

Ordinary Meeting of Council

Thursday 8 December 2022

AGENDA

Notice of Meeting

Councillors of the Tamala Park Regional Council are advised that a meeting will be held electronically on Thursday 8 December 2022 at 6:00pm.



CHRIS ADAMS
Chief Executive Officer

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

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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 (DEPUTY CHAIR) Cr Bianca Sandri (CHAIR) 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

Representatives from the Satterley Property Group will be in attendance at the meeting.

PRELIMINARIES

1. OFFICIAL OPENING

On behalf of Councillors, we would like to acknowledge the traditional custodians of this land, the Wadjak people of the Nyoongar nation, on which this meeting is taking place and show our respect for Elders past, present and emerging.

2. APOLOGIES AND LEAVE OF ABSENCE

3. DISCLOSURE OF INTERESTS

4. PUBLIC STATEMENT/QUESTION TIME

5. ANNOUNCEMENTS BY CHAIR (WITHOUT DISCUSSION)

6. PETITIONS

7. CONFIRMATION OF MINUTES

That the minutes of the Ordinary Meeting of Council of 20 October 2022 be CONFIRMED as a true and accurate record of proceedings.

7A BUSINESS ARISING FROM MINUTES

8. ADMINISTRATION REPORTS AS PRESENTED

8.1 BUSINESS REPORT – FOR MONTH ENDING 30 NOVEMBER 2022

Responsible Officer:	Manager Project Coordination
Attachments:	1. Landscaping Works Table 2. Community Event Wrap Up – Halloween Event 3. Community Event Wrap Up – Residents' Welcome Event
Voting Requirements:	Simple Majority

RECOMMENDATION

That the Council **RECEIVES** the Business Report for the month ending 30 November 2022.

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 Management Committee 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 civil construction industry is currently experiencing significant shortages with the supply of retaining wall blocks. This is mainly being driven by the take-up of available block supplies in major Government infrastructure projects, such as Metronet and the Mitchell Freeway extension, resulting in substantial construction delays across many land development estates. Drainage materials supplies have also recently been in short supply and labour availability for certain trades continues to present issues for completing construction programs on time.

Block and drainage materials shortages recently began to impact on Catalina’s current construction stages, delaying the completion of Stages 18C, 29 and 36.

For Stages 18C and 36, where practical completion is close to being achieved, bonds were paid to the City of Wanneroo as a performance guarantee for outstanding work. This has allowed titles to be issued and commencement of settlements of sales contracts for sold lots. Completion of Stage 18C is now forecast for 5 December 2022. Completion of Stage 36 has pushed back to 8 February 2023, however most works in this stage will be completed by late December 2022, when only the new Neerabup Road slip lane into Catalina Green will still be left to complete in early 2023.

The completion timeframe for Stage 29 has been revised to 20 March 2022. Payment of a performance bond to the City of Wanneroo for outstanding works will be required to achieve the timely release of titles.

The Project team is currently working with the civil contractor to de-risk upcoming stages of development where possible through early ordering of blocks and re-configuration of construction programs by bringing forward works components that do not involve retaining. Potential use of alternative retaining products and design reconfiguration is being investigated as a possible means to mitigate impacts of the block shortages.

The following tables detail the current status of all civil works stages that are in progress:

Stage 18C		28 lots	
Contractor Possession of Site		7 February 2022	
Original Practical Completion Date		4 July 2022	
Revised Practical Completion Date		5 December 2022	
Construction Status			
Item	% Complete	Change since last report	Comments
Earthworks	100	0	Complete
Sewer	100	0	Complete
Drainage	100	0	Complete
Water/Gas	99	59	Only pressure testing to be completed.
Power/Comms	90	90	Minor works remaining.
Walls	100	0	Complete
Roads	80	60	Completion due 5 December 2022

Stage 29		43 lots	
Contractor Possession of Site		12 April 2022	
Original Practical Completion Date		16 September 2022	
Revised Practical Completion Date		20 March 2023	
Construction Status			
Item	% Complete	Change since last report	Comments
Earthworks	100	0	Complete
Sewer	100	0	Complete
Drainage	95	0	Minor connection works to complete.
Water/Gas	40	20	Commenced
Power/Comms	20	20	Commenced
Walls	30	30	Commenced
Roads	0	0	Commencing January 2023

Stage 31		64 lots	
Contractor Possession of Site		To be advised – pending City of Wanneroo civil drawings approval expected early December 2022 and contract award expected shortly after, subject to acceptable pricing.	
Original Practical Completion Date		To be advised	
Revised Practical Completion Date		To be advised	
Construction Status			
Item	% Complete	Change since last report	Comments
Earthworks	0	0	
Sewer	0	0	
Drainage	0	0	
Water/Gas	0	0	
Power/Comms	0	0	
Walls	0	0	
Roads	0	0	

Stage 36		78 lots	
Contractor Possession of Site		27 January 2022	
Original Practical Completion Date		4 July 2022	
Revised Practical Completion Date		8 February 2023	
Construction Status			
Item	% Complete	Change since last report	Comments
Earthworks	100	0	Complete
Sewer	100	0	Complete
Drainage	99	0	Complete except for Neerabup Rd slip lane
Water/Gas	99	4	Only pressure testing to be completed.
Power/Comms	99	0	Minor joints and terminations to be completed.
Walls	99	9	Several wall piers to be completed.
Roads	90	5	Kerbing, final asphalt pending retaining walls.

Stage 37		48 lots	
Contractor Possession of Site		30 September 2022	
Original Practical Completion Date		3 March 2023	
Revised Practical Completion Date		15 May 2023	
Construction Status			
Item	% Complete	Change since last report	Comments
Earthworks	90	90	
Sewer	100	95	
Drainage	60	60	
Water/Gas	0	0	

Power/Comms	0	0	
Walls	0	0	
Roads	0	0	

Longbeach Promenade Extension			
Contractor Possession of Site		20 September 2021	
Original Practical Completion Date		December 2021 – works have been on hold pending contractor resourcing. Re-commencing 6 December 2022.	
Revised Practical Completion Date		28 February 2023.	
Construction Status			
Item	% Complete	Change since last report	Comments
Earthworks	80	0	
Sewer	0	0	
Drainage	0	0	
Water/Gas	0	0	
Power/Comms	0	0	
Walls	0	0	
Roads	0	0	



Connolly Drive landscaping works with Stage 36 civil works in background

2. Landscaping Works - Status

The status of various landscape construction works in progress in Catalina is summarised in the table contained in Appendix 8.1.

Current highlights are detailed below.

CATALINA BEACH

Foreshore Access Road and Carpark

A second stage of revegetation work alongside the Foreshore Access Road and carpark has been completed and acceptance of practical completion has been confirmed by the City of Wanneroo.

Portofino Promenade Extension

Landscaping works for the Portofino Promenade extension have commenced and are forecast to be completed by the end of December 2022.



Portofino Promenade landscaping

Catalina Beach Park – Phase 2

Earthworks for the park extension have been completed as part of the Stage 29 civil works. Landscaping works will be able to commence shortly after the drainage installations are completed and are to be undertaken in parallel with the civil works on the rest of Stage 29. Landscape works completion is anticipated by March 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. Submission of the drawings with the City of Wanneroo for assessment has been delayed due to urban water management plan considerations. The update on the Mindarie Regional Council groundwater monitoring in Item 14.2 of this agenda provides additional information on these considerations. The drawings are anticipated to be submitted for City approval in mid-December 2022 with the intent to commence landscaping works in April 2023.

CATALINA CENTRAL

Aviator Boulevard Greenlink

Landscape works for the Aviator Boulevard Greenlink extension from Roulettes Parade to Connolly Drive in Catalina Central have been completed.

Connolly Drive/Aviator Boulevard Roundabout and Entry Statement

Landscape works for Connolly Drive, including the Connolly/Aviator Roundabout and entry statement are in progress and expected to be completed by late December 2022.

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 are programmed to commence in January 2023 and anticipated to be completed by May 2023.

3. Housing Construction

The following table provides an overview of the current progress of housing construction to 30 November 2022. A substantial amount of building activity is presently in progress across Catalina Beach and Central.

Stage	Total Home Lots	Homes Completed	Homes Under Construction	Lots Vacant
Stages 1, 3-6B, 7-15, 17A, 18A, 18B, 25A, 25B & 25DV.	853	880*	0	1
Stage 2	38	36	0	2
Stage 6C	10	9	1	0
Stage 16A	17	12	5	0
Stage 17B	36	34	2	0
Stage 18B	31	30	0	1
Stage 18C	28	0	0	28
Stage 25C	4	1	1	2
Stage 26	38	32	5	1
Stage 27A	20	8	10	2
Stage 27B	23	0	17	6
Stage 28	34	4	26	4
Stage 30	35	0	15	20
Stage 36	57	0	0	57
Total	1,224	1,046	82	124
Change since 30/10/22	+57	+4	+3	+50

**Homes Completed includes 17 grouped dwellings constructed on a lot in Stage 1 and 13 grouped dwellings on a lot in Stage 4.*

4. Community Development

Satterley Property Group (Satterley) is contracted to provide community development services for Catalina. These services sit outside the scope of services provided by Satterley as part of its Development Management Agreement and are separately tendered on the basis of a two-year contract term, with the option for an additional one-year extension.

The current contract with Satterley to provide community development services expired on 27 November 2022.

A tender to provide community development services for a new two-year term, with the option of a one-year extension, was advertised in September 2022. At the conclusion of the tender period on 5 October 2022, one tender submission had been received from Satterley.

The submission was evaluated against selection criteria that include proposed commercial arrangements, demonstrated experience and capabilities, key personnel and project understanding and was deemed to be a satisfactory proposal. The tender was awarded to Satterley by the Chief Executive Officer under delegated authority of the Council on 12 October 2022, commencing on 28 November 2022 and concluding 27 November 2024, with the option for a one-year extension at the TPRC's discretion. A contract has subsequently been executed by both parties.

A Halloween-themed community event was held at Catalina on 30 October 2022. An event report is contained in Appendix 8.1.

A new resident welcome event was held on 27 November 2022 at the Catalina Sales Office gardens. The informal gathering was designed for new residents to connect with the community, meet future neighbours and help settle in. 93 residents attended. An event report is contained in Appendix 8.1.

5. Commercial Centres

Connolly Drive, Catalina Green

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

A contract of sale for the neighbourhood centre 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 purchaser has submitted a Local Development Plan (LDP) to the City of Wanneroo for the site. The approval of the LDP by the City of Wanneroo is a requirement of the subdivision approval to create a title for this site.

The TPRC office is liaising with the City of Wanneroo to obtain its clearance to enable titling of the site and therefore settlement of the sale at the earliest opportunity.

6. Lot 341 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. A contract of sale has been issued to Accord Property and provides for a six-month due diligence period. Titling of the site is expected to occur in March 2023 and settlement of the sale is anticipated in June 2023.

7. Settlement Agents Tender

Supreme Settlements is currently contracted to provide conveyancing services for Catalina. Its current contract term expires on 20 December 2022. On 5 October 2022 tenders were advertised for a new contract term of two years, with the option for an extension for a further 12 months. At the conclusion of the tender period on 2 November 2022, four tender submissions had been received.

Submissions were assessed by an Evaluation Panel comprised of TPRC and Satterley staff, overseen by the Council's Probity Auditor, Stantons International. The Panel concluded that Supreme Settlements had submitted the most advantageous tender submission, ranking equal highest on the Track Record and Capability criteria and highest on the Fees criterion and recommended it be awarded the tender for an initial term of two years, with the option to extend for a further 12 months at the discretion of the TPRC. Stantons International has

issued a Probity Certificate confirming the completion of an appropriately executed procurement process.

The tender for a new contract term was awarded to Supreme Settlements by the Chief Executive Officer under delegated authority of the Council on 24 November 2022. The new contract term will commence on 21 December 2022.

8. Landscape Maintenance Tender

Environmental Industries is currently contracted to provide landscape maintenance services for Catalina. Its current contract term expires on 26 February 2023. A tender was advertised on 24 November 2022 for contractors for a new contract term of two years, with the option for an extension for a further 12 months. The tender submission period closes on 22 December 2022. A report on the submissions received and containing an award recommendation will be presented to the Council's meeting in February 2023.



Connolly Drive landscaping

8.2 PROJECT FINANCIAL REPORT – OCTOBER 2022

Responsible Officer:	Chief Executive Officer
Attachments:	Letter from Satterley Property Group dated 25 November 2022 with Financial Report
Voting Requirements:	Simple Majority

RECOMMENDATION

That the Council RECEIVES the Project Financial Report (October 2022) submitted by the Satterley Property Group.

PURPOSE

To consider the Project Financial Report for October 2022 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 October 2022.

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 Development Manager's Key Performance Indicators (September 2021) - Governance, requires the preparation of monthly progress reports.

COMMENT

Satterley has prepared a Catalina Financial Report for October 2022 for the Project. The report has been prepared on a cash basis and compares actual income and expenditure to approved budget for the period 1 October 2022 to 31 October 2022 and is attached at Appendix 8.2.

The Financial Report identifies the following main areas of variance:

1. Residential settlement revenue for the year to 31 October 2022 is \$7.2M which is \$3.9M unfavourable to the approved 'June 2022' budget due to 18 less settlements.
2. YTD sales was at \$4.55M which is 14.7M unfavourable to budget. While Gross sales have been \$10.01M, 17 cancellations for the year have impacted gross sales number
3. While revenue is down, expenditure is also significantly under budget with the actual spend being \$11.29M below the June budget expectations. The key variances are:
 - Lot Production (excl. Bonds) is \$6.48M under budget as works have been delayed and contract durations extended on various stages;
 - Landscaping is \$4.4M under budget due to delays in works and approvals for works not being achieved yet. Outstanding approvals relate to Urban Water Management Plan in Beach and resolution of bore issues to enable Connelly Drive works to progress;
 - Infrastructure spend is \$530K underspent primarily due to delays in commencement of Portofino Promenade extension;
 - P&L expenditure is \$1.34M under budget primarily due to projected consultancy costs not being expended;
 - Clearance Bonds is \$1.6M unfavourable to budget due to timing of payments;
 - Indirect consultants are \$68K under budget due to timing of payments:

The Satterley Financial Report provides detail on the variations.

8.3 STATEMENT OF FINANCIAL ACTIVITY FOR OCTOBER 2022

Responsible Officer:	Chief Executive Officer
Attachments:	1. Statement of Financial Activity for October 2022 2. Investment Report for October 2022
Voting Requirements:	Simple Majority

RECOMMENDATION

That the Council **RECEIVES** and **NOTES** the Statement of Financial Activity for the month ending 31 October 2022.

PURPOSE

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

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 [10%]
- *Local Government (Audit) Regulations 1996*: Regulation 14 Compliance Audit Item

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 Appendices reflect the budget proposals and direction adopted by the Council.

Variances at 31 October 2022 exceeding 10% or \$5,000 (whichever is greater) were experienced in relation to the following:

Materials and Contracts	The positive variation (\$67K) relates to consultancy fees and timing of payments.
Income Sale of Lots - Subdivision	The negative variance (\$3.97M) is a result of slower than projected sales rates.
Land Production Costs	The positive variance (\$13.75M) relates to works being delayed due to contractors' inability to access materials, staff and subcontractors at the rate that was projected at the time that the budget was set.
GST Withheld Member Councils	The positive variance is a result of delay in 2022/2023 settlements.
Profit Distribution / Contributions Returned	The negative variation is due to the reversal of unrecorded invoices at financial year end.

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

Financial Snapshot as at, 31 October 2022

	2022-23	2022-23	2022-23	Variance		Variance
	Adopted BUDGET	Budget YTD	Actual YTD	Favourable	Unfavourable	%
	\$	\$	\$	\$	\$	%
REVENUE						
Interest Earnings	890,426	296,809	298,781	1,972		-0.66%
Other Revenue	22,939	7,648	3,724		(3,924)	-51.31%
	\$913,365	\$304,457	\$302,505	\$1,972	(\$3,924)	
LESS EXPENDITURE						
Depreciation	(43,510)	(14,504)	(14,503)	1		0.01%
Employee Costs	(737,937)	(248,647)	(226,798)	21,849		8.79%
Insurance	(21,952)	(10,976)	(9,978)	998		9.09%
Interest	(1,423)	(474)	(1,176)		(702)	-148.10%
Materials and Contracts	(380,310)	(128,596)	(61,249)	67,347		52.37%
Other	(171,255)	(43,668)	(41,086)	2,582		5.91%
Utilities	(6,829)	0	0			
Members Equity						
Income Sale of Lots - Subdivisions	60,156,539	11,105,240	7,131,291		(3,973,949)	-35.78%
Land Production Costs	(61,064,081)	(19,877,169)	(6,130,580)	13,746,589		69.16%
GST Withheld Member Councils	(4,165,673)	(1,355,982)	(504,000)	851,982		62.83%
Profit distribution/Contributions Returned	(20,485,534)	0	(1,808,172)		(1,808,172)	-100.00%
	(\$26,921,965)	(\$10,574,776)	(\$1,666,251)	\$14,691,348	(\$5,782,823)	
Total Change in Equity	(\$26,008,600)	(\$10,270,319)	(\$1,363,746)	\$14,693,320	(\$5,786,747)	

The nett position YTD is \$8,906,573 when compared to projected YTD Budget.

Statement of Financial Position as at, 31 October 2022

	Actual 2021-22 \$	Actual 2022-23 \$	Variance \$	Variance %
Current assets				
Cash and cash equivalents	52,296,465	51,101,923	(1,194,542)	-2.28%
Trade and other receivables	782,569	670,888	(111,681)	-14.27%
Total current assets	53,079,034	51,772,811	(1,306,223)	-2.5%
Non-current assets				
Inventories	1,600,000	1,600,000	0	0.00%
Right of use assets	149,716	138,398	(11,318)	-7.56%
Property, plant and equipment	36,311	33,126	(3,185)	-8.77%
Total non-current assets	1,786,027	1,771,524	(14,503)	-0.81%
Total assets	54,865,061	53,544,335	(1,320,726)	-2.41%
Current liabilities				
Trade and other payables	162,938	177,779	(14,841)	-9.11%
Lease Liabilities	31,760	21,269	10,491	33.03%
Provisions	21,788	72,753	(50,965)	-233.92%
Total current liabilities	216,485	271,801	(55,315)	-25.6%
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	392,188	(43,019)	-12.32%
Net assets	54,515,893	53,152,147	(1,363,746)	-2.50%

Investment Summary as at, 31 October 2022

Cash Accounts									
	Face Value (\$)	Current Yield	Institution	Credit Rating	Current Value (\$)	Deal No.	Reference		
	3,048,000.68	2.6444%	Macquarie Bank	A+	3,048,000.68	541301			
	3,048,000.68	2.6444%			3,048,000.68				

Term Deposits											
Maturity Date	Face Value (\$)	Rate	Institution	Credit Rating	Purchase Price (\$)	Purchase Date	Current Value (\$)	Deal No.	Accrued Interest (\$)	Coupon Frequency	Reference
Nov-22	2,000,000.00	1.0000%	AMP Bank	BBB	2,000,000.00	Feb-22	2,014,465.75	542330	14,465.75	At Maturity	644
Nov-22	3,000,000.00	1.0000%	AMP Bank	BBB	3,000,000.00	Feb-22	3,021,698.63	542331	21,698.63	At Maturity	645
Nov-22	1,000,000.00	0.9800%	Suncorp Bank	A+	1,000,000.00	Mar-22	1,006,229.04	542443	6,229.04	At Maturity	672
Dec-22	3,000,000.00	3.4000%	Suncorp Bank	A+	3,000,000.00	Jun-22	3,037,167.12	542877	37,167.12	At Maturity	678
Dec-22	2,000,000.00	3.2000%	Westpac Group	AA-	2,000,000.00	Aug-22	2,012,449.32	543203	12,449.32	At Maturity	681
Jan-23	1,000,000.00	0.8000%	Westpac Group	AA-	1,000,000.00	Jan-22	1,000,175.34	542266	175.34	Quarterly	661
Jan-23	1,000,000.00	0.8100%	Westpac Group	AA-	1,000,000.00	Jan-22	1,006,213.70	542269	6,213.70	At Maturity	662
Feb-23	1,000,000.00	1.0000%	Macquarie Bank	A+	1,000,000.00	Mar-22	1,006,630.14	542408	6,630.14	At Maturity	668
Feb-23	2,000,000.00	0.5200%	National Australia Bank	AA-	2,000,000.00	Aug-21	2,002,222.47	541745	2,222.47	Annually	655
Feb-23	1,000,000.00	0.9500%	Westpac Group	AA-	1,000,000.00	Feb-22	1,002,030.14	542340	2,030.14	Quarterly	663
Feb-23	1,000,000.00	0.9400%	Westpac Group	AA-	1,000,000.00	Feb-22	1,006,464.11	542373	6,464.11	At Maturity	664
Mar-23	3,000,000.00	1.0000%	National Australia Bank	AA-	3,000,000.00	Mar-22	3,019,561.64	542415	19,561.64	At Maturity	669
Mar-23	5,000,000.00	1.1100%	ANZ Banking Group	AA-	5,000,000.00	Mar-22	5,035,884.93	542425	35,884.93	At Maturity	671
Apr-23	3,000,000.00	3.8900%	Westpac Group	AA-	3,000,000.00	Aug-22	3,024,938.63	543174	24,938.63	At Maturity	680
Apr-23	1,000,000.00	4.0700%	Suncorp Bank	A+	1,000,000.00	Oct-22	1,001,672.60	543476	1,672.60	At Maturity	686
May-23	1,000,000.00	3.0500%	ME Bank	BBB+	1,000,000.00	May-22	1,014,539.73	542757	14,539.73	At Maturity	675
May-23	2,000,000.00	3.0300%	Commonwealth Bank of Australia	AA-	2,000,000.00	May-22	2,028,722.74	542772	28,722.74	At Maturity	677
Jun-23	3,000,000.00	3.8600%	Commonwealth Bank of Australia	AA-	3,000,000.00	Jul-22	3,037,436.71	542933	37,436.71	At Maturity	679
Sep-23	3,012,115.07	4.8400%	Westpac Group	AA-	3,012,115.07	Sep-22	3,026,494.00	543396	14,378.93	At Maturity	683
Oct-23	3,000,000.00	4.5800%	Westpac Group	AA-	3,000,000.00	Oct-22	3,006,775.89	543474	6,775.89	At Maturity	685
	42,012,115.07	2.4140%			42,012,115.07		42,311,772.63		299,657.56		

Fixed Rate Bonds											
Maturity Date	Face Value (\$)	Coupon	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)	Aa3	3,000,000.00	Apr-21	3,007,997.26	541265	7,997.26	0.7000%	
	3,000,000.00				3,000,000.00		3,007,997.26		7,997.26	0.7000%	

8.4 LIST OF MONTHLY ACCOUNTS SUBMITTED FOR OCTOBER 2022

Responsible Officer: Chief Executive Officer

Attachments:

1. Summary Payment List - October 2022
2. CEO's Credit Card Report – October 2022

Voting Requirements: Simple Majority

RECOMMENDATION

That the Council:

1. **RECEIVES and NOTES** the list of accounts paid under Delegated Authority to the CEO for October 2022:
October 2022 - \$1,755,187.67
 2. **APPROVES** the CEO Credit Card Statement for October 2022.
-

PURPOSE

Submission of payments made under the CEO's Delegated Authority for the month of October 2022.

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

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 report provides information to Council on expenditure for October 2022 to ensure transparency and governance of financial activity.

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.

8.5 SALES AND SETTLEMENT REPORT – MONTH ENDING 30 NOVEMBER 2022

Responsible Officer: Manager Project Coordination

Attachments: Staging Plan

Voting Requirements: Simple Majority

RECOMMENDATION

That the Management Committee RECEIVES the Sales and Settlement Report for the month ending 30 November 2022.

PURPOSE

To advise the Management Committee 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 under this matter will be posted under item I145011 (Income on Lot Sales):

Budget Amount:	\$ 51,204,185
Received to Date:	\$ 7,130,633
Balance:	\$ 44,073,552

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 Management Committee is well informed on sales and market trends.

BACKGROUND

The Sales and Settlement Report provides the Management Committee with a status update of sales and settlements for the Project. The Staging Plan provided under Appendix 8.5 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 30 November 2022.

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

Stage	Release Date	Lots Released	Lot Sizes (m ²)	Sold	Stock	Settled
Completed Stages	-	1112	174 - 658	1112	0	1112
Stage 18C (1)	Sep-21	21	183 - 558	21	0	10
Stage 18C (2)	Nov-21	4	150 – 155	4	0	2
Stage 18C (3)	Mar-22	3	150-157	3	0	0
Stage 27A	Aug-20	12	225 - 450	12	0	11
Stage 29 (1)	May-22	14	315- 450	8	6	0
Stage 29 (2)	Sep-22	10	315- 470	3	7	0
Stage 30 (3)	Dec-21	9	375 - 450	8	1	8
Stage 36 (1)	Oct-21	21	313 - 591	19	2	4
Stage 36 (2)	Dec-21	14	300 - 450	11	3	2
Stage 36 (3)	Feb-22	7	188 - 484	3	4	0
Stage 36 (4)	Apr-22	5	313 - 410	5	0	3
Stage 36 (NC)	Dec-21	1	20,000	1	0	0
Stage 37 (1)	July-22	18	303-450	8	10	0
Total		1,251	150 – 20,000	1,218*	33	1,152
Change since 31 October 2022		0		-3	+3	+21

* Includes one lot pending advertising and acceptance.

The Project currently has 66 lots under contract: 16 unconditional and 49 conditional and one pending advertising and acceptance.

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

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

	Jul	Aug	Sep	Oct	Nov	YTD	Dec	Jan	Feb	Mar	Apr	May	Jun	FYE 2023
Budget	14	15	15	15	15	74	15	15	15	15	15	15	13	177
Actual	7	2	9	0	-3	15								
Variance	-7	-13	-6	-15	-18	-49								

FYE 2023 net sales are currently tracking well-below budgeted conversion rates. Consecutive interest rate increases, increasing building construction costs and extended construction periods are impacting on the net rate of sales.

24 sales contracts have cancelled to date in FYE 2023, reducing the number of net sales over this period by the same number. 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 the recent cancellations represent an escalation in the cancellation rate experienced by the Project over the past 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. The conversion rate is expected to return to normal rates as the project transitions to selling titled stock or with shorter duration between sale and title completion.

Settlements

Settlements for FYE 2023 to 30 November 2022 are shown in Table 3.

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

	Jul	Aug	Sep	Oct	Nov	YTD	Dec	Jan	Feb	Mar	Apr	May	Jun	FYE 2023
Budget	2	5	3	27	23	60	10	7	7	19	26	22	21	172
Actual	10	6	2	1	21	40								
Variance	+8	+1	+1	-26	-2	-20								

Settlements are currently behind budget, however the issue of titles for Stages 18C and 36 on 28 October and 2 November 2022 respectively has seen settlements for lots in these stages commence. Of the 21 settlements completed in November 12 have been in Stage 18C and nine in Stage 36. A large proportion of the remaining contracted stock in Stages 18C and 36 is expected to settle between December 2022 and February 2023.

It is proposed to reduce the budgeted number of sales and settlements for FYE 2023 as a component of the mid-year review of the Project Budget, which is the subject of Item 9.1 of this agenda.

Available Stock

Three sales achieved in November 2022 were offset by six cancelled contracts, meaning stock levels increased by 3 available lots, as set out in Table 4.

Table 4: Summary of Available Stock – Catalina Estate

Stage	Precinct	Stock	Change since 30/09/2022	Title Status	Anticipated Title Date
Stage 18C	Central	0	-1	Titled	N/A
Stage 27A	Beach	0	-1	Titled	N/A
Stage 29	Beach	13	+2	Untitled	April 2023
Stage 30	Beach	1	0	Titled	N/A
Stage 36	Green	9	+3	Titled	N/A
Stage 37	Green	10	0	Untitled	May 2023
Total		33	+3		

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.

Table 5: Summary of Sales in Northern Corridor (October 2021 to September 2022)

ESTATE	Oct	Nov	Dec	Jan	Feb	Mar	April	May	June	July	August	Sep	12 Month Total Sales
Alkimos Beach (Alkimos)	15	14	7	2	7	11	6	2	8	-4	7	0	75
Alkimos Vista (Alkimos)	8	16	10	3	12	20	2	-2	12	5	1	3	90
Allara (Eglinton)	4	11	5	2	5	13	13	6	7	-2	9	3	76
Amberton (Eglinton)	20	13	13	4	10	5	17	9	14	23	16	20	164
Catalina (Clarkson Mindarie)	10	23	12	10	10	17	16	1	6	7	2	9	123
Eden Beach (Jindalee)	17	21	27	10	11	8	7	17	1	5	-3	-1	120
Elevale	7	10	3	3	8	5	1	9	6	2	4	4	62
Jindowie Estate	13	14	1	1	11	20	-3	5	28	15	1	0	106
Shorehaven (Alkimos)	4	9	3	4	2	7	10	12	3	4	9	2	69
Trinity (Alkimos)	24	11	13	2	5	10	10	11	8	8	8	5	115
TOTAL	122	142	94	41	81	116	79	70	93	63	54	45	1000
CATALINA SHARE (%)	8.2 %	16.2 %	12.8 %	24.4 %	12.3 %	14.7 %	20.3 %	1.4 %	6.5 %	11.1 %	3.7 %	20.0 %	12.3 %
Catalina Market Share July 2021 – June 2022													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: Summary of Price of Available Lots in Northern Corridor Estates

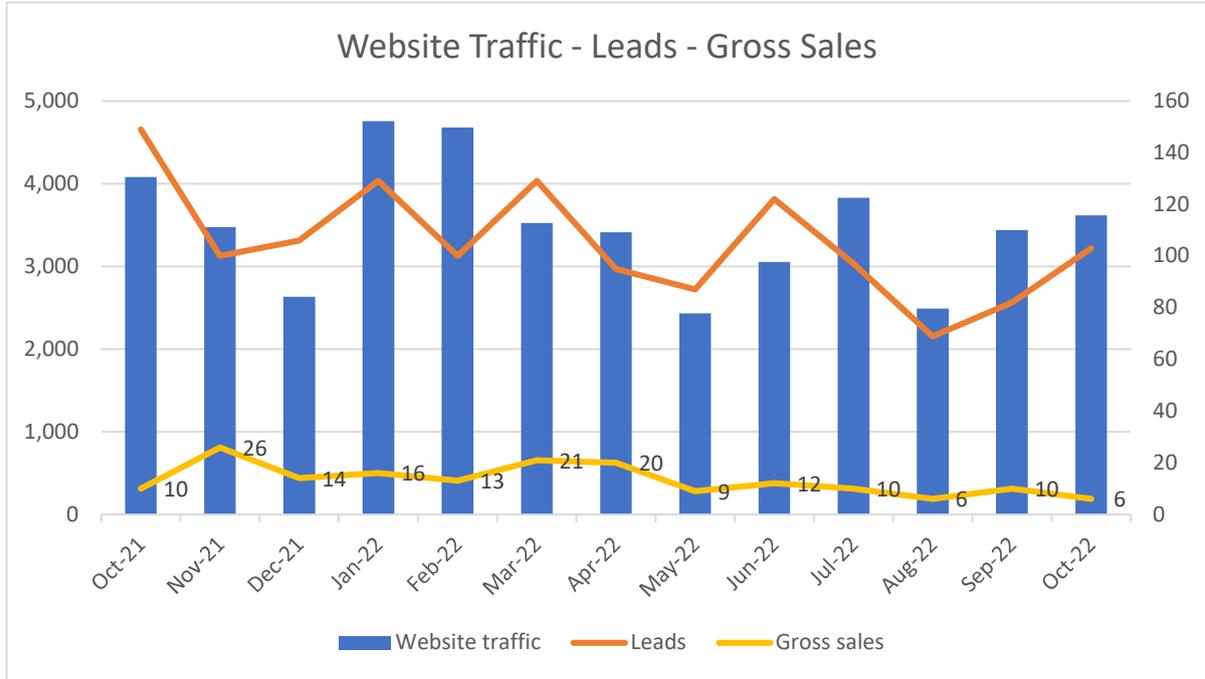
Estate	225sqm Price (\$)	300sqm Price (\$)	375sqm Price (\$)	450sqm Price (\$)	500sqm + Price (\$)	Total Dwellings	Stock	Last Report
Allara	n/a	n/a	200,000-205,000	235,000	220,000-265,000	3,405	18	18
Alkimos Beach	n/a	n/a	265,000-275,000	295,000	312,000-330,000	2,413	24	11
Amberton	n/a	n/a	272,000-425,000	289,000-449,000	335,000-365,000	2,500	37	31
Burns Beach	n/a	n/a	n/a	n/a	n/a	1,580	18	17
Catalina Central	n/a	n/a	n/a	240,000 (413m2)	n/a	2,480	0	1
Catalina Beach	n/a	370,000 (315m2)	400,000-415,000	475,000-510,000	n/a		14	14
Catalina Green	n/a	240,000	277,000-282,000	315,500	n/a		19	15
Eden Beach	n/a	245,000-248,000	315,000	378,000-427,000	412,000	1,100	29	15
Myella	n/a	n/a	n/a	n/a	n/a	197	18	13
Shorehaven	175,000-225,000	n/a	n/a	308,000	n/a	2,800	43	20
Trinity	n/a	222,000	263,000	238,000-292,000	286,000	2,500	26	13
Total						243	194	

Catalina's stock increased by three lots between reporting periods, while competitors' stock increased by 49 lots (29.9% increase).

Marketing

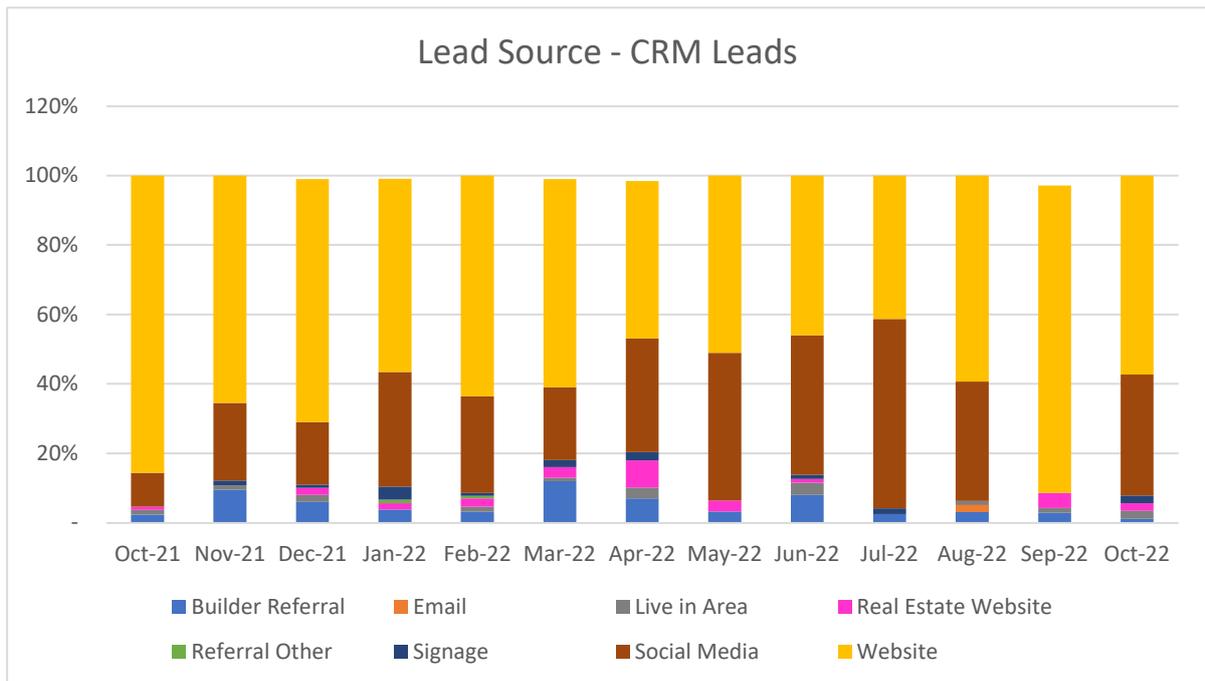
Catalina’s website traffic and leads remained steady in October, however both website traffic and leads are lower year-on-year.

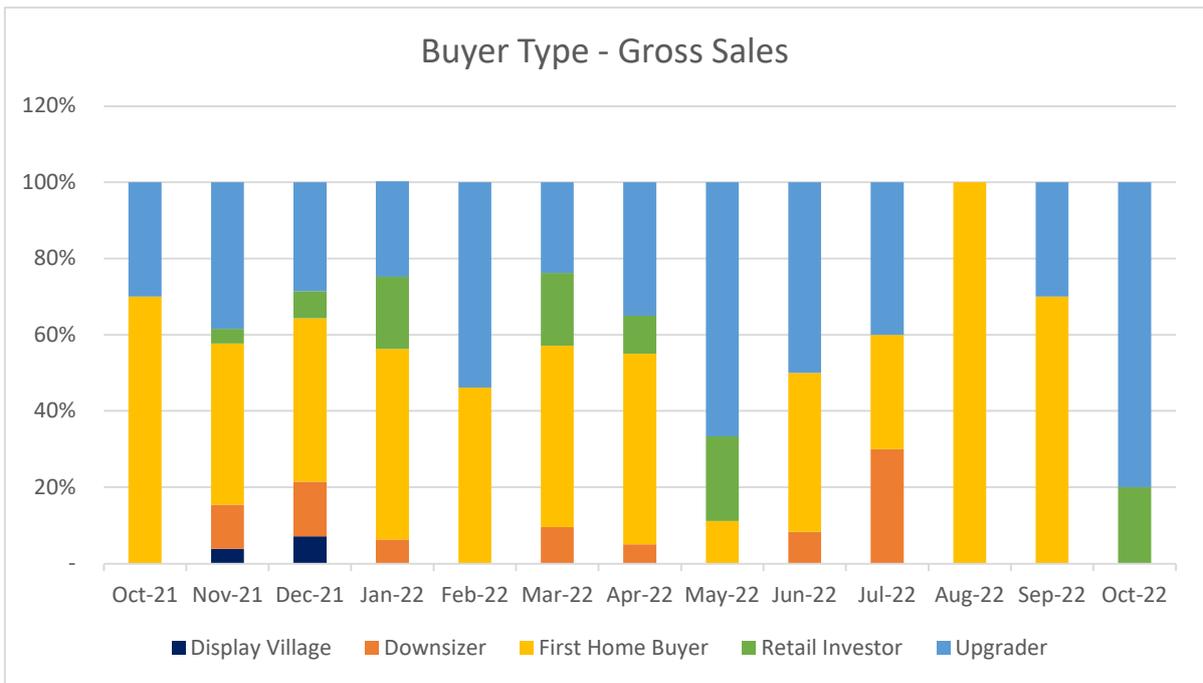
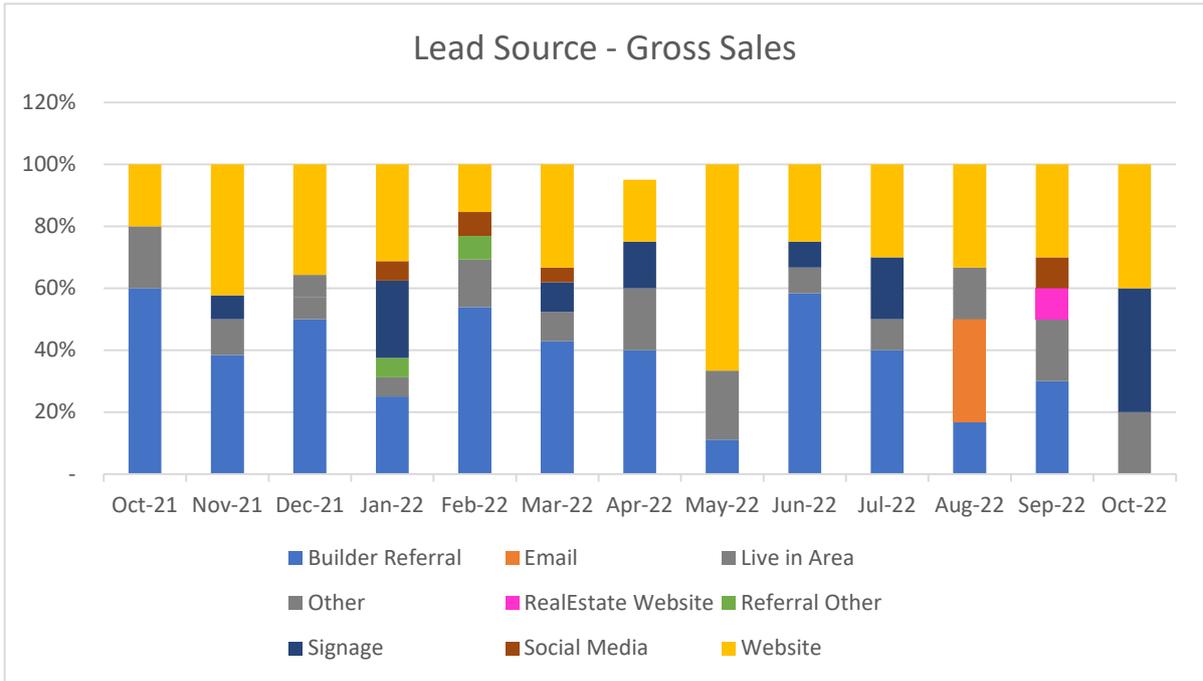
Market interest in coastal estates continues to be strong, however reduced market sentiment is resulting in customer enquiries taking longer to convert to sales.



Throughout the recent quarter, there has been a reduction in leads and sales via builder referral, with increased activity from signage and those living in the local area.

First home buyers and upgraders continue to drive the majority of gross sales.





CATALINA	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22
Display Village	-	4%	7%	-	-	-	-	-	-	-	-	-	-
Downsizer	-	12%	14%	6%	-	10%	5%	-	8%	30%	-	-	-
First Home Buyer	70%	42%	43%	50%	46%	48%	50%	11%	42%	30%	100%	70%	17%
Retail Investor	-	4%	7%	19%	-	19%	10%	22%	-	-	-	-	17%
Upgrader	30%	38%	29%	25%	54%	24%	35%	67%	50%	40%	-	30%	67%

Satterley CRM Data 01/10/21 – 31/10/22

Signage updates and the installation of new signage advertising the Sales Office and upcoming Display Village were completed during October 2022.

Preparation for installation of new signage in Catalina Green is being made, including a new hoarding on Neerabup Road and an Information Bay in Stage 36. Development Applications for these signs are currently with City of Wanneroo for approval.

Due to the number of cancellations and sales decline over recent months, the Satterley marketing team has reviewed the marketing strategy and expenditure and identified additional marketing activity and media opportunities to leverage estate assets and target those market segments where the higher buyer demand remains.



8.6 ANNUAL REPORT FOR YEAR ENDING 30 JUNE 2022

Responsible Officer:	Chief Executive Officer
Attachments:	TPRC Annual Report 2021/2022
Voting Requirements:	Simple Majority

RECOMMENDATION

That the Council ADOPTS the Annual Report of the Tamala Park Regional Council for the FYE 2022.

PURPOSE

To review the Annual Report for the TPRC for the FYE 2022.

POLICY REFERENCE

N/A

LOCAL GOVERNMENT ACT/REGULATION

- *Local Government Act 1995*: S5.3 Requires Local Government to prepare an annual report, with prescribed inclusions, for each financial year.
- *Local Government Act 1995*: S5.4 Requires Local Government to accept the Annual Report by 31 December.
- *Local Government Act 1995*: S5.5 requires availability of report to be advertised following report adoption by Local Government.
- *Local Government (Audit) Regs 1996*: Reg 14 Compliance Audit Item.

PREVIOUS MINUTES

- Council Meeting – 9 December 2021 (Item 7.8 - Annual Report)
- Council Meeting - 10 December 2020 (Item 8.6 - Annual Report)
- Council Meeting - 5 December 2019 (Item 9.9 - Annual Report)

RISK MANAGEMENT IMPLICATIONS

Risk Ref: 7	Risk Rating:
TPRC Operations – Internal Controls	Low
Action / Strategy to Manage:	
Management Policies and Procedures reviewed and approved by Council.	

BACKGROUND

The Council has a statutory obligation to provide an Annual Report of its operations including the following:

- Report by the Chair of the Council;
- Report by the CEO;

- Detail of completion of statutory requirements;
- The Audit Report and completed Financial Report of the Council for the year under review.

The Annual Report is to be made available for public inspection.

COMMENT

The TPRC Annual Report for the FYE 2022 will be the sixteenth Annual Report produced by the Council. The Annual Report contains information on the Council formation and operation, the Tamala Park Project and major activities of the TPRC. The Annual Report is attached at Appendix 8.6.

The Annual Report is required to be adopted by the Council by 31 December in each year and a copy of the adopted report must be provided to the Executive Director of the Department of Local Government, Sport and Cultural Industries.

The Annual Report is an opportunity to provide information on the work of the TPRC and the Tamala Park Project.

The Annual Report contains the Audit Report and the Annual Financial Report, for the year ending 30 June 2022, both of which have been completed and were included in the agenda considered at the Council's meeting of 20 October 2022.

8.7 APPOINTMENT OF ACTING AND TEMPORARY CHIEF EXECUTIVE OFFICER POLICY

Responsible Officer:	Chief Executive Officer
Attachments:	Appointment of Acting and Temporary Chief Executive Officer Policy (November 2022) (Tracked Changes and Clean Version)
Voting Requirements:	Simple Majority

RECOMMENDATION

That the Council **APPROVES** the Appointment of Acting or Temporary Chief Executive Officer Policy (November 2022).

PURPOSE

For Council to consider proposed revisions to the TPRC Policy on Appointment of an Acting or Temporary CEO.

POLICY REFERENCE

N/A

LOCAL GOVERNMENT ACT/REGULATION

S5.39(c) of the *Local Government Act 1995* requires every Local Government to have a policy that governs the appointment of an acting CEO or employment of a temporary CEO.

PREVIOUS MINUTES

Council Meeting – 9 December 2021 (Item 7.10 – Appointment of Acting and Temporary Chief Executive Officer)

FINANCIAL/BUDGET IMPLICATIONS

N/A

RISK MANAGEMENT IMPLICATIONS

Risk Ref: 7	Risk Rating;
TPRC Operations – Internal Controls	Low
Action:	
Management Policies and Procedures reviewed and approved by Council.	

FINANCIAL AND RESOURCE IMPLICATIONS

Resources are allocated for TPRC staff salaries and wages in the TPRC Annual Budget. This report considers the need to cover CEO leave and appropriate allocation of resources.

BACKGROUND

The Council adopted the Appointment of Acting or Temporary Chief Executive Officer Policy at its meeting of 9 December 2021. While the policy is not due for review until 2023, it has become evident that certain aspects of the Policy are impractical in their application in circumstances where the CEO intends to take leave for a period of less than four weeks.

The Policy has been reviewed to simplify the appointment of an Acting CEO when the incumbent CEO will be away for short periods of time.

It should also be noted that the Model CEO Standards for recruitment and selection are not applicable to acting or temporary appointments of less than one year.

DETAILS / DISCUSSION

The current Policy includes the following provisions:

- *Where there is a period of annual leave, long service leave, personal leave or an extended absence expected to be up to 12 consecutive weeks of the incumbent CEO, Council will appoint an Acting CEO.*
- *Council will request expressions of interest from the below organisations for a suitably qualified candidate to perform the role of Acting CEO:*
 1. *Member Councils of TPRC;*
 2. *Local Government Professionals Association; and*
 3. *WA Local Government Association (WALGA) Network.*
- *Where there is an unexpected period of absence and there has not been an opportunity for Council to appoint an Acting CEO, the Manager Project Co-ordination is to be the Acting CEO until a decision of the Council to appoint the Acting CEO.*

While compliant with legislative requirements, the Policy is administratively cumbersome, particularly for periods when the incumbent CEO is absent for relatively short periods of time of Annual or Personal Leave. To address this, it is proposed to modify the above Policy provisions to give more autonomy and flexibility in the process. The proposed new provisions relating to the appointment of an acting CEO are listed below:

1. The CEO may appoint the TPRC Manager Project Coordination (in writing) as Acting CEO, where the CEO is on planned or unplanned leave for periods not exceeding ten (10) weeks.
2. Where the CEO's planned or unplanned leave is expected to be greater than 10 weeks, the Council shall seek to appoint a Temporary CEO.*
3. When appointed, the remuneration payable for the Acting CEO shall be in accordance with the following:

Acting Period	Remuneration
0-2 Weeks	70% of CEO Total Remuneration Package
2-4 Weeks	85% of CEO Total Remuneration Package
4-10 Weeks	100% of CEO Total Remuneration Package

4. The CEO is to immediately advise all Council Members when and for what period of time the Manager Project Coordination is appointed as Acting CEO.

