

Ordinary Meeting of Council

Thursday 16 February 2023

AGENDA

Notice of Meeting

Councillors of the Tamala Park Regional Council are advised that a meeting will be held on Thursday 16 February 2023 at 6:00pm at the City of Stirling, 25 Cedric Street, Stirling.



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 8 December 2022 be CONFIRMED as a true and accurate record of proceedings.

That the minutes of the Special Meeting of Council of 15 December 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 31 JANUARY 2023

Responsible Officer: Manager Project Coordination

Attachments: Landscaping Works Table

Voting Requirements: Simple Majority

RECOMMENDATION

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

PURPOSE

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

POLICY REFERENCE

N/A

LOCAL GOVERNMENT ACT/REGULATION

N/A

PREVIOUS MINUTES

N/A

FINANCIAL/BUDGET IMPLICATIONS

N/A

RISK MANAGEMENT IMPLICATIONS

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

The report provides information to ensure the 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 following tables detail the status of all current civil works stages. The highlights include:

- Achievement of practical completion of Stage 18C on 22 December 2022.
- Substantial progress made towards practical completion of Stage 36, with only the Neerabup Road slip lane and several wall piers and fencing panels to be completed (expected by 15 February 2023).
- Limited activity on site in the lead up to and immediately following the Christmas/New Year break. Activity has significantly scaled-up in the second half of January 2023.
- Programs for practical completion of Stages 29, 31 and 37 delayed by two to three weeks.
- Longbeach Promenade extension works to recommence 6 February 2023.

Stage 18C		28 lots	
Contractor Possession of Site		7 February 2022	
Original Practical Completion Date		4 July 2022	
Practical completion achieved		22 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	100	1	Complete
Power/Comms	100	10	Complete
Walls	100	0	Complete
Roads	100	20	Complete

Stage 29		43 lots	
Contractor Possession of Site		12 April 2022	
Original Practical Completion Date		16 September 2022	
Revised Practical Completion Date		31 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	50	10	In progress
Power/Comms	20	0	In progress
Walls	30	0	In progress
Roads	0	0	Commencing February 2023



Stage 28 civil works in progress

Stage 31			66 lots
Contractor Possession of Site			9 January 2023
Original Practical Completion Date			26 July 2023
Revised Practical Completion Date			15 August 2023
Construction Status			
Item	% Complete	Change since last report	Comments
Earthworks	0	0	Start delayed. To commence February 2023.
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			15 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 Road slip lane.
Water/Gas	100	1	Complete
Power/Comms	100	1	Complete
Walls	99	0	Several wall piers adjacent to POS still to complete.
Roads	99	4	Neerabup Road slip lane still to complete.



Stage 36 civil works nearing completion

Stage 37			48 lots
Contractor Possession of Site			30 September 2022
Original Practical Completion Date			3 March 2023
Revised Practical Completion Date			1 June 2023
Construction Status			
Item	% Complete	Change since last report	Comments
Earthworks	90	0	Substantially complete
Sewer	100	0	Complete
Drainage	60	0	Commenced
Water/Gas	0	0	
Power/Comms	0	0	
Walls	0	0	Commencement delayed by retaining wall block supply issues.
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 February 2022.	
Revised Practical Completion Date		11 May 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	

2. Landscaping Works - Status

The status of various landscape construction works in Catalina is summarised in the table contained in Appendix 8.1. The highlights are detailed below.

CATALINA BEACH

Portofino Promenade Extension

Landscaping works for the Portofino Promenade extension are substantially complete.



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 commence in February after drainage installations are completed. Practical completion is anticipated by late April 2023.

Foreshore Park

Landscape design drawings for a new park at the end of the Portofino Promenade extension and adjacent to the coastal conservation reserve are complete. Assessment of the drawings by the City of Wanneroo has been delayed due to urban water management plan considerations. The current program anticipates City of Wanneroo approval in March 2023, works commencing on site by June 2023 and completion in December 2023.

Longbeach Promenade Landscaping

Landscape and irrigation design currently underway, subject to civil works completion.

Stage 29 Landscaping

Design approved by City of Wanneroo and to be issued to landscaping contractor for pricing.

CATALINA CENTRAL

Connolly Drive/Aviator Boulevard Roundabout and Entry Statement

Landscape works for Connolly Drive, including the Connolly/Aviator Roundabout and entry statement were completed in late December 2022.



Connolly Drive landscaping works with Stage 36 civil works in background

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 commenced in January 2023 and are anticipated to be completed by the end of May 2023.

3. Housing Construction

The following table provides an overview of the current progress of housing construction to 31 January 2023. 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, 25A, 25B & 25DV.	852	887*	0	1
Stage 2	38	36	0	2
Stage 6C	10	9	1	0
Stage 16A	17	13	4	0
Stage 17B	36	34	2	0
Stage 18B	31	30	0	1
Stage 18C	28	0	0	28
Stage 25C	4	1	2	1
Stage 26	38	33	4	1
Stage 27A	20	10	8	2
Stage 27B	23	0	18	5

Stage 28	34	6	25	3
Stage 30	35	0	20	15
Stage 36	57	0	0	57
Total	1,223	1,059	84	116
Change since 30/11/22	0	+6	+2	-8

**Homes Completed includes 25 grouped and multiple dwellings constructed on a lot in Stage 1 and 13 grouped dwellings constructed on a lot in Stage 4.*

4. Catalina Green Commercial Centre

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 is finalising a Local Development Plan (LDP) to be submitted to the City of Wanneroo in early February 2023. The approval of the LDP by the City of Wanneroo is a requirement of the subdivision approval to create a title for this site.

Satterley and the TPRC office have been 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.

5. Sale of Lot 341 Rathmines Street

A tender for the sale of proposed Lot 341 Rathmines Street, located on the corner of Aviator Boulevard and Connolly Drive in Catalina Central was awarded by the Council on 29 September 2022 to Accord Property. The contract for sale has now been executed by both parties. Accord is currently undertaking due diligence and settlement is anticipated in August 2023.

6. Catalina Beach Display Village

An event is being planned to launch the new display village in Catalina Beach. Two display homes have already been completed and have opened to the public. Most of the remaining display homes are expected to be completed by May 2023. It is anticipated that the launch event will be held in late May 2023. Additional details will be provided in the Business Report to be presented to the April 2023 Council Meeting once arrangements are finalised.



Completed Display Home - Blueprint Homes

8.2 PROJECT FINANCIAL REPORT – DECEMBER 2022

Responsible Officer: Chief Executive Officer

Attachments: Letter from Satterley Property Group dated 24 January 2023 with Financial Report

Voting Requirements: Simple Majority

RECOMMENDATION

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

PURPOSE

To consider the Project Financial Report for December 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 December 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 Budget was reviewed throughout November 2022 and Council updated the budget at the December Council meeting.

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 December 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 December 2022 to 31 December 2022 and is attached at Appendix 8.2.

The Financial Report identifies the following main areas of variance (to be updated):

1. As tabled below, the overall financial position significantly exceeds budget projections.

	Projected Budget	Actual TYD (to Dec)	Variance
Revenue	12.3M	14.1M	1.8M
Expenditure	19.0M	10.2M	8.8M
Nett	(6.7M)	3.9M	10.6M

2. Residential settlement revenue for the year to 31 December 2022 is \$15.1M which is \$1.49M favourable due to three more settlements.
3. Expenditure is significantly under budget with the actual spend being \$8.8M below the revised December projection. The key variances are:
 - Lot Production (excl. Bonds) is \$5.07M under budget as works have been delayed and contract durations extended on various stages;
 - Landscaping is \$1.75M under budget due to delays in works and approvals for works not being achieved yet.
 - Infrastructure spend is \$412K underspent primarily due to savings in Connelly Drive works and delays in the 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 \$1.23M unfavourable to budget due to timing of payments;
 - P&L Expenditure is \$321 Under budget due to a variety of budget underspends.

The Satterley Financial Report provides detail on the variations.

8.3 STATEMENT OF FINANCIAL ACTIVITY FOR DECEMBER 2022

Responsible Officer: Chief Executive Officer

Attachments: 1. Statement of Financial Activity for December 2022
2. Investment Report for December 2022

Voting Requirements: Simple Majority

RECOMMENDATION

That the Council **RECEIVES** and **NOTES** the Statement of Financial Activity for the month ending 31 December 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 December 2022 exceeding 10% or \$5,000 (whichever is greater) were experienced in relation to the following:

Interest Earnings	The positive variance is a result of higher interest being yielded from TPRC Term Deposits
Other Revenue	The positive Variance (\$6K) relates to minor variances in relatively insignificant revenue accounts
Materials and Contracts	The positive variation (\$140K) relates to consultancy fees and timing of payments.
Non- cash Accounts excluded from operating activities	Favourable position relates to employee provisions that are yet to be transferred.
Payment of and from Member contributions	Both payments of and from member contributions are significantly below budget expectations due to project development works and sales rates being below expectations. The Nett position of these items remains favourable
Payments return of equity	The return on equity position for members is \$1.8M favourable due to land sales being higher and development expenses being lower than projected.
Payments for financial assets at amortised cost – non-current	\$18M relates to TPRC term deposits with Banks that have an expiry date post the end of the current FY.

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

Financial Snapshot as at 31 December 2022

	2022-23 Adopted BUDGET	2022-23 Budget YTD	2022-23 Actual YTD	Variance		Variance %
				Favourable	Unfavourable	
REVENUE	\$	\$	\$	\$	\$	%
Interest Earnings	890,426	445,213	507,005	61,792		13.88%
Other Revenue	22,939	11,472	5,713		(5,759)	-50.20%
	\$913,365	\$456,685	\$512,718	\$61,792	(\$5,759)	
LESS EXPENDITURE						
Depreciation	(43,510)	(21,755)	(21,755)			0.00%
Employee Costs	(737,937)	(369,272)	(358,492)	10,780		2.92%
Insurance	(21,952)	(21,952)	(19,596)	2,356		10.73%
Interest	(1,423)	(711)	(1,728)		(1,017)	-143.04%
Materials and Contracts	(380,310)	(213,377)	(139,691)	73,686		34.53%
Other	(171,255)	(85,628)	(80,288)	5,340		6.24%
Utilities	(6,829)	0	0			0.00%
Members Equity						
Income Sale of Lots - Subdivisions	60,156,539	26,839,466	14,911,608		(11,927,858)	-44.44%
Land Production Costs	(61,064,081)	(36,174,731)	(9,203,081)	26,971,650		74.56%
GST Withheld Member Councils	(4,165,673)	(2,467,770)	(1,056,790)	1,410,980		57.18%
Profit distribution/Contributions Returned	(20,485,534)	(10,000,000)	(11,812,872)		(1,812,872)	-18.13%
	(\$26,921,965)	(\$22,515,730)	(\$7,782,685)	\$28,474,792	(\$13,741,747)	
Total Change in Equity	(\$26,008,600)	(\$22,059,045)	(\$7,269,967)	\$28,536,584	(\$13,747,506)	

Statement of Financial Position as at, 31 December 2022

	Actual 2020-21 \$	Actual 2022-23 \$	Variance \$	Variance %
Current assets				
Cash and cash equivalents	52,296,465	45,277,643	(7,018,822)	-13.42%
Trade and other receivables	782,569	624,620	(157,949)	-20.18%
Total current assets	53,079,034	45,902,262	(7,176,772)	-13.5%
Non-current assets				
Inventories	1,600,000	1,600,000	0	0.00%
Right of use assets	149,716	132,739	(16,977)	-11.34%
Property, plant and equipment	36,311	31,534	(4,778)	-13.16%
Total non-current assets	1,786,027	1,764,272	(21,755)	-1.22%
Total assets	54,865,061	47,666,535	(7,198,526)	-13.12%
Current liabilities				
Trade and other payables	162,938	211,482	(48,544)	-29.79%
Lease Liabilities	31,760	15,988	15,772	49.66%
Provisions	21,788	72,753	(50,965)	-233.92%
Total current liabilities	216,485	300,222	(83,737)	-38.7%
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	420,609	(71,441)	-20.46%
Net assets	54,515,893	47,245,926	(7,269,967)	-13.34%

Investment Summary as at, 31 December 2022

Cash Accounts						
Face Value (\$)	Current Rate (%)	Institution	Credit Rating	Current Value (\$)	Deal No.	
3,062,955.38	3.0474%	Macquarie Bank	A+	3,062,955.38	541301	
3,062,955.38	3.0474%			3,062,955.38		

Term Deposits										
Maturity Date	Face Value (\$)	Current Rate (%)	Institution	Credit Rating	Purchase Price (\$)	Purchase Date	Current Value (\$)	Deal No.	Accrued Interest (\$)	Next Interest Date
Jan-23	1,000,000.00	0.8000%	Westpac Group	AA-	1,000,000.00	Jan-22	1,001,512.33	542266	1,512.33	Quarterly
Jan-23	1,000,000.00	0.8100%	Westpac Group	AA-	1,000,000.00	Jan-22	1,007,567.40	542269	7,567.40	At Maturity
Feb-23	1,000,000.00	1.0000%	Macquarie Bank	A+	1,000,000.00	Mar-22	1,008,301.37	542408	8,301.37	At Maturity
Feb-23	2,000,000.00	0.5200%	National Australia Bank	AA-	2,000,000.00	Aug-21	2,003,960.55	541745	3,960.55	Annually
Feb-23	1,000,000.00	0.9500%	Westpac Group	AA-	1,000,000.00	Feb-22	1,001,249.32	542340	1,249.32	Quarterly
Feb-23	1,000,000.00	0.9400%	Westpac Group	AA-	1,000,000.00	Feb-22	1,008,035.07	542373	8,035.07	At Maturity
Mar-23	3,000,000.00	1.0000%	National Australia Bank	AA-	3,000,000.00	Mar-22	3,024,575.34	542415	24,575.34	At Maturity
Mar-23	5,000,000.00	1.1100%	ANZ Banking Group	AA-	5,000,000.00	Mar-22	5,045,160.27	542425	45,160.27	At Maturity
Apr-23	1,000,000.00	4.0700%	Suncorp Bank	A+	1,000,000.00	Oct-22	1,008,474.52	543476	8,474.52	At Maturity
Apr-23	3,000,000.00	3.8900%	Westpac Group	AA-	3,000,000.00	Aug-22	3,044,441.92	543174	44,441.92	At Maturity
May-23	1,000,000.00	3.0500%	ME Bank	BBB+	1,000,000.00	May-22	1,019,636.99	542757	19,636.99	At Maturity
May-23	2,000,000.00	3.0300%	Commonwealth Bank of Australia	AA-	2,000,000.00	May-22	2,038,850.41	542772	38,850.41	At Maturity
Jun-23	3,000,000.00	3.8600%	Commonwealth Bank of Australia	AA-	3,000,000.00	Jul-22	3,056,789.59	542933	56,789.59	At Maturity
Jul-23	1,006,578.08	4.2000%	Suncorp Bank	A+	1,006,578.08	Nov-22	1,012,137.70	543545	5,559.62	At Maturity
Aug-23	2,000,000.00	4.6500%	AMP Bank	BBB	2,000,000.00	Nov-22	2,014,013.70	543519	14,013.70	At Maturity
Aug-23	3,000,000.00	4.6500%	AMP Bank	BBB	3,000,000.00	Nov-22	3,021,020.55	543520	21,020.55	At Maturity
Sep-23	3,012,115.07	4.8400%	Westpac Group	AA-	3,012,115.07	Sep-22	3,050,858.30	543396	38,743.23	At Maturity
Oct-23	3,000,000.00	4.5800%	Westpac Group	AA-	3,000,000.00	Oct-22	3,029,738.63	543474	29,738.63	At Maturity
	37,018,693.15	2.8720%			37,018,693.15		37,396,323.96		377,630.81	

Fixed Rate Bonds										
Maturity Date	Face Value (\$)	Current Rate (%)	Security Name	Credit Rating	Purchase Price (\$)	Purchase Date	Current Value (\$)	Deal No.	Accrued Interest (\$)	Purchase Yield
Jun-23	3,000,000.00	0.7000%	NT T-Corp Bond (Jun23) 0.70%	Aa3	3,000,000.00	Apr-21	3,011,506.85	541265	11,506.85	.70000%
	3,000,000.00	0.7000%			3,000,000.00		3,011,506.85		11,506.85	.7000%

8.4 LIST OF MONTHLY ACCOUNTS SUBMITTED FOR DECEMBER 2022

Responsible Officer: Chief Executive Officer

Attachments:

1. Summary Payment List - December 2022
2. CEO's Credit Card Report – December 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 December 2022:**
December 2022 - \$12,202,705.55
2. **APPROVES the CEO Credit Card Statement for December 2022.**

PURPOSE

Submission of payments made under the CEO's Delegated Authority for the month of December 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 December 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 31 JANUARY 2023

Responsible Officer: Manager Project Coordination

Attachments: Staging Plan

Voting Requirements: Simple Majority

RECOMMENDATION

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

PURPOSE

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

POLICY REFERENCE

N/A

LOCAL GOVERNMENT ACT/REGULATION

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

PREVIOUS MINUTES

N/A

FINANCIAL/BUDGET IMPLICATIONS

Income under this matter will be posted under item I145011 (Income on Lot Sales):

Budget Amount:	\$ 32,145,059
Received to Date:	\$ 16,329,459
Balance:	\$ 15,815,600

RISK MANAGEMENT IMPLICATIONS

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

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

BACKGROUND

The Sales and Settlement Report provides the Council with a status update of sales and settlements for the Project. The Staging Plan 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 31 January 2023.

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

Stage	Precinct	Release Date	Lots Released	Lot Sizes (m ²)	Sold	Stock	Settled
Completed Stages		-	1112	174 - 658	1112	0	1112
Stage 17 (Lot 341)	Central	Aug-21	1	6,907	1	0	0
Stage 18C (1)	Central	Sep-21	21	183 - 558	20	1	14
Stage 18C (2)	Central	Nov-21	4	150 – 155	4	0	2
Stage 18C (3)	Central	Mar-22	3	150-157	3	0	0
Stage 27A	Beach	Aug-20	12	225 - 450	12	0	12
Stage 29 (1)	Beach	May-22	14	315- 450	9	5	0
Stage 29 (2)	Beach	Sep-22	12	315- 470	5	7	0
Stage 30 (3)	Beach	Dec-21	9	375 - 450	8	1	8
Stage 36 (1)	Green	Oct-21	21	313 - 591	19	2	9
Stage 36 (2)	Green	Dec-21	14	300 - 450	11	2	6
Stage 36 (3)	Green	Feb-22	7	188 - 484	4	3	2
Stage 36 (4)	Green	Apr-22	5	313 - 410	5	1	4
Stage 36 (NC)	Green	Dec-21	1	20,000	1	0	0
Stage 37 (1)	Green	July-22	19	303-450	12	7	0
Total			1,255	150 – 20,000	1,226*	29	1,169
Change since 30 November 2022			+4		+8	-4	+17

* Includes three lots pending advertising and acceptance.

The Project currently has 57 lots under contract: 8 unconditional, 46 conditional and three 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	Dec	Jan	YTD	Feb	Mar	Apr	May	Jun	FYE 2023
Budget	7	2	6	0	8	8	8	39	8	8	8	8	8	79
Actual	7	2	6	0	1	2	5	23						
Variance	0	0	0	0	-7	-6	-3	-16						

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

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

28 sales contracts have cancelled to date in FYE 2023. Cancellations have been due to purchasers being declined finance approval, having been assessed by lenders as being unable to meet increasing building and borrowing costs. While 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. This cancellation rate currently sits at around 25% of gross sales.

Settlements

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

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

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	YTD	Feb	Mar	Apr	May	Jun	FYE 2023
Budget	10	6	2	1	12	17	12	60	12	6	3	15	14	110
Actual	10	6	2	1	22	10	6	57						
Variance	0	0	0	0	+10	-7	-1	-3						

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

Lot settlements in FYE 2023 are currently three less than budget. Most settlements achieved over the past three months have been for lots titled in Stages 18C and 36 on 28 October and 2 November 2022 respectively. Most of the remaining contracted stock in Stages 18C and 36 is expected to settle between February and April 2023. Settlements for Stage 29 lots are expected to commence in May 2023 following completion of construction and release of titles.

Available Stock

Current available stock is set out in Table 4.

Table 4: Summary of Available Stock – Catalina Estate

Stage	Precinct	Stock	Change since 30-Nov-22	Title Status	Anticipated Title Date
Stage 18C	Central	1	+1	Titled	N/A
Stage 29	Beach	12	-1	Untitled	April 2023
Stage 30	Beach	1	0	Titled	N/A
Stage 36	Green	8	+1	Titled	N/A
Stage 37	Green	7	-3	Untitled	July 2023
Total		29	-2		

The next sales release is expected to be the second release in Stage 37 of approximately 12 lots in mid-February 2023 to ensure a variety of lot sizes is available.

Northern Corridor Estates Analysis

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

Catalina’s available lots decreased by two to 29 lots between reporting periods, while competitors’ stock decreased by 17 lots (8.8% decrease). Catalina’s market share declined over the final three months of 2022, driven by the higher than normal cancellation rates and generally softer market conditions.

Table 5: Summary of Sales in Northern Corridor (January 2022 to December 2022)

ESTATE	January	February	March	April	May	June	July	August	September	October	November	December	12 Month Total Sales
Alkimos Beach (Alkimos)	2	7	11	6	2	8	-4	7	0	3	3	9	54
Alkimos Vista (Alkimos)	3	12	20	2	-2	12	5	1	3	1	3	3	63
Allara (Eglington)	2	5	13	13	6	7	-2	9	3	1	2	3	62
Amberton (Eglington)	4	10	5	17	9	14	23	16	20	33	14	4	169
Catalina (Clarkson Mindarie)	10	10	17	16	1	6	7	2	9	0	1	2	81
Eden Beach (Jindalee)	10	11	8	7	17	1	5	-3	-1	9	8	2	74
Elevale	3	8	5	1	9	6	2	4	4	19	-2	7	52
Jindowie Estate	1	11	20	-3	5	28	15	1	0	-3	6	6	87
Shorehaven (Alkimos)	4	2	7	10	12	3	4	9	2	6	5	3	67
Trinity (Alkimos)	2	5	10	10	11	8	8	8	5	2	9	13	91
TOTAL	41	81	116	79	70	93	63	54	45	71	49	38	800
CATALINA SHARE (%)	24.4 %	12.3 %	14.7 %	20.3 %	1.4 %	6.5 %	11.1 %	3.7 %	20.0 %	0%	2.0 %	5.3 %	10.1 %
Catalina Market Share January 2022 to December 2022													10.1%

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

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

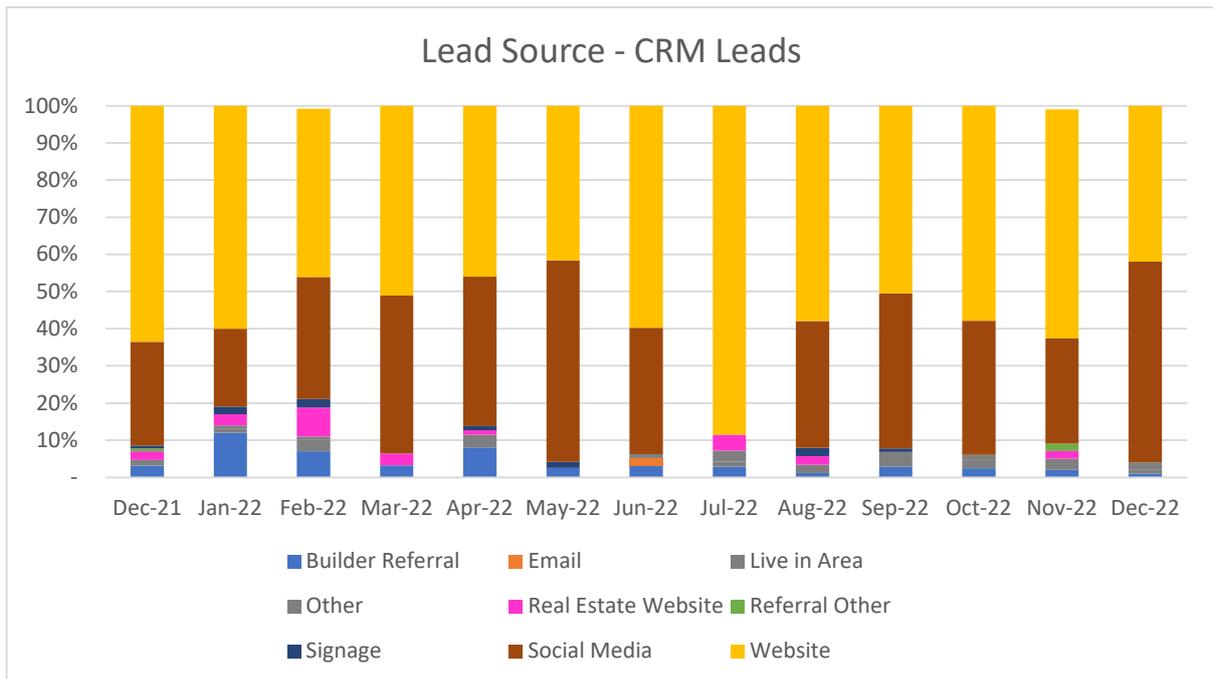
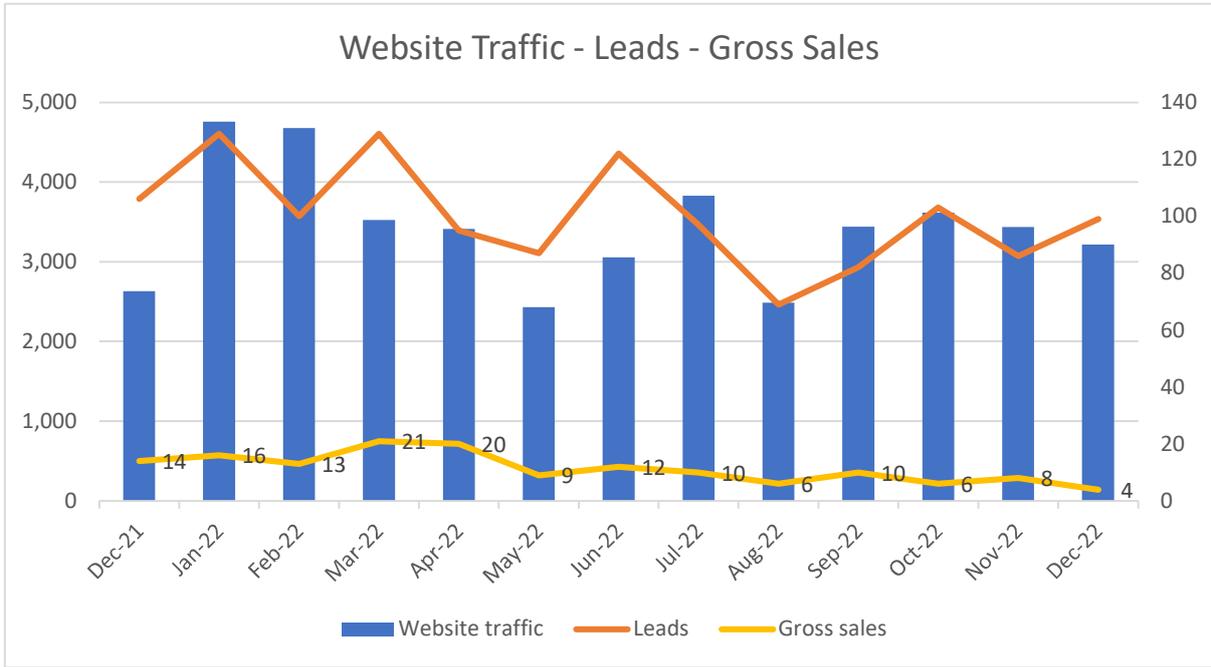
Estate	225sqm Price (\$)	300sqm Price (\$)	375sqm Price (\$)	450sqm Price (\$)	500sqm + Price (\$)	Total Dwellings	Available	Last Report
Allara	n/a	n/a	\$205,000	\$235,000	n/a	3,405	25	18
Alkimos Beach	n/a	\$230,000	\$255,000	\$285,000	n/a	2,413	28	24
Amberton	n/a	\$189,000	\$225,000	\$265,000	\$305,000	2,500	37	37
Banksia Grove	n/a	\$195,000	\$239,000	\$259,000	n/a	1,580	5	18
Catalina Central	n/a	n/a	n/a	n/a	n/a	2,480	0	0
Catalina Beach	n/a	\$370,000	\$405,000	\$480,000	n/a		14	14
Catalina Green	n/a	\$240,000	\$280,000	\$315,500	n/a		15	19
Eden Beach	n/a	\$245,000	315,000	\$423,000	n/a	1,100	14	29

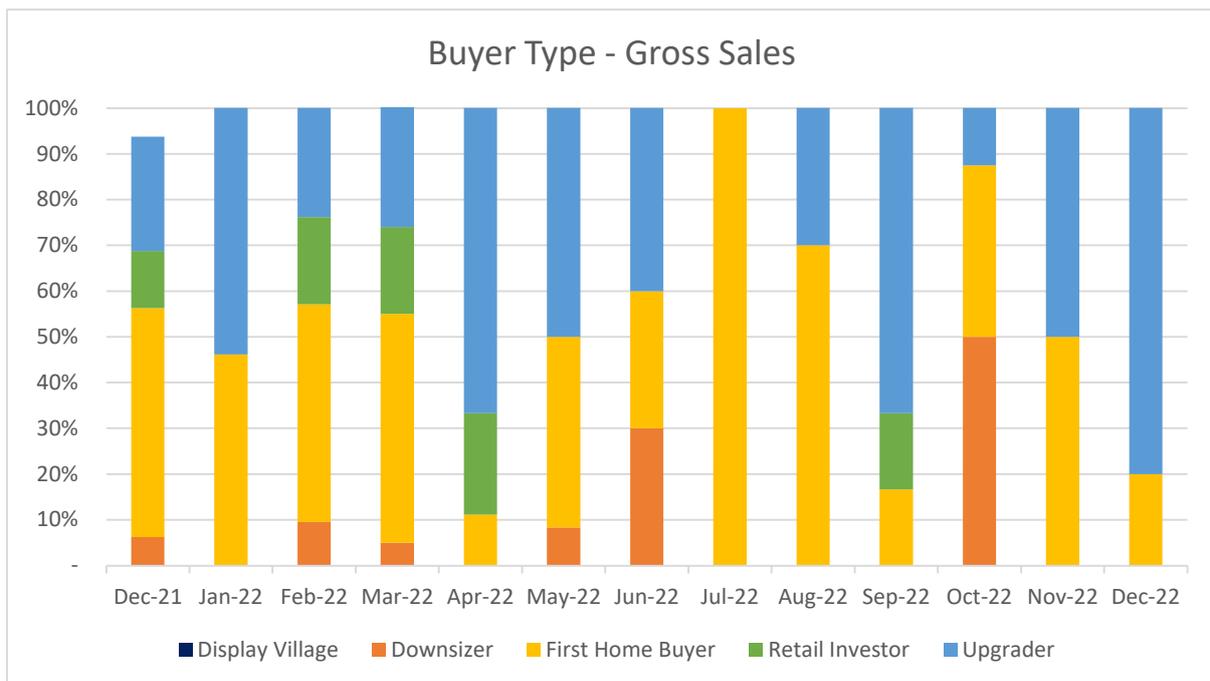
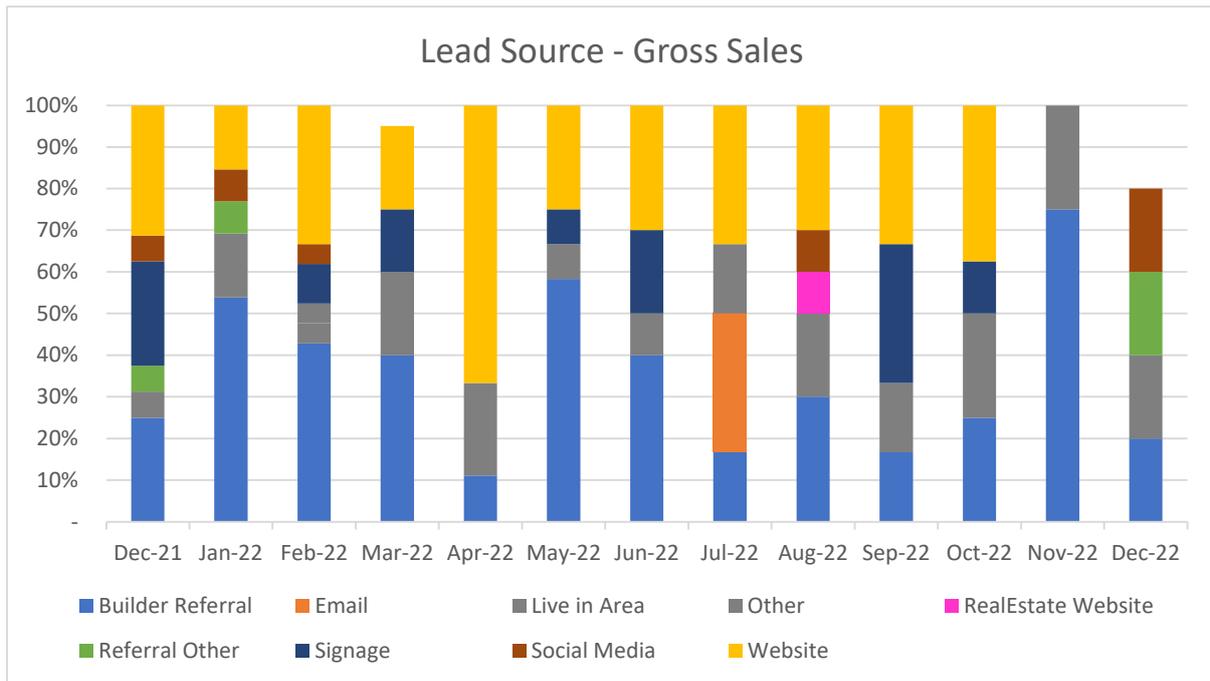
Agenda TPRC Ordinary Meeting of Council – 16 February 2023

Elevale	n/a	\$180,000	\$225,000	\$260,000	n/a	197	20	18
Jindowie	n/a	\$144,000	\$180,000	\$212,000	n/a	1,800	40	38
Shorehaven		\$265,000	\$287,000	n/a	n/a	2,800	9	15
Trinity	n/a	n/a	\$256,000	\$293,000	n/a	2,500	26	26
						Total	204	223

Marketing

Catalina’s website traffic remained steady in December 2022, with leads also remaining strong and consistent with figures from 12 months ago. Satterley advises that leads were particularly strong in late January 2023, with Catalina the best performer among all Satterley estates in terms of customer enquiry.





BUYER TYPE GROSS SALES	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22
Display Village	6%	-	-	-	-	-	-	-	-	-	-	-	-
Downsizer	6%	-	10%	5%	-	8%	30%	-	-	-	50%	-	-
First Home Buyer	50%	46%	48%	50%	11%	42%	30%	100%	70%	17%	38%	50%	20%
Retail Investor	13%	-	19%	19%	22%	-	-	-	-	17%	-	-	-
Upgrader	25%	54%	24%	35%	67%	50%	40%	-	30%	67%	13%	50%	80%

Satterley CRM Data 01/12/21 – 30/12/22

During the final quarter of 2022, there was a strong increase in leads from social media and those living in the area. Sales have been mostly driven by builder referral, website and those living in the local area, with sales coming from upgraders and first home buyers.

A signage strategy has been developed to support the new Display Village in Catalina Beach. Signage applications have been submitted to the City of Wanneroo. Temporary display village signage is being installed in the interim to promote the three new display homes already open to the public, with most of the remaining homes expected to be completed by May 2023.

A refresh of Catalina's sales and marketing assets is currently in progress. An estate and amenities photoshoot was undertaken in late January, with the photography to feature in new Catalina digital assets and the production of a new vision brochure and investor brochure.

Satterley has updated the Catalina Annual Marketing Plan FYE 2023, which is the subject of a separate report in Item 14.2 and contains additional marketing initiatives aimed at increasing buyer awareness of Catalina and sales leads.

8.6 CATALINA GREEN DEVELOPMENT STRATEGY

Responsible Officer: Manager Project Coordination

Attachments: 1. Catalina Grove (Green) Development Strategy (2020)
2. Satterley Advice on Review of Catalina Green Development Strategy (Letter dated 13 January 2023 and appended plans)

Voting Requirements: Simple Majority

RECOMMENDATION

That the Council:

1. **RECEIVES** the Satterley Property Group advice dated 13 January 2023 regarding its review of the Catalina Green Development Strategy.
 2. **SUPPORTS** the gravity-sewer option for Catalina Green, therefore amending the previous sewer strategy.
 3. **SUPPORTS** the updated Concept Plan and revised staging approach for the balance future development in Catalina Green - Option 1, as appended to Satterley's advice letter of 13 January 2023.
-

PURPOSE

To consider a review undertaken by Satterley Property Group (Satterley) of the development strategy for Catalina Green.

POLICY REFERENCE

N/A

LOCAL GOVERNMENT ACT/REGULATION

Nil

PREVIOUS MINUTES

- Council Meeting: 10 December (Item 8.12 – Catalina Grove Development Strategy – Additional Information)
- Council Meeting: 20 August 2020 (Item 9.6 – Catalina Grove Development Strategy)

FINANCIAL/BUDGET IMPLICATIONS

Expenditure under this matter will be incurred under item E145211 (Lot Production):

Budget Amount:	\$	17,768,713
Spent to Date:	\$	7,003,254
Balance:	\$	10,765,159

Financial implications are discussed under the heading Sewer Strategy.

RISK MANAGEMENT IMPLICATIONS

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

This report relates to a review of the development strategy for Catalina Green to ensure it provides a suitable guide for the development, marketing and sale of land.

BACKGROUND

At its meeting of 20 August 2020, the Council approved the Catalina Grove Development Strategy prepared by Satterley. Catalina Grove was subsequently renamed to Catalina Green.

The Strategy outlined guiding principles to inform the design and staging of development and the approach to marketing and sales and is contained in Appendix 8.6.

When it approved the Strategy, the Council also resolved to request that Satterley provide additional advice on the following matters prior to the first phase of development in Catalina Green:

- (a) Commencement of Sales – rationale for sales commencing prior to Phase 1 civil works and the Connolly Drive and Neerabup Road landscaping being completed;
- (b) Local Centre site – recommendations on the timing for the marketing, sale and development of the site;
- (c) Builders’ Display Village – seeking commitment from builders for the potential display village and interest in building demonstration housing, particularly the proposed micro-lots and terrace housing;
- (d) Lot sizes and configuration – further information, including market research, confirming market acceptance to the proposed lot sizes, particularly the proposed micro lots and terrace housing lots;
- (e) Marketing strategy - advice on the timing for the preparation of the marketing strategy, in particular detail on how the marketing approach will emphasise the precinct’s point of difference with the other Catalina precincts;
- (f) Preparation of Design Guidelines – advice on the timing for the preparation of the design guidelines;
- (g) Innovation/sustainability - advice on the timing for the preparation of information outlining the innovation/sustainability principles/approaches to be incorporated in the precinct.

Satterley’s advice on these matters was presented to the Council’s meeting of 10 December 2020. Central to the Strategy and Satterley’s subsequent advice was the intended staging of development. The first phase of development was identified to occur in the north-western corner of Catalina Green and comprise of approximately 140 lots including lots for a new builders’ display village and a site for development of a commercial centre, followed by phases of development in the north-eastern, south-western and eastern parts of the precinct (as shown on pages 17 to 20 of the Strategy document).

Since the Strategy was approved, the following development and sales progress has been achieved:

Stage 36

- 57 residential lots have been constructed and titled. As at 31 January 2023, 39 of these lots have been sold and 21 lots have been settled;
- A 2ha commercial site has been constructed and is currently pending the issue of the title and settlement of its sale to a contracted commercial centre developer;
- Development approval has been obtained to construct a builders' display village and associated carpark;
- A tender was called for expressions of interest from builders to construct display homes in the new village, but the level of interest registered has not warranted proceeding with the village's establishment at this stage.

Stage 37

Construction of 48 residential lots is currently in progress. As at 31 January 2023, 19 of these lots have been released for sale and 12 have been sold.

Stage 38

Engineering design for 36 residential lots has been completed and civil drawings are currently with the City of Wanneroo for assessment.

Public Open Space and Streetscapes

Landscaping along Neerabup Road and Connolly Drive, entry statements into Catalina Green from these roads and a new area of public open space adjacent to the intersection recently commenced.

The staging of development has been driven in part by the sewer strategy for Catalina Green and based on an assumption that acquisition of land adjacent to Mitchell Freeway from the Western Australian Planning Commission (WAPC) would be finalised within a reasonably short timeframe. Evolution of these matters since the approval of the development strategy for Catalina Green in August 2020, in addition to work undertaken to refine the development concept plan, has warranted a review of the Strategy to ensure it remains as a current and suitable guide for the delivery of development.

COMMENT

Satterley has undertaken a review of the Strategy and its advice dated 13 January 2023 is contained in Appendix 8.6 and discussed below.

WAPC Land Acquisition

Satterley has noted the following resolution of the Council at its meeting of 8 December 2022 to:

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 whereby Part Lot 711 is potentially developed as the final component of Catalina Green.*

Satterley has provided two options for revised staging of the next phases of development of Catalina Green, as contained in Appendix 8.6. Discussion on these options is provided later under the heading of Revised Development Staging.

Sewer Strategy

Satterley advises that the initial sewer design for Catalina Green was based on developing Stages 36, 37 and 38 with a gravity-fed connection to existing sewer infrastructure north of Catalina Estate and that subsequent development stages would require construction of a new wastewater pump station within a public open space (POS) area to be developed in the centre of Catalina Green. It was anticipated that the Council would need to design and construct the WWPS at its cost and later seek reimbursement for the cost (estimated at approximately \$2.4M) from the Water Corporation.

The Water Corporation has subsequently advised it would prefer that a new WWPS is not constructed given substantial ongoing operating and maintenance costs once established but has provided the Council the option of either constructing the WWPS or developing Catalina Green in a manner that would avoid the need for a new WWPS and instead gravity-feed to existing sewer infrastructure to the north of Catalina.

Satterley has assessed the costs and benefits of the respective options and recommends that the Council pursue the gravity sewer option on the basis of:

- An improved aesthetic outcome as it removes an unsightly WWPS being constructed within the central POS.
- Increasing the developable area of the Project by approximately 1,000m², representing an increased financial return of approximately \$700,000.
- The Project contributing to an improved sustainability outcome for the broader community in avoiding the cost of constructing and operating a WWPS.
- Reduced financial costs, complexity and potential time delays for the Project in not having to design, obtain approval and construct a WWPS and carry associated costs for two to three years until reimbursed.
- Utilisation of sand material existing on-site, avoiding the cost of transporting surplus material (potentially around \$800,000). While the gravity-fed option involves additional costs of approximately \$650,000 (mainly associated with additional earthworks and pipework to enable the gravity sewer to function), this cost offset by avoiding WWPS financing costs and surplus fill disposal costs and achieving increased developable area and improved aesthetic and sustainability outcomes.

It is noted that the gravity sewer option will also provide greater flexibility for staging subsequent stages of development.

Financial implications of the change to the sewer strategy are summarised in the following table and are based on preliminary estimates only:

Item	Financial implication
Cost of additional fill/earthworks, pipework and construction supervision associated with gravity option	+\$650,000 development costs*
Additional developable area (~ 1000m ² @ \$700/m ²)	+\$700,000 gross revenue
Interest earnings (bank interest earned on TPRC deposit funds that would otherwise have to be spent on design and construction of a WWPS, pending reimbursement by Water Corporation – assumes 5% interest on ~\$2.4M for 18 months)	+\$200,000 additional interest revenue
Cost saving in avoiding disposal of surplus soil	-\$800,000 development costs
Aesthetic benefit of no WWPS in POS	Intangible
Sustainability benefit of no WWPS for Water Corporation to operate and maintain	Intangible
Total Financial Benefit to Project	+\$1,050,000

*Satterley advises it would recommend that the Water Corporation be asked to contribute to \$290,000 of these costs.

While the Council has the option of maintaining the original sewer strategy and constructing a new WWPS, it is recommended that the Council support the alternative gravity sewer option for the reasons Satterley has advised.

Updated Concept Plan

Satterley advises that an updated Concept Plan for Catalina Green has been prepared with the aim of ensuring best practice design, realisation of the Council's strategic vision and objectives and creating a point of difference. Its advice contained in Appendix 8.6 compares the previous Concept Plan with the revised Concept Plan and notes six key design changes, including:

- Central POS – reduction in area of 1,000m² gained by removal of the WWPS, with a resulting improved road and lot layout and additional park-fronting lots.
- Additional linear POS – extension of the Greenlink to improve connectivity and enable creation of a landscaped walking trail linking the Greenlink to the Bush Forever site south of the Catalina Green and other areas of POS to be developed within the Estate.
- Removal of road reserve adjacent to POS – reduces development costs and improves passive surveillance between the POS and abutting lots.
- Replacement of road reserve with pedestrian access way – provides for retention of an existing tree surveyed as having high-retention value that will form part of the landscaped walking trail described in point 2 above.
- Road configuration change in south-west corner – reduced road cost and improved traffic safety, living environment and visual appeal from Connolly Drive.
- Road pavement variation along southern and eastern boundaries – introduction of meandering road to create points of interest, landscaping opportunities and the walking trail/circuit described in point 2 above and illustrated on the plan in Satterley's advice letter of 13 January 2023.

While the Council has the option of developing Catalina Green in accordance with the previous Concept Plan or another development layout altogether, it is considered that the updated Concept Plan will provide a suitable development outcome that will be consistent with its strategic objectives, particular in respect to achieving a minimum of 20% tree canopy, diverse and affordable housing types, an attractive and walkable community and convenient access to transport infrastructure.

Revised Development Staging

Satterley has provided two options for staging the balance future development area within Catalina Green. These options are described in Satterley's advice letter of 13 January 2023 and shown on the appended plans.

Option 1 involves undertaking development in the following order:

- Stage 38;
- Stage 39;
- Road to connect to Neerabup Road bus underpass to Clarkson train station;
- Stage 40;
- Stage 41;
- Stage 42;
- Stage 43;
- Stage 44;
- Stage 45.

Option 2 is similar to Option 1 but defers Stage 40 until after Stage 43.

The key difference between the two options and the approved Development Strategy is that Options 1 and 2 both defer development of the northern part of the Phase 2 area shown in the approved Strategy (shown as Stage 45 and the 'High Density sites subject to future planning' on the Options 1 and 2 plans) until after Stages 38 to 44 are complete. This effectively means commencing Phase 3 before completing all of Phase 2 under the approved Strategy. This will preserve the opportunity to ensure optimal development of the 'High Density sites subject to future planning' area given its strategic significant to the Project in the location closest to Clarkson train station.

Options 1 and 2 both retain the approved Development Strategy staging intent of developing the WAPC land last. Satterley advise that Option 1 will best manage the interface between development along the eastern side of the TPRC land and the WAPC land in the event there is a substantial delay in or prevention of access to the WAPC land.

Satterley recommends that the Council proceed with Option 1 on the basis that it provides the most efficient development layout from a planning, expenditure and marketing perspective. Option 1 is considered to be the preferred staging option for these reasons.

Display Village

As mentioned in the Background section, a tender was called for expressions of interest from builders to construct display homes in the area identified adjacent to Connolly Drive in Stage 36 for the development of a builders' display village, but the level of interest registered has not warranted proceeding with the village's establishment at this stage.

While consideration of the future display village has not been covered by Satterley's review of the development strategy for Catalina Green, Satterley advises it still considers the identified

location for the village to be suitable and its development is likely to be beneficial to the Project both in terms of showcasing the desired form of housing and to aid sales. Satterley has for several months been trying to encourage additional interest among builders to take up a lot in the display village but is yet to achieve sufficient interest. A report on whether to proceed with development of the display village will be presented to the Council's April 2023 meeting.

CONCLUSION

Development of Catalina Green is progressing well. The first half of the Phase 1 development area identified in the approved development strategy is complete and the second half is underway. Delay in acquiring the WAPC land, options for amending the sewer strategy and opportunities to refine the development Concept Plan for Catalina Green have warranted a review of the development strategy, which Satterley has undertaken, resulting in recommendations in respect to an amended approach to sewer planning, a revised Concept Plan and modifications to development staging.

Satterley's advice on these matters is considered to be sound and represent a logical approach. It is recommended that the Council receives Satterley's advice and supports:

- The gravity-sewer option, therefore amending the previously intended approach to sewer provision.
- The updated Concept Plan appended to Satterley's advice letter.
- The revised staging approach for the balance future development in Catalina Green – described as the Option 1 plan appended to Satterley's advice letter.

8.7 CATALINA BEACH CONCEPT PLAN

Responsible Officer: Manager Project Coordination

Attachments: 1. Catalina Beach Workshop Outcomes Plan (February 2020)
2. Catalina Beach Concept Plan (Niche Planning Studio Option 5b)

Voting Requirements: Simple Majority

RECOMMENDATION

That the Council **APPROVES** the use of the Catalina Beach Concept Plan (Niche Planning Studio Option 5b) to guide the planning and delivery of development of the Plan area.

PURPOSE

For the Council to consider the proposed revised Catalina Beach Concept Plan, as prepared by Niche Planning Studio (Option 5b) and recommended by the Satterley Property Group (Satterley).

POLICY REFERENCE

N/A

LOCAL GOVERNMENT ACT/REGULATION

Nil

PREVIOUS MINUTES

- Council Meeting – 20 February 2020 (Item 8.7 – Catalina Beach Phase 2 Concept Plan)
- Council Meeting – 5 December 2019 (Item 9.13 – Catalina Beach Phase 2 Concept Plan)

FINANCIAL/BUDGET IMPLICATIONS

Expenditure under this matter will be incurred under item E145211 (Lot Production):

Budget Amount:	\$ 17,768,413
Received to Date:	\$ 7,003,254
Balance:	\$ 10,765,159

RISK MANAGEMENT IMPLICATIONS

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

This report relates to a revised concept plan recommended by Satterley to guide planning and development of land in Catalina Beach.

BACKGROUND

Catalina Beach, by virtue of its proximity to the beachfront and Mindarie Marina, provides Catalina’s premium development product.

The first stages of subdivision in Catalina Beach (Stages 25 and 26), comprising 97 lots were completed during 2018 and 2019 and included the development of a Builders Display Village, Sales Office and park adjacent to entry to the precinct from Marmion Avenue/Portofino Promenade.

A review of planning for land to the west of Stages 25 and 26 was undertaken in late 2019 given the time that had passed since initial development concepts were approved by the Council several years earlier and changes that had occurred in market preferences.

In November 2019 Satterley recommended that the Council support an updated Concept Plan for Catalina Beach. At its meeting of 5 December 2019, the Council considered the Plan and resolved to defer consideration to enable the matter to be further considered as part of a Councillor Project tour and workshop.

The Project tour and workshop at Mindarie Marina was held on Saturday 1 February 2020, attended by Councillors, TPRC officers, Satterley representatives and Catalina Project Team urban designers. The aim was for Councillors to gain an appreciation of the Catalina Beach precinct and to determine the vision and design concepts, including key design principles, development concepts/designs, landscape approach and potential financial outcomes for the remaining parts of the precinct left to develop. The following workshop outcomes were agreed:

Subject	Outcomes
Density & Diversity	<ul style="list-style-type: none"> • No appetite for micro lots/apartments; • R30-R60 density throughout precinct, deal with lot types/configuration/controls at subdivision stage.
Landscape Areas	<ul style="list-style-type: none"> • Design for wider landscape areas along dual use path and corridors to improve amenity and facilitate tree planting; • Design to accommodate opportunities for pop-ups.
Road Network	<ul style="list-style-type: none"> • Endorsement of road network as proposed in Concept Plan.
Commercial Area	<ul style="list-style-type: none"> • Support for smaller local café facility to support cyclists/path users/locals; • Provide flexibility in Structure Plan for potential change to residential use; • Incorporate public toilets into design of local café facility; • Café to be integrated into park, with associated play equipment; • Design to support pop-ups; • Ensure sufficient car parking area and design to support commercial node; • Area adjacent to local café facility appropriate for terrace housing product.
Housing Adjoining Portofino Boulevard	<ul style="list-style-type: none"> • Support rear-loaded double storey housing on lots along Portofino Boulevard; • Boulevard designed to accommodate tree verge planting and encourage pedestrian/resident street interaction (being mindful of levels and disability access); • Mandate/incentivise double storey housing in the area to the rear of Portofino Boulevard.
Beach Access Path	<ul style="list-style-type: none"> • Provide safe cycle access and bike storage/security facilities; • Concern about potential lack of parking at beach but recognise constraints. Provide areas for increased parking in the future.

