

Ordinary Meeting of Council

Thursday, 20 April 2023

Agenda

Notice of Meeting

Councillors of the Tamala Park Regional Council are advised that a meeting will be held Electronically on Thursday 20 April 2023 at 6:00pm.



CHRIS ADAMS
Chief Executive Officer

*Constituent Members: Cities of Perth, Joondalup, Stirling, Vincent and Wanneroo
Towns of Cambridge and Victoria Park*

MEMBERSHIP

OWNER COUNCIL	MEMBER	ALTERNATE MEMBER
Town of Cambridge	Cr Alaine Haddon-Casey	
City of Joondalup	Cr John Chester Cr Nige Jones	Cr Russ Fishwick Cr John Raftis
City of Perth	Cr Brent Fleeton	Cr Clyde Bevan
City of Stirling	Cr Tony Krsticevic Cr Suzanne Migdale Cr Bianca Sandri Cr Karlo Perkov	Cr David Lagan
Town of Victoria Park	Cr Bronwyn Ife	Cr Claire Anderson
City of Vincent	Cr Ashley Wallace	Cr Jonathan Hallett
City of Wanneroo	Cr Brett Treby Cr Glynis Parker	Cr Linda Aitken Cr Vinh Nguyen

DISCLOSURE OF INTERESTS

1. APOLOGIES AND LEAVE OF ABSENCE
2. OFFICIAL OPENING
3. PUBLIC STATEMENT/QUESTION TIME
4. ANNOUNCEMENTS BY CHAIR (WITHOUT DISCUSSION)
5. PETITIONS
6. CONFIRMATION OF MINUTES
 - 6.1. CONFIRMATION OF MINUTES
7. BUSINESS ARISING FROM MINUTES
8. ADMINISTRATION REPORTS AS PRESENTED
 - 8.1. BUSINESS REPORT – MONTH ENDING 31 MARCH 2023
 - 8.2. PROJECT FINANCIAL REPORT - FEBRUARY 2023
 - 8.3. STATEMENT OF FINANCIAL ACTIVITY - FEBRUARY 2023
 - 8.4. LIST OF MONTHLY ACCOUNTS SUBMITTED - FEBRUARY 2023
 - 8.5. STATEMENT OF FINANCIAL ACTIVITY - MARCH 2023
 - 8.6. LIST OF MONTHLY ACCOUNTS SUBMITTED - MARCH 2023
 - 8.7. SALES AND SETTLEMENT REPORT – MONTH ENDING 31 MARCH 2023
 - 8.8. CATALINA GREEN ENTRY STATEMENTS - WIND TREES
 - 8.9. 2023/24 DRAFT BUDGET ASSUMPTIONS
 - 8.10. CATALINA CENTRAL: FUTURE SOUTHWARDS DEVELOPMENT
 - 8.11. REVIEW OF OCCUPATIONAL HEALTH AND SAFETY POLICY
 - 8.12. COUNCIL MEETING DATE - JUNE 2023
 - 8.13. REPEAL OF TPRC POLICIES
9. COMMITTEE REPORTS
 - 9.1. STRATEGIC LAND DEVELOPMENT: OPTIONS ANALYSIS
 - 9.2. CATALINA SALES INCENTIVES - EXTENSION OF REDEMPTION VALIDITY PERIOD
10. ELECTED MEMBERS MOTIONS OF WHICH NOTICE HAS BEEN GIVEN
11. QUESTIONS BY ELECTED MEMBERS OF WHICH DUE NOTICE HAS BEEN GIVEN
12. URGENT BUSINESS APPROVED BY THE CHAIR
13. GENERAL BUSINESS
14. DECISION TO MOVE TO CONFIDENTIAL SESSION
 - 14.1. **CONFIDENTIAL:** CONTRACT VARIATION - CIVIL CONSTRUCTION TERM CONTRACT - RETAINING WALL COSTS
This item satisfies the requirements of Section 5.23 of the *Local Government Act 1995*, enabling it to be considered at a meeting, or part of a meeting, that is closed to members of the public, on the grounds that it deals with:
 - c) *A contract entered into, or which may be entered into, by the TPRC and which relates to a matter to be discussed at a meeting (section 5.23(2)(c)); and*
 - e) *A matter that if disclosed, would reveal –*
 - i) *Information that has a commercial value to a person; or*

*ii) Information about the business, professional, commercial or financial affairs of a person.
where the information is held by, or is about, a person other than the TPRC (section 5.23(2)(e)).*

14.2. **CONFIDENTIAL:** CATALINA CENTRAL LOCAL CENTRE SITE (LOT 800 AVIATOR BOULEVARD) - DEVELOPMENT UPDATE

This item satisfies the requirements of Section 5.23 (2) of the *Local Government Act 1995* for it to be considered at a meeting, or part of a meeting, that is closed to members of the public, on the grounds that it deals with:

- i) A contract entered into, or which may be entered into, by the TPRC and which relates to a matter to be discussed at a meeting (section 5.23(2)(c)); and*
- ii) A matter that if disclosed, would reveal a trade secret or information that has a commercial value to a person or relates to the business, professional, commercial or financial affairs of a person, where the trade secret or information is held by, or is about, a person other than the TPRC (section 5.23(2)(e)).*

14.3. **CONFIDENTIAL:** OFFSET REVEGETATION AND MAINTENANCE TENDER 01/2023

This item satisfies the requirements of Section 5.23 of the *Local Government Act 1995*, enabling it to be considered at a meeting, or part of a meeting, that is closed to members of the public, on the grounds that it deals with:

- c) A contract entered into, or which may be entered into, by the TPRC and which relates to a matter to be discussed at a meeting (section 5.23(2)(c)); and*
- e) A matter that if disclosed, would reveal –
 - i) Information that has a commercial value to a person; or*
 - ii) Information about the business, professional, commercial, or financial affairs of a person.
where the information is held by, or is about, a person other than the TPRC (section 5.23(2)(e)).**

14.4. **CONFIDENTIAL:** DEVELOPMENT MANAGEMENT AGREEMENT - KEY PEOPLE

This item satisfies the requirements of Section 5.23 of the *Local Government Act 1995*, enabling it to be considered at a meeting, or part of a meeting, that is closed to members of the public, on the grounds that it deals with:

- c) A contract entered into, or which may be entered into, by the TPRC and which relates to a matter to be discussed at a meeting (section 5.23(2)(c)); and*
- e) A matter that if disclosed, would reveal –
 - i) Information that has a commercial value to a person; or*
 - ii) Information about the business, professional, commercial, or financial affairs of a person.
where the information is held by, or is about, a person other than the TPRC (section 5.23(2)(e)).**

15. FORMAL CLOSURE OF MEETING

6.1. CONFIRMATION OF MINUTES

Responsible Officer: Chief Executive Officer
Attachments: None
Voting Requirement: Simple Majority

Recommendation

That the Council CONFIRMS and the Chair signs the minutes from the Ordinary Meeting of Council held 16 February 2023 and the Special Meeting of Council held on 17 March 2023 as true and accurate records of proceedings.

8.1. BUSINESS REPORT – MONTH ENDING 31 MARCH 2023

Responsible Officer: Manager Project Coordination
Attachments: 1. Landscaping Table Report
Voting Requirement: Simple Majority

RECOMMENDATION

That the Council RECEIVES the Business Report for the month ending 31 March 2023.

PURPOSE

The report provides information to the Council on key activities, programs and milestones.

POLICY REFERENCE

N/A

LOCAL GOVERNMENT ACT/REGULATION

N/A

PREVIOUS MINUTES

N/A

FINANCIAL/BUDGET IMPLICATIONS

N/A

RISK MANAGEMENT IMPLICATIONS

Risk Ref: 2	Risk Rating:
Strategic - Stable and Effective governance environment.	Moderate
Action:	
SPG and TPRC provide reports/information to Council Meetings.	

The report provides information to ensure the Council is well informed on the progress of key components of the Catalina Project.

BACKGROUND

The business of the Council requires adherence to many legislative provisions, policies and procedures that aim at best practice. There are also many activities that do not need to be

reported formally to the Council but will be of general interest to Council members and will also be of interest to the public who may, from time to time, refer to Council minutes. In the context of the above, a Business Report provides the opportunity to advise on activities that have taken place between meetings. The report will sometimes anticipate questions that may arise out of good governance concerns by Council members.

COMMENT

1. Civil Construction - Status

The following tables detail the status of all current civil works stages. The highlights of the past month include:

- Opening of public access to the Catalina Green precinct.
- Good progress towards practical completion of Stage 29, albeit with a short delay and now expected to occur on 14 April 2023.
- Earthworks progressed in Stage 31.
- Commencement of the Longbeach Promenade extension.



Completed Stage 18C lots in Catalina Central, looking east towards Stage 36 in Catalina Green

Stage 29	43 lots
Contractor Possession of Site	12 April 2022
Original Practical Completion Date	16 September 2022
Revised Practical Completion Date	14 April 2023
Construction Status	

Item	% Complete	Change since last report	Comments
Earthworks	100	0	Complete, but for final trim of lots.
Sewer	100	0	Complete
Drainage	100	0	Complete
Water/Gas	100	0	Complete
Power/Comms	100	5	Complete
Walls	100	35	Complete
Roads	75	45	Final seal to complete.



Stage 29 civil works in progress

Stage 31		66 lots	
Contractor Possession of Site		9 January 2023	
Original Practical Completion Date		26 July 2023	
Revised Practical Completion Date		15 August 2023	
Construction Status			
Item	% Complete	Change since last report	Comments
Earthworks	35	25	In progress
Sewer	0	0	Commencing late April 2023.
Drainage	0	0	

Water/Gas	0	0	
Power/Comms	0	0	
Walls	0	0	
Roads	0	0	

Stage 37		48 lots	
Contractor Possession of Site		30 September 2022	
Original Practical Completion Date		3 March 2023	
Revised Practical Completion Date		1 June 2023	
Construction Status			
Item	% Complete	Change since last report	Comments
Earthworks	100	0	Complete
Sewer	100	0	Complete
Drainage	100	0	Complete
Water/Gas	100	0	Complete
Power/Comms	0	0	To follow roads
Walls	65	65	Ongoing
Roads	40	40	In progress

Longbeach Promenade Extension			
Contractor Possession of Site		20 September 2021	
Original Practical Completion Date		December 2021 - works were on hold for 16 months pending contractor resourcing - recommenced 7 March 2023.	
Revised Practical Completion Date		25 May 2023	
Construction Status			
Item	% Complete	Change since last report	Comments
Earthworks	95	15	
Sewer	20	20	
Drainage	0	0	
Water/Gas	0	0	
Power/Comms	0	0	
Walls	0	0	
Roads	0	0	

2. Landscaping Works - Status

The status of various landscape construction works in progress in Catalina is summarised in the table contained in the attachment.

Current highlights are detailed below.

Catalina Beach

Portofino Promenade Extension

Practical completion achieved with City of Wanneroo on 21 February 2023.

Catalina Beach Park - Phase 2

Earthworks for the park extension have been completed as part of the Stage 29 civil works. Landscaping works progressed, with walls being constructed and long lead-time items such as plant stock ordered. Practical completion is forecast for 16 June 2023.

Foreshore Park

Landscape design drawings for a new park at the end of the Portofino Promenade extension and adjacent to the coastal conservation reserve are complete. Assessment of the drawings by the City of Wanneroo was initially delayed due to urban water management plan considerations and more recently has been held up by the need to resolve land tenure and future management issues between the City and Water Corporation in relation to the wastewater pump station site that is located within the park area. The current program anticipates City of Wanneroo approval in June 2023 and works commencing almost immediately following. Completion of the park is anticipated in December 2023.

Longbeach Promenade Landscaping

Detailed design has been completed and submitted to the City of Wanneroo. Initial comments have been received from the City, necessitating changes to tree species selection. Approval is anticipated in late April 2023.

Stage 29 Landscaping

Detailed design has been approved by the City of Wanneroo and issued to the landscaping contractor for pricing. Works are anticipated to commence in winter to make use of wet conditions for planting establishment and consolidation.

Offset Revegetation Works - Coastal Reserve

Tenders have been called for submissions from contractors to undertake revegetation works within the coastal reserve west of Catalina Estate. The works are required to satisfy offset revegetation obligations placed on the TPRC by the clearing permit granted for the removal of vegetation to enable construction of the Beach Access Road and Carpark. A separate item on this agenda relates to this matter.

Catalina Central

Nil.

Catalina Green

Phase 1 Park, Streetscapes and Entry Statements

Landscape design for the streetscape works and entry statements on Connolly Drive and Neerabup Road and first stage of parkland adjacent to Neerabup Road in Catalina Green is complete. Design drawings have been approved by the City of Wanneroo. Landscape works for the public open space commenced in January 2023 and are anticipated to be completed in August 2023.



Catalina Green Public Open Space corner Neerabup Road and Connolly Drive - Construction commenced

3. Housing Construction

The following table provides an overview of the current progress of housing construction to 28 February 2023. A substantial amount of building activity is presently in progress across Catalina Beach and Central.

Stage	Total Lots	Homes Completed	Homes Under Construction	Lots Vacant
Stages 1, 3-6B, 7-15, 17A, 18A, 25A, 25B & 25DV	852	887*	0	1
Stage 2	38	36	0	2
Stage 6C	10	10	0	0
Stage 16A	17	16	1	0
Stage 17B	36	35	1	0
Stage 18C	28	0	2	26
Stage 25C	4	2	1	1
Stage 26	38	34	3	1
Stage 27A	20	11	7	2

Stage 27B	23	1	20	2
Stage 28	34	11	20	3
Stage 30	35	1	23	11
Stage 36	57	0	1	56
Total	1,223	1,074	79	106
Change since 31/1/23	0	+4	+1	-5



Double-storey homes under construction on Portofino Promenade in Stage 27 - Catalina Beach

4. Community Events

The new 11-home display village in Catalina Beach currently has four homes that have opened and it is expected that most of that remaining seven will be operating in time for an opening event planned for the afternoon of Sunday 28 May 2023. It is intended to be a sales-focussed event to attract potential purchasers to the new display village, with the broader objectives to:

- Showcase and celebrate the completion of the new display village at Catalina Beach Estate;
- Attract visitation to the display village;
- Enhance brand awareness and profile of Catalina Estate to prospective buyer market;
- Build marketing databases through surveys and/or competitions for lead nurturing post-event;
- Engage existing residents/purchasers to date and encourage referral and/or subsequent purchase;
- Support the presence of builder partners in the display village;
- Provide a focal point for a potential marketing campaign (that is, tie in with a stage release and/or leverage as part of a brand and/or retail campaign).

Every second display home will offer a high-tea style food item from a degustation menu for invited guests, which will include all TPRC Councillors, various other VIPs, builder partners and prospective purchasers. Activities or branded Catalina merchandise will be found in alternative homes, with speakers located in the display village street, an acoustic performer and event theming put in place to add atmosphere.

5. Special Development Sites

Connolly Drive, Catalina Green

The Stage 36 civil works in Catalina Green include the 2ha commercial centre site located at the intersection of Connolly Drive and Aviator Boulevard.

A contract of sale for the site has been executed following the award of the tender for the sale of the site to Lightpoint Nominees by the Council at its meeting on 17 February 2022.

The proponent submitted a Local Development Plan with the City of Wanneroo in February 2023, which sets parameters for development of a neighbourhood centre on the site. This enabled the City's subdivision clearance to be issued and the site's title to be released on 28 February 2023. Settlement of the sale is scheduled to occur on 6 April 2023.



Catalina Green Neighbourhood Centre Site - Ready for Settlement of Sale

Rathmines Street, Catalina Central

A tender for the sale of proposed Lot 341 Rathmines Street, located on the corner of Aviator Boulevard and Connolly Drive in Catalina Central was awarded by the Council on 29 September 2022 to Accord Property. The contract for sale has now been executed by

both parties. Accord is currently undertaking due diligence and settlement is anticipated in August 2023.

Aviator Boulevard/Roulettes Parade Local Commercial Centre, Catalina Central

Stage 1 of the development of the Catalina Central commercial sites, comprised of a childcare centre, was completed in mid-2022. Stage 2 will include several shop tenancies (300m² net lettable area) and a 170m² café. The TPRC has a legal agreement with the owner of the Stage 2 land, Auswide International (Auswide), which requires the remaining development to be completed by May 2023. A report on this matter is contained in a separate item on this agenda.

LANDSCAPING WORKS STATUS – as at 28 March 2023

Landscape Works	FYE 2023 Budget	Detailed Design	City of Wanneroo Approval	Construction Commencement	Anticipated Completion	Comments
Foreshore Access Road and Carpark	\$631,711	Complete	Issued	Commenced	Complete	<ul style="list-style-type: none"> Second stage of revegetation has been completed.
Portofino Promenade Extension	\$842,539	Complete	Issued	Commenced	Complete	<ul style="list-style-type: none"> Practical completion achieved.
Catalina Beach Park- Phase 2	\$572,388	Complete	Issued	January 2023	16 June 2023	<ul style="list-style-type: none"> Works in progress.
Foreshore Park	\$4,577,070	Complete	Submitted	June 2023	December 2023	<ul style="list-style-type: none"> Design finalised –assessment by City of Wanneroo pending resolution of urban water management plan and WWPS land tenure.
Connolly Drive/Aviator Blvd Roundabout and Entry Statement	\$1,096,856	Complete	Issued	Commenced	Complete	<ul style="list-style-type: none"> Practical completion achieved.
Aviator Boulevard Greenlink	\$2,058,944	Complete	Issued	Commenced	Complete	<ul style="list-style-type: none"> Practical completion achieved.
Catalina Green Phase 1 POS, streetscapes and entry Statements	\$3,027,226	Complete	Issued	January 2023	11 August 2023	<ul style="list-style-type: none"> Works in progress.
Long Beach Promenade landscaping	\$102,200	Complete	Submitted	Forecast July 2023	Forecast December 2023	<ul style="list-style-type: none"> Subject to civil works completion
Stage 29 buffer landscaping	\$120,325	Complete	Issued	Forecast May 2023	Forecast June 2023	<ul style="list-style-type: none"> Issued for contractor pricing

8.2. PROJECT FINANCIAL REPORT - FEBRUARY 2023

Responsible Officer: Chief Executive Officer
Attachments: 1. Appendix - Catalina Feb 23 Finance Report
Voting Requirement: Simple Majority

RECOMMENDATION

That the Council RECEIVES the Project Financial Report (February 2023) submitted by the Satterley Property Group.

PURPOSE

To consider the Project Financial Report for February 2023 submitted by the Satterley Property Group.

POLICY REFERENCE

N/A

LOCAL GOVERNMENT ACT/REGULATION

N/A

PREVIOUS MINUTES

N/A

FINANCIAL/BUDGET IMPLICATIONS

Review of Project Financial Report for February 2023.

RISK MANAGEMENT IMPLICATIONS

Risk Ref: 2	Risk Rating:
Strategic - Stable and effective governance environment.	Moderate
Action:	
SPG and TPRC provide reports/information to Council Meetings.	

The report provides information to the Council on Catalina Project financial outcomes in particular, revenue, expenditure and variances to ensure transparency and governance of financial activity.

BACKGROUND

At its meeting of 16 June 2022, the Council approved the Project Budget FYE 2023, submitted by the Satterley Property Group (Satterley). The Budget was reviewed in November 2022 and the Council approved an updated Budget at its meeting of 8 December 2023

The Development Manager's Key Performance Indicators 2020 - Governance, requires the preparation of monthly progress reports.

COMMENT

Satterley has prepared a Catalina Financial Report for February 2023 for the Project. The report has been prepared on a cash basis and compares actual expenditure to approved budget expenditure for the period 1 February 2023 to 28 February 2023.

The Financial Report identifies the following main areas of variance:

1. As tabled below, the overall nett financial position exceeds the December budget projections.
- 2.

	Projected Budget (Jun-Feb)	Actual YTD (Jun- Feb)	Variance
Revenue	23.0M	16.8M	(6.2M)
Expenditure	23.2M	13.4M	9.8M
Nett	(0.2M)	3.4M	3.6M

3. Revenues are below budget expectations. This is primarily due to the settlement of the eCorp Commercial Site in Catalina Green not being received in Jan/Feb as planned. This site settled on April 6th.
4. Expenditure is significantly under budget with the actual spend being \$9.8M below the revised February budget projection. The key variances are:
 - Lot production (excl. Bonds) is \$6.8M under budget as works have been delayed and contract durations extended on various stages;
 - Landscaping is \$2.9M under budget due to delays in works and approvals for works not being achieved yet;
 - Infrastructure spend is \$798K underspent primarily due to delays in commencement of Longbeach Promenade extension. There are likely to be approximately \$280K in real savings in infrastructure spend;
 - P&L expenditure is \$215K under budget primarily due to projected consultancy costs not being expended. It is likely that most of this under-expenditure will be realised as project savings;
 - Clearance Bonds is \$1.08M unfavourable to budget due to timing of payments. Bond repayments are expected from the City of Wanneroo over the coming months.

While the FYE 2023 Budget was modified significantly through the mid-year Budget review process at the Council's December 2022 meeting, with both expenditure and income expectations being lowered considerably from the June 2022 projection, the budget assumptions for both expenditure and income appear to be ambitious with spending unlikely to reach anticipated levels and income through sales not reaching the projected level by 30 June 2023. While the budget is unlikely to be met, current indications are that the nett financial position is likely to be better than projected.

29 March 2023

Mr Chris Adams
Chief Executive Officer
Tamala Park Regional Council
PO Box 655
INNALOO WA 6918

Dear Chris

Catalina Financial Report for February 2023

Please find attached the Catalina Financial Report for February 2023. This report has been prepared on a cash basis and compares actual income and expenditure to the December 2022 approved budget for the period 1 February 2023 to 28 February 2023.

YTD settlement revenue for FY2023 was \$18m which is \$1.2m unfavorable to budget on 9 fewer settlements.

Year to date Sales for FYE2023 was \$8.63m and \$6.06m unfavourable to budget due to 21 less residential sales.

Overall year to date cashflow for FYE2023 is \$3.52 favourable to budget per the approved 'December 2022' budget, with \$3.39m net cashflow against a budgeted net cash outflow of \$128k. The main areas of expenditure variances are summarised below:

- Lot Production (excl. Bonds) is \$6.78m under budget, noting the following variances:
 - Stages 36-37 Earthworks \$820k under budget due to savings;
 - Stage 18C \$846k under budget due to delayed works and savings;
 - Stage 27B \$163k under budget due to savings;
 - Stage 29 \$1.04m under budget due to delayed works and savings;
 - Stage 30 \$514k under budget due to savings;
 - Stage 31 \$53k under budget due to delayed works;
 - Stage 32 \$56k under budget due to delayed works;
 - Stage 36 \$2.3m under budget due to delayed works and savings;
 - Stage 37 \$938k under budget due to delayed works and savings;
 - Stage 38 \$51k under budget due to minor variances from delays of civil design;

- Landscaping is \$2.91m under budget, noting the following variances:
 - Preliminary Landscaping Consultancy \$237k under budget due to delayed designed and constructions;
 - Environmental landscaping \$42k under budget due to minor timing variances;
 - Central Connolly Drive \$174k over budget due to works ahead of budget – overall costs in line with full year budget;
 - Central Green Link \$81k under budget due to minor timing variances;
 - Beach Portofino Verge South \$17k under budget due to minor timing variances;
 - Beach Park 2 \$551k under budget due to delays in works program;

- Beach foreshore Access area 1 \$68k under budget due to minor timing variances;
- Green POS 1 Phase 1 \$2m under budget due to delays on site;
- Green Central Bore, Pump & Filtration Unit \$30k under budget due to unused contract sum;
- Water \$56k under budget due to unused contract sums;

- Infrastructure Spend is \$798k under budget, noting the following variances:
 - Connolly Drive Blvd \$225k under budget due to savings;
 - Portofino Extension \$41k under budget due to savings;
 - Longreach Prom Extension \$505k under budget due to delays on site;
 - Rubbish Removal \$27k under budget due to unrequired works;

- Clearance bonds are \$1.08m unfavourable to budget – timing.

- Indirect Consultants are \$69k under budget - timing.

- Special site – Stage 17B GHS is \$90k under budget due to timing of works.

- P&L expenditure is \$215k under budget, noting the following variances:
 - Sales & Marketing is \$169k under budget due to timing of spend;
 - Community and Development \$55k under budget due timing of spend;
 - Maintenance \$181k under budget due to reduced scope;
 - Legal Fees \$21k under budget – no spending required at present;
 - Contingency \$165k under budget – not required
 - Rates & taxes \$424k over budget – budget omission;
 - Security \$15k under budget – no spending required at present;
 - Sundry Office Expenses \$8k under budget – no spending required at present;
 - Training \$10k under budget – no spending required at present;
 - Valuations \$11k under budget due to timing of spend;
 - \$9k under budget - combined minor variances for other Overheads.

Please refer to the attached Cashflow Analysis for a more detailed analysis of actual to budget variances. Should you have any queries on this report, please do not hesitate to contact me.

Yours faithfully



Ross Carmichael
General Manager Finance

Catalina Actual vs Budget Analysis

Tamala Park Cashflow FY2023		MONTH - February 2023		
Job Description	Account Description	MTH ACT Feb 2023	MTH BUD Feb 2023	Variance
Settlements	Settlement revenue	1,479,000	2,847,311	(1,368,311)
Margin GST	Margin GST	(20,820)	(55,001)	34,181
Direct Selling Costs		(67,230)	(133,458)	66,228
Interest Income		0	0	0
Other Income	Special sites revenue	0	0	0
Rebate Allowance		(4,958)	(57,952)	52,994
		1,385,992	2,600,900	(1,214,908)
Earthworks Stages 36-37	Siteworks / Earthworks	19,660	0	(19,660)
Total Earthworks Stage 36-37		19,660	0	(19,660)
Stage 18C	Siteworks / Earthworks	152,838	137,565	(15,273)
	Authorities Fees	0	0	0
	Direct Consultants	7,901	7,601	(300)
Total Stage 18C		160,739	145,165	(15,573)
Stage 27B	Siteworks / Earthworks	0	0	0
	Authorities Fees	0	0	0
Stage 27B	Direct Consultants	0	0	0
Total Stage 27B		0	0	0
Stage 29	Siteworks / Earthworks	222,726	356,209	133,482
	Authorities Fees	226	0	(226)
	Direct Consultants	5,795	7,162	1,366
Total Stage 29		228,747	363,371	134,623
Stage 30	Siteworks / Earthworks	10,566	0	(10,566)
	Authorities Fees	0	0	0
	Direct Consultants	0	0	0
Total Stage 30		10,566	0	(10,566)
Total Stage 31	Direct Consultants	2,955	22,336	19,380
		2,955	22,336	19,380
Total Stage 32	Direct Consultants	0	28,026	28,026
		0	28,026	28,026
Stage 36	Siteworks / Earthworks	365,989	0	(365,989)
	Authorities Fees	0	0	0
Stage 36	Direct Consultants	297	0	(297)
Total Stage 36		366,286	0	(366,286)
Stage 37	Siteworks / Earthworks	52,962	448,129	395,167
	Authorities Fees	0	0	0
	Direct Consultants	8,340	18,372	10,032
Total Stage 37		61,302	466,500	405,199
Total Stage 38	Direct Consultants	12,636	22,236	9,600
		12,636	22,236	9,600
Various Stages	Clearance Bonds	449,598	(1,860,744)	(2,310,343)
TOTAL LOT PRODUCTION		1,312,489	(811,111)	(2,125,601)
Preliminary Landscaping Consultancy	Landscape Consulting	12,147	92,876	80,729
Environmental Landscaping	Landscape Construction	0	9,082	9,082
Central Connolly Drive	Landscape Construction	27,617	222,306	194,689
Central Green Link	Landscape Construction	0	0	0
Beach Display Village Verge	Landscape Construction	0	0	0
Beach Portofino Verge - South	Landscape Construction	145,898	151,702	5,804
Beach Park 2	Landscape Construction	24,362	145,011	120,650
Beach Foreshore Access Area 1	Landscape Construction	0	15,700	15,700
Green POS 1 Phase 1	Landscape Construction	20,000	175,272	155,272
Green Central Bore, Pump & Filtration Unit	Landscape Construction	0	10,134	10,134

YEAR TO DATE - February 2023		
YTD ACT Feb 2023	YTD BUD Feb 2023	Variance
18,013,000	19,250,556	(1,237,556)
(225,361)	(310,976)	85,615
(813,712)	(1,163,350)	349,638
2,072	658	1,414
0	5,909,091	(5,909,091)
(168,002)	(621,070)	453,068
16,807,997	23,064,909	(6,256,911)
19,660	839,642	819,982
19,660	839,642	819,982
1,051,128	1,876,088	824,960
226,406	225,587	(820)
30,177	52,458	22,281
1,307,712	2,154,133	846,421
55,817	45,000	(10,818)
0	141,841	141,841
1,250	33,330	32,080
57,067	220,171	163,103
1,239,513	2,567,911	1,328,397
314,602	0	(314,602)
36,568	62,968	26,400
1,590,684	2,630,879	1,040,195
87,015	577,810	490,794
0	16,314	16,314
20,437	26,860	6,423
107,452	620,984	513,531
145,042	197,766	52,724
145,042	197,766	52,724
0	55,865	55,865
0	55,865	55,865
2,785,594	4,737,000	1,951,406
351,334	682,544	331,210
54,787	74,433	19,646
3,191,715	5,493,976	2,302,262
406,610	1,344,387	937,777
7,639	533	(7,106)
136,463	143,511	7,048
550,712	1,488,431	937,719
60,988	112,171	51,183
60,988	112,171	51,183
2,070,189	987,899	(1,082,290)
9,101,220	14,801,917	5,700,697
128,823	366,027	237,205
99,031	140,721	41,690
1,055,387	881,882	(173,505)
843,653	924,529	80,876
8,400	7,200	(1,200)
677,964	695,334	17,370
24,362	575,256	550,895
209,349	277,062	67,713
20,000	2,027,071	2,007,071
0	30,200	30,200

Bud Comparison: Dec 22 Approved	
Comments regarding variance	
63 settlements YTD ex GST Margin scheme. GST Margin as detailed in Burgess Rawson valuations Includes Commission and Management Fees Penalty interest income on settlements delay in neighbourhood site settlement Construction Recycling, Fencing, Landscape, Shared Bore, Solar, and Display Builder Rebates	
Under budget due to unused contract sums. Savings to be reflected in next budget update	
Under budget due to minor timing variance with delayed works along with estimated savings of ~\$400k to be reflected in next budget update.	
Under budget due to unused contract sums. Savings to be reflected in next budget update	
under budget due to minor timing variance with delayed works along with savings of ~\$500k to be reflected in next budget update	
under budget due to unused contract sums, savings of ~\$500k to be reflected in next budget update	
under budget due to minor timing variance with delayed works	
under budget due to minor timing variance with delayed works	
under budget due to timing variance with delayed works along with savings of ~\$400k to be reflected in next budget update	
under budget due to timing variance with delayed works along with savings of ~\$450k to be reflected in next budget update	
minor variance with delay in civil design invoicing	
Within budget	
Timing variance - works in line with full year budget	

Catalina Actual vs Budget Analysis

Tamala Park Cashflow FY2023		MONTH - February 2023		
Job Description	Account Description	MTH ACT Feb 2023	MTH BUD Feb 2023	Variance
Water	Landscape Construction	0	11,401	11,401
TOTAL LANDSCAPING		230,023	833,484	603,461
Planning - indirect	Planning	7,670	26,179	18,509
	Architect	390	549	159
	Environmental	2,400	3,321	921
	Geotechnical	0	860	860
	Title - Survey & Legal fees	5,275	3,373	(1,902)
	Engineering fees	4,060	7,030	2,970
	Miscellaneous Consultants	0	944	944
	Planning - Hydrology	0	2,947	2,947
	Planning - Sustainability	0	1,504	1,504
	Acoustic & Noise Consult	0	110	110
	Tree Mapping	0	0	0
TOTAL INDIRECT CONSULTANTS		19,795	46,817	27,021

YEAR TO DATE - February 2023		
YTD ACT Feb 2023	YTD BUD Feb 2023	Variance
0	56,476	56,476
2,955,474	5,870,265	2,914,790
93,815	149,933	56,118
7,935	6,683	(1,252)
23,928	26,957	3,029
0	4,258	4,258
29,467	21,752	(7,716)
18,955	42,389	23,434
23,057	6,293	(16,765)
5,385	15,707	10,322
7,000	7,449	449
0	545	545
3,100	0	(3,100)
215,143	284,466	69,322

Bud Comparison: Dec 22 Approved
Comments regarding variance
majority of variance due to delay in stage 36 and Beach Stage 2 landscaping as result of delay in civils.
minor variance due to timing of works and invoicing

Catalina Actual vs Budget Analysis

Tamala Park Cashflow FY2023		MONTH - February 2023		
Job Description	Account Description	MTH ACT Feb 2023	MTH BUD Feb 2023	Variance
Connolly Drive Aviator Blvd Intersection		0	0	0
Foreshore Access Road		0	0	0
Portofino Extension		0	0	0
Portofino Extension		0	0	0
Longreach Prom Extension		0	164,616	164,616
Longreach Prom Extension		0	5,143	5,143
Rubbish removal - General Allowance		0	7,583	7,583
INFRASTRUCTURE		0	177,342	177,342
TOTAL INFRASTRUCTURE		0	177,342	177,342
Catalina Green Commercial Site		0	0	0
Stage 17B GHS - Lot 341		0	33,273	33,273
TOTAL SPECIAL SITES & FIXED ASSETS		0	33,273	33,273
TOTAL CONSTRUCTION		1,562,308	277,804	(1,284,504)
LAND		0	0	0
PROFIT & LOSS EXPENDITURE				
Sales & Marketing				
Brand Development		122	5,167	5,044
Sales Office & Builder Rel.		0	15,517	15,517
Brochures		0	4,133	4,133
Advertising		18,152	12,675	(5,477)
Signage		380	10,005	9,625
Website		0	1,770	1,770
Promotions		0	1,111	1,111
Public Relations		0	2,222	2,222
Total Sales and Marketing		18,654	52,601	33,947
Total Community Development	Comm Dev - Resident Dev	3,693	15,395	11,702

YEAR TO DATE - February 2023		
YTD ACT Feb 2023	YTD BUD Feb 2023	Variance
0	225,000	225,000
1,193	0	(1,193)
3,990	45,150	41,160
41,023	40,838	(185)
500	491,085	490,585
0	15,327	15,327
10,740	37,563	26,823
57,447	854,963	797,516
57,447	854,963	797,516
8,660	0	(8,660)
9,576	99,158	89,582
18,236	99,158	80,922
12,347,521	21,910,768	9,563,248
0	0	0
3,997	29,333	25,336
346	77,931	77,586
6,695	25,467	18,772
84,088	77,302	(6,787)
54,737	89,978	35,241
11,045	12,919	1,874
0	5,556	5,556
0	11,111	11,111
160,908	329,597	168,689
32,959	88,419	55,461

Bud Comparison: Dec 22 Approved	
Comments regarding variance	
under budget due to unused contract sums, savings to be reflected in next budget update	
under budget due to unused contract sums, savings to be reflected in next budget update	
under budget due to delay in commencement of the works	
within budget	
Within budget	
Within budget	
Within budget	
Within budget	
Within budget. Overall marketing spend below forecast	
Within budget	

Catalina Actual vs Budget Analysis

Tamala Park Cashflow FY2023		MONTH - February 2023		
Job Description	Account Description	MTH ACT Feb 2023	MTH BUD Feb 2023	Variance
Administration	Audit and Tax	831	0	(831)
	Cleaning	0	1,013	1,013
	Computer Costs	0	507	507
	Couriers	0	304	304
	Electricity & Gas	4,924	1,013	(3,911)
	Insurance	0	507	507
	Legal fees	0	4,222	4,222
	Licenses & Fees	0	507	507
	Postage, Print & Stationery	0	507	507
	Sundry Office Expenses	0	1,520	1,520
	Training	0	2,111	2,111
	Valuations	750	3,378	2,628
	Rates & Taxes	430,862	0	(430,862)
	Maintenance	33,176	85,529	52,353
	Security	0	3,040	3,040
	Total Administration		470,543	104,158
Finance	Bank Charges - Comm Bills	0	0	0
Finance	Contingency	137,565	118,065	(19,500)
	Contingency Offset Transfer	(137,565)	(137,565)	0
Total Finance		0	(19,500)	(19,500)
Total P&L Expenditure		492,891	152,654	(340,237)
Grand Expense Total		2,055,198	430,458	
NET CASHFLOW		(146,741)	2,170,442	(1,823,701)

YEAR TO DATE - February 2023		
YTD ACT Feb 2023	YTD BUD Feb 2023	Variance
5,380	1,078	(4,302)
5,970	7,750	1,780
0	2,510	2,510
0	1,506	1,506
11,003	6,437	(4,566)
0	2,510	2,510
0	20,917	20,917
3,977	4,954	977
0	2,510	2,510
0	7,530	7,530
0	10,458	10,458
10,850	21,883	11,033
458,762	34,944	(423,817)
377,608	558,979	181,371
0	15,060	15,060
873,549	699,028	(174,521)
0	0	0
634,823	800,027	165,204
(634,823)	(634,823)	0
0	165,204	165,204
1,067,416	1,282,248	214,833
13,414,937	23,193,017	9,778,080
3,393,061	(1,181,798)	3,521,169

Bud Comparison: Dec 22 Approved
Comments regarding variance
Over budget due to budget omission.
Due rates & taxes variance. Rest combined is below budget.
under budget as not required
Within budget

Contingency Summary

YTD Budget	800,027
Contingency Transferred (Actual & Budget)	(634,823)
Contingency not yet used	<u>165,204</u>

List of Contingency items transferred year to date

Period	Job Description	Amount
Oct-22	Stage 29 Civils & Earthworks CL5	161,725
Nov-22	Stage 29 Civils & Earthworks CL6	168,300
Dec-22	Central Green Link Landscape	82,740
Jan-23	Stage 18C Civils CL 10	84,493
Feb-23	Stage 18C Civils CL 11	137,565
		<u>634,823</u>

Budget Transfers

List of Budget items transferred year to date

Period	Job Description	Amount
Oct-22	Contingency	(369,587.80)
Oct-22	Stage 29 Civil	369,587.80
Dec-22	Green Neerabup Rd Phase 1	(607,710.00)
Dec-22	Green Connolly Dr Phase 1	(729,103.47)
Dec-22	Green POS 1 Phase 1	1,851,798.77
Dec-22	Green Streetscapes Phase 1	(514,985.30)
		<u>0</u>

Note: Actual Contingency spend in prior years is reported against the job that the spend relates to.

1.0 Management Accounts

1.1 KEY STATISTICS

	Lots Produced (titles)		Sales		Settlements		Distributions	
	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget
		(Dec-22)		(Dec-22)		(Dec-22)		(Dec-22)
Prior Years	1,138	1,138	1,200	1,200	1,112	1,112	97,000,000	97,000,000
Jul-2022	-	-	7	7	10	10	-	-
Aug-2022	-	-	2	2	6	6	-	-
Sep-2022	-	-	6	6	2	2	-	-
Sep Qtr	-	-	15	15	18	18	-	-
Oct-2022	28	28	-	-	1	1	-	-
Nov-2022	57	48	5	8	22	12	-	-
Dec-2022	-	-	(2)	8	10	17	10,000,000	10,000,000
Dec Qtr	85	76	3	16	33	30	10,000,000	10,000,000
Jan-2023	-	-	4	8	6	12	-	-
Feb-2023	-	-	4	8	6	12	-	-
Mar-2023	-	-	-	8	-	6	-	-
Mar Qtr	-	-	8	24	12	30	-	-
Apr-2023	-	91	-	8	-	3	-	-
May-2023	-	-	-	8	-	15	-	-
Jun-2023	-	-	-	8	-	14	-	10,000,000
Jun Qtr	-	91	-	24	-	32	-	10,000,000
PTD	1,223	1,214	1,226	1,247	1,175	1,184	107,000,000	107,000,000
Full 2022/23 Year	85	167	26	79	63	110	10,000,000	20,000,000
2023/24		144		149		136		20,000,000
2024/25		191		144		148		17,000,000

- There were 4 sales and 6 settlements for February.

1.2 Sales & Settlements

	MTH Act	MTH Bgt	YTD Act	YTD Bgt	PTD Act	PTD Bgt
		(Dec-22)		(Dec-22)		(Dec-22)
Residential						
- Sales #	4	8	26	47	1,226	1,247
- Sales \$	1,276,000	2,611,795	8,626,000	14,685,193	338,430,500	344,489,693
- Sales \$/lot	319,000	326,474	331,769	312,451	276,044	276,255
- Settlements #	6	12	63	72	1,175	1,184
- Settlements \$	1,479,000	2,847,310	18,013,000	19,250,554	323,367,500	324,605,054
- Settlements \$/lot	246,500	237,276	285,921	267,369	275,206	274,160
Special Sites						
- Sales #	-	-	2	-	6	4
- Sales \$	-	-	9,900,000	-	13,672,000	3,772,000
- Sales \$/lot	-	-	4,950,000	-	2,278,667	943,000
- Settlements #	-	-	-	1	4	5
- Settlements \$	-	-	-	6,500,000	3,772,000	10,272,000
- Settlements \$/lot	-	-	-	6,500,000	943,000	2,054,400
Lots Under Contract						
- Unsettled sales #	51		Unconditional	2	Titled	
- Unsettled sales \$	15,063,000		Conditional	49	1,226 incl. Spec sites	
- Unsettled sales \$/lot	295,353					

Special sites under contract:

	Bud	Fct
	Settlement	Settlement
Lot 3128 (Stg 36)	7,150,000	Jan-23
Lot 341 (Stg 17B)	2,750,000	Jun-23
	<u>9,900,000</u>	Aug-23

1.3 Cashflow - MTD Actuals to budget

	<u>MTD Act</u>	<u>MTD Bgt</u> <i>(Dec-22)</i>	<u>Variance</u>
<i>Income</i>			
Settlement Revenue	1,479,000	2,847,311	(1,368,311)
Margin GST	(20,820)	(55,001)	34,181
Direct selling costs	(67,230)	(133,458)	66,228
Interest Income	-	-	-
Forfeited Deposits	-	-	-
Other Income	-	-	-
Rebate Allowance	(4,958)	(57,952)	52,994
	<u>1,385,992</u>	<u>2,600,900</u>	<u>(1,214,908)</u>
<i>Development costs</i>			
WAPC Land Acq.	-	-	-
Lot production	862,891	(1,262,710)	(2,125,601)
Clearance Bonds	449,598	449,598	-
Landscaping	230,023	833,484	603,461
Consultants	19,795	46,817	27,021
Infrastructure	-	177,342	177,342
Special Sites	-	33,273	33,273
	<u>1,562,308</u>	<u>277,804</u>	<u>(1,284,504)</u>
<i>Overheads</i>			
Sales & marketing	18,654	52,601	33,947
Community Develop.	3,693	15,395	11,702
Administration	470,543	104,158	(366,385)
Finance/Contingency	-	(19,500)	(19,500)
	<u>492,891</u>	<u>152,654</u>	<u>(340,237)</u>
Net Cashflow	<u>(669,206)</u>	<u>2,170,442</u>	<u>(2,839,649)</u>

1.4 Cashflow - YTD Actuals to budget

	<u>YTD Act</u>	<u>YTD Bgt</u> <i>(Dec-22)</i>	<u>Variance</u>
<i>Income</i>			
Settlement Revenue	18,013,000	19,250,556	(1,237,556)
Margin GST	(225,361)	(310,976)	85,615
Direct selling costs	(813,712)	(1,163,350)	349,638
Interest Income	2,072	658	1,414
Forfeited Deposits	-	-	-
Other Income	-	5,909,091	(5,909,091)
Rebate Allowance	(168,002)	(621,070)	453,068
	<u>16,807,997</u>	<u>23,064,909</u>	<u>(6,256,911)</u>
<i>Development costs</i>			
WAPC Land Acq.	-	-	-
Lot production	7,031,031	13,814,018	6,782,987
Clearance Bonds	2,070,189	987,899	(1,082,290)
Landscaping	2,955,474	5,870,265	2,914,790
Consultants	215,143	284,466	69,322
Infrastructure	57,447	854,963	797,516
Special Sites	18,236	99,158	80,922
	<u>12,347,521</u>	<u>21,910,768</u>	<u>9,563,248</u>
<i>Overheads</i>			
Sales & marketing	160,908	329,597	168,689
Community Develop.	32,959	88,419	55,461
Administration	873,549	699,028	(174,521)
Finance/Contingency	-	165,204	165,204
	<u>1,067,416</u>	<u>1,282,248</u>	<u>214,833</u>
Net Cashflow	<u>3,393,061</u>	<u>(128,108)</u>	<u>3,521,169</u>

1.5 Bonds

	<u>Last Year</u>	<u>Last Month</u>	<u>This Month</u>
City of Wanneroo	823,255	2,443,846	2,893,444
	<u>823,255</u>	<u>2,443,846</u>	<u>2,893,444</u>

Bonds relate to stages 18C, 21, 25, 29, 30, 36, Portofino Prom & Connolly Drive early clearances.

2.0 PROFIT & LOSS

	<u>MTH Act</u>	<u>MTH Bgt</u>	<u>Var</u>	<u>YTD Act</u>	<u>YTD Bgt</u>	<u>Var</u>	<u>PTD Act</u>	<u>PTD Bgt</u>
		(Dec-22)			(Dec-22)			(Dec-22)
- Revenue \$ (Stlmts)	1,479,000	2,847,310	(1,368,310)	18,013,000	19,250,554	(1,237,554)	323,367,500	324,605,054
- Revenue \$/lot	246,500	237,276		285,921	267,369		275,206	274,160
- Selling & GST \$	157,050	352,894	195,843	1,764,623	2,143,801	379,178	28,407,514	28,786,692
- Selling & GST \$/lot	26,175	29,408		28,010	29,775		24,177	24,313
- Cost of sales \$	720,783	1,712,349	991,566	7,495,651	10,019,410	2,523,759	114,141,078	116,664,836
- Cost of sales \$/lot	120,131	142,696		118,979	139,158		97,141	98,534
- Gross profit \$	601,166	782,067	(180,901)	8,752,726	7,087,344	1,665,382	180,818,909	179,153,526
- Gross profit \$/lot	100,194	65,172		138,932	98,435		153,888	151,312
- Gross profit Mgn %	40.65%	27.47%		48.59%	36.82%		55.92%	55.19%
- Special Sites \$	-	-	-	-	4,381,261	(4,381,261)	2,091,959	6,473,220
- Other income \$	-	-	-	2,072	658	1,414	288,959	287,545
- Sales & Marketing \$	12,648	134,535	121,887	190,877	771,825	580,949	2,867,495	3,448,444
- Administration \$	317,844	103,580	(214,265)	765,223	696,161	(69,062)	6,695,979	6,626,917
- Finance/Other \$	1,719	-	(1,719)	24,394	9,724	(14,670)	222,575	207,905
- Contingency \$	-	118,065	118,065	-	800,030	800,030	4,091	804,121
- Net profit \$	268,956	425,888	(156,932)	7,774,305	9,191,523	(1,417,218)	173,409,686	174,826,905
- Net profit \$/lot	44,826	35,491		123,402	127,660		147,583	147,658

- Year to date Gross profit is \$1.67m favourable on 6 less settlements due to lot mix, favourable selling costs and cost of sales per lot.
- Year to date Overheads are \$1.29m below budget due to:
 - Marketing \$581k favourable - \$169k timing variance & \$411k budget allocation to correct in next budget update;
 - Admin \$69k favourable - timing (mainly Rates & Taxes);
 - Unused Contingency \$800k.