5. If the CEO is unavailable or unable to make the decision to appoint an Acting CEO, then Council will, by resolution, appoint an Acting CEO.
6. Council may, by resolution, extend an Acting CEO period beyond ten (10) weeks if the substantive CEO remains unavailable or unable to perform their functions and duties.

** The process for appointing a Temporary CEO is detailed in the current TPRC Policy. There are no proposed changes to this process.*

CONCLUSION

The recommended changes to the Policy will remove the cumbersome and impractical requirement for an expression of interest process and resolution of Council in order to appoint an Acting CEO to cover periods where the incumbent CEO is absent. The proposed changes will also allow for the CEO to appoint the Manager Project Coordination as Acting CEO. This will provide greater efficiency and continuity in TPRC's processes in instances where the CEO has a short period of planned absence. The Policy retains the option for an expression of interest process to be followed to appoint an Acting CEO in circumstances where the Manager Project Coordination is not able to act in the CEO position.

The provisions in the Policy relating to the appointment of a Temporary CEO remain unchanged.

8.8 MANAGEMENT COMMITTEE AND REVISED COUNCIL MEETING SCHEDULE 2023

Responsible Officer: Chief Executive Officer

Attachments: Nil

Voting Requirements: Simple Majority

RECOMMENDATION

That the Council:

1. **MODIFY** the location details of the TPRC Ordinary Council Meetings for 2023 to the following:

• 16 February 2023	City of Stirling	6pm start
• 20 April 2023	Zoom meeting	6pm start
• 15 June 2023	City of Stirling	6pm start
• 17 August 2023	Zoom meeting	6pm start
• 19 October 2023	City of Stirling	6pm start
• 7 December 2023	Zoom meeting	6pm start
2. **DISBAND** the Management Committee of TPRC.
3. **HOST** TPRC Strategy and Project Advisory Meetings in-lieu of Management Committee noting that:
 - The Advisory Meetings are not formal meetings of the TPRC under the provisions of S5.8 of the *Local Government Act 1995*.
 - The intent/purpose of the Advisory Meetings is to:
 - Receive updates on key project matters including the development of special sites, land access and approval matters, land, and housing market conditions and/or other matters of relevance to the strategic direction of the TPRC.
 - Workshop strategies/options related to land release, staging and development of the TPRC land estate.
 - Review opportunities for innovation and best practice in line with the TPRC's Strategic Community Plan Objectives of Built Environment, Natural Environment, Social Development, Economic Development and Governance and Corporate Accountability.
 - All TPRC Councillors are invited to attend Advisory Meetings.
 - The TPRC Strategy and Project Advisory meetings will have no Delegated Authority to make any decision/s on behalf of the TPRC Council.
 - The TPRC Strategy and Project Advisory meetings will be internal meetings of the organisation and, as such, generally not advertised or open to the public.

4. Hold TPRC Strategy and Project Advisory Meetings on the following dates:

- 16 March 2023 Zoom meeting 6pm start
- 18 May 2023 Zoom meeting 6pm start
- 20 July 2023 Zoom meeting 6pm start
- 21 September 2023 Zoom meeting 6pm start
- 16 November 2023 Zoom meeting 6pm start

5. REQUEST that the TPRC Delegated Authority Register be updated and re-presented to Council with references to the TPRC Management Committee removed from the register.

PURPOSE

To review the nature, type and location of meetings held by the Tamala Park Regional Council.

POLICY REFERENCE

N/A

LOCAL GOVERNMENT ACT/REGULATION

S5.8 of Local Government Act 1995: A local government may establish committees of three or more persons to assist the Council and to exercise the powers and discharge the duties of the local government that can be delegated to committees.

RISK MANAGEMENT IMPLICATIONS

RISK REF: 2	RISK RATING:
Strategic - Stable and effective governance environment	Moderate
ACTION:	
SPG and TPRC Executive provides reports/information to Council meetings.	

Review of the Council meeting structure is required to determine appropriate mechanisms for TPRC Councillor involvement in decision making.

FINANCIAL AND RESOURCE IMPLICATIONS

Operating Council Meetings, Management Committee Meetings and/or proposed Strategic and Project Advisory Meetings on-line saves resources and time of both TPRC staff and Councillors.

BACKGROUND

At its meeting of 20 October 2022, the Council considered the dates and locations for its various meetings that were scheduled for 2023 and Council resolved to hold six (6) Ordinary Council Meetings and five (5) Management Committee meetings, with all of these meetings to be held electronically.

Since that resolution, the State Government has removed the COVID-19 State of Emergency and has gazetted new *Local Government (Administration) Act Regulations* that prescribe new standards regarding how and where Council meetings are to be held. These new regulations

allow Councillors to attend Council meetings and/or Committee Meetings of Council electronically only:

- When there is a State of Emergency in place:
- If they have a Disability; or
- If they attend a minimum of 50% of meetings in-person (that is, not by electronic attendance).

To comply with these new regulations whilst retaining efficiency of operations, it is proposed to modify the venue of Ordinary Council meetings and change the format of Management Committee meetings from a formal Committee of Council to an advisory/workshop style of meeting that has no formal role or authority under the *Local Government Act*.

DETAILS / DISCUSSION

Ordinary Council Meetings

The *Local Government Act* requires all Local Governments to hold Ordinary Meetings of Council not more than three months apart (S5.3(2)). Prior to the onset of COVID 19 and the subsequent State of Emergency declaration, TPRC meetings were held every two months with the location of the meetings rotating amongst member Councils. Throughout 2022 all TPRC Ordinary Council Meetings and TPRC Management Committee Meetings have been held online. From the TPRC Administration perspective, the online meetings have been very good as:

- Attendance rates by Councillors has been higher;
- Administrative work required to coordinate and operate meetings has been less; and
- There are less costs involved with operating on-line meetings.

Informal feedback from some TPRC Councillors has indicated a preference for the majority of TPRC meetings to be held online, if not all. While this preference is noted, the newly gazetted amendments to *Local Government (Administration) Act Regulations* limit online meetings to 50% of the total meetings.

In terms of locations for in-person meetings, TPRC staff are recommending that the required in-person meetings be held at the City of Stirling in lieu of rotating amongst member Councils. This is recommended due to the relative centrality of the City of Stirling amongst the members, the proximity of City of Stirling to the TPRC offices and the fact that TPRC has contractual arrangements with City of Stirling for IT support and Governance Support (both of which are useful/required at Council meetings).

Management Committee Meetings

The TPRC has traditionally held five (5) Management Committee Meetings per annum. These meetings are formal meetings of the Council that are approved under Section 5.8 of the *Local Government Act*. As a formal Committee of the Council, the Management Committee is bound by the structure and formalities required under the LG Act, giving less opportunity for interaction, discussion and debate than would be the case through a less formal meeting structure.

While the Management Committee has value in that it provides an opportunity for review and discussion of key items prior to formal Council decisions and it has some ability to make Delegated decisions on behalf of the TPRC, a review of the Agendas/Minutes of Management Committee suggests that there is duplication of effort occurring with the majority of items that are presented/discussed at Management Committee also appearing in the following month's Ordinary Council Meeting Agenda.

The Delegated Authority that has been provided to the Management Committee has been utilised infrequently with only three occasions in the past 12 months where a decision has been made by the Management Committee under their Delegated Authority. These decisions related to the award of tenders under \$3M in value. While Management Committee making these decisions has expedited the tender approval process, most TPRC tenders are periodic tenders or land sales tenders with long lead times and due diligence periods meaning that the timing/urgency of Council decisions is less pressing.

If the Management Committee was disbanded and replaced by an Advisory Committee that had no delegated authority, TPRC staff would schedule the release and evaluation of tenders to fall at times that suit the Ordinary Council Meeting schedule to minimise unnecessary delays for contractors/purchasers.

Proposed Strategic and Project Advisory Meetings

It is proposed that the style of the new Advisory meeting will be more of a presentation and discussion format rather than a formal report and resolution structure as is the case currently at Management Committee meetings. The meetings would be scheduled to last approximately one hour with three to five items being included on a brief Agenda for presentation/discussion with elected members. This would include presentations from staff, TPRC consultants or other parties. No decisions would be made at these meetings. Officers would use the feedback obtained from these discussions to frame formal Council reports for decision at subsequent Ordinary Council Meetings. The type of issues that may be on the agenda over the coming 12 months may include items such as:

1. Strategy: With over 50% of the TPRC land developed and substantial planning already complete for much of the remainder, what areas and/or outcomes does the Council want to focus on with its remaining assets?
2. Land Acquisition: Where are matters placed with acquiring Part Lot 711 from the State Government and/or securing development rights for the Urban Deferred land in Catalina Central? What are the options?
3. Strategic sites: How does the Council want to release/develop the few remaining high-profile strategic sites that are left in the Catalina Estate?
4. Land Development and Sales Strategy: Which stages should be developed next and how should the land be sold?
5. Rebates and Incentives: What rebates and incentives should be offered to buyers? How can these be better linked to TPRC Strategic objectives?
6. Procurement plan: How should works programs be packaged to achieve efficiencies and value for money in a constrained market?
7. Development Update: Presentations from the purchasers of TPRC commercial sites on the status of their developments.
8. Structure: Is the TPRC structure and development strategy still the 'right fit' for the current climate?

While it is recommended to disband the Management Committee and convene Strategic and Project Advisory Group Meetings in its place, the Council may elect to continue with its current practice of holding Management Committee Meetings. If this is the preferred direction, it is recommended that the following alternative recommendation be moved:

That the Council:

1. Modify the details of the 2023 TPRC Ordinary Council meetings to the following:

- 16 February 2023 City of Stirling 6pm start
- 20 April 2023 Zoom meeting 6pm start
- 15 June 2023 City of Stirling 6pm start
- 17 August 2023 Zoom meeting 6pm start
- 19 October 2023 City of Stirling 6pm start
- 7 December 2023 Zoom meeting 6pm start

2. Modify the details of the 2023 TPRC Management Committee Meetings to the following:

- 16 March 2023 City of Stirling 6pm start
- 18 May 2023 Zoom meeting 6pm start
- 20 July 2023 City of Stirling 6pm start
- 21 September 2023 Zoom meeting 6pm start
- 16 November 2023 City of Stirling 6pm start

CONCLUSION

The October 2022 Council decision to hold all Council and Management Committee Meetings online during 2023 can no longer be implemented as new Local Government Administration Regulations have been gazetted that limit online meetings to 50% of all Council meetings. It is therefore recommended that 50% of Council meetings be held online and 50% in-person, with in-person meetings being held at the City of Stirling.

It is proposed to disband the TPRC Management Committee and replace it with a Strategic and Project Advisory Meeting that allows greater opportunity for in-depth discussion and informal interaction than the current formal Committee Meeting structure.

9. COMMITTEE REPORTS

MANAGEMENT COMMITTEE (17 NOVEMBER 2022)

9.1 PROJECT BUDGET FYE 2023 – MID YEAR REVIEW

Responsible Officer: Chief Executive Officer

Attachments:

1. Satterley Property Group correspondence (dated 10 November 2022) Catalina Mid-Year Project Budget FYE 2023 Review.
2. Mid-Year Project Budget FYE 2023 Review Pack.

Voting Requirements: Simple Majority

MANAGEMENT COMMITTEE RECOMMENDATION

Moved Cr Sandri, Seconded Cr Jones.

That the Council RECEIVES the Mid-Year Project Budget FYE 2023 Review, submitted by the Satterley Property Group (November 2022), and that it be used as the basis for financial planning, including for the Mid-Year TPRC Budget FYE 2023 Review.

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

PURPOSE

To consider a report on the FYE 2023 Mid-Year Budget Review prepared by the Satterley Property Group (Satterley).

POLICY REFERENCE

N/A

LOCAL GOVERNMENT ACT/REGULATION

N/A

PREVIOUS MINUTES

Council Meeting – 16 June 2022 (Item 8.1 - Project Budget FYE 2023)

FINANCIAL/BUDGET IMPLICATIONS

Mid-Year Review of approved Project Budget FYE 2023 (November 2021).

RISK MANAGEMENT IMPLICATIONS

Risk Ref: 7 & 8	Risk Rating:
TPRC Operations – Internal Controls and Financial Management of the TPRC	Low

Action:

Annual Mid-Year Budget Reviews independently prepared and approved by the Council.

The mid-year review of the Project Budget will assist to ensure an appropriate financial control and management environment.

BACKGROUND

At its meeting of 16 June 2022, the Council approved the:

1. Project Budget FYE 2023 submitted by the Satterley, as the basis of financial planning for the TPRC Budget FYE 2023; and
2. Project Forecast (June 2022) submitted by Satterley, for the purposes of longer-term project and financial planning.

COMMENT

The FYE 2023 Budget was prepared and adopted at a time when the property market was buoyant, interest rates were at record lows and sales activity was strong. As is shown in the table below, the Budget was aggressive/ambitious in both Revenue and Expenditure with significant growth being projected in each of these areas for the July 2022 – June 2023 period when compared to the actual result for FYE 2022.

	FYE 2022 Actual	FYE 2023 Adopted Budget	\$ Variance
Revenue	\$28.6M	\$54.4	+\$25.8M
Expenditure	(\$14.7M)	(\$55.2M)	+\$40.7M
Nett	\$13.9M	(\$0.8M)	(\$14.7M)

The market has changed significantly since the TPRC Budget was adopted in June with higher interest rates, higher build costs, lack of material and labour availability and lower buyer sentiment negatively impacting on sales rates and construction time frames.

In conjunction with TPRC staff, Satterley has undertaken a Mid-Year Review of the approved Project Budget FYE 2023, which is set out in its correspondence dated 10 November 2022 and contained in Appendix 9.1.

The Mid-Year Project Budget FYE 2023 Review provides an updated forecast of both the annual Project Budget and longer-term Project Forecast in relation to the main budget assumptions such as income, sales rates and development costs and escalation. The Review considers current property market conditions, the latest sales/settlement information, approvals status, construction program and expenditure estimates.

The review proposes to modify the budget to a level that is considered to be ambitious (given current market conditions) yet achievable. While the Budget review recommends dropping both revenue and expenditure targets for the financial year significantly, it should be noted that the projected budget activity is projected to be far greater than in FYE 2022 (see table below) and provides a \$5M better nett result in the FY than initially projected.

	FYE 2022 Actual	FYE 2023 Adopted Budget	FYE 2023 Budget Review	\$ Variance (Adopted Budget to Mid-Yr Review)
Revenue	\$28.6M	\$54.4M	\$36.7M	-\$17.7M
Expenditure	(\$14.7M)	(\$55.2M)	(\$32.5M)	-\$22.7M
Nett	\$13.9M	(\$0.8M)	\$4.2M	+\$5.0M

The FYE 2023 Mid-Year Budget Review addresses the following:

- Market Commentary;
- Budget Comparisons and Amended Operations for FYE 2023;
- Review of Forecasts for FYE 2024;
- Key Risks for achieving FYE 2023 Budget;
- Cash Requirement, Capital Return and Profit Distribution Capacity; and
- Review of Long-Term Forecast for remainder of Project.

Market Commentary

Key Market Observations made by Satterley includes:

- Interest rate increases have reduced borrowing capacity by over \$100K;
- Investors have increased as a percentage of sales;
- Labour and materials remain an issue;
- State Government Projects are competing for materials with the development sector.

More detail is included in the Satterley Mid-Year Review Memo in Attachment 9.1.

Budget Comparisons and Amended Operations for FYE 2023

The review forecasts the following key variations in FYE 2023:

- Titles forecast at 167 lots, a reduction of 75 lots due to construction delays;
- Net lot sales forecast at 79 lots, a reduction of 98 lots due to a substantial slow-down in sales and a number of sales contracts being cancelled;
- Settlements forecast at 110 lots, a reduction of 62 lots, reflecting amended anticipated titles timeframes for Stages 29 and 37 occurring later in FYE 2023 due to construction delays;
- Net Lot Income forecast at \$36.72M, a reduction of (\$17.64M) due to the reduction in settlements;
- Infrastructure, landscaping and lot production costs forecast at \$32.45M, a reduction of \$22.73M, due to extended construction timeframes and deferral of the first tranche payment for the WAPC land acquisition (cost \$5.1M).

The review forecasts a minimum cash balance for the Project of \$35.21M in FYE 2023, with the distribution to member local governments remaining unchanged at \$20.0M. The cashflow of distributions is proposed to be changed from \$10M in December 2022 and \$10M June 2023 to \$10M in December and \$10M in April 2023.

Review of Project Budget FYE 2024

The following table shows the variance between the revised forecast Project Budget FYE 2024 (December 2022) and the approved forecast Project Budget FYE 2024 (June 2022) for Income, Development Costs, Cashflow and Distributions.

	Mid-Year Review Forecast Project Budget FYE 2024 (December 2022)	Approved Forecast Project Budget FYE 2024 (June 2022)	Variance
Gross Income	\$38,885,713	\$61,056,697	(\$22,170,984)
Development Costs	\$30,654,134	\$31,487,706	\$833,572
Distributions	\$20,000,000	\$20,000,000	\$0
Cashflow	\$8,231,579	\$29,568,991	(\$21,337,412)

The major variances are as follows:

- Forecast settlements of 136, a reduction of 73 due to impact of reduced sales in FYE 2023, reducing Gross Income by \$22.17M;
- Deferral of the WAPC land acquisition, now not anticipated to occur until at least FYE 2025, due to delay of WAPC actioning this matter;
- Lot production and landscaping costs that reflect amended timing of construction and increased rates.

These estimates should only be considered as a general guide for the Forecast FYE 2024. The Project Budget for FYE 2024 will be proposed in light of economic conditions and the residential land market in June 2023, as part of the annual budget cycle.

Key Risks for Achieving FYE 2023 Budget

Satterley has identified the following items as key risks to achieving the Project Budget FYE 2023 outcomes:

- Market conditions: The Budget review assumes that the current subdued market conditions remain for the remainder of FYE 2023;
- Material and Labour: The budget assumes that current material and labour shortages do not further deteriorate during the periods;
- Interest rate increases: Continued interest rate increases will lead to higher than expected cancellation rates;
- Settlement of Special Sites: Lot 341 and the Catalina Commercial Centre site are both in Due Diligence phases. The budget assumes that both of these properties will settle prior to June 2023.

The risks identified would be considered typical for a project such as Catalina, which is heavily influenced by market conditions. These risks will continue to be managed by project supervision and management, monthly financial review and reporting, application of construction triggers and monitoring market and economic conditions. The specific project risks are actively being managed to minimise potential exposure to the TPRC and to achieve budget predictions.

Long-Term Project Forecast

Satterley has updated the long-term Project Forecast for financial planning purposes and information.

The following table shows the variance between the updated Project Forecast (December 2022) and approved Project Forecast (June 2022).

CATALINA Summary			
CATEGORY	CURRENT DEC-22	APPROVED JUN-22	VARIANCE
Total Lots	2,472	2,469	3
Residential Area	830,388m ²	829,806m ²	583m ²
Special Sites Area	72,588m ²	72,306m ²	282m ²
GROSS INCOME			
Income - Lots	729,732,343	721,929,222	7,803,121
Income - Special Sites	27,578,061	27,744,277	(166,216)
Income - Other	287,545	286,887	658
Direct Selling Expenses	80,132,182	79,820,919	(311,263)
GROSS INCOME	677,465,767	670,139,467	7,326,300
DEVELOPMENT COSTS			
Land	12,265,200	10,206,000	(2,059,200)
Consultants	10,075,776	9,825,522	(250,254)
Infrastructure	16,144,568	16,404,514	259,946
Special Sites/Other Development	4,703,970	4,650,887	(53,083)
Lot Production	260,894,299	260,119,985	(774,314)
Landscape	63,916,539	63,428,320	(488,219)
Marketing	11,079,677	10,873,214	(206,463)
Community Development	2,534,860	2,481,378	(53,482)
Administration	25,104,045	24,054,884	(1,049,161)
Finance/Bonds	-	-	-
Contingency	13,078,447	13,323,492	245,045
DEVELOPMENT COSTS	419,797,380	415,368,196	(4,429,184)
CASHFLOW	257,668,387	254,771,271	2,897,116
Capital IRR	10.4%	10.4%	0.0%
Project IRR	16.2%	16.2%	(0.1%)
Profit on Cost	61.4%	61.3%	0.0%
Profit /Lot	104,235	103,188	1,047

Major variations between the forecasts include:

- Gross Income of \$677,465,767, an increase of \$7,326,300;
- Development Costs of \$419,797,380, an increase of (\$4,429,184);
- Cashflow of \$257,668,387, an increase of \$2,897,116; and
- Project Duration increase of 11 months (final settlement amended to May 2034).

The updated Project Forecast is based on the income and cost escalation rates detailed in the following table:

CATALINA Escalation Rates						
INCOME						
From	Jan-11	Oct-21	Jul-22	Jul-23	Jul-24	Jul-25
To	Sep-21	Jun-22	Jun-23	Jun-24	Jun-25	End
Current	0.0%	0.0%	5.0%	5.0%	3.5%	3.0%
Previous	0.0%	3.0%	3.0%	3.0%	3.0%	3.0%
COST						
From	Jan-11	Oct-21	Jul-22	Jul-23	Jul-24	Jul-25
To	Sep-21	Jun-22	Jun-23	Jun-24	Jun-25	End
Current	0.0%	0.0%	8.0%	5.0%	2.0%	2.0%
Previous	0.0%	7.0%	2.0%	2.0%	2.0%	2.0%

Income escalation rates have been revised to 5% for FYE 2023 and FYE 2024 and 3.5% for FYE 2025 before returning to the prior long-term rate of 3% in FYE 2026.

Higher construction and material costs faced by the industry are reflected in an 8% cost escalation rate in FYE 2023 and a 5% increase in FYE 2024 (both up from 2%). Cost escalation is anticipated for FYE 2025 and beyond is retained at 2%.

The updated Project Forecast is based on the lot prices remaining as per previously proposed with the exception of a 5% increase in Catalina Beach, which is reflective of current market conditions.

Sales Rates

Sales rates have been dropped for FYE 2023 and FYE 2024 to reflect current market conditions. For FYE 2023, the Budget has been framed on Net Sales of 8/month for the November to June period. Budget sensitivity analysis is provided on sales rates of 6/month and 10/month. The slower sales rates extend the life of project by nearly one year to FYE 2034, noting that this prediction is very susceptible to change depending on market conditions.

CATALINA Sales Rates			
FINANCIAL YEAR	CURRENT DEC-22	APPROVED JUN-22	VARIANCE
PTD FY21	1,061	1,061	-
FY22	139	162	(23)
FY23	79	177	(98)
FY24	149	159	(10)
FY25	144	136	8
FY26	136	114	22
FY27	112	100	12
FY28	101	104	(3)
FY29	106	102	4
FY30	99	102	(3)
FY31	105	98	7
FY32	96	102	(6)
FY33	104	52	52
FY34	41	-	41
Total	2,472	2,469	3
Final Sale	Nov-33	Dec-32	+11 Mths
Final Settlement	May-34	Jun-33	+11 Mths

In the face of industry challenges and to ensure a consistent supply of stock, staging has been amended with the assumption that the Project will continue to trade through all Catalina Beach stock before returning to Catalina Central, at which point in time Central and Green stock will be sold concurrently to round out the Project.

Distributions to the member Councils are forecast in the following table and maintain a \$15M minimum cash reserve. No change to the previous forecast is proposed.

CATALINA Distributions				
FINANCIAL YEAR	CURRENT DEC-22	APPROVED JUN-22	VARIANCE	CUMULATIVE VARIANCE
PTD FY21	73,700,000	73,700,000	-	-
FY22	10,000,000	10,000,000	-	-
FY23	20,000,000	20,000,000	-	-
FY24	20,000,000	20,000,000	-	-
FY25	17,000,000	17,000,000	-	-
FY26	12,000,000	12,000,000	-	-
FY27	10,000,000	10,000,000	-	-
FY28	10,000,000	10,000,000	-	-
FY29	10,000,000	10,000,000	-	-
FY30	10,000,000	10,000,000	-	-
FY31	10,000,000	8,000,000	2,000,000	2,000,000
FY32	7,000,000	8,000,000	(1,000,000)	1,000,000
FY33	9,000,000	33,000,000	(24,000,000)	(23,000,000)
FY34	26,000,000	-	26,000,000	3,000,000
FY35	-	13,071,271	(13,071,271)	(10,071,271)
FY36	12,968,387	-	12,968,387	2,897,116
FY37	-	-	-	2,897,116
Total	257,668,387	254,771,271	2,897,116	2,897,116

CONCLUSION

The Mid-Year Project Budget FYE 2023 Review is based on current property market conditions and the latest sales/settlement information, construction program and expenditure estimates.

It indicates significant revision to assumptions and predictions in the approved Project Budget FYE 2023, particularly accounting for a slow-down in lot sales and capacity constraints in delivering the originally anticipated extent of lot production and landscape construction works.

The assumptions in the Mid-Year Project Budget FYE 2023 Review are considered to represent the current expectations for the property market outlook and revisions to the titles, sales and settlements targets and forecast expenditure are considered appropriate. It indicates that the TPRC can meet all cashflow obligations without the need for any call upon member local government funds to meet any operating or capital expenditure and is considered to provide an appropriate basis for financial planning for the TPRC Mid-Year Budget FYE 2023.

The Mid-Year Project Budget FYE 2023 Review includes an updated Project Forecast to provide a general guide to the long term cashflow direction. The latest iteration follows a period during which there has been considerable revision of key Project assumptions in a time when the market and construction environment has been dynamic.

The key objective of the Economic pillar of the Strategic Community Plan (2020), adopted by the Council at its February 2020 meeting, is to maximise returns for member Councils while delivering environmental, social, and economic objectives.

Despite the inherent uncertainties associated with forecasting over the lengthy timeframe of the Project's lifecycle, it is considered that the updated Project Forecast (December 2023) is a reasonable basis for Project and financial planning and that the forecasted Project profit and distributions can be relied upon by the member local governments.

9.2 PROPOSED ACQUISITION OF WAPC LAND

Responsible Officer: Chief Executive Officer

Attachments: Nil

Voting Requirements: Simple Majority

MANAGEMENT COMMITTEE RECOMMENDATION

Moved Cr Sandri, Seconded Cr Chester.

That the Council:

1. **NOTE the delays in the TPRC’s proposed acquisition of 10.2209 ha of land (Part Lot 711) from the State Government in Catalina Green.**
2. **NOT actively pursue the acquisition of Part Lot 711 from the State Government in the short/medium term.**
3. **REQUEST that alternative staging plans for Catalina Green be presented to the TPRC Council whereby Part Lot 711 is potentially developed as the final component of Catalina Green.**

The Motion was put and declared CARRIED (4/1).

For: Councillors Chester, Jones, Krsticevic and Sandri

Against: Councillor Migdale

PURPOSE

To update the TPRC on the proposed acquisition of 10.2209 ha of land in the North/North East corner of the Catalina Estate from the State Government in accordance with the Negotiated Planning Solution (NPS) that was agreed between the parties in 2004.

LEGISLATION REFERENCE

- WAPC Metropolitan Region Scheme
- State Planning Policy 2.8 – Bushland Policy for the Perth Metropolitan Region.
- S45(2) of *Land Administration Act (1997)* - Requirement to put proposed excision of Land before both Houses of Parliament for consideration/approval

RISK MANAGEMENT IMPLICATIONS

Risk Ref: 1	Risk Rating:
Strategic Common Vision – Lack of an agreed/common vision across all seven members.	Moderate
Action:	
Data and options provided to TPRC to enable decision to be made that is consistent with TPRC SCP and Member Councils’ desires.	

FINANCIAL AND RESOURCE IMPLICATIONS

The TPRC has funds allocated for the proposed acquisition of land from the State Government.

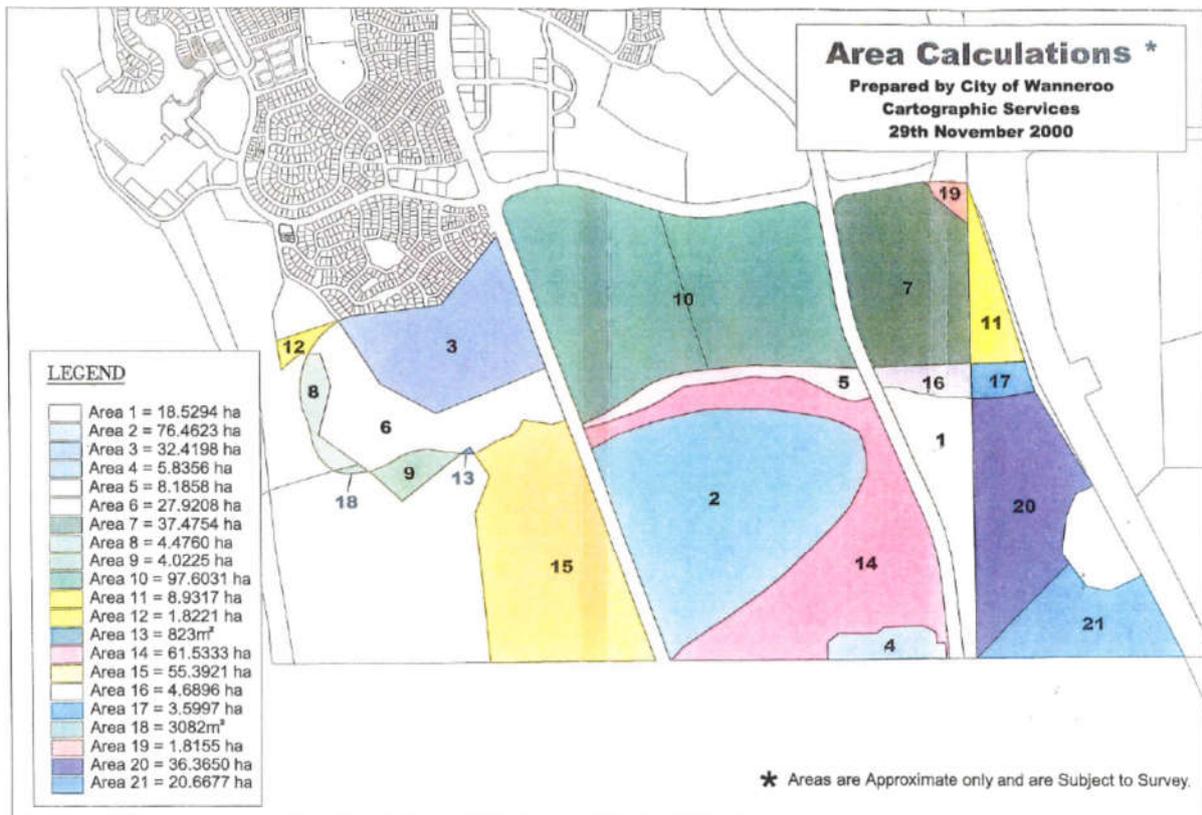
Development costs and income have been assumed in the long-term financial plan for the Catalina Project.

BACKGROUND

In 2000 the State Government adopted the *Bush Forever Policy*. This policy enshrined the retention and protection of significant areas of the State for conservation purposes and promoted the conservation of ecological systems and biodiversity.

A component of the Bush Forever Policy was a recognition that Negotiated Planning Solutions (NPS) would be required to allow appropriate development of urban and industrial land/s that were zoned in the local town planning scheme, whilst seeking the retention of a benchmark target of 30% of the land for Bushland purposes in specified ‘bush forever’ areas.

In 2004 the State Government entered into a NPS with the seven landowners who subsequently became the TPRC. A component of the NPS was that the State would ‘use its best endeavours to facilitate the acquisition of areas 11 and 19’ by the TPRC in exchange for areas being ceded to State. Areas 11 and 19 are in the north/north-east corner of what is now known as Catalina Green (see 29 November 2020 reference map below)



The area listed as ‘19’ was subsequently acquired by the TPRC and is now owned freehold by the TPRC, but the area listed as ‘11’ above (now officially known as Part of Lot 711) remains in State ownership.

The State Government's challenge with selling Part of Lot 711 to the TPRC is that the area is currently part of the Neerabup National Park. The *Land Administration Act (1997)* classifies Neerabup National Park as an A Class Reserve. Section 45(2)(b) of the LAA requires that, where greater than 1ha is to be excised from an A Class reserve, a Reserve Bill needs to progress through both Houses of Parliament in order for the excision of the reserve to occur.

DETAILS / DISCUSSION

While the State has agreed to facilitate the sale of the subject land to the TPRC, this transaction has not been finalised. This matter has been periodically raised by the TPRC with the State Government but, in fairness to the State Government, has not previously been a very high TPRC priority as the land has not been urgently required to facilitate the timely and orderly development of the Catalina Estate.

As the aerial photograph below illustrates, this matter is becoming more strategically important to the TPRC as the Catalina Green Estate development is approaching Lot 711 (shown in Red) with Stages 36 and 37 near completion and planning for subsequent stages to the east and south of the current development front being well advanced.



It should be noted that while the Part of Lot 711 that is proposed to be acquired by the TPRC is 10.22 ha in size, 3.8 ha is required to be retained for Open Space leaving a developable area of approximately 6.4 ha. Approximately 120 -140 dwellings could/would be created in this area (depending on density of development, infrastructure requirements, POS requirements, etc.)

While there has been intermittent correspondence on this matter since 2004, the TPRC's efforts to acquire the land have progressively increased over the past seven years as the development of Lot 711 has become more imminent. The table below briefly outlines a chronology of discussions/correspondence on this matter over that period.

Agenda TPRC Ordinary Meeting of Council – 8 December 2022

Date	Action
09/02/2015	Meeting between TPRC and WAPC re the matter.
17/02/2015	Letter from CEO of TPRC to Secretary of WAPC (Terry Hillyard) seeking progression of acquisition of Areas 11 and 19 (as per NPS 2004).
03/06/2015	Letter from Chair of TPRC to Chair of WAPC (Eric Lumsden) seeking meeting to discuss/expedite the process. Meeting was held on 22/06/2015.
28/01/2016	<p>Letter from WAPC Chair (Eric Lumsden) to TPRC advising:</p> <ul style="list-style-type: none"> • DPAW has completed process to excise A Class Reserve: • Approval from Conservation Commission has been obtained: • Minister for Environment approval has been obtained: • Matter is with Dept of Lands to prepare Bill for Parliamentary approval: • Priority of matter had been raised with Dept of Planning Chief Property Officer and DG Dept of Lands in Dec 2015: • Discussions occurring between Lands or DPAW on who prepares the Bill. Once this is determined Dept of Planning were to advise TPRC.
15/02/2016	TPRC letter to DPAW seeking confirmation (amongst other things) that Dept of Lands will be preparing Bill for parliament.
26/02/2016	<p>DPAW Director General (Jim Sharp) writes to TPRC confirming that approvals have been gained by Dec 2015 including from:</p> <ul style="list-style-type: none"> • City of Wanneroo • Main Roads • Dept of Mines and Petroleum • Conservation Commission • Minister for Environment • Noted that S45(3) of LAA requires an act of Parliament to facilitate excision. Advised that DPAW will support DOL in drafting of required bill.
25/05/2016	Letter from DG DOL (Colin Slattery) advising that, while all approvals had been obtained, Reserve Bills are not typically progressed individually but as a collective. Also noted that Government's legislative program for term of Government was set/full and unlikely that further legislation could be added (i.e., no action till after March 2017 Election).
27/03/2017	TPRC Chair writes to new Minister for Lands (Saffioti) seeking meeting on this matter.
19/09/2017	<p>Letter of response from Min Saffioti to March letter. Letter indicates that:</p> <ul style="list-style-type: none"> • Reserve Bill is required: • DPLH consulting with DBCA and Parliamentary Counsel office re resource requirements, processes, and priorities to progress Reserve Bill: • Change of use from National Park to developable land likely to trigger Future Act provisions of Native Title Act: • SW Native Title Settlement is (was) being negotiated. Initiating separate Future Act process was not considered appropriate at that time: • DPLH to arrange meeting with TPRC to discuss process/timeframes.
19/04/2018	<p>Letter from Minister for Lands (Min Saffioti) to Member for Balcatta in response to his letter advocating on behalf of TPRC. Letter advises that:</p> <ul style="list-style-type: none"> • Excision will be done via an Omnibus Bill: • Exact list of amendments to be included in Omnibus Bill were being determined.

12/02/2020	Letter from Minister for Lands (Min Wyatt) to Member for Balcatta in response to his letter (dated 20/12/2019) advocating on behalf of TPRC. Letter advises that: <ul style="list-style-type: none"> • Progress has been made including approvals and production of plans.
	<ul style="list-style-type: none"> • Cabinet Submission expected shortly which will seek support to draft and introduce a suitable Reserve Bill into Parliament (inc. Neerabup excision): • DPLH to work with DBCA to expedite the matter, noting that drafting priorities are assigned by cabinet on the advice of the Legislation Standing Committee of Cabinet.
Throughout H1 2022	Former CEO of TPRC, Jon Morellini, held discussions with DPLH Officer on this matter. Advised that the matter is 'ready to go' but needs to be prioritised to get on the legislative agenda.
05/10/2022	CEO emails Assistant Director General, DPLH seeking advice on the most expedient method to progress this matter.
12/10/2022	Advice from Assistant Director General, DPLH to TPRC CEO that: <ul style="list-style-type: none"> • Government needs to prioritise the draft of a Reserve Bill which, with the currently legislative agenda, is problematic: • DPLH has done the 'leg work' to prepare for drafting priority but availability of parliamentary drafters and legislative space remain a challenge.
12/10/2022	TPRC CEO requests a meeting with Minister for Land, Min Carey, to discuss this matter.
09/11/2022	TPRC Chair and CEO meet with Minister to discuss the matter. Key feedback from the Minister was: <ul style="list-style-type: none"> • The State's legislative agenda is full of proposed Bills that are a very high priority for the Labor State Government: • While the Minister acknowledged the commitment to sell the land to TPRC, introducing the Reserve Bill is not a high priority for government and is unlikely to be progressed in the short/medium term.

The TPRC needs to consider how and if it wishes to pursue this matter. When considering this issue, the following factors should be contemplated:

1. **TPRC Strategy:** The TPRC's Strategic Community Plan (SCP) lists five objectives. These can be summarised as:
 - a) Providing diverse housing options;
 - b) High quality environmental management and innovation in sustainability;
 - c) Developing a connected, inclusive, safe, and healthy community;
 - d) Maximising financial returns to members;
 - e) Strong leadership, good governance and responsible decision making.

It is considered that these objectives can be achieved irrespective of whether Part Lot 711 is acquired or not.

2. **Need/Strategic Importance of the Land:** Current staging plans for the development of the Catalina Green Estate has the TPRC starting development on areas within Lot 711 in approximately two years (i.e. late 2024). While developing the land as proposed is considered orderly and sequential development of the site, if required, staging plans could be modified relatively easily to accommodate development of other areas of Catalina and a quality, connected development could still occur.

3. **Cost/Profit:** While a detailed financial analysis or business case for the development of Part Lot 711 has not been completed, the following high-level summary outlines the potential financial returns.

Expenditure	\$
Land Acquisition (10 ha @ average of \$1M/ha) *	10,000,000
Lot Development Costs (130 lots @ \$100K/lot) **	13,000,000
Total Expenditure	23,000,000
Income	
Nett Sales Income (130 lots x \$200K/lot)	26,000,000
Total Income	26,000,000
Nett Profit	3,000,000

* Estimated current market value is \$1.2M/ha. Discount applied as portion of site is unable to be developed.

** Current estimated per lot production in Catalina Green is \$96K/lot.

4. **Reputational Risk:** Actively pursuing the acquisition of the land at a time when the State Government has indicated that it is not a priority may negatively impact on the TPRC's reputation with the State Government (and subsequently the Member Councils' reputations).

Given the above, three alternative options on how the TPRC Council may wish to pursue this matter are listed below:

Option 1: Advocate

Vigorously advocate/lobby for the introduction of a Reserve Bill or Omnibus Bill through State Parliament to facilitate the acquisition of Part Lot 711.

Option 2: Defer

Defer actively seeking the acquisition of Part Lot 711 in the short/medium term and modify Catalina Green staging plans with a focus on development of areas outside of that land envelope.

Option 3: Terminate Proposal/s to Acquire Land

Cease all activity relating to the acquisition of Part Lot 711 on the basis that:

- The TPRC's Objectives can be achieved irrespective of whether the land is acquired/developed or not:
- The likely financial returns are marginal; and/or
- There is no clear pathway/timeline for acquisition and/or development of the site.

Based on the information currently available, the approach listed in Option 2 above is recommended by TPRC administration.

CONCLUSION

While it has been a relatively peripheral issue for the TPRC, the potential acquisition of Lot 711 from the State Government is increasingly becoming a key strategic issue for the TPRC. While all parties have agreed to the proposed acquisition and significant pre-work has been

completed, a Reserve Bill needs to pass through both houses of State Parliament in order to facilitate this transaction. Feedback from the Minister for Land is that this is unlikely to occur in the short/medium term. The TPRC Council needs to consider if/how it wishes to pursue this matter.

AUDIT AND RISK COMMITTEE (17 NOVEMBER 2022)

9.3 REVIEW OF PROCUREMENT POLICY

Responsible Officer:	Chief Executive Officer
Attachment:	Procurement Policy (November 2022)
Voting Requirements:	Simple Majority

AUDIT & RISK COMMITTEE RECOMMENDATION

Moved Cr Perkov, Seconded Cr Wallace.

That the Council APPROVES the Procurement Policy (November 2022).

The Motion was put and declared CARRIED (4/0).

PURPOSE

To review the Procurement Policy consistent with Local Government Regulations.

LEGISLATION REFERENCE

Local Government (Financial Management) Regulations 1996, Part 2 (General Financial Management)

PREVIOUS MINUTES

Council Meeting – 18 June 2020 (Item 9.4 – Procurement Policy)

RISK MANAGEMENT IMPLICATIONS

Risk Ref: 7	Risk Rating:
TPRC Operations – Internal Controls	Low
Action / Strategy to Manage:	
Management Policies and Procedures reviewed and approved by Council.	

The review and endorsement of the TPRC Procurement Policy is required by Local Government Regulations.

FINANCIAL AND RESOURCE IMPLICATIONS

Nil

BACKGROUND

Part 3 of the *Local Government Act*, together with the Local Government Financial Management Regulations and Functions and General Regulations, provide an outline of specific requirements and probity guidelines in respect of the purchase of goods and tendering on behalf of local governments.

At its meeting of 18 June 2020, the Council resolved to approve a revised Procurement Policy (June 2020).

COMMENT

The Procurement Policy (June 2020) has been reviewed. The review identified the need for changes to be made to improve the Policy’s functionality and readability.

A revised Procurement Policy (November 2022) has been prepared. The approved and revised policy versions are contained in Appendix 9.3. The revisions are too substantial for a tracked changes version to provide a clear picture of the extent of the recommended changes.

The Policy revisions are summarised in the following table:

No.	Revision	Rationale
1	Relocation of the Policy Background text to a new References section.	To provide a clearer distinction between operative and informational parts of the Policy.
2	Introduction of additional Policy objectives.	To better detail the Policy’s intent.
3	Introduction of a reference to the TPRC Code of Conduct.	To detail principles, standards and behaviours expected of employees undertaking procurement activities.
4	Procurement requirements for various purchase value thresholds have been converted to a table-format, including the introduction of minimum evaluator numbers.	To improve clarity and readability and ensure the evaluation approach is tailored to the financial significance of each procurement.
5	Introduction of provisions concerning instances where a single source of supply may be permitted.	To accommodate circumstances where the procurement requirement is of a unique nature or relates to a service for which there are a limited number of suitable suppliers.
6	Introduction of provisions for determining the selection criteria and associated weightings to be used in the evaluation of proposals.	To ensure selection criteria are established consistently and achieve Policy objectives for value for money, sustainability, and effectiveness considerations.
7	Revision to evaluation scoring guidelines.	To provide more comprehensive guidance for the allocation of scores for qualitative selection criteria.
8	Addition of provisions relating to contract management.	To convey TPRC expectations to prospective suppliers on the form of contract to be required and reinforce the importance of proactive contract management practices during the life of a contract term.
9	Other minor administrative changes, including requirements for the preparation of Evaluation Plans and Records Management.	To improve the administrative functionality of the Policy.

Current procurement thresholds, which are summarised in the following table, are proposed to be retained without revision:

Purchase Amount	Quotation Requirements
Up to \$2,000	One verbal quotation
\$2,000 - \$5,000	Minimum one written quotation
\$5,000 - \$20,000	Minimum two written quotations
\$20,000 - \$50,000	Minimum three written quotations
\$50,000 - \$250,000	Formal request for quotation process (RFQ)
\$250,000+	Tender process

The approach taken in the revised Procurement Policy (November 2022) will provide best practice guidelines to enable the procurement of goods and services in accordance with relevant regulatory requirements, while suiting the typical operational circumstances of the TPRC's procurements.

CONCLUSION

The Procurement Policy (November 2022) is recommended for the Council's approval.

9.4 REVIEW OF ELECTED MEMBER TRAINING POLICY

Responsible Officer:	Chief Executive Officer
Attachment:	Elected Member Training Policy (November 2022)
Voting Requirements:	Absolute Majority

AUDIT & RISK COMMITTEE RECOMMENDATION

Moved Cr Wallace, Seconded Cr Fleeton.

That Council APPROVES the Elected Member Training Policy (November 2022) and NOTES that the TPRC’s website provides a link to each member local government’s website where the policy, training, and reporting requirements in respect of each of the TPRC’s Councillors is provided.

The Motion was put and declared CARRIED (4/0) by absolute majority.

PURPOSE

To review the Elected Member Training Policy consistent with Local Government Regulations.

LEGISLATION REFERENCE

Local Government Act 2019 - Sections 5.126 (Training for Council Members) and 5.128 (Policy for Continuing Professional Development)

PREVIOUS MINUTES

Council Meeting – 20 August 2020 (Item 8.6 – Elected Member Training Report)

RISK MANAGEMENT IMPLICATIONS

Risk Ref: 7	Risk Rating:
TPRC Operations – Internal Controls	Low
Action / Strategy to Manage:	
Management Policies and Procedures reviewed and approved by Council.	

The review and endorsement of the TPRC Elected Member Training Policy is required by Local Government Regulations.

FINANCIAL AND RESOURCE IMPLICATIONS

Nil

BACKGROUND

The Local Government Act 2019 (the Act) was amended to include - Section 5.126 which includes provisions requiring Elected Members to complete training in accordance with

regulations and Section 5.128 requiring a policy in relation to the continuing professional development of Elected Members.

COMMENT

There is no exemption for regional local governments in relation to the Section 5.126 and 5.128 obligations to develop a policy. However, advice from the Department of Local Government, Sport and Cultural Industries acknowledged that to avoid the potential for the duplication of work, a regional council may prepare a policy that points to those already completed by individual local governments.

In order to avoid unnecessary duplication of reporting and to comply with the requirements of Sections 5.126 and 5.128 of the Act the TPRC's website provides a link to each member local government's website where the policy, training and reporting requirements in respect of each of the TPRC's councillors is provided.

The Tamala Park Regional Council Elected Member Training Policy (August 2020) outlines this approach and was approved by Council at its meeting of 20 August 2020.

CONCLUSION

The Elected Member Training Policy continues to operate satisfactorily, and no changes are proposed to the Policy. The Elected Member Training Policy (November 2022) is recommended for adoption.

