priorities that were 'on hold', 'under target' or 'not yet started'.

Reference no.	4th quarter (Apr–June 17) comments on priorities
1	Delays were experienced with finalising these plans in 2016/17. The Social Plan, Age-Friendly Strategy and Youth Services Strategy are due to be finalised in the 2nd quarter of 2017/18. A workshop on the Homeless Strategy is scheduled for August 2017.
2	The delivery of a Place Strengthening Community Strategy was placed on hold because of a review of the SCP. The development of a Place Framework is listed as an action in the 2017/18 CBP.
3	This action has been carried forward to the 2017/18 CBP as per the mid-year review process.
4	Preliminary work commenced in 2016/17. However, it has not been finalised. An action to review the Emergency Management Model has been carried forward to the 2017/18 CBP.

Economy

Aspiration: Progressive, connected communities that enable economic growth and employment

Interesting facts



The City continued to distribute its quarterly business and tourism e-newsletter. The subscriber base has risen from 400 to over 1200, showing it is becoming a popular avenue for local businesses and stakeholders to keep up to date with what is happening in the City for business.

Achievements, challenges and future projects

The table below includes the major achievements and challenges for the 2016/17 financial year as well as strategic projects for 2017/18.

3.1 Local jobs
Our achievements in 2016/17
<p>Economic development</p> <p>The City hosted the Wanneroo Jobs Summit at the Mindarie Marina in November 2016. Participants at the two-day economic summit discussed initiatives to potentially produce a critical amount of jobs in Wanneroo. The concept was to invite ideas from local and global thinkers about how to integrate land-use planning, job creation, investment and transport to maximise economic outcomes to benefit the Perth metropolitan area. Over 200 (209) participants included local businesses, entrepreneurs, social enterprises, land developers, education institutions and representatives of local, state and federal governments.</p> <p>Since the launch in April 2016, the Hybrid Co-Working Space Trial has operated as a co-working space and business hub, with the trial extended until 30 June 2017. The hub provided a dedicated co-working space and a broad range of business events, activities, workshops and training functions for the local business community. The Hybrid has been managed by the Wanneroo Business Association (WBA) during the trial period. Over 120 business workshops and events have been hosted at the Hybrid attracting about 1800 participants.</p> <p>Stage 1 of development of the Neerabup Industrial Area has been planned and the infrastructure design is in the procurement process.</p> <p>The City conducted a five-month field survey of Wangara Industrial Estate. 1825 businesses were visited and 988 interviews were conducted with business owners. Key issues identified have been discussed with businesses and a plan developed for action.</p> <p>2016 was the first year that the City supported Curtin Ignition and local entrepreneurship, granting three full scholarship places to the City's residents. The scholarship allows new and existing start-up business owners to develop their skills, networks and ideas while learning from business experts. Business skills are critical to the ongoing growth and success of our region.</p>
Our challenges in 2016/17
<p>Job creation</p> <ul style="list-style-type: none"> • Low jobs growth rate – new jobs are currently growing at 1600 per year. A minimum of 2800 is needed to support our growing population. • Increasing local unemployment – unemployment in the City was 8.6% in March 2017, up from 6.1% in March 2015 and 4.8% in March 2014. • Low employment self-sufficiency (ESS) – currently estimated at 43%. By 2031, the City needs to grow local jobs by 43,000 to achieve the 60% ESS target set by the state government (Department of Planning, Directions 2031 and Beyond).
Looking ahead – 2017/18 CBP priorities
<ul style="list-style-type: none"> • Ensure there are sufficient, good-quality, well-maintained and identifiable employment areas • Support our local businesses and workforce through the provision of services, facilities, education and training • Ensure the availability of sufficient employment land that is serviced by good connectivity

3.2 Growing business

Our achievements in 2016/17

Land development

- Developers handed over \$17 million in road and drainage assets to the City.
- The City creates 1538 new lots.
- 380 residential lots and 35 non-residential lots were approved by the Western Australian Planning Commission.

The following land parcels have been acquired via negotiation or compulsory acquisition for public works:

- land required for upgrading and widening Old Yanchep Road in Pinjar and Neerabup
- land required for upgrading and widening Neaves Road in Pinjar
- 400ha of Carnaby Cockatoo habitat land purchased in Chittering in accordance with the Agreed Environmental Offsets Package outlined in the Department of the Environment Approval
- Land (4 portions) for widening and extension of Whitfords Avenue/Gnangara Road.

Property/Land leasing

- The City secured a five-year lease for the commercial operator at Yanchep Lagoon Café, a key site in an area likely to undergo significant growth as the next Strategic Metro Centre.
- The City's Leasing Policy was reviewed and adopted. It provides a framework and basic principles for tenant arrangements at City-owned and managed facilities.

The City prepared and executed four new lease agreements.

Tourism

The City launched its first visitor website in December 2016. Following the launch, feedback from the community and local businesses has been positive. The actual launch was supported by a social media campaign that generated over 23,000 impressions. The *Discover Wanneroo* site provides sophisticated online guides and directories and useful information about getting to the City, our history, transport itineraries and beaches. A 'stories' section allows local people to blog about their experiences related to things to do in the area. The number of businesses listing on the Scoop directories grew from 28 to 82. The City has provided support to the business community by carrying out a quality check process and directly assisting some businesses to set up their listings.

The City participated in two *WA Weekender* episodes, which were aired in November 2016 and March 2017. The first was a focus on the attractions at Mindarie Marina and Quinns Beach. The City worked with the production company to create a vibrant piece on activities on offer around the Marina, including fly boarding, Stand Up Paddle boarding and kayaking, as well as the beach and restaurant at Quinns.

After five successful years, the City's photography competition evolved in 2017 to an instagram-only entry pathway. Social media engagement was a focus for the competition and almost 1000 images were tagged with the *#discoverwanneroo2017* hashtag. The

standard of entries was very high and 50 images were shortlisted as finalists with, eight prize winners selected by an independent judging panel.

Our challenges in 2016/17

Local businesses

- Availability of sufficient land for employment purposes
- Private investment for business establishment and growth

Looking ahead – 2017/18 CBP priorities

- Promote economic growth within secondary and district centres
- Create a strong and recognised economic position, supported by the timely provision of infrastructure through advocacy and investment
- Facilitate the activation of Yanchep
- Activate the main street and town square of the City Centre
- Maximise opportunities for employment-generating land to be protected and developed
- Facilitate the economic development of designated areas
- Diversify the industry base to ensure economic resilience
- Support the growth and development of existing industries through the use of innovative technology by business
- Deliver the Investment Projects Capital Works Sub-Program

3.3 Easy to get around

Our achievements in 2016/17

Roads and pathways

An extra 21km of pathways and 25km of roads were constructed.

The Pathways Policy was adopted. The purpose of the policy is to create a safe and accessible network to improve the walking and cycling environment and to enable the community to walk and cycle for transport, health and recreation as well as to reduce car dependency.

A red asphalt shared path was constructed along the south side of Ocean Reef Road for a safer cycle route between Wangara and Edgewater train station.

Construction was completed on the Mitchell Freeway extension and associated road network development at Neerabup Road and Hester Avenue.

Upgrades to the road network were completed at Connolly Drive and Marmion Avenue in Merriwa, Ridgewood and Butler (from two lanes to four-lane dual carriageways).

The upgrade of Wesco Road and the widening of Old Yanchep Road were completed.

Transport planning

State government funding (\$23m) was received to upgrade Marmion Avenue from two lanes to a four-lane dual carriageway to Yanchep over the next two years.

Transport modelling work has been completed that will inform the preparation of a draft Strategic Transport Plan.

Our challenges in 2016/17

Transport infrastructure

- Provision of major freight and passenger transport infrastructure
- Strategic transport connections

Looking ahead – 2017/18 CBP priorities

- Advocate for major integrated transport options close to communities
- Promote sustainable transport options to improve accessibility and mobility
- Promote walking and cycling access to destinations and places
- Deliver the Traffic Treatments Capital Works Sub-Program
- Deliver the capital works sub-programs for bus shelters, pathways and trails and roads

3.4 Smart communities

Our achievements in 2016/17

Library services

In a first for WA, a new model of community-led library services was established at the Gateway Shopping Centre in Alkimos. The City worked with volunteers to facilitate services locally and the community has embraced the opportunity to use this hub to establish numerous community-run groups.

The Library Service focused on improving processes and services to customers through increased use of technology and remodelling of customer service areas.

The City worked with the Department of Human Services (DHS) to learn about their customer service model and participate in training to help customers use digital and self-service technology. DHS provided information sessions in libraries for the community, and library employees used their experience to plan new concierge and triage information services.

Our libraries continue to transition from the traditional quiet places into vibrant community spaces to learn and interact. The spotlight has been on assisting residents to build digital literacy through one-on-one tech training, computer classes and sessions on the use of devices and cybersafety. Libraries have also established partnerships with the ECU Enactus Team and local volunteers to assist in this process. With the National Curriculum focusing on coding and IT skills, libraries are encouraging school-aged children to put their learning into practice at Coderdojo coding clubs. Volunteer coding 'Ninjas' encourage children to explore, develop and increase their skills to build creative projects using digital technology.

Looking ahead – 2017/18 CBP priorities

- Expand the capacity of existing community and cultural facilities
- Develop community facilities to encourage connected communities

Strategic Community Plan measures

The table below shows the progress of each measure of the SCP within the strategic theme of Economy.

Strategic objective: 3.1 Local jobs					
SCP measure: Estimated no. of employed residents in the labour market (Source: Small Area Labour Markets)					
Results from previous years			2016/17		
2013/14	2014/15	2015/16	Target	Actual	Result
98,294 (93,463 employed)	101,635 (94,985)	105,133 (96,149)	Increase	104,599 (95,618 employed) (decrease of 0.55%)	↓
SCP measure: Estimated no. of local jobs (Source: National Institute of Economic and Industry Research (NIEIR))					
Results from previous years			2016/17		
2013/14	2014/15	2015/16	Target	Actual	Result
46,586	47,078	48,540	Increase	50,268 (increase of 3.56%)	↑
Strategic objective: 3.2 Growing business					
SCP measure: No. of businesses in the City (Source: Australian Bureau of Statistics, Counts of Australian Businesses, Cat. No. 8165.0)					
Results from previous years			2016/17		
2013/14	2014/15	2015/16	Target	Actual	Result
10,674	11,378	11,826	Increase	12,495 (Increase of 5.66%)	↑
SCP measure: Productivity (gross regional product (est.)) (Source: National Institute of Economic and Industry Research (NIEIR))					
Results from previous years			2016/17		
2013/14	2014/15	2015/16	Target	Actual	Result
\$6,055 million	\$6,279 million	\$6,564 million	Increase	\$6,615 million (Increase by 0.8%)	↑
Strategic objective: 3.3 Easy to get around					
SCP measure: Community satisfaction with access to public transport					
Results from previous years			2016/17		
2013/14	2014/15	2013/14	2014/15	2013/14	2014/15
69%	73%	No survey in 2015/16	Maintain/improve on 3-year average	74% (improved by 1%)	↑
SCP measure: Community satisfaction with roads, footpaths and cycle ways					
Results from previous years			2016/17		
2013/14	2014/15	2015/16	Target	Actual	Result
Road maintenance: 76%	Road maintenance: 78%	No survey in 2015/16	Maintain/improve on 3-year average	Road maintenance: 74% (decreased by 4%)	↓
Footpaths and cycle ways: 74%	Footpaths and cycle ways: 79%			Footpaths and cycle ways: 75% (decreased by 4%)	
Strategic objective: 3.4 Smart communities					
SCP measure: Community satisfaction with education and training opportunities					
Results from previous years			2016/17		
2013/14	2014/15	2015/16	Target	Actual	Result
70%	70%	No survey in 2015/16	Maintain/improve on 3-year average	70% (maintained)	↑

Strategic Community Plan Measure: Community satisfaction with the City's library and information services

Results from previous years			2016/17		
2013/14	2014/15	2015/16	Target	Actual	Result
86%	90%	No survey in 2015/16	Maintain/improve on 3-year average	91% (improved by 1%)	↑

Service KPIs**Service: Roads and Footways****KPI:** Pathways constructed**Unit of measure:** km of pathways constructed (accumulative)

2013/14 Actual	2014/15 Actual	2015/16 Actual	2016/17		
			Target	Actual	Result
1086	1165	1223	Increase	1086	1165

KPI: Roads constructed**Unit of measure:** km of roads constructed (accumulative)

2013/14 Actual	2014/15 Actual	2015/16 Actual	2016/17		
			Target	Actual	Result
1519	1564	1609	Increase	1634 (increase of 25km)	↑

Corporate Business Plan 4-year priorities

The table below shows the progress of each action in the SCP within the theme of Economy. Refer to **page 20** ('Results criteria') for status colour codes. A 'corrective measure' is linked to all actions that were 'on hold' or 'under target' by 30 June 2017.

No	CBP Priority	Directorate	31 Dec 2016 Status	30 June 2017 Status	Reference Number
SCP theme: Economy					
SCP Strategic objective: Local jobs					
SCP Strategy: Attract employers					
31	Deliver strategy to create local and regional employment opportunities	Office of the CEO	On target	On target	
SCP Strategic objective: Growing business					
SCP Strategy: Make it easier for businesses to operate and grow					
32	Develop initiatives that deliver investment attraction	Office of the CEO	On target	On target	
SCP Strategy: Identify, plan and protect land for business					
33	Develop Neerabup Industrial Area	Office of the CEO	On target	On target	
34	Deliver strategic land management	Corporate Strategy and Performance	On target	Under target	1
35	Deliver support for local business	Office of the CEO	On target	On target	
SCP Strategic objective: Easy to get around					
SCP Strategy: Deliver major transport infrastructure					
36	Implement strategic transport planning	Planning and Sustainability	Under target	Under target	2

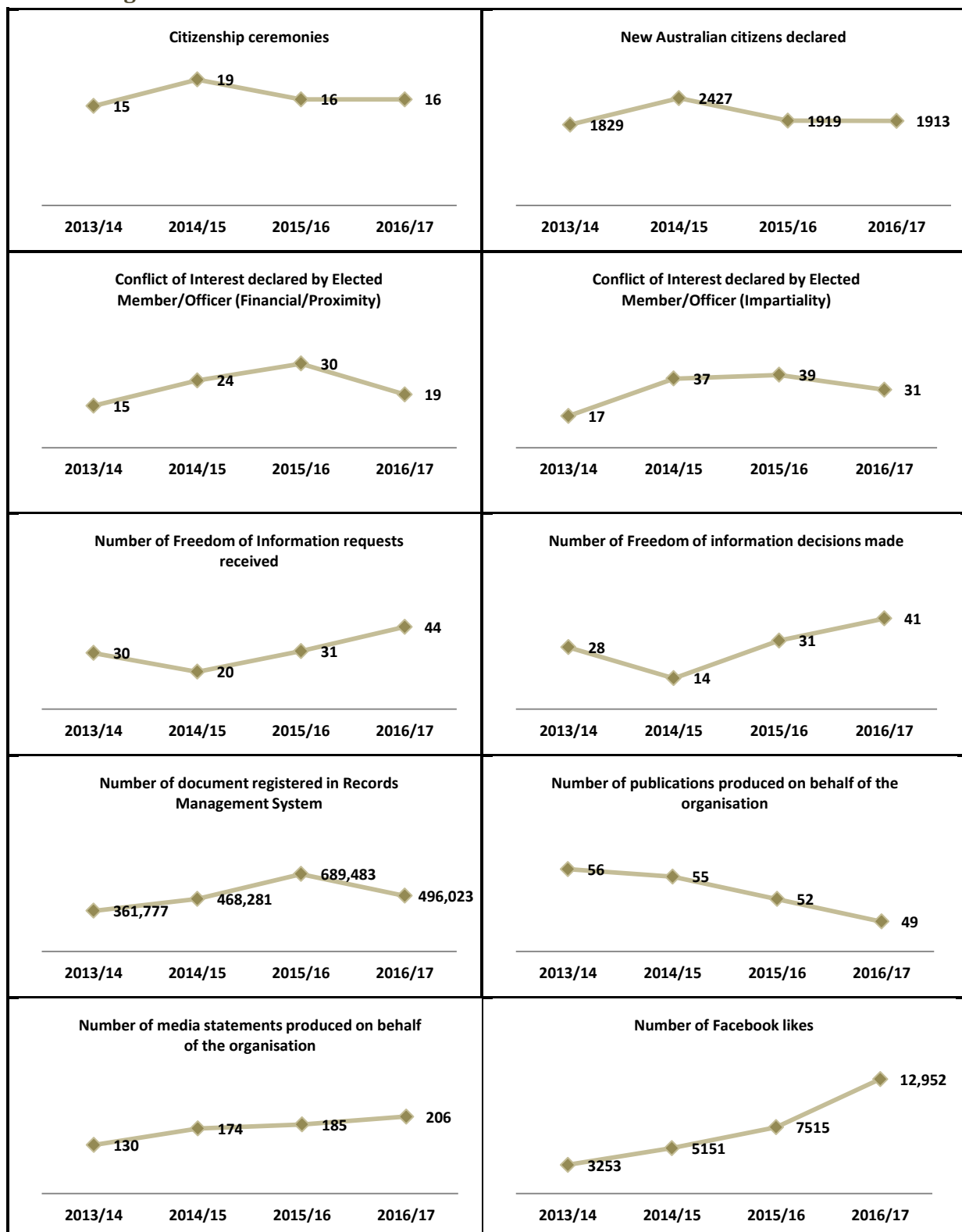
The table below provides the comments and corrective measures for priorities that were 'on hold', 'under target' or 'not yet started'.

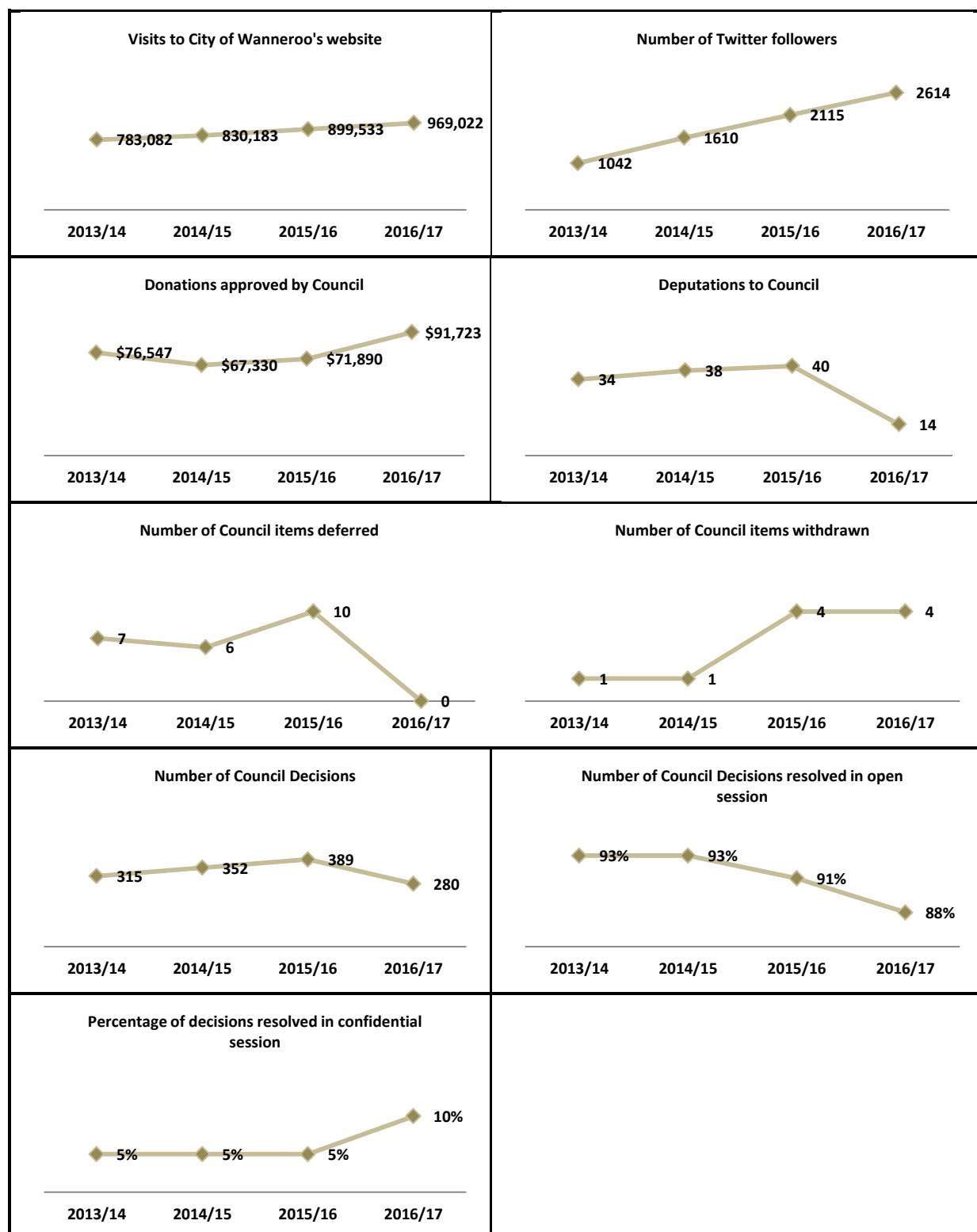
Reference no.	4th quarter (Apr–June 17) comments on priorities
1	Progress has been made towards developing a new land management policy. However, development has been delayed while specific land-use opportunities are investigated.
2	The Strategic Transport Plan is due to be presented to a Special Council Forum in 2017/18 to enable input from Elected Members before finalising the draft Plan. Implementation will commence after the plan is adopted.

Civic Leadership

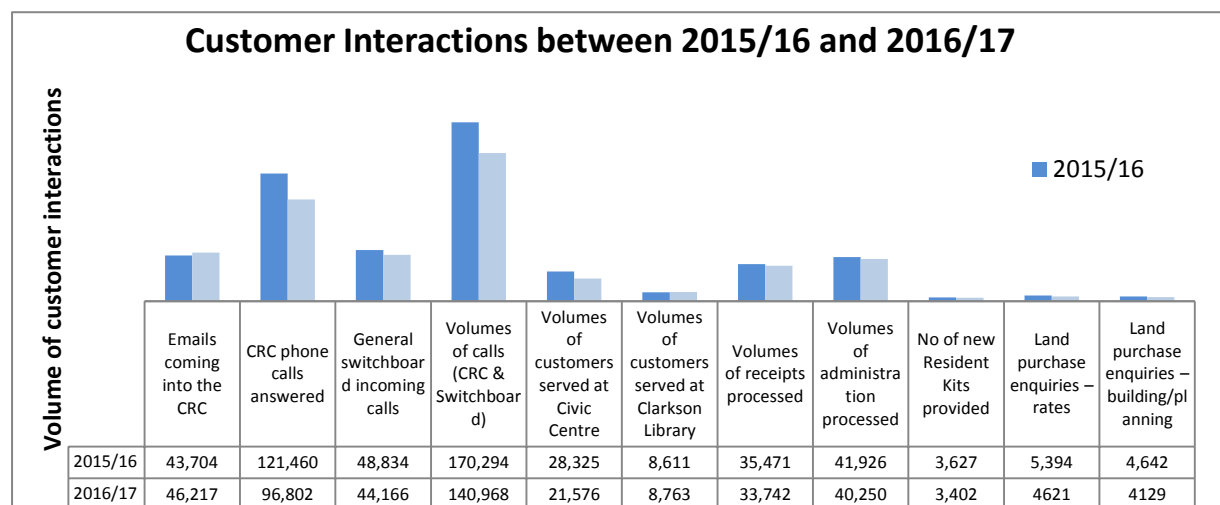
Aspiration: Working with others to ensure the best use of our resources

Interesting facts



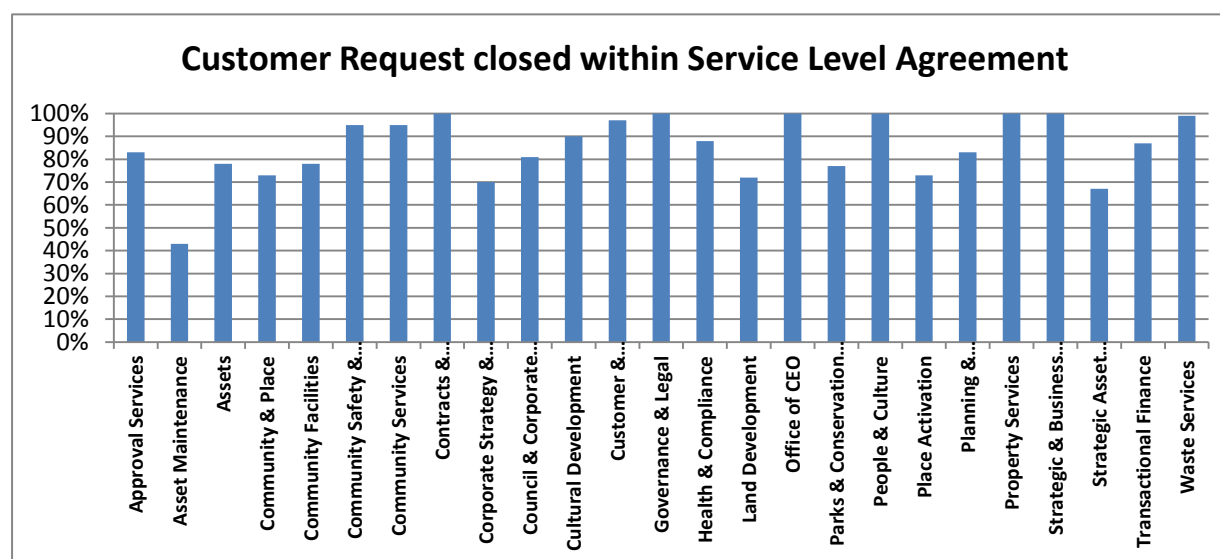


The chart below gives statistics relating to the activities of the Customer Relations Centre (CRC).



Emails coming into the CRC and the number of customers served at Clarkson Library **increased** compared to the previous financial year.

The volume of calls, receipts processed, customers served at the Civic Centre, administration processed, new resident kits provided and land purchase enquiries **decreased** compared to 2015/16.



Achievements, challenges and future projects

The table below includes the major achievements and challenges for 2016/17 and strategic projects for 2017/18.

4.1 Listening and leading
Our achievements in 2016/17
Governance and legal <p>Significant progress has been achieved in completing the review of all local laws with only the Standing Orders Local Law and Volunteer Bushfire Brigades Local Law to be completed.</p> <p>Both the Corporate Governance Framework and the Fraud and Misconduct Control and Resilience Framework were adopted and implemented.</p>
Enterprise risk management <p>The City realigned the Enterprise Risk Management Framework with Australian Standards and delivered ERM leadership training throughout the year.</p>
Advocacy <p>The City participated as a member of the National Growth Areas Alliance in a national campaign called <i>Fund our Future</i> for the federal election held in July 2016. The campaign was designed to influence the incoming government to establish a dedicated fund for supporting infrastructure in high-growth outer metropolitan areas.</p> <p>The City launched its first <i>Fund our Future</i> campaign <i>Connect Wanneroo: Get on Board</i> in October 2016. This campaign focused obtaining funding for the Mitchell Freeway extension to Romeo Road and extending the rail line to Yanchep. There was a strong online engagement plan with residents. 56,340 emails were sent to politicians and residents signed 4666 postcards. Social media was used and a dedicated website connectwanneroo.com.au was set up. Communication channels remain in place for the ongoing engagement of the community through the website, Facebook and Twitter.</p> <p>With the election of the incoming state government, the City has since concentrated on highlighting the list of identified investments with local members of parliament and the respective ministers. A list of election promises was established by June 2017.</p> <p>The City secured proposed investment in the rail to Yanchep via the government's promotion of Metronet, along with key road projects.</p>
Community engagement <p>The City reviewed the Community Engagement Policy, Procedure and Framework, and developed a community engagement toolkit. As the name suggests, the toolkit was developed to help the City engage with the community about planning in a meaningful and open manner.</p> <p>An Engagement Register was developed to record the City's engagement practices centrally. Sixty projects were registered, capturing 90 separate engagement activities during the year.</p>
Council and corporate support <p>The Elected Members portal was upgraded, improving their access to information held by the Council that is necessary for them to exercise their role.</p>

Our challenges in 2016/17

Legislation

The state government proposes significant changes to the *Local Government Act 1995*, following a review that is due for completion in 2018. This is the first review of the Act in 20 years. With the proposed enactment of new legislation, the City's policies, procedures and frameworks will need to be amended to align and comply with an updated Act.