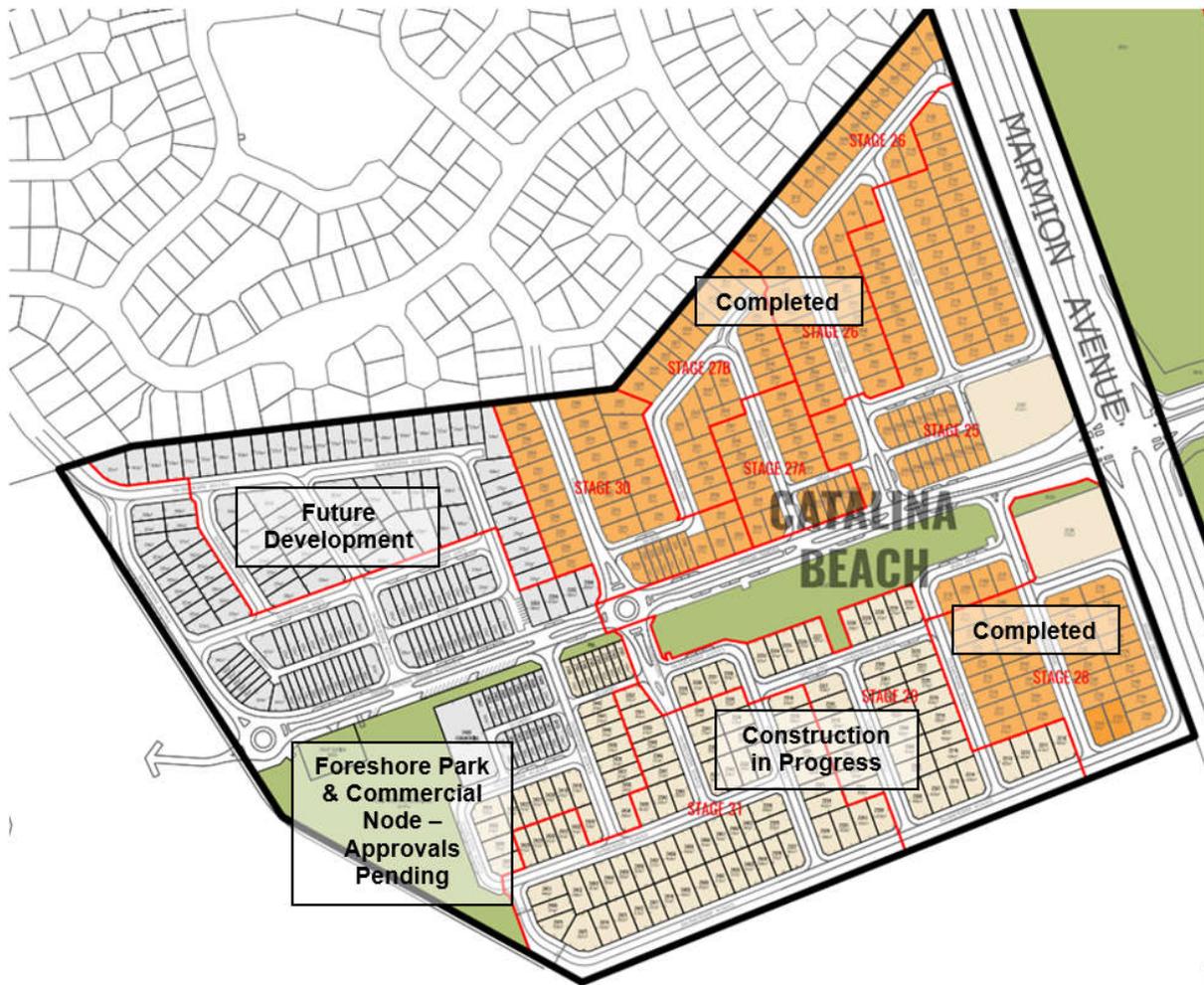
These outcomes were also detailed on a plan, which is incorporated in Appendix 8.7 and considered by the Council at its meeting held on 20 February 2020, where it resolved to:

1. *APPROVE the use of the Workshop Outcomes (Appendix 8.7, dated 1 February 2020) to guide the planning and delivery of a revised Concept Plan for Catalina Beach Phase 2.*
2. *ADVISE Satterley that the revised Concept Plan for Catalina Beach Phase 2, incorporating the Workshop Outcomes, is required to be resubmitted to Council for approval. This is to include a detailed economic assessment, particularly in respect to development costs, market analysis of the proposed lot sizes and configurations and selling costs (including purchaser incentives/rebates).*

The timing of consideration of the workshop outcomes plan was significant, as the onset of the COVID-19 pandemic followed soon after and in subsequent months the Project experienced a surge in demand for new lots fuelled by substantial Federal and State Government home building incentive grants. This prompted a significant escalation in the Project's construction program to capitalise on the high demand for lots. Annual Plans and Budgets approved by the Council over the past three years have continued to support extensive civil and landscape construction works and has seen the following development progress occur in Catalina Beach:

- Stage 27A – 20 lots (completed)
- Stage 27B – 23 lots (completed)
- Stage 28 – 34 lots (completed)
- Stage 29 – 43 lots (in progress)
- Stage 30 – 35 lots (completed)
- Stage 31 – 64 lots (commencing February 2023)
- Portofino Promenade road extension and landscaping (completed)
- Foreshore Access Road and Carparking and landscaping (completed)
- Longbeach Promenade road extension and landscaping (commenced)
- Stage 32 – 60 lots (approved for subdivision by the Western Australian Planning Commission in April 2022 – yet to commence detailed engineering design)
- Commercial node and 17 cottage lots south of Portofino Promenade and west of Stage 31 (application for subdivision submitted to Commission October 2022, pending approval)
- Foreshore Park south of Portofino Promenade (landscape design pending City approval)

This leaves only the land north of Portofino Promenade and west of Stage 30 that is not the subject of either a current subdivision approval or application pending approval. Satterley was requested to review the development concept for this land and provide advice on the preferred lot mix, sizes and configurations and development and selling costs, taking account of outcomes of the 2020 workshop and any changes that may have since occurred in respect to market conditions and preferences. Satterley's advice is the subject of the remainder of this report.



COMMENT

The revised Concept Plan, prepared for the land north of Portofino Promenade and west of Stage 30 is contained in Appendix 8.7. Satterley advises that the Plan has taken into account relevant outcomes from the February 2020 Council workshop as follows:

No.	Workshop 2020 comments	Response
1	Support for broader road and residential cell layout, including laneway product fronting Portofino Promenade.	Provided - design emphasises the importance of the Portofino Promenade streetscape.
2	Support for small local café facility to support cyclists, pedestrians and local residents. Reposition and reorientate to the west to improve interface and integration with park.	Provided - commercial lot proposed in Stage 32 on south of Portofino and adjacent foreshore park. Orientation of site updated to provide additional frontage to the park.
3	Provide additional terrace lots (rear loaded), east of commercial lot.	Provided - additional narrow, rear loaded lots are provided north and south of Portofino Promenade.
4	Review interface of dwellings on Long Beach Promenade to dunes at subdivision stage, including tree planting and potential verge treatments.	Allowed – detail can be refined at detailed design stage. Landscape design is currently being progressed along the interface of Longbeach Promenade to provide high standard landscape finish.

5	Review tree planting/landscaping with public domain (aligned with designated dual use paths).	Provided – landscape design consistent across Catalina Beach parks and makes consideration for interface with dual use path and connection the beach and cycleways.
6	Remove all R80 – R100 multi-generational maisonettes and micro-lots.	Maisonettes and micro lots have been removed from design. Development opportunities for grouped or multiple dwellings (R60/80) are provided in the two large corner lots. Site 1 - 1,525m ² and Site 2 – 1,075m ² .
7	Mandate two-storey dwellings fronting Portofino Promenade with incentives for two-storey for lots backing on to other side of laneway.	Allowed – two-storey mandates can be applied. Incentives to be reviewed closer to time of sale and market conditions.
8	Preference for Beach access path with cycle access and safe bike storage facilities.	Construction of beach access path completed and open to public.

114 lots are proposed in the revised Concept Plan, comprised of the following lot type:

Lot Type	No of Lots
Conventional residential lots	72
Terrace residential lots	40
Group housing sites - R60 / R80	2
Total	114

Satterley advises that the majority of lots are conventional sized, typically 12.5m x 30m (375m²) and 15m x 30m (450m²), which are the most popular in the current market and expected to have strong sales appeal. The revised Concept Plan also provides 40 rear-loaded ‘terrace’ lots. While sales interest in these lots is less than conventional lots, their inclusion promotes housing diversity and choice across Catalina. Further, the provision of the special sites ‘Site 1’ and ‘Site 2’ provide the opportunity for a further 20 to 30 dwelling units in a prominent location at Catalina Beach, which would further increase housing choice.

Satterley has undertaken a financial feasibility analysis for the development shown in the revised Concept Plan, which is summarised in the following table. It has compared anticipated development costs and returns for the revised Concept Plan against those anticipated from development undertaken in accordance with the November 2019 Concept Plan considered at the February 2020 workshop.

Catalina Beach Analysis - North of Portofino (Stages 33-35)				
CATEGORY	INPUT	REVISED PLAN	FY23 MID-YEAR BUDGET REVIEW	VARIANCE
<i>Residential lots (excl. group housing)</i>		114	139	(25)
<i>Residential saleable area</i>		42,648 m ²	44,590 m ²	(1,942 m ²)
<i>Commercial area</i>		2,601 m ²	-	2,601 m ²
Total saleable area		45,249 m²	44,590 m²	659 m²
<i>Avg. resi lot size</i>		374 m ²	321 m ²	53 m ²
UNESCALATED GROSS REVENUE				
Residential income		45,168,076	48,723,872	(3,555,797)
Commercial income	\$1,000 /m ²	2,601,000	-	2,601,000
TOTAL UNESCALATED GROSS REVENUE		47,769,076	48,723,872	(954,797)
DIRECT SELLING				
	<i>per lot</i>			
GST	4,545	754,636	631,818	(122,818)
Selling commission	2.10%	1,003,151	1,023,201	20,051
Project management	2.25%	1,074,804	1,096,287	21,483
Settlement fees	400	45,600	55,600	10,000
Rebates	12,800	1,459,200	1,779,200	320,000
TOTAL DIRECT SELLING COSTS		4,337,391	4,586,107	248,715
UNESCALATED CIVIL COSTS				
	<i>per lot</i>			
Bulk Earthworks and Civils		12,048,460	12,348,460	300,000
Headworks		801,600	801,600	-
Local Auth Sprvision & WC plng		86,900	86,900	-
Local Auth Scheme Costs		189,761	189,761	-
Western Power Fees		278,000	278,000	-
Engineering Consultants	3,650	416,141	507,400	91,259
Survey / Titles	1,200	136,800	166,800	30,000
TOTAL UNESCALATED CIVIL COSTS		13,957,662	14,378,921	421,259
TOTAL CONTRIBUTION TO PROFIT		29,474,022	29,758,845	(284,822)

Notes

- Analysis excludes any landscaping, project wide consulting, finance, administration and sales and marketing costs
- Sales rates and holding cost implications of differing yield not considered above

Satterley advises that the key points to note from the financial analysis are as follows:

- Reduction in yield (25 lots) is mainly driven by the removal of rear-loaded lots in the southwest corner of the Plan area and the inclusion of two grouped housing sites to accommodate housing diversity and provide a “landmark” development opportunity.
- New design improves net saleable area by 659m².
- Revenue assumptions for standard lot pricing is the same across both scenarios to enable a ‘like for like’ comparison. Additionally:
 - The new scenario assumes a gross return of \$1,000/m² for the two grouped housing sites. This is a significant discount to 180m² lots which have an assumed return of \$1,333/m². Recent sales evidence include a nearby Iluka development site (approximately \$1,000/m² for 2,019m² which sold in 2018 was used). There may be opportunity for uplift on this figure.
 - Both scenarios assume a 25% discount rate for lots larger than the standard lot sizes (375m² and 450m²). The new design results in a reduction in discounted land due to more uniform and efficient lot design, with potential upside in revenue across both standard lots and development sites.
- Cossill and Webley engineers has provided advice that as the road layout is generally consistent across both designs and that as overall length of road is relatively similar, costs should also be relatively similar.
- With the reduction in yield an approximate reduction in cost of \$6,000/lot has been applied driven by NBN, power and sewer connections along with anticipated reduction in wall, piers and stairs with the development sites incorporated.
- Engineering and survey costs have been adjusted in line with per lot assumptions.

- Potential further savings in civil costs subject to detailed cost estimates, with current estimate allowing contingency.
- Minor profit reduction (\$0.3M) with the revised Concept Plan.

Satterley advises that the revised Concept Plan is well-aligned with TPRC Strategic Community Plan objectives, including the following:

- Diverse housing options - revised plan provides more diversity than previous plan.
- High quality environmental management - consistent with previous plan.
- Connected community - revised plan provides improved connection/activation of commercial centre and park.
- Maximise financial returns - initial modelling indicates the revised plan has a marginally less favourable financial outcome than previous plan (~\$0.3m). The total contribution to profit decreased from \$29.8M to \$29.5M. Whilst noting this is an early-stage estimate, Satterley anticipates the final financial returns of this area to be neutral or above the current financial position due to:
 - Further design changes for more efficient saleable area on several standard lots. Anticipated sales rate uplift with more saleable product.
 - Reduction in project life cycle with reduction in yield.
 - Potential cost savings in construction to be refined in detailed design.
 - Opportunity for revenue uplift particularly on more premium lots as project draws to close out and “scarcity” becomes a factor.

Satterley recommends that the Council approve the revised Concept Plan for budgeting purposes and to guide subdivision design and applications for the balance of the land north of Portofino Promenade.

Council has several options in this respect, as follows:

- Option 1 – approve Satterley’s recommendation.
- Option 2 - Retain the concept design as is, noting that the projected financial return for the current design exceeds that of the revised design.
- Option 3 - Defer a decision on the revised Concept plan pending another site tour, noting that a decision on this matter is not urgent or critical.
- Option 4 - Defer consideration of the revised concept design and request that alternative options be presented that place greater focus on financial return, lot yield and/or lot diversity.

While all are valid options, it is recommended that the Council adopt Option 1 and approve the revised Concept Plan on the basis that it will provide for:

- More diverse housing types and therefore choice for buyers.
- Achievement of high-quality built form, particularly in the more visible locations where there are opportunities to create landmark development.
- An improved relationship between the commercial node and adjacent parkland.
- A robust road structure that reflects the Project area’s topographical characteristics, site boundaries and extent of development and allows for some modification to the configuration of lots within this structure to ensure lot types appeal to the market, while optimising financial returns.

CONCLUSION

Outcomes from consideration of the November 2019 Catalina Beach Concept Plan at the February 2020 Councillor workshop have guided the progression of subdivision and development of Catalina Beach over the past three years and have established it as a high-quality estate that has been well-received by the market.

It is timely that Council consider the revised Concept Plan for remaining land to develop north of Portofino Promenade to provide direction on budgeting and preparation of subdivision and development proposals for this area.

The revised Concept Plan is considered to provide a sound basis upon which to progress planning and development, given anticipated financial returns and consistency with the Council's strategic objectives. There is considered to be scope for some refinement of the Plan, particularly in respect to the re-configuration of some of the larger, unusually shaped lots in order to maximise returns and ensure quality design outcomes. Fundamentally however, the road structure is considered to be logical, robust and able to accommodate minor lot re-configurations as are considered desirable.

It is recommended that the Council approves the use of the Catalina Beach Concept Plan (Niche Planning Studio Option 5b, as contained in Appendix 8.7) to guide the planning and delivery of development of the Plan area.

8.8 REVIEW OF TAMALA PARK REGIONAL COUNCIL ESTABLISHMENT AGREEMENT

Responsible Officer:	Chief Executive Officer
Attachments:	1. Schedule of Amendments 2. Establishment Agreement with tracked change recommended amendments
Voting Requirements:	Simple Majority

RECOMMENDATION

That the Council:

1. **SUPPORT** modifying the Tamala Park Regional Council Establishment Agreement (EA) as detailed in Attachment 2 of this report.
 2. **REQUEST** that all Member Council's consider the proposed amendments to the EA.
 3. **Subject to all Member Councils supporting the changes to the EA, REQUEST** that the Minister for Local Government approve the proposed amendments to the agreement.
-

PURPOSE

To provide the Tamala Park Regional Council the opportunity to make a number of amendments to the TPRC Establishment Agreement (EA) which commenced in February 2006. These amendments:

1. Bring greater clarity to Participants around the Divestment process;
2. Create more realistic and achievable timelines for the Divestment process to take place;
3. Rename the regional council to Catalina Regional Council;
4. Remove references to payments and processes which have been completed;
5. Update and clarify terminology, legislative references and names of Member Councils.

POLICY REFERENCE

N/A

LOCAL GOVERNMENT ACT/REGULATION

- S3.65 (1) of the *Local Government Act 1995*
Establishment agreement, amendment of -
The participants may amend the establishment agreement for a regional local government by agreement made with the Minister's approval, and a reference in this Division to the establishment agreement includes a reference to the establishment agreement as so amended.
- TPRC Establishment Agreement 2006

PREVIOUS MINUTES

- 17 February 2022 Ordinary Council Meeting (Item 13.2 Sale of All or a Portion of TPRC Landholding)
- 19 August 2021 Ordinary Council Meeting (Item 8.14 Sale of TPRC Landholding)

FINANCIAL AND RESOURCE IMPLICATIONS

Nil

RISK MANAGEMENT IMPLICATIONS

RISK REF: 1	RISK RATING:
Strategic – Common Vision	Moderate
ACTION:	
Request each Participant pass a resolution agreeing to the amended Establishment Agreement.	

BACKGROUND

Section 3.62 (1) (b) of the *Local Government Act 1995* requires that a regional local government be established by an establishment agreement. Section 3.64 of the Act sets out what an establishment agreement must contain. An establishment agreement, and any subsequent amendments to an establishment agreement, require the approval of the Minister.

Tamala Park Regional Council's Establishment Agreement (EA) came into force on 3 February 2006 when it was proclaimed in the *Government Gazette*. All seven current Member Councils were signatories to the EA.

Recent discussions around the strategic direction and future of the Tamala Park Project have highlighted a number of limitations and administrative complexities arising from certain provisions of the current EA. It is considered prudent that Council considers amending the current EA to resolve the issues outlined in this report, and to provide a better governance framework for Member Councils to operate within.

The limitations of certain provisions of the current EA became apparent while Council was considering a number of items related to the strategic future of the Project over the past year and a half. Interest from outside sources in potentially acquiring some or all of the TPRC landholding prompted the TPRC to consider its adherence to the Objectives outlined in Clause 5 of the EA. The changing conditions of the property market gave the TPRC administration cause to consider whether it was currently meeting its obligations under Clause 5 (a)(i)-(iv) of the EA.

From June 2021 the TPRC took a number of steps to fully appraise Member Councils of the current status of the Project, and the number of options for its future. The chronology of these discussions and resolutions are set out in the timeline below:

Date	Action/Outcome
17/06/2021	<p>Report presented to Council advising of external interest in the TPRC landholding. Council resolved the following:</p> <p><i>[That the TPRC] request the CEO to provide a report on the process and resources necessary to guide its consideration of the potential sale of all/portion of the TPRC landholding and comply with legislative requirements, including obtaining an independent valuation of the Catalina landholding to ascertain current market value.</i></p>
15/07/2021	<p>Report presented to Management Committee meeting. This report considered the legal requirements, issues and processes associated with a potential sale of the TPRC landholding, or potential divestment of a participant's interests.</p>
19/08/2021	<p>Above Report presented to Council meeting, discussed and formally received.</p>
22/01/2022	<p>TPRC held Strategic Workshop for Councillors to consider valuation and strategic future of the Project.</p>
17/02/2022	<p>Council considered a further report which included a current valuation of the Project and an analysis of financial returns in a number of different scenarios. The report also considered the practical implications of some provisions within the EA.</p> <p>Council resolved to:</p> <p><i>NOTE the report and works within the Establishment Agreement Clause 12 to progress or not progress a sale of all or a portion of the Tamala Park landholding.</i></p> <p><i>INSTRUCT the CEO to undertake a series of workshops to assist member Councils in understanding the divestment options.</i></p> <p><i>REQUIRE that each member Council confirms in writing its position on possible divestment of its interest in the Tamala Park landholding by 29 April 2022.</i></p>
09/03/2022	<p>The TPRC CEO commenced holding Workshops with member Councils to discuss information presented at 22/01/2022 Strategic Workshop and consult on future options.</p>
21/03/2022	<p>As per Council resolution on 17/02/2022, the TPRC CEO wrote to all member Councils seeking a response to four questions:</p> <ol style="list-style-type: none"> <i>1. Are you interested in a full divestment of the TPRC landholding?</i> <i>2. Are you interested in a partial divestment of the TPRC landholding?</i> <i>3. Are you interested in acquiring another Participant Council's shareholding?</i> <i>4. Are you interested in selling your shareholding to another Participant Council?</i>
19/08/2022	<p>Council noted a report summarising the response from member Councils. At this point in time all but one member Council had provided a response.</p>
20/10/2022	<p>A report was presented to Council noting issues with certain provisions of the Establishment Agreement 2006. FAQ attached to provide further detail on the practical limitations associated with certain aspects of Clauses 11 and 12 of the EA.</p>

Limitations of the current Establishment Agreement

As a result of embarking on the process outlined in the table of chronology above, it has become apparent that certain provisions of the EA cannot be easily implemented. Timeframes listed in the EA pertaining to the necessary stages/steps required to undertake various transactions have proven to be impracticable to deliver in reality as modern due diligence, governance and local government decision making requirements require greater timeframes than those that are currently prescribed. The provisions of the following Clauses create timeframes which are unworkable:

- Clause 11.3: Permitted Notice Periods

Clause 11.2 requires any Participant wishing to withdraw to give notice to other Participants. Clause 11.3 sets out the formal notice period, where notice must be given within 28 days of four specific events:

- a) Acknowledgement of payment amount under the State Government's 'Bush Forever' policy;
- b) Final adoption date of the TPRC structure plan by the WA Planning Commission;
- c) Date TPRC adopts a detailed implementation plan for its land; and
- d) Completion date for audit of TPRC annual financial report, or 30 September, whichever occurs first.

The events outlined in a) – c) have already occurred and these subclauses are now redundant. The event in d) is still relevant, however it is now rare to complete the audit before 30 September. Therefore, in practical terms a Participant wishing to give notice under 11.3 would have until 28 October of that year to formally give notice. That Participant would **within 28 days** be required to:

- Request a valuation;
- Receive and consider the valuation and assess whether it is subject to the requirements of S3.59 of the *Local Government Act 1995*;
- Prepare a report for consideration by the member Council during its meeting cycle;
- Obtain a formal resolution from its Council to give notice; and
- Give formal notice under Clause 11.3 to Remaining Participants.

Given the timeframes required and the demands of the contemporary local government meeting cycle, Clause 11.3 becomes highly problematic. This provision is completely unworkable if a Business Plan is required under the S3.59 of the *Local Government Act* as that provision requires public advertising of the Business Plan for a minimum of 42 days.

- Clause 12.7: Valuation

The Divesting Participant can request the TPRC to arrange a valuation of the land **within 14 days**. The valuation requested will be complex in nature, given that it contemplates only the value of the Divesting Participant's share at that date. Given the complex nature of tenure and stage of development of the Catalina Estate, a comprehensive valuation of this nature cannot practically be completed within this timeframe.

- Clause 12.5: Acceptance among Remaining Participants

The current EA indicates that a formal notice issued by a Participant (under Clause 11.3) to Remaining Participants is taken to be an offer by the Participant to divest of their share of the landholding. From the date formal notice is given, Remaining Participants have **30 days** to accept the offer. If a Remaining Participant does not formally accept **within 30 days**, that share will be offered to those Remaining Participants who have formally accepted, in the proportion that the Remaining Participants currently hold a share of the TPRC landholding.

The timeframe of 30 days does not provide a sufficiently practical amount of time for Remaining Participants to seek independent valuations, work through governance and decision-making processes, and put a recommendation through the meeting cycle to achieve a formal resolution from Council accepting the offer made by the Divesting Participant.

- Clause 12.6: Payment

Remaining Participants are required to make payment for an offer accepted within **60 days** of formal acceptance. Failure to make payment within **90 days** risks termination of the sale.

The timeframes set out in the provisions of Clause 12.6 will be an important consideration for a Remaining Participant in determining whether to accept an offer from a Divesting Participant. Remaining Participants may have difficulty accessing funds to make payment, especially given that the timelines provided for in the EA would mean that the process would likely be playing out in the middle of the financial year. This may cause smaller local governments to miss out on acquiring a share due to budget constraints.

DETAILS / DISCUSSION

The Establishment Agreement was drafted in 2006, meaning it is currently 17 years old. The circumstances and objectives of Member Councils have accordingly changed over this time. Given the recent process has highlighted issues and flaws in the drafting of the Establishment Agreement, this presents an opportune time for the TPRC to consider sensible, practical amendments to the Establishment Agreement to improve its operation.

The TPRC administration have considered feedback received from member Councils during the consultation process when exploring the Project's strategic direction. This feedback, along with the identified shortcomings of certain Clauses of the EA, has informed the recommended amendments to the current EA contained the Schedule of Amendments in Attachment 1. These recommended amendments fall into three broad categories:

1. Those which seek to rectify some of the timeline issues identified earlier in this report.
2. Administrative amendments which remove references to outdated things or processes or are consequential amendments to be made as a result of those made in category 1.
3. Amendments which have been requested by member Councils through feedback.

Recommended Amendments to the Establishment Agreement 2006

A Schedule of Amendments summarising the recommended amendments and providing a brief rationale for the change can be found in Attachment 1. A more detailed explanation of the recommended amendments and how these will be implemented can be found below.

- Defined Terms

Add in a new term of Valuer to ensure clarity regarding who can undertake a valuation in the instance where land divestment is proposed.

- Background

The 'Background' section of the Establishment Agreement is required to be amended as a consequence of any other amendments being made to the EA. The specific amendments to the wording of paragraph C, and the addition of paragraphs D and E clarify that the amended 2023 version of the Establishment Agreement supersedes the 2006 EA, and that on the date on which the 2023 EA is proclaimed in the *Government Gazette* by the Minister, the 2006 EA ceases operation.

- *Clause 2: Name

It is recommended that the name of the regional council be amended to Catalina Regional Council. The proposed change will more accurately reflect the area this regional council represents, which is the Catalina Estate. The current name of this regional council leads to confusion with the Mindarie Regional Council, who are responsible for the Tamala Park Waste Facility. This has led to the TPRC administration fielding phone inquiries from the public regarding the Tamala Park Waste Facility which are intended for Mindarie Regional Council. Given the progress of the Catalina Estate Project there is no compelling reason for this regional council to retain the name Tamala Park. A change to Catalina Regional Council would give stakeholders a better understanding of the purpose and objectives of this regional council, and clearly delineate between ourselves and Mindarie Regional Council.

The change of name will have some minor administrative impacts for this regional council. The branding on the website, and on documentation such as correspondence, agendas and minutes will have to be replaced. If supported, the TPRC administration will develop a strategy to best manage the transition to the new name and branding in a cost-effective manner and report this back to Council.

- Clause 4: Regional Purpose

It is proposed that subclause (a) of Clause 4 be amended to remove the prescriptive language that currently exists. The proposed new language more accurately reflects the TPRC's objectives at this stage of the Project. It will also provide the TPRC with more flexibility in relation to development and sales options, such as the sale of englobo lots to third party developers. This will provide the TPRC with a broader range of options to maximise returns to member Councils as the Project progresses to its later stages. This will unlock the potential for variation and innovation in some of the development taking place within the Estate.

- Clause 11.1: Withdrawal

Clarification proposed to clarify that a Participant that Divests its interests in Land must also Withdraw from the TPRC.

- Clause 11.3: Permitted notice period

The current subclauses (a) – (c) are redundant as the transactions specified in these were completed several years ago. The proposed deletion of these subclauses and replacement with the wording '**may be given at any time**' is designed to give member Councils the flexibility to give formal notice of withdrawal and divestment at a time that is deemed appropriate by all Participants. This will increase the likelihood of a successful transaction and a smoother, less complicated divestment and withdrawal process. There is currently no clear rationale for the current provision for notice to be given within 28 days of the completion of the annual audit or September 30th of that year. As outlined earlier in this report, these provisions are too restrictive and are unworkable in practice.

- Clause 12.3: Notice

The proposed insertion of words/sub-clauses is intended to bring more transparency and structure to the divestment and withdrawal process. It places the onus on a Divesting Participant to present a timeline for the process to be completed and informs all Remaining Members of the valuation obtained by the Divesting Participant. The information contained in the formal notice given by the Withdrawing Participant will allow Remaining Participants to make a better-informed decision when consideration of the notice goes through the respective member Council's governance processes. It is hoped that the information provided in the notice will assist in expediting the decision-making process for Remaining Participants.

- Clause 12.4: Offer to Remaining Participants
The insertion of a new subclause (c) clarifies that an offer taken to be made by the Divesting Participant in Clause 12.3 is subject to the timelines specified in the formal notice given. This change ties Remaining Participants to commit to an agreed timeline for the completion of the process.
- Clause 12.5: Acceptance among Remaining Participants
The deletion of 'within 30 days of the notice being given to it' and the insertion of '**by the date referred to in 12.3(b)(iii)**' links an acceptance of the offer by the Remaining Participants to the timeframe stipulated in the notice specified in Clause 12.3. By clearly outlining the timeframe and important dates in the formal notice given by the Divesting Participant, it simplifies the process and provides a single reference point for all parties. A failure to respond or a response of non-acceptance by a Remaining Participant would activate the provisions made in subclauses (a) to (c) and the proposed new subclause (d).

It is further proposed to insert a new subclause (d), which stipulates that acceptance of the 'share' refused by a member Council must be accepted by those Remaining Participants who wish to accept within 30 days. This provides a reasonable timeframe for Remaining Participants to consider and accept the offer. In embarking on the divestment and withdrawal process initially member Councils should be aware of the possibility of accumulating further 'shares' from the Divesting Participant if there is a refusal from one of the Remaining Participants to acquire their share. Therefore 30 days is considered a reasonable period for consideration and acceptance.

- Clause 12.6: Payment
The EA currently indicates that a Divesting Participant may charge interest if payment from Remaining Participants is not made within 60 days of the offer being made. It is proposed to amend this provision to link payment deadlines (and associated interest accrual periods) to the date that Remaining Participants accept the offer rather than the date that the Divesting Participant makes the offer. This is considered more reasonable as, under current provisions, interest could potentially be accruing before there is acceptance of the offer.

Additionally, a new clause (12.6(d)) is proposed to be added into the Payment Clause. This proposed new clause notes that the payments made to the Divesting Participant by the Remaining Participants may be adjusted to reflect changes to status and/or ownership of the land that may have occurred between the date of Valuation and the date of acceptance of the offer.

The rationale for the inclusion of this clause is essentially to recognise that the Catalina Project is in a constant state of 'movement' with land being sold/settled semiregularly and development of the land (ie civil works, landscaping, etc.) occurring on a daily basis. As the offer and acceptance process for any potential divestment would take time, the financial consideration between the Divesting Participant and the Remaining Participants will need to consider adjustments to land status in the period post the Valuation process. The new proposed clause stipulates that any adjustments to price will consider the methodology used in the valuation obtained under 12.7 of this agreement.

Additionally, new provisions have been added that aim to ensure compliance with the LG Act provisions re validity of Valuations in the event that the process of divestment takes greater than six (6) months.

- Clause 12.7: Valuation

The proposed changes to the wording of subclauses (a) and (b) are intended to provide clarity around which party is responsible for the cost of the Valuation sought, and the timeframe for the Valuation to be received. Currently the subclause contains language that is ambiguous around who is responsible for the cost of the Valuation. The change makes it clear that the cost is borne by the Participant who is withdrawing from the organisation, not the TPRC.

The amendment to subclause (b) provides for a more realistic timeframe for a Withdrawing Participant to receive a valuation. The current provision requires a valuation to be obtained within 14 days. Recent experience by the TPRC indicates that valuations of this nature and type are particularly complex and that the 14 day timeframe is unrealistic.

Clarity is also proposed regarding the instructions that are to be given to the Valuer re the valuation process.

- Bush Forever

It is recommended that all references to Bush Forever throughout the EA be removed. All Bush Forever financial transactions pertaining to this agreement have been completed.

- TPRC references

If Council is in agreement with the proposed name change of the regional council, then all references to the TPRC will be amended.

- Details page

It is proposed to update the details of the Parties listed, with facsimile and the 'Attention' line deleted.

- Update of Terminology

It is proposed to remove all references to 'Chairman' and 'Deputy Chairman' and utilise more contemporary language of 'Chair' and 'Deputy Chair'.

- Insertion of Schedule 3

The insertion of a proposed new Schedule is necessary to record the date on which Participants resolved to accept the amended Establishment Agreement 2023.

CONCLUSION

While it has served its purpose, the current Tamala Park Regional Council Establishment Agreement (2006) is out of date. While the agreement framework remains relevant, some of the provisions are superfluous, not contemporary and/or impracticable to implement. It is proposed to update the agreement to modernise it and make it a more flexible, workable document for TPRC Members.

8.9 STATEMENT OF FINANCIAL ACTIVITY FOR JANUARY 2023

Responsible Officer: Chief Executive Officer

Attachments: 1. Statement of Financial Activity for January 2023
2. Investment Report for January 2023

Voting Requirements: Simple Majority

RECOMMENDATION

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

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

Interest Earnings	The positive variance is a result of higher interest being yielded from TPRC Term Deposits.
Materials and Contracts	The positive variation (\$100K) relates to consultancy fees and timing of payments.
Income Sale of Lots - Subdivisions	The negative position is due to sales not achieving budget targets. This is offset by a reduction in Lot Production Costs
Lot Production Costs	Significant underspend due to timing of works and unavailability of contractors, labour and materials
GST Withheld Member Councils	Saving relates to fewer settlements being achieved.

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

Financial Snapshot as at 31 January 2023

	2022-23	2022-23	2022-23	Variance		Variance
	Adopted BUDGET	Budget YTD	Actual YTD	Favourable	Unfavourable	
	\$	\$	\$	\$	\$	%
REVENUE						
Interest Earnings	890,426	519,415	606,737	87,322		16.81%
Other Revenue	22,939	13,384	5,714		(7,670)	-57.31%
	\$913,365	\$532,799	\$612,451	\$87,322	(\$7,670)	
LESS EXPENDITURE						
Depreciation	(43,510)	(25,381)	(25,381)			0.00%
Employee Costs	(737,937)	(436,379)	(408,209)	28,170		6.46%
Insurance	(21,952)	(21,952)	(19,596)	2,356		10.73%
Interest	(1,423)	(830)	(2,000)		(1,170)	-140.96%
Materials and Contracts	(380,310)	(240,655)	(139,829)	100,826		41.90%
Other	(171,255)	(86,482)	(81,119)	5,363		6.20%
Utilities	(6,829)	0	0			0.00%
Members Equity						
Income Sale of Lots - Subdivisions	60,156,539	28,475,879	16,331,532		(12,144,347)	-42.65%
Land Production Costs	(61,064,081)	(40,861,722)	(10,617,478)	30,244,244		74.02%
GST Withheld Member Councils	(4,165,673)	(2,787,507)	(1,157,380)	1,630,127		58.48%
Profit distribution/Contributions Returned	(20,485,534)	(10,000,000)	(11,812,872)		(1,812,872)	-18.13%
	(\$26,921,965)	(\$25,985,029)	(\$7,932,332)	\$32,011,086	(\$13,958,389)	
Total Change in Equity	(\$26,008,600)	(\$25,452,230)	(\$7,319,881)	\$32,098,408	(\$13,966,059)	

Statement of Financial Position as at 31 January 2023

	Actual 2021-22 \$	Actual 2022-23 \$	Variance \$	Variance %
Current assets				
Cash and cash equivalents	52,296,465	45,160,370	(7,136,095)	-13.65%
Trade and other receivables	782,569	639,088	(143,481)	-18.33%
Total current assets	53,079,034	45,799,458	(7,279,576)	-13.7%
Non-current assets				
Inventories	1,600,000	1,600,000	0	0.00%
Right of use assets	149,716	129,910	(19,806)	-13.23%
Property, plant and equipment	36,311	30,737	(5,574)	-15.35%
Total non-current assets	1,786,027	1,760,647	(25,380)	-1.42%
Total assets	54,865,061	47,560,105	(7,304,956)	-13.31%
Current liabilities				
Trade and other payables	162,938	157,610	5,328	3.27%
Lease Liabilities	31,760	13,343	18,417	57.99%
Provisions	21,788	72,753	(50,965)	-233.92%
Total current liabilities	216,485	243,706	(27,221)	-12.6%
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	364,093	(14,925)	-4.27%
Net assets	54,515,893	47,196,011	(7,319,881)	-13.43%

Investment Summary as at 31 January 2023

Cash Accounts						
	Face Value (\$)	Current Rate (%)	Institution	Credit Rating	Current Value (\$)	Deal No.
	3,071,630.58	3.3862%	Macquarie Bank	A+	3,071,630.58	541301
	3,071,630.58	3.3862%			3,071,630.58	

Term Deposits									
Maturity Date	Face Value (\$)	Current Rate (%)	Institution	Credit Rating	Purchase Price (\$)	Purchase Date	Current Value (\$)	Deal No.	Accrued Interest (\$)
Feb-23	1,000,000.00	1.0000%	Macquarie Bank	A+	1,000,000.00	Mar-22	1,009,150.68	542408	9,150.68
Feb-23	2,000,000.00	0.5200%	National Australia Bank	AA-	2,000,000.00	Aug-21	2,004,843.84	541745	4,843.84
Feb-23	1,000,000.00	0.9500%	Westpac Group	AA-	1,000,000.00	Feb-22	1,002,056.16	542340	2,056.16
Feb-23	1,000,000.00	0.9400%	Westpac Group	AA-	1,000,000.00	Feb-22	1,008,833.42	542373	8,833.42
Mar-23	3,000,000.00	1.0000%	National Australia Bank	AA-	3,000,000.00	Mar-22	3,027,123.29	542415	27,123.29
Mar-23	5,000,000.00	1.1100%	ANZ Banking Group	AA-	5,000,000.00	Mar-22	5,049,873.97	542425	49,873.97
Apr-23	1,000,000.00	4.0700%	Suncorp Bank	A+	1,000,000.00	Oct-22	1,011,931.23	543476	11,931.23
Apr-23	3,000,000.00	3.8900%	Westpac Group	AA-	3,000,000.00	Aug-22	3,054,353.42	543174	54,353.42
May-23	1,000,000.00	3.0500%	ME Bank	BBB+	1,000,000.00	May-22	1,022,227.40	542757	22,227.40
May-23	2,000,000.00	3.0300%	Commonwealth Bank of Australia	AA-	2,000,000.00	May-22	2,043,997.26	542772	43,997.26
Jun-23	3,000,000.00	3.8600%	Commonwealth Bank of Australia	AA-	3,000,000.00	Jul-22	3,066,624.66	542933	66,624.66
Jul-23	1,006,578.08	4.2000%	Suncorp Bank	A+	1,006,578.08	Nov-22	1,015,728.29	543545	9,150.21
Aug-23	2,000,000.00	4.6500%	AMP Bank	BBB	2,000,000.00	Nov-22	2,021,912.33	543519	21,912.33
Aug-23	3,000,000.00	4.6500%	AMP Bank	BBB	3,000,000.00	Nov-22	3,032,868.49	543520	32,868.49
Sep-23	3,012,115.07	4.8400%	Westpac Group	AA-	3,012,115.07	Sep-22	3,063,240.15	543396	51,125.08
Oct-23	3,000,000.00	4.5800%	Westpac Group	AA-	3,000,000.00	Oct-22	3,041,408.22	543474	41,408.22
Jan-24	2,000,000.00	4.4900%	Commonwealth Bank of Australia	AA-	2,000,000.00	Jan-23	2,001,968.22	543716	1,968.22
	37,018,693.15	3.0711%			37,018,693.15		37,478,141.03		459,447.88

Fixed Rate Bonds									
Maturity Date	Face Value (\$)	Current Rate (%)	Security Name	Credit Rating	Purchase Price (\$)	Purchase Date	Current Value (\$)	Deal No.	Accrued Interest (\$)
Jun-23	3,000,000.00	0.7000%	NT T-Corp Bond (Jun23) 0.70%	Aa3	3,000,000.00	Apr-21	3,013,290.41	541265	13,290.41
	3,000,000.00	0.7000%			3,000,000.00		3,013,290.41		13,290.41

8.10 LIST OF MONTHLY ACCOUNTS SUBMITTED FOR JANUARY 2023

Responsible Officer: Chief Executive Officer

Attachments:

1. Summary Payment List - January 2023
2. CEO's Credit Card Report – January 2023

Voting Requirements: Simple Majority

RECOMMENDATION

That the Council:

1. **RECEIVES and NOTES** the list of accounts paid under Delegated Authority to the CEO for January 2023:
 January 2023 - \$1,562,955.38
2. **APPROVES** the CEO Credit Card Statement for January 2023.

PURPOSE

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

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 January 2023 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.

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8.11 POLICY: PAYMENTS/GIFTS TO EMPLOYEES AND COUNCILLORS WHEN LEAVING THE TPRC

Responsible Officer:	Chief Executive Officer
Attachments:	Payments to Employees in Addition to a Contract or Award Policy – February 2023
Voting Requirements:	Simple Majority

RECOMMENDATION

That Council **APPROVES** the Payments to Employees in Addition to a Contract or Award Policy (February 2023).

PURPOSE

To:

- a) Address the requirement of s5.50 of the *Local Government Act 1995* which mandates the requirement to have a policy in relation to employees whose employment with the local government is finishing.
- b) Clarify/confirm the Council's position in relation to gifts for TPRC Councillors in the event of their retirement from Council (as per Reg 34AC of the *Local Government (Admin) Regulations*).

LOCAL GOVERNMENT ACT/REGULATIONS

S5.50 *Local Government Act 1995*: Payments to Employees in Addition to Contract or Award
A local government is to prepare a policy in relation to employees whose employment with the local government is finishing.

S5.100(A) *Local Government Act 1995*: Gifts to Councillors
A local government cannot give a gift to a council member unless (a) the gift is given in prescribed circumstances and the value of the gift is less than a prescribed amount.

S34AC. *Local Government (Administration) Regulations 1996* - Gifts to council members, when permitted etc.

(1) *The retirement of a council member who has served at least one full 4-year term of office is prescribed under section 5.100A(a) as circumstances in which a gift can be given to the council member.*

(2) *The amount of \$100 for each year served as a council member to a maximum of \$1,000 is prescribed under section 5.100A(b) in respect of a gift given to a council member in the circumstances set out in subregulation (1).*

PREVIOUS MINUTES

N/A.

FINANCIAL AND RESOURCE IMPLICATIONS

The Financial implications of the Draft Policy are not material to the overall budget of the TPRC.

RISK MANAGEMENT IMPLICATIONS

RISK REF: 7	RISK RATING:
TPRC Operations – Internal Controls	Low
ACTION:	
Management Policies and Procedures reviewed and approved by Council.	

BACKGROUND

Section 5.50 of the *Local Government Act 1995* requires local governments to prepare a policy in relation to employees whose employment with the local government is finishing. This policy must set out any payments in addition to the employee’s entitlements they are permitted to receive and the circumstances under which those payments may be made.

The TPRC does not currently have a policy on this matter. While not a pressing matter, a Draft Policy has been prepared for Council’s consideration to ensure compliance with the Act,

Additionally, Section 5.100(A) and associated Administration regulations outline the provisions regarding gifts to Councillors upon retirement. The regulations have some discretion in them regarding the value of the gift that can be provided. A Policy Position is recommended to clarify if/how the TPRC will provide gifts to retiring Councillors.

DETAILS / DISCUSSION

The Draft Policy seeks to cover a number of issues related to payments to employees and Councillors who are finishing employment with TPRC:

1. Voluntary severances and redundancies – the draft Policy, in conjunction with Regulation 19A of the *Local Government (Administration) Regulations 1996*, provides direction to the CEO on his authority to make additional payments to an employee leaving the TPRC in the circumstances outlined in the Policy.
2. Resignation gifts – the Draft Policy provides direction regarding presenting gift/s to an employee who resigns.
3. Purchase of equipment by employees – the Policy provides for the possibility that an employee who is leaving TPRC may purchase a mobile phone, laptop or other equipment that has been issued to them during the course of their employment. The purchase of such assets would be at the discretion of the CEO and only undertaken within agreed policy provisions.
4. Gifts to Council members who Retire – in accordance with the provisions of s5.100 of the Act and R34AC of the *Local Government (Administration) Regulations 1996*, the Draft Policy proposes to allow the TPRC to give a gift to a retiring Councillor who has served greater than four (4) years on the TPRC.

When formulating the Draft Policy a number of policies from member Councils were reviewed. The Draft TPRC Policy that has been drafted is considered to be ‘middle of the road’ when compared to other Local Government’s positions on these matters.

CONCLUSION

The *Local Government Act* and associated regulations require the development of a policy in relation to matters affecting staff when ending their employment with the Local Government. The TPRC does not currently have such a policy. The Draft Policy aims to meet the TPRC's statutory requirements, provide guidance to the CEO and provide a fair and reasonable reward/recognition for employees and Councillors who have served the TPRC.

8.12 CHANGE OF COUNCIL MEETING DATE - OCTOBER 2023

Responsible Officer: Chief Executive Officer

Attachments: Nil

Voting Requirements: Simple Majority

RECOMMENDATION

That the Council **APPROVE** that the October 2023 Ordinary Council meeting be held on 12 October 2023 at the City of Stirling at 6:00pm and that the meeting date be advertised as required by the *Local Government Act 1995*.

PURPOSE

To set the October 2023 Ordinary Council meeting date.

LOCAL GOVERNMENT ACT/REGULATION

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

PREVIOUS MINUTES

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

RISK MANAGEMENT IMPLICATIONS

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

BACKGROUND

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

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

At its meeting of 8 December 2022, the Council approved the schedule of Ordinary Council meeting and Management Committee meeting dates, locations and times for 2023. The date approved for the October 2023 Ordinary Council meeting was the 19th.

COMMENT

Due to the Local Government elections scheduled to be held on 21 October 2023, it is recommended that the October Ordinary Council meeting be held a week earlier than approved at the December 2022 meeting. The location and start time of the meeting would remain the same.

8.13 ADDITION OF MEMBERS TO THE MANAGEMENT COMMITTEE

Responsible Officer: Chief Executive Officer

Attachments: Nil

Voting Requirements: Absolute Majority

RECOMMENDATION

That Council **APPOINTS** the following members to the Management Committee **BY ABSOLUTE MAJORITY**:

1. Cr _____
 2. Cr _____
 3. Cr _____
-

PURPOSE

To appoint to the Management Committee any Councillor who wishes to participate.

POLICY REFERENCE

N/A

LOCAL GOVERNMENT ACT/REGULATION

S5.10 of the *Local Government Act 1995*

PREVIOUS MINUTES

TPRC Ordinary Meeting of Council – Thursday 8 December 2022

FINANCIAL AND RESOURCE IMPLICATIONS

Minimal – small update of documentation and contact lists required.

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.	

BACKGROUND

At a meeting held 19 August 2010, the TPRC approved the establishment of a Management Committee, comprising a minimum of six members.

At the Ordinary Council Meeting held 4 November 2021, Council resolved that the following Councillors be appointed to the Management Committee:

1. Cr John Chester
2. Cr Nige Jones
3. Cr Tony Krsticevic
4. Cr Suzanne Migdale
5. Cr Bianca Sandri
6. Cr Andres Timmermanis (*resigned from TPRC on 24 March 2022*)

At the Ordinary Council Meeting held 9 December 2021, Council resolved to appoint Cr Karlo Perkov to the Management Committee. Cr Perkov was subsequently elected the Deputy Chair of the Management Committee at its meeting held 17 March 2022.

The Management Committee currently comprises six Councillors, the minimum amount required. Of the six, four are City of Stirling Councillors, and two are City of Joondalup Councillors.

At the Ordinary Council Meeting held 8 December 2022, as part of Item 8.8 – Management Committee and Revised Council Meeting Schedule 2023, TPRC Executive put forward a proposal that the Management Committee be disbanded and replaced with Strategy and Project Advisory Meetings. During discussion on the Item Council clearly reaffirmed its preference for retaining the Management Committee. The rationale given was that the Committee presented an opportunity for Items to be discussed in a more detailed fashion before being presented to Council for formal adoption. As a result, Councillors will be better informed for Council meetings when dealing with Committee items. At the Meeting it was resolved that the Management Committee would be retained for 2023.

As a result of this discussion a number of Councillors indicated that they would be interested in joining the Management Committee. There is no limit to the number of members the Management Committee can have.

DETAILS / DISCUSSION

At present only two member Councils of TPRC have representation on the Management Committee (City of Stirling and City of Joondalup). The Committee currently has the minimum number of members permitted. This presents a risk of failing to achieve a quorum for meetings, especially those which have been scheduled to be in-person.

The Management Committee would benefit from a more diverse representation from TPRC's member Councils. A larger membership would also better mitigate the risk of not achieving quorum for meetings. A larger membership would also better facilitate discussion of items of a more strategic nature, meaning TPRC Councillors would be better engaged and informed prior to Ordinary Council Meetings. This would also mitigate against replicating debate and discussion on the same issues at both Committee and Council meetings.

The TPRC administration sent an email to all Councillors on 2 February 2023 inviting them to nominate to join the Management Committee. Those Councillors who responded to the email with a nomination have been included in the recommendation at the start of this report. Councillors will also have the opportunity to nominate for Management Committee at the Council Meeting when this Item is considered.

CONCLUSION

It is recommended that Councillors who are not currently a member of the Management Committee, but who are interested in joining, nominate themselves to join via the methods mentioned above.

9. COMMITTEE REPORTS

AUDIT and RISK COMMITTEE (13 FEBRUARY 2023)

The Audit and Risk Committee is scheduled to meet on 13 February 2023.

The Council will be updated on the recommendations of the Audit and Risk Committee at the Council meeting.

9.1 TPRC FYE 2023 BUDGET REVIEW

Responsible Officer:	Chief Executive Officer
Attachments:	Statement of Financial Activity; Statement of Surplus/Deficit; Statement of Closing Funds; and Budget Analysis Worksheet.
Voting Requirements:	Absolute Majority

AUDIT and RISK COMMITTEE RECOMMENDATION

Moved Cr, Seconded Cr.

That the Council ADOPTS the Budget Review with the variations for the period 1 July 2022 to 30 June 2023, as detailed in the Budget Analysis Worksheet attached to Appendix 9.1.

The Motion was put and declared CARRIED/NOT CARRIED.

PURPOSE

To consider the review of the TPRC Budget for the FYE 2022 financial year in accordance with the *Local Government (Financial Management) Regulations 1996*, Regulation 33A.

POLICY REFERENCE

N/A

LOCAL GOVERNMENT ACT/REGULATION

- *Local Government Act 1995*
- *Local Government (Financial Management) Regulations 1996: Reg 33A*

PREVIOUS MINUTES

- Council Meeting – 18 February 2022 (Item 8.1 – TPRC Budget FYE 2021 Review)
- Council Meeting – 18 February 2021 (Item 8.1 – TPRC Budget FYE 2021 Review)
- Council Meeting – 20 February 2020 (Item 9.1 – TPRC Budget 2018/2019 Review)

FINANCIAL/BUDGET IMPLICATIONS

Review of variances of TPRC Budget FYE 2023.

RISK MANAGEMENT IMPLICATIONS

Risk Ref: 8	Risk Rating:
TPRC Operations - Financial Management of TPRC	Low
Action:	
Annual Financial Review and Mid-Year Reviews independently prepared and approved by Council.	

The consideration of the Mid-Year Review of the TPRC Budget FYE 2023 is required under the *Local Government Act 1995* and necessary to ensure governance of financial activity and planning for the balance of FYE 2023.

BACKGROUND

A budget review is conducted annually by comparing actual revenue and expenditure as at 31 December to budget estimates and forecasting predicted revenue and expenditure to 30 June.

The *Local Government (Financial Management) Regulations 1996*, Regulation 33A, requires that a Regional Local Government conduct a budget review between 1 January and 31 March in each financial year. A copy of the review and determination is to be provided to the Department of Local Government, Sport and Cultural Industries within 30 days of the adoption of the review.

At its meeting of 18 August 2022, the Council resolved to adopt the Budget for the Tamala Park Regional Council for the year ending 30 June 2023 and adopted a 10% or \$5,000 variance whichever is the greater for the reporting of material variances identified in the annual budget review.

At its meeting of 8 December 2022, the Council considered the Mid-Year Review of the Catalina Project Budget FYE 2023 undertaken by the Satterley Property Group (Satterley). The Mid-Year Review of the Catalina Project Budget FYE 2023 indicated that assumptions and predictions in the Project Budget FYE 2023 were now too 'bullish' as the property market has changed significantly since the time when the budget was being devised. Higher interest rates coupled with higher build cost and low access to labour and materials is adversely affecting both sales rates and the progress of lot development. The Council resolved to receive the Satterley FYE 2023 Mid-Year Budget Review, which reduced both sales/settlements and lot development costs and resolved that the revised budget forecasts be used for the balance of the FYE 2023 and as the basis of the Mid-Year Review of the TPRC Budget FYE 2023.

In addition to the review of the Project Budget (TPRC financing activities) a review of the TPRC's Operating Budget has been undertaken. This review has identified further Nett Operating savings of approximately \$270K, due largely to higher interest income on TPRC investments and some lower projected expenditure on operational activities.

COMMENT

A review of the approved TPRC Budget FYE 2023 has been undertaken in accordance with the Financial Management Regulations. The TPRC budget review has been based on the Mid-Year Review of the Catalina Project Budget FYE 2023.

The review of the approved TPRC Budget FYE 2023 is considered to represent the current expectations for the property market outlook and revisions to the sales and settlement targets

and forecast expenditure are considered appropriate. It also is based on the latest sales/settlement information, construction program, and expenditure estimates.

The worksheets attached at Appendix 9.1 detail the actual expenditure, year to date, projected actual and expected variances. These are presented in a summary form below based on main groupings.

**TAMALA PARK REGIONAL COUNCIL
BUDGET REVIEW
2022-23**

	Annual Budget 2022/23	Projected Estimates to 30/06/2023	Variance Projected Estimates to Budget \$	Variance Projected Estimates as % of Budget
Total Income - Operating	913,365	1,113,819	200,454	21.95%
Total Expenses - Operating	(1,363,216)	(1,293,664)	69,552	5.10%
Net operating Deficit	(449,851)	(179,845)	270,006	60.02%
Income - Members Equity				
Proceed Sale of Lots	51,204,185	32,145,059	(19,059,126)	-37.22%
Other Income Sale of Lots	8,952,354	9,102,340	149,986	1.68%
Total Income - Members Equity	60,156,539	41,247,399	(18,909,140)	-31.43%
Expense - Members Equity				
Consultancy	(12,000)	(6,000)	6,000	50.00%
Property Admin & Approvals	(18,000)	(15,000)	3,000	16.67%
Mtce Services - Land (Incl. Selling and Marketing Expenses)	(6,388,185)	(5,101,759)	1,286,426	20.14%
Land Development Costs	(54,645,897)	(31,914,965)	22,730,932	41.60%
Total Expense - Members Equity	(61,064,082)	(37,037,724)	24,026,358	39.35%
Subtotal	(907,543)	4,209,675	5,117,218	563.85%
Other Items				
Contribution Refund	(485,534)	(485,534)	0	0.00%
Book Value of Assets Written Back	-	0	0	0.00%
Profit and Loss on disposal of asset	-	0	0	0.00%
Depreciation Written Back	43,510	43,510	0	0.00%
Payments for Principal Portion of Lease Liabilities	(33,576)	(33,576)	0	0.00%
Capital Expenditure	(5,000)	0	5,000	100.00%
GST Withheld Member Councils	(4,165,673)	(3,077,580)	1,088,093	26.12%
Profit Distributions	(20,000,000)	(20,000,000)	0	0.00%
Opening Surplus	52,899,172	52,894,309	(4,863)	-0.01%
Closing Net Surplus/ Deficit	26,895,505	33,370,959	6,475,454	24.08%

The material variances (10% or \$5,000 whichever is greater) to the TPRC Budget FYE 2023 are summarised as follows:

1. Total Income - Operating

Investment Income

Interest from investment was predicted to be \$0.89M for FYE 2023, however, interest earnings are now expected to be \$1.07M as a result of higher interest rates.