YEAR TO DATE VERSUS FULL YEAR BUDGET

	<u>YTD Act</u>	<u>Full Year Bgt</u>	<u>Var</u>
- Revenue \$ (Stlmts)	18,013,000	32,145,059	(14,132,059)
- Revenue \$/lot	285,921	292,228	
- Selling & GST \$	1,764,623	3,439,443	1,674,820
- Selling & GST \$/lot	28,010	31,268	
- Cost of sales \$	7,495,651	16,056,745	8,561,094
- Cost of sales \$/lot	118,979	145,970	
- Gross profit \$	8,752,726	12,648,872	(3,896,146)
- Gross profit \$/lot	138,932	114,990	
- Gross profit Mgn %	48.59%	39.35%	
- Special Sites \$	-	5,540,864	(5,540,864)
- Other income \$	2,072	658	1,414
- Sales & Marketing \$	190,877	1,309,965	1,119,088
- Administration \$	765,223	1,117,431	352,208
- Finance \$	24,394	9,724	(14,670)
- Contingency \$	-	1,291,655	1,291,655
- Net profit \$	7,774,305	14,461,619	(6,687,315)
- Net profit \$/lot	123,402	131,469	

2.1 GROSS PROFIT ANALYSIS

Actual

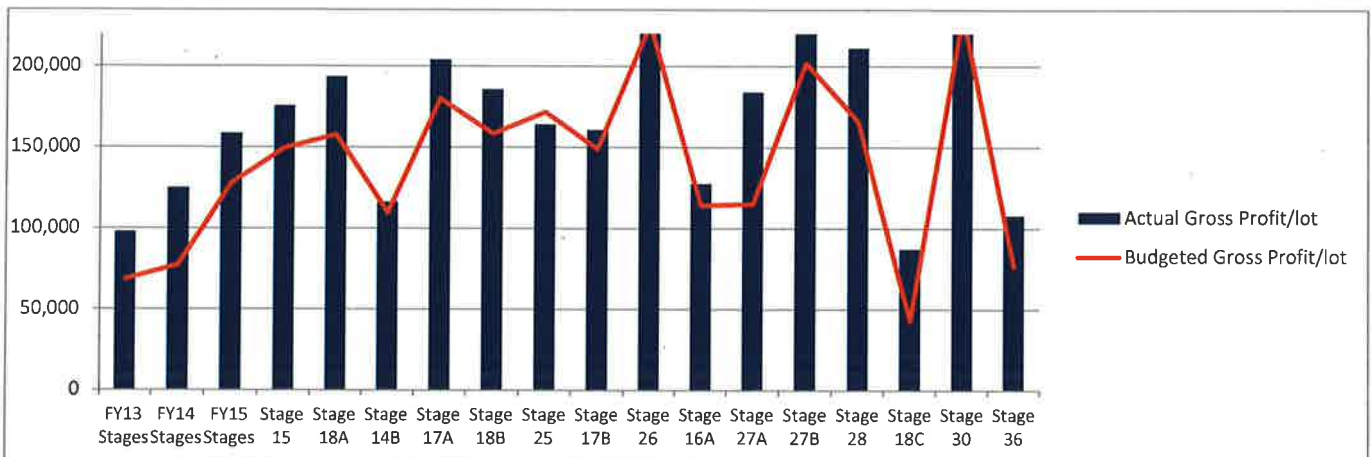
Stages	Title Issue Date	Revenue	Revenue/lot	Direct Selling & COGS (incl. GST)		Direct Costs/lot	Actual Gross Profit	Actual Gross Profit/lot	Actual Gross Margin %
				COGS (incl. GST)	Direct Costs/lot				
Incentives Writeback				-5,276,851			5,276,851		
FY13 Stages	2012 / 2013	51,375,500	220,496	28,570,159		122,619	22,805,341	97,877	44.39%
FY14 Stages	2013 / 2014	50,325,000	243,116	24,477,309		118,248	25,847,691	124,868	51.36%
FY15 Stages	2014 / 2015	77,688,000	275,489	32,963,408		116,892	44,724,592	158,598	57.57%
Stage 15	15-Dec-15	15,444,000	280,800	5,791,567		105,301	9,652,433	175,499	62.50%
Stage 18A	27-May-16	8,626,000	297,448	3,015,429		103,980	5,610,571	193,468	65.04%
Stage 14B	28-Oct-16	2,444,000	244,400	1,281,011		128,101	1,162,989	116,299	47.59%
Stage 17A	20-Feb-17	7,774,000	310,960	2,674,295		106,972	5,099,705	203,988	65.60%
Stage 18B	13-Jun-17	8,792,000	283,613	3,035,185		97,909	5,756,815	185,704	65.48%
Stage 25	8-Aug-17	20,323,000	350,397	10,802,146		186,244	9,520,854	164,153	46.85%
Stage 17B	22-May-18	9,827,500	272,986	4,037,425		112,151	5,790,075	160,835	58.92%
Stage 26	26-Sep-19	14,125,500	371,724	5,669,441		149,196	8,456,059	222,528	59.86%
Stage 16A	25-Jan-21	4,514,000	265,529	2,344,352		137,903	2,169,648	127,626	48.06%
Stage 27A	24-Feb-21	6,341,000	317,050	2,861,467		133,073	3,679,533	183,977	58.03%
Stage 27B	20-Apr-22	9,355,000	406,739	4,017,669		174,681	5,337,331	232,058	57.05%
Stage 28	1-Sep-21	12,770,000	375,588	5,691,783		164,464	7,178,217	211,124	56.21%
Stage 18C	26-Oct-22	3,942,000	219,000	2,373,035		131,835	1,568,965	87,165	39.80%
Stage 30	25-May-22	13,225,000	388,971	4,740,362		139,422	8,484,638	249,548	64.16%
Stage 36	2-Nov-22	6,476,000	259,040	3,779,400		151,176	2,696,600	107,864	41.64%
		<u>323,367,500</u>		<u>142,548,591</u>			<u>180,818,909</u>		

- Values for actuals are based on 'settled lots only' for the relevant stages.

Budget

Stages	Budget Version	Revenue	Revenue/lot	Direct Selling & COGS (incl. GST)		Direct Costs/lot	Budgeted Gross Profit	Budgeted Gross Profit/lot	Budgeted Gross Margin %
				COGS (incl. GST)	Direct Costs/lot				
FY13 Stages	May-12	51,358,953	217,623	35,200,675		149,155	16,158,278	68,467	31.46%
FY 14 Stages	Jun-13	46,931,935	226,724	30,917,421		149,360	16,014,514	77,365	34.12%
FY 15 Stages	Aug-14	76,167,089	273,000	40,469,170		145,051	35,697,919	127,950	46.87%
Stage 15	Aug-15	15,433,000	280,600	7,203,599		130,975	8,229,401	149,625	53.32%
Stage 18A	Jun-16	8,626,000	297,448	4,048,854		139,616	4,577,146	157,833	53.06%
Stage 14B	Jun-16	2,448,087	244,809	1,352,232		135,223	1,095,855	109,585	44.76%
Stage 17A	Jun-16	9,427,756	304,121	3,845,430		124,046	5,582,326	180,075	59.21%
Stage 18B	Jun-16	8,584,690	276,925	3,677,414		118,626	4,907,276	158,299	57.16%
Stage 18C	Oct-22	5,563,000	198,679	4,363,541		155,841	1,199,459	42,838	21.56%
Stage 25	Aug-17	19,696,448	345,552	9,915,141		173,950	9,781,307	171,602	49.66%
Stage 17B	Dec-17	10,496,494	291,569	5,131,807		142,550	5,364,687	149,019	51.11%
Stage 26	Jun-19	14,347,000	377,553	5,766,060		151,738	8,580,940	225,814	59.81%
Stage 16A	Dec-20	4,498,002	264,588	2,555,841		150,344	1,942,161	114,245	43.18%
Stage 27A	Dec-20	6,251,840	312,592	3,951,378		197,569	2,300,462	115,023	36.80%
Stage 27B	Feb-22	9,345,000	406,304	4,698,534		204,284	4,646,466	202,020	49.72%
Stage 28	Jul-21	12,669,500	372,632	7,027,024		206,677	5,642,476	165,955	44.54%
Stage 18C	Oct-22	5,563,000	198,679	4,363,541		155,841	1,199,459	42,838	21.56%
Stage 30	Dec-21	13,520,000	386,286	5,434,179		155,262	8,085,821	231,023	59.81%
Stage 36	Oct-22	18,086,000	231,872	12,110,457		155,262	5,975,543	76,610	33.04%
		<u>339,013,794</u>		<u>192,032,299</u>			<u>146,981,495</u>		

- Values for budget are based on 'total lots' for the relevant stages.



Catalina

Finished Lots & Cost of Lots Sold calculations to 28 Feb 2023

Title date:	Completed	Completed	7-Nov-12	8-Aug-17	8-Aug-17	25-Jan-21	24-Feb-21	20-Apr-22	1-Sep-21	25-May-22	26-Oct-22	2-Nov-22	TOTAL
	Spec Sites	Resi Stages	Central Cell Sales Office	Stage 25 Sales Office	Stage 25 GHS Lot 2179	Stage 16A	Stage 27A	Stage 27B	Stage 28	Stage 30	Stage 18C	Stage 36	
Direct costs													
Civil Construction			89,540	83,260	253,163	932,193	707,388	901,496	2,223,532	792,261	1,769,211	3,773,787	
Siteworks				75,529	245,432	926,000	652,600	838,353	2,165,633	706,851	1,701,800	3,633,649	
URD Power				7,731	7,731	2,403	27,152	40,143	57,899	60,410	42,411	121,869	
Third Pipe													
General						3,790	20,000	23,000	-	25,000	25,000	18,269	
MATV							7,636						
Sewer headwks			5,660	4,514	4,514	101,201	113,955	138,339	196,552	213,570	171,524	249,566	
Local authority fees			4,363	615	615	28,623	17,424	6,930	14,962	9,466	18,412	31,691	
Local authority scheme costs			2,705					8,954		14,405	10,426	21,225	
Survey & legal fees			1,003	945	945	16,150	21,000	25,428	31,487	39,574	35,227	65,579	
Engineering fees			5,557	2,750	12,341	77,057	58,349	88,238	116,545	98,586	87,167	271,035	
Sales Office Build Cost			330,780										
Finished Goods Adjustments	31,206	1,282,787	28,238				14,482	60,165	32,920	437,720			
	420,826	57,553,106	411,370	92,084	271,578	1,155,224	932,598	1,229,550	2,615,998	1,605,582	2,091,967	4,412,883	
Earthworks Allocation	260,179	14,495,542	12,091	18,574	66,681	112,605	303,183	542,975	642,426		131,588	781,614	
Indirect Costs													
Land													
Infrastructure	84,898	8,359,526	7,165	7,879	31,674	176,806	245,746	511,942	381,466	731,652	201,965	477,101	
Landscape	118,628	13,546,018	9,006	16,613	66,785	409,039	568,530	975,581	725,814	1,394,271	587,095	1,386,889	
TOTAL COST	884,530	93,954,192	439,633	135,150	436,718	1,853,674	2,050,057	3,260,048	4,365,704	3,731,505	3,012,615	7,058,487	
Lots	3	1,004	1	1	1	17	20	23	34	35	28	57	
COST PER LOT	294,843	93,580	439,633	135,150	436,718	109,040	102,503	141,741	128,403	106,614	107,593	123,833	
Lots settled	3	1,004	1	-	-	17	20	23	34	34	18	25	1,179
COST OF LOTS SETTLED	884,530	93,954,192	439,633	-	-	1,853,674	2,050,057	3,260,048	4,365,704	3,624,891	1,936,681	3,095,828	115,465,238
Stage Area (m2)	10,900	332,827	320	255	1,795	6,632	6,615	9,933	13,721	13,416	8,396	21,808	
Cost per m2	81	282	1,374	530	243	280	310	328	318	278	359	324	
Avg lot size	3,633	332	320	255	1,795	390	331	432	404	383	300	383	
Other cash expenditure													
Direct Selling & Proj Mgt Costs													28,763,393
Marketing costs													2,867,495
Administration													6,695,979
Finance													222,575
Contingency													4,091
TOTAL COSTS													154,018,771

PERIODIC ANALYSIS	Month	YTD	PTD	PY Jun-22
Lots settled	6	63	1,179	1,116
Cost of lots settled	720,783	7,495,651	115,465,240	107,969,589
Direct selling costs	157,050	1,764,623	28,763,393	26,998,770
Marketing costs	12,648	190,877	2,867,495	2,676,619
Administration	317,844	765,223	6,695,979	5,930,756
Finance	1,719	24,394	222,575	198,181
Contingency	-	-	4,091	4,091
TOTAL COSTS	1,210,044	10,240,768	154,018,773	143,778,006

Catalina COGS Calc

28-Feb-23

Job	Titled Date	Direct Cost	Indirect Cost	COGS Total	Lot #	Titled	Untitled	COGS/Lot	Settled Lots	PTD COGS	Per Accounts	Variance	Finished Goods	FG/Lot
140-01-001	17-Oct-2012	4,004,839	637,443	4,642,282	35	35	-	132,637	35	4,642,282	4,642,282	-	-	-
140-01-002	7-Nov-2012	3,429,204	598,332	4,027,537	37	37	-	108,852	37	4,027,537	4,027,537	-	-	-
140-01-003	14-Jan-2013	3,002,658	554,241	3,556,899	43	43	-	82,719	43	3,556,899	3,556,899	-	-	-
140-01-004	20-Mar-2013	3,371,482	800,585	4,172,067	47	47	-	88,767	47	4,172,067	4,172,067	-	-	-
140-01-005	20-May-2013	4,894,899	968,068	5,862,967	63	63	-	93,063	63	5,862,967	5,862,967	-	-	-
140-01-06A	18-Jan-2013	483,435	179,725	663,160	8	8	-	82,895	8	663,160	663,160	-	-	-
140-01-06B	19-Jan-2015	1,100,352	510,130	1,610,482	24	24	-	67,103	24	1,610,482	1,610,482	-	-	-
140-01-06C	3-Apr-2014	671,286	211,296	882,581	10	10	-	88,258	10	882,581	882,581	-	-	-
140-01-007	31-Oct-2013	4,146,749	938,488	5,085,238	63	63	-	80,718	63	5,085,238	5,085,238	-	-	-
140-01-008	16-Jan-2014	4,389,068	881,805	5,270,874	53	53	-	99,450	53	5,270,874	5,270,874	-	-	-
140-01-009	8-May-2014	4,640,905	814,395	5,455,300	51	51	-	106,967	51	5,455,300	5,455,300	-	-	-
140-01-010	8-May-2014	2,460,031	595,126	3,055,157	30	30	-	101,839	30	3,055,157	3,055,157	-	-	-
140-01-011	1-Oct-2014	4,797,823	1,320,873	6,118,696	64	64	-	95,605	64	6,118,696	6,118,696	-	-	-
140-01-012	3-Dec-2014	3,225,081	1,064,585	4,289,666	49	49	-	87,544	49	4,289,666	4,289,666	-	-	-
140-01-13A	30-Mar-2015	2,965,498	717,571	3,683,069	37	37	-	99,542	37	3,683,069	3,683,069	-	-	-
140-01-13B	11-May-2015	2,739,324	986,155	3,725,479	45	45	-	82,788	45	3,725,479	3,725,479	-	-	-
140-01-014	4-Jun-2015	3,619,629	1,347,229	4,966,858	63	63	-	78,839	63	4,966,858	4,966,858	-	-	-
140-01-015	15-Dec-2015	3,073,171	1,243,145	4,316,316	55	55	-	78,478	55	4,316,316	4,316,316	-	-	-
140-01-18A	27-May-2016	1,453,614	760,239	2,213,853	29	29	-	76,340	29	2,213,853	2,213,853	-	-	-
140-01-14B	28-Oct-2016	784,420	224,347	1,008,767	10	10	-	100,877	10	1,008,767	1,008,767	-	-	-
140-01-017	2-Feb-2017	1,194,140	730,941	1,925,081	25	25	-	77,003	25	1,925,081	1,925,081	-	-	-
140-01-18B	13-Jun-2017	1,266,620	876,513	2,143,133	31	31	-	69,133	31	2,143,133	2,143,133	-	-	-
140-01-18C	26-Oct-2022	2,223,555	789,060	3,012,615	28	28	-	107,593	18	1,936,681	1,936,681	0	1,075,934	107,593
140-02-025	8-Aug-2017	6,444,321	1,929,606	8,373,927	58	58	-	144,378	58	8,373,927	8,373,927	-	-	-
140-01-17B	22-May-2018	1,555,232	1,222,995	2,778,227	36	36	-	77,173	36	2,778,227	2,778,227	-	-	-
140-02-026	26-Sep-2019	2,334,871	1,791,711	4,126,582	38	38	-	108,594	38	4,126,582	4,126,582	-	-	-
140-01-16A	25-Jan-2021	1,267,829	585,845	1,853,674	17	17	-	109,040	17	1,853,674	1,853,674	-	-	-
140-02-27A	24-Feb-2021	1,235,782	814,276	2,050,058	20	20	-	102,503	20	2,050,058	2,050,058	-	0	-
140-02-27B	20-Apr-2022	1,772,525	1,487,523	3,260,048	23	23	-	141,741	23	3,260,048	3,260,048	-	-	-
140-02-028	1-Sep-2021	3,258,423	1,107,280	4,365,703	34	34	-	128,403	34	4,365,703	4,365,703	-	-	-
140-02-030	25-May-2022	1,605,582	2,125,923	3,731,505	35	35	-	106,614	34	3,624,891	3,624,891	0	106,614	106,614
140-03-036	2-Nov-2022	190,665	1,863,990	7,058,487	78	57	21.00	123,833	25	3,095,828	3,095,828	0	3,962,659	123,833
140-70-001	7-Nov-2012	423,461	16,171	439,633	1	1	-	439,633	1	439,633	439,633	-	-	-
140-70-004	12-Dec-2013	20,322	41,798	62,119	1	1	-	62,119	1	62,119	62,119	-	-	-
140-70-005	8-Aug-2017	110,657	24,492	135,149	1	1	-	135,149	-	-	-	-	135,149	135,149
140-70-007	17-Oct-2012	222,150	87,611	309,761	1	1	-	309,761	1	309,761	309,761	-	-	-
140-70-008	1-Oct-2014	438,532	74,117	512,649	1	1	-	512,649	1	512,649	512,649	-	-	-
140-70-028	8-Aug-2017	338,259	98,459	436,718	1	1	-	436,718	-	-	-	-	436,718	436,718
85,156,394		31,022,089		121,182,315	1,245	1,224	21.00		1,179	115,465,240	115,465,240	-0	5,717,075	

8.3. STATEMENT OF FINANCIAL ACTIVITY - FEBRUARY 2023

Responsible Officer: Chief Executive Officer
Attachments: 1. SOFA (February)
2. Investment Report (February)
Voting Requirement: Simple Majority

RECOMMENDATION

That the Council **RECEIVES** and **NOTES** the Statement of Financial Activity for the month ending 28 February 2023.

PURPOSE

Submission of the Statement(s) of Financial Activity required under the *Local Government Act 1995*.

POLICY REFERENCE

N/A

LOCAL GOVERNMENT ACT/REGULATION

- *Local Government Act 1995*: Sect 6.4(1): Financial Report Required
- *Local Government (Financial Management) Regulations 1996*: Regulation 34
Composition of Report
- *Local Government (Financial Management) Regulations 1996*: Regulation 34 (5)
Material Variance Reports
- *Local Government (Audit) Regulations 1996*: Regulation 14 Compliance Audit Item

PREVIOUS MINUTES

N/A

FINANCIAL/BUDGET IMPLICATIONS

NA

RISK MANAGEMENT IMPLICATIONS

Risk Ref: 8	Risk Rating:
TPRC Operations - Financial Management of TPRC.	Low

Action:

Preparation and reporting on monthly accounts for Council approval.

The submission of the Statement(s) of Financial Activity is required under the *Local Government Act 1995* and necessary to ensure transparency and governance of financial activity.

BACKGROUND

It is a mandatory requirement that the Council receives, reviews and records in the Regional Council's public minutes a statement of financial activity showing annual budget estimates and the figures for budget estimates, income and expenditure and variances at the end of each month. The report is also to show the composition of assets and other relevant information.

COMMENT

The detailed Statements contained in the attachment reflect the budget proposals and direction adopted by the Council.

Variances at 28 February 2023 exceeding 10% or \$5,000 (whichever is the greater) were experienced in relation to the following:

Expenditure from Operating Activities	
Materials and Contracts	The positive variation (\$71K or 31%) relates to reduced expenditure on consultancy fees and external support.
Non-cash Accounts excluded from Operating Activities	Favourable position (12K or 42%) relates to employee provisions that are yet to be transferred.
Financing Activities	
Payment to and from Member contributions	Both payments of and from Member contributions are significantly below budget expectations due to project developments works and sales rates being below expectations. The YTD nett position of these items remains favourable.
Payments return of equity	The return on equity position for Members is \$1.8M favourable when compared to budget position.
Payments for financial assets at amortised cost - non-current	The \$2M relates to TPRC term deposits with banks that have an expiry date post Feb 2024.

The information in the attachment is summarised in the tables following.

Financial Snapshot as at 28 February 2023

	2022-23 Amended BUDGET	2022-23 Budget YTD	2022-23 Actual YTD	Variance		Variance %
				Favourable	Unfavourable	
REVENUE	\$	\$	\$	\$	\$	%
Interest Earnings	1,070,000	713,334	688,958		(24,376)	-3.42%
Other Revenue	43,818	35,151	34,912		(239)	-0.68%
	\$1,113,818	\$748,485	\$723,870	\$0	(\$24,615)	
LESS EXPENDITURE						
Depreciation	(43,510)	(29,007)	(29,007)			0.00%
Employee Costs	(702,630)	(471,333)	(461,355)	9,978		2.12%
Insurance	(19,597)	(19,597)	(19,596)	1		0.01%
Interest	(3,240)	(2,241)	(2,000)	241		10.75%
Materials and Contracts	(353,852)	(244,450)	(167,345)	77,105		31.54%
Other	(164,005)	(122,754)	(118,752)	4,002		3.26%
Utilities	(6,829)	0	0			0.00%
Members Equity						
Income Sale of Lots - Subdivisions	41,247,399	27,498,266	17,789,711		(9,708,555)	-35.31%
Land Production Costs	(37,037,724)	(24,691,816)	(12,744,865)	11,946,951		48.38%
GST Withheld Member Councils	(3,077,580)	(2,051,720)	(1,260,910)	790,810		38.54%
Profit distribution/Contributions Returned	(20,485,534)	(10,000,000)	(11,812,872)		(1,812,872)	-18.13%
	(\$20,647,102)	(\$10,134,652)	(\$8,826,991)	\$12,829,088	(\$11,521,427)	
Total Change in Equity	(\$19,533,284)	(\$9,386,167)	(\$8,103,121)	\$12,829,088	(\$11,546,042)	

Statement of Financial Position as at 28 February 2023

	Actual 2021-22	Actual 2022-23	Variance	Variance
	\$	\$	\$	%
Current assets				
Cash and cash equivalents	52,296,465	44,227,855	(8,068,610)	-15.43%
Trade and other receivables	782,569	795,472	12,903	1.65%
Total current assets	53,079,034	45,023,327	(8,055,707)	-15.2%
Non-current assets				
Inventories	1,600,000	1,600,000	0	0.00%
Right of use assets	149,716	127,080	(22,636)	-15.12%
Property, plant and equipment	36,311	29,941	(6,370)	-17.54%
Total non-current assets	1,786,027	1,757,021	(29,006)	-1.62%
Total assets	54,865,061	46,780,347	(8,084,714)	-14.74%
Current liabilities				
Trade and other payables	162,938	161,093	1,845	1.13%
Lease Liabilities	31,760	13,343	18,417	57.99%
Provisions	21,788	72,753	(50,965)	-233.92%
Total current liabilities	216,485	247,189	(30,704)	-14.2%
Non-current liabilities				
Lease Liabilities	119,156	119,156	0	0.00%
Provisions	13,527	1,231	12,296	90.90%
Total non-current liabilities	132,683	120,387	12,296	9.27%
Total liabilities	349,168	367,576	(18,408)	-5.27%
Net assets	54,515,893	46,412,771	(8,103,121)	-14.86%

Investment Summary as at 28 February 2023

Term Deposits										
Maturity Date	Face Value (\$)	Current Rate (%)	Institution	Credit Rating	Purchase Price (\$)	Purchase Date	Current Value (\$)	Deal No.	Accrued Interest (\$)	
Mar-23	3,000,000.00	1.0000%	National Australia Bank	AA-	3,000,000.00	Mar-22	3,029,424.66	542415	29,424.66	
Mar-23	5,000,000.00	1.1100%	ANZ Banking Group	AA-	5,000,000.00	Mar-22	5,054,131.51	542425	54,131.51	
Apr-23	1,000,000.00	4.0700%	Suncorp Bank	A+	1,000,000.00	Oct-22	1,015,053.42	543476	15,053.42	
Apr-23	3,000,000.00	3.8900%	Westpac Group	AA-	3,000,000.00	Aug-22	3,063,305.75	543174	63,305.75	
May-23	1,000,000.00	3.0500%	ME Bank	BBB+	1,000,000.00	May-22	1,024,567.12	542757	24,567.12	
May-23	2,000,000.00	3.0300%	Commonwealth Bank of Australia	AA-	2,000,000.00	May-22	2,048,646.03	542772	48,646.03	
Jun-23	3,000,000.00	3.8600%	Commonwealth Bank of Australia	AA-	3,000,000.00	Jul-22	3,075,507.95	542933	75,507.95	
Jul-23	1,006,578.08	4.2000%	Suncorp Bank	A+	1,006,578.08	Nov-22	1,018,971.40	543545	12,393.32	
Aug-23	2,000,000.00	4.6500%	AMP Bank	BBB	2,000,000.00	Nov-22	2,029,046.58	543519	29,046.58	
Aug-23	3,000,000.00	4.6500%	AMP Bank	BBB	3,000,000.00	Nov-22	3,043,569.86	543520	43,569.86	
Sep-23	1,000,000.00	4.4700%	Commonwealth Bank of Australia	AA-	1,000,000.00	Feb-23	1,002,694.25	543795	2,694.25	
Sep-23	3,012,115.07	4.8400%	Westpac Group	AA-	3,012,115.07	Sep-22	3,074,423.76	543396	62,308.69	
Oct-23	3,000,000.00	4.5800%	Westpac Group	AA-	3,000,000.00	Oct-22	3,051,948.49	543474	51,948.49	
Jan-24	2,000,000.00	4.4900%	Commonwealth Bank of Australia	AA-	2,000,000.00	Jan-23	2,008,856.99	543716	8,856.99	
Feb-24	1,004,763.01	4.9500%	Westpac Group	AA-	1,004,763.01	Feb-23	1,006,806.95	543888	2,043.94	
Feb-24	1,009,374.25	5.0500%	Westpac Group	AA-	1,009,374.25	Feb-23	1,010,351.82	543853	977.57	
	35,032,830.41	3.5480%			35,032,830.41		35,557,306.54		524,476.13	

Fixed Rate Bonds										
Maturity Date	Face Value (\$)	Current Rate (%)	Security Name	Credit Rating	Purchase Price (\$)	Purchase Date	Current Value (\$)	Deal No.	Accrued Interest (\$)	
Jun-23	3,000,000.00	0.7000%	NT T-Corp Bond (Jun23) 0.70%	Aa3	3,000,000.00	Apr-21	3,014,901.37	541265	14,901.37	
	3,000,000.00	0.7000%			3,000,000.00		3,014,901.37		14,901.37	

TAMALA PARK REGIONAL COUNCIL
MONTHLY FINANCIAL REPORT
(Containing the Statement of Financial Activity)
For the period ending 28 February 2023

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

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**KEY TERMS AND DESCRIPTIONS
FOR THE PERIOD ENDED 28 FEBRUARY 2023**

NATURE OR TYPE DESCRIPTIONS

REVENUE

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 / INCOME

Other revenue, which can not be classified under the above headings, includes dividends, discounts, rebates, reimbursements etc.

PROFIT ON ASSET DISPOSAL

Excess of assets received over the net book value for assets on their disposal.

EXPENSES

EMPLOYEE COSTS

All costs associated with the employment of person 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, fringe benefit tax, etc.

MATERIALS AND CONTRACTS

All expenditures on materials, supplies and contracts not classified under other headings. These include supply of goods and materials, legal expenses, maintenance agreements, communication expenses, advertising expenses, membership, periodicals, publications, hire expenses, rental, postage and freight etc. Local governments may wish to disclose more detail such as contract services, consultancy, information technology, rental or lease expenditures.

UTILITIES (GAS, ELECTRICITY, WATER)

Expenditures made to the respective agencies for the provision of power, gas or water. Exclude expenditures incurred for the reinstatement of roadwork on behalf of these agencies.

INSURANCE

All insurance other than worker's compensation and health benefit insurance included as a cost of employment.

LOSS ON ASSET DISPOSAL

Shortfall between the value of assets received over the net book value for assets on their disposal.

DEPRECIATION ON NON-CURRENT ASSETS

Depreciation expense raised on all classes of assets. Excluding Land.

INTEREST EXPENSES

Interest and other costs of finance paid, including costs of finance for loan debentures, overdraft accommodation and refinancing expenses.

OTHER EXPENDITURE

Statutory fees, taxes, allowance for impairment of assets, member's fees or State taxes. Donations and subsidies made to community groups.

**STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 28 FEBRUARY 2023**

BY NATURE OR TYPE

	Ref Note	Amended Budget (a)	YTD Budget (b)	YTD Actual (c)	Variance \$ (c) - (b)	Variance % ((c) - (b))/(b)	Var.
Opening funding surplus / (deficit)	2(c)	\$ 52,894,309	\$ 52,894,309	\$ 52,894,309	\$ 0	% 0.00%	
Revenue from operating activities							
Interest earnings		1,070,000	713,334	688,958	(24,376)	(3.42%)	
Other revenue		43,818	35,151	34,912	(239)	(0.68%)	
		1,113,818	748,485	723,870	(24,615)	(3.29%)	
Expenditure from operating activities							
Employee costs		(702,630)	(471,333)	(461,355)	9,978	2.12%	
Materials and contracts		(353,852)	(244,450)	(167,345)	77,105	31.54%	▲
Utility charges		(6,829)	0	0	0	0.00%	
Depreciation on non-current assets		(43,510)	(29,007)	(29,007)	0	0.00%	
Interest expenses		(3,240)	(2,241)	(2,000)	241	10.75%	
Insurance expenses		(19,597)	(19,597)	(19,596)	1	0.01%	
Other expenditure		(164,005)	(122,754)	(118,755)	3,999	3.26%	
		(1,293,663)	(889,382)	(798,058)	91,324	(10.27%)	
Non-cash amounts excluded from operating activities	2(a)	43,510	29,007	16,711	(12,296)	(42.39%)	▼
Amount attributable to operating activities		(136,335)	(111,890)	(57,477)	54,413	(48.63%)	
Financing Activities							
Payments of member contributions	1	(37,037,724)	(24,691,816)	(12,744,865)	11,946,951	48.38%	▲
Proceeds from member contributions	1	41,247,399	27,498,266	17,789,711	(9,708,555)	35.31%	
Payments of GST withheld	1	(3,077,580)	(2,051,720)	(1,260,910)	790,810	38.54%	▲
Payments for principal portion of lease liabilities	7	(33,576)	(22,384)	(18,416)	3,968	17.73%	
Payments return of contribution	1	(20,000,000)	(10,000,000)	(10,000,000)	0	0.00%	
Payments return of equity	1	(485,534)	0	(1,808,172)	(1,808,172)	0.00%	▼
Proceeds from rates equivalent	1	0	0	(4,700)	(4,700)	0.00%	
Payments for financial assets at amortised cost - non current	3	0	0	(2,014,137)	(2,014,137)	0.00%	▼
Amount attributable to financing activities		(19,387,015)	(9,267,654)	(10,061,488)	(793,834)	8.57%	
Closing funding surplus / (deficit)	2(c)	33,370,959	43,514,765	42,775,344	(739,421)	1.70%	

KEY INFORMATION

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

Refer to Note 10 for an explanation of the reasons for the variance.

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

BASIS OF PREPARATION

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

Local Government Act 1995 requirements

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

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

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

THE LOCAL GOVERNMENT REPORTING ENTITY

All funds through which the Regional Council controls resources to carry on its functions have been included in the financial statements forming part of this financial report.

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

SIGNIFICANT ACCOUNTING POLICES

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 believed to be reasonable under the circumstances; the results of which form the basis of making the judgements about carrying values of assets and liabilities not readily apparent from other sources. Actual results may differ from these estimates.

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

- estimation of fair values of certain financial assets
- estimation of fair values of fixed assets shown at fair value
- impairment of financial assets

GOODS AND SERVICES TAX

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). Receivables and payables are stated inclusive of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with receivables or payables in the statement of financial position. Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows.

ROUNDING OFF FIGURES

All figures shown in this statement are rounded to the nearest dollar.

PREPARATION TIMING AND REVIEW

Date prepared: All known transactions up to 20 March 2023

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 28 FEBRUARY 2023

NOTE 1
CONTRIBUTED EQUITY

Movement in Financing Activities as Represented by:

	Land Sales	Development Expenses	Return of Contribution	Return of Equity	Rates Equivalent	Payments of Lease Liabilities	GST Withheld	Total Movement
	Year to Date	Year to Date	Year to Date	Year to Date	Year to Date	Year to Date	Year to Date	Year to Date
	28 February 2023	2023	2023	2023	2023	2023	2023	2023
	\$	\$	\$	\$	\$	\$	\$	\$
Town of Victoria Park	1,482,476	(1,062,072)	(833,334)	(150,681)	0	(1,535)	(105,076)	(670,222)
City of Perth	1,482,476	(1,062,072)	(833,334)	(150,681)	(4,700)	(1,535)	(105,076)	(674,922)
Town of Cambridge	1,482,476	(1,062,072)	(833,334)	(150,681)	0	(1,535)	(105,076)	(670,222)
City of Joondalup	2,964,952	(2,124,144)	(1,666,666)	(301,362)	0	(3,069)	(210,152)	(1,340,441)
City of Wanneroo	2,964,952	(2,124,144)	(1,666,666)	(301,362)	0	(3,069)	(210,152)	(1,340,441)
Town of Vincent	1,482,476	(1,062,072)	(833,334)	(150,681)	0	(1,535)	(105,076)	(670,222)
City of Stirling	5,929,904	(4,248,288)	(3,333,332)	(602,725)	0	(6,139)	(420,303)	(2,680,882)
Total	17,789,711	(12,744,865)	(10,000,000)	(1,808,172)	(4,700)	(18,416)	(1,260,910)	(8,047,352)

	Land Sales	Development Expenses	Return of Contribution	Return of Equity	Rates Equivalent	Payments of Lease Liabilities	GST Withheld	Total Movement
	Amended Budget	Amended Budget	Amended Budget	Amended Budget	Amended Budget	Amended Budget	Amended Budget	Amended Budget
	\$	\$	\$	\$	\$	\$	\$	\$
Town of Victoria Park	3,437,283	(3,086,477)	(1,666,667)	(40,461)	0	(2,798)	(256,465)	(1,615,585)
City of Perth	3,437,283	(3,086,477)	(1,666,667)	(40,461)	0	(2,798)	(256,465)	(1,615,585)
Town of Cambridge	3,437,283	(3,086,477)	(1,666,667)	(40,461)	0	(2,798)	(256,465)	(1,615,585)
City of Joondalup	6,874,567	(6,172,954)	(3,333,333)	(80,923)	0	(5,596)	(512,930)	(3,231,169)
City of Wanneroo	6,874,567	(6,172,954)	(3,333,333)	(80,923)	0	(5,596)	(512,930)	(3,231,169)
Town of Vincent	3,437,283	(3,086,477)	(1,666,667)	(40,461)	0	(2,798)	(256,465)	(1,615,585)
City of Stirling	13,749,132	(12,345,909)	(6,666,666)	(161,844)	0	(11,193)	(1,025,861)	(6,462,341)
Total	41,247,399	(37,037,724)	(20,000,000)	(485,534)	0	(33,576)	(3,077,580)	(19,387,019)

Movement in Total Equity Represented by:

	Closing Balance	Movement in		Year to Date
	30 June 2022	Contributed Equity	Net Result	2023
	\$	\$	\$	\$
Town of Victoria Park	4,509,818	(670,222)	(6,182)	3,833,414
City of Perth	4,509,818	(674,922)	(6,182)	3,828,714
Town of Cambridge	4,509,818	(670,222)	(6,182)	3,833,414
City of Joondalup	9,019,634	(1,340,441)	(12,365)	7,666,828
City of Wanneroo	9,019,634	(1,340,441)	(12,365)	7,666,828
Town of Vincent	4,509,818	(670,222)	(6,182)	3,833,414
City of Stirling	18,042,083	(2,680,882)	(24,729)	15,336,472
Total	54,120,623	(8,047,352)	(74,188)	45,999,083

Total Movement in Equity (8,121,540)

(a) Non-cash items excluded from operating activities

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

	Notes	Amended Budget	YTD Budget (a)	YTD Actual (b)
Non-cash items excluded from operating activities				
		\$	\$	\$
Adjustments to operating activities				
Movement in employee benefit provisions (non-current)		0	0	(12,296)
Add: Depreciation on assets		43,510	29,007	29,007
Total non-cash items excluded from operating activities		43,510	29,007	16,711

(b) Adjustments to net current assets in the Statement of Financial Activity

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

		Amended Budget Opening 30 June 2022	Last Year Closing 30 June 2022	Year to Date 28 February 2023
Adjustments to net current assets				
Add: Lease liabilities	7	33,577	31,760	13,344
Total adjustments to net current assets		33,577	31,760	13,344

(c) Net current assets used in the Statement of Financial Activity

Current assets				
Cash and cash equivalents	3	26,648,937	10,227,737	6,195,025
Financial assets at amortised cost	3	0	42,228,303	36,018,693
Receivables	4	350,000	595,395	794,472
Other current assets	5	10,000	27,600	1,000
Less: Current liabilities				
Payables	6	(91,644)	(162,938)	(161,093)
Lease liabilities	7	(33,577)	(31,760)	(13,344)
Provisions	8	(21,788)	(21,788)	(72,753)
Less: Total adjustments to net current assets	2(b)	33,577	31,760	13,344
Closing funding surplus / (deficit)		26,895,505	52,894,309	42,775,344

CURRENT AND NON-CURRENT CLASSIFICATION

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

Description	Classification	Unrestricted	Total Cash and Financial Assets	Institution	Interest Rate	Maturity Date
		\$	\$			
Current cash and current financial assets						
Municipal bank	Cash and cash equivalents	186,111	186,111	Westpac	Nil	Nil
Settlement Proceeds	Cash and cash equivalents	927,026	927,026	Westpac	0.34%	Nil
Cash Management	Cash and cash equivalents	1	1	Macquarie	0.25%	Nil
Accelerator	Cash and cash equivalents	5,081,887	5,081,887	Macquarie	1.85%	Nil
Term Deposit	Financial assets at amortised cost	5,000,000	5,000,000	ANZ	1.10%	Mar-23
Term Deposit 9683	Financial assets at amortised cost	3,000,000	3,000,000	NAB	1.00%	Mar-23
Term Deposit 6699	Financial assets at amortised cost	3,000,000	3,000,000	Westpac	3.89%	Apr-23
Term Deposit 4682	Financial assets at amortised cost	1,000,000	1,000,000	Suncorp	4.07%	Apr-23
Term Deposit 2738	Financial assets at amortised cost	1,000,000	1,000,000	ME Bank	3.05%	May-23
Term Deposit 2511	Financial assets at amortised cost	2,000,000	2,000,000	CBA	3.03%	May-23
Term Deposit AA1102A	Financial assets at amortised cost	3,000,000	3,000,000	NT Bonds	0.70%	Jun-23
Term Deposit 5118	Financial assets at amortised cost	3,000,000	3,000,000	CBA	3.86%	Jun-23
Term Deposit 4915	Financial assets at amortised cost	1,006,578	1,006,578	Suncorp	4.20%	Jul-23
Term Deposit	Financial assets at amortised cost	2,000,000	2,000,000	AMP	4.65%	Aug-23
Term Deposit	Financial assets at amortised cost	3,000,000	3,000,000	AMP	4.65%	Aug-23
Term Deposit 2250	Financial assets at amortised cost	3,012,115	3,012,115	Westpac	4.84%	Sep-23
Term Deposit	Financial assets at amortised cost	1,000,000	1,000,000	CBA	4.47%	Sep-23
Term Deposit 0647	Financial assets at amortised cost	3,000,000	3,000,000	Westpac	4.58%	Oct-23
		42,213,718	42,213,718			
Non current financial assets						
Term Deposit 2949	Financial assets at amortised cost	1,004,763	1,004,763	Westpac	4.95%	Feb-24
Term Deposit 2949	Financial assets at amortised cost	1,009,374	1,009,374	Westpac	5.05%	Feb-24
		2,014,137	2,014,137			
Total		44,227,855	44,227,855			
Comprising						
Cash and cash equivalents		6,195,025	6,195,025			
Financial assets at amortised cost - current		36,018,693	36,018,693			
Financial assets at amortised cost - non current		2,014,137	2,014,137			
		44,227,855	44,227,855			

KEY INFORMATION

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

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

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

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

Receivables - general	Credit	Current	30 Days	60 Days	90+ Days	Total
	\$	\$	\$	\$	\$	\$
Receivables - general	0	241,755	0	0	0	241,755
Percentage	0.0%	100%	0%	0%	0%	
Balance per trial balance						
Sundry receivable						241,755
GST receivable						442
Accrued interest						552,275
Total receivables general outstanding						794,472

Amounts shown above include GST (where applicable)

KEY INFORMATION

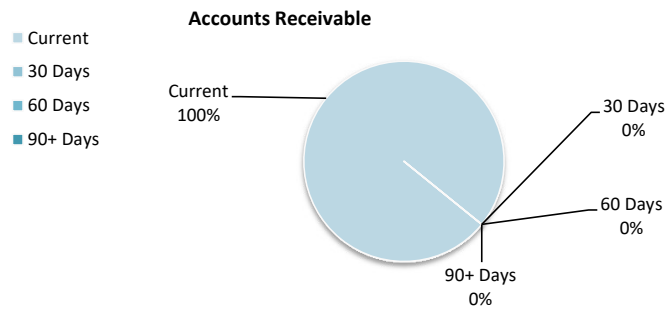
Trade and other receivables include amounts due from third parties for goods sold and services performed in the ordinary course of business.

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

Classification and subsequent measurement

Receivables which are generally due for settlement within 30 days and are classified as current assets.

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



	Opening Balance 1 July 2022	Asset Increase	Asset Reduction	Closing Balance 28 February 2023
Other current assets	\$	\$	\$	\$
Funds held by Settlement agent in Trust	27,600	35,700	(62,300)	1,000
Total other current assets	27,600	35,700	(62,300)	1,000

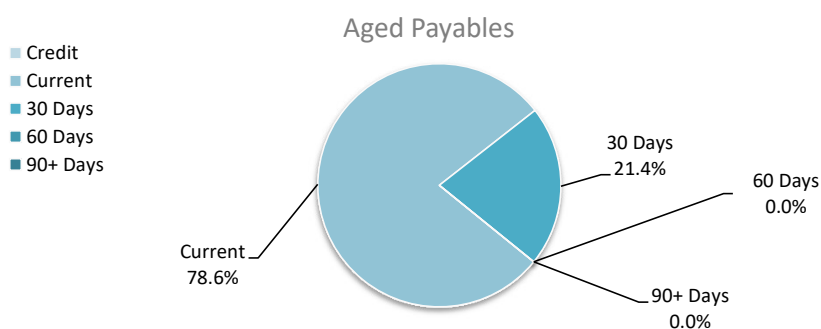
Amounts shown above include GST (where applicable)

Payables - general	Credit	Current	30 Days	60 Days	90+ Days	Total
	\$	\$	\$	\$	\$	\$
Payables - general	0	20,820	5,679	0	0	26,499
Percentage	0%	78.6%	21.4%	0%	0%	
Balance per trial balance						
Sundry creditors						26,499
ATO liabilities						14,416
Credit card						178
Deposits or bonds						120,000
Total payables general outstanding						161,093

Amounts shown above include GST (where applicable)

KEY INFORMATION

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



Movement in carrying amounts

Information on leases Particulars	Lease No.	1 July 2022	New Leases		Principal Repayments		Principal Outstanding		Interest Repayments	
			Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget
		\$	\$	\$	\$	\$	\$	\$	\$	\$
Other property and services										
2/369 Scarborough Beach Road, Innaloo	STIRLI/210937	87,082	0	0	(18,416)	(33,576)	68,666	53,506	(2,000)	(3,240)
Total		87,082	0	0	(18,416)	(33,576)	68,666	53,506	(2,000)	(3,240)
Current lease liabilities		31,760					13,344			
Non-current lease liabilities		119,156					119,156			
		150,916					132,500			

All lease repayments were financed by general purpose revenue.

KEY INFORMATION

At inception of a contract, the Regional Council assesses if the contract contains or is a lease. A contract is or contains a lease, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. At the commencement date, a right of use asset is recognised at cost and lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Regional Council uses its incremental borrowing rate.

All contracts classified as short-term leases (i.e. a lease with a remaining term of 12 months or less) and leases of low value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

	Note	Opening Balance 1 July 2022	Liability transferred from/(to) non current	Liability Increase	Liability Reduction	Closing Balance 28 February 2023
		\$		\$	\$	\$
Other current liabilities						
Employee Related Provisions						
Annual leave		21,788	0	16,089	0	37,877
Long service leave		0	12,296	22,580	0	34,876
Total Employee Related Provisions		21,788	12,296	38,669	0	72,753
Total other current liabilities		21,788	12,296	38,669	0	72,753
Amounts shown above include GST (where applicable)						

KEY INFORMATION

Provisions

Provisions are recognised when the Regional Council has a present legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

Employee Related Provisions

Short-term employee benefits

Provision is made for the Regional Council's obligations for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The Regional Council's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of current trade and other payables in the calculation of net current assets.

Other long-term employee benefits

The Regional Council's obligations for employees' annual leave and long service leave entitlements are recognised as employee related provisions in the statement of financial position.

Long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Any remeasurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the changes occur. The Regional Council's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the Regional Council does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 28 FEBRUARY 2023**

**NOTE 9
BUDGET AMENDMENTS**

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

Description	Council Resolution	Classification	Non Cash	Increase in	Decrease in	Amended Budget
			Adjustment	Available Cash	Available Cash	Running Balance
			\$	\$	\$	\$
Budget adoption			0	26,895,505	0	26,895,505
Opening Surplus(Deficit)	16.02.2023 item 9.1	Opening Surplus(Deficit)	0	0	(4,863)	26,890,642
Interest earnings	16.02.2023 item 9.1	Operating Revenue	0	179,574	0	27,070,216
Other revenue	16.02.2023 item 9.1	Operating Revenue	0	32,818	(11,939)	27,091,095
Employee costs	16.02.2023 item 9.1	Operating Expenses	0	35,307	0	27,126,402
Materials and contracts	16.02.2023 item 9.1	Operating Expenses	0	46,707	(20,249)	27,152,860
Interest expenses	16.02.2023 item 9.1	Operating Expenses	0	0	(1,817)	27,151,043
Insurance expenses	16.02.2023 item 9.1	Operating Expenses	0	2,355	0	27,153,398
Other expenditure	16.02.2023 item 9.1	Operating Expenses	0	7,250	0	27,160,648
Payments for property, plant and equipment	16.02.2023 item 9.1	Capital Expenses	0	5,000	0	27,165,648
Payments of member contributions	16.02.2023 item 9.1	Capital Expenses	0	26,230,897	(2,204,539)	51,192,006
Proceeds from member contributions	16.02.2023 item 9.1	Capital Revenue	0	149,986	(19,059,126)	32,282,866
Payments of GST withheld	16.02.2023 item 9.1	Capital Expenses	0	1,088,093	0	33,370,959
			0	54,673,492	(21,302,533)	33,370,959

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 28 FEBRUARY 2023**

**NOTE 10
EXPLANATION OF MATERIAL VARIANCES**

The material variance thresholds are adopted annually by Council as an indicator of whether the actual expenditure or revenue varies from the year to date Actual materially.
The material variance adopted by Council for the 2022-23 year is \$5,000 or 10.00% whichever is the greater.