Looking Ahead – 2017/18 CBP priorities

- Develop a robust approach to asset management
- Implement frameworks for good governance
- Further develop all aspects of the City's Integrated Planning and Reporting Framework

4.2 Working with others

Our achievements in 2016/17

Stakeholder engagement

Discussions with the Wheatbelt Development Commission were held to explore joint advocacy efforts about future transport routes and industrial land requirements in Wanneroo. The City of Swan and the City of Wanneroo agreed to a meeting framework about joint advocacy and north-eastern collaboration. In a collaborative regional effort with the City of Joondalup, an application was submitted for funding from the federal government for a monitoring system to better manage the Yellagonga Wetlands.

Successful relationships were built with the Western Australia Vietnam Business Council, aiming to avail Wanneroo businesses of export opportunities in Vietnam. Take-up of a business development app (BizApp) as a communications platform for local business activities and opportunities was further strengthened.

A post-2016 Jobs Summit brochure was finalised and new programming of the *Connect Series* (Global Connect) was delivered with an external partner. Input into the Local Planning Strategy has been completed. The aim is to attract investment, including retaining employment land in activity centres vital to local job creation. Value-capture investment has been explored for rail-related Metronet infrastructure in Yanchep, culminating in a Smart Cities submission with external consortia partners to the federal government. The state government promotes rail investment as a catalyst for overall development, including housing, transport and business attraction.

The City partnered with the Young Australia League (YAL) to offer a \$3000 scholarship to a deserving full-time student from years 10–12. The recipient, a student from Kingsway Christian College, said it was an 'honour' to earn the prize.

Looking Ahead – 2017/18 CBP priorities

- Create and develop strategic relationships with key government and business stakeholders to promote the City
- Create improved opportunities for community participation
- Participate at peak national and state forums to build effective partnerships

4.3 A strong and progressive organisation

Our achievements in 2016/17

Occupational health and safety

The number of workers' compensation claims fell significantly within the last 5 years.

A range of initiatives were introduced to strengthen workplace safety and wellbeing, including:

- the introduction of a new Drug and Alcohol Policy and Procedure, including regular

testing for employees in high-risk positions

- improved engagement with employees in leadership roles to positively influence the City's commitment to a strong safety culture, including safety compliance training and mandating high-risk OSH audits as a Leader KPI
- safety leadership training for employees in leadership roles as part of the City's Frontline Leadership Program
- the introduction of piloting online assessment tool for safety competency. The tool would be used as part of the recruitment process for designated positions and leadership roles.

Organisational culture and our employees

554 City employees responded to an employee engagement survey. Cultural Plans at service unit level and associated CEO strategic & cultural roadshows were subsequently planned.

Over 760 employees attended an enjoyable employee forum that brought together team members from different service units and work locations to learn more about each directorate.

The People and Culture systems were realigned with the City's Customer First Strategy. The closer connection ensures that future recruitment, development and cultural change programs will reinforce the creation of a customer-focused culture.

More regular communications with employees have improved engagement and awareness of corporate initiatives. The network tools include access to the fortnightly electronic CEO internal publication and access through the intranet to the CEO blog.

Awareness of mental health was boosted by organisation-wide information and awareness sessions. The program is now embedded in the corporate training calendar.

The City produced an inaugural 'Employer Branding' promotional video to improve the quality of candidates for the City's workforce through the recruitment process and alignment of candidate values with the City's corporate values.

The City's Manager People and Culture was a state finalist in the Institute of Public Administration State Awards for Human Resources Practitioner of the Year Award. See **page 78**.

Financial management

At least 10% of rate notices to residents and businesses will be delivered electronically in 2017/18, as an automation project ramps up.

The City reviewed its Long Term Financial Plan in 2016/17 to assist the Council. It was adopted by the Council in November 2016. It is anticipated that the 20 Year Long Term Financial Plan and associated 20 Year Capital Works Program will provide further clarity for the financial sustainability of the City over time and present the community with a timeframe of when major capital projects are likely to occur.

The 2016/17 Annual Budget was adopted by the Council on 28 June 2016 and the 2017/18 Annual Budget was adopted on 27 June 2017. The latest budget was prepared in alignment with the Integrated Planning and Reporting Framework and therefore supports the SCP, to ensure the City delivers against its CBP. In its preparation, the principle of 'zero-based' budgeting was used, which resulted in a higher level of rigour and scrutiny of all areas of income and costs.

Integrated planning

The Strategic Community Plan 2013/14 – 2022/23 was comprehensively reviewed. The review engaged a broad cross-section of community and stakeholders to identify new and emerging priorities and aspirations. The collaboration resulted in a new 10-year plan setting out the City's vision and long-term strategies for achieving desired outcomes.

The annual review of the Corporate Business Plan 2016/17 – 2019/20 determined new priorities and actions that would deliver on the updated Strategic Community Plan 2017/18 – 2026/27.

Performance reporting

Quarterly performance reports were provided to the Audit & Risk Committee for oversight of the CBP and significant capital projects. These reports provide both summary and detailed information to enhance transparency and accountability, and provide a regular opportunity for scrutiny by the Committee.

For the first time, the City participated in a Local Government Performance Excellence benchmarking survey, joining participants from across Australia and New Zealand. Ongoing annual participation in this survey will potentially provide a rich source of information to enable benchmarking and to identify opportunities for improvement.

The City's *Annual Report 2015/16* received a Silver Award from the Australasian Reporting Awards in June 2017. This is the second year the City has participated in the awards, and follows the achievement of a Gold Award in 2016 and an award for Best First Time Entrant the previous year.

Process improvement

The City developed a Business Process Improvement Management Procedure to ensure structured and consistent approach to documenting and improving processes. The capture of this information in one central register reduces the risk of single-officer dependency and loss of corporate knowledge.

Employees began a process of documenting all end-to-end business processes in 2016/17. Facilitated workshops were conducted with every service unit, increasing the understanding of organisational processes and upskilling employees. Documenting the processes will provide a strong baseline on which to target future process improvements. The project also provided good insights, allowing roles to be evaluated and identifying areas for improvement in service delivery. The process of documentation should be completed by 2017/18.

Communications and marketing

There was a significant increase in the City's following on social media, with the Facebook community almost doubling in size from 6000 to 11,000+ followers.

The City placed continued emphasis on website promotion of the **\$75 million** Capital Works Program to inform residents about key projects and programs.

Contracts and procurement

Online training in procurement was implemented for relevant employees and 65 officers attending a procurement and contract management workshop completed the training.

The Contract Management System (CMS) was deployed and an upgrade of the software to latest version was completed. The system also integrates document management (HPE Content Manager) and the financial system (Civica Authority).

A Contract Management Framework (including a new Contract Management Policy and

Corporate Guidelines) was completed. The framework aligns with application of the CMS.

The purchasing policy, management procedures and templates were updated accordingly, taking into account the impact of changes to tender regulations (pre-qualified supplier panels).

All internal audit log items from the Corruption and Crime Commission (CCC) and other procurement-related internal audits were closed out.

Information management

The City completed 100% of Freedom of Information (FOI) responses within the 45 calendar days mandated under the FOI Act.

The Archive and Information Management functions were full integrated to allow knowledge to be shared more widely, improve availability of resources and provide faster client service.

Information technology

Connectivity within the City continued to improve:

- The Yanchep tower microwave link was upgraded to improve the reliability and speed of online services for community centres, libraries and other services in the northern part of the City.
- Internal Wi-Fi coverage in the civic centre and the new civic centre extension was replaced and installed respectively.
- The City's protection software (Sophos) was upgraded to improve the protection of the business from malware, viruses, ransomware, and inappropriate websites.

A general Controls Audit and penetration testing were completed:

- The disaster recovery system was tested.
- New scanning software was implemented.
- An automatic signature feature was introduced.
- IT requirements for the Civic Centre extension (audiovisual, room booking, visitor booking and conferencing) were established.

Customer relationship management

The City expanded its online services to allow businesses and residents to lodge applications for development approvals via its website. Online access streamlines the application process and speeds up processing times. In other CRM developments, the City:

- developed and implemented the Land Development Online Portal for e-Lodgement.
- created additional online services, allowing domestic bins to be ordered online and new payment arrangements.
- developed and implemented a Customer First Strategy and Action Plan (80% of the actions for 2016/17 were completed on time.)
- held Customer First Week in May 2017. The key objective was to celebrate the City's commitment to putting our customers first and to launch our newly adopted 'Our Customer Service Commitment' and 'Corporate Customer Service Standards'.

For the first time, the City was open for business during the week of Christmas.

Looking Ahead – 2017/18 CBP priorities

- Enhance the customer experience in service planning and delivery
- Implement initiatives to strengthen organisational capability and capacity
- Review and improve systems, processes and technology
- Deliver the capital works sub-programs for Fleet Management, IT Equipment and Software, Other Corporate Items and Corporate Buildings

Strategic Community Plan measures

The table below shows the progress of each measure in the SCP within the theme Civic Leadership.

Strategic objective: 4.1 Listening and leading					
SCP measure: People are satisfied with how the community is consulted about local issues					
Results from previous years			2016/17		
2013/14	2014/15	2015/16	Target	Actual	Result
56% satisfaction	60% satisfaction	No survey in 2015/16	Maintain/improve on 3-year average	63% satisfaction (improved by 3%)	↑
SCP measure: People are satisfied with the Council's leadership within the community					
Results from previous years			2016/17		
2013/14	2014/15	2015/16	Target	Actual	Result
64% satisfaction	70% satisfaction	No survey in 2015/16	Maintain/improve on 3-year average	77% satisfaction (improved by 7%)	↑
Strategic objective: 4.2 Working with others					
SCP measure: Residents are satisfied with what the City is doing to promote the area as a desirable place to live and work					
Results from previous years			2016/17		
2013/14	2014/15	2015/16	Target	Actual	Result
67% satisfaction	68% satisfaction	No survey in 2015/16	Maintain/improve on 3-year average	68% satisfaction (maintained)	↑
SCP measure: No. of submissions on major state and national plans, policies, strategies and discussion papers involving local government issues relevant to the City of Wanneroo responded to by the City					
Results from previous years			2016/17		
2013/14	2014/15	2015/16	Target	Actual	Result
Process to be determined	Process to be determined	14 submissions prepared	No target set	2 submissions prepared	↑
* The following submissions were prepared during 2016/17 on major proposals: <ul style="list-style-type: none"> • submission on Inghams Enterprises application to renew licence for animal feed manufacturing • submission on the state government draft Perth Transport Plan. 					
Strategic objective: 4.3 A strong and progressive organisation					
SCP measure: Residents are satisfied with the City of Wanneroo as a governing organisation – level of trust					
Results from previous years			2016/17		
2013/14	2014/15	2015/16	Target	Actual	Result
82%	81%	No survey in 2015/16	Maintain/improve on 3-year average	86% (improved by 5%)	↑
SCP measure: Proportion of customer requests (CRM) responded to within target timeframes					
Results from previous years			2016/17		
2013/14	2014/15	2015/16	Target	Actual	Result
28,601 CRM requests were received, with 77% responded to within target timeframes	34,237 CRM requests were received, with 83% responded to within target timeframes	41,979 CRM requests were received, with 83% responded to within target timeframes	Maintain/improve on 3-year average	41,233 CRM requests were received, with 95% responded to within target timeframes	↑

Service KPIs

Service: Finance

KPI: Operating surplus ratio

Unit of measure: Operating revenue minus operating expense/own-source operating revenue

2013/14 Actual	2014/15 Actual	2015/16 Actual	2016/17		
			Target	Actual	Result
0.19	0.21	0.08	0.01	0.09	↑

KPI: Current ratio

Unit of measure: Current assets minus restricted assets/current liabilities less liabilities associated with restricted assets

2013/14 Actual	2014/15 Actual	2015/16 Actual	2016/17		
			Target	Actual	Result
1.30	0.85	0.88	1	0.86	↓

KPI: Debt service cover ratio

Unit of measure: Annual operating surplus before interest and depreciation

2013/14 Actual	2014/15 Actual	2015/16 Actual	2016/17		
			Target	Actual	Result
18.48	21.74	13.26	2	14.87	↓

KPI: Own-source revenue coverage ratio

Unit of measure: Own-source operating revenue/operating expense

2013/14 Actual	2014/15 Actual	2015/16 Actual	2016/17		
			Target	Actual	Result
1.17	1.14	1.02	0.40	1	↑

KPI: Capital Budget

Unit of measure: % Budget spent

2013/14 Actual	2014/15 Actual	2015/16 Actual	2016/17		
			Target	Actual	Result
57%	64%	69%	100%	73% (84% of the adjusted budget)	↓

KPI: Operational Budget

Unit of measure: % budget spent

2013/14 Actual	2014/15 Actual	2015/16 Actual	2016/17		
			Target	Actual	Result
99%	95%	92%	100%	96%	↓

KPI: Rates debtors**Unit of measure:** No more than 10% of total rates and charges levied (excluding deferred pensioners)

2013/14 Actual	2014/15 Actual	2015/16 Actual	2016/17		
			Target	Actual	Result
6.9%	6.5%	6.7%	≤10%	8.9%	↑

KPI: The annual financial report presents fairly the financial position of the City and complies with Australian Accounting Standards**Unit of measure:** Unqualified audit

2013/14 Actual	2014/15 Actual	2015/16 Actual	2016/17		
			Target	Actual	Result
Unqualified audit	Unqualified audit	Unqualified audit	Unqualified audit	Unqualified audit	↑

Service: Corporate asset management**KPI: Asset sustainability ratio****Unit of measure:** Capital renewal and replacement expenditure/depreciation expense

2013/14 Actual	2014/15 Actual	2015/16 Actual	2016/17		
			Target	Actual	Result
0.16	0.31	0.28	0.90	0.23	↓

KPI: Asset consumption ratio**Unit of measure:** Depreciated replacement cost of assets/current replacement cost of depreciable assets

2013/14 Actual	2014/15 Actual	2015/16 Actual	2016/17		
			Target	Actual	Result
0.82	0.84	0.73	0.50	0.73	↑

KPI: Asset renewal funding ratio**Unit of measure:** Net present value (NPV) of planned capital renewals over 10 years/NPV of required capital expenditure over 10 years

2013/14 Actual	2014/15 Actual	2015/16 Actual	2016/17		
			Target	Actual	Result
0.76	0.74	0.72	0.75	0.74	↓

Service: People**KPI: Employee turnover****Unit of measure:** % annual employee turnover

2013/14 Actual	2014/15 Actual	2015/16 Actual	2016/17		
			Target	Actual	Result
13.3%	13.3%	10.9%	10%	13.9%	↓

Service: Occupational safety and health**KPI: OSH system accredited****Unit of measure:** The City is accredited for OSH system in terms of the AS/NZS 4801:2001 standard

2013/14 Actual	2014/15 Actual	2015/16 Actual	2016/17		
			Target	Actual	Result
Silver status (73%)	No audit conducted	No audit conducted	Maintain/Improve silver status	Deferred to late 2017	No results

KPI: Lost time injuries**Unit of measure:** Workers' compensation registered through injury management

2013/14 Actual	2014/15 Actual	2015/16 Actual	2016/17		
			Target	Actual	Result
22	12	9	50% reduction of previous year	8 (11% reduction)	↑

KPI: Workers' compensation claims**Unit of measure:** No. of workers' compensation claims

2013/14 Actual	2014/15 Actual	2015/16 Actual	2016/17		
			Target	Actual	Result
67	57	41	Reduction from previous year	38 (reduction of 3)	↑

KPI: Workers' compensation cost**Unit of measure:** Total workers' compensation cost incurred

2013/14 Actual	2014/15 Actual	2015/16 Actual	2016/17		
			Target	Actual	Result
\$ 595,547	\$ 776,162	\$ 383,149	Decrease	\$ 847,242	↓

Service: Corporate compliance**KPI:** Compliance audit return**Unit of measure:** No. of issues in compliance audit return

2013/14 Actual	2014/15 Actual	2015/16 Actual	2016/17		
			Target	Actual	Result
1	1	2	0	1 (Implementation of the new human resource information system will address areas of non-compliance.)	↓

Service: Internal audit**KPI:** Implement Internal Audit Plan**Unit of measure:** % implemented

2013/14 Actual	2014/15 Actual	2015/16 Actual	2016/17		
			Target	Actual	Result
100%	100%	99%	100%	100%	↑

Service: Customer Relations Centre**KPI:** Customer requests**Unit of measure:** % customer requests responded to within target timeframes

2013/14 Actual	2014/15 Actual	2015/16 Actual	2016/17		
			Target	Actual	Result
77%	83%	83%	Maintain/improve silver status	95% (The weekly average of overdue CRMs is ~5% of the total number of customer requests received)	↑

Service: Strategic and Business Planning

KPI: Strategic Community Plan and Corporate Business Plan compliance

Unit of measure: A SCP and CBP have been adopted, modified or updated by an absolute majority of the Council

2013/14 Actual	2014/15 Actual	2015/16 Actual	2016/17		
			Target	Actual	Result
CBP adopted within legislative timeframes	CBP adopted within legislative timeframes. SCP review due to start in October after elections	CBP adopted in June 2016; SCP due to be submitted for adoption in November 2016	SCP and CBP adopted by an absolute majority of Council by 30 June 2017	Both plans adopted by Council	↑

Corporate Business Plan 4-year priorities

The table below shows the progress of each action within the strategic theme of 'Civic Leadership'. Refer to **page 20** for the status colour codes. A 'corrective measure' is linked to all actions that were 'on hold' or 'under target' by 30 June 2017.

No	CBP priority	Directorate	31 Dec 2016 status	30 June 2017 status	Reference no.
SCP theme: Civic leadership					
SCP Strategic objective: Listening and leading					
SCP Strategy: Encourage community engagement					
37	Deliver timely and coordinated communications to the community	Community and Place	On target	Under target	1
SCP Strategy: Support the City's Elected Members as leaders in the community					
38	Deliver good governance systems enabling community representation	Corporate Strategy and Performance	Under target	On target	
39	Develop and deliver a Customer and Stakeholder Management Framework	Corporate Strategy and Performance	On target	On target	
SCP Strategy: Lead the delivery of the community vision					
40	Develop and deliver enhanced integrated planning and reporting	Corporate Strategy and Performance	On target	On target	
41	Measure and evaluate community and business satisfaction with the City	Corporate Strategy and Performance	Under target	Completed	
SCP Strategy: Be strong advocates in the community's interests					
42	Advocate on behalf of community and business	Office of the CEO	On target	On target	
SCP Strategic objective: A strong and progressive organisation					
SCP Strategy: Govern in a transparent and accountable manner					
43	Implement strategic procurement practices	Corporate Strategy and Performance	On target	Completed	
SCP Strategy: Drive continuous improvement and creative solutions					
44	Implement initiatives to strengthen organisational capability and capacity	Corporate Strategy and Performance	On target	On target	
45	Conduct review of local laws	Office of the CEO	On target	Completed	
46	Review Elected Members Code of Conduct	Corporate Strategy and Performance	On target	On hold	2
47	Deliver a Strategic Policy Framework	Office of the CEO	Under target	On target	
SCP Strategy: Ensure our resources address our growth demands					
48	Improve the framework for strategic asset management in line with ISO 55001 standard	Assets	On target	Under target	3
49	Facilitate public access to community geographic and information systems data	Corporate Strategy and Performance	On target	Completed	
50	Implement new enterprise software platform for the City	Corporate Strategy and	Under target	Under target	4

No	CBP priority	Directorate	31 Dec 2016 status	30 June 2017 status	Reference no.
		Performance			
51	Develop the ICT Technology Strategy	Corporate Strategy and Performance	On target	Under target	5

The table below provides the comments and corrective measures for priorities that were 'on hold', 'under target' or 'not yet started'.

Reference no.	4th quarter (Apr–June 17) comments on priorities
1	Aims and objectives for a Communication Strategy have been identified. However, the strategy has not been finalised. It is expected that the strategy will be completed in 2017/18.
2	It is planned to review the Code of Conduct before the October 2017 elections.
3	The Asset Management Policy and Strategic Asset Management Plan have been developed and are due to be finalised in 2017/18.
4	Contract management software has been implemented. Project management software implementation is underway and planned for completion in 2017/18. HR/Payroll software implementation has gone through a due diligence process that took longer than expected. It is due for completion in 2017/18. The finance system replacement has commenced and is in the requirements phase.
5	The draft strategy is under review and is expected to be finalised in 2017/18.

ADDITIONAL STATUTORY INFORMATION

Land Transactions (Major, Other, Exempt)

Major land transactions

There were no major land transactions during 2016/17.

Other land transactions

Date	Description
April 2017	Commercial lease of a portion of Lot 9740, Brazier Road, Yanchep (Yanchep Lagoon Café)
June 2017	Tender 17007 – Provision of golf course management services for Carramar and Marangaroo Golf Courses for a period of 5 years, including leases at each course
June 2017	Commercial lease to L&C Perth Pty Ltd over a portion of Lot 511, Clarkson Library, Ocean Keys Blvd, Clarkson (Tenancy 1)

Exempt land transactions

The following exempt land transactions (leases) were approved by the Council.

Month	Lessee	Location
August 2016	Great Lakes Community Resources Incorporated	Portion of Lot 552 (86) Motivation Drive, Wangara
November 2016	The Badminton Association of Western Australia (Inc.)	Portion of Lot 12652 (130) Kingsway, Madeley
February 2017	NGALA Community Services	Portion of Jenolan Way Community Centre
February 2017	Wanneroo Trotting & Training Club (Inc.)	Portion of Crown Reserves 19545 & 34616 (Nanovich Park)
May 2017	The Returned & Services League of Australia (WA Branch Incorporated)	Portion of Lot 90 and Lot 91, Wanneroo Road, Wanneroo
May 2017	Wanneroo Community Men's Shed	Portion of Lot 500, Reserve 10845, Leach Road, Wanneroo
June 2017	Child & Adolescent Health Service	Portion of Lot 271 (125) Willespie Drive, Pearsall

Compliance with State Records Act

The *State Records Act 2000* requires the City to have an approved Recordkeeping Plan to detail the way the City keeps its records. The plan has been approved for five years from 2012 to 2017. Although the plan is not due for renewal until May 2018, the City has embarked on a review to reflect changes in the *State Records Act*, General Disposal Authority for Local Governments and changes in City processes. This review will be completed by December 2017 and forwarded to the State Records Office for approval.

Improvements to the City's records management include:

- implementation of mandatory refresher training in Records Management Awareness for all employees every three years
- audit recommendations being implemented after internal audit of Records Management functions identified medium risks
- upgrade of HP TRIM to HP Content Manager 9 (HP CM9)
- continuation of quality assurance of all documents registered and titled in the electronic document and records management system (HP CM9)
- improved skillset and knowledge of Information Management officers
- continuation of declining trend in hardcopy documents with a corresponding increase in electronic documents
- fully integrated Archive and Information Management functions to share knowledge, improve resource availability and provide faster client service
- increased efficiency of mail scanning and processing via technology
- further integration of the electronic document and records management system and corporate business systems, such as use of multi-function devices (MFDs) to scan and store corporate records
- development of a vital records register and vital records
- an employee helpdesk service for recordkeeping, HP CM9 and archiving
- increased awareness on the use of HP CM9 through additional training such as Q&A sessions.

Information Management captured 52,925 records (41,041 in 2015/16 and 40,220 in 2014/15) in the corporate recordkeeping system in 2016/17. The records included incoming and outgoing letters, emails, faxes, online forms and internal documentation. The number of new files created during this period was 19,276 (13,644 in 2015/16).

Freedom of Information (FOI)

Access to documents may be granted to members of the community under the *Freedom of Information Act 1992*. An Information Statement is available along with application forms on

the City's website. The statement is a guide to the FOI process and also lists the types of documents available outside of FOI.

Although any document may be requested, it is recommended that only documents that cannot be provided outside the FOI process should be sought under the Act, as the process is onerous, slow and expensive for both the City and the applicant. Additionally, documents released are frequently edited to remove exempt information. The most frequently removed information is third-party personal information, which is often the information sought.

During 2016/17, the City received a total of 44 FOI applications. This was an increase of 42% compared to 2015/16. All FOI applications were completed within 45 calendar days, in accordance with the FOI Act.

Out of 44 FOIs received in 2016/17, only six went to an internal review and none were referred to the Office of the Information Commissioner for external review.

All Information Management employees attended FOI training conducted by the Office of the Information Commissioner.

National Competition Policy

The National Competition Policy obligations were considered in respect of competitive neutrality and other competitive advantage issues in respect of the City's Aquamotion operations. Notwithstanding that the National Competition Policy provides reasonable scope for the City in implementing its social community services, access and equity objectives, the City is mindful to balance these with the economic interests of its ratepayers. In pursuing these objectives (social/ community services/ access and equity) the City satisfied the following provisions under the Competition Policy Agreement:

- for the benefit of a particular policy or course of action to be balanced against the cost of the policy or course of action;
- for the merits or appropriateness of a particular policy or course of action to be determined;
- social welfare and equity considerations, including community service obligations; and
- government legislation and policies relating to matters such as occupational health and safety, industrial relations and access and equity.

The City undertook a National Competition Policy assessment during 2016/17. Further detail can be found on **page 104**.

Council policies

Section 2.7(2) (b) of the *Local Government Act 1995* states that the Council is responsible for determining its policies. There is no prescribed timeframe for local government to review policies.

To ensure the City continues to develop and provide good governance, all policies are regularly reviewed to ensure they:

- meet the changing needs of the community
- remain consistent with best practice, the strategic direction of the City and changes in government policy and legislation
- continue to meet stakeholders' needs
- do not present barriers or blockages to efficiencies.

The following reviews were completed during 2016/17.

- Accounting Policy
- Coastal Aquatic Safety Policy
- Community History Centre Policy
- Deductible Gift Recipient Status – Wanneroo Library & Cultural Centre Policy
- Library Services Policy
- Local Planning Policy 2.6: Ancillary Accommodation
- Local Planning Policy 2.8: Licensed Premises
- Local Planning Policy 4.12: Heritage Places
- Local Planning Policy 4.14: Compliance
- Local Planning Policy 4.18: Earthworks and Sand Drift
- Local Planning Policy 4.20: Split Coded Areas
- Local Planning Policy 4.21: Coastal Assets
- Museum Collection Policy
- Public Community Events Policy
- Purchasing Policy
- Sports Floodlighting Policy
- Shared Use Facilities with Department of Education Policy
- Waste Management Services Policy

A policy may be rescinded where it is deemed outdated, superseded or no longer applicable or required as a Council policy under the *Local Government Act 1995*. The following policies were rescinded during 2016/17:

- Landscape Upgrades to Distributor Roads and Parks Policy
- Local Planning Policy 4.2: Structure Planning
- Managing Our People
- Road Safety Audits Policy.

Local laws

Section 3.12 of the *Local Government Act 1995* prescribes the process the Council must follow to make local laws. Section 3.16 of the Act requires the local government to review its local laws within eight years from the date of commencement of the local law. The City is continuing the process of updating all its local laws. Many were made in 1999 and, while they were contemporary in their day, some require updating to the point where replacement may be warranted. The City adopted the following local laws in 2016/17:

- *Bee Keeping Local Law 2016*
- *Public Places and Local Government Property Amendment Local Law 2017.*

In addition, a proposed amendment to the *Parking Local Law* has been advertised for public submissions and will progress to Council for adoption in the next financial year.

Wanneroo Library and Cultural Centre Gift Fund

The Wanneroo Library and Cultural Centre did not receive any gifts or donations during the reporting period.

Deductible gift register

There has been no activity to report.

Public Interest Disclosures Act 2009

No public interest disclosures were reported to the City during the reporting period.