2. Income - Members Equity

Proceed Sale of Lots

Lot Sales Income was budgeted at \$34.57M, however, based on the Mid-Year Review of the Catalina Project Budget FYE 2023 and in light of the latest sales/settlement information, sales income is now forecast at \$33.76M. While FYE 2023 sales are lower than projected, a number of pre-purchased blocks from previous financial years are settling in the current financial year which is leading to a relatively positive financial result in a subdued sales market.

3. Expense - Members Equity

Land Development Costs

Land Development Costs are to decrease by \$24.02M due to the delays in the commencement and completion of infrastructure works, deferral of the proposed acquisition of WAPC land and realised savings for various stages of the Project.

4. Other Items

GST Withheld Member Councils

There is a \$1.08M variance to account for a decrease in withholding tax (GST) on the sale price of the lots, which is now remitted directly to the Australian Tax Office (ATO) by the purchaser as part of the settlement process. It should be noted that this GST is subsequently claimed by the Member local governments.

5. Closing Surplus 2023

The TPRC Budget for FYE 2023 forecast a closing net surplus of \$26.89M, the Mid-Year Review now forecasts a closing net surplus of \$33.37M which represents a \$6.47M positive variance.

6. Distributions to Participant Local Governments

The TPRC Budget FYE 2023 forecast a Distribution to the participant members totalling \$20M. This remains unchanged with the second \$10M distribution to members scheduled to be paid in April 2023.

CONCLUSION

The review of the TPRC FYE 2023 Budget indicates that the TPRC can meet all cashflow obligations for FYE 2023. To date there has been no call upon local authority funds to meet any operating or capital expenditure. This position is expected to continue in FYE 2023.

The assumptions used in the Budget Review process consider the current property market conditions along with the latest sales/settlement information, construction program and expenditure estimates. While the FYE 2023 Mid-Year Budget Review is considered to be an appropriate basis for financial planning for the TPRC for the remainder of FY23, it is considered to be ambitious and a stretch target in the current market conditions as prevailing sales and development conditions are challenging.

9.2 COMPLIANCE AUDIT RETURN FOR YEAR ENDED 31 DECEMBER 2022

Responsible Officer: Chief Executive Officer

Attachments: Compliance Audit Return for Tamala Park Regional Council 2022

Voting Requirements: Simple Majority

AUDIT and RISK COMMITTEE RECOMMENDATION

Moved Cr, Seconded Cr.

That the Council recommends the Compliance Audit Return for the Tamala Park Regional Council for the year ended 31 December 2022 be ADOPTED, RECORDED in the minutes, CERTIFIED and SENT to the Director General of the Department of Local Government, Sport and Cultural Industries, in accordance with the *Local Government Act and Regulations*.

The Motion was put and declared CARRIED/NOT CARRIED.

PURPOSE

To submit for adoption the TPRC Local Government Compliance report for the year ended 31 December 2022.

LOCAL GOVERNMENT ACT/REGULATION

- *Local Government Act 1995*: Section 7.13 Minister may require Compliance Audit
- *Local Government (Audit) Regulations 1996*: Regulation 13-15 Audit items and Procedure

PREVIOUS MINUTES

- Council Meeting – 17 February 2022 (Item 8.4 Compliance Audit Return 2021)
- Council Meeting – 18 February 2021 (Item 8.2 Local Government Compliance Audit 2020)
- Council Meeting – 20 February 2020 (Item 9.2 Local Government Compliance Audit 2019)

FINANCIAL AND RESOURCE IMPLICATIONS

Nil

RISK MANAGEMENT IMPLICATIONS

Risk Ref: 2	Risk Rating:
R2 Strategic - Stable and effective governance environment R7 TPRC Operations - Internal controls	Moderate
Action:	
Annual internal & external audits.	

The Compliance Audit Return is a key mechanism used by Local Governments and the DLGSC to regulate and self-assess compliance with legislation.

BACKGROUND

The Minister for Local Government has required that all Local Governments complete a Compliance Return in reference to the statutory obligations of Councils, Council Members, and the Local Government. The Compliance Return requires answers to specific questions, which seek performance answers and comments relative to specific provisions of the *Local Government Act* and Regulations.

The Compliance Return is one of the tools to assist Local Governments and the Minister to understand how the local government is functioning and to promote a minimum standard of response to the statutory obligations set down in legislation.

The Compliance Audit is to be:

- Conducted for the period 1 January to 31 December each year;
- Presented to the Council at a meeting of the Council;
- Adopted by the Council; and
- Recorded in the minutes of the meeting at which it is adopted.

A certified copy with the relevant section of the Council minutes and any additional information explaining or qualifying the Compliance Audit is to be submitted to the Director General (DLGSCI) by 31 March.

DETAILS / DISCUSSION

The Compliance Return (Appendix 9.2) comprises the following parts:

Topic	Number of Questions Asked
Commercial Enterprises by Local Governments	5
Delegation of Power/Duty	13
Disclosure of Interest	21
Disposal of Property	2
Elections	3
Finance	7
Integrated Planning and Reporting	3
Local Government Employees	5
Official Conduct	4
Optional Questions	9
Tenders for Providing Goods and Services	6
Total	78

The TPRC's Compliance Audit Return was undertaken by the Office Manager and the CEO as a self-assessment process. In all instances, evidence was sought to verify compliance. Some items mentioned in the Compliance Return are not relevant to operations of the TPRC for the review period. These have been noted 'N/A'. A summary of the level of compliance identified is tabled below:

Topic	Number of Questions Asked	TPRC in Compliance	Not Applicable to TPRC	Area where TPRC compliance could/should be improved
Commercial Enterprises by Local Governments	5	0	5	0
Delegation of Power/Duty	13	12	0	1
Disclosure of Interest	21	19	0	2
Disposal of Property	2	2	0	0
Elections	3	0	3	0
Finance	7	7	0	0
Integrated Planning and Reporting	3	3	0	0
Local Government Employees	5	5	0	0
Official Conduct	4	4	0	0
Optional Questions	9	9	0	0
Tenders for Providing Goods and Services	6	6	0	0
Total	78	67	8	3

The two items marked as Area where TPRC Compliance Could Should/Could be improved relate to the following:

LG Act Provision	Issue	Action
S5.44 (2) – Delegations from CEO to employee to be in writing	While the delegations to the Project Manager and Office Manager are documented in the Delegations Register and are understood by the individuals, they have not been formally given written notice of their Delegated authority level.	Letters to be sent to staff confirming Delegated Authority levels
S5.75 Admin Reg 22 – Designated employees are required to lodge Primary and Annual Returns	A definition of a designated employee includes an employee who has been delegated any powers under Division 4 – Local Government Employees. While very minor, the TPRC Office Manager has been granted delegated authority under Division 4 in the form of purchasing power through the provision of a corporate credit card (\$2K limit) to purchase incidental items for the TPRC. The Office Manager had not completed a Primary or Annual Return as they were unaware of the need/requirement to complete these forms.	Office Manager has subsequently completed a Primary and Annual Return.
S5.77 – Written acknowledgement of receipt of a primary or annual return must be provided	There were 20 primary and annual returns submitted during the audit term. 18 letters of acknowledgement were sent upon receipt.	Ensure all returns are acknowledged in writing as per the Act.

The TPRC Compliance Audit Return for the year ended 31 December 2022 is recommended for the Council’s adoption and referral to the Director General of the Department of Local Government, Sports and Cultural Industries, in accordance with the *Local Government Act* and Regulations.

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 items 14.1 – LANDSCAPE MAINTENANCE TENDER, 14.2 – UPDATED ANNUAL MARKETING PLAN and 14.3 – CHANGE OF KEY PERSONNEL come within the following provisions:

- 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))

And item 14.4 – CYBER SECURITY REVIEW comes within the follow provision:

- f) *a matter that if disclosed, could be reasonably expected to –*
 - ii) *endanger the security of the local government's property.*

15. FORMAL CLOSURE OF MEETING

APPENDICES

Appendix 8.1

LANDSCAPING WORKS STATUS – as at 31 January 2023

Landscape Works	FYE 2023 Budget	Detailed Design	City of Wanneroo Approval	Contract Sum	Construction Commencement	Anticipated Completion	Comments
Foreshore Access Road and Carpark	\$631,711	Complete	Issued	\$601,431	August 2021	Complete	Second stage of revegetation has been completed.
Portofino Promenade Extension	\$1,090,493	Complete	Issued	\$842,539	August 2022	End January 2022	Mulching to be completed.
Catalina Beach Park- Phase 2	\$702,722	Complete	Issued	\$465,239	January 2023	End April 2023	Landscaping works awarded to LD Total – commencing in January 2023.
Foreshore Park	\$4,577,070	Complete	Submitted	Pending pricing	April 2023	July 2023	Design finalised. Assessment by City of Wanneroo pending resolution of urban water management plan.
Connolly Drive/Aviator Blvd Roundabout and Entry Statement	\$1,096,856	Complete	Issued	1,054,663	September 2023	Complete	Practical completion achieved.
Aviator Boulevard Greenlink	\$2,445,259	Complete	Issued	\$1,559,711	June 2022	Complete	Practical completion achieved.
Catalina Green Phase 1 POS, streetscapes and entry Statements	\$3,027,226	Complete	Issued	\$2,727,930	January 2023	May 2023	Contract awarded to LD Total in December 2022 and construction is expected to commence in January 2023.
Long Beach Promenade landscaping	\$102,200	Underway	To be submitted	Pending pricing	Forecast July 2023	Forecast December 2023	Subject to civil works completion
Stage 29 buffer landscaping	\$120,325	Complete	Issued	Pending pricing	Forecast May 2023	Forecast June 2023	Issued for contractor pricing

Appendix 8.2

24 January 2023

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

Dear Chris

Catalina Financial Report for December 2022

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

YTD settlement revenue for FY2023 was \$15.1m which is \$1.49m favorable to the approved 'December 2022' budget due to 3 more settlements.

Year to date Sales for FYE2023 was \$6.1m and \$3.77m unfavourable to the approved "December 2022" budget due to 13 less residential sales.

Overall year to date cashflow for FYE2023 is \$10.58m favourable to budget per the approved 'December 2022' budget, with \$3.89m net cashflow against a budgeted net cash outflow of \$6.7m. The main areas of expenditure variances are summarised below:

- Lot Production (excl. Bonds) is \$5.07m under budget, noting the following variances:
 - Stages 36-37 Earthworks \$629k under budget due to savings;
 - Stage 18C \$580k under budget due to delayed works and extended contract duration;
 - Stage 27B \$78k under budget due to savings;
 - Stage 29 \$1.02m under budget due to delayed works and extended contract duration;
 - Stage 30 \$529k under budget due to savings;
 - Stage 31 \$13k under budget due to minor variances from delays of civil design;
 - Stage 36 \$1.93m under budget due to delayed works and extended contract duration;
 - Stage 37 \$257k under budget due to delayed works and extended contract duration;
 - Stage 38 \$38k under budget due to minor variances from delays of civil design;
- Landscaping is \$1.75m under budget, noting the following variances:
 - Preliminary landscaping consultancy \$105k under budget due to delayed designs and construction;
 - Environmental landscaping \$24k under budget due to minor timing variances;
 - Central Connolly Drive \$511k over budget due to works ahead of budget – overall costs in line with full year budget;
 - Central Green Link \$19k over budget due to minor timing variances;
 - Beach Portofino Verge South \$73k over budget due to minor timing variances;

Catalina Actual vs Budget Analysis

Tamala Park Cashflow FY2023		MONTH - December 2022		
Job Description	Account Description	MTH ACT Dec 2022	MTH BUD Dec 2022	Variance
REVENUE				
Settlements	Settlement revenue	2,725,000	3,908,333	(1,183,333)
Margin GST	Margin GST	(39,351)	(77,273)	37,921
Direct Selling Costs		(123,360)	(183,613)	60,252
Interest Income		1,414	0	1,414
Rebate Allowance		(16,375)	(90,626)	74,252
		2,547,328	3,556,822	(1,009,494)
LOT PRODUCTION				
Earthworks Stages 36-37	Siteworks / Earthworks	0	209,561	209,561
Total Earthworks Stage 36-37		0	209,561	209,561
Stage 18C	Siteworks / Earthworks	0	324,580	324,580
	Authorities Fees	0	0	0
	Direct Consultants	465	7,500	7,035
Total Stage 18C		465	332,080	331,615
Stage 27B	Siteworks / Earthworks	0	0	0
	Authorities Fees	0	70,685	70,685
	Direct Consultants	0	13,927	13,927
Total Stage 27B		0	84,611	84,611
Stage 29	Siteworks / Earthworks	0	356,209	356,209
	Authorities Fees	0	0	0
	Direct Consultants	5,528	7,067	1,540
Total Stage 29		5,528	363,276	357,748
Stage 30	Siteworks / Earthworks	0	171,568	171,568
	Authorities Fees	0	16,314	16,314
	Direct Consultants	0	2,188	2,188
Total Stage 30		0	190,069	190,069
Total Stage 31	Direct Consultants	3,546	22,041	18,494
Stage 36	Siteworks / Earthworks	0	970,119	970,119
	Authorities Fees	0	0	0
	Direct Consultants	1,135	9,916	8,781
Total Stage 36		1,135	980,035	978,900
Stage 37	Siteworks / Earthworks	0	448,129	448,129
	Authorities Fees	7,106	0	(7,106)
	Direct Consultants	7,900	18,129	10,229
Total Stage 37		15,006	466,258	451,252
Total Stage 38	Direct Consultants	27,378	21,942	(5,436)
Various Stages	Clearance Bonds	(205,520)	0	205,520
TOTAL LOT PRODUCTION		(152,462)	2,669,874	2,822,336
LANDSCAPING				
Preliminary Landscaping Consultancy	Landscape Consulting	5,000		61,522
Environmental Landscaping	Landscape Construction	0	8,962	8,962
Central Connolly Drive	Landscape Construction	950,006	219,371	(730,635)

YEAR TO DATE - December 2022		
YTD ACT Dec 2022	YTD BUD Dec 2022	Variance
15,097,000	13,611,168	1,485,832
(187,466)	(201,202)	13,737
(681,191)	(615,286)	(65,905)
2,072	658	1,414
(146,452)	(472,463)	326,011
14,083,963	12,322,874	1,761,090
0	628,684	628,684
0	628,684	628,684
764,492	1,327,286	562,794
226,406	225,587	(820)
18,935	37,307	18,372
1,009,834	1,590,180	580,346
55,817	45,000	(10,818)
0	70,685	70,685
1,250	19,311	18,061
57,067	134,995	77,928
839,375	1,855,493	1,016,118
18,908	0	(18,908)
26,271	48,692	22,422
884,554	1,904,185	1,019,632
71,637	577,810	506,173
0	16,314	16,314
20,437	26,860	6,423
92,074	620,984	528,910
140,313	153,243	12,929
140,313	153,243	12,929
2,175,952	3,760,413	1,584,461
351,039	682,544	331,505
53,160	64,451	11,291
2,580,150	4,507,408	1,927,257
171,939	448,129	276,190
7,639	533	(7,106)
119,403	106,890	(12,513)
298,981	555,552	256,571
29,398	67,847	38,449
29,398	67,847	38,449
1,620,591	2,848,644	1,228,053
6,712,963	13,011,721	6,298,758

Bud Comparison: Dec 22 Approved	
Comments regarding variance	
51 settlements YTD ex GST Margin scheme. GST Margin as detailed in Burgess Rawson valuations Includes Commission and Management Fees Penalty interest income on settlements Construction Recycling, Fencing, Landscape, Shared Bore, Solar, and Display Builder Rebates	
under budget due to completed contract value being below budget. Savings to be relected in next budget update	
under budget YTD due to delayed works and extended contract duration. YTD budget vs act to noramalise over coming months , minor savings anticipated	
under budget due to completed contract value being below budget. Savings to be relected in next budget update	
under budget YTD due to delayed works and extended contract duration. YTD budget vs act to noramalise over coming months , minor savings anticipated	
under budget due to completed contract value being below budget. Savings to be relected in next budget update	
under budget YTD due to delayed works and extended contract duration. YTD budget vs act to noramalise over coming months, savings anticipated	
under budget YTD due to delayed works and extended contract duration. YTD budget vs act to noramalise over coming months, minor savings anticipated	
minor variance with delays in engineering design	
Within budget	
under budget as direct result of delayed designs and construction	
shown as above budgte as budget transferred from 140-80-226, YTD costs in line with FY23 budget of \$1.1m	

Catalina Actual vs Budget Analysis

Tamala Park Cashflow FY2023		MONTH - December 2022		
Job Description	Account Description	MTH ACT Dec 2022	MTH BUD Dec 2022	Variance
INFRASTRUCTURE				
Connolly Drive Aviator Blvd Intersection		0	75,000	75,000
Foreshore Access Road		0	0	0
Portofino Extension		0	22,500	22,500
Portofino Extension		0	20,351	20,351
Longreach Prom Extension		0	162,443	162,443
Longreach Prom Extension		0	5,075	5,075
Rubbish removal - General Allowance		0	7,483	7,483
INFRASTRUCTURE		0	292,852	292,852
INFRASTRUCTURE REFUNDS				
TOTAL INFRASTRUCTURE		0	292,852	292,852
SPECIAL SITES & FIXED ASSETS				
Stage 17B GHS - Lot 341		0	0	0
TOTAL SPECIAL SITES & FIXED ASSETS		0	32,833	32,833
TOTAL CONSTRUCTION		1,264,082	3,856,236	2,592,154
LAND				
PROFIT & LOSS EXPENDITURE		0	0	0
Sales & Marketing				
Brand Development		0	5,167	5,167
Sales Office & Builder Rel.		0	15,517	15,517
Brochures		0	4,133	4,133
Advertising		12,634	12,675	41
Signage		6,914	10,005	3,091
Website		0	1,770	1,770
Promotions		0	1,111	1,111
Public Relations		0	2,222	2,222
Sales & Mktg Contingency		0	0	0
Giveaway Homes		0	0	0
Total Sales and Marketing		19,548	52,601	33,053
Total Community Development	Comm Dev - Resident Dev	11,942	15,395	3,453

YEAR TO DATE - December 2022		
YTD ACT Dec 2022	YTD BUD Dec 2022	Variance
0	225,000	225,000
1,193	0	(1,193)
3,990	22,500	18,510
41,023	20,351	(20,672)
500	162,943	162,443
0	5,075	5,075
0	22,448	22,448
46,707	458,317	411,610
46,707	458,317	411,610
1,196	0	(1,196)
1,196	32,833	31,637
2,393	32,833	30,440
9,662,716	18,165,918	8,503,202
0	0	0
3,875	19,000	15,125
346	46,897	46,552
5,355	17,200	11,845
61,906	51,953	(9,953)
48,611	69,967	21,356
10,976	9,379	(1,597)
0	3,333	3,333
0	6,667	6,667
0	0	0
0	0	0
131,068	224,396	93,328
27,250	57,629	30,379

Bud Comparison: Dec 22 Approved	
Comments regarding variance	
under budget due to completed contract value being below budget. Savings to be reflected in next budget update	
under budget due to delays on site	
Within budget	

1.0 Management Accounts

1.1 KEY STATISTICS

1.1.1 RESIDENTIAL LOTS & DISTRIBUTIONS								
	<u>Lots Produced (titles)</u>		<u>Sales</u>		<u>Settlements</u>		<u>Distributions</u>	
	<u>Actual</u>	<u>Budget</u> (Dec-22)	<u>Actual</u>	<u>Budget</u> (Dec-22)	<u>Actual</u>	<u>Budget</u> (Dec-22)	<u>Actual</u>	<u>Budget</u> (Dec-22)
Prior Years	1,138	1,138	1,200	1,200	1,112	1,112	97,000,000	97,000,000
Jul-2022	-	-	8	7	10	10	-	-
Aug-2022	-	-	2	2	6	6	-	-
Sep-2022	-	-	6	6	2	2	-	-
Sep Qtr	-	-	16	15	18	18	-	-
Oct-2022	28	28	-	-	1	1	-	-
Nov-2022	57	48	5	8	22	12	-	-
Dec-2022	-	-	(2)	8	10	17	10,000,000	10,000,000
Dec Qtr	85	76	3	16	33	30	10,000,000	10,000,000
Jan-2023	-	-	-	8	-	12	-	-
Feb-2023	-	-	-	8	-	12	-	-
Mar-2023	-	-	-	8	-	6	-	-
Mar Qtr	-	-	-	24	-	30	-	-
Apr-2023	-	91	-	8	-	3	-	-
May-2023	-	-	-	8	-	15	-	-
Jun-2023	-	-	-	8	-	14	-	10,000,000
Jun Qtr	-	91	-	24	-	32	-	10,000,000
PTD	1,223	1,214	1,219	1,231	1,163	1,160	107,000,000	107,000,000
Full 2022/23 Year	85	167	19	79	51	110	10,000,000	20,000,000
2023/24		144		149		136		20,000,000
2024/25		191		144		148		17,000,000

- \$10m was distributed in Dec, with the next distribution forecast for June 23.
- There were 2 net cancelled sales and 10 settlements for December.

1.2 Sales & Settlements

	<u>MTH Act</u>	<u>MTH Bgt</u> (Dec-22)	<u>YTD Act</u>	<u>YTD Bgt</u> (Dec-22)	<u>PTD Act</u>	<u>PTD Bgt</u> (Dec-22)
Residential						
- Sales #	(2)	8	18	31	1,218	1,231
- Sales \$	(1,168,500)	2,451,915	6,109,000	9,883,193	335,913,500	339,687,693
- Sales \$/lot	584,250	306,489	339,389	318,813	275,791	275,945
- Settlements #	10	17	51	48	1,163	1,160
- Settlements \$	2,725,000	3,908,333	15,097,000	13,611,167	320,451,500	318,965,667
- Settlements \$/lot	272,500	229,902	296,020	283,566	275,539	274,970
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 #	55			7	Titled	
- Unsettled sales \$	15,462,000			48	1,225 incl. Spec sites	
- Unsettled sales \$/lot	281,127					

1.3 Cashflow - MTD Actuals to budget

	<u>MTD Act</u>	<u>MTD Bgt</u> <i>(Dec-22)</i>	<u>Variance</u>
<u>Income</u>			
Settlement Revenue	2,725,000	3,908,333	(1,183,333)
Margin GST	(39,351)	(77,273)	37,921
Direct selling costs	(123,360)	(183,613)	60,252
Interest Income	1,414	-	1,414
Forfeited Deposits	-	-	-
Other Income	-	-	-
Rebate Allowance	(16,375)	(90,626)	74,252
	<u>2,547,328</u>	<u>3,556,822</u>	<u>(1,009,494)</u>
<u>Development costs</u>			
WAPC Land Acq.	-	-	-
Lot production	53,058	2,875,394	2,822,336
Clearance Bonds	(205,520)	(205,520)	-
Landscaping	1,383,063	814,479	(568,584)
Consultants	33,482	46,198	12,717
Infrastructure	-	292,852	292,852
Special Sites	-	32,833	32,833
	<u>1,264,082</u>	<u>3,856,236</u>	<u>2,592,154</u>
<u>Overheads</u>			
Sales & marketing	19,548	52,601	33,053
Community Develop.	11,942	15,395	3,453
Administration	37,274	102,783	65,509
Finance/Contingency	-	114,474	114,474
	<u>68,765</u>	<u>285,253</u>	<u>216,488</u>
Net Cashflow	<u>1,214,481</u>	<u>(584,667)</u>	<u>1,799,148</u>

1.4 Cashflow - YTD Actuals to budget

	<u>YTD Act</u>	<u>YTD Bgt</u> <i>(Dec-22)</i>	<u>Variance</u>
<u>Income</u>			
Settlement Revenue	15,097,000	13,611,168	1,485,832
Margin GST	(187,466)	(201,202)	13,737
Direct selling costs	(681,191)	(615,286)	(65,905)
Interest Income	2,072	658	1,414
Forfeited Deposits	-	-	-
Other Income	-	-	-
Rebate Allowance	(146,452)	(472,463)	326,011
	<u>14,083,963</u>	<u>12,322,874</u>	<u>1,761,090</u>
<u>Development costs</u>			
WAPC Land Acq.	-	-	-
Lot production	5,092,372	10,163,077	5,070,705
Clearance Bonds	1,620,591	2,848,644	1,228,053
Landscaping	2,723,869	4,471,905	1,748,036
Consultants	176,785	191,143	14,358
Infrastructure	46,707	458,317	411,610
Special Sites	2,393	32,833	30,440
	<u>9,662,716</u>	<u>18,165,918</u>	<u>8,503,202</u>
<u>Overheads</u>			
Sales & marketing	131,068	224,396	93,328
Community Develop.	27,250	57,629	30,379
Administration	377,928	491,401	113,473
Finance/Contingency	-	82,910	82,910
	<u>536,246</u>	<u>856,335</u>	<u>320,090</u>
Net Cashflow	<u>3,885,001</u>	<u>(6,699,380)</u>	<u>10,584,381</u>

1.5 Bonds

	<u>Last Year</u>	<u>Last Month</u>	<u>This Month</u>
City of Wanneroo	823,255	2,649,366	2,443,846
	<u>823,255</u>	<u>2,649,366</u>	<u>2,443,846</u>

Bonds relate to stages 16A, 18C, 25, 27B, 30, 36, Aviator Ext St 25 & Connolly Drive early clearances.

2.0 PROFIT & LOSS

	<u>MTH Act</u>	<u>MTH Bgt</u> <i>(Dec-22)</i>	<u>Var</u>	<u>YTD Act</u>	<u>YTD Bgt</u> <i>(Dec-22)</i>	<u>Var</u>	<u>PTD Act</u>	<u>PTD Bgt</u> <i>(Dec-22)</i>
- Revenue \$ (Stlmnts)	2,725,000	3,908,333	(1,183,333)	15,097,000	13,611,167	1,485,833	320,451,500	318,965,667
- Revenue \$/lot	272,500	229,902		296,020	283,566		275,539	274,970
- Selling & GST \$	278,762	491,905	213,143	1,456,207	1,440,526	(15,681)	28,099,098	28,083,417
- Selling & GST \$/lot	27,876	28,936		28,553	30,011		24,161	24,210
- Cost of sales \$	1,168,282	2,349,771	1,181,489	6,043,434	6,257,766	214,332	112,688,861	112,903,192
- Cost of sales \$/lot	116,828	138,222		118,499	130,370		96,895	97,330
- Gross profit \$	<u>1,277,957</u>	<u>1,066,657</u>	<u>211,300</u>	<u>7,597,359</u>	<u>5,912,876</u>	<u>1,684,483</u>	<u>179,663,542</u>	<u>177,979,058</u>
- Gross profit \$/lot	127,796	62,745		148,968	123,185		154,483	153,430
- Gross profit Mgn %	46.90%	27.29%		50.32%	43.44%		56.07%	55.80%
- Special Sites \$	-	-	-	-	-	-	2,091,959	2,091,959
- Other income \$	1,414	-	1,414	2,072	658	1,414	288,959	287,545
- Sales & Marketing \$	14,830	134,535	119,705	155,328	502,756	347,427	2,831,947	3,179,375
- Administration \$	44,274	102,212	57,938	413,164	489,688	76,524	6,352,453	6,428,977
- Finance/Other \$	3,298	-	(3,298)	19,512	9,724	(9,788)	211,161	201,373
- Contingency \$	-	197,213	197,213	-	495,677	495,677	4,091	499,768
- Net profit \$	<u>1,216,968</u>	<u>632,697</u>	<u>584,271</u>	<u>7,011,427</u>	<u>4,415,690</u>	<u>2,595,737</u>	<u>172,644,807</u>	<u>170,049,071</u>
- Net profit \$/lot	121,697	37,217		137,479	91,994		148,448	146,594

- Year to date Gross profit is \$1.68m favourable on 3 more settlements, lot mix, favourable selling costs and cost of sales per lot.
- Year to date Overheads are \$909k below budget due to:
 - Marketing \$347k favourable - savings;
 - Admin \$77k favourable - timing (mainly Maintenance);
 - Unused Contingency \$496k.

YEAR TO DATE VERSUS FULL YEAR BUDGET

	<u>YTD Act</u>	<u>Full Year Bgt</u>	<u>Var</u>
- Revenue \$ (Stlmnts)	15,097,000	32,145,059	(17,048,059)
- Revenue \$/lot	296,020	292,228	
- Selling & GST \$	1,456,207	3,439,443	1,983,236
- Selling & GST \$/lot	28,553	31,268	
- Cost of sales \$	6,043,434	16,056,745	10,013,311
- Cost of sales \$/lot	118,499	145,970	
- Gross profit \$	<u>7,597,359</u>	<u>12,648,872</u>	<u>(5,051,512)</u>
- Gross profit \$/lot	148,968	114,990	
- Gross profit Mgn %	50.32%	39.35%	
- Special Sites \$	-	5,540,864	(5,540,864)
- Other income \$	2,072	658	1,414
- Sales & Marketing \$	155,328	1,309,965	1,154,636
- Administration \$	413,164	1,117,431	704,267
- Finance \$	19,512	9,724	(9,788)
- Contingency \$	-	1,291,655	1,291,655
- Net profit \$	<u>7,011,427</u>	<u>14,461,619</u>	<u>(7,450,192)</u>
- Net profit \$/lot	137,479	131,469	

2.1 GROSS PROFIT ANALYSIS

Actual

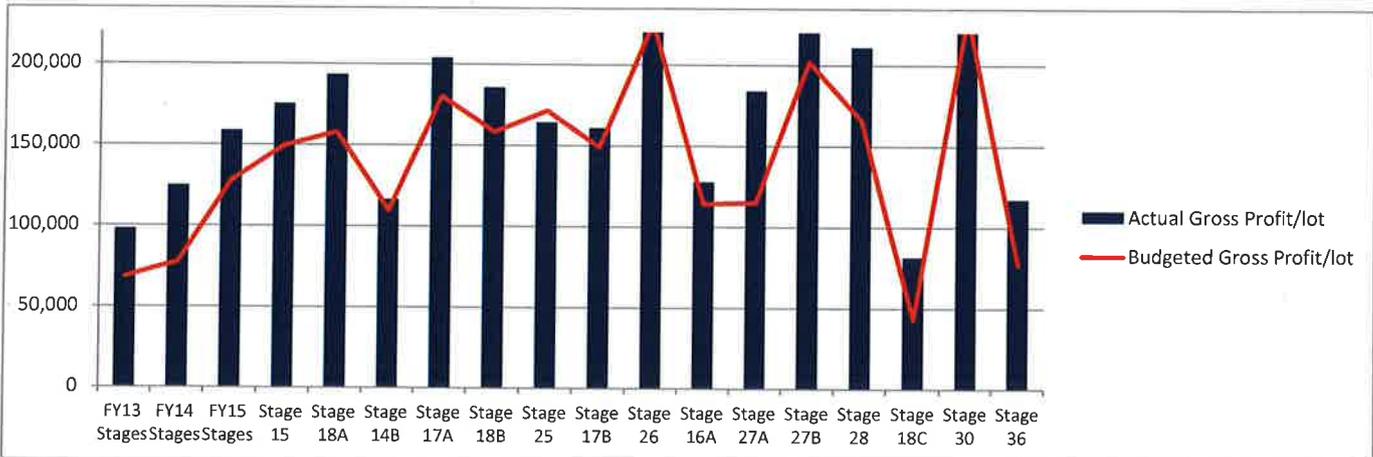
Stages	Title Issue Date	Revenue	Revenue/lot	Direct Selling & COGS (incl. GST)		Direct Costs/lot	Actual Gross	Actual Gross	Actual Gross
				GST			Profit	Profit/lot	Margin %
Incentives Writeback				-5,276,851			5,276,851		
FY13 Stages	2012 / 2013	51,375,500	220,496	28,570,159		122,619	22,805,341	97,877	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	6,341,000	317,050	2,661,467		133,073	3,679,533	183,977	58.03%
Stage 27B	20-Apr-22	9,355,000	406,739	4,017,669		174,681	5,337,331	232,058	57.05%
Stage 28	1-Sep-21	12,770,000	375,588	5,591,783		164,464	7,178,217	211,124	56.21%
Stage 18C	26-Oct-22	3,223,000	214,867	2,002,547		133,503	1,220,453	81,364	37.87%
Stage 30	25-May-22	13,225,000	388,971	4,725,423		138,983	8,499,577	249,988	64.27%
Stage 36	2-Nov-22	4,279,000	267,438	2,404,195		150,262	1,874,805	117,175	43.81%
		<u>320,451,500</u>		<u>140,787,958</u>			<u>179,663,542</u>		

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

Budget

Stages	Budget Version	Revenue	Revenue/lot	Direct Selling & COGS (incl. GST)		Direct Costs/lot	Budgeted	Budgeted Gross	Budgeted Gross
				Gross 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	8,584,890	276,925	3,677,414		118,626	4,907,276	158,299	57.16%
Stage 18C	Oct-22	5,563,000	198,679	4,363,541		155,841	1,199,459	42,838	21.56%
Stage 25	Aug-17	19,696,448	345,552	9,915,141		173,950	9,781,307	171,602	49.66%
Stage 17B	Dec-17	10,496,494	291,569	5,131,807		142,550	5,364,687	149,019	51.11%
Stage 26	Jun-19	14,347,000	377,553	5,766,060		151,738	8,580,940	225,814	59.81%
Stage 16A	Dec-20	4,498,002	264,588	2,555,841		150,344	1,942,161	114,245	43.18%
Stage 27A	Dec-20	6,251,840	312,592	3,951,378		197,569	2,300,462	115,023	36.80%
Stage 27B	Feb-22	9,345,000	406,304	4,698,534		204,284	4,646,466	202,020	49.72%
Stage 28	Jul-21	12,669,500	372,632	7,027,024		206,677	5,642,476	165,955	44.54%
Stage 18C	Oct-22	5,563,000	198,679	4,363,541		155,841	1,199,459	42,838	21.56%
Stage 30	Dec-21	13,520,000	386,286	5,434,179		155,262	8,085,821	231,023	59.81%
Stage 36	Oct-22	18,086,000	231,872	12,110,457		155,262	5,975,543	76,610	33.04%
		<u>339,013,794</u>		<u>192,032,299</u>			<u>146,981,495</u>		

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



Catalina

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

Title date:	Completed	Completed	7-Nov-12	8-Aug-17	8-Aug-17	25-Jan-21	24-Feb-21	20-Apr-22	1-Sep-21	25-May-22	26-Oct-22	2-Nov-22	TOTAL
	Spec Sites	Resi Stages	Central Cell Sales Office	Stage 25 Sales Office	Stage 25 GHS Lot 2179	Stage 16A	Stage 27A	Stage 27B	Stage 28	Stage 30	Stage 18C	Stage 36	
Direct costs													
Civil Contruction			89,540	83,260	253,163	932,193	707,388	901,496	2,223,532	792,261	1,769,211	3,773,787	
Siteworks				75,529	245,432	926,000	652,600	838,353	2,165,633	706,851	1,701,800	3,633,649	
URD Power				7,731	7,731	2,403	27,152	40,143	57,899	60,410	42,411	121,869	
Third Pipe				-	-	3,790	20,000	23,000	-	25,000	25,000	18,269	
General MATV				-	-	-	7,636	-	-	-	-	-	
Sewer headwks			5,660	4,514	4,514	101,201	113,955	138,339	196,552	213,570	171,524	249,566	
Local authority fees			4,363	615	615	28,623	17,424	6,930	14,962	9,466	18,412	31,691	
Local authority scheme costs			2,705	-	-	-	-	8,954	-	14,405	10,426	21,225	
Survey & legal fees			1,003	945	945	16,150	21,000	25,428	31,487	39,574	35,227	65,579	
Engineering fees			5,557	2,750	12,341	77,057	58,349	88,238	116,545	98,586	87,167	271,035	
Sales Office Build Cost			330,780										
Finished Goods Adjustments	31,206	1,282,787	28,238				14,482	60,165	32,920	422,341			
	420,826	57,553,106	411,370	92,084	271,578	1,155,224	932,598	1,229,550	2,615,998	1,590,204	2,091,967	4,412,883	
Earthworks Allocation	260,179	14,495,542	12,091	18,574	66,681	112,605	303,183	542,975	642,426	-	131,588	781,614	
Indirect Costs													
Land	-	-	-	-	-	-	-	-	-	-	-	-	
Infrastructure	84,898	8,359,526	7,165	7,879	31,674	176,806	245,746	511,942	381,466	731,652	201,965	477,101	
Landscape	118,628	13,546,018	9,006	16,613	66,785	409,039	568,530	975,581	725,814	1,394,271	587,095	1,386,889	
TOTAL COST	884,530	93,954,192	439,633	135,150	436,718	1,853,674	2,050,057	3,260,048	4,365,704	3,716,127	3,012,615	7,058,487	
Lots	3	1,004	1	1	1	17	20	23	34	35	28	57	
COST PER LOT	294,843	93,580	439,633	135,150	436,718	109,040	102,503	141,741	128,403	106,175	107,593	123,833	
Lots settled	3	1,004	1	-	-	17	20	23	34	34	15	16	1,167
COST OF LOTS SETTLED	884,530	93,954,192	439,633	-	-	1,853,674	2,050,057	3,260,048	4,365,704	3,609,952	1,613,901	1,981,330	114,013,021
Stage Area (m2)	10,900	332,827	320	255	1,795	6,632	6,615	9,933	13,721	13,416	8,396	21,808	
Cost per m2	81	282	1,374	530	243	280	310	328	318	277	359	324	
Avg lot size	3,633	332	320	255	1,795	390	331	432	404	383	300	383	
Other cash expenditure													
Direct Selling & Proj Mgt Costs													28,454,977
Marketing costs													2,831,947
Administration													6,343,920
Finance													217,693
Contingency													4,091
TOTAL COSTS													151,865,648

PERIODIC ANALYSIS	Month	YTD	PTD	PY Jun-22
Lots settled	10	51	1,167	1,116
Cost of lots settled	1,168,282	6,043,434	114,013,023	107,969,589
Direct selling costs	278,762	1,456,207	28,454,977	26,998,770
Marketing costs	14,830	155,328	2,831,947	2,676,619
Administration	44,274	413,164	6,343,920	5,930,756
Finance	3,298	19,512	217,693	198,181
Contingency	-	-	4,091	4,091
TOTAL COSTS	1,509,446	8,087,645	151,865,651	143,778,006

Catalina COGS Calc

31-Dec-22

Job	Titled Date	Direct Cost	Indirect Cost	COGS Total	Lot #	Titled	Untitlled	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	15	1,613,901	1,613,901	0	1,398,714	107,593
140-02-025	8-Aug-2017	6,444,321	1,929,606	8,373,927	58	58	-	144,378	58	8,373,927	8,373,927	-	-	-
140-01-17B	22-May-2018	1,555,232	1,222,995	2,778,227	36	36	-	77,173	36	2,778,227	2,778,227	-	-	-
140-02-026	26-Sep-2019	2,334,871	1,791,711	4,126,582	38	38	-	108,594	38	4,126,582	4,126,582	-	-	-
140-01-16A	25-Jan-2021	1,267,829	585,845	1,853,674	17	17	-	109,040	17	1,853,674	1,853,674	-	-	-
140-02-27A	24-Feb-2021	1,235,782	814,276	2,050,058	20	20	-	102,503	20	2,050,058	2,050,058	-	0	-
140-02-27B	20-Apr-2022	1,772,525	1,487,523	3,260,048	23	23	-	141,741	23	3,260,048	3,260,048	-	-	-
140-02-028	1-Sep-2021	3,258,423	1,107,280	4,365,703	34	34	-	128,403	34	4,365,703	4,365,703	-	-	-
140-02-030	25-May-2022	1,590,204	2,125,923	3,716,127	35	35	-	106,175	34	3,609,952	3,609,952	0	106,175	106,175
140-03-036	2-Nov-2022	185,937	1,863,990	7,058,487	78	57	-	123,833	16	1,981,330	1,981,330	0	5,077,157	123,833
140-70-001	7-Nov-2012	423,461	16,171	439,633	1	1	-	439,633	1	439,633	439,633	-	-	-
140-70-004	12-Dec-2013	20,322	41,798	62,119	1	1	-	62,119	1	62,119	62,119	-	-	-
140-70-005	8-Aug-2017	110,657	24,492	135,149	1	1	-	135,149	-	-	-	-	135,149	135,149
140-70-007	17-Oct-2012	222,150	87,611	309,761	1	1	-	309,761	1	309,761	309,761	-	-	-
140-70-008	1-Oct-2014	438,532	74,117	512,649	1	1	-	512,649	1	512,649	512,649	-	-	-
140-70-028	8-Aug-2017	338,259	98,459	436,718	1	1	-	436,718	-	-	-	-	436,718	436,718
85,136,287		31,022,089		121,166,937	1,245	1,224	-		1,167	114,013,023	114,013,023	-0	7,153,914	

Appendix 8.3

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

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

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**KEY TERMS AND DESCRIPTIONS
FOR THE PERIOD ENDED 31 DECEMBER 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 DECEMBER 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	445,213	507,005	61,792	13.88%	▲
Other revenue		22,939	11,472	5,713	(5,759)	(50.20%)	▼
		913,365	456,685	512,718	56,033	12.27%	
Expenditure from operating activities							
Employee costs		(737,937)	(369,272)	(358,492)	10,780	2.92%	
Materials and contracts		(380,310)	(213,377)	(139,691)	73,686	34.53%	▲
Utility charges		(6,829)	0	0	0	0.00%	
Depreciation on non-current assets		(43,510)	(21,755)	(21,755)	0	0.00%	
Interest expenses		(1,423)	(711)	(1,728)	(1,017)	(143.04%)	
Insurance expenses		(21,952)	(21,952)	(19,596)	2,356	10.73%	
Other expenditure		(171,255)	(85,628)	(80,291)	5,337	6.23%	
		(1,363,216)	(712,695)	(621,553)	91,142	(12.79%)	
Non-cash amounts excluded from operating activities	2(a)	43,510	21,755	9,459	(12,296)	(56.52%)	▼
Amount attributable to operating activities		(406,341)	(234,255)	(99,376)	134,879	(57.58%)	
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)	(36,174,731)	(9,203,081)	26,971,650	74.56%	▲
Proceeds from member contributions	1	60,156,539	26,839,466	14,911,608	(11,927,858)	44.44%	
Payments of GST withheld	1	(4,165,673)	(2,467,770)	(1,056,790)	1,410,980	57.18%	▲
Payments for principal portion of lease liabilities	8	(33,577)	(16,788)	(15,772)	1,016	6.05%	
Payments return of contribution	1	(20,000,000)	(10,000,000)	(10,000,000)	0	0.00%	
Payments return of equity	1	(485,534)	0	(1,808,172)	(1,808,172)	0.00%	▼
Proceeds from rates equivalent	1	0	0	(4,700)	(4,700)	0.00%	
Payments for financial assets at amortised cost - non current	3	0	0	(18,018,693)	(18,018,693)	0.00%	▼
Amount attributable to financing activities		(25,592,326)	(21,819,823)	(25,195,600)	(3,375,777)	15.47%	
Closing funding surplus / (deficit)	2(c)	26,895,505	30,845,094	27,599,333	(3,245,761)	10.52%	▼

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 16 January 2023

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 DECEMBER 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	
2022	2022	2022	2022	2022	2022	2022	2022	
\$	\$	\$	\$	\$		\$	\$	
Town of Victoria Park	1,242,634	(766,924)	(833,334)	(150,681)	0	(1,314)	(88,066)	(597,685)
City of Perth	1,242,634	(766,924)	(833,334)	(150,681)	(4,700)	(1,314)	(88,066)	(602,385)
Town of Cambridge	1,242,634	(766,924)	(833,334)	(150,681)	0	(1,314)	(88,066)	(597,685)
City of Joondalup	2,485,268	(1,533,846)	(1,666,666)	(301,362)	0	(2,629)	(176,132)	(1,195,367)
City of Wanneroo	2,485,268	(1,533,846)	(1,666,666)	(301,362)	0	(2,629)	(176,132)	(1,195,367)
Town of Vincent	1,242,634	(766,924)	(833,334)	(150,681)	0	(1,314)	(88,066)	(597,685)
City of Stirling	4,970,536	(3,067,693)	(3,333,332)	(602,724)	0	(5,257)	(352,264)	(2,390,733)
14,911,608	(9,203,081)	(10,000,000)	(1,808,172)	(4,700)	(15,772)	(1,056,790)	(7,176,907)	

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 30 June 2022	Movement in		Year to Date 2022
		Contributed Equity	Net Result	
	\$			\$
Town of Victoria Park	4,509,818	(597,685)	(9,070)	3,903,064
City of Perth	4,509,818	(602,385)	(9,070)	3,898,364
Town of Cambridge	4,509,818	(597,685)	(9,070)	3,903,064
City of Joondalup	9,019,634	(1,195,367)	(18,139)	7,806,128
City of Wanneroo	9,019,634	(1,195,367)	(18,139)	7,806,128
Town of Vincent	4,509,818	(597,685)	(9,070)	3,903,064
City of Stirling	18,042,083	(2,390,733)	(36,278)	15,615,072
Total	54,120,623	(7,176,907)	(108,835)	46,834,884

Total Movement in Equity **(7,285,739)**

(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	21,755	21,755
Total non-cash items excluded from operating activities		43,510	21,755	9,459

(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 December 2022
Adjustments to net current assets				
Add: Lease liabilities	8	33,577	31,760	15,988
Total adjustments to net current assets		33,577	31,760	15,988

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

Current assets				
Cash and cash equivalents	3	26,648,937	10,227,737	5,258,950
Financial assets at amortised cost	3	0	42,228,303	22,000,000
Receivables	4	350,000	595,395	601,217
Other current assets	5	10,000	27,600	23,400
Less: Current liabilities				
Payables	6	(91,644)	(162,938)	(211,481)
Lease liabilities	8	(33,577)	(31,760)	(15,988)
Provisions	9	(21,788)	(21,788)	(72,753)
Less: Total adjustments to net current assets	2(b)	33,577	31,760	15,988
Closing funding surplus / (deficit)		26,895,505	52,894,309	27,599,333

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	275,784	275,784	Westpac	Nil	Nil
Settlement Proceeds	Cash and cash equivalents	1,920,210	1,920,210	Westpac	0.34%	Nil
Cash Management	Cash and cash equivalents	1	1	Macquarie	0.25%	Nil
Accelerator	Cash and cash equivalents	3,062,955	3,062,955	Macquarie	1.85%	Nil
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 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
		27,258,950	27,258,950			
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 4915	Financial assets at amortised cost	1,006,578	1,006,578	Suncorp	4.20%	Jul-23
Term Deposit	Financial assets at amortised cost	2,000,000	2,000,000	AMP	4.65%	Aug-23
Term Deposit	Financial assets at amortised cost	3,000,000	3,000,000	AMP	4.65%	Aug-23
Term Deposit 2250	Financial assets at amortised cost	3,012,115	3,012,115	Westpac	4.84%	Sep-23
Term Deposit 0647	Financial assets at amortised cost	3,000,000	3,000,000	Westpac	4.58%	Oct-23
		18,018,693	18,018,693			
Total		45,277,643	45,277,643			
Comprising						
Cash and cash equivalents		5,258,950	5,258,950			
Financial assets at amortised cost - current		22,000,000	22,000,000			
Financial assets at amortised cost - non current		18,018,693	18,018,693			
		45,277,643	45,277,643			

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	93,320	69,321	350	0	162,991
Percentage	0.0%	57.3%	42.5%	0.2%	0%	
Balance per trial balance						
Sundry receivable						162,991
GST receivable						12,645
Accrued interest						425,581
Total receivables general outstanding						601,217

Amounts shown above include GST (where applicable)

KEY INFORMATION

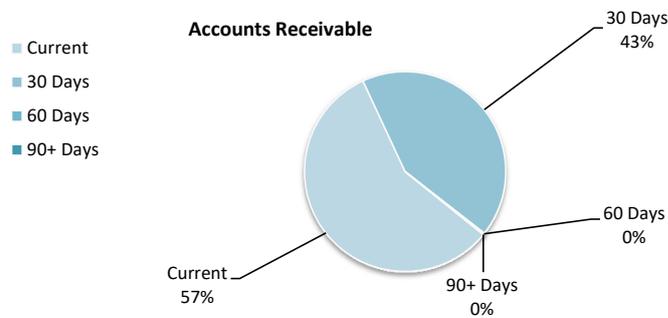
Trade and other receivables include amounts due from third parties for goods sold and services performed in the ordinary course of business.

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 December 2022
Other current assets	\$	\$	\$	\$
Funds held by Settlement agent in Trust	27,600	34,300	(38,500)	23,400
Total other current assets	27,600	34,300	(38,500)	23,400

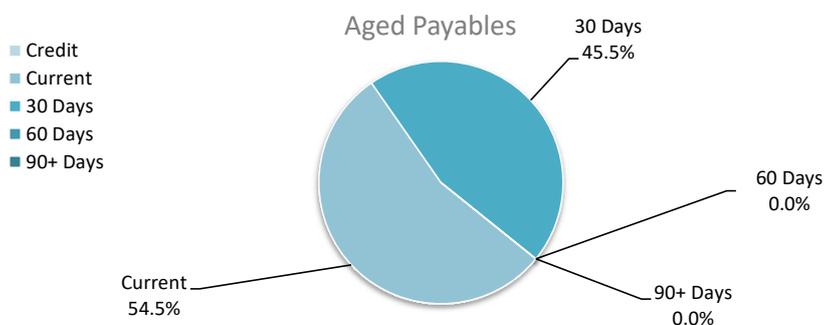
Amounts shown above include GST (where applicable)

Payables - general	Credit	Current	30 Days	60 Days	90+ Days	Total
	\$	\$	\$	\$	\$	\$
Payables - general	0	39,351	32,798	0	0	72,149
Percentage	0%	54.5%	45.5%	0%	0%	
Balance per trial balance						
Sundry creditors						72,149
ATO liabilities						19,240
Credit card						92
Deposits or bonds						120,000
Total payables general outstanding						211,481

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.