9.5 REVIEW OF SPONSORSHIP POLICY

Responsible Officer:	Chief Executive Officer
Attachments:	Sponsorship Policy (November 2022)
Voting Requirements:	Simple Majority

AUDIT & RISK COMMITTEE RECOMMENDATION

Moved Cr Fleeton, Seconded Cr Wallace.

That the Council APPROVES the Sponsorship Policy (November 2022).

The Motion was put and declared CARRIED (4/0).

PURPOSE

To review the Sponsorship Policy consistent with Local Government Regulations.

LEGISLATION REFERENCE

NA

PREVIOUS MINUTES

- Council Meeting – 8 December 2016 (Item 9.10 – Sponsorship Policy Review)
- Council Meeting – 10 December 2015 (Item 9.11 – Sponsorship Policy)

RISK MANAGEMENT IMPLICATIONS

Risk Ref: 7	Risk Rating:
TPRC Operations – Internal Controls	Low
Action / Strategy to Manage:	
Management Policies and Procedures reviewed and approved by Council.	

Periodic review of Council Policies is considered good governance for Local Governments.

FINANCIAL AND RESOURCE IMPLICATIONS

Expenditure under this matter will be posted under item E145013 (Community Development):

Budget Amount:	\$	265,500
Spent to Date:	\$	11,149
Balance:	\$	254,351

BACKGROUND

At its meeting held on 10 December 2015 the Council approved the Sponsorship Policy (November 2015) to provide clear direction and guidelines for the TPRC to receive, assess and determine sponsorship proposals.

The Objective of the Sponsorship Policy is “to provide sponsorship that contributes to community building and community services/infrastructure and provides direct benefit to the Project”.

COMMENT

While the TPRC has received limited requests for sponsorship to date, it is anticipated that as Catalina develops and more residents move into the Estate, that requests for sponsorship to foster local community groups is likely to increase.

CONCLUSION

It is considered that the current Policy addresses the intent of the TPRC’s involvement in sponsorship and provides appropriate guidelines to support community and project recognition through sponsorship. No changes are proposed to the Policy. The Sponsorship Policy (November 2022) is recommended for adoption.

9.6 REVIEW OF RECORDKEEPING POLICY

Responsible Officer:	Chief Executive Officer
Attachments:	Recordkeeping Policy (November 2022)
Voting Requirements:	Simple Majority

AUDIT & RISK COMMITTEE RECOMMENDATION

Moved Cr Wallace, Seconded Cr Perkov.

That the Council APPROVES the Recordkeeping Policy (November 2022).

The Motion was put and declared CARRIED (4/0).

PURPOSE

To review the Recordkeeping Policy consistent with Local Government Regulations.

LEGISLATION REFERENCE

- *Local Government Act 1995*
- *State Records Act 2000*

PREVIOUS MINUTES

Council Meeting – 17 August 2017 (Item 9.14 – Recordkeeping Policy Review)

RISK MANAGEMENT IMPLICATIONS

Risk Ref: 7	Risk Rating:
TPRC Operations – Internal Controls	Low
Action / Strategy to Manage:	
Management Policies and Procedures reviewed and approved by Council.	

Periodic review of Council Policies is considered good governance for Local Governments.

FINANCIAL AND RESOURCE IMPLICATIONS

Nil

BACKGROUND

At its meeting of 17 August 2017, the Council approved the Recordkeeping Policy (August 2017).

The intent of the Recordkeeping Policy is to provide guidance to TPRC staff, Councillors, and contractors on recordkeeping requirements consistent with the *State Records Act 2000*.

CONCLUSION

The Recordkeeping Policy continues to operate satisfactorily, and no changes are proposed to the Policy. The Recordkeeping Policy (November 2022) is recommended for adoption.

9.7 REVIEW OF ELECTED MEMBER CONFERENCE ATTENDANCE POLICY

Responsible Officer:	Chief Executive Officer
Attachments:	Elected Member Conference Attendance Policy (November 2022)
Voting Requirements:	Absolute Majority

AUDIT & RISK COMMITTEE RECOMMENDATION

Moved Cr Perkov, Seconded Cr Wallace.

That the Council APPROVES the Elected Member Conference Attendance Policy (November 2022).

The Motion was put and declared CARRIED (4/0) by ABSOLUTE MAJORITY.

PURPOSE

To review the Elected Member Conference Attendance Policy consistent with Local Government Regulations.

LEGISLATION REFERENCE

NA

PREVIOUS MINUTES

Council Meeting – 16 June 2016 (Item 9.14 – Elected Member Conference Attendance Policy)

RISK MANAGEMENT IMPLICATIONS

Risk Ref: 7	Risk Rating:
TPRC Operations – Internal Controls	Low
Action / Strategy to Manage:	
Management Policies and Procedures reviewed and approved by Council.	

Periodic review of Council Policies is considered good governance for Local Governments.

FINANCIAL AND RESOURCE IMPLICATIONS

Expenditure under this matter will be posted under item E041020 (Conference Expenses – Elected Members):

Budget Amount:	\$	5,125
Spent to Date:	\$	0
Balance:	\$	5,125

BACKGROUND

Elected Members have previously nominated to attend conferences considered relevant to the TPRC objectives and related to the matters relevant to the Catalina Project as representatives of the TPRC. No funds have been expended since COVID-19 interrupted air travel in 2020.

The Elected Member Conference Attendance Policy (June 2016) was developed to provide the guidelines, nature, extent and administrative arrangements for Elected Members attendance or representation at conferences.

At its meeting of 16 June 2016, the Council approved the Elected Member Conference Attendance Policy (June 2016).

CONCLUSION

The Elected Member Conference Attendance Policy continues to operate satisfactorily, and no changes are proposed to the Policy. The Elected Member Conference Attendance Policy (November 2022) is recommended for adoption.

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

That the Council:

Move into Closed Session and exclude members of the press and public from the meeting of the Closed Session and access to the correspondence and reports relating to the items considered during the course of the Closed Session be withheld. This action is taken in accordance with Section 5.23 of the *Local Government Act 1995*, as item:

14.1 - TPRC LANDHOLDING AND OWNERSHIP UPDATE comes within the following provision:

- d) *legal advice obtained, or which may be obtained, by the local government and which relates to a matter to be discussed at the meeting; and*
- e) *a matter if disclosed would reveal –*
 - (i) *a trade secret:*

14.2 - MINDARIE REGIONAL COUNCIL GROUNDWATER MONITORING UPDATE comes within the following provision:

- 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)).

14.3 - REVIEW OF TPRC RISK MANAGEMENT FRAMEWORK comes within the following provision:

- 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 - CEO PERFORMANCE REVIEW PROCESS AND KEY PERFORMANCE INDICATORS comes within the following provision:

- 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

APPENDICES

Appendix 8.1

LANDSCAPING WORKS STATUS – as at 30 November 2022

Landscape Works	FYE 2023 Budget	Detailed Design	City of Wanneroo Approval	Construction Commencement	Anticipated Completion	Comments
Foreshore Access Road and Carpark	\$528,802	Complete	Issued	Commenced	Complete	<ul style="list-style-type: none"> • Second stage of revegetation has been completed.
Portofino Promenade Extension	\$1,090,493	Complete	Issued	August 2022	20 December 2022	<ul style="list-style-type: none"> • Mature transplants and walls installed. • Reticulation main line completed. • Paving in progress.
Catalina Beach Park- Phase 2	\$702,722	Complete	Issued	December 2022	March 2023	<ul style="list-style-type: none"> • Earthworks completed as part of Stage 29 civil works. • Landscaping works awarded to LD Total – commencing late November 2022.
Foreshore Park	\$4,689,465	Complete	To be Obtained	April 2023	July 2023	<ul style="list-style-type: none"> • Landscaping design finalised – submission to City of Wanneroo is pending resolution of urban water management plan requirements. Submission anticipated mid-December 2023.
Connolly Drive/Aviator Boulevard Roundabout and Entry Statement	\$1,303,148	Complete	Issued	Commenced	December 2022	<ul style="list-style-type: none"> • Landscaping works resumed in October 2022 after being delayed due to reticulation water pressure issues associated with Drimmie Park bore. Bore and iron filter servicing has resolved pressure issues. • Entry Statement walls complete. • Paths and tree planting in progress.
Aviator Boulevard Greenlink	\$2,049,665	Complete	Issued	Commenced	September 2022	<ul style="list-style-type: none"> • Landscaping completed.
Catalina Green Phase 1 Park, Streetscapes and Entry Statements	\$4,008,351	Complete	Issued	January 2023	May 2023	<ul style="list-style-type: none"> • Recommendation for construction award under assessment by TPRC office.



Halloween at Catalina estate took place from 4pm - 7pm on Sunday 30 October 2022.

Catalina residents were invited to Trick or Treat through the estate, then join their neighbours for a community sausage sizzle, kids' activities and games at Drimmie Park. Each home received an event flyer with the reverse side designed to be placed on the letterbox or front door to signify that trick or treaters were welcome.

The objective of the event was to encourage socialisation and celebrate Halloween by way of a neighbourhood connection activity.

Event summary:

- Zero safety incidents
- Over 100 residents attended (against a KPI of 40 residents as per agreed contract deliverables)
- Quinns Men's Shed ran the community sausage sizzle, which was particularly popular
- Strong eDM engagement:
 - Invite eDM: 1,176 opens (36.82% open rate)
 - Real Estate Industry average open rate is 21.04%
 - 102 event responses for event on Residents Facebook page
- The event was designed to be easy to organise and run so that it could be resident-led. Several residents in the community were identified and approached, however their initial interest declined and they did not want to become involved.
- The Catalina Residents Facebook page admin asked for interested residents to come forward however despite there being a lot of interest in attending the event, no one volunteered to assist beforehand or on the day.





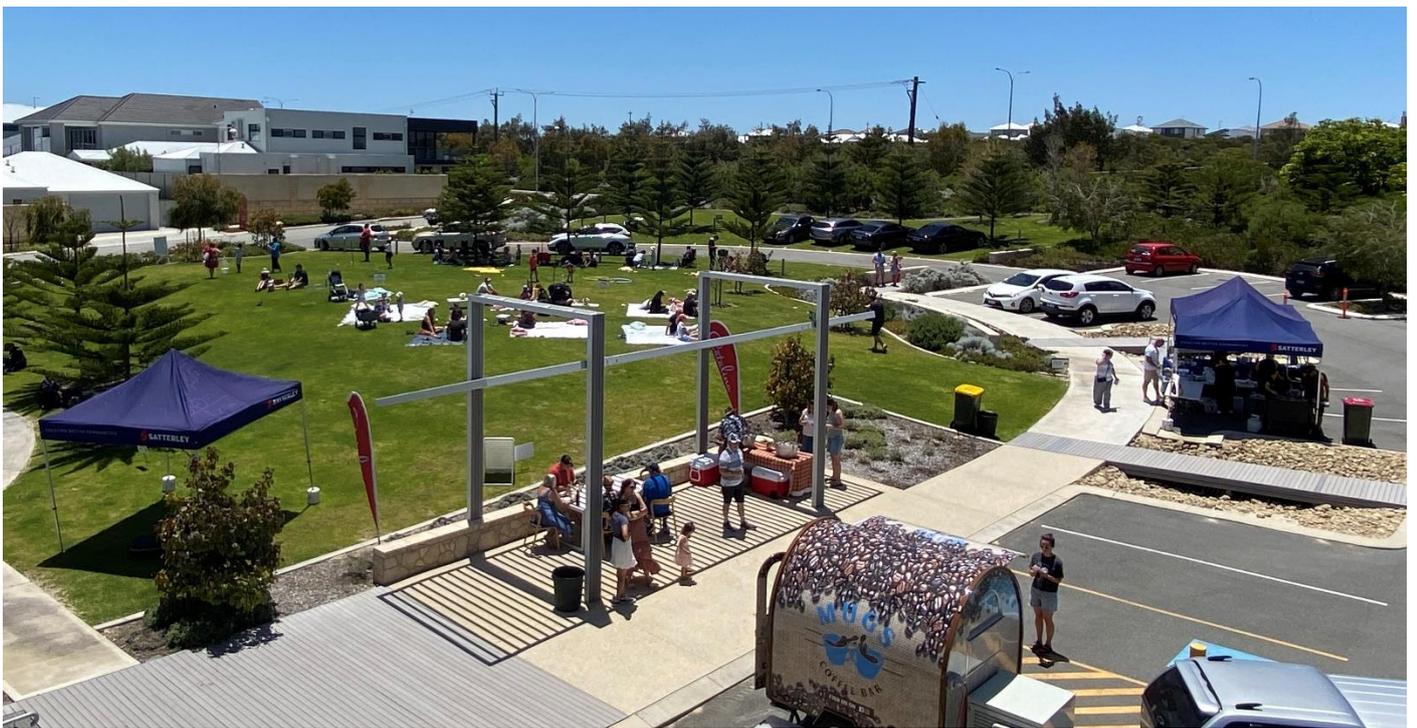
The welcome resident function for 2022 was promoted as a Sunday BBQ event and held at the Catalina Beach Sales Office precinct between 11am – 2pm on 27 November.

Advance invites were issued to the latest wave of 69 purchasers who had settled since November 2021 to ensure they had priority access to the event and the chance to be welcomed to their new community. All established households were invited via a subsequent letterbox drop across the estate to encourage mingling amongst new and existing residents. Registrations were capped at 140 people for budget purposes and the event was fully subscribed well ahead of time.

Guests enjoyed live music, complimentary food and drinks, bingo icebreaker, lawn games and a special visit from Freedom Fairies.

Event summary:

- Safety KPI achieved - zero incidents.
- Attendance target achieved - 93 residents attended against a target of 60. There was a 35% drop off rate between RSVPs (142) and on the day attendance.
- Delivered within budget – total cost of \$8,942.80 against a budget of \$9,367 (including professional fees).
- Strong eDM invite open rate (69%) and click rate (17%) from new purchasers. However, this did not translate to RSVPs with only 1 registration from those who had recently settled on land at Catalina.
- Over half of attendees (55) participated in the bingo icebreaker.
- The Rotary Club of Mindarie ran the sausage sizzle with extended menu items including chicken skewers and vegetarian options. A total of 110 sausages & 40 kebabs were served.
- As part of the annual event calendar, the Sunday BBQ supported the Community leaf within the EnviroDevelopment accreditation.



Appendix 8.2

25 November 2022

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

Dear Chris

Catalina Financial Report for October 2022

Please find attached the Catalina Financial Report for October 2022. This report has been prepared on a cash basis and compares actual income and expenditure to the October 2022 approved budget for the period 1 October 2022 to 31 October 2022.

YTD settlement revenue for FY2023 was \$7.2m which is \$3.9m unfavorable to the approved 'June 2022' budget due to 18 less settlements.

Year to date Sales for FYE2023 was \$5.55m and \$14.7m unfavourable to budget due to 44 less residential sales than budget. Note that 32 gross sales worth \$10.01m have been made YTD, reduced to a net 15 by 17 cancellations.

Overall year to date expenditure for FYE2023 is \$11.29m below budget per the approved 'June 2022' budget, with \$7.34m spent against a budget of \$18.63m. The main areas of variances are summarised below:

- Lot Production (excl. Bonds) is \$6.48m under budget, noting the following variances:
 - Stages 32-35 Earthworks \$14k under budget due to timing of invoice payments;
 - Stages 36-37 Earthworks \$211k under budget due to savings;
 - Stages 38-40 Earthworks \$207k under budget due to delayed works as result of lower sales rate;
 - Stage 18C \$1.26m under budget due to delayed works and extended contract duration;
 - Stage 27B \$14k under budget due to savings;
 - Stage 29 \$1.31m under budget due to delayed works and extended contract duration;
 - Stage 30 \$92k over budget due to delayed works budgeted for FY22;
 - Stage 31 \$43k under budget due to minor variances from delays of civil design;
 - Stage 32 \$24k under budget due to minor variances from delays of civil design;
 - Stage 36 \$2.4m under budget due to delayed works and extended contract duration;
 - Stage 37 \$996k under budget due to delayed works and extended contract duration;
 - Stage 38 \$91k under budget due to minor variances from delays of civil design;
- Landscaping is \$4.4m under budget, noting the following variances:
 - Preliminary landscaping consultancy \$456k under budget due to delayed designs and construction;
 - Environmental landscaping \$78k under budget due to minor timing variances;
 - Public Art \$15k under budget due to no spending required at present;
 - Central Connolly Drive \$869k under budget due to works delayed until bore matter is resolved;

- Central Green Link \$317k under budget due to works being delayed - extended civil works program requiring completion;
- Beach Display Village Verge \$8k over budget - timing variance;
- Beach Portofino Verge South \$633k under budget – delayed works due to overstretched contractors’ capacity causing delays on site;
- Beach Park 2 \$309k under budget due to delays in civil works program in stage 29;
- Beach foreshore POS area 1 \$964k under budget due to works being delayed until UWMP matters with CoW is resolved;
- Beach foreshore access Area 1 \$53k over budget due to timing of works;
- Beach Mallaca Way Medians \$30k under budget due to timing of works;
- Beach Bore & pump \$68k under budget due to timing of works;
- Green Neerabup Road Phase 1 \$195k under budget due to works being delayed - extended civil works program requiring completion;
- Green Connolly Drive Phase 1 \$34k over budget due to timing of works ahead of budget;
- Green POS 1 \$413k under budget due to works being delayed - extended civil works program requiring completion;
- Green POS 2 \$15k over budget due to timing of works;
- Green Streetscapes Phase 1 \$50k under budget due to works being delayed - extended civil works program requiring completion;
- Green Central Bore, Pump & Filtration Unit \$10k under budget due to timing of works;
- Water \$12k under budget due to timing of works;
- Beach Mews Rd \$26k under budget due to timing of works;
- Infrastructure Spend is \$530k under budget, noting the following variances:
 - Foreshore Access Road \$10k under budget due to final contract below budget;
 - Portofino Extension \$88k under budget due to final contract below budget;
 - Longreach Prom Extension \$402k under budget due to overstretched contractors’ capacity causing delays on site;
 - Rubbish Removal \$30k under budget due to unrequired works;
- Clearance bonds are \$1.6m unfavourable to budget – timing.
- Indirect Consultants are \$68k under budget - timing.
- Special site – Stage 17B GHS are \$67k under budget due to timing of works.
- P&L expenditure is \$1.34m under budget, noting the following variances:
 - Sales & Marketing is \$81k under budget due to timing of spend;
 - Community and Development \$77k under budget due timing of spend;
 - Maintenance \$162k under budget due to timing of spend;
 - Audit & Tax \$18k under budget due to timing of spend;
 - Legal Fees \$17k under budget – no spend required at present;
 - Contingency \$715k under budget – not required
 - Rates & taxes \$226k under budget – savings may be required during the years;
 - Security \$12k under budget – no spending required at present;
 - Training \$8k under budget – no spending required at present;
 - \$24k over 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

A handwritten signature in blue ink, appearing to read 'Ross Carmichael'.

Ross Carmichael
General Manager Finance

Catalina Actual vs Budget Analysis

Tamala Park Cashflow FY2023		MONTH - October 2022			YEAR TO DATE - October 2022			Bud Comparison: Jun 22 Approved
Job Description	Account Description	MTH ACT Oct 2022	MTH BUD Oct 2022	Variance	YTD ACT Oct 2022	YTD BUD Oct 2022	Variance	Comments regarding variance
REVENUE								
Settlements	Settlement revenue	445,000	7,233,671	(6,788,671)	7,200,000	11,105,243	(3,905,243)	19 settlements YTD ex GST Margin, lower than forecast due to dealed titles scheme. GST Margin as detailed in Burgess Rawson valuations Includes Commission and Management Fees. Lower than forecast due to lower settlements Penalty interest income on settlements Construction Recycling, Fencing, Landscape, Shared Bore, Solar, and Display Builder Rebates
Margin GST	Margin GST	(4,529)	(124,786)	120,256	(69,367)	(170,639)	101,271	
Direct Selling Costs		(19,840)	(336,265)	316,425	(322,239)	(512,678)	190,439	
Interest Income		0	0	0	658	0	658	
Rebate Allowance		(27,177)	(154,488)	127,311	(111,275)	(528,909)	417,634	
		393,454	6,618,132	(6,224,679)	6,697,777	9,893,016	(3,195,239)	
LOT PRODUCTION								
Earthworks Stages 32-35	Direct Consultants	0	3,423	3,423	0	13,557	13,557	minor variance - invoice timing from consultant
Total Earthworks Stage 32-35		0	3,423	3,423	0	13,557	13,557	
Earthworks Stages 36-37	Siteworks / Earthworks	0	0	0	0	210,958	210,958	budget saving - lower final contract value
Total Earthworks Stage 36-37		0	0	0	0	210,958	210,958	
Earthworks Stages 38-40	Siteworks / Earthworks	0	203,472	203,472	0	203,472	203,472	
Earthworks Stages 38-40	Direct Consultants	0	3,423	3,423	0	3,423	3,423	
Earthworks Stages 38-40		0	206,895	206,895	0	206,895	206,895	YTD under budget due to delayed works as result of lower sales rate
Stage 18C	Siteworks / Earthworks	105,107	424,023	318,917	458,652	1,679,319	1,220,667	
	Authorities Fees	212	0	(212)	225,799	237,082	11,283	
	Direct Consultants	2,192	10,954	8,762	16,998	43,381	26,383	
Total Stage 18C		107,510	434,977	327,467	701,448	1,959,782	1,258,334	YTD under budget due to delayed works and extended contract duration. Delayed works to catch-up over coming months
Stage 27B	Siteworks / Earthworks	43,817	0	(43,817)	55,817	0	(55,817)	
	Authorities Fees	0	0	0	0	71,264	71,264	
Stage 27B	Direct Consultants	0	0	0	1,250	0	(1,250)	budget savings - lower final contract value
Total Stage 27B		43,817	0	(43,817)	57,067	71,264	14,196	
Stage 29	Siteworks / Earthworks	161,725	603,517	441,792	618,567	1,928,891	1,310,324	
	Authorities Fees	18,908	0	(18,908)	18,908	0	(18,908)	
	Direct Consultants	5,445	13,409	7,963	32,936	53,104	20,168	
Total Stage 29		186,078	616,925	430,847	670,411	1,981,995	1,311,584	YTD under budget due to delayed works and extended contract duration. Delayed works to catch-up over coming months
Stage 30	Siteworks / Earthworks	8,531	0	(8,531)	71,637	0	(71,637)	
	Direct Consultants	140	0	(140)	20,437	0	(20,437)	
Total Stage 30		8,671	0	(8,671)	92,074	0	(92,074)	Unfavourable timing variance due to delayed works budgeted in FY22.
Stage 31	Direct Consultants	15,958	36,798	20,841	103,079	145,738	42,660	
Total Stage 31		15,958	36,798	20,841	103,079	145,738	42,660	YTD variance - delayed commencement of civil design
Stage 32	Direct Consultants	0	23,907	23,907	0	23,907	23,907	
Total Stage 32		0	23,907	23,907	0	23,907	23,907	YTD minor variance - delayed commencement of civil design
Stage 36	Siteworks / Earthworks	491,480	844,663	353,183	1,341,536	3,345,239	2,003,703	
	Authorities Fees	0	0	0	351,039	725,966	374,927	
Stage 36	Direct Consultants	4,918	16,186	11,268	39,621	64,102	24,481	YTD under budget due to delayed works and extended contract duration. Delayed works to catch-up over coming months
Total Stage 36		496,398	860,849	364,451	1,732,196	4,135,306	2,403,110	
Stage 37	Siteworks / Earthworks	0	490,167	490,167	0	980,333	980,333	
	Authorities Fees	0	0	0	533	0	(533)	
	Direct Consultants	37,851	26,837	(11,014)	90,354	106,287	15,933	
Total Stage 37		37,851	517,004	479,153	90,887	1,086,621	995,734	YTD under budget due to delayed works and extended contract duration. Delayed works to catch-up over coming months
Stage 38	Direct Consultants	0	23,583	23,583	2,020	93,401	91,381	
Total Stage 38		0	23,583	23,583	2,020	93,401	91,381	YTD minor variance - delayed commencement of civil design
Various Stages	Clearance Bonds	0	350,000	350,000	1,826,111	226,745	(1,599,366)	
TOTAL LOT PRODUCTION		896,284	3,074,362	2,178,078	5,275,293	10,156,168	4,880,875	Within budget
LANDSCAPING								
Preliminary Landscaping Consultancy	Landscape Consulting	19,074	194,812	175,739	89,646	545,398	455,752	under budget - delayed designs and construction
Environmental Landscaping	Landscape Construction	0	43,905	43,905	95,731	173,885	78,154	under budget - minor timing variance in works
Public Art	Landscape Construction	0	15,041	15,041	0	15,041	15,041	unutilised budget
Central Connolly Drive	Landscape Construction	0	219,353	219,353	0	868,733	868,733	Works delayed until bore matters resolved. Delayed works to catch-up over coming months

Catalina Actual vs Budget Analysis

Tamala Park Cashflow FY2023		MONTH - October 2022			YEAR TO DATE - October 2022			Bud Comparison: Jun 22 Approved
Job Description	Account Description	MTH ACT Oct 2022	MTH BUD Oct 2022	Variance	YTD ACT Oct 2022	YTD BUD Oct 2022	Variance	Comments regarding variance
Central Green Link	Landscape Construction	361,420	259,765	(101,655)	711,838	1,028,785	316,947	YTD under budget due to delayed works. Delayed works to catch-up over coming months
Beach Display Village Verge	Landscape Construction	1,200	0	(1,200)	8,400	(0)	(8,400)	minor timing variance
Beach Portofino Verge - South	Landscape Construction	66,669	183,472	116,804	93,535	726,631	633,096	Delays on site with contractor capacity (materials and labour)
Beach Park 2	Landscape Construction	0	78,069	78,069	0	309,186	309,186	Under budget due to delays in civil works program in stage 29
Beach Foreshore POS Area 1	Landscape Construction	0	505,901	505,901	44,800	1,008,452	963,652	Works delayed as project team resolves UWMP matters with CoW
Beach Foreshore Access Area 1	Landscape Construction	1,131	37,343	36,212	200,420	147,894	(52,526)	minor timing variance
Beach Mallaça Way Medians	Landscape Construction	0	7,599	7,599	0	30,097	30,097	minor timing variance
Beach Bore, Pump & Filtration Unit	Landscape Construction	0	34,231	34,231	0	68,236	68,236	minor timing variance
Green Neerabup Road Phase 1	Landscape Construction	0	98,038	98,038	0	195,427	195,427	Works delayed due to extended civil works program requiring completion
Green Connolly Drive Phase 1	Landscape Construction	0	185,901	185,901	336,347	370,571	34,223	minor timing variance
Green POS 1 Phase 1	Landscape Construction	0	207,220	207,220	0	413,068	413,068	Works delayed due to extended civil works program requiring completion
Green POS 1 Phase 2	Landscape Construction	0	0	0	15,446	0	(15,446)	minor timing variance
Green Streetscapes Phase 1	Landscape Construction	0	50,464	50,464	0	50,464	50,464	Works delayed due to extended civil works program requiring completion
Green Central Bore, Pump & Filtration Unit	Landscape Construction	0	10,269	10,269	0	10,269	10,269	minor timing variance
Water	Landscape Construction	0	11,553	11,553	0	11,553	11,553	minor timing variance
Beach Mews Rd	Landscape Construction	0	0	0	0	25,686	25,686	minor timing variance
TOTAL LANDSCAPING		449,493	2,142,937	1,693,444	1,596,163	5,999,374	4,403,211	Within budget
INDIRECT CONSULTANTS								
Planning - indirect	Planning	27,679	23,619	(4,060)	47,925	93,544	45,618	Within total FY23 Indirect Consultants budget
	Architect	710	799	89	4,675	3,166	(1,509)	
	Environmental	1,248	3,423	2,175	11,754	13,557	1,803	
	Geotechnical	0	665	665	0	2,635	2,635	
	Title - Survey & Legal fees	2,750	2,995	245	7,791	11,862	4,071	
	Engineering fees	7,332	5,990	(1,342)	14,895	23,725	8,830	
	Miscellaneous Consultants	(1,616)	856	2,472	0	3,389	3,389	
	Planning - fire & safety	0	214	214	2,500	847	(1,653)	
	Planning - Hydrology	2,375	2,481	106	3,110	9,826	6,716	
	Planning - Sustainability	3,500	1,189	(2,311)	7,000	4,709	(2,291)	
	Acoustic & Noise Consult	0	85	85	0	337	337	
TOTAL INDIRECT CONSULTANTS		43,978	42,318	(1,660)	99,650	167,597	67,947	Within budget

Catalina Actual vs Budget Analysis

Tamala Park Cashflow FY2023		MONTH - October 2022			YEAR TO DATE - October 2022			Bud Comparison: Jun 22 Approved
Job Description	Account Description	MTH ACT Oct 2022	MTH BUD Oct 2022	Variance	YTD ACT Oct 2022	YTD BUD Oct 2022	Variance	Comments regarding variance
INFRASTRUCTURE								
Foreshore Access Road		0	0	0	0	9,921	9,921	
Portofino Extension		3,990	0	(3,990)	3,990	110,840	106,850	budget savings - lower final contract value
Portofino Extension		41,023	0	(41,023)	41,023	22,294	(18,729)	budget savings - lower final contract value
Longreach Prom Extension		0	194,707	194,707	500	388,124	387,624	minor timing variance
Longreach Prom Extension		0	0	0	0	14,353	14,353	under budget as result of contractor capacity and delayed works
Rubbish removal - General Allowance		0	7,684	7,684	0	30,432	30,432	under budget as result of contractor capacity and delayed works
INFRASTRUCTURE		45,013	202,391	157,378	45,513	575,965	530,451	savings as works not required
INFRASTRUCTURE REFUNDS								
TOTAL INFRASTRUCTURE		45,013	202,391	157,378	45,513	575,965	530,451	Within budget
SPECIAL SITES & FIXED ASSETS								
Stage 17B GHS - Lot 341		0	33,718	33,718	0	67,212	67,212	
TOTAL SPECIAL SITES & FIXED ASSETS		0	33,718	33,718	0	67,212	67,212	YTD under budget due to delayed works. Delayed works to catch-up over coming months
TOTAL CONSTRUCTION		1,434,768	5,495,725	4,060,957	7,016,620	16,966,317	9,949,697	Within budget
LAND								
LAND		0	0	0	0	0	0	
PROFIT & LOSS EXPENDITURE								
Sales & Marketing								
Brand Development		0	4,167	4,167	3,500	16,667	13,167	
Sales Office & Builder Rel.		0	11,667	11,667	346	46,667	46,321	
Brochures		0	3,500	3,500	4,800	14,000	9,200	
Advertising		8,121	10,667	2,546	43,143	42,667	(476)	
Signage		0	10,833	10,833	39,951	43,333	3,383	
Website		0	1,667	1,667	6,869	6,667	(202)	
Promotions		0	833	833	0	3,333	3,333	
Public Relations		0	1,667	1,667	0	6,667	6,667	
Total Sales and Marketing		8,121	45,000	36,879	98,608	180,000	81,392	Within budget
Total Community Development	Comm Dev - Resident Dev	1,470	22,125	20,655	11,654	88,500	76,846	Within budget

Catalina Actual vs Budget Analysis

Tamala Park Cashflow FY2023		MONTH - October 2022			YEAR TO DATE - October 2022			Bud Comparison: Jun 22 Approved
Job Description	Account Description	MTH ACT Oct 2022	MTH BUD Oct 2022	Variance	YTD ACT Oct 2022	YTD BUD Oct 2022	Variance	Comments regarding variance
Administration	Audit and Tax	1,199	0	(1,199)	2,277	20,403	18,125	Timing variance Remaining budget may be utilised during the year as required under budget as result of works not required under budget as result of works not required Timing variance. Remaining budget may be utilised during the year. Remaining budget may be utilised during the year as required Remaining budget may be utilised during the year as required under budget as works not required to date Within budget under budget as contingency not required to thus far. Within budget
	Cleaning	630	1,027	397	3,360	4,067	707	
	Computer Costs	0	513	513	0	2,034	2,034	
	Couriers	0	308	308	0	1,220	1,220	
	Electricity & Gas	1,203	1,027	(176)	2,620	4,067	1,447	
	Insurance	0	513	513	0	2,034	2,034	
	Legal fees	0	4,279	4,279	0	16,946	16,946	
	Licenses & Fees	173	513	341	2,444	2,034	(410)	
	Postage, Print & Stationery	0	513	513	0	2,034	2,034	
	Rent - Sales Office & Cprk	0	0	0	0	0	0	
	Sundry Office Expenses	0	1,540	1,540	0	6,101	6,101	
	Telephone	0	0	0	0	0	0	
	Training	0	2,139	2,139	0	8,473	8,473	
	Travel & Accommodation	0	0	0	0	0	0	
	Valuations	1,500	3,423	1,923	6,550	13,557	7,007	
	Rates & Taxes	1,581	0	(1,581)	24,611	250,647	226,036	
	Maintenance	51,129	86,673	35,544	180,934	343,264	162,330	
	Maint- Carpark Makegood	0	0	0	0	0	0	
	Security	0	3,081	3,081	0	12,201	12,201	
	Total Administration		57,415	105,552	48,137	222,796	689,081	
Finance	Bank Charges - Comm Bills	0	0	0	0	0	0	
Finance	Contingency	161,725	257,834	96,109	161,725	876,771	715,046	
	Contingency Offset Transfer	(161,725)	(161,725)	0	(161,725)	(161,725)	0	
Total Finance		0	96,109	96,109	0	715,046	715,046	
Total P&L Expenditure		67,006	268,786	201,780	333,058	1,672,627	1,339,569	
Grand Expense Total		1,501,774	5,764,511	4,262,737	7,349,678	18,638,944	11,289,266	

Contingency Summary

YTD Budget	876,771
Contingency Transferred (Actual & Budget)	<u>(161,725)</u>
Contingency not yet used	<u>715,046</u>

List of Contingency items transferred year to date

Period	Job Description	Amount
Oct-22	Stage 29 Civils & Earthworks CL5	161,725
		<u>161,725</u>

Budget Transfers

List of Budget items transferred year to date

Period	Job Description	Amount
Oct-22	Contingency	(369,588)
Oct-22	Stage 29 Civil & Earthworks	369,588
		<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

	1.1.1 RESIDENTIAL LOTS & DISTRIBUTIONS		Sales		Settlements		Distributions	
	Lots Produced (titles)		Actual	Budget	Actual	Budget	Actual	Budget
	Actual	Budget (Jun-22)	Actual	Budget (Jun-22)	Actual	Budget (Jun-22)	Actual	Budget (Jun-22)
Prior Years	1,138	1,138	1,200	1,223	1,112	1,104	97,000,000	97,000,000
Jul-2022	-	-	7	14	10	2	-	-
Aug-2022	-	-	2	15	6	5	-	-
Sep-2022	-	85	6	15	2	3	-	-
Sep Qtr	-	85	15	44	18	10	-	-
Oct-2022	28	-	-	15	1	27	-	-
Nov-2022	-	-	-	15	-	23	-	-
Dec-2022	-	-	-	15	-	10	-	10,000,000
Dec Qtr	28	-	-	45	1	60	-	10,000,000
Jan-2023	-	48	-	15	-	7	-	-
Feb-2023	-	43	-	15	-	7	-	-
Mar-2023	-	-	-	15	-	19	-	-
Mar Qtr	-	91	-	45	-	33	-	-
Apr-2023	-	-	-	15	-	26	-	-
May-2023	-	-	-	15	-	22	-	-
Jun-2023	-	66	-	13	-	21	-	10,000,000
Jun Qtr	-	66	-	43	-	69	-	10,000,000
PTD	1,166	1,223	1,215	1,282	1,131	1,141	97,000,000	97,000,000
Full 2022/23 Year	28	242	15	177	19	172	-	20,000,000
2023/24		128		159		209		20,000,000
2024/25		191		136		149		17,000,000

- There was 1 settlement for October.

1.2 Sales & Settlements

	MTH Act	MTH Bgt	YTD Act	YTD Bgt	PTD Act	PTD Bgt
		(Jun-22)		(Jun-22)		(Jun-22)
Residential						
- Sales #	-	15	15	59	1,215	1,282
- Sales \$	619,000	5,254,810	5,552,500	20,303,154	335,357,000	357,035,560
- Sales \$/lot	-	350,321	370,167	344,121	276,014	278,499
- Settlements #	1	27	19	37	1,131	1,141
- Settlements \$	445,000	7,233,672	7,200,000	11,105,243	312,554,500	313,138,743
- Settlements \$/lot	445,000	267,914	378,947	300,142	276,352	274,442
Special Sites						
- Sales #	-	-	1	-	5	4
- Sales \$	-	-	7,150,000	-	10,922,000	3,772,000
- Sales \$/lot	-	-	7,150,000	-	2,184,400	943,000
- Settlements #	-	-	-	-	4	4
- Settlements \$	-	-	-	-	3,772,000	3,772,000
- Settlements \$/lot	-	-	-	-	943,000	943,000
Lots Under Contract						
- Unsettled sales #	84		{ Unconditional Conditional }	18	Titled 1,169 incl. Spec sites	
- Unsettled sales \$	22,802,500			66		
- Unsettled sales \$/lot	271,458					

1.3 Cashflow - MTD Actuals to budget

	<u>MTD Act</u>	<u>MTD Bgt</u> <i>(Jun-22)</i>	<u>Variance</u>
<u>Income</u>			
Settlement Revenue	445,000	7,233,671	(6,788,671)
Margin GST	(4,529)	(124,786)	120,256
Direct selling costs	(19,840)	(336,265)	316,425
Interest Income	-	-	-
Forfeited Deposits	-	-	-
Other Income	-	-	-
Rebate Allowance	(27,177)	(154,488)	127,311
	<u>393,454</u>	<u>6,618,132</u>	<u>(6,224,679)</u>
<u>Development costs</u>			
WAPC Land Acq.	-	-	-
Lot production	896,284	3,074,362	2,178,078
Clearance Bonds	-	-	-
Landscaping	449,493	2,142,937	1,693,444
Consultants	43,978	42,318	(1,660)
Infrastructure	45,013	202,391	157,378
Special Sites	-	33,718	33,718
	<u>1,434,768</u>	<u>5,495,725</u>	<u>4,060,957</u>
<u>Overheads</u>			
Sales & marketing	8,121	45,000	36,879
Community Develop.	1,470	22,125	20,655
Administration	57,415	105,552	48,137
Finance/Contingency	-	96,109	96,109
	<u>67,006</u>	<u>268,786</u>	<u>201,780</u>
Net Cashflow	<u>(1,108,321)</u>	<u>853,622</u>	<u>(1,961,942)</u>

1.4 Cashflow - YTD Actuals to budget

	<u>YTD Act</u>	<u>YTD Bgt</u> <i>(Jun-22)</i>	<u>Variance</u>
<u>Income</u>			
Settlement Revenue	7,200,000	11,105,243	(3,905,243)
Margin GST	(69,367)	(170,639)	101,271
Direct selling costs	(322,239)	(512,678)	190,439
Interest Income	658	-	658
Forfeited Deposits	-	-	-
Other Income	-	-	-
Rebate Allowance	(111,275)	(528,909)	417,634
	<u>6,697,777</u>	<u>9,893,016</u>	<u>(3,195,239)</u>
<u>Development costs</u>			
WAPC Land Acq.	-	-	-
Lot production	3,449,183	9,929,424	6,480,241
Clearance Bonds	1,826,111	226,745	(1,599,366)
Landscaping	1,596,163	5,999,374	4,403,211
Consultants	99,650	167,597	67,947
Infrastructure	45,513	575,965	530,451
Special Sites	-	67,212	67,212
	<u>7,016,620</u>	<u>16,966,317</u>	<u>9,949,697</u>
<u>Overheads</u>			
Sales & marketing	98,608	180,000	81,392
Community Develop.	11,654	88,500	76,846
Administration	222,796	689,081	466,285
Finance/Contingency	-	715,046	715,046
	<u>333,058</u>	<u>1,672,627</u>	<u>1,339,569</u>
Net Cashflow	<u>(651,902)</u>	<u>(8,745,928)</u>	<u>8,094,026</u>

1.5 Bonds

	<u>Last Year</u>	<u>Last Month</u>	<u>This Month</u>
City of Wanneroo	823,255	2,649,366	2,649,366
	<u>823,255</u>	<u>2,649,366</u>	<u>2,649,366</u>

Bonds relate to stages 16A, 25, 27A, 27B, 30, 36, Aviator Ext St 25 & Connolly Drive early clearances.

2.0 PROFIT & LOSS

	<u>MTH Act</u>	<u>MTH Bgt</u> (Jun-22)	<u>Var</u>	<u>YTD Act</u>	<u>YTD Bgt</u> (Jun-22)	<u>Var</u>	<u>PTD Act</u>	<u>PTD Bgt</u> (Jun-22)
- Revenue \$ (Stlmts)	445,000	7,233,672	(6,788,672)	7,200,000	11,105,243	(3,905,243)	312,554,500	313,138,743
- Revenue \$/lot	445,000	267,914		378,947	300,142		276,352	274,442
- Selling & GST \$	35,869	831,530	795,661	610,106	1,189,932	579,826	27,252,997	28,158,861
- Selling & GST \$/lot	35,869	30,797		32,111	32,160		24,096	24,679
- Cost of sales \$	548,200	3,623,246	3,075,046	2,345,701	4,816,159	2,470,458	108,991,127	111,648,839
- Cost of sales \$/lot	548,200	134,194		123,458	130,166		96,367	97,852
- Gross profit \$	(139,069)	2,778,896	(2,917,965)	4,244,193	5,099,152	(854,959)	176,310,375	173,331,043
- Gross profit \$/lot	(139,069)	102,922		223,379	137,815		155,889	151,912
- Gross profit Mgn %	-31.25%	38.42%		58.95%	45.92%		56.41%	55.35%
- Special Sites \$	-	-	-	-	-	-	2,091,959	2,091,959
- Other income \$	-	-	-	658	-	658	287,545	286,887
- Sales & Marketing \$	12,651	117,449	104,797	111,802	469,794	357,992	2,788,421	3,370,339
- Administration \$	104,745	125,828	21,083	287,796	519,502	231,706	6,227,085	6,583,467
- Finance/Other \$	3,298	-	(3,298)	13,022	-	(13,022)	204,671	226,883
- Contingency \$	-	257,833	257,833	-	876,771	876,771	4,091	1,355,471
- Net profit \$	(259,764)	2,277,786	(2,537,550)	3,832,231	3,233,085	599,146	169,465,611	164,173,729
- Net profit \$/lot	(259,764)	84,362		201,696	87,381		149,837	143,886

- Unfavourable Oct-22 Gross profit due to reduction in finished goods for Stg 30 posted in Jun-22 has been reversed on final costing.
- Year to date Gross profit is \$855k unfavourable on 18 less settlements, lot mix, favourable selling costs and cost of sales per lot.
- Year to date Overheads are \$1.45m below budget due to:
 - Marketing \$358k favourable - savings;
 - Admin \$232k favourable - timing (mainly Rates);
 - Unused Contingency \$877k.