Nature or type	Var. \$	Var. %	Explanation of positive variances		Explanation of negative variances	
			Timing	Permanent	Timing	Permanent
	\$	%				
Expenditure from operating activities						
Materials and contracts	77,105	31.54%	▲			
Non-cash amounts excluded from operating activities	(12,296)	(42.39%)			▼	
Financing activities						
Payments of member contributions	11,946,951	48.38%	▲			
Payments return of equity	(1,808,172)	0.00%			▼	
Payments for financial assets at amortised cost - non current	(2,014,137)	0.00%			▼	



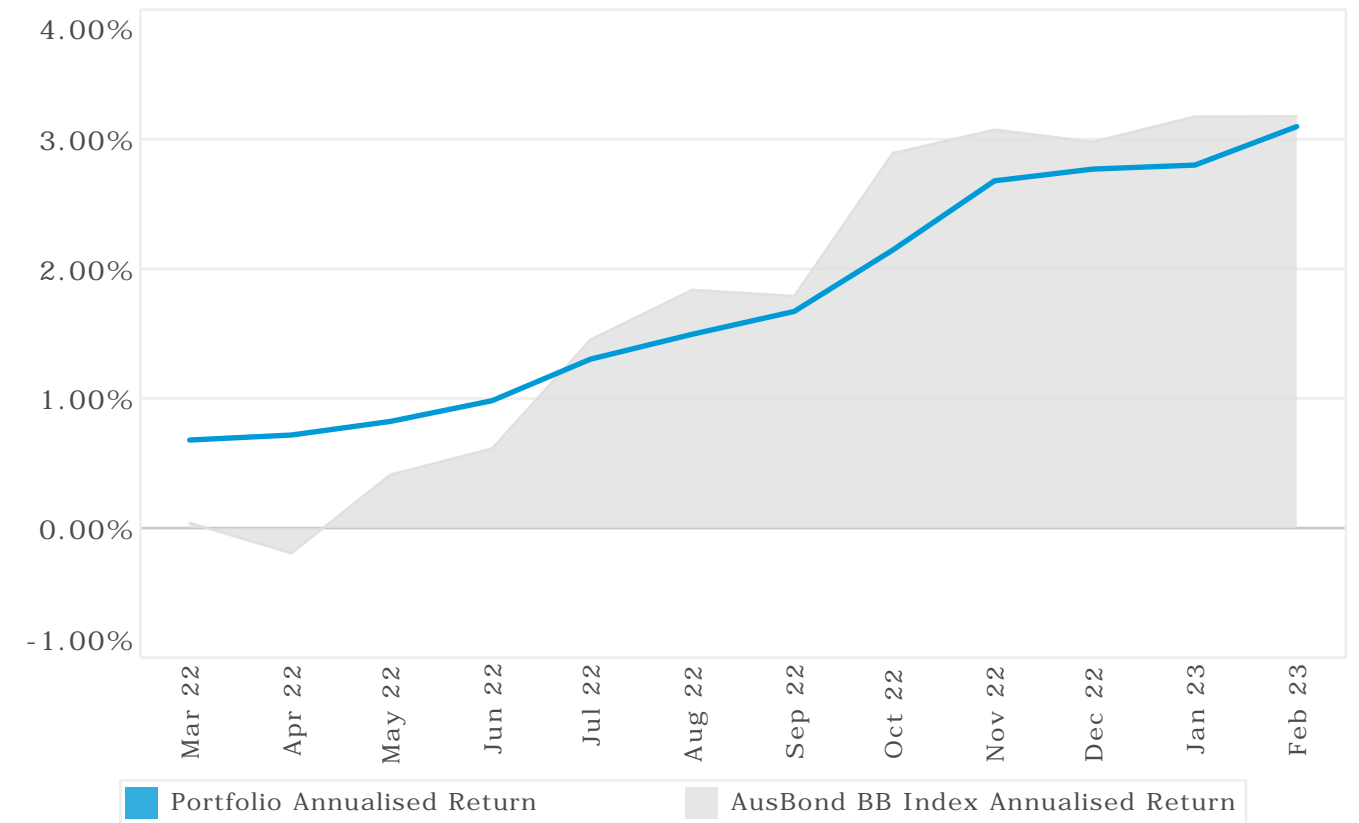
Investment Summary Report
February 2023



Investment Holdings

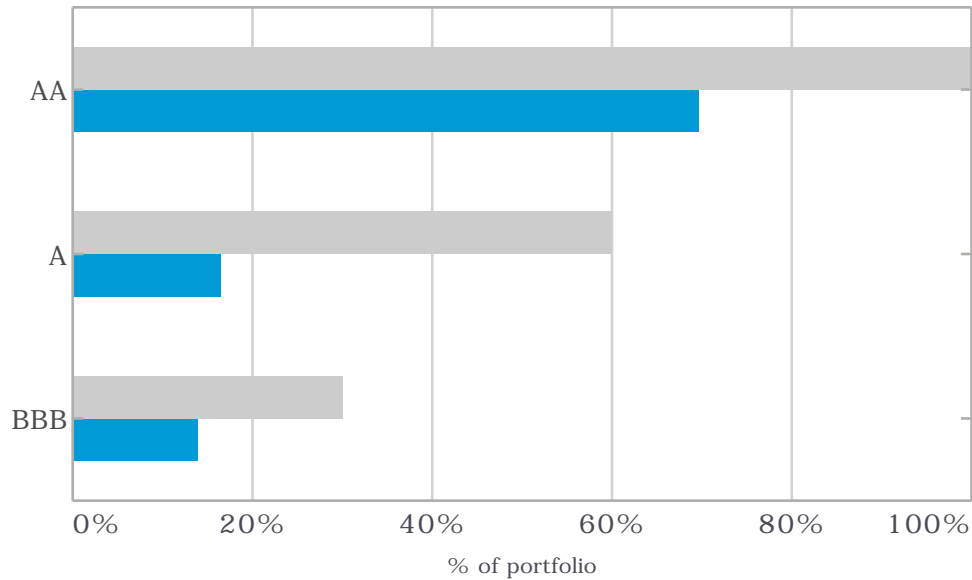
	Face Value (\$)	Current Value (\$)	Current	Yield (%)
Bonds	3,000,000	3,014,901		0.7000
Cash	5,081,887	5,081,887		3.3340
Term Deposit	35,032,830	35,557,307		3.5480
	43,114,718	43,654,095		3.3246

Investment Performance

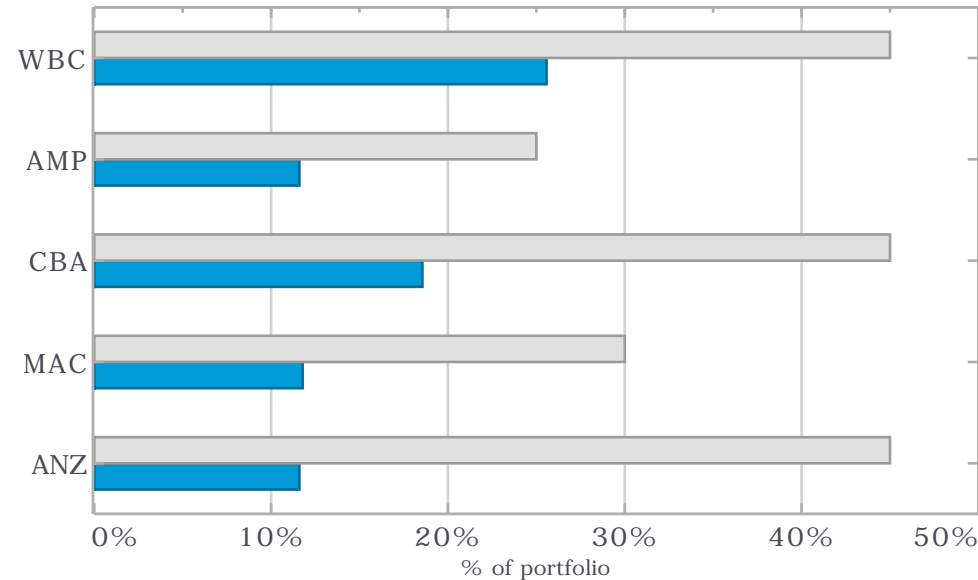


Investment Policy Compliance

Total Credit Exposure



Individual Institutional Exposures



Term to Maturities

	Face Value (\$)	Policy Max
Between 0 and 1 years	43,114,718	100% a
	43,114,718	

g Portfolio Exposure g Investment Policy Limit

Tamala Park Regional Council

Investment Holdings Report - February 2023



Cash Accounts

Face Value (\$)	Current Rate (%)	Institution	Credit Rating	Current Value (\$)	Deal No.	Reference
5,081,887.30	3.3340%	Macquarie Bank	A+	5,081,887.30	541301	Accelerator
5,081,887.30	3.3340%			5,081,887.30		

Term Deposits

Maturity Date	Face Value (\$)	Current Rate (%)	Institution	Credit Rating	Purchase Price (\$)	Purchase Date	Current Value (\$)	Deal No.	Accrued Interest (\$)	Next Interest Date	Reference
Mar-23	3,000,000.00	1.0000%	National Australia Bank	AA-	3,000,000.00	Mar-22	3,029,424.66	542415	29,424.66	At Maturity	669
Mar-23	5,000,000.00	1.1100%	ANZ Banking Group	AA-	5,000,000.00	Mar-22	5,054,131.51	542425	54,131.51	At Maturity	671
Apr-23	1,000,000.00	4.0700%	Suncorp Bank	A+	1,000,000.00	Oct-22	1,015,053.42	543476	15,053.42	At Maturity	686
Apr-23	3,000,000.00	3.8900%	Westpac Group	AA-	3,000,000.00	Aug-22	3,063,305.75	543174	63,305.75	At Maturity	680
May-23	1,000,000.00	3.0500%	ME Bank	BBB+	1,000,000.00	May-22	1,024,567.12	542757	24,567.12	At Maturity	675
May-23	2,000,000.00	3.0300%	Commonwealth Bank of Australia	AA-	2,000,000.00	May-22	2,048,646.03	542772	48,646.03	At Maturity	677
Jun-23	3,000,000.00	3.8600%	Commonwealth Bank of Australia	AA-	3,000,000.00	Jul-22	3,075,507.95	542933	75,507.95	At Maturity	679
Jul-23	1,006,578.08	4.2000%	Suncorp Bank	A+	1,006,578.08	Nov-22	1,018,971.40	543545	12,393.32	At Maturity	690
Aug-23	2,000,000.00	4.6500%	AMP Bank	BBB	2,000,000.00	Nov-22	2,029,046.58	543519	29,046.58	At Maturity	687
Aug-23	3,000,000.00	4.6500%	AMP Bank	BBB	3,000,000.00	Nov-22	3,043,569.86	543520	43,569.86	At Maturity	689
Sep-23	1,000,000.00	4.4700%	Commonwealth Bank of Australia	AA-	1,000,000.00	Feb-23	1,002,694.25	543795	2,694.25	At Maturity	692
Sep-23	3,012,115.07	4.8400%	Westpac Group	AA-	3,012,115.07	Sep-22	3,074,423.76	543396	62,308.69	At Maturity	683
Oct-23	3,000,000.00	4.5800%	Westpac Group	AA-	3,000,000.00	Oct-22	3,051,948.49	543474	51,948.49	At Maturity	685
Jan-24	2,000,000.00	4.4900%	Commonwealth Bank of Australia	AA-	2,000,000.00	Jan-23	2,008,856.99	543716	8,856.99	At Maturity	691
Feb-24	1,004,763.01	4.9500%	Westpac Group	AA-	1,004,763.01	Feb-23	1,006,806.95	543888	2,043.94	Semi Annually	693
Feb-24	1,009,374.25	5.0500%	Westpac Group	AA-	1,009,374.25	Feb-23	1,010,351.82	543853	977.57	Semi Annually	695
	35,032,830.41	3.5480%			35,032,830.41		35,557,306.54		524,476.13		

Fixed Rate Bonds

Maturity Date	Face Value (\$)	Current Rate (%)	Security Name	Credit Rating	Purchase Price (\$)	Purchase Date	Current Value (\$)	Deal No.	Accrued Interest (\$)	Purchase Yield	Reference
Jun-23	3,000,000.00	0.7000%	NT T-Corp Bond (Jun23) 0.70%	Aa3	3,000,000.00	Apr-21	3,014,901.37	541265	14,901.37	.70000%	642
	3,000,000.00	0.7000%			3,000,000.00		3,014,901.37		14,901.37	.7000%	

Tamala Park Regional Council

Accrued Interest Report - February 2023



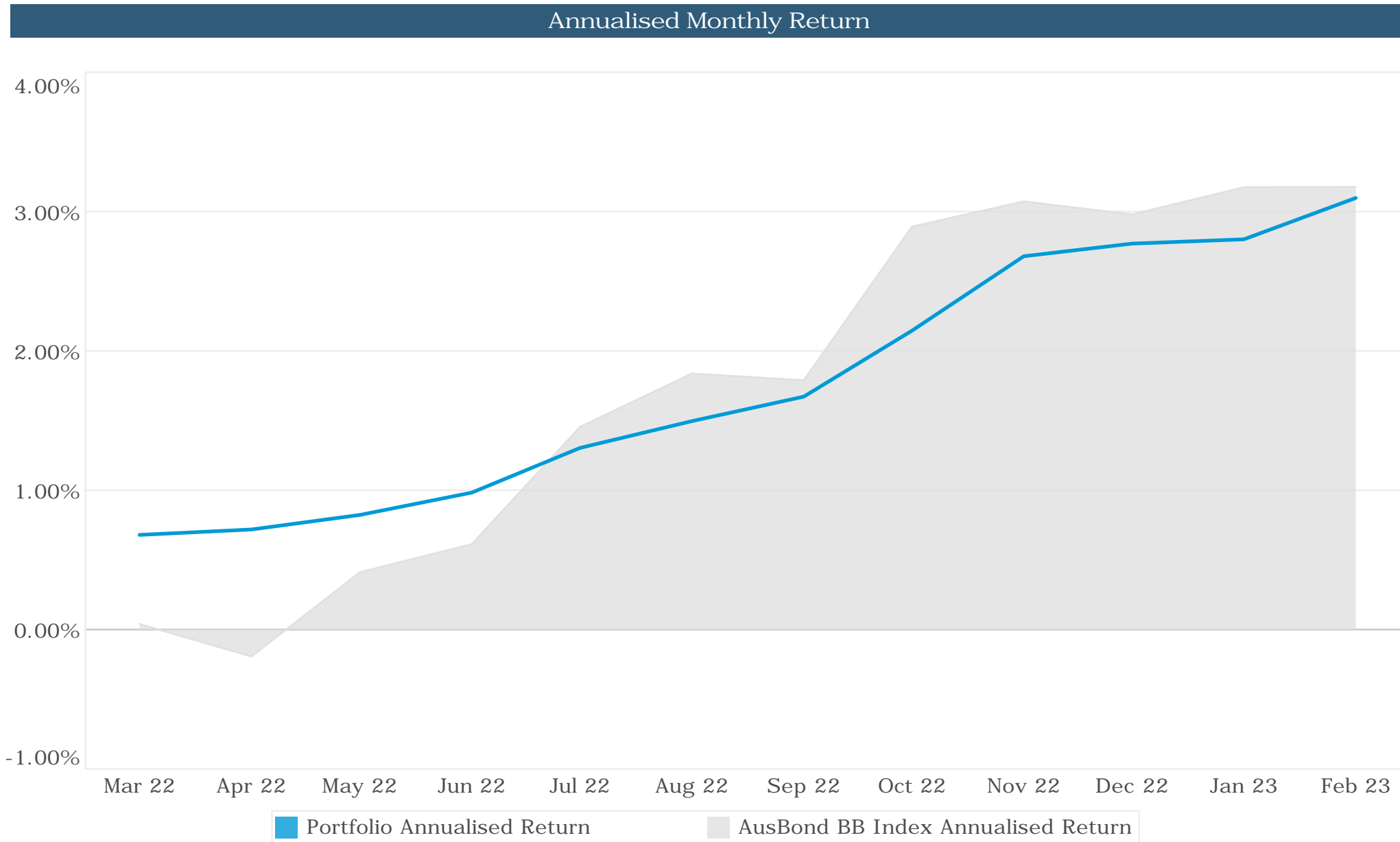
Investment	Deal No.	Comments	Face Value (\$)	Settlement Date	Maturity Date	Interest Received (\$)	Days	Interest Accrued (\$)	Yield (% pa)
Bonds									
NT T-Corp Bond (Jun23) 0.70%	541265		3,000,000.00	Apr-21	Jun-23	0.00	28	1,610.96	0.70%
						0.00		1,610.96	0.70%
Cash									
Macquarie Bank	541301					10,256.72	0	10,256.72	3.33%
						10,256.72		10,256.72	3.33%
Term Deposits									
National Australia Bank	541745		2,000,000.00	Aug-21	Feb-23	5,185.75	12	341.91	0.52%
Westpac Group	542340		1,000,000.00	Feb-22	Feb-23	2,394.52	13	338.36	0.95%
Westpac Group	542373		1,000,000.00	Feb-22	Feb-23	9,400.00	22	566.58	0.94%
Westpac Group	543854		1,000,000.00	Feb-22	Feb-23	9,374.25	21	540.83	0.94%
Macquarie Bank	542408		1,000,000.00	Mar-22	Feb-23	9,287.67	5	136.99	1.00%
National Australia Bank	542415		3,000,000.00	Mar-22	Mar-23	0.00	28	2,301.37	1.00%
ANZ Banking Group	542425		5,000,000.00	Mar-22	Mar-23	0.00	28	4,257.54	1.11%
Westpac Group	543174		3,000,000.00	Aug-22	Apr-23	0.00	28	8,952.33	3.89%
Suncorp Bank	543476		1,000,000.00	Oct-22	Apr-23	0.00	28	3,122.19	4.07%
ME Bank	542757		1,000,000.00	May-22	May-23	0.00	28	2,339.72	3.05%
Commonwealth Bank of Australia	542772		2,000,000.00	May-22	May-23	0.00	28	4,648.77	3.03%
Commonwealth Bank of Australia	542933		3,000,000.00	Jul-22	Jun-23	0.00	28	8,883.29	3.86%
Suncorp Bank	543545		1,006,578.08	Nov-22	Jul-23	0.00	28	3,243.11	4.20%
AMP Bank	543519		2,000,000.00	Nov-22	Aug-23	0.00	28	7,134.25	4.65%
AMP Bank	543520		3,000,000.00	Nov-22	Aug-23	0.00	28	10,701.37	4.65%
Westpac Group	543396		3,012,115.07	Sep-22	Sep-23	0.00	28	11,183.61	4.84%
Commonwealth Bank of Australia	543795		1,000,000.00	Feb-23	Sep-23	0.00	22	2,694.25	4.47%
Westpac Group	543474		3,000,000.00	Oct-22	Oct-23	0.00	28	10,540.27	4.58%
Commonwealth Bank of Australia	543716		2,000,000.00	Jan-23	Jan-24	0.00	28	6,888.77	4.49%
Westpac Group	543853		1,009,374.25	Feb-23	Feb-24	0.00	7	977.57	5.05%

Tamala Park Regional Council

Accrued Interest Report - February 2023



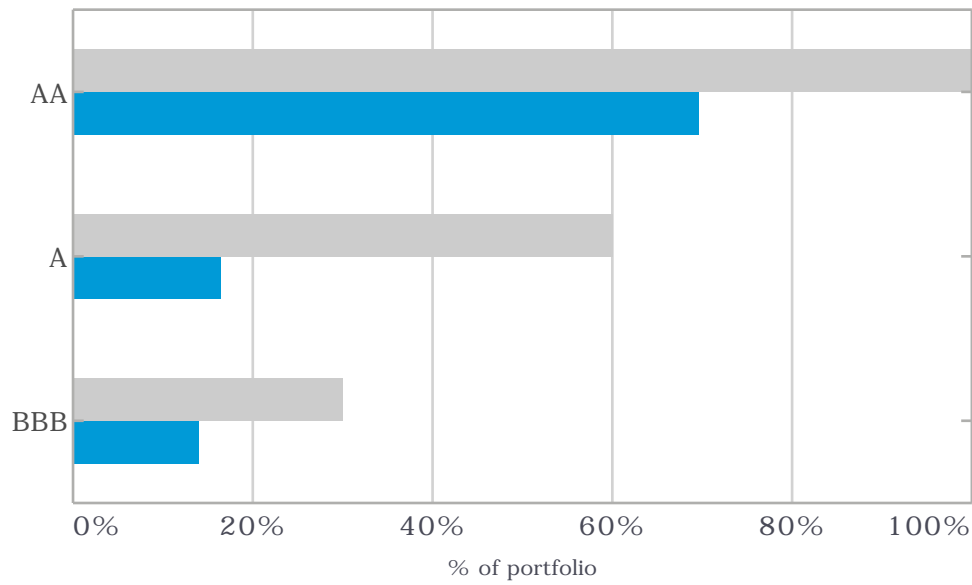
Investment	Deal No.	Comments	Face Value (\$)	Settlement Date	Maturity Date	Interest Received (\$)	Days	Interest Accrued (\$)	Yield (% pa)
Westpac Group	543888		1,004,763.01	Feb-23	Feb-24	0.00	15	2,043.94	4.95%
						35,642.19		91,837.02	3.27%
<u>Grand Totals</u>						<u>45,898.91</u>		<u>103,704.70</u>	<u>3.10%</u>



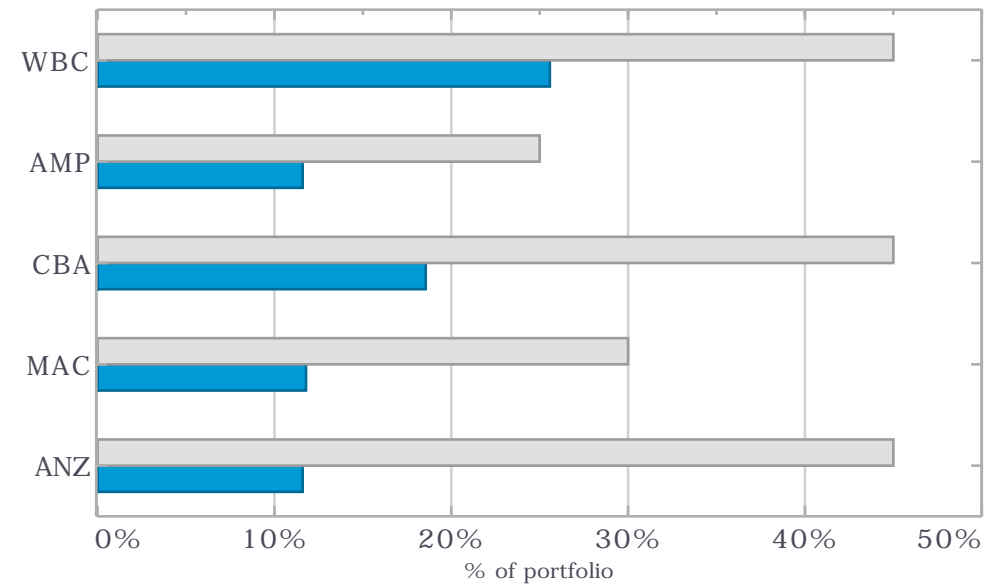
Historical Performance Summary (% pa)			
	Portfolio	Annualised BB Index	Outperformance
Feb 2023	3.10%	3.18%	-0.08%
Last 3 months	2.88%	3.11%	-0.23%
Last 6 months	2.52%	2.85%	-0.33%
Financial Year to Date	2.23%	2.54%	-0.31%
Last 12 months	1.75%	1.76%	-0.01%



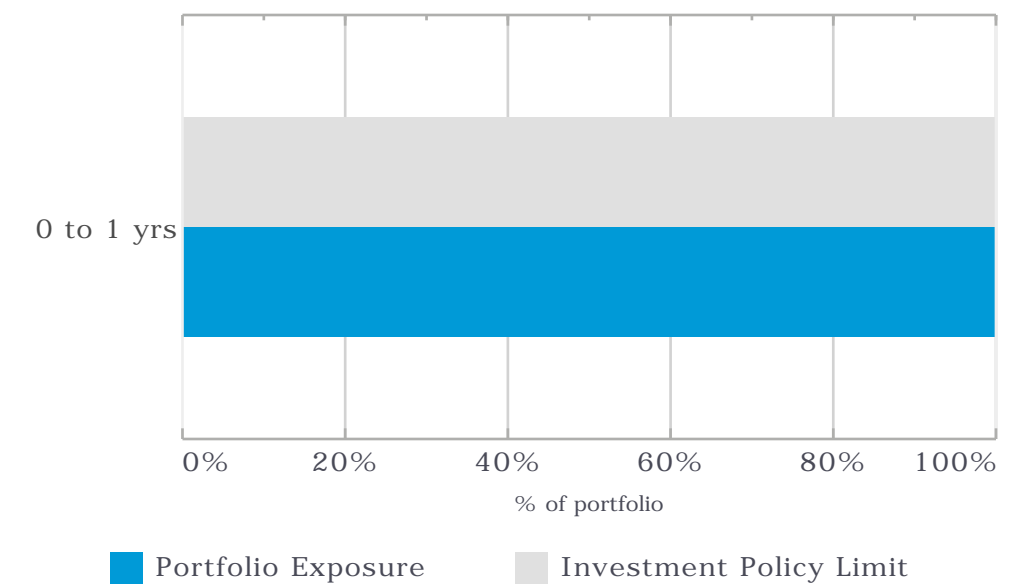
Total Credit Exposure



Individual Institutional Exposures



Term to Maturities



Credit Rating Group	Face Value (\$)	Policy Max
AA	30,026,252	100%
A	7,088,465	60%
BBB	6,000,000	30%
	43,114,718	

Institution	% of portfolio	Investment Policy Limit	
Westpac Group (AA-)	26%	45%	a
AMP Bank (BBB)	12%	25%	a
Commonwealth Bank of Australia (AA-)	19%	45%	a
Macquarie Bank (A+)	12%	30%	a
ANZ Group (AA-)	12%	45%	a
Suncorp Bank (A+)	5%	30%	a
National Australia Bank (AA-)	7%	45%	a
NT T-Corp (Aa3)	7%	45%	a
Bank of Queensland (BBB+)	2%	25%	a

Term to Maturity	Face Value (\$)	Policy Max	
Between 0 and 1 years	43,114,718	100%	a
	43,114,718		

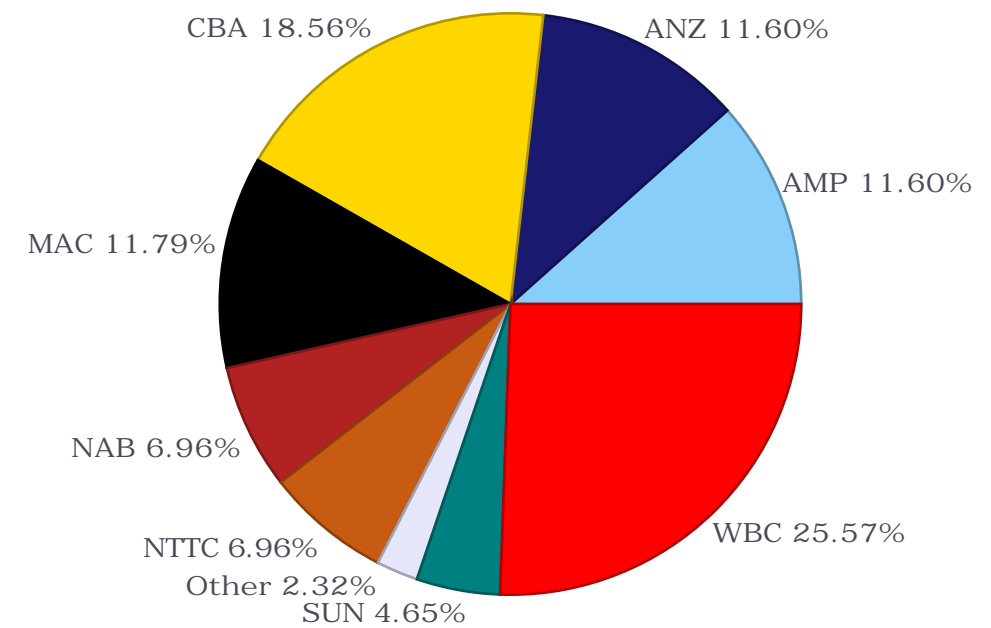
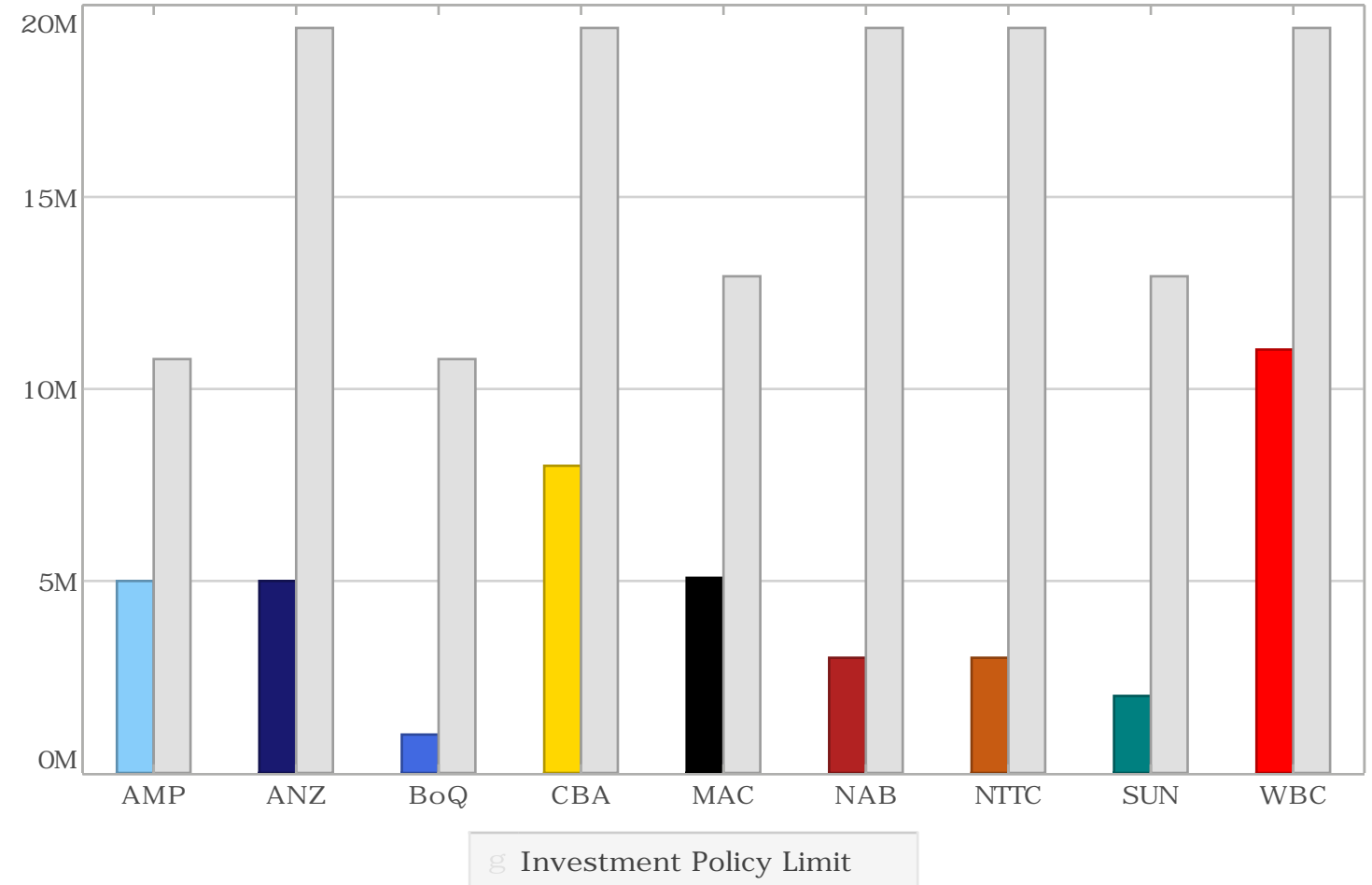
a = compliant
r = non-compliant



Individual Institutional Exposures

Individual Institutional Exposure Charts

	Current Exposures		Policy Limit		Capacity
AMP Bank (BBB)	5,000,000	12%	10,778,679	25%	5,778,679
ANZ Group (AA-)	5,000,000	12%	19,401,623	45%	14,401,623
Bank of Queensland (BBB+)	1,000,000	2%	10,778,679	25%	9,778,679
Commonwealth Bank of Australia (AA-)	8,000,000	19%	19,401,623	45%	11,401,623
Macquarie Bank (A+)	5,081,887	12%	12,934,415	30%	7,852,528
National Australia Bank (AA-)	3,000,000	7%	19,401,623	45%	16,401,623
NT T-Corp (Aa3)	3,000,000	7%	19,401,623	45%	16,401,623
Suncorp Bank (A+)	2,006,578	5%	12,934,415	30%	10,927,837
Westpac Group (AA-)	11,026,252	26%	19,401,623	45%	8,375,371
	43,114,718				



Tamala Park Regional Council

Cashflows Report - February 2023



Actual Cashflows for February 2023

Date	Deal No.	Cashflow Counterparty	Asset Type	Cashflow Description	Amount
Feb-23	542408	Macquarie Bank	Term Deposit	Maturity: Face Value	1,000,000.00
		Macquarie Bank	Term Deposit	Maturity: Interest Received/Paid	9,287.67
				<u>Deal Total</u>	<u>1,009,287.67</u>
				Day Total	1,009,287.67
Feb-23	543795	Commonwealth Bank of Australia	Term Deposit	Settlement: Face Value	-1,000,000.00
				<u>Deal Total</u>	<u>-1,000,000.00</u>
				Day Total	-1,000,000.00
Feb-23	541745	National Australia Bank	Term Deposit	Maturity: Face Value	2,000,000.00
		National Australia Bank	Term Deposit	Maturity: Interest Received/Paid	5,185.75
				<u>Deal Total</u>	<u>2,005,185.75</u>
				Day Total	2,005,185.75
Feb-23	542340	Westpac Group	Term Deposit	Maturity: Face Value	1,000,000.00
		Westpac Group	Term Deposit	Maturity: Interest Received/Paid	2,394.52
				<u>Deal Total</u>	<u>1,002,394.52</u>
Feb-23	543888	Westpac Group	Term Deposit	Settlement: Face Value	-1,004,763.00
				<u>Deal Total</u>	<u>-1,004,763.00</u>
				Day Total	-2,368.48
Feb-23	543853	Westpac Group	Term Deposit	Settlement: Face Value	-1,009,374.25
				<u>Deal Total</u>	<u>-1,009,374.25</u>
Feb-23	543854	Westpac Group	Term Deposit	Maturity: Face Value	1,000,000.00
		Westpac Group	Term Deposit	Maturity: Interest Received/Paid	9,374.25
				<u>Deal Total</u>	<u>1,009,374.25</u>
				Day Total	-0.00
Feb-23	542373	Westpac Group	Term Deposit	Maturity: Face Value	1,000,000.00
		Westpac Group	Term Deposit	Maturity: Interest Received/Paid	9,400.00
				<u>Deal Total</u>	<u>1,009,400.00</u>

Tamala Park Regional Council

Cashflows Report - February 2023



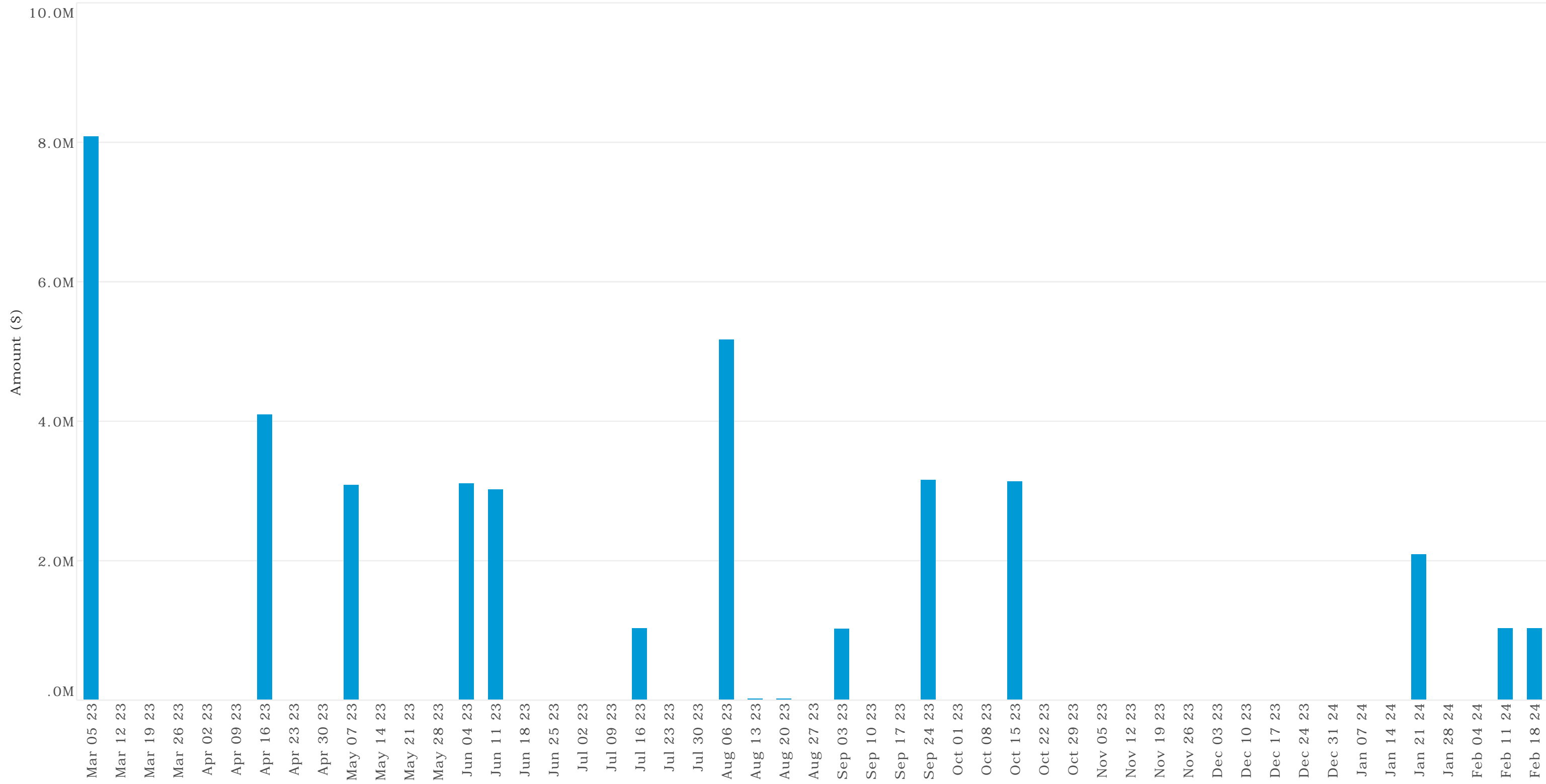
Date	Deal No.	Cashflow Counterparty	Asset Type	Cashflow Description	Amount
				Day Total	1,009,400.00
				<u>Total for Month</u>	<u>3,021,504.94</u>

Forecast Cashflows for March 2023

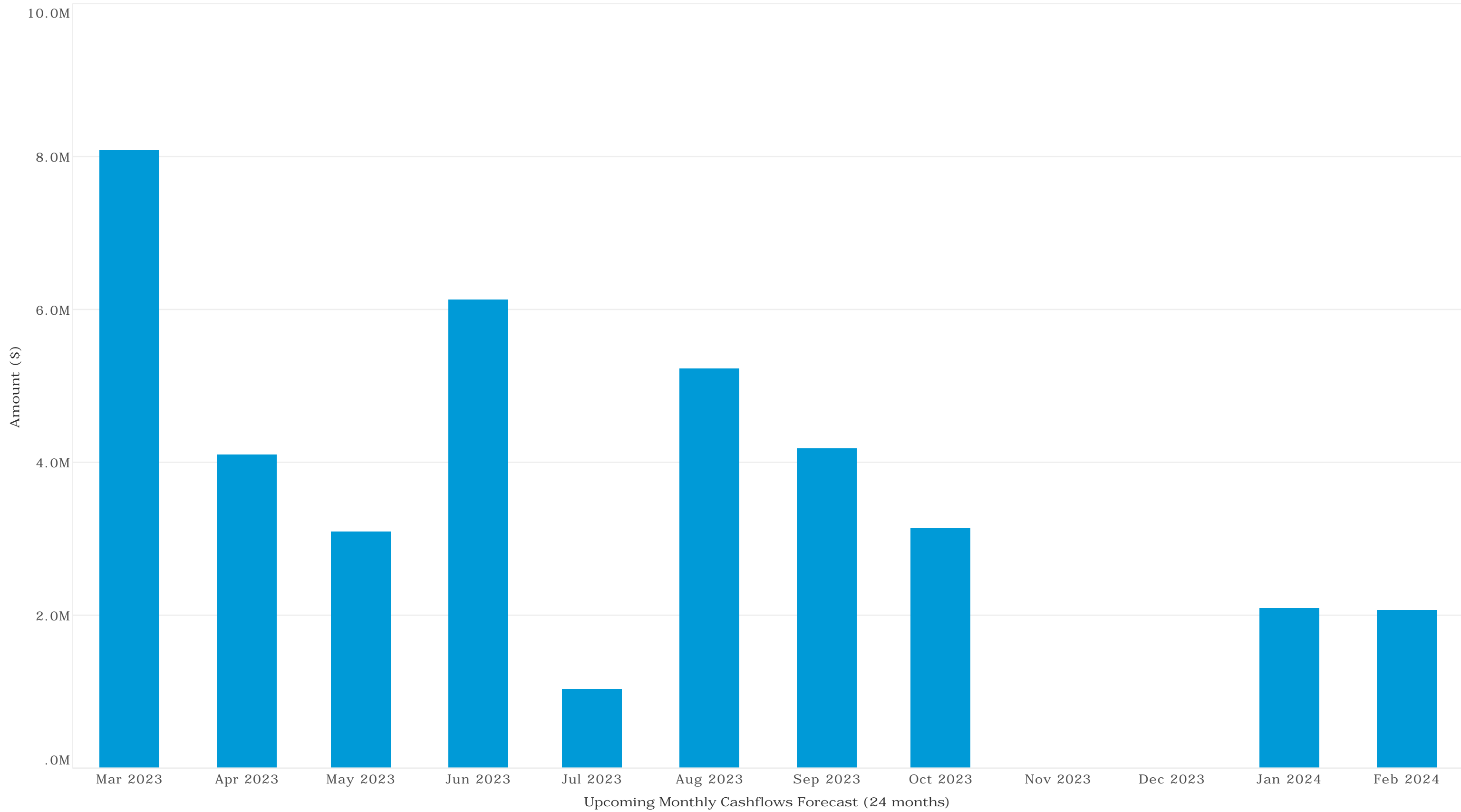
Date	Deal No.	Cashflow Counterparty	Asset Type	Cashflow Description	Amount
Mar-23	542415	National Australia Bank	Term Deposit	Maturity: Face Value	3,000,000.00
		National Australia Bank	Term Deposit	Maturity: Interest Received/Paid	29,917.81
				<u>Deal Total</u>	<u>3,029,917.81</u>
				Day Total	3,029,917.81
Mar-23	542425	ANZ Banking Group	Term Deposit	Maturity: Face Value	5,000,000.00
		ANZ Banking Group	Term Deposit	Maturity: Interest Received/Paid	55,347.95
				<u>Deal Total</u>	<u>5,055,347.95</u>
				Day Total	5,055,347.95
				<u>Total for Month</u>	<u>8,085,265.75</u>

Tamala Park Regional Council

Cashflows Report - February 2023



Upcoming Weekly Cashflows Forecast (52 weeks)



8.4. LIST OF MONTHLY ACCOUNTS SUBMITTED - FEBRUARY 2023

Responsible Officer: Chief Executive Officer
Attachments: 1. Appendix - Summary Payments (Feb)
2. Appendix - Credit Card Report (Feb)
Voting Requirement: Simple Majority

RECOMMENDATION

That the Council:

1. **RECEIVES and NOTES the list of accounts paid under Delegated Authority to the CEO for February 2023 - \$2,415,772.68.**
 2. **APPROVES the CEO Credit Card Statement for February 2023.**
-

PURPOSE

Submission of payments made under the CEO's Delegated Authority for the month of February 2023.

POLICY REFERENCE

N/A

LOCAL GOVERNMENT ACT/REGULATION

- *Local Government Act 1995*: Sect 5.42 - Delegation given for Payments
- *Local Government (Financial Management) Regulations 1996*: Regulation 13(1) - Monthly Payment list required
- *Local Government (Audit) Regulations 1996*: Regulation 13 - Compliance Audit Item

PREVIOUS MINUTES

N/A

FINANCIAL/BUDGET IMPLICATIONS

N/A

RISK MANAGEMENT IMPLICATIONS

Risk Ref: 8	Risk Rating:
--------------------	---------------------

TPRC Operations - Financial Management of TPRC.	Low
Action:	
Preparation and reporting on monthly accounts for Council approval.	

BACKGROUND

A list of accounts paid under delegation or submitted for authorisation for payment is to be submitted to the Council at each meeting. It is a specific requirement of the Regulations that the list state the month (not the period) for which the account payments or authorisation relates.

COMMENT

Payments made are in accordance with authorisations from Council, approved budget, TPRC procurement and other relevant policies.

Payments are reviewed by TPRC Accountants Moore Australia following completion of each month's accounts.