Abbreviations

ABEF	Australian Business Excellence Framework
AGM	Annual general meeting
AMIS	Asset Management Information System
AMP	Asset Management Plan
Anzac	Australian and New Zealand Army Corps
ASCTA	Australian Swimming Coaches and Teachers Association
CBD	Central Business District
CBP	Corporate Business Plan
CCTV	Closed-circuit television
CEO	Chief Executive Officer
CFP	Community Funding Program
CMS	Customer management system
CRC	Customer Relations Centre
CRM	Customer relationship management
CSRFF	Community Sporting Regional Facilities Fund
ECU	Edith Cowan University
ELT	Executive Leadership Team
EMT	Executive Management Team
ERM	Enterprise risk management
ESS	Employment self-sufficiency
FOI	Freedom of Information
FTE	Full-Time Equivalent
HACC	Home and Community Care
ICT	Information and Communication Technology
IPRF	Integrated Planning and Reporting Framework
JP	Justice of the Peace
KPI	Key Performance Indicator
LEMC	Local emergency management committee
LGIS	Local Government Insurance Service
NFP	Not-for-profit
OMT	Operational Management Team
OSH	Occupational Safety and Health
RAP	Reconciliation Action Plan
RRF	Resource Recycling Facility
RSL	Returned and Services League
SAMP	Strategic Asset Management Plan
SCP	Strategic Community Plan
SLWA	State Library of Western Australia
WA	Western Australia
WALGA	Western Australian Local Government Association
WBA	Wanneroo Business Association
WLCC	Wanneroo Library and Cultural Centre
WVRC	Wanneroo Volunteer Resource Centre

FINANCIAL REPORT

Audited Financial Statements will be included in the branded version of the Annual Report 2016/17.

Transactional Finance

CS04-12/17 Petition PT01-09/17 - Settlers Ridgewood Rise Lifestyle Village Differential Rating

File Ref: 2095V03 – 17/394446
Responsible Officer: Director Corporate Strategy and Performance
Disclosure of Interest: Nil
Attachments: 1

Issue

To consider a petition PT01-09/17 requesting the City to apply a differential rate other than Residential Improved to the Settlers Ridgewood Rise Lifestyle Village.

Background

The Council received petition PT01-09/17 at its meeting on 21 September 2017. The petition has 315 signatures and reads as follows:

"This petition is prepared by the Residents Association of the Settlers Ridgewood Rise Lifestyle Village to support the request to make a formal presentation to the Wannon Shire Council for a Differential Rate to be applied to the above Village. We believe that the present rates are inconsistent with those applied to the Ridgewood suburb where the residents have many services provided for which the village has to organise and pay for themselves, also the many "lifestyle villages" masquerading under the Caravan and Park Homes nomenclature where they have facilities consistent with our village but receive a much reduced rate. Add to them the "not for profit villages in the Wannon Shire" and those not yet allocated a rental value suggest we are amongst the few villages in the Wannon Shire who are supporting the other types of village.

This petition is also forwarded to the Valuer General's Office as they state that the Shire has the ability to establish a Differential Rate whereas the Shire indicates that that it is up to the VG to establish a differing GRV, we request therefore that the Valuer General establishes the correct procedure between them and the Wannon Shire Council."

The City considered this matter in depth as part of the Rating Strategy Review Committee in 2015/16. As the lifestyle village is used for a residential purpose it was determined that the differential rating category of Residential Improved was the correct differential rating category to be applied to the Settlers Ridgewood Rise Lifestyle Village.

Detail

During 2015/16 the Elected Member Rating Strategy Review Committee met on three occasions to discuss options for an appropriate rating strategy model. During each meeting the rating of Lifestyle Villages was discussed with it being concluded that there was no Object and Reason to establish a differential rating category for this type of accommodation. This position was endorsed by Council at its meeting on the 5 April 2016 (**CS02-04/16**) where amongst a number of other recommendations it was noted that Council:

ADOPTS differential rating based on use of the land with the differential rating categories being:

Gross Rental Value

- Residential Improved
- Residential Vacant
- Commercial & Industrial Improved
- Commercial & Industrial Vacant

Unimproved Value

- Residential Improved
- Residential Vacant
- Commercial & Industrial Improved
- Commercial & Industrial Vacant
- Rural & Mining Improved
- Rural & Mining Vacant

In forming this position Council via the Rating Strategy Review Committee, considered the additional costs that a Lifestyle Village would incur and from this costed the maintenance of the internal infrastructure. This costing included the provision of street sweeping, drainage gully cleaning/jetting, street lighting energy bill, repairs to signs/potholes/kerbs/footpaths plus materials. The cost per unit was calculated as \$45.04 pa which averaged 3.75% of the rate bill or a rate in the dollar of 0.002811. The repair of street lighting is the responsibility of Synergy, therefore is not a City of Wanneroo cost and was not been included in this costing.

The Settlers Ridgewood Rise Lifestyle Village petition states they are one of the few villages in the City of Wanneroo who are supporting the other types of villages. It should be noted that all ratepayers of the City of Wanneroo are subsidising those properties that do not pay rates as they are rate exempt under Section 6.26 of the *Local Government Act 1995*. It is not just the lifestyle villages that are rated that are subsidising the other villages that are rate exempt.

The City of Wanneroo currently rates the following Lifestyle Villages:

Address of Lifestyle Village	No.of Units	Construction Type	2017/18 Rates Levied
1140 Wanneroo Road, Ashby	316	Fibro Demountable Park Homes	\$160,990
48 Ashley Road, Tapping	230	Fibro Demountable Park Homes	\$112,294
76 Ridgewood Boulevard, Ridgewood	241	Brick and Tile	\$303,578
33 Drovers Place, Wanneroo	63	Brick and Tile	\$ 79,200
289 Sydney Road, Gngara	109	Fibro Demountable Park Homes	\$ 49,078

As a reference, it is worth noting that under Section 6.26 the City is required to grant rate exemptions to five Lifestyle Villages, these Villages comprise nursing homes and independent living units and they are legally considered to be land used exclusively for charitable purposes. However in the present circumstances, the Settlers Ridgewood Rise Lifestyle Village in discussion is a privately owned property.

Prior to 19 August 2005, when the State Administration Tribunal (**SAT**) decision of the Uniting Church Homes (Inc) VS City of Stirling was delivered the City of Wanneroo had an agreement with Brightwater Care Group and the two RAAFA villages in Merriwa to rate the independent living units however give a rates write-off to the rates applicable to the Nursing Home component. After the SAT decision these organisations wrote to the City requesting a

rate exemption based on the SAT decision. Legal opinion obtained at that time resulted in the City having to grant a rate exemption on the entire property.

The other two Lifestyle Villages that the City has to grant a rate exemption for are:

- Shire of Wanneroo Aged Persons Home Trust, 55 Belgrade Road, Wanneroo – non rateable by way of Governor's Declaration published on page 430 of the Government Gazette 4 February 1983.
- The Bethanie Group Inc., 629 Two Rocks Road, Yanchep – constructed after the SAT hearing decision so has not been rated as it is rate exempt. The independent living units for this Lifestyle Village are being built in stages and only 32 units are complete at this stage.

The total loss of rate revenue relevant for the independent living units that are rate exempt totals \$1,092,766 for the 2017/18 financial year.

Address of Lifestyle Village	No. of Units	Construction Type	2017/18 Rates Equivalent not levied
19 Hughie Edwards Drive, Merriwa	243	Brick and Tile	\$255,496
85 Hester Avenue, Merriwa	274	Brick and Tile	\$339,813
141 Kingsway, Madeley	169	Brick and Tile	\$254,902
55 Belgrade Road, Wanneroo	192	Brick and Tile	\$195,528
629 Two Rocks Road, Yanchep	32	Brick and Tile	\$ 47,027

The residents of the Village are not deemed to be the 'owners' of the land as defined under the *Local Government Act 1995*. The rates are to be levied on the owners of the land and in the case of the Village the residents are not the owners. The residents have entered into agreements with the owner of the land under the *Retirement Villages Act 1992*.

Under the provisions of the *Local Government Act 1995* the City is unable to individually rate each unit in the Village and therefore cannot apply a minimum rate to each unit. The Village has to be rated as a whole. The Valuer General's Office supplies the City with the Gross Rental Value applicable to the Village in its entirety. This is the valuation that will be applied to the property at the State Administration Tribunal if an objection is lodged.

With regard to the reference to the Valuer General's Office the process is that the City determines the differential rating categories and the Valuer General's Office supplies the City with the Gross Rental Valuation for each unit and nursing home in the relevant Villages. This Gross Rental Valuation is then multiplied by the relevant differential rating category rate in the dollar, being Residential Improved, to ascertain the rates for the rating year. The City does not have any input in determining the Gross Rental Valuation, this is the purview of the Valuer General's Office.

Lifestyle Villages and Retirement Villages

Enquiries have been made with the Seniors Housing Centre, Department of Commerce regarding the payment of rates by residents of lifestyle villages or retirement villages. Detailed below is the outcome of the query:

- There are two types of 'villages' catering to the over 45s / 50s depending on the scenario: i) lifestyle villages or ii) retirement villages.
- The legislation that governs Lifestyle Villages is *Retirement Villages Act (RVA) 1992* and *Retirement Villages Regulations 1992*. The residents of a Lifestyle Village would enter into a lease arrangement with the owner of the property.

- Three types of fees and charges are usually charged/levied by the owner of the retirement village:
 - In-going/entry payment called 'premium';
 - Recurrent charges that cover the operating costs and expenses of the village; and
 - Departure/exit fees and charges.
- It is noted that there is no specific mention of **rates** in the RVA or Regulations. The charging of rates forms part of the rent charged. Rent falls under the definition of 'recurrent charges' in the RVA as any amount payable by a resident to the administering body of a retirement village on a recurrent basis.
- Recurrent charges are particular to each village depending on its business model/structure. These charges are not regulated.
- Retirement villages work on a 'cost recovery basis' and if rates are charged, it will be disclosed in the retirement village's budget and the rates will be apportioned in accordance with the number of residents in the village.
- Flowing from this explanation it goes to reason that if the City offers a reduction in council rates to a retirement village, that reduction would be passed on – based on the cost recovery rationale.
- Since rent is not regulated the City would not be bound or expected to ensure that the reduction offered will be passed on to the residents.

The onus lies with the residents of the retirement village to ensure that they only pay what is just and fair and be guided by the *Fair Trading (Retirement Villages Code) Regulations 2015*.

There appears to be a misunderstanding that the City receives more rate revenue as a result of the capping of the pension and seniors rebate.

The State Government capped the pension rebate effective from 1 July 2016 and the seniors rebate effective from 1 July 2017. The amount of the rebate is not paid by the City. The rebate is paid by the State Government. The City levies the rates on the account, deducts the State Government Rebate and then issues the rates notice for the balance. Once payment has been made, the City claims the rebate amount from the State Government to pay the balance on the rate account. To ensure the residents of Settlers Ridgewood Rise obtained the maximum rebate the City arranged with the Valuer General to individually assess each villa.

An example of the effect of the seniors rebate capping on the rates is detailed in the table below:

Year	Rates Council Receives	State Government Seniors Capping	Amount Ratepayer Has to Pay
2016/17	\$1,100.00	\$288.70	\$ 811.30
2017/18	\$1,100.00	\$100.00	\$1,000.00

Consultation

No consultation required.

Comment

When determining the differential rating categories the City is required to provide an Object and Reason for each differential rating category. These Objects and Reasons form part of

the Annual Budget and are scrutinised by the Department of Local Government, Sport and Cultural Industries (DLGSCI) to ensure that the Principles of imposing differential rating have been adhered to. The Department takes this issue seriously and has made this known to the City on a number of occasions.

If the DLGSCI determines that these Objects and Reasons do not comply with legislation then the matter will be forwarded to the State Administration Tribunal (**SAT**) where potentially the rates and services charges could be declared unlawful. Should this prove to be the case the City will have to reverse all rates and service charges levied and then impose new rates and services charges as directed by SAT.

A differential rating category can be imposed for Lifestyle Villages. However, as the City differential rates on the use of land, then an Object and Reason will need to be provided as to why the differential rating category is different from other residential improved rating. Residents of Lifestyle Villages receive the same level of works and services provided as other residential ratepayers of the City. These include:-

- Collection and Disposal of Residential Refuse
- Roads
- Street Lighting
- Parks and Gardens
- Libraries
- Aged Care
- Dog and Other Animal Control
- Emergency Services Support
- Bush Fire Control
- Recreational Facilities
- Storm Water Drainage
- Assistance to Community Groups

Research undertaken with other local government authorities in Western Australia (WA) to investigate their approach to rating of lifestyle villages, did not highlight any different rating approaches. The City has previously carried out this research in October 2014. Further research was performed on 22 April 2015. This research has been performed by obtaining a listing of the lifestyle villages in WA and then checking the budget document from each WA Council concerned.

It is noted that 22 WA Councils, as indicated below, have lifestyle villages within their boundaries and that all 22 WA Councils rate the lifestyle villages under Residential Improved and do not have a separate rating category for any of the lifestyle villages:

City of Joondalup
City of Mandurah
City of Stirling
City of Armadale
City of Melville
City of Swan
City of Canning
City of Gosnells
Shire of Mundaring
City of Rockingham
City of Cockburn
City of Bunbury
City of Albany
Shire of Kalamunda
City of Perth

City of Belmont
City of Vincent
City of Bayswater
Town of Cambridge
City of South Perth
Town of Victoria Park
Town of Bassendean

Given this situation, the Rating Strategy Review Committee concluded there would be difficulty in providing an Object and Reason behind a differential rating category of Lifestyle Village as the City would need to demonstrate what level of service other residential properties were receiving that the residents of Lifestyle Villages do not receive.

The Object and Reason for 2017/18 Residential Improved states:

“The rate in the dollar and minimum rate have been set on the basis that ratepayers make a reasonable contribution to the cost of local government services and facilities available to residents. Residential Improved properties receive a greater level of services than those in the Commercial/Industrial and Rural & Mining categories. eg. Rubbish removal service.

The lesser minimum for strata titled caravan parks is set recognising the unique purpose of these properties while still ensuring a reasonable contribution to the cost of local government services and facilities available to residents.”

Information extracted from the Department of Local Government, Sport and Cultural Industries Rating Policy – Differential Rates (Section 6.33 of the Local Government Act) (**Attachment 1** refers). Of particular note the Department states that in applying differential rating:

- It is expected that those bearing a higher rate burden through the imposition of differential rating “...are receiving greater benefits from council activities”; and
- In terms of fairness and equity a differential rate must be justified in terms of “...what benefits are this group of ratepayers receiving in excess of other ratepayers”; and
- In terms of consistency, are other properties used for similar purposes rated in the same way.

Statutory Compliance

Legislative Framework

Part 6, Division 6 of the Local Government Act 1995 (the Act) and Part 5 of the Local Government (Financial Management) Regulations 1996 provides the head of power for the levying of local government rates. The legislation is prescriptive in its application, with the following aspects of note:

- Except as provided for in Section 6.26, all land within a district is rateable land (S6.26);
- In order to make up the 'budget deficiency' a local government is to impose a general rate which may be imposed either uniformly or differentially. A local government may also impose a specified area rate, a minimum rate and a service charge (S6.32);
- A local government may impose a DGR according to land zoning, land use, whether the land is vacant or not, or a combination of each characteristic (S6.33);
- No DGR in each category (UV or GRV) is to be more than twice the lowest DGR, unless approved by the Minister (S6.33);

- The amount shown in the Annual Budget as being the amount estimated to be yielded by the general rate is not to vary by +/- 10% of the budget deficiency, i.e. should essentially be a balanced budget (S6.34);
- The local government can impose differential minimum rates, however it is not to be applied to more than 50% of the properties with a district or within each category (S6.35);
- A minimum rate is to be applied separately for each of the following categories (S6.35):
 - a) to land rated on Gross Rental Value (GRV);
 - b) to land rated on Unimproved Value (UV); and
 - c) to each differential rating category where a differential rate is imposed.
- If a separate DGR is imposed on the basis of vacant land status, a separate minimum rate can be imposed with the approval of the Minister not in accordance with the 50% requirement (S6.35);
- A lesser minimum charge can be applied to not more than 50% of the properties on minimum rates (within the district or within each category).

Strategic Implications

The proposal aligns with the following objective within the Strategic Community Plan 2017 – 2027:

“4 Civic Leadership

4.3 Progressive Organisation

4.3.2 Ensure excellence in our customer service”

Risk Management Considerations

Risk Title	Risk Rating
Long Term Financial Planning	Moderate
Accountability	Action Planning Option
Director Corporate Strategy and Performance	Manage

Policy Implications

Nil

Financial Implications

The Rating Strategy impacts on the rate distribution model, not overall value of rates income. However, consideration has to be given to the impact on the Long Term Financial Plan when determining what method of rating is implemented.

Voting Requirements

Simple Majority

Recommendation

That Council:-

1. **NOTES** the differential rating category being applied to 76 Ridgewood Boulevard, Ridgewood is Residential Improved;
2. **DOES NOT SUPPORT** the petition requesting the City implement an additional differential rating category for Lifestyle Villages given the previous Council endorsement of the Rating Strategy Review Committee's conclusions (CS02-04/16) that there was no substantive difference in the services Lifestyle Villages receive over other residences; and
3. **AUTHORISES** the Director Corporate Strategy and Performance to advise the petitioners of Council's decision.

Attachments:

1 [!\[\]\(0aff635c4179ba9e710b00f4b01d3b20_img.jpg\)](#). DLGC - Differential Rates Policy 16/91235

Attachment 1

Information extracted from the Department of Local Government and Communities Rating Policy – Differential Rates (Section 6.33 of the Local Government Act).

“PRINCIPLES

In making the decision, the following principles will be observed:

- Objectivity,
- Fairness and equity,
- Consistency,
- Transparency, and
- Administrative efficiency.

APPLICATION OF PRINCIPLES TO THIS DETERMINATION

A differential rate occurs when categories of property within the UV or GRV land valuation methods are rated differently. The imposition of differential rates represents a conscious decision by a council to redistribute the rate burden in its district by imposing a higher impost on some ratepayers and a lower impost on others.

This should follow the Benefit Principle – the concept that there should be some relationship between the rates paid and the benefits received. This does not mean that rates should equal benefits, but it is expected that those bearing the higher rate burden through the imposition of differential rating are receiving greater benefits from council activities.

The imposition of differential rates can only be done on the basis of zoning, land use or whether it is vacant or some combination of these categories.

Objectivity

- On what basis are differential rates imposed by the local government? For example zoning, land use, vacant land, a combination of these or other prescribed characteristic. That is, has 6.33(1) and Financial Management Reg 52A been complied with?
- What has prompted the need for this application? (For example, has there been a change to method of valuing land which would lead to a significant increase or decrease in rate assessment and a differential rate is being used to compensate?)
- On what date is this change to take effect? (Except for an amendment as a result of a change in the rateable value of the land, this must be from the start of the next financial year.)

Fairness and equity

- Has the benefit principle been applied? That is, what benefits are this group of ratepayers receiving in excess of other ratepayers?

- Have the land owners/ratepayers been given adequate opportunity to comment? Have the public notice requirements of s. 6.36 been followed. If the number of ratepayers in a category subject to a high differential rate is small (less than thirty) have they been written to individually?
- What regard has been had to their feedback?

Consistency

- Are other properties used for similar purposes being rated in the same way? If not, why not?
- How does this proposed rating scheme compare with last year's scheme? That is, what will be the impact in percentage and dollar terms on affected ratepayers?

Transparency

- Has there been public notice of the proposed changes?
- Has the public notice set out the object of and reasons for each proposed rate or where these can be inspected?
- Has the decision to seek this change been agreed by Council and recorded in the Council minutes?

Administration efficiency

- Is this the most efficient way to raise the required rates revenue?
- Is the land properly valued as UV or GRV? (A change in valuation method may be more appropriate than imposing large differences in the differential rate.)"

Property Services

CS05-12/17 Wanneroo BMX Raceway Club Inc - Proposed New Lease Over Portion of Lot 1100 (176) Mary Street, Pearsall

File Ref:	3846 – 17/264577
Responsible Officer:	Director Corporate Strategy and Performance
Disclosure of Interest:	Nil
Attachments:	2

Issue

To consider a land lease over portion of Lot 1100 (276) Shiraz Boulevard, Pearsall (formerly 176 Mary Street, Pearsall) to the Wanneroo BMX Raceway Club Inc for a term of five (5) years.

Background

The Wanneroo BMX Raceway Club Inc (the **Club**) occupies an approximately 1.77ha portion of Lot 1100 (276) Shiraz Boulevard, Pearsall (formerly 176 Mary Street, Pearsall) contained in Certificate of Title Volume 2795 Folio 369 (**Attachment 1** refers). It occupies the site under the month by month holdover provisions of its five (5) year land lease arrangement (called "Extension of Lease"), approved by Council at the appropriate time, which expired 30 June 2017.

Lot 1100 is owned freehold by the City and zoned Urban Development under the City's District Planning Scheme 2. The Club has operated from this site since 1992 under a combination of consecutive lease and/or extension to lease arrangements. Due to the freehold status of Lot 1100 and that there is increasing residential activity in the vicinity of the subject site, Administration has over the past few years considered that the occupancy of this site and use as a BMX track is limited and that the land could potentially return better value to the City if it were sold or developed.

As part of the investigations on the future use of the site, a working group was formed in September 2009, known as the Wanneroo BMX Raceway Club Relocation Working Group (**Working Group**) which has met on several occasions with a view to relocate the Club to an alternative site. Since 2009, the Working Group has engaged consultants on two occasions to identify and investigate suitable alternative sites and costings for co-location opportunities for the Club.

In summary, the initial consultant's report identified three possible alternative sites (Edgar Griffiths Park, Pinjar Park North (the old tip site at 1851 Old Yanchep Road, Pinjar) and 95 Ziatis Road). After further investigation by the Working Group, these sites were ruled out citing such reasons like the unknown level of contaminants at Pinjar Park North which required a detailed site investigation and any remedial action.

To broaden the initial search, a second consultant was engaged to consider land owned by other government agencies and to provide a detailed overview of what it would cost to establish a BMX track and associated facilities (such as a clubhouse). Whilst potential sites were identified, the costs (ranging from \$3.37M to \$6.46M) were considered by the Working Group as being cost prohibitive.

Detail

The Working Group met on 26 July 2017 to discuss the second consultant's report and as part of that discussion, the group discussed the possibility of the Club relocating in the medium to long term to a site (currently owned by the Department of Biodiversity, Conservation and Attractions (**DBCA**), formerly known as the Department of Parks and Wildlife) immediately adjacent to, and north of Barbagallo Raceway (the **Site**).

The Site is currently subject to discussions between DBCA, the City and the City's tenant (WA Sporting Car Club Inc) of Barbagallo Raceway (which occupies portion of Crown Reserve 10866 under a lease arrangement) with the long term goal being to amalgamate Crown Reserve 10866 with the land owned by the DBCA. The aim of the proposed amalgamation, which will be presented in detail to Council in due course, is to provide one large motor sporting venue in the future that will encompass a multitude of sports. It is envisaged this will include BMX riding and motor racing amongst others which will allow different users, for reasons of economy of scale, to share facilities such as car parks. This proposal is still in its infancy and will take several years to develop if successful. Should the proposal progress as anticipated, the funding model to establish multiple users will need to be explored with the likely scenario being that users will source their own funding for individual user requirements through the likes of the Department of Local Government, Sport and Cultural Industries.

Current lease consideration

Notwithstanding the discussions taking place with regards to the proposed amalgamation of the Barbagallo Raceway site with other land which are anticipated to take several years, the Working Group, in the interim, supports a new five (5) year land lease to the Club.

The Club has requested an increase to its current lease area (**Attachment 1** refers) in an effort to accommodate increased levels of parking required due to the growth of the Club and the level of events it holds each year. This in turn will reduce vehicle parking on the surrounding streets when significant events are held by the Club. Whilst the City is unable to increase the area to include the whole of Lot 1100, due to substantial increases in ground levels as a result of earthworks undertaken by the City in recent years (which appear not safe for vehicles to drive on), two potential additional areas (**Attachment 2** refers) labelled as "Proposed Additional area to BMX" and "Optional area for BMX's consideration" have been offered to the Club.

The Club has considered the two areas as described above and has opted for the increase to its existing parking area, labelled as "Proposed Additional area to BMX" (**Attachment 2** refers). It is proposed for safety and insurance reasons to fence the remaining portion of Lot 1100.

The following essential terms for a proposed new land lease have been offered (and accepted) to the Club, subject to Council approval, over portion of Lot 1100:-

Lease Land:	Portion of Lot 1100 (276) Shiraz Boulevard, Pearsall being an area of approximately 2.03ha (which represents an approximate 2,300m ² increase in lease area)
Term:	Five (5) years
Commencement Date:	On execution of the lease
Expiry Date:	Five (5) years from Commencement Date
Rent:	\$1 per annum plus GST
Outgoings (utilities):	Lessee responsibility
Council Rates:	Lessee responsibility
Maintenance:	Lessee responsibility including matters of a

	structural nature as the proposed lease is a 'land only' lease
Insurance:	Lessee responsibility include public liability
Relocation clause	Lessor will include a relocation clause in the lease to the effect that should a site be decided and progressed to where a facility is constructed for use by the Club during the Term, the lease can be terminated early.

As the proposed new lease is a "land only" lease, the City is not responsible for the maintenance of such items as air conditioning and plumbing and therefore a maintenance fee does not apply for the subject lease.

Consultation

Administration will consult further with the Club as further developments arise regarding the amalgamation discussions referred to above.

Comment

The Club's activities and its close proximity to the surrounding residential development precincts could potentially result in a number of inconveniences to local residents such as street parking and noise pollution issues. At the time of this report, there have been no such issues reported to the City and, with the proposed increase to the lease area as described earlier in this report to accommodate additional parking, it is anticipated there will be no issues with respect to parking going forward.

The ongoing occupancy of the Club at this site beyond the term proposed in this report is subject to the outcome of the ongoing discussions relating to the possible amalgamation of Crown Reserve 10866 with the land owned by the DBCA. Administration is hopeful that the land amalgamation will result in one large motor sport precinct being created in the medium to long term with multiple users (including the Club) using the precinct. The WA Sporting Car Club Inc is supportive of this proposal.

Administration considers that a new five (5) year land lease will allow sufficient time for the master planning process to be conducted at the Site.

Whilst the current future plan contemplates a possible relocation to the Site, Administration recommends a relocation clause in the proposed new lease which will allow the parties to terminate the lease early should the Site become available earlier than expected or another suitable parcel of land within the 5 year term.

Statutory Compliance

The proposed land lease is considered to be an exempt disposition under regulation 30(2)(b) of the Local Government (Functions and General) Regulations 1996, which states:-

"30(2) A disposition of land is an exempt disposition if –

(b) the land is disposed of to a body, whether incorporated or not –

(i) the objects of which are charitable, benevolent, religious, cultural, educational, recreational, sporting or other like nature; and

(ii) the members of which are not entitled or permitted to receive any pecuniary profit from the body's transactions;"

As an exempt disposition, a local public notice is not required.

Strategic Implications

The proposal aligns with the following objective within the Strategic Community Plan 2017 – 2027:

- “1 Society
 - 1.1 Healthy and Active People
 - 1.1.2 Facilitate opportunities within the City to access peak and elite activities”

Risk Management Considerations

Risk Title	Risk Rating
Stakeholder Relationships	Moderate
Accountability	Action Planning Option
Chief Executive Officer	Manage

The above risk relating to the issue contained within this report has been identified and considered within the City's Strategic risk register. Action plans have been developed to manage this risk to support existing management systems.

Policy Implications

Lease negotiations have been conducted in accordance with the City's Leasing Policy.

Financial Implications

The proposed land lease will mean the Club will continue to meet all its financial obligations regarding the premises including its requirement to pay Council rates and outgoings as per the Leasing Policy. Given the proposed lease is a land lease, the Club will continue to maintain the facility including structural items and therefore the City will not be recouping maintenance fees.