YEAR TO DATE VERSUS FULL YEAR BUDGET

	<u>YTD Act</u>	<u>Full Year Bgt</u>	<u>Var</u>
- Revenue \$ (Stlmts)	7,200,000	51,204,186	(44,004,186)
- Revenue \$/lot	378,947	297,699	
- Selling & GST \$	610,106	5,571,530	4,961,423
- Selling & GST \$/lot	32,111	32,393	
- Cost of sales \$	2,345,701	24,799,182	22,453,481
- Cost of sales \$/lot	123,458	144,181	
- Gross profit \$	4,244,193	20,833,474	(16,589,281)
- Gross profit \$/lot	223,379	121,125	
- Gross profit Mgn %	58.95%	40.69%	
- Special Sites \$	-	5,302,659	(5,302,659)
- Other income \$	658	-	658
- Sales & Marketing \$	111,802	1,409,382	1,297,580
- Administration \$	287,796	1,551,711	1,263,915
- Finance \$	13,022	-	(13,022)
- Contingency \$	-	2,426,238	2,426,238
- Net profit \$	3,832,231	20,748,802	(16,916,571)
- Net profit \$/lot	201,696	120,633	

2.1 GROSS PROFIT ANALYSIS

Actual

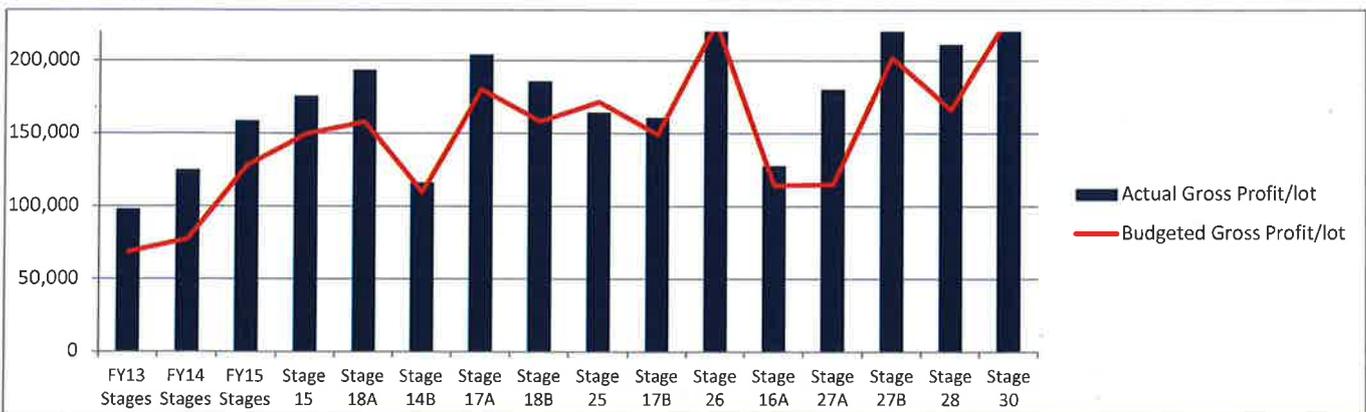
Stages	Title Issue Date	Revenue	Revenue/lot	Direct Selling & COGS (incl. GST)		Actual Gross		Actual Gross	
				GST	Direct Costs/lot	Profit	Profit/lot	Margin %	
Incentives Writeback				-5,276,851		5,276,851			
FY13 Stages	2012 / 2013	51,375,500	220,496	28,570,159	122,619	22,805,341	97,877	44.39%	
FY14 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	5,946,000	312,947	2,524,375	132,862	3,421,625	180,086	57.54%	
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	5,591,783	164,464	7,178,217	211,124	56.21%	
Stage 30	25-May-22	13,225,000	388,971	4,712,554	138,605	8,512,446	250,366	64.37%	
		<u>312,554,500</u>		<u>136,231,256</u>		<u>176,323,244</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)		Budgeted Gross		Budgeted Gross	
				GST	Direct Costs/lot	Profit	Profit/lot	Margin %	
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 30	Dec-21	<u>13,520,000</u>	<u>386,286</u>	<u>5,434,179</u>	<u>155,262</u>	<u>8,085,821</u>	<u>231,023</u>	<u>59.81%</u>	
		<u>315,364,794</u>		<u>175,558,301</u>		<u>139,806,493</u>			

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



Catalina

Finished Lots & Cost of Lots Sold calculations to 31 Oct 2022

Title date:	Completed	Completed	7-Nov-12	7-Nov-12	28-Oct-16	20-Feb-17	13-Jun-17	8-Aug-17	8-Aug-17	8-Aug-17	22-May-18	28-Sep-19	25-Jan-21	24-Feb-21	20-Apr-22	1-Sep-21	25-May-22	26-Oct-22	TOTAL	
	Stage 1	Stage 2	Stage 2	Central Cell Sales Office	Stage 14B	Stage 17A	Stage 18B	Stage 25	Stage 25 Sales Office	Stage 26 GHZ Lot 2179	Stage 17B	Stage 26	Stage 16A	Stage 17A	Stage 27B	Stage 28	Stage 30	Stage 18C		
Direct costs																				
Civil Construction			3,312,998	89,540	633,835	795,104	794,550	4,918,686	83,260	253,163	968,747	1,231,133	932,193	707,388	901,496	2,223,532	792,261	1,769,211		
Siteworks			2,790,163		565,550	732,033	662,381	4,380,662	75,529	245,432	925,137	1,147,746	926,000	652,600	638,353	2,165,633	706,851	1,701,800		
URD Power			402,401		58,285	38,071	101,169	448,388	7,731	7,731	7,610	43,149	2,403	27,152	40,143	57,899	60,410	42,411		
Third Pipe			159,885																	
General					10,000	25,000	31,000	58,000	-	-	36,000	18,965	3,790	20,000	23,000	-	25,000	25,000		
MATV			50,089		-	-	-	31,636	-	-	-	21,273	-	7,636	-	-	-	-		
Sewer headwks			209,432	5,660	51,015	116,369	136,672	261,837	4,514	4,514	174,117	183,682	101,201	113,955	138,339	198,552	213,570	171,524		
Local authority fees			161,433	4,363	1,911	6,839	10,835	35,653	615	615	12,684	12,947	28,623	17,424	6,930	14,962	9,466	18,412		
Local authority scheme costs			100,077	2,705	27,000	67,500	83,700	156,600	-	-	97,200	13,620	-	-	8,954	-	14,405	10,426		
Survey & legal fees			37,093	1,003	13,139	25,550	29,782	54,801	945	945	35,586	33,820	16,150	21,000	25,428	31,487	39,574	35,227		
Engineering fees			205,607	5,557	18,200	85,250	97,962	159,500	2,750	12,341	100,839	104,500	77,057	58,349	88,238	116,545	98,586	87,167		
Sales Office Build Cost				330,780																
Finished Goods Adjustments	31,206	1,282,787	1,044,810	28,238	11,250	25,549	39,478	220,060				82,824		14,482	60,165	32,920	422,341			
Earthworks Allocation	420,826	43,233,645	2,981,830	411,370	733,850	1,071,063	1,114,003	5,367,017	92,084	271,578	1,389,173	1,662,526	1,155,224	932,598	1,229,650	2,615,998	1,590,204	2,091,967		
	260,179	11,806,198	447,375	12,091	50,570	123,078	152,616	1,077,304	18,574	66,681	166,059	672,342	112,605	303,183	642,975	642,426	-	131,588		
Indirect Costs																				
Land																				
Infrastructure	84,898	6,012,456	265,106	7,165	70,224	235,295	282,496	620,746	7,879	31,674	351,671	521,532	176,806	245,746	511,942	381,466	731,652	201,965		
Landscape	118,628	8,518,643	333,226	9,006	154,123	495,646	594,017	1,308,860	16,613	66,785	871,324	1,270,179	409,039	568,530	975,581	725,814	1,394,271	587,095		
TOTAL COST	884,530	69,570,942	4,027,536	439,633	1,008,767	1,925,082	2,143,132	8,373,927	135,150	436,718	2,778,227	4,126,579	1,853,674	2,050,057	3,260,048	4,365,704	3,716,127	3,012,615		
Lots	3	769	37	1	10	25	31	58	1	1	36	38	17	20	23	34	35	28		
COST PER LOT	294,843	90,469	108,852	439,633	100,877	77,003	69,133	144,378	135,150	436,718	77,173	108,594	109,040	102,503	141,741	128,403	106,175	107,593		
Lots settled	3	769	37	1	10	25	31	58	-	-	36	38	17	19	23	34	34	-		1,135
COST OF LOTS SETTLED	884,530	69,570,942	4,027,536	439,633	1,008,767	1,925,082	2,143,132	8,373,927	-	-	2,778,227	4,126,579	1,853,674	1,947,555	3,260,048	4,365,704	3,809,952	-		110,315,267
Slage Area (m2)	10,900	261,394	6,649	320	2,926	10,128	11,236	11,236	255	1,795	13,154	15,904	6,632	6,615	9,933	13,721	13,416	8,396		
Cost per m2	81	266	588	1,374	345	190	191	745	530	243	211	259	280	310	328	318	277	359		
Avg lot size	3,633	340	185	320	293	405	362	194	255	1,795	365	419	390	331	432	404	383	300		

Other cash expenditure	
Direct Selling & Proj Mgt Costs	
Marketing costs	
Administration	
Finance	
Contingency	

27,608,876
2,788,421
6,227,085
204,671
4,091

TOTAL COSTS	147,148,434
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PERIODIC ANALYSIS	Month	YTD	PTD	PY Jun-22
Lots settled	1	19	1,135	1,116
Cost of lots settled	548,200	2,345,701	110,315,290	107,069,589
Direct selling costs	35,869	610,106	27,608,876	26,998,770
Marketing costs	12,651	111,802	2,788,421	2,676,619
Administration	104,745	287,796	6,227,085	5,930,766
Finance	3,298	13,022	204,671	198,181
Contingency	-	-	4,091	4,091
TOTAL COSTS	704,764	3,368,427	147,148,434	143,778,005

*Stage 30: Reduction in finished goods posted in Jun-22 has been reversed on final costing

Catalina COGS Calc

31-Oct-22

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	-	-	-	-	3,012,615	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	19	1,947,555	1,947,555	-	102,503	102,503
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	1,590,204	2,125,923	3,716,127	35	35	-	106,175	34	3,609,952	3,609,952	0	106,175	106,175
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
84,950,350		29,158,099		114,108,450	1,167	1,167	-		1,135	110,315,290	110,315,290	-0	3,793,160	

Appendix 8.3

TAMALA PARK REGIONAL COUNCIL
MONTHLY FINANCIAL REPORT
(Containing the Statement of Financial Activity)
For the period ending 31 October 2022

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

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**KEY TERMS AND DESCRIPTIONS
FOR THE PERIOD ENDED 31 OCTOBER 2022**

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 OCTOBER 2022

BY NATURE OR TYPE

	Ref Note	Adopted Budget (a)	YTD Budget (b)	YTD Actual (c)	Variance \$ (c) - (b)	Variance % ((c) - (b))/(b)	Var.
Opening funding surplus / (deficit)	2(c)	\$ 52,899,172	\$ 52,899,172	\$ 52,894,309	\$ (4,863)	% (0.01%)	
Revenue from operating activities							
Interest earnings		890,426	296,809	298,781	1,972	0.66%	
Other revenue		22,939	7,648	3,724	(3,924)	(51.31%)	
		913,365	304,457	302,505	(1,952)	(0.64%)	
Expenditure from operating activities							
Employee costs		(737,937)	(248,647)	(226,798)	21,849	8.79%	
Materials and contracts		(380,310)	(128,596)	(61,249)	67,347	52.37%	▲
Utility charges		(6,829)	0	0	0	0.00%	
Depreciation on non-current assets		(43,510)	(14,504)	(14,503)	1	0.01%	
Interest expenses		(1,423)	(474)	(1,176)	(702)	(148.10%)	
Insurance expenses		(21,952)	(10,976)	(9,978)	998	9.09%	
Other expenditure		(171,255)	(43,668)	(41,090)	2,578	5.90%	
		(1,363,216)	(446,865)	(354,794)	92,071	(20.60%)	
Non-cash amounts excluded from operating activities	2(a)	43,510	14,504	2,207	(12,297)	(84.78%)	▼
Amount attributable to operating activities		(406,341)	(127,904)	(50,082)	77,822	(60.84%)	
Investing activities							
Payments for property, plant and equipment and infrastructure	7	(5,000)	0	0	0	0.00%	
Amount attributable to investing activities		(5,000)	0	0	0	0.00%	
Financing Activities							
Payments of member contributions	1	(61,064,081)	(19,877,169)	(6,130,580)	13,746,589	69.16%	▲
Proceeds from member contributions	1	60,156,539	11,105,240	7,131,291	(3,973,949)	35.78%	
Payments of GST withheld	1	(4,165,673)	(1,355,982)	(504,000)	851,982	62.83%	▲
Payments for principal portion of lease liabilities	8	(33,577)	(11,192)	(10,491)	701	6.26%	
Payments return of contribution	1	(20,000,000)	0	0	0	0.00%	
Payments return of equity	1	(485,534)	0	(1,808,172)	(1,808,172)	0.00%	▼
Payments for financial assets at amortised cost non-current	3	0	0	(12,012,115)	(12,012,115)	0.00%	▼
Amount attributable to financing activities		(25,592,326)	(10,139,103)	(13,334,067)	(3,194,964)	31.51%	
Closing funding surplus / (deficit)	2(c)	26,895,505	42,632,165	39,510,160	(3,122,005)	7.32%	

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 09 November 2022

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 OCTOBER 2022

NOTE 1
CONTRIBUTED EQUITY

Movement in Financing Activities as Represented by:

	Development	Return of	Return of	Rates	Payments of	GST	Total	
Land Sales	Expenses	Contribution	Equity	Equivalent	Lease	Withheld	Movement	
Year to Date	Year to Date	Year to Date	Year to Date	Year to Date	Liabilities	Year to Date	Year to Date	
31 October 2022	31 October 2022	2022	31 October 2022	2022	2022	2022	2022	
\$	\$	\$	\$	\$		\$	\$	
Town of Victoria Park	594,274	(510,882)	0	(150,681)	0	(874)	(42,000)	(110,163)
City of Perth	594,274	(510,882)	0	(150,681)	0	(874)	(42,000)	(110,163)
Town of Cambridge	594,274	(510,882)	0	(150,681)	0	(874)	(42,000)	(110,163)
City of Joondalup	1,188,549	(1,021,763)	0	(301,362)	0	(1,749)	(84,000)	(220,325)
City of Wanneroo	1,188,549	(1,021,763)	0	(301,362)	0	(1,749)	(84,000)	(220,325)
Town of Vincent	594,274	(510,882)	0	(150,681)	0	(874)	(42,000)	(110,163)
City of Stirling	2,377,097	(2,043,526)	0	(602,724)	0	(3,497)	(168,001)	(440,651)
7,131,291	(6,130,580)	0	(1,808,172)	0	(10,491)	(504,000)	(1,321,953)	

Land Sales	Development	Return of	Return of	Rates	Payments of	GST	Total
Adopted	Expenses	Contribution	Equity	Equivalent	Lease	Withheld	Movement
Adopted	Adopted	Adopted	Adopted	Adopted	Liabilities	Adopted	Adopted
Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
\$	\$	\$	\$	\$	\$	\$	\$
5,013,045	(5,088,673)	(1,666,667)	(40,461)	0	(2,798)	(347,139)	(2,132,693)
5,013,045	(5,088,673)	(1,666,667)	(40,461)	0	(2,798)	(347,139)	(2,132,693)
5,013,045	(5,088,673)	(1,666,667)	(40,461)	0	(2,798)	(347,139)	(2,132,693)
10,026,090	(10,177,347)	(3,333,333)	(80,923)	0	(5,596)	(694,279)	(4,265,388)
10,026,090	(10,177,347)	(3,333,333)	(80,923)	0	(5,596)	(694,279)	(4,265,388)
5,013,045	(5,088,673)	(1,666,667)	(40,461)	0	(2,798)	(347,139)	(2,132,693)
20,052,179	(20,354,695)	(6,666,666)	(161,844)	0	(11,193)	(1,388,559)	(8,530,778)
60,156,539	(61,064,081)	(20,000,000)	(485,534)	0	(33,577)	(4,165,673)	(25,592,326)

Movement in Total Equity Represented by:

	Closing Balance	Movement in		Year to Date
		Contributed	Net Result	
	30 June 2022	Equity		31 October 2022
	\$			\$
Town of Victoria Park	4,509,818	(110,163)	(4,357)	4,395,299
City of Perth	4,509,818	(110,163)	(4,357)	4,395,299
Town of Cambridge	4,509,818	(110,163)	(4,357)	4,395,299
City of Joondalup	9,019,634	(220,325)	(8,715)	8,790,594
City of Wanneroo	9,019,634	(220,325)	(8,715)	8,790,594
Town of Vincent	4,509,818	(110,163)	(4,357)	4,395,299
City of Stirling	18,042,083	(440,651)	(17,430)	17,584,002
Total	54,120,623	(1,321,951)	(52,289)	52,746,384

Total Movement in Equity

(1,374,239)

(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	Adopted 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	14,504	14,503
Total non-cash items excluded from operating activities		43,510	14,504	2,207

(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.

		Adopted Budget Opening 30 June 2022	Last Year Closing 30 June 2022	Year to Date 31 October 2022
Adjustments to net current assets				
Add: Lease liabilities	8	33,577	31,760	21,269
Total adjustments to net current assets		33,577	31,760	21,269

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

Current assets				
Cash and cash equivalents	3	26,648,937	10,227,737	6,089,809
Financial assets at amortised cost	3	0	42,228,303	33,000,000
Receivables	4	350,000	595,395	669,182
Other current assets	5	10,000	27,600	1,700
Less: Current liabilities				
Payables	6	(91,644)	(162,938)	(177,778)
Lease liabilities	8	(33,577)	(31,760)	(21,269)
Provisions	9	(21,788)	(21,788)	(72,753)
Less: Total adjustments to net current assets	2(b)	33,577	31,760	21,269
Closing funding surplus / (deficit)		26,895,505	52,894,309	39,510,160

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	2,057,579	2,057,579	Westpac	Nil	Nil
Settlement Proceeds	Cash and cash equivalents	984,228	984,228	Westpac	0.34%	Nil
Cash Management	Cash and cash equivalents	1	1	Macquarie	0.25%	Nil
Accelerator	Cash and cash equivalents	3,048,001	3,048,001	Macquarie	1.85%	Nil
Term Deposit 0025	Financial assets at amortised cost	3,000,000	3,000,000	AMP	1.00%	Nov-22
Term Deposit 1248	Financial assets at amortised cost	2,000,000	2,000,000	AMP	1.00%	Nov-22
Term Deposit 3119	Financial assets at amortised cost	1,000,000	1,000,000	Suncorp	0.98%	Nov-22
Term Deposit 3841	Financial assets at amortised cost	3,000,000	3,000,000	Suncorp	3.40%	Dec-22
Term Deposit 3245	Financial assets at amortised cost	2,000,000	2,000,000	Westpac	3.20%	Dec-22
Term Deposit 2662	Financial assets at amortised cost	1,000,000	1,000,000	Westpac	0.80%	Jan-23
Term Deposit 5593	Financial assets at amortised cost	1,000,000	1,000,000	Westpac	0.81%	Jan-23
Term Deposit 3473	Financial assets at amortised cost	2,000,000	2,000,000	NAB	0.52%	Feb-23
Term Deposit 0230	Financial assets at amortised cost	1,000,000	1,000,000	Westpac	0.95%	Feb-23
Term Deposit 8414	Financial assets at amortised cost	1,000,000	1,000,000	Westpac	0.94%	Feb-23
Term Deposit 6355	Financial assets at amortised cost	1,000,000	1,000,000	Macquarie	1.00%	Feb-23
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
		39,089,809	39,089,809			
Non current financial assets						
		0				
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 2250	Financial assets at amortised cost	3,012,115	3,012,115	Westpac	4.84%	Sep-23
Term Deposit 0647	Financial assets at amortised cost	3,000,000	3,000,000	Westpac	4.58%	Oct-23
		12,012,115	12,012,115			
Total		51,101,924	51,101,924			
Comprising						
Cash and cash equivalents		6,089,809	6,089,809			
Financial assets at amortised cost - current		33,000,000	33,000,000			
Financial assets at amortised cost - non current		12,012,115	12,012,115			
		51,101,924	51,101,924			

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	268,708	20,678	14,521	0	303,907
Percentage	0.0%	88.4%	6.8%	4.8%	0%	
Balance per trial balance						
Sundry receivable						303,907
GST receivable						11,876
Accrued interest						353,399
Total receivables general outstanding						669,182

Amounts shown above include GST (where applicable)

KEY INFORMATION

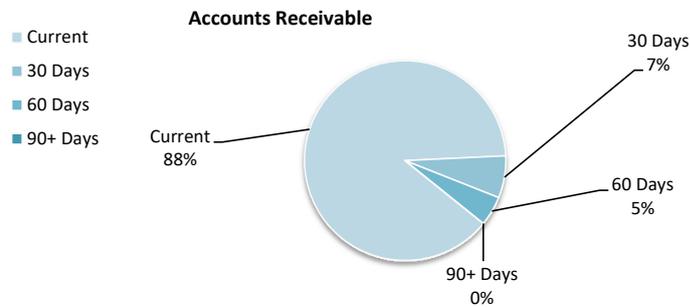
Trade and other receivables include amounts due from third parties for goods sold and services performed in the ordinary course of business.

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 October 2022
Other current assets	\$	\$	\$	\$
Funds held by Settlement agent in Trust	27,600	11,900	(37,800)	1,700
Total other current assets	27,600	11,900	(37,800)	1,700

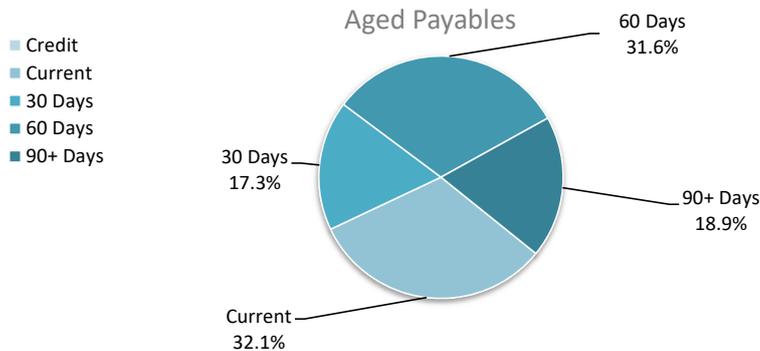
Amounts shown above include GST (where applicable)

Payables - general	Credit	Current	30 Days	60 Days	90+ Days	Total
	\$	\$	\$	\$	\$	\$
Payables - general	0	4,529	2,447	4,460	2,671	14,107
Percentage	0%	32.1%	17.3%	31.6%	18.9%	
Balance per trial balance						
Sundry creditors						14,107
ATO liabilities						31,419
Credit card						4,960
Accrued expenses						7,292
Deposits or bonds						120,000
Total payables general outstanding						177,778

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.



Capital acquisitions	Adopted		YTD Actual	YTD Actual Variance
	Budget	YTD Budget		
	\$	\$	\$	\$
Furniture and equipment	5,000	0	0	0
Payments for Capital Acquisitions	5,000	0	0	0

SIGNIFICANT ACCOUNTING POLICIES

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

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

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

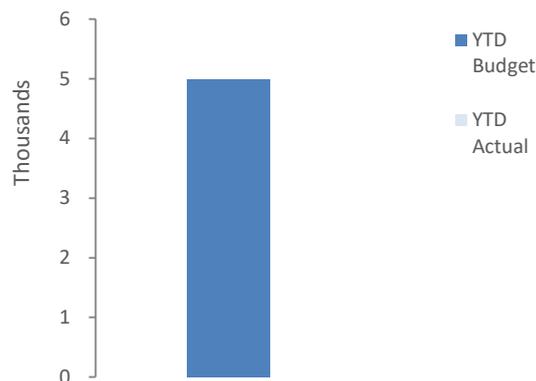
Initial recognition and measurement for assets held at cost

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

Initial recognition and measurement between mandatory revaluation dates for assets held at fair value

In relation to this initial measurement, cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition. For assets acquired at zero cost or otherwise significantly less than fair value, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by the Regional Council includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overheads.

Payments for Capital Acquisitions



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	(10,491)	(33,577)	76,591	53,505	(1,176)	(1,423)
Total		87,082	0	0	(10,491)	(33,577)	76,591	53,505	(1,176)	(1,423)
Current lease liabilities		31,760					21,269			
Non-current lease liabilities		119,156					119,156			
		150,916					140,425			

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 October 2022
		\$		\$	\$	\$
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 OCTOBER 2022**

**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	67,347	52.37%	▲			
Non-cash amounts excluded from operating activities	(12,297)	(84.78%)			▼	
Financing activities						
Payments of member contributions	13,746,589	69.16%	▲			
Payments return of equity	(1,808,172)	0.00%			▼	
Proceeds from financial assets at amortised cost - non current	(12,012,115)	0.00%			▼	

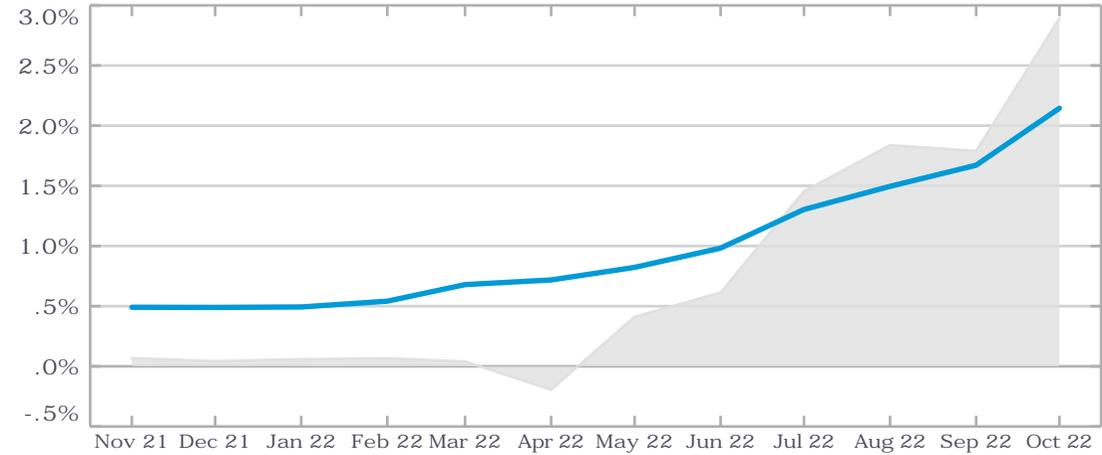


Investment Summary Report
October 2022

Investment Holdings

By Product	Face Value (\$)	Current Value (\$)	Current Yield (%)
Bonds	3,000,000.00	3,007,997.26	0.7000
Cash	3,048,000.68	3,048,000.68	2.6444
Term Deposit	42,012,115.07	42,311,772.63	2.4140
	48,060,115.75	48,367,770.57	2.3217

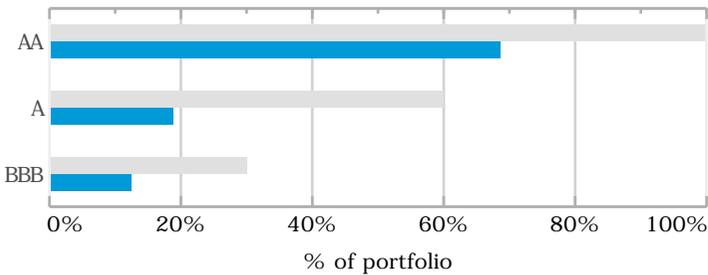
Investment Performance



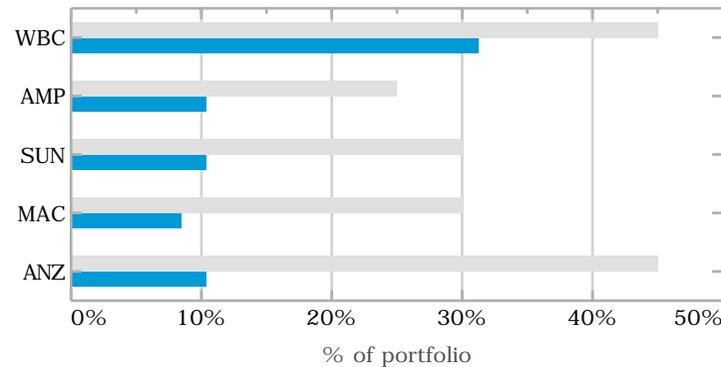
■ Portfolio Annualised Return ■ AusBond BB Index Annualised Return

Investment Policy Compliance

Total Credit Exposure



Highest Individual Exposures vs Policy



Term to Maturities

Maturity Profile	Face Value (\$)	Policy Max
Between 0 and 1 Year	48,060,116	100%
	48,060,116	

■ Portfolio Exposure ■ Investment Policy Limit

Cash Accounts

Face Value (\$)	Current Yield	Institution	Credit Rating	Current Value (\$)	Deal No.	Reference
3,048,000.68	2.6444%	Macquarie Bank	A+	3,048,000.68	541301	
3,048,000.68	2.6444%			3,048,000.68		

Term Deposits

Maturity Date	Face Value (\$)	Rate	Institution	Credit Rating	Purchase Price (\$)	Purchase Date	Current Value (\$)	Deal No.	Accrued Interest (\$)	Coupon Frequency	Reference
Nov-22	2,000,000.00	1.0000%	AMP Bank	BBB	2,000,000.00	Feb-22	2,014,465.75	542330	14,465.75	At Maturity	644
Nov-22	3,000,000.00	1.0000%	AMP Bank	BBB	3,000,000.00	Feb-22	3,021,698.63	542331	21,698.63	At Maturity	645
Nov-22	1,000,000.00	0.9800%	Suncorp Bank	A+	1,000,000.00	Mar-22	1,006,229.04	542443	6,229.04	At Maturity	672
Dec-22	3,000,000.00	3.4000%	Suncorp Bank	A+	3,000,000.00	Jun-22	3,037,167.12	542877	37,167.12	At Maturity	678
Dec-22	2,000,000.00	3.2000%	Westpac Group	AA-	2,000,000.00	Aug-22	2,012,449.32	543203	12,449.32	At Maturity	681
Jan-23	1,000,000.00	0.8000%	Westpac Group	AA-	1,000,000.00	Jan-22	1,000,175.34	542266	175.34	Quarterly	661
Jan-23	1,000,000.00	0.8100%	Westpac Group	AA-	1,000,000.00	Jan-22	1,006,213.70	542269	6,213.70	At Maturity	662
Feb-23	1,000,000.00	1.0000%	Macquarie Bank	A+	1,000,000.00	Mar-22	1,006,630.14	542408	6,630.14	At Maturity	668
Feb-23	2,000,000.00	0.5200%	National Australia Bank	AA-	2,000,000.00	Aug-21	2,002,222.47	541745	2,222.47	Annually	655
Feb-23	1,000,000.00	0.9500%	Westpac Group	AA-	1,000,000.00	Feb-22	1,002,030.14	542340	2,030.14	Quarterly	663
Feb-23	1,000,000.00	0.9400%	Westpac Group	AA-	1,000,000.00	Feb-22	1,006,464.11	542373	6,464.11	At Maturity	664
Mar-23	3,000,000.00	1.0000%	National Australia Bank	AA-	3,000,000.00	Mar-22	3,019,561.64	542415	19,561.64	At Maturity	669
Mar-23	5,000,000.00	1.1100%	ANZ Banking Group	AA-	5,000,000.00	Mar-22	5,035,884.93	542425	35,884.93	At Maturity	671
Apr-23	3,000,000.00	3.8900%	Westpac Group	AA-	3,000,000.00	Aug-22	3,024,938.63	543174	24,938.63	At Maturity	680
Apr-23	1,000,000.00	4.0700%	Suncorp Bank	A+	1,000,000.00	Oct-22	1,001,672.60	543476	1,672.60	At Maturity	686
May-23	1,000,000.00	3.0500%	ME Bank	BBB+	1,000,000.00	May-22	1,014,539.73	542757	14,539.73	At Maturity	675
May-23	2,000,000.00	3.0300%	Commonwealth Bank of Australia	AA-	2,000,000.00	May-22	2,028,722.74	542772	28,722.74	At Maturity	677
Jun-23	3,000,000.00	3.8600%	Commonwealth Bank of Australia	AA-	3,000,000.00	Jul-22	3,037,436.71	542933	37,436.71	At Maturity	679
Sep-23	3,012,115.07	4.8400%	Westpac Group	AA-	3,012,115.07	Sep-22	3,026,494.00	543396	14,378.93	At Maturity	683
Oct-23	3,000,000.00	4.5800%	Westpac Group	AA-	3,000,000.00	Oct-22	3,006,775.89	543474	6,775.89	At Maturity	685

Term Deposits

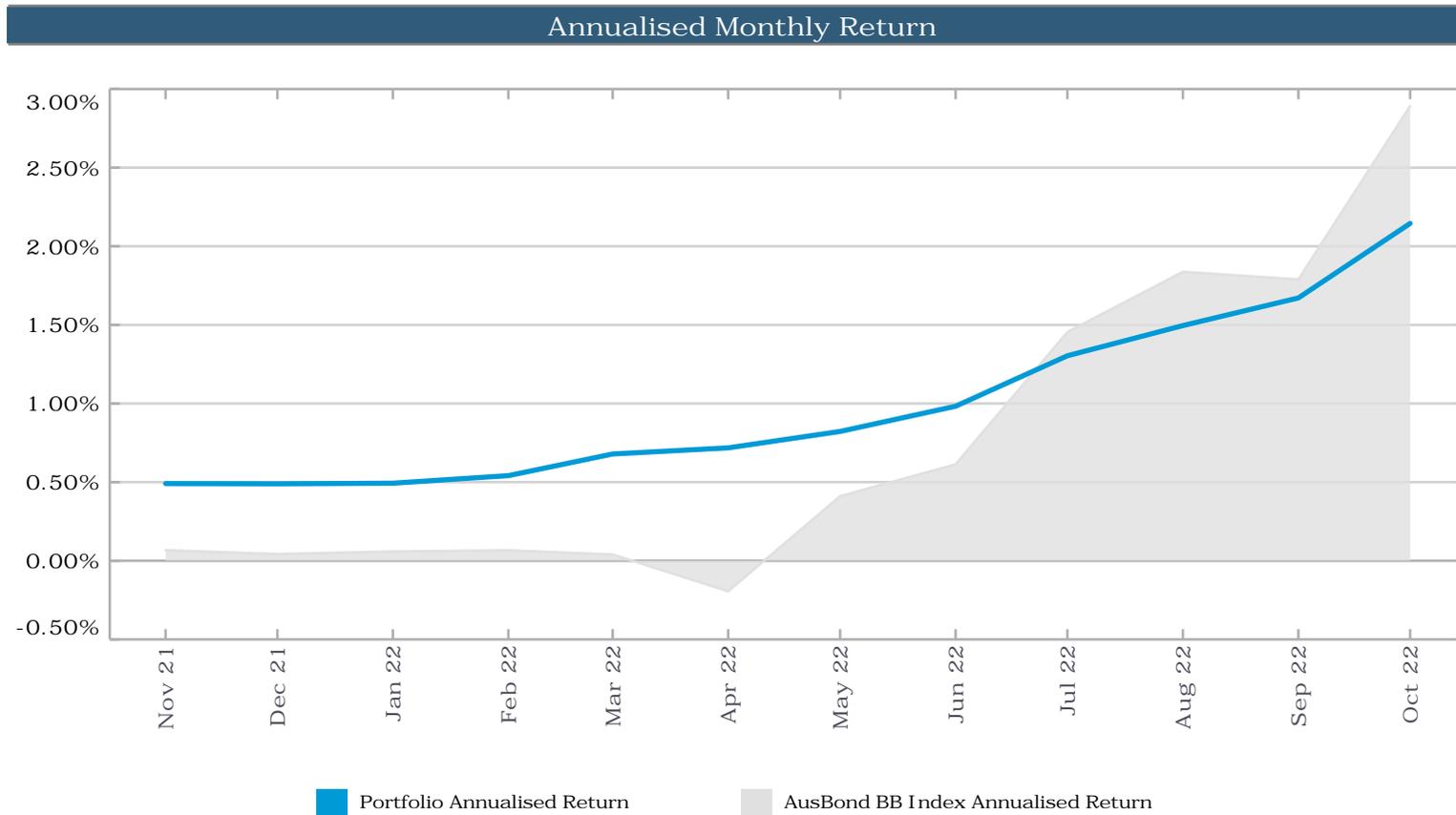
Maturity Date	Face Value (\$)	Rate	Institution	Credit Rating	Purchase Price (\$)	Purchase Date	Current Value (\$)	Deal No.	Accrued Interest (\$)	Coupon Frequency	Reference
	42,012,115.07	2.4140%			42,012,115.07		42,311,772.63		299,657.56		

Fixed Rate Bonds

Maturity Date	Face Value (\$)	Coupon	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	3,007,997.26	541265	7,997.26	0.7000%	
	3,000,000.00				3,000,000.00		3,007,997.26		7,997.26	0.7000%	

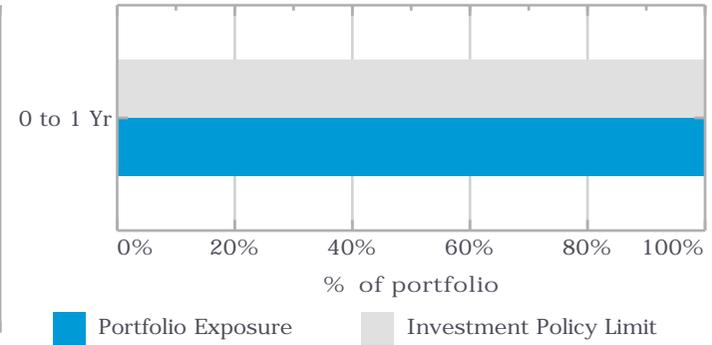
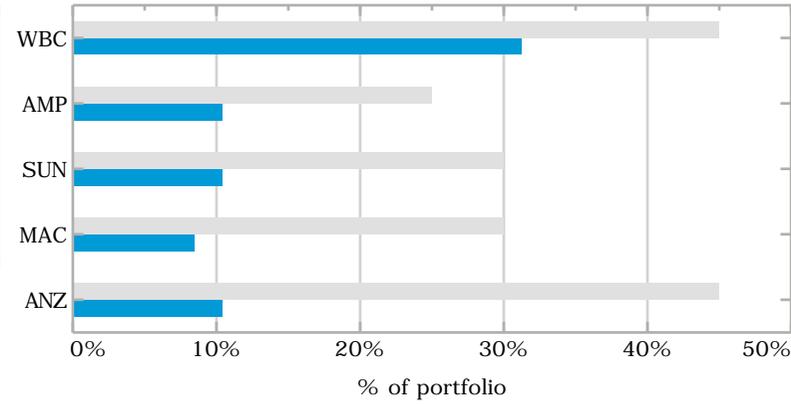
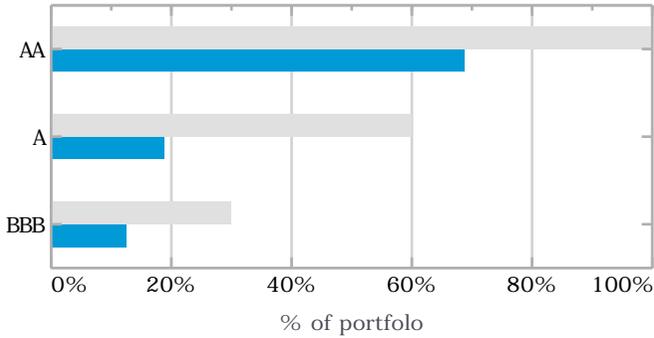
Accrued Interest Report									
Investment	Deal No.	Ref	Face Value (\$)	Settlement Date	Maturity Date	Interest Received (\$)	Days	Interest Accrued (\$)	Percentage Return
<u>Bonds</u>									
NT T-Corp Bond (Jun23) 0.70%	541265	642		Apr-21	Jun-23	0.00	31	1,783.56	.70%
Bonds Total						0.00		1,783.56	.70%
<u>Cash</u>									
Macquarie Bank	541301	Accelerator				6,749.19	31	6,749.19	2.64%
Cash Total						6,749.19		6,749.19	2.64%
<u>Term Deposit</u>									
National Australia Bank	541995	659		Oct-21	Oct-22	12,266.30	13	438.08	.41%
Westpac Group	541997	658		Oct-21	Oct-22	12,084.00	13	430.39	.40%
AMP Bank	542330	644		Feb-22	Nov-22	0.00	31	1,698.63	1.00%
AMP Bank	542331	645		Feb-22	Nov-22	0.00	31	2,547.95	1.00%
Suncorp Bank	542443	672		Mar-22	Nov-22	0.00	31	832.33	.98%
Suncorp Bank	542877	678		Jun-22	Dec-22	0.00	31	8,663.01	3.40%
Westpac Group	543203	681		Aug-22	Dec-22	0.00	31	5,435.62	3.20%
Westpac Group	542266	661		Jan-22	Jan-23	1,994.52	31	679.45	.80%
Westpac Group	542269	662		Jan-22	Jan-23	0.00	31	687.95	.81%
Macquarie Bank	542408	668		Mar-22	Feb-23	0.00	31	849.32	1.00%
National Australia Bank	541745	655		Aug-21	Feb-23	0.00	31	883.29	.52%
Westpac Group	542340	663		Feb-22	Feb-23	0.00	31	806.85	.95%
Westpac Group	542373	664		Feb-22	Feb-23	0.00	31	798.36	.94%
National Australia Bank	542415	669		Mar-22	Mar-23	0.00	31	2,547.94	1.00%

Accrued Interest Report									
Investment	Deal No.	Ref	Face Value (\$)	Settlement Date	Maturity Date	Interest Received (\$)	Days	Interest Accrued (\$)	Percentage Return
National Australia Bank	542415	669		Mar-22	Mar-23	0.00	31	2,547.94	1.00%
ANZ Banking Group	542425	671		Mar-22	Mar-23	0.00	31	4,713.70	1.11%
Westpac Group	543174	680		Aug-22	Apr-23	0.00	31	9,911.51	3.89%
Suncorp Bank	543476	686		Oct-22	Apr-23	0.00	15	1,672.60	4.07%
ME Bank	542757	675		May-22	May-23	0.00	31	2,590.41	3.05%
Commonwealth Bank of Australia	542772	677		May-22	May-23	0.00	31	5,146.85	3.03%
Commonwealth Bank of Australia	542933	679		Jul-22	Jun-23	0.00	31	9,835.07	3.86%
Westpac Group	543396	683		Sep-22	Sep-23	0.00	31	12,381.86	4.84%
Westpac Group	543474	685		Oct-22	Oct-23	0.00	18	6,775.89	4.58%
Term Deposit Total						26,344.82		80,327.06	2.21%
						33,094.01		88,859.81	<u>2.15%</u>



Historical Performance Summary			
	Portfolio	AusBond BB Index	Outperformance
Oct 2022	2.15%	2.89%	-0.75%
Last 3 Months	1.77%	2.18%	-0.40%
Last 6 Months	1.40%	1.50%	-0.10%
Financial Year to Date	1.65%	1.99%	-0.34%
Last 12 months	0.99%	0.76%	0.23%

Total Credit Exposure Individual Institutional Exposures Term to Maturities



Credit Rating Group	Face Value (\$)	Policy Max
AA	33,012,115	69%
A	9,048,001	19%
BBB	6,000,000	12%
	48,060,116	

a = compliant
r = non-compliant

	Portfolio Exposure	Investment Policy Limit	
Westpac Group (AA-)	31%	45%	a
AMP Bank (BBB)	10%	25%	a
Suncorp Bank (A+)	10%	30%	a
Macquarie Bank (A+)	8%	30%	a
National Australia Bank (AA-)	10%	45%	a
Commonwealth Bank of Australia (AA-)	10%	45%	a
ANZ Group (AA-)	10%	45%	a
NT T-Corp (Aa3)	6%	45%	a
Bank of Queensland (BBB+)	2%	25%	a

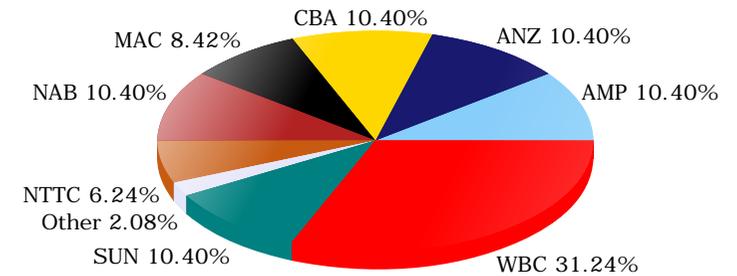
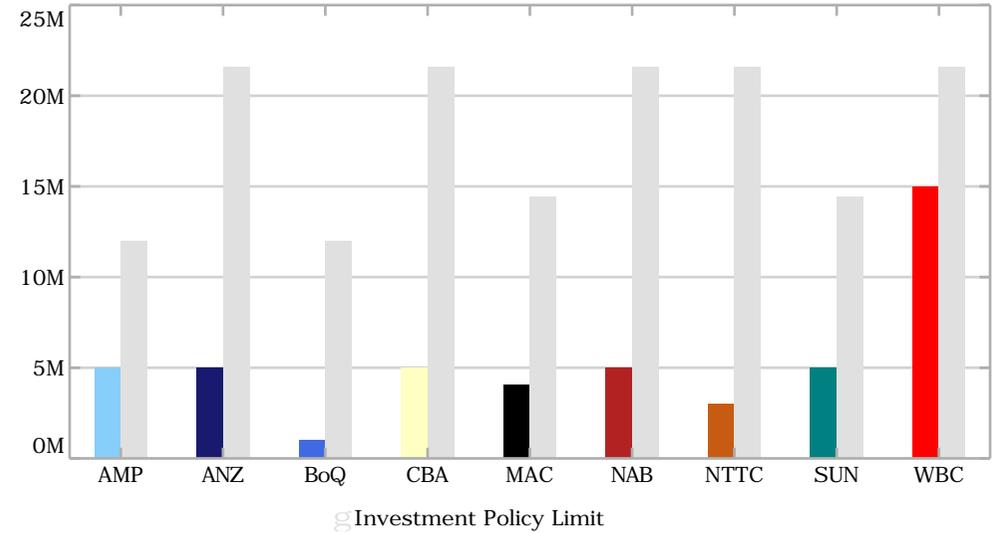
	Face Value (\$)	Policy Max	
Between 0 and 1 Year	48,060,116	100%	a
	48,060,116		

Detailed Maturity Profile	Face Value (\$)	
00. Cash + Managed Funds	3,048,001	6%
01. Less Than 30 Days	6,000,000	12%
02. Between 30 Days and 60 Days	5,000,000	10%
03. Between 60 Days and 90 Days	2,000,000	4%
04. Between 90 Days and 180 Days	17,000,000	35%
05. Between 180 Days and 365 Days	15,012,115	31%
	48,060,116	

Individual Institutional Exposures

	Current Exposures	Policy Limit	Capacity
AMP Bank (BBB)	5,000,000 10%	12,015,029 25%	7,015,029
ANZ Group (AA-)	5,000,000 10%	21,627,052 45%	16,627,052
Bank of Queensland (BBB+)	1,000,000 2%	12,015,029 25%	11,015,029
Commonwealth Bank of Australia (AA-)	5,000,000 10%	21,627,052 45%	16,627,052
Macquarie Bank (A+)	4,048,001 8%	14,418,035 30%	10,370,034
National Australia Bank (AA-)	5,000,000 10%	21,627,052 45%	16,627,052
NT T-Corp (Aa3)	3,000,000 6%	21,627,052 45%	18,627,052
Suncorp Bank (A+)	5,000,000 10%	14,418,035 30%	9,418,035
Westpac Group (AA-)	15,012,115 31%	21,627,052 45%	6,614,937
	48,060,116		

Individual Institutional Exposure Charts



Tamala Park Regional Council
Cash Flows Report - October 2022

Current Month Cashflows

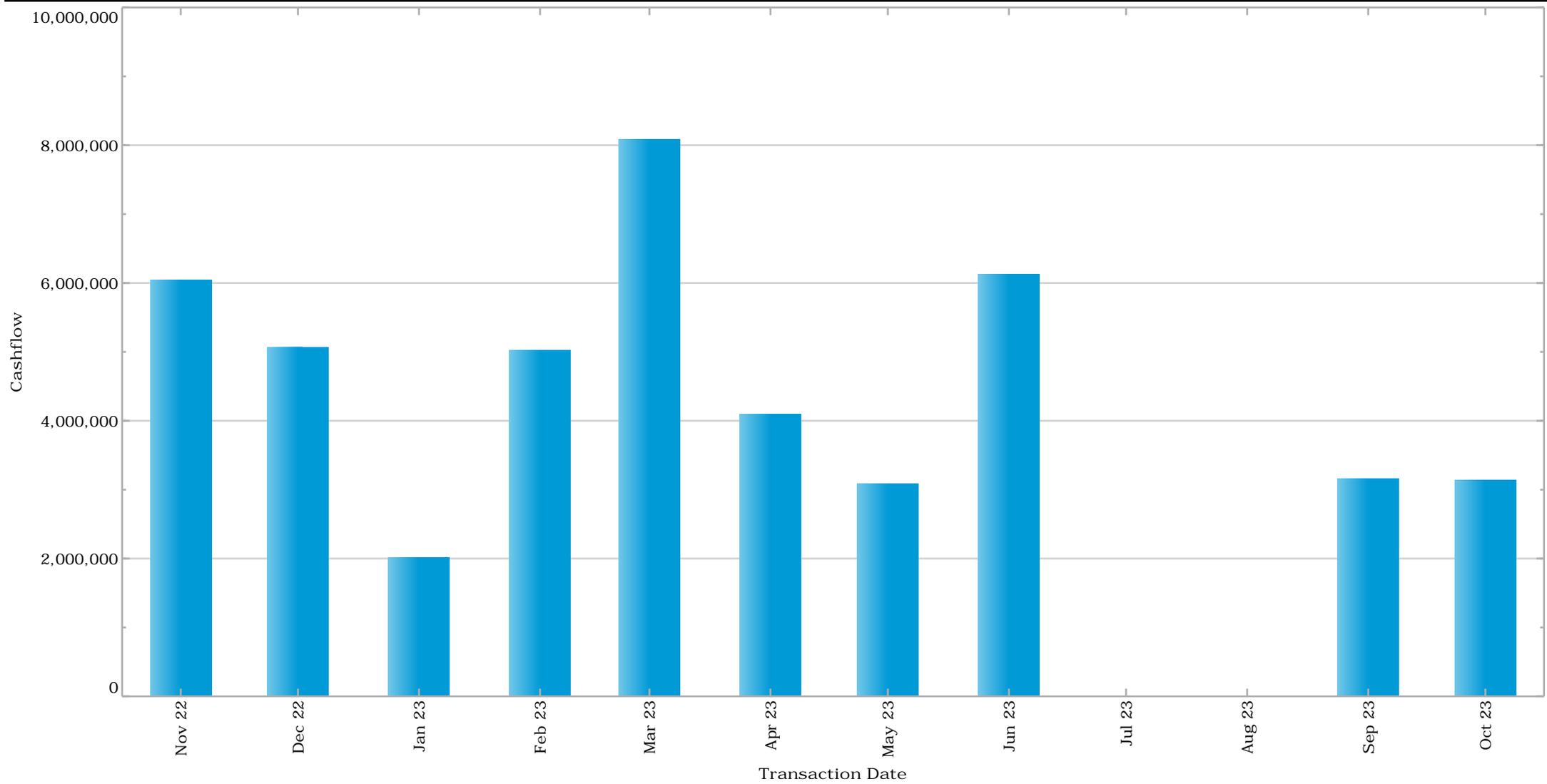
<u>Transaction Date</u>	<u>Deal No.</u>	<u>Cashflow Counterparty</u>	<u>Asset Type</u>	<u>Cashflow Description</u>	<u>Cashflow Received</u>
Oct-22	541995	National Australia Bank	Term Deposits	Maturity Face Value - Received	3,000,000.00
		National Australia Bank	Term Deposits	Interest - Received	12,266.30
				<u>Deal Total</u>	<u>3,012,266.30</u>
	541997	Westpac Group	Term Deposits	Maturity Face Value - Received	3,021,000.00
		Westpac Group	Term Deposits	Interest - Received	12,084.00
				<u>Deal Total</u>	<u>3,033,084.00</u>
	543474	Westpac Group	Term Deposits	Settlement Face Value - Paid	-3,000,000.00
				<u>Deal Total</u>	<u>-3,000,000.00</u>
				Day Total	3,045,350.30
Oct-22	543476	Suncorp Bank	Term Deposits	Settlement Face Value - Paid	-1,000,000.00
				<u>Deal Total</u>	<u>-1,000,000.00</u>
				Day Total	-1,000,000.00
Oct-22	542266	Westpac Group	Term Deposits	Interest - Received	1,994.52
				<u>Deal Total</u>	<u>1,994.52</u>
				Day Total	1,994.52
				<u>Net Cash Movement for Period</u>	<u>2,047,344.82</u>