Tamala Park Regional Council
Summary Payment List
February 2023

Date	Name	Description	Amount
09/02/2023	Employee costs	Wages for period 26/01/23 - 08/02/23	-15,918.20
09/02/2023	Australian Super	Superannuation for period 26/01/23 - 08/02/23	-2,411.71
09/02/2023	Australian Taxation Office	IAS (January 2023)	-13,866.00
09/02/2023	Arbor Centre Group Pty Ltd	Deposit for supply & install of 12 x Tuarts	-22,000.00
09/02/2023	Capital Transport Services	Courier charges (16/01/2023)	-36.00
09/02/2023	City of Stirling	ICT Support Services (February 2023)	-1,100.00
09/02/2023	City of Wanneroo	Stage 29 Landscape Assessment Fee	-225.86
09/02/2023	Code Lime Photography	Props & styling items for photoshoot	-134.64
09/02/2023	Cossill and Webley	Engineering services	-32,474.92
09/02/2023	Dominic Carbone & Assoc	GST Management serices (December 2022) + Budget Review	-858.00
09/02/2023	Kevin Smith Cleaning Services	Cleaning of TPRC office (January 2023)	-145.71
09/02/2023	LD Total	Stage 1 Green Bore (November 2022)	-21,626.19
09/02/2023	Marketforce	Statutory advertising	-1,862.51
09/02/2023	Match & Wood Pty Ltd	Digital advertising (January 2023)	-5,500.00
09/02/2023	Moore Australia (WA) Pty Ltd	Accounting services (December 2022)	-2,860.00
09/02/2023	Murray, Anna & Russell	WELS Rebate - Lot 2036	-1,000.00
09/02/2023	Neverfail	Bottled water x 3	-46.10
09/02/2023	Niche Planning Studio	Green Concept Plan (December 2022)	-8,437.00
09/02/2023	O'Sullivan, Simon	Reimbursement of mobile phone charges (December 2022)	-58.19
09/02/2023	Owens, Robert & Karen	WELS Rebate - Lot 2152	-1,000.00
09/02/2023	Prudential Investment Services	Investment portfolio services (January 2023)	-1,723.14
09/02/2023	R J Vincent and Co	Civil works	-868,788.57
09/02/2023	Starr, S	Reimbursement for purchase of milk	-10.00
09/02/2023	The Brand Agency	Summer Campaign Creatives	-13,248.40
09/02/2023	Treacy Fencing	Fencing - Lot 2173	-2,153.25
09/02/2023	Vocus Pty Ltd	Business Internet (February 2023)	-162.80
09/02/2023	Synergy	Power charges	-2,508.80
13/02/2023	Westpac Bank	Payment of credit card charges - January 2023	-287.22
16/02/2023	City of Wanneroo	Stage 29 Early Clearance Bond	-550,851.93
23/02/2023	Employee costs	Wages for period 09/02/23 - 22/02/23	-15,760.65
23/02/2023	Burgess Rawson	Valuation services	-825.00
23/02/2023	Chester, John	Elected member attendance fee 20 October 2022 - 19 January 202	-2,706.00
23/02/2023	City of Stirling	Office rent, governance secondment & GST (January 2023)	-16,468.24
23/02/2023	City of Wanneroo	Interim rates 2022-23	-429,170.14
23/02/2023	Coterra Environment	EPBC Compliance Report 2022	-2,640.00
23/02/2023	ELO Digital Office	ELO upgrade to v20 - Invoice 1	-11,088.00
23/02/2023	Environmental Industries	Landscape maintenance (January 2023)	-36,493.65
23/02/2023	Fleeton, Brent	Elected member attendance fee 20 October 2022 - 19 January 202	-2,706.00
23/02/2023	HWL Ebsworth Lawyers	Stage 29 Legal Services	-2,165.80
23/02/2023	Ideal Living	Building plan assessments (January 2023)	-390.00
23/02/2023	Ife, Bronwyn	Elected member attendance fee 20 October 2022 - 19 January 202	-2,706.00
23/02/2023	Jones, Nige	Elected member attendance fee 20 October 2022 - 19 January 202	-2,706.00
23/02/2023	Krsticevic, Tony	Elected member attendance fee 20 October 2022 - 19 January 202	-2,706.00
23/02/2023	LD Total	Landscaping services	-217,663.50
23/02/2023	McMullen Nolan Group	Surveying services	-17,253.50
23/02/2023	Migdale, Suzanne	Deputy Chair allowance 20 October 2022 - 19 January 2023	-3,991.31
23/02/2023	NBN Co Limited	Stage 18C NBN	-16,800.00
23/02/2023	Next Level Signage	Bannermesh removal (Connolly Drive & Neerabup Road)	-418.00
23/02/2023	Parker, Glynis	Elected member attendance fee 20 October 2022 - 19 January 202	-2,706.00
23/02/2023	Perkov, Karlo	Elected member attendance fee 20 October 2022 - 19 January 202	-2,706.00
23/02/2023	Sandri, Bianca	Chairman allowance 20 October 2022 - 19 January 2023	-9,200.00
23/02/2023	Satterley Property Group	Community development services & recharges	-3,325.77
23/02/2023	Stantons International	Probity advisory services (Landscape Maintenance Tender)	-551.27
23/02/2023	Strauss, L & H	WELS Rebate - Lot 2015	-1,000.00

**Tamala Park Regional Council
Summary Payment List
February 2023**

23/02/2023	Tim Davies Landscaping P/L	Landscape design and supervision	-13,361.73
23/02/2023	Town of Victoria Park	GST January 2023	-1,423.00
23/02/2023	Treby, Brett	Elected member attendance fee 20 October 2022 - 19 January 202	-2,706.00
23/02/2023	Wallace, Ashley	Elected member attendance fee 20 October 2022 - 19 January 202	-2,706.00
23/02/2023	Canon Australia Pty Ltd	Photocopying (21/01/23 - 21/02/23)	-67.20
23/02/2023	Synergy	Power charges	-2,907.73
23/02/2023	Australian Super	Superannuation for period 09/02/23 - 22/02/23	-2,411.71
28/02/2023	Curated Frames	Catalina Concept Plan Canvas (for boardroom)	-800.00
28/02/2023	Quinns Men's Shed Inc	Halloween BBQ	-670.00
28/02/2023	UDIA (Qld)	UDIA National Congress 2023 (CEO attendance)	-2,450.00
28/02/2023	City of Joondalup	GST December 2022 - January 2023	-9,404.41
28/02/2023	City of Perth	GST owing January 2023	-1,422.93
			<u><u>-2,415,772.68</u></u>

Tamala Park Regional Council
Credit Card Report
As of February 28, 2023

Type	Date	Name	Description	Amount
Credit Card Charge	03/02/2023	Woolworths	Coffee pods x 8	40.00
Credit Card Charge	03/02/2023	City of Perth Parking	CEO parking (mtg with SPG)	8.18
Credit Card Charge	08/02/2023	1300 Flowers	Sympathy flowers - Cr Treby	99.90
Credit Card Charge	08/02/2023	Woolworths	Milk x 1	4.35
Credit Card Charge	12/02/2023	Westpac Bank	Credit card fees (CEO, EA & MPC)	11.25
Cheque	13/02/2023	Westpac Bank	Credit card charges (EA)	-260.24
Cheque	13/02/2023	Westpac Bank	Credit card charges (CEO)	-23.23
Cheque	13/02/2023	Westpac Bank	Credit card charges (MPC)	-3.75
Bill Pmt -CCard	15/02/2023	Bound to Impress	Binding covers and combs	71.23
Credit Card Charge	15/02/2023	Lot Six Zero	Coffee for CEO, Chair & Deputy Chair	23.16
Credit Card Charge	16/02/2023	Woolworths	Milk x 2	8.70
Credit Card Charge	26/02/2023	Woolworths	Coffee pods x 2	10.00
Credit Card Charge	28/02/2023	Zoom Video Comm Inc	Standard Pro Monthly x 3 (March 2023)	64.85
				54.40
TOTAL				54.40

8.5. STATEMENT OF FINANCIAL ACTIVITY - MARCH 2023

Responsible Officer: Chief Executive Officer
Attachments: 1. Attachment - SOFA (March)
2. Investment Report (March)
Voting Requirement: Simple Majority

RECOMMENDATION

That the Council **RECEIVES** and **NOTES** the Statement of Financial Activity for the month ending 31 March 2023.

PURPOSE

Submission of the Statement(s) of Financial Activity required under the *Local Government Act 1995*.

POLICY REFERENCE

N/A

LOCAL GOVERNMENT ACT/REGULATION

- *Local Government Act 1995*: Sect 6.4(1): Financial Report Required
- *Local Government (Financial Management) Regulations 1996*: Regulation 34
Composition of Report
- *Local Government (Financial Management) Regulations 1996*: Regulation 34 (5)
Material Variance Reports
- *Local Government (Audit) Regulations 1996*: Regulation 14 Compliance Audit Item

PREVIOUS MINUTES

N/A

FINANCIAL/BUDGET IMPLICATIONS

NA

RISK MANAGEMENT IMPLICATIONS

Risk Ref: 8	Risk Rating:
TPRC Operations - Financial Management of TPRC.	Low

Action:

Preparation and reporting on monthly accounts for Council approval.

The submission of the Statement(s) of Financial Activity is required under the *Local Government Act 1995* and necessary to ensure transparency and governance of financial activity.

BACKGROUND

It is a mandatory requirement that the Council receives, reviews and records in the Regional Council's public minutes a statement of financial activity showing annual budget estimates and the figures for budget estimates, income and expenditure and variances at the end of each month. The report is also to show the composition of assets and other relevant information.

COMMENT

The detailed Statements contained in the attachment reflect the budget proposals and direction adopted by the Council.

Variances at 31 March 2023 exceeding 10% or \$5,000 (whichever is the greater) were experienced in relation to the following:

Expenditure from Operating Activities	
Materials and Contracts	The positive variation (\$100K or 37%) relates to reduced expenditure on consultancy fees and timing of payments.
Non-cash Accounts excluded from Operating Activities	Favourable position (12K or 37%) relates to employee provisions that are yet to be transferred.
Financing Activities	
Payment to and from Member contributions	Both payments of and from Member contributions are significantly below budget expectations due to project developments works and sales rates being below expectations. The YTD nett position of these items remains favourable.
Payments return of equity	The return on equity position for Members is \$1.8M favourable when compared to budget position.

The information in the attachment is summarised in the tables following.

Financial Snapshot as at 31 March 2023

	2022-23	2022-23	2022-23	Variance		Variance
	Amended BUDGET	Budget YTD	Actual YTD	Favourable	Unfavourable	%
REVENUE	\$	\$	\$	\$	\$	%
Interest Earnings	1,070,000	802,500	829,268		26,768	3.34%
Other Revenue	43,818	37,318	35,679		(1,639)	-4.39%
	\$1,113,818	\$839,818	\$864,947	\$0	\$25,129	
LE SS EXPENDITURE						
Depreciation	(43,510)	(32,633)	(32,775)		(142)	-0.44%
Employee Costs	(702,630)	(529,157)	(512,286)	16,871		3.19%
Insurance	(19,597)	(19,597)	(19,596)	1		0.01%
Interest	(3,240)	(2,567)	(2,568)	(1)		-0.04%
Materials and Contracts	(353,852)	(270,656)	(170,530)	100,126		36.99%
Other	(164,005)	(123,004)	(122,972)	32		0.03%
Utilities	(6,829)	0	0			0.00%
Members Equity						
Income Sale of Lots - Subdivisions	41,247,399	30,935,549	18,631,551		(12,303,998)	-39.77%
Land Production Costs	(37,037,724)	(27,778,293)	(13,703,396)	14,074,897		50.67%
GST Withheld Member Councils	(3,077,580)	(2,308,185)	(1,320,480)	987,705		42.79%
Profit distribution/Contributions Returned	(20,485,534)	(10,000,000)	(11,812,872)		(1,812,872)	-18.13%
	(\$20,647,102)	(\$10,128,543)	(\$9,065,924)	\$15,179,631	(\$14,117,012)	
Total Change in Equity	(\$19,533,284)	(\$9,288,725)	(\$8,200,977)	\$15,179,631	(\$14,091,883)	

Statement of Financial Position as at 31 March 2023

	Actual	Actual	Variance	Variance
	2021-22	2022-23	\$	%
	\$	\$	\$	%
Current assets				
Cash and cash equivalents	52,296,465	44,100,364	(8,196,101)	-15.67%
Trade and other receivables	782,569	828,482	45,913	5.87%
Total current assets	53,079,034	44,928,846	(8,150,188)	-15.4%
Non-current assets				
Inventories	1,600,000	1,600,000	0	0.00%
Right of use assets	149,716	135,076	(14,640)	-9.78%
Property, plant and equipment	36,311	29,145	(7,166)	-19.74%
Total non-current assets	1,786,027	1,764,220	(21,807)	-1.22%
Total assets	54,865,061	46,693,067	(8,171,994)	-14.89%
Current liabilities				
Trade and other payables	162,938	166,692	(3,754)	-2.30%
Lease Liabilities	31,760	8,430	23,330	73.46%
Provisions	21,788	72,753	(50,965)	-233.92%
Total current liabilities	216,485	247,874	(31,389)	-14.5%
Non-current liabilities				
Lease Liabilities	119,156	129,046	-9,890	0.00%
Provisions	13,527	1,231	12,296	90.90%
Total non-current liabilities	132,683	130,277	2,406	1.81%
Total liabilities	349,168	378,151	(28,983)	-8.30%
Net assets	54,515,893	46,314,916	(8,200,977)	-15.04%

Investment Summary as at 31 March 2023

Cash Accounts									
	Face Value (\$)	Current Rate (%)	Institution	Credit Rating		Current Value (\$)	Deal No.		
	5,096,247.39	3.3782%	Macquarie Bank	A+		5,096,247.39	541301		
	5,096,247.39	3.3782%				5,096,247.39			

Term Deposits									
Maturity Date	Face Value (\$)	Current Rate (%)	Institution	Credit Rating	Purchase Price (\$)	Purchase Date	Current Value (\$)	Deal No.	Accrued Interest (\$)
Apr-23	1,000,000.00	4.0700%	Suncorp Bank	A+	1,000,000.00	Oct-22	1,018,510.14	543476	18,510.14
Apr-23	3,000,000.00	3.8900%	Westpac Group	AA-	3,000,000.00	Aug-22	3,073,217.26	543174	73,217.26
May-23	1,000,000.00	3.0500%	ME Bank	BBB+	1,000,000.00	May-22	1,027,157.53	542757	27,157.53
May-23	2,000,000.00	3.0300%	Commonwealth Bank of Australia	AA-	2,000,000.00	May-22	2,053,792.88	542772	53,792.88
Jun-23	3,000,000.00	3.8600%	Commonwealth Bank of Australia	AA-	3,000,000.00	Jul-22	3,085,343.01	542933	85,343.01
Jul-23	1,006,578.08	4.2000%	Suncorp Bank	A+	1,006,578.08	Nov-22	1,022,561.99	543545	15,983.91
Aug-23	2,000,000.00	4.6500%	AMP Bank	BBB	2,000,000.00	Nov-22	2,036,945.21	543519	36,945.21
Aug-23	3,000,000.00	4.6500%	AMP Bank	BBB	3,000,000.00	Nov-22	3,055,417.81	543520	55,417.81
Sep-23	1,000,000.00	4.4700%	Commonwealth Bank of Australia	AA-	1,000,000.00	Feb-23	1,006,490.68	543795	6,490.68
Sep-23	3,012,115.07	4.8400%	Westpac Group	AA-	3,012,115.07	Sep-22	3,086,805.62	543396	74,690.55
Oct-23	3,000,000.00	4.5800%	Westpac Group	AA-	3,000,000.00	Oct-22	3,063,618.08	543474	63,618.08
Nov-23	1,000,000.00	4.8200%	Westpac Group	AA-	1,000,000.00	Mar-23	1,002,244.93	543933	2,244.93
Dec-23	4,000,000.00	4.7200%	National Australia Bank	AA-	4,000,000.00	Mar-23	4,011,379.73	543931	11,379.73
Dec-23	3,000,000.00	4.8500%	Westpac Group	AA-	3,000,000.00	Mar-23	3,009,965.75	543905	9,965.75
Dec-23	3,000,000.00	4.8500%	Westpac Group	AA-	3,000,000.00	Mar-23	3,009,965.75	543934	9,965.75
Jan-24	2,000,000.00	4.4900%	Commonwealth Bank of Australia	AA-	2,000,000.00	Jan-23	2,016,483.84	543716	16,483.84
Feb-24	1,004,763.01	4.9500%	Westpac Group	AA-	1,004,763.01	Feb-23	1,011,031.08	543888	6,268.07
Feb-24	1,009,374.25	5.0500%	Westpac Group	AA-	1,009,374.25	Feb-23	1,014,681.07	543853	5,306.82
	38,032,830.41	4.4316%			38,032,830.41		38,605,612.36		572,781.95

Fixed Rate Bonds									
Maturity Date	Face Value (\$)	Current Rate (%)	Institution	Credit Rating	Purchase Price (\$)	Purchase Date	Current Value (\$)	Deal No.	Accrued Interest (\$)
Jun-23	3,000,000.00	0.7000%	NT T-Corp Bond (Jun23)	Aa3	3,000,000.00	Apr-21	3,016,684.93	541265	16,684.93
	3,000,000.00	0.7000%			3,000,000.00		3,016,684.93		16,684.93

TAMALA PARK REGIONAL COUNCIL
MONTHLY FINANCIAL REPORT
(Containing the Statement of Financial Activity)
For the period ending 31 March 2023

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

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**KEY TERMS AND DESCRIPTIONS
FOR THE PERIOD ENDED 31 MARCH 2023**

NATURE OR TYPE DESCRIPTIONS

REVENUE

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 / INCOME

Other revenue, which can not be classified under the above headings, includes dividends, discounts, rebates, reimbursements etc.

PROFIT ON ASSET DISPOSAL

Excess of assets received over the net book value for assets on their disposal.

EXPENSES

EMPLOYEE COSTS

All costs associated with the employment of person 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, fringe benefit tax, etc.

MATERIALS AND CONTRACTS

All expenditures on materials, supplies and contracts not classified under other headings. These include supply of goods and materials, legal expenses, maintenance agreements, communication expenses, advertising expenses, membership, periodicals, publications, hire expenses, rental, postage and freight etc. Local governments may wish to disclose more detail such as contract services, consultancy, information technology, rental or lease expenditures.

UTILITIES (GAS, ELECTRICITY, WATER)

Expenditures made to the respective agencies for the provision of power, gas or water. Exclude expenditures incurred for the reinstatement of roadwork on behalf of these agencies.

INSURANCE

All insurance other than worker's compensation and health benefit insurance included as a cost of employment.

LOSS ON ASSET DISPOSAL

Shortfall between the value of assets received over the net book value for assets on their disposal.

DEPRECIATION ON NON-CURRENT ASSETS

Depreciation expense raised on all classes of assets. Excluding Land.

INTEREST EXPENSES

Interest and other costs of finance paid, including costs of finance for loan debentures, overdraft accommodation and refinancing expenses.

OTHER EXPENDITURE

Statutory fees, taxes, allowance for impairment of assets, member's fees or State taxes. Donations and subsidies made to community groups.

**STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 MARCH 2023**

BY NATURE OR TYPE

	Ref Note	Amended Budget (a)	YTD Budget (b)	YTD Actual (c)	Variance \$ (c) - (b)	Variance % ((c) - (b))/(b)	Var.
Opening funding surplus / (deficit)	2(c)	\$ 52,894,309	\$ 52,894,309	\$ 52,894,309	\$ 0	% 0.00%	
Revenue from operating activities							
Interest earnings		1,070,000	802,500	829,268	26,768	3.34%	
Other revenue		43,818	37,318	35,679	(1,639)	(4.39%)	
		1,113,818	839,818	864,947	25,129	2.99%	
Expenditure from operating activities							
Employee costs		(702,630)	(529,157)	(512,286)	16,871	3.19%	
Materials and contracts		(353,852)	(270,656)	(170,530)	100,126	36.99%	▲
Utility charges		(6,829)	0	0	0	0.00%	
Depreciation on non-current assets		(43,510)	(32,633)	(32,775)	(142)	(0.44%)	
Interest expenses		(3,240)	(2,567)	(2,568)	(1)	(0.04%)	
Insurance expenses		(19,597)	(19,597)	(19,596)	1	0.01%	
Other expenditure		(164,005)	(123,004)	(122,975)	29	0.02%	
		(1,293,663)	(977,614)	(860,730)	116,884	(11.96%)	
Non-cash amounts excluded from operating activities	2(a)	43,510	32,633	20,479	(12,154)	(37.24%)	▼
Amount attributable to operating activities		(136,335)	(105,163)	24,696	129,859	(123.48%)	
Financing Activities							
Payments of member contributions	1	(37,037,724)	(27,778,293)	(13,703,396)	14,074,897	50.67%	▲
Proceeds from member contributions	1	41,247,399	30,935,549	18,631,551	(12,303,998)	39.77%	
Payments of GST withheld	1	(3,077,580)	(2,308,185)	(1,320,480)	987,705	42.79%	▲
Payments for principal portion of lease liabilities	7	(33,576)	(25,182)	(24,408)	774	3.07%	
Payments return of contribution	1	(20,000,000)	(10,000,000)	(10,000,000)	0	0.00%	
Payments return of equity	1	(485,534)	0	(1,808,172)	(1,808,172)	0.00%	▼
Proceeds from rates equivalent	1	0	0	(4,700)	(4,700)	0.00%	
Amount attributable to financing activities		(19,387,015)	(9,176,111)	(8,229,605)	946,506	(10.31%)	
Closing funding surplus / (deficit)	2(c)	33,370,959	43,613,035	44,689,400	1,076,365	(2.47%)	

KEY INFORMATION

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

Refer to Note 10 for an explanation of the reasons for the variance.

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

BASIS OF PREPARATION

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

Local Government Act 1995 requirements

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

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

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

THE LOCAL GOVERNMENT REPORTING ENTITY

All funds through which the Regional Council controls resources to carry on its functions have been included in the financial statements forming part of this financial report.

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

SIGNIFICANT ACCOUNTING POLICES

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 believed to be reasonable under the circumstances; the results of which form the basis of making the judgements about carrying values of assets and liabilities not readily apparent from other sources. Actual results may differ from these estimates.

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

- estimation of fair values of certain financial assets
- estimation of fair values of fixed assets shown at fair value
- impairment of financial assets

GOODS AND SERVICES TAX

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). Receivables and payables are stated inclusive of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with receivables or payables in the statement of financial position. Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows.

ROUNDING OFF FIGURES

All figures shown in this statement are rounded to the nearest dollar.

PREPARATION TIMING AND REVIEW

Date prepared: All known transactions up to 05 April 2023

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 MARCH 2023

NOTE 1
CONTRIBUTED EQUITY

Movement in Financing Activities as Represented by:

	Land Sales	Development Expenses	Return of Contribution	Return of Equity	Rates Equivalent	Payments of Lease	GST Withheld	Total Movement
	Year to Date	Year to Date	Year to Date	Year to Date	Year to Date	Liabilities	Year to Date	Year to Date
	31 March 2023	31 March 2023	31 March 2023	31 March 2023	31 March 2023	2023	2023	2023
	\$	\$	\$	\$	\$		\$	\$
Town of Victoria Park	1,552,629	(1,141,950)	(833,334)	(150,681)	0	(2,034)	(110,040)	(685,409)
City of Perth	1,552,629	(1,141,950)	(833,334)	(150,681)	(4,700)	(2,034)	(110,040)	(690,109)
Town of Cambridge	1,552,629	(1,141,950)	(833,334)	(150,681)	0	(2,034)	(110,040)	(685,409)
City of Joondalup	3,105,259	(2,283,899)	(1,666,666)	(301,362)	0	(4,068)	(220,080)	(1,370,817)
City of Wanneroo	3,105,259	(2,283,899)	(1,666,666)	(301,362)	0	(4,068)	(220,080)	(1,370,817)
Town of Vincent	1,552,629	(1,141,950)	(833,334)	(150,681)	0	(2,034)	(110,040)	(685,409)
City of Stirling	6,210,517	(4,567,798)	(3,333,332)	(602,725)	0	(8,136)	(440,160)	(2,741,635)
Total	18,631,551	(13,703,396)	(10,000,000)	(1,808,172)	(4,700)	(24,408)	(1,320,480)	(8,229,605)

	Land Sales	Development Expenses	Return of Contribution	Return of Equity	Rates Equivalent	Payments of Lease	GST Withheld	Total Movement
	Amended Budget	Amended Budget	Amended Budget	Amended Budget	Amended Budget	Liabilities Budget	Amended Budget	Amended Budget
	\$	\$	\$	\$	\$		\$	\$
	3,437,283	(3,086,477)	(1,666,667)	(40,461)	0	(2,798)	(256,465)	(1,615,585)
	3,437,283	(3,086,477)	(1,666,667)	(40,461)	0	(2,798)	(256,465)	(1,615,585)
	3,437,283	(3,086,477)	(1,666,667)	(40,461)	0	(2,798)	(256,465)	(1,615,585)
	6,874,567	(6,172,954)	(3,333,333)	(80,923)	0	(5,596)	(512,930)	(3,231,169)
	6,874,567	(6,172,954)	(3,333,333)	(80,923)	0	(5,596)	(512,930)	(3,231,169)
	3,437,283	(3,086,477)	(1,666,667)	(40,461)	0	(2,798)	(256,465)	(1,615,585)
	13,749,132	(12,345,909)	(6,666,666)	(161,844)	0	(11,193)	(1,025,861)	(6,462,341)
	41,247,399	(37,037,724)	(20,000,000)	(485,534)	0	(33,576)	(3,077,580)	(19,387,019)

Movement in Total Equity Represented by:

	Closing Balance	Movement in		Year to Date
	30 June 2022	Contributed Equity	Net Result	31 March 2023
	\$			\$
Town of Victoria Park	4,509,818	(685,409)	351	3,824,760
City of Perth	4,509,818	(690,109)	351	3,820,060
Town of Cambridge	4,509,818	(685,409)	351	3,824,760
City of Joondalup	9,019,634	(1,370,817)	703	7,649,520
City of Wanneroo	9,019,634	(1,370,817)	703	7,649,520
Town of Vincent	4,509,818	(685,409)	351	3,824,760
City of Stirling	18,042,083	(2,741,635)	1,406	15,301,854
Total	54,120,623	(8,229,605)	4,217	45,895,234

Total Movement in Equity

(8,225,389)

(a) Non-cash items excluded from operating activities

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

	Notes	Amended Budget	YTD Budget (a)	YTD Actual (b)
Non-cash items excluded from operating activities				
		\$	\$	\$
Adjustments to operating activities				
Movement in employee benefit provisions (non-current)		0	0	(12,296)
Add: Depreciation on assets		43,510	32,633	32,775
Total non-cash items excluded from operating activities		43,510	32,633	20,479

(b) Adjustments to net current assets in the Statement of Financial Activity

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

		Amended Budget Opening 30 June 2022	Last Year Closing 30 June 2022	Year to Date 31 March 2023
Adjustments to net current assets				
Add: Lease liabilities	7	33,577	31,760	8,430
Total adjustments to net current assets		33,577	31,760	8,430

(c) Net current assets used in the Statement of Financial Activity

Current assets				
Cash and cash equivalents	3	26,648,937	10,227,737	6,067,533
Financial assets at amortised cost	3	0	42,228,303	38,032,830
Receivables	4	350,000	595,395	827,483
Other current assets	5	10,000	27,600	1,000
Less: Current liabilities				
Payables	6	(91,644)	(162,938)	(166,693)
Lease liabilities	7	(33,577)	(31,760)	(8,430)
Provisions	8	(21,788)	(21,788)	(72,753)
Less: Total adjustments to net current assets	2(b)	33,577	31,760	8,430
Closing funding surplus / (deficit)		26,895,505	52,894,309	44,689,400

CURRENT AND NON-CURRENT CLASSIFICATION

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

Description	Classification	Unrestricted	Total Cash and Financial Assets	Institution	Interest Rate	Maturity Date
		\$	\$			
Current cash and current financial assets						
Municipal bank	Cash and cash equivalents	200,820	200,820	Westpac	Nil	Nil
Settlement Proceeds	Cash and cash equivalents	770,465	770,465	Westpac	0.34%	Nil
Cash Management	Cash and cash equivalents	1	1	Macquarie	0.25%	Nil
Accelerator	Cash and cash equivalents	5,096,247	5,096,247	Macquarie	1.85%	Nil
Term Deposit 6699	Financial assets at amortised cost	3,000,000	3,000,000	Westpac	3.89%	Apr-23
Term Deposit 4682	Financial assets at amortised cost	1,000,000	1,000,000	Suncorp	4.07%	Apr-23
Term Deposit 2738	Financial assets at amortised cost	1,000,000	1,000,000	ME Bank	3.05%	May-23
Term Deposit 2511	Financial assets at amortised cost	2,000,000	2,000,000	CBA	3.03%	May-23
Term Deposit AA1102A	Financial assets at amortised cost	3,000,000	3,000,000	NT Bonds	0.70%	Jun-23
Term Deposit 5118	Financial assets at amortised cost	3,000,000	3,000,000	CBA	3.86%	Jun-23
Term Deposit 4915	Financial assets at amortised cost	1,006,578	1,006,578	Suncorp	4.20%	Jul-23
Term Deposit	Financial assets at amortised cost	2,000,000	2,000,000	AMP	4.65%	Aug-23
Term Deposit	Financial assets at amortised cost	3,000,000	3,000,000	AMP	4.65%	Aug-23
Term Deposit 2250	Financial assets at amortised cost	3,012,115	3,012,115	Westpac	4.84%	Sep-23
Term Deposit	Financial assets at amortised cost	1,000,000	1,000,000	CBA	4.47%	Sep-23
Term Deposit 0647	Financial assets at amortised cost	3,000,000	3,000,000	Westpac	4.58%	Oct-23
Term Deposit	Financial assets at amortised cost	1,000,000	1,000,000	Westpac	4.82%	Nov-23
Term Deposit	Financial assets at amortised cost	3,000,000	3,000,000	Westpac	4.85%	Dec-23
Term Deposit	Financial assets at amortised cost	4,000,000	4,000,000	NAB	4.72%	Dec-23
Term Deposit	Financial assets at amortised cost	2,000,000	2,000,000	CBA	4.49%	Jan-24
Term Deposit 2949	Financial assets at amortised cost	1,004,763	1,004,763	Westpac	4.95%	Feb-24
Term Deposit 2949	Financial assets at amortised cost	1,009,374	1,009,374	Westpac	5.05%	Feb-24
Total		44,100,363	44,100,363			
Comprising						
Cash and cash equivalents		6,067,533	6,067,533			
Financial assets at amortised cost - current		38,032,830	38,032,830			
		44,100,363	44,100,363			

KEY INFORMATION

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

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

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

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

Receivables - general	Credit	Current	30 Days	60 Days	90+ Days	Total
	\$	\$	\$	\$	\$	\$
Receivables - general	0	94,763	138,901	0	0	233,664
Percentage	0.0%	40.6%	59.4%	0%	0%	
Balance per trial balance						
Sundry receivable						233,664
GST receivable						1,420
Accrued interest						592,399
Total receivables general outstanding						827,483

Amounts shown above include GST (where applicable)

KEY INFORMATION

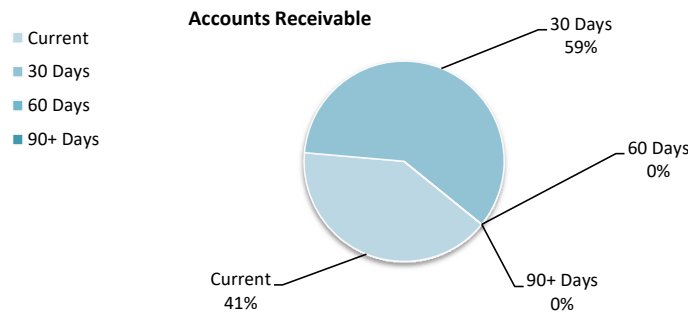
Trade and other receivables include amounts due from third parties for goods sold and services performed in the ordinary course of business.

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

Classification and subsequent measurement

Receivables which are generally due for settlement within 30 days and are classified as current assets.

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



	Opening Balance 1 July 2022	Asset Increase	Asset Reduction	Closing Balance 31 March 2023
Other current assets	\$	\$	\$	\$
Funds held by Settlement agent in Trust	27,600	35,700	(62,300)	1,000
Total other current assets	27,600	35,700	(62,300)	1,000

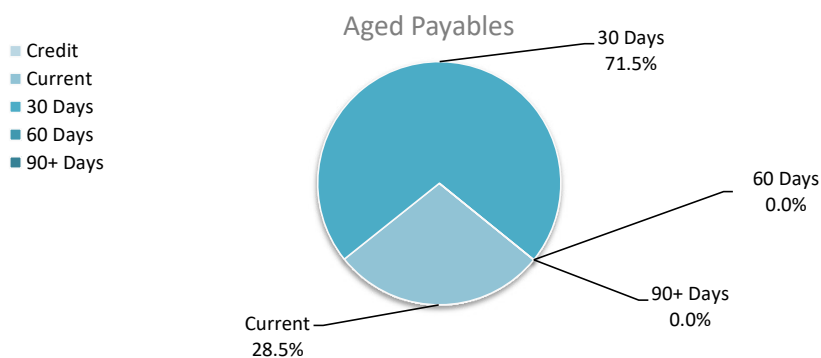
Amounts shown above include GST (where applicable)

Payables - general	Credit	Current	30 Days	60 Days	90+ Days	Total
	\$	\$	\$	\$	\$	\$
Payables - general	0	9,160	23,029	0	0	32,189
Percentage	0%	28.5%	71.5%	0%	0%	
Balance per trial balance						
Sundry creditors						32,189
ATO liabilities						14,417
Credit card						87
Deposits or bonds						120,000
Total payables general outstanding						166,693

Amounts shown above include GST (where applicable)

KEY INFORMATION

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



Movement in carrying amounts

Information on leases	Lease No.	1 July 2022	New Leases		Principal Repayments		Principal Outstanding		Interest Repayments	
			Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget
Particulars		\$	\$	\$	\$	\$	\$	\$	\$	\$
Other property and services										
2/369 Scarborough Beach Road, Innaloo	STIRLI/210937	87,082	10,968	0	(24,408)	(33,576)	73,642	53,506	(2,568)	(3,240)
Total		87,082	10,968	0	(24,408)	(33,576)	73,642	53,506	(2,568)	(3,240)
Current lease liabilities		31,760					8,430			
Non-current lease liabilities		119,156					129,046			
		150,916					137,476			

All lease repayments were financed by general purpose revenue.

KEY INFORMATION

At inception of a contract, the Regional Council assesses if the contract contains or is a lease. A contract is or contains a lease, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. At the commencement date, a right of use asset is recognised at cost and lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Regional Council uses its incremental borrowing rate.

All contracts classified as short-term leases (i.e. a lease with a remaining term of 12 months or less) and leases of low value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

	Note	Opening Balance 1 July 2022	Liability transferred from/(to) non current	Liability Increase	Liability Reduction	Closing Balance 31 March 2023
		\$		\$	\$	\$
Other current liabilities						
Employee Related Provisions						
Annual leave		21,788	0	16,089	0	37,877
Long service leave		0	12,296	22,580	0	34,876
Total Employee Related Provisions		21,788	12,296	38,669	0	72,753
Total other current liabilities		21,788	12,296	38,669	0	72,753
Amounts shown above include GST (where applicable)						

KEY INFORMATION

Provisions

Provisions are recognised when the Regional Council has a present legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

Employee Related Provisions

Short-term employee benefits

Provision is made for the Regional Council's obligations for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The Regional Council's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of current trade and other payables in the calculation of net current assets.

Other long-term employee benefits

The Regional Council's obligations for employees' annual leave and long service leave entitlements are recognised as employee related provisions in the statement of financial position.

Long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Any remeasurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the changes occur. The Regional Council's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the Regional Council does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 MARCH 2023**

**NOTE 9
BUDGET AMENDMENTS**

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

Description	Council Resolution	Classification	Non Cash	Increase in	Decrease in	Amended Budget
			Adjustment	Cash	Available Cash	Running Balance
			\$	\$	\$	\$
Budget adoption			0	26,895,505	0	26,895,505
Opening Surplus(Deficit)	16.02.2023 item 9.1	Opening Surplus(Deficit)	0	0	(4,863)	26,890,642
Interest earnings	16.02.2023 item 9.1	Operating Revenue	0	179,574	0	27,070,216
Other revenue	16.02.2023 item 9.1	Operating Revenue	0	32,818	(11,939)	27,091,095
Employee costs	16.02.2023 item 9.1	Operating Expenses	0	35,307	0	27,126,402
Materials and contracts	16.02.2023 item 9.1	Operating Expenses	0	46,707	(20,249)	27,152,860
Interest expenses	16.02.2023 item 9.1	Operating Expenses	0	0	(1,817)	27,151,043
Insurance expenses	16.02.2023 item 9.1	Operating Expenses	0	2,355	0	27,153,398
Other expenditure	16.02.2023 item 9.1	Operating Expenses	0	7,250	0	27,160,648
Payments for property, plant and equipment	16.02.2023 item 9.1	Capital Expenses	0	5,000	0	27,165,648
Payments of member contributions	16.02.2023 item 9.1	Capital Expenses	0	26,230,897	(2,204,539)	51,192,006
Proceeds from member contributions	16.02.2023 item 9.1	Capital Revenue	0	149,986	(19,059,126)	32,282,866
Payments of GST withheld	16.02.2023 item 9.1	Capital Expenses	0	1,088,093	0	33,370,959
			0	54,673,492	(21,302,533)	33,370,959

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 MARCH 2023**

**NOTE 10
EXPLANATION OF MATERIAL VARIANCES**

The material variance thresholds are adopted annually by Council as an indicator of whether the actual expenditure or revenue varies from the year to date Actual materially.
The material variance adopted by Council for the 2022-23 year is \$5,000 or 10.00% whichever is the greater.

Nature or type	Var. \$	Var. %	Explanation of positive variances		Explanation of negative variances	
			Timing	Permanent	Timing	Permanent
	\$	%				
Expenditure from operating activities						
Materials and contracts	100,126	36.99%	▲			
Non-cash amounts excluded from operating activities	(12,154)	(37.24%)			▼	
Financing activities						
Payments of member contributions	14,074,897	50.67%	▲			
Payments return of equity	(1,808,172)	0.00%			▼	



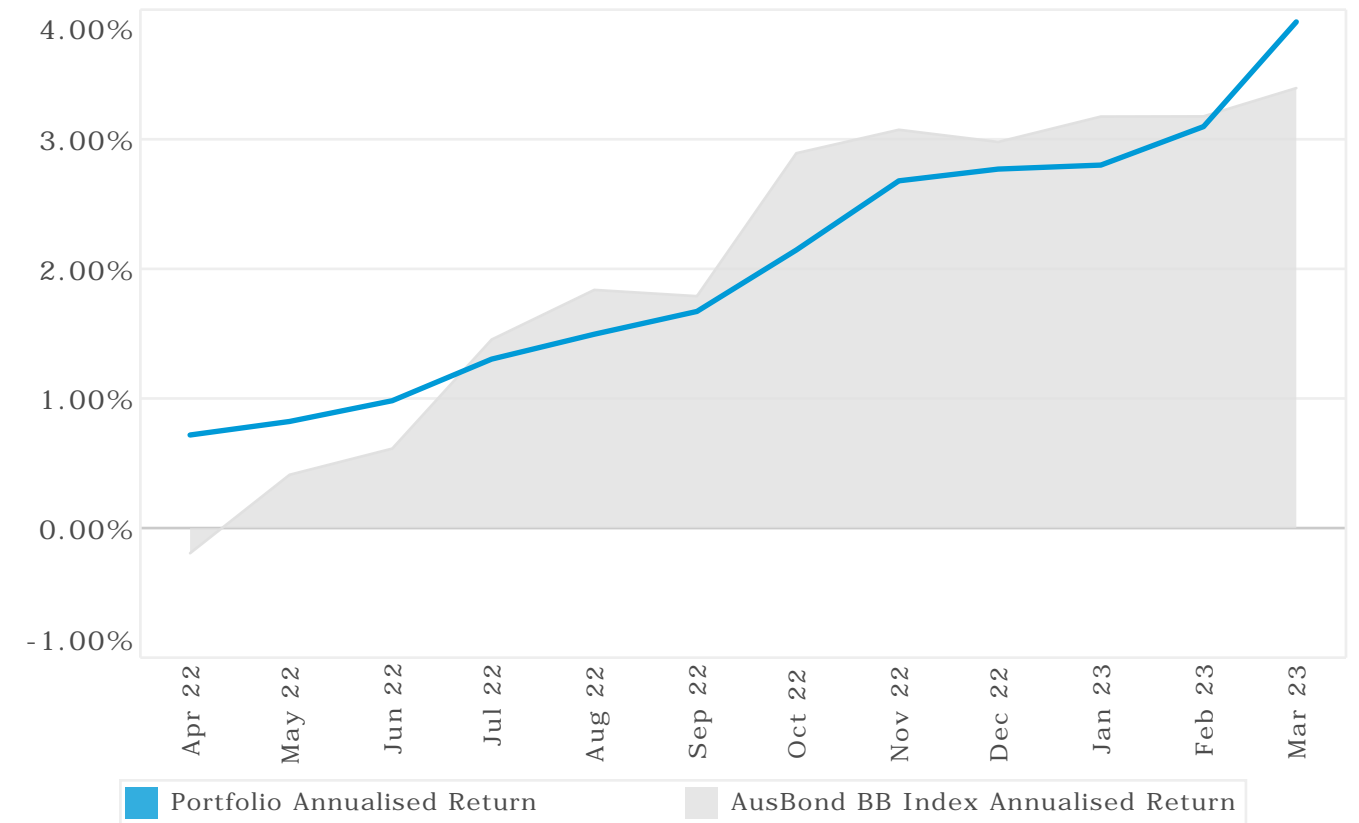
Investment Summary Report
March 2023



Investment Holdings

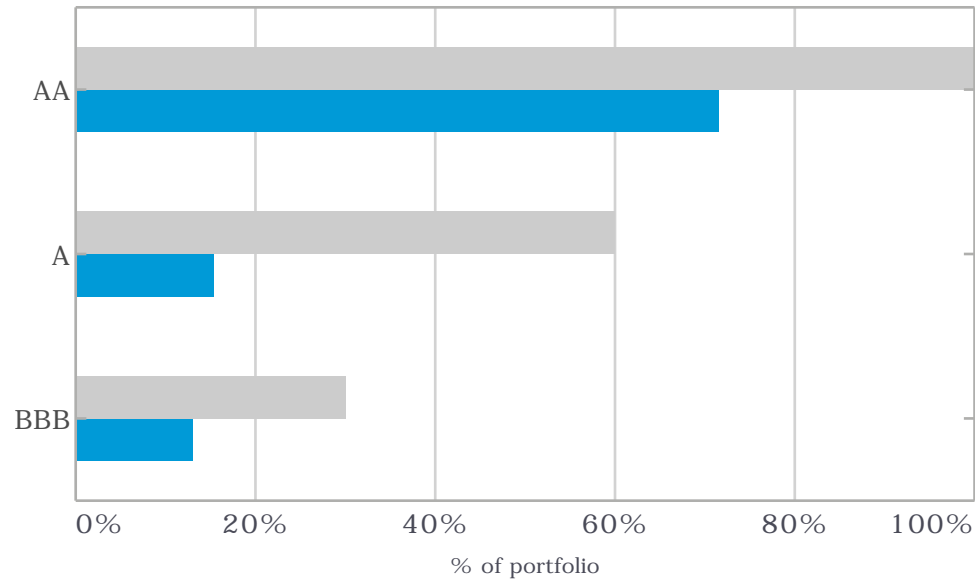
Investment Performance

	Face Value (\$)	Current Value (\$)	Current	Yield (%)
Bonds	3,000,000	3,016,685		0.7000
Cash	5,096,247	5,096,247		3.3782
Term Deposit	38,032,830	38,605,612		4.4316
	46,129,078	46,718,545		4.0726

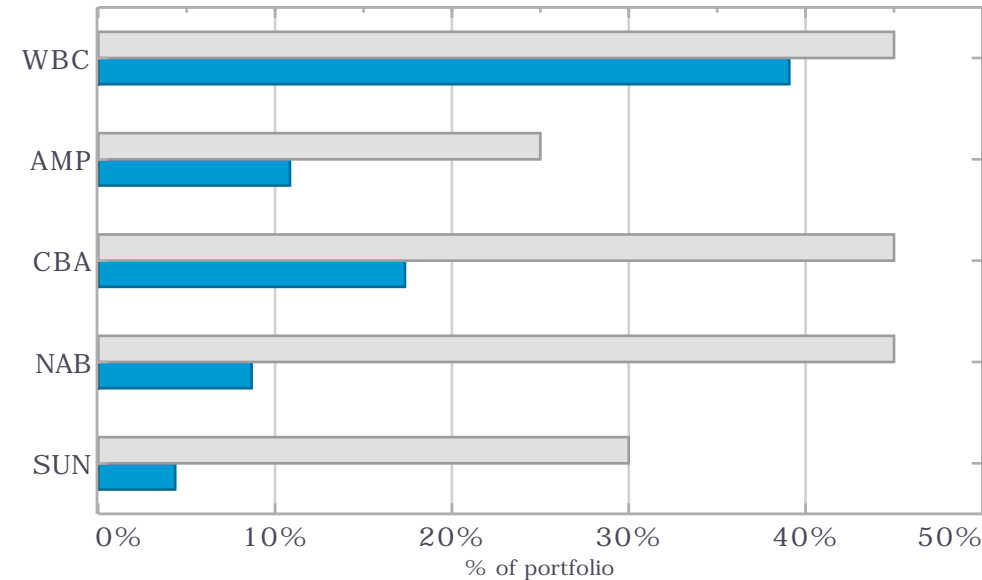


Investment Policy Compliance

Total Credit Exposure



Individual Institutional Exposures



Term to Maturities

	Face Value (\$)	Policy Max
Between 0 and 1 years	46,129,078	100% a
	46,129,078	

g Portfolio Exposure g Investment Policy Limit

Tamala Park Regional Council

Investment Holdings Report - March 2023



Cash Accounts

Face Value (\$)	Current Rate (%)	Institution	Credit Rating	Current Value (\$)	Deal No.	Reference
5,096,247.39	3.3782%	Macquarie Bank	A+	5,096,247.39	541301	Accelerator
5,096,247.39	3.3782%			5,096,247.39		

Term Deposits

Maturity Date	Face Value (\$)	Current Rate (%)	Institution	Credit Rating	Purchase Price (\$)	Purchase Date	Current Value (\$)	Deal No.	Accrued Interest (\$)	Next Interest Date	Reference
Apr-23	1,000,000.00	4.0700%	Suncorp Bank	A+	1,000,000.00	Oct-22	1,018,510.14	543476	18,510.14	At Maturity	686
Apr-23	3,000,000.00	3.8900%	Westpac Group	AA-	3,000,000.00	Aug-22	3,073,217.26	543174	73,217.26	At Maturity	680
May-23	1,000,000.00	3.0500%	ME Bank	BBB+	1,000,000.00	May-22	1,027,157.53	542757	27,157.53	At Maturity	675
May-23	2,000,000.00	3.0300%	Commonwealth Bank of Australia	AA-	2,000,000.00	May-22	2,053,792.88	542772	53,792.88	At Maturity	677
Jun-23	3,000,000.00	3.8600%	Commonwealth Bank of Australia	AA-	3,000,000.00	Jul-22	3,085,343.01	542933	85,343.01	At Maturity	679
Jul-23	1,006,578.08	4.2000%	Suncorp Bank	A+	1,006,578.08	Nov-22	1,022,561.99	543545	15,983.91	At Maturity	690
Aug-23	2,000,000.00	4.6500%	AMP Bank	BBB	2,000,000.00	Nov-22	2,036,945.21	543519	36,945.21	At Maturity	687
Aug-23	3,000,000.00	4.6500%	AMP Bank	BBB	3,000,000.00	Nov-22	3,055,417.81	543520	55,417.81	At Maturity	689
Sep-23	1,000,000.00	4.4700%	Commonwealth Bank of Australia	AA-	1,000,000.00	Feb-23	1,006,490.68	543795	6,490.68	At Maturity	692
Sep-23	3,012,115.07	4.8400%	Westpac Group	AA-	3,012,115.07	Sep-22	3,086,805.62	543396	74,690.55	At Maturity	683
Oct-23	3,000,000.00	4.5800%	Westpac Group	AA-	3,000,000.00	Oct-22	3,063,618.08	543474	63,618.08	At Maturity	685
Nov-23	1,000,000.00	4.8200%	Westpac Group	AA-	1,000,000.00	Mar-23	1,002,244.93	543933	2,244.93	At Maturity	
Dec-23	4,000,000.00	4.7200%	National Australia Bank	AA-	4,000,000.00	Mar-23	4,011,379.73	543931	11,379.73	At Maturity	
Dec-23	3,000,000.00	4.8500%	Westpac Group	AA-	3,000,000.00	Mar-23	3,009,965.75	543905	9,965.75	At Maturity	
Dec-23	3,000,000.00	4.8500%	Westpac Group	AA-	3,000,000.00	Mar-23	3,009,965.75	543934	9,965.75	At Maturity	
Jan-24	2,000,000.00	4.4900%	Commonwealth Bank of Australia	AA-	2,000,000.00	Jan-23	2,016,483.84	543716	16,483.84	At Maturity	691
Feb-24	1,004,763.01	4.9500%	Westpac Group	AA-	1,004,763.01	Feb-23	1,011,031.08	543888	6,268.07	Semi Annually	693
Feb-24	1,009,374.25	5.0500%	Westpac Group	AA-	1,009,374.25	Feb-23	1,014,681.07	543853	5,306.82	Semi Annually	695
	38,032,830.41	4.4316%			38,032,830.41		38,605,612.36		572,781.95		

Fixed Rate Bonds

Tamala Park Regional Council

Investment Holdings Report - March 2023



Maturity Date	Face Value (\$)	Current Rate (%)	Security Name	Credit Rating	Purchase Price (\$)	Purchase Date	Current Value (\$)	Deal No.	Accrued Interest (\$)	Purchase Yield	Reference
Jun-23	3,000,000.00	0.7000%	NT T-Corp Bond (Jun23) 0.70%	Aa3	3,000,000.00	Apr-21	3,016,684.93	541265	16,684.93	.70000%	642
	3,000,000.00	0.7000%			3,000,000.00		3,016,684.93		16,684.93	.7000%	