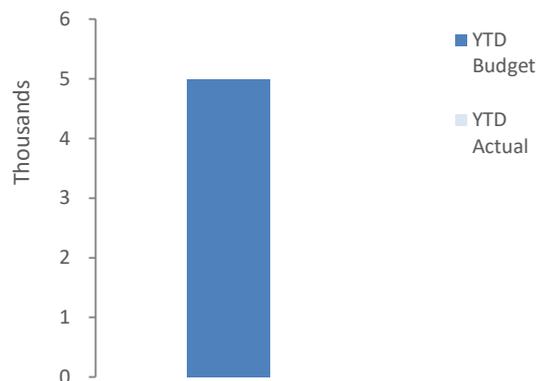
Initial recognition and measurement for assets held at cost

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	(15,772)	(33,577)	71,310	53,505	(1,728)	(1,423)
Total		87,082	0	0	(15,772)	(33,577)	71,310	53,505	(1,728)	(1,423)
Current lease liabilities		31,760					15,988			
Non-current lease liabilities		119,156					119,156			
		150,916					135,144			

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 December 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 DECEMBER 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
	\$	%				
Revenue from operating activities						
Interest earnings	61,792	13.88%	▲			
Other revenue	(5,759)	(50.20%)			▼	
Expenditure from operating activities						
Materials and contracts	73,686	34.53%	▲			
Non-cash amounts excluded from operating activities	(12,296)	(56.52%)			▼	
Financing activities						
Payments of member contributions	26,971,650	74.56%	▲			
Payments return of equity	(1,808,172)	0.00%			▼	
Payments for financial assets at amortised cost - non current	(18,018,693)	0.00%			▼	
Closing funding surplus / (deficit)	(3,245,761)	10.52%			▼	



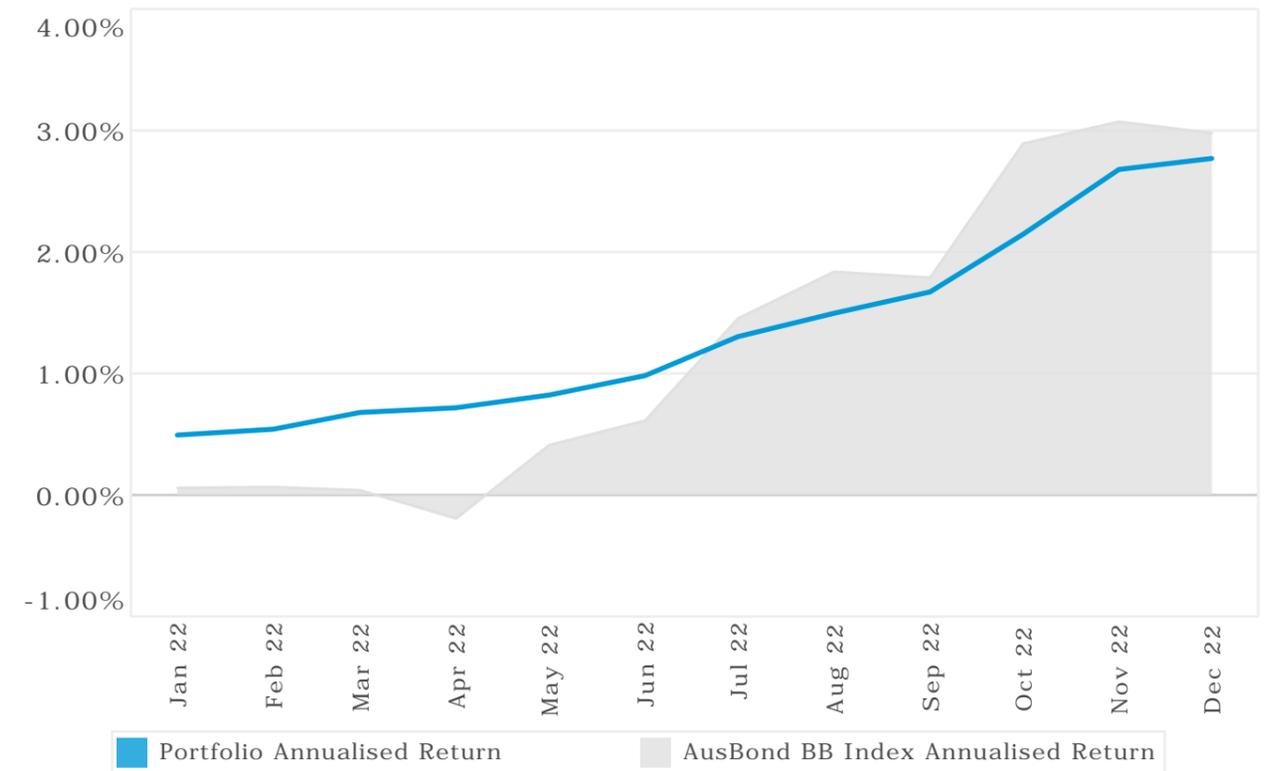
Investment Summary Report
December 2022



Investment Holdings

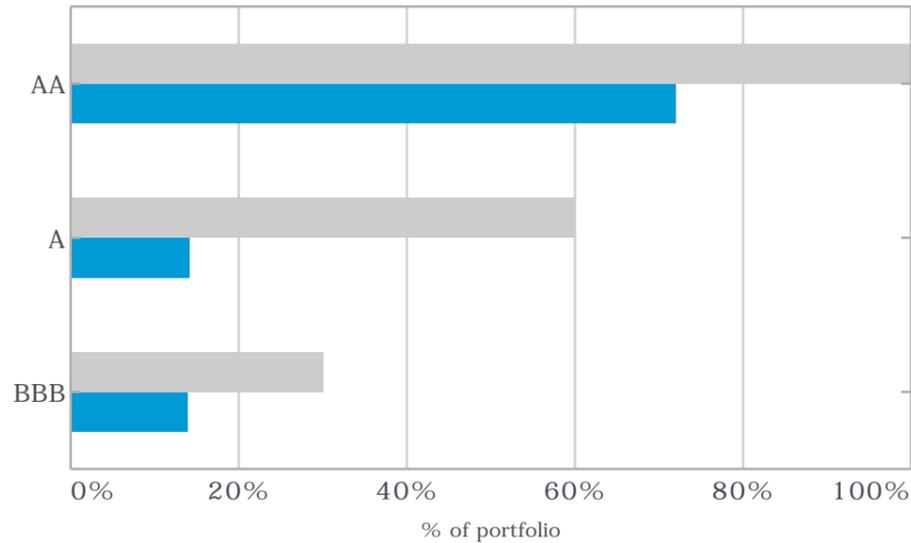
Investment Performance

	Face Value (\$)	Current Value (\$)	Current	Yield (%)
Bonds	3,000,000	3,011,507		0.7000
Cash	3,062,955	3,062,955		3.0474
Term Deposit	37,018,693	37,396,324		2.8720
	43,081,649	43,470,786		2.7332

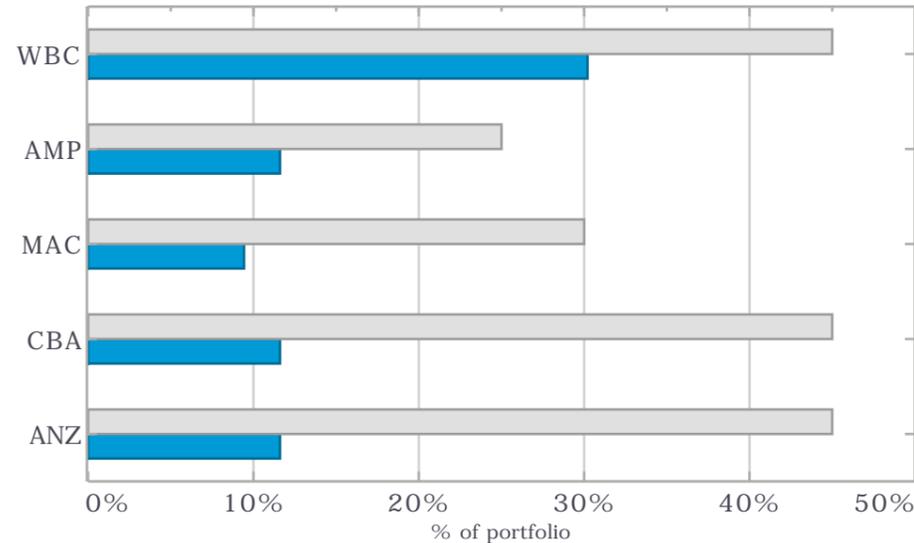


Investment Policy Compliance

Total Credit Exposure



Individual Institutional Exposures



Term to Maturities

	Face Value (\$)	Policy Max
Between 0 and 1 years	43,081,649	100% a
	43,081,649	

g Portfolio Exposure g Investment Policy Limit

Tamala Park Regional Council

Investment Holdings Report - December 2022



Cash Accounts

Face Value (\$)	Current Rate (%)	Institution	Credit Rating	Current Value (\$)	Deal No.	Reference
3,062,955.38	3.0474%	Macquarie Bank	A+	3,062,955.38	541301	Accelerator
3,062,955.38	3.0474%			3,062,955.38		

Term Deposits

Maturity Date	Face Value (\$)	Current Rate (%)	Institution	Credit Rating	Purchase Price (\$)	Purchase Date	Current Value (\$)	Deal No.	Accrued Interest (\$)	Next Interest Date	Reference
Jan-23	1,000,000.00	0.8000%	Westpac Group	AA-	1,000,000.00	Jan-22	1,001,512.33	542266	1,512.33	Quarterly	661
Jan-23	1,000,000.00	0.8100%	Westpac Group	AA-	1,000,000.00	Jan-22	1,007,567.40	542269	7,567.40	At Maturity	662
Feb-23	1,000,000.00	1.0000%	Macquarie Bank	A+	1,000,000.00	Mar-22	1,008,301.37	542408	8,301.37	At Maturity	668
Feb-23	2,000,000.00	0.5200%	National Australia Bank	AA-	2,000,000.00	Aug-21	2,003,960.55	541745	3,960.55	Annually	655
Feb-23	1,000,000.00	0.9500%	Westpac Group	AA-	1,000,000.00	Feb-22	1,001,249.32	542340	1,249.32	Quarterly	663
Feb-23	1,000,000.00	0.9400%	Westpac Group	AA-	1,000,000.00	Feb-22	1,008,035.07	542373	8,035.07	At Maturity	664
Mar-23	3,000,000.00	1.0000%	National Australia Bank	AA-	3,000,000.00	Mar-22	3,024,575.34	542415	24,575.34	At Maturity	669
Mar-23	5,000,000.00	1.1100%	ANZ Banking Group	AA-	5,000,000.00	Mar-22	5,045,160.27	542425	45,160.27	At Maturity	671
Apr-23	1,000,000.00	4.0700%	Suncorp Bank	A+	1,000,000.00	Oct-22	1,008,474.52	543476	8,474.52	At Maturity	686
Apr-23	3,000,000.00	3.8900%	Westpac Group	AA-	3,000,000.00	Aug-22	3,044,441.92	543174	44,441.92	At Maturity	680
May-23	1,000,000.00	3.0500%	ME Bank	BBB+	1,000,000.00	May-22	1,019,636.99	542757	19,636.99	At Maturity	675
May-23	2,000,000.00	3.0300%	Commonwealth Bank of Australia	AA-	2,000,000.00	May-22	2,038,850.41	542772	38,850.41	At Maturity	677
Jun-23	3,000,000.00	3.8600%	Commonwealth Bank of Australia	AA-	3,000,000.00	Jul-22	3,056,789.59	542933	56,789.59	At Maturity	679
Jul-23	1,006,578.08	4.2000%	Suncorp Bank	A+	1,006,578.08	Nov-22	1,012,137.70	543545	5,559.62	At Maturity	690
Aug-23	2,000,000.00	4.6500%	AMP Bank	BBB	2,000,000.00	Nov-22	2,014,013.70	543519	14,013.70	At Maturity	687
Aug-23	3,000,000.00	4.6500%	AMP Bank	BBB	3,000,000.00	Nov-22	3,021,020.55	543520	21,020.55	At Maturity	689
Sep-23	3,012,115.07	4.8400%	Westpac Group	AA-	3,012,115.07	Sep-22	3,050,858.30	543396	38,743.23	At Maturity	683
Oct-23	3,000,000.00	4.5800%	Westpac Group	AA-	3,000,000.00	Oct-22	3,029,738.63	543474	29,738.63	At Maturity	685
	37,018,693.15	2.8720%			37,018,693.15		37,396,323.96		377,630.81		

Fixed Rate Bonds

Tamala Park Regional Council

Investment Holdings Report - December 2022



Maturity Date	Face Value (\$)	Current Rate (%)	Security Name	Credit Rating	Purchase Price (\$)	Purchase Date	Current Value (\$)	Deal No.	Accrued Interest (\$)	Purchase Yield	Reference
Jun-23	3,000,000.00	0.7000%	NT T-Corp Bond (Jun23) 0.70%	Aa3	3,000,000.00	Apr-21	3,011,506.85	541265	11,506.85	.70000%	642
	3,000,000.00	0.7000%			3,000,000.00		3,011,506.85		11,506.85	.7000%	

Tamala Park Regional Council

Accrued Interest Report - December 2022



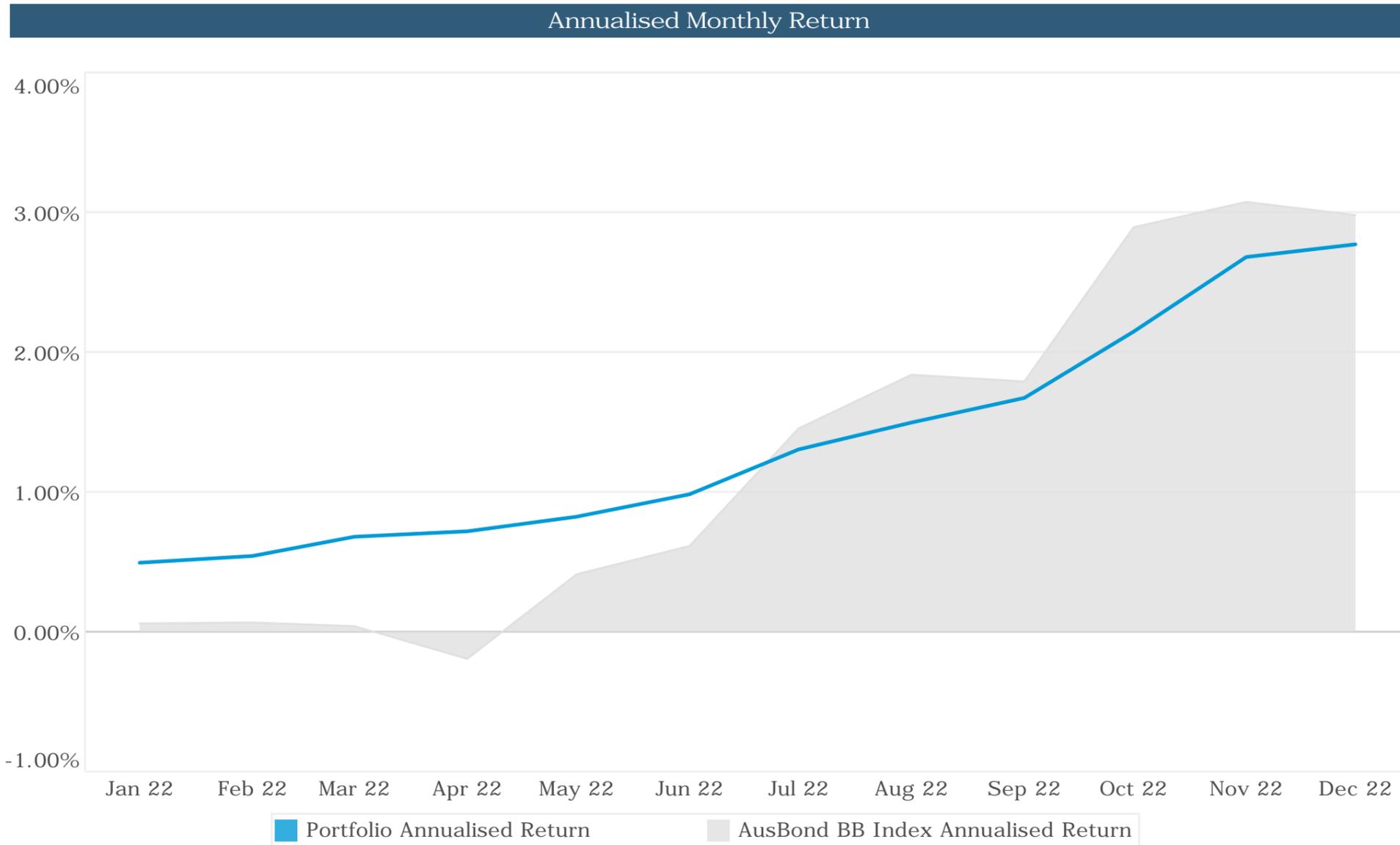
Investment	Deal No.	Comments	Face Value (\$)	Settlement Date	Maturity Date	Interest Received (\$)	Days	Interest Accrued (\$)	Yield (% pa)
Bonds									
NT T-Corp Bond (Jun23) 0.70%	541265		3,000,000.00	Apr-21	Jun-23	0.00	31	1,783.56	0.70%
						0.00		1,783.56	0.70%
Cash									
Macquarie Bank	541301					7,799.25	0	7,799.25	3.05%
						7,799.25		7,799.25	3.05%
Term Deposits									
Suncorp Bank	542877		3,000,000.00	Jun-22	Dec-22	50,580.82	18	5,030.14	3.40%
Westpac Group	543203		2,000,000.00	Aug-22	Dec-22	20,865.75	18	3,156.16	3.20%
Westpac Group	542266		1,000,000.00	Jan-22	Jan-23	0.00	31	679.45	0.80%
Westpac Group	542269		1,000,000.00	Jan-22	Jan-23	0.00	31	687.95	0.81%
National Australia Bank	541745		2,000,000.00	Aug-21	Feb-23	0.00	31	883.29	0.52%
Westpac Group	542340		1,000,000.00	Feb-22	Feb-23	0.00	31	806.85	0.95%
Westpac Group	542373		1,000,000.00	Feb-22	Feb-23	0.00	31	798.36	0.94%
Macquarie Bank	542408		1,000,000.00	Mar-22	Feb-23	0.00	31	849.32	1.00%
National Australia Bank	542415		3,000,000.00	Mar-22	Mar-23	0.00	31	2,547.94	1.00%
ANZ Banking Group	542425		5,000,000.00	Mar-22	Mar-23	0.00	31	4,713.69	1.11%
Westpac Group	543174		3,000,000.00	Aug-22	Apr-23	0.00	31	9,911.51	3.89%
Suncorp Bank	543476		1,000,000.00	Oct-22	Apr-23	0.00	31	3,456.71	4.07%
ME Bank	542757		1,000,000.00	May-22	May-23	0.00	31	2,590.41	3.05%
Commonwealth Bank of Australia	542772		2,000,000.00	May-22	May-23	0.00	31	5,146.85	3.03%
Commonwealth Bank of Australia	542933		3,000,000.00	Jul-22	Jun-23	0.00	31	9,835.07	3.86%
Suncorp Bank	543545		1,006,578.08	Nov-22	Jul-23	0.00	31	3,590.59	4.20%
AMP Bank	543519		2,000,000.00	Nov-22	Aug-23	0.00	31	7,898.63	4.65%
AMP Bank	543520		3,000,000.00	Nov-22	Aug-23	0.00	31	11,847.95	4.65%
Westpac Group	543396		3,012,115.07	Sep-22	Sep-23	0.00	31	12,381.86	4.84%
Westpac Group	543474		3,000,000.00	Oct-22	Oct-23	0.00	31	11,669.59	4.58%
						71,446.57		98,482.32	2.90%

Tamala Park Regional Council

Accrued Interest Report - December 2022



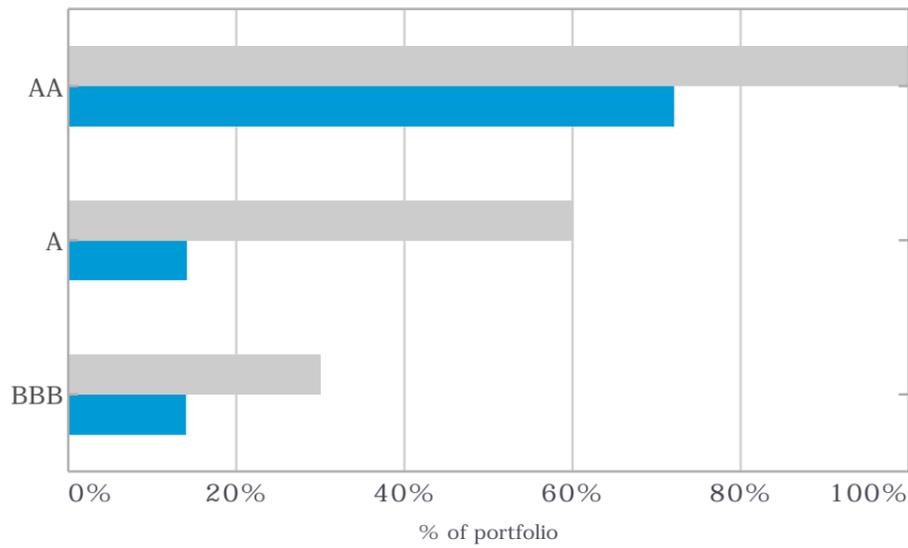
Investment	Deal No.	Comments	Face Value (\$)	Settlement Date	Maturity Date	Interest Received (\$)	Days	Interest Accrued (\$)	Yield (% pa)
<u>Grand Totals</u>						<u>79,245.82</u>		<u>108,065.13</u>	<u>2.77%</u>



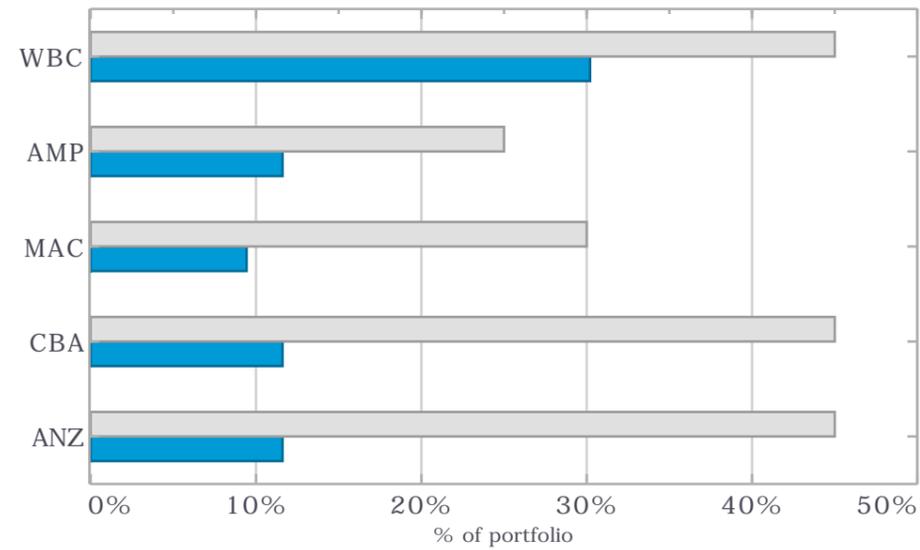
Historical Performance Summary (% pa)			
	Portfolio	Annualised BB Index	Outperformance
Dec 2022	2.77%	2.98%	-0.21%
Last 3 months	2.53%	2.98%	-0.45%
Last 6 months	2.01%	2.33%	-0.32%
Financial Year to Date	2.01%	2.33%	-0.32%
Last 12 months	1.36%	1.25%	0.11%



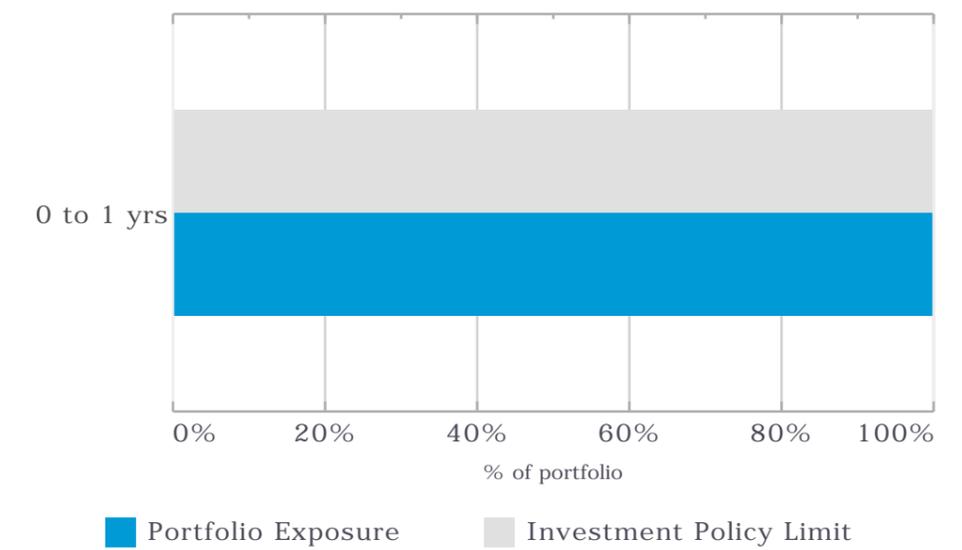
Total Credit Exposure



Individual Institutional Exposures



Term to Maturities



Credit Rating Group	Face Value (\$)	Policy Max
AA	31,012,115	100%
A	6,069,533	60%
BBB	6,000,000	30%
	43,081,649	

Institution	% of portfolio	Investment Policy Limit	
Westpac Group (AA-)	30%	45%	a
AMP Bank (BBB)	12%	25%	a
Macquarie Bank (A+)	9%	30%	a
ANZ Group (AA-)	12%	45%	a
Commonwealth Bank of Australia (AA-)	12%	45%	a
National Australia Bank (AA-)	12%	45%	a
Suncorp Bank (A+)	5%	30%	a
NT T-Corp (Aa3)	7%	45%	a
Bank of Queensland (BBB+)	2%	25%	a

	Face Value (\$)	Policy Max	
Between 0 and 1 years	43,081,649	100%	a
	43,081,649		

a = compliant
r = non-compliant

Tamala Park Regional Council

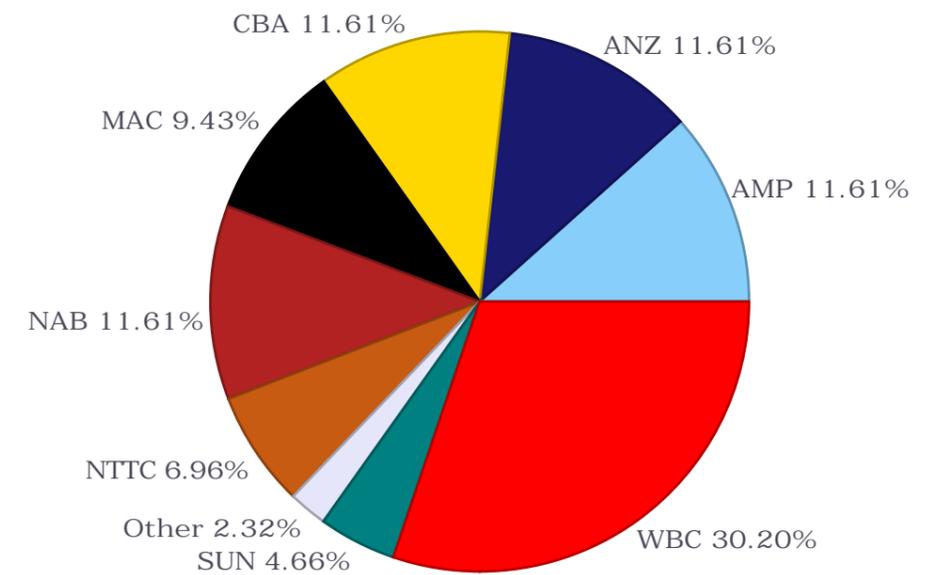
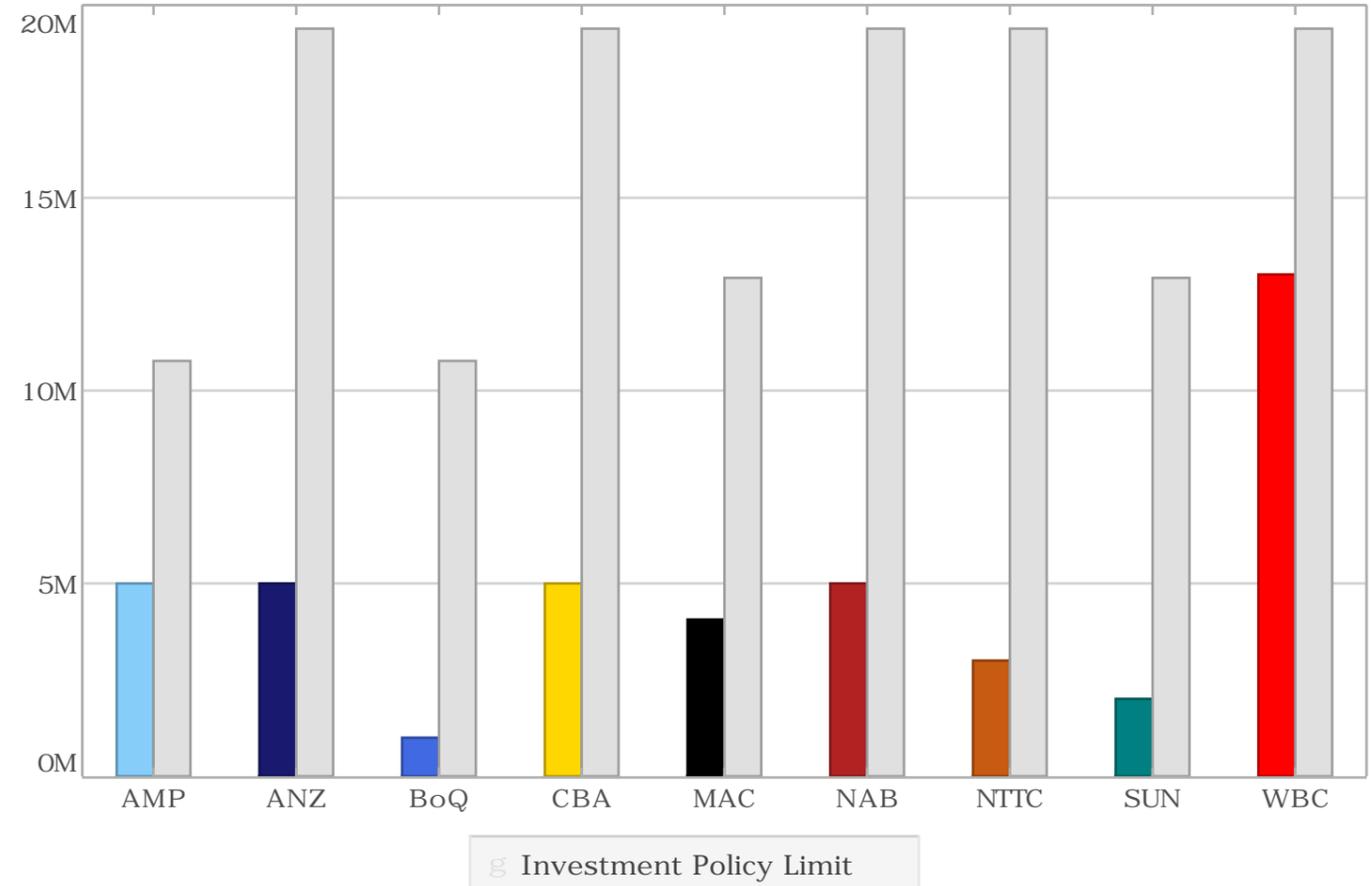
Individual Institutional Exposures Report - December 2022



Individual Institutional Exposures

	Current Exposures		Policy Limit		Capacity
AMP Bank (BBB)	5,000,000	12%	10,770,412	25%	5,770,412
ANZ Group (AA-)	5,000,000	12%	19,386,742	45%	14,386,742
Bank of Queensland (BBB+)	1,000,000	2%	10,770,412	25%	9,770,412
Commonwealth Bank of Australia (AA-)	5,000,000	12%	19,386,742	45%	14,386,742
Macquarie Bank (A+)	4,062,955	9%	12,924,495	30%	8,861,540
National Australia Bank (AA-)	5,000,000	12%	19,386,742	45%	14,386,742
NT T-Corp (Aa3)	3,000,000	7%	19,386,742	45%	16,386,742
Suncorp Bank (A+)	2,006,578	5%	12,924,495	30%	10,917,917
Westpac Group (AA-)	13,012,115	30%	19,386,742	45%	6,374,627
	43,081,649				

Individual Institutional Exposure Charts



Tamala Park Regional Council

Cashflows Report - December 2022



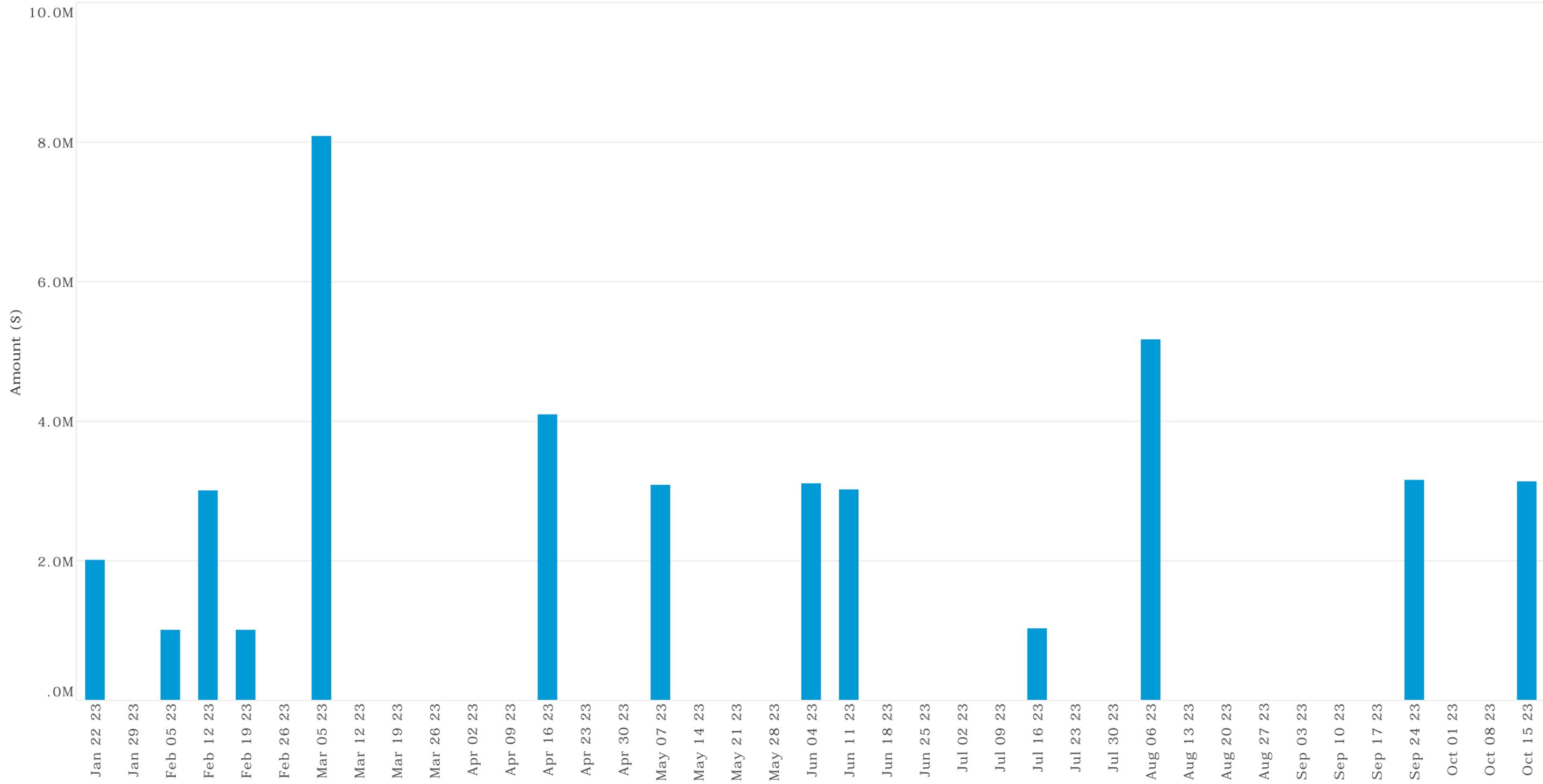
Actual Cashflows for December 2022

Date	Deal No.	Cashflow Counterparty	Asset Type	Cashflow Description	Amount	
Dec-22	542877	Suncorp Bank	Term Deposit	Maturity: Face Value	3,000,000.00	
		Suncorp Bank	Term Deposit	Maturity: Interest Received/Paid	50,580.82	
					<u>Deal Total</u>	<u>3,050,580.82</u>
Dec-22	543203	Westpac Group	Term Deposit	Maturity: Face Value	2,000,000.00	
		Westpac Group	Term Deposit	Maturity: Interest Received/Paid	20,865.75	
					<u>Deal Total</u>	<u>2,020,865.75</u>
					Day Total	5,071,446.57
					<u>Total for Month</u>	<u>5,071,446.57</u>

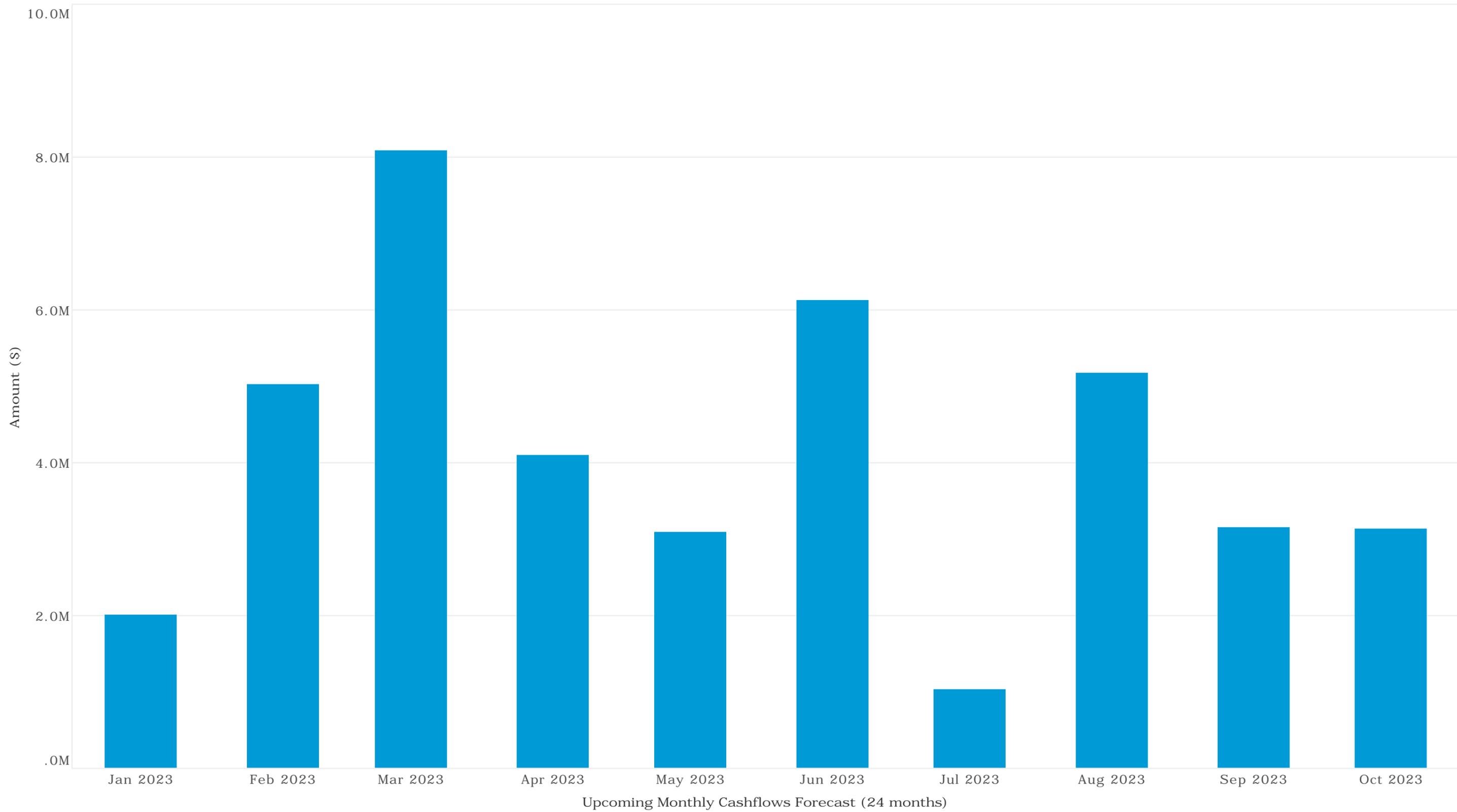
Forecast Cashflows for January 2023

Date	Deal No.	Cashflow Counterparty	Asset Type	Cashflow Description	Amount	
Jan-23	542266	Westpac Group	Term Deposit	Maturity: Face Value	1,000,000.00	
		Westpac Group	Term Deposit	Maturity: Interest Received/Paid	2,016.44	
					<u>Deal Total</u>	<u>1,002,016.44</u>
Jan-23	542269	Westpac Group	Term Deposit	Maturity: Face Value	1,000,000.00	
		Westpac Group	Term Deposit	Maturity: Interest Received/Paid	8,077.81	
					<u>Deal Total</u>	<u>1,008,077.81</u>
					Day Total	2,010,094.25
					<u>Total for Month</u>	<u>2,010,094.25</u>

Tamala Park Regional Council Cashflows Report - December 2022



Upcoming Weekly Cashflows Forecast (52 weeks)



Appendix 8.4

Tamala Park Regional Council
Summary Payment List
December 2022

Date	Name	Description	Amount
01/12/2022	Employee costs	Wages 17/11/2022 - 30/11/2022	-15,760.65
01/12/2022	Burgess Rawson	Stage 36 & 27A (2 lots) Valuation fees	-110.00
01/12/2022	Capital Transport Services	Freight (3.11.2022-15.11.2022)	-156.78
01/12/2022	Docushred	Destruction of paperwork 1 x bin	-59.40
01/12/2022	Environmental Industries	Landscape maintenance	-51,433.80
01/12/2022	LD Total	Landscaping	-59,500.96
01/12/2022	McGees Property	Valuation of englobo landholding for CoP divestment	-30,250.00
01/12/2022	McMullen Nolan Group	Surveying services	-2,217.60
01/12/2022	Office of the Auditor General	Fees for the attest audit for the year ended 30 June 2022	-32,340.00
01/12/2022	R J Vincent and Co	Civil works	-740,426.57
01/12/2022	Town of Victoria Park	GST owing October 2022	-377.00
01/12/2022	Treacy Fencing	Lot 2145 - Fencing	-3,523.41
01/12/2022	Canon Australia Pty Ltd	Photocopying fees (22.10.2022-20.11.2022)	-46.53
01/12/2022	Water Corporation	Water charges	-7,684.77
01/12/2022	Western Power	Lot 341 GHS - Documentation costs	-1,667.82
14/12/2022	Westpac Bank	Payment of credit card charges - December 2022	-1,460.08
15/12/2022	Employee costs	Wages for period 01/12/22 - 14/12/22	-16,465.07
15/12/2022	Australian Super	Superannuation for period 17/11/22 - 14/12/22	-7,324.67
15/12/2022	Arbor Centre Group Pty Ltd	Arboricultural advice - Catalina Green	-3,410.00
15/12/2022	Burgess Rawson	Valuation services	-1,430.00
15/12/2022	Capital Transport Services	Courier services (17/11/22 - 25/11/22)	-144.71
15/12/2022	City of Stirling	GST (November 2022), governance secondment, rent & ICT su	-37,592.84
15/12/2022	Cossill and Webley	Engineering services	-42,302.34
15/12/2022	Coterra Environment	Environmental consulting services (October 2022)	-2,136.75
15/12/2022	Dominic Carbone and Assoc.	GST management services ((November 2022)	-429.00
15/12/2022	Environmental Industries	Landscaping maintenance	-4,884.55
15/12/2022	Fast Flyers	Sunday BBQ flyer distribution	-254.10
15/12/2022	hyd20 Hydrology	UWMP Addendum (October 2022)	-550.00
15/12/2022	Kevin Smith Cleaning Services	Cleaning of TPRC office (November 2022)	-145.71
15/12/2022	LD Total	Landscaping services	-107,926.08
15/12/2022	LO-GO Appointments	Temporary staff - C Healy (October 2021)	-254.54
15/12/2022	Marketforce	Statutory advertising	-1,754.43
15/12/2022	Match & Wood Pty Ltd	Digital advertising	-11,000.00
15/12/2022	McMullen Nolan Group	Surveying services	-25,938.07
15/12/2022	Moore Australia (WA) Pty Ltd	Compilation of SOFA (October 2022) & additional accounting su	-4,761.05
15/12/2022	Neverfail	Bottled water x 3	-46.10
15/12/2022	New Living Cleaning	Cleaning of Sales Office	-840.00
15/12/2022	Niche Planning Studio	Urban Design Services (October 2022)	-15,125.00
15/12/2022	O'Sullivan, Simon	Reimbursement of mobile phone charges	-58.19
15/12/2022	Parker, Jillian & Martin	WELS Rebate - Lot 2039	-1,000.00
15/12/2022	Prudential Investment Services Co	Investment Portfolio Services (November 2022)	-1,723.12
15/12/2022	R1i Services	Cisco Smartnet UCS Maintenance Support (Quote ID: GS24361	-848.45
15/12/2022	Satterley Property Group	Community Development Services	-12,186.90
15/12/2022	Signs and Lines	Estate signage	-7,605.58
15/12/2022	Stantons International	Probity audit services (Landscaping RFT)	-492.20
15/12/2022	Tim Davies Landscaping P/L	Foreshore POS Stage 1 (November 2022)	-5,500.00
15/12/2022	Vocus Pty Ltd	Internet service prodiver (December 2022)	-162.80
15/12/2022	Synergy	Power charges	-3,751.08
20/12/2022	City of Joondalup	18th Dividend Payment - TPRC Project	-1,666,666.00
20/12/2022	City of Perth	18th Dividend Payment - TPRC Project	-833,334.00
20/12/2022	City of Stirling	18th Dividend Payment - TPRC Project	-3,333,332.00
20/12/2022	City of Vincent	18th Dividend Payment - TPRC Project	-833,334.00
20/12/2022	City of Wanneroo	18th Dividend Payment - TPRC Project	-1,666,666.00
20/12/2022	Town of Cambridge	18th Dividend Payment - TPRC Project	-833,334.00

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

20/12/2022	Town of Victoria Park	18th Dividend Payment - TPRC Project	-833,334.00
21/12/2022	Australian Taxation Office	IAS (November 2022)	-14,416.00
21/12/2022	Arbor Logic	Green tree investigations	-3,410.00
21/12/2022	Capital Transport Services	Courier fee (12/12/2022)	-36.88
21/12/2022	City of Perth	Rates equivalent payment for 20221/23 financial year	-4,699.80
21/12/2022	City of Vincent	GST owing November 2022	-6,562.00
21/12/2022	Coterra Environment	Environmental consulting (November 2022)	-4,332.90
21/12/2022	Environmental Industries	Landscape maintenance (November 2022)	-30,003.65
21/12/2022	hyd20 Hydrology	UWMP Addendum (November 2022)	-687.50
21/12/2022	LD Total	Landscaping services	-841,158.23
21/12/2022	Marketforce	Statutory advertising	-1,359.72
21/12/2022	Moore Australia (WA) Pty Ltd	Compilation of SOFA (November 2022)	-2,310.00
21/12/2022	Officeworks	Office supplies	-113.32
21/12/2022	Rotary Club of Mindarie	Provision of Sausage Sizzle (November 2022)	-632.35
22/12/2022	City of Joondalup	GST owing October 2022	-754.89
22/12/2022	City of Perth	GST owing November 2022	-6,562.24
23/12/2022	Town of Cambridge	GST owing November 2022	-6,562.24
29/12/2022	Employee costs	Wages for period 15/12/22 - 29/12/22	-12,283.87
29/12/2022	Australian Super	Superannuation for period 15/12/22 - 28/12/22	-1,761.26
			-12,202,705.55

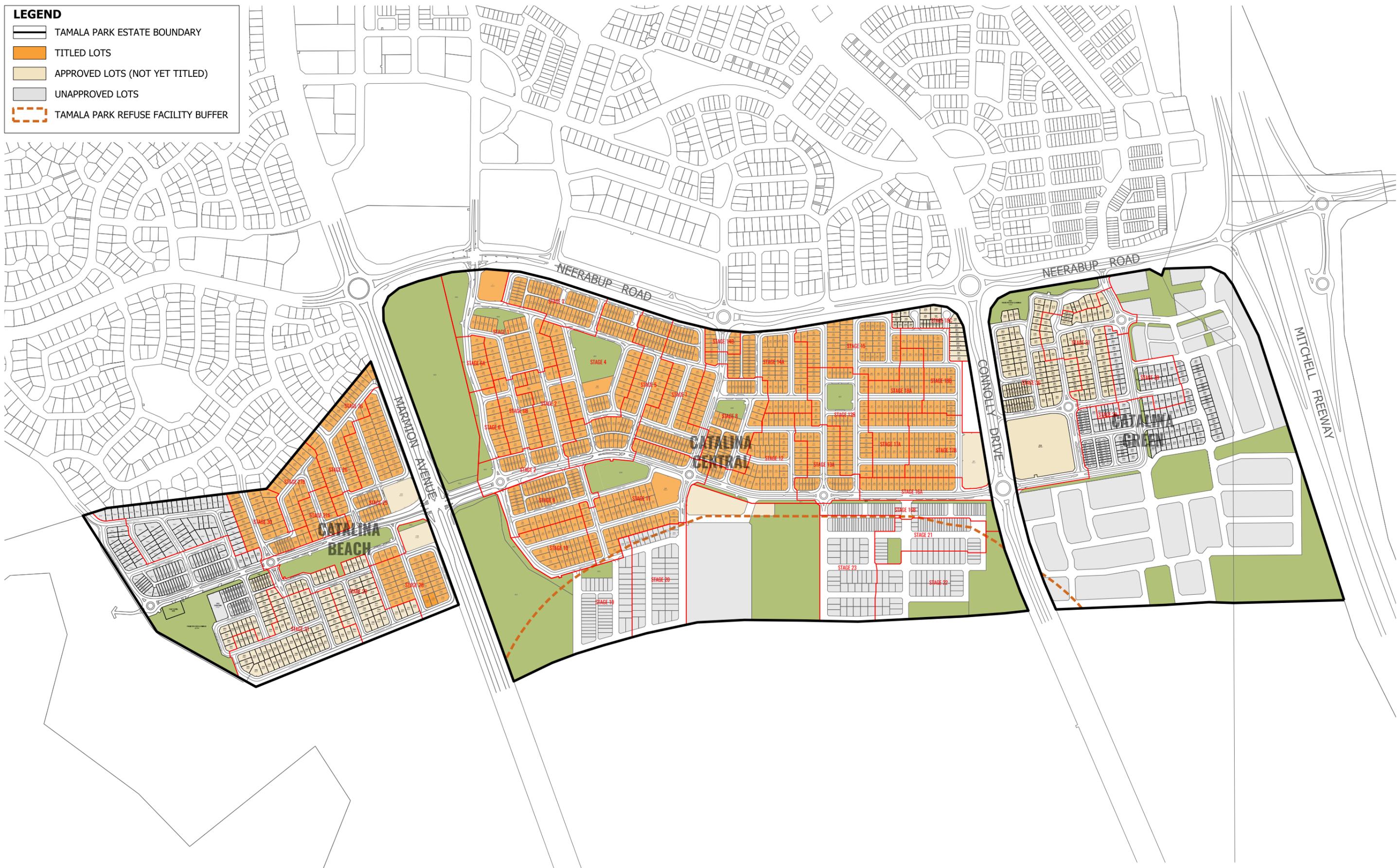
Tamala Park Regional Council
Credit Card Report
As of December 31, 2022

Type	Date	Name	Description	Amount
Credit Card Charge	01/12/2022	City of Perth Parking	CEO Parking	4.09
Credit Card Charge	01/12/2022	City of Perth Parking	CEO Parking	5.15
Credit Card Charge	02/12/2022	Ampol	Milk x 2	6.50
Credit Card Charge	05/12/2022	Coles Supermarkets	Coffee pods x 2	10.00
Credit Card Charge	06/12/2022	Woolworths	Coffee pods x 6	30.00
Credit Card Charge	07/12/2022	City of Vincent	CEO Parking	4.50
Credit Card Charge	08/12/2022	Lot Six Zero	Refreshments for CEO's birthday afternoon tea	44.90
Credit Card Charge	12/12/2022	Westpac Bank	Credit card fees (CEO, EA & MPC)	11.25
Cheque	14/12/2022	Westpac Bank	Credit card charges (EA)	-1,286.59
Cheque	14/12/2022	Westpac Bank	Credit card charges (CEO)	-169.74
Cheque	14/12/2022	Westpac Bank	Credit card charges (MPC)	-3.75
Credit Card Charge	15/12/2022	Coles Supermarkets	Coffee pods x 1 + milk x 1	7.65
Credit Card Charge	23/12/2022	kikki.k	Desk calendar	19.99
Credit Card Charge	29/12/2022	Zoom Video Comms	Standard Pro Monthly x 3 (January 2023)	64.85
				<u>-1,251.20</u>
				<u>-1,251.20</u>

Appendix 8.5

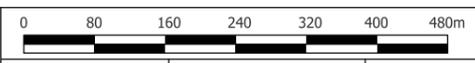
LEGEND

-  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

13 January 2023

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

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

Dear Chris,

CATALINA: CATALINA GREEN DEVELOPMENT STRATEGY

BACKGROUND

At the December 2022 meeting, the below Council resolution was endorsed which relates to the Catalina Green precinct:

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 following recommendation has been prepared to address item 3, which requests updated staging and includes two (2) options for review, along with additional recommendations relating to concept plan design changes and sewer strategy for the precinct.

SEWER STRATEGY

Background

Initial scoping studies for the Green precinct proceeded with Water Corporation on the basis that a Wastewater Pump Station (WWPS) would be required to service the sewer catchment for the majority of the Catalina Green precinct (after Stage 38). The development of first stages in the Green precinct, 36 and 37, along with earthworks over portion of the balance, proceeded on the basis that the WWPS would be constructed. The WWPS was proposed to be located within the central POS and would require approximately 1,000m². The WWPS site gets vested to the State with no POS credits, with only minor landscaping screening of the harsh infrastructure permissible.

Through subsequent assessment, Water Corporation have advised that the balance of the precinct can now be serviced by gravity fed sewer, albeit would require concessions to certain engineering standards which they are willing to accept. A meeting was held with Water Corporation in December 2022. At the meeting the project team were advised that TPRC have the option to either service the area through the WWPS option or via gravity fed sewer. Considerations of both options are outlined in the following recommendation.

The Catalina project in its entirety was originally a cut to fill project across the three (3) development precincts. As the project has evolved and with the inclusion of tree retention in Catalina Green, earthworks levels have substantially dropped to accommodate the trees, resulting in significant surplus fill, currently located within Catalina Central. Although a detailed earthworks strategy has not been completed for Central precincts balance area, the project engineers have advised that the anticipated surplus volume of fill is around 200,000m². TPRC

have been in communication with the tip facility who have advised their willingness and requirement for some of this fill although volumes and timing are yet to be confirmed, it is assumed no likely requirement in the short term nor likely to require the full 200,000m³.

WWPS Option

Under the current arrangement, which is to construct the WWPS, it is a prefunded agreement with Water Corporation which the developer funds the construction and is refunded ~12 months post commissioning of the WWPS. Typically, it takes 6 – 8 months for construction and 14 months to physically obtain the refund. With an assumed interest rate of 5% and construction costs of \$2.4m including consultants, the finance costs associated with the WWPS are estimated at ~\$200k alone. Consideration must also be made for the impact of additional tankering bonds (\$100k) and construction of tankering points (~\$20k) for any stages outside of gravity fed sewer prior to commissioning of the WWPS.

The WWPS site is proposed to be located within the central POS area with the site getting no POS credits. Not only is the WWPS unsightly, but it also has minor impact on functionality of the overall POS and how it interacts with the houses adjacent. If to proceed with not constructing the WWPS, the POS can be reconfigured to remove the WWPS site from the POS, as outlined in the concept plan changes of this report, whilst still retaining overall POS allocation, and gaining ~1,000m² in developable area. The 450m² lots in Green obtain around \$700m², not accounting for construction costs, this results in approximately \$700k in additional revenue along with more useable POS and an improved planning and development outcome.

Gravity Fed Sewer Option

In order to service the gravity fed sewer option, the precinct requires a revised earthworks strategy, essentially lifting up areas to provide grade and cover for the sewer. The project engineers have undertaken a cost estimate for these works which is estimated at \$650k excluding GST. The additional works assume that 40,000m³ of additional fill will be required which will be brought over from the Catalina Central cell to facilitate the gravity fed sewer. As outlined above, the full earthworks strategy is not complete and uncertainty remains with planning and environmental matters within the Catalina Central cell although advice is that there will be significant excess fill well above the 40,000m³ that the gravity fed sewer option requires. Should the project be stuck with the additional fill towards the back end of the project, costs to remove the 40,000m³ of fill would far exceed the additional \$650k in construction costs.

Satterley have directly approached Water Corporation to seek potential reimbursement for direct sewer infrastructure works of the \$650k, which is ~\$290k. Whilst Water Corporation acknowledge this is a win for both parties, it is unlikely to occur as there is currently no mechanism to provide refunds for such scope.