Next Month Cashflows

<u>Transaction Date</u>	<u>Deal No.</u>	<u>Cashflow Counterparty</u>	<u>Asset Type</u>	<u>Cashflow Description</u>	<u>Cashflow Due</u>
Nov-22	542330	AMP Bank	Term Deposit	Maturity Face Value - Received	2,000,000.00
		AMP Bank	Term Deposit	Interest - Received	14,794.52
				<u>Deal Total</u>	<u>2,014,794.52</u>
	542331	AMP Bank	Term Deposit	Maturity Face Value - Received	3,000,000.00
		AMP Bank	Term Deposit	Interest - Received	22,191.78
				<u>Deal Total</u>	<u>3,022,191.78</u>
				Day Total	5,036,986.30
Nov-22	542340	Westpac Group	Term Deposit	Interest - Received	2,368.49
				<u>Deal Total</u>	<u>2,368.49</u>

Next Month Cashflows

<u>Transaction Date</u>	<u>Deal No.</u>	<u>Cashflow Counterparty</u>	<u>Asset Type</u>	<u>Cashflow Description</u>	<u>Cashflow Due</u>
	542443	Suncorp Bank	Term Deposit	Maturity Face Value - Received	1,000,000.00
		Suncorp Bank	Term Deposit	Interest - Received	6,578.08
				<u>Deal Total</u>	<u>1,006,578.08</u>
				<u>Day Total</u>	<u>1,008,946.58</u>
				<u>Net Cash Movement for Period</u>	<u>6,045,932.88</u>



Appendix 8.4

**Tamala Park Regional Council
Summary Payment List
October 2022**

Date	Name	Description	Amount
06/10/2022	Employee costs	Wages for period 22/09/2022 - 05/10/2022	-15,878.43
06/10/2022	Beilby Downing Teal Pty Ltd	2nd payment - Recruitment of Project Officer	-3,575.00
06/10/2022	Capital Transport Services (WA) P/L	Courier charges (21/09/22 & 30/09/22)	-65.97
06/10/2022	City of Stirling	IT support & office rent	-4,236.83
06/10/2022	City of Vincent - Supplier	GST owing July 2022	-2,684.00
06/10/2022	City of Wanneroo - Supplier	Aviator Blvd TMP Assessment Fee	-172.91
06/10/2022	Environmental Industries	Landscape maintenance	-6,030.04
06/10/2022	GreenLite Electrical Contractors P/L	Installation of new data point (Quote No. 4537)	-880.33
06/10/2022	hyd20 Hydrology	Expert review re bores/compliance	-412.50
06/10/2022	LD Total	Landscaping services	-470,897.57
06/10/2022	Marketforce	Statutory advertising	-2,450.77
06/10/2022	McMullen Nolan Group	Stage 36 Survey (August 2022)	-2,731.30
06/10/2022	Moore Australia (WA) Pty Ltd	Accounting services	-19,540.49
06/10/2022	Niche Planning Studio	Green & Beach LDPs & Concept Plans (August 2022)	-25,096.50
06/10/2022	O'Sullivan, Simon	Reimbursement of mobile phone & parking expenses	-66.36
06/10/2022	Prudential Investment Services Corp	Investment Portfolio Services (September 2022)	-1,723.12
06/10/2022	R J Vincent and Co	Civil works	-847,915.90
06/10/2022	Realestate.com.au	realestate.com.au Commercial Listing - Lot 341	-1,199.00
06/10/2022	Satterley Property Group	Community Development Services (August 2022)	-1,617.00
06/10/2022	Tim Davies Landscaping P/L	Landscape design services	-10,890.00
06/10/2022	Town of Victoria Park - Supplier	GST owing - August 2022	-2,230.00
06/10/2022	Treacy Fencing	Fencing services	-8,503.11
06/10/2022	Vocus Pty Ltd	Internet Services (October 2022)	-162.80
06/10/2022	Canon Australia Pty Ltd	Photocopying (23/08/22 - 21/09/22)	-92.10
06/10/2022	Water Corporation	Beach Sales Office water charges (15/07/22 - 16/09/22)	-223.42
06/10/2022	Australian Super	Superannuation for period 22/09/2022 - 05/10/2022	-2,411.71
13/10/2022	Westpac Bank	Payment of credit card charges - October 2022	-1,706.44
13/10/2022	City of Perth - Supplier	GST owing - August 2022	-2,229.77
20/10/2022	Employee costs	Wages for period 06/10/22 - 19/10/22	-15,760.65
20/10/2022	Australian Super	Superannuation for period 06/10/22 - 19/10/22	-2,411.71
20/10/2022	Burgess Rawson	Valuation services	-1,650.00
20/10/2022	Capital Transport Services (WA) P/L	Courier charges (06/10/22 & 13/06/22)	-65.01
20/10/2022	City of Stirling	GST owing September 2022	-1,957.55
20/10/2022	City of Vincent - Supplier	GST owing September 2022	-489.00
20/10/2022	City of Wanneroo - Supplier	Application fees	-12,617.56
20/10/2022	Cossill and Webley	Engineering services	-117,194.93
20/10/2022	Coterra Environment	Environmental Consulting Services (September 2022)	-1,372.80
20/10/2022	Dominic Carbone and Associates	GST Accounting Services (September 2022)	-1,056.00
20/10/2022	Environmental Industries	Landscape Maintenance (September 2022)	-45,237.22
20/10/2022	Hemsted, Lisa	WELS Rebate - Lot 327	-1,000.00
20/10/2022	hyd20 Hydrology	Foreshore Park UWMP Addendum	-2,200.00
20/10/2022	Ideal Living	Building Plan Assessments (September 2022)	-710.00
20/10/2022	Kevin Smith Cleaning Services	Cleaning of TPRC office (September 2022)	-218.56
20/10/2022	LD Total	Landscaping services	-25,677.43
20/10/2022	Match & Wood Pty Ltd	Digital Advertising (September 2022)	-5,500.00
20/10/2022	McMullen Nolan Group	Surveying services	-15,946.16
20/10/2022	Neverfail	Bottled water x 3	-46.10
20/10/2022	New Living Cleaning	Cleaning of Sales Office (September 2022)	-630.00
20/10/2022	Officeworks	Office supplies	-91.55
20/10/2022	R J Vincent and Co	Stage 27B (Cert 9)	-48,199.21
20/10/2022	Stantons International	Community Development Services Tender Evaluation	-527.40
20/10/2022	Tim Davies Landscaping P/L	Landscaping architecture services	-10,091.03
20/10/2022	Treacy Fencing	Fencing - Lot 2141	-2,153.25
20/10/2022	Synergy	Electricity (14/06/2022 - 10/08/2022)	-1,322.87
31/10/2022	City of Joondalup - Supplier	GST owing - August and September 2022	-5,438.31

-1,755,187.67

Tamala Park Regional Council
Account FastReport
As of October 31, 2022

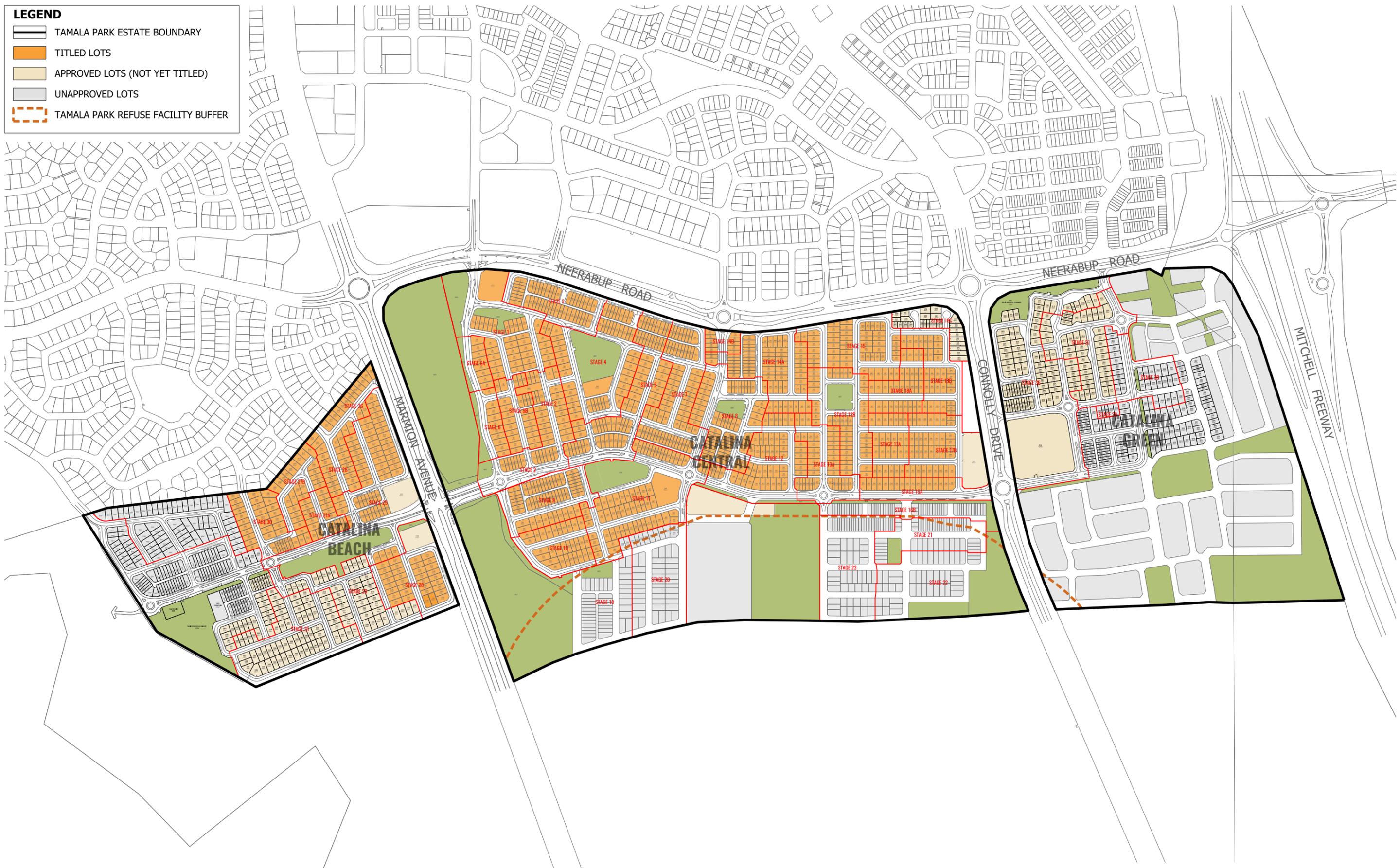
Accrual Basis

Type	Date	Name	Description	Amount
Credit Card Charge	03/10/2022	Woolworths	Coffee pods x 6	30.00
Credit Card Charge	04/10/2022	Woolworths	Coffee pods x 2	10.00
Credit Card Charge	10/10/2022	Westpac Bank	Credit card fees (CEO, EA & MPC)	11.25
Credit Card Charge	13/10/2022	Lot Six Zero	Refreshments for CEOs' agenda meeting	28.48
Cheque	13/10/2022	Westpac Bank	Credit card charges (EA)	-909.34
Cheque	13/10/2022	Westpac Bank	Credit card charges (CEO)	-13.85
Cheque	13/10/2022	Westpac Bank	Credit card charges (MPC)	-3.75
Cheque	13/10/2022	Westpac Bank	Credit card charges (ex-CEO)	-779.50
Bill Pmt -CCard	17/10/2022	Western Australian Planning Commission	Stage 32 Subdivision Application Fee	4,864.00
Credit Card Charge	17/10/2022	Coles Supermarkets	Milk	3.10
Credit Card Charge	29/10/2022	Zoom Video Communications Inc	Standard Pro Monthly x 3 (November 2022)	64.85
				<u>3,305.24</u>
TOTAL				<u><u>3,305.24</u></u>

Appendix 8.5

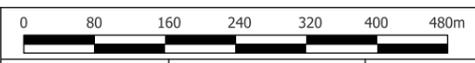
LEGEND

-  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:
Aerial Date Stamp:
Survey supplied by: MNG
Plan Number: NPS1059 - 023
Revision Number:
Drawn By: JP
Client: Tamala Park Regional Council



Scale: 1:8000 @A3 Date Issued: 05.07.2022 ©Niche Planning Studio

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 Form is illustrative only and subject to Architectural Design and approval from an RATA qualified architect. 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.

Appendix 8.6



Annual Report

2021/2022

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Background

The Tamala Park Regional Council (TPRC) is a local government formed in 2006 specifically to implement the urban development of 180 hectares of land situated within the City of Wanneroo, and jointly owned by the following seven local government members:



The Vision of the TPRC is to create a sustainable urban community offering diverse housing choice, social connectivity, and employment opportunities.

The objectives of the TPRC are to:

- To provide diverse housing options that are attractive to a wide demographic and represent best practice urban design and development.
- To demonstrate high quality stewardship in environmental management and innovation in sustainability.
- To support the development of a connected, inclusive, safe, and healthy community.
- To maximise return for member Councils whilst delivering environmental, social, and economic objectives.
- To provide strong leadership, good governance and responsive decision making.

The Tamala Park Project, marketed as Catalina, is an urban development being undertaken in the suburbs of Clarkson and Mindarie and will ultimately comprise around 2,500 home sites. It is anticipated to be developed at a rate of approximately 100-120 lots per annum.

The Tamala Park Project is facilitating a range of housing types and densities and is meeting the emerging needs of the Perth Metropolitan Region with respect to lifestyle, accessibility and changing demography. The TPRC is creating a community having a sense of place, which takes advantage of prevailing natural features, a well-planned built environment and existing retail, business, and community services to the North.

The life of the Tamala Park Project is currently projected to extend to 2035. When the land is fully developed the TPRC will have completed its Charter and will cease to exist.

Message from the Chair

This is the sixteenth annual report of the Tamala Park Regional Council (TPRC). The TPRC is a local government with responsibility to implement the urban development in Clarkson and Mindarie, known as the Tamala Park Project.

The TPRC is made up of 12 members who represent the interests of seven local governments which own the landholdings: Town of Cambridge, City of Joondalup, City of Perth, City of Stirling, Town of Victoria Park, City of Vincent, and City of Wanneroo.

In 2018 the UDIA awarded Catalina a six-leaf EnviroDevelopment Certification in recognition of the TPRC's commitment to sustainability and this has been maintained into 2021/2022. The six-leaf certification is the highest level of certification that can be achieved and confirms the Project's exceptional sustainability outcomes.



Since its inception in 2006, the Project has sold a total of 1,200 lots at 30 June 2022 with a value of over \$329M and achieved settlement revenue of \$305M. In the 2021/2022 financial year, 139 lots with a total value of \$44.5M were sold and 80 lots settled, making it a strong performing year for the organisation.

There has been substantial construction activity during the past year due to strong demand for new residential lots. New lots were constructed and titled in Stage 27B, 28 and 30 in Catalina Beach. Construction has commenced on Stage 18C in Catalina Central and Stage 36 in Catalina Green.

A significant amount of civil and landscape construction work was also completed during the year. A foreshore access road, beach access path and carpark were completed in Feb 2022. This new infrastructure provides an important connection to a safe swimming beach for residents and the wider community to use. A significant roundabout at the intersection of Connolly Drive and Aviator Boulevard was also built which provides a new eastern gateway to Catalina Central. The foreshore access and roundabout construction works were completed in January 2022. Landscaping the Greenlink in Catalina Central commenced in March 2022 and, once complete, will be an important asset for the local community.

Subdivision approvals were obtained in April 2022 for 60 lots in Catalina Beach and an application for 139 lots in Catalina Green was submitted in March 2022.

The Council was able to make a \$10.0M distribution of profit from land sales to the member local governments.



The TRPC Council remains focused and committed on achieving the best possible outcomes for the Catalina Estate and the local community.

I would like to thank the Council, TPRC CEO and officers for their continued professionalism, energy, and valuable contribution to this project. I specifically would like to thank Mr Jon Morellini, who acted as CEO of the TPRC for this financial year. Jon progressed the project admirably in an environment of significant change and disruption.

Handwritten signature of Cr Bianca Sandri

Cr Bianca Sandri
CHAIR

Message from the Chief Executive Officer

The land development industry in Western Australia experienced another very buoyant year in 2021/22. Strong consumer demand was evident for much of this period with land developers, including TPRC, struggling to access material and labor to deliver land quickly enough to meet market demand. Late in 2021/22 the market started to cool as bank interest rates started to rise and building costs escalated.

The Sales and Marketing program for 2021/22 resulted in an average sale price of \$319,950 and 80 lot settlements with a value of \$28.76M. While slowing, TPRC sales and settlement activity is expected to remain relatively strong throughout 2022/23.

The focus over the financial year has been to consolidate Catalina Estate as a significant urban project in Perth's northern coast by continued construction, marketing, and sale of residential lots. Corporate planning and associated works scheduling has been undertaken to ensure the Vision and Objectives of the TPRC can continue to be achieved.

Several community programs and events took place during the year, including:

- Fathers' Day Event in Drimmie Park;
- Pyjama Drama children's' event in Drimmie Park;
- Easter Bunny visit;
- Summer Splashdown in Catalina Beach Park; and
- Foreshore Access Road Opening Event.



The Council also continued to implement the following important environmental programs during 2021/2022:

- Rehabilitation of Biodiversity Conservation Areas;
- Subdivision design work to allow for the retention of significant trees;
- Revegetation works alongside the foreshore access road;
- Rebates to purchasers for the installation of solar panels and water-efficient fittings and appliances and the provision of water-wise front garden landscaping packages.

The Council has a significant and ambitious civil construction and infrastructure initiatives planned over 2022/2023, which will improve amenity and facilities of the Project, including:

- Civil construction for 242 lots in Catalina Beach, Catalina Central and Catalina Green including the development of a 1.985ha commercial site;
- Catalina Foreshore Access Road / Carpark, including environmental revegetation works;
- The extension of Long Beach Promenade, including verge and median landscaping;



- Landscaping works on Connolly Drive, Neerabup Road, Aviator Boulevard and Portofino Promenade
- Development of new parks in Catalina Green and Catalina Beach
- The development of a new Builders Display Village in Catalina Beach.

Like the chair, I would like to thank and congratulate the Acting CEO, Jon Morellini, for his efforts throughout the Financial Year. He has left the organization and the Project in a very strong position.

Mr Chris Adams
CHIEF EXECUTIVE OFFICER

Governance

Audit Committee

The Audit Committee is formally appointed by the Council and assists in ensuring that there are effective and best practice accounting, auditing, internal control, business risk management, compliance and reporting systems, processes, and practices. The Audit Committee did not identify any adverse findings for the financial year.

Auditor General Report

Under the *Local Government Amendment (Auditing) Act 2017*, the Auditor General is now responsible for the audit of the TPRC 2020-2021 Annual Financial Report. The Auditor General gave an unqualified audit opinion and did not identify any significant issues when completing their review.

Local Government Compliance Audit Report

All local governments are required to carry out an annual compliance audit for the period 1 January to 31 December as required by the Department of Local Government, Sport and Cultural Industries. The Compliance Audit Return for the year ended 31 December 2020 was approved by Council on 17th February 2022 and a certified copy of the return was submitted to the Director General of the Department of Local Government, Sport and Cultural Industries.

Competition Policy

The TPRC has met its obligations regarding competition policy. The Council has no local laws or policies that reflect anti-competitive practice. No complaints have been received by the TPRC in 2020/2021 in relation to anti-competitive practices.

Recordkeeping Plan Required under the State Records Act

The TPRC Recordkeeping Plan was approved by the State Records Commission on 17 March 2017 and approved by Council on 17 August 2017.

The Recordkeeping Policy is scheduled to be reviewed in late 2022.

Disability Services Plan

The Disability Services Plan (2019) was advertised for consultation and comment in October 2019 and was approved by Council in February 2020. The Disability Services Plan is in accordance with prescribed standards for public access and infrastructure and has been approved by the Disability Services Commission.

Financial Budget Review

A formal review of the TPRC budget is required in the manner prescribed under the *Local Government Act 1995* between 1 January and 31 March each year. The Review was undertaken in February 2020 and no adverse findings or matters of consequence were found during the Review. The Council considered and resolved to adopt the Financial Budget Review at its meeting on the 17th February 2022.

Strategic Community Plan 2019-2029

The Department of Local Government's Integrated Planning and Reporting Framework requires all local governments to prepare a Strategic Community Plan. The TPRC approved the Strategic Community Plan 2019-2029 in February 2020.

Corporate Business Plan 2020-2024

The Department of Local Government's Integrated Planning and Reporting Framework requires all local governments to prepare a Corporate Business Plan in consultation with its community and stakeholders. The TPRC Corporate Business Plan 2020 – 2024 was adopted by Council at its December 2020 meeting.

Local Government (Rules of Conduct) Regulations 2007

These regulations require reporting various offences by Council Members. Council Members must comply with their obligations under the *Local Government Act 1995*. In 2020/2021 no complaints were received concerning Council Members.

Codes of Conduct

The Council's Codes of Conduct prescribes the standard of conduct and behaviour expected of the Council Members and employees.

The Code of Conduct for Elected Members, Committee Members and Candidates was adopted by Council in April 2021. The Employee Code of Conduct was approved by the CEO in November 2021.

Register of Financial Interests for Council Members and Senior Employees

The requirements of the *Local Government Act 1995* in reporting the financial interests of Council Members and Senior Staff were complied with. This register was implemented on 1 July 1997 in accordance with the requirements of the *Local Government Act 1995* and is available for viewing by the public.

Freedom of Information Act

The Council is subject to the provisions of the *Freedom of Information Act 1994*. The Act gives individuals and organisations a general right of access to information held by the Council. The Council received no requests under the Freedom of Information Act during 2020/2021.

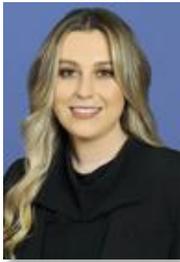
Complaints Register

Section 5.121 of the *Local Government Act 1995* requires a local government to maintain a register of complaints that result in an action under Section 5.110(6)(b) or (c).

There were no complaints reported to the Local Government Standards Panel during 2020/2021.



TPRC Council Membership



Chair
Cr Bianca Sandri
City of Stirling

CEO Performance Review
Committee
Management Committee



Cr Alaine Haddon-Casey
Town of Cambridge



Cr Bronwyn Ife
Town of Victoria Park

CEO Performance Review



Cr John Chester
City of Joondalup

Management Committee
CEO Performance Review



Cr Brent Fleeton
City of Perth

Audit Committee



Cr Ashley Wallace
City of Vincent

Audit Committee



Cr Tony Krsticevic
City of Stirling

Audit Committee
Management Committee



Deputy Chair
Cr Suzanne Migdale
City of Stirling

Management Committee



Cr Karlo Perkov
City of Stirling

Audit Committee
Management Committee



Cr Nige Jones
City of Joondalup

Management Committee



Cr Glynis Parker
City of Wanneroo



Cr Brett Treby
City of Wanneroo

CEO Performance Review
Committee
Audit Committee

Attendance at Meetings by Council Members

Meeting attendances by Council members for 2021/2022 are shown in the table below:

Councillor	Council	Audit	CEO Performance Review	Management
Total No. of Meetings Held	13	7	0	9
Cr Claire Anderson	2	(2)		
Cr Joanne Fotakis	3	(3)		2 (2)
Cr David Lagan	3	(3)	4 (5)	2 (2)
Cr Philippa Taylor	3	(3)	4 (4)	
Cr Jane Cutler	5	(5)		2 (2)
Cr John Chester	12	(13)		8 (9)
Cr Nige Jones	10	(13)		3 (3)
Cr Brent Fleton	9	(11)	3 (3)	
Cr Ashley Wallace	6	(10)	3 (2)	
Cr Suzanne Migdale	9	(13)		6 (7)
Cr Bianca Sandri	12	(13)	4 (5)	8 (9)
Cr Karlo Perkov	9	(10)	3 (3)	4 (6)
Cr Tony Krsticevic	9	(10)	2 (3)	5 (6)
Cr Bronwyn Ife	9	(10)		
Cr Brett Treby	11	(13)	1 (3)	2 (2)
Cr Glynis Parker	9	(10)		
Cr Andres Timmermanis	2	(5)	2 (4)	1 (3)
Cr Karen Caddy	3	(3)		2 (2)
Cr Domenic Zappa	1	(3)		
Cr Alaine Haddon-Casey	0	(1)		
Cr Claire Anderson (as alternate member)	1			
Cr Clyde Bevan (as alternate member)	1			

**The total number of meetings held during each Council member's term is shown in brackets.*

Notes

- Cr Clair Anderson was alternate member for Cr Bronwyn Ife at the ordinary meeting of Council on 9 December 2021.
- Cr Clyde Bevan was alternate member for Cr Brent Fleton at ordinary meeting of Council on 19 August 2021.

Year 2021/2022 Under Review

Council Activity

The current Council comprises 12 members who are elected by constituent local authorities following the ordinary bi-annual Council elections.

During the year the Council held six ordinary bi-monthly Council meetings, four special Council meeting and the following Committee meetings:

- Management Committee — 5 meetings
- Audit Committee — 4 meetings
- CEO Performance Committee — 1 meeting

Member Local Governments' Equity

The following reflects the member local governments' equity in the Tamala Park Project.

	2019/2020	2020/2021	2021/2022
Town of Cambridge	3,770,032	4,490,196	4,509,818
City of Perth	3,770,032	4,490,196	4,509,818
Town of Victoria Park	3,770,032	4,490,196	4,509,818
City of Vincent	3,770,032	4,490,196	4,509,818
City of Joondalup	7,540,060	8,980,387	9,019,634
City of Wanneroo	7,540,060	8,980,387	9,019,634
City of Stirling	15,052,935	17,963,589	18,042,083
TOTAL EQUITY	45,243,183	53,885,147	54,120,623

Employee Remuneration

The *Local Government Act 1995* requires that the Council provides information relating to the number of employees entitled to a salary of \$130,000 or more.

This information is presented below:

Salary Range	No.
120-130K	1
230-240K	1
Total	2

Chief Executive Officer Remuneration

\$237,500

Distribution to Participating Councils

The TPRC made a \$10M distribution (Return of Contribution) from land sales income to the seven participating local governments.

The TPRC has not exercised its option under the Establishment Agreement to require Councils to transfer their shares in the landholding jointly held by Councils at Tamala Park. Individual Councils continue to pay municipal rate levies to City of Wanneroo and the TPRC has decided to reimburse the Councils for an amount equivalent to rates paid from retained earnings.

Distributions for 2020/2021 and 2021/2022 are shown below:

Participant Council	Rates Reimbursement		Return of Contribution	
	2020/2021	2021/2022	2020/2021	2021/2022
Town of Cambridge	25,104	40,384	750,000	833,333
City of Perth	25,104	40,384	750,000	833,333
Town of Victoria Park	25,104	40,384	750,000	833,333
City of Vincent	25,104	40,384	750,000	833,333
City of Joondalup	50,209	80,769	1,500,000	1,666,666
City of Wanneroo	50,209	80,769	1,500,000	1,666,666
City of Stirling	100,417	276,004	3,000,000	3,333,333
TOTAL	305,117	599,078	9,000,000	10,000,000



Market, Infrastructure & Land Use Impacts on Catalina Estate

The Catalina Estate is located within the City of Wanneroo municipality and forms part of the suburbs of Clarkson and Mindarie

The Western Australian residential land market experienced a high level of activity over the last 12 months with solid sales and buyers' interest. The North-Western (Metro) land sales market is highly competitive with a significant number of estates competing for market share.

The infrastructure from the surrounding suburbs to the Clarkson rail and bus station is now well defined and there continues to be consolidation of commercial and business activity within the Clarkson rail station precinct.

The extension of the Mitchell Freeway, from Burns Beach Road to Hector Avenue, has significantly improved access from Catalina to the Joondalup and Wanneroo City Centres, and locations along the Freeway north and south. The works included the construction of Neerabup Road between Connolly Drive and Wanneroo Road, providing direct access to employment opportunities within the Neerabup Industrial Park.



The Freeway extension works also included the construction of an underpass in the vicinity of the Freeway and Neerabup Road enabling safe and easy access for residents to the Clarkson Train Station and a direct bus connection through the Catalina Estate. The Neerabup Road Underpass was fully funded by the TPRC and is significant strategic infrastructure that will provide an important connection for the Catalina Project from the Clarkson Train Station to the coastline.

The extended Portofino Promenade and construction of the Foreshore Access Road has connected Catalina with the beach and now provides great amenity for Catalina residents and the wider community.

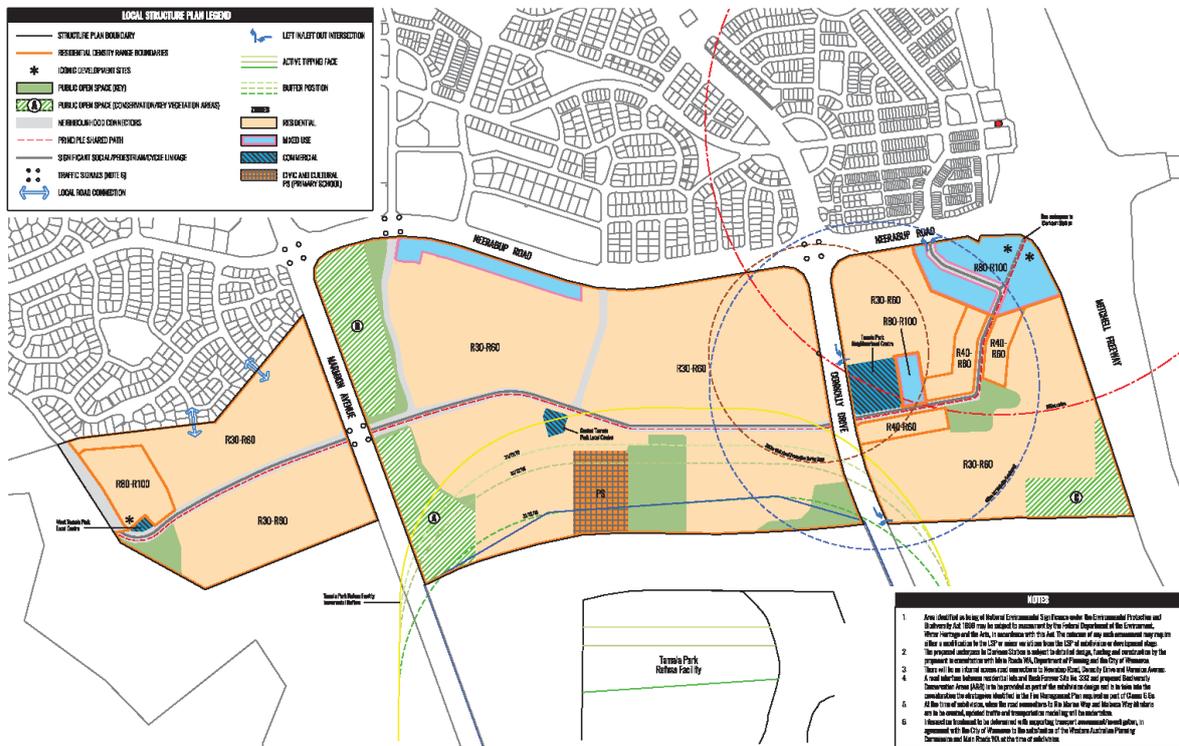
Completion of the Connolly Drive/Aviator Boulevard, in early 2022 provides a new eastern gateway for Catalina Central, as well as framing the entry to Catalina's newest precinct, Catalina Green.

Tamala Park Local Structure Plan

In 2013 the Tamala Park Local Structure Plan was formally approved. Since 2013, five amendments to the Local Structure Plan have been approved providing more contemporary urban design to meet the vision of the TPRC to “create an urban centre for choice, sustainability, community and opportunity from the land”.

Key aspects of the Local Structure Plan include:

- Providing for the orderly distribution of residential density and a range of housing types that address changing demographics and the needs of future populations within the north-west sector of the Perth Metropolitan Region.
- Providing for sustainable environmental outcomes with respect to such matters as water use, energy efficiency, conservation, and transport, while taking advantage of natural features and views.
- Providing active commercial centres and community hubs that meet the daily and weekly needs of residents and provide employment opportunities that are co-located with local recreation and community facilities.
- Providing an appropriate urban design response in recognition of adjoining public transport infrastructure.
- A high level of linkage both within and beyond the boundaries of the Tamala Park landholding to commercial centres, coastal reserves and transport nodes via cycle and pedestrian access, public transport, and private vehicle.
- Addressing the forecast demand for a variety of community services and social infrastructure.



TAMALA PARK LOCAL STRUCTURE PLAN MAP (PLAN 1)
Amendment 5

Scale 1:10000
Date 18/08/2021
Plan 1045-2-01C

The major land use elements of the Local Structure Plan are set out as follows:

Precincts	West	Central West	Central East	Eastern Precinct	Total	
Area	HA	HA	HA	HA	HA	%
Residential	21.03	22.33	21.03	23.89	88.28	49.54%
Mixed use			2.50	5.71	8.21	4.61%
Centre	0.16	0.70		0.90	1.76	0.99%
Business		2.08			2.08	1.17%
Active/Passive POS	1.02	0.91	3.28	3.27	8.48	4.76%
School			5.0		5.00	2.81%
Greenlink	1.38	1.2	0.61	0.92	4.11	2.31%
Conservation Reserves		11.57			11.57	6.49%
Roads	8.82	11.67	15.09	13.14	48.72	27.34%
Total (incl: Roads)	32.41	50.46	47.51	47.83	178.21	100%

A key aspect of the Local Structure Plan is a central link connecting the Clarkson Rail Station through the Catalina Estate to the beach. All residential land in the development will be within 400m of the central Greenlink which will connect to public amenities including a primary school.



Environmental Management



A Mitigation and Offset Management Plan was approved by the Department of Agriculture, Water, and the Environment (DAWE) under the EPBC Act. The TPRC was required to prepare a mitigation strategy outlining measures to avoid or reduce impacts to Carnaby's Black Cockatoo. The TPRC has been progressively implementing the DAWE conditions, which includes the following:

- Purchase of an Offset site for Carnaby's Black Cockatoo foraging, habitat, and breeding (fully completed);
- Rehabilitation and fencing of Biodiversity Conservation Area (works in progress);
- Seed collection and storage from prescribed areas (undertaken annually since 2015); and
- Preparation of Audit and Compliance report (completed annually and submitted to DAWE).

An Environmental Management Plan (EMP) has been approved by the Environmental Protection Authority which provides management and mitigation measures for impacts of the proposed Tamala Park Development on biodiversity assets and values of the area.

The EMP addresses the specific Ministerial Conditions set for the development. These conditions are summarized as follows:

- Management of remnant vegetation whilst strengthening links between the coast and the Neerabup National Park;
- Specially protected fauna species;
- Fire management;
- Management of public access to the areas reserved for conservation and recreation;
- Recommendations for revegetation.

In April 2018, the UDIA awarded Catalina a six leaf EnviroDevelopment Certification in recognition and verification of the TPRC's commitment to sustainability. The six leaf certification is the highest level of certification that can be achieved and confirms the Project's exceptional sustainability outcomes.

The six leaf certification relates to the following elements: Ecosystems, Waste, Energy, Materials, Water and Community.

Key Activities 2022/2023

Project	Timeframe
<p>Implementation of Environmental Approval Conditions - Environmental Protection & Biodiversity Conservation Act (EPBC Act) The EPBC approval conditions are at an advanced stage of implementation and will continue to be implemented as the Project progresses.</p>	2022-2023 and ongoing
<p>Project Marketing and Branding Various initiatives are to be implemented throughout the year to promote the Catalina Project, including internet search optimisation intended to draw traffic to the Catalina website, advertising through electronic direct mail, social media channels and online real estate search sites.</p>	2022-2023
<p>Civil Construction Works Civil construction of Stage 29 (43 lots) and Stage 31 (66 lots) in Catalina Beach, Stage 18C (28 lots) and Lot 341 (grouped housing site) in Catalina Central and Stage 36 and 37 in Catalina Green (126 lots) is to be completed.</p>	2023-2023
<p>Infrastructure The key infrastructure project being delivered in 2022/23 is the construction of the Longbeach Promenade which will connect the western end of the beach estate to the suburb of Mindarie close to the coastline.</p>	2022-2023
<p>Landscaping Works Landscape works to be undertaken during 2021/22 include:</p> <ul style="list-style-type: none"> • Aviator Boulevard green link extension in Catalina Central. • Connolly Drive medians, verges, and roundabout. • Significant new parks in Catalina Green and Catalina Beach • Extension of the Catalina Beach Park on Portofino Boulevard 	2022-2023
<p>Sale of Residential Lots The forecast is 110 lot sales for 2021/2022 plus the sale of two large sites for commercial purposes.</p>	2022-2023
<p>Land Acquisition The TPRC plans to progress with legislative and planning works to progress the acquisition/development rights to the following areas:</p> <ul style="list-style-type: none"> • Part Lot 711 Catalina Green – A 10.22 ha triangular site on the eastern edge of Catalina Green that TPRC has been given the right to acquire through a Negotiated Planning Solution agreed in 2004. • Urban Deferred Land - Land to the south of Catalina Central that is currently unable to be developed due to zoning restrictions associated with its proximity to the Tamala Park Waste Disposal Facility <p>Access to these lands will allow the orderly and timely development of the Catalina Estate when current stages are complete</p>	2022-23 and ongoing

Annual Financial Report (including Audit Report)



TAMALA PARK REGIONAL COUNCIL
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

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The Tamala Park Regional Council conducts the operations of a local government with the following community vision:

To create an urban centre of choice, sustainability, community and opportunity.

Principal place of business:
2/369 Scarborough Beach Road
Innaloo WA 6018

**TAMALA PARK REGIONAL COUNCIL
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022**

The attached financial report of the Tamala Park Regional Council for the financial year ended 30 June 2022 is based on proper accounts and records to present fairly the financial position of the Tamala Park Regional Council at 30 June 2022 and the results of the operations for the financial year then ended in accordance with the *Local Government Act 1995* and, to the extent that they are not inconsistent with the Act, the Australian Accounting Standards.

Signed on the 4th day of October 2022.



Chief Executive Officer

Chris Adams

Name of Chief Executive Officer

TAMALA PARK REGIONAL COUNCIL
STATEMENT OF COMPREHENSIVE INCOME
BY NATURE OR TYPE
FOR THE YEAR ENDED 30 JUNE 2022

	NOTE	2022 Actual	2022 Budget	2021 Actual
		\$	\$	\$
Revenue				
Interest earnings	2(a)	304,540	337,115	475,651
Other revenue		18,088	22,380	21,331
		322,628	359,495	496,982
Expenses				
Employee costs		(532,794)	(648,534)	(647,060)
Materials and contracts		(255,957)	(338,763)	(198,520)
Utility charges		0	(6,662)	0
Depreciation	10(a)	(44,821)	(31,227)	(54,672)
Finance costs	2(b)	(1,757)	(90)	(519)
Insurance		(17,090)	(16,874)	(12,915)
Other expenditure	2(b)	(157,340)	(171,005)	(157,092)
		(1,009,759)	(1,213,155)	(1,070,778)
		(687,131)	(853,660)	(573,796)
Profit on asset disposals	10(b)	0	5,312	1,224
Loss on asset disposals	10(b)	(1,744)	0	0
		(1,744)	5,312	1,224
Net result for the period	22(b)	(688,875)	(848,348)	(572,572)
Total other comprehensive income for the period		0	0	0
Total comprehensive income for the period		(688,875)	(848,348)	(572,572)

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

**TAMALA PARK REGIONAL COUNCIL
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2022**

	NOTE	2022 \$	2021 \$
CURRENT ASSETS			
Cash and cash equivalents	3	16,310,346	16,472,144
Trade and other receivables	6	595,395	182,340
Other financial assets	4(a)	36,145,694	37,009,692
Other assets	8	27,600	3,996
TOTAL CURRENT ASSETS		53,079,035	53,668,172
NON-CURRENT ASSETS			
Inventories	7	1,600,000	1,600,000
Property, plant and equipment	9	36,311	102,610
Right-of-use assets	11(a)	149,716	20,114
TOTAL NON-CURRENT ASSETS		1,786,027	1,722,724
TOTAL ASSETS		54,865,062	55,390,896
CURRENT LIABILITIES			
Trade and other payables	12	162,938	116,281
Lease liabilities	11(b)	31,760	20,878
Employee related provisions	13	21,788	283,214
TOTAL CURRENT LIABILITIES		216,486	420,373
NON-CURRENT LIABILITIES			
Lease liabilities	11(b)	119,156	0
Employee related provisions	13	13,527	1,231
TOTAL NON-CURRENT LIABILITIES		132,683	1,231
TOTAL LIABILITIES		349,169	421,604
NET ASSETS		54,515,893	54,969,292
EQUITY			
Retained surplus		388,917	1,077,792
Member contributions and equity	5	54,120,623	53,885,147
Revaluation surplus	14	6,353	6,353
TOTAL EQUITY		54,515,893	54,969,292

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

**TAMALA PARK REGIONAL COUNCIL
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2022**

	NOTE	RETAINED SURPLUS \$	CONTRIBUTED EQUITY \$	REVALUATION SURPLUS \$	TOTAL EQUITY \$
Balance as at 1 July 2020		1,650,364	45,243,183	6,353	46,899,900
Comprehensive income for the period					
Net result for the period		(572,572)	0	0	(572,572)
Total comprehensive income for the period		(572,572)	0	0	(572,572)
Movement in member contributions	5	0	8,641,964	0	8,641,964
Balance as at 30 June 2021		1,077,792	53,885,147	6,353	54,969,292
Comprehensive income for the period					
Net result for the period		(688,875)	0	0	(688,875)
Total comprehensive income for the period		(688,875)	0	0	(688,875)
Movement in member contributions	5	0	235,476	0	235,476
Balance as at 30 June 2022		388,917	54,120,623	6,353	54,515,893

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

**TAMALA PARK REGIONAL COUNCIL
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2022**

	NOTE	2022 Actual \$	2022 Budget \$	2021 Actual \$
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts				
Interest received		304,540	481,959	475,651
Goods and services tax received		35,715	9,492	33,963
Other revenue		18,088	22,380	21,331
		358,343	513,831	530,945
Payments				
Employee costs		(803,505)	(904,747)	(636,386)
Materials and contracts		(240,915)	(400,563)	(166,931)
Utility charges		0	(6,662)	0
Finance costs		(1,757)	(90)	(519)
Insurance paid		(17,090)	(16,874)	(12,915)
Goods and services tax paid		(6,971)	0	(6,365)
Other expenditure		(157,340)	(171,005)	(157,092)
		(1,227,578)	(1,499,941)	(980,208)
Net cash provided by (used in) operating activities	15(b)	(869,235)	(986,110)	(449,263)
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for purchase of property, plant & equipment	9(a)	0	(5,000)	(62,191)
Proceeds from financial assets at amortised cost		863,998	20,009,692	(19,260,215)
Proceeds from sale of property, plant & equipment	10(b)	55,000	60,500	43,636
Net cash provided by (used in) investing activities		918,998	20,065,192	(19,278,770)
CASH FLOWS FROM FINANCING ACTIVITIES				
Payments for principal portion of lease liabilities	23(a)	(34,830)	(20,878)	(34,542)
Payments for land development		(20,839,525)	(48,339,148)	(12,692,329)
Payments for member contributions		(9,625,879)	(10,280,000)	(8,712,115)
Proceeds from member contributions		30,288,673	34,575,138	29,913,393
Net cash provided by (used in) financing activities		(211,561)	(24,064,888)	8,474,407
Net increase (decrease) in cash held		(161,798)	(4,985,806)	(11,253,626)
Cash at beginning of year		16,472,144	16,472,144	27,725,770
Cash and cash equivalents at the end of the year	15(a)	16,310,346	11,486,338	16,472,144

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

**TAMALA PARK REGIONAL COUNCIL
RATE SETTING STATEMENT
FOR THE YEAR ENDED 30 JUNE 2022**

	NOTE	2022 Actual \$	2022 Budget \$	2021 Actual \$
NET CURRENT ASSETS - At start of financial year - surplus/(deficit)		53,268,677	53,268,677	45,207,121
OPERATING ACTIVITIES				
Revenue from operating activities (excluding general rate)				
Interest earnings		304,540	337,115	475,651
Other revenue		18,088	22,380	21,331
Profit on asset disposals	10(b)	0	5,312	1,224
		322,628	364,807	498,206
Expenditure from operating activities				
Employee costs		(532,794)	(648,534)	(647,060)
Materials and contracts		(255,957)	(338,763)	(198,520)
Utility charges		0	(6,662)	0
Depreciation		(44,821)	(31,227)	(54,672)
Finance costs		(1,757)	(90)	(519)
Insurance		(17,090)	(16,874)	(12,915)
Other expenditure		(157,340)	(171,005)	(157,092)
Loss on asset disposals	10(b)	(1,744)	0	0
		(1,011,503)	(1,213,155)	(1,070,778)
Non-cash amounts excluded from operating activities				
Profit on asset disposals		0	(5,312)	(1,224)
Loss on disposal of assets		1,744	0	0
Depreciation		44,821	31,227	54,672
Employee benefit provisions		12,296	0	(8,187)
		58,861	25,915	45,261
Amount attributable to operating activities		(630,014)	(822,433)	(527,311)
INVESTING ACTIVITIES				
Proceeds from disposal of assets	10(b)	55,000	60,500	43,636
Purchase of property, plant and equipment	9(a)	0	(5,000)	(62,191)
Amount attributable to investing activities		55,000	55,500	(18,555)
FINANCING ACTIVITIES				
Payments for principal portion of lease liabilities	23(a)	(34,830)	(20,878)	(34,542)
Payments for land development as member contributions	5	(20,839,525)	(48,339,148)	(12,692,329)
Payments of member contributions and equity received	5	(9,213,672)	(10,280,000)	(8,579,100)
Proceeds from member contributions	5	30,288,673	34,575,138	29,913,393
Amount attributable to financing activities		200,646	(24,064,888)	8,607,422
Surplus/(deficit) before imposition of general rates		52,894,309	28,436,856	53,268,677
Total amount raised from general rates		0	0	0
Surplus/(deficit) after imposition of general rates		52,894,309	28,436,856	53,268,677
Net current assets used in the Rate Setting Statement				
Total current assets		53,079,035	28,518,338	53,668,172
Less: Total current liabilities		(216,486)	(81,482)	(420,373)
Less: Total adjustments to net current assets	11(b)	31,760	0	20,878
Net current assets used in the Rate Setting Statement		52,894,309	28,436,856	53,268,677

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

**TAMALA PARK REGIONAL COUNCIL
FOR THE YEAR ENDED 30 JUNE 2022
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**TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022**

1. BASIS OF PREPARATION

The financial report comprises general purpose financial statements which have been prepared in accordance with the *Local Government Act 1995* and accompanying regulations.

Local Government Act 1995 requirements

Section 6.4(2) of the *Local Government Act 1995* read with the *Local Government (Financial Management) Regulations 1996* prescribe that the financial report be prepared in accordance with the *Local Government Act 1995* and, to the extent that they are not inconsistent with the 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.

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.