Tamala Park Regional Council

Accrued Interest Report - March 2023



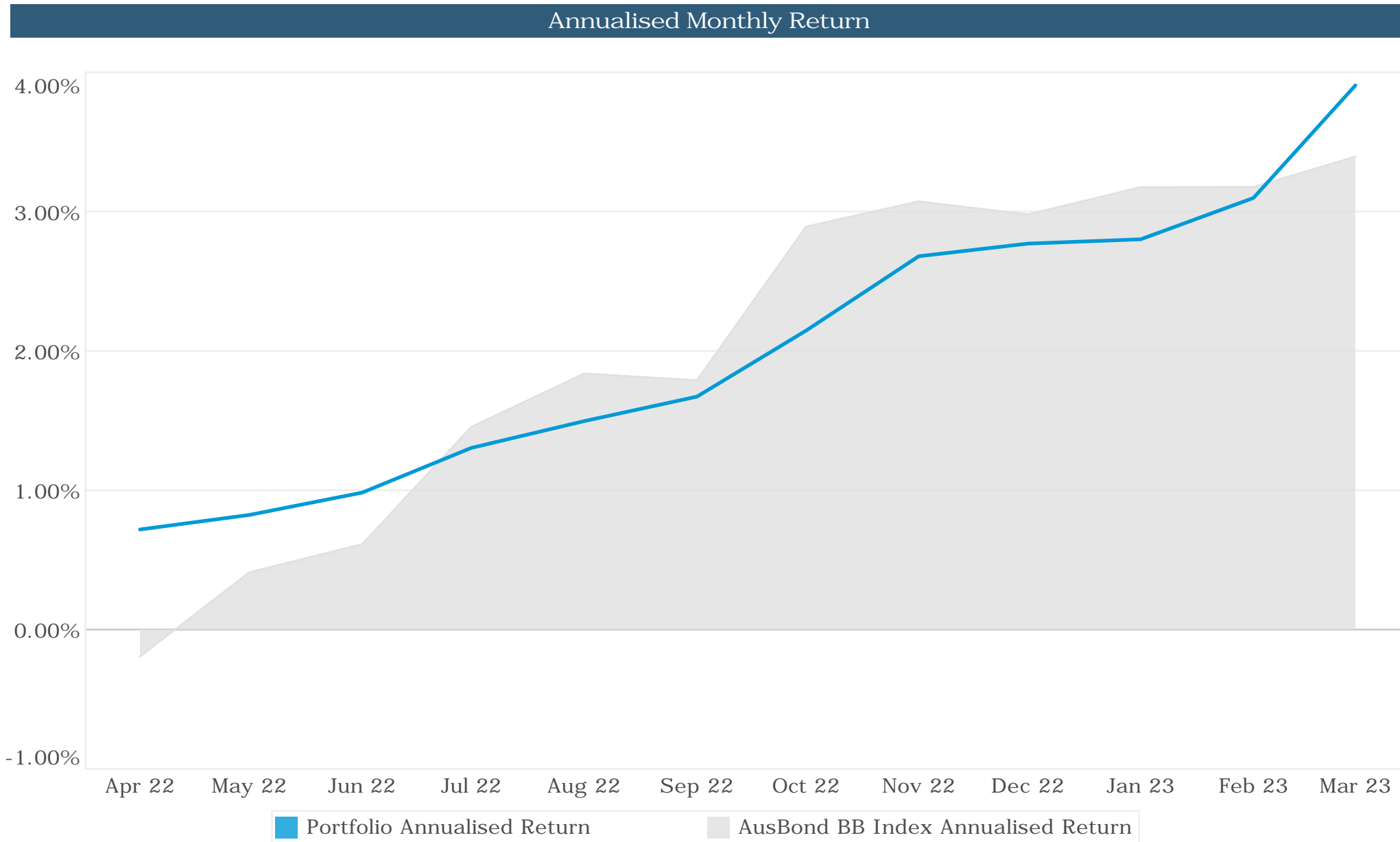
Investment	Deal No.	Comments	Face Value (\$)	Settlement Date	Maturity Date	Interest Received (\$)	Days	Interest Accrued (\$)	Yield (% pa)
Bonds									
NT T-Corp Bond (Jun23) 0.70%	541265		3,000,000.00	Apr-21	Jun-23	0.00	31	1,783.56	0.70%
						0.00		1,783.56	0.70%
Cash									
Macquarie Bank	541301					14,360.09	0	14,360.09	3.38%
						14,360.09		14,360.09	3.38%
Term Deposits									
National Australia Bank	542415		3,000,000.00	Mar-22	Mar-23	29,917.81	6	493.15	1.00%
ANZ Banking Group	542425		5,000,000.00	Mar-22	Mar-23	55,347.95	8	1,216.44	1.11%
Westpac Group	543174		3,000,000.00	Aug-22	Apr-23	0.00	31	9,911.51	3.89%
Suncorp Bank	543476		1,000,000.00	Oct-22	Apr-23	0.00	31	3,456.72	4.07%
ME Bank	542757		1,000,000.00	May-22	May-23	0.00	31	2,590.41	3.05%
Commonwealth Bank of Australia	542772		2,000,000.00	May-22	May-23	0.00	31	5,146.85	3.03%
Commonwealth Bank of Australia	542933		3,000,000.00	Jul-22	Jun-23	0.00	31	9,835.06	3.86%
Suncorp Bank	543545		1,006,578.08	Nov-22	Jul-23	0.00	31	3,590.59	4.20%
AMP Bank	543519		2,000,000.00	Nov-22	Aug-23	0.00	31	7,898.63	4.65%
AMP Bank	543520		3,000,000.00	Nov-22	Aug-23	0.00	31	11,847.95	4.65%
Westpac Group	543396		3,012,115.07	Sep-22	Sep-23	0.00	31	12,381.86	4.84%
Commonwealth Bank of Australia	543795		1,000,000.00	Feb-23	Sep-23	0.00	31	3,796.43	4.47%
Westpac Group	543474		3,000,000.00	Oct-22	Oct-23	0.00	31	11,669.59	4.58%
Westpac Group	543933		1,000,000.00	Mar-23	Nov-23	0.00	17	2,244.93	4.82%
Westpac Group	543905		3,000,000.00	Mar-23	Dec-23	0.00	25	9,965.75	4.85%
Westpac Group	543934		3,000,000.00	Mar-23	Dec-23	0.00	25	9,965.75	4.85%
National Australia Bank	543931		4,000,000.00	Mar-23	Dec-23	0.00	22	11,379.73	4.72%
Commonwealth Bank of Australia	543716		2,000,000.00	Jan-23	Jan-24	0.00	31	7,626.85	4.49%
Westpac Group	543853		1,009,374.25	Feb-23	Feb-24	0.00	31	4,329.25	5.05%
Westpac Group	543888		1,004,763.01	Feb-23	Feb-24	0.00	31	4,224.13	4.95%
						85,265.76		133,571.58	4.24%

Tamala Park Regional Council

Accrued Interest Report - March 2023



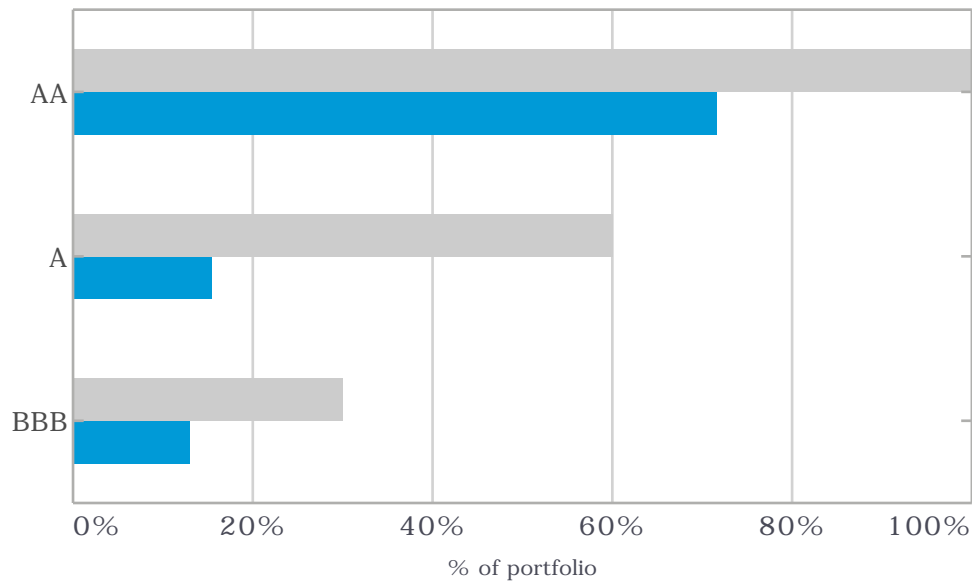
Investment	Deal No.	Comments	Face Value (\$)	Settlement Date	Maturity Date	Interest Received (\$)	Days	Interest Accrued (\$)	Yield (% pa)
Grand Totals						99,625.85		149,715.23	3.91%



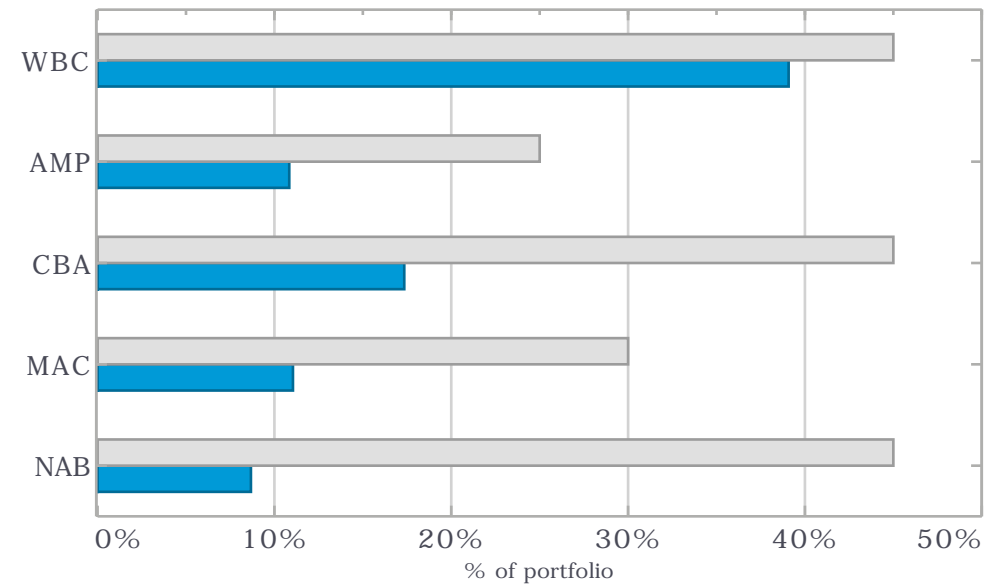
Historical Performance Summary (% pa)			
	Portfolio	Annualised BB Index	Outperformance
Mar 2023	3.91%	3.39%	0.52%
Last 3 months	3.27%	3.25%	0.02%
Last 6 months	2.90%	3.11%	-0.21%
Financial Year to Date	2.42%	2.63%	-0.21%
Last 12 months	2.02%	2.04%	-0.02%



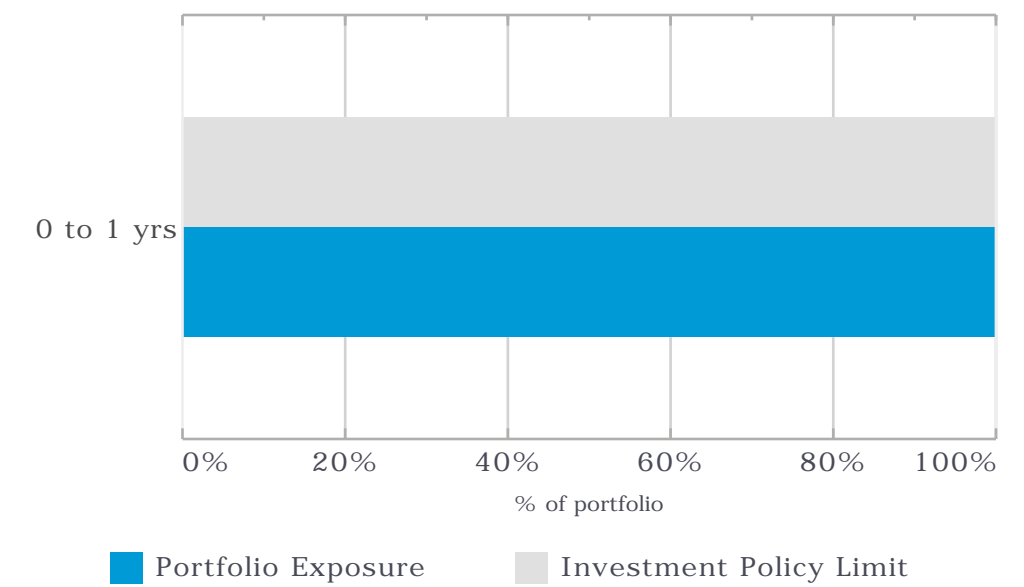
Total Credit Exposure



Individual Institutional Exposures



Term to Maturities



Credit Rating Group	Face Value (\$)	Policy Max
AA	33,026,252	100%
A	7,102,825	60%
BBB	6,000,000	30%
	46,129,078	

Institution	% of portfolio	Investment Policy Limit	
Westpac Group (AA-)	39%	45%	a
AMP Bank (BBB)	11%	25%	a
Commonwealth Bank of Australia (AA-)	17%	45%	a
Macquarie Bank (A+)	11%	30%	a
National Australia Bank (AA-)	9%	45%	a
Suncorp Bank (A+)	4%	30%	a
NT T-Corp (Aa3)	7%	45%	a
Bank of Queensland (BBB+)	2%	25%	a

Term to Maturity	Face Value (\$)	Policy Max	
Between 0 and 1 years	46,129,078	100%	a
	46,129,078		

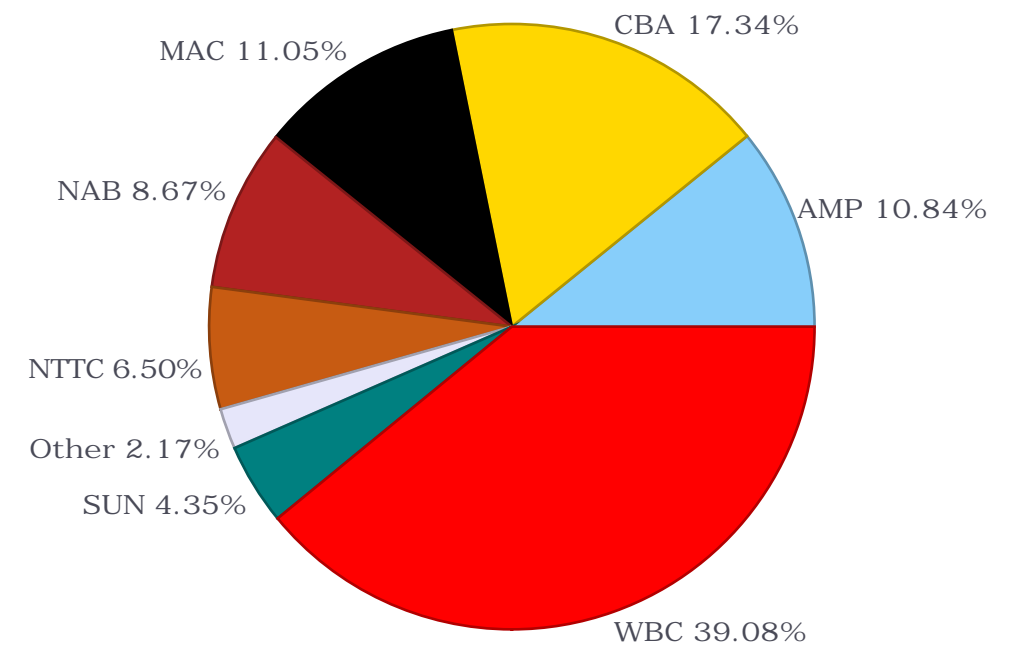
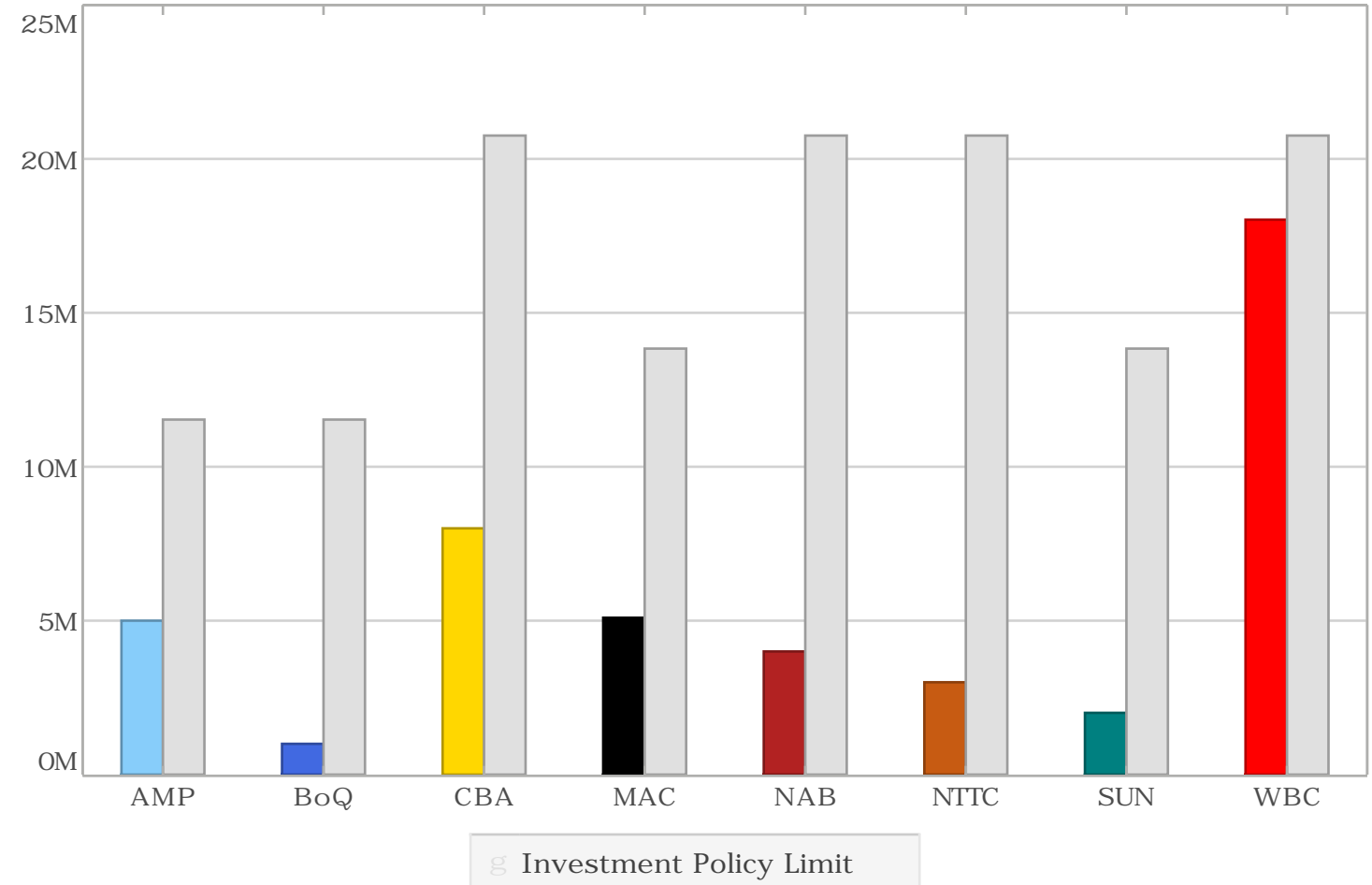
a = compliant
r = non-compliant



Individual Institutional Exposures

Individual Institutional Exposure Charts

	Current Exposures		Policy Limit		Capacity
AMP Bank (BBB)	5,000,000	11%	11,532,269	25%	6,532,269
Bank of Queensland (BBB+)	1,000,000	2%	11,532,269	25%	10,532,269
Commonwealth Bank of Australia (AA-)	8,000,000	17%	20,758,085	45%	12,758,085
Macquarie Bank (A+)	5,096,247	11%	13,838,723	30%	8,742,476
National Australia Bank (AA-)	4,000,000	9%	20,758,085	45%	16,758,085
NT T-Corp (Aa3)	3,000,000	7%	20,758,085	45%	17,758,085
Suncorp Bank (A+)	2,006,578	4%	13,838,723	30%	11,832,145
Westpac Group (AA-)	18,026,252	39%	20,758,085	45%	2,731,833
	46,129,078				



Tamala Park Regional Council

Cashflows Report - March 2023



Actual Cashflows for March 2023

Date	Deal No.	Cashflow Counterparty	Asset Type	Cashflow Description	Amount
Mar-23	542415	National Australia Bank	Term Deposit	Maturity: Face Value	3,000,000.00
		National Australia Bank	Term Deposit	Maturity: Interest Received/Paid	29,917.81
<u>Deal Total</u>					<u>3,029,917.81</u>
Mar-23	543905	Westpac Group	Term Deposit	Settlement: Face Value	-3,000,000.00
<u>Deal Total</u>					<u>-3,000,000.00</u>
Mar-23	543934	Westpac Group	Term Deposit	Settlement: Face Value	-3,000,000.00
<u>Deal Total</u>					<u>-3,000,000.00</u>
<u>Day Total</u>					<u>-2,970,082.19</u>
Mar-23	542425	ANZ Banking Group	Term Deposit	Maturity: Face Value	5,000,000.00
		ANZ Banking Group	Term Deposit	Maturity: Interest Received/Paid	55,347.95
<u>Deal Total</u>					<u>5,055,347.95</u>
<u>Day Total</u>					<u>5,055,347.95</u>
Mar-23	543931	National Australia Bank	Term Deposit	Settlement: Face Value	-4,000,000.00
<u>Deal Total</u>					<u>-4,000,000.00</u>
<u>Day Total</u>					<u>-4,000,000.00</u>
Mar-23	543933	Westpac Group	Term Deposit	Settlement: Face Value	-1,000,000.00
<u>Deal Total</u>					<u>-1,000,000.00</u>
<u>Day Total</u>					<u>-1,000,000.00</u>
<u>Total for Month</u>					<u>-2,914,734.25</u>

Forecast Cashflows for April 2023

Date	Deal No.	Cashflow Counterparty	Asset Type	Cashflow Description	Amount
Apr-23	543174	Westpac Group	Term Deposit	Maturity: Face Value	3,000,000.00
		Westpac Group	Term Deposit	Maturity: Interest Received/Paid	78,332.88
<u>Deal Total</u>					<u>3,078,332.88</u>
Apr-23	543476	Suncorp Bank	Term Deposit	Maturity: Face Value	1,000,000.00

Tamala Park Regional Council

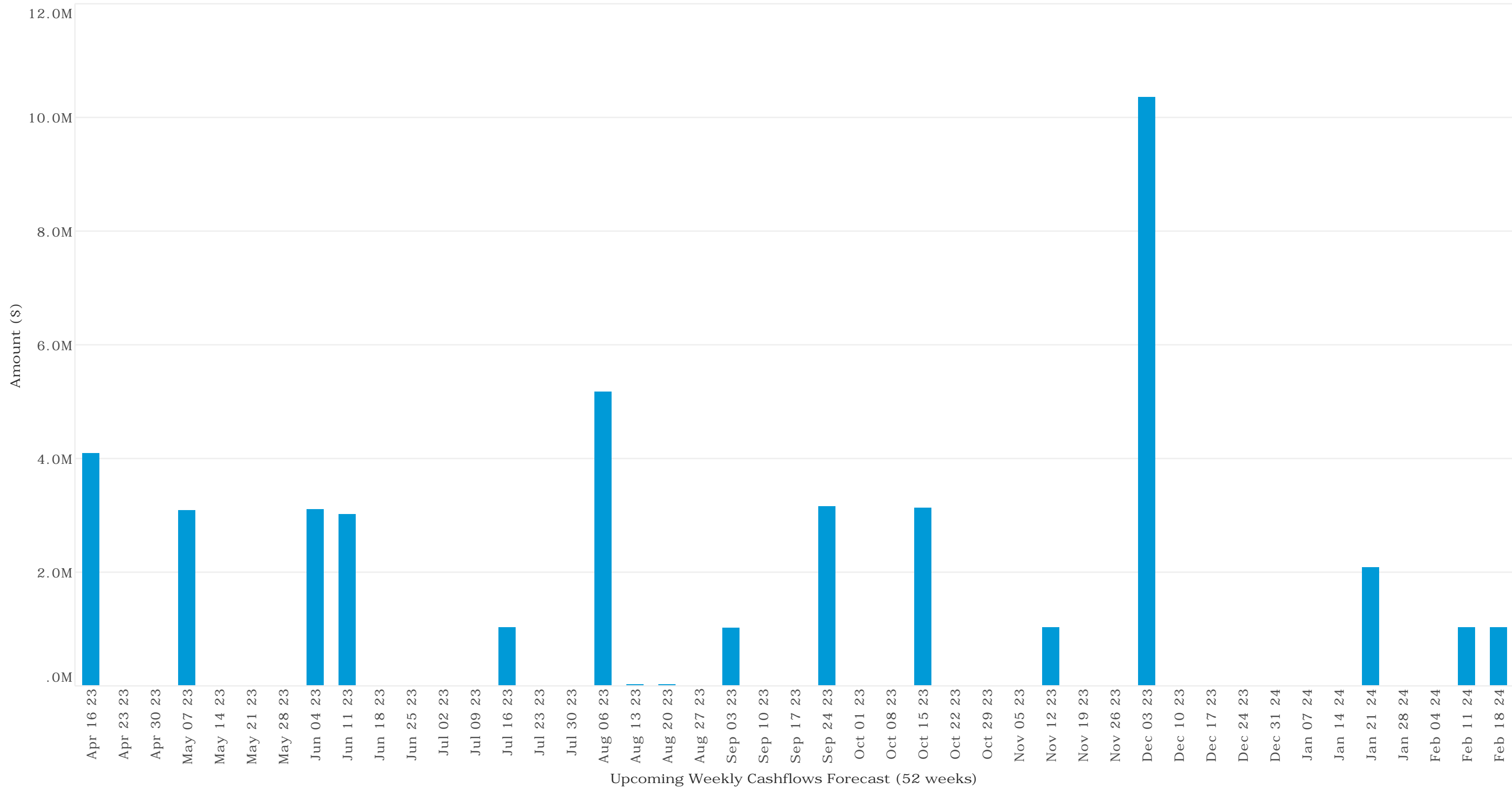
Cashflows Report - March 2023

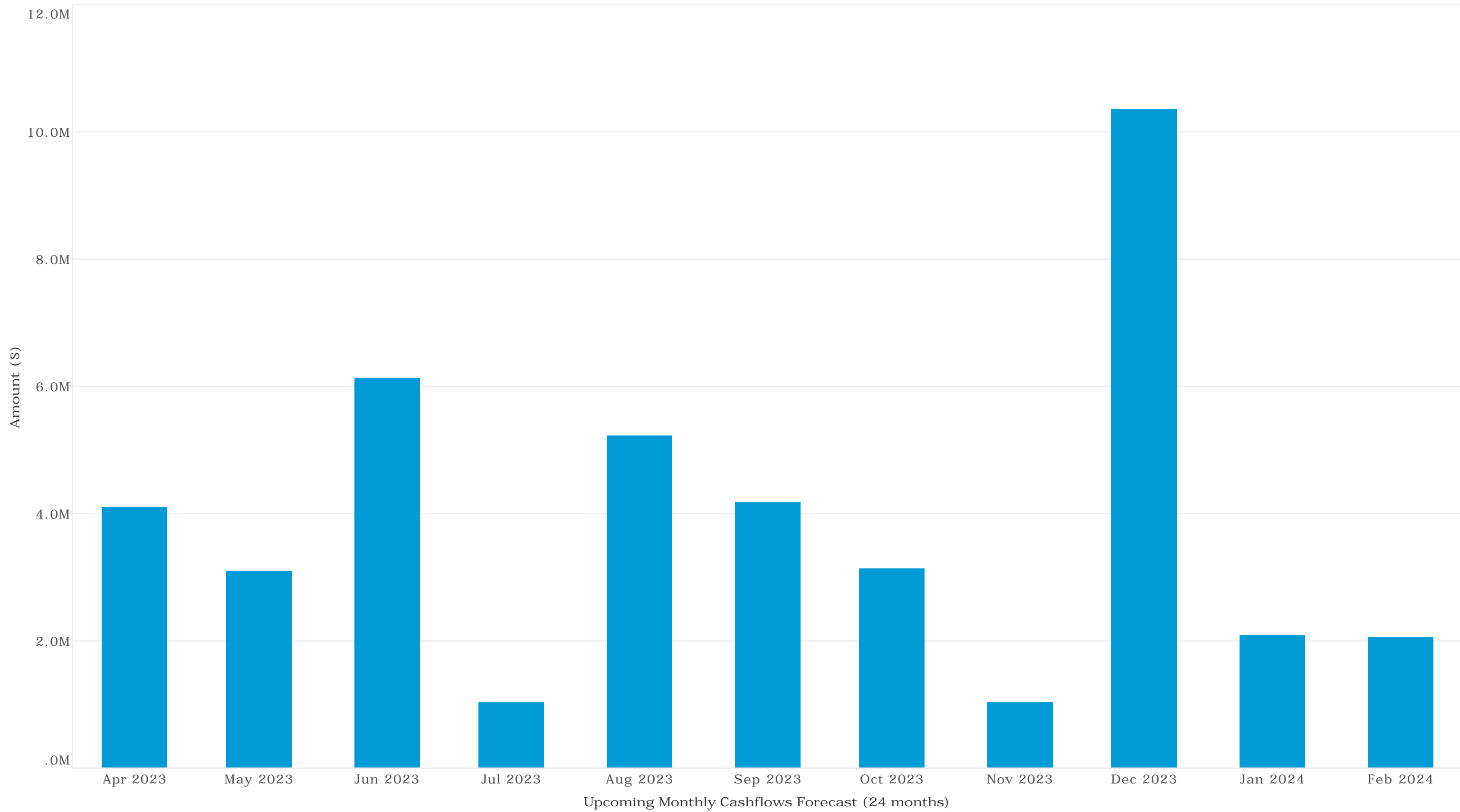


Date	Deal No.	Cashflow Counterparty	Asset Type	Cashflow Description	Amount
Apr-23	543476	Suncorp Bank	Term Deposit	Maturity: Interest Received/Paid	20,294.25
				<u>Deal Total</u>	<u>1,020,294.25</u>
				Day Total	4,098,627.12
				<u>Total for Month</u>	<u>4,098,627.12</u>

Tamala Park Regional Council

Cashflows Report - March 2023





8.6. LIST OF MONTHLY ACCOUNTS SUBMITTED - MARCH 2023

Responsible Officer: Chief Executive Officer
Attachments: 1. Attachment - Summary Payments (March)
2. Attachment - Credit Card Report (March)
Voting Requirement: Simple Majority

RECOMMENDATION

That the Council:

1. **RECEIVES and NOTES the list of accounts paid under Delegated Authority to the CEO for March 2023 - \$1,074,253.90.**
 2. **APPROVES the CEO Credit Card Statement for March 2023.**
-

PURPOSE

Submission of payments made under the CEO's Delegated Authority for the month of March 2023.

POLICY REFERENCE

N/A

LOCAL GOVERNMENT ACT/REGULATION

- *Local Government Act 1995*: Sect 5.42 - Delegation given for Payments
- *Local Government (Financial Management) Regulations 1996*: Regulation 13(1) - Monthly Payment list required
- *Local Government (Audit) Regulations 1996*: Regulation 13 - Compliance Audit Item

PREVIOUS MINUTES

N/A

FINANCIAL/BUDGET IMPLICATIONS

N/A

RISK MANAGEMENT IMPLICATIONS

Risk Ref: 8	Risk Rating:
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TPRC Operations - Financial Management of TPRC.	Low
Action:	
Preparation and reporting on monthly accounts for Council approval.	

BACKGROUND

A list of accounts paid under delegation or submitted for authorisation for payment is to be submitted to the Council at each meeting. It is a specific requirement of the Regulations that the list state the month (not the period) for which the account payments or authorisation relates.

COMMENT

Payments made are in accordance with authorisations from Council, approved budget, TPRC procurement and other relevant policies.

Payments are reviewed by TPRC Accountants Moore Australia following completion of each month's accounts.

**Tamala Park Regional Council
Summary Payment List
March 2023**

Date	Name	Description	Amount
09/03/2023	Employee costs	Wages for period 23/02/23 - 08/03/23	-15,931.47
09/03/2023	Adams, Chris	Reimbursement of mobile phone charges (January	-58.19
09/03/2023	Burgess Rawson	Re-valuation (5 x lots)	-275.00
09/03/2023	City of Stirling	Rent & ICT support	-4,574.62
09/03/2023	City of Wanneroo	Stage 36 Engineering assessment fee	-345.97
09/03/2023	Cossill and Webley	Engineering services	-6,381.38
09/03/2023	Environmental Industries	Bore pipeline blockage removal	-1,749.00
09/03/2023	Ideal Living	Building plan assessments (February 2023)	-1,140.00
09/03/2023	Kevin Smith Cleaning Services	Cleaning of TPRC office (February 2023)	-145.71
09/03/2023	Marketforce	Statutory advertising	-1,232.82
09/03/2023	Moore Australia (WA) Pty Ltd	Compilation of SOFA (January 2023)	-2,310.00
09/03/2023	New Living Cleaning	Sales Office cleaning	-840.00
09/03/2023	Next Level Signage	Display Village temporary signage	-1,210.00
09/03/2023	O'Sullivan, Simon	Reimbursement of mobile phone & parking charge	-66.37
09/03/2023	Officeworks	Office supplies	-59.03
09/03/2023	Prudential Investment Services	Investment portfolio services (February 2023)	-1,857.52
09/03/2023	R J Vincent and Co	Civil works	-677,125.26
09/03/2023	Red Empire Media	Virtual tour update	-3,492.50
09/03/2023	Stantons International	Probity services - Landscape Maintenance Tender	-433.14
09/03/2023	Starr, S	Reimbursement for purchase of milk	-15.30
09/03/2023	Sustainability WA	Stage 29 BMP Clearance Certificate	-1,045.00
09/03/2023	The Brand Agency	Additional stock images x 4	-202.91
09/03/2023	Tim Davies Landscaping P/L	Landscape maintenance supervision (November 21	-4,591.03
09/03/2023	Vocus Pty Ltd	Business internet (March 2023)	-162.80
09/03/2023	Australian Super	Superannuation for period 23/02/23 - 08/03/23	-2,411.71
15/03/2023	Westpac Bank	Payment of credit card charges - February 2023	-484.19
16/03/2023	City of Perth	GST owing February 2023	-1,735.02
16/03/2023	Australian Taxation Office	IAS (February 2023)	-14,416.00
23/03/2023	Employee costs	Wages for period 09/03/2023 - 22/03/2023	-15,760.65
23/03/2023	Australian Super	Superannuation for period 09/03/2023 - 22/03/2023	-2,411.71
23/03/2023	Appliance Tagging Services	TPRC office - Appliance testing	-275.00
23/03/2023	Burgess Rawson	Valuation services	-1,100.00
23/03/2023	Cossill and Webley	Engineering services	-45,660.02
23/03/2023	Coterra Environment	EPBC Compliance Report 2022	-6,160.00
23/03/2023	Docushred	Security bin	-59.40
23/03/2023	Dominic Carbone and Assoc	GST management & budget review	-1,287.00
23/03/2023	Environmental Industries	Landscape maintenance services	-36,833.77
23/03/2023	Haddon-Casey, Alaine	Elected member attendance fee 1 October 2022 -	-3,264.85
23/03/2023	LD Total	Landscaping services	-167,953.52
23/03/2023	Match & Wood Pty Ltd	Social media campaigns	-17,656.57
23/03/2023	McMullen Nolan Group	Surveying services	-19,374.30
23/03/2023	Morrison, Paul & Eva	Solar Panel Rebate - Lot 2073	-2,000.00
23/03/2023	Neverfail	Bottled water x 3	-46.10
23/03/2023	New Living Cleaning	Sales Office cleaning (10/02/2023)	-210.00
23/03/2023	Next Level Signage	Display Village Decal	-1,298.00
23/03/2023	Officeworks	Office supplies	-79.50
23/03/2023	Starr, S	Reimbursement for purchase of milk	-6.50
23/03/2023	Tim Davies Landscaping P/L	Landscape maintenance supervision (February 20	-3,683.38
23/03/2023	Town of Victoria Park	GST owing February 2023	-1,735.00
23/03/2023	Treacy Fencing	Fencing - Lot 2165	-1,993.75
23/03/2023	UDIA (Qld)	UDIA Gala Dinner Tickets x 3	-1,050.00
23/03/2023	Canon Australia Pty Ltd	Photocopying (22/02/23 - 20/03/23)	-62.94
			-1,074,253.90

Tamala Park Regional Council
Credit Card Report
As of March 31, 2023

Type	Date	Name	Description	Amount
Credit Card Charge	08/03/2023	Australia Post	PO Box renewal (01/04/2023 - 31/03/2024)	229.00
Credit Card Charge	09/03/2023	Woolworths	Coffee pods	66.00
Credit Card Charge	12/03/2023	Westpac Bank	Credit card fees (CEO, EA & MPC)	11.25
Cheque	15/03/2023	Westpac Bank	Credit card charges (EA)	-453.53
Cheque	15/03/2023	Westpac Bank	Credit card charges (CEO)	-26.91
Cheque	15/03/2023	Westpac Bank	Credit card charges (MPC)	-3.75
Credit Card Charge	20/03/2023	Coles Supermarkets	Milk x 2	7.30
Credit Card Charge	23/03/2023	Wilson Parking	CEO Parking	9.11
Credit Card Charge	29/03/2023	Zoom Video Communications	Standard Pro Monthly x 3 (April 2023)	69.18
Credit Card Charge	31/03/2023	City of Subiaco	Parking fee (MPC attendance at radio station)	1.00
				-91.35
TOTAL				-91.35

8.7. SALES AND SETTLEMENT REPORT – MONTH ENDING 31 MARCH 2023

Responsible Officer: Manager Project Coordination
Attachments: 1. Staging Plan
2. Marketing Assets
3. Marketing Results Charts - February 2023
Voting Requirement: Simple Majority

RECOMMENDATION

That the Council RECEIVES the Sales and Settlement Report for the month ending 31 March 2023.

PURPOSE

To advise the Council of the status of sales, settlements, and sales releases.

POLICY REFERENCE

N/A

LOCAL GOVERNMENT ACT/REGULATION

Local Government Act 1995: Sect 3.58 – Disposal of Property

PREVIOUS MINUTES

N/A

FINANCIAL/BUDGET IMPLICATIONS

Income from settled sales is posted under item I145011 (Income on Lot Sales):

Budget Amount:	\$ 32,145,059
Received to Date:	\$ 18,629,479
Balance:	\$ 13,515,580

The Budget Amount reflects the TPRC adjusted mid-year Budget Review, approved by the Council at its February 2023 meeting. The Received to Date amount is current to 31 March 2023.

RISK MANAGEMENT IMPLICATIONS

Risk Ref: 2	Risk Rating:
Strategic - Stable and effective governance environment.	Moderate

Action:

SPG and TPRC provide reports/information to Council Meetings.

The report provides information on Catalina Project sales/settlements and variances to ensure the Council is well informed on sales and market trends.

BACKGROUND

The Sales and Settlement Report provides the Council with a status update of sales and settlements for the Project. The Staging Plan identifies the extent of the stage boundaries referenced within the report.

COMMENT

Table 1 provides a summary of the Catalina Estate Sales and Settlement position for lots released up to 31 March 2023.

Table 1: Summary of Sales and Settlement of Lots – Catalina Estate

Stage	Precinct	Release Date	Lots Released	Lot Sizes (m ²)	Sold	Stock	Settled
Completed Stages		-	1124	174 - 658	1124	0	1124
Stage 17 (Lot 341)	Central	Aug-21	1	6,907	1	0	0
Stage 18C (1)	Central	Sep-21	21	183 - 558	21	0	16
Stage 18C (2)	Central	Nov-21	4	150 – 155	4	0	2
Stage 18C (3)	Central	Mar-22	3	150 -157	3	0	0
Stage 29 (1)	Beach	May-22	14	315 - 450	12	2	0
Stage 29 (2)	Beach	Sep-22	12	315 - 470	7	5	0
Stage 29 (3)	Beach	Mar-23	17	294 -485	0	17	0
Stage 30 (3)	Beach	Dec-21	9	375 - 450	9	0	8
Stage 36 (1)	Green	Oct-21	21	313 - 591	18	3	10
Stage 36 (2)	Green	Dec-21	14	300 - 450	13	1	11
Stage 36 (3)	Green	Feb-22	7	188 - 484	6	1	3
Stage 36 (4)	Green	Apr-22	5	313 - 410	4	0	4
Stage 36 (NC)	Green	Dec-21	1	20,000	1	0	0
Stage 37 (1)	Green	July-22	19	303 - 450	16	3	0
Stage 37 (2)	Green	Feb-23	13	313 - 475	2	11	0
Stage 37 (3)	Green	Feb-23	3	328 - 370	0	3	0
Total			1,288	150 – 20,000	1,241*	46	1,178

Change since 28 February 2023	+20		+11	+11	+3
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* Includes seven lots pending advertising and acceptance.

The Project currently has 63 lots under contract: 14 unconditional, 42 conditional and seven pending advertising and acceptance.

Sales for FYE 2023 to date are shown in Table 2.

Table 2: Summary of Sales for FYE 2023 against Budget – Catalina Estate

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	YTD	Apr	May	Jun	FYE 2023
Budget Nett Sales	7	2	6	0	8	8	8	8	8	55	8	8	8	79
Actual Gross Sales	10	6	10	6	8	4	7	12	14	77				
Cancellations	3	4	4	6	7	2	3	1	3	33				
Actual Nett Sales	7	2	6	0	1	2	4	11	11	44				
Net Sales Variance to Budget	0	0	0	0	-7	-6	-4	+3	+3	-11				

* Budget figures reflect the revised Project budget adopted by the Council at its December 2022 meeting as part of the mid-year budget review. Actual Nett Sales include seven contracts that are pending advertising and acceptance.

FYE 2023 net sales are currently tracking below budgeted sales rates, however February and March 2023 have been strong months for sales despite consecutive interest rate increases, increasing building construction costs and extended construction periods.

33 sales contracts have cancelled to date in FYE 2023. Cancellations have been due to purchasers being declined finance approval, having been assessed by lenders as being unable to meet increasing building and borrowing costs. While cancellations in FYE 2023 represent an escalation in the cancellation rate experienced by the Project over the previous two years, Satterley advise that contract cancellations are currently being experienced broadly across the land sales market and that Catalina is faring better than most estates in its conversion of conditional sales to settlements. Indications over the past three months are that the cancellation rate may have commenced a return to a more-normalised figure, as long-standing contracts waiting for titles become fewer in number and the Project transitions to selling a larger proportion of titled stock.

Settlements

Settlements for FYE 2023 to 31 March 2023 are shown in Table 3.

Table 3: Summary of Settlements for FYE 2023 against Budget – Catalina Estate

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	YTD	Apr	May	Jun	FYE 2023
--	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	----------

Budget	10	6	2	1	12	17	12	12	6	78	3	15	14	110
Actual	10	6	2	1	22	10	6	6	3	66				
Variance	0	0	0	0	+10	-7	-6	-6	-3	-12				

* Budget figures reflect the revised Project budget adopted by the Council at its December 2022 meeting as part of the mid-year budget review.

Lot settlements in FYE 2023 are currently 12 less than budget. Settlement of the Stage 36 Neighbourhood Centre site is expected to occur on 6 April 2023. Settlements of contracts for titled lots in Stage 18C and 36 is occurring gradually as buyers obtain finance approval. Settlements of Stage 29 lots are expected to commence in June 2023 following completion of construction in mid-April 2023 and release of titles in early May 2023.

Available Stock

17 lots in Stage 29 in Catalina Green and three lots in Stage 37 in Catalina Green were released in late March 2023. The Stage 29 release is the third and final release of lots in this stage. The Stage 37 release was made for an investor channel that is currently showing interest in small lot product across Satterley's estates.

Current available stock is set out in Table 4 and comprises a variety of lot sizes at different price points - see Table 6.

Table 4: Summary of Available Stock – Catalina Estate

Stage	Precinct	Stock	Change since 28-Feb-23	Title Status	Anticipated Title Date
Stage 18C	Central	0	-2	Titled	N/A
Stage 29	Beach	24	+14	Untitled	April 2023
Stage 30	Beach	0	-1	Titled	N/A
Stage 36	Green	5	0	Titled	N/A
Stage 37	Green	17	0	Untitled	July 2023
Total		46	+11		

The next sales release is expected to comprise of the remaining 13 lots in Stage 37 in Catalina Green. The timing of this release will depend on sales results over the next month.

Northern Corridor Estates Analysis

Tables 5 and 6 provide a comparison summary of sales, available stock and lot pricing between Catalina and other developments in the north-west corridor.

Catalina's available lots increased by 11 to 46 lots between reporting periods and competitors' stock increased by 24 lots (12.6% increase). Catalina's market share over the last twelve months is 11.3%.

Table 5: Summary of Sales in Northern Corridor (March 2022 to February 2023)

ESTATE	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	12 Month Total Sales
Alkimos Beach (Alkimos)	11	6	2	8	-4	7	0	3	3	9	1	2	54
Alkimos Vista (Alkimos)	20	2	-2	12	5	1	3	1	3	3	0	2	63
Allara (Eglinton)	13	13	6	7	-2	9	3	1	2	3	7	7	62
Amberton (Eglinton)	5	17	9	14	23	16	20	33	14	4	5	4	159
Catalina (Clarkson Mindarie)	17	16	1	6	7	2	9	0	1	2	4	11	89
Eden Beach (Jindalee)	8	7	17	1	5	-3	-1	9	8	2	9	6	74
Elevale	5	1	9	6	2	4	4	19	-2	7	3	11	52
Jindowie Estate	20	-3	5	28	15	1	0	-3	6	6	3	10	87
Shorehaven (Alkimos)	7	10	12	3	4	9	2	6	5	3	3	6	67
Trinity (Alkimos)	10	10	11	8	8	8	5	2	9	13	3	3	91
TOTAL	116	79	70	93	63	54	45	71	49	38	38	72	790
CATALINA SHARE (%)	14.7 %	20.3 %	1.4%	6.5%	11.1 %	3.7%	20.0 %	0%	2.0%	5.3%	10.5%	15.3%	11.3%
Catalina Market Share March 2022 to February 2023													11.3%

Note: Satterley advises that competitor sales results are indicative only, based on information obtained in the marketplace and supplied by other developers on a voluntary basis.

Table 6: Average of Price of Available Lots in Northern Corridor Estates

Estate	225sqm Price (\$)	300sqm Price (\$)	375sqm Price (\$)	450sqm Price (\$)	500sqm + Price (\$)	Total Dwellings	Available	Last Report
Allara	n/a	\$183,000	\$207,000	\$240,000	n/a	3,405	34	34
Alkimos Beach	n/a	\$230,000	\$255,000	\$285,000	n/a	2,413	28	24
Amberton	n/a	\$189,000	\$225,000	\$265,000	\$305,000	2,500	37	32
Banksia Grove	n/a	n/a	\$229,000	\$259,000	n/a	1,580	4	4
Catalina Central	n/a	n/a	n/a	n/a	n/a	2,480	0	2
Catalina Beach	n/a	\$335,000	\$400,000	\$500,000	n/a		24	11

Catalina Green	n/a	\$240,000	\$270,000	\$313,000	n/a		22	22	
Eden Beach	n/a	\$245,000	\$329,000	\$423,000	n/a	1,100	23	23	
Elevale	n/a	\$185,000	\$225,000	\$260,000	n/a	197	20	20	
Jindowie	n/a	\$144,000	\$180,000	\$212,000	n/a	1,800	23	23	
Shorehaven	n/a	\$265,000	\$287,000	n/a	n/a	2,800	9	9	
Trinity	n/a	n/a	\$290,000	\$290,000	n/a	2,500	21	21	
							Total	260	225

Marketing

Following a peak in indicators in January 2023, Catalina's website traffic and leads remained steady in February. A large portion of sales leads came from builder referrals. There was a noticeable increase in first home buyers in February, possibly reflecting the current state of the rental market in Perth. Key marketing metrics for February are shown on the charts contained in the attachment.