Voting Requirements

Simple Majority

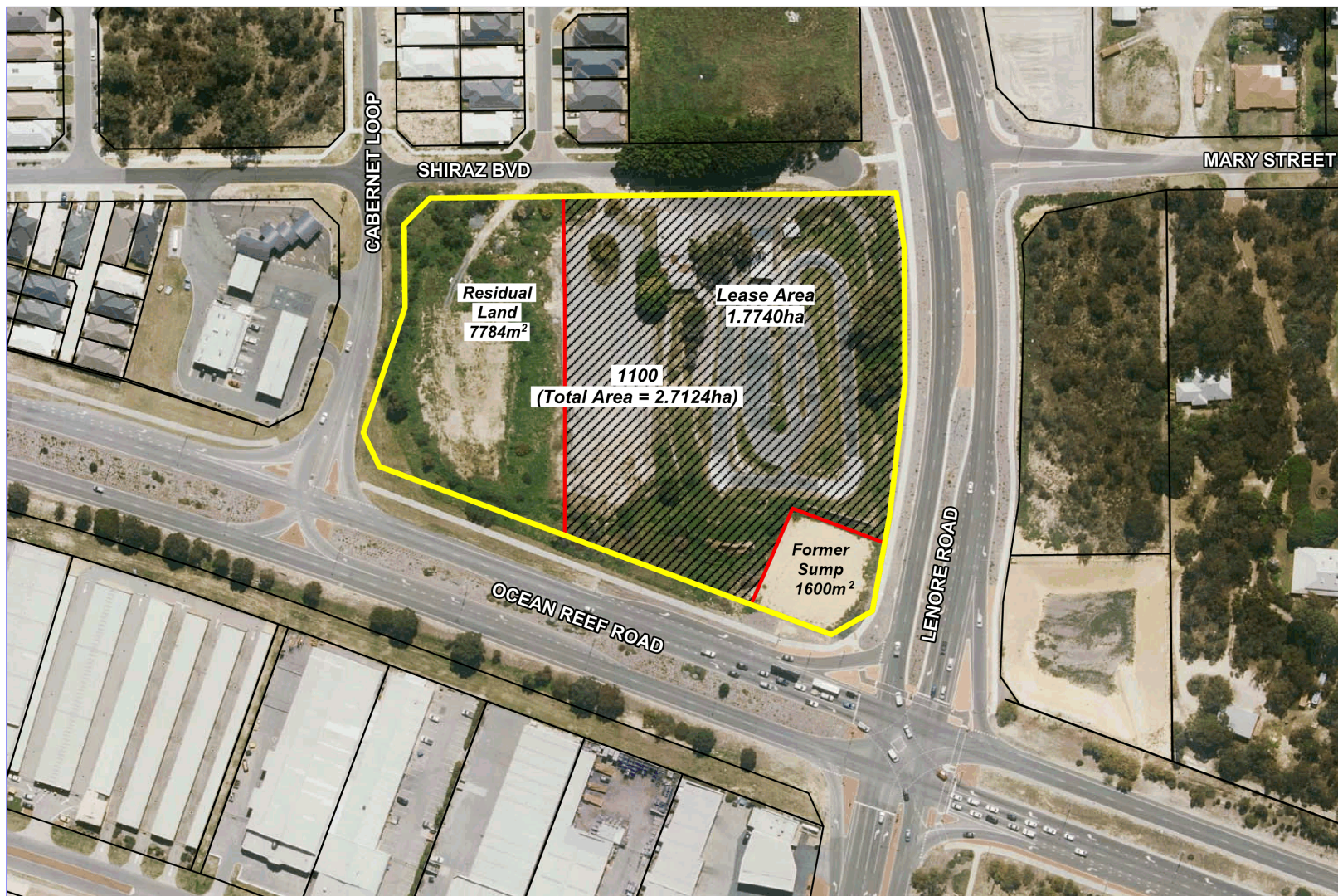
Recommendation

That Council:-

- APPROVES a five (5) year land lease to the Wanneroo BMX Raceway Club Inc over portion of Lot 1100 (276) Shiraz Boulevard, Pearsall as shown on Attachment 2, commencing on date of execution of the lease by the parties; and**
- AUTHORISES the affixing of the Common Seal of the City of Wanneroo to a 'land only' lease between the City and the Wanneroo BMX Raceway Club Inc in accordance with the City's Execution of Documents Policy.**

Attachments:

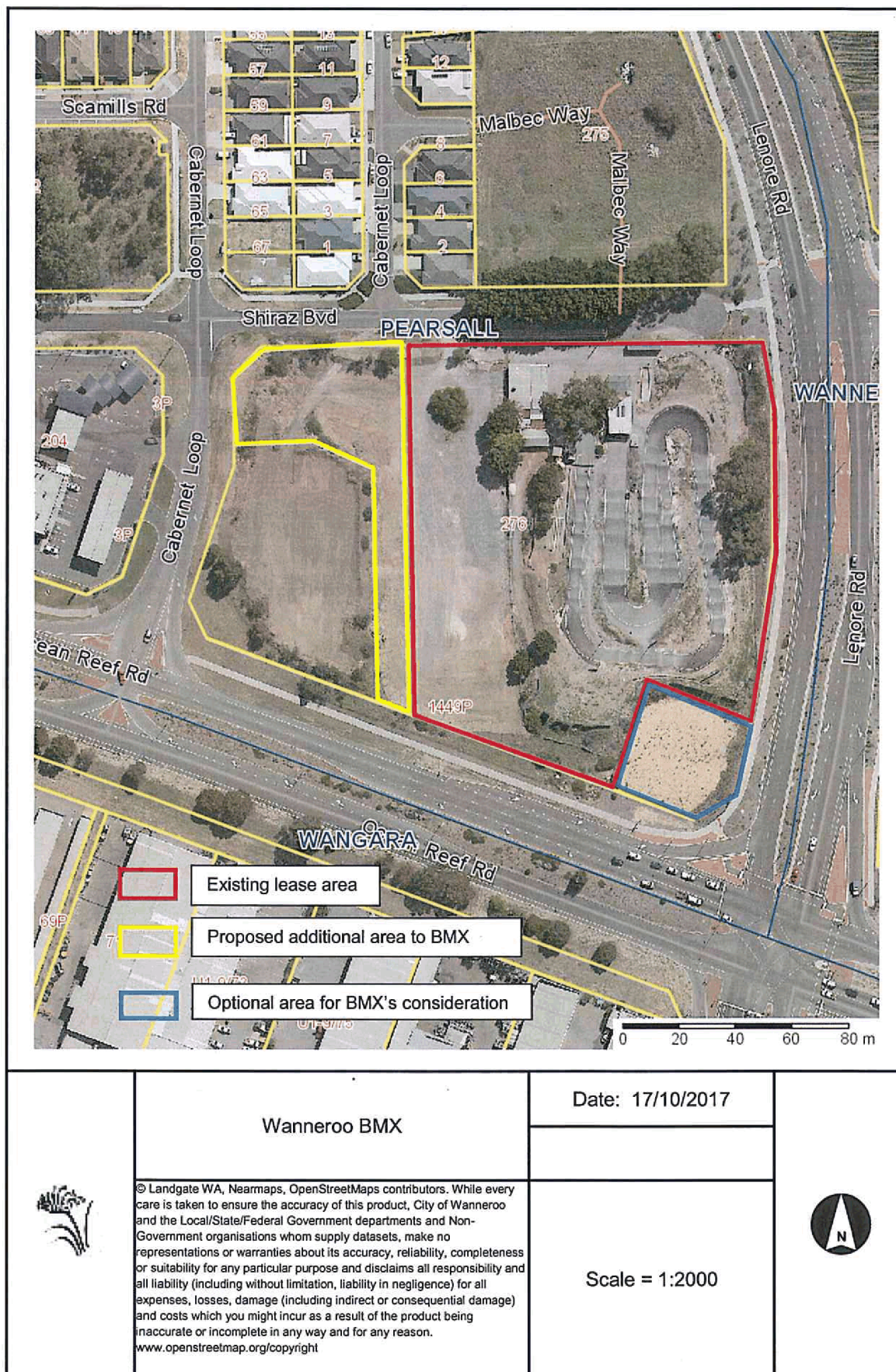
1. [Lot 1100 \(176\) Mary St Pearsall - BMX site](#) 16/286356
2. [Wanneroo BMX - potential additional areas](#) 17/387816 Minuted



 SUBJECT LAND
 WANNEROO BMX LEASE AREA

SITE PLAN LOT 1100 (276) SHIRAZ BOULEVARD, PEARSALL

SCALE: 1:2000 @ A4
 DATE: Sept 2017
 REF: 2017-09 lot1100 shiraz



CS06-12/17 Revised Leasing Policy

File Ref: 6193 – 17/382039
 Responsible Officer: Director Corporate Strategy and Performance
 Disclosure of Interest: Nil
 Attachments: 2

Issue

To consider the revised Leasing Policy (**Attachment 1** and **2** refers) for Council adoption.

Background

The existing Leasing Policy was adopted by Council in September 2015 replacing the previous Tenancy Policy from May 2004. The Leasing Policy outlined seven (7) categories of leasing as follows:

Category of Lessee	Method of Dealing
Government	By Negotiation
Commercial	By Negotiation (at Market Value)
Retail	By Negotiation (at Market Value) subject to the <i>Commercial Tenancies (Retail Shops) Agreements Act 1985</i>
Residential/Caravan Parks	By Negotiation (at Market Value) subject to the <i>Residential Tenancies Act 1987</i> and the <i>Residential Park (Long-stay Tenants) Act 2006 & Regulations</i> .
WA Sporting Car Club - Barbagallo Raceway	As per the Lease
Not for Profit Groups Sporting or Recreational Groups	Full maintenance fees payable and in accordance with Council approval.
Not For Profit Groups Charity Groups	Maintenance fees discounted at 50% and in accordance with Council approval.

The Leasing Policy's main modification to the previous Tenancy Policy was the requirement for all Not for Profit Groups (**NFPGs**) to pay a maintenance fee (shaded above). This was implemented to ensure that maintenance work was undertaken on each property to a safe and high standard at a fee applicable to each NFPGs property. The prior arrangement under the Tenancy Policy was a peppercorn (\$1) rent in exchange for the NFPGs undertaking all property maintenance (excluding structural). However following a property condition audit and inspection of leased sites it was realised that many NFPGs were not fulfilling this requirement and in turn was creating a liability risk to the City as the landowner.

It should be noted that the current Leasing Policy did not take effect until September 2017 (or won't take effect until each respective lease expires) as minimum of a two year grandfathering arrangement was agreed to ensure those groups impacted in the early stage of the process were able to budget for this perceived new annual fee.

All affected NFPGs were consulted before, during and after the Leasing Policy was adopted, as recently as October 2017, with only four groups having further queries or concerns over

the course of the two year consultation period. This is not an unexpected outcome as it should not be an impost on NFPGs as their maintenance responsibility has always existed.

Detail

Since the adoption and clarification of NFPG maintenance obligations in 2015, it has been noted that certain groups were paying rent at a rate that is inconsistent to the nature of their operations and not comparable to other NFPGs.

In light of the fact that these groups are substantially different to sporting and recreational groups and groups that are solely made up of volunteers, but also do not fit neatly within the Government category, it has been proposed that the term “NFPGs” be removed and replaced by “Sporting or Recreational Groups” and “Volunteers”. A further additional category “Charitable / Religious” is now also included in order to capture these specialised groups. While it is likely these Charitable / Religious groups can provide a rent other than a cost neutral maintenance fee, in recognition of the community benefit they provide a 50% discount is recommended.

Further to this additional category, it has been noted that Government entities are also relatively inconsistent with quantum of rent and the previous guide “By Negotiation” was not clear. It is proposed a 50% discount starting point is used so that this obligation is consistent. However acknowledging that Child Health Clinics are run by the Department of Health and would be classed as Government, they have been separated as a further category due to the service that they provide and the lack of funding available.

The new proposed categories are shown as follows with major changes shaded:

Cat. No.	Tenant Description	Reference	Method of Calculation of Lease Fees	Tenant Responsibilities
1.	Government	A group or organisation that is either a Statutory body being a Commonwealth, State or Local Government Authority or Agency, or any other body that is grant funded for the purpose of carrying on the activity in question and that body derives a level of income from such activity.	By Negotiation (Market Valuation discounted by 50%)	Cleaning, consumables, repairs, rates and taxes, maintenance, insurances and all outgoing associated with the facility.
2.	Charitable/ Religious	A group or organisation that is predominantly grant funded for the purpose of carrying on the activity in question and that body derives a level of income from such activity.	By Negotiation (Market Valuation discounted by 50%)	Cleaning, consumables, repairs, rates and taxes, maintenance, insurances and all outgoing associated with the facility.
3.	Commercial	Being non-exempt dispositions under the <i>Local Government Act 1995</i> . Where that activity being undertaken is essentially a profit making venture as distinct from fundraising, regardless of whether the body is incorporated or not.	By Negotiation (at Full Market Value)	Cleaning, consumables, repairs, rates and taxes, maintenance, insurances and all outgoing associated with the facility.
4.	Retail	Being non-exempt dispositions under the <i>Local Government Act 1995</i> . Where that activity being undertaken is essentially a profit making venture as distinct from fundraising, regardless of whether the body is incorporated or not.	By Negotiation (at Full Market Value) and the <i>Commercial Tenancy (Retail Shops) Agreements Act 1985</i>	Cleaning, consumables, repairs, rates and taxes, maintenance, insurances and all outgoing associated with the facility.
5.	Residential	Those tenancy arrangements governed by the <i>Residential Tenancies Act 1987</i> and / or the <i>Residential Park (Long-stay Tenants) Act 2006</i> & Regulations.	By Negotiation (at Full Market Value) subject to the <i>Residential Tenancies Act 1987</i> and the <i>Residential Park (Long-stay Tenants) Act 2006</i> & Regulations.	Cleaning, consumables, repairs, rates and taxes, maintenance, insurances and all outgoing associated with the facility.
6.	Sporting or Recreational	Being sporting and recreational groups (whether incorporated or not) that would be deemed exempt dispositions under the <i>Local Government Act 1995</i> , excluding Wanneroo Raceway	Full maintenance fees payable applicable to that Facility	Cleaning, consumables, rates and taxes, insurances and all outgoing associated with the facility. All maintenance and repairs will be undertaken by the City
7.	Volunteers	Member based not for profit group made up of mostly community representatives and volunteers, (whether incorporated or not) set	Maintenance fees discounted by 50%	Cleaning, consumables, rates and taxes, insurances and all outgoing associated with the

		up to provide help and raise money for those in need and deemed exempt dispositions under the <i>Local Government Act 1995</i> .		facility. All maintenance and repairs will be undertaken by the City
8.	Child Health Clinics	Services provided by community child health nurses, employed by WA Health, deemed exempt dispositions under the <i>Local Government Act 1995</i> .	Peppercorn (\$1)	Cleaning, consumables, rates and taxes, insurances and all outgoings associated with the facility. All maintenance and repairs will be undertaken by the Department.
9.	Other	Wanneroo Raceway Ground Lease	By Negotiation (at Full Market Value)	Cleaning, consumables, repairs, rates and taxes, maintenance, insurances and all outgoings associated with the facility including those of a structural nature.

A full tracked comparison of the 2015 and 2017 policy is shown as **Attachment 1**. As an overview, the main alterations include:

Leasing Policy 2015	Leasing Policy 2017
Old template	New template
Categories not numbered	Categories numbered for ease of reference and applied throughout the document
Seven (7) Categories of Leasing	Nine (9) Lease Categories, 2 x Not for Profit Groups (now Sporting/Recreational and Volunteer) and new Charity/Religious Group, plus additional Child Health Clinic category
Government Category "by negotiation" lease fee	Government Category 50% of market valuation lease fee
2 x Not for Profit Group categories "maintenance fee only". City to undertake maintenance.	Divided into Sporting or Recreational and Volunteer Groups no change to maintenance fee arrangements for these categories. New Charity/Religious category at 50% of market valuation lease fee (maintenance obligations now undertaken by the group, not the City)
Freehold land not to be used by Not for Profit Groups	All categories can use freehold land if they are willing to pay full market value rent
"Negotiated" lease fee for commercial activity via sublease arrangement	20% of profits from sublease payable to the City
Maintenance fees not reviewed	Maintenance fees reviewed annually and CPI may apply
Delegations not captured	Delegated authority included for leases, licenses and variations where approved by Council. Minor variation criteria in accordance with delegation 1.13A has been captured.
"Barbagallo Raceway" category	Changed to "Other" category

Further minor formatting and grammatical changes have been included for simplicity and clarification purposes.

Consultation

All relevant teams within Administration including the Executive Leadership Team have been consulted and their input has been captured within the Policy.

Comment

Should the revised Leasing Policy be endorsed, the Policy will take immediate effect. Any tenant who wishes to enter into a new lease in respect of a City facility will do so under the revised Leasing Policy (supported by the internal management procedure).

It should be noted that any categories that are still operating under an existing lease in accordance with the historical Tenancy Policy, will still be required to meet their previous maintenance obligations to the best of their ability and lease inspections will be managed accordingly. It is envisioned that after approximately five years, the majority of leases will fall in line with the new Leasing Policy.

By adopting the proposed Leasing Policy a clearer and more equitable approach will be realised across all lease categories.

Statutory Compliance

The Leasing Policy compliments existing legislative requirements under 3.58 of the *Local Government Act 1995*.

Strategic Implications

The proposal aligns with the following objective within the Strategic Community Plan 2017 – 2027:

“4 Civic Leadership

4.2 Good Governance

4.2.1 Provide transparent and accountable governance and leadership”

Risk Management Considerations

Risk Title	Risk Rating
Relationship Management	Moderate
Accountability	Action Planning Option
Executive Management Team	Manage

The above risk relating to the issue contained within this report has been identified and considered within the City's Strategic risk register. Action plans have been developed to manage this risk to support existing management systems.

Policy Implications

This Policy will supersede the Leasing Policy adopted in 2015 by Council.

Financial Implications

In 2015 the Leasing Policy report to Council outlined a cost for each NFPG (now SRVGs) to total approximately \$70,000 in income (offset by maintenance costs) for maintenance fees. However this fee is only an estimate as the City has not historically undertaken any maintenance or repair work. By undertaking maintenance and repair work going forward the City will be able to amend fees if required to reflect actual costs incurred should they be too low or too high as per the revised policy.

The City may derive an increased income from rent from the new category of Charitable / Religious and various existing Government groups as some previous arrangements have

been inconsistent at a peppercorn or highly discounted rate. Over time as leases are renewed there may be a notable increase in revenue.

It is important to note that the City has identified the need to increase non-rate income as a means to provide greater equity and reduce reliance on rates income. This point was also identified at budget workshops where the City's fees and charges revenue was only half of the average of comparable councils. Council has established the Revenue Review Committee to investigate options.

Voting Requirements

Simple Majority

Recommendation

That Council APPROVES the revised Leasing Policy as shown as Attachment 2.

Attachments:

- | | | | |
|-----------------------|--|-----------|---------|
| 1 ↓ . | COMPARISON 2015 V 2017 LEASING - TRACK CHANGES | 17/415456 | |
| 2 ↓ . | FINAL LEASING POLICY - DRAFT DEC 2017 | 17/415450 | Minuted |



Policy Manual



Policy Manual

Leasing Policy

Policy Owner: Property Services
Contact Person: Coordinator Leasing & Land Manager Property Services
Date of Approval: CS05-09/15 – 15 September 2015 5 December 2017

POLICY STATEMENT

POLICY OBJECTIVE

"The purpose of this Policy is to provide a framework and basic principles for Tenant arrangements at City owned and managed facilities (including land) ~~(Facilities) that:~~."

POLICY OBJECTIVE

- ~~provides~~provide a consistent, ~~and~~ equitable ~~and simple~~ approach to ~~tenure~~ arrangements for all Tenants;
- ~~aligns~~align with ~~the City's Integrated Planning Framework, through the objectives outlined~~priorities in the City's Strategic Community Plan ~~(2013 – 2023);~~;
- ~~ensures~~ensure that the usage of Facilities meets a worthwhile need for the local community, thereby providing a benefit for the local community;
- ~~ensures~~ensure that use and/or membership is available to local residents; ~~in the case of Categories 2, 6, 7, 8 and 9 (Annexure 1);~~
- ~~ensures the~~ensure all Facilities are maintained to a high standard ~~and, have appropriate access for all current and future Tenants (and their staff/patrons) and are managed safely and effectively;~~
- ~~provides~~provide guidance to Administration to assess and negotiate Lease agreements; and
- ~~provides a financial~~provide an appropriate return to the City ~~in the case of Commercial Leases.~~

SCOPE

POLICY STATEMENT

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Policy Manual



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The City recognises that all Tenants within the Wanneroo locality are valuable to the community through ~~providing the provision of~~ commercial, ~~government~~, sporting or charitable services and therefore the City's main objective is to provide a consistent and equitable approach to each user group. ~~In order to achieve a fair approach to all groups the following terms will apply to each Lease:~~

This Policy applies to all Facilities including sporting, recreational, community, commercial, industrial, government, residential and Caravan Park where the use of the Facility, or land, is not governed by the Facility Hire and Use Policy.

IMPLICATIONS (Strategic, Financial, Human Resources)

Equitable Approach

In order to achieve a non-discriminatory approach to all groups the following terms will apply to each Lease/Licence:

- All Lease proposals will require a formal submission (including a comprehensive business plan) from the interested user group, club or organisation, or other entity requesting exclusive use of a Facility for a fixed term, other than for use in accordance with the City's Facility Hire and Use Policy.
- Any new Lease arrangement will require evidence that the proposed service provides ~~aan identified~~ need ~~toof~~ the community within the CityWanneroo district, and should be such that, were it not provided, the City may need to consider doing so ~~(excluding Sporting Clubs)-~~.
- Each Tenant shall be classified into a specific category described ~~below in~~ Annexure 1. The type of category will determine the method of dealing and rent and/or maintenance fee payable when negotiating a Lease.
- Lease inspections will occur ~~on a regular basis~~ annually by the City, with ~~representatives from Building Maintenance, Health Services and Property Services and will include contractors from the City (where applicable). Sufficient~~ prior sufficient notice ~~will be given to Tenants beforehand~~.
- Wherever practicable Categories 3-5 should be the only Tenants who lease Freehold land (unless that Freehold land is a dedicated Community Facilities Purpose Site). All other categories will be located/leased on Crown Land, managed by the City (as opposed to Freehold Land), in order to realise the economic value of Freehold land/the land, unless under a full commercial rental arrangement.
- Any new Lease/tenancy arrangement should be negotiated on the terms set out in this Policy in conjunction with the accompanying Management Procedure and other supporting documents.



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- ~~No recognition of prior investment by the Tenant to the capital cost of constructing the Leased Facilities shall be given.~~
- Where Commercial activity is undertaken by a subtenant/sublicensee then a negotiated Lease 20% rent fee will be payable by the Tenant to the City, regardless of whether or not the activity is related to the activity being carried out by the Tenant.
- In circumstances where the Leased area is the subject of a Head Lease the Sublease rental shall be at least equal to the rental payable under the Head Lease and the term will must expire at least one day prior to that of the Head Lease.
- Where the user of a Facility enjoys exclusive use of either part or all of that Facility then that arrangement shall be the subject of an appropriately negotiated Lease, subject to Council approval (or delegation) and where appropriate, the approval of the WAPC and the Department of Planning, Lands & Heritage.
- ~~Due to the uncertainties surrounding future land use, economic factors, and other longer-term considerations that may impact on the management of City's Leased Facilities, Lease tenure (other than for the Commercial, Retail Categories 1-4 and in some cases the Government category 9) will not generally be negotiated for a term, including options, longer than ten (10) years. If longer, these Leases may include a break clause with twelve (12) months' notice with no compensation payable for the remaining term.~~
- ~~Where~~ However, where a Tenant ~~has invested~~ invests significant funds or improvements into a Facility and if the Lease is a Land Lease, a longer tenure period may be considered, noting that any Lease period longer than twenty (20) years will require WAPC approval ~~by the WAPC~~.
- ~~Upon the Lease expiry, no recognition of prior investment by the Tenant to the capital cost of constructing the Leased Facilities shall be considered.~~
- Where a Tenant is responsible for the construction of a Facility or makes any structural additions or improvements to a Facility, (Land Lease), the Tenant will be responsible for maintaining those structures for the initial term and any option periods (if applicable) of the Tenant's respective Lease.
- Relevant Leases will be negotiated based on market value and/or by negotiation (unless they are for NFPG on Crown land See Annexure 1).
- ~~All Leases will be subject to Council approval unless they are capable where an appropriate delegation of approval authority authorises the Chief Executive Officer (or other City officers) to approve the Lease/Licence.~~
- Lease or Licensing Variation requests must be received in writing with appropriate justification.
- Any Lease or License Variation may be approved under delegated authority, if it is considered a minor variation, including but not limited to:
 - Lease fee An area increase of no more than 50%;
 - Rent discount/abatement at of no more than twelve (12) months;



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- Clause amendments or adjustments that present a low risk to the beginning-of a-City; and
 - Entity rebranding/name changes where the operation remains the same.
- Any increase to the lease area will require advertising in accordance with legislation (unless it is an exempt disposition).
- Lease ~~termin~~incentives may be considered by Council (or as delegated) across all categories with the exception of Residential, in order to assist with establishing new Facilities and/or to attract new businesses/tourism to the City.
- Only in extenuating circumstances will reduction, an abatement period or exemption of Lease rent or maintenance fees apply to any lease/licence. For any reduction, abatement period or exemption, the group or organisation making the request will be obliged to provide sufficient evidence and justification, including audited copies of the most recent financial accounts and will be encouraged to explore alternative options such as obtaining a grant. Approval may be determined by the Chief Executive Officer (or other officer in accordance with delegated authority).

Categories

Subject to any overriding land and legislative compliance ~~issues~~requirements, if the use of Facilities is exclusive, then, for the purpose of tenancy negotiations, the Tenant shall be classified into one of the categories outlined in **Annexure 1**.

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Council City Rates

- Section 6.26(1) of the *Local Government Act 1995* states that "Except as provided in this section all land within a district is rateable land." Section 6.26(2) of the Act provides for circumstances where land is not rateable and more specifically section 6.26(2)(b) provides that land "...owned by the local government and is used for the purposes of that local government ..." would be exempt. Therefore the use of a Facility by a Tenant is not considered exempt.

Not for Profit Sporting, Recreational and Volunteer Groups on Crown Land

- Due to the recognised community benefit ~~the NFPG Sporting, Recreational and Volunteer Groups (SRVG)~~ provide, ~~NFPG SRVG's~~ will only be required to pay a Lease ~~feerent~~ for maintenance ~~costs fees~~ for their specific Leased Facility (plus GST if applicable).
- ~~NFPG Maintenance fees will be reviewed annually and Consumer Price Index increases may apply.~~
- ~~SRVG's~~ are not required or obligated to undertake any maintenance or repairs at the Facilities except those relating to cleaning and consumables.
- ~~NFPG SRVG's~~ are to report any maintenance, damage or repair requirements to the City in a timely manner.
- All maintenance and repair requests will be considered by the relevant City officer/s and only undertaken if ~~considered deemed~~ necessary.
- If it is considered that repairs caused by damage are solely attributable by a Tenant, repairs may be undertaken by the City, ~~but with~~ the City ~~reserves reserving~~ its right to recover ~~extra all~~ costs for those repairs.
- ~~The City attends to any deemed necessary~~ Approved maintenance or repairs ~~will be undertaken by the City~~ within a reasonable timeframe ~~and to a high standard.~~
- Any Commercial Activity by a ~~NFPG SRVG~~ will require the City's prior approval.
- Where exclusive use is provided to a ~~NFPG SRVG~~ over a small portion of a building a standard Lease may not be practical. A simplified Lease ~~(or Licence)~~ in these instances is considered a more appropriate arrangement (refer Management Procedure).
- ~~Only in extenuating circumstances will reduction or exemption of Lease fees apply. For any rent reduction or exemption, the group or organisation making the request will be obliged to provide audited copies of the most recent financial accounts and will be encouraged to explore grant options. The decision for rent reduction or exemption may be determined by the Chief Executive Officer under delegated authority.~~

~~The City recognises that the previous Tenancy Policy adopted in 2004 provided the NFPG with peppercorn Leases (\$1 annual rent) in exchange for the NFPG performing all~~

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~~maintenance duties at their premises. So as to not penalise Tenants with Leases that have immediate or short expiration dates following the date of the adoption of this policy, any new Leases expiring within a short timeframe will be left in hold over for no more than two (2) years following the adoption of this policy before any maintenance fees take effect.~~

Land/Ground Leases

- Where a Lease arrangement is negotiated over City owned or managed land and the improvements to the land are to be (or have been) constructed either in their entirety or predominantly by the Tenant and the City has no requirement for such improvements to remain on the land at the expiration or sooner determination of the Lease, then the Lease shall be a Land Lease ~~(refer Management Procedure).~~
- In the event of a Land Lease where improvements have been produced by the Tenant, maintenance and repairs by that Tenant will also include those of a structural nature. The City shall stipulate whether, at the determination of the Lease, the improvements shall remain and ownership transfer to the City or such improvements shall be removed at the Tenant's cost.