The \$650k of indicative additional costs would be on a staged basis as development of the southern portion of the Green precinct occurs, with the majority of this costs to not be incurred for several years.

Proceeding with the gravity fed sewer option reduces the need for unrequired infrastructure to be funded by Water Corporation (~\$2.4m), negates need for ongoing maintenance, removes unsightly infrastructure and collectively is a much more sustainability minded response for the project, particularly when accounting for potential offsite removal of excess soil.

Recommendation

Satterley recommend proceeding with gravity fed sewer design option on the following basis:

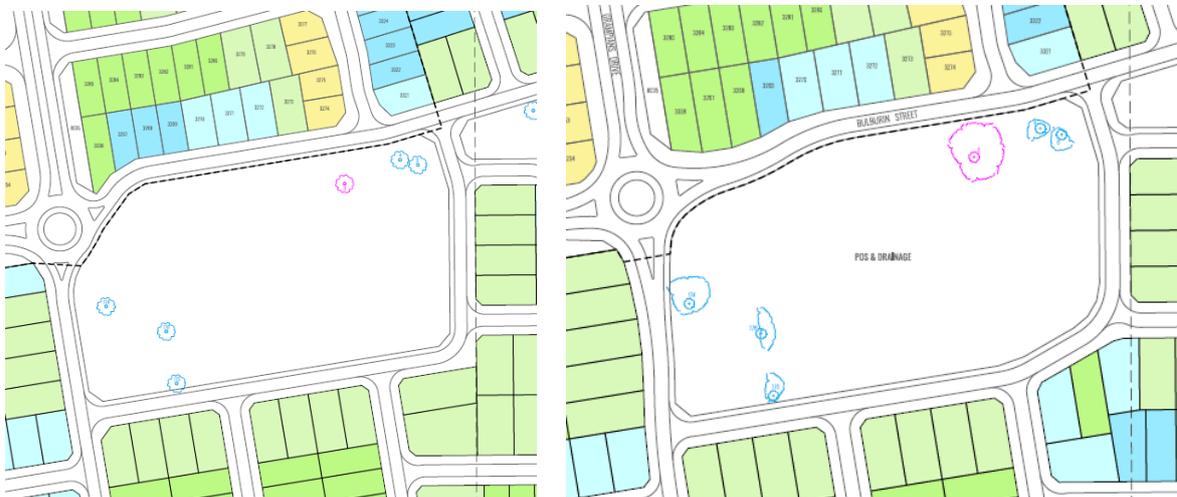
- Improved planning and development outcome aesthetically as no unsightly WWPS site within the POS
- The removal of the WWPS maintains current over and above POS allocation (~13%) whilst clawing back ~1,000m² of developable area. At ~\$700m², this represents \$700,000. The change to the lots in the SE corner of the POS creates a more appealing planning outcome

- The removal of the WWPS is a sustainable approach for the project, Water Corporation and the community. This is not only through not constructing unrequired infrastructure but considers ongoing maintenance on the infrastructure and use of Water Corporation funds which could be better allocated elsewhere
- Reduction in financing costs to offset additional construction costs with gravity feed sewer option.
- Utilises fill on site. The project is projected to carry significant surplus and whilst the tip facility is likely to require a portion of this, there is currently no certainty on quantity. Utilising the ~40,000m³ now reduces risk of potential offsite disposal costs of ~\$800,000
- Whilst the gravity fed option introduces additional costs of approximately \$650k, this cost is significantly offset when finance costs of the WWPS construction are considered, increase in developable area by removal of the WWPS is achieved, utilisation of excess fill with gravity option occurs and overall sustainability is all accounted for.

UPDATED CONCEPT PLAN

Over the past 3 months a review of the southwestern section of the Catalina Green precinct (south of Expedition Drive) has occurred to ensure best planning design practice is utilized, ensuring the vision of the precinct is being carried through and that we are creating a point of difference with the estate. A copy of the original concept plan, prior to changes, is included in **Annexure 1 – Original Concept Plan** with a revised plan included in **Annexure 2 – Updated Concept Plan**. Through the exercise, six (6) key design changes were identified which are outlined below with before and after screenshots for illustration. All changes will be subject to relevant authority approvals. Whilst the changes are only minor in nature and costings yet to be rationalised, it is anticipated that the changes will have positive impact both on cashflow and developer area.

1. Decrease to central POS and modification to lots and road layout
 - a. The changes in the SE corner of the central POS reduce the POS by ~1,000m² which is approximately the space gained by removal of the WWPS. The design change alters the road reserve layout and creates more appropriate lot configurations along with the inclusion of more park fronting premium lots.
 - b. These changes are considered to not impact overall POS credits.



2. Inclusion of additional linear POS to extend the green link from Expedition Drive to the south and create landscaped connectivity with the southern area of the green precinct
 - a. The inclusion of this linear POS will also aid in creating a walking trail between the green links and the bush forever verges and more district connection between POS (refer to point 6).



3. Removal of road reserve between POS and residential lots (refer to images in point 2)
 - a. This change not only removes costs associated with road construction but improves passive surveillance over the POS and a more active interface.
 - b. Increases overall POS allocation to the precinct without impacting developable area.
 - c. Design interface between POS and dwellings to be managed via local development plan and engineering design.

4. Inclusion of pedestrian access way (PAW)
 - a. The illustrated tree in pink is high retention value with large root system and canopy. The inclusion of the PAW provides a landscaped connection to the southern bush forever interface, improved tree retention/reduction in risk of damage and creates unique design feature aligning with the green vision.
 - b. Without the PAW, lot configuration would be difficult to ensure separation from the tree and root system. Whilst the PAW reduces developable area it is offset via design change 5 outlined below.



5. Introduction of cul-de-sac and removal of road reserve (refer to images in point 4)
 - a. With the inclusion of the PAW, the opportunity arose to push lots to the west and remove the unrequired road reserve. This creates unique section of the estate and more environmental

and family friendly design. Additionally, it softens the overall impact of Connolly Drive and better connection between houses and the bush forever site.

- b. Fencing interface with Connolly Drive to be addressed through landscaping and fencing details. High standard of finish to be incorporated.

6. Inclusion of variation to road pavements and walking path trail

- a. Minor modifications to road pavement with the road network by introducing meandering along bush forever site to create points of interest and landscaping zones. This will create space for path network along bush forever boundary, as illustrated in red line below. Again, creating unique feature of walking trail interconnecting the POS areas across southern portion of estate.



DELIVERY TO DATE AND ALIGNMENT WITH THE ADOPTED DEVELOPMENT STRATEGY

The July 2022 development strategy outlined, at a high level, four (4) phases of development rollout for the overall Green precinct. Whilst minor amendments to lot mixes and staging sequencing have occurred, the overall intent, vision and design considerations remain as per the original adopted development strategy. Please refer to **Annexure 3 – Catalina Green Development Strategy** for a copy of the approved strategy.

Phase 1 has been delivered, or close to completion, in line with the strategy with the major focus of tree retention. To date, stages 36 and 37, the neighbourhood centre and major connections to Connolly Drive and Neerabup Drive have formed part of the civil works packages. Subsequent landscaping of the public open space (POS), including public art; and streetscapes has been awarded to the contractor and commencing in January 2023. Opportunity for the builders display village remains within Stage 36, with the prominent location fronting Connolly Drive, which is currently under review on whether it is to progress. The neighbourhood centre is under contract with settlement anticipated for March 2023. In terms of planning and delivery, it is considered that Phase 1 of the strategy has been executed.

The adopted strategy has the below key points of delivery for Phase 2 of Catalina Green. Included below is reference to the current project activities and their alignment with the adopted strategy as we move into this phase of the development.

- Completion of the green link landscaping corridor.
 - Engineering design underway for Stage 38 which provides further construction of major central road inclusive of green link POS areas.

- Subsequent planned stage of development is Stage 39, which again extends the green link connection and ability to bring on central POS.
- Completion of the road connection to PTA underpass to allow bus route from Clarkson train station through to Mindarie Marina.
 - Engagement with PTA undertaken for delivery in FY24. The project team are currently coordinating planning approval requirements to progress the delivery of this important connection over next 18 months.
- Opportunity to ready the high-density sites near train station for sale.
 - Whilst these sites are deferred until more market acceptable conditions for high density, concept planning and the required LSP amendments will occur over the next 12-18 months. It is anticipated that the sites will be development ready with the surrounding roads constructed during the Phase 2 delivery.
- Construction of major centralised park.
 - As outlined in the below staging strategy, the proposed Stage 39 will allow the partial construction of the centralised POS which is a key piece of amenity to leverage off for sales. Full construction of the POS will be subject to engineering constraints and completion of the surrounding road network albeit not to impact majority of the POS infrastructure delivery.
- Sewer pump station delivery (WWPS).
 - As outlined above, there is no longer a requirement for construction of the WWPS, which is considered a much more desirable outcome for the project.

Whilst delivery of Phases 3 and 4 are potentially several years out, subject to sales rates, forward planning is significantly progressed, particularly with the updated concept plan that is up for adoption as outlined in previous section of this report. With reference to the adopted development strategy in **Annexure 3 – Catalina Green Development Strategy**, the overall intent and direction for both phases remains consistent. The staging strategy outlined in the following section to provide further context.

PROPOSED FUTURE STAGING STRATEGY

Two (2) options for staging the balance of Catalina Green are presented to Council for review. Both options incorporate Council resolution to defer staging of the WAPC land and for this to be the final component of Catalina Green. Both staging options have the high density sites near the train station deferred as are subject to further planning.

Option 1

Please refer to **Annexure 4– Staging Strategy Option 1** for a detailed plan outlining the proposed future staging. The proposed staging is to be sequential as listed in the following. Key points and considerations for the staging are outlined below:

- Stage 38
 - The detailed engineering design is underway for this stage. Lots within this stage were the only lots available for development whilst the WWPS strategy is being resolved.
 - Stage includes additional delivery of green link POS areas.
- Stage 39
 - The stage delivers appropriate stock diversity and particularly affordable product around the neighbourhood centre.
 - The stage enables early delivery of the central POS and continuation of the green link providing key amenity for the area.
 - Continuation of the major road connection between Neerabup Drive and Connolly Drive enabling the future bus route when required and PTA connection established.
 - Cost efficient stage to deliver with majority of earthworks completed and planning approvals in hand.
- Stage ROAD (infrastructure item as road only)
 - Completes critical transport connection to PTA bus underpass and direct pedestrian and cycle connection to the train station.

- The completion of this section of road also to assist in creating “development ready” high density sites in close proximity to train station which can be brought to market promptly when required (subject to further planning).
- Stage 40
 - Efficient stage to deliver from a cost perspective with appropriate lot mix.
 - The stage closes out delivery of the majority of standard lots within Phase 2 prior to moving into areas subject to further planning approvals.
- Stages 41 – 44
 - The above-mentioned stages form part of Phase 3, in line with the adopted strategy.
 - Stage 41 is proposed to be first as has direct connection to the current development front and future precinct amenity of the neighbourhood centre and central POS. Considered key amenity to leverage off from sales perspective.
 - Stage 42 will allow completion of the green link and complete the estate entry off the round-a-bout on Connolly Drive which is key from presentation perspective. At this point it is also anticipated residual draw down of previously constructed small lot product and requirement to bring on more.
 - Stage 43 will complete the interface to Connolly Drive and remaining traffic connection via a left in left out. The stage also brings on some premium bush forever fronting lots.
 - Stage 44 is delivered last due to interface issues with the WAPC land and potential significant batters impacting development. This will be the last stage of the development prior to WAPC land acquisition.
- Stage 45
 - Stage 45 is small residential stage in close proximity to train station, which is subject to further planning approvals, particularly an LSP amendment.
 - Development of this stage is deferred to allow potential uplift in density when more market accepting conditions prevail.

Option 2

Please refer to **Annexure 5– Staging Strategy Option 2** for a detailed plan outlining the proposed future staging. The proposed staging is to be sequential as listed in the following. Key points and considerations for the staging are outlined below. The key difference between the two (2) options is deferral of Stage 40 in Option 1 (now Stage 43) and moving towards the SW corner of the estate to focus on developing out the entry road prior to developing east.

- Stage 38
 - Sequencing and considerations consistent with Option 1 strategy.
- Stage 39
 - Sequencing and considerations consistent with Option 1 strategy.
- Stage ROAD
 - Sequencing and considerations consistent with Option 1 strategy.
- Stage 40
 - Stage 40 in Option 2 is Stage 41 in the Option 1 strategy.
 - Bringing forward this stage will allow further construction of the green link and focus on building out around the neighbourhood centre and estate entry, particularly for a presentation perspective.
 - This area of the site is currently used for laydown and stockpiling of topsoil and mulch which would need to be relocated at an extra over cost to the project.
 - Further planning and subdivision approvals also required over this area of the project.
- Stage 41
 - Stage 41 in Option 2 is Stage 42 in Option 1
 - Same consideration as outlined in Stage 42 in Option 1 with this stage completing the estate entry development front for presentation.
- Stage 42
 - Stage 42 in Option 2 is Stage 43 in Option 1.

- Same considerations as with Option 1 Stage 43 and completes key traffic connections in the SW corner to Connolly Drive and bringing forward new product fronting the bush not previously available.
- Stage 43
 - Stage 43 in Option 2 is Stage 40 in Option 1.
 - This development now moves in logical direction east with Stage 43 efficient to develop and last stage with current planning approvals. It is also the least impacted stage by potential battering as result of the WAPC land interface and potential further delays in acquisition.
- Stage 44
 - Sequencing and considerations consistent with Option 1 strategy.
- Stage 45
 - Sequencing and considerations consistent with Option 1 strategy.

With both options outlined above, stage sizing and lot mix will be subject to refinement as the development progresses. At this point in time, it provides guidance on delivery direction of the balance stages and addressing the Council resolution for staging plans. Refinement of staging within the WAPC land will occur once the project team have further clarity on timing of the acquisition.

Satterley recommend proceeding with Option 1 based on the following:

- Option 1 provides the most efficient development from a planning and expenditure perspective, of particular concern as we move into more challenging market conditions; and
- Whilst Option 2 provides a more appealing entrance to the estate with developed lots, the interface can be easily managed and leveraged off from a marketing presence, similar to what is seen in Catalina Beach.

RECOMMENDATION

To summarise, Satterley recommend that TPRC adopt the following for the Catalina Green precinct:

- Endorse sewer strategy and proceed with gravity sewer option:
- Adopt updated concept plan for balance to enable subdivision applications to occur in line with annual budget; and
- Adopt staging plan "Option 1".

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

Yours sincerely,



Drew Tomkins
Project Director

ANNEXURES

1. Original Concept Plan
2. Updated Concept Plan
3. Catalina Green Development Strategy
4. Staging Strategy Option 1
5. Staging Strategy Option 2

A group of people are silhouetted against a bright sunset in a forest. The sun is low on the horizon, creating a warm, golden glow that filters through the trees. The people are standing with their backs to the camera, looking towards the light. The overall mood is peaceful and contemplative.

Catalina



DEVELOPMENT STRATEGY

ISSUE 1.3

| July 2020

Appendices page 58

Catalina



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- 2.0** Introduction and Background
- 3.0** Vision
- 4.0** Design Considerations
 - 4.1** Local Centre Site
 - 4.2** Tree Retention
 - 4.3** High Density Locations
 - 4.4** Lot Mix
 - 4.5** Estate Thematic
 - 4.6** Display Village & Sales Office
- 5.0** Development
 - 5.1** Phased Construction
 - 5.2** Sales and Marketing
 - 5.3** Budgets

1.0 Executive Summary

This report outlines the vision, aspirations and guiding principles that have been endorsed by the Tamala Park Regional Council and how these inform the design and development of Catalina Grove.

Catalina has reached a level of maturity and stock position that requires the development of its third and final precinct, Catalina Grove. Approvals are in place to facilitate the design and subdivision lodgement of the first stages.

The overarching vision along with the design philosophy and guiding principles advocated by the TPRC have provided the aspirations and goals for Catalina Grove. The goals relate to a diversity of product (including density), retention and creation of a green canopy and strong connections to the surrounding area.

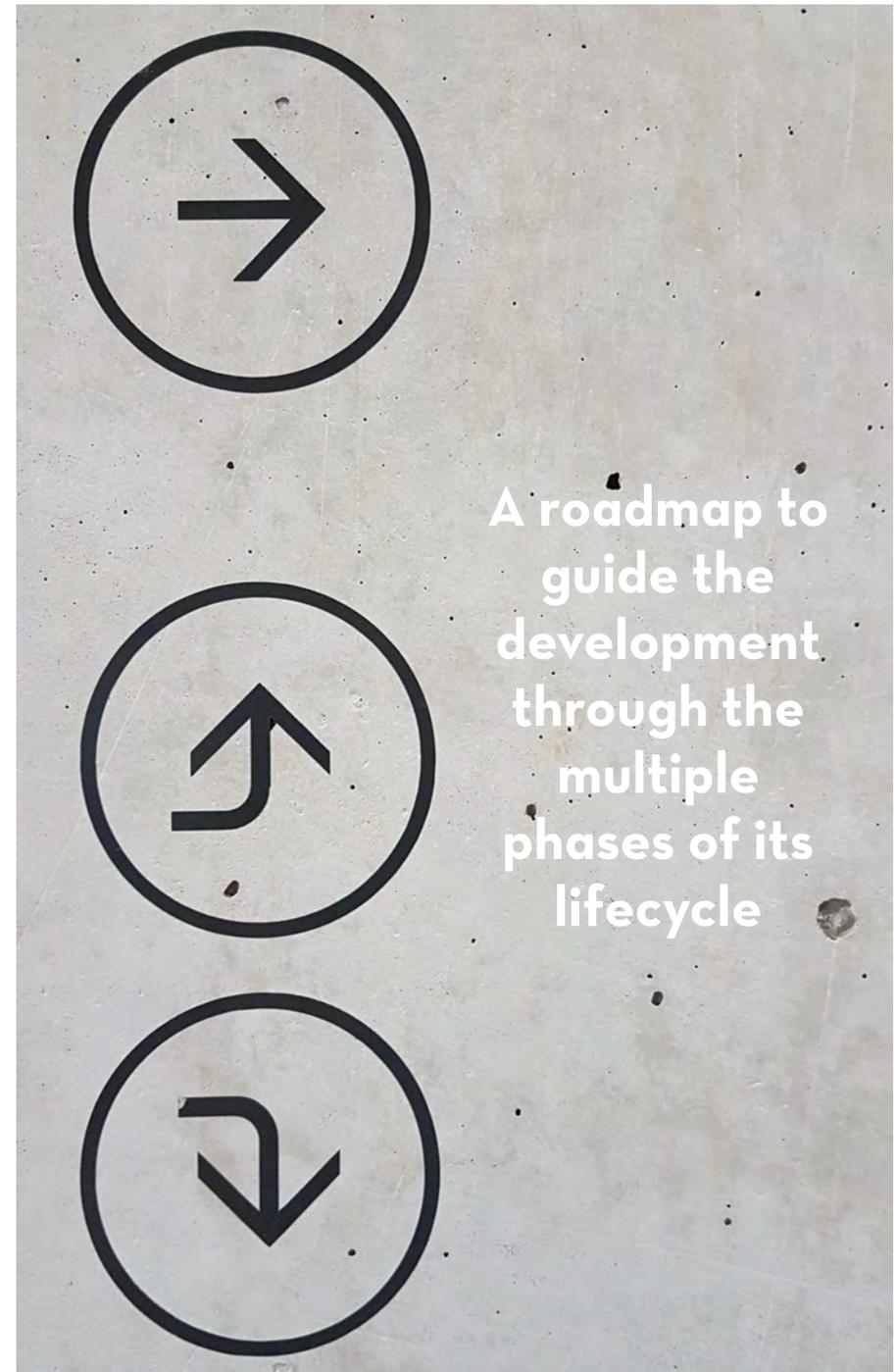
Some of the Design Considerations and outcomes are;

- The Local Centre Site will capitalise on a highly visible location next to Connolly Drive to assist its viability and provide convenient access for the community to a range of services.
- Tree retention in parks and road reserves will be a major focus for the precinct.
- Achieve density and diversity supported by amenity, such as the Local Centre Site, Clarkson Train Station and local parks.
- The average lot size will be smaller than its two sister precincts.
- Landscaping and civil works budgets will be managed to achieve a greater focus on greening.
- The precinct has an opportunity to produce a highly desirable display village.

The project roll out has been broken into phases to optimise capital expenditure whilst delivering the key elements of the project upfront.

The financial impacts of achieving the vision and aspirations are also provided as a guide in this strategy. However, these are likely to change over the life of the project.

This document will be used as a roadmap to guide the development through the multiple phases of its lifecycle.



2.0 Introduction and Background

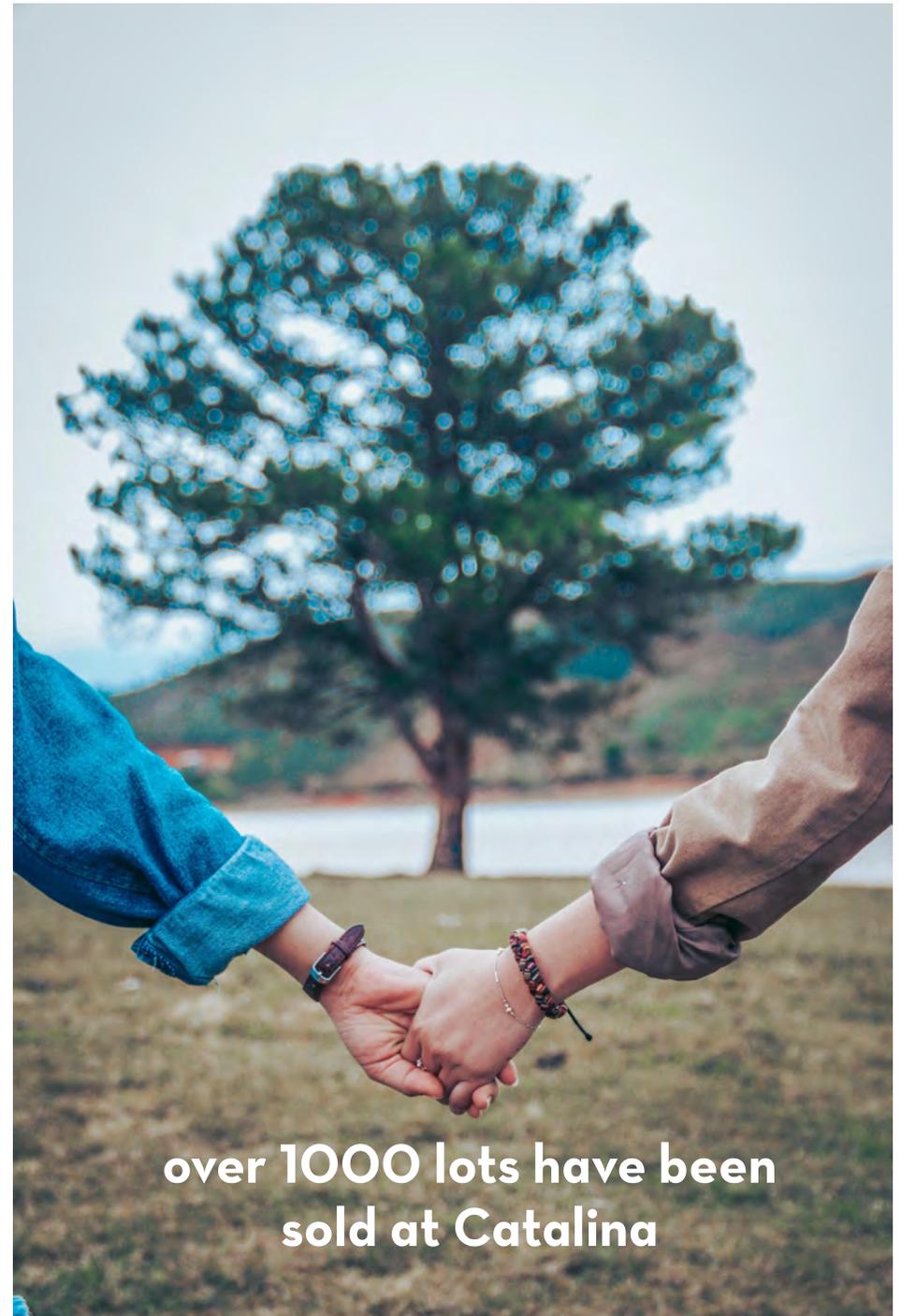
Catalina has been designed to be delivered in three precincts. The first of these precincts started with sales back in 2012 in Catalina Central. This precinct has been designed to be family-orientated, community focused and offers a wide choice of traditional family sized lots and low maintenance cottage lots. Catalina Central has proven to be popular with families and first homebuyers looking to establish a home to start a family. In 2017 the second precinct of Catalina was launched to the public. Catalina Beach has established one of the busiest new home display villages in the Perth metro area and has provided a premium option for purchasers wishing to live in Catalina. Located within the suburb of Mindarie, Catalina Beach has a coastal appeal that has attracted many downsizers, families and more aspirational purchasers.

To date over 1000 lots have been sold at Catalina. To continue sales the project needs to launch the final precinct, Catalina Grove. Available land within Catalina Central that can be developed within the short to medium term has been exhausted. Catalina Grove is now required for the project to continue to provide affordable housing opportunities to market.

The Tamala Park Regional Council (TPRC) passed a resolution at its meeting held in August 2017 that endorsed the philosophy and principles to progress the design for Catalina Grove [This included an objective to maximise the extent of existing vegetation to be retained within the context of the planned development].

The design changes required Federal Approval (Department of Environment and Energy) and a subsequent Local Structure Plan Amendment. In June 2020 approvals have been granted that will enable the development of the site in accordance with the aspirations set out by the Council.

The Catalina Grove Development Strategy will outline the already established visions and aspirations of TPRC for this precinct and detail how these will be used as the guiding principles to deliver the site.



**over 1000 lots have been
sold at Catalina**

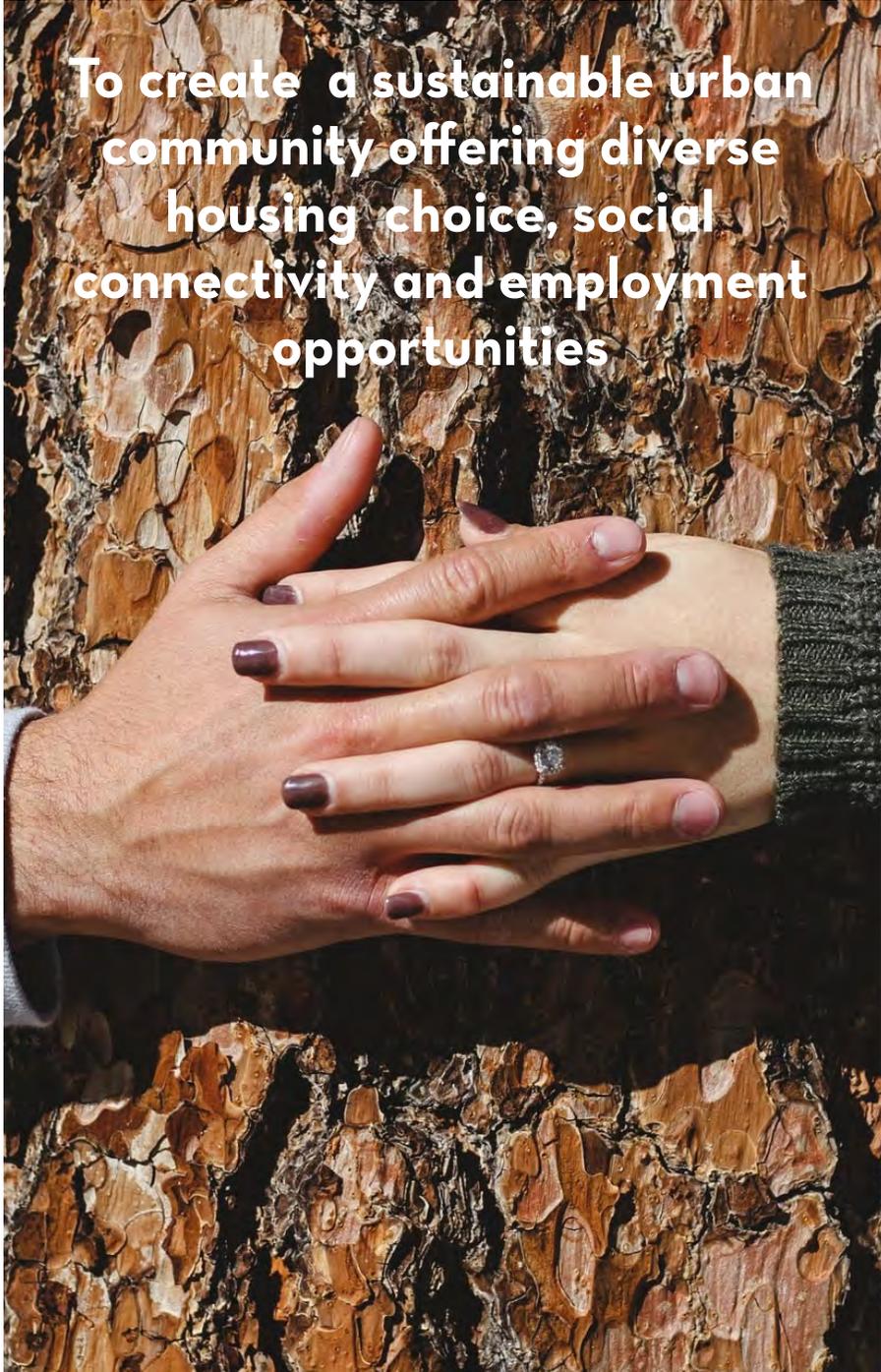
3.0 Vision

‘To create a sustainable urban community offering diverse housing choice, social connectivity and employment opportunities.’

The vision of TPRC, and in turn Catalina, has been created around five key strategic pillars being, Built Environment, Environment, Social, Economic and Governance. The overarching vision, the strategic pillars along with the design philosophy and guiding principles advocated by the TPRC have provided the aspirations and goals for Catalina Grove. These include (but not limited to);

- Configure development design to maximise existing tree retention in public open space and streetscapes
- Achieve an ultimate tree canopy target of 20% or above
- Provide a range of housing options and leverage Clarkson Train Station and the Local Centre to achieve density and diversity around amenity
- Ensure strong movement corridors are created to Clarkson Train Station
- The continuation and promotion of the Green Link from the Beach to the Station
- Development of the Local Centre to leverage Connolly Drive and create a viable amenity for the community and opportunities for business and local employment

Catalina Grove has a strong focus on tree retention, connections to surrounding infrastructure and amenity, and the ability to provide a wide variety of housing options including higher density. The anticipated buyer profile for Grove is singles, couples and downsizers. Families may still be attracted to the precinct due to its highly connected location and provision to be made for lots of sufficient size to cater for traditional housing product.



To create a sustainable urban community offering diverse housing choice, social connectivity and employment opportunities

4.0 Design Considerations

This section of the Development Strategy summarises a number of the key design considerations for Catalina Grove. These considerations have been informed by Satterley’s market experience, the development consultancy team, industry advice and key stakeholder input. The inputs have all been aligned to the overarching aspirations and principles established by TPRC. These consider the projects location, aspirations and vision, market acceptance, demand, development servicing and site opportunities and constraints.

4.1 Local Centre Site

The Local Centre site has been identified as an opportunity to provide for people to prosper and local businesses to thrive. Development principles have been shaped by discussions with a number of key stakeholders.

The City of Wanneroo have expressed an apprehension based on deficiencies and failure of other ‘Main Street’ shopping precincts within the City. These concerns have been addressed and the design amended.

Consultations have been held with a number of commercial site developers. The overwhelming feedback is to make the Local Centre Site accessible and highly visible from Connolly Drive. During these consultations it has been established that demand exists from developers to secure a Local Centre Site in this location. However, no commitments regarding delivery timeframes could be confirmed.

The Local Centre Site location and design was amended in the Local Structure Plan to address the comments from stakeholders. The amendments are consistent with the TPRC aspirations for the site. The design locates the Local Centre Site in a highly visible location next to Connolly Drive to ensure the viability of the future business.



Opportunities for people to prosper and local businesses to thrive

4.2 Tree Retention

Catalina Grove will create a connection to the natural environment through tree retention and canopy cover. Retention of mature trees will celebrate the existing land and with new landscaping provide a unique character, sense of place and form a large part of the Catalina Grove identity.

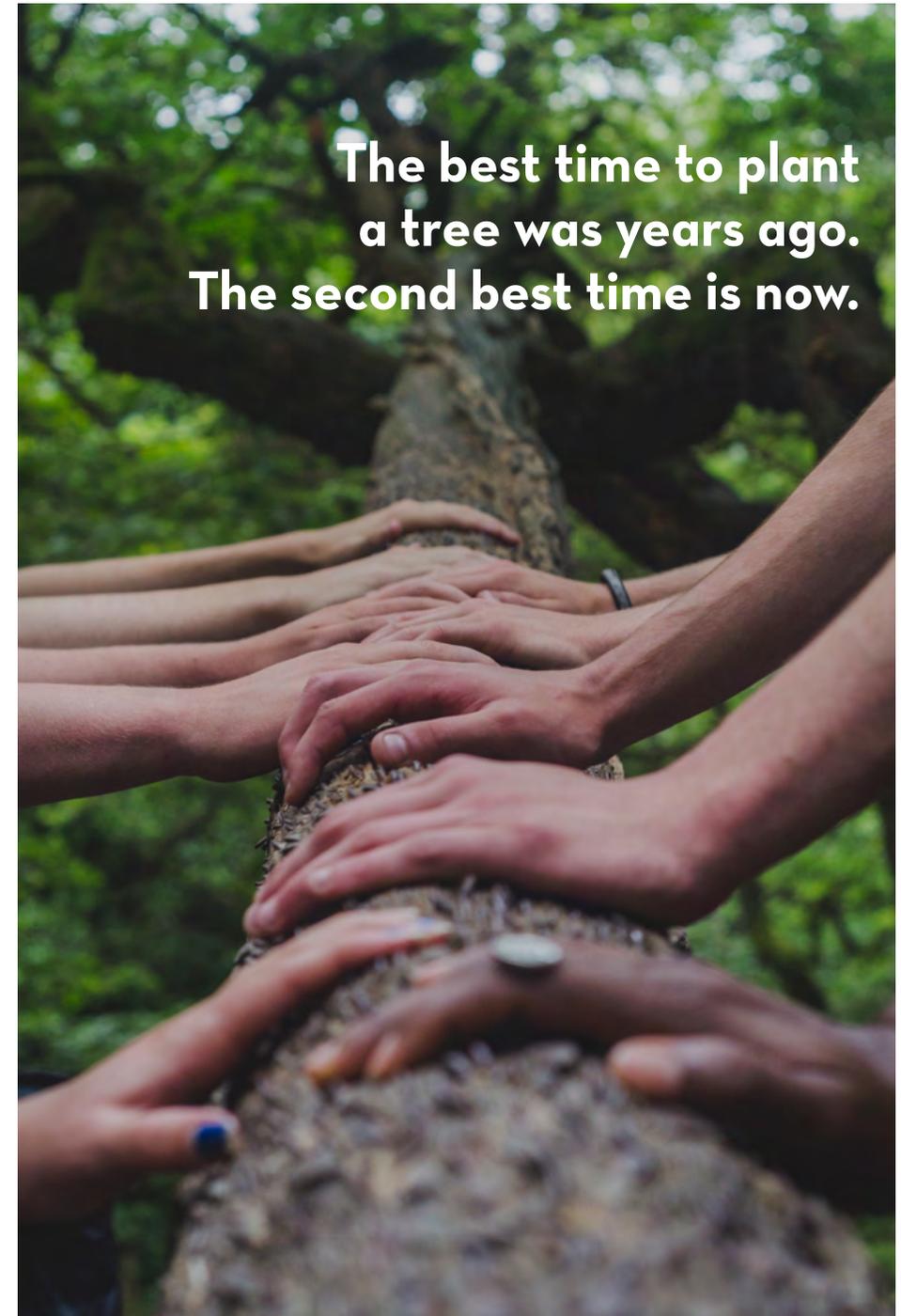
Detailed environmental investigations and tree surveys have been completed on the site. The project team has identified all significant existing trees. Development design has been configured to protect the best quality trees and vegetation on the site through the following:

- Public Open Space to be located in strategic positions to enable clusters or larger trees to be retained with minimal disturbance.
- Alignment and dimensions of road reserves and designated crossover locations to preserve trees within the streetscape of the project.
- Seek to plant large canopy tree species that will compliment the retained trees and over time add to the green canopy of the development.
- Establish strong connections to surrounding amenity and infrastructure that can be reached via a canopy covered network of paths.

Below are a two examples of how these principles have guided the design to date.

1. The interface of Catalina Grove to Neerabup Road has been amended to facilitate the retention of significant trees located on the northern boundary of the precinct within an area of POS. The vegetated park land will facilitate the Council's vision to create an aesthetically appealing northern edge to the project offering attractive, recreational spaces.
2. The use of island blisters, single carriageways and widened road reserves are proposed to provide further opportunities for tree retention.

The guiding principles will continue to influence the design as it evolves over time.



**The best time to plant
a tree was years ago.
The second best time is now.**



Achieve density and
diversity supported by
amenity

4.3 High Density Locations

To ensure a diverse range of housing opportunities are provided within Catalina Grove three areas have been identified to achieve density and diversity supported by amenity. These locations of high density will be supported and complimented by a variety of surrounding green titled lots. The three locations are;

1. **Close proximity to Clarkson Train Station**

In the north east corner of Catalina Grove the project will benefit from an underpass connection through to Clarkson Train Station. Being within walking distance of a major piece of infrastructure will support the creation of sites suitable for apartments. This location of the project also has a number of established trees that will facilitate the creation of a local park. This park will support the high density and meet the needs of residents to have access green space.

2. **Surrounding the Local Centre Site**

A viable Local Centre Site will need to be supported by density and population. Sites surrounding the Local Centre will provide for compact forms of housing in ranging configurations. This will not only provide support for the centre but also produce affordable housing options and diversity of choice for Catalina Grove.

3. **Strong Movement Corridors (Catalina Green Link)**

Smaller high density executive sized homes will be located along key movement corridors. These homes will provide a strong linear section of density to connect key amenity and infrastructure within Catalina Grove.



**research will be completed
on the viability and demand
for different density options**

These three high density areas are considered within the Local Structure Plan and will be incorporated in the detailed design. To ensure their success these sites will not be constructed within Phase One. This will enable a greater understanding of the demand and likely timing of the Local Centre Site along with buyer profiles achieved in Precinct One.

During Phase One research will be completed on the viability and demand for different density options in the precinct. The information from this research, the buyer profiles achieved and sales feedback in Phase One will be used to establish design guidelines and objectives for each site. These guidelines will then be used to establish a request for tenders to take the sites to market.

The research will identify any opportunities for aged care, health care and other mixed use operations outside of standard residential. These opportunities can be presented to TPRC as an alternative delivery option that will achieve and provide a greater diversity of offerings within the precinct.



Precinct	Average Lot Size
Beach	383sqm
Central	343sqm
Grove	312sqm

4.4 Lot Mix

The composition of the lot mix proposed for Catalina Grove was informed by a number of factors.

One being the vision, aspirations and goals endorsed by TRPC which highlight the need to cater for different lifestyle choices and affordable housing opportunities. Of all the three precincts Catalina Grove is uniquely placed to not only offer a range of lot sizes and housing types but also provide affordable housing opportunities. These affordable housing options can be achieved via more compact lot options, group housing and apartments.

Liveable Neighbourhoods, Directions 2031 and the Local Structure Plan set out density targets which need to be achieved, and demonstrated to be achievable, with each stage of subdivision. The minimum total dwellings needed across Grove is 643 with a higher end target of 753. The current lot mix achieves 743. The lot mix and density proposed for Grove has been increased due to the transport node of Clarkson Train Station and location of the Local Centre Site. The table contained on the left of this page shows the average lot size constructed in Beach and Central compared to the proposed average lot size in Grove. These comparisons exclude all grouped housing sites or apartments and reflect only green titled individual residential lots.

Using the factors above, along with the Local Structure Plan, Satterley have met in house, with the consultancy team and with various project home builders to produce a balanced and saleable lot mix. In particular input from the Satterley sales team and project home builders have supported the decreased lot size. Some of the reasons are;

- Many indicating a demand from first homebuyers that live in the area that would like a new home in this location but can't afford it. These buyers are currently purchasing further north in suburbs such as Alkimos. Creating a comparable price point via a smaller lot mix is forecast to capture some of these purchasers.
- Downsizers who live in the area will be attracted to a low maintenance home in the close proximity whilst taking some capital out of there existing larger home.
- Easy transport linkages and small lock and leave product should appeal to fly-in-fly-out buyers.
- Walkable catchment of the train station should drive density over time.



4.4 Lot Mix

The following lot mix is proposed for Phase One of Catalina Grove.

Lot Type	Lot Size	Example Dimensions	% of Lot Mix
Micro Lots	80sqm–145sqm	8m x 10m 10m x 15m 7m x 20m	5%
Squat Lots	250sqm–300sqm	12.5m x 20m 15m x 20m	10%
Cottage Lots	190sqm–380sqm	7.5m x 25m 10.5m x 25m 12.5m x 25m 15m x 25m	20%
Terrace	180sqm–230sqm	6m x 30m 7.5m x 30m	30%
Conventional	325sqm–520sqm	10.5m x 30m 12.5 x 30m 15m x 30m 17m x 30m	35%

This lot mix provides opportunities for diverse housing product ranging from 80sqm to 520sqm. Sites suitable for group housing, apartment developments or mixed use have been identified and do not form part of this lot mix. The delivery of these sites in Catalina Grove will be located close to adequate amenity and infrastructure to support the residents. In total over 1.5ha of net developable land has been identified for development for this purpose.

Development cells and road networks to create the proposed lot mix are flexible and provide opportunity to optimise the lot variety in accordance with market demand. The design is flexible and robust and may be readily adapted over time should market conditions and buyer preferences change. A range of densities has been proposed to satisfy the housing requirements of a broad demographic.

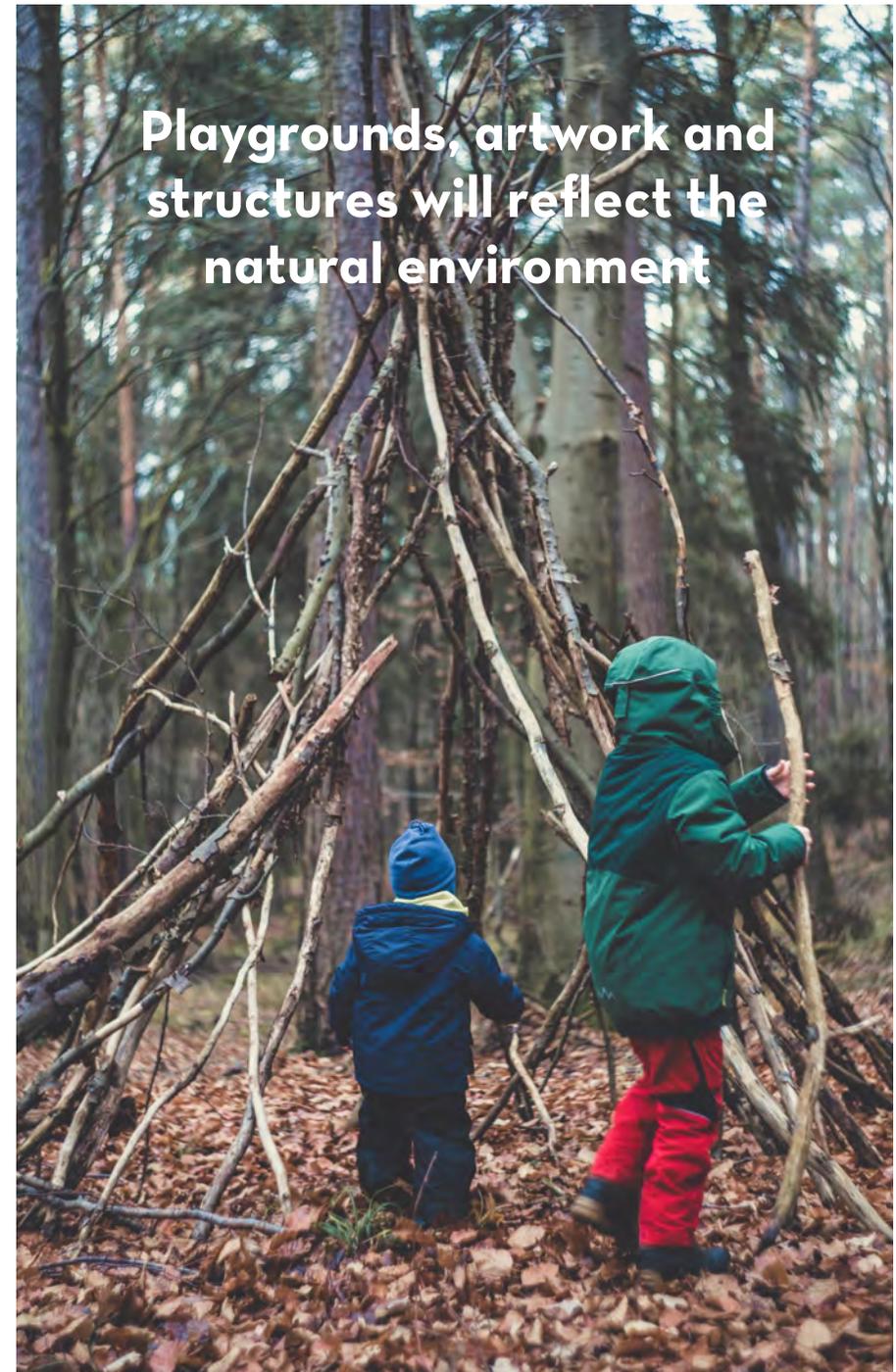
4.5 Estate Thematic

CIVIL AND LANDSCAPING

To ensure a green and natural connection is achieved throughout the precinct the following principles will be used to inform the landscaping and civil design.

- Grove will have a very distinct focus on greening streetscapes, with retained trees and increased tree numbers and sizes to streetscapes to ensure the canopy targets are achieved.
- The pavement, road pavement and lot wall materiality will be low key to enable a refocus of budget to enable highly vegetated streetscapes.
- Existing site levels will be retained where possible to enable the retention of trees.
- Road networks will be positioned to maximise solar orientation of lots where possible.
- Existing gravity sewer catchments are taken into account to ensure an efficient development rollout and the deferment of the construction of the required sewer pump station until necessary.
- Playgrounds, artwork and structures will reflect the natural environment. Emphasis will be given to recycled or sustainable materials. Designs will be created that tie into the natural environment aesthetic.
- Colours and materials of built form will be neutral and reflective of the natural setting.
- Opportunity to include modern sustainability practices or industry leading technology will be explored.

Catalina Grove residents will have a strong connection to the natural environment. Whether it is a stroll through pedestrian friendly shaded streets, stopping to admire the natural form in artwork or taking the kids down to the park to use their imagination in a vast nature play.



Playgrounds, artwork and structures will reflect the natural environment

BUILT FORM

Prior to the commencement of Phase One new residential design guidelines will be established for Catalina Grove. They will ensure the vision, principles and overall theme of the precinct is achieved. The design guidelines will have a strong sustainability focus whilst ensuring the overall design quality and kerb appeal of the homes are still achieved. Creating a fine balance between affordability and aspirational designs will be critical. Whilst addressing similar criteria as the other precincts these design guidelines will also look to include information on the following;

- Opportunities to provide 'eyes on the street' and contribute to community safety.
- Creating opportunities for interactions with neighbours and passers-by.
- A precinct palette to inspire materials colours and treatments used in the house design.
- Climate responsive design advice which will provide design and construction principles to improve the comfort of the home and minimise the energy and water usage.

The current sustainability incentives will also be reviewed with the opportunity to provide a more distinct sustainability package for the residents of Catalina Grove. The incentives will be tailored towards smaller dwellings.

During Phase One research will be undertaken on the density sites located within the precinct. The research will inform the highest and best use, market value, mixed use potential, employment opportunities and potential built form outcomes. This will then be used by the project team to prepare design principles and guidelines for the sites located within Phase Two. Design elements similar to those in the residential design guidelines, minimum sustainability targets, guidance on icon elements and structures, and the design principles and guidelines will be used to prepare the sites for tender. Based on the maturity of the precinct in Phase Two the market may not be ready for the sales of these sites. However, they will be prepared and ready for when the market conditions change. This will enable the sites to be fast tracked should any opportunity arise.



**Climate responsive design
advice**

4.6 Display Village

Creating high quality display homes fronting a major road has been a great success in Catalina Beach and an opportunity exists to replicate a similar setup in Catalina Grove. The approach of opening up the estate to Connolly Drive to support the Local Centre Site also supports the creation of a display village. The creation of a display village in the first stage of Catalina Grove has the following advantages;

- High quality homes will be constructed and frame the entry of the development
- These high quality homes will act as a design benchmark for residents to achieve
- The presale of lots to builders offers security of sales for the large initial costs to construct stage 1
- Builders will generate enquiry and traffic to the development that can be leveraged by the project
- Builders will look to establish homes quickly and in turn create early activation of the precinct

Satterley has spoken with a number of leading project home builders to establish the level of demand that may exist for this opportunity. All builders that were contacted indicated a strong desire to be involved with a display village in this location. Most builders indicated they would look to showcase smaller lot homes and use their first homebuyer brands that are not currently represented in Catalina Beach.



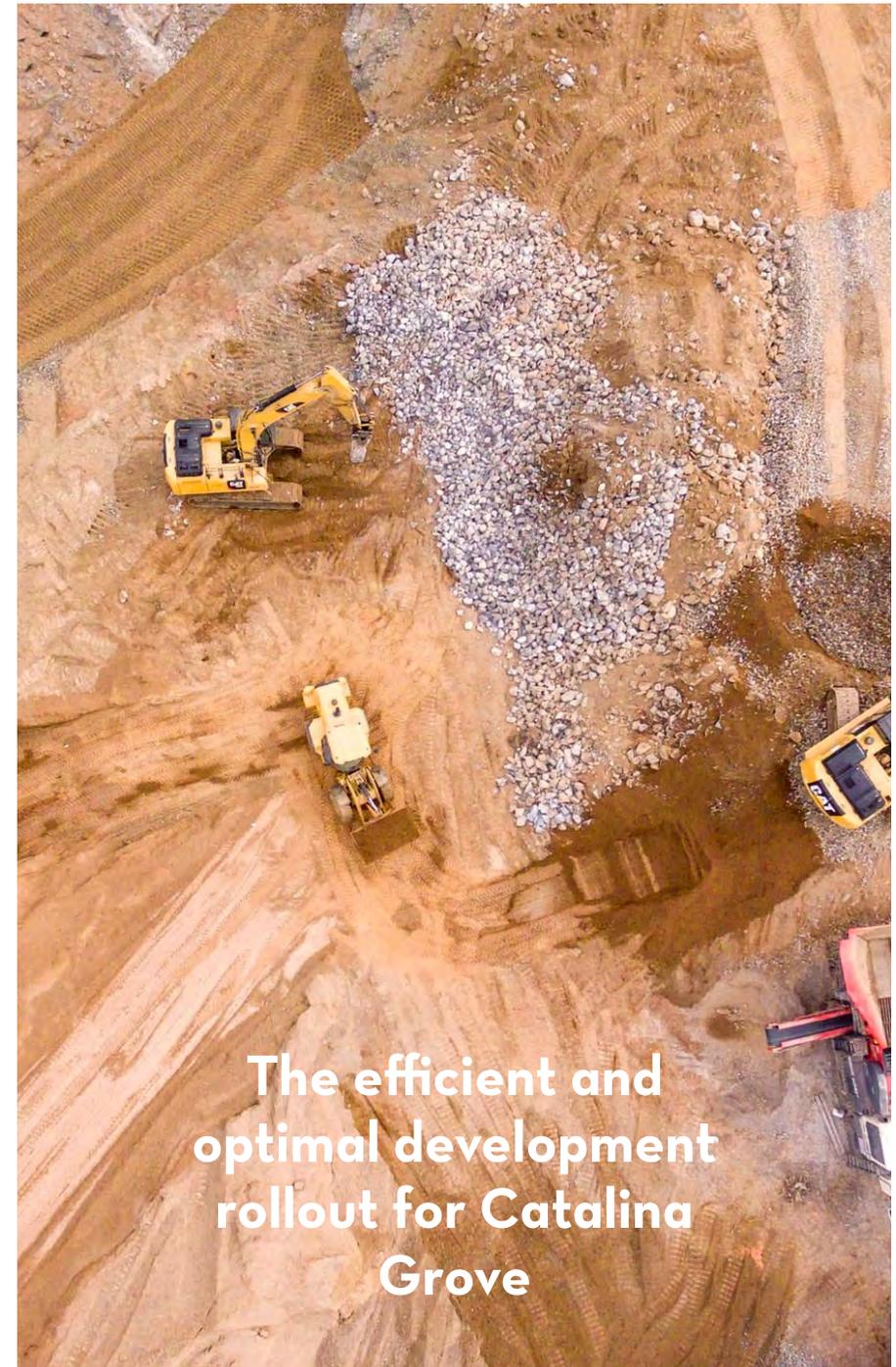
High quality homes
framing the entry
of the development

5.0 Development

In consultation with the project consultancy team Satterley has identified the efficient and optimal development rollout for Catalina Grove. Site constraints, key infrastructure, approvals, staging and budgets have helped to inform the development rollout.

The major challenge for the civil construction and design of Catalina Grove will be the retention of existing trees, and the impact this will have on earthworks and site levels. Natural low points and the overall site drainage layout is well advanced through design and is assisted by the free draining sandy conditions. Interface works with the surrounding road networks require detailed design but major connection locations have been agreed through the Local Structure Plan. The north west of the site can utilise existing sewer infrastructure, with a new pump station required for the later stages of development of the precinct. The design and documentation of this pump station is significantly progressed and can be finalised upon completion of the design of the precinct road network.

The delivery of Catalina Grove is proposed to be completed in multiple phases. To make an efficient use of capital and provide development efficiencies.



**The efficient and
optimal development
rollout for Catalina
Grove**

5.1 Phased Construction

Breaking up the construction of Catalina Grove up into phases will enable an effective use of capital and achieve development efficiencies. This approach is similar to that taken in Catalina Central, Catalina Beach and the development industry as a whole. Multiple stages of approximately 25-50 lots will then be further developed out of each phase.