Catalina's summer media campaign continued during March 2023, featuring fresh, new creative assets to differentiate Catalina from competitor estates in the corridor. Images of the assets and their use in signage recently installed at nearby train stations are contained in the attachment.






Radio commercials on Mix 94.5 featured during the campaign to further reach Catalina's target audiences. Catalina's Capture the Catalina Cash radio competition winner was announced on air on 31 March 2023. The competition attracted over 1000 entries. Additional cross-promotional opportunities across Satterley's various channels were implemented to maximise campaign reach and engagement.

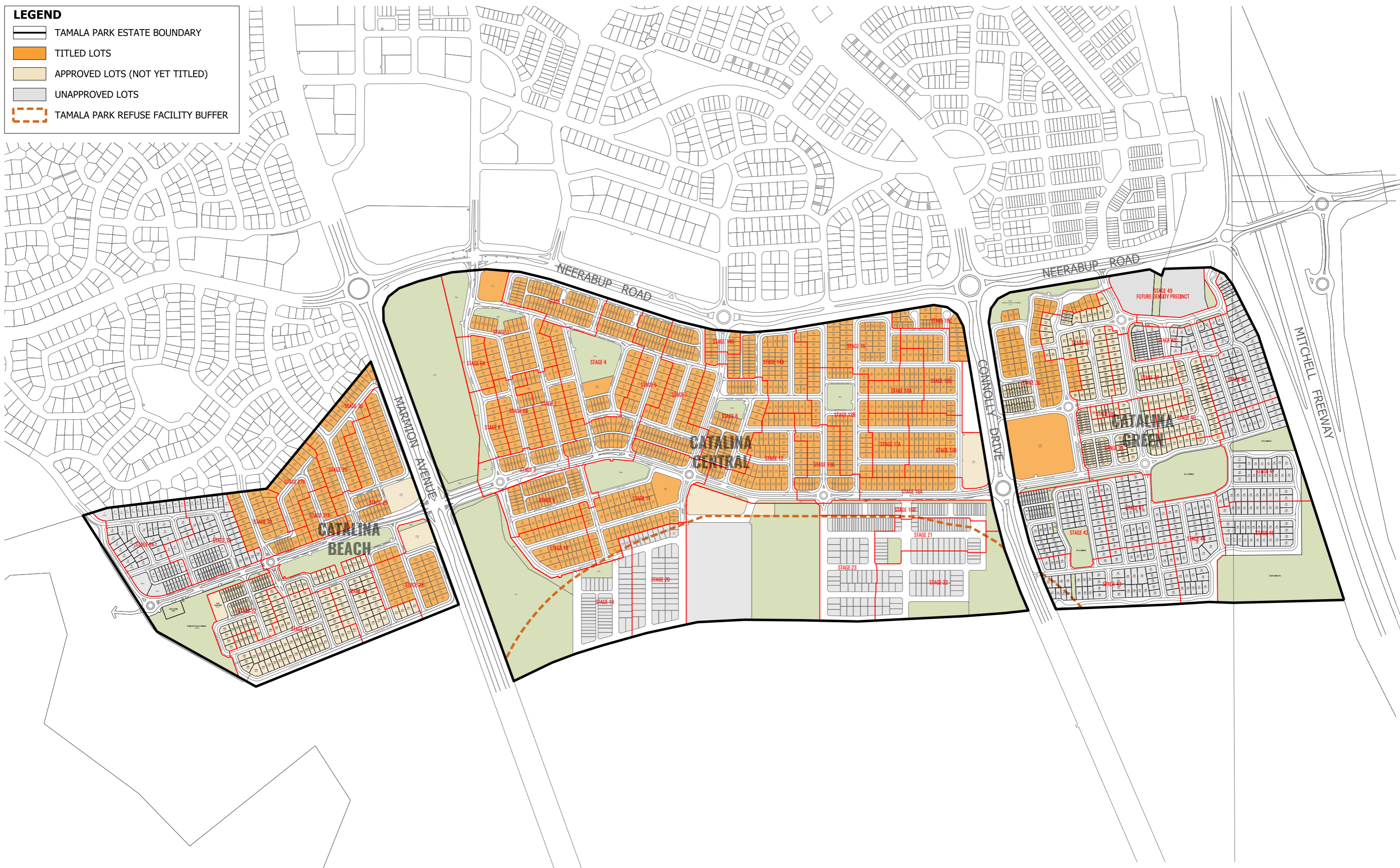
A signage strategy for Catalina Green was approved during March 2023. Implementation will involve refreshing an existing sign at the corner of Neerabup Road and Connolly Drive and new signs throughout Catalina Green. Branded bannermesh was installed around the eastern and southern boundaries of the completed Stage 36 area. The Catalina Fly Through video and the updated Catalina Virtual Tour have been completed and are viewable on the Catalina website [Catalina - Satterley Property Group](#)



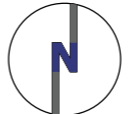
Mix 94.5 Radio Competition - QR Code

LEGEND

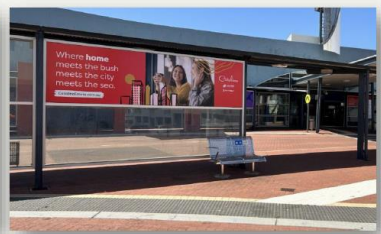
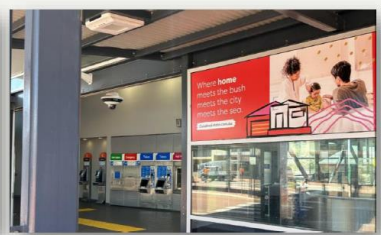
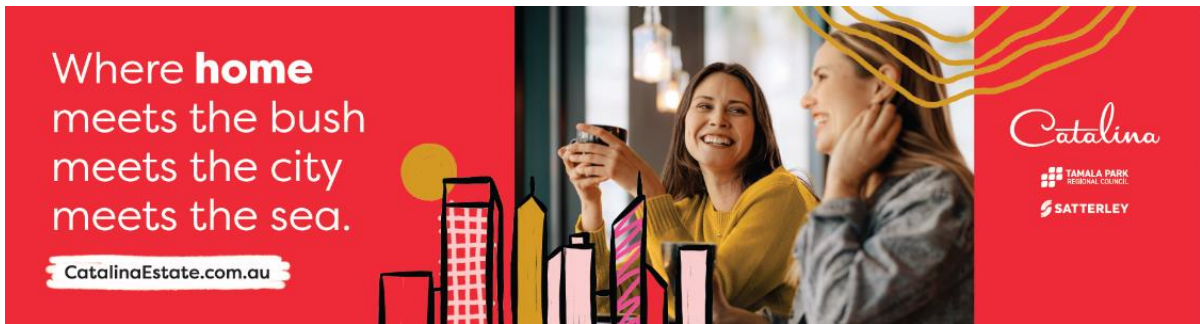
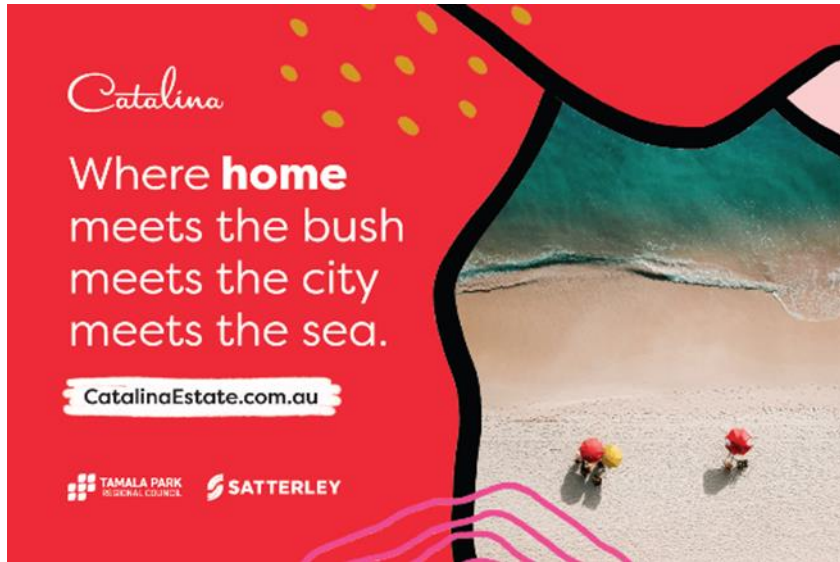
-  TAMALA PARK ESTATE BOUNDARY
-  TITLED LOTS
-  APPROVED LOTS (NOT YET TITLED)
-  UNAPPROVED LOTS
-  TAMALA PARK REFUSE FACILITY BUFFER



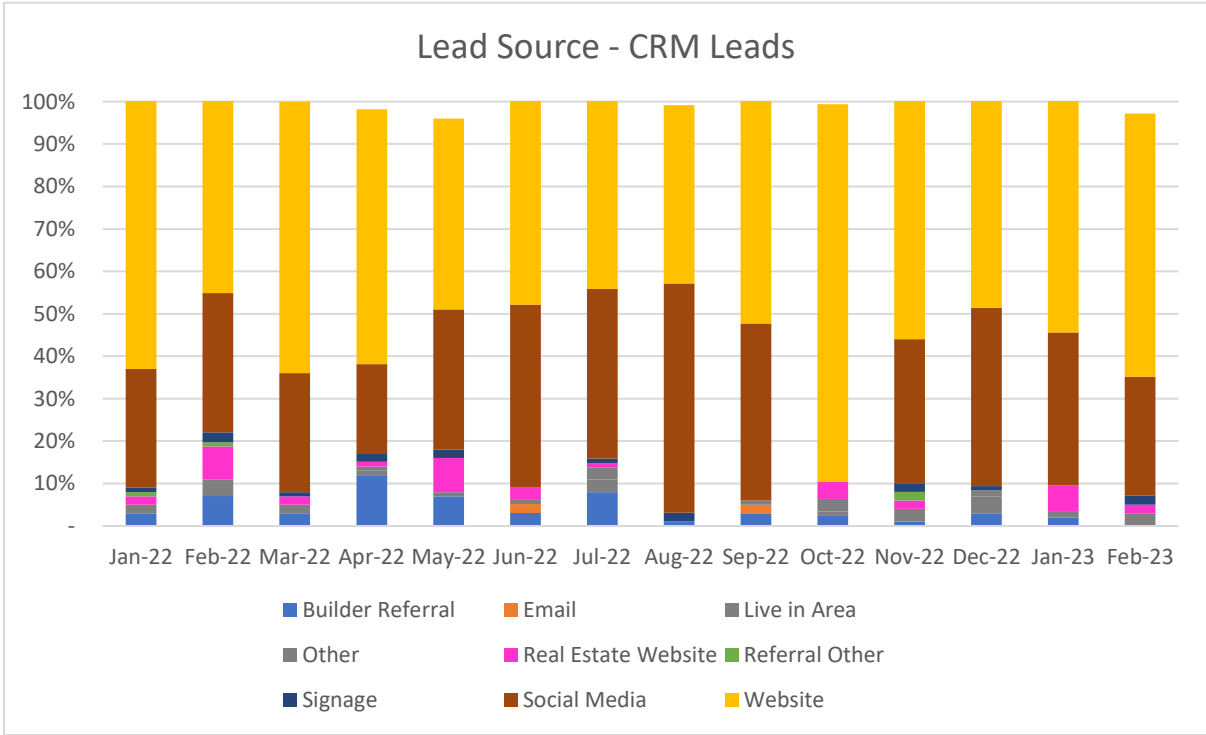
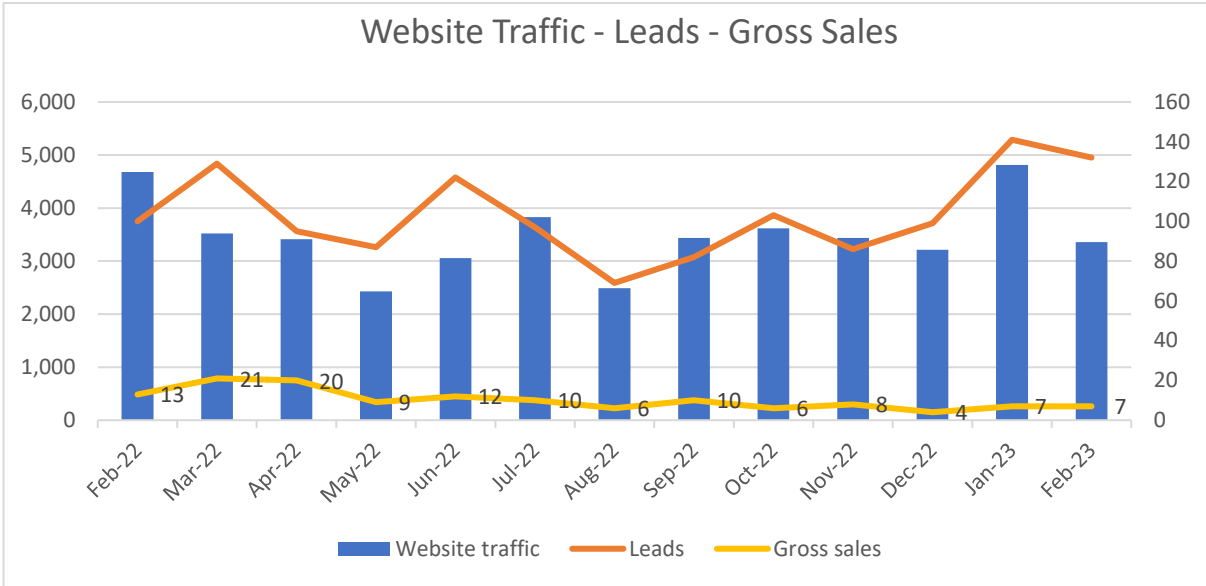
ESTATE LAYOUT & STAGING PLAN
Catalina Estate, TAMALA PARK

Aerial supplied by:	0	80	160	240	320	400	480m
Aerial Date Stamp:							
Survey supplied by: MNG							
Plan Number: NPS1059 - 023	Scale: 1:8000 @A3	Date Issued: 15.03.2023	©Niche Planning Studio				
Revision Number: A	<small>DISCLAIMER: Town Planning compliance is subject to approval from the Tamala Park Regional Council and a suitable town planner will need to be appointed. All Dimensions, Areas and Calculations are subject to Detailed Survey and Design before Town Planning Permit application. This plan has been prepared for illustrative purposes only and should not be used as a means to judge any properties value or yield potential.</small>						
Drawn By: JP							
Client: Tamala Park Regional Council							

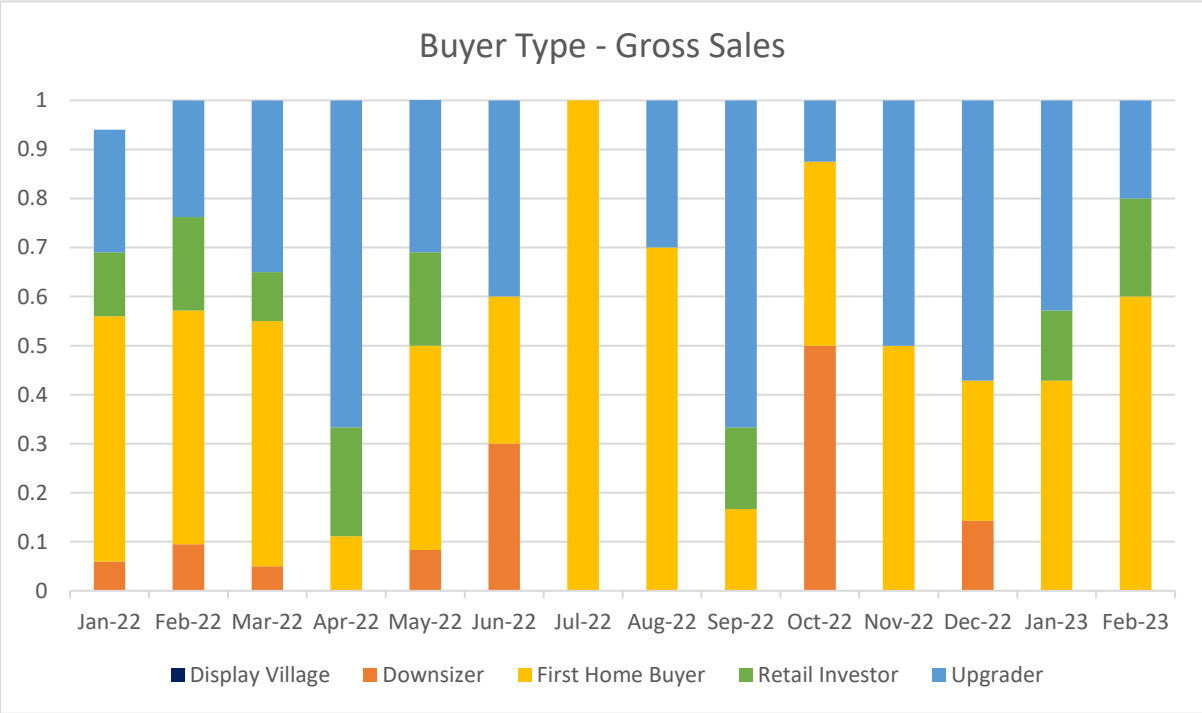
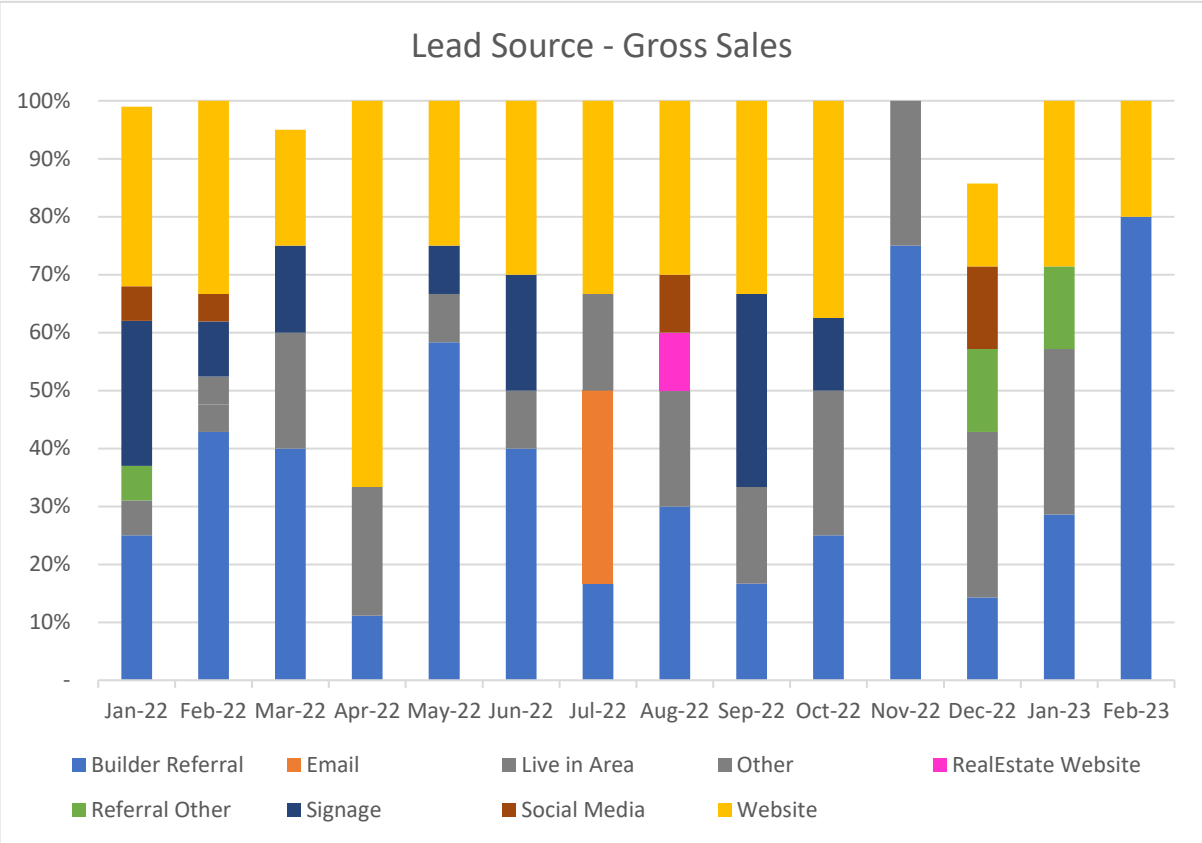




Marketing Results – Key Metrics – February 2023



Marketing Results – Key Metrics – February 2023



Satterley CRM Data 01/01/22 – 28/02/23

8.8. CATALINA GREEN ENTRY STATEMENTS - WIND TREES

Responsible Officer: Manager Project Coordination
Attachments: None
Voting Requirement: Simple Majority

RECOMMENDATION

That the Council **SUPPORTS** the:

1. **Proposed installation of two Wind Trees within the Catalina Green entry statements.**
 2. **Use of the sole supplier provisions of the *Local Government (Functions and General) Regulations 1996 11(2)(f)*.**
-

PURPOSE

To consider the proposed purchase and installation of micro wind-turbine energy generation structures (wind trees) within the Catalina Green Entry Statements.

POLICY REFERENCE

TPRC Procurement Policy

LOCAL GOVERNMENT ACT/REGULATION

Local Government Act 1995: Sect 3.57 - Provision of goods and services.

Local Government Act 1996: Sect 11(2)(f) - Functions and General Regulations.

LGH Functions and General Regulations 11(2)(f) states:

Tenders do not have to be publicly invited according to the requirements of this Division if the local government has good reason to believe that, because of the unique nature of the goods or services required or for any other reason, it is unlikely that there is more than one potential supplier.

PREVIOUS MINUTES

N/A

FINANCIAL/BUDGET IMPLICATIONS

Funds have been allocated for development of high quality landscaping at Catalina Green entry statements. Sufficient funds are available within approved budgets to purchase and install the wind trees.

Expenditure for the contract works will be incurred under the following item:

Item E145209 (Landscape):

Budget Amount: \$7,833,277

Spent to Date: \$4,009,415

Balance: \$3,823,862

RISK MANAGEMENT IMPLICATIONS

Risk Ref: 9	Risk Rating:
TPRC Operations - Compliance with LG Act and Regulations	Low
Action:	
Internal compliance procedures for managing legislative requirements.	

BACKGROUND

The Tamala Park Regional Council's Strategic Community Plan lists the following objective under the theme of Natural Environment:

To demonstrate high quality stewardship in environmental management and innovation in sustainability.

Whilst the wider Catalina Estate is being developed and marketed as an environmentally friendly estate, in particular, Catalina Green is being developed and branded as a "Green" estate.

The Annual Plan FYE 2023 identifies various park and street landscaping works in and adjacent to the Catalina Green Phase 1 (Stages 36 and 37) development area to provide amenity for the community and aid Estate presentation. The package of landscaping works includes entry statements at Neerabup Road and Connolly Drive.

In November 2022, the City of Wanneroo approved detailed design drawings for the park and streetscape landscape works and in December 2022 it approved the Neerabup Road and Connolly Drive entry statements.

The entry statements landscaping design includes provision for the installation of energy-generating ornamental wind trees. This report outlines the proposed installation and management arrangements for two wind trees that are proposed to be installed in Catalina Green at the entry statements.

COMMENT

Wind trees are tree-shaped wind turbines capable of generating electricity. Developed by French company, New World Wind, wind trees consist of a steel trunk that stems into smaller branches on which leaf-shaped micro-turbines are attached.

The micro-turbines spin with only a gentle breeze, but they can also withstand strong wind conditions and produce power regardless of wind-direction. They are lightweight and practically always in constant motion. Their rotation does not make any noise due to a direct drive mechanism that does not require belts or gears to operate.

The mini-turbines come in different colours ranging from light and dark green, orange, yellow to light and dark blue. The trunk can be coloured off-white, brown or grey, with the option to add LED lights and a charging port.

According to the supplier's website, one wind tree with 36 micro-turbines can produce enough energy to power 15 streetlights with 100-watt LED lighting, a 100m² office space with a low energy consumption at 20 kW/hour per m², or 83% of the power needs of an average home, potentially saving the equivalent use of 864 kg of coal or 600 litres of petrol per annum.

The wind trees can be positioned wherever green energy is needed, either in public realm or on private property, and are expected to have a useful life of up to 25 years.

Artist impressions of the wind trees are provided in the images below.

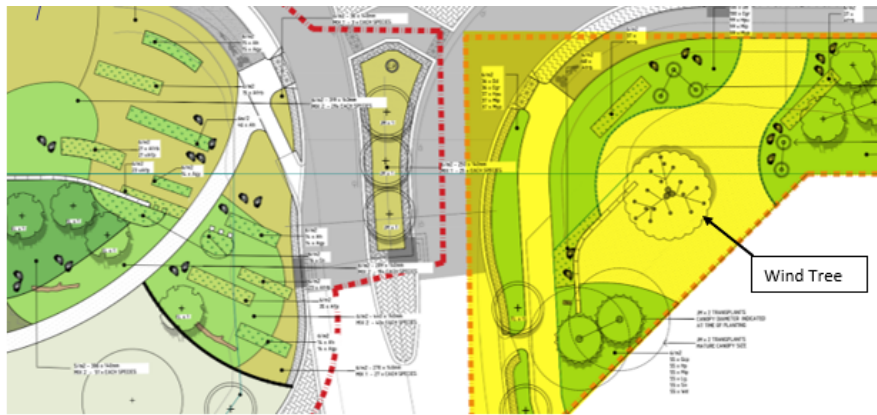




The following extract from the approved entry statement drawings shows the installation of a wind tree in two locations in Catalina Green:

Location 1 - South-east corner of the Neerabup Road entry statement.

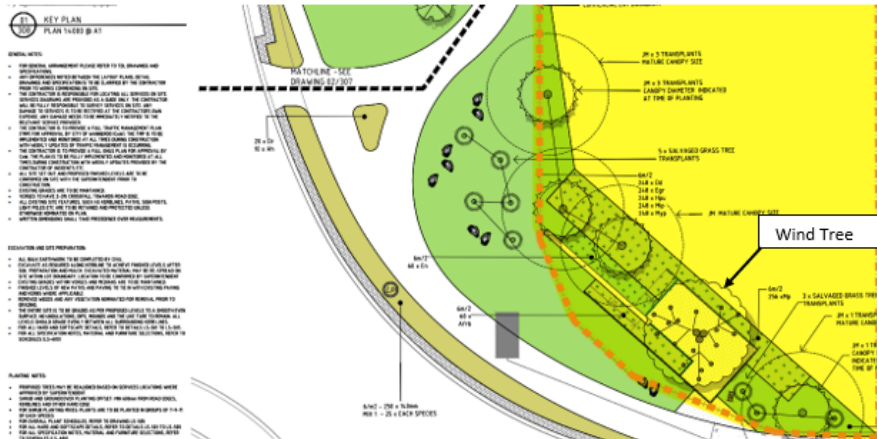
Location 2 - North-east corner of the Connolly Drive entry statement.



Neerabup Road Entry Statement



Connolly Road Entry Statement



It is proposed that the wind trees would power the proposed lighting in the entry statements, but they could potentially also power other equipment such as electric car chargers, security lighting or barbecue heaters. They are shown on the plans that received development approval as being located within private property (as the City of Wanneroo will not accept them being located on public property), though they will appear from external perspectives to form part of the broader entry statements into Catalina Green.

The Location 1 wind tree is to be located within the member Council's landholding on future development land that is expected to be developed for high density residential and/or mixed-use development. The intention is that the wind tree will be incorporated within that future development.

The Location 2 wind tree will sit within the boundary of Lot 3128, which is the site of the future Catalina Green Neighbourhood Centre. Ownership of Lot 3128 is about to transfer to the commercial centre developer. This developer has indicated its acceptance of the wind tree being

located within this site and has indicated an interest in discussing potential use/access to power generated from this wind tree.

The intention of the wind trees is to provide a tangible demonstration of Catalina Green's environmental objectives. It would complement other environmental initiatives that have been undertaken including tree retention schemes, protection and enhancement of tree canopy and the pursuit of a sustainable development through rebates incentives and education initiatives. The wind trees are seen as fulfilling multiple functions of serving as items of public art, features that are likely to draw attention to and interest in the new development precinct and provide a practical purpose through their power-generating capabilities.

The wind trees proposed for inclusion in the Catalina Green entry statements are both to be 8.0m high and have a diameter of 6.8m and contain 36 wind turbines each. The wind trees' Australian-based manufacturer and supplier, EVT Energy, has indicated the price to supply and install the wind tree is \$269,000 (exc GST), which includes 12 months of maintenance and comes with a 24-month warranty. It advises that maintenance requirements are very low, suggesting an annual budget for service of approximately \$360 per annum.

To date there has been no detailed analysis undertaken of the financial returns or costs savings that the wind trees may generate. It is suggested that any financial benefit that may be derived should be considered a bonus and that it be assumed the wind trees will have no asset value upon the conclusion of their useful life.

It is understood that if approved, Catalina would be the first location in Australia where a wind tree is to be installed. Undertaking the installation of wind trees, given they would be an Australian-first, should this be approved, comes with a high degree of risk given the substantial cost of installation and untested performance parameters, particularly in terms of their functionality and durability. If installed, they would essentially be a demonstration project which has value from a marketing, public art/aesthetics and environmental perspective.

The wind trees are manufactured and installed by a sole supplier, meaning that there is limited scope to call a tender for their procurement even though the value of the purchase is above the minimum threshold for which tenders are usually required. Due to the unique nature of the goods being procured, it is proposed to enter into a sole supplier purchase under Regulation 11 (2) (f) of the Local Government (Functions and General) Regulations 1996.

Due to the unusual nature of the proposed procurement coupled with the fact that the expenditure on an item that is completely discretionary, the Council consider action of this matter to be appropriate.

Whilst officers support the purchase and installation of the wind trees, the risks and costs are considerable, and the Council may elect to not proceed with this initiative. If the Council does not proceed with the wind trees proposal it is recommended that the Council, consider calling public tenders for the installation of public art piece/s in lieu of the wind trees. These art installations could be targeted as having an environmental focus or theme.

CONCLUSION

Installation of the wind trees in the locations approved by the City of Wanneroo within Catalina Green's entry statements is considered to have significant potential to showcase Catalina's environmental credentials, is very closely aligned with the theming of Catalina Green around tree retention and canopy and will likely be a source of much interest in and attraction to the estate.

The expense involved could be considered to be equivalent to the cost of commissioning and installing a piece of public art, which the locations where they are proposed would ordinarily lend themselves to, but arguably providing a more-practical purpose given the power-generating capabilities.

The potential benefits of wind trees in Catalina Green are considered to be worth the cost and risk involved and accordingly it is recommended that the Council support their installation.

8.9. 2023/24 DRAFT BUDGET ASSUMPTIONS

Responsible Officer: Chief Executive Officer
Attachments: 1. Attachment - Budget Assumptions
Voting Requirement: Simple Majority

RECOMMENDATION

That Council **SUPPORTS** utilising the budget assumptions as listed in the Details/Discussion section of this report as the basis of preparation of the TPRC 2023/24 Budget.

PURPOSE

For Council to consider the draft parameters/assumptions for the TPRC Budget for the period between 1 July 2023 to 30 June 2024 (FYE 2024).

POLICY REFERENCE

N/A

LOCAL GOVERNMENT ACT/REGULATION

S6.2(1) of the *Local Government Act 1995* requires each Local Government to prepare and adopt an Annual Budget by the 31st of August each year.

Division 2 – Annual Budget of the *Local Government Act 1995* prescribes the factors that the Council needs to consider when preparing the budget.

PREVIOUS MINUTES

N/A

FINANCIAL/BUDGET IMPLICATIONS

N/A

RISK MANAGEMENT IMPLICATIONS

Risk Ref: 6	Risk Rating:
TPRC Operations Resourcing	Moderate
Action:	
Budget and Long-term Financial Plan sets out resource plan for the organisation.	

BACKGROUND

The *Local Government Act* requires each local government to prepare and adopt an annual plan and budget. The TPRC has traditionally adopted its Annual Budget by 30 June each year. The early adoption of the budget gives both staff and the Development Manager clarity regarding targets for the forthcoming year.

TPRC administration and Satterley representatives have commenced the process of preparing the FYE 2024 Budget. This process has included:

- Reviewing past budget performance with comparative analysis of budget vs actual performance across the last eight (8) years;
- Reviewing Catalina stock levels and approved forward works programs;
- Reviewing prevailing property market conditions and the associated potential impacts on sales and stock levels at the Catalina Estate Project;
- Reviewing external and internal risks and opportunities that may impact on TPRC's progress during FYE 2024;
- Holding discussions with approval authorities and external bodies that have an interest in development matters within the Catalina Estate (i.e., Dept of Education, Department of Transport, City of Wanneroo);
- Briefing the TPRC Council on this matter at the Strategic Project Advisory Meeting that was held in February.

The above has identified that, with pre-existing and pre-approved works programs, the TPRC is likely to have sufficient 'stock on hand' to meet demand for residential land in FYE 2024.

As a result of the above review process, TPRC staff advise that the upcoming financial year does not need to be significant from a works/expenditure perspective when compared to budgets that have been prepared over the past few financial years. Having said that, planning and design works are recommended in the upcoming financial year to ensure that the TPRC is ready for any potential upswing in the market with lots being able to be purchased by prospective buyers in both Catalina Green and Catalina Beach.

COMMENT

A series of draft assumptions have been prepared for FYE 2024. These are listed below:

Operating Budget

Income Assumptions

Interest Rates on Term Deposits: Higher average interest rate than has been achieved over previous years. Average interest on investment estimated at 4.5%.

Expenditure Assumptions

- Staffing Levels: No change on current TPRC staffing levels.
- Other Operational Expenditure: To be set at levels that are broadly consistent with FYE 2023 anticipated actual expenditure.

Project Budget

Income Assumptions

- Sales: Nett 80 residential sales for FYE 2024;
- Special Sites: No new 'special site' sales in FYE 2024.

NB. Income for Lot 341 (Grouped Housing site in Catalina Central) to be received in FYE 2024.

Expenditure Assumptions

- Project Operating Expenditure: Maintenance expenditure at FYE 2023 actual rates or contracted rates from TPRC suppliers.
- Consultants: Community development, marketing and other consultant budgets to be set at historical average expenditure levels.
- Lot Development Costs: Complete development stages currently under construction or contracted (Stages 29, 31 and 37). Commence delivery of Stage 38 Catalina Green – 36 Lots).
- Design/Approvals: Undertake design/approvals processes for Stage 39 (Catalina Green – 65 Lots) and Stage 32 (Catalina Beach – 44 Lots). (See Attachment for map for location of these new stages).
- Planning: Commence planning for delivery of the following Special Sites within the Catalina Estate:
 1. Catalina Beach Entry Grouped Housing Site;
 2. Catalina Beach Commercial Site;
 3. Catalina Green Display Village;
 4. Catalina Green: 7.5m Front loaded lots.
- Infrastructure: Complete works currently under construction in Longbeach Promenade. No new infrastructure works to be commenced in FYE 2024.

NB. The PTA bus connection to Clarkson train station was proposed in FYE 2024 but advice has been received from Department of Transport that they are unlikely to receive the corresponding funds for this project in the State Government's FYE 2024 budget. Project commencement now proposed in FYE 2025.

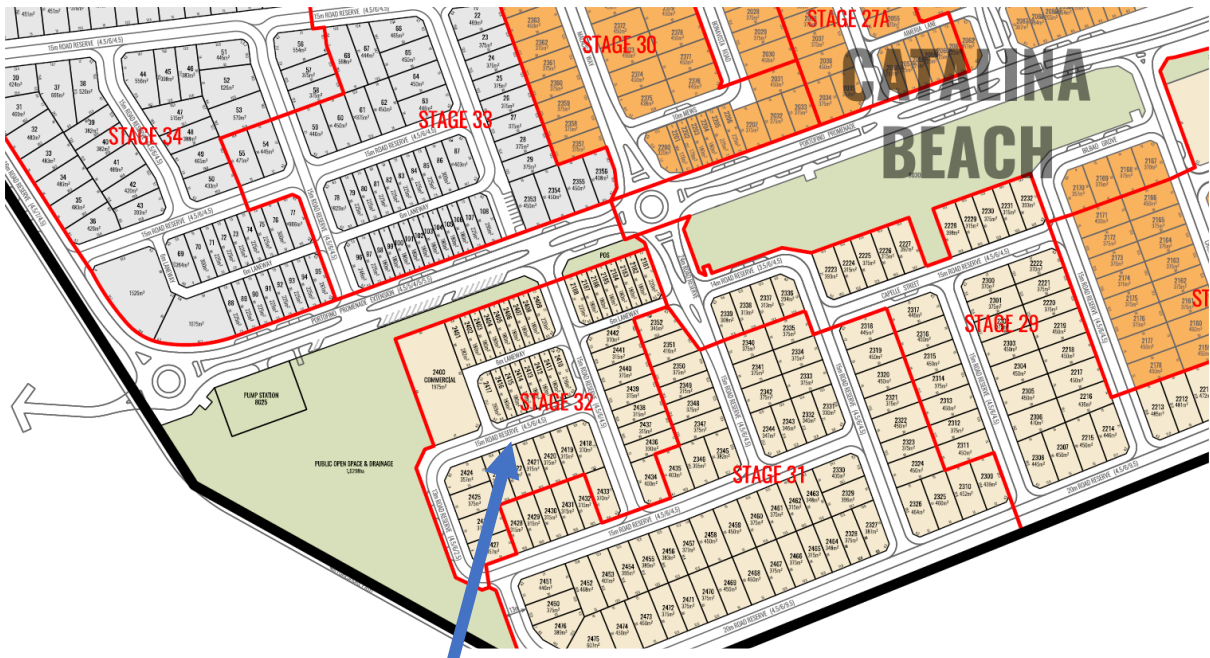
- Landscape Construction: Complete currently approved works (New Catalina Beach Foreshore park, Catalina Green Entry Park/Landscaping, Portofino Promenade: Park extension). No new landscaping projects to commence.
- Land Acquisition: Nil. No allocation of funding for acquisition of Part Lot 711 (WAPC Land).
- Distribution to Members: \$20M in distributions to members with \$10M payments scheduled in December 2023 and June 2024.

While the above assumptions are proposed to be used for the formation of the FYE 2024 budget, it is noted that the Perth property and construction markets are currently in a relatively volatile state and there is potential for market conditions to change rapidly. These changes can/could materially impact on project and budget performance. If material changes occur prior to budget adoption, officers will advise Council of the changes and indicate which assumption/s should be modified when the Budget is presented for formal consideration in June 2023.

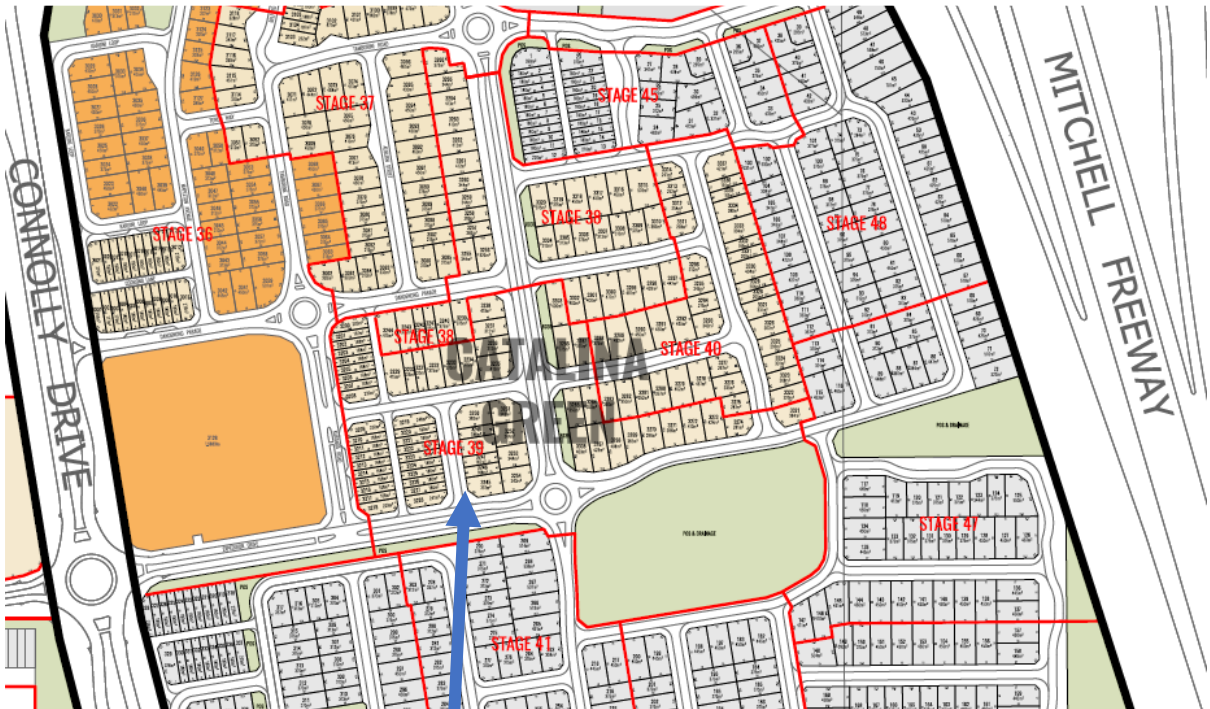
In addition, the TPRC undertakes a comprehensive mid-year Budget Review in November/December each year. Assumptions can be adjusted (upwards or downwards) at that time depending on the prevailing market conditions.

CONCLUSION

Setting the Annual Budget is one of the key functions of the Council. Getting early alignment on the assumptions that are used to frame the budget assists Council, TPRC staff and the project's contracted Development Manager to establish the guidelines and targets that will be used for the forthcoming 12 months.



Stage 32



Stage 39

8.10. CATALINA CENTRAL: FUTURE SOUTHWARDS DEVELOPMENT

Responsible Officer:	Chief Executive Officer
Attachments:	1. Attachment - Emerge Draft Advice
Voting Requirement:	Simple Majority

RECOMMENDATION

That the Council:

1. **NOTE** the planning and environmental challenges associated with the proposed development of the southern area of the Catalina Green Estate.
 2. **REQUEST** that the CEO and Chair of TPRC hold regular discussions with the Mindarie Regional Council (MRC) CEO and Chair regarding:
 - a. Future plans for their respective projects;
 - b. Current odour, noise, landfill gas, groundwater and dust monitoring programs and findings; and
 - c. Current and future remediation programs that are scheduled in and around the MRC site;and report back to the TPRC Council periodically on these matters.
 3. As a component of the 2023/2024 Budget process, **ADJUSTS** the development and sales timeframe for Catalina Central to reflect potential development of the southern area of Catalina Green commencing in FYE 2030 as opposed to current plans which show development and sales commencing earlier.
-

PURPOSE

To review constraints, opportunities and timelines associated with the potential development of Catalina Central to the south, towards the Mindarie Regional Council (MRC) Waste Facility.

POLICY REFERENCE

N/A

LOCAL GOVERNMENT ACT/REGULATION

N/A

PREVIOUS MINUTES

N/A

FINANCIAL/BUDGET IMPLICATIONS

Operational Budget

If land to the south of the current Catalina Central developed area is to be subdivided, substantial planning and environmental studies will need to be undertaken to demonstrate that the land can be developed. These studies, and the associated works required as a result of study findings, will cost a substantial amount of money. At this stage it is unclear whether TPRC or MRC will bear the cost for these works.

Project Budget

The TPRC's Long Term Financial Plan forecasts that land development costs for Catalina Central (Southward development) will be incurred from 2027 with income for sales of land occurring shortly after subdivision works have commenced. The southwards development is expected to have a positive return to TPRC participants. Delayed implementation of works and sales will impact on the short-term financial returns to members but, in the long term, is unlikely to have a significant impact (assuming that the land is eventually developed and profit is realised).

RISK MANAGEMENT IMPLICATIONS

Risk Ref: 10	Risk Rating:
Development Project - Negative Perception	Significant
Action:	
Ongoing monitoring of land-fill area and buffer zone to properly define extent of groundwater contaminant.	

BACKGROUND

The Catalina Estate is being developed in three distinct precincts – Catalina Beach, Catalina Central and Catalina Green. When the Project commenced, development and sales activity within the Estate focussed on the Catalina Central precinct, but as that area became progressively developed, activity has progressed to the west and east of the Central precinct. All of the approved structure plans for the Catalina Estate indicate that development will recommence within Catalina Central at a point in time, with development occurring to the south towards the Mindarie Regional Council's Tamala Park Waste Facility.



The TPRC's forward planning indicate that sales activity in Catalina Central is planned to recommence in FY 2027/28 and progress over three financial years. The future development proposes the development of a school site, a Grouped Housing site and 208 residential lots. The TPRC Long Term Financial Plan (LTFP) forecasts that development works and sales activity in Catalina South will commence in 2027/28 and operate for approximately four (4) years).

Development of this area has been deferred with preference for development in Catalina Beach and Catalina Green as there are planning and environmental constraints in the southwards development of Catalina Central due to its proximity to the MRC waste facility.

While proposed development of the Catalina Central area is not imminent, the TPRC recently engaged an environmental consulting firm, Emerge, to provide advice regarding the likely processes and timeframes to 'overcome' the planning and environmental constraints. This advice was sought in order to be fully informed on the intricacies/complexities of the planning matters and to determine whether there was/is any potential to consider an option for bringing forward development in this area.

COMMENT

Constraints

The Emerge advice, which is attached to this report, indicates that there are two (2) primary issues that will need to be addressed prior to gaining approval to develop the subject land. Each of these is briefly summarized below:

Urban Deferred Status

Provisions enacted under the *Environmental Protection Act (EPA) 1986*, the *Metropolitan Planning Scheme (MRS)* and the *City of Wanneroo District Planning Scheme No 2* and the *Tamala Park Local Structure Plan No 79* preclude:

“residential uses from within 500 metres of the active face of any existing or proposed putrescible waste filling area unless it is demonstrated to the EPA, through appropriate studies

and investigations, that odour, noise, landfill gas and dust will not adversely impact on future residents.”

Further, EPA Guidance Statement No. 3 recommends that separation distances from putrescible landfill sites should be 500m for sensitive uses (subdivisions), 150m for single residences and an internal buffer of 35m from the boundary.

While the precise location of the current active face of the waste facility has not been surveyed recently, it is clear that the vast majority to the south of the Catalina Central developed urban area is within this prescribed separation distance. Having said that, a very small portion of the subject land is not constrained by the 500m separation requirement and, if other planning and environmental constraints were able to be overcome, that land would potentially be developable in a time period where the landfill facility was in operation.

It should be noted that Emerge Consulting’s advice is that their experience is that processes/attempts to reduce the buffer distances can be lengthy and uncertain and do not necessarily lead to clearly supported reductions in separation distances.

Contaminated Site

Unsurprisingly, the entirety of the MRC waste facility site has been classified as a contaminated site under the *Contaminated Sites Act*. In addition to the MRC site, a portion of the TPRC land in the southeast corner of Catalina Green also has a contaminated sites classification (see map below).



Plate 5: Current CS Act classified areas as shown in the Contaminated Sites Database DWER (2023), with red area classified as 'Contaminated – Remediation Required' and the pink area classified as 'Contaminated – restricted Use'.

The site in the south of Catalina Central (in purple) has been registered as a Contaminated – Restricted Use site as a landfill leachate plume has been identified in the groundwater and landfill gas has migrated from adjacent landfill site. The contaminated site restriction indicates that:

- *The site is not considered suitable for any human occupied sensitive land uses;*
- *The site is not suitable for more sensitive land uses and groundwater abstraction is not permitted as groundwater beneath the site is contaminated.*

These restrictions are significant and severely impact on the potential capacity to develop the area. The site would clearly need to be remediated with evidence produced that the contamination issues no longer exist before any removal of the contaminated site classification occurred and subsequent planning/development of the land for residential and school purposes was undertaken.