Lease FeesRent

Refer Management Procedure Annexure 1

Licence Agreements

In certain situations, an arrangement for the non-exclusive use of Facilities will arise which are not covered under the City's Facility Hire and Use Policy. Given the nature of such arrangements it is appropriate for the City, subject to Council approval, to ~~enter into a licence agreement, noting grant a Licence acknowledging~~ that Lease and Licence arrangements may overlap from time to time.

SCOPE

~~This policy is relevant to all Facilities including sporting, recreational, community, commercial, industrial, residential and caravan park where the use of the Facility, or land, is not provided for under the Facility Hire and Use Policy.~~

BACKGROUND

~~The original Tenancy Policy was adopted by Council in May 2004, replacing the previous "Lease Policy" and portion of the "Setting Fees and Charges Policy" in relation to Lease fees. The Tenancy Policy was then updated in 2009, and subsequently reviewed throughout 2012-2014.~~

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CONSULTATION WITH STAKEHOLDERS

- | | |
|--|--|
| <ul style="list-style-type: none"> Property Services Planning Implementation Community Development Infrastructure Maintenance Health Services | <ul style="list-style-type: none"> Governance Building Services Department of Lands Executive Management Team Council |
|--|--|

IMPLICATIONS (Financial, Human Resources)

There are dedicated personnel within the Property Services unit that manage and administer the Leasing requirements. Staff from Infrastructure Maintenance and Health Services will also be required to assist Property Services during inspections from time to time and undertake maintenance and repairs to Facilities where applicable.

IMPLEMENTATION

Two (2) years following adoption/implementation of this Policy, any applicant who wishes to enter into a new Lease in respect of a Facility with the City will do so under this Policy in conjunction with the Management Procedure.

Any Leases that expire between the Policy adoption and the two (2) year period will remain in holdover/take effect immediately for that time. Any/all existing Leases exceeding the two (2) year period will remain in place until the expiry of that Lease. During any and future leases subject to existing Lease period or holding over, and until any new Lease under this policy is agreed, the NFPG will still be required to meet their previous maintenance obligations to the best of their ability in accordance with their current Lease/Licence documentation conditions.

ROLES AND RESPONSIBILITIES

The Property & Leasing Officers will be responsible for the administration, enforcement, publication and compliance of the Policy and any need for further clarification will be referred to the Coordinator Leasing & Land Manager Property Services.

Inspections will be coordinated by the Property Services Unit and carried out by, Property Services, Infrastructure Building Maintenance, Health Services (public buildings and food premises only) and external contractors of the City as required, with appropriate feedback given to the Tenant and/or repairs undertaken by the City in accordance with the terms of the Lease agreement.

DISPUTE RESOLUTION (If applicable)

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All disputes relating to the condition of Facilities will be referred to the Manager Infrastructure/Asset Maintenance.

All other disputes in regard to this Policy that cannot be resolved by Property Services will be referred to the Director Corporate Strategy & Performance in the first instance. In the event that an agreement cannot be reached, the matter will be submitted to Council/the Chief Executive Officer for determination.

WHO NEEDS TO KNOW ABOUT THIS POLICY?

- | | |
|--|--|
| <ul style="list-style-type: none"> Property Services Planning Implementation Legal Services Community Development Infrastructure Maintenance Health Services | <ul style="list-style-type: none"> Building Maintenance The Department of Lands The Western Australian Planning Commission Governance Tenants |
|--|--|

EVALUATION AND REVIEW PROVISIONS

- Fair and equitable Leasing arrangements in place;
- Leasing documentation in accordance with relevant legislation; and
- High standard and safe Facilities across all categories.

DEFINITIONS

City: City of Wanneroo

Charitable/Religious Groups: Not for Profit groups generally formed for religious purposes, predominantly grant funded and that of which derive a level of income from such activity.

Council: a body of people/individuals, elected by City residents/ratepayers, to manage the affairs of the City

Crown Land: public land owned by the State of Western Australia and managed by the City pursuant to a Management Order

Commercial Activity: an activity generating income by the Tenant (or its subtenant/licensee) from ongoing activities, or a specific event, that has financial profit as its primary aim or where such activity is conducted by a non-exempt body or organisation under the Local Government Act 1995. This is not intended to include clubs undertaking normal fund-raising/fundraising activities for club members (including bar operations).

Department of Planning, Lands & Heritage: a government body appointed to manage Western Australia's Crown Landland

Facility/Facilities: land or building owned or managed by the City

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Freehold Land: land owned by the City in perpetuity

Head Lease: the original Lease between the Tenant/lessee and the landlord/lessor

Land Lease: also known as a ground lease. An agreement in which a Tenant is permitted to develop a piece of land during the lease term, after which the land and all improvements revert to the City.

Lease: a contract by which one party conveys land, property or services to another for a specified time usually in return for a periodic payment

Licence: an arrangement for the non-exclusive use of a Facility not covered under the City's current Facility Hire & Use Policy

NFPG means Not For Profit Group/s: sporting, recreational and community/charity groups, (including football clubs, soccer clubs, sports and social clubs, surf life saving clubs and the like) whether incorporated or not, that would be deemed exempt dispositions under the *Local Government Act 1995*. **Not for Profit:** The term Not for Profit generally relates to incorporated bodies. Those bodies are not necessarily precluded from making profits but are regulated by the *Associations Incorporation Act 1987/2015* so as members of the association are not entitled to share in any pecuniary profits.

SRVG means Sporting, Recreational or Volunteer Groups: Not for Profit groups of a sporting, recreational and community nature, (including football clubs, athletics clubs, soccer clubs, sports and social clubs, surf lifesaving clubs, Men's Sheds, Scouts and the like), whether incorporated or not, that would be deemed exempt dispositions under the *Local Government Act 1995*.

Residential: area primarily used for housing

Retail Business: a business that wholly or predominantly involves the sale of goods to the public in relatively small quantities for use or consumption rather than for resale

Sporting Club: incorporated association, (sometimes athletics club) a club for the purpose of playing one or more sports

Strategic Plan: the City's process defining its approach in order to make decisions on allocating its resources to pursue its direction

Sublease: a lease by a Tenant of part or all of the Facility/land to another person/entity but with the original Tenant retaining some right or interest under the original Lease.

Tenant/s: a person or persons who occupy a Facility, Leased from the City, also known as ~~tenant~~lessee

Variation: a change, removal or slight alteration to a Lease or License condition/clause.

WAPC means the Western Australian Planning Commission: being a statutory authority of the Government of Western Australia that exists to coordinate planning for future land use and transport needs

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RELEVANT POLICIES/MANAGEMENT PROCEDURES/DOCUMENTS OR DELEGATIONS

Leasing Management Procedure ~~Trim (15/10570)~~

REFERENCES

Local Government Act 1995

Commercial Tenancy (Retail Shops) Agreements Act 1985

~~Local Government Act 1995~~

Residential Tenancies Act 1987

Residential Park (Long-stay Tenants) Act 2006 & Regulations

Land Administration Act 1997

Planning & Development Act 2005

Town of Cambridge Leasing Policy

Associations Incorporation Act 2015

RESPONSIBILITY FOR IMPLEMENTATION

Property Services (Corporate Strategy & Performance)

Version	Next Review	Record No:
<u>45</u>	1 January 2018 February <u>2022</u>	<u>15/1055217/397764</u>

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ANNEXURE 1 – CATEGORIES OF TENANTS

Category No.	Tenant Description	Reference	Method of Calculation of Lease Fees	Tenant Responsibilities	Inserted
1.	Government	A group or organisation that is either a Statutory body being a Commonwealth, State or Local Government Authority or Agency, or any other body that is grant funded for the purpose of carrying on the activity in question and that body derives a level of income from such activity.	By Negotiation: <u>(Market Valuation discounted by 50%)</u>	Cleaning, consumable repairs, rates and taxes, maintenance, insurances and all outgoings associated with the facility.	Formatted
2.	Charitable/ Religious	<u>A group or organisation that is predominantly grant funded for the purpose of carrying on the activity in question and that body derives a level of income from such activity.</u>	By Negotiation <u>(Market Valuation discounted by 50%)</u>	<u>Cleaning, consumables, repairs, rates and taxes, maintenance, insurances and all outgoings associated with the facility.</u>	Formatted
3.	Commercial	Being non-exempt dispositions under the <i>Local Government Act 1995</i> . Where that activity being undertaken is essentially a profit making venture as distinct from fundraising, regardless of whether the body is incorporated or not.	By Negotiation (at Full Market Value)	Cleaning, consumable repairs, rates and taxes, maintenance, insurances and all outgoings associated with the facility.	Formatted
4.	Retail	Being non-exempt dispositions under the <i>Local Government Act 1995</i> . Where that activity being undertaken is essentially a profit making venture as distinct from fundraising, regardless of whether the body is incorporated or not.	By Negotiation (at Full Market Value) <u>and the Commercial Tenancy (Retail Shops) Agreements Act 1985</u>	Cleaning, consumables, repairs, rates and taxes, maintenance, insurances and all outgoings associated with the facility.	Formatted
5.	Residential	Those tenancy arrangements governed by the <i>Residential Tenancies Act 1987</i> and / or the <i>Residential Park (Long-stay Tenants) Act 2006</i> & Regulations.	By Negotiation (at Full Market Value) subject to the <i>Residential Tenancies Act 1987</i> and the <i>Residential Park (Long-stay Tenants) Act 2006</i> & Regulations.	Cleaning, consumable repairs, rates and taxes, maintenance, insurances and all outgoings associated with the facility.	Formatted
	WA Sporting Car Club - Barbagallo Raceway	Deemed an exempt disposition under the Local Government Act 1995 and not necessarily precluded from making profits but are regulated by the Associations Incorporation Act 1987 so as members of the association are not entitled to share in any pecuniary profits.	As per the Lease	Cleaning, consumables, repairs, rates and taxes, maintenance, insurances and all outgoings associated with the facility.	
NOT FOR PROFIT GROUPS (NFPG)					
6.	Not for Profit Groups	Being sporting and recreational groups (whether incorporated or not) that would be deemed exempt dispositions under the <i>Local Government Act 1995</i> , excluding <i>WA Sporting Car Club - Barbagallo Wanneroo Raceway</i> . The term Not for Profit generally relates to incorporated bodies. Those bodies are not necessarily precluded from making profits but are regulated by the <i>Associations Incorporation Act 1987</i> so as members of the association are not entitled to share in any pecuniary profits.	Full maintenance fees payable <u>and in accordance with Council approval applicable to that Facility</u>	Cleaning, consumables, rates and taxes, insurances and all outgoings associated with the facility.	Formatted
	Sporting or Recreational Groups			All maintenance and repair will be undertaken by the City	Formatted
Not For Profit Groups	Volunteers	Being charity groups Member based not for profit group made up of mostly community representatives and volunteers, (whether incorporated or not) set up to provide help and raise money for those in need, that would be	Maintenance fees discounted <u>atby 50% and in accordance with Council approval.</u>	Cleaning, consumables, rates and taxes, insurances and all outgoings associated with the facility.	Formatted



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<u>Groups</u>		<u>and</u> deemed exempt dispositions under the <u>Local Government Act 1995</u> . <u>The term Not for Profit generally relates to incorporated bodies. Those bodies are not necessarily precluded from making profits but are regulated by the Associations Incorporation Act 1987 so as members of the association are not entitled to share in any pecuniary profits.</u>		<u>All maintenance and repairs will be undertaken by the City</u>
<u>7.</u>				
<u>8.</u>	<u>Child Health Clinics</u>	<u>Services provided by community child health nurses, employed by WA Health, deemed exempt dispositions under the Local Government Act 1995.</u>	<u>Peppercorn (\$1)</u>	<u>Cleaning, consumables, rates and taxes, insurances and all outgoings associated with the facility. All maintenance and repairs will be undertaken by the Department.</u>
<u>9.</u>	<u>Other</u>	<u>Wanneroo Raceway Ground Lease</u>	<u>By Negotiation (at Full Market Value)</u>	<u>Cleaning, consumables, repairs, rates and taxes, maintenance, insurances and all outgoings associated with the facility including those of a structural nature.</u>

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Leasing Policy

Policy Owner:	Property Services
Contact Person:	Manager Property Services
Date of Approval:	5 December 2017

POLICY STATEMENT

"The purpose of this Policy is to provide a framework and basic principles for Tenant arrangements at City owned and managed facilities (including land) (**Facilities**)."

POLICY OBJECTIVE

- provide a consistent and equitable approach to tenure arrangements for all Tenants;
- align with priorities in the City's Strategic Community Plan;
- ensure that the usage of Facilities meets a worthwhile need for the local community, thereby providing a benefit for the local community;
- ensure that use and/or membership is available to local residents in the case of Categories 2, 6, 7, 8 and 9 (Annexure 1);
- ensure all Facilities are maintained to a high standard, have appropriate access for all current and future Tenants (and their staff/patrons) and are managed safely and effectively;
- provide guidance to Administration to assess and negotiate Lease agreements; and
- provide an appropriate return to the City.

SCOPE

The City recognises that all Tenants within the Wanneroo locality are valuable to the community through the provision of commercial, government, sporting or charitable services and therefore the City's main objective is to provide a consistent and equitable approach to each user group.

This Policy applies to all Facilities including sporting, recreational, community, commercial, industrial, government, residential and Caravan Park where the use of the Facility, or land, is not governed by the Facility Hire and Use Policy.

IMPLICATIONS (Strategic, Financial, Human Resources)

Equitable Approach

In order to achieve a non-discriminatory approach to all groups the following terms will apply to each Lease/Licence:



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- All Lease proposals will require a formal submission (including a comprehensive business plan) from the interested user group, club or organisation, or other entity requesting exclusive use of a Facility for a fixed term, other than for use in accordance with the City's Facility Hire and Use Policy.
- Any new Lease arrangement will require evidence that the proposed service provides an identified need of the community within the Wanneroo district, and should be such that, were it not provided, the City may need to consider doing so.
- Each Tenant shall be classified into a specific category described in **Annexure 1**. The type of category will determine the method of dealing and rent and/or maintenance fee payable when negotiating a Lease.
- Lease inspections will occur annually by the City, with prior sufficient notice given to Tenants.
- Wherever practicable Categories 3-5 should be the only Tenants who lease Freehold land (unless that Freehold land is a dedicated Community Purpose Site). All other categories will be leased on Crown Land, managed by the City in order to realise the economic value of the land, unless under a full commercial rental arrangement.
- Any new tenancy arrangement should be negotiated on the terms set out in this Policy in conjunction with the accompanying Management Procedure and other supporting documents.
- Where Commercial activity is undertaken by a subtenant/sublicensee then a 20% rent fee will be payable by the Tenant to the City, regardless of whether or not the activity is related to the activity being carried out by the Tenant.
- In circumstances where the Leased area is the subject of a Head Lease the Sublease rental shall be at least equal to the rental payable under the Head Lease and the term must expire at least one day prior to that of the Head Lease.
- Where the user of a Facility enjoys exclusive use of either part or all of that Facility then that arrangement shall be the subject of an appropriately negotiated Lease, subject to Council approval (or delegation) and where appropriate, the approval of the WAPC and the Department of Planning, Lands & Heritage.
- Due to the uncertainties surrounding future land use, economic factors and other longer-term considerations that may impact on the management of City's Leased Facilities, Lease tenure (other than for Categories 1-4 and 9) will not generally be negotiated for a term, including options, longer than ten (10) years. If longer, these Leases may include a break clause with twelve (12) months' notice with no compensation payable for the remaining term. However, where a Tenant invests significant funds or improvements into a Facility and if the Lease is a Land Lease, a longer tenure period may be considered, noting that any Lease period longer than twenty (20) years will require WAPC approval.
- Upon the Lease expiry, no recognition of prior investment by the Tenant to the capital cost of constructing the Leased Facilities shall be considered.
- Where a Tenant is responsible for the construction of a Facility or makes any structural additions or improvements to a Facility (Land Lease), the Tenant will be responsible for maintaining those structures for the initial term and any option periods (if applicable) of the Tenant's respective Lease.
- Relevant Leases will be negotiated based on market value and/or by negotiation (See **Annexure 1**).



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- All Leases will be subject to Council approval unless where an appropriate delegation of authority authorises the Chief Executive Officer (or other City officers) to approve the Lease/Licence.
- Lease or Licensing Variation requests must be received in writing with appropriate justification.
- Any Lease or License Variation may be approved under delegated authority if it is considered a minor variation, including but not limited to:
 - An area increase of no more than 50%;
 - Rent discount/abatement of no more than twelve (12) months;
 - Clause amendments or adjustments that present a low risk to the City; and
 - Entity rebranding/name changes where the operation remains the same.
- Any increase to the lease area will require advertising in accordance with legislation (unless it is an exempt disposition).
- Lease incentives may be considered by Council (or as delegated) across all categories with the exception of Residential, in order to assist with establishing new Facilities and/or to attract new businesses/tourism to the City.
- Only in extenuating circumstances will reduction, an abatement period or exemption of Lease rent or maintenance fees apply to any lease/licence. For any reduction, abatement period or exemption, the group or organisation making the request will be obliged to provide sufficient evidence and justification, including audited copies of the most recent financial accounts and will be encouraged to explore alternative options such as obtaining a grant. Approval may be determined by the Chief Executive Officer (or other officer in accordance with delegated authority).

Categories

Subject to any overriding land and legislative compliance requirements, if the use of Facilities is exclusive, then, for the purpose of tenancy negotiations, the Tenant shall be classified into one of the categories outlined in **Annexure 1**.

City Rates

- Section 6.26(1) of the *Local Government Act 1995* states that "Except as provided in this section all land within a district is rateable land." Section 6.26(2) of the Act provides for circumstances where land is not rateable and more specifically section 6.26(2)(b) provides that land "...owned by the local government and is used for the purposes of that local government ..." would be exempt. Therefore the use of a Facility by a Tenant is not considered exempt.

Sporting, Recreational and Volunteer Groups

- Due to the recognised community benefit Sporting, Recreational and Volunteer Groups (SRVG) provide, SRVG's will only be required to pay a Lease rent for maintenance fees for their specific Leased Facility (plus GST if applicable).
- Maintenance fees will be reviewed annually and Consumer Price Index increases may apply.
- SRVG's are not required or obligated to undertake any maintenance or repairs at the Facilities except those relating to cleaning and consumables.
- SRVG's are to report any maintenance, damage or repair requirements to the City in a timely manner.



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- All maintenance and repair requests will be considered by the relevant City officer/s and only undertaken if deemed necessary.
- If it is considered that repairs caused by damage are solely attributable by a Tenant, repairs may be undertaken by the City, with the City reserving its right to recover all costs for those repairs.
- Approved maintenance or repairs will be undertaken by the City within a reasonable timeframe.
- Any Commercial Activity by a SRVG will require the City's prior approval.
- Where exclusive use is provided to a SRVG over a small portion of a building a standard Lease may not be practical. A simplified Lease (or Licence) in these instances is considered a more appropriate arrangement (refer Management Procedure).

Land/Ground Leases

- Where a Lease arrangement is negotiated over City owned or managed land and the improvements to the land are to be (or have been) constructed either in their entirety or predominantly by the Tenant and the City has no requirement for such improvements to remain on the land at the expiration or sooner determination of the Lease, then the Lease shall be a Land Lease.
- In the event of a Land Lease where improvements have been produced by the Tenant, maintenance and repairs by that Tenant will also include those of a structural nature. The City shall stipulate whether, at the determination of the Lease, the improvements shall remain and ownership transfer to the City or such improvements shall be removed at the Tenant's cost.

Lease Rent

Refer **Annexure 1**

Licence Agreements

In certain situations, an arrangement for the non-exclusive use of Facilities will arise which are not covered under the City's Facility Hire and Use Policy. Given the nature of such arrangements it is appropriate for the City, subject to Council approval, to grant a Licence acknowledging that Lease and Licence arrangements may overlap from time to time.

IMPLEMENTATION

Implementation of this Policy will take effect immediately for all existing and future leases subject to existing Lease/Licence documentation conditions.

ROLES AND RESPONSIBILITIES

The Property & Leasing Officers will be responsible for the administration, enforcement, publication and compliance of the Policy and any need for further clarification will be referred to the Manager Property Services.



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Inspections will be coordinated by Property Services and carried out by Property Services, Building Maintenance, Health Services (public buildings and food premises only) and external contractors of the City as required, with appropriate feedback given to the Tenant and/or repairs undertaken by the City in accordance with the terms of the Lease agreement.

DISPUTE RESOLUTION *(If applicable)*

All disputes relating to the condition of Facilities will be referred to the Manager Asset Maintenance.

All other disputes in regard to this Policy that cannot be resolved by Property Services will be referred to the Director Corporate Strategy & Performance in the first instance. In the event that an agreement cannot be reached, the matter will be submitted to the Chief Executive Officer for determination.

EVALUATION AND REVIEW PROVISIONS

- Fair and equitable Leasing arrangements in place;
- Leasing documentation in accordance with relevant legislation; and
- High standard and safe Facilities across all categories.

DEFINITIONS

City: City of Wanneroo

Charitable/Religious Groups: Not for Profit groups generally formed for religious purposes, predominantly grant funded and that of which derive a level of income from such activity.

Council: a body of individuals elected by City ratepayers to manage the affairs of the City

Crown Land: public land owned by the State of Western Australia and managed by the City pursuant to a Management Order

Commercial Activity: an activity generating income by the Tenant (or its subtenant/licensee) from ongoing activities, or a specific event, that has financial profit as its primary aim or where such activity is conducted by a non-exempt body or organisation under the *Local Government Act 1995*. This is not intended to include clubs undertaking normal fundraising activities for club members (including bar operations).

Department of Planning, Lands & Heritage: a government body appointed to manage Western Australia's Crown land

Facility/Facilities: land or building owned or managed by the City

Freehold Land: land owned by the City in perpetuity

Head Lease: the original Lease between the Tenant/lessee and the landlord/lessor

Land Lease: also known as a ground lease. An agreement in which a Tenant is permitted to develop a piece of land during the lease term, after which the land and all improvements revert to the City.

Lease: a contract by which one party conveys land, property or services to another for a specified time usually in return for a periodic payment



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Licence: an arrangement for the non-exclusive use of a Facility not covered under the City's current Facility Hire & Use Policy

Not for Profit: The term Not for Profit generally relates to incorporated bodies. Those bodies are not necessarily precluded from making profits but are regulated by the *Associations Incorporation Act 2015* so as members of the association are not entitled to share in any pecuniary profits.

SRVG means Sporting, Recreational or Volunteer Groups: Not for Profit groups of a sporting, recreational and community nature, (including football clubs, athletics clubs, soccer clubs, sports and social clubs, surf lifesaving clubs, Men's Sheds, Scouts and the like), whether incorporated or not, that would be deemed exempt dispositions under the *Local Government Act 1995*.

Residential: area primarily used for housing

Retail Business: a business that wholly or predominantly involves the sale of goods to the public in relatively small quantities for use or consumption rather than for resale

Sporting Club: incorporated association, a club for the purpose of playing one or more sports

Strategic Plan: the City's process defining its approach in order to make decisions on allocating its resources to pursue its direction

Sublease: a lease by a Tenant of part or all of the Facility/land to another person/entity but with the original Tenant retaining some right or interest under the original Lease.

Tenant/s: a person or persons who occupy a Facility, Leased from the City, also known as lessee

Variation: a change, removal or slight alteration to a Lease or License condition/clause.

WAPC means the Western Australian Planning Commission: being a statutory authority of the Government of Western Australia that exists to coordinate planning for future land use and transport needs

RELEVANT POLICIES/MANAGEMENT PROCEDURES/DOCUMENTS OR DELEGATIONS

Leasing Management Procedure

REFERENCES

Local Government Act 1995

Commercial Tenancy (Retail Shops) Agreements Act 1985

Residential Tenancies Act 1987

Residential Park (Long-stay Tenants) Act 2006 & Regulations

Land Administration Act 1997

Planning & Development Act 2005

Town of Cambridge Leasing Policy

Associations Incorporation Act 2015

RESPONSIBILITY FOR IMPLEMENTATION

Property Services (Corporate Strategy & Performance)

Version	Next Review	Record No:
5	1 February 2022	17/397764



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ANNEXURE 1 – CATEGORIES OF TENANTS

Category No.	Tenant Description	Reference	Method of Calculation of Lease Fees	Tenant Responsibilities
1.	Government	A group or organisation that is either a Statutory body being a Commonwealth, State or Local Government Authority or Agency, or any other body that is grant funded for the purpose of carrying on the activity in question and that body derives a level of income from such activity.	By Negotiation (Market Valuation discounted by 50%)	Cleaning, consumables, repairs, rates and taxes, maintenance, insurances and all outgoing associated with the facility.
2.	Charitable/ Religious	A group or organisation that is predominantly grant funded for the purpose of carrying on the activity in question and that body derives a level of income from such activity.	By Negotiation (Market Valuation discounted by 50%)	Cleaning, consumables, repairs, rates and taxes, maintenance, insurances and all outgoing associated with the facility.
3.	Commercial	Being non-exempt dispositions under the <i>Local Government Act 1995</i> . Where that activity being undertaken is essentially a profit making venture as distinct from fundraising, regardless of whether the body is incorporated or not.	By Negotiation (at Full Market Value)	Cleaning, consumables, repairs, rates and taxes, maintenance, insurances and all outgoing associated with the facility.
4.	Retail	Being non-exempt dispositions under the <i>Local Government Act 1995</i> . Where that activity being undertaken is essentially a profit making venture as distinct from fundraising, regardless of whether the body is incorporated or not.	By Negotiation (at Full Market Value) and the <i>Commercial Tenancy (Retail Shops) Agreements Act 1985</i>	Cleaning, consumables, repairs, rates and taxes, maintenance, insurances and all outgoing associated with the facility.
5.	Residential	Those tenancy arrangements governed by the <i>Residential Tenancies Act 1987</i> and / or the <i>Residential Park (Long-stay Tenants) Act 2006</i> & Regulations.	By Negotiation (at Full Market Value) subject to the <i>Residential Tenancies Act 1987</i> and the <i>Residential Park (Long-stay Tenants) Act 2006</i> & Regulations.	Cleaning, consumables, repairs, rates and taxes, maintenance, insurances and all outgoing associated with the facility.
6.	Sporting or Recreational	Being sporting and recreational groups (whether incorporated or not) that would be deemed exempt dispositions under the <i>Local Government Act 1995</i> , excluding Wanneroo Raceway.	Full maintenance fees payable applicable to that Facility	Cleaning, consumables, rates and taxes, insurances and all outgoing associated with the facility. All maintenance and repairs will be undertaken by the City
7.	Volunteers	Member based not for profit group made up of mostly community representatives and volunteers, (whether incorporated or not) set up to provide help and raise money for those in need and deemed exempt dispositions under the <i>Local Government Act 1995</i> .	Maintenance fees discounted by 50%	Cleaning, consumables, rates and taxes, insurances and all outgoing associated with the facility. All maintenance and repairs will be undertaken by the City
8.	Child Health Clinics	Services provided by community child health nurses, employed by WA Health, deemed exempt dispositions under the <i>Local Government Act 1995</i> .	Peppercorn (\$1)	Cleaning, consumables, rates and taxes, insurances and all outgoing associated with the facility. All maintenance and repairs will be undertaken by the Department.
9.	Other	Wanneroo Raceway Ground Lease	By Negotiation (at Full Market Value)	Cleaning, consumables, repairs, rates and taxes, maintenance, insurances and all outgoing associated with the facility including those of a structural nature.

CS07-12/17 Strategic Land Policy

File Ref: 26688 – 17/411571
 Responsible Officer: Director Corporate Strategy and Performance
 Disclosure of Interest: Nil
 Attachments: 1

Issue

To consider the adoption of a Strategic Land Policy.

Background

The proposed Strategic Land Policy was most recently discussed at Council Forum held on 27 November 2017. This follows consideration at a Budget workshop (Forum) held on 21 March 2017 which, in turn, contained a more detailed presentation that had previously been reviewed by Administration in July 2016.