PHASE ONE

The first phase of earthworks in Catalina Grove will include an area that can yield approximately 140 lots, in the north west corner of the site. This approach of earth working a large area will facilitate a broader strategy for tree retention and achieve greater economy and flexibility to respond to market conditions. The location of Phase One considers the following;

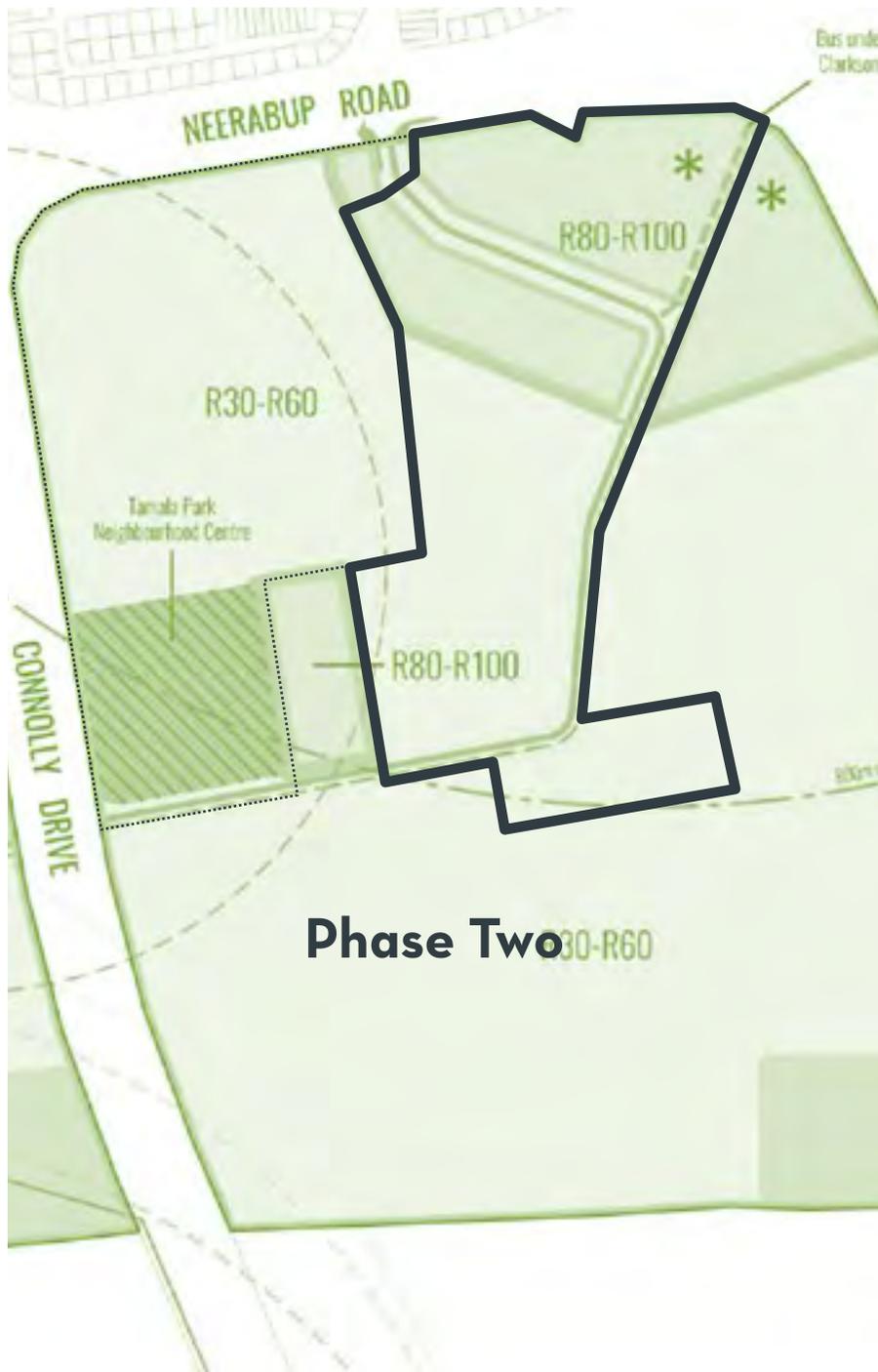
- Responds to the sewer limitations by leveraging the existing gravity sewer network. This will enable the capital cost to construct a new pump station to be deferred.
- Opportunity for a builder's display village with maximum exposure to passing traffic along Connolly Drive.
- Opportunity for product diversity (density and housing typologies).
- The creation of access / egress from Neerabup Road and Connolly Drive.
- Opportunity for landscaped entry statement along Connolly Drive (north of Aviator Boulevard) including POS / drainage at the intersection of Connolly Drive and Neerabup Road).
- Opportunity to create a linear woodland along the northern boundary adjoining Neerabup Road to showcase and create a connection to nature and the retention of trees.
- Opportunity to create and divest the Local Centre Site in recognition that this process and the process for the development of the centre may take several years to complete.

**facilitate a broader strategy
for tree retention and
achieve greater economy
and flexibility to respond to
market conditions**



PHASE ONE (Continued)

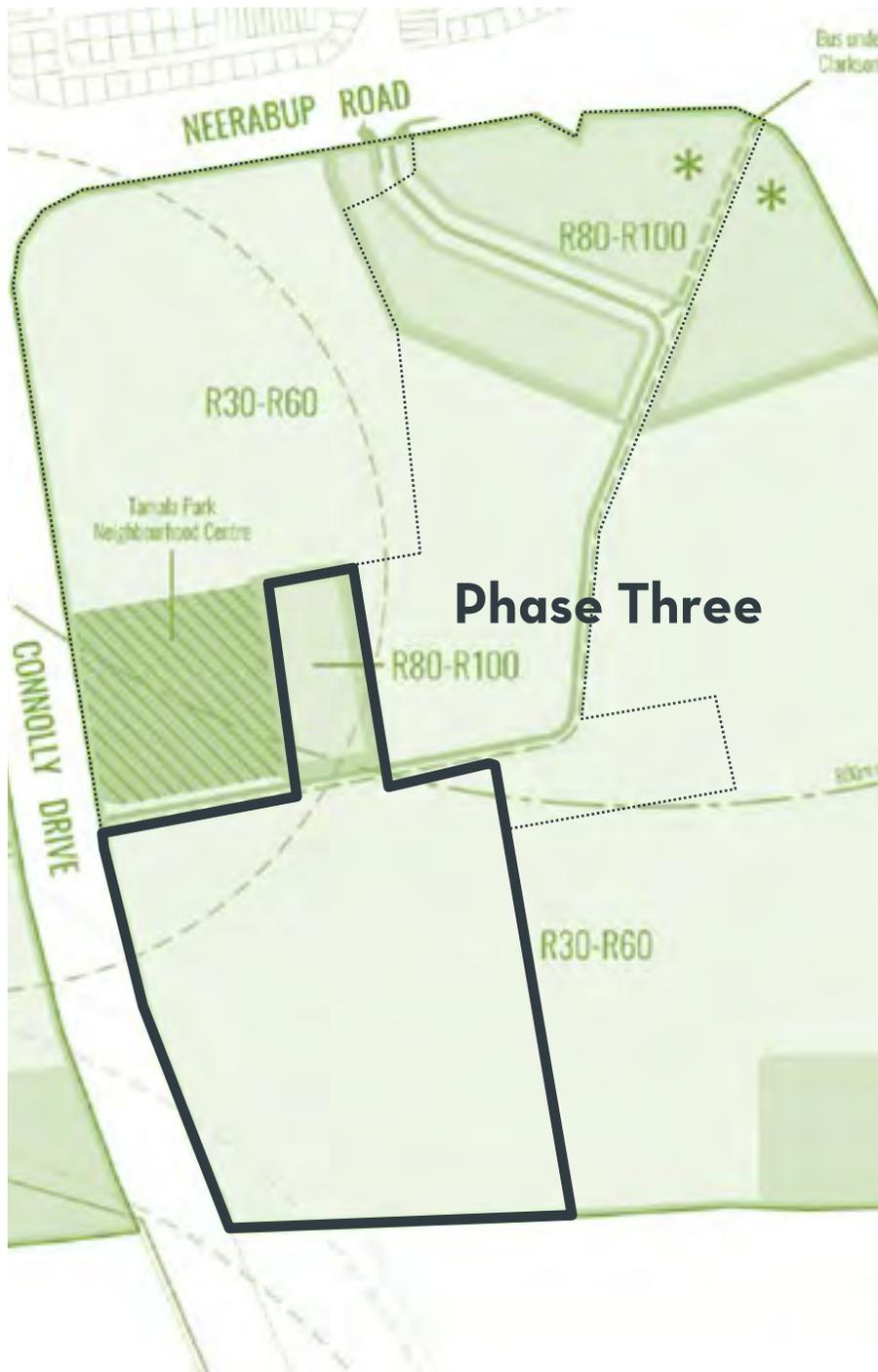
- Construction and landscaping of a highly visible roundabout along Connolly Drive
- Project exposure and marketing opportunities along both Connolly Drive and Neerabup Road.
- The retention of major trees at multiple POS and road reserve locations to establish the project aesthetic and vision.
- The opportunity to install public art or iconic structures at the permanent entry points of the project.
- A focus of presenting out towards its surrounds. The design will embrace Neerabup Road and Connolly Drive to welcome people in.
 - The use of existing trees and new landscaping will create a linear parkland along Neerabup Road.
 - Opening the development to present to Connolly Drive and locating a high quality display village to address this high traffic road.
 - Creation of the Local Centre Site to encourage commercial operators to active the site early.
 - Creating three entry points in and out of the precinct to enable greater vehicular, and pedestrian connections to its surrounds.



PHASE TWO

Phase Two of the development will move to the east of Phase One and will connect to the existing Neerabup Road underpass. This Phase continues on from the Phase One focus on connections by completing creating a major link through to Clarkson Train Station. Internalised amenity and the creation of sites for higher density development area also achieved during Phase Two. Phase Two has considered and will achieve the following;

- Completing the final sections of the Green Link. This important connector will provide a landscaped connecting spine all the way from Clarkson Train Station through to the foreshore in Catalina Beach.
- The Public Transport Authority has committed to providing a bus service along Aviator Boulevard upon completion of the construction of the road. This bus service would provide efficient public transport throughout Catalina Beach, Catalina Central and Catalina Grove and activate the currently dormant (constructed) pedestrian and bus underpass. A bus service through the estate may assist with the saleability of lots (particularly smaller lot product within Catalina Grove).
- This phase has the opportunity to ready the highest density sites close to Clarkson Train Station for sale. Having these sites ready for sale will position the project to take advantage of any market upswing that may occur over time, fast tracking the development of these important sites.
- The construction of the major centralised park within Catalina Grove. This park will be a major attractor for the precinct and offer recreational opportunities to residents. The park will include a major nature based play area that will appeal to families.
- This phase will trigger the need to commit to the construction of a sewer pump station.



PHASE THREE

Phase Three of Catalina Grove will look to develop the area south of Phase One and continue to open the project up to and to further address Connolly Drive providing potential for;

- Another display village due to its exposure to high traffic volumes along Connolly Drive.
- Developing the area around the Local Centre including areas of higher density to support local employment and the commercial viability of the centre.
- Residential lots that will benefit from views and outlooks over the bushforever to the south.
- Exploration into an aged care site or health campus that is within close proximity of the local centre. This would provide additional diversity of housing options that Catalina does not have.
- The final entry and egress of the precinct on to Connolly Drive at the southern most boundary
- Continuing the approach taken in Phase One of presenting towards its surrounds. The project will not turn its back on Connolly Drive by putting long rows of rear boundary fencing hard against the boundary. Instead it will look for ways to present towards and soften the interface.



PHASES FOUR+

The remaining phases of Catalina Grove will see development progress to the eastern part of the precinct. These phases can and will be reviewed over time to ensure they are adapted to meet market needs and demands. Areas of significant opportunity are;

- Interface and potential views of bush land and conservation areas
- Integrating the cycle network to join with the established dual use path along the Mitchell Freeway
- Using the lessons learnt within Phase Two to construct high density sites that benefit from a walkable location to the Clarkson Train Station.
- The continuation of retention of significant existing trees within parks and streetscapes.
- Create a high connectivity from north to south across the estate to encourage pedestrian and cycle movement towards Clarkson Train Station.
- Frame the Southern Boundary of the Green Link with higher density green titled lots.

5.2 Sales and Marketing

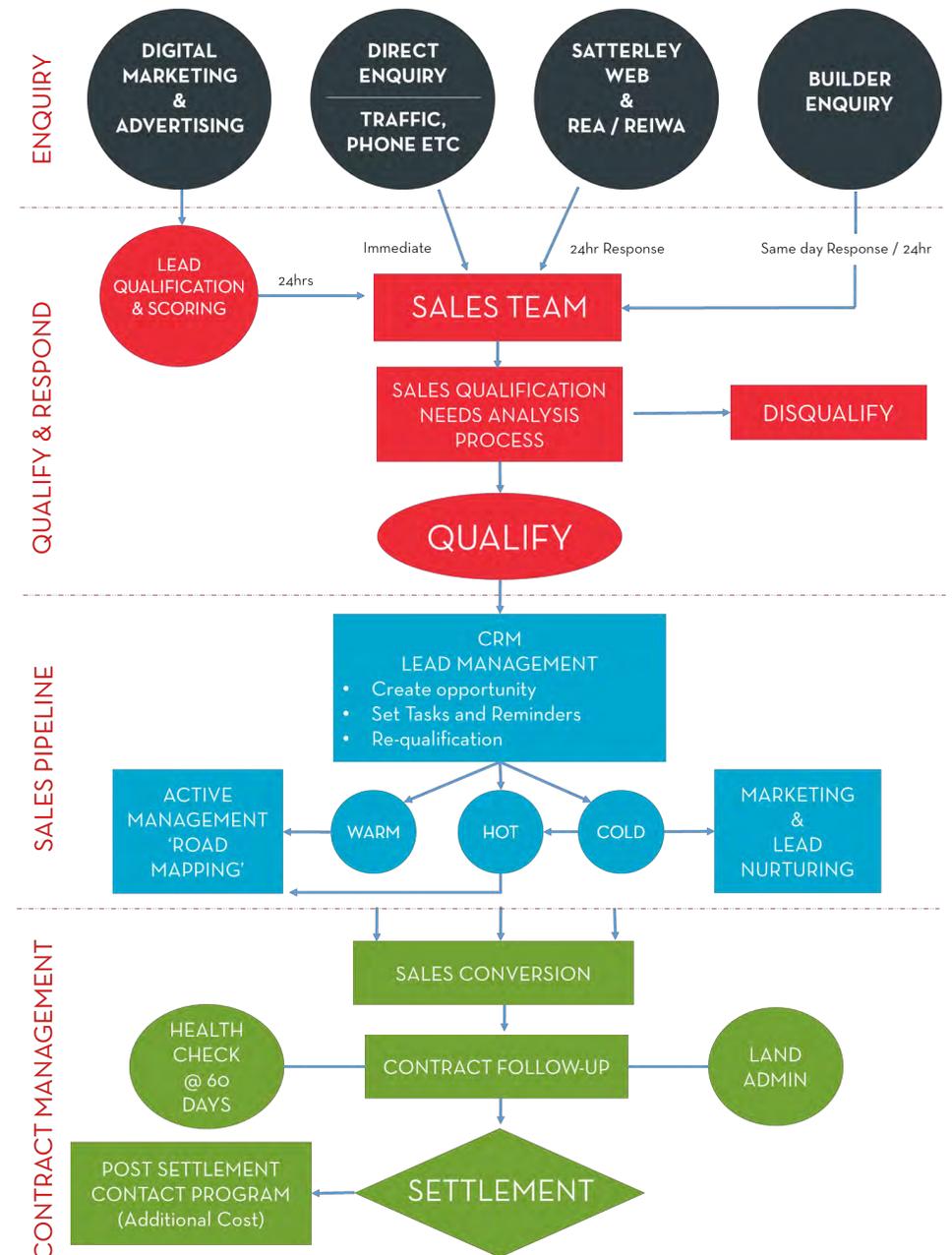
The impact of COVID-19 has highlighted the need and the desire of purchasers to access more information and project details at home and at anytime of the day. Whilst the role of the traditional sales agent and office is still an essential requirement to deliver Catalina Grove it is proposed that the project leverages the existing sales infrastructure in Catalina Beach. Signing clients and face to face meetings for Catalina Grove will take places at the existing Catalina sales office. This approach is currently used to sell Catalina Central and is an efficient use of capital and will enable Grove to focus on more innovative marketing and sales tools.

SALES

The sales process currently in place and proposed to be used for the launch of Catalina Grove is detailed in the flow chart on this page. Satterley continually review this sales process and seek to provide a leading sales experience to the purchasers of Catalina Grove. The lot sales and release strategy will be further defined within the project Annual Plan. However, an overview of the approach to sell and launch Phase One of Catalina Grove is provided later within this section of the strategy.

MARKETING

Marketing channels and functions are rapidly changing. To ensure that Catalina Grove is able to adapt to the market further details regarding the specific marketing of Catalina Grove will be reviewed and considered through the Annual Marketing Plan. The overarching strategy will be considered in the Economic and Marketing Strategy. However, an overview of the approach to market and advertise Phase One of Catalina Grove is provided later within this section of the strategy.



SALES – PHASE ONE

Sales in Catalina Grove Phase One will be targeted through two major channels. These channels are direct retail sales and home builder sales.

These two channels will require considered and careful strategies for engagement, communication and sales releases. An overview of the sales and engagement strategy is provided below.

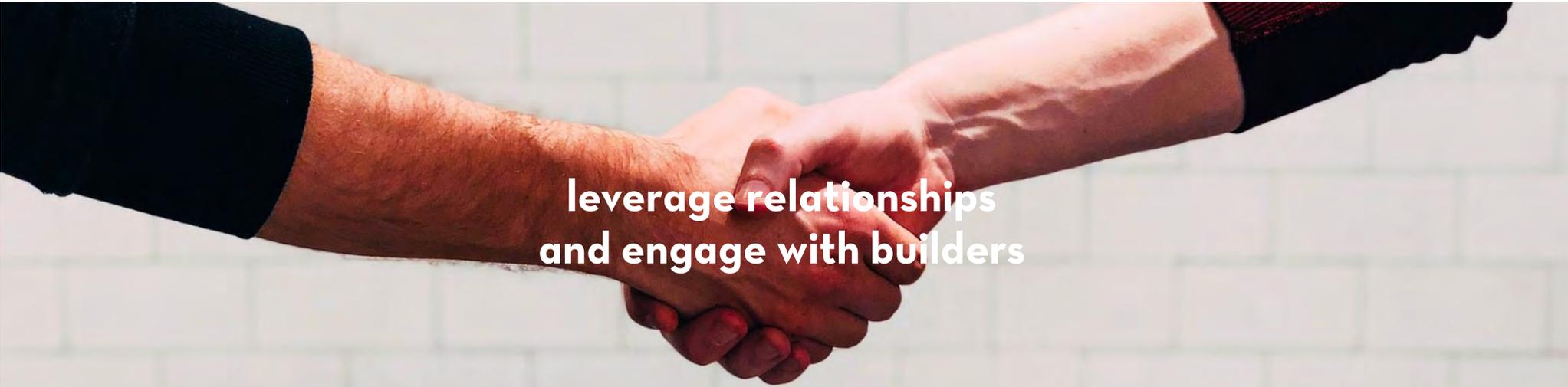
Builder Engagement

Satterley have a strong relationship with all of the key builders that are active within the north west coastal corridor. Satterley will leverage relationships and engage with builders to ensure that Catalina Grove obtains and maintains their support for not only the display village but also a consistent stream of referrals into the estate. These builders will also ensure a diverse range of product is being delivered within the precinct.

Prior to the retail release of Catalina Grove an Expressions of Interest (EOI) process will be completed with builders for the display village located within stage one. In addition to being advertised Satterley will approach its strong database of builders to encourage responses to the EOI. Anecdotal advice from a number of leading builders has indicated a strong demand for a display village in this location. These sales will help underpin the construction of stage one and approximately 12 months from titles the display village will act as a major traffic driver to the precinct.

In addition to creating a leading display village, builders will provide retail referrals in to the estate. The following engagement strategy will be implemented to ensure these referrals are achieved at the start of the project.

- Weekly Electronic Direct Mail (eDM) communication to feature an introduction, and updates on Catalina Grove prior to release. WA builder database consists of 600 sales consultants. This communication will be consistent with the database communication.
- Produce hard copy sales collateral including estate brochure, pricing and sales documentation to be distributed to all builder head offices prior to initial sales release.
- Builder event to be held at the Catalina sales office prior to official launch to target sales consultants operating within the northern coastal corridor.
- Social media strategy to be implemented to engage with builders through at a management and sales consultant level.



**leverage relationships
and engage with builders**

Beyond the initial launch of Phase One a continuous program of events will ensure constant builder engagement. These include but are not limited to;

- The project Estate Manager and sales teams visiting builders head office sales teams to present and promote Catalina.
- The Estate Manager visiting the Catalina Beach, Catalina Grove and surrounding display villages to build a strong relationship and encourage referrals.
- The sales and marketing teams within Satterley working with a wide variety of builders to ensure a constant and varied options of house and land packages.
- Development updates will be provided to key management staff within builder groups to ensure buy in at the management level is achieved.

Retail Engagement

Retail sales are achieved through direct marketing and sales to the public or via builder partners that provide a referral to achieve a house and land package with a purchaser. The marketing brand and lead generation strategy will drive enquiry to register their interest. Driving people to register their interest for Phase One will enable a series of eDMs to be sent in the lead up to sales;

eDM 1: Upcoming project launch announced and database created

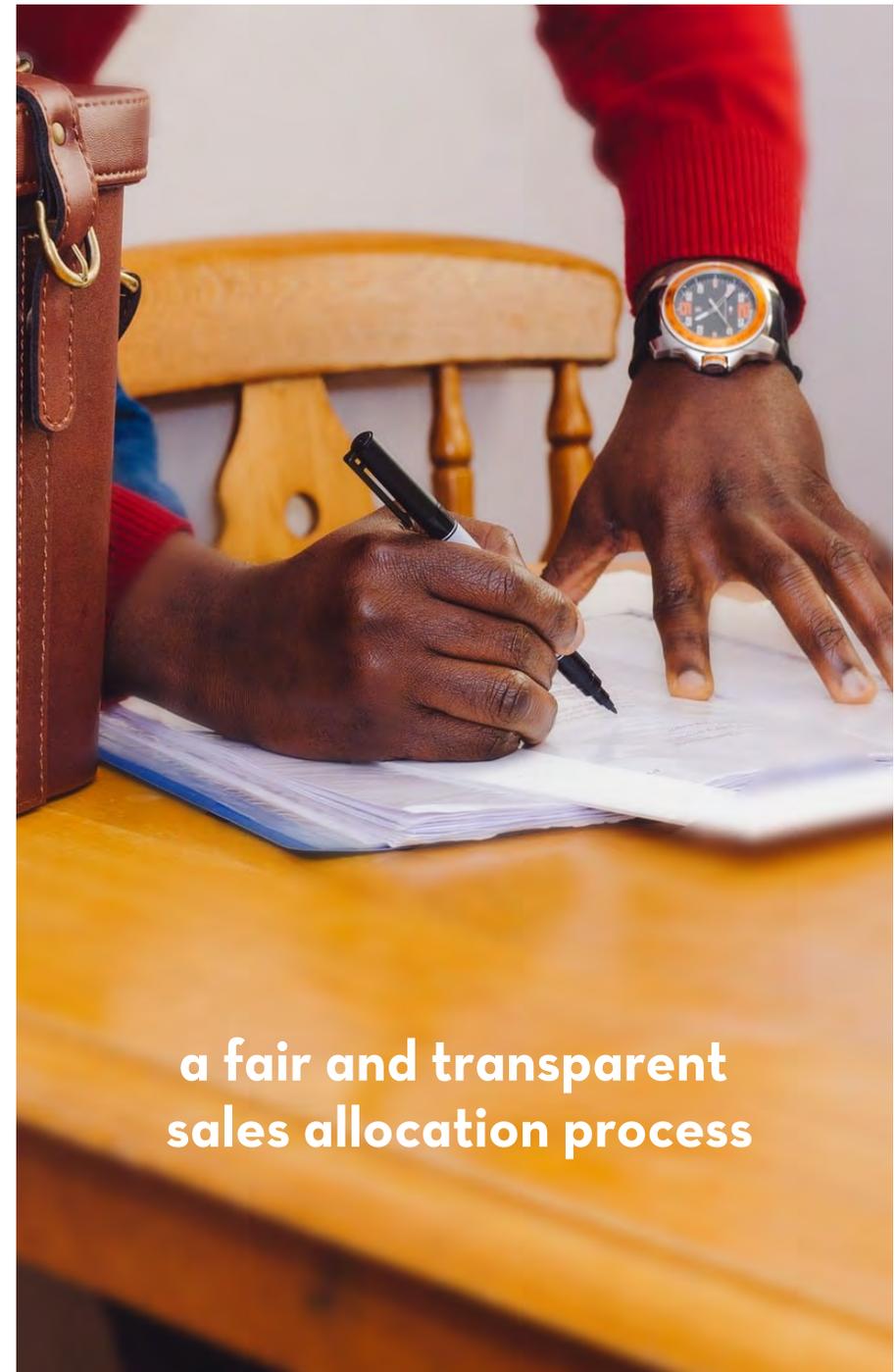
eDM 2: Release date, stage plan, price list and purchasing process distributed

eDM 3: Prepare your letter of eligibility

eDM 4: On-line registration link is distributed (24h before the release time)

The initial and subsequent sales releases are proposed to occur via online registration (the same as Catalina Beach and Central). This allows for buyers to be properly financially qualified and produces a fair and transparent sales allocation process.

The ongoing sales to retail engagement will be as per the sales process previously in this document. The Catalina sales team will continue to operate from the Catalina sales office (located in Catalina Beach) for the foreseeable future. This is in a highly visible location, is well known by the builders operating within the corridor and has a display village attached that attracts walk in traffic, particularly on the weekend.



**a fair and transparent
sales allocation process**

MARKETING – PHASE ONE

Catalina Grove has the opportunity to provide a clear third brand under the overarching Catalina master brand. Prior to launch a brand health-check will review the Grove brand identity and its relevance to the current and projected market. The outcome of the brand health-check will direct the type of marketing assets necessary to generate Catalina Grove brand awareness (mobile app, CG renders, 3D modelling), and the tone of voice.

The tone of voice (brand language) and brand identity will be instrumental in informing content of key marketing communications and assets for the precinct: eDM, Media Releases, website, estate brochures.

Points of Difference

- Nature

Retained and mature vegetation enhanced by new planting and high quality public open spaces. Includes a number of sustainable building incentives and options. This will create a strong connection to nature.

- Connections

Convenient transport options with access to Clarkson Train Station, the Mitchell Freeway and will benefit from an early public bus route through the precinct.

Catalina Grove is a new precinct with all the benefits of an established suburb. Close location to schools, shops, marinas, beaches, existing communities and many public amenities.

- Health

Designs and principles that will ensure house designs address the street and encourage people to walk and use the public open spaces. Catalina Grove will promote and encourage the use of the Green Link to connect through the Catalina development. Being connected with your neighbours will be easier in Catalina Grove.

- Time

Smaller convenient lower maintenance homes free up time for you to do the things you love. Spend less time getting places (freeway, train and bus connections). Everything is already on your doorstep so why wait.

5.0 DEVELOPMENT



Target Audience

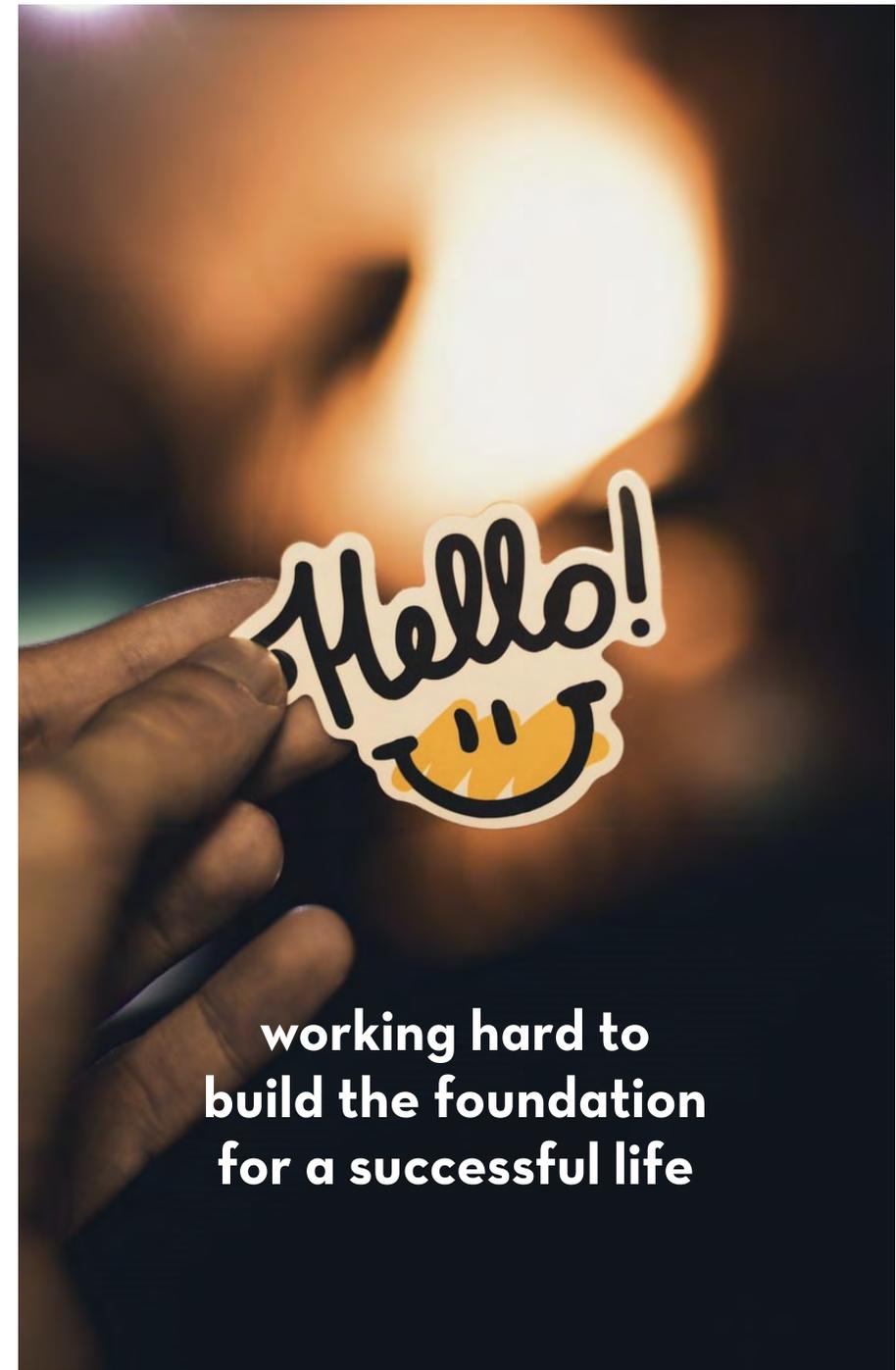
The following target audiences have been identified for this precinct ;

- Young professional couples and singles (most likely without children)
- Downsizers
- Empty nesters
- Easy-care property seekers

Due to the property sizes and convenient location investors may also join the purchasers organically but are not identified as being a target audience.

Using Helix Personas the following values, beliefs and attitudes have been identified for the target audience. These will inform the marketing launch though elements such as tone of voice and marketing channels.

- Future Focus: a mix of single and young families who are intending on working hard to build the foundation for a successful life.
- High Life: highly techy, culture and nightlife loving young couples and singles (sometimes living in shared households).
- Libertarians: socially aware, progressive and open minded, Possibly born in UK, Asia or New Zealand.
- Aspirational Family: highly ambitious and culturally diverse up-and-comers. Careful spenders, they are working hare to create a more successful tomorrow.
- Lifestyle Seekers: The majority are Australian born. Likely married, this persona skews to the older (a significant number are aged 50+), and as a result boasts a higher proportion of outright home ownership.



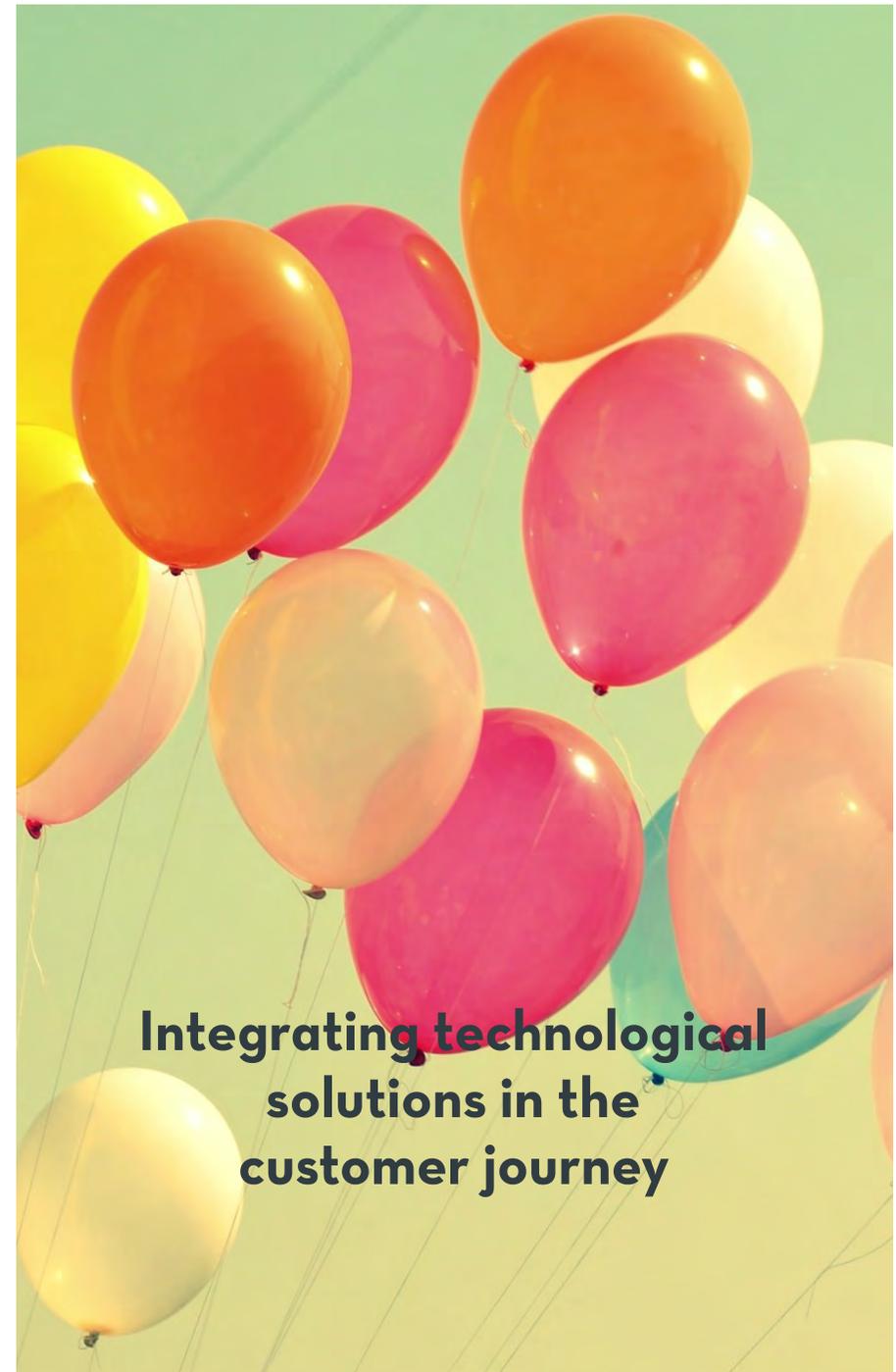
**working hard to
build the foundation
for a successful life**

Marketing Launch

Phase One launch campaign will work at two levels: brand and lead generation. Brand campaign will explore alternative digital modes and platforms, while utilising traditional channels, such as print and radio. Lead-generation will take a proven data-driven approach of focusing on Google and social media advertising.

Grove will appeal to the right demographic through connection at the value, beliefs and attitudinal level. This is proposed to be achieved at three levels:

1. Integrating technological solutions in the customer journey (especially when researching the market) and the marketing tools used (potentially, a mobile application with 3D model of the precinct); some existing assets will need to be reviewed and updated (estate brochure, 360-degree virtual tour, etc.);
2. Tone of voice (brand language) and brand identity, and
3. Launch campaign, focusing in brand awareness and lead-generation.



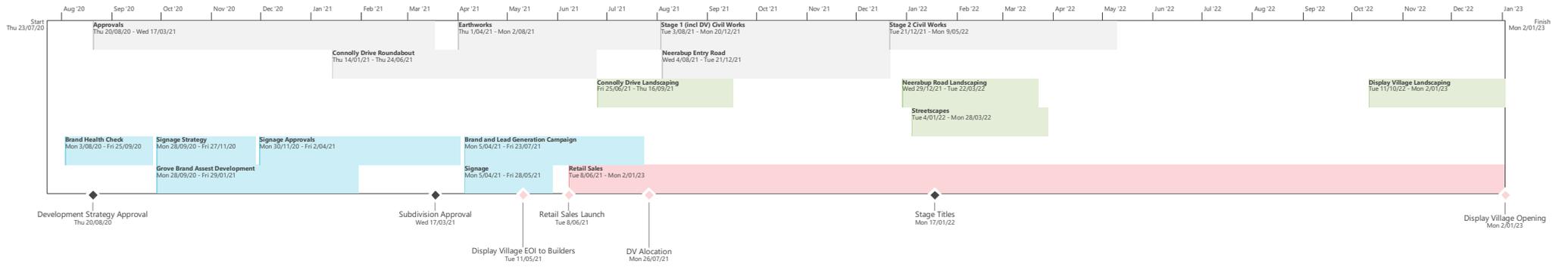
5.3 Budget

The financial impacts of achieving the vision and aspirations are provided as a guide in this strategy. However, these are likely to change over the life of the project.

Should opportunities arise to develop or achieve a greater financial return for the project they will be explored at the point of being identified.

CATALINA GROVE UNESCALATED CASHFLOW	
Total Lots	
Residential Area	
Special Sites Area	
GROSS INCOME	
Income - Lots	
Income - Special Sites	
Income - Other	
Direct Selling Expenses	
GROSS INCOME	
DEVELOPMENT COSTS	
Land	
Infrastructure	
Special Sites/Other Development	
Lot Production	
Landscape	
Contingency	
DEVELOPMENT COSTS	
CONTRIBUTION TO PROFIT	

A high level timeline of events to start works within Phase One which supports the budget is provided below.



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LOT TYPOLOGY SUMMARY

Catalina Green Approved Subdivisions		Catalina Green Balance		Catalina Green Overall	
Lot Size	No. Lots	Lot Size	No. Lots	Lot Size	No. Lots
6 x 30m TERRACE (RL)	40	6 x 30m TERRACE (RL)	38	6 x 30m TERRACE (RL)	78
7.5 x 30m TERRACE (RL)	10	7.5 x 30m TERRACE (RL)	7	7.5 x 30m TERRACE (RL)	17
7.5 x 25m TERRACE (FL)	13	7.5 x 25m TERRACE (FL)	-	7.5 x 25m TERRACE (FL)	13
7.5 x 30m TERRACE (FL)	4	7.5 x 30m TERRACE (FL)	5	7.5 x 30m TERRACE (FL)	9
15 x 20m SQUAT	28	15 x 20m SQUAT	13	15 x 20m SQUAT	41
10.5 x 25m COTTAGE	3	10.5 x 25m COTTAGE	6	10.5 x 25m COTTAGE	9
12.5 x 25m COTTAGE	36	12.5 x 25m COTTAGE	38	12.5 x 25m COTTAGE	74
15 x 25m COTTAGE	32	15 x 25m COTTAGE	53	15 x 25m COTTAGE	85
10.5 x 30m CONVENTIONAL	6	10.5 x 30m CONVENTIONAL	6	10.5 x 30m CONVENTIONAL	12
12.5 x 30m CONVENTIONAL	46	12.5 x 30m CONVENTIONAL	81	12.5 x 30m CONVENTIONAL	127
15 x 30m CONVENTIONAL	47	15 x 30m CONVENTIONAL	123	15 x 30m CONVENTIONAL	170
Total Residential Lots	265	Total Residential Lots	370	Total Residential Lots	635

LEGEND

- Catalina Green Subject Site
 - Subdivision Approval Boundary
 - Tree Retention Value**
 - Very high retention value
 - High retention value
 - Medium retention value
- Note: Total lot yield excludes future mixed use precinct.



LOT TYPOLOGY PLAN
Catalina Green, TAMALA PARK

Aerial supplied by: Nearmap
Aerial Date Stamp:
Survey supplied by: MNG
Plan Number: NPS1059 - 014
Revision Number: D
Drawn By: JP
Client: TPRC



0 30 60 90 120 150 180m

Scale: 1:3000 @A3 Date Issued: 16.11.2022 ©Niche Planning Studio

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LOT TYPOLOGY SUMMARY

Catalina Green Approved Subdivisions		Catalina Green Balance		Catalina Green Overall	
Lot Size	No. Lots	Lot Size	No. Lots	Lot Size	No. Lots
6 x 30m TERRACE (RL)	40	6 x 30m TERRACE (RL)	36	6 x 30m TERRACE (RL)	76
7.5 x 30m TERRACE (RL)	10	7.5 x 30m TERRACE (RL)	7	7.5 x 30m TERRACE (RL)	17
7.5 x 25m TERRACE (FL)	13	7.5 x 25m TERRACE (FL)	-	7.5 x 25m TERRACE (FL)	13
7.5 x 30m TERRACE (FL)	4	7.5 x 30m TERRACE (FL)	5	7.5 x 30m TERRACE (FL)	9
15 x 20m SQUAT	28	15 x 20m SQUAT	13	15 x 20m SQUAT	41
10.5 x 25m COTTAGE	3	10.5 x 25m COTTAGE	8	10.5 x 25m COTTAGE	11
12.5 x 25m COTTAGE	34	12.5 x 25m COTTAGE	41	12.5 x 25m COTTAGE	75
15 x 25m COTTAGE	32	15 x 25m COTTAGE	54	15 x 25m COTTAGE	86
10.5 x 30m CONVENTIONAL	6	10.5 x 30m CONVENTIONAL	6	10.5 x 30m CONVENTIONAL	12
12.5 x 30m CONVENTIONAL	48	12.5 x 30m CONVENTIONAL	85	12.5 x 30m CONVENTIONAL	133
15 x 30m CONVENTIONAL	47	15 x 30m CONVENTIONAL	118	15 x 30m CONVENTIONAL	165
Total Residential Lots	265	Total Residential Lots	373	Total Residential Lots	638

LEGEND

- Catalina Green Subject Site
 - Subdivision Approval Boundary
 - MRS Urban Deferred Boundary
- Tree Retention Value**
- Very high retention value
 - High retention value
 - Medium retention value
 - Tree Canopy Extent
- Note: Total lot yield excludes future mixed use precinct.



LOT TYPOLOGY PLAN
Catalina Green, TAMALA PARK

Aerial supplied by: Nearmap
Aerial Date Stamp:
Survey supplied by: MNG
Plan Number: NPS1059 - 014
Revision Number: E
Drawn By: JP
Client: TPRC



0 30 60 90 120 150 180m

Scale: 1:3000 @A3 Date Issued: 14.12.2022 ©Niche Planning Studio

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LOT TYPOLOGY SUMMARY

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12.5 x 25m COTTAGE	34	12.5 x 25m COTTAGE	41	12.5 x 25m COTTAGE	75
15 x 25m COTTAGE	32	15 x 25m COTTAGE	54	15 x 25m COTTAGE	86
10.5 x 30m CONVENTIONAL	6	10.5 x 30m CONVENTIONAL	6	10.5 x 30m CONVENTIONAL	12
12.5 x 30m CONVENTIONAL	48	12.5 x 30m CONVENTIONAL	85	12.5 x 30m CONVENTIONAL	133
15 x 30m CONVENTIONAL	47	15 x 30m CONVENTIONAL	118	15 x 30m CONVENTIONAL	165
Total Residential Lots	265	Total Residential Lots	373	Total Residential Lots	638

LEGEND

- Catalina Green Subject Site
 - Subdivision Approval Boundary
 - MRS Urban Deferred Boundary
 - Tree Retention Value**
 - Very high retention value
 - High retention value
 - Medium retention value
 - Tree Canopy Extent
- Note: Total lot yield excludes future mixed use precinct.



Option 2 Staging Strategy

LOT TYPOLOGY PLAN

Catalina Green, TAMALA PARK

Aerial supplied by: Nearmap
 Aerial Date Stamp:
 Survey supplied by: MNG
 Plan Number: NPS1059 - 014
 Revision Number: E
 Drawn By: JP
 Client: TPRC

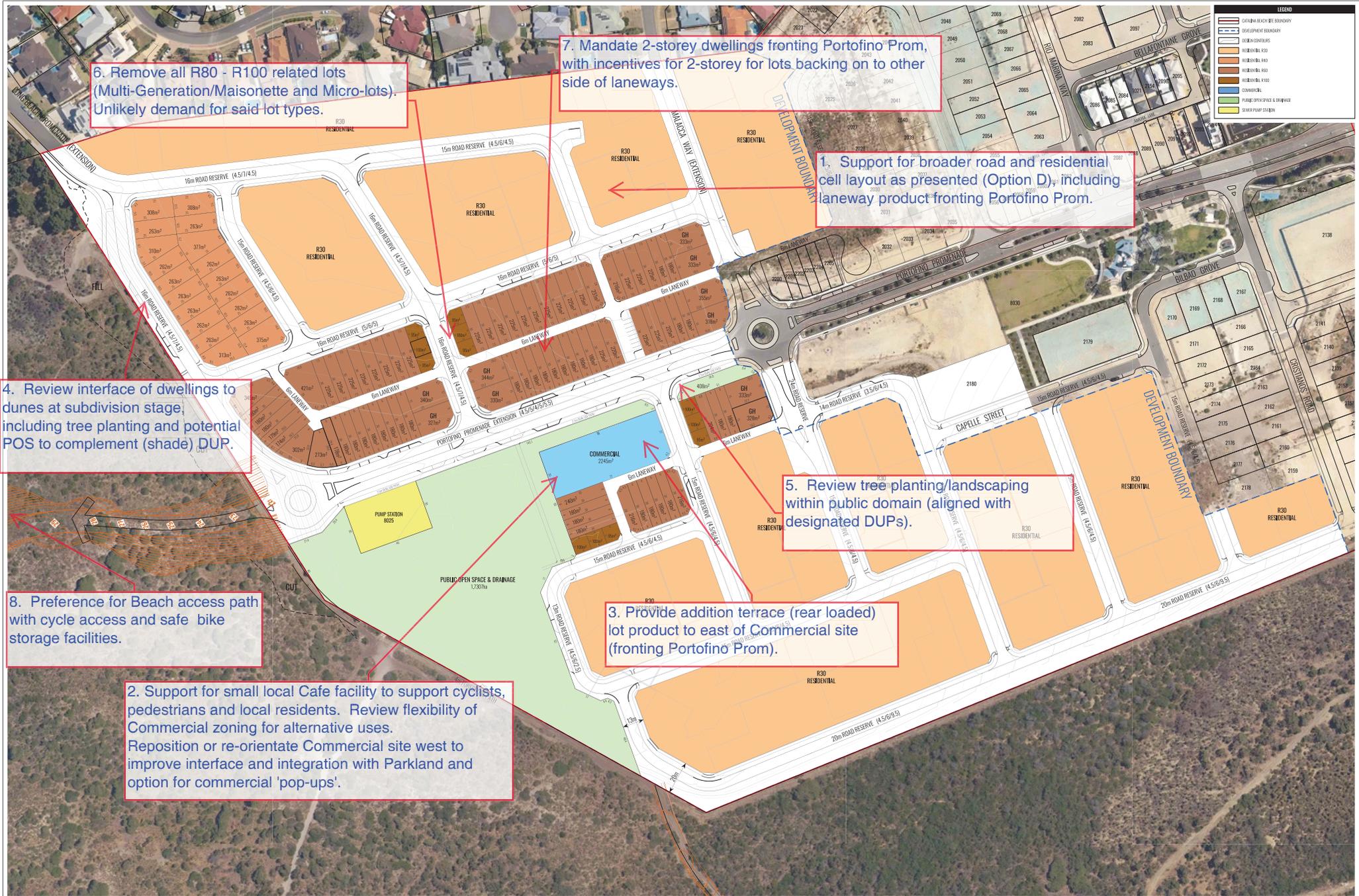


0 30 60 90 120 150 180m

Scale: 1:3000 @A3 Date Issued: 14.12.2022 ©Niche Planning Studio

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Appendix 8.7



LEGEND

- STAKEHOLDERS' BOUNDARY
- DEVELOPMENT BOUNDARY
- ROAD CORRIDORS
- RESIDENTIAL R30
- COMMERCIAL
- PUBLIC OPEN SPACE & DRAINAGE
- SEWER PUMP STATION

6. Remove all R80 - R100 related lots (Multi-Generation/Maisonette and Micro-lots). Unlikely demand for said lot types.

7. Mandate 2-storey dwellings fronting Portofino Prom, with incentives for 2-storey for lots backing on to other side of laneways.

1. Support for broader road and residential cell layout as presented (Option D), including laneway product fronting Portofino Prom.

4. Review interface of dwellings to dunes at subdivision stage, including tree planting and potential POS to complement (shade) DUP.

5. Review tree planting/landscaping within public domain (aligned with designated DUPs).

8. Preference for Beach access path with cycle access and safe bike storage facilities.

3. Provide addition terrace (rear loaded) lot product to east of Commercial site (fronting Portofino Prom).

2. Support for small local Cafe facility to support cyclists, pedestrians and local residents. Review flexibility of Commercial zoning for alternative uses. Reposition or re-orientate Commercial site west to improve interface and integration with Parkland and option for commercial 'pop-ups'.

STAGE 30



LEGEND

- Subdivision Application Area (262.10 Ha)
- Proposed Lots

Lot Classification (m)

- 6 X 30 Terrace
- 7.5 X 30 Terrace
- 10 X 30 Terrace
- 12.5 X 30 Terrace
- 12.5 X 30 Conventional
- 15 X 30 Conventional
- Density Lot

RESIDENTIAL LOT SUMMARY

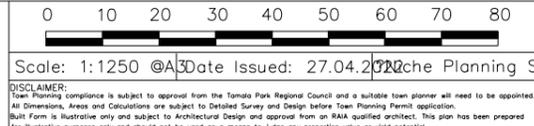
Size	No. of Lots	% Total Lots
Terrace Residential Lots		
6M X 30M	09	
7.5M X 30M	23	
10M X 30M	04	
12.5M X 30M	04	
Conventional Residential Lots		
12.5m 30m	23	
15m x 30m	45	
Total Residential Lots	108	

Density Lot Summary

Site 1	Area	1526 m ²
Potential Yield	R60	13
R80	16	
Site 2	Area	1075 m ²
Potential Yield	R60	10
R80	12	

CONCEPT LAYOUT OPTION 5B (BEACH PRECINCT) LOT 9032 MARMION AVENUE, CLARKSON

Aerial supplied by: N/A
 Aerial Date Stamp: N/A
 Survey supplied by: N/A
 Plan Number: NPS1059 - 021
 Revision Number: A
 Drawn By: Radhika Goyal
 Client: Satterley Property Group



Appendix 8.8

TPRC Establishment Agreement: Schedule of Amendments

Item	Current Provision (Summary)	Proposed Change	Rationale for Change
Defined Terms	Nil	Add in Definition of 'Valuer' Valuer means: A person who: <ol style="list-style-type: none"> 1. Is licensed under the <i>Land Valuers Licensing Act (WA)</i>; and 2. Either <ol style="list-style-type: none"> (a) Is a fellow or associate of the Australian Property Institute (inc) (WA Division) of not less than five years standing; or (b) Has not had less than five years practical experience in Western Australia in the valuation of properties of the same general classification as the land. 	Provides clarity regarding who is able to provide a valuation to the TPRC for Land Divestment purposes.
Background	<ol style="list-style-type: none"> A. The Participants are the owners of the Land, in the shares set out in Schedule 1. B. The Participants wish to ensure that the Land is rezoned, subdivided, developed and sold and, for that purpose, have agreed to the establishment of the TPRC and the transfer of the Land to the TPRC. C. Each of the Participants has resolved, on the dates referred to in Schedule 2, to enter into this Establishment Agreement and to submit it to the Minister for approval under section 3.61 of the Act. 	<ol style="list-style-type: none"> C. In 2005, each of the Participants resolved, on the dates referred to in Schedule 2, to enter into an Establishment Agreement and to submit it to the Minister for approval under section 3.61 of the Act. D. In 2023 each of the Participants resolved, on the date referred to in Schedule 3, to endorse a revised Establishment Agreement and submit it to the Minister for approval under section 3.65 of the Act. E. The 2023 version of the Establishment Agreement supersedes the 2006 Establishment Agreement in its entirety. 	Provides clarity that once the amended version of the Establishment Agreement gains approval from the Minister, then the Establishment Agreement 2006 ceases operation and the Establishment Agreement 2023 comes into operation.