Judgements and estimates

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

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

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

- estimated fair value of certain financial assets
- impairment of financial assets
- estimation uncertainties made in relation to lease accounting
- estimation of useful lives of non-current assets

**TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022**

2. REVENUE AND EXPENSES

(a) Revenue

Contracts with customers

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

Revenue Category	Nature of goods and services	When obligations typically satisfied	Payment terms	Returns/Refunds/Warranties	Timing of revenue recognition
Other revenue - interest earnings	Commissions on investments	Single point in time	Monthly in arrears	None	When assets are controlled
Other revenue - reimbursements	Insurance claims	Single point in time	Payment in arrears for claimable event	None	When claim is agreed

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

Revenue Recognition

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

For the year ended 30 June 2022

Nature or type	Contracts with customers		Other	Total
	\$		\$	\$
Interest earnings	0		304,540	304,540
Other revenue	0		18,088	18,088
Total	0		322,628	322,628

For the year ended 30 June 2021

Nature or type	Contracts with customers		Other	Total
	\$		\$	\$
Interest earnings	0		475,651	475,651
Other revenue	0		21,331	21,331
Total	0		496,982	496,982

	Note	2022 Actual	2022 Budget	2021 Actual
		\$	\$	\$
(a) Revenue				
Interest earnings				
Interest on reserve funds		304,540	337,115	475,651
		304,540	337,115	475,651
(b) Expenses				
Auditors remuneration				
- Audit of the Annual Financial Report		27,000	30,000	27,000
		27,000	30,000	27,000
Finance costs				
Lease liabilities	23(a)	1,757	90	519
		1,757	90	519
Other expenditure				
Council member remuneration	18(a)	158,060	161,005	157,078
Sundry expenses		(720)	10,000	14
		157,340	171,005	157,092

**TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022**

3. CASH AND CASH EQUIVALENTS

Cash at bank and on hand
Term deposits
Total cash and cash equivalents

Held as
- Restricted cash and cash equivalents

Note	2022	2021
	\$	\$
	10,227,737	1,177,362
	6,082,609	15,294,782
15(a)	16,310,346	16,472,144
15(a)	16,310,346	16,472,144
	16,310,346	16,472,144

SIGNIFICANT ACCOUNTING POLICIES

Cash and cash equivalents

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

Term deposits are presented as cash equivalents if they have a maturity of three months or less and are repayable with 24 hours notice with no loss of interest.

Restricted financial assets

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

Details of restrictions on financial assets can be found at Note 15.

4. OTHER FINANCIAL ASSETS

(a) Current assets

Financial assets at amortised cost

Other financial assets at amortised cost

Term deposits
Treasury bonds

Held as
- Restricted other financial assets at amortised cost

2022	2021
\$	\$
36,145,694	37,009,692
36,145,694	37,009,692
33,145,694	31,009,692
3,000,000	6,000,000
36,145,694	37,009,692
36,145,694	37,009,692
36,145,694	37,009,692

SIGNIFICANT ACCOUNTING POLICIES

Other financial assets at amortised cost

The Regional Council 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 relates to cash held on term deposits with maturity terms exceeding three months.

Fair values of financial assets at amortised cost are not materially different to their carrying amounts, since the interest receivable on those assets is either close to current market rates or the assets are of a short term nature. Non-current financial assets at amortised cost fair values are based on discounted cash flows using a current market rates. They are classified as level 2 fair values in the fair value hierarchy (see Note 19) due to the observable market rates.

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

Financial assets at fair value through profit and loss

The Regional Council classifies the following financial assets at fair value through profit and loss:

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

Impairment and risk

Information regarding impairment and exposure to risk can be found at Note 19.

TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

5. MEMBER CONTRIBUTIONS AND EQUITY

	2022 Actual Balance	2022 Budget Balance	2021 Actual Balance
Note	\$	\$	\$
(a) Town of Victoria Park			
Opening balance	4,490,196	4,439,056	3,770,032
Land development expenses	(1,736,627)	(4,028,262)	(1,057,694)
Proceeds of sale of land	2,524,056	2,881,261	2,492,783
Contributed equity	65,527	(23,333)	35,075
Return of contribution	(833,334)	(833,333)	(750,000)
	4,509,818	2,435,389	4,490,196
(b) City of Perth			
Opening balance	4,490,196	4,439,056	3,770,032
Land development expenses	(1,736,627)	(4,028,262)	(1,057,694)
Proceeds of sale of land	2,524,056	2,881,261	2,492,783
Contributed equity	65,527	(23,333)	35,075
Return of contribution	(833,334)	(833,333)	(750,000)
	4,509,818	2,435,389	4,490,196
(c) Town of Cambridge			
Opening balance	4,490,196	4,439,056	3,770,032
Land development expenses	(1,736,627)	(4,028,262)	(1,057,694)
Proceeds of sale of land	2,524,056	2,881,261	2,492,783
Contributed equity	65,527	(23,333)	35,075
Return of contribution	(833,334)	(833,333)	(750,000)
	4,509,818	2,435,389	4,490,196
(d) City of Joondalup			
Opening balance	8,980,387	8,878,113	7,540,060
Land development expenses	(3,473,254)	(8,056,525)	(2,115,388)
Proceeds of sale of land	5,048,112	5,762,524	4,985,565
Contributed equity	131,055	(46,667)	70,150
Return of contribution	(1,666,666)	(1,666,667)	(1,500,000)
	9,019,634	4,870,778	8,980,387
(e) City of Wanneroo			
Opening balance	8,980,387	8,878,113	7,540,060
Land development expenses	(3,473,254)	(8,056,525)	(2,115,388)
Proceeds of sale of land	5,048,112	5,762,524	4,985,565
Contributed equity	131,055	(46,667)	70,150
Return of contribution	(1,666,666)	(1,666,667)	(1,500,000)
	9,019,634	4,870,778	8,980,387
(f) City of Vincent			
Opening balance	4,490,196	4,439,056	3,770,032
Land development expenses	(1,736,627)	(4,028,262)	(1,057,694)
Proceeds of sale of land	2,524,056	2,881,261	2,492,783
Contributed equity	65,527	(23,333)	35,075
Return of contribution	(833,334)	(833,333)	(750,000)
	4,509,818	2,435,389	4,490,196
(g) City of Stirling			
Opening balance	17,963,589	17,756,226	15,082,935
Land development expenses	(6,946,509)	(16,113,050)	(4,230,777)
Proceeds of sale of land	10,096,225	11,525,046	9,971,131
Contributed equity	262,110	(93,334)	140,300
Return of contribution	(3,333,332)	(3,333,334)	(3,000,000)
	18,042,083	9,741,554	17,963,589
Total members contribution	54,120,623	29,224,666	53,885,147
Land development expenses	(20,839,525)	(48,339,148)	(12,692,329)
Proceeds of sale of land	30,288,673	34,575,138	29,913,393
Contributed equity	786,328	(280,000)	420,900
Return of contributions	(10,000,000)	(10,000,000)	(9,000,000)
Movement in member contributions	235,476	(24,044,010)	8,641,964
Opening balance	53,885,147	53,268,676	45,243,183
Movement in member contributions	235,476	(24,044,010)	8,641,964
	54,120,623	29,224,666	53,885,147

**TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022**

6. TRADE AND OTHER RECEIVABLES

Current

Trade and other receivables
GST receivable

Note	2022	2021
	\$	\$
	585,055	172,848
	10,340	9,492
	<u>595,395</u>	<u>182,340</u>

SIGNIFICANT ACCOUNTING POLICIES

Trade and other receivables

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

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

Impairment and risk exposure

Information about the impairment of trade receivables and their exposure to credit risk and interest rate risk can be found in Note 19.

Classification and subsequent measurement

Receivables which are generally due for settlement within 30 days.

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.

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

7. INVENTORIES

Non-current

Land held for sale

Note	2022	2021
	1,600,000	1,600,000
	<u>1,600,000</u>	<u>1,600,000</u>
	1,600,000	1,600,000
	<u>1,600,000</u>	<u>1,600,000</u>

The following movements in inventories occurred during the year:

Balance at beginning of year

Balance at end of year

SIGNIFICANT ACCOUNTING POLICIES

General

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

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

Land held for resale

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

Land held for sale (Continued)

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

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

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

**TAMALA PARK REGIONAL COUNCIL
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
 FOR THE YEAR ENDED 30 JUNE 2022**

8. OTHER ASSETS

	2022	2021
	\$	\$
Other assets - current		
Prepayments	0	2,996
Settlement bonds	27,600	1,000
	27,600	3,996

SIGNIFICANT ACCOUNTING POLICIES

Other current assets

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

**TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022**

9. PROPERTY, PLANT AND EQUIPMENT

(a) Movements in Balances

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

	Note	Furniture and equipment \$	Plant and equipment \$	Improvements to leasehold property \$	Total property, plant and equipment \$
Balance at 1 July 2020		573	46,615	55,423	102,611
Additions		0	62,191	0	62,191
Disposals		0	(42,412)	0	(42,412)
Depreciation	10(a)	(573)	(9,650)	(9,557)	(19,780)
Balance at 30 June 2021		0	56,744	45,866	102,610
Comprises:					
Gross balance amount at 30 June 2021		6,569	62,191	76,442	145,202
Accumulated depreciation at 30 June 2021		(6,569)	(5,447)	(30,576)	(42,592)
Balance at 30 June 2021		0	56,744	45,866	102,610
Disposals		0	(56,744)	0	(56,744)
Depreciation	10(a)	0	0	(9,555)	(9,555)
Balance at 30 June 2022		0	0	36,311	36,311
Comprises:					
Gross balance amount at 30 June 2022		6,569	0	76,442	83,011
Accumulated depreciation at 30 June 2022		(6,569)	0	(40,131)	(46,700)
Balance at 30 June 2022		0	0	36,311	36,311

**TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022**

9. PROPERTY, PLANT AND EQUIPMENT (Continued)

(b) Carrying Value Measurements

	Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
(i) Cost						
	Furniture and equipment		NA	At cost	June 2020	NA
	Plant and equipment		NA	At cost	June 2020	NA
	Improvements to leasehold property	Level 3	Management	Observable open market	June 2020	Residual values and remaining useful life assessments

**TAMALA PARK REGIONAL COUNCIL
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
 FOR THE YEAR ENDED 30 JUNE 2022**

10. FIXED ASSETS

(a) Depreciation

	Note	2022 Actual \$	2022 Budget \$	2021 Actual \$
Furniture and equipment	9(a)	0	0	573
Plant and equipment	9(a)	0	1,556	9,650
Improvements to leasehold property	9(a)	9,555	9,557	9,557
Right-of-use assets - land and buildings	11(a)	35,266	20,114	34,892
		44,821	31,227	54,672

Depreciation rates

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

Asset Class	Useful life
Furniture and equipment	4 to 10 years
Plant and equipment	5 to 15 years
Improvements to leasehold property	Based on the remaining lease term
Right of use (Buildings)	Based on the remaining lease term

TAMALA PARK REGIONAL COUNCIL
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
 FOR THE YEAR ENDED 30 JUNE 2022

10. FIXED ASSETS (Continued)

(b) Disposals of assets

	2022 Actual Net Book Value	2022 Actual Sale Proceeds	2022 Actual Profit	2022 Actual Loss	2022 Budget Net Book Value	2022 Budget Sale Proceeds	2022 Budget Profit	2022 Budget Loss	2021 Actual Net Book Value	2021 Actual Sale Proceeds	2021 Actual Profit	2021 Actual Loss
Plant and equipment	\$ 56,744	\$ 55,000	\$ 0	\$ (1,744)	\$ 55,188	\$ 60,500	\$ 5,312	\$ 0	\$ 42,412	\$ 43,636	\$ 1,224	\$ 0
	56,744	55,000	0	(1,744)	55,188	60,500	5,312	0	42,412	43,636	1,224	0

The following assets were disposed of during the year.

	2022 Actual Net Book Value	2022 Actual Sale Proceeds	2022 Actual Profit	2022 Actual Loss
Plant and Equipment				
Other property and services				
Toyota Prado 1HDX278	56,744	55,000	0	(1,744)
	56,744	55,000	0	(1,744)

10. FIXED ASSETS (Continued)

SIGNIFICANT ACCOUNTING POLICIES

Fixed assets

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

Initial recognition and measurement for assets held at cost

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

Initial recognition and measurement between mandatory revaluation dates for assets held at fair value

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

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

In relation to this initial measurement, cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition. For assets acquired at zero cost or otherwise significantly less than fair value, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by the Regional Council includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overheads.

Individual assets that are land, buildings, infrastructure and investment properties acquired between scheduled revaluation dates of the asset class in accordance with the mandatory measurement framework, are recognised at cost and disclosed as being at fair value as management believes cost approximates fair value. They are subject to subsequent revaluation at the next revaluation date in accordance with the mandatory measurement framework.

Depreciation

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

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

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

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

Depreciation on revaluation

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

- (i) Eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset.

**TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022**

11. LEASES

(a) Right-of-Use Assets

Movement in the balance of each class of right-of-use asset between the beginning and the end of the current financial year.

	Note	Right-of-use assets - land and buildings \$	Right-of-use assets Total \$
Balance at 1 July 2020		55,006	55,006
Depreciation		(34,892)	(34,892)
Balance at 30 June 2021		20,114	20,114
Additions		164,868	164,868
Depreciation	10(a)	(35,266)	(35,266)
Balance at 30 June 2022		149,716	149,716

The following amounts were recognised in the statement of comprehensive income during the period in respect of leases where the entity is the lessee:

		2022 Actual \$	2021 Actual \$
Depreciation on right-of-use assets	10(a)	(35,266)	(34,892)
Interest expense on lease liabilities	23(a)	(1,757)	(519)
Total amount recognised in the statement of comprehensive income		(37,023)	(35,411)
Total cash outflow from leases		(36,587)	(35,061)

(b) Lease Liabilities

Current		31,760	20,878
Non-current		119,156	0
	23(a)	150,916	20,878

Secured liabilities and assets pledged as security

Lease liabilities are effectively secured, as the rights to the leased assets recognised in the financial statements revert to the lessor in the event of default.

SIGNIFICANT ACCOUNTING POLICIES

Leases

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 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 that are classified as short-term leases (i.e. a lease with a 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.

Details of individual lease liabilities required by regulations are provided at Note 23(a).

Right-of-use assets - valuation measurement

Right-of-use assets are measured at cost. This means that all right-of-use assets (other than vested improvements) under zero cost concessionary leases are measured at zero cost (i.e. not included in the Statement of Financial Position). The exception is vested improvements on concessionary land leases such as roads, buildings or other infrastructure which are reported at fair value.

Refer to Note 10 under revaluation for details on the significant accounting policies applying to vested improvements.

Right-of-use assets - depreciation

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset, whichever is the shorter. Where a lease transfers ownership of the underlying asset, or the cost of the right-of-use asset reflects that the Regional Council anticipates to exercise a purchase option, the specific asset is amortised over the useful life of the underlying asset.

**TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022**

12. TRADE AND OTHER PAYABLES

Current

Sundry creditors
Accrued payroll liabilities
ATO liabilities
Accrued expenses

	2022	2021
	\$	\$
	109,872	51,926
	1,644	19,874
	14,130	17,481
	37,292	27,000
	162,938	116,281

SIGNIFICANT ACCOUNTING POLICIES

Financial liabilities

Financial liabilities are initially recognised at fair value when the Regional Council becomes a party to the contractual provisions of the instrument.

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

Financial liabilities are derecognised where the related obligations are discharged, cancelled or expired. The difference between the carrying amount of the financial liability extinguished or transferred to another party and the fair value of the consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Regional Council prior to the end of the financial year 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 usually paid within 30 days of recognition. The carrying amounts of trade and other payables are considered to be the same as their fair values, due to their short-term nature.

**TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022**

13. EMPLOYEE RELATED PROVISIONS

Employee Related Provisions

	2022	2021
	\$	\$
Current provisions		
Employee benefit provisions		
Annual Leave	21,788	160,651
Long Service Leave	0	122,563
	21,788	283,214
Non-current provisions		
Long Service Leave	13,527	1,231
	13,527	1,231
	35,315	284,445

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave and associated on costs for services rendered up to the reporting date and recorded as an expense during the period the services are delivered.

Annual leave liabilities are classified as current, as there is no unconditional right to defer settlement for at least 12 months after the end of the reporting period. Assessments indicate that actual settlement of the liabilities is expected to occur as follows:

Amounts are expected to be settled on the following basis:

	2022	2021
	\$	\$
Less than 12 months after the reporting date	19,101	238,732
More than 12 months from reporting date	16,214	45,713
	35,315	284,445

SIGNIFICANT ACCOUNTING POLICIES

Employee benefits

The Regional Council's obligations for employees' annual leave, long service leave and other employee leave entitlements are recognised as employee related provisions in the Statement of Financial Position.

Short-term employee benefits

Provision is made for the 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 statement of financial position.

Other long-term employee benefits

Long-term employee benefits provisions are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Any remeasurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the changes occur.

The 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.

**TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
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14. REVALUATION SURPLUS

	2022 Opening Balance	2022 Revaluation (Decrement)	2022 Closing Balance	2021 Opening Balance	2021 Revaluation Increment	2021 Closing Balance
	\$	\$	\$	\$	\$	\$
Revaluation surplus - Improvements to leasehold property	6,353	0	6,353	6,353	0	6,353
	6,353	0	6,353	6,353	0	6,353

Movements on revaluation of property, plant and equipment (including infrastructure) are not able to be reliably attributed to a program as the assets were revalued by class as provided for by AASB 116 Aus 40.1.

**TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022**

15. NOTES TO THE STATEMENT OF CASH FLOWS

(a) Reconciliation of Cash

For the purposes of the Statement of Cash Flows, cash includes cash and cash equivalents, net of outstanding bank overdrafts. Cash at the end of the reporting period is reconciled to the related items in the Statement of Financial Position as follows:

Note	2022 Actual \$	2022 Budget \$	2021 Actual \$
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Cash and cash equivalents	3	16,310,346	11,486,338	16,472,144
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Restrictions

The following classes of financial assets have restrictions imposed by regulations or other externally imposed requirements which limit or direct the purpose for which the resources may be used:

- Cash and cash equivalents	3	16,310,346	0	16,472,144
- Financial assets at amortised cost	4	36,145,694	0	37,009,692
- Inventory	7	1,600,000	0	403,311
- Trade and other receivables		64,583	0	0
		54,120,623	0	53,885,147

The restricted financial assets are a result of the following specific purposes to which the assets may be used:

Restricted member contributions and equity

		54,120,623	0	53,885,147
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Total restricted financial assets

		54,120,623	0	53,885,147
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**(b) Reconciliation of Net Result to Net Cash Provided
By Operating Activities**

Net result		(688,875)	(848,348)	(572,572)
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Non-cash items:

Depreciation/amortisation		44,821	31,227	54,672
(Profit)/loss on sale of asset		1,744	(5,312)	(1,224)

Changes in assets and liabilities:

(Increase)/decrease in trade and other receivables		(848)	154,336	(7,295)
(Increase)/decrease in other assets		(23,604)	0	(3,996)
Increase/(decrease) in trade and other payables		46,657	(79,281)	73,207
Increase/(decrease) in employee related provisions		(249,130)	(238,732)	7,945

Net cash provided by/(used in) operating activities		(869,235)	(986,110)	(449,263)
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**(c) Undrawn Borrowing Facilities
Credit Standby Arrangements**

Credit card limit		10,000		10,000
Credit card balance at balance date		(1,823)		(573)
Total amount of credit unused		8,177		9,427

**TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022**

16. CONTINGENT LIABILITIES

There were no contingent liabilities at the end of the reporting period.

17. CAPITAL COMMITMENTS

Contracted for:

- capital expenditure projects

	2022	2021
	\$	\$
	17,720,975	9,583,254
	17,720,975	9,583,254

The Regional Council has entered into capital commitments on behalf of it's members of \$17,720,975 at 30 June 2022 relating to land development.

**TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022**

18. RELATED PARTY TRANSACTIONS

(a) Council Member Remuneration

Note	2022 Actual \$	2022 Budget \$	2021 Actual \$
B Sandri - City of Stirling			
President's annual allowance	10,157	10,283	0
Meeting attendance fees	13,298	16,235	10,560
	23,455	26,518	10,560
S Migdale - City of Stirling			
Deputy President's annual allowance	2,539	2,571	0
Meeting attendance fees	10,626	10,824	10,560
	13,165	13,395	10,560
A Timmermanis - Town of Cambridge			
Deputy President's annual allowance	2,508	2,570	5,016
Meeting attendance fees	9,213	10,824	10,560
	11,721	13,394	15,576
J Chester - City of Joondalup			
Meeting attendance fees	10,626	10,824	10,560
	10,626	10,824	10,560
N Jones - City of Joondalup			
Meeting attendance fees	5,346	10,824	0
	5,346	10,824	0
B Fleeton - City of Perth			
Meeting attendance fees	10,626	10,824	5,280
	10,626	10,824	5,280
T Krsticevic - City of Stirling			
Meeting attendance fees	5,346	10,824	0
	5,346	10,824	0
K Perkov - City of Stirling			
Meeting attendance fees	5,346	10,824	0
	5,346	10,824	0
B Ife - Town of Victoria Park			
Meeting attendance fees	5,346	10,824	0
	5,346	10,824	0
A Wallace - City of Vincent			
Meeting attendance fees	5,346	10,824	0
	5,346	10,824	0
G Parker - City of Wanneroo			
Meeting attendance fees	5,346	10,824	0
	5,346	10,824	0
B Treby - City of Wanneroo			
Meeting attendance fees	10,626	10,824	10,560
	10,626	10,824	10,560
K Caddy - City of Stirling			
President's annual allowance	10,032	10,282	20,063
Meeting attendance fees	7,920	0	15,839
	17,952	10,282	35,902
C Anderson - Town of Victoria Park			
Meeting attendance fees	5,280	0	10,560
	5,280	0	10,560
E Cole - City of Vincent			
Meeting attendance fees	0	0	4,907
	0	0	4,907
J Fotakis - City of Vincent			
Meeting attendance fees	5,280	0	5,653
	5,280	0	5,653
A Hammond - City of Perth			
Meeting attendance fees	0	0	5,280
	0	0	5,280

**TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
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18. RELATED PARTY TRANSACTIONS (Continued)

	Note	2022 Actual	2022 Budget	2021 Actual
		\$	\$	\$
P Taylor - City of Joondalup				
Meeting attendance fees		5,280	0	10,560
		5,280	0	10,560
D Zappa - City of Wanneroo				
Meeting attendance fees		5,280	0	10,560
		5,280	0	10,560
D Lagan - City of Stirling				
Meeting attendance fees		5,280	0	10,560
		5,280	0	10,560
J Cutler - Town of Cambridge				
Meeting attendance fees		1,413	0	0
		1,413	0	0
		158,060	161,005	157,078
Fees, expenses and allowances to be paid or reimbursed to elected council members.				
		2022 Actual	2022 Budget	2021 Actual
		\$	\$	\$
President's annual allowance		20,189	20,565	20,063
Deputy President's annual allowance		5,047	5,141	5,016
Meeting attendance fees		132,824	135,299	131,999
	18(b)	158,060	161,005	157,078

(b) Key Management Personnel (KMP) Compensation

The total of compensation paid to KMP of the Regional Council during the year are as follows:

		2022 Actual	2021 Actual
		\$	\$
Short-term employee benefits		580,341	336,616
Post-employment benefits		35,790	25,000
Employee - other long-term benefits		0	9,205
Council member costs	18(a)	158,060	157,078
		774,191	527,899

Short-term employee benefits

These amounts include all salary and fringe benefits awarded to KMP except for details in respect to fees and benefits paid to council members which may be separately found in the table above.

Post-employment benefits

These amounts are the current-year's cost of the Regional Council's superannuation contributions made during the year.

Other long-term benefits

These amounts represent annual leave and long service leave entitlements accruing during the year.

Council member costs

These amounts represent payments of member fees, expenses, allowances and reimbursements during the year.

**TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022**

18. RELATED PARTY TRANSACTIONS (Continued)

(c) Transactions with related parties

Transactions between related parties and the Regional Council are on normal commercial terms and conditions, no more favourable than those available to other parties, unless otherwise stated.

No outstanding balances or provisions for doubtful debts or guarantees exist in relation to related parties at year end.

In addition to KMP compensation above the following transactions occurred with related parties:

	2022 Actual	2021 Actual
	\$	\$
Rent paid	41,465	35,947
Land development expenses	(20,839,525)	(12,692,329)
Proceeds from sale of land	30,288,673	29,913,393
Return of contribution	(10,000,000)	(9,000,000)
Amounts outstanding from related parties:		
Trade and other receivables	585,055	172,849
Amounts payable to related parties:		
Trade and other payables	108,062	51,353

(d) Related Parties

The Regional Council's main related parties are as follows:

i. Key management personnel

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any council member, are considered key management personnel.

ii. Entities subject to significant influence by the Regional Council

An entity that has the power to participate in the financial and operating policy decisions of an entity, but does not have control over those policies, is an entity which holds significant influence. Significant influence may be gained by share ownership, statute or agreement.

**TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022**

19. FINANCIAL RISK MANAGEMENT

This note explains the Regional Council's exposure to financial risks and how these risks could affect the Regional Council's future financial performance.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, financial assets and debt investments	Aging analysis Credit analysis Investment analysis	Diversification of bank deposits, credit limits. Investment policy
Liquidity risk	Other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities

The Regional Council does not engage in transactions expressed in foreign currencies and is therefore not subject to foreign currency risk.

Financial risk management is outsourced to a third party which performs the services under policies approved by the Council. The third party identifies, evaluates and manages financial risks in close co-operation with the operating divisions. Council have approved the overall risk management policy and provide policies on specific areas such as investment policy.

(a) Interest rate risk

Cash and cash equivalents

The Regional Council's main interest rate risk arises from cash and cash equivalents with variable interest rates, which exposes the Regional Council to cash flow interest rate risk. Short term overdraft facilities also have variable interest rates however these are repaid within 12 months, reducing the risk level to minimal.

Excess cash and cash equivalents are invested in fixed interest rate term deposits which do not expose the Regional Council to cash flow interest rate risk. Cash and cash equivalents required for working capital are held in variable interest rate accounts and non-interest bearing accounts. Carrying amounts of cash and cash equivalents at the 30 June and the weighted average interest rate across all cash and cash equivalents, term deposits, and Treasury bonds held disclosed as financial assets at amortised cost are reflected in the table below.

	Weighted Average Interest Rate	Carrying Amounts	Fixed Interest Rate	Variable Interest Rate	Non Interest Bearing
	%	\$	\$	\$	\$
2022					
Cash and cash equivalents	0.21%	16,310,346	6,082,609	9,425,093	802,644
Financial assets at amortised cost - term deposits	0.86%	33,145,694	33,145,694	0	0
Financial assets at amortised cost - Treasury bonds	0.70%	3,000,000	3,000,000	0	0
2021					
Cash and cash equivalents	0.24%	16,472,144	15,294,782	1,143,573	33,789
Financial assets at amortised cost - term deposits	0.34%	31,009,692	31,009,692	0	0
Financial assets at amortised cost - Treasury bonds	0.65%	6,000,000	6,000,000	0	0

Sensitivity

Profit or loss is sensitive to higher/lower interest income from cash and cash equivalents as a result of changes in interest rates.

	2022	2021
	\$	\$
Impact of a 1% movement in interest rates on profit and loss and equity*	94,251	11,436

* Holding all other variables constant

**TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
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19. FINANCIAL RISK MANAGEMENT (Continued)

(b) Credit risk

Trade and Other Receivables

The level of outstanding receivables is reported to Council monthly and benchmarks are set and monitored for acceptable collection performance.

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

The loss allowance as at 30 June 2022 and 30 June 2021 was determined as follows for trade receivables.

	Less than 1 year past due	More than 30 days past due	More than 60 days past due	More than 90 days past due	Total
30 June 2022					
Trade and other receivables					
Expected credit loss	0.00%	0.00%	0.00%	0.00%	
Gross carrying amount	572,709	12,346	0	0	585,055
Loss allowance	0	0	0	0	0
30 June 2021					
Trade and other receivables					
Expected credit loss	0.00%	0.00%	0.00%	0.00%	
Gross carrying amount	101,918	35,398	31,874	3,658	172,848
Loss allowance	0	0	0	0	0

**TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022**

19. FINANCIAL RISK MANAGEMENT (Continued)

(c) Liquidity risk

Payables

Payables are subject to liquidity risk – that is the risk that insufficient funds may be on hand to meet payment obligations as and when they fall due. The Regional Council manages this risk by monitoring its cash flow requirements and liquidity levels and maintaining an adequate cash buffer. Payment terms can be extended and overdraft facilities drawn upon if required and disclosed in Note 15(c).

The contractual undiscounted cash flows of the Regional Council's payables are set out in the liquidity table below. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

	Due within 1 year	Due between 1 & 5 years	Due after 5 years	Total contractual cash flows	Carrying values
	\$	\$	\$	\$	\$
<u>2022</u>					
Trade and other payables	148,808	0	0	148,808	148,808
Lease liabilities	33,577	53,506	0	87,083	150,916
	<u>182,385</u>	<u>53,506</u>	<u>0</u>	<u>235,891</u>	<u>299,724</u>
<u>2021</u>					
Trade and other payables	98,800	0	0	98,800	98,800
Lease liabilities	20,878	0	0	20,878	20,878
	<u>119,678</u>	<u>0</u>	<u>0</u>	<u>119,678</u>	<u>119,678</u>

20. EVENTS OCCURRING AFTER THE END OF THE REPORTING PERIOD

There were no events occurring after the end of the reporting period.

21. OTHER SIGNIFICANT ACCOUNTING POLICIES

a) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows.

b) Current and non-current classification

The asset or liability is classified as current if it is expected to be settled within the next 12 months, being the Regional Council's operational cycle. In the case of liabilities where the Regional Council does not have the unconditional right to defer settlement beyond 12 months, such as vested long service leave, the liability is classified as current even if not expected to be settled within the next 12 months. Inventories held for trading are classified as current or non-current based on the Regional Council's intentions to release for sale.

c) Rounding off figures

All figures shown in this annual financial report, other than a rate in the dollar, are rounded to the nearest dollar. Amounts are presented in Australian Dollars.

d) Comparative figures

Where required, comparative figures have been adjusted to conform with changes in presentation for the current financial year.

When the Regional Council applies an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in its financial statements that has a material effect on the statement of financial position, an additional (third) Statement of Financial Position as at the beginning of the preceding period in addition to the minimum comparative financial statements is presented.

e) Budget comparative figures

Unless otherwise stated, the budget comparative figures shown in this annual financial report relate to the original budget estimate for the relevant item of disclosure.

f) Superannuation

The Regional Council contributes to a number of Superannuation Funds on behalf of employees. All funds to which the Regional Council contributes are defined contribution plans.

g) Fair value of assets and liabilities

Fair value is the price that the Regional Council would receive to sell the asset or would have to pay to transfer a liability, in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (i.e. the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (i.e. the market that maximises the receipts from the sale of the asset after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

h) Interest earnings

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset measured at amortised cost except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

i) Fair value hierarchy

AASB 13 requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurement into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

Level 1

Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2

Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3

Measurements based on unobservable inputs for the asset or liability.

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

Valuation techniques

The Regional Council selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the Regional Council are consistent with one or more of the following valuation approaches:

Market approach

Valuation techniques that use prices and other relevant information generated by market transactions for identical or similar assets or liabilities.

Income approach

Valuation techniques that convert estimated future cash flows or income and expenses into a single discounted present value.

Cost approach

Valuation techniques that reflect the current replacement cost of the service capacity of an asset.

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the Regional Council gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data is not available and therefore are developed using the best information available about such assumptions are considered unobservable.

j) Impairment of assets

In accordance with Australian Accounting Standards the Regional Council's cash generating non-specialised assets, other than inventories, are assessed at each reporting date to determine whether there is any indication they may be impaired.

Where such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount.

Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard (e.g. AASB 116) whereby any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

For non-cash generating specialised assets that are measured under the revaluation model, such as roads, drains, public buildings and the like, no annual assessment of impairment is required. Rather AASB 116.31 applies and revaluations need only be made with sufficient regularity to ensure the carrying value does not differ materially from that which would be determined using fair value at the end of the reporting period.

k) Initial application of accounting standards

During the current year, no new or revised Australian Accounting Standards and Interpretations were compiled, became mandatory and were applicable to its operations.

New accounting standards for application in future years

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

- AASB 2020-1 Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-current
- AASB 2020-3 Amendments to Australian Accounting Standards - Annual Improvements 2018-2020 and Other Amendments
- AASB 2021-2 Amendments to Australian Accounting Standards - Disclosure of Accounting Policies or Definition of Accounting Estimates
- AASB 2021-7 Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections

It is not expected these standards will have an impact on the financial report.

**TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022**

22. FUNCTION AND ACTIVITY

(a) Service objectives and descriptions

Regional Council operations as disclosed in this financial report encompass the following service orientated functions and activities.

Objective

Description

General purpose funding

To collect interest on investments.

Interest revenue.

Other property and services

To monitor and control overheads on operating accounts.

Other unclassified activities.

**TAMALA PARK REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022**

22. FUNCTION AND ACTIVITY (Continued)

(b) Income and expenses

	2022 Actual	2022 Budget	2021 Actual
	\$	\$	\$
Income excluding grants, subsidies and contributions			
General purpose funding	319,010	337,115	492,939
Other property and services	3,618	27,692	5,267
Total Income	322,628	364,807	498,206
Expenses			
Governance	(158,486)	(171,005)	(157,078)
Other property and services	(853,017)	(1,042,150)	(913,700)
Total expenses	(1,011,503)	(1,213,155)	(1,070,778)
Net result for the period	(688,875)	(848,348)	(572,572)

(c) Total Assets

	2022	2021
	\$	\$
General purpose funding	54,828,751	55,288,286
Other property and services	36,311	102,610
	54,865,062	55,390,896

TAMALA PARK REGIONAL COUNCIL
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
 FOR THE YEAR ENDED 30 JUNE 2022

23. BORROWING AND LEASE LIABILITIES

(a) Lease Liabilities

Purpose	Note	Actual							Budget			
		Principal at 1 July 2020	New Leases During 2020-21	Principal Repayments During 2020-21	Principal at 30 June 2021	New Leases During 2021-22	Principal Repayments During 2021-22	Principal at 30 June 2022	Principal at 1 July 2021	New Leases During 2021-22	Principal Repayments During 2021-22	Principal at 30 June 2022
Unit 2, 369 Scarborough Beach Road, Innaloo		\$ 55,420	\$ 0	\$ (34,542)	\$ 20,878	\$ 164,868	\$ (34,830)	\$ 150,916	\$ 20,878	\$ 0	\$ (20,878)	\$ 0
Total Lease Liabilities	11(b)	55,420	0	(34,542)	20,878	164,868	(34,830)	150,916	20,878	0	(20,878)	0

Lease Interest Repayments

Purpose	Note	Function and activity	Lease Number	Institution	Interest Rate	Actual for year ending 30 June 2022	Budget for year ending 30 June 2022	Actual for year ending 30 June 2021	Lease Term
Unit 2, 369 Scarborough Beach Road, Innaloo		Other property and services	STIRLI/210937	City of Stirling	2.50%	\$ (1,757)	\$ (90)	\$ (519)	36
Total Interest Repayments	2(b)					(1,757)	(90)	(519)	



Auditor General

INDEPENDENT AUDITOR'S REPORT 2022 Tamala Park Regional Council

To the Councillors of the Tamala Park Regional Council

Opinion

I have audited the financial report of the Tamala Park Regional Council (Council) which comprises:

- the Statement of Financial Position at 30 June 2022, the Statement of Comprehensive Income by Nature or Type, Statement of Changes in Equity, and Statement of Cash Flows and Rate Setting Statement for the year then ended
- Notes comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the financial report is:

- based on proper accounts and records
- presents fairly, in all material respects, the results of the operations of the Council for the year ended 30 June 2022 and its financial position at the end of that period
- in accordance with the *Local Government Act 1995* (the Act) and, to the extent that they are not inconsistent with the Act, Australian Accounting Standards.

Basis for opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial report section below.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Other information

The Chief Executive Officer (CEO) is responsible for the preparation and the Council Members for overseeing the other information. The other information is the information in the entity's annual report for the year ended 30 June 2022, but not the financial report and my auditor's report.

My opinion on the financial report does not cover the other information and, accordingly, I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or my knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I did not receive the other information prior to the date of this auditor's report. When I do receive it, I will read it and if I conclude that there is a material misstatement in this information, I am required to communicate the matter to the CEO and Council Members and request them to correct the misstated information. If the misstated information is not corrected, I may need to retract this auditor's report and re-issue an amended report.

Responsibilities of the Chief Executive Officer and Council Members for the financial report

The Chief Executive Officer of the Council is responsible for:

- preparation and fair presentation of the financial report in accordance with the requirements of the Act, the Regulations and Australian Accounting Standards
- managing internal control as required by the CEO to ensure the financial report is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the CEO is responsible for:

- assessing the Council's ability to continue as a going concern
- disclosing, as applicable, matters related to going concern
- using the going concern basis of accounting unless the State Government has made decisions affecting the continued existence of the Council.

The Council Members are responsible for overseeing the Council's financial reporting process.

Auditor's responsibilities for the audit of the financial report

As required by the *Auditor General Act 2006*, my responsibility is to express an opinion on the financial report. The objectives of my audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

A further description of my responsibilities for the audit of the financial report is located on the Auditing and Assurance Standards Board website. This description forms part of my auditor's report and can be found at https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf.

My independence and quality control relating to the report on the financial report

I have complied with the independence requirements of the *Auditor General Act 2006* and the relevant ethical requirements relating to assurance engagements. In accordance with ASQC 1 *Quality Control for Firms that Perform Audits and Reviews of Financial Reports and Other Financial Information, and Other Assurance Engagements*, the Office of the Auditor General maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Matters relating to the electronic publication of the audited financial report

This auditor's report relates to the financial report of the Tamala Park Regional Council for the year ended 30 June 2022 included in the annual report on the Council's website. The Council's management is responsible for the integrity of the Council's website. This audit does not provide assurance on the integrity of the Council's website. The auditor's report refers only to the financial report. It does not provide an opinion on any other information which may have been hyperlinked to/from the annual report. If users of the financial report are concerned with the inherent risks arising from publication on a website, they are advised to contact the Council to confirm the information contained in the website version.

Grant Robinson
Assistant Auditor General - Financial Audit
Delegate of the Auditor General for Western Australia
Perth, Western Australia
6 October 2022

TAMALA PARK REGIONAL COUNCIL

PERIOD OF AUDIT: YEAR ENDED 30 JUNE 2022

FINDINGS IDENTIFIED DURING THE AUDIT

INDEX OF FINDINGS	RATING		
	Significant	Moderate	Minor
Current year audit findings			
1. Compliance with purchasing policy		✓	
2. Supplier master file amendments		✓	

KEY TO RATINGS

The Ratings in this management letter are based on the audit team's assessment of risks and concerns with respect to the probability and/or consequence of adverse outcomes if action is not taken. We give consideration to these potential adverse outcomes in the context of both quantitative impact (for example financial loss) and qualitative impact (for example inefficiency, non-compliance, poor service to the public or loss of public confidence).

- Significant** - Those findings where there is potentially a significant risk to the entity should the finding not be addressed by the entity promptly.
- Moderate** - Those findings which are of sufficient concern to warrant action being taken by the entity as soon as practicable.
- Minor** - Those findings that are not of primary concern but still warrant action being taken.

TAMALA PARK REGIONAL COUNCIL

PERIOD OF AUDIT: YEAR ENDED 30 JUNE 2022

FINDINGS IDENTIFIED DURING THE AUDIT

1. Compliance with purchasing policy

Finding:

We note 1 instance 2% of our sample population where the purchase was not supported by an approved purchase order.

Rating: Moderate

Implication:

There is no evidence that the ordering of goods was approved prior to ordering, which increases the risk of inappropriate purchases being made.

Recommendation:

Purchase orders should be prepared and approved for all applicable items prior to ordering.

Management's Comments:

The item that was identified during the Audit was the provision of the Annual Financial Statements by Moore Australia. The identified matter occurred at a time where there had been turnover of key TPRC staff. The existing policy has been reviewed and it is considered that it is appropriate. In this instance a staff member simply made an error. All staff members have been re-advised of the policy requirement to issue a purchase order prior to goods or services being procured.

Responsible Person: Chris Adams (CEO)

Completion Date: 03/10/2022

TAMALA PARK REGIONAL COUNCIL
PERIOD OF AUDIT: YEAR ENDED 30 JUNE 2022
FINDINGS IDENTIFIED DURING THE AUDIT

2. Supplier master file amendments

Finding:

We note 1 instance 20% of our sample population where no supporting documentation was provided to evidence that the changes were verified with the supplier before updating the accounting system.

We have however performed procedures to verify that the supplier information in the accounting system agreed to the supplier invoice.

Rating: Moderate

Implication:

There is an increased risk that unauthorised changes may be made resulting in errors or funds being inappropriately transferred.

Recommendation:

New suppliers and changes to supplier information must be verified with suppliers before updating the accounting system.

Management's Comments:

TPRC's Development Manager, Satterley Property Group (SPG), routinely requires suppliers to complete a 'New supplier details form' prior to them commencing work with on the TPRC Project. Forms for one supplier, Niche Living, could not be supplied by SPG when requested by the Auditors. To improve audit/finance controls, processes will be modified to require SPG to provide all 'New supplier details forms' to TPRC and TPRC will subsequently independently verify the banking details of the supplier.

Responsible Person: Chris Adams (CEO)

Completion Date: 03/10/2022



Our Ref: 8376

7th Floor, Albert Facey House
469 Wellington Street, Perth

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

Mail to: Perth BC
PO Box 8489
PERTH WA 6849

Tel: 08 6557 7500
Email: info@audit.wa.gov.au

Email: chris.adams@tamalapark.wa.gov.au

Dear Mr Adams

ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2022

The Office has completed the audit of the annual financial report for your Council. In accordance with section 7.12AD (2) of the *Local Government Act 1995*, we enclose the Auditor General's auditor's report, together with the audited annual financial report.

We have also forwarded the reports to the Chair and the Minister for Local Government, as required by the Act. You are required to publish the annual report, including the auditor's report and the audited financial report, on your Council's official website within 14 days after the annual report has been accepted by your Council.

Management control issues

While the result of the audit was satisfactory, I would like to draw your attention to the attached listing of deficiencies in internal control and other matters that were identified during the audit. These matters have been discussed with management and their comments have been included in the attachment.

Please note that the purpose of our audit was to express an opinion on the financial report. The audit included consideration of internal control relevant to the preparation of the financial report in order to design audit procedures that were appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control.

An audit is not designed to identify all internal control deficiencies that may require management attention. The matters being reported are limited to those deficiencies that have been identified during the audit that are of sufficient importance to warrant being reported. It is possible that other irregularities and deficiencies may have occurred and not been identified as a result of our audit.

This letter has been provided for the purposes of the Council and the Minister for Local Government and may not be suitable for other purposes.

I would like to take this opportunity to thank you, the management and the staff of the Council for their cooperation with the audit team during our audit.

Feel free to contact me on 6557 7623 if you would like to discuss these matters further.

Yours sincerely

Wian Oosthuizen
Assistant Auditor General
Technical and Audit Support
6 October 2022

Attach



T: 08 9205 7500
2/369 Scarborough Beach Road Innaloo WA 6018
PO Box 655 Innaloo WA 6918

tamalapark.wa.gov.au

This document is available in alternative formats upon request.

Appendix 8.7

Appointment of Acting or Temporary Chief Executive Officer Policy

Responsible Officer	Chief Executive Officer
Voting requirements	Absolute Majority
Relevant delegations	
Initial Council adoption	9 December 2021
Amendments	
Last Council adoption	8 December 2022
Review due	2023/2024

PURPOSE/OBJECTIVE

To guide the Chief Executive Officer (CEO) and Council on the process and considerations for the appointment of an Acting or Temporary CEO of Tamala Park Regional Council (TPRC).

SCOPE

This policy applies during:

1. Periods of absence/leave of the incumbent TPRC CEO; and
2. Vacancy in the role of TPRC CEO

POLICY STATEMENT

Acting CEO

~~Where there is a period of annual leave, long service leave, personal leave or an extended absence expected to be up to 12 consecutive weeks of the incumbent CEO, Council will appoint an Acting CEO.~~

1. ~~The CEO may appoint the TPRC Manager Project Coordination (in writing) as Acting CEO, where the CEO is on planned or unplanned leave for periods not exceeding ten (10) weeks.~~
2. ~~Where the CEO's planned or unplanned leave is expected to be greater than 10 weeks, the Council shall seek to appoint a Temporary CEO.~~
3. ~~When appointed, the remuneration payable for the Acting CEO shall be in accordance with the following:~~

Acting Period	Remuneration
0-2 Weeks	70% of CEO Total Remuneration Package
2-4 Weeks	85% of CEO Total Remuneration Package
4-10 Weeks	100% of CEO Total Remuneration Package

4. ~~The CEO is to immediately advise all Council Members when and for what period of time the Manager Project Coordination is appointed as Acting CEO.~~
5. ~~If the CEO is unavailable or unable to make the decision to appoint an Acting CEO, then Council will, by resolution, appoint an Acting CEO.~~

6. Council may, by resolution, extend an Acting CEO period beyond ten (10) weeks if the substantive CEO remains unavailable or unable to perform their functions and duties.

In the event the Manager Project Coordination is unable to act as CEO Council will request expressions of interest from the below organisations for a suitably qualified candidate to perform the role of Acting CEO:

1. Member Councils of TPRC;
2. Local Government Professionals Association; and
3. WA Local Government Association (WALGA) Network.

Where there is an unexpected period of absence and there has not been an opportunity for Council to appoint an Acting CEO, the Manager Project Co-ordination is to be the Acting CEO until a decision of the Council to appoint the Acting CEO.

Temporary CEO

Where a vacancy in the role of CEO is required to be filled on a temporary basis of up to 1 year, Council is to decide, in its absolute discretion, the appointment of a Temporary CEO in accordance with the *Local Government Act 1995*.

The following principles apply:

The appointment of a Temporary CEO where there is advance notice.

- Where there is an expected vacancy in the position of CEO that is to be filled temporarily, the CEO is to prepare a report to Council outlining:
 - The process to be followed to select a Temporary CEO;
 - The potential engagement of independent consultants to assist Council;
 - The criteria for selecting a Temporary CEO; and
 - The terms and conditions of the proposed contract for the Temporary CEO.
- The Council are to consider, to the extent practicable and as suitable for the circumstances, the Council Model Standards for Recruitment of a CEO in the process, criteria and selection of a Temporary CEO.
- Council is to appoint the Temporary CEO, including terms and conditions of the proposed contract for the Temporary CEO.

The appointment of a Temporary CEO where there is no advance notice.

- Where there is an unexpected vacancy, and there has not been an opportunity for Council to appoint a Temporary CEO, the Manager Project Co-ordination is to be the Acting CEO until a decision of the Council to appoint the Temporary CEO.
- The appointment of a Temporary CEO is to be subject of an urgent report to Council for decision
- The Acting CEO is to prepare a report recommending a suitably qualified candidate from the list of determined organisations to be appointed as Temporary CEO. That report is to outline the terms and conditions of the proposed contract for the Temporary CEO.
- Council is to appoint the Temporary CEO, including terms and conditions of the proposed contract for the Temporary CEO.

DEFINITIONS

“**Acting CEO**” means a person appointed to act in the office of CEO during periods of absence of the incumbent CEO.

“**Temporary CEO**” means a person appointed to fill the role of CEO temporarily for up to 1 year during a period of vacancy in the role.

LEGISLATION / LOCAL LAW REQUIREMENTS

This policy is required under s5.39C of the *Local Government Act 1995*.

Appointment of Acting or Temporary Chief Executive Officer Policy

Responsible Officer	Chief Executive Officer
Voting requirements	Absolute Majority
Relevant delegations	
Initial Council adoption	9 December 2021
Amendments	
Last Council adoption	8 December 2022
Review due	2024

PURPOSE/OBJECTIVE

To guide the Chief Executive Officer (CEO) and Council on the process and considerations for the appointment of an Acting or Temporary CEO of Tamala Park Regional Council (TPRC).