Future of MRC Waste Facility

As indicated above, the future southwards development of Catalina Central is largely dependent on the lifespan of the MRC Waste facility. Publicly available Strategic Planning documents from the MRC indicate that:

- The landfill facility is currently expected to reach end of life in 2028;
- Increases in waste diversion activities may increase the lifespan of the facility. These activities are being actively explored;
- While the current landfill activities are scheduled to cease later this decade, there will be continued use of the site for an extended period thereafter as a waste transfer station and waste to energy plant are planned;
- While the waste facility will be closed at some date, site remediation and monitoring works will need to be undertaken for at least a decade post the closure.

The TPRC understands that the MRC are reviewing current and future operations of the Tamala Park Waste Facility and note that any changes to the above listed assumptions, potentially further impact on the TPRC's ability to develop Catalina Central southwards.

Options

The TPRC Council has a number of alternatives in relation to how it may want to progress this matter. These are briefly described below:

Option 1: Do Nothing/Liaise with MRC

Under this Option the TPRC essentially 'plays the waiting game' and delays taking any action until the MRC facility is closed and appropriate remediation works have been undertaken by that organisation. After those two things have occurred the TPRC could apply for planning restrictions to be lifted over the land to allow subdivision to occur.

While doing nothing is a valid option, it is suggested that if this option is preferred, the TPRC should (as a minimum) commence more active engagement with the MRC regarding its current and future plans, monitoring regimes and future remediation programs. Additionally, if there is a commercial and/or strategic advantage to TPRC, it should also consider partnering with MRC on studies and/or monitoring programs that potentially expedite future planning and environmental approvals that enable residential development in accordance with TPRC's plans.

Option 2: Investigate Partial Development of Catalina Central in medium term

There may be a small portion of land in the southeast corner of the Catalina Green that falls outside the 500m buffer zone and is not subject to the contaminated site registration. This site could potentially be developed in the short-medium term as it appears to have fewer planning constraints.

While development of this site increases readily available developable land and potentially adds to housing diversity options within the TPRC development, the scale and development readiness state of the land is not fully clear at this point in time. Additionally, developing closer to the prescribed buffer areas potentially is not attractive for purchasers and may not be supported by regulatory authorities.

Option 3: Actively pursue planning works for removal of planning/environmental constraints in Catalina Central

The advice from Emerge Consulting indicates that investigative works to remove the contaminated site classification are likely to take 18-24 months and cost in the order of \$300,000+GST (depending on the scale/scope of works). These works will need to be done at some stage if the contaminated site classification is to be removed. Given that the waste facility has at least five (5) years of operations, it is considered premature to commence these works.

Option 4: Abandon plans for development of Catalina Central to the south

Given the considerable planning and environmental constraints on the project, the TPRC could elect to not pursue the development of the subject area and amend planning and project forecasts to reflect that this site will not be developed.

Option 5: Sell the Catalina Central land as an englobo parcel to a third party

While the land has considerable planning constraints, it does have a commercial value and could potentially be sold to a private sector developer who is willing to bear the holding costs and planning/remediation works required prior to development of the land.

At this stage in time TRPC officers recommend that Option 1 – Do Nothing/Liaise with MRC is pursued. Other Options may be appropriate for the TPRC Council to consider once greater clarity on some of MRC's future plans regarding their operations and remediation programs are better understood.

CONCLUSION

The proposed development of Catalina Central to the south is problematic from a planning and environmental compliance perspective. Substantial studies and remediation works will be required prior to any subdivisions being approved and, as the majority of the land is within 500m of an active tip face, approvals for subdivision will not be approved whilst the tip is in operation. Current advice is that that is at least five (5) years away, probably more.

Council Is requested to consider what actions it wishes to take in the short term to facilitate the future use and development of the land in longer term.

Document Reference: EP23-002(01)--001 JDH

Emerge contact: Jason Hick 0488 223 306

1 March 2023

Satterley Property Group
Level 3, 27-31 Troode Street
West Perth WA 6005

Attention: Drew Tompkins

Delivered by email to: drewt@satterley.com.au

Dear Drew

CATALINA RESIDENTIAL ESTATE – TAMALA PARK WASTE FACILITY CONSIDERATIONS AND IMPLICATIONS

Executive summary

Emerge Environmental Services Pty Ltd. (trading as Emmerge Associates or referred to as 'Emmerge') was engaged by Satterley Property Group (SPG) to provide advice in relation to the planning and development considerations and implications associated with the proximity of the Catalina Residential Estate to the Mindarie Regional Council (MRC) Tamala Park Waste Management Facility (WMF). This advice specifically relates to a portion of **Lot 9039 on Deposited Plan 423852** that is zoned Urban Deferred pursuant to the Metropolitan Region Scheme (MRS), attributable to a separation distance between the WMF and the nearest residential development or also referred to as a 'buffer', historically determined to be required for the WMF.

The land use planning framework supporting the progression and development of the Catalina Residential Estate has considered and accounted for the presence of the MRC WMF. This has included:

- The Environmental Protection Authority's (EPA) assessment 1139 of MRS Amendment No. 992/33 that recommended the preclusion of residential land uses from within 500 metres of the active face of any existing or proposed putrescible wastes filling area, which was reflected in the corresponding Condition 2-1 of Ministerial Statement 629.
- Conditions under Section 48F(2) or Section 48G(3) of the *Environmental Protection Act 1986* are set out in Schedule 1 of the MRS, and this includes the following in relation to Amendment 992/33:
 - *Provisions shall be included in the City of Wanneroo District Planning Scheme No. 2 to preclude residential uses from within 500 metres of the active face of any existing or proposed putrescible wastes filling area unless it is demonstrated to the Environmental Protection Authority, through appropriate studies and investigations, that odour, noise, landfill gas and dust will not adversely impact on future residents.*
- A portion of land considered to fall within 500 metres of the active face of landfill filling area remains as Urban Deferred pursuant to the MRS, whereas the remainder of the Urban Deferred area as zoned through Amendment 992/33 has been lifted to Urban.

- The City of Wanneroo’s District Planning Scheme (DPS) No. 2 was amended via Amendment 41 that rezoned the buffer area (and surrounding areas) as Urban Development zone and included the following condition:
 - *Buffer from Tamala Park Landfill: Residential land uses shall not be permitted within 500 metres of the active face of any existing or proposed putrescible waste filling area. Encroachments within this buffer may be acceptable if it is demonstrated to the Environmental Protection Authority, through appropriate studies and investigations, that odour, noise, landfill gas and dust will not adversely impact on future residents.*
- The Tamala Park Agreed Local Structure Plan No. 79 (as amended May 2020) designates the full extent of the MRS Urban Deferred zone as Residential, Public Open Space, and Civic and Cultural PS (Primary School), however included the following in the Part One Subdivision and Development Requirements:
 - *No subdivision and/or development of residential land uses is permitted on land zoned “Urban Deferred” under the Metropolitan Region Scheme and within 500 metres of the active face of any existing or proposed putrescible wastes filling area of the Tamala Park Refuse Facility, as determined by the Western Australian Planning Commission in consultation with the City of Wanneroo and the Department of Environment and Regulation. Encroachments within the buffer may be acceptable if Urban Deferment is lifted, following demonstration to the EPA through appropriate studies and investigations, that odour, noise, landfill gas and dust will not adversely impact on prospective occupants.*

More broadly, the most relevant current guidance in relation to land use separations that is considered within or applied to the land use planning framework is *Guidance for the Assessment of Environmental Factors: Separation distances between Industrial and Sensitive Land Uses* (EPA 2006), which is also referred to as ‘EPA Guidance Statement No. 3’. This guidance identifies that for a putrescible landfill site (class 2 or 3) that the following should apply as a generic separation distance:

- *500 for sensitive uses (subdivisions), 150 for single residences & an internal buffer of 35 from boundary.*

It is important to note that the existing planning framework and the general guidance/policy framework both consider the possibility of a separation distance of less than 500m, however site specific studies/investigations would be required to demonstrate that odour, landfill gas, and dust would not adversely impact on future residents/sensitive uses.

In summary, the original extent of the MRC WMF (landfill) buffer remains ‘Urban Deferred’ under the MRS, however, is zoned Urban Development zone under the City of Wanneroo DPS and has an approved local structure plan in place for residential development. It is understood that under the existing planning framework the Urban Deferred zone is the only impediment to residential development in accordance with the LSP to progress within the Urban Deferred area, although this should be confirmed through separate town planning advice.

Based on the latest Part V EP Act operating licence the MRC WMF is expected to continue operating the landfill operation (the key aspect of the facility requiring the 500m separation distance) until it is expected to cease accepting waste for filling and begin capping, most likely no earlier than 2028. The point in time that putrescible wastes ceases being landfilled at the MRC WMF would be the most appropriate time to seek a reduction or removal of any landfill buffer requirement. While there is the opportunity to reduce the 500m separation distance for the landfill through site specific studies, it is Emerge’s experience that these can be lengthy and uncertain processes, that do not necessarily lead to a clearly supported reduction in the generic separation distance.

Notwithstanding this, landfill operations (and the location where active landfilling of putrescible waste occurs) appear to have progressed southwards, so under the current framework it would be

reasonable to assume that the extent of the buffer can likewise move southwards. This would be contingent on two supporting outcomes:

- Gaining reliable (i.e. independent) and conclusive supporting evidence regarding the status of the MRC WMF and current and future location/extent of the active landfill area. This would ideally be secured direct from or formally verified by MRC.
- Securing support from the Western Australian Planning Commission (WAPC) to lift the Urban Deferment, which would likely need to be progressive and not necessarily involving the single lifting of the full extent of the Urban Deferred zone (i.e. it is likely that there would be some residual buffer requirement extending into the Urban deferred area up until the landfill operations are fully discontinued).

Assuming the above can be satisfied, it should not be a particularly complex or expensive process from an environmental perspective to support the lifting of Urban Deferment, which is the key barrier to residential development progressing. This should not require investigations/studies into odour, noise and dust, but rather confirming the current and future extent of landfilling and then applying the specified landfill separation distance to this. It should be noted that landfill gas does have some broader considerations to resolve arising from the application of the *Contaminated Sites Act 2006* (CS Act).

Separate, but related to the WMF buffer considerations, are considerations associated with the Urban Deferred land's classification pursuant to the CS Act. Currently the entirety of Lot 9039 on Deposited Plan 423852 carries a classification pursuant to the CS Act, and the portion that falls within the Urban Deferred zone is classified as 'Contaminated – Restricted Use'. This classification, while in place, would limit the ability of the classified area (all of the Urban Deferred area) to be subdivided and used for residential or associated sensitive purposes. This is specified in the Basic Summary of Records for the site that states: *therefore, the site is not considered suitable for any human occupied sensitive land uses* (DWER 2023).

On this basis, it is important that the site's current classification would need to be resolved to the extent that there is no restriction on residential/sensitive uses (or only restricted in terms of the use of groundwater or construction methodologies to respond to ground gas) before any further residential development is progressed, and ideally either before or in parallel with any approach to lift the Urban Deferred zone. Depending on the extent of landfill gas and groundwater investigations already undertaken by TPRC and/or MRC, this could be a much lengthier and more costly exercise, without a certain outcome until contamination investigations have been progressed, than the lifting of the Urban Deferred zone due to the landfill operations moving southward. It is important to note that the site's classification would remain in its own right regardless of any process to modify the extent of the separation distance through the lifting of the Urban Deferred zone.

Introduction and purpose of this advice

Satterley Property Group (SPG) is managing residential development at the Catalina Residential Estate on behalf of the Tamala Park Regional Council (TPRC) who owns the land upon which the residential estate is situated.

A key consideration associated with progressing residential development within the Catalina Residential Estate is resolving historic planning considerations associated with the presence of the Mindarie Regional Council's (MRC) Tamala Park Waste Management Facility (WMF) that is situated immediately to the south of the Catalina Residential Estate.

SPG engaged Emerge Environmental Services Pty Ltd (trading as Emerge Associates, also referred to as 'Emerge') to provide advice regarding the MRC WMF buffer requirements, and specifically the following questions:

- *Key constraints for the buffer removal (500m requirement, noise, odour, dust etc.)*

- *Can the buffer be reduced with current landfilling location, and if so, by how much. Include costs for additional reporting/studies, risks, timeframes etc.*
- *Reporting, if any, upon closure of the WMF addressing gas etc. in order to move from Urban Deferred to Urban.*
- *Any other considerations we need to be aware of for future re-zoning, buffer considerations etc.*

The purpose of this advice is to respond to the above questions and provide guidance as to the MRC WMF buffer requirements and how this can be accommodated or resolved as part of the ongoing planning and development process.

History and background

The Catalina Residential Estate is located within the City of Wanneroo within the Perth metropolitan area and is approximately 35 kilometres north of the Perth Central Business District. The fully developed/completed extent of the estate will be intersected by Marmion Avenue, and bound by the existing residential localities of Clarkson and Mindarie to the north, Mitchell Freeway to the east, a coastal foreshore reserve and ultimately the coastline to the west, and Tamala Park Conservation Reserve and Tamala Park Waste Management Facility (WMF) operated by Mindarie Regional Council (MRC) to the south. It is the location and proximity of the MRC WMF that is the primary reason for and focus of this advice.

The MRC WMF provides the member councils and the general public with a range of waste/refuse disposal services, which include a transfer station, recycling receivals, household hazardous waste disposal, and the operation of a landfill operation onsite. It is primarily the latter item that has raised the application of a separation distance that has been relevant for the adjoining Catalina Residential Estate.

Historically, Metropolitan Region Scheme (MRS) Amendment 922/33 sought to amend the MRS to accommodate modifications to the zones and reserves in the Clarkson-Butler district, including the rezoning of the northern portion of Lot 17 Marmion Avenue, Clarkson from 'rural' and 'Parks and Recreation' to 'Urban Deferred' zone. This amendment related to the land upon which Catalina Residential Estate is now situated, and reflected the commencement of the relevant statutory planning processes that have resulted in the residential development progressing at the current time.

MRS Amendment 922/33 was referred to the Environmental Protection Authority (EPA) pursuant to section 48A of the *Environmental Protection Act 1986* (EP Act). The amendment was assessed by the EPA (Assessment No. 1139) and this assessment considered the proximity of the 'Tamala Park Regional Landfill' within the Tamala Park Refuse Disposal Facility (now the MRF WMF), and appropriate operational buffers for any residential and sensitive uses to occur in the future within the proposed Urban Deferred zone area. The resultant Ministerial Statement 629 (i.e. the statement that the scheme may be implemented (pursuant to the provision of Division 3 of Part IV of the EP Act)) included the following condition to be incorporated into the scheme by insertion of provisions in the scheme text:

2 Buffer from Tamala Park Landfill

2-1 Provisions are to be included in the Local Scheme Amendment text within the proposed "Urban Deferred" zoning Clarkson to preclude residential land uses from within 500 metres of the active face of any existing or proposed putrescible wastes filling area. Encroachments within this buffer may be accepted if it is demonstrated to the Environmental Protection Authority, through appropriate studies and investigations, that odour, noise, landfill gas and dust will not adversely impact on future residents.

MRS Amendment was gazetted in January 2004, and resulted in the Catalina Residential Estate being zoned Urban Deferred pursuant to the MRS. Given the conditions contained within Ministerial

Statement, these conditions have been included into the MRS and are listed in Schedule 1, and the relevant condition is summarised below in **Table 1**.

Table 1: Relevant MRS Schedule 1 Condition (extract taken from page 25 of MRS text)

AMENDMENT No. AND GAZETTAL DATE	PROPOSAL/LOCATION	ENVIRONMENTAL CONDITIONS
METROPOLITAN REGION SCHEME AMENDMENT No. 992/33 (CLARKSON-BUTLER) Effective Date: 13-12-2003 Gazettal Date: 23-01-2004	Tamala Park Landfill, Clarkson: Land within 500 metres of the Tamala Park Landfill on the Public Purposes reservation (Portion Lot 118), Clarkson	Provisions shall be included in the City of Wanneroo District Planning Scheme No. 2 to preclude residential uses from within 500 metres of the active face of any existing or proposed putrescible wastes filling area unless it is demonstrated to the Environmental Protection Authority, through appropriate studies and investigations, that odour, noise, landfill gas and dust will not adversely impact on future residents.

Following the gazettal of MRS Amendment 922/33, the City of Wanneroo's District Planning Scheme (DPS) No. 2 was amended via Amendment 41 to rezone all the Urban Deferred zoned land to 'Urban Development' under the DPS. In addition to this, Schedule 9 of the DPS was amended to include environmental conditions, the most relevant of which is as follows:

3.1 Buffer from Tamala Park Landfill

Residential land uses shall not be permitted within 500 metres of the active face of any existing or proposed putrescible waste filling area. Encroachments within this buffer may be acceptable if it is demonstrated to the Environmental Protection Authority, through appropriate studies and investigations, that odour, noise, landfill gas and dust will not adversely impact on future residents.

Following the Urban Development zone being in place under the DPS, a Local Structure Plan was prepared to cover the full extent of the land that was 'Urban Deferred' as well as land zoned 'Urban' to the west of Marmion Avenue. This was originally adopted in March 2012 and has been subsequently amended, as reflected in Tamala Park Agreed Local Structure Plan No. 79 in May 2020. An extract from the latest Local Structure Plan map is shown below in **Plate 1**, which shows consideration of the 'Tamala Park Refuse Facility', and a 500m buffer that was intended to incrementally progress southward.



Plate 1: An extract of the current Local Structure Plan for Catalina Residential Estate, indicating a buffer progressively moving southward.

The original Part 2 – Explanatory Section supporting the Tamala Park Local Structure Plan (TPG 2009) acknowledged the MRC WMF and associated buffer, and included the following commentary:

A 500-metre buffer is required from the landfill site, which affects the south-western portion of the subject land. The Mindarie Regional Council is modifying the landfill operation in order to ensure that by 2011, the buffer area does not extend into the Tamala Park land.

In addition, Part 2 also includes the following within the specified ‘Subdivision and Development Requirements’:

4.2.3 Tamala Park Refuse Facility Buffer

No subdivision and/or development of residential land uses is permitted on land zoned ‘Urban Deferred’ under the Metropolitan Region Scheme and within 500 metres of the active face of any existing or proposed putrescible wastes filling area of the Tamala Park Refuse Facility, as determined by the Western Australian Planning Commission in consultation with the City of Wanneroo and the Department of Environment and Regulation. Encroachments within the buffer may be acceptable if Urban Deferment is lifted, following demonstration to the EPA through appropriate studies and investigations, that odour, noise, landfill gas and dust will not adversely impact on prospective occupants.

The current extent of the land remaining Urban Deferred pursuant to the MRS is shown below in Plate 2, and this is entirely attributable to accommodating the buffer requirements for the MRC WMF.

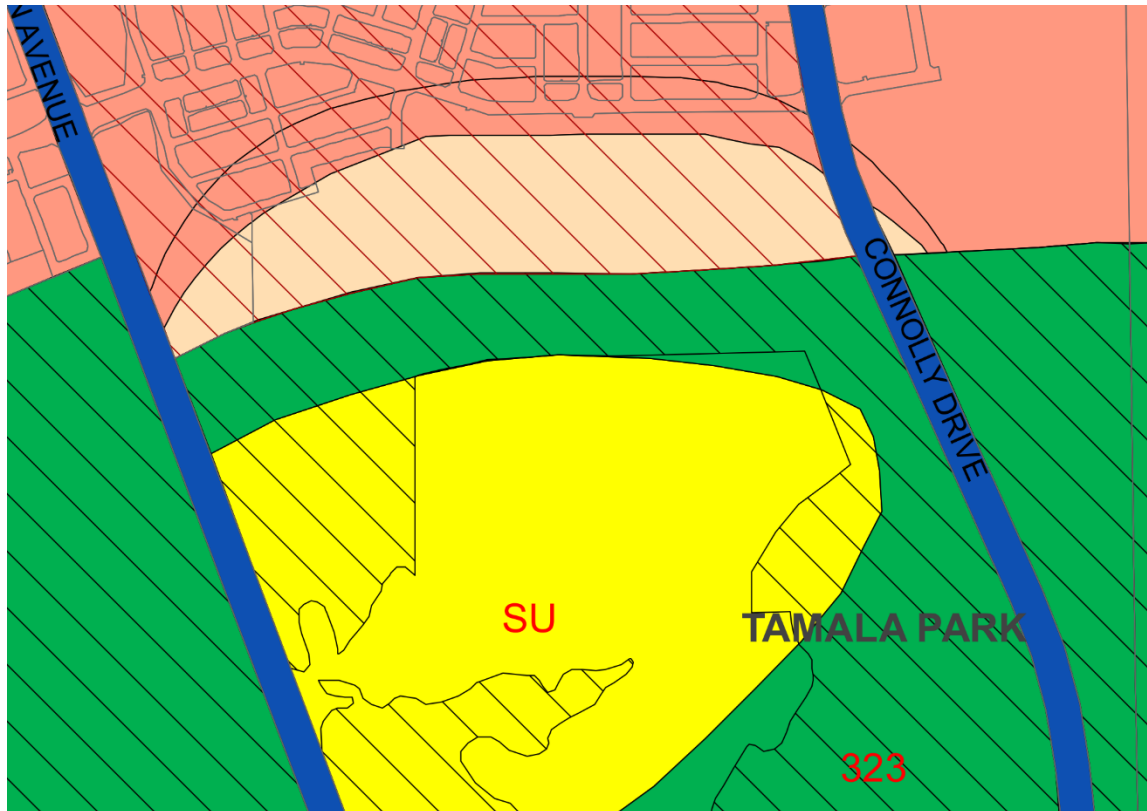


Plate 2: Extract from the existing MRS showing the extent of Urban Deferred land situated immediately to the north of the MRC WMF.

Current status of waste facility and associated buffer considerations

On 12 May 2022 DWER issued an amended Part V EP Act operational licence (L6963/1997/15) to the MRC to allow for the continued operation of the 'Tamala Park Waste Management Facility' (i.e. the MRC WMF).

The Amendment Report (DWER 2022) provided a summary of the current and future operations within the MRC WMF based on information provided to DWER by MRC. This included a site layout and landfill staging plan, as shown below in **Plate 3**.

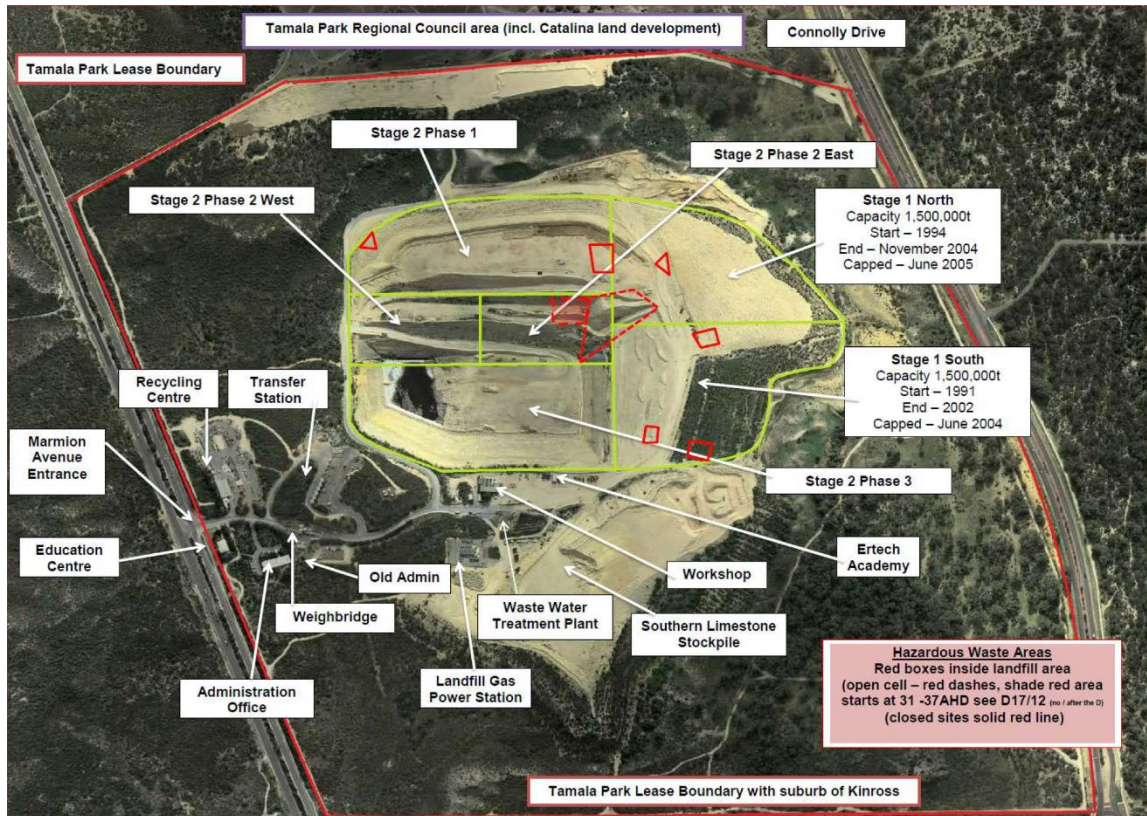


Plate 3: Site layout and landfill staging plan for the MRC WMF, as reproduced from DWER (2022)

The assessment undertaken by DWER indicated that the nearest existing residential dwellings at the time of the assessment were approximately 557 m from what was determined to be the location of the landfill operations within the MRC WMF, as noted below:

The Catalina House Estate and development area is located approximately 150 m north of the premises boundary and 500 m north of the active landfill site (Stage 2 Phase 3) (refer to Figure 2). In addition, the Kinross residential area is located approximately 20 m south of the Premises boundary and 650 m south of the active landfill (Stage 2 Phase 3) (refer to Figure 2).

It is not clear to what level of detail this separation distance was determined, and based on the referenced Figure 2, this would appear to be a quite cursory and approximate determination that primarily sought to confirm that the active landfilling activities were at least 500 m from the nearest existing residential dwellings. This is shown below in **Plate 4**, and this determination does not appear to proportionally align with the landfill staging plan as shown in **Plate 3** above, and it is not clear to what extent the aerial photograph used for the assessment was current at the time and reflected the current landfill operations, or whether the measurement was taken from where landfilling was actually occurring.



Plate 4: Determination of separation distances for the Catalina Residential Estate, as reproduced from DWER (2022)

The Amendment Report (DWER 2022) is not entirely clear in regard to the expected future duration for which landfilling activities would continue within the WMF. Void space modelling data indicated that there is approximately 9.2 years of landfill capacity remaining, which is assumed to have been undertaken in 2021. Elsewhere it is referenced that the final capping stage of the landfill will occur in December 2028, and for this final capping to occur it is assumed that landfill receives would need to have been completed, but this is not certain on the information available. Notwithstanding these uncertainties, it is certain that the progress of WMF activities and the southern relocation (or removal/reduction) of landfill buffer requirements has not progressed to the extent that was envisaged in the original Part 2 of the Tamala Park Local Structure Plan, which presumed that there would be no buffer requirement extending into the Urban Deferred land by 2011.

Recommended approach to resolve MRC WMF buffer extent

Based on the information presented above, it would appear that there is merit in undertaking a current and more detailed assessment of the WMF buffer requirements on the basis that:

- The historic planning/environmental considerations and current planning framework presumes that the location of the buffer can be reviewed/revisited based on achieving a 500 m separation from active (and future) landfilling activities, which are also presumed to progress southward and further away from the Urban Deferred land.
- There is some uncertainty regarding the historic assessment that has been undertaken by DWER regarding the current location of landfilling within the MRC WMF, and the extent to which this adequately captured where active landfilling was occurring and was current.
- There has been a further passage of time, which would mean that there is likely to have been further progress in moving active landfilling activities further southward.

- There is still likely to still be some time until landfilling activities within the MRC WMF discontinue (at least 2028), at which point there would be a more substantial buffer reduction or entire removal (to the extent the buffer extends into the Urban Deferred land) justified.

This position is also based on the assumption that the landfill buffer is maintained at 500 m from the active landfilling areas, and that the activity that requires the buffer is moving southward, rather than seeking a reduction to the 500 m buffer. It should be noted that the historic planning/environmental considerations and existing planning framework does identify that 500 m is the accepted landfill buffer distance, which is also consistent with *Guidance for the Assessment of Environmental Factors: Separation distances between Industrial and Sensitive Land Uses* (EPA 2006), also referred to as 'EPA Guidance Statement No. 3'. This guidance identifies that for a putrescible landfill site (class 2 or 3) that the following should apply as a 'generic' separation distance:

- 500 for sensitive uses (subdivisions), 150 for single residences & an internal buffer of 35 from boundary.

The EPA's assessment, MRS conditions, DPS conditions, and the LSP requirements all identify the potential for the 500 m buffer to be reduced if there were supportive detailed assessments for odour, dust, noise and landfill gas emissions, demonstrating that there would be no unacceptable impact on offsite receptors with a buffer less than 500 m. Given the scale and significance of the MRC WMF and the uncertainty, cost and timeframes associated with completing such assessments (particularly odour) and difficulty in gaining regulator support for the outcomes of these, this approach would not be recommended unless the timeframe for the landfill operations ceasing extends substantially from what is currently expected.

On this basis, we would recommend that MRC be approached for information/confirmation of the current and future location/extent of active landfilling. This could also include the provision of key information referenced in the DWER (2022) assessment for the amended licence, in order to build an independent and conclusive position as to the location of the current extent from which the 500 m buffer should be measured from, in terms of including existing and future active landfill areas. This detailed and independent/verified position could then be used to inform further consideration around the merit of seeking an agreed buffer reduction, and then if appropriate discussions with the Department of Planning, Lands and Heritage (DPLH)/WAPC could be undertaken regarding the extent to which the partial lifting of the Urban Deferred zone would be supported. If support is likely, then this written advice could be updated to include the landfill extent justification and therefore the recommended extent to which the Urban Deferred zone could be lifted. It would be reasonable to expect that the investigative efforts to confirm the active or future landfilling extent and to support a request for the lifting of a portion of the Urban Deferred zone would be in the order of \$25,000 to \$50,000 + GST, not including the required services of a consulting town planner to prepare the formal lifting of deferment request.

Status of land in terms of contamination considerations

During our consideration of the MRC WMF buffer requirements, it has come to our attention that almost the entirety of Lot 1700 Marmion Avenue (Lot 9030 on Deposited Plan 420860) is listed on the DWER Contaminated Sites Database and is classified pursuant to the *Contaminated Sites Act 2003* (CS Act). Specifically, the majority of the Urban Deferred land comprising the landfill buffer area, and additional Urban zoned land to the north of this is classified as 'Contaminated – Restricted Use'.

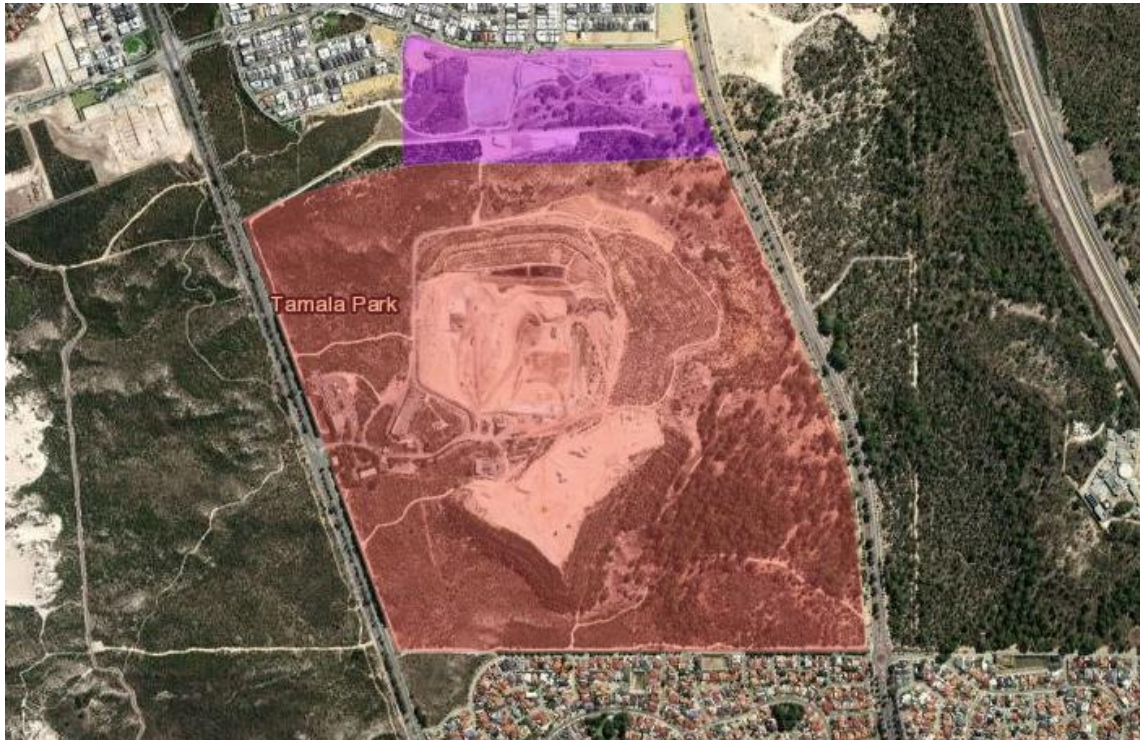


Plate 5: Current CS Act classified areas as shown in the Contaminated Sites Database DWER (2023), with red area classified as 'Contaminated – Remediation Required' and the pink area classified as 'Contaminated – restricted Use'.

Based on the publicly available Basic Summary of Records (BSR) Search Response obtained on 19 February 2023, the area is classified due to a landfill leachate plume being present in groundwater within the classified area, and hydrogen sulfide (i.e. a landfill gas) having migrated from the adjacent landfill and is now present within (i.e. below) the classified area.

Based on the current BSR, the basis of the current restricted use includes (as extracted from the BSR):

- *The site is not considered suitable for any human occupied sensitive land uses.*
- *The site is not suitable for more sensitive land uses and groundwater abstraction is not permitted (with the exception of Production Bore 3) as groundwater beneath the site is contaminated.*

While it is understood that there have been a range of investigations progressed to further understand the site's contamination status, this has not resolved the extent to which (if any) the restricted use could be modified (to include residential/sensitive uses) and/or the current restrictions could be reduced in extent.

Under the current classification, even if the Urban Deferred zone was lifted, there would still be a material constraint on progressing residential subdivision and development of any of the classified land north of the MRC WMF, even if the land is already zoned Urban. If subdivision could occur, the current classification and memorial on title would carry from the parent lot to the created lot/s, which would then be problematic in terms of progressing any residential dwelling construction within any of the newly created residential lots.

It is recommended that the extent to which groundwater and ground gas investigations have been progressed by MRC and/or TPRC needs to be clearly understood, including the likelihood of seeking modifications to the classification or the restricted use provisions.

While it would be entirely dependent on the extent and nature of investigative works and documentation undertaken to date, this could be a process that takes 18-24 months and cost up to \$300,000 + GST in consultant and auditor fees. At the current time, and without being privy to the

investigative works undertaken, there is also no certainty on the acceptability of residential development occurring within parts or the entirety of the currently classified area.

It is therefore our opinion that clarity on the status/progress and ultimate objectives of any groundwater and ground gas investigations need to be clearly understood, with a view to ensuring that either changes to the restrictions can be achieved, or at least the pathway to demonstrating this is clear and progressed either in advance of or in the very least in parallel with the lifting of the Urban Deferred zone, as this could prove to be a more substantial constraint to urban development within the Urban Deferred area than the 500 m landfill buffer.

Summary and closing

Based on our review of the history and status of the Catalina Residential Estate and the MRC WMF, it is our recommendation that:

- A more detailed and current landfill operations review be undertaken to confirm the current location and future extent of landfilling within the MRC WMF so that it can be understood what would be reasonable in terms of any landfill buffer relocation. This should include information provided by and overall validation from MRC if possible.
- Town planning advice should be sought regarding the likelihood of progressing a partial lifting of the Urban Deferred zone based on the justifiable landfill buffer, and discussions be progressed with DPLH/WAPC in this regard.
- Progression of investigations to firstly understand the ability to modify the current CS Act classification or use restrictions, and then to achieve these modifications.

We trust that the above adequately responds to the questions raised regarding the existing MRC WMF buffer requirements and the key considerations in terms of rationalising these for the purposes of reasonably progressing the Catalina Residential Estate.

Should you have any queries or further concerns arising from this advice, please do not hesitate to contact the undersigned.

Yours sincerely
Emerge Associates

Jason Hick
DIRECTOR, PRINCIPAL ENVIRONMENTAL CONSULTANT

cc: None

Encl: None

8.11. REVIEW OF OCCUPATIONAL HEALTH AND SAFETY POLICY

Responsible Officer: Chief Executive Officer
Attachments: 1. Work Health and Safety Policy
Voting Requirement: Simple Majority

RECOMMENDATION

That the Council ADOPTS the Work Health and Safety Policy.

PURPOSE

To adopt an updated Work Health and Safety Policy which is compliant with the new *Work Health and Safety Act 2020*.

POLICY REFERENCE

Occupational Health and Safety Policy

LOCAL GOVERNMENT ACT/REGULATION

Work Health and Safety Act 2020

PREVIOUS MINUTES

Ordinary Council Meeting - 20 November 2020

FINANCIAL/BUDGET IMPLICATIONS

Nil

RISK MANAGEMENT IMPLICATIONS

Risk Ref: 2	Risk Rating:
Strategic - Stable and Effective governance environment.	Moderate
Action:	
Annual review and approval by Council of TPRC strategic documents.	

BACKGROUND

In November 2020 the *Work Health and Safety Act 2020* came into force, replacing the *Occupational Safety and Health Act 1984*. As a consequence, TPRC's Occupational Health and Safety Policy is required to be reviewed and updated.

COMMENT

The most significant update to the previous Policy is replacing terminology to reflect terms used in the new legislation. The Policy is to be renamed the Work Health and Safety Policy in line with the change to the legislative framework.

The Policy has also been redrafted to create a more succinct and streamlined version, which clearly sets out the objectives and expected behaviours in relation to work health and safety. This approach has been informed by a review of similar policies at other Band 1 and 2 local governments in Western Australia.

CONCLUSION

It is recommended that Council adopts the Work Health and Safety Policy to make TPRC fully compliant with the requirements of the *Work Health and Safety Act 2020*.

Responsible Officer	Chief Executive Officer
Voting requirements	Simple Majority
Relevant delegations	Nil
Initial Council adoption	April 2023
Amendments	
Last Council adoption	April 2023
Review due	2025

PURPOSE/OBJECTIVE

To provide TPRC employees and visitors with guidance on their obligations and responsibilities in taking actions to protect against harms to health, safety and welfare from hazards and risks arising from work.

SCOPE

This policy applies to all employees of Tamala Park Regional Council.

LEGISLATION

Work Health and Safety Act 2020

POLICY STATEMENT

WHS Objectives

The TPRC will provide, as far as is practicable, a safe work environment for all employees, contractors and visitors, in accordance with its legislative obligations.

TPRC will make continuous efforts to provide employees, contractors and visitors with a clear understanding of their obligations to take actions that contribute to a workplace that minimises harms to health, safety and welfare, and protects from risks and hazards.

TPRC Work Health and Safety Behaviour

While at work, TPRC employees and visitors will:

- identify hazards and environmental impacts, assess risks and implement appropriate controls;
- provide employees, contractors and visitors with information, supervision and training appropriate to the hazards and impacts of their work;
- comply with all relevant legislation, regulations, standards and guidance notes;
- implement suitable risk management strategies that identify, promote and continuously improve health and safety performance;
- deal with safety, health and environment matters in consultation with employees;

- engage with contractors and suppliers who adopt the same WHS values, and work with them to meet agreed health and safety criteria; and
- set measurable safety, health and environment objectives and targets.

REVIEW

This policy shall be reviewed at least once every two years, or at intervals provided for by legislative update.

8.12. COUNCIL MEETING DATE - JUNE 2023

Responsible Officer: Chief Executive Officer
Attachments: None
Voting Requirement: Simple Majority

RECOMMENDATION

That the Council **APPROVE** that the June 2023 Ordinary Council meeting be held on 22 June 2023 at the City of Stirling at 6:00pm and that the meeting date be advertised as required by the *Local Government Act 1995*.

PURPOSE

To set the June 2023 Ordinary Council Meeting date.

POLICY REFERENCE

NA

LOCAL GOVERNMENT ACT/REGULATION

- *Local Government Act 1995*, Section 5.25(g)
- *Local Government Administrative Regulation 12* - Publication of meetings open to public

PREVIOUS MINUTES

Ordinary Meeting of Council - 8 December 2022 (Item 8.8 – Revised Council Meeting Schedule 2023)

FINANCIAL/BUDGET IMPLICATIONS

NA

RISK MANAGEMENT IMPLICATIONS

Risk Ref: 2	Risk Rating:
Strategic - Stable and Effective governance environment.	Moderate
Action:	
SPG and TPRC provide reports/information to Council Meetings	

BACKGROUND

Councils are required to advertise dates of all Council meetings. Advertising is required to provide the opportunity for members of the public to attend meetings and be informed about governance of the local authority.

In the case of a Regional Council advertising occurs by publication in a newspaper circulating in the Regional Council area, by publication on the notice board on each of the participant local governments and publication of each of the libraries of the participant Councils.

At its meeting of 8 December 2022, the Council approved the schedule of Ordinary Council meeting and Management Committee meeting dates, locations and times for 2023. The date approved for the June 2023 Ordinary Council meeting was the 15th.

COMMENT

Due to the Australian Local Government Association National General Assembly scheduled to be held on 13 – 16 June 2023 in Canberra, it is recommended that the June Ordinary Council meeting be held a week later than approved at the December 2022 meeting. The location and start time of the meeting would remain the same.

8.13. REPEAL OF TPRC POLICIES

Responsible Officer: Chief Executive Officer
Attachments: None
Voting Requirement: Simple Majority

RECOMMENDATION

That the Council **REPEALS** the following Policies:

1. **Charity Home Sponsorship Policy**
 2. **Petty Cash Policy**
 3. **Financial Management - Significant Accounting Policies**
-

PURPOSE

To repeal policies which, through a review process, have been identified as being no longer required.

POLICY REFERENCE

- Charity Home Sponsorship Policy - September 2016
- Petty Cash Policy - August 2020
- Financial Management - Significant Accounting Policies - February 2022

LOCAL GOVERNMENT ACT/REGULATION

S5.10 of the *Local Government Act 1995*

PREVIOUS MINUTES

Ordinary Council Meeting - 20 August 2020

FINANCIAL/BUDGET IMPLICATIONS

Nil

RISK MANAGEMENT IMPLICATIONS

Risk Ref: 2	Risk Rating:
Strategic - Stable and Effective governance environment.	Moderate
Action:	
SPG and TPRC provide reports/information to Council Meetings	

BACKGROUND

Since September 2022, TPRC have been conducting a wide-scale review of its policies. In doing so it has identified policies which require review, prioritising those which are overdue for review. As part of this process the TPRC administration has been looking to streamline the administrative burden the review of policies places on the limited resources TPRC has at its disposal.

In reviewing and updating policies TPRC has given consideration to the frequency with which it was committing itself to review of certain policies. As a result, with some policies recently reviewed by Council the administration recommended that reviews take place every four years instead of two.

The review also identified that there were policies which were currently in place that did not serve a useful purpose. A look at their intent and frequency of application suggested that these policies did not currently serve any practical purpose. The requirement that these policies be reviewed at regular intervals unnecessarily tied up TPRC resources and wasted the time of Council when they were required to consider the item.

COMMENT

Charity Home Sponsorship Policy

The Charity Home Sponsorship Policy was adopted in October 2016. This policy covered a business agreement between TPRC and a non-profit organisation to construct and dispose of homes on the Catalina Estate with the aim of raising funds for charitable causes. The benefit to TPRC would be increased publicity and awareness around the project.

To date TPRC has only sponsored one Charity Home on the Catalina Estate, which occurred in 2015. The Policy was adopted in September 2016, with the intent of providing guidance for future proposals of this nature. Since the Policy's adoption no proposals have been received by TPRC.

The Policy contains a number conditions and requirements around the process of responding to Charity Home proposals. These include the requirement for a tender process to be undertaken, and for certain commercial terms to be applied to any proposal.

The Policy has not been reviewed since its adoption. The TPRC project and the development of Catalina Estate has progressed since 2016, and Council may wish to consider whether the Policy's rationale and content is relevant to the project's current status.

The TPRC administration is of the view that the proposals of this nature would be better dealt with by Council on a case-by-case basis. This would allow Council to consider the appropriate process to be followed and to allow Council to impose its own conditions and criteria on any proposal. This would provide greater flexibility to TPRC in considering and responding to proposals of this nature. It is not considered that this would create any additional burden on the workload of Council, given that no proposals have been received over the past seven years. This also has the added benefit of removing additional administrative burden from TPRC.

Petty Cash Policy

The TPRC Petty Cash Policy was first adopted in 2012, and has been reviewed at regular intervals, last in August 2020. Since its establishment TPRC has never used petty cash and does not have a petty cash box or float.

The Policy makes reference to s6.10 of the *Local Government Act 1995* and Regulation 11 of the *Local Government (Financial Management) Regulations 1996*. A review of these legislative

references and of the legislation as a whole confirms that there is no requirement for a local government to have a petty cash policy. TPRC's Petty Cash Policy is therefore considered to be superfluous and should be repealed to remove unnecessary administrative burden.

Financial Management – Significant Accounting Policies

TPRC currently has in place a Policy which relates to the accounting standards it uses in the preparation of its financial report. This Policy was initially adopted in 2012, with the requirement to review every year.

The wider review of TPRC's governance arrangements and suite of policies has identified that this Policy should be repealed. The content of the document is a reproduction of the Australian Accounting Standards (AAS), and therefore does not constitute an actual Policy document. The document serves no purpose other than to commit TPRC to follow the Australian Accounting Standards when preparing its financial reports. This is redundant as Regulation 5A of the Local Government (Financial Management) Regulations 1996 explicitly requires local governments to comply with the AAS.

In addition to this, a recent Regulation 17 review by TPRC's accountants revealed that having this Policy in place creates a risk. Their advice suggested that a formalisation of accounting policies (in a Policy document) is problematic, potentially creating a conflict between the Policy and legislative requirements. Any changes to the AAS would render the Policy outdated and increase the risk that financial reports prepared by TPRC may not fully comply with legislation and the current AAS.

To eliminate this risk, and to better ensure compliance with legislation and governance standards it is recommended that this Policy be repealed.

CONCLUSION

To improve TPRC's governance framework and to better manage TPRC's limited administrative resources, it is recommended that Council repeal the policies identified in this report.

9.1. STRATEGIC LAND DEVELOPMENT: OPTIONS ANALYSIS

Responsible Officer: Manager Project Coordination
Attachments: 1. TPRC Special Sites Strategy
Voting Requirement: Simple Majority

MANAGEMENT COMMITTEE RECOMMENDATION

Moved Cr Chester, Seconded Cr Krsticevic.

That the Council:

1. **NOTE** the options that have been reviewed for potential Special Site development by the TPRC.
2. **ADOPT** the following Special Site development options be actively explored/pursued in the short term:
 - a. Green Display Village
 - b. Beach Commercial Site
 - c. Beach Group Housing South
 - d. Green 7.5M Lots
3. **That a status report of the special site development options be PRESENTED to Council within six months.**

The Motion was put and declared CARRIED (5/0).

PURPOSE

For the Council to review special site development and select which option/s it believes that the TPRC should pursue in the short term.

POLICY REFERENCE

N/A

LOCAL GOVERNMENT ACT/REGULATION

N/A

PREVIOUS MINUTES

N/A

FINANCIAL/BUDGET IMPLICATIONS

Preliminary investigative works associated with reviewing Strategic Site development options can be accommodated within existing budget/staff resources

The financial impact of pursuing Strategic Site development/s will need to be considered in more detail one proposals have been further defined and appropriate business cases have been developed.

RISK MANAGEMENT IMPLICATIONS

Risk Ref: 1	Risk Rating:
Strategic Common Vision – Lack of an agreed/common vision across all seven members.	Moderate
Action:	
Report seeks to get clarity re which areas of the TPRC’s land estate should be developed in short, medium and longer term.	