2. Name	Name is Tamala Park Regional Council	Change Name to Catalina Regional Council	More accurately reflects the organisation. Minimises confusion that currently exists between TPRC and MRC.
4(a) Regional Purpose	To undertake, in accordance with the objectives, the rezoning, subdivision, development, marketing and sale of the Land.	Change: To undertake development and sale of the Land in accordance with the objectives.	Provide more flexibility in relation to development and sales options. Current provisions are somewhat prescriptive and potentially do not allow the sale of englobo lots to third party developers
11.1 Withdrawal	Nil	Add: A Participant must withdraw from the CRC immediately after, or concurrently with, divestment of ownership interests under Clause 12.	Currently is not explicit that when a participant divests itself of interest in the TPRC land, they must also exit the organisation.
11.3 Notice Period	Notice under 11.2 or 12.3 must be given within 28 days of any of four prescribed events. (a) Bush Forever Payment (b) WAPC Structure plan approval (c) Implementation plan for the land (d) Receipt of Annual Report or 30 th Sept (whichever is earlier)	Change: A notice under Clause 11.2 or Clause 12.3 may be given at any time.	Current provisions in 11.3(a) (b)&(c) re Notice are superfluous as all transactions were completed a long time ago. No clear rationale/need for notice to be given within 28 of the completion of annual audit or Sept 30 th . (Clause11.3(d)). Provide more flexibility.
12.3 Notice (Divestment)	A Divesting Participant is to give each Remaining Participant and to the TPRC, in accordance with 11.3, notice in writing of its proposed divestment.	Expand: 12.3 (1) A Divesting Participant is to give each Remaining Participant and to the TPRC, in accordance with 11.3, notice in writing of its proposed divestment. The notice shall include: (a) A copy of the Valuation referred to in 12.7.	Provides clarity regarding the process and timeframes for giving and responding to Notices relating the Divestment.

		<p>(b) A timeline for the delivery of the Divestment transaction that outlines key transaction timelines for both the Divesting Participant and Remaining Participants, noting that the timeline shall:</p> <ul style="list-style-type: none"> (i) Be compliant with provisions of this agreement; (ii) Be compliant with the requirements of the Act; (iii) Stipulate the date in which Remaining Participants are to respond to the Divestment notice; and (iv) Ensure that the withdrawal transaction can be completed as soon as is practicable whilst providing reasonable and achievable timelines for all parties. <p>12.3(2) The Remaining Participants are to respond to the Divestment Notice by the date specified in 12(b)(iii)</p> <p>12.3(3) Where Clauses 12.5 and/or 12.6(c) apply, the timeframe in clause 11.3(b) shall be extended by 30 days (or other such time period as agreed by Divesting Participant and the applicant other Remaining Participants) for each occasion a subsequent offer is taken to be made under clause 12.5 or 12.3(b)</p> <p>12.3(4) A Divestment of Ownership interests under this clause 12 may not proceed unless the entirety of the Divesting Participants interest in</p>	<p>Clarifies the process and timeframes in the event that one or more of the Remaining Participants elects to not acquire their proportional share of the Divesting Participants land holdings.</p>
--	--	--	---

		the Land is sold to the Remaining Participants under the provisions of this agreement.	
12.4 Offer to Remaining Participants	A notice given under 12.3 is taken to be an offer by the Divesting Participant to the Remaining Participants to sell its interest in the Land as identified in the notice: (a) To the Remaining participants in the proportion that each of the Remaining Participants shares bears to the whole of Remaining Participants shares; and (b) In accordance with the most recent valuation that is required to be carried out under Clause 12.7	Add: (c) In accordance with the timeline set out in the notice or as otherwise agreed in writing by the parties.	
12.5 Acceptance amongst Remaining Participants	If a Remaining Participant does not accept the offer under Clause 12.4 within 30 days of the notice being given to it	Change to: If a Remaining Participant does not accept the offer by the date referred to in 12.3(b)(iii)	Links acceptance of the offer by Remaining Participants to the timeframes stipulated in the notice.
12.5 Acceptance amongst Remaining Participants	(a) is taken to have been made to the other Remaining Participants; (b) may be accepted by the other Remaining Participants; and (c) is to be accepted by such of the other Remaining Participants who wish to accept the offer, in the proportion that each of the other Remaining Participants' shares bears to the whole of the other Remaining Participants' shares;	Insert: (d) acceptance by a Remaining Participant under 12.5(b) and 12.5(c) must be completed within 30 days.	Gives Remaining Participants a reasonable timeframe in which to consider the offer and accept.

12.6 (a) Payment	<p>The acceptance of an offer made by a Divesting Participant is to be subject to terms that:</p> <p>(a) interest is to be payable on any part of the of the accepted price not paid to the Divesting Participant within 60 days after the date on which the offer is taken to have been made.</p>	<p>Change to:</p> <p>The acceptance of an offer made by a Divesting Participant is to be subject to terms that:</p> <p>(a) interest is to be payable on any part of the of the accepted price not paid to the Divesting Participant within 60 days of the later of</p> <p>(i) the date referred to in 12.3(b)(iii) or</p> <p>(ii) where Clause 12.5 and/or Clause 12.6c apply the date for acceptance of the last further offer made to the Remaining Participants under Clause 12.5 or 12.6(c)</p>	<p>Current timeframes have interest accruing at a time when the offer is yet to be considered/accepted by the Remaining Participants.</p> <p>New provision alters this to ensure that interest can only be applied at a period after the acceptance/agreement of the apportionment of the Divesting Participants land holdings has been determined.</p>
12.6 (b) Payment	<p>The acceptance of an offer made by a Divesting Participant is to be subject to terms that:</p> <p>(b) if payment of the full amount due to the Divesting Participant has not been made by a Remaining Participant within 60 days after the date after the date on which the offer is taken to have been made, then the Divesting Participant may, at its option, give notice to that Remaining Participant that the sale to the Remaining Participant is terminated.</p>	<p>Change to:</p> <p>The acceptance of an offer made by a Divesting Participant is to be subject to terms that:</p> <p>(b) if payment of the full amount due to the Divesting Participant has not been made by a Remaining Participant within 60 days of acceptance of the entirety of the Divesting Participants interest in the Land as offered under 12.3, then the Divesting Participant may, at its option, give notice to that Remaining Participant that the sale to the Remaining Participant is terminated.</p>	<p>Links non-payment clause to date of acceptance rather than date of offer.</p>
12.6 Payment	Add New sub Clause (d)	<p>Add New Clause 12.6 (d)(e)(f)(g)(h):</p> <p>The acceptance of an offer made by a Divesting Participant is to be subject to terms that:</p> <p>(d) the payments made to be Divesting Participant by the Remaining Participants</p>	<p>Allows consideration for adjustments to the sale price for Divesting Participant noting that there are likely to be land sales, land development works, etc.</p>

		<p>may be adjusted to reflect changes to status and/or ownership of the land that may have occurred between the date of Valuation and the Date of acceptance of the offer. Any such adjustments will consider the methodology used in the valuation obtained under 12.7 of this agreement.</p> <p>(e) Where six or more months have passed between the date of the valuation and the estimated date of settlement of the divestment, the TPRC must seek confirmation from the Valuer appointed under 12.7 that the original valuation remains accurate and current.</p> <p>(f) If the Valuer instructs that the original valuation is not accurate and current as at the estimated date of settlement of the divestment, the TPRC must instruct the Valuer to provide an updated valuation in accordance with 12.7</p> <p>(g) If 12(6)(f) applies the updated valuation is to be the basis of adjustments made under 12.(6)(d).</p> <p>(h) The timeline provided in Clause 12.3(b) is to be extended to provide for a further valuation where required.</p>	<p>that happen whilst the transaction takes place.</p>
12.7 Valuation	(a) A Participant who wishes to consider withdrawing from the TPRC may ask the TPRC to arrange, at its cost, for the land to be valued by a licensed valuer within 14 days	<p>Re- write:</p> <p>(a) A Participant who wishes to consider withdrawing from the TPRC must ask the TPRC to arrange, at that Participant's cost,</p>	<p>Clarity around apportionment of costs and more flexible/realistic timeframes. Currently some ambiguity re cost apportionment and process of appointing a Valuer.</p>

	<p>of any of the dates specified in Clause 11.3</p> <p>(b) The TPRC is to comply with a request made under paragraph (a)</p>	<p>for the land to be valued by a licensed valuer.</p> <p>(b) The TRPC is to comply with a request made under paragraph (a) and arrange for a valuation as soon as is practicable.</p> <p>(c) The TPRC must instruct the Valuer appointed under 12.7(a) to determine the valuation methodology for valuation of the Land in accordance with proper and accepted industry practice and considering all of the relevant factors, matters and variables used in proper land valuation have been taken into account.</p> <p>(d) The TPRC must instruct the appointed Valuer to:</p> <p>(i) Give a written valuation of the Land setting out what was taken into account, what was disregarded, their respective weightings and any other adjustments</p> <p>(ii) Act as an independent expert.</p> <p>(iii) Provide the valuation as soon as practicable but in no longer than 45 days.</p>	<p>14 days to undertake a Land Valuation is not realistic for the nature, type and complexity of the TPRC land assets.</p>
Bush Forever	Variously referred to throughout the agreement.	Removal of references to Bush Forever transactions.	Superfluous. Transactions have been completed.
Other Administrative changes	Various references to TPRC throughout document.	Change to Catalina Regional Council, assuming name change is supported.	Consistency
Parties' Details (p. 4)	Details of Member Councils party to the EA.	Update of name and details of Councils.	Since 2006 Town of Vincent has become City of Vincent. Facsimile number and name of CEO have been deleted.

Update of Chairman to Chair	Throughout EA the terms 'Chairman' and 'Deputy Chairman' are used.	Changed to Chair and Deputy Chair.	Reflects contemporary terminology already in use.
Inclusion of new Schedule 3	Schedule 2 lists the date on which each Participant entered into the initial Establishment Agreement.	Inclusion of Schedule 3 to list dates on which each Participant entered into the updated Establishment Agreement 2023.	Inclusion of Schedule clarifies that the Establishment Agreement 2023 <u>supersedes</u> the Establishment Agreement 2006.

Establishment Agreement

~~Tamala Park~~ Catalina Regional Council

Town of Cambridge (**Town of Cambridge**)

City of Joondalup (**City of Joondalup**)

City of Perth (**City of Perth**)

City of Stirling (**City of Stirling**)

Town of Victoria Park (**Town of Victoria Park**)

~~Town-City~~ of Vincent (**Town of Vincent**)

City of Wanneroo (**City of Wanneroo**)

Establishment Agreement

Tamala Park Catalina Regional Council

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Date

Parties

Name **Town of Cambridge**
 Short form name **Town of Cambridge**
 Notice details 1 Bold Park Drive, Floreat, Western Australia 6014
[Facsimile \(08\) 9347 6060](#)
[Attention: Graham Partridge](#)

Name **City of Joondalup**
 Short form name **City of Joondalup**
 Notice details [90](#) Boas Avenue, Joondalup, Western Australia [604927](#)
[Facsimile \(08\) 9300 1383](#)
[Attention: Garry Hunt](#)

Name **City of Perth**
 Short form name **City of Perth**
 Notice details Council House, 27 St Georges Terrace, Perth, Western Australia 6000
[Facsimile \(08\) 9461 3083](#)
[Attention: Frank Edwards](#)

Name **City of Stirling**
 Short form name **City of Stirling**
 Notice details 25 Cedric Street, Stirling, Western Australia 6021
[Facsimile \(08\) 9345 8822](#)
[Attention: Lindsay Delahunty](#)

Name **Town of Victoria Park**
 Short form name **Town of Victoria Park**
 Notice details 99 Shepperton Road, Victoria Park, Western Australia 6100
[Facsimile \(08\) 9311 8181](#)
[Attention: John Bonker](#)

Name ~~**Town**~~ **City of Vincent**
 Short form name ~~**Town**~~ **City of Vincent**
 Notice details 244 Vincent Street, Leederville, Western Australia 6007
[Facsimile \(08\) 9273 6099](#)
[Attention: John Giorgi JP](#)

Name **City of Wanneroo**
Short form name **City of Wanneroo**
Notice details 23 Dundobar Road, Wanneroo, Western Australia 6065
[Facsimile \(08\) 9405 5499](#)
[Attention: Charles Johnson](#)

Background

- A The Participants are the owners of the Land, in the shares set out in Schedule 1.
- B The Participants wish to ensure that the Land is rezoned, subdivided, developed and sold and, for that purpose, have agreed to the establishment of the [TPCRC](#) and the transfer of the Land to the [TPCRC](#).
- C ~~Each of the Participants has resolved, on the dates referred to in Schedule 2, to enter into this Establishment Agreement and to submit it to the Minister for approval under section 3.61 of the Act. In 2005, each of the Participants resolved, on the dates referred to in Schedule 2, to enter into an Establishment Agreement and to submit it to the Minister for approval under section 3.61 of the Act.~~
- D In 2023 each of the Participants resolved, on the dates referred to in Schedule 3, to endorse a revised Establishment Agreement and submit it for approval under section 3.65 of the Act.
- E The 2023 version of the Establishment Agreement supersedes the 2005 Establishment Agreement in its entirety.

Agreed terms

1. Defined terms

In this Establishment Agreement:

Act means the *Local Government Act 1995* and includes the regulations made under the Act.

Budget Deficiency has the same meaning as the expression ‘budget deficiency’ is given in Part 6 of the Act.

Note: The expression ‘budget deficiency’ is defined by section 6.1 of the Act to mean:

‘in relation to a financial year, the amount referred to in section 6.2(2)(c)’.

Section 6.2(2)(c) refers to:

‘the amount required to make up the deficiency, if any, shown by comparing the estimated expenditure with the estimated revenue and income’.

CEO means the chief executive officer of [TPRCRC](#).

Land means so much of:

- (a) the land, being part of Lot 118 Mindarie, that is comprised within Areas 3, 7 and 10 on the plan in Schedule-45;
- (b) any other land, being part of Lot 118 Mindarie, comprising or within Areas 5 and 16 on the plan in Schedule-45;
 - (i) that is rezoned ‘Urban’ under the *Metropolitan Region Scheme*; and
 - (ii) in respect of which any lease to the Mindarie Regional Council has been surrendered;
- (c) any other land between Lot 118 and the Mitchell Freeway Reserve that is transferred to the Participants of the [TPRCRC](#) as a result of negotiations with the State under the Bush Forever Policy;
- (d) any other land, adjacent to the land described in paragraphs (a)-(c) above, that may be acquired by the [TPRCRC](#) for the purpose of undertaking its obligations in relation to the land described in paragraphs (a)-(c) above; and
- (e) any other land, in the near vicinity of the land described in paragraphs (a)-(c) above, that may be acquired by the [TPRCRC](#) in exchange for any other land owned by the [TPRCRC](#) for the purpose of undertaking its obligations in relation to the land described in paragraphs (a)-(c) above,

as is owned, from time to time, by the Participants (jointly) or the [TPRCRC](#).

Lot 118 Mindarie means Lot 118 on Deposited Plan 28300 being the whole of the land in the Certificates of Title:

- (a) 2213/691 (the 1/12th share of City of Perth);
- (b) 2213/692 (the 1/12th share of the Town of Cambridge);
- (c) 2213/693 (the 1/12th share of the Town of Victoria Park);

- (d) 2213/694 (the 1/12th share of Town of Vincent);
- (e) 2213/695 (the 4/12th shares of City of Stirling);
- (f) 2213/696 (the 2/12th shares of City of Joondalup); and
- (g) 2213/697 (the 2/12th shares of City of Wanneroo).

Minister means the Minister of the Crown to whom the administration of the Act is for the time being committed by the Governor and includes a Minister of the Crown for the time being acting for or on behalf of the Minister.

Operative Date means the date on which the Minister declares, by notice in the Gazette under section 3.61(4) of Act, that the [TPRCRC](#) is established.

Participants means the parties to this Establishment Agreement and **Participants** means any one of them.

Region means the districts of the Participants.

Regional Purpose means the purpose referred to in clause 4.

Surplus, for a financial year, means the amount, if any;

- (a) by which the revenue and income of the [TPRCRC](#) exceeds its expenditure; and
- (b) which is shown as a surplus in the annual financial report, for that year, prepared by the [TPRCRC](#) in accordance with the Act.

[TPRCRC](#) means the ~~Tamala Park~~[Catalina](#) Regional Council.

[TPRCRC Council](#) means the council of the [TPRCRC](#).

[Valuer](#) means:

[A person who:](#)

(a) [is licensed under the *Land Valuers Licensing Act 1978*; and](#)

(b) [either:](#)

(i) [is a fellow or associate of the Australian Property Institute \(Inc\) \(WA Division\) of not less than five years standing; or](#)

(ii) [has not had less than five years practical experience in Western Australia in the valuation of properties of the same general classification as the land.](#)

Withheld Sum means the sum reasonably necessary to be withheld from a Surplus distribution under clause 9.1 having regard to:

- (a) the [TPRCRC](#)'s objectives, including its objective to maximise, within prudent risk parameters, the financial return to the Participants; and
- (b) the [TPRCRC](#)'s need to maintain a positive cash flow balance for operational costs and approved development works.

2. Name

The name of the regional local government is the ~~Tamala Park~~[Catalina](#) Regional Council.

Notes:

1. Section 3.62(1) of the Act provides that a regional local government is a body corporate with perpetual succession and a common seal.

2. A regional local government has the same general function of a local government, including its legislative and executive functions. See sections 3.61(1) and 3.66 of the Act.
3. Except as stated in section 3.66, the Act applies to a regional local government as if:
 - (a) the Participants' districts together made up a single district; and
 - (b) the regional local government were the local government established for that district.
4. Section 3.66(2) provides that a regional local government can only do things for the regional purpose (see clause 4 below).

3. Region

The [TPRCRC](#) is established for the Region.

4. Regional purpose

The regional purpose for which the [TPRCRC](#) is established is:

- (a) to undertake [development and sale of the land](#) in accordance with the objectives ~~the rezoning, subdivision, development, marketing and sale of the Land~~; and
- (b) to carry out and do all other acts and things which are reasonably necessary for the bringing into effect of the matters referred to in paragraph (a) of this clause.

Note:

In certain circumstances, a proposal to undertake a Regional Purpose may require the preparation of a business plan under the Act- see section 3.59 of the Act.

5. Objectives

- (a) The objectives of the [TPRCRC](#) are:
 - (i) to develop and improve the value of the Land;
 - (ii) to maximise, withing prudent risk parameters, the financial return to the Participants;
 - (iii) to balance economic, social and environmental issues; and
 - (iv) to produce a quality development demonstrating the best urban design and development practice.
- (b) A failure or alleged failure of the [TPRCRC](#) to meet any of the objectives set out in this clause:
 - (i) is not to affect the obligations of a Participant to comply with this Establishment Agreement; and
 - (ii) is not to give rise to any claim or entitlement to damages on the part of a Participant.

Note:

Administrative law remedies may be available to a Participant in relation to the [TPRCRC](#)'s observance of the objectives set out in this clause.

6. The Council

6.1 Appointment of members

- (a) Each Participant is to appoint a member or members of the council of the Participant to be a member or members of the [TPRCRC](#) Council:
 - (i) from the Operative Date – in the numbers set out in Schedule ~~34~~; and
 - (ii) from any change to the Participants – in the numbers agreed under clause 11.5(c).

- (b) A Participant may appoint a member or members of the council of the Participant as an alternate member or members for the member or members appointed by that Participant under paragraph of this clause.
- (c) An alternate member may act temporarily in place of the member, for whom he or she was appointed an alternate member, during any period in which the latter is unable, by reason of illness, temporary absence from the State, conflict of interest or for any other cause, to perform the functions of the office.

Note: section 3.62(b) of the Act provides that a regional local government is to have, as its governing body, a council established under the establishment agreement and consisting of members of the councils of the Participants.

6.2 Tenure of members of the **TPRCRC** Council

A member of the **TPRCRC** Council is to hold office until:

- (a) the Friday before the ordinary local government elections, currently held every 2 years in May, or at such other time as may be prescribed for the ordinary local government elections by the Act (local government elections), after the Operative Date;
- (b) the member's office, as a member of the council of the Participant, becomes vacant; or
- (c) the member's appointment is terminated by the Participant,

whichever occurs first.

Note: sections 2.32 and 2.33 of the Act set out circumstances in which the office of a member of a council becomes vacant and section 4.4 of the Act deals with ordinary elections for local governments.

6.3 Election of **chairman** and deputy **chairman**

- (a) The members of the **TPRCRC** Council are to elect a **chairman** and a deputy **chairman**:
 - (i) at the first meeting of the **TPRCRC** Council following the Operative Date;
 - (ii) at the first meeting of the **TPRCRC** Council following the first Saturday:
 - (A) after the local government elections following the Operative Date; and
 - (B) after the local government elections every 2 years after the Operative Date.
- (b) If the office of **chairman** or deputy **chairman** becomes vacant then the members of the **TPRCRC** Council are to elect a new **chairman** or deputy **chairman**, as the case requires.
- (c) The election referred to in subclause (b) is to take place:
 - (i) in the case of the office of **chairman** - in accordance with the provisions of Division 1 of Schedule 2.3 of the Act applying to the election of mayors and presidents; and
 - (ii) in the case of the office of deputy **chairman** - in accordance with the provisions of Division 2 of Schedule 2.3 of the Act applying to the election of deputy mayors and deputy presidents.

6.4 Tenure of **chairman** and deputy **chairman**

A **chairman** or deputy **chairman** is to hold that office from the date of election under clause 6.3 until:

- (a) he or she ceases to be a member of the **TPRCRC** Council, otherwise than under clause 6.2(a);
- (b) the election of a new **chairman** or deputy **chairman**, as the case may be; or
- (c) the expiry of the period of 2 years from the date of the last local government elections,

whichever occurs first.

6.5 Role of [chairmanchair](#)

The [chairmanchair](#):

- (a) presides at meetings of the [TPRCRC](#) Council;
- (b) carries out civic and ceremonial duties on behalf of the [TPRCRC](#);
- (c) speaks on behalf of the [TPRCRC](#);
- (d) performs such other functions as are given to the [chairmanchair](#) by the Act, any other written law or this Agreement; and
- (e) liaises with the CEO on the [TPRCRC](#)'s affairs and the performance of its functions.

Notes:

1. The role of the [TPRCRC](#) Council is set out in section 2.7 of the Act and is identical to the role of the council of a local government.
2. The functions of the CEO are set out in section 5.41 of the Act.
3. The [chairmanchair](#) may agree to the CEO speaking on behalf of the [TPRCRC](#) – see section 5.41(f) of the Act.

6.6 Role of deputy [chairmanchair](#)

- (a) The deputy [chairmanchair](#) performs the functions of the [chairmanchair](#) when authorised to do so under this clause.
- (b) If:
 - (i) the office of [chairmanchair](#) is vacant; or
 - (ii) the [chairmanchair](#) is not available or is unable or unwilling to perform the functions of [chairmanchair](#),
 then the deputy [chairmanchair](#) may perform the functions of [chairmanchair](#).

6.7 Role of members of [TPRCRC](#) Council

A member of the [TPRCRC](#) Council:

- (a) represents the interests of the ratepayers and residents of the Region;
- (b) facilitates communication between the community of the Region and the [TPRCRC](#) Council;
- (c) participates in the [TPRCRC](#)'s decision-making processes at meetings of the [TPRCRC](#) Council and its committees; and
- (d) performs such other functions as are given to the member by the Act or any other written law.

7. The Land

7.1 Transfer

- (a) When requested by the [TPRCRC](#) Council, the Participants are to transfer to the [TPRCRC](#) that part of the Land that is owned by the Participants.
- (b) To avoid doubt:
 - (i) the [TPRCRC](#) Council is not required to make a request under clause 7.1(a); and

- (ii) if no request is made by the ~~TPRC-CRC~~ Council under clause 7.1(a) in relation to any part of the Land that is owned by the Participants, the ~~TPRC-CRC~~ may arrange for that part of the Land to be transferred directly from the Participants to a third party.

7.2 Documentation

The Participants are to execute whatever documentation relating to the Land – such as the transfer of, or other dealings with, the Land – as the ~~TPRC-CRC~~ requires to enable it to undertake its Regional Purpose.

7.3 Rates equivalent payment

From the date of the transfer of the Land to the ~~TPRC-CRC~~, and for so long as the Land, or part of the Land, is owned by the ~~TPRC-CRC~~ and is not rateable land under Part 6 of the Local Government Act 1995, the ~~TPRC-CRC~~ is to pay to the City of Wanneroo a rates equivalent payment in respect of the Land, or that part of the Land, calculated:

- (a) on the gross rental value - in respect of the Land or that part of the Land, that has been subdivided for the purposes of the sale of lots to the public, from the date that the approved plan or diagram of survey is marked by the Department of Land Information as being in order for dealing;
- (b) on the unimproved value - in respect of the balance of the Land; and
- (c) in respect of (a) and (b), by applying the minimum rate or the general rate in the dollar for unimproved values or gross rental values, as the case requires, but so as not to include any administrative fees or penalties or any specified area rate or differential general rate which is intended to apply only to the Land and to no other land.

8. Financial contributions

~~8.1 Bush Forever compensation payments~~

~~Each Participant is to ensure that the amount of the State's payment or payments of compensation to that Participant under the Bush Forever Policy in respect of the Land:~~

- ~~(a) is paid to the TPRC directly by the State; or~~
 - ~~(b) is paid by the Participant to the TPRC within 14 days of:~~
 - ~~(i) the payment being received from the State by the Participant; or~~
 - ~~(ii) the Operative Date,~~
- ~~whichever occurs later.~~

8.21 Annual contributions

If a Budget Deficiency is shown in the annual budget of the ~~TPRC-CRC~~, and if the Land has not been transferred to the ~~TPRC-CRC~~:

- (a) the ~~TPRC-CRC~~ Council may request the Participants to make a contribution; and
- (b) the Participants are to make the contribution, as requested by the ~~TPRC-CRC~~ Council, in the proportions set out in Schedule 1.

8.32 Other contributions

If the Land has not been transferred to the ~~TPRC-CRC~~:

- (a) the ~~TPRC-CRC~~ Council may request the Participants to make a contribution for the regional purpose (other than an annual contribution referred to in clause 8.2), including a contribution towards acquisition of any asset of capital nature; and

- (b) the Participants are to make the contribution, as requested by the [TPRCRC](#) Council, in the proportion set out in Schedule 1.

8.43 Manner of payment

The contributions referred to in clauses 8.2 and 8.3 are to be paid by each Participant to the [TPRCRC](#) in the manner and at the times requested by the [TPRCRC](#) Council.

8.54 Late payment

Unless otherwise agreed, if a Participant fails to pay to the [TPRCRC](#) a sum of money owing under this clause on or before the due date for payment, that Participant is to pay to the [TPRCRC](#), in addition to the sum of money due and payable, interest at the overdraft rate charged by the [TPRCRC](#)'s bank on amounts of the same size as the unpaid sum, calculated from and including the due date of payment to but excluding the actual date of payment.

8.65 Annual financial statements

The [TPRCRC](#) is to give to each Participant a copy of the [TPRCRC](#)'s annual financial statements, including details of all assets and liabilities, at the same time as these are submitted each year to the [TPRCRC](#)'s auditors.

9. Financial distributions

9.1 Surplus

Where there is a Surplus, the [TPRCRC](#):

- (a) is to distribute to the Participants the amount by which the surplus exceeds the Withheld Sum;
- (b) may distribute to the Participants all or part of the Withheld Sum; and
- (c) is to pay the distribution to the Participants in the proportions set out in Schedule 1.

9.2 Other distributions

On the basis of:

- (a) a quarterly financial report, prepared in accordance with the Act, in respect of a financial year; and
- (b) current budgeted projections for that financial year,

the [TPRCRC](#) Council may determine that an amount not exceeding the [TPRCRC](#)'s excess funds should be distributed to the Participants.

9.3 Manner of distribution

The payment of any amount under clause 9.1 or 9.2 is to be in the manner and at the time determined by the [TPRCRC](#) Council, having regard to the prudent management of its cashflow and financial requirements.

10. Borrowings

10.1 Act to apply

Part 6, Division 5, Subdivision 3 of the Act is to apply:

Note:

1. Section 3.66(4) of the Act provides that Part 6, Division 5, Subdivision 3 does not apply in relation to a regional local government unless the Establishment Agreement provides that it does.
2. Part 6, Division 5, Subdivision 3 of the Act deals with borrowings and includes the power to borrow and restrictions on borrowings.

10.2 Security

If the land has not been transferred to the ~~TPRC~~CRC, the ~~TPRC~~CRC may give security over any of the financial contributions of the Participants to the ~~TPRC~~CRC's funds as agreed from time to time by the Participants.

11. Withdrawal of a Participant

11.1 Withdrawal conditions

A Participant may withdraw from the ~~TPRC~~CRC only:

- (a) after divesting itself of its interest (if any) in the Land under clause 12; and
- (b) in accordance with an agreement in writing between the Participants under this clause.

A Participant must withdraw from the CRC immediately after, or concurrently with, divestment of ownership interests under Clause 12.

11.2 Notice

A Participant who wishes to withdraw from the ~~TPRC~~CRC is to give to each of the other Participants and to the ~~TPRC~~CRC, in accordance with clause 11.3, notice in writing of its wish to do so.

11.3 Permitted notice periods

A notice under clause 11.2, or under clause 12.3, ~~may be given at any time. must be given within 28 days of any of the following events:~~

- ~~(a) the date on which the State Government provides written acknowledgment of the amount that it has agreed, with the Participants or the TPRC, to pay under its 'Bush Forever' policy;~~
- ~~(b) the date of final adoption by the Western Australian Planning Commission of a structure plan for the development of the Land;~~
- ~~(c) the date of adoption by the TPRC of a detailed implementation plan for the Land; and~~
- ~~(d) the date of completion of the audit of each annual financial report for the TPRC for the preceding financial year, or 30 September, whichever occurs first.~~

11.4 Negotiations in good faith

The Participants are to negotiate:

- (a) in good faith with a view to reaching agreement; and
- (b) as soon as practicable following receipt of a notice under clause 11.2.

11.5 Requirements of agreement

An agreement under this clause:

- (a) is to specify the date on which the withdrawal is to take effect;
- (b) is to specify either:
 - (i) the amount to be paid to or by the withdrawing Participants; or

- (ii) the methodology for determining the amount to be paid to or by the withdrawing Participant; and
- (c) is not to take effect unless the other Participants have agreed in writing to vary this Establishment Agreement so as to provide for:
 - (i) the determination of the contributions to be made by those Participants to the funds of the [TPRCRC](#);
 - (ii) the alteration of either or both of:
 - (A) the number of members of the [TPRCRC](#) Council; and
 - (B) the number of members of the [TPRCRC](#) Council to be appointed by one or more of those Participants; and
 - (iii) following the divestment under clause 12:
 - (A) the proportions in which the remaining Participants hold the Land; and
 - (B) the payments to be made under clause 12.

11.6 Matters relevant to negotiations

When negotiating under this clause, the Participants are to have regard to:

- (a) the following principles:
 - (i) if the [TPRCRC](#) has an excess of assets over liabilities as shown in the financial statements of the [TPRCRC](#), then:
 - (A) firstly, to the extent that the withdrawing Participant's proportionate entitlement to the excess is sufficient to do so, the withdrawing Participant is to be given credit for its capital contributions as shown in the accounting records of the [TPRCRC](#); and
 - (B) secondly, the withdrawing Participant is to be given credit for any balance remaining of that proportionate entitlement to the excess; or
 - (ii) if the [TPRCRC](#) has an excess of liabilities over assets as shown in the financial statements of the [TPRCRC](#), then the withdrawing Participant is to meet its proportionate liability of the excess; and
- (b) any factor or circumstances considered relevant by the Participants including any financial consequences for the [TPRCRC](#) and the Participants other than the withdrawing Participant, associated with any contractual obligations of the [TPRCRC](#), by reason of the proposed withdrawal.

11.7 Failure to reach agreement

Any failure by the Participants to reach agreement under this clause is not to be treated as a dispute for the purpose of clause 14.

12. Divestment of ownership interests

12.1 Definitions

In this clause:

- (a) 'Divesting Participant' means a Participant who has an ownership interest in the Land and wishes to divest itself of that interest; and
- (b) 'Remaining Participant' means each other Participant.

12.2 Divestment only under this clause

A Participant is not to divest itself of its ownership interest in the Land otherwise than in accordance with this clause.

12.3 Notice

Where a Participant has decided to pursue a divestment of their ownership interests:

- (a) ~~A~~ a Divesting Participant is to give to each Remaining Participant and to the ~~TPRCRC~~, in accordance with clause 11.3, notice in writing of its proposed divestment. The notice shall include:
 - (i) a copy of the Valuation referred to in 12.7; and
 - (ii) a timeline for the delivery of the Divestment transaction that outlines key transaction timelines for both the Divesting Participant and Remaining Participants, noting that the timeline shall:
 - (A) be compliant with provisions of this agreement;
 - (B) be compliant with the requirements of the Act;
 - (C) stipulate the date by which Remaining Participants are to respond to the Divestment notice; and
 - ~~(A)~~(D) ensure that the withdrawal transaction can be completed as soon as is practicable whilst providing reasonable and achievable timelines for all parties;
- (b) the Remaining Participants are to respond to the Divestment Notice by the date specified in 12(b)(iii);
- (c) where Clauses 12.5 and/or 12.6(c) apply, the timeframe in clause 11.3(b) shall be extended by 30 days (or other such time period as agreed by Divesting Participant and the applicant other Remaining Participants) for each occasion a subsequent offer is taken to be made under clause 12.5 or 12.3(b); and
- ~~(a)~~(d) a Divestment of ownership interests under this clause 12 may not proceed unless the entirety of the Divesting Participants' interest in the Land is sold to the Remaining Participants under the provisions of this agreement.

12.4 Offer to Remaining Participants

A notice given under clause 12.3 is taken to be an offer, by the Divesting Participant to the Remaining Participants, to sell its interest in the Land as identified in the notice:

- (a) to the Remaining Participants in the proportion that each of the Remaining Participants' shares bears to the whole of the Remaining Participants' shares; ~~and~~
- (b) in accordance with the most recent valuation that is required to be carried out under clause 12.7; and
- ~~(b)~~(c) in accordance with the timeline set out in the notice or as otherwise agreed in writing by the parties.

12.5 Acceptance among Remaining Participants

If a Remaining Participant does not accept the offer under clause 12.4 by the date referred to in 12.3(b)(iii) within 30 days of the notice being given to it, the interest in the Land that could have been accepted by that Remaining Participant:

- (a) is taken to have been made to the other Remaining Participants;
- (b) may be accepted by the other Remaining Participants; ~~and~~
- (c) is to be accepted by such of the other Remaining Participants who wish to accept the offer, in the proportion that each of the other Remaining Participants' shares bears to the whole of the other Remaining Participants' shares- and
- ~~(e)~~(d) acceptance by a Remaining Participant under 12.5(b) and 12.5(c) must be completed within 30 days.

12.6 Payment

The acceptance of an offer made by a Divesting Participant is to be subject to terms that:

- (a) interest is to be payable on any part of the accepted price not paid to the Divesting Participant within 60 days ~~after the date on which the offer is taken to have been made~~ of the later of:
 - (i) the date referred to in 12.3(b)(iii); or
 - ~~(a)(ii) where Clause 12.5 and/or Clause 12.6(c) apply the date for acceptance of the last further offer made to the Remaining Participants under Clause 12.5 or 12.6(c);~~
- (b) if payment of the full amount due to the Divesting Participant has not been made by a Remaining Participant within ~~90 days after the date on which the offer is taken to have been made~~ 60 days of acceptance of the entirety of the Divesting Participant's interest in the Land as offered under Clause 12.3, then the Divesting Participant may, at its option, give notice to that Remaining Participant that the sale to that Remaining Participant is terminated; ~~and~~
- (c) if the sale is terminated under paragraph (b), the relevant interest in the Land:
 - (i) is taken to have been offered to the other Remaining Participants;
 - (ii) may be accepted by the other Remaining Participants; and
 - (iii) is to be accepted by such of the other Remaining Participants who wish to accept the offer, in the proportion that each of the other Remaining Participants' shares bears to the whole of the other Remaining Participants' shares-;
- (d) the payments made to the Divesting Participant by the Remaining Participants may be adjusted to reflect changes to status and/or ownership of the land that may have occurred between the date of Valuation and the date of the acceptance of the offer. Any such adjustments will consider the methodology used is the Valuation obtained under 12.7 of this agreement.
- (e) where six or more months have passed between the date of the valuation and the estimated date of settlement of the divestment, the TPRC must seek confirmation from the Valuer appointed under 12.7 that the original valuation remains accurate and current;
- (f) if the Valuer instructs that the original valuation is not accurate and current as at the estimated date of settlement of the divestment, the TPRC must instruct the Valuer to provide an updated valuation in accordance with 12.7;
- (g) if 12(6)(f) applies the updated valuation is to be the basis of adjustments made under 12.(6)(d); and
- (iii)(h) the timeline provided in Clause 12.3(b) is to be extended to provide for a further valuation where required.

12.7 Valuation

- (a) A Participant who wishes to consider withdrawing from the ~~TPRC~~ CRC may ask the ~~TPRC~~ CRC to arrange, at ~~its cost~~ the Withdrawing Participant's cost, for the Land to be valued by a licensed valuer within 14 days of any of the dates specified in clause 11.3.
- (b) The ~~TPRC~~ CRC is to comply with a request made under paragraph (a) and arrange for a valuation as soon as is practicable.
- (c) The ~~CRC~~ CRC must instruct the Valuer appointed under 12.7(a) to determine the valuation methodology for valuation of the Land in accordance with proper and accepted industry practice and considering all of the relevant factors, matters and variables used in proper land valuation have been taken into account.
- (d) The TPRC must instruct the appointed Valuer to:
 - (i) give a written valuation of the Land setting out what was taken into account, what was disregarded, their respective weightings and any other adjustments;
 - (ii) act as an independent expert; and

~~(b)(iii)~~ provide the valuation as soon as practicable but in no longer than 45 days.

12.8 Requirements of the Act

Each Participant is to comply with the requirements of the Act that affect the sale and purchase of an interest in the Land, such as the current requirements relating to a major land transaction.

13. Winding up

13.1 Winding up by agreement

The Participants may, by agreement, wind up the [TPRCRC](#).

13.2 Division of assets

- (a) If the [TPRCRC](#) is to be wound up and there remains, after satisfaction of all its debts and liabilities, any property and assets of the [TPRCRC](#) then the property and assets are to be realised and:
- (i) the proceeds, along with any surplus funds, are to be used to repay to the Participants their respective capital contributions as shown in the accounting records of the [TPRCRC](#); and
 - (ii) the balance, if any, is to be divided among the Participants in the proportions set out in Schedule 1.
- (b) For the avoidance of doubt, for the purposes of subclause (a), any capital contributions of the Participants do not accrue interest.

13.3 Division of liabilities

If the [TPRCRC](#) is to be wound up and there remains any liability or debt in excess of the realised property and assets of the [TPRCRC](#), then the liability or debt is to be met by each of the Participants in the proportions set out in Schedule 1.

14. Dispute resolution

14.1 No proceedings

A Participant must not start arbitration proceedings in respect of a dispute arising out of this Agreement (**Dispute**) unless it has complied with this clause.

14.2 Notification of dispute

A Participant claiming that a Dispute has arisen must notify the [TPRCRC](#) and the other Participants giving details of the Dispute.

14.3 Reasonable efforts to resolve Dispute

- (a) During the 14 day period after notification is given under clause 14.2 (or longer period agreed in writing by the Participants) (**Negotiation Period**), the [TPRCRC](#) and the Participants must use their reasonable efforts to resolve the Dispute.
- (b) Although the [TPRCRC](#) and the Participants are responsible for the resolution of the Dispute, within the first 7 days of the Negotiation Period, if the Dispute continues, the chief executive officers of the Participants and the CEO of the [TPRCRC](#) must meet, and use their reasonable endeavours to resolve the Dispute.

14.4 Dispute resolution process

If the Dispute is not resolved within the Negotiation Period, the Participants shall meet and endeavour to agree on:

- (a) a process for resolving the Dispute other than by litigation or arbitration (such as by further negotiations, mediation, conciliation or expert determination);
- (b) the procedure and timetable for any exchange of documents and other information relating to the Dispute;
- (c) the procedural rules and timetable for the conduct of the selected mode of proceeding;
- (d) a procedure for the selection and compensation of any independent persons engaged by the Participants to assist in resolution of the Dispute; and
- (e) whether or not the Participants should seek the assistance of a dispute resolution organisation.

14.5 Arbitration

If the Participants are unable to agree on a process for resolving the Dispute in accordance with clause 14.4 within 21 days after the Negotiation Period then:

- (a) any Participant may notify the others in writing (**Arbitration Notice**) that it requires the dispute to be referred to arbitration; and
- (b) the dispute (unless meanwhile settled), on receipt of the Arbitration Notice by the recipients, is taken to be referred to arbitration under and in accordance with the provisions of the *Commercial Arbitration Act-19852012*.

14.6 Legal representation

For the purposes of the *Commercial Arbitration Act-19852012*, the Participants consent to each other and to the [TPRCRC](#) being legally represented at any such arbitration.

15. Interpretation

15.1 Interpretation

In this Establishment Agreement, unless the context requires otherwise:

- (a) words importing the singular include the plural and vice versa;
- (b) words importing any gender include the other genders;
- (c) references to persons include corporations and bodies politic;
- (d) references to a person include the legal personal representatives, successors and assigns of that person;
- (e) a reference to a statute, planning scheme, or other law includes regulations and other statutory instruments under it and consolidations, amendments, re-enactments or replacements of any of them (whether of the same or any other legislative authority having jurisdiction);
- (f) references to this or any other document include the document as varied or replaced, and notwithstanding any change in the identity of the parties;
- (g) references to writing include any mode of representing or reproducing words in tangible and permanently visible form;
- (h) an obligation of two or more parties is to bind them jointly and severally;

- (i) if a word or phrase is defined other parts of speech and grammatical forms of that word or phrase have corresponding definitions;
- (j) references to a person or body which has ceased to exist or has been reconstituted, amalgamated, reconstructed or merged, or the functions of which have become exercisable by any other person or body in its place, are to be taken to refer to the person or body established or constituted in its place or by which its functions have become exercisable;
- (k) an obligation incurred in favour of two or more parties is to be enforceable by them jointly and severally;
- (l) reference to any thing (including, without limitation, any amount) is a reference to the whole or any part of it and a reference to a group of things or persons is a reference to any one or more of them;
- (m) reference to a month and cognate terms means a period commencing on any day of a calendar month and ending on the corresponding day in the next succeeding calendar month but if a corresponding day does not occur in the next succeeding calendar month the period shall end on the last day of the next succeeding calendar month;
- (n) includes means includes without limitation;
- (o) references to this Establishment Agreement include its schedules.

15.2 Headings and footnotes

Headings and footnotes are to be ignored in construing this Establishment Agreement.

15.3 Time

- (a) References to time are to local time in Perth, Western Australia; and
- (b) unless otherwise specified, where time is to be reckoned from a day or event, that day or the day of that event is to be excluded.

Note:

Amendment of Establishment Agreement

1. The Participants may amend this Establishment Agreement by agreement made with the Minister's approval - see section 3.65(1) of the Act.

Admission of Other Local Governments

2. This Establishment Agreement can be amended to include another local government as a party to the amending agreement - see section 3.65(2) of the Act.

Schedule 1 – Ownership shares

Participant	Share/proportion
Town of Cambridge	1/12
City of Joondalup	1/6
City of Perth	1/12
City of Stirling	1/3
Town of Victoria Park	1/12
Town City of Vincent	1/12
City of Wanneroo	1/6

Schedule 2 – Resolution dates

Participant	Date of resolution to enter into this Establishment Agreement
Town of Cambridge	20 December 2005
City of Joondalup	13 December 2005
City of Perth	13 December 2005
City of Stirling	13 December 2005
Town of Victoria Park	13 December 2005
Town <u>City</u> of Vincent	6 December 2005
City of Wanneroo	13 December 2005

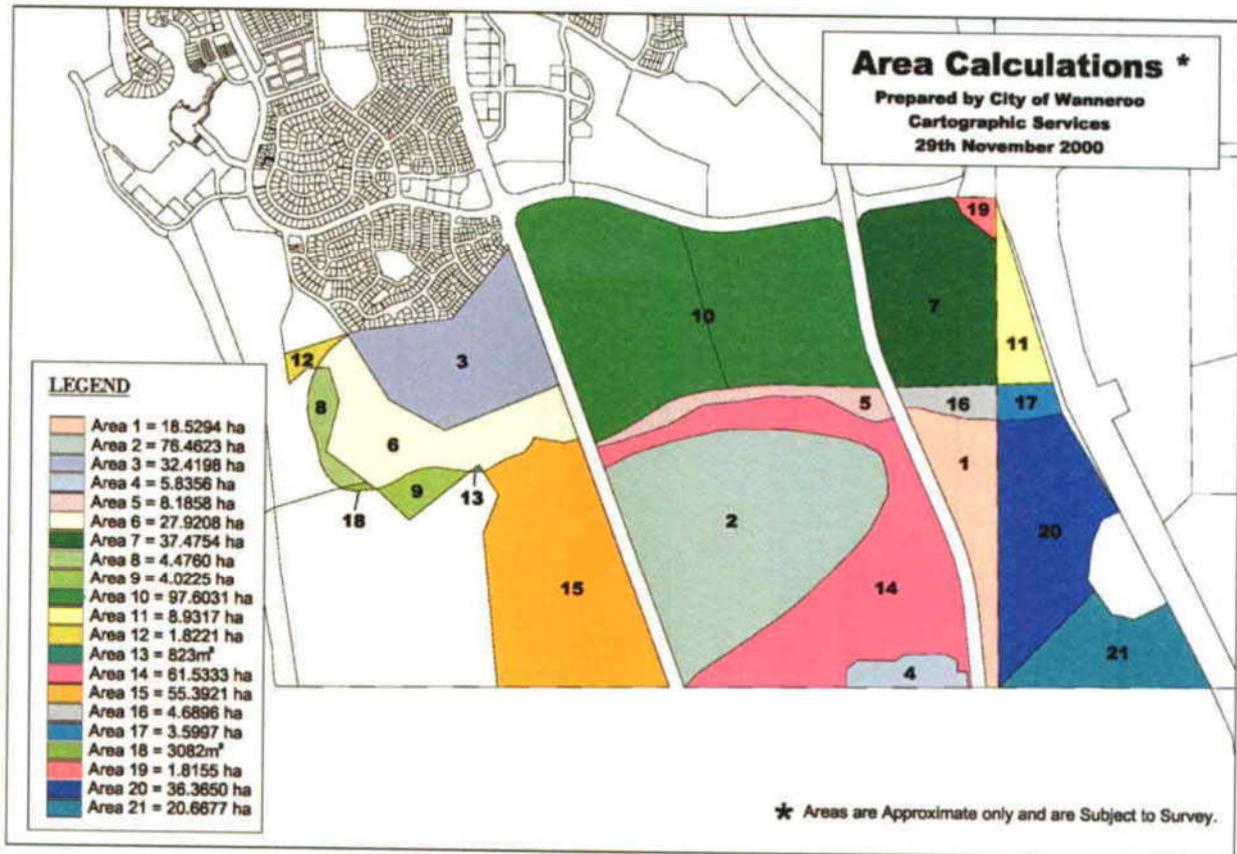
Schedule 3 – Resolution dates for revised Establishment Agreement 2023

<u>Participant</u>	<u>Date of resolution to enter into this Establishment Agreement</u>
<u>Town of Cambridge</u>	<u>TBA</u>
<u>City of Joondalup</u>	<u>TBA</u>
<u>City of Perth</u>	<u>TBA</u>
<u>City of Stirling</u>	<u>TBA</u>
<u>Town of Victoria Park</u>	<u>TBA</u>
<u>City of Vincent</u>	<u>TBA</u>
<u>City of Wanneroo</u>	<u>TBA</u>

Schedule 34 – Number of Members

Participant	Number of Members
Town of Cambridge	1
City of Joondalup	2
City of Perth	1
City of Stirling	4
Town of Victoria Park	1
Town of Vincent	1
City of Wanneroo	2
Total	12

Schedule 45 – Map of the Land



Signing page

EXECUTED as an agreement

The common seal of Town of Cambridge is affixed in the presence of


 Signature of Mayor **Marlene Anderton**
 Mayor, Town of Cambridge
 Name of Mayor (print)


 Signature of Chief Executive Officer
GRAHAM D. PARTRIDGE
 CHIEF EXECUTIVE OFFICER
 TOWN OF CAMBRIDGE
 Name of Chief Executive Officer (print)

The common seal of City of Joondalup is affixed in the presence of


 Signature of Chairman of Commissioners
JOHN PATERSON
 Name of Chairman of Commissioners (print)



 Signature of Chief Executive Officer
CARRY HUNT
 Name of Chief Executive Officer (print)

The common seal of City of Perth is affixed in the presence of


 Signature of Lord Mayor
PETER NATTHAUS
 Name of Lord Mayor (print)



 Signature of Chief Executive Officer
FRANK EDWARDS
 Name of Chief Executive Officer (print)

The common seal of City of Stirling is affixed in the presence of

T. J. TYZACK
 Signature of Mayor
TERENCE JOHN TYZACK
 Name of Mayor (print)


 Signature of Chief Executive Officer
LINDSAY DELAHANTY
 Name of Chief Executive Officer (print)



3 January 2006

The common seal of Town of Victoria Park is affixed in the presence of



Signature of Mayor: *John A.M. Lee*
Name of Mayor (print): JOHN A.M. LEE

Signature of Chief Executive Officer: *John M. Bonker*
Name of Chief Executive Officer (print): JOHN M. BONKER

The common seal of Town of Vincent is affixed in the presence of



Signature of Mayor: *Nick Catania*
Name of Mayor (print): Nick Catania, JP MAYOR

Signature of Chief Executive Officer: *John Giorgi*
Name of Chief Executive Officer (print): John Giorgi, JP
CHIEF EXECUTIVE OFFICER

The common seal of City of Wanneroo is affixed in the presence of



Signature of Mayor: *Jon Kelly*
Name of Mayor (print): Jon Kelly, JP Mayor

Signature of Chief Executive Officer: *Charles Johnson*
Name of Chief Executive Officer (print): Charles Johnson

Approved

John Bowler

John Bowler JP MLA
Minister for Local Government and Regional Development

..... 24 1:..... 2006

Appendix 8.9

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

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

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

NATURE OR TYPE DESCRIPTIONS

REVENUE

INTEREST EARNINGS

Interest and other items of a similar nature received from bank and investment accounts, interest on rate instalments, interest on rate arrears and interest on debtors.

OTHER REVENUE / INCOME

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

PROFIT ON ASSET DISPOSAL

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

EXPENSES

EMPLOYEE COSTS

All costs associated with the employment of person such as salaries, wages, allowances, benefits such as vehicle and housing, superannuation, employment expenses, removal expenses, relocation expenses, worker's compensation insurance, training costs, conferences, safety expenses, medical examinations, fringe benefit tax, etc.

MATERIALS AND CONTRACTS

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

UTILITIES (GAS, ELECTRICITY, WATER)

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

INSURANCE

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

LOSS ON ASSET DISPOSAL

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

DEPRECIATION ON NON-CURRENT ASSETS

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

INTEREST EXPENSES

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

OTHER EXPENDITURE

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

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

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	519,415	606,737	87,322	16.81%	▲
Other revenue		22,939	13,384	5,714	(7,670)	(57.31%)	▼
		913,365	532,799	612,451	79,652	14.95%	
Expenditure from operating activities							
Employee costs		(737,937)	(436,379)	(408,209)	28,170	6.46%	
Materials and contracts		(380,310)	(240,655)	(139,829)	100,826	41.90%	▲
Utility charges		(6,829)	0	0	0	0.00%	
Depreciation on non-current assets		(43,510)	(25,381)	(25,381)	0	0.00%	
Interest expenses		(1,423)	(830)	(2,000)	(1,170)	(140.96%)	
Insurance expenses		(21,952)	(21,952)	(19,596)	2,356	10.73%	
Other expenditure		(171,255)	(86,482)	(81,120)	5,362	6.20%	
		(1,363,216)	(811,679)	(676,135)	135,544	(16.70%)	
Non-cash amounts excluded from operating activities	2(a)	43,510	25,381	13,085	(12,296)	(48.45%)	▼
Amount attributable to operating activities		(406,341)	(253,499)	(50,599)	202,900	(80.04%)	
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)	(40,861,722)	(10,617,478)	30,244,244	74.02%	▲
Proceeds from member contributions	1	60,156,539	28,475,879	16,331,532	(12,144,347)	42.65%	
Payments of GST withheld	1	(4,165,673)	(2,787,507)	(1,157,380)	1,630,127	58.48%	▲
Payments for principal portion of lease liabilities	8	(33,577)	(19,586)	(18,417)	1,169	5.97%	
Payments return of contribution	1	(20,000,000)	(10,000,000)	(10,000,000)	0	0.00%	
Payments return of equity	1	(485,534)	0	(1,808,172)	(1,808,172)	0.00%	▼
Proceeds from rates equivalent	1	0	0	(4,700)	(4,700)	0.00%	
Payments for financial assets at amortised cost - non current	3	0	0	(20,018,693)	(20,018,693)	0.00%	▼
Amount attributable to financing activities		(25,592,326)	(25,192,936)	(27,293,308)	(2,100,372)	8.34%	
Closing funding surplus / (deficit)	2(c)	26,895,505	27,452,737	25,550,402	(1,902,335)	6.93%	

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 07 February 2023

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

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 January 2023	31 January 2023	2023	31 January 2023	2023	2023	2023	2023	
\$	\$	\$	\$	\$		\$	\$	
Town of Victoria Park	1,360,961	(884,790)	(833,334)	(150,681)	0	(1,535)	(96,448)	(605,827)
City of Perth	1,360,961	(884,790)	(833,334)	(150,681)	(4,700)	(1,535)	(96,448)	(610,527)
Town of Cambridge	1,360,961	(884,790)	(833,334)	(150,681)	0	(1,535)	(96,448)	(605,827)
City of Joondalup	2,721,922	(1,769,579)	(1,666,666)	(301,362)	0	(3,070)	(192,897)	(1,211,652)
City of Wanneroo	2,721,922	(1,769,579)	(1,666,666)	(301,362)	0	(3,070)	(192,897)	(1,211,652)
Town of Vincent	1,360,961	(884,790)	(833,334)	(150,681)	0	(1,535)	(96,448)	(605,827)
City of Stirling	5,443,844	(3,539,160)	(3,333,332)	(602,724)	0	(6,139)	(385,794)	(2,423,304)
16,331,532	(10,617,478)	(10,000,000)	(1,808,172)	(4,700)	(18,417)	(1,157,380)	(7,274,616)	

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 30 June 2022	Movement in		Year to Date 31 January 2023
		Contributed Equity	Net Result	
	\$			\$
Town of Victoria Park	4,509,818	(605,827)	(5,307)	3,898,684
City of Perth	4,509,818	(610,527)	(5,307)	3,893,984
Town of Cambridge	4,509,818	(605,827)	(5,307)	3,898,684
City of Joondalup	9,019,634	(1,211,652)	(10,614)	7,797,368
City of Wanneroo	9,019,634	(1,211,652)	(10,614)	7,797,368
Town of Vincent	4,509,818	(605,827)	(5,307)	3,898,684
City of Stirling	18,042,083	(2,423,304)	(21,228)	15,597,551
Total	54,120,623	(7,274,616)	(63,684)	46,782,322

Total Movement in Equity **(7,338,301)**

(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	25,381	25,381
Total non-cash items excluded from operating activities		43,510	25,381	13,085

(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 January 2023
Adjustments to net current assets				
Add: Lease liabilities	8	33,577	31,760	13,343
Total adjustments to net current assets		33,577	31,760	13,343

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

Current assets				
Cash and cash equivalents	3	26,648,937	10,227,737	5,141,677
Financial assets at amortised cost	3	0	42,228,303	20,000,000
Receivables	4	350,000	595,395	638,089
Other current assets	5	10,000	27,600	1,000
Less: Current liabilities				
Payables	6	(91,644)	(162,938)	(157,611)
Lease liabilities	8	(33,577)	(31,760)	(13,343)
Provisions	9	(21,788)	(21,788)	(72,753)
Less: Total adjustments to net current assets	2(b)	33,577	31,760	13,343
Closing funding surplus / (deficit)		26,895,505	52,894,309	25,550,402

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	94,302	94,302	Westpac	Nil	Nil
Settlement Proceeds	Cash and cash equivalents	1,975,743	1,975,743	Westpac	0.34%	Nil
Cash Management	Cash and cash equivalents	1	1	Macquarie	0.25%	Nil
Accelerator	Cash and cash equivalents	3,071,631	3,071,631	Macquarie	1.85%	Nil
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
		25,141,677	25,141,677			
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 4915	Financial assets at amortised cost	1,006,578	1,006,578	Suncorp	4.20%	Jul-23
Term Deposit	Financial assets at amortised cost	2,000,000	2,000,000	AMP	4.65%	Aug-23
Term Deposit	Financial assets at amortised cost	3,000,000	3,000,000	AMP	4.65%	Aug-23
Term Deposit 2250	Financial assets at amortised cost	3,012,115	3,012,115	Westpac	4.84%	Sep-23
Term Deposit 0647	Financial assets at amortised cost	3,000,000	3,000,000	Westpac	4.58%	Oct-23
Term Deposit	Financial assets at amortised cost	2,000,000	2,000,000	CBA	4.49%	Jan-24
		20,018,693	20,018,693			
Total		45,160,370	45,160,370			
Comprising						
Cash and cash equivalents		5,141,677	5,141,677			
Financial assets at amortised cost - current		20,000,000	20,000,000			
Financial assets at amortised cost - non current		20,018,693	20,018,693			
		45,160,370	45,160,370			

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	111,764	15,554	0	0	127,318
Percentage	0.0%	87.8%	12.2%	0%	0%	
Balance per trial balance						
Sundry receivable						127,318
GST receivable						392
Accrued interest						510,379
Total receivables general outstanding						638,089

Amounts shown above include GST (where applicable)

KEY INFORMATION

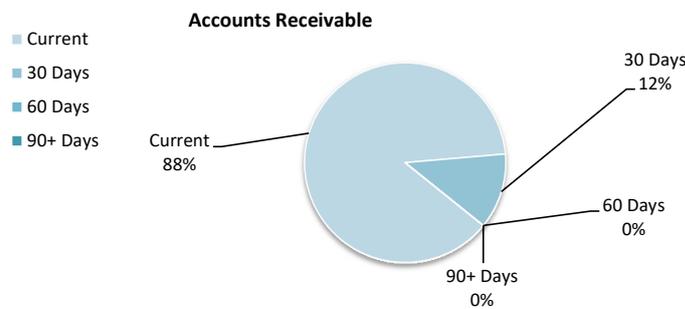
Trade and other receivables include amounts due from third parties for goods sold and services performed in the ordinary course of business.