SCOPE

This policy applies during:

1. Periods of absence/leave of the incumbent TPRC CEO; and
2. Vacancy in the role of TPRC CEO

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Acting CEO

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2. Where the CEO's planned or unplanned leave is expected to be greater than 10 weeks, the Council shall seek to appoint a Temporary CEO.
3. When appointed, the remuneration payable for the Acting CEO shall be in accordance with the following:

Acting Period	Remuneration
0-2 Weeks	70% of CEO Total Remuneration Package
2-4 Weeks	85% of CEO Total Remuneration Package
4-10 Weeks	100% of CEO Total Remuneration Package

4. The CEO is to immediately advise all Council Members when and for what period of time the Manager Project Coordination is appointed as Acting CEO.
5. If the CEO is unavailable or unable to make the decision to appoint an Acting CEO, then Council will, by resolution, appoint an Acting CEO.
6. Council may, by resolution, extend an Acting CEO period beyond ten (10) weeks if the substantive CEO remains unavailable or unable to perform their functions and duties. In the event the Manager Project Coordination is unable to act as CEO Council will request

expressions of interest from the below organisations for a suitably qualified candidate to perform the role of Acting CEO:

1. Member Councils of TPRC;
2. Local Government Professionals Association; and
3. WA Local Government Association (WALGA) Network.

Where there is an unexpected period of absence and there has not been an opportunity for Council to appoint an Acting CEO, the Manager Project Co-ordination is to be the Acting CEO until a decision of the Council to appoint the Acting CEO.

Temporary CEO

Where a vacancy in the role of CEO is required to be filled on a temporary basis of up to 1 year, Council is to decide, in its absolute discretion, the appointment of a Temporary CEO in accordance with the *Local Government Act 1995*.

The following principles apply:

The appointment of a Temporary CEO where there is advance notice.

- Where there is an expected vacancy in the position of CEO that is to be filled temporarily, the CEO is to prepare a report to Council outlining:
 - The process to be followed to select a Temporary CEO;
 - The potential engagement of independent consultants to assist Council;
 - The criteria for selecting a Temporary CEO; and
 - The terms and conditions of the proposed contract for the Temporary CEO.
- The Council are to consider, to the extent practicable and as suitable for the circumstances, the Council Model Standards for Recruitment of a CEO in the process, criteria and selection of a Temporary CEO.
- Council is to appoint the Temporary CEO, including terms and conditions of the proposed contract for the Temporary CEO.

The appointment of a Temporary CEO where there is no advance notice.

- Where there is an unexpected vacancy, and there has not been an opportunity for Council to appoint a Temporary CEO, the Manager Project Co-ordination is to be the Acting CEO until a decision of the Council to appoint the Temporary CEO.
- The appointment of a Temporary CEO is to be subject of an urgent report to Council for decision
- The Acting CEO is to prepare a report recommending a suitably qualified candidate from the list of determined organisations to be appointed as Temporary CEO. That report is to outline the terms and conditions of the proposed contract for the Temporary CEO.
- Council is to appoint the Temporary CEO, including terms and conditions of the proposed contract for the Temporary CEO.

DEFINITIONS

“**Acting CEO**” means a person appointed to act in the office of CEO during periods of absence of the incumbent CEO.

“**Temporary CEO**” means a person appointed to fill the role of CEO temporarily for up to 1 year during a period of vacancy in the role.

LEGISLATION / LOCAL LAW REQUIREMENTS

This policy is required under s5.39C of the *Local Government Act 1995*.

Appendix 9.1

10 November 2022

Mr. Chris Adams
Chief Executive Officer
Tamala Park Regional Council
Unit 2, 369 Scarborough Beach Road
INNALOO WA 6019

Dear Chris,

Catalina FY23 Mid-Year Budget Review

Please find attached the FY23 Mid-Year Catalina Budget Review and updated Project Forecast. The review is discussed under the following headings:

1. Market Observations
2. Budget Comparisons
3. Operations for Financial Year Ending 2023 (FY23)
4. Review of FY23
5. Key Risks for Achieving FY24 Budget
6. Review of Financial Year Ending 2024 (FY24)
7. Project Forecast
8. Scenario Analysis
9. Cash Requirement, Capital Return and Profit Distribution Capacity

1. Market Observations

- › At 30 September there were 1,463 lots for sale in the Perth Greater Metro area
- › Reserve Bank interest rate rises have effectively reduced prospective buyers borrowing capacity by over \$100,000
- › Interest rate rises have been a big contributor to an increase in cancellations
- › Some builders have announced that they will now take a 6-12 month price hold
- › Share of investors as a percentage of sales has increased in the past 6-12 months
- › Supply chain issues continue with the greatest delay currently being limestone blocks. If blocks are ordered today, there is a 7-month lag until delivery
- › There have been issues with contractors and supply of ground crews resulting in a thinner spread of labour across multiple estates
- › The government METRONET projects continue to deplete stock of supplies and labour
- › Western Power delays for transformers

2. Budget Comparisons

Budget review and analysis in this document for all financial years compares to the FY22 Approved Budget and Project Forecast.

3. Operations for Financial Year Ending 2023 (FY23)

The key operations for the 2023 financial year as forecast in this review are as follows:

1. Distributions remain unchanged at \$20m, with a \$14.4m increase in the closing cash balance to \$41.3m in June 2023.
2. Forecast sales of 79 lots (a decrease of 98 lots from the approved budget).
3. Forecast settlements of 110 lots (a reduction of 62 lots from the approved budget).
4. Forecast gross income of \$36.7m.
5. 167 titles are forecast including 28 lots in stage 18C achieved in Oct-22, 48 lots in stage 36 in Nov-22, 43 lots in stage 29 and 48 lots in stage 37 forecast in Apr-23.
6. \$6.5m settlement of the Catalina Green commercial site forecast in Jan-23.
7. Total earthworks and civil construction costs for the year of \$17.8m.
8. Total infrastructure costs of \$2.0m.
9. Total landscaping of \$7.8m budgeted includes works across all precincts.

4. Review of FY23

This review forecasts a net cashflow before distributions of \$4.3m for the year to 30 June 2023, which is \$5.1m higher than the approved budget. The main areas of variance are summarised below:

- › Annual sales are (98) lower at 79 lots for FY23 with consecutive interest rate rises affecting loan capacity and lowering consumer confidence.
- › Following the reduction to sales and a deferral of stage timings impacting titles, the FY23 settlement forecast has been revised down to 110 lots from 172 previously. The 91 titles across stages 29 and 37 forecast in Apr-22 contribute to 23 FY23 settlements and account for \$9.1m of the total \$32.1m in lot income this financial year.
- › Direct selling expenses are \$1.3m lower driven by the reduction in settlement revenue.
- › The WAPC land acquisition has been deferred to December 2024, now forecast as one payment of \$12.3m.
- › FY23 infrastructure costs are \$1.1m lower than the approved budget due to the Catalina Green pump station being deferred to FY24/25. The \$2.0m of infrastructure now forecast includes the following key items:
 - \$0.2m in final claims for the Connolly Drive Aviator Boulevard Intersection
 - \$1.2m for the Long Beach Extension
 - \$0.4m for the Connolly Drive Scheme Underpass.

- › Overall earthworks and lot production costs are \$9.3m lower with an overall deferral of the construction programme. Key movements include:
 - (\$0.6m) in earthworks costs for stages 36-37 carried over from FY22
 - \$2.1m in stages 33-35 earthworks in Catalina Beach and \$1.3m in stages 39-40 earthworks for Catalina Green deferred to FY24
 - (\$2.2m) in civil works carried forward from FY22 across stages 27B, 29, 30 and 36
 - \$8.7m in deferred civil works across stages 31-32 and 37-40.

This mid-year review also recognises \$0.6m in realised savings for completed stages 27B and 28 previously forecast in FY22.

- › Following the deferrals in civil stages, \$7.5m in landscape works have also been deferred to FY24. Overall, \$7.8m of landscape works is now forecast, including the following key items:
 - \$1.1m of Connolly Drive works and \$0.8m of Green Link works in Catalina Central
 - In Catalina Beach, \$0.9m for the Portofino verge (Promenade Extension), \$0.5m for the Beach Park 2, \$0.7m in initial works for the Foreshore POS and \$0.3m in works to complete the Foreshore Access Area
 - In Catalina Green \$0.8m of works for Neerabup Road and Connolly Drive, \$0.9m for the first Green POS and \$0.4m for initial streetscape works
 - \$0.7m in landscape consultancy.
- › The marketing budget for FY23 is unchanged at \$0.5m and community development has been revised lower to \$150,000.
- › Movements in bonds are (\$2.5m) higher due to the changes in timings of lot production and deferred bond returns, and (\$0.8m) in higher bond amounts for stage 36 civils and stage 36 POS.

5. Key Risks for Achieving FY23 Budget

The following are key risks to achieving the outcomes in this review:

- › Achieving title dates and therefore settlement revenues is based on the following key assumptions:
 - General market conditions remain as expected for the forecast level of sales demand
 - Approvals are achieved within statutory timeframes or better
 - Construction contracts are awarded on engineering design prior to City of Wanneroo Approval to allow pre-ordering of material when and if required
 - Pre-award budgets are provided to the civil contractor to commence pre-work plans (traffic, safety etc) prior to the stage being awarded
 - Whilst extended construction programs have been allowed for, when compared to “normal” market conditions, no allowance has been made for extended construction periods caused by further unforeseen material, labour or approval delays

- Assumptions have been made to allow a cross-over of earthworks and civil works programs
- No allowance has been made for rock or hard digging within the program
- › Following consecutive interest rate rises, higher than expected cancellation rates due to lower borrowing capacity. This is especially relevant for stages 29 and 37 whose title dates are close to the financial year end, with any cancelled lots unlikely to re-sell and settle by June 2023.
- › Settlement of the Catalina Green Commercial site occurs as contracted - \$6.5m in Jan-23.

6. Review of Financial Year Ending 2024 (FY24)

This review forecasts cashflow before distributions of \$8.2m for the year to 30 June 2024, which is (\$21.3m) lower than the approved budget and Project Forecast. The high-level areas of variance are summarised below:

- › Gross income has decreased by (\$22.2m) driven by lower settlement revenue flowing from a reduction to the sales rate.
- › Overall development costs are \$0.8m lower in FY2024 than previously forecast, key items include:
 - \$5.1m WAPC land acquisition payment deferred – now one payment of \$12.3m in December 2024
 - \$1.7m reduction to lot production costs from the deferred civil program as it responds to lower sales rates
 - (\$8.1m) increase in landscape works for costs deferred from FY23
 - \$1.8m improvement in bonds due to the timing of bond returns deferred from FY23
- › Forecast distributions for FY2024 remain as previously forecast at \$20m, with the anticipated cash balance (\$7m) lower at \$29.6m.

7. Project Forecast

The summary outcome of the updated overall project forecast is as follows:

CATALINA | Summary

CATEGORY	CURRENT DEC-22	APPROVED JUN-22	VARIANCE
Total Lots	2,472	2,469	3
Residential Area	830,388m ²	829,806m ²	583m ²
Special Sites Area	72,588m ²	72,306m ²	282m ²
GROSS INCOME			
Income - Lots	729,732,343	721,929,222	7,803,121
Income - Special Sites	27,578,061	27,744,277	(166,216)
Income - Other	287,545	286,887	658
Direct Selling Expenses	80,132,182	79,820,919	(311,263)
GROSS INCOME	677,465,767	670,139,467	7,326,300
DEVELOPMENT COSTS			
Land	12,265,200	10,206,000	(2,059,200)
Consultants	10,075,776	9,825,522	(250,254)
Infrastructure	16,144,568	16,404,514	259,946
Special Sites/Other Development	4,703,970	4,650,887	(53,083)
Lot Production	260,894,299	260,119,985	(774,314)
Landscape	63,916,539	63,428,320	(488,219)
Marketing	11,079,677	10,873,214	(206,463)
Community Development	2,534,860	2,481,378	(53,482)
Administration	25,104,045	24,054,884	(1,049,161)
Finance/Bonds	-	-	-
Contingency	13,078,447	13,323,492	245,045
DEVELOPMENT COSTS	419,797,380	415,368,196	(4,429,184)
CASHFLOW	257,668,387	254,771,271	2,897,116
Capital IRR	10.4%	10.4%	0.0%
Project IRR	16.2%	16.2%	(0.1%)
Profit on Cost	61.4%	61.3%	0.0%
Profit /Lot	104,235	103,188	1,047

CATALINA | NPV Analysis

DISCOUNT RATE	6%	8%	10%
Current NPV of cashflows Apr-22 onwards	\$88.5m	\$79.8m	\$72.5m
Previous NPV of cashflows Apr-22 onwards	\$88.5m	\$80.3m	\$73.3m
Variance	\$0.0m	(\$0.5m)	(\$0.8m)

Overall, the project profit position has improved by \$2.9m since the Project Forecast approved in June 2022, with increases in Catalina Beach pricing (circa 5%) offsetting the impacts of a higher WAPC

land acquisition price anticipated and (\$1.0m) increase in administration costs for an extended project duration following lower FY23 sales.

Overall, the net present value (NPV) has moderated slightly at the higher discount rates due to the extended project duration.

8. Scenario Analysis

The table below shows the impact to FY23 and FY24 cashflows based on a change to forecast sales rates for the balance of FY23.

CATALINA Scenario Analysis			
	THIS REVIEW	HIGH	LOW
FY23 balance sales rate	8/mth	10/mth	6/mth
FY23 CASHFLOW			
Gross Income	36,721,641	39,413,676	33,782,364
Development Costs	32,454,964	36,550,104	32,451,765
NET CASHFLOW	4,266,676	2,863,572	1,330,599
FY24 CASHFLOW			
Gross Income	38,885,713	49,584,199	41,547,083
Development Costs	30,654,134	30,636,041	26,856,730
NET CASHFLOW	8,231,579	18,948,158	14,690,353

At a higher FY23 sales rate, higher FY23 settlements are offset by brought forward construction costs in FY23 resulting in a reduction to net cashflow to \$2.9m. The increased sales however improve the FY24 position with higher settlement volumes for minimal movement in development costs.

At a lower FY23 sales rate, lower FY23 settlements reduce gross income with development costs largely unchanged with the construction program largely fixed for the balance of this financial year. Development costs reduce in FY24 as subsequent stages and landscaping are deferred.

9. Cash Requirement, Capital Return and Profit Distribution Capacity

This review forecasts a minimum cash balance for the project of \$35.2m in FY23, with \$10m forecast to be distributed in Dec-23 and \$10m in Apr-22.



Should you have any queries on this report, please do not hesitate to contact me.
Yours sincerely

A handwritten signature in black ink, appearing to read 'Ross Carmichael'.

Ross Carmichael
General Manager Finance

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CATALINA | FY23 Cashflow (December 2022)

CATEGORY	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	FY23 TOTAL	APPROVED JUN-22	VARIANCE
Sales - Stage 18C	3	(2)	1	(1)	1	1	1	-	-	-	-	-	4	-	4
Sales - Stage 29	-	-	2	2	1	3	1	3	3	3	3	3	24	28	(4)
Sales - Stage 30	2	1	-	(1)	1	-	-	-	-	-	-	-	3	-	3
Sales - Stage 31	-	-	-	-	-	-	-	-	-	-	-	-	-	66	(66)
Sales - Stage 36	2	-	-	(1)	3	2	1	1	-	-	-	-	8	10	(2)
Sales - Stage 37	-	3	4	1	1	2	5	4	5	5	5	5	40	48	(8)
Sales - Stage 38	-	-	-	-	-	-	-	-	-	-	-	-	-	25	(25)
Total Sales	7	2	6	-	8	8	8	8	8	8	8	8	79	177	(98)
Titles	-	-	-	28	48	-	-	-	-	91	-	-	167	242	(75)
Settlements	10	6	2	1	12	17	12	12	6	3	15	14	110	172	(62)
Contracts on hand	85	81	85	84	80	71	67	63	65	70	63	57	57	124	(67)
Average Settlement Price	346,000	446,667	307,500	400,000	212,320	229,902	232,673	237,276	253,975	253,975	332,778	264,365	274,810	248,457	26,353
GROSS INCOME															
Income - Stage 18C	-	-	-	-	2,011,200	1,805,700	798,883	793,773	-	-	-	-	5,409,557	5,563,000	(153,443)
Income - Stage 27A	-	-	-	-	-	-	395,000	-	-	-	-	-	395,000	395,000	-
Income - Stage 27B	825,000	-	-	-	-	-	-	-	-	-	-	-	825,000	-	825,000
Income - Stage 29	-	-	-	-	-	-	-	-	-	4,483,712	2,685,214	-	7,168,926	13,260,631	(6,091,705)
Income - Stage 30	2,635,000	2,680,000	615,000	400,000	-	-	45,000	-	-	-	-	-	6,375,000	10,816,000	(4,441,000)
Income - Stage 36	-	-	-	-	536,634	2,102,633	1,553,194	2,053,537	1,523,852	761,926	507,951	1,015,901	10,055,628	12,699,976	(2,644,348)
Income - Stage 37	-	-	-	-	-	-	-	-	-	-	821,520	1,094,429	1,915,949	8,469,577	(6,553,629)
Income - Stage 38	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Income - Lots Total	3,460,000	2,680,000	615,000	400,000	2,547,834	3,908,333	2,792,077	2,847,311	1,523,852	761,926	5,813,183	4,795,544	32,145,059	51,204,185	(19,059,125)
Income - Special Sites	-	-	-	-	-	-	6,500,000	-	-	-	-	2,601,682	9,101,682	8,952,354	149,327
Income - Other	-	658	-	-	-	-	-	-	-	-	-	-	658	-	658
Direct Selling Expenses	217,322	168,538	73,205	197,672	280,702	351,511	1,150,943	246,411	188,291	130,081	570,805	950,277	4,525,759	5,792,184	1,266,426
GROSS INCOME	3,242,678	2,512,120	541,795	202,328	2,267,132	3,556,822	8,141,135	2,600,900	1,335,560	631,844	5,242,378	6,446,948	36,721,641	54,364,354	(17,642,714)
DEVELOPMENT COSTS															
Land	-	-	-	-	-	-	-	-	-	-	-	-	-	5,103,000	5,103,000
Consultants	24,569	4,141	23,837	46,198	46,198	46,198	46,506	46,817	47,129	47,443	47,759	48,077	474,874	516,456	41,582
Infrastructure	500	-	-	82,482	82,482	292,852	219,304	177,342	178,524	179,714	180,912	598,388	1,992,501	3,075,722	1,083,221
Special Sites/Other Development	-	-	-	-	-	32,833	33,052	33,273	33,494	33,718	33,942	-	200,313	204,346	4,033
Catalina Beach Bulk Earthworks Stgs 33-35	-	-	-	-	-	-	-	-	-	-	-	-	-	2,113,289	2,113,289
Catalina Green Cell Bulk Earthworks Stgs 36-37	-	-	-	209,561	209,561	209,561	210,958	-	-	-	-	-	839,642	210,958	(628,684)
Catalina Green Cell Bulk Earthworks Stgs 39-40	-	-	-	-	-	-	-	-	-	-	-	-	-	1,262,242	1,262,242
Catalina Green Bulk Earthworks Stgs 41-44	-	-	-	-	-	-	-	-	-	-	-	-	-	7,196	7,196
Scheme costs - Stages 1-18	-	-	-	-	-	-	-	-	-	-	-	333,215	333,215	344,445	11,230
Lot Production - Stage 18C	184,605	50,579	358,754	332,080	332,080	332,080	334,294	7,601	7,651	7,702	7,754	17,892	1,973,073	1,999,490	26,416
Lot Production - Stage 25	-	-	-	-	-	-	-	-	-	-	-	20,894	20,894	21,598	704
Lot Production - Stage 26	-	-	-	-	-	-	-	-	-	-	-	13,689	13,689	14,150	461
Lot Production - Stage 27A	-	-	-	-	-	-	-	-	-	-	-	7,205	7,205	7,447	243
Lot Production - Stage 27B	750	12,500	-	18,567	18,567	84,611	85,175	-	-	-	-	-	220,171	71,264	(148,907)
Lot Production - Stage 28	-	-	-	-	-	-	-	-	-	-	-	12,248	12,248	12,661	413
Lot Production - Stage 29	171,744	10,058	302,531	363,276	363,276	363,276	363,323	363,370	790,996	363,466	363,515	379,053	4,197,884	4,054,182	(143,702)
Lot Production - Stage 30	11,794	19,308	52,301	173,755	173,755	190,069	-	-	-	-	-	12,608	633,592	13,033	(620,559)
Lot Production - Stage 31	17,114	9,780	60,227	22,041	22,041	22,041	22,188	22,336	22,484	22,634	22,785	22,937	288,607	6,216,960	5,928,353
Lot Production - Stage 32	-	-	-	-	-	-	27,840	28,026	28,212	28,400	28,590	28,780	169,848	220,991	51,142
Lot Production - Stage 33	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Lot Production - Stage 36	317,981	363,394	554,423	1,311,540	980,035	980,035	986,569	-	-	-	-	28,098	5,522,075	4,197,047	(1,325,027)
Lot Production - Stage 37	4,884	21,978	26,174	18,129	18,129	466,258	466,379	466,500	875,459	466,746	466,870	36,158	3,333,664	3,551,010	217,346
Lot Production - Stage 38	-	2,020	-	21,942	21,942	21,942	22,089	22,236	22,384	22,533	22,683	22,835	202,606	2,576,700	2,374,094
Lot Production - Stage 39	-	-	-	-	-	-	-	-	-	-	-	-	-	146,777	146,777
Lot Production - Stage 40	-	-	-	-	-	-	-	-	-	-	-	-	-	24,871	24,871
Landscape	798,748	14,508	568,704	39,275	720,739	731,739	736,617	1,021,638	876,686	465,618	605,551	1,253,454	7,833,277	15,297,204	7,463,926
Marketing	24,006	32,483	10,104	52,601	52,601	52,601	52,601	52,601	52,601	52,601	52,601	52,601	540,000	540,000	-
Community Development	8,325	-	3,119	15,395	15,395	15,395	15,395	15,395	15,395	15,395	15,395	15,395	150,000	265,500	115,500
Administration	56,705	69,483	56,862	102,783	102,783	102,783	103,469	104,158	104,853	105,552	106,255	106,964	1,122,651	1,559,225	436,574
Finance/Bonds	-	849,330	976,781	1,022,533	-	-	-	(1,860,744)	-	-	-	350,000	1,337,899	(1,123,255)	(2,461,155)
Debtor/Creditor Movement	(186,152)	(16,720)	(53,744)	-	-	-	-	-	-	-	-	-	(256,615)	-	256,615
Contingency	-	-	-	140,481	157,979	197,214	186,288	118,065	152,793	90,576	97,731	150,525	1,291,652	2,681,388	1,389,737
DEVELOPMENT COSTS	1,435,574	1,442,843	2,940,073	3,972,642	3,317,565	4,141,489	3,912,047	618,611	3,208,662	1,902,099	2,052,344	3,511,015	32,454,964	55,185,897	22,730,932
CASHFLOW	1,807,103	1,069,278	(2,398,278)	(3,770,313)	(1,050,433)	(584,667)	4,229,088	1,982,289	(1,873,101)	(1,270,255)	3,190,034	2,935,933	4,266,676	(821,543)	5,088,219
Capital Calls	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital Returns	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Profit Distributions	-	-	-	-	-	10,000,000	-	-	-	10,000,000	-	-	20,000,000	20,000,000	-
Cumulative Cash Balance	58,878,119	59,947,396	57,549,118	53,778,805	52,728,371	42,143,704	46,372,792	48,355,081	46,481,980	35,211,725	38,401,758	41,337,692	41,337,692	26,973,628	14,364,064

CATALINA | FY24 Cashflow (December 2022)

CATEGORY	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	FY24 TOTAL	APPROVED JUN-22	VARIANCE
Sales - Stage 29	4	4	4	1	-	-	-	-	-	-	-	-	13	-	13
Sales - Stage 31	-	-	-	5	6	6	6	6	6	6	6	6	53	-	53
Sales - Stage 32	-	-	-	-	-	-	-	-	-	-	-	-	-	44	(44)
Sales - Stage 33	-	-	-	-	-	-	-	-	-	-	-	-	-	12	(12)
Sales - Stage 38	-	5	7	7	7	7	3	-	-	-	-	-	36	17	19
Sales - Stage 39	-	-	-	-	-	-	4	7	7	7	7	7	39	42	(3)
Sales - Stage 40	-	-	-	-	-	-	-	-	-	-	-	-	-	42	(42)
Sales - Stage 41	-	-	-	-	-	-	-	-	-	-	-	-	-	2	(2)
Total Sales	10	11	11	13	13	13	13	13	13	13	13	13	149	159	(10)
Titles	-	-	-	36	-	66	-	-	-	-	-	42	144	128	16
Settlements	2	3	3	5	9	14	19	21	22	18	11	9	136	209	(73)
Contracts on hand	65	73	81	89	93	92	86	78	69	64	66	70	70	74	(4)
Average Settlement Price	126,988	169,317	148,529	-	-	36,282	135,965	161,337	185,457	212,560	347,826	425,121	170,921	218,296	(47,376)
GROSS INCOME															
Income - Stage 18C	-	-	-	-	-	-	-	198,443	-	-	-	-	198,443	-	198,443
Income - Stage 29	-	-	445,586	-	-	-	-	445,211	1,335,633	1,335,633	1,335,633	1,335,633	6,233,330	5,133,147	1,100,183
Income - Stage 31	-	-	-	-	-	-	2,075,379	2,490,455	2,490,455	2,490,455	2,490,455	2,490,455	14,527,652	27,275,403	(12,747,751)
Income - Stage 32	-	-	-	-	-	-	-	-	-	-	-	-	-	12,256,894	(12,256,894)
Income - Stage 36	253,975	507,951	-	-	-	507,951	507,951	253,975	253,975	-	-	-	2,285,777	958,489	1,327,289
Income - Stage 37	273,417	273,248	546,404	1,366,011	1,092,809	1,366,011	1,366,011	1,366,011	1,366,011	1,639,213	546,404	-	11,201,551	4,647,445	6,554,106
Income - Stage 38	-	-	-	-	1,354,861	1,896,806	1,896,806	1,896,806	1,896,806	812,917	-	-	9,755,000	10,159,859	(404,859)
Income - Stage 39	-	-	-	-	-	-	-	-	-	-	-	-	-	8,157,617	(8,157,617)
Income - Lots Total	527,392	781,199	991,990	1,366,011	2,447,670	3,770,767	5,846,146	6,650,901	7,342,880	6,278,218	4,372,492	3,826,088	44,201,753	68,588,855	(24,387,102)
Income - Special Sites	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Income - Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Direct Selling Expenses	344,474	221,997	187,719	194,973	393,904	540,082	599,470	649,228	621,985	521,593	542,413	498,203	5,316,040	7,532,158	2,216,117
GROSS INCOME	182,918	559,201	804,272	1,171,039	2,053,766	3,230,685	5,246,676	6,001,672	6,720,894	5,756,625	3,830,079	3,327,885	38,885,713	61,056,697	(22,170,984)
DEVELOPMENT COSTS															
Land	-	-	-	-	-	-	-	-	-	-	-	-	-	5,103,000	5,103,000
Consultants	42,382	42,664	42,949	43,235	43,523	43,813	43,996	44,179	44,363	44,548	44,734	44,920	525,306	579,520	54,214
Infrastructure	7,839	7,891	7,944	7,997	8,050	8,104	8,137	320,184	321,518	314,618	315,929	317,245	1,645,454	960,556	(684,898)
Special Sites/Other Development	-	-	-	-	-	-	-	-	-	-	-	-	-	984,266	984,266
Catalina Beach Bulk Earthworks Stgs 33-35	-	3,515	3,539	3,562	3,586	3,610	3,625	-	-	318,258	319,584	320,916	980,195	-	(980,195)
Catalina Green Cell Bulk Earthworks Stgs 39-40	-	-	141,752	142,697	143,649	144,606	145,209	145,814	-	-	-	-	863,727	-	(863,727)
Catalina Green Bulk Earthworks Stgs 41-44	-	-	-	-	-	-	3,625	3,640	3,655	3,671	3,686	3,701	21,978	1,800,442	1,778,464
Lot Production - Stage 31	-	964,463	964,463	964,463	1,582,407	964,463	964,463	-	-	-	-	-	6,404,724	663,898	(5,740,825)
Lot Production - Stage 32	19,544	19,674	19,805	-	-	-	-	-	-	-	-	-	59,023	4,265,763	4,206,740
Lot Production - Stage 33	-	-	-	-	-	-	-	-	-	-	-	-	-	2,228,437	2,228,437
Lot Production - Stage 34	-	-	-	-	-	-	-	-	-	-	-	-	-	26,502	26,502
Lot Production - Stage 36	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Lot Production - Stage 37	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Lot Production - Stage 38	663,448	663,448	978,008	663,448	663,448	-	-	-	-	-	-	-	3,631,800	1,159,798	(2,472,002)
Lot Production - Stage 39	36,094	36,335	36,577	36,821	37,066	37,313	-	637,328	639,983	642,650	683,064	648,016	3,471,248	3,991,435	520,188
Lot Production - Stage 40	-	-	-	-	24,711	24,876	24,979	25,083	25,188	25,293	25,398	25,504	201,031	2,872,618	2,671,587
Lot Production - Stage 41	-	-	-	-	-	-	-	-	-	-	-	25,504	25,504	231,423	205,919
Lot Production - Stage 42	-	-	-	-	-	-	-	-	-	-	-	-	-	78,105	78,105
Lot Production - Stage 43	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Lot Production - Stage 44	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Landscape	1,280,248	1,373,149	963,502	969,925	976,391	884,349	274,443	813,024	816,412	819,814	823,229	264,208	10,258,693	2,153,553	(8,105,139)
Marketing	84,369	84,369	84,369	84,369	84,369	84,369	84,369	84,369	84,369	84,369	84,369	84,369	1,012,422	1,020,552	8,130
Community Development	18,625	18,625	18,625	18,625	18,625	18,625	18,625	18,625	18,625	18,625	18,625	18,625	223,500	238,500	15,000
Administration	107,677	108,395	369,216	109,845	110,577	111,314	111,778	112,244	112,712	113,181	113,653	114,126	1,594,717	1,629,922	35,204
Finance/Bonds	(761,155)	(700,000)	-	-	-	-	350,000	(350,000)	-	(350,000)	-	-	(1,811,155)	0	1,811,155
Debtor/Creditor Movement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contingency	113,011	166,126	181,537	152,249	184,820	116,272	84,162	110,224	103,341	119,251	121,614	93,357	1,545,966	1,499,415	(46,552)
DEVELOPMENT COSTS	1,612,081	2,788,654	3,812,284	3,197,236	3,881,222	2,441,714	2,117,411	1,964,714	2,170,166	2,154,277	2,553,884	1,960,491	30,654,134	31,487,706	833,572
CASHFLOW	(1,429,163)	(2,229,453)	(3,008,012)	(2,026,197)	(1,827,456)	788,971	3,129,265	4,036,959	4,550,729	3,602,348	1,276,195	1,367,394	8,231,579	29,568,991	(21,337,412)
Capital Calls	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital Returns	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Profit Distributions	-	-	-	-	-	10,000,000	-	-	-	-	-	10,000,000	20,000,000	20,000,000	-
Cumulative Cash Balance	39,908,529	37,679,076	34,671,064	32,644,867	30,817,410	21,606,381	24,735,646	28,772,605	33,323,334	36,925,682	38,201,877	29,569,271	29,569,271	36,542,619	(6,973,348)

CATALINA | Summary

CATEGORY	CURRENT DEC-22	APPROVED JUN-22	VARIANCE
Total Lots	2,472	2,469	3
Residential Area	830,388m ²	829,806m ²	583m ²
Special Sites Area	72,588m ²	72,306m ²	282m ²
GROSS INCOME			
Income - Lots	729,732,343	721,929,222	7,803,121
Income - Special Sites	27,578,061	27,744,277	(166,216)
Income - Other	287,545	286,887	658
Direct Selling Expenses	80,132,182	79,820,919	(311,263)
GROSS INCOME	677,465,767	670,139,467	7,326,300
DEVELOPMENT COSTS			
Land	12,265,200	10,206,000	(2,059,200)
Consultants	10,075,776	9,825,522	(250,254)
Infrastructure	16,144,568	16,404,514	259,946
Special Sites/Other Development	4,703,970	4,650,887	(53,083)
Lot Production	260,894,299	260,119,985	(774,314)
Landscape	63,916,539	63,428,320	(488,219)
Marketing	11,079,677	10,873,214	(206,463)
Community Development	2,534,860	2,481,378	(53,482)
Administration	25,104,045	24,054,884	(1,049,161)
Finance/Bonds	-	-	-
Contingency	13,078,447	13,323,492	245,045
DEVELOPMENT COSTS	419,797,380	415,368,196	(4,429,184)
CASHFLOW	257,668,387	254,771,271	2,897,116
Capital IRR	10.4%	10.4%	0.0%
Project IRR	16.2%	16.2%	(0.1%)
Profit on Cost	61.4%	61.3%	0.0%
Profit /Lot	104,235	103,188	1,047

CATALINA | NPV Analysis

DISCOUNT RATE	6%	8%	10%
Current NPV of cashflows Apr-22 onwards	\$88.5m	\$79.8m	\$72.5m
Previous NPV of cashflows Apr-22 onwards	\$88.5m	\$80.3m	\$73.3m
Variance	\$0.0m	(\$0.5m)	(\$0.8m)

Given the current interest rate environment, higher discount or hurdle rates are more appropriate for NPV analysis.

CATALINA | Distributions

FINANCIAL YEAR	CURRENT DEC-22	APPROVED JUN-22	VARIANCE	CUMULATIVE VARIANCE
PTD FY21	73,700,000	73,700,000	-	-
FY22	10,000,000	10,000,000	-	-
FY23	20,000,000	20,000,000	-	-
FY24	20,000,000	20,000,000	-	-
FY25	17,000,000	17,000,000	-	-
FY26	12,000,000	12,000,000	-	-
FY27	10,000,000	10,000,000	-	-
FY28	10,000,000	10,000,000	-	-
FY29	10,000,000	10,000,000	-	-
FY30	10,000,000	10,000,000	-	-
FY31	10,000,000	8,000,000	2,000,000	2,000,000
FY32	7,000,000	8,000,000	(1,000,000)	1,000,000
FY33	9,000,000	33,000,000	(24,000,000)	(23,000,000)
FY34	26,000,000	-	26,000,000	3,000,000
FY35	-	13,071,271	(13,071,271)	(10,071,271)
FY36	12,968,387	-	12,968,387	2,897,116
FY37	-	-	-	2,897,116
Total	257,668,387	254,771,271	2,897,116	2,897,116

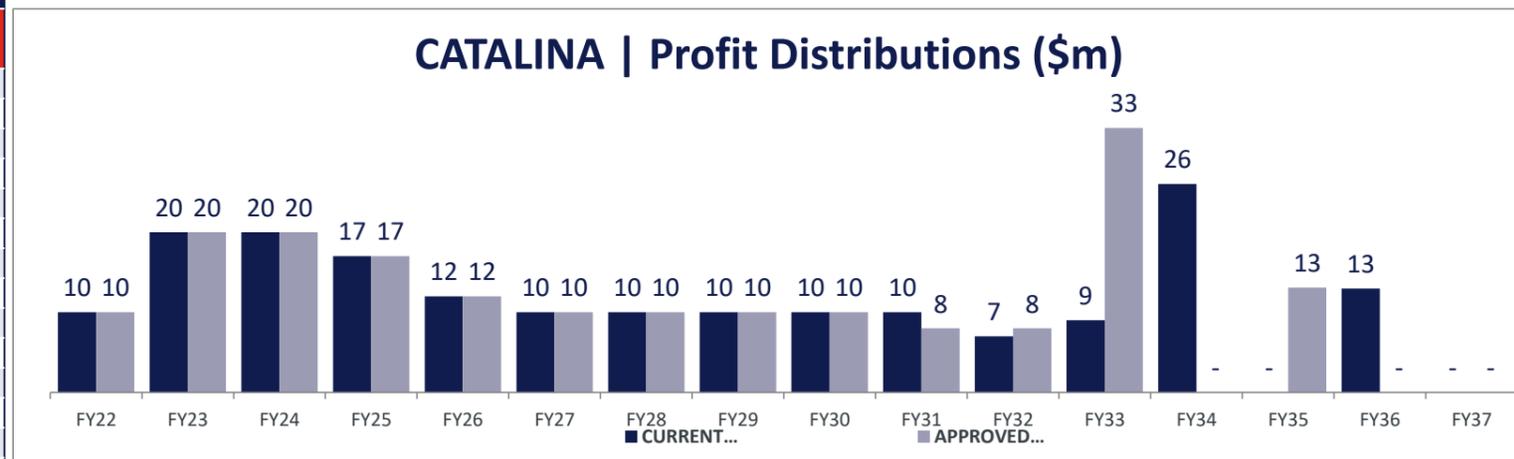
CURRENT DEC-22 PER LOT	APPROVED JUN-22 PER LOT	PER LOT VARIANCE
2,472	2,469	3
336m ²	336m ²	(m ²)
4,033m ²	4,017m ²	16m ²
295,199	292,397	2,802
11,156	11,237	(81)
116	116	0
32,416	32,329	(87)
274,056	271,421	2,634
4,962	4,134	(828)
4,076	3,980	(96)
6,531	6,644	113
1,903	1,884	(19)
105,540	105,354	(185)
25,856	25,690	(166)
4,482	4,404	(78)
1,025	1,005	(20)
10,155	9,743	(413)
-	-	-
5,291	5,396	106
169,821	168,233	(1,588)
104,235	103,063	1,172

Note: All IRR calculations assume a notional land payment of \$77.4m at commencement of the project.

Note: All IRR calculations assume a notional land payment of \$77.4m at commencement of the project.

FEASIBILITY	VARIANCE
2,310	162
828,075m ²	2,313m ²
7,826m ²	64,762m ²
797,371,531	(67,639,188)
2,997,655	24,580,406
-	287,545
130,908,852	50,776,670
669,460,334	8,005,433
-	(12,265,200)
5,672,600	(4,403,176)
26,107,961	9,963,393
935,121	(3,768,849)
245,536,927	(15,357,372)
36,363,281	(27,553,257)
11,234,127	154,450
2,904,656	369,795
11,881,589	(13,222,456)
-	-
17,031,813	3,953,366
357,668,075	(62,129,306)
311,792,259	(54,123,872)
17.4%	(6.9%)
18.2%	(2.1%)
87.2%	(25.8%)
134,975	(30,740)

CATALINA | Profit Distributions (\$m)



CATALINA | Escalation Rates

INCOME						
From	Jan-11	Jul-22	Jan-23	Jan-24	Jan-25	Jan-26
To	Jun-22	Dec-22	Dec-23	Dec-24	Dec-25	End
Current	0.0%	0.0%	5.0%	5.0%	3.5%	3.0%
Previous	0.0%	5.0%	5.0%	5% / 3.5%	3.5% / 3.0%	3.0%
COST						
From	Jan-11	Jul-22	Jan-23	Jan-24	Jan-25	Jan-26
To	Jun-22	Dec-22	Dec-23	Dec-24	Dec-25	End
Current	0.0%	0.0%	8.0%	5.0%	2.0%	2.0%
Previous	0.0%	8.0%	8.0% / 5.0%	5.0% / 2.0%	2.0%	2.0%

CATALINA | Sales Rates

FINANCIAL YEAR	CURRENT DEC-22	APPROVED JUN-22	VARIANCE
PTD FY21	1,061	1,061	-
FY22	139	162	(23)
FY23	79	177	(98)
FY24	149	159	(10)
FY25	144	136	8
FY26	136	114	22
FY27	112	100	12
FY28	101	104	(3)
FY29	106	102	4
FY30	99	102	(3)
FY31	105	98	7
FY32	96	102	(6)
FY33	104	52	52
FY34	41	-	41
Total	2,472	2,469	3
Final Sale	Nov-33	Dec-32	+11 Mths
Final Settlement	May-34	Jun-33	+11 Mths

FEASIBILITY	VARIANCE
1,692	(631)
180	(41)
180	(101)
180	(31)
78	66
-	136
-	112
-	101
-	106
-	99
-	105
-	96
-	104
-	41
2,310	162
Dec-24	+107 Mths
Mar-25	+110 Mths

CATALINA | Annual Cashflow (December 2022)

CATEGORY	PROJECT TOTAL	PTD FY21	FY22	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30
STOCK											
Sales Release	2,472	1,074	148	108	186	131	88	131	97	90	134
Sales	2,472	1,061	139	79	149	144	136	112	101	106	99
Titles	2,472	1,041	92	167	144	85	206	89	97	132	92
Settlements	2,472	1,032	80	110	136	148	144	107	119	97	105
Closing Stock	-	13	22	51	88	75	27	46	42	26	61
Contracts on Hand	-	29	88	57	70	66	58	63	45	54	48
AVERAGE SETTLEMENT PRICE	295,199	266,146	383,644	292,228	325,013	316,306	316,858	319,204	295,967	239,879	303,248
GROSS INCOME											
Income - Lots	729,732,343	274,663,000	30,691,500	32,145,059	44,201,753	46,813,262	45,627,575	34,154,879	35,220,046	23,268,306	31,840,999
Income - Special Sites	27,578,061	4,479,500	-	9,101,682	-	1,341,518	1,006,077	1,598,692	7,591,338	-	1,034,856
Income - Other	287,545	265,756	21,131	658	-	-	-	-	-	-	-
Direct Selling Expenses	80,132,182	23,665,849	2,085,535	4,525,759	5,316,040	5,789,641	5,531,182	4,445,107	5,308,434	3,350,386	3,653,047
GROSS INCOME	677,465,767	255,742,406	28,627,096	36,721,641	38,885,713	42,365,139	41,102,469	31,308,464	37,502,950	19,917,920	29,222,807
DEVELOPMENT COSTS											
Land	12,265,200	-	-	-	-	12,265,200	-	-	-	-	-
Consultants	10,075,776	3,782,058	388,019	474,874	525,306	486,966	505,304	496,567	512,033	512,186	526,302
Infrastructure	16,144,568	11,899,475	4,673,308	1,992,501	1,645,454	638,461	(2,369,632)	-	(2,335,000)	-	-
Special Sites/Other Development	4,703,970	1,798,873	-	200,313	-	-	324,764	1,403,092	976,929	-	-
Lot Production	260,894,299	81,256,591	7,444,988	17,768,413	15,659,230	17,824,309	13,023,426	15,047,060	22,980,967	12,594,315	12,958,297
Landscape	63,916,539	18,092,060	2,610,478	7,833,277	10,258,693	2,042,815	1,964,668	2,036,790	4,382,280	2,601,318	2,392,709
Marketing	11,079,677	2,628,268	201,924	540,000	1,012,422	909,615	865,871	748,904	564,287	581,272	658,565
Community Development	2,534,860	517,884	77,476	150,000	223,500	216,000	204,000	168,000	151,500	159,000	148,500
Administration	25,104,045	4,734,787	794,814	1,122,651	1,594,717	1,648,906	1,657,718	1,660,620	1,670,974	1,678,419	1,690,441
Finance/Bonds	-	4,187,469	(1,489,985)	1,081,284	(1,811,155)	633,505	(350,000)	350,000	(350,000)	350,000	(350,000)
Contingency	13,078,447	-	-	1,291,652	1,545,966	1,801,614	808,806	1,078,052	1,445,198	906,326	918,741
DEVELOPMENT COSTS	419,797,380	128,897,465	14,701,022	32,454,964	30,654,134	38,467,392	16,634,925	22,989,084	29,999,168	19,382,836	18,943,555
CASHFLOW	257,668,387	126,844,941	13,926,074	4,266,676	8,231,579	3,897,748	24,467,545	8,319,380	7,503,782	535,083	10,279,252
Capital Calls	(13,300,000)	(13,300,000)	-	-	-	-	-	-	-	-	-
Capital Returns	13,300,000	13,300,000	-	-	-	-	-	-	-	-	-
PROFIT DISTRIBUTIONS	257,668,387	73,700,000	10,000,000	20,000,000	20,000,000	17,000,000	12,000,000	10,000,000	10,000,000	10,000,000	10,000,000
Cash Balance at Year End	-	53,144,941	57,071,016	41,337,692	29,569,271	16,467,019	28,934,563	27,253,943	24,757,725	15,292,809	15,572,061

CATALINA | Annual

CATEGORY	FY31	FY32	FY33	FY34	FY35	FY36	FY37	FY38	FY39	FY40	FY41
STOCK											
Sales Release	130	102	53	-	-	-	-	-	-	-	-
Sales	105	96	104	41	-	-	-	-	-	-	-
Titles	83	89	102	53	-	-	-	-	-	-	-
Settlements	99	102	96	97	-	-	-	-	-	-	-
Closing Stock	86	92	41	-	-	-	-	-	-	-	-
Contracts on Hand	54	48	56	-	-	-	-	-	-	-	-
AVERAGE SETTLEMENT PRICE	329,067	320,932	343,560	338,263	-	-	-	-	-	-	-
GROSS INCOME											
Income - Lots	32,577,644	32,735,037	32,981,777	32,811,505	-	-	-	-	-	-	-
Income - Special Sites	924,399	-	-	500,000	-	-	-	-	-	-	-
Income - Other	-	-	-	-	-	-	-	-	-	-	-
Direct Selling Expenses	3,792,775	3,658,539	3,719,103	3,760,980	1,529,803	-	-	-	-	-	-
GROSS INCOME	29,709,268	29,076,498	29,262,674	29,550,524	(1,529,803)	-	-	-	-	-	-
DEVELOPMENT COSTS											
Land	-	-	-	-	-	-	-	-	-	-	-
Consultants	534,035	546,288	388,866	396,971	-	-	-	-	-	-	-
Infrastructure	-	-	-	-	-	-	-	-	-	-	-
Special Sites/Other Development	-	-	-	-	-	-	-	-	-	-	-
Lot Production	13,373,391	12,602,969	14,713,209	3,647,134	-	-	-	-	-	-	-
Landscape	2,490,815	4,733,023	1,993,169	484,445	-	-	-	-	-	-	-
Marketing	670,714	688,186	724,336	285,313	-	-	-	-	-	-	-
Community Development	157,500	144,000	156,000	61,500	-	-	-	-	-	-	-
Administration	1,700,426	1,711,532	1,721,676	1,024,821	516,926	174,617	-	-	-	-	-
Finance/Bonds	-	350,000	(350,000)	(2,251,120)	-	-	-	-	-	-	-
Contingency	946,344	1,021,300	984,863	295,009	25,846	8,731	-	-	-	-	-
DEVELOPMENT COSTS	19,873,224	21,797,298	20,332,120	3,944,073	542,772	183,348	-	-	-	-	-
CASHFLOW	9,836,044	7,279,200	8,930,554	25,606,451	(2,072,575)	(183,348)	-	-	-	-	-
Capital Calls	-	-	-	-	-	-	-	-	-	-	-
Capital Returns	-	-	-	-	-	-	-	-	-	-	-
PROFIT DISTRIBUTIONS	10,000,000	7,000,000	9,000,000	26,000,000	-	12,968,387	-	-	-	-	-
Cash Balance at Year End	15,408,105	15,687,305	15,617,859	15,224,310	13,151,734	-	-	-	-	-	-

Appendix 9.3

PROCUREMENT POLICY



Responsible Officer	Chief Executive Officer
Initial Council adoption	1 May 2006
Amendments	
Last Council adoption	16 June 2020
Review due	2021

BACKGROUND

Part 6 of the *Local Government Act* together with the *Financial Management Regulations and Functions* and *General Regulations* provide an outline of specific requirements and probity guidelines in respect of purchase of goods and tendering on behalf of local governments.

The State Supply Commission has an extensive series of policies and guidelines that are available for use by local governments.

The West Australian Local Government Association purchasing service negotiates contracts for the supply of goods and services for local government.

The State Supply Commission and the Commonwealth Supply agencies also have contracts for the supply of goods and services that are accessible by local governments.

All of the accessible supply contracts and the policies of WALGA and the State Supply Commission provide a framework for best practice procurement.

The West Australian Local Government Association has produced a purchasing and tender guide that refers specifically to good procurement practices in reference to the *Local Government Act and Regulations*.

Wherever possible and appropriate, the contracts and guidelines mentioned above will be used by the Tamala Park Regional Council following objectives for best practice and probity in all procurement activity.

TPRC OBJECTIVES – PROCUREMENT

To provide guidelines for adopting a value for money approach in procuring goods or services through quotes or public tender.