BACKGROUND

Post the February Ordinary Meeting of Council, the TPRC held a Strategic Project Advisory Meeting. At that meeting the Council was advised of:

1. The current financial position of the organisation;
2. The status of delivery against stated objectives and strategies listed in the TPRC Strategic Community Plan;
3. Preliminary investigations/discussions that were being held regarding the development of strategic sites within the TPRC Estate.

The Advisory Meeting discussions focused on the fact that while the TRPC’s Catalina Project has performed very well in achieving many of its objectives, there are few remaining opportunities to further develop the Estate in a manner which assists the TPRC in achieving its stated objective of developing a balance between economic, social and environmental outcomes whilst developing best practice urban design and development.

To progress this matter, TPRC staff and Satterley representatives have reviewed the TPRC’s undeveloped/yet to be sold land holdings and identified eight (8) development options that could be developed. The nature of the development of these sites is variable and the TPRC’s involvement in the development could involve simply selling the land to a third party/s, partnering with developers, the TPRC developing the land with built form product or a range of other alternatives.

A brief summary of the eight (8) sites that have been identified is listed below:

1. Beach – North of Portofino: Opportunity to develop high quality apartments adjacent to Longbeach Promenade (currently under construction).
2. Beach - Commercial Site: Opportunity to partner with/develop a high-quality commercial offering in the last remaining commercial site in the TPRC Catalina Beach Estate.

3. Beach Entry North – Opportunity to develop a Grouped Housing site adjacent to the current Sales Office. (NB. Site is currently grassed and used as POS)
4. Beach Entry South – Opportunity to develop a Grouped Housing site adjacent to soon to be completed Display Village (NB. Site is cleared/vacant)
5. Central Mixed Use: Development of an undeveloped Commercially Zoned site in the Catalina Central area.
6. Green North-East: Opportunity to develop a high-density development that is within close proximity to Clarkson Train station.
7. Green 7.5m lots: Opportunity to develop two-storey apartments on small lots (190m²-262m²) potentially as built form project or developer/government partnership.
8. Green Display Village: Opportunity to develop a further display village, potentially with strong links to the TPRC's objectives relating to environment and/or built form outcomes.

COMMENT

The Satterley review recommends the progression of various options based on an assessment of the:

- Readiness of the development option;
- Site constraints and considerations; and
- Various site development opportunities and options.

While the Satterley overview gives a good, preliminary analysis on the projects to further assist with the potential selection of preferred projects, TPRC staff have attempted to add some objectivity into the site selection process by ranking projects using the following criteria:

Criteria	Scoring	Description
Estate Profile	10	Project's potential to raise the profile of the Catalina Estate.
Project Readiness	10	Planning readiness from a Town Planning and civil works/infrastructure perspective.
Housing Diversity	10	Potential for project/proposal to assist the TPRC in achieving its objective re providing diverse housing options.
Built Form	10	Potential for project/proposal to assist the TPRC in achieving its objective re providing high quality built form.
Environmental	10	Potential for project/proposal to assist the TPRC in achieving its objective re providing quality environmental outcomes
TOTAL	50	

NB. The Financial impact of projects was not rated/ranked as projects are not well defined at this stage and the nature/extent of TPRC involvement in the projects is undecided at this stage.

The following Table ranks the eight projects:

No	Option	Estate Profile	Project Readiness	Housing Diversity	Built Form	Environment	Total
1	Beach Apartments	6	2	7	8	6	29
2	Beach Commercial	10	5	8	8	8	39
3	Beach GH (North)	8	3	7	8	8	34
4	Beach GH (South)	8	8	7	8	8	39
5	Central Mixed Use	4	7	4	6	8	29
6	Green North-East	6	1	10	8	8	35
7	Green 7.5M Lots	4	8	9	9	6	36
8	Green Display Village	9	9	10	10	8	46

Based on the above assessment the following projects are the highest ranked:

- Green Display Village (46)
- Beach Commercial (39)
- Beach Group Housing South (39)
- Green 7.5m Lots (36)

This ranking aligns with Satterley's assessment. It is recommended that these four (4) sites/projects be identified as the short-term special site development options for the TPRC and that further planning, options analysis and business case development occurs on each of these options.

28 February 2023

Mr Chris Adams
Chief Executive Officer
Tamala Park Regional Council
Unit 2, 369 Scarborough Beach Road
INNALOO WA 6018

Via email: simon.osullivan@tamalapark.wa.gov.au

Dear Chris,

CATALINA: SPECIAL SITES STRATEGY

BACKGROUND

At a Strategic Workshop Meeting held in late 2022, TPRC requested a review of the project's balance strategic special sites within the three (3) Catalina precincts. Given the nature of the residential portion of the project which has the majority of planning resolved and over 50% of the lots developed, the opportunity presents itself with the strategic special sites to create something unique, demonstrate best development practice and align with the vision of the project.

Across the precincts of Beach, Central and Green there are six (6) special sites and two (2) areas of residential development opportunities which are identified. These are summarised below and discussed in further detail in following sections of this report.

1. Beach – Apartment sites north of Portofino Promenade (2 sites)
 - Long term ~5+ years - recommended to be on hold.
2. Beach – Commercial site
 - Medium term ~2 years - recommended to be investigated further.
3. Beach – Group housing site north
 - Long term ~5+ years - recommended to be on hold.
4. Beach – Group housing site south
 - Medium term ~2+ years - recommended to be on hold.
5. Central – Mixed use site
 - Long term ~5+ years – recommended to be on hold.
6. Green – North-east high-density precinct
 - Long term ~5+ years – recommended to be on hold.
7. Green – 7.5m lot's
 - Short term ~1 year - recommended to be investigated further.
8. Green – Display Village
 - Short term ~1 year - recommended to be investigated further.

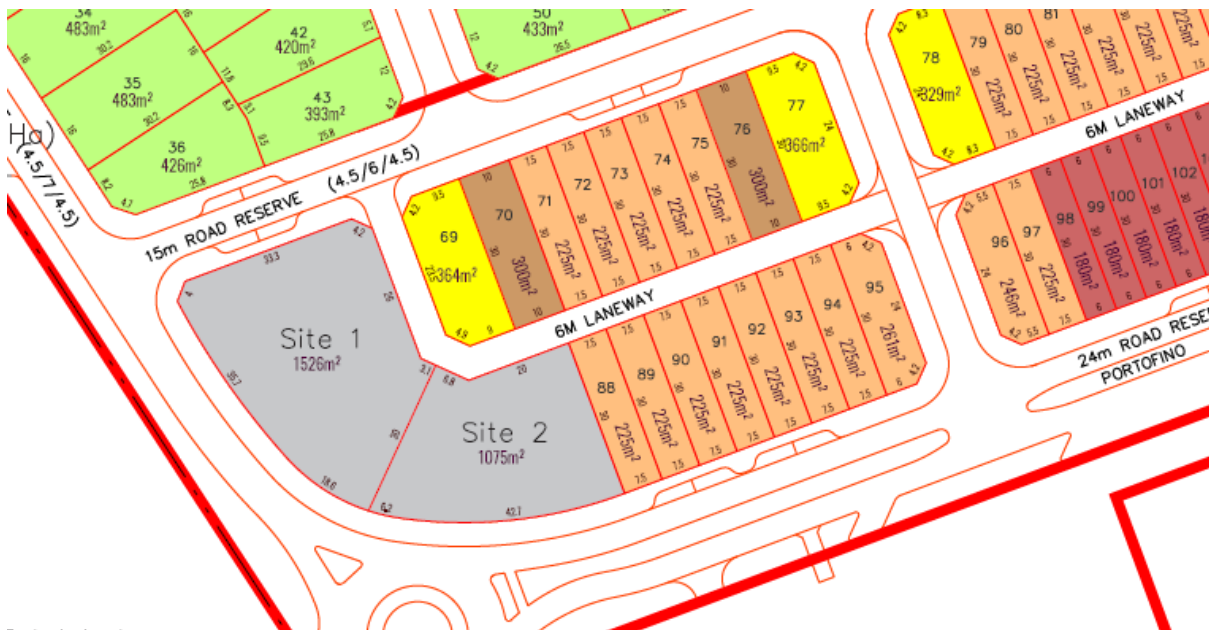
The purpose of the report is to provide high level context around constraints, considerations, timing and opportunities for each individual site which will assist in informing what can be delivered in a short-term timeframe (~2 years). The timeframes outlined in this strategy review will also provide information to assist for budgeting and for development/sale of the sites. Following review and endorsement of this report by TPRC, suitable sites can then be workshopped to inform a more detailed analysis and strategy for pathway to delivery.

BEACH

BEACH Apartment Sites North of Portofino (2 sites)

Current Status

Planning Status	Potentially requires LSP amendment, requires subdivision and LDP approvals (~12-month process to complete)
Lot Size	1,526m ² Site 1 and 1,075m ² Site 2
Anticipated Development Use	Apartments
Zoning	R100 – Site 1 estimated dwellings at R60 = 13 and R80 = 16, Site 2 estimated dwellings at R60 = 10 and R80 = 12
Approved Budget Revenue	\$2.6m unescalated as per scenario approved at February 2023 Council meeting.
Approved Budget Settlement	TBA with new budget, ~5 + years currently assumed
Development Timeframe	Long term ~5+ years subject to sales and staging



Constraints and Considerations

- Site is subject to further planning approvals anticipated to be a ~12-month timeframe to obtain.
- Site is currently unconstructed and outside of the 2-year timeframe based on current stock on hand and forecast sales rates. Should there be an appetite to bring forward, this would increase stock on ground and capital expenditure that is unrequired.
- Irregular nature of the sites and rear access requirement.
- Staged development rather than one larger super lot likely required due to smaller depth of apartment market in Mindarie.
- Excessively high costs for commercial construction would impact any potential purchaser’s feasibility and ability for TPRC to obtain a high land price.

Opportunities and Options

1. Sell to third party developer via open tender process. Contract of sale to include specific Design Guidelines for the site.
 - Enables faster settlement.
 - Can include incentives to improve design outcome/inclusion of public art/delivery timing drivers.
2. Develop out via utilising project funds – anticipated as apartments.
 - Provides greater certainty on built-form outcome although comes with significant capital costs and associated risks.
 - Opportunity for uplift in project profit although subject to separate feasibility

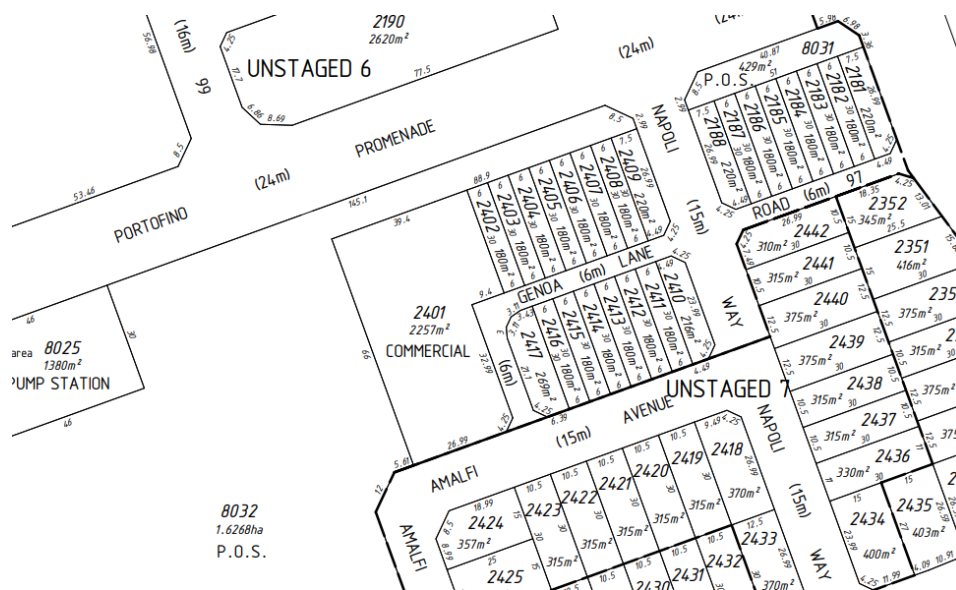
Recommended Next Steps

Satterley recommend that development planning of this site is placed on hold until development north of Portofino Promenade comes into a 12-month window. Further review of the site's configuration will occur prior to subdivision application which will likely include engaging an architect to undertake schematics for suitability of the dividing boundary of the lots. With current construction costs for apartments, Satterley's view is that these sites would not stack up for a third-party developer in the current market. Ideally these lots will be marketed when further amenity is within the precinct, including the foreshore park and commercial centre developed, along with a softened construction market. It is also considered that back ending sale of these apartment lots, towards the end of the residential lots in the precinct, will aid in not bringing on new competition that could impact lot sales.

BEACH Commercial Site

Current Status

Planning Status	LSP approved although subject to Amendment to align zoning (not critical). Subdivision application pending approval. LDP will be required over the site
Lot Size	2,257m ²
Anticipated Development Use	Commercial – restaurant, tavern, café and consulting rooms
Zoning	Commercial
Approved Budget Revenue	\$1.0m escalated
Approved Budget Settlement	June 2026
Development Timeframe	Medium term ~2 years



Constraints and Considerations

- The site is zoned Commercial under the LSP density plan. The City of Wanneroo *District Planning Scheme 2.0* text outlines the permitted uses within this zone which includes, but is not limited to, the following (practical uses only listed): art gallery, beauty parlour, consulting rooms, convenience store, hairdresser, home businesses, lunch bar, medical centre, offices, restaurant and tavern. While there are many additional options, along with “discretionary” uses, the above capture practical uses that would potentially tie into the premium feel of the beach precinct and surrounding amenity. The key focus of the site will be the delivery of a food and beverage development that becomes a destination once connected with the foreshore park. It is anticipated that smaller complementary tenancies could also be fitted within the site development subject to further planning investigations.

- Should TPRC want to go down path of a tavern, it is considered “sooner the better” as any development of this nature would require advertising and is subject to several approvals such as liquor licensing.
- The commercial centre falls within Stage 32, which is the final civil stage south of Portofino Promenade. The stage includes an additional 43 residential lots and while majority of the stage delivers product type that is not currently available within the precinct, with ~100 lots currently under construction, there is no need for any further construction in short to medium term. Given the layout of the stage, it is considered inefficient and unsuitable to try and deliver the commercial site as a standalone lot.
- It is considered critical to secure a quality tenant for any food and beverage option. As demonstrated across multiple developments in the northern corridor, the combination of great built form outcome and quality tenant results in leveraging for sales over the nearby lots and balance of the project.

Opportunities and Options

1. Sell to third party developer via open tender process.
 - Contract of sale to include specific Design Guidelines and concept plans if desire is to have further control over the built form outcome. Given iconic nature of the site and appetite to deliver something unique, can include incentives to improve design outcome/inclusion of public art/delivery timing drivers.
 - Ability to utilise innovation fund.
 - Enables faster settlement.
 - No control over tenants and final uses.
2. Develop out via utilising project funds.
 - Provides greater certainty on built-form outcome although comes with significant capital costs and associated risks.
 - Control over tenants and uses in the short term.
 - Opportunity for uplift in project profit although subject to separate feasibility.
 - End development can be on sold as tenanted project or retained for ongoing cashflow.
 - Initial feedback from leasing agent is that key players in the tavern space and looking for assets to retain rather than lease and this pathway could potentially limit interested parties.
 - While this option could produce uplift in project profit, consideration must be given if TPRC want to enter into space of leasing and development of commercial sites.

Recommended Next Steps

While civil construction of the site may be ~2 years away, subject to sales rates, there is still an opportunity to progress development of this site in the short to medium term. Certainty over potential tenants or a 3rd party developer will take ~12 months and require significant forward work which can commence immediately. Two (2) key components are required to progress the site:

- Formal advice from a leasing agent in terms of uses, tenancy size requirements, leasing terms/rates and what to target on to inform feasibility.
- Engage architect to produce site schematics and concept plans which will assist to inform LDP requirements.

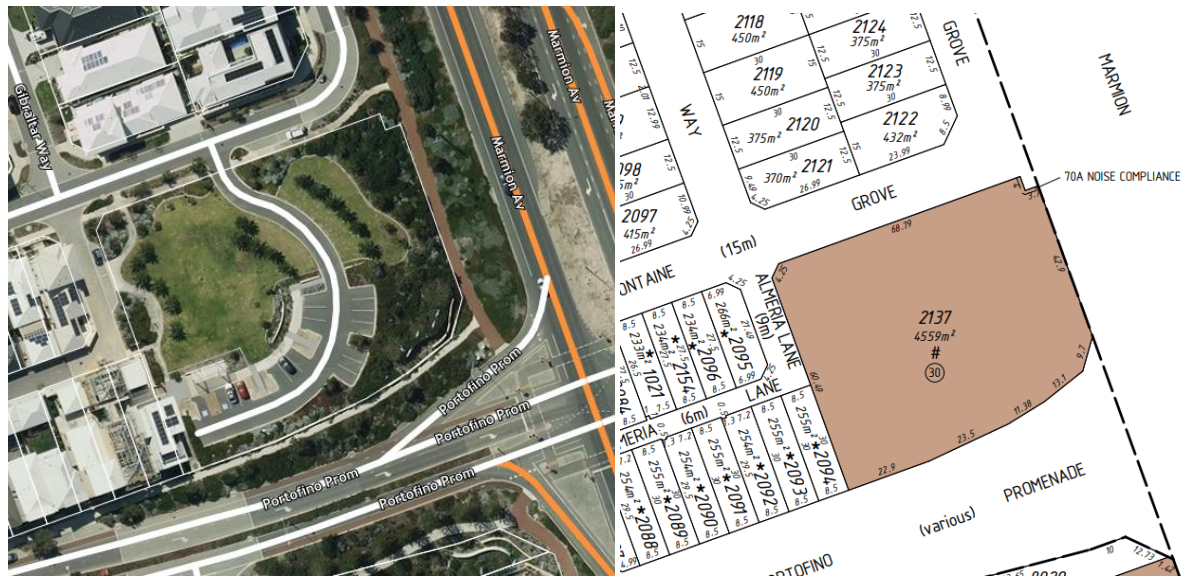
Both the above steps are anticipated to cost ~\$30k and can be accommodated within the approved project consultant’s budget.

Regardless of whether the site is on sold and developed by 3rd party or by TPRC, the above will assist in creating certainty on the outcome should it be required to be included within any tender and contract of sale document. Alternatively, should TPRC elect to go down full open tender process and leave design up to the proponent, the above steps can be removed, and the tender submission drive the outcome. Each submission to be assessed on their own merit. It is recommended that concept planning and financial feasibility is progressed with this site prior to determination on next steps. Further consideration should be made for undertaking any EOI as a 2-step process, firstly to short list proponents then refine design and submission.

BEACH Group Housing Site North (Lot 2137)

Current Status

Planning Status	Subdivision approval and LDP approval in hand
Lot Size	4,558m ²
Anticipated Development Use	Grouped dwellings
Zoning	R60 – estimated maximum 30 dwellings (avg lot 150m ²)
Approved Budget Revenue	\$2.1m escalated
Approved Budget Settlement	September 2027
Development Timeframe	Long term ~5+ years subject to sales and staging



Constraints and Considerations

- The site is currently utilised for the sales office/display village and associated parking. The new display village is due to open in Q1 of 2023 and run for period of 2-3 years. It is anticipated that the sales office will be utilised until point of final sales in Catalina Beach or the opportunity for new sales office in the neighbourhood centre shops at Catalina Green or Beach commercial; both of which are several years way.
- Significant capital invested in presentation of the carpark and landscaping, all of which will require removal prior to future developed anticipated at ~\$300k. The site also has in place a key entry statement and marketing material located within the lot which is considered critical to presentation while selling from the Beach precinct.
- Proximity to Marmion Avenue requires noise packages.
- No access off Marmion or Portofino, rear access via Bellefontaine.
- Commercial multi-storey construction costs currently at elevated levels and likely to impair development feasibility of the site.
- Any development of the site by third party would introduce new competition for lot sales.

Opportunities and Options

1. Sell to third party developer via open tender process. Contract of sale to include specific Design Guidelines for the site.
 - Enables faster settlement.
 - Can include incentives to improve design outcome/inclusion of public art/delivery timing drivers. This can be via innovation fund.
2. Develop out via utilising project funds – either grouped dwelling or apartments.
 - Provides greater certainty on built-form outcome although comes with significant capital costs and associated risks.

- Opportunity for uplift in project profit although subject to separate feasibility
3. Re-subdivide into green title lots.

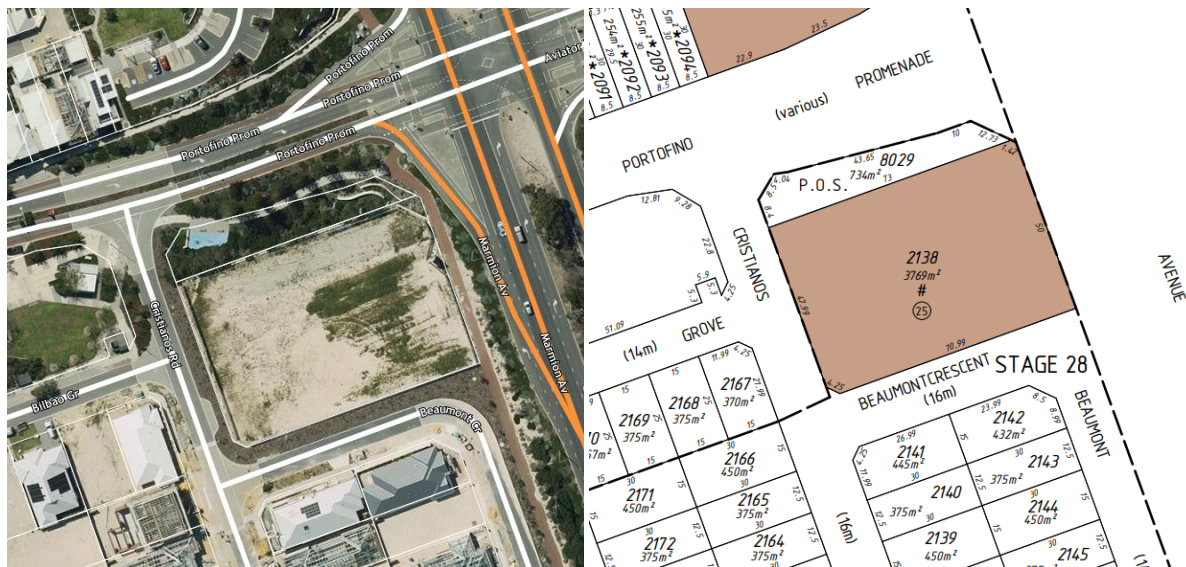
Recommended Next Steps

Satterley recommend that development of this site is placed on hold until the back end of the Beach precinct is selling through (5+ years). While a quality built-form outcome would add to the overall aesthetic of the project, it is considered that there is a higher importance on maintaining a marketing presence on the estate entry. There is no short-term opportunity on this site or need to commence further planning.

BEACH Group Housing Site South (Lot 2138)

Current Status

Planning Status	Subdivision approval and LDP approval in hand
Lot Size	3,769m ²
Anticipated Development Use	Grouped dwellings
Zoning	R60 – estimated maximum 25 dwellings (avg lot 150m ²)
Approved Budget Revenue	\$1.74m escalated
Approved Budget Settlement	March 2028
Development Timeframe	Medium term ~2+ years subject to sales and staging



Constraints and Considerations

- Similar to the site north of Portofino Promenade, this site acts as a marketing presence with banner mesh and potentially more hard infrastructure marketing. Although not developed, the site doesn't pose any impact on the visual amenity of the precinct and is considered to open up the entry and provide views down to the coastal dunes and ocean. Any development construction of the site would be unsightly on the estate entry.
- Proximity to Marmion Avenue requires noise packages.
- No access off Marmion or Portofino, rear access via Beaumont.
- Commercial multi-storey construction costs currently at elevated levels and likely to impair development feasibility of the site.
- Any development of the site by third party would introduce new competition for lot sales.

Opportunities and Options

1. Sell to third party developer via open tender process. Contract of sale to include specific Design Guidelines for the site.

- Enables faster settlement.
 - Can include incentives to improve design outcome/inclusion of public art/delivery timing drivers.
2. Develop out via utilising project funds - either grouped dwelling or apartments. This may include build to rent.
 - Provides greater certainty on built-form outcome although comes with significant capital costs and associated risks.
 - Opportunity for uplift in project profit although subject to separate feasibility.
 3. Re-subdivide into green title lots although not desirable from built form and housing diversity outcome.

Recommended Next Steps

Should TPRC wish to progress investigating opportunity’s for developing this site, the following is recommended:

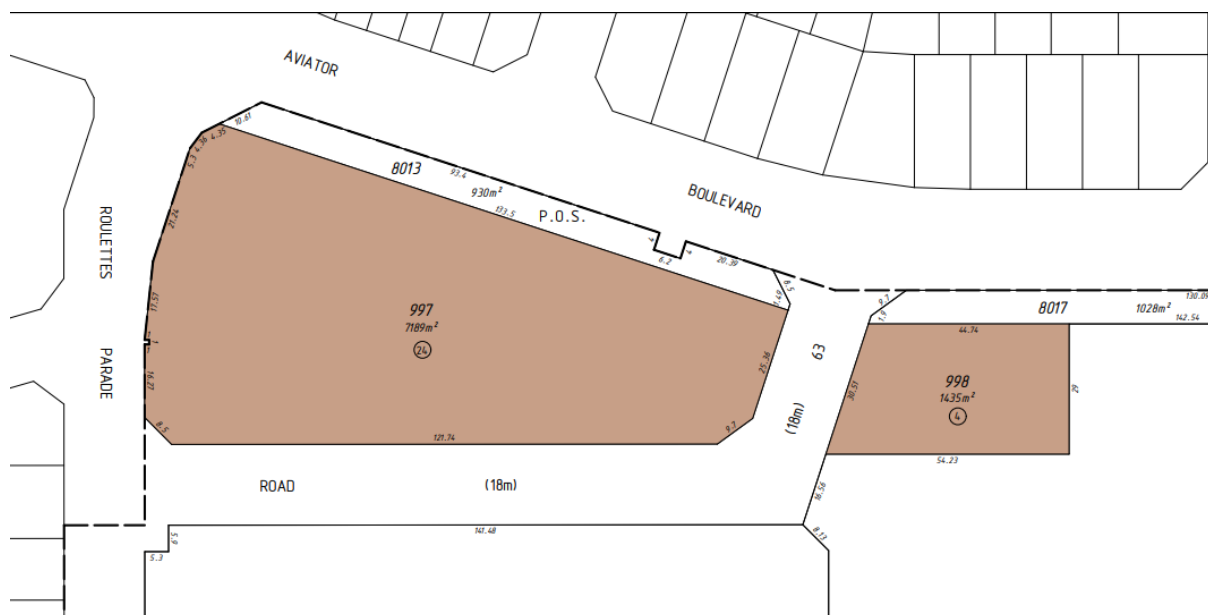
- Engage Niche to undertake preliminary planning assessment of the site for what can be built in all three (3) scenarios.
- Provide high level cash flow scenario modelling of each, including more detailed market depth assessment for product types, prices etc.

Either option will assist in framing the “front door” to the precinct, a quality outcome is required to leverage off with the balance of the estate in the longer term. Whilst there is a short to medium term opportunity for this site, Satterley recommend that sale and development is more aligned with closure of the Display Village 2 in approximately 3 years’ time. Any construction on the site is anticipated to be a 2 -3-year process and will negatively impact presentation around the display village. As we move into a more challenging market, presentation is key.

CENTRAL Mixed-Use Site

Current Status

Planning Status	Subdivision approved, LDP required
Lot Size	7,189m ² and 1,435m ²
Anticipated Development Use	Childcare, medical, café or similar
Zoning	Commercial
Approved Budget Revenue	\$2.2m escalated lot 997 and \$0.4m escalated lot 998
Approved Budget Settlement	October 2027 lot 997 and January 2028 lot 998
Development Timeframe	Long term ~5+ years



Constraints and Considerations

- There remains significant uncertainty around the balance of the Catalina Central precinct planning outcome with further discussions to be held with DoE on requirement for the school site and whether it can be facilitated given the ground water issues. Outcomes of these discussions have potential to significantly alter the LSP and location of commercial centres. Consideration should be made for the long-term planning outcomes.
- The site currently has a memorial on title for contamination with the site classified as “Contaminated – Restricted Use”. Initial advice received from the environmental consultant re that the restriction not only limits ground water abstraction but also any development of residential or commercial uses on the lot because of gas emissions from the tip site. Although the lot can be constructed and titled with the approved subdivision, the memorial will transfer, and any subsequent purchaser would encounter the restriction and inability to develop the site.
- Public relations risk around contamination and development within proximity to the tip.
- Lot 3128 and 341 are both under contract (both commercial lots) and in the process of securing tenants. Any further commercial sites on the market could impact other lots fulfilling their full development outcomes due to added competition. In addition to these lots, TPRC will likely be consideration moving forward with development of the Beach commercial centre in FY24, arguably a much more attractive site for tenants.
- The Central mixed-use site may be much more attractive once certainty around commencement of the primary school site is provide, many years away.

Opportunities and Options

Currently no options for development until resolution of the contamination on site.

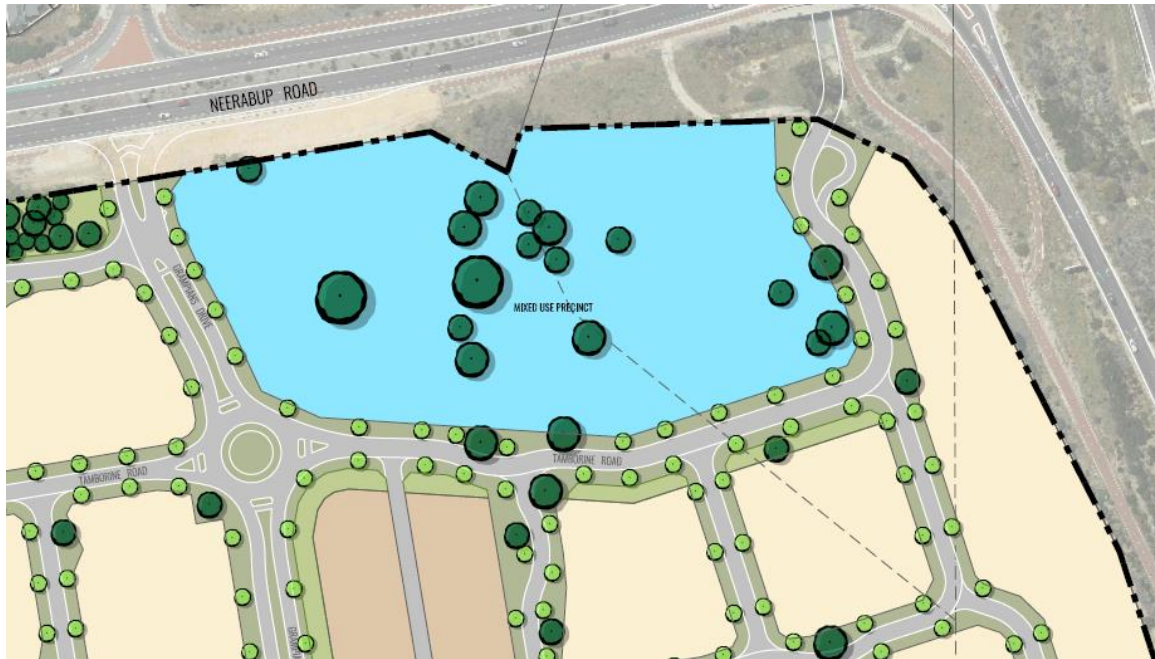
Recommended Next Steps

It is recommended that all development and sales south of Aviator Boulevard, within Catalina Central and including this lot, are to be put on hold pending further environmental investigations and reporting to define the contamination on site. Although linked but a separate matter, outcomes of the discussions with DoE are critical to inform potential planning outcome which again should be resolved prior to progressing development of this site. A separate report will be provided to TPRC in April 2023 outlining a pathway for development within the balance of Catalina Central cell.

Green North-East High-Density Precinct

Current Status

Planning Status	Requires LSP Amendment, subdivision approvals and LDP.
Lot Size	Approximately 23,000m2, including any potential POS for mixed use site indicated in blue below.
Anticipated Development Use	Grouped dwellings
Zoning	Mixed Use R80 – R100
Approved Budget Revenue	Budgets assumes sale of 5 x separate GHS’s total revenue \$5.3m escalated. This includes 4 sites within the major mixed-use area and one on the NE corner of entry from PTA. Current plan doesn’t accurately reflect budget.
Approved Budget Settlement	Spread across FY25 to FY31
Development Timeframe	Long term ~5+ years



Constraints and Considerations

- Whilst the area is identified as mixed-use under the approved LSP, the modified concept, as shown above, is considered enough of a change to require a major LSP Amendment to realign the planning layout and surrounding road network.
- Concept plan above shown as one (1) site although desired and likely outcome to suit market demand will be four (4) separate high density sites. Further concept planning for lot sizes and interface with potential POS areas required. This will be driven by end use.
- Southern road connection to PTA underpass likely to occur in back end of FY24.
- Any brought forward development of these sites would introduce new competition, particularly with small lot product. It is considered more suitable to postpone development of these sites until the back end of eth Green precinct.
- Construction costs extremely high in current environment, very difficult for any built form development to compete given the underlying land values and opportunity to get green title house for similar price. Opportunity arises through potential partnership agreements.
- Planning requirement for density around train station, opportunity to leverage locational advantages.

Opportunities and Options

1. Sell to third party developer via open tender process. Contract of sale to include specific Design Guidelines for the site.
 - Enables faster settlement.
 - Can include incentives to improve design outcome/inclusion of public art/delivery timing drivers.
2. Develop out via utilising project funds - either grouped dwelling or apartments. This may include build to rent.
 - Provides greater certainty on built-form outcome although comes with significant capital costs and associated risks.
 - Opportunity for uplift in project profit although subject to separate feasibility.
3. Joint venture/industry partnership approach.
 - Various financial vehicles available.
 - Opportunity for social housing, build-to-rent, government incentive packages, aged care, affordable housing providers etc.
 - Opportunity to deliver housing diversity not seen across the other precincts of the project.
 - Potentially de-risk build form projects with government partners.

- Further opportunity for sustainability approach, self-sustainable buildings with own power etc.

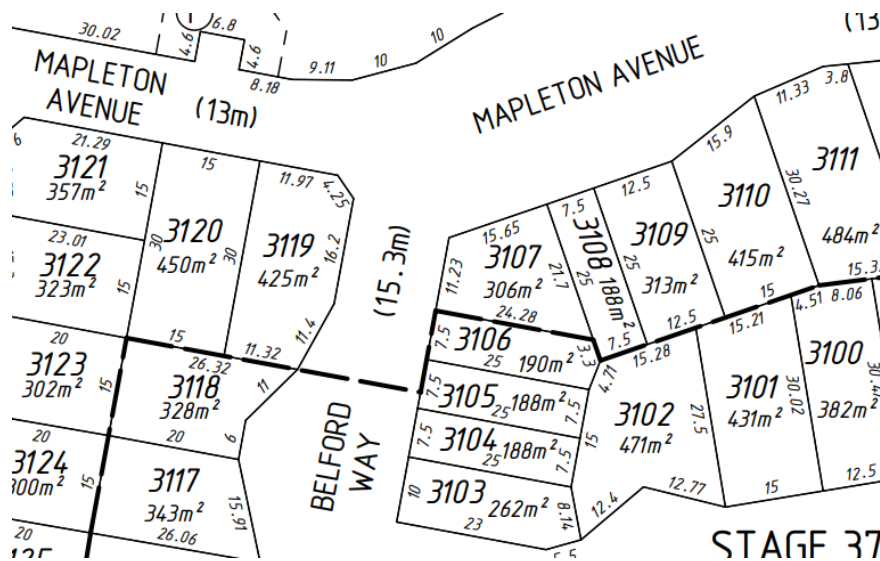
Recommended Next Steps

Satterley recommend that development of this site is placed on hold until the Green precinct becomes more established and density is built around the neighbourhood centre prior to moving into this GHS precinct. Given the timing for development of stages with density housing, as outlined in Green staging strategy presented to TPRC in January 2023, there are still several years prior to targeting development of these GHS's. In the meantime, all planning approvals and subsequent construction of roads and servicing will all be provided to the site in preparedness should opportunity to bring forward these sales occur. Along with the LSP and subdivision approval, more detailed precinct planning and market analysis will need to be undertaken closer to time of development/sale of the sites and strategy to further split the one larger site that is currently planned.

GREEN 7.5m Lots (lots 3108 – 3103)

Current Status

Planning Status	Titled lots or under construction
Lot Size	188 – 262m ²
Anticipated Development Use	Single residential housing
Zoning	R30 - R60
Approved Budget Revenue	\$1.0m escalated
Approved Budget Settlement	FY23/FY24 varied
Development Timeframe	Short term ~1 year



Constraints and Considerations

- All lots have a mandated 2-storey requirement through the LDP which was imposed to ensure street presence and higher quality built form outcome on the prominent location which addresses Neerabup Drive.
- Lots 3107 and 3108 have been on the market for 6+ months. Lot 3107 has converted to a settlement and lot 3108 is under contract via investor channel. The remaining lots are yet to be released.
- Sales enquiries have been slow given the mandated 2-storey which is considered a direct result of significant construction cost increases, particularly for 2-storey builds.
- Build costs for these are around \$350k and when compared to a single storey dwelling on a 313m² lot, they do not present a more affordable option. Via the investor channel white label builder, they have indicated low \$300k's which is minor discount to standard builder range.

Opportunities and Options

1. Sell as residential lots via retail channel.
 - Enables faster settlement and low risk.
 - Should the lots not sell quickly, the lots may become stale as they have been on market for a significant length of time although project not reliant on revenue from sale of the lots.
2. Sell as residential lots via investor channel.
 - Enables faster settlement and low risk.
 - Should the lots not sell quickly, the lots may become stale as they have been on market for a significant length of time although project not reliant on revenue from sale of the lots.
 - Potentially lower quality housing.
3. TPRC undertake build out of lots and sell as completed H&L packages.
 - Can be in form of either standard house designs, potential white label builder; or
 - Green house specification acting as demonstration home.
 - i. Investigations have taken place for homes to achieve 9-stars or above. Anticipated building cost is \$450,000 plus GST, excluding land.
 - ii. From October 2023, the National Construction Code will require all new home builds to be minimum NatHERS 7-star build.
 - iii. Project would need to sell completed home at discount to meet market.
 - iv. Considered very unlikely to attract any Green builder to spec build in this market.

Recommended Next Steps

Satterley recommend with progressing these lots as per current strategy which is marketed via both retail and investor channels. As the Green precinct comes out of the ground with landscaping now underway and access to the public in late February 2023, the overall vision and uniqueness will be better understood by the public. It is anticipated sales interest to increase as this occurs. It is also considered that there are sufficient planning and development controls via the LDP and Design Guidelines to manage achieving a quality built-form outcome.

GREEN Display Village

Current Status

Planning Status	Standard front loaded lots constructed and titled, rear loaded lots are constructed but not titled
Lot Size	Varies – refer to below
Anticipated Development Use	Single residential housing
Zoning	R30 - R60
Approved Budget Revenue	\$5.66m escalated
Approved Budget Settlement	FY27/FY28
Development Timeframe	Short term ~1 year



Constraints and Considerations

- The ten (10) traditional front-loaded lots and 21 rear-loaded cottage lots were initially set aside for a display village which following tender wasn't successful in proceeding due to lack of submissions.
- Any display village would likely include incentives associated with opening ~\$20k each lot and costs associated with carpark construction, carpark demolition, landscaping and marketing promotion ~\$200k.
- Whilst a display village may assist in driving traffic and present high-quality homes along the visible Connolly Drive, there now presents an opportunity to release titled lots to the market and particularly lots that are currently not available within the project with the 6m rear-loaded lots. Subject to size of any potential display village there may still be an opportunity to release these 6m lots subject to carpark locations.
- In February 2023 Satterley canvassed potential builders to obtain a high-level response for taking up an allocation in the village. While none would give firm feedback five (5) builders have indicated an appetite. Satterley's view is that further interest would arise via formal tender.
- The rear-loaded lots fall under R-code provisions which require 40% open space resulting in only 108m2 of house area including garage. This results in the lots heavily swayed to only suiting 2-storey designs. Current prices are ~\$350k with Satterley's view being that these lots need to be packaged up as H&L sub \$500k to meet the market and compete with comparable single storey product.

Opportunities and Options

1. Retain all lots as unreleased and proceed with display village tender to accurately assess builder response. Target builders that volume builders, applicable to Green market.
 - Will assist with driving sales and marketing to the project.
 - Still sufficient stock within Stage 36 and 37 to meet current market demand.
2. Retain all lots as unreleased and proceed with display village tender to accurately assess builder response. Target unique sustainable builders for point of difference and to align with "Green" aspirations.
 - Only small segment of market and would be priced out of Catalina Green with valuations not "stacking up". Usually one-off homes, more complex and timely to build.
 - Likely require very significant rebates to attract any builders who have limited marketing channels.
 - Opportunity to provide large rebates to volume builders if incorporate in sustainability measures on more standard home designs, up spec to meet higher energy ratings.

3. Provide a mix of option 1 and 2 but only developing one (1) unique demonstration home for sustainability with the balance being standard builder range with more minor sustainability features. It is envisaged that the demonstration home will demonstrate best practice and guide potential buyers around the future of sustainability and to pick and choose options to incorporate.
4. Retain all lots and postpone to a point which display village becomes viable in couple of years' time.
5. Release lots through retail and investor channels.
 - Reduced expenditure and quicker settlements but considered inferior outcome for the project.

Recommended Next Steps

Satterley recommended proceeding with option 3 outlined above and reissuing tender document for Green display village to still target the volume builders. The tender is anticipated to include additional rebates for sustainability packages which the homes can demonstrate. Additionally, one (1) lot should be set aside for the demonstration home as outlined above. Post tender, should take up be not considered sufficient to justify a village, lots would be released to retail market. Satterley believe that the village would require a minimum of six (6) builders to justify going ahead although would be subject to builder support and feedback. Any new display village would assist in leveraging additional traffic to the precinct and support additional sales. Cognisant of the approval process through Council, tender process and build timeframes, the village would not likely be operational until late 2024.

Overall Summary and Recommendation

Upon review of the special sites across all precincts at Catalina, Satterley has identified three (3) key focuses to progress in the short term:

- Progress development of the Beach commercial site in line with steps as outlined:
- Re-issue Catalina Green display village tender with new inclusions (to be refined if option agreed upon), including demonstration home; and
- Release remaining 7.5m lots and continue to push in both retail and investor channels as per current strategy.

Should you require any further clarification on the above, please do not hesitate to contact the undersigned. We look forward to your feedback and next steps.

Yours sincerely,



Drew Tomkins
Project Director

9.2. CATALINA SALES INCENTIVES - EXTENSION OF REDEMPTION VALIDITY PERIOD

Responsible Officer: Manager Project Coordination
Attachments: None
Voting Requirement: Simple Majority

MANAGEMENT COMMITTEE RECOMMENDATION

Moved Cr Krsticevic, Seconded Cr Perkov.

That the Council **AUTHORISES** the Chief Executive Officer to approve a further extension of up to six months (for a total extension of up to 12 months) to the eligibility period for the redemption of sales incentive packages on Catalina lots that:

1. Settled between 1 October 2020 and 31 August 2021; and
2. Have been the subject of delayed completion of home construction due to high levels of demand on home builders.

The Motion was put and declared CARRIED (5/0).

PURPOSE

To consider a proposed additional six-month extension to the validity period for the redemption of sales incentives for certain Catalina lots.

POLICY REFERENCE

N/A

LOCAL GOVERNMENT ACT/REGULATION

Local Government Act 1995: Sect 3.58 – Disposal of Property.

PREVIOUS MINUTES

- Council Meeting – 18 August 2022 (Item 9.1 Purchaser Terms and Conditions)
- Council Meeting – 21 April 2022 (Item 7.8 Catalina Sales Incentives - Extension of Redemption Validity Period)

FINANCIAL/BUDGET IMPLICATIONS

N/A

RISK MANAGEMENT IMPLICATIONS

Risk Ref: 3	Risk Rating:
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Development Project – Development Manager Ability to deliver	Moderate
Action:	
Development Manager to prepare for approval strategies and plans.	

Approval of amended terms and conditions relating to sales incentives for lots in Catalina will modify contractual requirements for purchasers.

BACKGROUND

Residential lots in Catalina Estate are typically offered for sale with various purchaser incentives, including supplied side and rear boundary fencing and front landscaping and rebates for the installation of solar panels and water-efficient fittings and appliances.

Lots are currently sold on the basis that purchasers have 24 months to complete single-storey homes and 30 months to complete double-storey homes from the date of settlement to redeem applicable incentive packages. These redemption eligibility timeframes have been in place since 19 August 2021 for lots sold in Catalina Green and 9 December 2021 for lots sold in Catalina Central and Catalina Beach, when the Council resolved to approve revised purchaser terms, conditions and incentives for all public and builder release lots across Catalina. For lots sold prior to these dates, the timeframes for redemption of incentive packages were 18 months for single-storey homes and 24 months for double-storey homes. Redemption timeframes were increased by six months after consideration of advice from the Satterley Property Group (Satterley) that building construction timeframes had increased substantially due to a high volume of building activity and skilled labour and materials shortages resulting from the Government building stimulus incentives and the impact of the COVID pandemic.

At its meeting of 21 April 2022, the Council agreed to also increase the redemption timeframes for sold lots that had settled between 1 October 2020 and 31 August 2021 following the receipt of advice from Satterley that indicated that many of the lots sold in Catalina when a significant increase in sales was experienced in mid-2020 were nearing the expiry of applicable incentive redemption timeframes and subject to building completion delays, often outside the lot owners' control due to the high level of demand on builders.

It has recently become evident that some lot owners that were given six-month redemption timeframe extensions under the allowance made by the Council at its meeting of 21 April 2022 are experiencing ongoing delays in their homes being completed and may not achieve completion within the extended timeframes. The TPRC office is aware that other developers/developments are expending their validity periods for sales incentive packages.

COMMENT

Various media outlets have recently given coverage to substantial delays being experienced in new home construction across Perth. Satterley advises that in most instances building delays are beyond the control of purchasers. It recommends that the Council consider a further extension to the incentives redemption eligibility period for settled lots which have current valid, but yet to be redeemed incentives packages by up to a further six months.

The ability for purchasers to redeem sales incentives for fencing and landscaping is important for the overall street appeal of Catalina and incentives for the installation of solar panels and water efficient fittings and appliance support the environmental credentials of the Project. If lot purchasers are unable to claim the uniform fencing and landscaping packages due to building delays, there is a chance that homes will appear unfinished which will impact on Estate

presentation and potentially affect sales. It is also concerned that if there is not sufficient take-up of sustainability initiatives, the Estate's accreditation as a 6-element UDIA EnviroDevelopment project could be adversely affected.

The financial consideration is not the overriding factor in consideration for the extension, but rather estate presentation and environmental outcomes.

CONCLUSION

A further six-month extension to the period of eligibility for redemption of sales incentives is considered to be a reasonable course of action given high levels of building activity and increased construction timeframes in the Perth market. The take-up of the sales incentives, in particular the provision fencing and landscaping packages, are important to maintain a high level of estate presentation. It is also noted that water-wise gardens and sales incentives for solar systems and water-efficient fittings and appliances are integral to retaining Catalina's six-leaf UDIA EnviroDevelopment accreditation. Such an extension of time would also be a goodwill gesture for new residents about to move into Catalina, recognising the difficulties and cost increases experienced by many building homes during the COVID-19 pandemic and current home construction environment. It would also be consistent with current industry best practice.

It is recommended that the Council authorise the Chief Executive Officer to approve a further extension of up to six months (for a total of 12 months) to the eligibility period for the redemption of valid but yet to be redeemed incentive packages that have been subject to building delays for lots that settled between 1 October 2020 and 31 August 2021.

Purchaser terms, conditions and incentives for the sale of all Catalina lots are next due to be reviewed for the Council's consideration in August 2023.