Detail

The consideration by Administration and the review at the Budget Workshop resulted in the following objectives which are embodied in the proposed Policy:

- *To create property based income streams other than from Rates;*
- *To achieve superior planning and environmental outcomes;*
- *To address market failure in desirable planning solutions;*
- *To facilitate creation of local jobs (favourable economic outcome);*
- *To ensure appropriate use of City owned and controlled **Freehold** and **Crown lands**; and*
- *Divestment or development of identified City Owned or Crown land.*

The suggested Policy is attached as (**Attachment 1**)

Examples of actions under the Policy include the following:

- To achieve a planning solution such as high density housing around an activity centre
- To provide future industrial and commercial land to
 - Provide local employment
 - Generate non rates income
- To acquire residential or commercial buildings to earn income
- To acquire “opportunity” land holdings to develop and lease or sell
- To acquire housing in areas moving to higher densities and redevelop
- To convert unused or underutilised crown land to freehold, devoting the proceeds to improve public amenity
- To realise the value of existing Freehold land holdings by development and lease or sale
- To examine unused or poorly utilised Crown land, possibly realising by sale for the benefit of local public amenity (the City manages 996 parcels of Crown land, some of which no doubt fit the “Gosnells” model referred to in an earlier forum of Elected Members)

Consultation

Previous workshops with Administration, Executive and Elected Members have guided the principles of the proposed Policy.

Comment

The City recently entered into an expression of interest to acquire a parcel of land which would have fulfilled more than one of the principles, however on this occasion the City's bid was unsuccessful. Ownership would have ensured a desirable planning solution and provided a non-rates income stream. There are now (and will be in the future) further such opportunities such as land owned by the Servite order and State Government respectively in the Wanneroo Town Centre Precinct. The City currently owns in Freehold, some 104 assorted lots, a small number of which have development potential. These will be investigated via the Strategic Land Policy, if adopted.

The Policy calls for vigilance and market intelligence to ensure the City is aware of such opportunities in the future and will guide Administration in its activities in this area. Should the Policy be adopted by Council, it will be supported by procedures and guidelines including business case templates for each policy objective.

Statutory Compliance

Acquisitions and disposals of land will be subject to the provisions of the *Local Government Act 1995* and corresponding *Regulations*, and given the magnitude of possible transactions, the particular provisions relating to Major Land Transactions (s3.59) will be applicable.

Strategic Implications

The proposal aligns with the following objective within the Strategic Community Plan 2017 – 2027:

“4 Civic Leadership

4.2 Good Governance

4.2.2 Provide responsible resource and planning management which recognises our significant future growth”

Risk Management Considerations

Risk Title	Risk Rating
ST-G09 Long Term Financial Plan	Low
Accountability	Action Planning Option
Director Corporate Strategy & Performance	Manage

Risk Title	Risk Rating
ST-S04 Integrated Infrastructure & Utility Planning	Moderate
Accountability	Action Planning Option
Executive Leadership Team	Manage

Risk Title	Risk Rating
ST-S12 Economic Growth	Moderate
Accountability	Action Planning Option
Chief Executive Officer	Manage

Risk Title	Risk Rating
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ST-S23 Stakeholder Relationships	Moderate
Accountability	Action Planning Option
Chief Executive Officer	Manage

Risk Title	Risk Rating
CO-003 Land Development	Moderate
Accountability	Action Planning Option
Executive Leadership Team	Manage

Policy Implications

A number of existing Policies and Procedures are relevant and complimentary to the proposed Policy and these are listed in the Policy document.

Financial Implications

Significant funding may be required depending on options. This could take the form of Treasury loans, Bank loans or loans from the City's own unrestricted cash holdings, until the portfolio became self-funding.

The need for non-rates income is becoming increasingly evident and Administration understands that the City's ratio of non-rates to rates income is not favourable. There are real risks of rate capping or simply the political expediency of minimising rate increases and so it will become imperative that alternative income streams are sought. Income streams are more beneficial than single capital receipts which is why leasing is preferable to outright sale with the added advantage of ultimately controlling the use of the land.

Voting Requirements

Simple Majority

Recommendation

That Council ADOPT the Strategic Land Policy as detailed in Attachment 1.

Attachments:

1 [↓](#). Strategic Land Policy (pdf) 17/376576 Minuted



Policy Manual

Strategic Land Policy

Policy Owner:	Property Services
Contact Person:	Manager Property Services
Date of Approval:	Date the policy was approved by Council and Resolution Number

POLICY STATEMENT

The purpose of this policy is to deliver a structured and consistent approach to Land based, strategic, economic, community or environmental outcomes to fulfil the stated policy objectives whilst aligning with the Strategic Community Plan year. (SCP)

POLICY OBJECTIVES

- To create property based income streams other than from Rates;
- To achieve superior planning and environmental outcomes;
- To address market failure in desirable planning solutions;
- To facilitate creation of local jobs (favourable economic outcome);
- To ensure appropriate use of City owned and controlled **Freehold** and **Crown lands**; and
- Divestment or development of identified City Owned or Crown land.

SCOPE

This policy is to guide Administration in its Land management, acquisition, development and sale/lease activities. It will require a working group drawn from across various service units including:

- Property Services
- Strategic Land Use Planning
- Advocacy and Economic Development
- Strategic Finance
- Community Facilities

The team will be under the guidance and sponsorship of the Chief Executive Officer. The Strategic Lands Working Group will be formed following policy adoption, comprising the Directors from Planning & Sustainability and Corporate Strategy & Performance together with Managers from Property Services, Economic Development, Finance and Community Facilities.

The Working Group will report to the Executive Leadership Team (ELT) periodically and to Council annually.

IMPLICATIONS (Strategic, Financial, Human Resources)

This policy aligns with the SCP (Civic Leadership), Corporate Business Plan (CBP) and will be incorporated into respective Service Plans (SP).

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This policy will also address financial sustainability by producing new non-rates income streams.

Property Investment decisions will consider:

- *Strategic acquisitions (future planning) / and divestment;*
- *Options for land holdings (hold/develop/divest);*
- *Returns (profits) on funds employed;*
- *Use of Net Present Value (NPV) calculations with a discount rate of 2% above average City cash earnings rate;*
- *Risk associated with the proposal;*
- *Locality of the development/investment;*
- *Current market trends and conditions based on analysis and environmental scans;*
- *Market demand for, and supply of, the property in question;*
- *On-going costs relating to the provisions of building maintenance/refurbishment;*
- *Community objectives expected; and*
- *Appropriateness of the property and its use as an asset owned by a public authority.*

Property Divestment decisions will consider whether:

- *The property is being used for the purposes intended at the time of the acquisition;*
- *The property is serving an operational or community need;*
- *The property is facilitating service delivery objectives;*
- *The property may suit an alternative use;*
- *Property disposal would deliver better outcomes for the local community; and*
- *The property provides the expected return and represents an unacceptable risk to the City.*

Property Development/investment Opportunities will consider:

- *The potential to provide greater return than is presently being obtained by the invested funds;*
- *The Gross Realisation achievable;*
- *Provisions of market supply and demand, realistic development potential, capital growth, secured income and the potential for increase in resale value;*
- *Residential, industrial, commercial or community facilities (i.e. retirement village); and*
- *Scope for increasing the return on property assets if certain alterations, renovations and/or change of land use are made.*

Service & Infrastructure Commercialisation

- *Property management;*
- *Service review for City services;*
- *Recording of leasing opportunities, vacant office and retail space;*
- *Marketing of vacant property;*
- *Efficient and innovative use of existing infrastructure.*

Funding

A Strategic Land Reserve (SLR) is to be created initially seeded from the Strategic Reserve. Additionally, funds may be raised by external loans or Municipal funds. All proceeds or

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income from land disposals/rentals to be credited to the SLR with optional annual appropriations to defray required Rate Setting as decided by Council at end of each financial year. The balance of the SLR will be invested in property development projects and/or property investment purchases that will generate either viable short-term cash flows or long-term capital gains, or both.

IMPLEMENTATION

This policy will be supported by procedures and guidelines including business case templates for each policy objective. Expenditures and Sales income will be channelled through the discrete Reserve and a report will be presented to Council at least annually for incorporation into the Annual Report. Specific delegations will be requested.

ROLES AND RESPONSIBILITIES

This Policy is to be used to guide the Council and Administration staff in the various facets of Strategic Land Management.

DISPUTE RESOLUTION (If applicable)

Not applicable.

EVALUATION AND REVIEW PROVISIONS

The adopted policy will be evaluated as to its effectiveness in achieving its outcomes by annual reviews identifying projects undertaken with planned and actual returns achieved. Key performance indicators will include Profit, Cashflow, Community resource enhancement and Planning outcomes achieved to ensure that the policy is meeting objectives and accountability requirements.

DEFINITIONS

DEFINITIONS: Any definitions listed in the following table apply to this document only.	
SCP	Strategic Community Plan
NPV	Net Present Value – a model that reveals the sum of all future cash flows, brought back to today's value by use of a discount rate
Discount Rate	The rate at which to discount future cash flows, using the City's average cash earnings rate over the previous financial year plus 2% as a risk premium to equate to an equivalent investment risk profile.
CBP	Corporate Business Plan
SUP	Service Unit Plan
Freehold Land	Land owned by the City in Fee Simple
Crown Land	Land owned by the State of Western Australia, vested in the

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Gross Realisation	<p><i>City for a specific use or uses.</i></p> <p><i>The GST exclusive indicative price of a parcel of land calculated by deducting from the developed sale price all development costs and desired profit</i></p>
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RELEVANT POLICIES/MANAGEMENT PROCEDURES/DOCUMENTS OR DELEGATIONS

- *Procedure for acquisition, development and sale/lease of strategic landholdings*
- *Procedure for identification and acquisition of strategic landholdings to facilitate planning outcomes*
- *Procedure for obtaining ongoing market intelligence of land opportunities within the City and beyond*
- *Procedure for addressing underutilised Crown land and opportunities therein*
- *Terms of Reference for the Strategic Lands Working Group*
- *Specific delegations for Strategic Land acquisitions and related actions*
- *Panel of Real Estate professionals for market intelligence*
- *City's Risk Management guidelines and matrix*
- *Council endorsed risk tolerance*
- *City's Project Management Framework*
- *Listing of City Freehold lands*

Listing of Crown lands under City management

REFERENCES

This policy is to be read in conjunction with:

- *Leasing Policy (Trim 17/381992)*
- *Leasing Management Procedure (Trim 15/423231 v7)*
- *Sale of Land Management Procedure (Trim 16/14103)*
- *Strategic Budget Policy (Trim 15/156551)*
- *Risk Management Policy (Trim 15/491180)*
- *Long Term Financial Plan*
- *State job self-sufficiency targets (Directions 2031 and Beyond – Dept. of Planning)*
- *Local Government Act 1995 and Regulations (LGA)*
- *Land Administration Act (LAA)*
- *District Planning Scheme No.2 and relevant planning policies*

RESPONSIBILITY FOR IMPLEMENTATION

Manager Property Services

17/132940



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Version	Next Review	Record No:
1.0 - draft		17/132940

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Council & Corporate Support

CS08-12/17 Donations to be Considered by Council - December 2017

File Ref: 2855V02 – 17/414281
 Responsible Officer: Director Corporate Strategy and Performance
 Disclosure of Interest: Nil
 Attachments: Nil

Issue

To consider requests for sponsorships, donations and waiver of fees in accordance with the City's Donations, Sponsorships and Waiver of Fees and Charges Policy (Policy).

Background

The Policy requires applications over \$500 from individuals and organisations to be determined by Council. Consequently a report is prepared for Council meetings, coinciding with a period where applications of this nature have been received.

With respect to requests for sponsorships, the Policy specifies that for National Events the amount provided will be \$200.00 per individual, capped at \$600.00 per team, and for International Events the amount provided is \$500.00 per individual capped at \$1,500.00 per team. Schools are capped at \$2,000.00 per school per financial year.

Detail

During this period, the City has received nil sponsorship requests, nil community donation requests and one request for a waiver of fees and charges, which are summarised as follows. Copies of the full applications are available from Council and Corporate Support upon request.

Comment

Community Group Donations

Applicant 1 – Landsdale Community Wesleyan Methodist Church	
Request amount	\$1,279.70 plus 100% waiver of bond (\$850.00)
Description of request	100% waiver of bond, facility hire and bin hire at Warradale Hall and Park, plus electrician, portable toilets and Event Ambulance first aid station costs in order to hold the Landsdale Community Carols in the Park on 8 December 2017.
Criteria	Evaluation
Potential for income generation	Nil
Status of applicant organisation	Registered Charity
Exclusivity of the event or project	Open to all members of the public
Alignment with Council's existing philosophies, values and strategic direction	1.1 <i>Healthy and Active People</i> 1.1.1 <i>Create opportunities that encourage community wellbeing and active and healthy lifestyles</i>
Alternative funding sources available or accessed by the	\$2,500.00

organisation	
Contribution to the event or activity made by the applicant or organisation	\$3,500.00 plus 150+ hours volunteer time
Previous funding assistance provided to the organisation by the City	CD02-05/12 \$800.00 CD03-04/13 \$1,406.00 CD05-05/14 \$796.80 CS06-12/15 \$794.00 (plus waiver of bond) CS04-12/16 \$812.30 (plus waiver of bond)
Commitment to acknowledge the City of Wanneroo	Yes
Comments	<p>In 2012, 2013 and 2014 this event was supported through the March Community Funding Rounds. In 2015 and 2016 Council resolved by amendment to provide a monetary donation (plus waiver of bond).</p> <p>For the 2017 event, the costs currently required to be paid to the City are \$850.00 bond fee, the remaining 50% hire fees (consisting of \$175.50 facility hire fee and \$200.00 bin hire fee). Note that the other 50% of hire fees has already been subsidised as detailed below.</p> <p>In addition to these costs, the applicant has requested the City to cover further fees of \$100 for an electrician; \$252 for Event Ambulance first aid stations and \$552.20 for additional portable toilets for the event.</p> <p>Therefore, the total costs remaining to be paid for the 2017 event are \$1,279.70 all remaining fees and \$850.00 bond.</p> <p>Clause 2(2.4) of the Policy states that “Council will not consider funding applications for...More than one application per financial year, including funding through the Community Funding Donation round”</p> <p>The applicant has already been provided a 50% subsidised use waiver of hire fees as a registered charity under the ‘Facility Hire and Use Policy’. Therefore a 50% subsidy of \$375.50 has already been applied to this event which means the applicant is not eligible for further funding under the Policy.</p> <p>Clause 4.3 states that “Only 50% of the amount charged for a waiver of fees will be considered with the exception of State or Federal functions and visits by Parliamentarians held within the City”. The Policy does not support a 100% waiver of fees and this application is requesting that the remaining 50% also be waived.</p> <p>Clause 2.2 of the Policy states that Council will not consider funding applications for “The bond associated with the use of Council Facilities”.</p> <p>Christmas events are generally supported through the City’s Community Funding rounds. The City will continue to engage with the applicant regarding</p>

	funding opportunities for future events.
Recommendation	NOT APPROVE a donation in the sum of \$1,279.70 towards facility and bin hire at Warradale Hall and Park plus electrician; Event Ambulance and portable toilet costs and NOT APPROVE the 100% waiver of bond to Landsdale Community Wesleyan Methodist Church for the Landsdale Community Carols in the Park to be held on 8 December 2017.
Reason	This request is not in accordance with Council's Policy.

Statutory Compliance

Nil

Strategic Implications

The proposal aligns with the following objective within the Strategic Community Plan 2017 – 2027:

"1 Society

1.1 Healthy and Active People

1.1.1 Create opportunities that encourage community wellbeing and active and healthy lifestyles"

Risk Management Considerations

There are no existing Strategic or Corporate risks within the City's existing risk registers which relate to the issues contained in this report.

Policy Implications

The Policy states that sponsorship applications for attendance at National Events will be capped at \$600.00 per team (up to four teams) and Regional or State capped at \$600 per club. International events will be capped at \$1,500.00 per team and schools capped at \$2,000.00 per school per financial year.

Financial Implications

Budget 2017/2018	\$100 000.00
Amount expended to date (as at 30.11.17)	\$58,384.54
Balance	\$41,615.46
Total of requests for this round: Donations (in this report):	\$1,279.70
Total this Round (recommended)	\$0.00
BALANCE	\$41,615.46

Voting Requirements

Simple Majority

Recommendation

That Council NOT APPROVE a donation in the sum of \$1,279.70 towards facility and bin hire at Warradale Hall and Park plus electrician; Event Ambulance and portable toilet costs and NOT APPROVE the 100% waiver of bond to Landsdale Community Wesleyan Methodist Church for the Landsdale Community Carols in the Park to be held on 8 December 2017.

Attachments: Nil

Chief Executive Office

Office of the CEO Reports

CE01-12/17 Regional Advocacy Campaign (GAPP) Regional Recreational Infrastructure Fund

File Ref: 3015V02 – 17/412191
 Responsible Officer: Chief Executive Officer
 Disclosure of Interest: Nil
 Attachments: Nil

Issue

To consider a proposal from the Western Australia Local Government Association (WALGA) Growth Alliance Perth & Peel (GAPP) to undertake a joint Advocacy Campaign at a federal level to seek the establishment of a metropolitan growth area Regional Recreational Infrastructure Fund.

Background

Council at its Ordinary Council Meeting on the 14 November 2017 resolved as follows (refer CE01-10/17):

“That Council:-

1. *APPROVE the continuation of the four areas of the Advocacy Framework of roads, rail, reserves and region;*
2. *APPROVE the continued use of the brand Connect Wanneroo for all strategic advocacy projects and the trademarking of the brand;*
3. *APPROVE the following refreshed advocacy agenda including:*
 - a) *ROADS: Continuing request for the extension of the Mitchell Freeway to Romeo Road;*
 - b) *FREIGHT: Commence work on developing a clear plan for freight movement across the City and surrounding regions including Neerabup. The project will also focus on freight and heavy haulage networks ensuring that cross city secondary freight roads including Yanchep Highway and Neaves Road link into the Perth Darwin Highway and national highway network. Work will also explore the freight impact of the expansion of Two Rocks Marina;*
 - c) *RAIL: Watching brief on the State Government funded rail extension to Yanchep. It has been proposed that in the future, given the destination will be the strategic metropolitan centre of Yanchep, the line should be renamed the Yanchep Line;*
 - d) *RESERVES: Securing a funding contribution for the Butler North District Open Space development; and*
 - e) *REGION: Continue the focus on jobs. Continue focus on agribusiness including water”.*

The GAPP group of councils has been working with the former Department of Sport and Recreation (DSR) to support the DSR to develop a business case for government to consider the establishment of a funding mechanism to support the development of regional/district recreation infrastructure in Western Australia.

It is the view of GAPP members that this draft business case highlights the lack of suitable funding sources to meet what are often recreation investments of between \$20 million and \$100 million, with the current Community Recreation & Facilities Sporting Fund (CSRRF) not geared up for this level of investment.

It is further considered by GAPP members that the size and scale of this infrastructure make it appropriate for funding by both state and federal governments. This position is also supported through the work and advocacy efforts of the National Growth Area Alliance (NGAA).

Detail

At the most recent GAPP meeting, the City of Cockburn arranged a presentation by GRA Everingham on a potential approach for GAPP member Councils to work together to advocate, through a dedicated campaign (with professional support from GRA), to seek a commitment from both major political parties to establish a fund for Western Australia to support the development of regional/district recreation infrastructure in outer metropolitan growth councils. GRA Everingham specialises in providing companies and institutions with strategic advice about government, public policy, regulation and stakeholder communications. It is proposed that the fund be linked to the policy position in regards to GST top up payments to Western Australia.

Without additional or substantial funding from the state government or a partnership approach between local, state and federal governments for both the acquisition of land for regional open space and capital funds for the development of regional/district facilities, local governments will be under considerable financial pressure to fund this infrastructure.

The City of Wanneroo is a very good example, with four regional active open space facilities being required between Alkimos and Yanchep, as well as a range of regional community facilities (including a potential future regional indoor aquatic and recreation facility and regional library/community centre). The Development Contribution Plans (DCPs) in place for Alkimos/Eglinton and Yanchep/Two Rocks only collect funds towards the provision of district level facilities, and while there may be a negotiated contribution from developers towards the cost of regional facilities, significant additional funding will be required. In addition to these regional facilities, there are also some large scale district facilities (such as the Butler North District Open Space) that place a significant funding burden on local government where they are not identified in approved Development Contribution Plans.

The proposal to be part of a joint advocacy campaign with other growth councils in Western Australia is considered to have merit, as it is aligned to the City's recently adopted advocacy priorities, seeks to establish a strategic funding approach with the federal government across a group of Councils, and addresses a key priority of our community.

Consultation

Nil

Comment

Whilst the City may consider conducting its own advocacy campaign leading to the next federal election it is considered that being part of this regional campaign does not adversely impact on the City's ability to undertake further campaigns.

It is proposed that the campaign be jointly managed by all GAPP member councils, with the procurement and contract management aspects administered by the City of Cockburn or WALGA, and campaign advice and design, provided by GRA Everingham.

The cost of the campaign is estimated to be \$10,000 to \$15,000 per member.

Statutory Compliance

Nil

Strategic Implications

The proposal aligns with the following objective within the Strategic Community Plan 2017 – 2027:

“4 Civic Leadership

4.1 Working with Others

4.1.3 Advocate and collaborate for the benefit of the City”

Risk Management Considerations

Risk Title	Risk Rating
ST-S04 Integrated Infrastructure & Utility Planning	Moderate
Accountability	Action Planning Option
CEO/Council	Mitigate

The above risk relating to the issue contained within this report has been identified and considered within the City's Strategic Risk Register. Action plans will be developed to mitigate this risk to support existing management systems.

There are no existing Strategic or Corporate risks within the City's existing risk registers which relate to the issues contained in this report.

Policy Implications

The proposed advocacy campaign is aligned with the City's adopted advocacy position.

Financial Implications

Sufficient funds are available within the Office of the CEO operating budget to meet the contribution by the City to this campaign.

Voting Requirements

Simple Majority

Recommendation

That Council APPROVE the participation of the City of Wanneroo in a Regional Advocacy Campaign by the Growth Area Alliance Perth and Peel, for the purpose of

advocating for the establishment of a National Funding program for the development of District and Regional recreational infrastructure.

Attachments: Nil

Advocacy & Economic Development

CE02-12/17 Business Plan for Major Trading Undertaking - Neerabup Industrial Area

File Ref:	30136 – 17/359074
Responsible Officer:	Chief Executive Officer
Disclosure of Interest:	Nil
Attachments:	1

Issue

To consider the **Business Plan (Neerabup Limestone Extraction - Business Plan for Major Trading Undertaking)**, prepared in accordance with section 3.59 of the Local Government Act 1995 (LGA) for the development of Neerabup Industrial Area (NIA).

Background

The development of NIA has been a key strategic priority for the City of Wanneroo for a number of years and is part of Structure Plan 17 which is currently being finalised. Within the structure plan area is the first stage of development containing approximately 20 hectares of developable land. The parcel of land, Lot 9003, contains sand and limestone resources that require extraction. The process of extraction would result in a lowering of the contour levels to match the new contour levels as agreed with the Department of Planning, under Structure Plan No 17, Amendment 4.

There is an opportunity for a strong revenue stream to be realised from the limestone resource contained within Lot 9003. LandCorp has outsourced the extraction of this resource on their land (adjacent to the City's land) for a number of years and have been able to record a net profit as a result. With the increasing number of urban development projects such as housing construction and road construction, demand for this raw material input is expected to last for some time. The extraction process will also release land to the City that is earmarked to be developed under the City's Strategic Plan.

Detail

An Expression of Interest (EOI) was advertised on 29 August 2017 in order to attract suitable interest from local companies with extraction expertise. Three contractors have been identified to proceed to the next stage in the 'provisions of goods and services' process.

The main elements of the scope of work:

1. Assess the type of contract that would be suitable for the extraction process
2. Type of financial arrangement to consider
3. To assess the participants for their knowledge, safety, experience and business model

Having assessed the information from the EOI the next step in the statutory process is to advertise and then move to tender. Section 3.59 of the Local Government Act addresses Commercial Enterprises undertaken by local governments. Under this provision, the proposed resource extraction would constitute a Major Trading Undertaking and therefore, prior to commencing the City must:

- Prepare a business Plan;
- Undertake Local and State wide advertising of the proposed disposition; and

- Consider any submissions received.

The Local Government Act 1995, section 3.59(3) Commercial enterprises by local governments prescribes the required inclusions for the business plan for a major undertaking noting that the purposes of the business plan is to provide notice to community of the proposed major trading undertaking; describes the conditions and this report is pursuant of statewide public notice under section 3.59(4):

Section 3.59

(3) The business plan is to include an overall assessment of the major trading undertaking or major land transaction and is to include details of —

- (a) its expected effect on the provision of facilities and services by the local government; and*
- (b) its expected effect on other persons providing facilities and services in the district; and*
- (c) its expected financial effect on the local government; and*
- (d) its expected effect on matters referred to in the local government's current plan prepared under section 5.56; and*
- (e) the ability of the local government to manage the undertaking or the performance of the transaction; and*
- (f) any other matter prescribed for the purposes of this subsection.*

The Business Plan has been drafted and is detailed fully in the attached document.

Consultation

The proposed NIA development has been identified through the previous work which involved consultants and the Council approved a position in 18 August 2015, (CS08-08/15) as follows:

"That Council:-

- 1. NOTES the contents and recommendations contained within the final Order of Magnitude Business Case for the proposed Development of the City's Landholdings within the Neerabup Industrial Area prepared by APP Corporation Pty Ltd;*
- 2. AGREES to proceed with the development of the City's Landholdings within the Neerabup Industrial Area being Lot 9000 (minus the 50 hectare Conservation Area), Lot 9003 and portion of Lot 600 Neerabup representing a total area of approximately 162 hectares;*
- 3. ADOPTS the following key guiding principles for the project:*
 - i) The City's landholdings within the Neerabup Industrial Area will be retained and not disposed of 'as is' to a developer;*
 - ii) The City maintains control over the land and does not enter into any proposed Joint Venture arrangement;*
 - iii) The City undertakes the land development using the Strategic Employment Centre Scenario concept plan (shown in Attachment 2 to this report), as a guide; and*
 - iv) The City develops the land under a combination of sale v's lease with the focus being on ground leases.*

4. *NOTES that Administration will undertake the following prior to the commencement of any development:*
 - i) *Commencement of the process to have Structure Plan No 17 amended to support the levels used in the Strategic Employment Centre Scenario concept plan;*
 - ii) *Preparation of a Project Mandate and Management Plan under the City's project management framework including –*
 - a) *the provision of a management structure that clearly establishes roles, responsibilities, reporting and delegations for the orderly implementation of the project,*
 - b) *the appointment of a project leader, and*
 - c) *the development of strategic documentation including an economic development strategy, an investment attraction strategy, and a project delivery plan for the implementation of the business case.*
5. *NOTES that clearing permits for the project have been obtained from both the Federal Department of the Environment and State Department of the Environment Regulation, subject to conditions; and*
6. *NOTES that prior to the commencement of any development Administration will prepare a Business Plan for the project, under the terms of Section 3.59 of the Local Government Act 1995 for consideration by Council."*

Comment

As the EOI has commenced it is necessary to ensure that all legislative requirements are addressed. This is a complex undertaking and involves interfacing various procedures and approvals strategically into the overall tender timetable. The following target timetable has been proposed to ensure an overall level of compliance:

- EOI advertised – 29/08/2017 (completed)
- EOI returned and assessed – 15/09/2017 (completed)
- Approval of this business plan – November 2017
- Business plan advertising period – December 2017 to January 2018
- Develop 'Contract' for undertaking by Legal team – December 2017
- Council final consideration of business plan – February 2018
- Issue tender to shortlisted contractors – February 2018
- Award Contract – March 2018
- Extraction of phase 1 – March 2018 to 2020
- Phase 1 available for development - 2020

Statutory Compliance

Section 3.59 Local Government Act 1995 sets out the steps required for commercial enterprises by local government and section 10 Local Government (Functions and General) Regulations 1996 set out the requirements for a business plan for a major trading undertaking.

Strategic Implications

The proposal aligns with the following objective within the Strategic Community Plan 2017 – 2027:

“2 *Economy*

2.2 *Strategic Growth*

2.2.6 Focus on industry development in key strategic areas such as Neerabup"

Risk Management Considerations

Risk Title	Risk Rating
ST-S12 Economic Growth	Moderate
Accountability	Action Planning Option
Chief Executive Officer	Manage

The above risks relating to the issue contained within this report have been identified and considered within the City's Corporate and Strategic risk register. Action plans have been developed to manage these risks to improve the existing management systems.

Policy Implications

Nil

Financial Implications

The intent of the resource extraction is to reduce the contour levels of the site and concurrently create a potential revenue stream which can be used to fund future stages of the NIA development.