PROCUREMENT POLICY AND GUIDELINES

- Value for money is the basis for comparing conforming bids so that the optimal offer can be selected. Achieving user requirements, quality standards and service benchmarks is considered to be more important than obtaining the lowest price.

An assessment of the best value for money outcome for any procurement should take into account:

- All relevant whole-of-life costs and benefits;
- Technical merits of the goods or services being offered in terms of compliance with specifications and contractual conditions; and
- Financial viability and capacity to supply without risk of default.

In this context, the value for money principle embraces:

- Cost related factors; and
- Non-cost factors.

2. Value for money assessment involves the comparison and evaluation of suitable conforming offers.

Factors to be considered in making this decision include the following:

- Value for money is not necessarily about selecting the successful bidder based on price alone, although the lowest total priced, conforming offer can be used as an initial benchmark for comparing value for money. Where a higher priced conforming offer is recommended, there should be clear and demonstrable benefits over and above the lowest total priced, conforming offer;
- All offers should be evaluated in a consistent manner against the evaluation criteria for the procurement. The use of weighted matrix analysis is a recommended method for analysing and comparing bids in a detailed and consistent manner, particularly for high value purchases; and
- A due diligence investigation of the preferred or shortlisted bidders should be undertaken for all high value or complex purchases to ensure that bidders have the financial stability and technical capacity to comply with the requirements of the contract.

Value for money considerations are not only relevant to the selection of a successful supplier and the purchase of goods or services. Value for money should also be applied to the ongoing contract management over the life of the procurement.

3. The exclusion provisions contained in the functions and general regulations relating to procurement for a value greater than \$250,000 will also apply to procurement for values less than \$250,000.

4. The Local Government legislation does not require local governments to tender for purchases under the value of \$250,000.

Purchases under \$250,000 are categorised as simple purchases but nevertheless require controls and appropriate accounting and probity support practices.

5. The following should apply to purchases of value less than \$250,000.

5.1. Direct Purchasing – Less than or equal to \$2,000

Purchases to \$2,000 may be made on a single verbal quotation, however, best practice will require that market testing be undertaken from time to time and that consideration be given to value for money purchasing.

A record of the obtained quotation must be maintained.

5.2. Non-Formalised Quotations – Over \$2,000 and less than \$5,000

At least one written quotation should be obtained except where impractical due to availability of suppliers.

A record of quotations obtained must be maintained.

All quotations are to be obtained prior to a supply order being authorised.

Where there is a waiver of the requirement for a quotation, the reason for the waiver must be noted and approved by the CEO.

5.3. Formalised Quotations – Over \$5,000 and less than \$20,000

At least two written quotations must be obtained in writing, by fax or email. Email submissions must contain an electronic signature or the image of a signature of a person authorised to provide the quotation.

Quotations must be made in reference to a specification setting out the details of supply, the pricing required, delivery requirements and other relevant matters.

5.4. Formalised Quotations – Over \$20,000 and less than \$50,000

At least three written quotations must be obtained in writing, by fax or email. Email submissions must contain an electronic signature or the image of a signature of a person authorised to provide the quotation.

Quotations must be made in reference to a specification setting out the details of supply, the pricing required, delivery requirements and other relevant matters.

5.5. Special Provisions with respect to Consultancy Services - More than \$50,000 and less than \$250,000

- Formalised Request for Quotations (RFQ) must be made in reference to:
 - A written brief defining the services required;
 - The deliverables from the consultancy;
 - The start and end time;
 - The fee basis i.e. fixed, hourly, component completion;
 - The basis for any variation fees; and
 - Provisions for termination of services.
- Completion of a contract for consultancy services must be subject of a written agreement signed by the consultant and TPRC.
- If it is expected that the Council will enter into two or more contracts with one supplier which may exceed \$250,000 then Council should invite tenders in accordance with Section 6 of the Policy.

6. Tendering for Goods – Value \$250,000+

All supply of goods and services to a value greater than \$250,000 will proceed in reference to the provisions of the *Local Government Act* and specifically the requirements of Part 4 of the *Functions and General Regulations* made pursuant to the Act.

Before tendering for the supply of goods for an amount greater than \$250,000 an authorisation to proceed with the tender must be obtained from the Council.

Tenders must be subject of a tender brief setting out, in appropriate detail, at least the following:

- The goods or services required;
- The deliverables from the procurement;
- The start and end time for supply;
- The fee basis i.e. fixed, hourly, component completion;
- The basis for any variation fees; and
- Provisions for termination of services.

Evaluation criteria are to be stipulated in tender invitation documents.

The basis for contracts must be stipulated in tender invitations i.e. any Australian Standard

contract proposed to be used.

Where a specifically designed contract is proposed, the details of the contract are to be provided with the tender invitation.

Where variations are proposed to Australian Standard contracts, a schedule of variations is to be included in the tender invitation.

An evaluation matrix is to be used in advising prospective tenderers of the evaluation criteria and the method for scoring tender responses.

Evaluation matrix's may consist of either:

- A weighted cost criteria; or
- A non-weighted cost criteria.

a) Weighted Cost Criteria

The use of a weighted cost criteria method is suited to acquisitions where price is considered to be crucial to the outcome of the contract. Price is assessed as a selection criteria item with a predetermined weighting, together with quality criteria.

b) Non-Weighted Cost Criteria

The use of a non-weighted cost criteria method is suited to acquisitions where functional considerations such as capacity or quality, are considered crucial to the outcome of the contract.

A weighted selection criteria containing items addressing the qualitative requirements of the contract are comprised and assessed prior to considerations of price within the evaluation.

Once tenders have been ranked against the qualitative items of the selection criteria, a value judgment of cost differences is able to be made, with judgment as to whether qualitative advantages of a tender justify cost differences.

The allocation of evaluation points available in conducting evaluation of tender responses must be made in accordance with criteria set prior to the issue of tender invitations. The allocation would typically be made over a range of items such as those shown in the following table:

Rate	Description
0	Inadequate or non-appropriate offer, many deficiencies, does not meet criterion
2	Marginal offer, some deficiencies, partly meets criterion
4	Fair offer, few deficiencies, almost meets criterion
6	Good offer, no deficiencies, meets criterion
8	Very good offer, exceeds criterion
10	Outstanding offer, greatly exceeds criterion

The table showing the evaluation of points is not to be published with the tender invitation or to be made otherwise available to prospective or actual tenderers.

Tenders may be lodged to a secure tender box or secure email tender box.

The use of an email tender box will be decided by the CEO in each instance having regard for the nature of the tender, the size of the likely tender response and such other factors as may relate to each tender invitation. Where an email tender is permitted, the full details of how the tender should be submitted should be included in the tender invitation.

When tenders are opened there must be at least two employees of Council, or one Council employee and one person authorised by the CEO, present.

7. Use of Probity Auditor

In all cases where tenders are valued at an amount greater than \$250,000, consideration shall be given to the use of a probity auditor. A proposal to engage/not engage services of a probity auditor will be included in the report to the Council under section (6) above proposing the issue of an invitation for supply of goods or services.

8. Environmental Procurement Policy

The TPRC will consider the environmental impact in the procurement process when undertaking the purchase of goods and services and disposal of goods.

The governing principle for goods and services procurement is the achievement of value for money. However, when determining value for money, the environmental impact issues to be considered may include:

- Use of recycled or recovered materials;
- Product reusability;
- Product recyclability;
- Durability;
- Energy efficiency and consumption;
- Water efficiency;
- Waste prevention;
- End of life disposal method; and
- Environmental health issues.

9. Environmental Purchasing

Environmental purchasing generally refers to the inclusion of relevant environmental factors in any decision to procure goods and/or services in order to maintain the quality of the environment, conserve resources, minimise waste and protect human health.

The aim of considering environmental factors in procurement is to:

- Manage risks to the broader environment by procuring goods and services that have a reduced impact on the natural environment and human health compared with competing products or services that serve the same purpose.
- Promote the achievement of better value for money on a whole-of-life cycle basis.
- Foster the development of products and processes that have a positive environmental impact.
- Reduce costs for addressing the effects of environmental health impacts and pollution to the community over the long term.

The focus of environmental purchasing may vary, depending on the nature of the goods or service being procured.

10. Environmental Procurement and Value for Money

Value for money is the core principle governing goods and services procurement. In this context, the lowest price is not necessarily an indicator of best value for money.

The environmental impact of a good or service is also a major consideration in the Value for Money Assessment.

Environmentally friendly products will usually involve reduced risks and more efficient use of energy, water and materials leading to lower costs, particularly on a whole of life basis. Therefore, even where an environmentally friendly product or service initially costs more than a conventional product or service, consideration of value for money requires purchasers to give due regard to the benefits obtained from good environmental performance.

It is also essential that the environmental impacts and/or value-add in all procurements are considered across the lifecycle of a product.

Value for money is assessed on a whole of life basis so that all costs and benefits across the procurement cycle can be adequately considered. For example, in the case of a good, the environmental impact should be assessed at each stage of production, use and disposal. Therefore, to ensure effective Value for Money decisions, the environmental assessment also needs to factor in the impacts and costs created when a product is used, particularly during the evaluation stage when comparing products. These costs electrical power, water, fuel and requirements for other consumables.

11. Environmental Considerations in Contracting Process

The level of effort expended to minimise the environmental impact of procurement should be commensurate with the nature of the purchase and should be applied in all phases of the procurement process as follows:

Contract Planning (pre-tender)

- Is the proposed purchase necessary?
- Identify and address environmental impact issues in all procurement plans.
- Develop specifications that give consideration to environmental standards, codes or legislation, where appropriate.
- Consider options for quotation and tender design, including selection criteria that provide positive advantage to goods, services and/or processes that minimise environmental impact.
- Consider options for quotation and tender design that provide positive advantage to innovative goods, services and/or processes that minimise environmental impact.
- Develop selection criteria that provide positive advantage to goods, services and/or processes that minimise environmental impact.
- Where appropriate consider quality assurance, environmental standards, codes or legislation for inclusion in specifications.
- Where appropriate, seek information from suppliers through the offer document on the environmental impact of goods, services and processes tendered (e.g. accreditation, practices, recycled content, durability and reuse options, hazardous material content, energy efficiency, waste prevention, water efficiency).
- Consider options for, and where appropriate specify methods for end of life disposal of product and/or packaging.

The Guidelines provided in:

- *The State Sustainability Strategy*; and
- *The State Supply Commission Environmental Purchasing Guide* may be accessed as appropriate to achieve the stated policy outcomes, operational and cost efficiency.

PROCUREMENT POLICY

Responsible Officer	Chief Executive Officer
Initial Council adoption	1 May 2006
Amendments	
Last Council adoption	16 June 2020
Review due	2023

PURPOSE/OBJECTIVE

To ensure Tamala Park Regional Council (TPRC) procurement practices and processes are compliant with relevant legislation and best practice.

The objectives of this policy are to:

- Ensure best practice policies and procedures are followed in relation to procurement for the TPRC;
- Ensure compliance with the *Local Government Act 1995 (the Act)* and Part 4 of the *Local Government (Functions and General) Regulations 1996 (The regulations)*;
- Ensure compliance with the State Records Act 2000 and associated records management practices and procedures of TPRC;
- Undertake procurement processes that ensure value for money for TPRC by delivering the most advantageous outcome possible;
- Ensure openness, transparency, fairness, and equity through the procurement process to all potential suppliers; and
- Ensure efficient and consistent procurement processes are implemented and maintained across TPRC.

SCOPE

This policy covers all purchasing requirements associated with TPRC operations.

POLICY STATEMENT

1. ETHICS AND INTEGRITY

Code of Conduct

All employees of TPRC undertaking procurement activities are expected to have regard for the Code of Conduct requirements and observe the highest standards of ethics and integrity. All employees are expected to act in an honest and professional manner.

The following principles, standards and behaviours must be observed and enforced through all stages of the procurement process to ensure the fair and equitable treatment of all parties:

- full accountability shall be taken for all procurement decisions and the efficient, effective and proper expenditure of public monies to achieve value for money;
- all procurement practices shall comply with relevant legislation, regulations, and requirements consistent with TPRC's applicable policies and Code of Conduct;
- procurement is to be undertaken on a competitive basis where all potential suppliers are treated impartially, honestly and in a similar manner;
- all processes, evaluations and decisions shall be transparent, free from bias and fully documented in accordance with applicable policies, audit requirements and relevant

- legislation;
- any actual or perceived conflicts of interest are to be identified, disclosed and appropriately managed;
- any information provided to TPRC by a supplier shall be treated as commercial-in-confidence and should not be released unless authorised by the supplier or relevant legislation; and
- any canvassing of TPRC's elected members or employees shall disqualify businesses seeking to do business with TPRC in relation to the applicable procurement

2. VALUE FOR MONEY

Value for money is the basis for comparing conforming bids so that the optimal offer can be selected. Achieving user requirements, quality standards and service benchmarks is more important than obtaining the lowest price

An assessment of the best value for money outcome for any procurement should consider:

- All relevant whole-of-life costs and benefits;
- Technical merits of the goods or services being offered in terms of compliance with specifications and contractual conditions; and
- Financial viability and capacity to supply without risk of default.

In this context, the value for money principle embraces:

- Cost related factors; and
- Non-cost factors.

Value for money assessment involves the comparison and evaluation of suitable conforming offers. Factors to be considered in making this decision include the following:

- Value for money is not necessarily about selecting the successful bidder based on price alone, although the lowest total priced, conforming offer can be used as an initial benchmark for comparing value for money. Where a higher priced conforming offer is recommended, there should be clear and demonstrable benefits over and above the lowest total priced, conforming offer;
- All offers should be evaluated in a consistent manner against the evaluation criteria for the procurement. Evaluation criteria should be determined in accordance with the provisions of Section 3; and
- A due diligence investigation of the preferred or shortlisted bidders should be undertaken for all high value or complex purchases to ensure that bidders have the financial stability and technical capacity to comply with the requirements of the contract.

Value for money considerations are not only relevant to the selection of a successful supplier and the purchase of goods or services. Value for money should also be applied to the ongoing contract management over the life of the procurement.

3. PURCHASING REQUIREMENTS

3.1 Values

Purchasing that is **\$250,000 or below in total value (excluding GST)** must be in accordance with the purchasing requirements under the relevant threshold as defined under section 3.2. Purchases under \$250,000 are categorised as simple purchases but nevertheless require controls and appropriate accounting and probity support practices.

Purchasing that **exceeds \$250,000 in total value** (excluding GST) must be put to public Tender when it is determined that a regulatory Tendering exemption, as stated under section 3.2 is not deemed to be suitable.

3.2 Purchasing Thresholds

The purchasing threshold relates to the actual or expected value of a contract over the full contract period or the extent to which TPRC will continue to purchase a particular category of goods, services or work and the total value of that purchase.

When seeking quotations/tenders, request documentation should contain but not limited to:

- Specification/brief
- Pricing either lump sum or schedule of rate
- Warranty/defect liability
- Conditions of quote/tender
- Conditions of contract

If a purchasing threshold would be reached within three years for a particular contract for procurement, then the purchasing requirement under the relevant threshold (including the tender threshold) would need to be considered.

In addition to the other policy provisions, the table below prescribes the purchasing request process to be applied based on the proposed purchase value:

Purchase Value Threshold (Exclusive of GST)	Procurement Requirement where no existing agreement/contract exists with TPRC	Evaluators
Up to \$2,000	Direct purchases up to \$2,000 may be made on a single verbal quotation, however, best practice will require that market testing be undertaken from time to time and that consideration be given to value for money purchasing. A record of the obtained quotation must be maintained.	Sole internal evaluator
Over \$2,000 and up to \$5,000	Direct purchasing requires at least one written quotation should be obtained except where impractical due to availability of suppliers. A record of quotations obtained must be maintained. All quotations are to be obtained prior to a supply order being authorised. Where there is a waiver of the requirement for a quotation, the reason for the waiver must be noted and approved by the CEO.	Sole internal evaluator
Over \$5,000 and up to \$20,000	Endeavours are to be made to obtain at least two written quotations must be obtained in writing, by fax or email. Email submissions must contain an electronic signature or the image of a signature of a person authorised to provide the quotation. Quotations must be made in reference to a specification setting out the details of supply, the pricing required,	Minimum of one internal evaluator

	delivery requirements and other relevant matters.	
Over \$20,000 and up to \$50,000	<p>Endeavours are to be made to obtain at least three written quotations must be obtained in writing, by fax or email. Email submissions must contain an electronic signature or the image of a signature of a person authorised to provide the quotation.</p> <p>Quotations must be made in reference to a specification setting out the details of supply, the pricing required, delivery requirements and other relevant matters.</p>	Minimum of one internal evaluator
Over \$50,000 and up to \$250,000	<p>Specialised provisions in respect to Consultancy Services, formalised Request for Quotations (RFQ) must be made in reference to:</p> <ul style="list-style-type: none"> ▪ A written brief defining the services required; ▪ The deliverables from the consultancy; ▪ The start and end time; ▪ The fee basis i.e. fixed, hourly, component completion; ▪ The basis for any variation fees; and ▪ Provisions for termination of services. <p>Completion of a contract for consultancy services must be subject of a written agreement signed by the consultant and TPRC.</p> <p>If it is expected that the Council will enter into two or more contracts with one supplier which may exceed \$250,000 then Council should invite tenders.</p>	Minimum of two internal evaluators
Over \$250,000	<p>Conduct a public Request for Tender process in accordance with Part 4 of the <i>Local Government (Functions and General) Regulations 1996, this policy and TPRC's tender procedures</i>. Before tendering for the supply of goods for an amount greater than \$250,000 an authorisation to proceed with the tender must be obtained from the Council.</p>	Evaluation Panel comprised of internal and external representatives

3.3 Sole Source of Supply

Where the procurement requirement is of a unique nature that can only be supplied from one supplier, the purchase is permitted without undertaking a tender or quotation process. This is only permitted in circumstances where TPRC is satisfied and can demonstrate that there is only one source of supply for those goods, services or works.

TPRC must use its best endeavours to determine if the sole source of supply is genuine by exploring any alternative sources of supply. From time to time, TPRC may publicly invite an expression of interest to effectively determine that one sole source of supply prevails in this situation.

Once determined, the justification for a sole source of supply must be endorsed by the Chief Executive Officer, prior to a contract being entered into, or a purchase order raised.

3.4 Basis of Contracts

The basis for contracts must be stipulated in tender invitations i.e. any Australian Standard contract proposed to be used.

Where a specifically designed contract is proposed, the details of the contract are to be provided with the tender invitation.

Where variations are proposed to Australian Standard contracts, a schedule of variations is to be included in the tender invitation.

3.5 Evaluation Criteria for Request for Quotations and Tenders

Evaluation criteria are to be detailed in RFQ and Tender documents to inform prospective tenderers and evaluators of the basis and method for scoring responses. An Evaluation Plan should be prepared, detailing the intended approach to completing the evaluation of responses.

Evaluation criteria should include:

- Compliance requirements, dealing with matters such as insurances, detailing of previous events such as litigation, insolvency or offences and declarations of any representations, partnership arrangements or potential conflicts of interest; and
- Qualitative criteria.

Qualitative criteria may vary depending on the nature of the activity, scope of works and pricing, making it difficult to adopt a single evaluation model to suit all circumstances.

Either of three evaluation models are to be applied – Model 1 is for procurement of technical or specialist consultancy services, Model 2 is for procurement of construction services and Model 3 is for the disposal of property, including potential built form development partnership arrangements. Each model contains nominated criteria and related weightings within defined ranges.

The Chief Executive Officer may call for submissions through a RFQ or tender process where the stipulated evaluation criteria include all mandatory requirements and fall within the accepted weighting ranges as follows:

Model 1 – Consultancy Services	
Evaluation Criteria	Accepted Weighting Range
Price (mandatory criterion)	30-50%
Relevant Experience (mandatory criterion)	10-30%
Capability (mandatory criterion)	10-30%
Methodology	10-30%
Sustainability	5-20%
Additional criteria deemed appropriate	10-20%

Model 2 – Construction Services	
Evaluation Criteria	Accepted Weighting Range
Price (mandatory criterion)	50-60%
Relevant Experience (mandatory criterion)	10-30%
Capability (mandatory criterion)	10-30%
Methodology	10-30%
Sustainability	10-20%
Additional criteria deemed appropriate	10-20%

Model 3 – Property Disposal including Built Form Development Arrangements	
Evaluation Criteria	Accepted Weighting Range
To be determined by the Council and may include commercial arrangements, track record, design, best practice/sustainability and financial capacity	

The allocation of evaluation scores in conducting evaluation of tender responses must be made in accordance with criteria set prior to the issue of tender invitations. The allocation would typically be made over a range of items such as those shown in the following table:

Rating	Description
10	Highly convincing and credible. Response demonstrates exceptional capability, capacity, and experience relevant to, or understanding of, the requirements of the Evaluation Criterion and could not reasonably be improved upon. Comprehensively documented with all claims fully substantiated. Insignificant risk.
9	Highly convincing and credible. Response demonstrates outstanding capability, capacity, and experience relevant to, or understanding of, the requirements of the Evaluation Criterion. Documentation provides complete details. All claims adequately demonstrated and substantiated. Insignificant risk.
8	Response complies, is convincing and credible. Response demonstrates excellent capability, capacity, and experience relevant to, or understanding of, the requirements of the Evaluation Criterion. Some minor lack of substantiation but the Respondent's overall claim is supported. Low risk.
7	Response complies, is convincing and credible. Response demonstrates very good capability, capacity, and experience, relevant to, or understanding of, the requirements of the Evaluation Criterion. Minor uncertainties and shortcomings in the Respondent's claims or documentation. Low risk.
6	Response complies and is credible but not completely convincing. Response demonstrates adequate capability, capacity, and experience, relevant to, or understanding of, the requirements of the Evaluation Criterion. Respondent's claims have some gaps. Low risk.

Rating	Description
5	Response has minor omissions. Credible but barely convincing. Response demonstrates only a marginal capability, capacity, and experience relevant to, or understanding of, the requirements of the Evaluation Criterion. Medium risk.
4	Barely convincing. Response has shortcomings and deficiencies in demonstrating the Respondent's capability, capacity, and experience relevant to, or understanding of, the requirements of the Evaluation Criterion. Medium risk.
3	Unconvincing. Response has significant flaws in demonstrating the Respondent's capability, capacity, and experience relevant to, or understanding of, the requirements of the Evaluation Criterion. Medium risk.
2	Unconvincing. Response is significantly flawed, and fundamental details are lacking. Minimal information has been provided to demonstrate the Respondent's capability, capacity, and experience relevant to, or understanding of, the requirements of the Evaluation Criterion. High risk.
1	Response is totally unconvincing, and requirements have not been met. Response has inadequate information to demonstrate the Respondent's capability, capacity, and experience relevant to, or understanding of, the requirements of the Evaluation Criterion. High risk.
0	Respondent was not evaluated as it did not provide any requested information and/or contravened nominated restrictions. High risk.

The table showing the evaluation of scores is not to be published with the RFQ or tender invitation or to be made otherwise available to prospective or actual tenderers.

Tenders may be lodged to a secure tender box or secure email tender box.

The use of an email tender box will be decided by the CEO in each instance having regard for the nature of the tender, the size of the likely tender response and such other factors as may relate to each tender invitation. Where an email tender is permitted, the full details of how the tender should be submitted should be included in the tender invitation.

When tenders are opened there must be at least two employees of Council, or one Council employee and one person authorised by the CEO, present.

3.6 Inviting Tenders Under the Tender Threshold

Where considered appropriate and beneficial, or to manage procurement risk, TPRC may consider publicly advertising Tenders in lieu of undertaking a Request for Quotation for purchases under the tender threshold (\$250,000).

This decision should be made after considering the benefits of this approach in comparison with the costs, timeliness, and compliance requirements. If a decision is made to undertake a public Tender for contracts expected to be \$250,000 or less in value, the TPRC's tendering procedures must be followed in full.

4. USE OF PROBITY AUDITOR

In all cases where tenders are valued at an amount greater than \$250,000, consideration shall be given to the use of a probity auditor.

5. CONTRACT MANAGEMENT

Contracts are to be proactively managed during their lifecycle by the TPRC employee responsible for the delivery of the contracted goods, services or works, to ensure TPRC receives value for money

and to enforce performance against the contract.

Where a contract extension or variation is required, a bilateral agreement must be completed and the details updated in the Contract Register. The agreement must be signed by the **Chief Executive Officer**.

6. ENVIRONMENTAL PROCUREMENT POLICY

The TPRC will consider the environmental impact in the procurement process when undertaking the purchase of goods and services and disposal of goods.

The governing principle for goods and services procurement is the achievement of value for money. However, when determining value for money, the environmental impact issues to be considered may include:

- Use of recycled or recovered materials;
- Product reusability;
- Product recyclability;
- Durability;
- Energy efficiency and consumption;
- Water efficiency;
- Waste prevention;
- End of life disposal method; and
- Environmental health issues.

7. ENVIRONMENTAL PURCHASING

Environmental purchasing generally refers to the inclusion of relevant environmental factors in any decision to procure goods and/or services to maintain the quality of the environment, conserve resources, minimise waste and protect human health.

The aim of considering environmental factors in procurement is to:

- Manage risks to the broader environment by procuring goods and services that have a reduced impact on the natural environment and human health compared with competing products or services that serve the same purpose.
- Promote the achievement of better value for money on a whole-of-life cycle basis.
- Foster the development of products and processes that have a positive environmental impact.
- Reduce costs for addressing the effects of environmental health impacts and pollution to the community over the long term.

The focus of environmental purchasing may vary, depending on the nature of the goods or service being procured.

8. ENVIRONMENTAL PROCUREMENT AND VALUE FOR MONEY

Value for money is the core principle governing goods and services procurement. In this context, the lowest price is not necessarily an indicator of best value for money.

The environmental impact of a good or service is also a major consideration in the Value for Money Assessment.

Environmentally friendly products will usually involve reduced risks and more efficient use of energy, water and materials leading to lower costs, particularly on a whole of life basis. Therefore, even where an environmentally friendly product or service initially costs more than a conventional product or service, consideration of value for money requires purchasers to give due regard to the benefits obtained from good environmental performance.

It is also essential that the environmental impacts and/or value-add in all procurements are considered across the lifecycle of a product.

Value for money is assessed on a whole of life basis so that all costs and benefits across the procurement cycle can be adequately considered. For example, in the case of a good, the environmental impact should be assessed at each stage of production, use and disposal. Therefore, to ensure effective Value for Money decisions, the environmental assessment also needs to factor in the impacts and costs created when a product is used, particularly during the evaluation stage when comparing products. These costs electrical power, water, fuel and requirements for other consumables.

9. ENVIRONMENTAL CONSIDERATIONS IN CONTRACTING PROCESS

The level of effort expended to minimise the environmental impact of procurement should be commensurate with the nature of the purchase and should be applied in all phases of the procurement process as follows:

Contract Planning (pre-tender)

- Is the proposed purchase necessary?
- Identify and address environmental impact issues in all procurement plans.
- Develop specifications that give consideration to environmental standards, codes or legislation, where appropriate.
- Consider options for quotation and tender design, including selection criteria that provide positive advantage to goods, services and/or processes that minimise environmental impact.
- Consider options for quotation and tender design that provide positive advantage to innovative goods, services and/or processes that minimise environmental impact.
- Develop selection criteria that provide positive advantage to goods, services and/or processes that minimise environmental impact.
- Where appropriate consider quality assurance, environmental standards, codes or legislation for inclusion in specifications.
- Where appropriate, seek information from suppliers through the offer document on the environmental impact of goods, services and processes tendered (e.g. accreditation, practices, recycled content, durability and reuse options, hazardous material content, energy efficiency, waste prevention, water efficiency).
- Consider options for, and where appropriate specify methods for end of life disposal of product and/or packaging.

The Guidelines provided in:

- *The State Sustainability Strategy*; and
- *The State Supply Commission Environmental Purchasing Guide* may be accessed as appropriate to achieve the stated policy outcomes, operational and cost efficiency.

10. RECORD MANAGEMENT

Records of all purchasing activity must be retained in compliance with the *State Records Act 2000* (WA), TPRC Records Management Policy and associated procedures.

REFERENCES

- The State Supply Commission has an extensive series of policies and guidelines that are available for use by local governments.
- The West Australian Local Government Association purchasing service negotiates contracts for the supply of goods and services for local government.

- The State Supply Commission and the Commonwealth Supply agencies also have contracts for the supply of goods and services that are accessible by local governments.
- All of the accessible supply contracts and the policies of WALGA and the State Supply Commission provide a framework for best practice procurement.
- The West Australian Local Government Association has produced a purchasing and tender guide that refers specifically to good procurement practices in reference to the *Local Government Act and Regulations*.
- Wherever possible and appropriate, the contracts and guidelines mentioned above will be used by the Tamala Park Regional Council following objectives for best practice and probity in all procurement activity.

LEGISLATION / LOCAL LAW REQUIREMENTS

Local Government Act 1995

Local Government (Functions and General) Regulations 1996 Part 4

Appendix 9.4

ELECTED MEMBER TRAINING POLICY

Responsible Officer	Chief Executive Officer
Initial Council adoption	20 August 2020
Amendments	
Last Council adoption	20 August 2020
Review due	2023

POLICY

The Tamala Park Regional Council (TPRC) is required to adopt a policy regarding the continuing professional development of council members, pursuant to Section 5.128 of the *Local Government Act 1995*.

The TPRC comprises the Cities of Joondalup, Perth, Stirling, Vincent, Wanneroo and the Towns of Cambridge and Victoria Park.

OBJECTIVE

To meet the requirements of Section 5.128 of the *Local Government Act 1995* with respect to the continuing professional development of council members.

STATEMENT

The TPRC's Councillors are each required to complete training that is set in the regulations within twelve (12) months of being elected by their respective local government.

The TPRC's member local governments are required to prepare and adopt a policy for the continuing professional development of its council members.

Section 5.127 of the *Local Government Act 1995* requires the CEO to prepare a report per financial year outlining the training that has been completed by each of their respective council members in that financial year. The CEO report is required to be published on the local government's website by 31 July each financial year.

The policy, training and reporting requirements of the TPRC Councillors, as required under the Act, are fulfilled by the training undertaken through their respective member local governments. To comply with the requirements of the Section 5.128 of the *Local Government Act 1995* the TPRC's website provides a link to each member local government's website where the policy, training and reporting requirements in respect of each of the TPRC's Councillors is provided.

Appendix 9.5

SPONSORSHIP POLICY

Responsible Officer	Chief Executive Officer
Initial Council adoption	10 December 2015
Amendments	
Last Council adoption	8 December 2016
Review due	2026

POLICY PURPOSE

To provide direction and guidelines for the Tamala Park Regional Council (TPRC) to receive, assess and determine community sponsorship proposals.

POLICY OBJECTIVE

The objective of the Sponsorship Policy is to provide sponsorship that contributes to community building and community services/infrastructure and provides direct benefit to the Project.

SCOPE

The Policy applies to all applicants seeking a funding arrangement between the TPRC and an eligible organisation, whereby successful applicants receive funding from TPRC to deliver a specified activity in exchange for the promotion and delivery of TPRC's sponsorship objectives.

BACKGROUND

The Tamala Park Regional Council may consider sponsoring community events and infrastructure on the basis that it benefits the residents of Catalina Estate or the Catalina Project.

The TPRC has initiated a comprehensive Community Development Program for Catalina Estate residents. The key focus of the program is to build community capacity. Part of this will involve providing sponsorship to established community groups in the Estate and supporting community groups outside of the Estate that demonstrate a capacity to directly benefit and involve the Catalina residents.

The focus of the Tamala Park Sponsorship Policy is to support the implementation of the Community Development Plan for the Catalina Project. The overriding principle is that support by TPRC to community sponsorship proposals should be based on demonstrating clear and direct benefits to the residents of the Catalina Estate.

The Sponsorship Policy also advocates support to community sponsorship proposals that provide branding opportunities for the Catalina Estate but also demonstrates benefits to the residents of the Catalina Estate.

Sponsorship Category

There are two types of sponsorship that may be considered under this policy 'Community Sponsorship' or 'Project Sponsorship' both categories are defined as follows:

Community Sponsorship

To provide sponsorship for the establishment and support of community groups within the Catalina Estate and for the support of community groups outside of the Estate that demonstrate a capacity to directly benefit and involve Catalina's residents.

Project Sponsorship

To provide sponsorship in return for the promotion of the Catalina Project that enhances and provides direct benefit to the Project.

Sponsorship Objectives

The objectives of the Sponsorship Policy are consistent with the TPRC objectives and include the following:

- Environmental sustainability - promote environmental sustainability and/or protection of the natural environment;
- Youth Development – positive guidance for children and young adults, encouraging development of skills and contribution to the community;
- Culture, recreation and healthy lifestyle – promote the provision of community sport, health and wellbeing initiatives, and creative expression of cultural identity;
- Education and training opportunities – workshops, networking and training to develop community skills;
- Awareness and/or promotion of the Catalina Estate – enhance the profile of Catalina Estate and promote its attributes; and
- Build community capacity – promote new and existing groups to achieve self-sustainability.

Sponsorship Examples

The following examples are provided as a general guide for sponsorship:

a) Matching Sponsorship

Matching Sponsorship is where the applicant group/organisation contributes a matching sum (equal to that requested from TPRC).

Examples of suitable activities include:

- Sports workshops
- Community workshops
- Training (governance, volunteer recruitment etc.)
- Volunteer recruitment initiatives

b) Small Event Sponsorship

Sponsorship under the Small Event Category aims to assist community groups and organisations to deliver small-scale events within Catalina Estate.

Examples of suitable events include:

- Sporting events
- Movie nights
- Community networking events
- Arts / cultural displays

c) Small Equipment Sponsorship

The Small Equipment category assists with the purchase of equipment that provides a means for community groups and organisations to become more self-sustainable and/or more diverse in future.

Examples of suitable equipment include:

- BBQ
- Gazebo
- Signage
- Education equipment
- Stock for planting days
- Sporting equipment - allowing for more games / training

Eligibility

Sponsorship will only be made available to incorporated groups and organisations within the Catalina Estate, or to those located in communities immediately adjacent to the estate (e.g. Mindarie and Clarkson).

NOTE: The definition of an incorporated organisation (*incorporation*) is detailed at: <http://www.commerce.wa.gov.au/ConsumerProtection/Content/Business/Associations/index.htm>

For sponsorship by the TPRC, the applicant group/organisation and its application should satisfy the following criteria:

- Should be not-for-profit (to the organisation or individual members);
- Should be located within the Catalina Development, or any of its immediately adjacent suburbs;
- Must not have any outstanding sponsorship acquittal to TPRC;
- Must not be individuals pursuing personal activities;
- Must not be political campaigns and lobbying groups;
- Must not be religious organisations seeking sponsorship for religious purposes;
- Must not be retrospective sponsorship (for events already underway or completed);
- Must not be an application for funds to cover a shortfall in revenue/expected revenue;
- Must not be ongoing or recurrent sponsorship - for permanent wages/salaries or standard operational costs (utilities, maintenance, stationery etc.).

TPRC Financial Implications

Funds for all approved community sponsorship applications will be sourced from the approved TPRC Budget. TPRC retains absolute discretion as to whether it supports an application for community sponsorship or project sponsorship.

The maximum amounts per organisation for each category of sponsorship are capped at the following amounts per annum:

Community Sponsorship	\$1,000
Project Sponsorship	\$2,000

Process

All the applications must meet the above eligibility criteria and must be submitted with a completed Request for Sponsorship Application Form (Appendix A). The form also addresses the method of submission. Applications submitted via any other method will not be considered by the TPRC.

The TPRC will evaluate the application against the assessment criteria. If successful, the TPRC will arrange for a formal agreement of the sponsorship to be made. Meeting the criteria and being eligible do not guarantee sponsorship will be granted.

Applicants that receive sponsorship from the TPRC are required to provide details of the sponsored program/event's completion in relation to the TPRC's contribution within 4 weeks of completion. In the event that the details are not received by the required deadline, the recipient group may be required to refund the full sponsorship amount to the TPRC.

Assessment Criteria

TPRC will assess sponsorship applications against the following criteria:

1. The applicant group must demonstrate a genuine capacity to responsibly manage, deliver and acquit the project/activity for which sponsorship is being sought.

This can be demonstrated by:

- Describing past projects/activities that the groups has successfully delivered;
- Outlining the group's formal structure and proposed method of delivering the project, including the management and administration of funds.

2. The proposed project must nominate a Sponsorship Category and address at least one of the Objectives outlined in this policy.

The sponsorship proposal must demonstrate how the project is capable of delivering one of the sponsorship Objectives.

3. The proposal must represent value for money.

The applicant group must demonstrate that the proposed project will be delivered at a reasonable cost.

Further information

Applicants who require any further information about the sponsorship process are encouraged to email mail@tamalapark.wa.gov.au.

Annexure A – Request for Sponsorship Application Form

- Please tick box to confirm you have read and understand the TPRC’s Sponsorship Policy in conjunction with this form.

Section A – Contact details

Organising body:

Contact person:

Position:

Address:

Phone: Mobile:

Email:

ABN (if applicable):

Is your organisation incorporated? Yes No Other:

Is your organisation non-profit? Yes No Other:

Section B – Sponsorship details

Sponsorship name:

Date:

Venue and address:

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Brief description of the sponsorship purpose:

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Declaration

I, the undersigned, declare the information provided to be a correct and honest description of our organisation and the project or event for which funding is being sought.

Successful applications will be entirely responsible for any indemnities and insurance required for the project/event. Tamala Park Regional Council accepts no liability for any accidents or negligence resulting in a claim or demand arising from the sponsored project or event and excludes all such liability to the fullest extent permitted by law. Volunteers involved in any sponsored project or event must be covered by their own insurance or organisers' insurance.

Signed:

Please send your completed application form to:

Tamala Park Regional Council
Attention to: Manager Project Coordination
PO Box 655
Innaloo WA 6918
mail@tamalapark.wa.gov.au

Appendix 9.6

Responsible Officer	Chief Executive Officer
Initial Council adoption	1 August 2006
Amendments	
Last Council adoption	17 August 2017
Review due	2026

1. OBJECTIVE

The objective of this Policy is to ensure that the Tamala Park Regional Council (TPRC) meets the statutory requirements of the *State Records Act 2000*.

2. SCOPE

This Policy applies to all TPRC Elected Members, staff and contractors.

3. DEFINITIONS

“corporate document/record” means any document/record that meets one or more of the following criteria:

- a. Does it convey information essential or relevant in making a decision?
- b. Does it convey information upon which others will be, or are likely to make decisions affecting the TPRC’s operations, or rights and obligations under legislation?
- c. Does it commit the TPRC to certain courses of action or the commitment of resources or provision of services?
- d. Does it convey information about matters of public safety or public interest, or involve information upon which contractual undertakings are entered into?
- e. Is the information likely to be needed for future use, or is it of historical value or interest?

“ephemeral record” means any document/record that has no continuing value to the TPRC and is generally only needed for a few hours or a few days. As defined within the State Records Office of Western Australia’s publication, *General Disposal Authority for Local Government Records*. The following are considered to be ephemeral records:

- a. Duplicate (or exact) copies of records, documents, circulars, forms, etc.
- b. Information material including price lists, catalogues, advertising material, brochures etc., produced by other organisations.
- c. Reference sets of directories, addresses and contact lists, including internal directories and lists produced by the local government, other agencies and organisations or suppliers.
- d. Unsolicited letters or promotional material offering goods or services to the local government.
- e. Messages in the form of voice mail, e-mail, telephone messages, post-it or sticky notes when the message does not relate to the business functions of the local government. (N.B.: messages that do relate to the business functions of the local government must be transcribed and placed on the appropriate subject file. Once transcribed the original message may be destroyed.)
- f. Rough drafts of reports, or correspondence, routine or rough calculations not circulated to other staff in the local government, and of which a final draft has been produced and placed

- on the appropriate subject file. (N.B.: versions of drafts that contain significant changes to context must be placed in the appropriate subject file (e.g.: internal policy)).
- g. Transitory messages giving minor instructions and of a routine or instructional nature that are used to further some activity in either a paper-based or electronic format (e.g.: correcting typing errors; requesting file creation or retrieval; filing a letter; formatting documents; duplicating; etc.)
 - h. Letters or cards of appreciation, sympathy or greetings of no enduring value.
 - i. Working papers, background notes and reference materials used to prepare or complete other documents. (Those documents become the record of the local government and are placed on the appropriate subject file.) (N.B.: working papers and background notes relating to the development of internal policy must be placed on the appropriate subject file).

4. STATEMENT

Under the *State Records Act 2000*, the TPRC has an obligation as a 'government organisation' to develop a Recordkeeping Plan that sets out the manner in which records are created and kept by the TPRC.

The TPRC has a Recordkeeping Plan approved by the State Records Commission on 17 March 2017.

This Policy informs the policies and procedures principle within the Recordkeeping Plan, by establishing the TPRC's position in relation to appropriate definitions, records accessibility, destruction of records, management of ephemeral records and training and education.

For greater detail on the processes and legislative requirements relating to recordkeeping responsibilities, refer to the TPRC's *Recordkeeping Plan*.

5. DETAILS

General Recordkeeping:

- a. The TPRC's corporate records are to be managed in accordance with the TPRC's *Recordkeeping Plan*.
- b. All Elected Members, staff and contractors are responsible for maintaining complete, accurate and reliable evidence of all business transactions, and ensuring all corporate documents are retained within the TPRC's official recordkeeping system at the point of creation, regardless of the format being in accordance with the following:
 - *Evidence Act 1906*
 - *Freedom of Information Act 1992*
 - *Local Government Accounting Directions 1994*
 - *Local Government Act 1995*
 - *State Records Act 2000*

Access:

- a. Access to corporate records by TPRC staff will be in accordance with designated access and security classifications, as determined by the Executive Assistant (Records Services Coordinator).
- b. Access to the TPRC's records by the general public will be in accordance with the *Freedom of Information Act 1992*.

- c. Access to the TPRC's records by Elected Members and Committee Members will be via the Chief Executive Officer in accordance with Section 5.92 of the *Local Government Act 1995*.

Destruction:

The Executive Assistant (Records Services Coordinator) will dispose of records kept by the TPRC in accordance with the State Records Office of Western Australia's publication, *General Disposal Authority for Local Government Records*, following authorisation from the Chief Executive Officer.

Ephemeral Records:

Ephemeral records may not be required to be placed within the TPRC's official recordkeeping system. Elected Members, staff or contractors may dispose of such ephemeral records once reference ceases.

Training and Education:

Training in recordkeeping practices and the use of the TPRC's document and records management system is available to all new staff upon commencement and ongoing training is available upon request to the Executive Assistant (Records Services Coordinator).

Elected Members will be made aware of their recordkeeping responsibilities as part of the Elected Member Induction Program.

Appendix 9.7

ELECTED MEMBER CONFERENCE ATTENDANCE POLICY

Responsible Officer	Chief Executive Officer
Initial Council adoption	16 June 2016
Amendments	
Last Council adoption	16 June 2016
Review due	2026

OBJECTIVE

To determine the guidelines, nature, extent and administrative arrangements for Elected Members' attendance or representation at conferences, study tours, seminars or conventions and the arrangements for:

1. Attendance;
2. Approval requirements;
3. Travel;
4. Accommodation;
5. Allowances and expenses;
6. Reporting requirements;
7. Accompanying persons' requirements.

Note: References to conferences should be taken as meaning conferences, study tours, seminars or conventions.

GUIDELINES FOR ATTENDANCE

The following guidelines are to be considered for any proposal for Elected Members to attend conferences:

1. The conference focuses on issues of importance to the TPRC.
2. The conference addresses important development industry issues, including;
 - Property and housing trends;
 - Liveable communities;
 - Innovations in property;
 - Planning and development of master planned communities;
 - Sustainability and best practice in residential development;
 - Planning for Cities of the future; and
 - Trends influencing building design and development.
3. The conference topics are integral to the TPRC objectives and related to the areas currently being contemplated in the Catalina Project.
4. The conference provides opportunities to visit significant projects interstate or internationally which are considered to have achieved excellence in urban design, best practice and innovation, sustainability and building design and development.
5. The conference is directly relevant to the TPRC activities and there would be benefits in Elected Members attending the conference.
6. The conference will assist Elected Members to develop and maintain skills and knowledge relevant to their role as a representative of the TPRC.
7. Funds are available for attending the conference from approved TPRC budget.

APPROVAL PROCESS

Elected Members nominating to attend a conference must address the guidelines in items 1 - 7 at a Council Meeting. Approval to attend a conference will be by the Council through a resolution passed at a Council Meeting.

ATTENDANCE

When it is considered desirable that the Council be represented at an interstate/international conference, up to a maximum of one Elected Member and one Employee may normally attend, unless otherwise approved by the Council.

Where an Elected Member, at the date of the conference, has an electoral term of less than six months to complete, such Elected Member shall be ineligible to attend, unless it is determined by the Council that attendance by the Elected Member would be of specific benefit to the Council and approval is granted by the Council.

TRAVEL

Airline travel within Australia and international airline travel of less than six hours duration (including planned stopovers) for Elected Members is to be booked at economy class. International airline travel of six hours duration or more (including planned stopovers) may be booked at business class.

Where essential, a hire car may be arranged for the conduct of Council business. Costs of bus, train, tram and taxi fares, vehicle hire and parking which are reasonable, required and incurred in attending conferences, will be reimbursed by the Council, on production of receipts.

BOOKING ARRANGEMENTS

Registration, travel and accommodation for Elected Members will be arranged through the TPRC Office. In general, all costs including airfares, registration fees and accommodation will be paid directly by the TPRC.

The TPRC will pay all normal registration costs that are charged by conference organisers for Elected Members, including those costs relating to official luncheons, dinners, tours/inspections and support activities that are relevant to the conference.

ACCOMMODATION

The Council will pay reasonable accommodation costs for Elected Members including the night before and/or after the conference where this is necessary because of travel and/or the conference timetable which make it unreasonable to arrive at or return home in normal working hours.

Accommodation shall normally be booked at the conference venue or, where unavailable, at a similar-rated accommodation in the vicinity of the conference.

EXPENSES TO BE REIMBURSED

An Elected Member attending a conference is entitled to be reimbursed for 'normally accepted' living costs while travelling. Such living costs would include, but are not limited to:

- Meals and refreshments for the Elected Member (that are not covered by the conference registration costs);
- Dry-cleaning and laundry expenses; and
- Reasonable telephone, internet and facsimile charges.

CASH ADVANCES ASSOCIATED WITH INTERSTATE AND OVERSEAS TRAVEL

A daily cash allowance in accordance with the Award (WAPSA) may be made for meals and incidental expenses. The administrative arrangements for managing the cash allowance will be the most appropriate to the circumstances, as determined by the Chief Executive Officer.

The daily cash allowance shall be paid to cover all reasonable incidental expenses associated with the conference attendance, such as:

- Reasonable telephone and/or facsimile use;
 - Breakfasts, lunches, dinners and other meals not included in the conference registration fee;
 - Laundry and dry-cleaning costs;
 - An optional activity specified in a conference program;
 - Train, bus, tram and taxi fares;
 - Bicycle hire costs;
 - Parking and toll fees;
 - Incidental expenses (e.g. newspapers, venue/exhibition entrance fees).
- (a) The daily expense allowance shall not cover:
- Any expenses or time occupied on matters other than Council business;
 - Entertainment costs outside those provided by the conference;
 - Meal claims where meals are provided at a conference.
- (b) Documentary evidence in the form of receipts is required for the acquittal of all advances.

The administrative arrangements for managing this will be the most appropriate to the circumstances in the view of the Chief Executive Officer.

ELECTED MEMBER/DELEGATE ACCOMPANYING PERSON

Where an Elected Member is accompanied at a conference, all costs for or incurred by the accompanying person, including, but not limited to, travel, breakfast, meals, registration and/or participation in any event programs, are to be borne by the Elected Member/accompanying person and not by the TPRC. The exception to the above being the cost of attending any official conference dinner where partners would normally attend.

REPORTS

Following attendance at conferences, study tours, seminars or conventions Elected Members are to circulate a report outlining benefits to them and the Council and containing any information or material of interest or relevance to Elected Members, within a period of six weeks following the event.