It is proposed that the extraction and ongoing operation on the site will be at the total cost of the contractor. A commercial contract will be negotiated on the basis of royalties or profit share. The level of return for the City is likely to be related to the volume of suitable limestone that can be sold. The successful contractor will incur expenses from the following activities:

- Site establishment costs;
- Enabling works;
- Operating costs;
- Rehabilitation costs;
- Insurances and licenses.

Rehabilitation of the land and levelling to final contour levels will be a cost incurred at or near the end of the extraction process. To ensure an allowance is in place for the rehabilitation costs and other expected costs, the City will allocate a portion of the revenue to cover these costs. Based on current market value of the raw material, this major undertaking will generate a significant income for the local market and the City will receive revenue in the form of royalties from the sales of material. The expected revenue for the City is dependent on the quality of the material and these royalties will be reinvested into the City's reserve fund.

Voting Requirements

Simple Majority

Recommendation

That Council APPROVES the advertising of the Business Plan for the Major Trading Undertaking for a period of 42 days in accordance with Section 3.59 (4) of the Local Government Act 1995.

Attachments:

1. [PMO18063 Neerabup Limestone Extraction - Business Plan for Major Trading Undertaking](#) 17/208609[v2] Minuted



Business Plan for Major Trading Undertaking

October 20

2017

Business Plan for major trading undertaking under the Local Government Act 1995 - The Extraction of Limestone on Lot 9003 in the Neerabup Industrial Area prior to subdivision.

Neerabup
Limestone
Extraction

Reference: 17/208609

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1. Introduction

This Business Plan outlines the resource extraction within the Neerabup Industrial Area, as required under the Local Government Act 1995, section 3.59 for a major trading undertaking.

2. Overview

2.1. Background

The City of Wanneroo (the **City**) owns three freehold lots within the Neerabup Industrial Area (**NIA**) and seeks to extract resources from the land that is found on Lot 9003 (**Land**). These lots cover an area of approximately 197 Hectares of the total 1038 Ha industrial area with a development potential in the order of 30 to 50 years.

The NIA is a large developable area with the potential to attract a range of industries and generate up to 20,000 jobs. The City is keen to ensure that the Area is developed with industries that represent leading edge businesses that promote best practice in applied technology, efficiency and environmental sustainability. To encourage and facilitate this, the City intends to adopt a set of design guidelines to apply to subdivision and development, in order to achieve high quality built form, streetscapes and landscaping.

Under the Metropolitan Region Scheme (MRS) the Area is zoned industrial and in the local scheme (DPS2) it is zoned both general industry and industrial development.

It is proposed that the industrial zoning under the MRS be retained, and under DPS2 the Area be zoned to enterprise zone, to accommodate a wide range of complementary and supporting business activities within the NIA over the short and long term.

The proposed business park zone would need to be added to DPS2 by way of an amendment. Its purpose is to provide for research and development, education and technological advancement.

The world is undergoing rapid technological change driven by continuing digital advancement. It is therefore necessary to ensure, that businesses involved in industry and commerce have the flexibility to respond, adapt and apply these changes to ensure they remain relevant, sustainable and viable into the future.

The NIA has the opportunity to be a transformational industrial area with the potential to be an exemplar of new ideas, new methods and new technologies. The land is held in multiple ownerships. Some of the land is used for quarrying, intensive horticulture, recycling, power generation and manufacturing.

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Landcorp together with the City of Wanneroo, own about 70% of the NIA.

Parts of the NIA have already been developed for industrial purposes in Meridian Park and the Flynn Drive Industrial Area. Access to these estates is from Flynn Drive via Pinnacle Road and Mather Road. Landcorp is developing Meridian Park and the Flynn Drive Industrial Area is being developed by the City of Wanneroo.

As the quarry extraction is completed, the land is then graded ready for subdivision and development. The rate of subdivision is dependent on the demand for industrial property.

The City of Wanneroo intends to quarry the land for limestone and following the engagement of a quarry contractor it is expected that extraction could extend for 10 years. As the quarry works are completed, the land will be re-contoured to facilitate subdivision and development.

According to the Structure Plan #17 a 'Final Contour Plan' illustrates the final surface levels which must be achieved prior to subdivision and/or development of the site. In order to achieve the indicated design levels, major earthworks operations are required. The City proposes to remove the sand and limestone resources within the Land in order to achieve the required final contour levels and set up a major trading opportunity.

The material will be removed and processed for sale under a contract and extractive industries licence which is discussed in this business plan.

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Figure 1 - Site Overview



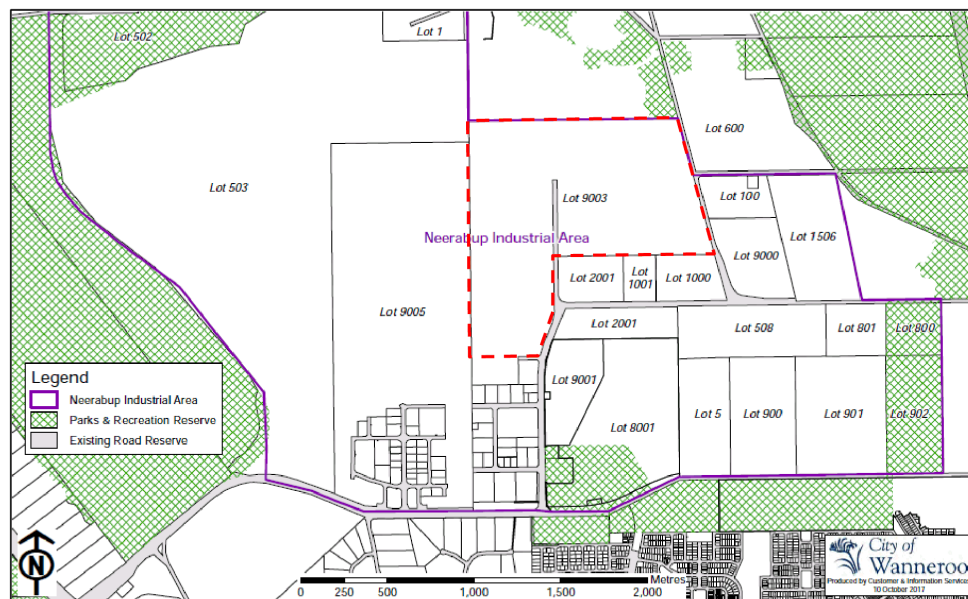
2.2. Extraction Site Description

Geotechnical studies undertaken on Lot 9003 revealed that a suitable body of limestone exists and extends west of Mather Road in the Land. It is understood that the proposed final finished levels for the Land are substantially lower than the current natural levels. To achieve the final finished levels, the limestone will need to be extracted and the City proposed to utilise the extract limestone as a resource.

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The site at which the extraction will occur comprises the part of the Land hatched out as identified in Figure 2 (Extraction Site). The Extraction Site (Lot 9003) extends from Lot 9005 boundary (Landcorp) on the west, to Mather Road on the east. The southern boundary is north of the Peak Road and extends up to Lot 12748, Barbagallo Raceway in the north.

Figure 2 - Proposed Extraction Area



The Extraction Site covers approximately 75 ha and has been unused for some time. The Extraction Site contains a limestone track which runs approximately north-south along the eastern portion of the site, and several sandy tracks used by motorcyclists in the past. Limited amount of bulk rubbish have been observed and removed in the past. Vegetation is sparsely populated and degraded containing native vegetation. The Extraction Site is zoned 'General Industrial' in accordance with the City of Wanneroo's District Planning Scheme No. 2.

3. Local Government Act compliance

In accordance with section 3.59(3) of the Local Government Act 1995, the City is required to demonstrate its intentions of the major trading undertaking. The City is required to prepare a business plan because of a major trading undertaking that it is to carry on or enter into jointly with another entity. The relevant Acts are listed below:

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- Local Government Act 1995, section 3.59(3)
- Local Government (Functions and General) Regulations 1996, section 10

As part of this business plan, it is to include details of the whole undertaking and include details of the identity of each joint venturer; any benefit to which a joint venturer may become entitled under or as a result of the joint venture; and anything to which the local government may become liable under or as a result of the joint venture.

Once the procurement process is completed, the City will update and include the details of the joint venturer (if applicable) otherwise a standard form of Contracting will be adopted.

EXPECTED EFFECT ON THE PROVISION OF FACILITIES AND SERVICES BY THE CITY
(SECTION 3.59(3)(a))

The proposed contract will facilitate the extraction of the limestone resource under contract for a period of up to 10 years. The extraction will be done in a staged approach in order to allow land to be developed subsequently. There are no further provisions required other than the monitoring and management of contractors.

EXPECTED EFFECT ON OTHER PERSONS PROVIDING FACILITIES AND SERVICES IN
THE DISTRICT (SECTION 3.59(3)(b))

It is anticipated that the land will be developed under the same legislation and provisions currently being undertaken in the Neerabup Industrial Area.

4. Proposed Major Trading Undertaking

4.1. Details of Proposed Major Trading Undertaking

The City envisage to extract limestone, sand and rock from the Extraction Site (Lot 9003) as required under the Planning and Development Act 2005 (P & D Act) before the land can be developed. The P & D Act requires approval from the Western Australian Planning Commission (WAPC) for development pursuant to section 162.

The City has obtained a clearing permit (CPS 6359/3) from the Department of Environmental Regulation for the clearing of the land on Lot 9000 on Deposit Plan 60745, Lot 9003) and to commence the works. An earthworks study has been undertaken by the City, which indicates that an approximate volume of 6,077,000 cubic metres of limestone and sand should be removed from Lot 9003 to achieve the recommended contour levels. The limestone and sand will be extracted and processed for use in construction and building

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industry. The extraction process will be undertaken over several years due to the large volume of material.

The Extraction Site has safe access to major roads, and existing roads are in good condition. The access roads include Mather Drive, Flynn Drive leading onto Wanneroo Road, with a new improved junction leading onto the Mitchell Freeway. The immediate access roads leading onto the site are suitable for the volume of traffic and type of heavy vehicles. Other contractors (WA Limestone) have been operating on similar routes with little impact on local traffic. The Extraction Site is not in a visually significant location as the area is mostly undeveloped, with the undeveloped area of Meridian Park adjacent to the Extraction Site.

Structure Plan No. 17¹ indicates that the Extraction Site is zoned as Industrial Development under the District Planning Scheme No.2. The extraction process shall be in accordance with District Planning Scheme No. 2 and is consistent with the proposed zoning of the relevant Plans and Schemes.

The extraction process is a necessary activity under the West Australian Planning Commission's (WAPC) Basic Raw Material Policy,² and further considerations are listed as:

- The extraction process will not involve major disturbance of acid sulphate soils;
- The extraction process will involve clearing of vegetation under clearing permit – EPBC 2007/3479, issued by Department of Environment;
- The site provides adequate setback to existing wetlands, water courses and drainage lines as required under;
- The site is not listed as a Bush Forever area;
- The extraction process to take into account the impact on the local community;
- The proposed activity is compatible with surrounding land uses;
- Where the proposed activity causes disturbance to the amenity of the area the process will be managed to limit impact and risk;
- The Extraction Site will not have a negative visual impact on major roads, scenic areas or adjoining properties;
- The Extraction Site has adequate separation distance to any residential or special rural area, or existing dwelling in a rural area. Typically separation distances should be 500 metres to 1000 metres to any sensitive land uses, such as residential areas, schools or hospitals; and

¹ Neerabup Industrial Area Structure Plan No. 17 (Adopted: 11 January 2005) City of Wanneroo.

² Basic Raw Material Policy (WAPC July 2000) Statement of Planning Policy No.10.

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- Operational issues such as hours of operation, noise and dust monitoring and site access will be managed to limit impacts and liability.

Other relevant state and local planning policies and strategies will be addressed as part of the planning process. These include:

- State Planning Policy 2.4 Basic Raw Materials;³
- State Planning Policy 4.1 State Industrial Buffer Policy;⁴
- Extractive industry local laws;⁵
- Local planning scheme provisions;⁶
- Region scheme planning provisions.⁷

The Extraction Site has no or little effect on the provision of facilities and services by the local government or on other persons providing facilities and services in the district. During the process of extraction, and within the confines of the contractual arrangement to be agreed by the City with the extraction entity, the goal will be for little or no financial impact.

All other things being equal, the market will determine, at varying times, the price of the limestone product, which will be based on the quality and grade of what is being extracted. The undertaking will provide employment for the next 10 years and more employment will be generated as the land becomes available which will be developed for local industry.

4.2. Utilities and Services

Services have been identified along Mather Drive and Pederick Road requiring consideration and protection during the extraction process. Services will be identified (Dial before you Dig) through the relevant utility owners and protected during the operations. Services identified include:

- Western Power HV/LV (Figure 3, 6)
- Optus underground conduit and services along Mather Drive and Pederick Road (Figure 5)
- Atco Services along Mather Drive and turning right along Pederick Road (Figure 4)

³ www.planning.wa.gov.au/publications/1166.aspx.

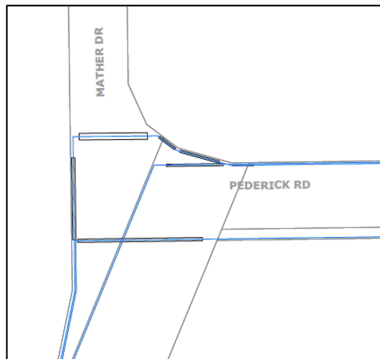
⁴ www.planning.wa.gov.au/publications/1176.aspx.

⁵ The City of Wanneroo, Local Government Act 1995, Extractive Industries Local Law 1998.

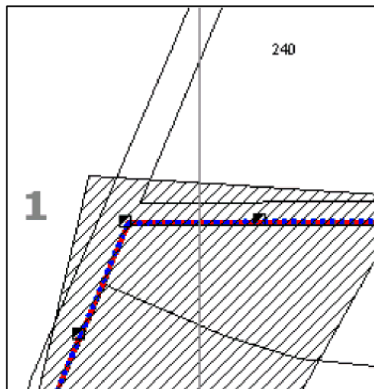
⁶ www.planning.wa.gov.au.

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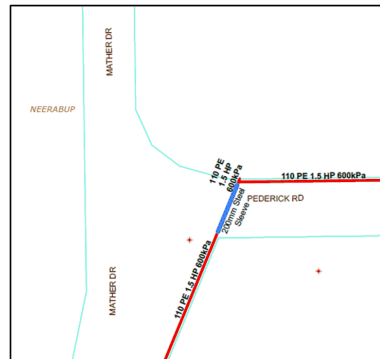
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Figure 3 - Western Power HV/LV

Known underground power lines near the boundary of Lot 9003.

Figure 5 - Optus Services

Known Optus services that service the area.

Figure 4 - Atco 600kPa pipe

Atco gas pipe crossing over Pederick Road which leads to the power plant.

Figure 6 - Overhead HV Cables

Presence of overhead power lines along Mather Road and Pederick Road.

4.3. Staged Approach

Due to the large volume of material available for extraction and the average volume that can be sold to the market, a staged approach for the resource extraction will be used, which in turn allows land development to follow.

Predicted sales volumes indicate that the Extraction Site (Lot 9003) will remain operational for approximately 10 years, although the life span is subject to demand.

Depending on demand and commercial interest, a staging model of land release will be considered. This method of managing cash flow has been standard practice in the

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development industry in recent times. Within this model, the opportunity to super lot large parcels of land for sale is also an option when cash flow is of high importance.

4.4. Risks, Constraints & Opportunities

The risks associated with the extraction process is summarised below and will be managed by the Extraction Contractor. Operational and development risks required to be managed include but not limited to the following:

- a) Environmental risks;
- b) Public and community relations;
- c) Operational risks such as dust & noise;
- d) Utilities and public infrastructure damage;
- e) Contractual and financial risks.

The City has undertaken a risk assessment on the undertaking and the risk register will be update once the tender contractual aspects and terms have been considered and then periodically thereafter as required by Policy.

4.5. Financials

This undertaking will extract and sell the limestone and sand which is expected to be a source of income. Subject to testing and suitability, the products produced from the extraction process include: limestone for the use in freeway, highway, road and driveway construction and limestone block; limestone for use in the production of pavers for residential and industrial, agricultural and soil remediation purposes; limestone armour used in breakwater construction, water revetment protection and pipe covering operations; and sand for road construction and domestic/commercial construction.

THE EXPECTED FINANCIAL EFFECT ON THE CITY OF WANEROO (SECTION 3.59(3)(c))

It is proposed that the extraction and ongoing operation on the site will be at the total cost of the contractor. A commercial contract will be negotiated on the basis of royalties or profit share. The level of return for the City is likely to be related to the volume of suitable limestone that can be sold. The successful contractor will incur expenses from the following activities:

- Site establishment costs;
- Enabling works;
- Operating costs;

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- Rehabilitation costs;
- Insurances and licenses.

Rehabilitation of the land and levelling to final contour levels will be a cost incurred at or near the end of the extraction process. To ensure an allowance is in place for the rehabilitation costs and other expected costs, the City will allocate a portion of the revenue to cover these costs.

Based on current market value of the raw material, this major undertaking will generate a significant income for the local market and the City will receive revenue in the form of royalties from the sales of material. The expected revenue for the City is dependent on the quality of the material and these royalties will be reinvested into the City's reserve fund.

Risks that could influence the financial outcome have been identified and include:

- Market demand not meeting cash flow projections;
- Sales volumes and gross revenue downward adjustment;
- Material quality is lower than expected which in turn affects commercial value;
- Duration of extraction delays which impact further development of the overall area;
- Higher than expected costs of removal of overburden and vegetation;
- Performance of extraction contractor as measured through efficiency and reliability of service provided.

Table 1 below set out the estimated volumes expected for topsoil, overburden, sand and limestone.

Table 1 - Estimated Volumes, Design Levels.

Activity description	Quantity – m3
Topsoil	
1. Removal of topsoil and site clearance to spoil	323,445
Sand	
2. Sand extraction (upper & lower sand)	4,640,582
3. Sand cut-to-fill or cut-to-stockpile-to-fill	-980,858
4. Rehabilitation including earthworks from other Lots	-437,542
5. Sand replacing Limestone final design levels to FDL minus 1.2m	0
Sand	3,222,182
Limestone	
6. Limestone extraction to final design levels (FDL)	3,661,662
7. Limestone extraction final design levels to FDL minus 1.5m	0
Limestone	3,661,662

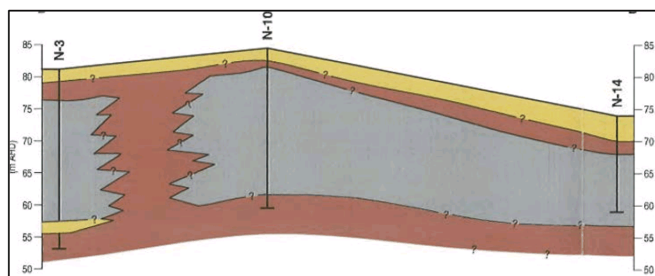
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4.6. Operational Requirements

The liability of ensuring appropriate management of the extracted resource as required under the Extractive Industries Local Law 1998 lies with the City. Limestone will be excavated mechanically up to a depth of 25m and the depth is dependent on the design volume to balance earthworks between existing contour levels and future design contour levels.

Figure 7 - Section through Limestone on Lot 9003⁸



Existing and proposed land contours will to be considered and regular survey will ensure design depths are achieved and earthworks volumes are controlled to achieve the designed final contour levels.

EXPECTED EFFECT ON MATTERS CONTAINED IN THE CITY'S PRINCIPAL ACTIVITIES PLAN (SECTION 3.59(3)(d))

The City's Strategic Community Plan 2172-2027 highlights the importance of "Strategic Growth" and incorporates a strategic goal:

"2 Economy

2.2 Strategic Growth

2.2.6 Focus on industry development in key strategic areas such as Neerabip"

⁸ ATA Environmental "Limestone Assessment, Lot 4 Mather Drive, Neerabup" (Geotechnical Report No 2006/018)

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THE ABILITY OF THE CITY TO MANAGE THE TRANSACTION (SECTION 3.59(3)(e))

The City will be obtaining professional support in the commercial negotiations and have a project manager in place to oversee the process and ongoing operations. The City manages a range of projects and a substantial property portfolio.

OTHER MATTERS (SECTION 3.59(3)(f))

The City is not aware of any other matters or regulations, which are relevant to the proposed property.

4.7. Procurement and Timeline

The City will procure a suitable contractor for the extraction process through Expression of Interest and closed tender process. The tender process will include City's policies and other considerations relevant to:

- Scope of Works;
- Specification and Conditions of Contract;
- Specific and timely performance;
- Safety performance;
- Sustainability and Environmental consideration;
- Local employment and community support;
- Innovation and use of new technologies; and
- Social and economic effects on the local community.

5. Public Consultation and Advertising**FOLLOWING THE PUBLIC ADVERTISING PERIOD (SECTION 3.59(3)(f))**

The City of Wanneroo Council will consider all submissions and may decide (by absolute majority) to proceed with the Major Undertaking as described in this plan in accordance with the provisions of the Local Government Act 1995, section 3.59. The period of advertisement will be 42 days.

Governance & Legal

CE03-12/17 Review and Repeal of Council Policies - November 2017

File Ref:	26321 – 17/406676
Responsible Officer:	Executive Manager Governance and Legal
Disclosure of Interest:	Nil
Attachments:	2

Issue

To consider proposed minor amendments to Council policies (**documents**) and the repeal of documents that are no longer required following their review.

Background

Council documents and supporting procedures are a statement of the principles or position that is intended to guide or direct decision-making and operations within the City of Wanneroo (the **City**). The City's Strategic Community Plan sets a clear direction from Council for Administration to make consistent decisions at an operational level through policies and procedures.

Detail

All documents are required to be reviewed regularly so that they remain compliant with legislation, deliver the stated policy objectives and ensure alignment with the City's strategic objectives and the City's requirements.

Consultation

Consultation has been undertaken with the relevant internal and external stakeholders.

Comment

Documents must be accurate, complete, contemporary and relevant or otherwise the following could potentially eventuate:-

- Inconsistent practices;
- Employees adopting work around practices due to documents being outdated and ineffective;
- Operational processes could be negatively impacted;
- Inability to enforce employee accountability;
- New issues have arisen that the document needs to amend or address;
- Changes in business practice not recognised/accounted for;
- Possibility of contradicting or duplicating legislation or other documents; and
- Documents may not continue to meet the City's Strategic Community Plan as it is reviewed.

As a result of a review of the documents listed below, it is recommended that Council consider adopting the amendments as shown in mark-up and repeal the document that is considered no longer relevant in meeting the City's strategic direction.

Document Proposed for Amendment

Investment Policy

The Investment Policy was last reviewed in November 2014 and provides a framework for how the City's municipal and trust funds are to be invested whilst ensuring compliance with legislation and requiring its authorized officers exercise the care, diligence and skill that a prudent person would exercise in investing the Council funds.

The reviewed policy as set out in **Attachment 1** has taken into consideration the recent changes to legislation, Service Unit names and position titles.

Document Proposed for Repeal

Acquisition & Development of Community Purpose Sites

The Acquisition & Development of Community Purpose Sites Policy was written in 2006 with the intent of providing a framework for evaluating the allocation of proposed community purpose sites and considering the development of existing community purpose sites. The content has since become outdated and no longer aligns with the City's key principles around strategic land use and community facility planning.

More recently, the content of this policy has been superseded by other policies and key projects, including; the draft Strategic Land Policy and Community Facilities Planning Framework, as well as other relevant Local and State Planning Policies. As the key concepts are adequately captured across these more recent bodies of work, it is recommended that the policy to be repealed.

Statutory Compliance

Nil

Strategic Implications

The proposal aligns with the following objective within the Strategic Community Plan 2017 – 2027:

“4 Civic Leadership

4.2 Good Governance

4.2.1 Provide transparent and accountable governance and leadership”

Risk Management Considerations

Risk Title	Risk Rating
Decision Making	Low
Accountability	Action Planning Option
Chief Executive Officer	Manage

The above risk relating to the issue contained within this report has been identified and considered within the City's Corporate Risk register. The review and repeal of the policies as set out in this report will support existing management systems.

Policy Implications

Nil

Financial Implications

Nil

Voting Requirements

Simple Majority

Recommendation

That Council:-

- 1. NOTES the review of the Investment Policy and ENDORSES the amendments shown in mark-up in Attachment 1; and**
- 2. REPEALS the Acquisition & Development of Community Purpose Sites Policy set out in Attachment 2.**

Attachments:

- | | | | |
|---|---|-----------|---------|
| 1  | Draft Investment Policy | 17/386565 | Minuted |
| 2  | Acquisition & Development of Community Purpose Sites Policy | 13/6631 | Minuted |



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INVESTMENT POLICY

Policy Owner: Finance Transactional Finance
Contact Person: Manager Transactional Finance
Date of Approval: 25 November 2014 CS03-12/14

POLICY OBJECTIVE

The objective of this policy is to provide a framework for how the City's municipal and trust funds are to be invested whilst ensuring compliance with legislation and requiring its ~~authorized~~ authorised officers exercise the care, diligence and skill that a prudent person would exercise in investing the Council funds.

POLICY STATEMENT

Whilst exercising the power to invest, the objectives of the Policy are threefold in terms of preservation of capital, liquidity and the return on investment.

- (a) Preservation of capital is the principal objective of the investment portfolio. Investments are to be performed in a manner that seeks to ensure security and safeguarding of the investment portfolio. This includes managing credit and interest rate risk within identified thresholds and parameters.
- (b) The investment portfolio must ensure there is sufficient liquidity to meet all reasonably anticipated cash flow requirements, as and when they fall due, without incurring significant costs due to the unanticipated sale of an investment.
- (c) The investment is expected to achieve a predetermined market average rate of return that takes into account the City's tolerance risk in accordance to the City's Risk Management Policy. Any additional return target set by Council will also consider the risk limitation and prudent investment principles.

Approved Investments

Only the following types of securities may be included:

- Interest Bearing Term Deposits with Authorised Deposit Taking Institutions (ADIs – Australian banks, building societies and credit unions) for a maximum term of ~~one~~ three years.
- Bonds guaranteed by the Commonwealth or State or Territory Government with a maturity of less than three years.

Investments held as at the 4th April 2012 (the date of the revised Local Government (Financial Management) Amendment Regulations 2012) that complied with the prevailing Legislation prior to that date, are eligible to be held until maturity.



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Risk Management Guidelines

Investments obtained are to comply with three key criteria relating to

- (a) Portfolio Credit Framework: limit overall credit exposure of the portfolio,
- (b) Counterparty Credit Framework limit exposure to individual ADI counterparties—/institutions, and
- (c) Term to Maturity Framework: limits based upon maturity of securities.

In light of the ongoing Federal Government Guarantee on limited deposits with Australian Authorised Deposit Taking Institutions (ADIs) i.e. Banks, Building Societies and Credit Unions, any applicable investment in such institutions shall be considered to be AAA or A-1+ rated in line with the Federal Government's credit rating.

Further to this, any investment in an ADI that allows Council to demand early repayment (prior to maturity) at no penalty shall be considered to be money "at call".

For Bonds guaranteed by the Commonwealth, State or Territory of Australia, the credit rating allowable will be that of the guaranteeing government and a maximum 50% of the total portfolio can be invested in any one government body.

(a) Overall Portfolio Limits

To control the credit quality on the ADI invested portfolio, the following credit framework limits the percentage of the portfolio exposed to any particular credit rating category.

S&P Short Term Credit Rating	Direct Investment Maximum
A-1	100%
A-2	80%

(b) Counterparty Credit Framework

Exposure to an individual ADI counterparty/institution will be restricted by their credit rating so that single entity exposure is limited, as detailed in the table below:

S&P Short Term Credit Rating	Direct Investment Maximum
A-1	50%
A-2	25%



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If any of the Council's investments are downgraded such that they no longer fall within the investment policy, they will be divested as soon as practicable.

(c) Term to Maturity Framework

The investment portfolio is to be invested within the following maturity constraints:

Overall Portfolio Term to Maturity		
Portfolio % <1 year	Min 40%	Max 100%
Portfolio % >1 year <3 year	Min 0%	Max 60%

Investment Advisor

The City's investment advisor, if appointed, must be licensed by the Australian Securities and Investment Commission. The advisor must be an independent person who has no actual or potential conflict of interest in relation to investment products being recommended and is free to recommend the most appropriate product within the terms and conditions of the investment policy.

The investment return for the portfolio is to be regularly reviewed by the investment advisor by assessing the market value of the portfolio. The market value is to be assessed at least monthly to coincide with monthly reporting.

The investment advisor should meet with the responsible staff and review the City's investment portfolio no less than every six months.

Prudent Person Standard

Investment will be managed with the care, diligence and skill that a prudent person will exercise. Officers are to manage the investment portfolios to safeguard the portfolios in accordance with the spirit of this Investment Policy, and not for speculative purposes.

Benchmarking

The performance of the investment portfolio shall be measured against the UBS Warburg 90 Day Bank Bill Index and/or the Reserve Bank of Australia Official Cash Rate.

Reporting

A monthly report will be provided to Council in support of the monthly statement of activity. The report will detail the investment portfolio in terms of performance, percentage exposure of total portfolio, maturity date and changes in market value.

Documentary evidence must be held for each investment and details thereof maintained in an investment Register.



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For audit purposes, certificates must be obtained from the financial institutions confirming the amounts of investments held on the City's behalf as at 30 June each year and reconciled to the Investment Register.

SCOPE

This policy applies to all officers involved in the investment of Council funds.

CONSULTATION WITH STAKEHOLDERS

Administration has contacted the Department of Local Government to express our concerns on the inconsistency between the legislation and the previous Local Government Operational Guidelines – Number 19 February 2008. Administration noted that the said guideline has recently been temporarily withdrawn from the Department's website.

IMPLICATIONS (Financial, Human Resources)

Legislative Requirements

All investments are to comply with the following:

- *Local Government Act 1995* – Section 6.14;
- *The Trustees Act 1962* – Part III Investments;
- *Local Government (Financial Management) Regulations 1996* – Regulation 19, Regulation 28, and Regulation 49
- Australian Accounting Standards

IMPLEMENTATION

There is currently a detailed operational procedure guiding the regular funds investment activities based on the current policy's requirement. By the adoption of this revised Investment Policy, the key changes will be embedded into the operational procedure and be actioned accordingly.

ROLES AND RESPONSIBILITIES

The implementation of this Investment Policy is delegated by Council to the Chief Executive Officer (CEO) in accordance with *the Local Government Act 1995*. Pursuant to the provisions of Section 5.45 of the *Local Government Act 1995*, the CEO has delegated the day to day investment activities authority to the Director Corporate Strategy & Performance and Manager Transactional Finance, subject to regular reviews.

DISPUTE RESOLUTION

All disputes in regard to this policy will be referred to the Manager Finance in the first instance, and if unresolved, to the Operations Manager Business & Finance and then



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Director Corporate Strategy and Performance and finally be escalated to the CEO for arbitration.

WHO NEEDS TO KNOW ABOUT THIS POLICY?

All staff who are engaged in the business process of investment are required to be obliged by this policy and be aware of its implications.

EVALUATION AND REVIEW PROVISIONS

This Investment Policy will be reviewed every three years or as required in the event of legislative changes. Where, as a result of amendment to legislation or the ability arises to invest to the advantage of the City contrary to the provisions of this policy, the Chief Executive Officer may initiate such variations as deemed necessary subject to the submission of a report to the Council advising of the changes implemented to the next ordinary Council meeting.

DEFINITIONS

S&P Credit Ratings

S&P stands for Standard and Poors, which is a globally accredited professional organisation that provides analytical services. An S&P credit rating is an opinion of the general creditworthiness of an obligor with respect to particular debt security or other financial obligation based on relevant risk factors.

Credit ratings are based, in varying degrees, on the following considerations:

- Likelihood of payment;
- Nature and provisions of the obligation; and
- Protection afforded by, and relative position of, the obligation in the event of bankruptcy, reorganization or other laws affecting creditors' rights.

The issue rating definitions are expressed in terms of default risk.

S&P Short Term Credit Rating A-1

This is the highest short term category used by S&P. The obligor's capacity to meet its financial commitment on the obligation is strong. Within this category, certain obligations are designated with a plus sign (+). This indicates that the obligor's capacity to meet its financial commitment on these obligations is extremely strong.

S&P Short Term Credit Rating A-2

A short term obligation rated A-2 is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligations in higher rating



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categories. However, the obligor's capacity to meet its financial commitment on the obligation is satisfactory.

RELEVANT POLICIES/MANAGEMENT PROCEDURES/DOCUMENTS OR DELEGATIONS

This policy is supported by the following policies and/or delegations:

1. Accounting Policy
2. Section 3.1 of Delegated Authority Registry

REFERENCES

1. Standard & Poor's www.standardandpoors.com
2. The *Local Government Act 1995*;
3. The *Local Government (Financial Management) Regulations 1996*;
4. Australian Accounting Standards Board (AASB) Standards; and
5. Western Australian Local Government Accounting Manual.

RESPONSIBILITY FOR IMPLEMENTATION

Manager Finance

Version	Next Review	Record No:
CS03-03/02 19 March 2002		
CS06-08/04 31 August 2004		
CS03-11/08 28 October 2008	November 2010	
CS03-12/10 14 December 2010	November 2012	TRIM 10/68537
CS03-12/10 14 December 2010 (Administrative amendment 10 March 2011)	November 2012	TRIM 11/25148
CS03-12/14 9 December 2014	November 2017	TRIM 11/25148[v2]



Policy Manual

Acquisition & Development of Community Purpose Sites Policy

<i>Policy Owner:</i>	Community Development Directorate
<i>Distribution:</i>	All Employees
<i>Implementation:</i>	12 December 2006
<i>Scheduled Review:</i>	December 2008

Objective

To provide a guiding philosophy and framework for evaluating the allocation of proposed community purpose sites and considering the development of existing community purpose sites.

Statement

This policy relates to the need for the feasibility of local community facilities to be justified prior to development. Rather than relying upon prescriptive standards, or conversely developing facilities in a haphazard manner, this policy prescribes clear guidelines for assessing the suitability of site allocation and the subsequent development of community facilities. The substantial financial demands of the City's rapid urban growth and the significance of social infrastructure to ensure a healthy community highlights the importance of implementing clear planning principles.

Purpose

The purpose of the policy is to:

1. provide a framework and set of guidelines to assess the proposed location of community purpose sites within draft district and local structure plans to ensure maximum benefit to the local community.
2. provide benchmark criteria to ascertain the feasibility, required catchment area, purpose, funding, development timeframe and design of future community facilities.

Definition/s

For the purposes of this policy the following definitions are applicable:

1. *Community Purpose Site* - is land made available free of cost to local government by subdividers of residential land for the specific development of local community infrastructure.
2. *Community Infrastructure* - refers to buildings and associated amenities that are in public places and enhance community interaction.
3. *Community Centre* - is a public building that increases opportunities for positive interaction and cooperation amongst the local community through flexible design and management principles that support the provision of affordable, sustainable and equitable recreational, health, educational and social services.

Principles for Assessment

The implementation of development criteria supports the notion that the community should not suffer as a result of inadequately located or designed community purpose sites. The principle objective is to ensure that adequate sites are available to meet local needs for community services and facilities in appropriate and accessible locations.



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The rapid level of growth and revitalisation throughout the City requires community facility development criteria to be implemented in five stages:

1. Initial Site Assessment
2. Smart Growth Policy Assessment
3. Facility Needs Assessment
4. Facility Feasibility Study
5. Strategic Assessment

Initial Site Assessment

In order for the allocation or development of a community purpose site to be considered the location and suitability of a site must be investigated utilising the following site assessment criteria. Inadequate adherence to the following criteria will diminish the justification of any given site for infrastructure development:

- Allocation of at least one site per 10,000 - 15,000 residents based on the projected residential capacity of any given structure plan area.
- Located on or near public transport routes, at a minimum, any proposed facility must be within 250 metres of a bus/train stop.
- Located within or near neighbourhood/local/district/regional centres and/or public open space, in a position that is relatively central to the proposed long-term catchment.
- Clustered with compatible facilities to form vibrant, frequently visited precincts.
- Located within 1 kilometre of a major arterial road.
- Located off major roads and having safe crossing points in close vicinity to ensure safe access
- Located within 1 kilometre of a government primary/high school
- Located a minimum of 2 kilometres from any other community facility, unless such a facility is considered to offer complementary services
- Located adjacent to or a maximum of 500 metres from public open space (passive or active)
- Site location should take into account future facility design issues to ensure compliance with CEPTED (Crime Prevention Through Environmental Design) principles relating to sightlines, lighting, surveillance and isolation issues, entrapment spots, movement predictors, signage, landuse and activity mix, landscaping and fencing.
- Explanation of the site in terms of purpose, benefit to urban structure, surrounding housing densities and accessibility to likely users within structure plan submission.

Smart Growth Policy Assessment

The second stage of assessing the suitability of a community purpose site for development must involve a direct assessment of the site utilising the City's Smart Growth Strategy. This provides a range of options for the assessment of urban growth management including the Smart Growth Assessment Tool, Local Planning Policy and Community Development Strategy. The implementation of these tools during the assessment of a community purpose site will ensure an integrated approach to facility sustainability:

Smart Growth Assessment Tool (SGAT)

The SGAT allows developers and the City to consistently assess the performance of structure plans against the City's Smart Growth Strategy.



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Specifically, the Smart Growth principles relating to 'Effective Use of Land & Infrastructure' (Principle 2) and Identity, Equity & Inclusiveness (Principle 4) refer directly to the provision and development of community facilities.

Community Development Strategy

Wanneroo LIFEstyles brings together the community focused elements of the City's Strategic Plan and Smart Growth Strategy to form guiding principles and practical applications required to achieve more for the local population. The strategy is linked to the City's internal strategies, however, an important objective is to encourage all stakeholders involved in our community to assess and evaluate their potential impact. As a result, a series of simple checklists have been established to assist in this process formulated around specific target groups and key development stages. The implementation of these checklists to assess a proposed community facility is vital to gain input from key stakeholders such as community members, service providers, government agencies, internal staff and elected members. In addition, during the preparation of structure plans there are five checklists specifically relevant for developers. The site allocation and development criteria insists these checklists are submitted during the structure planning process to ensure community infrastructure is appropriately planned and located.

Facility Needs Assessment

Upon satisfactory adherence to initial site assessment criteria and the City's Smart Growth strategies the implementation of a detailed Facility Needs Assessment is the next stage in considering the suitability of a community purpose site for development. The needs assessment will comprehensively test whether a new facility at any given location is justified and also provide clear direction with regard to the most appropriate scope, scale and components of a proposed facility. The implementation of a facility needs assessment must incorporate the following elements to adequately investigate the sustainability of a community purpose site:

- Adherence to the Department of Sport & Recreation Facility Needs Assessment Guidelines
- Projected population trigger of 10,000 - 15,000 people for each allocated community purpose site
- Investigation of the existing and planned future facilities and services within the catchment
- Analysis of current and future needs and trends within the local population relating to community facilities
- Community consultation with residents and service providers
- An assessment of how the local community will use the site and surrounding area, the community aspirations for the site and the local neighbourhood
- Determination of facility need based on analysis and synthesis of the information gathered, and identification of duplications and gaps in provision

Facility Feasibility Study

The finalisation of a Needs Assessment Report will present findings on the needs of the community, results of community consultation and whether a continuation of the facility planning process is justified. The expressed need, viability and sustainability of a community facility will initiate the implementation of a facility feasibility study.



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The study should critically assess a proposal to develop a facility and make an informed decision whether to proceed with any given project. The study is a means to an end, that end being a detailed report determining recommendations in relation to concept design, draft management plan, location rationale, capital costs, operating income and expenditure, staging alternatives and the overall justification of the project. The implementation of a feasibility study must incorporate the following elements to adequately address the justification of community facility development:

- Adherence to the Department of Sport & Recreation Feasibility Study Guidelines
- Demonstrated demand within the catchment projected 10 to 15 years based on community profile including social and demographic trends
- Suitability of site for community facilities utilising *site assessment criteria*
- Analysis of the suitability of site for proposed uses
- Analysis of usage rates at existing facilities proving to be viable (to enable this the City must adopt a systematic approach to tracking facility usage levels to ensure facilities are meeting perceived community needs)
- Investigation of options for multipurpose use, shared-use and collocation options
- Completion of a preliminary traffic and parking assessment
- Development of a draft management plan
- Completion of the City's Community Development Strategy checklists relevant to internal staff, community members, community groups, service providers, government agencies and developers.

Strategic Assessment

The final development criteria stage, and a key supporting element to the feasibility study is ensuring that facility development meets the City's corporate vision, goals and principles. The following guidelines must be satisfactorily addressed in order for a proposed facility to proceed:

Policy

How does the facility adhere to the goal of 'Healthy Communities' within the City's Strategic Plan?

How does the facility adhere to relevant City of Wanneroo policies relating to the planning, funding and construction of community infrastructure?

How does the facility adhere to the key principles of the City's Smart Growth Policy?

How does the facility link to specific Community Development action plans and strategies?

Economic

How will the capital costs of the facility be raised?

Does the project warrant inclusion within the City of Wanneroo Forward Capital Works Budget?

How much will the facility cost to build and operate?

How will the facility contribute to employment within the City of Wanneroo?

How will the facility bring new money into the City of Wanneroo?

Who are the partners in the project?

Does the project comply with relevant grant funding guidelines?

Who will and how will the facility be managed?



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Social

How does it contribute to the social fabric of the City of Wanneroo?
How does it relate to the culture and history of the City of Wanneroo?
How does the facility take into consideration social and leisure trends?
Who will share the use of the facility?
How does it involve the broader community?
How does it contribute to the creation of a vibrant community precinct?

Environmental

How does the facility relate to environmental best practice with regard to being waterwise, energy efficient and so on?
Is it possible to share or upgrade an existing building?
Does it enrich the natural environment?
Does it raise environmental awareness?

Development Applications

In the event that a proposed site/facility meets the relevant 'principles for assessment' it should not be assumed that this approves the development. A development application and any required building licence application may still be required to be lodged and approved in the normal manner.

Responsibility for Implementation

Director Community Development

Other Related Policies

Pre-Funding of Community Infrastructure
Centres Policy
Key Access – Community/Leisure Buildings
Naming of Council Facilities
Facility and Reserve Hire and Use
Local Planning Policy – Smart Growth

CE04-12/17 Delegation of Authority During the Council Recess Period

File Ref: 3131 – 17/397556
 Responsible Officer: Executive Manager Governance and Legal
 Disclosure of Interest: Nil
 Attachments: Nil

Issue

To consider changes to the delegated authority provided to the Chief Executive Officer (CEO) during the Council recess period.

Background

The last Ordinary Council Meeting for 2017 is scheduled for 5 December 2017 and the next Ordinary Council Meeting is scheduled for 6 February 2018 with Council being in recess during the period between the Ordinary Council Meetings. Should a decision be required during the period of recess that does not require an Absolute or Special Majority under the *Local Government Act 1995* or any other Act empowering the local government, the CEO is authorised to make decisions in consultation with the Mayor or in the Mayor's absence the Deputy Mayor on behalf of the City in accordance with delegation 2.5 in the Delegated Authority Register.

Decisions made during the recess period will be documented and reported to the first Ordinary Council meeting in 2018.

Detail

During this period four (4) public tenders will either close and/or the evaluation of these tenders will be undertaken with a recommendation finalised. For operational reasons it would be advantageous to award the tenders as soon as practicable. The relevant tenders during this period are as follows:

Tender No.	Details	Tender Closing Date	Estimated Contract Value
17174	Annual Park Asset Renewal Program	12 September 2017	\$1,100,000.00
17223	Construction of the Kingsway Olympic Sports Clubrooms New Changerooms Facilities	31 October 2017	\$2,500,000.00
17224	Duplication of Mirrabooka Ave (Hepburn Ave to Gngangara Rd)	14 November 2017	\$4,000,000.00
17246	Construction of Water and Sewer Reticulation Neerabup Industrial Area	28 November 2017	\$1,500,000.00 (if both Stages 1 and 2 are awarded)

Consultation

Nil

Comment

Council has supported this process and provided a delegation of authority in previous years. A report of all decisions made in accordance with this delegation of authority will be provided to Council in February 2018.

Council to note that all tenders are evaluated in accordance with the requirements of the Local Government (Functions and General) Regulations 1996 and the City's Purchasing Policy.

Statutory Compliance

Section 5.42 of the *Local Government Act 1995* allows Council to delegate functions to the CEO. Section 5.43 does not permit Council to delegate authority to the CEO to award a tender above a limit set by Council.

Strategic Implications

The proposal aligns with the following objective within the Strategic Community Plan 2017 – 2027:

“4 Civic Leadership

4.2 Good Governance

4.2.1 Provide transparent and accountable governance and leadership”

Risk Management Considerations

Risk Title	Risk Rating
CO-C01 Compliance Framework	Moderate
Accountability	Action Planning Option
Executive Manager Governance & Legal	Manage

The above risk/s relating to the issue contained within this report have been identified and considered within the City's Corporate risk register. Action plans have been developed to manage this risk to support existing management systems.

Policy Implications

Nil

Financial Implications

The awarding of any tender will be on the basis that adequate budget provision has been made.

Voting Requirements

Absolute Majority

Recommendation

That Council DELEGATE BY ABSOLUTE MAJORITY to the Chief Executive Officer the authority to DETERMINE and ACCEPT the following tenders during Council's recess period from 6 December 2017 to 5 February 2018 only, subject to confirmed budgetary provisions and the requirements of the *Local Government (Functions and General) Regulations 1996*:

- 1. Tender 17174 Annual Park Asset Renewal Program;**
- 2. Tender 17223 Construction of the Kingsway Olympic Sports Clubrooms New Changerooms Facilities;**
- 3. Tender 17224 Duplication of Mirrabooka Ave (Hepburn Ave to Gnangara Rd); and**
- 4. Tender 17246 Construction of Water and Sewer Reticulation Neerabup Industrial Area.**

Attachments: Nil

Item 9 Motions on Notice

MN01-12/17 Cr Sonet Coetzee – Request for Financial Assistance by Yanchep Men's Shed

File Ref: 32765 – 17/404334
Author: Cr Sonet Coetzee
Action Officer: Director Community and Place
Disclosure of Interest: Nil
Attachments: Nil

Issue

Consideration of financial assistance of \$9,000 to the Yanchep Community Men's Shed towards rental costs to enable ongoing operations while the City develops a Community Sheds Policy.

Background

Yanchep Community Men's Shed (YCMS) was established in August 2016 with 31 current financial members, and operates every weekday from 8am to 12 noon from its rented facility at 2/7 Glenrothes Crescent, Yanchep. The group currently contributes \$250 per week towards rent.

In correspondence received by Elected Members on 30 October 2017, the YCMS raised concerns regarding the group's capacity to meet ongoing accommodation costs and requested Council provide financial assistance towards their operations.

This request mirrors that endorsed by Council on 22 August 2017 through a Motion of Notice (MN02-08/17), to support the Northern Suburbs Men's Shed to meet operational costs such as rent.

Actions arising from MN02-08/17 included:

- "1. Develop a Policy on the development of Men's and Women's Sheds within the City of Wanneroo;*
- 2. Develop a report on possible financial assistance that can be considered as part of the 2017/18 mid-year budget review to support the provision of facilities for community organisations such as Men's Sheds within the City of Wanneroo;*
- 3. Approves a financial contribution of \$9,000 to the Northern Suburbs Men's Shed Inc. to cover six months' rent to enable the Men's Shed to continue operating from their current location."*

YCMS are now seeking a sum of \$9,000 towards rental costs.

Detail

In the medium term, the YCMS are seeking to build a shed on land currently leased by the City to the Yanchep Sports and Social Club Inc. Council at its meeting on 10 October 2017 approved a new lease to the Club for a 10 year term. Council resolution 6 also stated:

"...that should Council agree to the termination of the existing Yanchep Sports and Social Club (Inc.) Lease to facilitate a new Lease of greater tenure, the City proposes to enter into Sublease negotiations with the Yanchep Community Men's Shed (Inc.)"

and the Yanchep Sports and Social Club (Inc.) over a portion of Lot 1 (81) Yanchep Beach Road, Yanchep."

The group has been based at its current site since February 2017 while arrangements can be finalised, funds raised and shed plans / business plans developed for the Yanchep Sports and Social Club site. Administration has worked with the group to explore a number of other sites and opportunities including Yanchep National Park, however nothing has come to fruition at this stage.

An offer from Urban Quarter has been made to host the Yanchep Community Men's Shed at a site they own in Eglinton.

Consultation

The Yanchep Community Men's Shed has previously engaged the Yanchep Sports and Social Club to consider sub-lease of land under their control to enable construction of a purpose built facility.

Comment

Men's and Women's Sheds provide an opportunity for members of the community to undertake activities such as wood work and metal work, arts and craft, lifelong learning, computer recycling / restoration whilst connecting in a social environment to reduce social isolation, gain support from their peers and access information about a range of health issues.

The YCMS is one of five Community Sheds currently operating within the City of Wanneroo – four Men's Sheds and one Women's Shed.

The City currently does not have a Policy on the development of Men's or Women's Sheds within the City of Wanneroo or the level of assistance that may be provided. Previous support for Men's Sheds has been provided in the form of a land lease for the Wanneroo Community Men's Shed, access to funding under the City's Community Funding Program for eligible projects and assistance with capacity building.

The YCMS is seeking assistance from the City to contribute towards rental costs to enable their operations to continue in the short term while they explore longer term options.

There is a significant concern that the YCMS will have to cease operations if suitable premises cannot be obtained.

Given that the City does not currently have a Policy in relation to the development of Men's and Women's Shed or a program that provides financial assistance for operating costs of the nature, it is recommended that a financial contribution of \$9,000 be provided to the Yanchep Community Men's Shed to enable them to stay at their current location until a suitable Policy has been considered by Council.

Statutory Compliance

Nil

Strategic Implications

The proposal aligns with the following objective within the Strategic Community Plan 2017 – 2027:

“1 Society

1.1 Healthy and Active People

1.1.1 Create opportunities that encourage community wellbeing and active and healthy lifestyles”

Risk Management Considerations

There are no existing Strategic or Corporate risks within the City's existing risk registers which relate to the issues contained in this report.

Policy Implications

There are no policies that are relevant to this item.

Financial Implications

The Yanchep Community Men's Shed is seeking a financial contribution from the City of \$9,000 to cover rental at their current facility.

There is currently no funding specifically allocated within the City's 2017/18 budget for this expenditure. There is however potential to allocate \$9,000 from the City's Community Funding Program to support the request as occurred with the Northern Suburbs Men's Shed.

There is no funding currently identified in the City's Long Term Financial Plan to financially support any Community Sheds.

Voting Requirements

Absolute Majority

Recommendation

That Council:-

- 1. BY ABSOLUTE MAJORITY, APPROVES a financial contribution of \$9,000 to the Yanchep Community Men's Shed to cover rental costs to enable the Men's Shed to continue operating from their current premises with the funding to be allocated from the 2017/18 Community Funding Program;**
- 2. NOTES that Administration will present a report on a Community Sheds Policy for Council consideration in February 2018;**
- 3. NOTES that Administration will consult with WA Men's Shed Association Inc. (WAMSA) on the development of such a Policy and pursues the development of a Memorandum of Understanding (MoU) with WAMSA aligned to the Policy; and**
- 4. NOTES that Administration will develop a report on possible financial assistance that can be considered as part of the 2017/18 mid-year budget review to support the provision of facilities for community organisations such as Men's Sheds within the City of Wanneroo.**

Administration Comment

A discussion paper on supporting community organisations including Men's Sheds was considered by Elected Members on 1 August 2017.

Administration subsequently agreed to undertake the following actions:

1. Continue to provide various strategies to support community organisations to build capacity.
2. Further investigate current levels of rent that would be payable by Men's Sheds operating out of private premises such as the Northern Suburbs Men's Shed and the Yanchep Community Men's Shed.
3. Further investigate a potential model to support financial assistance for operating costs such as rent, including source, level, timing and process of distributing such funding if it were to become available.

Subsequent to this, at its 22 August 2017 meeting Council requested the development of a policy on Men's and Women's Sheds (Community Sheds).

Over recent years the increase of Men's and Women's Sheds in the Perth metropolitan area has placed pressure on Local Governments and funding bodies such as Lotterywest to manage requests for the provision of land and facilities.

The key outcomes sought from a policy position on the development of Men's and Women's Sheds within the City of Wanneroo are:

- a) Outline the level of support and assistance the Council is prepared to provide Men's and Women's Sheds within the locality;
- b) Establish a memorandum of understanding (MoU) with the WA Men's Shed Association Inc. (the state governing body) regarding the development of sheds with the City of Wanneroo, with a particular focus on:
 - i. The number of Sheds and their geographical catchments within the locality (proposed two north ward, one central ward and one south ward);
 - ii. The support and assistance to be provided by the City of Wanneroo;
 - iii. The process on the establishment of any new Shed's in the City of Wanneroo into the future.

It is critical from a strategic perspective that Council has a policy position to ensure that economies of scale with its resource allocation to Men's and Women's Sheds within the City of Wanneroo can be achieved. This policy is currently in development and will be presented to Council for consideration in February 2018.

It is recognised that these Sheds provide a valuable service to the residents of the City of Wanneroo and a policy framework will assist in ensuring their long term sustainability.

Since providing funding towards the operational costs for the Northern Suburbs Men's Shed, a similar request has now been received from the Yanchep Community Men's Shed (YCMS). The YCMS has indicated that unless they receive financial assistance, there is the potential of operations ceasing and a valued community service could be lost.

It should be noted that the YCMS has been in operation for just over one year and has not yet developed a detailed Business Plan for their operations and future intentions.

Whilst Administration has investigated various options for existing community facilities, to date alternative premises suitable for the YCMS to operate have not been identified.

Administration have been informed by the YCMS (22 November 2017) that they are not willing to consider the offer from Urban Quarter to host the Men's Shed at a site they own in Eglinton due to it being considered *"too far away from the centre of the community"*, and that *"it would be extremely expensive to move their existing heavy machinery to a new site unless some finance was provided for the move"*. Instead they are seeking financial support from the City to fund their operational costs. Based on their current rental costs of \$250 per week, funding of \$9,000 will enable the YCMS to stay in their current location for approximately nine months.

Even with suitable land for leasing identified, it is highly unlikely that the YCMS would have capacity to develop a facility within the two years. It will be pivotal that other community organisations are engaged to co-locate within this model / site development to increase the likelihood of attracting external funding from bodies such as Lotterywest and the State Government. This aspect will also need to be further explored with the Yanchep Sports and Social Club.

A review of the existing policies and programs in relation to the provision of City financial assistance to community organisations indicates that the nature of the request does not currently fit the criteria for funding. As a result, if this request from the YCMS was to be supported this would be unbudgeted expenditure and requires an absolute majority decision of Council to enable the expenditure to be committed in the 2017/18 financial year.

The recommendation includes a provision that if the request is approved for the YCMS, the \$9,000 be taken from the 2017/18 Community Funding Program. The Community Funding Program has \$90,000 allocated in the 2017/18 budget to cover two rounds of applications. The first round closed on 13 October 2017 with applications considered by the Community Funding Working Group to the value of \$68,484, to be submitted to Council for approval in December 2017. This leaves \$21,516 available for Round Two and to support the YCMS request.

This approach does have the risk of setting precedence for other community organisations to make similar requests hence the reason for identifying a need for further investigation of a potential model to support financial assistance for operating costs of this nature to ensure transparency, accountability and the appropriate framework is in place.

Given the risk of setting precedence, the need for transparency and accountability in providing financial assistance to community organisations and the work that will be undertaken to develop a report on this issue over the coming months, it is recommended that the request from the YCMS for financial assistance be considered as part of the 2017/18 mid-year budget review.

Attachments: Nil

Item 10 Urgent Business**Item 11 Confidential****CR01-12/17 HACC Contract Negotiations**

File Ref: 26470 – 17/381195
Responsible Officer: Director Community and Place

This report is to be dealt with in confidential session, under the terms of the Local Government Act 1995 Section 5.23(2), as follows:

- (c) *a contract entered into, or which may be entered into, by the local government and which relates to a matter to be discussed at the meeting*

Item 12 Date of Next Meeting

The next AGM of Electors and Elected Members' Briefing Session has been scheduled for 5:30pm on Tuesday 30 January 2018, to be held at Council Chambers, 23 Dundobar Road, Wanneroo.

Item 13 Closure



Council Chamber Seating Diagram