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 January 2023
Other current assets	\$	\$	\$	\$
Funds held by Settlement agent in Trust	27,600	34,300	(60,900)	1,000
Total other current assets	27,600	34,300	(60,900)	1,000

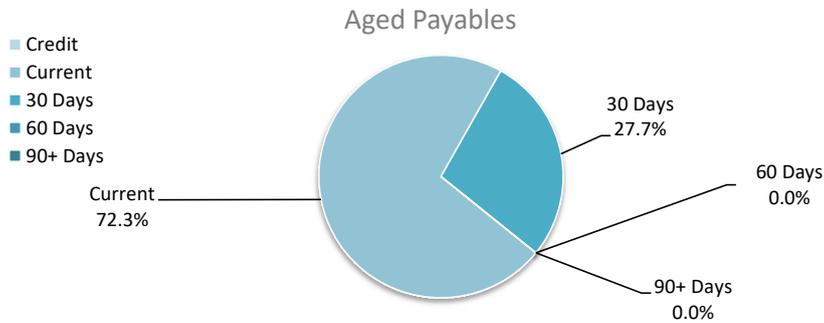
Amounts shown above include GST (where applicable)

Payables - general	Credit	Current	30 Days	60 Days	90+ Days	Total
	\$	\$	\$	\$	\$	\$
Payables - general	0	17,075	6,545	0	0	23,620
Percentage	0%	72.3%	27.7%	0%	0%	
Balance per trial balance						
Sundry creditors						23,620
ATO liabilities						13,867
Credit card						124
Deposits or bonds						120,000
Total payables general outstanding						157,611

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.

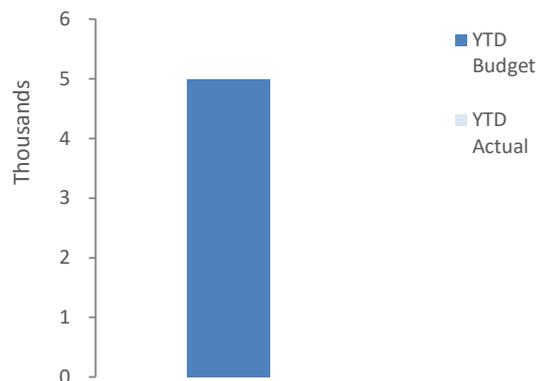
Initial recognition and measurement for assets held at cost

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	(18,417)	(33,577)	68,665	53,505	(2,000)	(1,423)
Total		87,082	0	0	(18,417)	(33,577)	68,665	53,505	(2,000)	(1,423)
Current lease liabilities		31,760					13,343			
Non-current lease liabilities		119,156					119,156			
		150,916					132,499			

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 January 2023
		\$		\$	\$	\$
Other current liabilities						
Employee Related Provisions						
Annual leave		21,788	0	16,089	0	37,877
Long service leave		0	12,296	22,580	0	34,876
Total Employee Related Provisions		21,788	12,296	38,669	0	72,753
Total other current liabilities		21,788	12,296	38,669	0	72,753
Amounts shown above include GST (where applicable)						

KEY INFORMATION

Provisions

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

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

Employee Related Provisions

Short-term employee benefits

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

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

Other long-term employee benefits

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

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

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

**NOTE 10
EXPLANATION OF MATERIAL VARIANCES**

The material variance thresholds are adopted annually by Council as an indicator of whether the actual expenditure or revenue varies from the year to date Actual materially.

The material variance adopted by Council for the 2022-23 year is \$5,000 or 10.00% whichever is the greater.

Nature or type	Var. \$	Var. %	Explanation of positive variances		Explanation of negative variances	
			Timing	Permanent	Timing	Permanent
	\$	%				
Revenue from operating activities						
Interest earnings	87,322	16.81%	▲			
Other revenue	(7,670)	(57.31%)			▼	
Expenditure from operating activities						
Materials and contracts	100,826	41.90%	▲			
Non-cash amounts excluded from operating activities	(12,296)	(48.45%)			▼	
Financing activities						
Payments of member contributions	30,244,244	74.02%	▲			
Payments return of equity	(1,808,172)	0.00%			▼	
Payments for financial assets at amortised cost - non current	(20,018,693)	0.00%			▼	



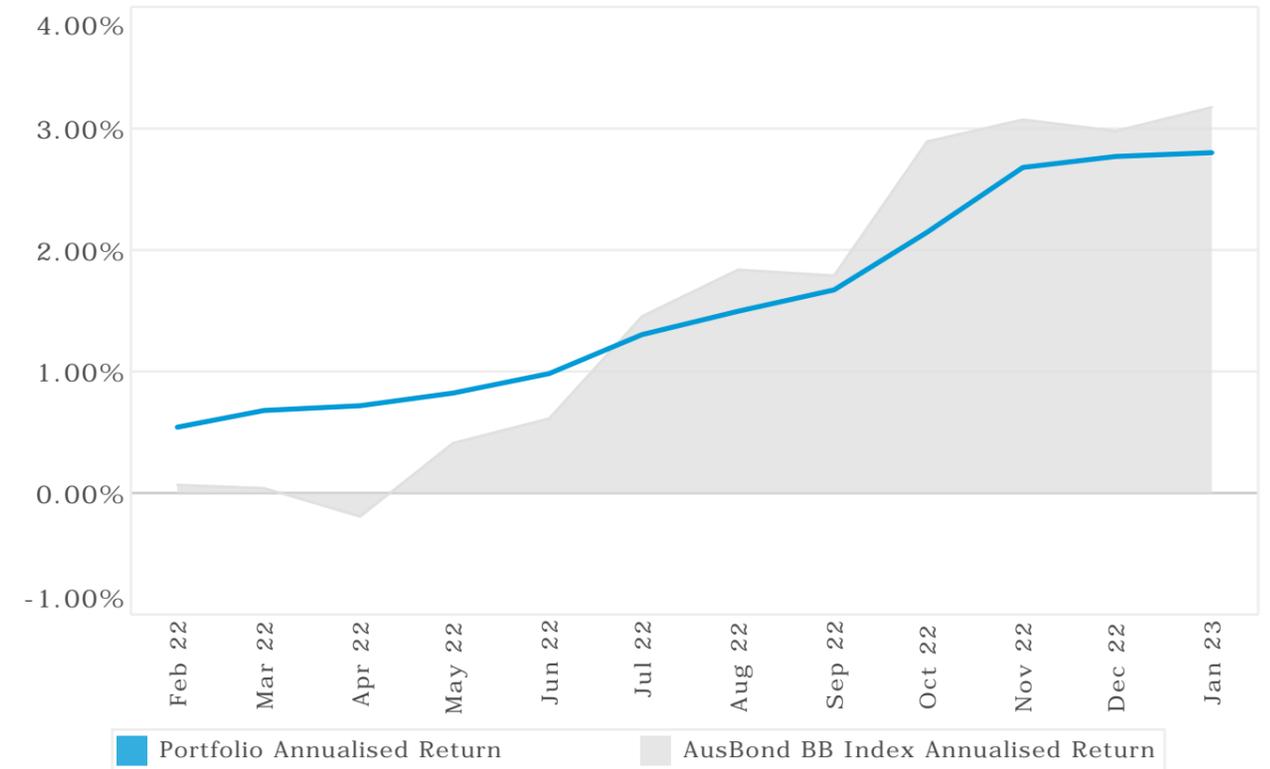
Investment Summary Report
January 2023



Investment Holdings

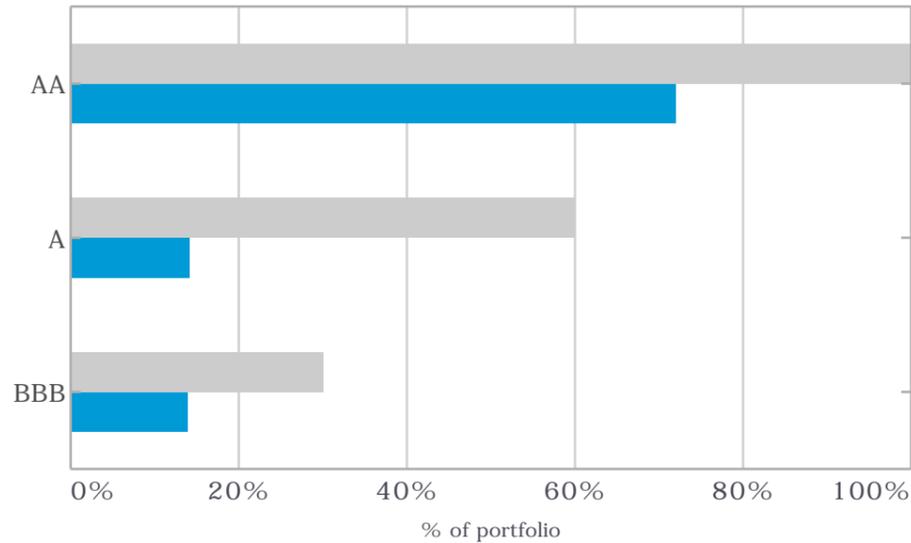
Investment Performance

	Face Value (\$)	Current Value (\$)	Current	Yield (%)
Bonds	3,000,000	3,013,290		0.7000
Cash	3,071,631	3,071,631		3.3862
Term Deposit	37,018,693	37,478,141		3.0711
	43,090,324	43,563,062		2.9284

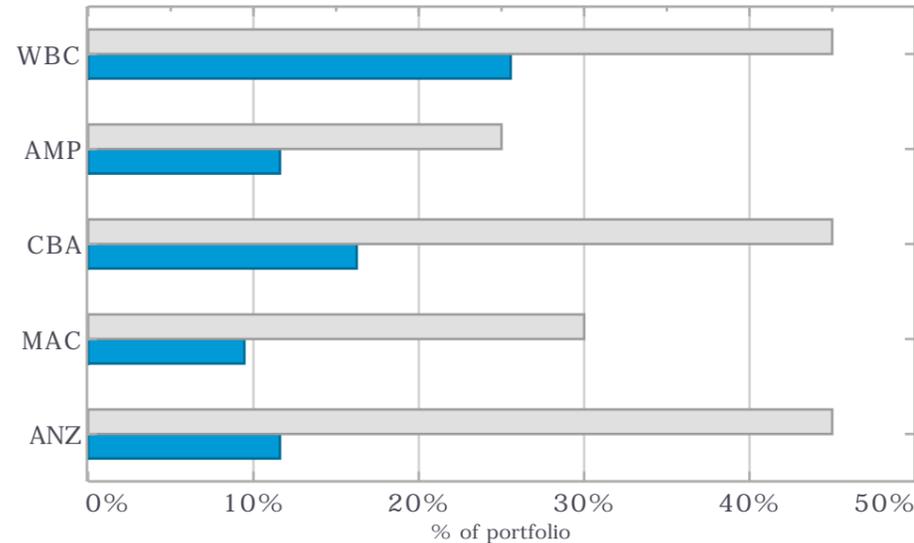


Investment Policy Compliance

Total Credit Exposure



Individual Institutional Exposures



Term to Maturities

	Face Value (\$)	Policy Max
Between 0 and 1 years	43,090,324	100% a
	43,090,324	

g Portfolio Exposure g Investment Policy Limit

Tamala Park Regional Council

Investment Holdings Report - January 2023



Cash Accounts

Face Value (\$)	Current Rate (%)	Institution	Credit Rating	Current Value (\$)	Deal No.	Reference
3,071,630.58	3.3862%	Macquarie Bank	A+	3,071,630.58	541301	Accelerator
3,071,630.58	3.3862%			3,071,630.58		

Term Deposits

Maturity Date	Face Value (\$)	Current Rate (%)	Institution	Credit Rating	Purchase Price (\$)	Purchase Date	Current Value (\$)	Deal No.	Accrued Interest (\$)	Next Interest Date	Reference
Feb-23	1,000,000.00	1.0000%	Macquarie Bank	A+	1,000,000.00	Mar-22	1,009,150.68	542408	9,150.68	At Maturity	668
Feb-23	2,000,000.00	0.5200%	National Australia Bank	AA-	2,000,000.00	Aug-21	2,004,843.84	541745	4,843.84	Annually	655
Feb-23	1,000,000.00	0.9500%	Westpac Group	AA-	1,000,000.00	Feb-22	1,002,056.16	542340	2,056.16	Quarterly	663
Feb-23	1,000,000.00	0.9400%	Westpac Group	AA-	1,000,000.00	Feb-22	1,008,833.42	542373	8,833.42	At Maturity	664
Mar-23	3,000,000.00	1.0000%	National Australia Bank	AA-	3,000,000.00	Mar-22	3,027,123.29	542415	27,123.29	At Maturity	669
Mar-23	5,000,000.00	1.1100%	ANZ Banking Group	AA-	5,000,000.00	Mar-22	5,049,873.97	542425	49,873.97	At Maturity	671
Apr-23	1,000,000.00	4.0700%	Suncorp Bank	A+	1,000,000.00	Oct-22	1,011,931.23	543476	11,931.23	At Maturity	686
Apr-23	3,000,000.00	3.8900%	Westpac Group	AA-	3,000,000.00	Aug-22	3,054,353.42	543174	54,353.42	At Maturity	680
May-23	1,000,000.00	3.0500%	ME Bank	BBB+	1,000,000.00	May-22	1,022,227.40	542757	22,227.40	At Maturity	675
May-23	2,000,000.00	3.0300%	Commonwealth Bank of Australia	AA-	2,000,000.00	May-22	2,043,997.26	542772	43,997.26	At Maturity	677
Jun-23	3,000,000.00	3.8600%	Commonwealth Bank of Australia	AA-	3,000,000.00	Jul-22	3,066,624.66	542933	66,624.66	At Maturity	679
Jul-23	1,006,578.08	4.2000%	Suncorp Bank	A+	1,006,578.08	Nov-22	1,015,728.29	543545	9,150.21	At Maturity	690
Aug-23	2,000,000.00	4.6500%	AMP Bank	BBB	2,000,000.00	Nov-22	2,021,912.33	543519	21,912.33	At Maturity	687
Aug-23	3,000,000.00	4.6500%	AMP Bank	BBB	3,000,000.00	Nov-22	3,032,868.49	543520	32,868.49	At Maturity	689
Sep-23	3,012,115.07	4.8400%	Westpac Group	AA-	3,012,115.07	Sep-22	3,063,240.15	543396	51,125.08	At Maturity	683
Oct-23	3,000,000.00	4.5800%	Westpac Group	AA-	3,000,000.00	Oct-22	3,041,408.22	543474	41,408.22	At Maturity	685
Jan-24	2,000,000.00	4.4900%	Commonwealth Bank of Australia	AA-	2,000,000.00	Jan-23	2,001,968.22	543716	1,968.22	At Maturity	691
	37,018,693.15	3.0711%			37,018,693.15		37,478,141.03		459,447.88		

Fixed Rate Bonds

Maturity Date	Face Value (\$)	Current Rate (%)	Security Name	Credit Rating	Purchase Price (\$)	Purchase Date	Current Value (\$)	Deal No.	Accrued Interest (\$)	Purchase Yield	Reference
Jun-23	3,000,000.00	0.7000%	NT T-Corp Bond (Jun23) 0.70%	Aa3	3,000,000.00	Apr-21	3,013,290.41	541265	13,290.41	.70000%	642

Tamala Park Regional Council

Investment Holdings Report - January 2023



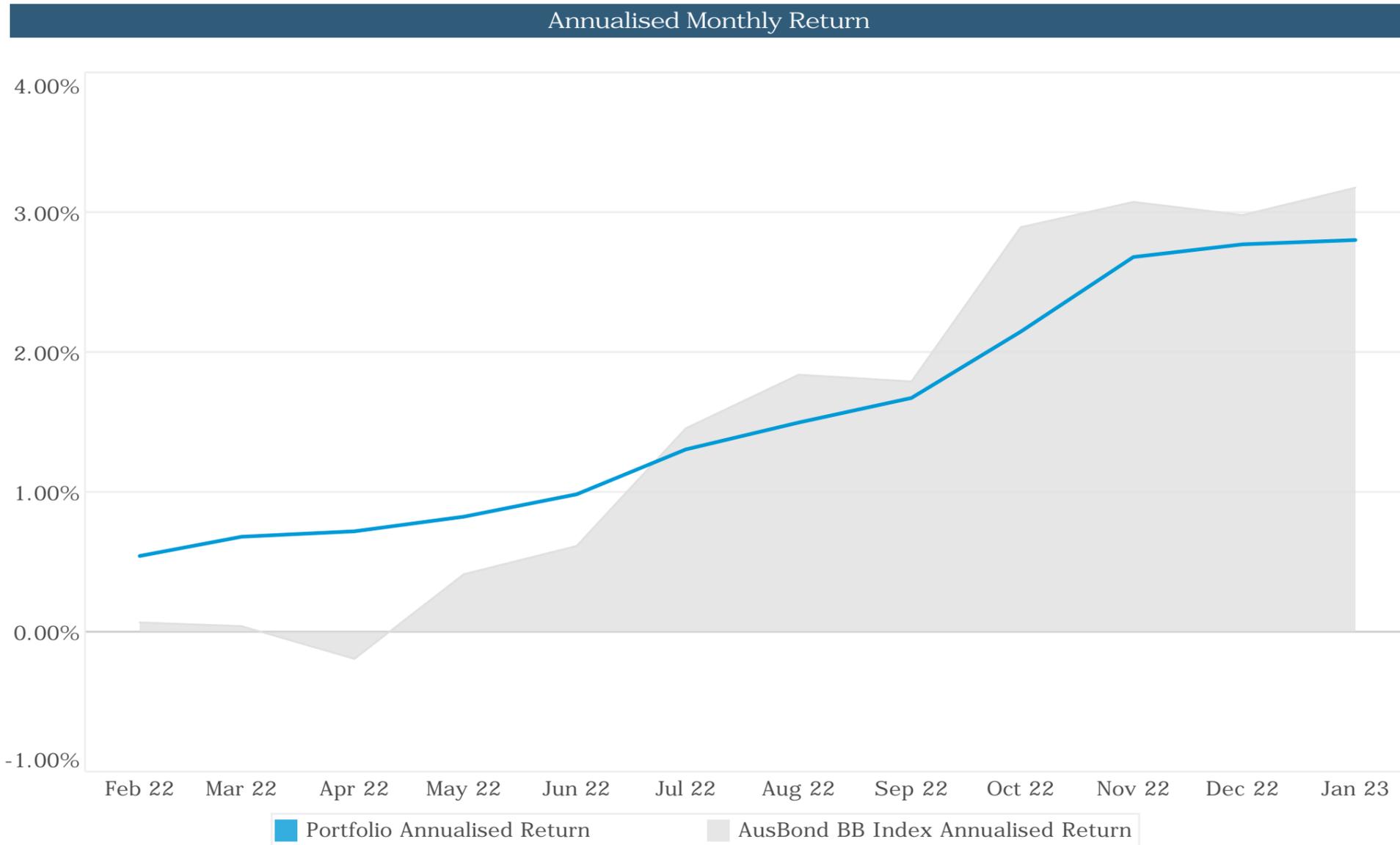
Maturity Date	Face Value (\$)	Current Rate (%)	Security Name	Credit Rating	Purchase Price (\$)	Purchase Date	Current Value (\$)	Deal No.	Accrued Interest (\$)	Purchase Yield	Reference
	3,000,000.00	0.7000%			3,000,000.00		3,013,290.41		13,290.41	.7000%	

Tamala Park Regional Council

Accrued Interest Report - January 2023



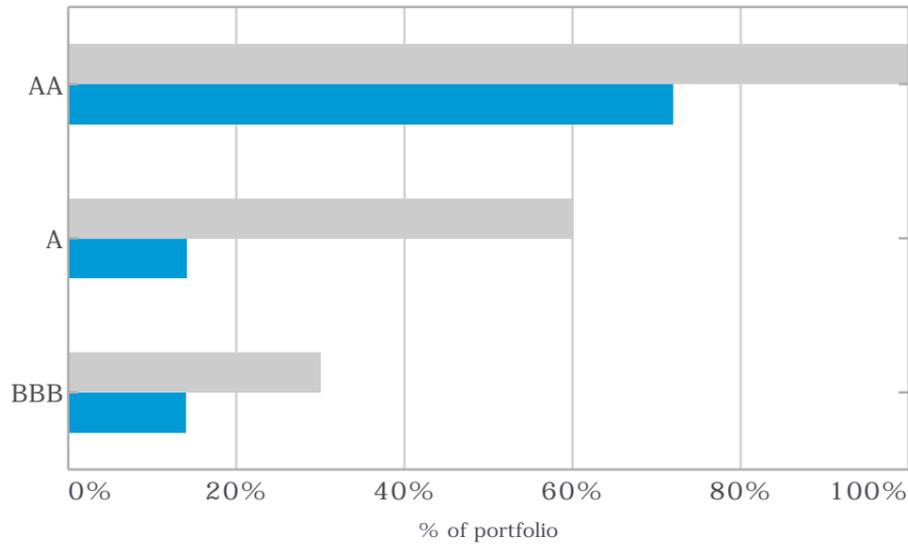
Investment	Deal No.	Comments	Face Value (\$)	Settlement Date	Maturity Date	Interest Received (\$)	Days	Interest Accrued (\$)	Yield (% pa)
Bonds									
NT T-Corp Bond (Jun23) 0.70%	541265		3,000,000.00	Apr-21	Jun-23	0.00	31	1,783.56	0.70%
						0.00		1,783.56	0.70%
Cash									
Macquarie Bank	541301					8,675.20	0	8,675.20	3.39%
						8,675.20		8,675.20	3.39%
Term Deposits									
Westpac Group	542266		1,000,000.00	Jan-22	Jan-23	2,016.44	23	504.11	0.80%
Westpac Group	542269		1,000,000.00	Jan-22	Jan-23	8,077.81	23	510.41	0.81%
National Australia Bank	541745		2,000,000.00	Aug-21	Feb-23	0.00	31	883.29	0.52%
Westpac Group	542340		1,000,000.00	Feb-22	Feb-23	0.00	31	806.84	0.95%
Westpac Group	542373		1,000,000.00	Feb-22	Feb-23	0.00	31	798.35	0.94%
Macquarie Bank	542408		1,000,000.00	Mar-22	Feb-23	0.00	31	849.31	1.00%
National Australia Bank	542415		3,000,000.00	Mar-22	Mar-23	0.00	31	2,547.95	1.00%
ANZ Banking Group	542425		5,000,000.00	Mar-22	Mar-23	0.00	31	4,713.70	1.11%
Westpac Group	543174		3,000,000.00	Aug-22	Apr-23	0.00	31	9,911.50	3.89%
Suncorp Bank	543476		1,000,000.00	Oct-22	Apr-23	0.00	31	3,456.71	4.07%
ME Bank	542757		1,000,000.00	May-22	May-23	0.00	31	2,590.41	3.05%
Commonwealth Bank of Australia	542772		2,000,000.00	May-22	May-23	0.00	31	5,146.85	3.03%
Commonwealth Bank of Australia	542933		3,000,000.00	Jul-22	Jun-23	0.00	31	9,835.07	3.86%
Suncorp Bank	543545		1,006,578.08	Nov-22	Jul-23	0.00	31	3,590.59	4.20%
AMP Bank	543519		2,000,000.00	Nov-22	Aug-23	0.00	31	7,898.63	4.65%
AMP Bank	543520		3,000,000.00	Nov-22	Aug-23	0.00	31	11,847.94	4.65%
Westpac Group	543396		3,012,115.07	Sep-22	Sep-23	0.00	31	12,381.85	4.84%
Westpac Group	543474		3,000,000.00	Oct-22	Oct-23	0.00	31	11,669.59	4.58%
Commonwealth Bank of Australia	543716		2,000,000.00	Jan-23	Jan-24	0.00	8	1,968.22	4.49%
						10,094.25		91,911.32	2.92%
Grand Totals						18,769.45		102,370.08	2.80%



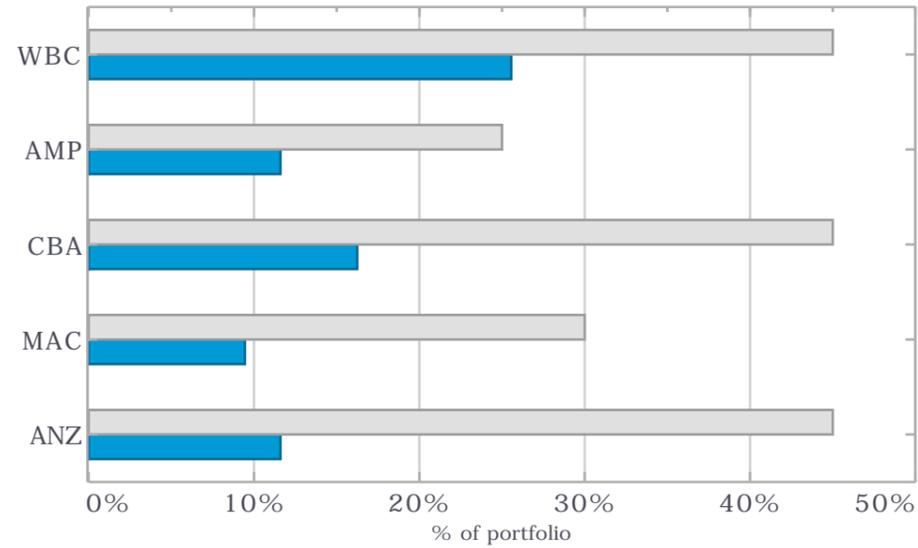
Historical Performance Summary (% pa)			
	Portfolio	Annualised BB Index	Outperformance
Jan 2023	2.80%	3.18%	-0.38%
Last 3 months	2.75%	3.08%	-0.33%
Last 6 months	2.26%	2.63%	-0.37%
Financial Year to Date	2.12%	2.46%	-0.34%
Last 12 months	1.56%	1.52%	0.04%



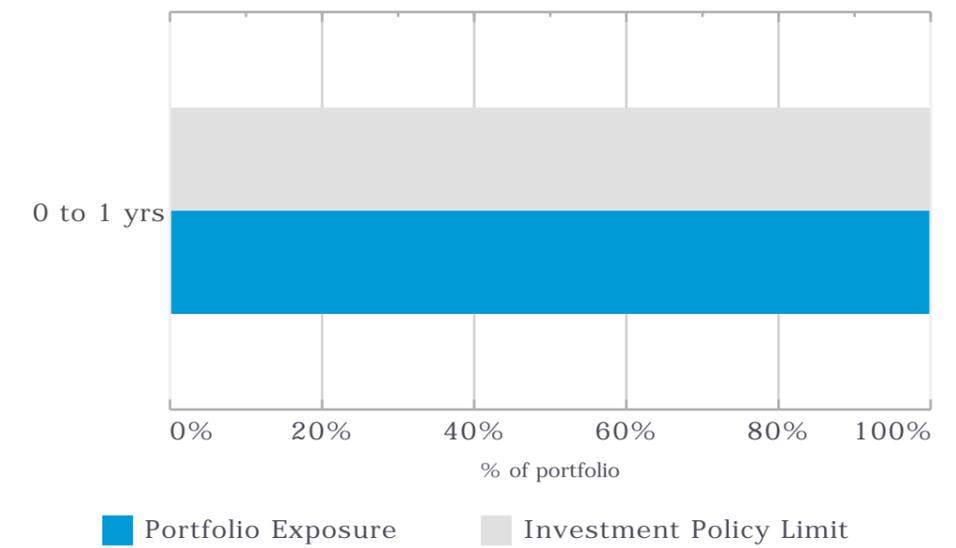
Total Credit Exposure



Individual Institutional Exposures



Term to Maturities



Credit Rating Group	Face Value (\$)	Policy Max
AA	31,012,115	100%
A	6,078,209	60%
BBB	6,000,000	30%
	43,090,324	

Institution	% of portfolio	Investment Policy Limit
Westpac Group (AA-)	26%	45%
AMP Bank (BBB)	12%	25%
Commonwealth Bank of Australia (AA-)	16%	45%
Macquarie Bank (A+)	9%	30%
ANZ Group (AA-)	12%	45%
National Australia Bank (AA-)	12%	45%
Suncorp Bank (A+)	5%	30%
NT T-Corp (Aa3)	7%	45%
Bank of Queensland (BBB+)	2%	25%

Term to Maturity	Face Value (\$)	Policy Max
Between 0 and 1 years	43,090,324	100%
	43,090,324	

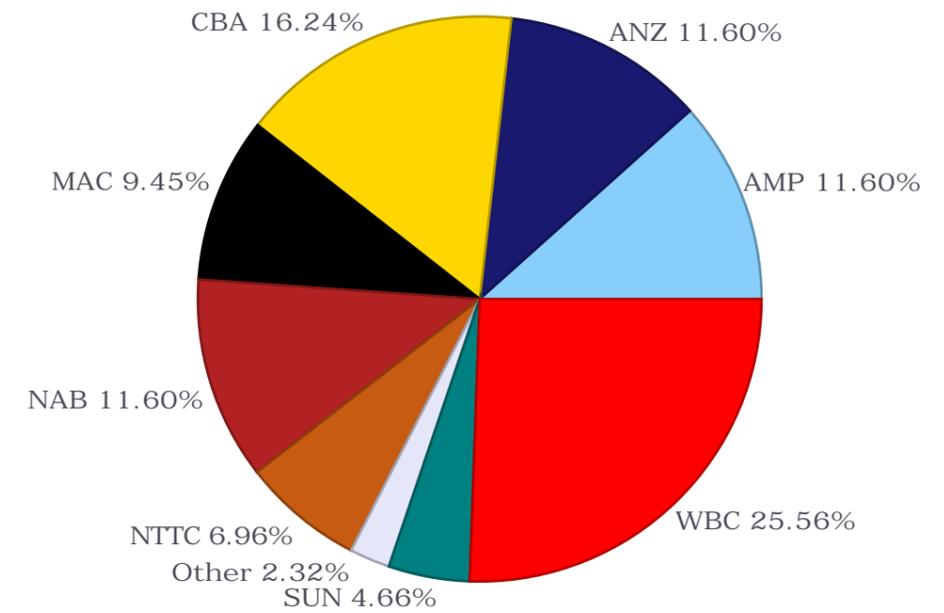
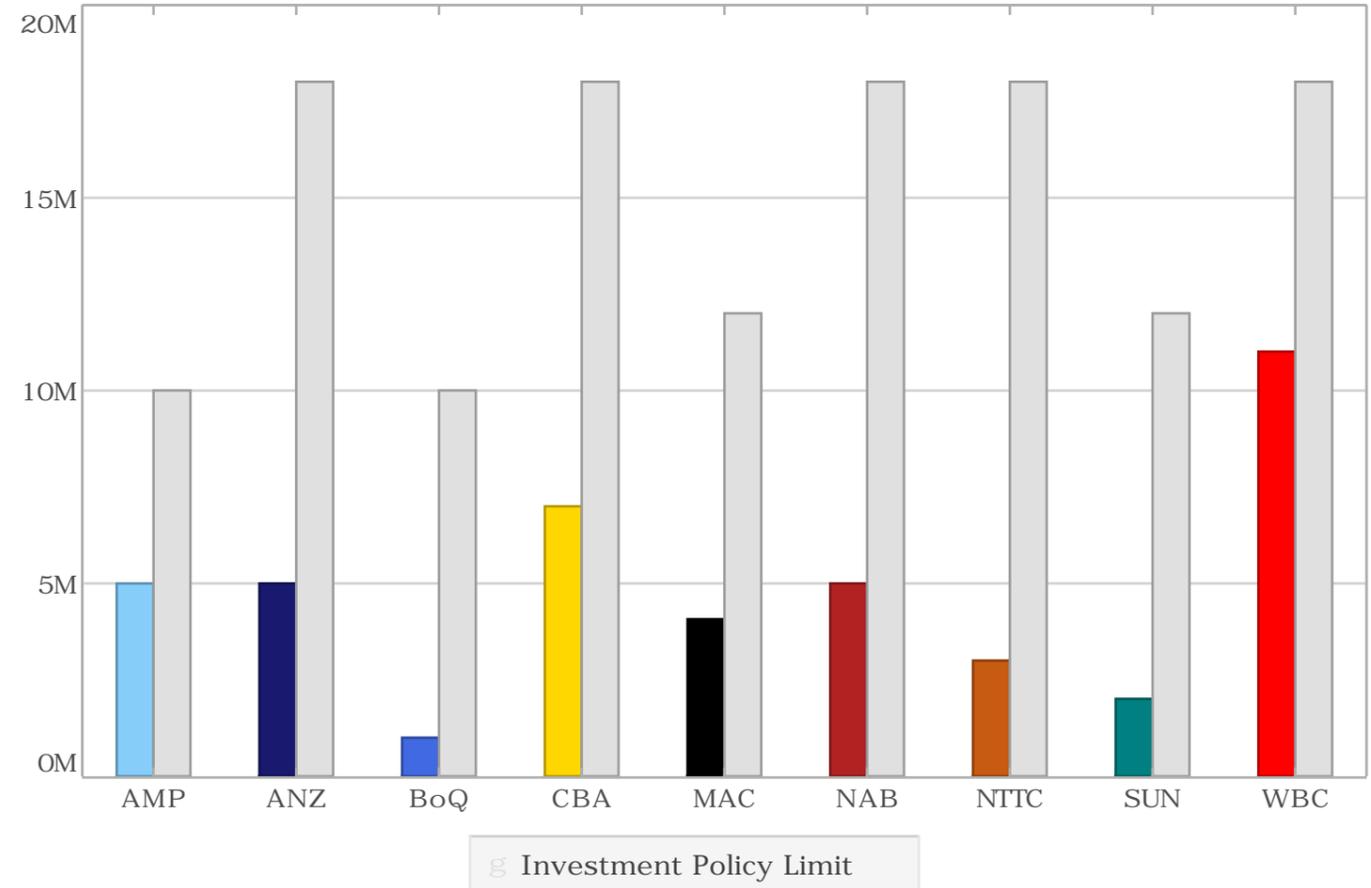
a = compliant
r = non-compliant



Individual Institutional Exposures

Individual Institutional Exposure Charts

	Current Exposures		Policy Limit		Capacity
AMP Bank (BBB)	5,000,000	12%	10,772,581	25%	5,772,581
ANZ Group (AA-)	5,000,000	12%	19,390,646	45%	14,390,646
Bank of Queensland (BBB+)	1,000,000	2%	10,772,581	25%	9,772,581
Commonwealth Bank of Australia (AA-)	7,000,000	16%	19,390,646	45%	12,390,646
Macquarie Bank (A+)	4,071,631	9%	12,927,097	30%	8,855,466
National Australia Bank (AA-)	5,000,000	12%	19,390,646	45%	14,390,646
NT T-Corp (Aa3)	3,000,000	7%	19,390,646	45%	16,390,646
Suncorp Bank (A+)	2,006,578	5%	12,927,097	30%	10,920,519
Westpac Group (AA-)	11,012,115	26%	19,390,646	45%	8,378,531
	43,090,324				



Tamala Park Regional Council

Cashflows Report - January 2023



Actual Cashflows for January 2023

Date	Deal No.	Cashflow Counterparty	Asset Type	Cashflow Description	Amount
Jan-23	542266	Westpac Group	Term Deposit	Maturity: Face Value	1,000,000.00
		Westpac Group	Term Deposit	Maturity: Interest Received/Paid	2,016.44
<u>Deal Total</u>					<u>1,002,016.44</u>
Jan-23	542269	Westpac Group	Term Deposit	Maturity: Face Value	1,000,000.00
		Westpac Group	Term Deposit	Maturity: Interest Received/Paid	8,077.81
<u>Deal Total</u>					<u>1,008,077.81</u>
Jan-23	543716	Commonwealth Bank of Australia	Term Deposit	Settlement: Face Value	-2,000,000.00
<u>Deal Total</u>					<u>-2,000,000.00</u>
Day Total					10,094.25
<u>Total for Month</u>					<u>10,094.25</u>

Forecast Cashflows for February 2023

Date	Deal No.	Cashflow Counterparty	Asset Type	Cashflow Description	Amount
Feb-23	542408	Macquarie Bank	Term Deposit	Maturity: Face Value	1,000,000.00
		Macquarie Bank	Term Deposit	Maturity: Interest Received/Paid	9,287.67
<u>Deal Total</u>					<u>1,009,287.67</u>
Day Total					1,009,287.67
Feb-23	541745	National Australia Bank	Term Deposit	Maturity: Face Value	2,000,000.00
		National Australia Bank	Term Deposit	Maturity: Interest Received/Paid	5,185.75
<u>Deal Total</u>					<u>2,005,185.75</u>
Day Total					2,005,185.75
Feb-23	542340	Westpac Group	Term Deposit	Maturity: Face Value	1,000,000.00
		Westpac Group	Term Deposit	Maturity: Interest Received/Paid	2,394.52
<u>Deal Total</u>					<u>1,002,394.52</u>
Day Total					1,002,394.52
Feb-23	542373	Westpac Group	Term Deposit	Maturity: Face Value	1,000,000.00

Tamala Park Regional Council

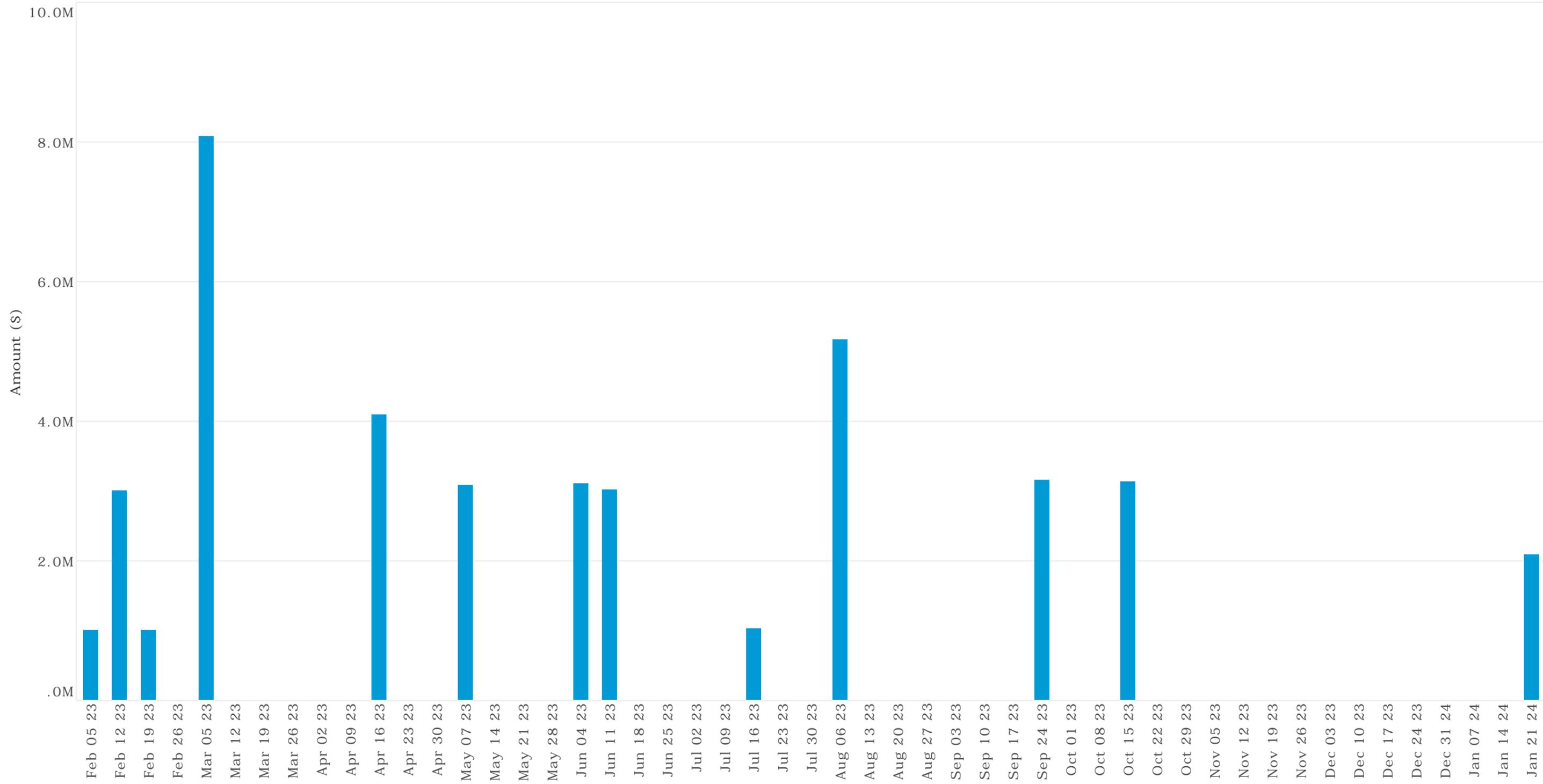
Cashflows Report - January 2023



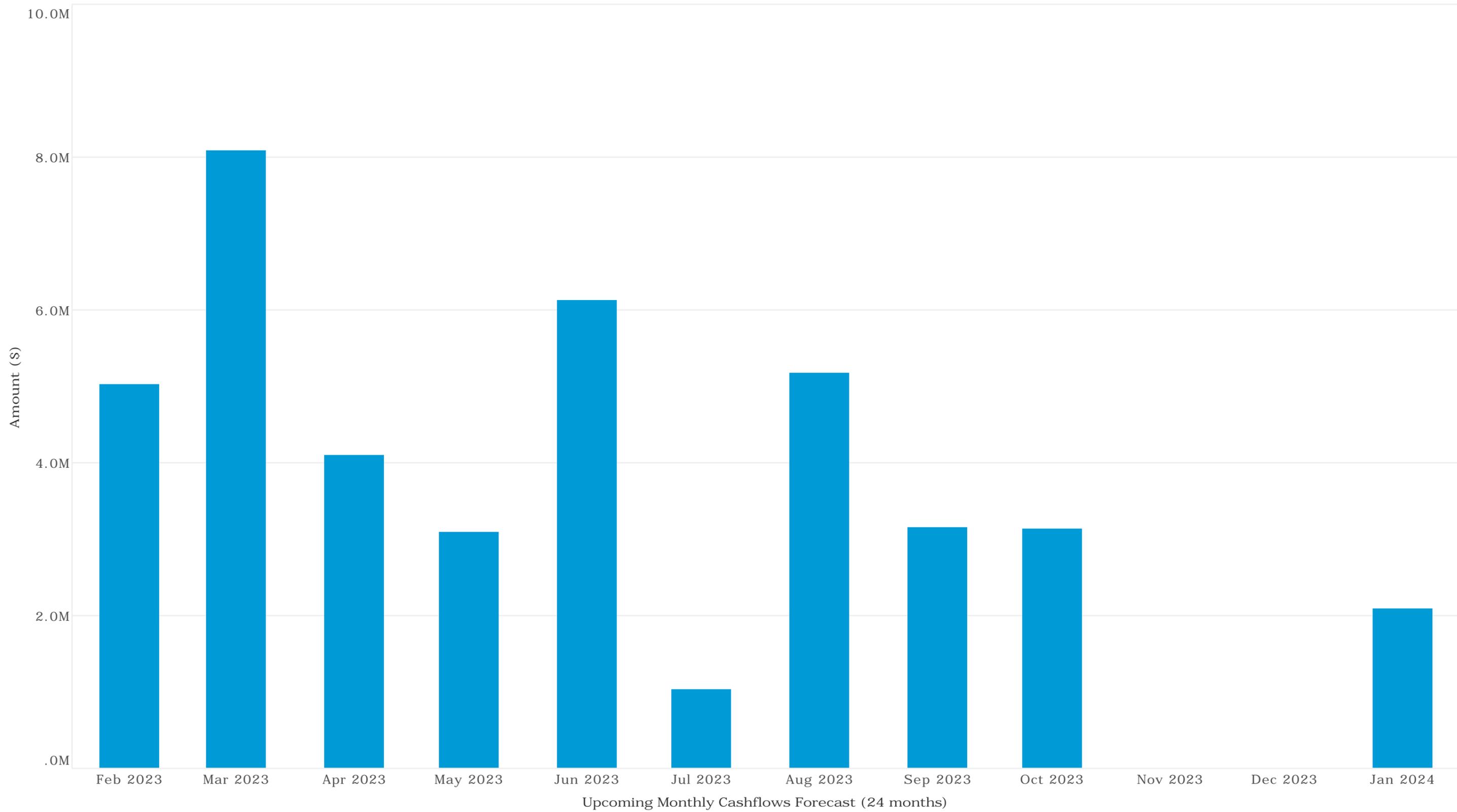
Date	Deal No.	Cashflow Counterparty	Asset Type	Cashflow Description	Amount
Feb-23	542373	Westpac Group	Term Deposit	Maturity: Interest Received/Paid	9,400.00
				<u>Deal Total</u>	<u>1,009,400.00</u>
				Day Total	1,009,400.00
				<u>Total for Month</u>	<u>5,026,267.94</u>

Tamala Park Regional Council

Cashflows Report - January 2023



Upcoming Weekly Cashflows Forecast (52 weeks)



Appendix 8.10

Tamala Park Regional Council
Summary Payment List
January 2023

<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Description</u>	<u>Amount</u>
11/01/2023		Westpac Bank	Payment of credit card charges - January 2023	-607.49
12/01/2023		Employee costs	Wages for period 29/12/22 - 11/01/23	-15,239.70
12/01/2023		Adams, Chris	Reimbursement for mobile phone charges (October - Dec	-176.32
12/01/2023		Burgess Rawson	Stages 29 & 37 Valuation fee	-1,045.00
12/01/2023		City of Stirling	ICT Support (December 2022)	-1,100.00
12/01/2023		City of Wanneroo	Council fees	-1,361.25
12/01/2023		Docushred	Security bin	-59.40
12/01/2023		Dominic Carbone and Assoc.	GST accounting services (November 2022)	-726.00
12/01/2023		Imagesource	Printing requirements for Sunday BBQ event	-599.50
12/01/2023		Kevin Smith Cleaning Services	Cleaning of TPRC office (December 2022)	-145.71
12/01/2023		LD Total	Landscape rebate - Lot 333	-4,252.96
12/01/2023		Match & Wood Pty Ltd	Digital advertising (December 2022)	-3,300.00
12/01/2023		McMullen Nolan Group	Stage 36 Sales Plan Update	-1,474.00
12/01/2023		Neverfail	Bottled water x 2	-31.15
12/01/2023		O'Sullivan, Simon	Reimbursement of mobile phone & parking expenses	-61.65
12/01/2023		Parker, Jillian & Martin	Solar Panel Rebate - Lot 2039	-2,000.00
12/01/2023		Prudential Investment Services	Investment Portfolio Services (December 2022)	-1,723.14
12/01/2023		R J Vincent and Co	Civil works	-815,522.64
12/01/2023		Signs and Lines	Installation of new signs & signage updates	-6,320.48
12/01/2023		Tim Davies Landscaping P/L	Foreshore POS Stage 1 Design	-11,000.00
12/01/2023		Treacy Fencing	Fencing services	-4,386.25
12/01/2023		Vocus Pty Ltd	Business internet (January 2023)	-162.80
12/01/2023		Western Power	Stage 29 Energisation	-36,324.46
12/01/2023		Canon Australia Pty Ltd	Photocopying (21/11/2022 - 20/12/2022)	-73.98
12/01/2023		Australian Super	Superannuation for period 29/12/22 - 11/01/23	-2,288.94
19/01/2023	CON-271	City of Perth	GST owing December 2022	-3,279.27
24/01/2023	CON-272	Town of Cambridge	GST owing December 2022	-3,279.27
24/01/2023	CON-274	City of Wanneroo	GST November & December 2022	-19,683.02
24/01/2023		Australian Taxation Office	BAS (Oct - Dec 2022)	-6,593.00
25/01/2023		Employee costs	Wages for period 12/01/23 - 25/01/23	-15,760.65
25/01/2023		Australian Super	Superannuation for period 12/02/23 - 25/01/23	-2,411.71
25/01/2023		Adams, Chris	Mobile phone & parking reimbursement	-78.37
25/01/2023		Beaver, David	WELS Rebate - Lot 2164	-1,000.00
25/01/2023		Burgess Rawson	Valuation services	-605.00
25/01/2023		Capital Transport Services	Courier charges (09/01/23)	-79.73
25/01/2023		City of Stirling	GST owing December 2022	-13,117.09
25/01/2023		City of Vincent	GST owing December 2022	-3,279.00
25/01/2023		City of Wanneroo	Stage 36 TMP Assessment Fee	-294.90
25/01/2023		Cossill and Webley	Engineering services	-48,522.26
25/01/2023		Coterra Environment	Environmental consulting services (December 2022)	-4,281.75
25/01/2023		Environmental Industries	Landscape maintenance	-35,025.54
25/01/2023		HWL Ebsworth Lawyers	Lot 341 legal fees for lodgement of Title	-966.80
25/01/2023		hyd20 Hydrology	Groundwater licence applications	-715.00
25/01/2023		Ideal Living	Building plan assessments	-1,760.00
25/01/2023		LD Total	Landscaping services	-173,152.81
25/01/2023		McMullen Nolan Group	Surveying services	-10,219.50
25/01/2023		New Living Cleaning	Sales Office cleaning (09/12/22 - 30/12/22)	-720.00
25/01/2023		Niche Planning Studio	Green Concept Plan (November 2022)	-9,867.00
25/01/2023		Officeworks	Office supplies	-173.44
25/01/2023		Satterley Property Group	Community development services	-1,894.35
25/01/2023		Starr, Sonia.	Reimbursement for grocery purchases	-10.00
25/01/2023		Tim Davies Landscaping P/L	Landscape architecture services	-6,502.91
25/01/2023		Town of Victoria Park	GST November & December 2022	-9,841.00
25/01/2023		Treacy Fencing	Fencing services	-5,212.57
25/01/2023		Welch, Grace	WELS Rebate - Lot 331	-1,000.00
25/01/2023		Alinta Energy	Sales Offices gas charges (12/10/22 - 11/01/23)	-27.25
25/01/2023		Canon Australia Pty Ltd	Photocopying (21/12/22 - 20/01/23)	-19.10

Tamala Park Regional Council
Summary Payment List
January 2023

25/01/2023		Water Corporation	Sales Office water charges (16/11/22 - 17/01/23)	-216.16
30/01/2023	CH-200614	Water Corporation	Stage 29 Infrastructure Contributions	-260,259.64
31/01/2023	CON-273	City of Joondalup	GST owing November 2022	-13,124.47
				<u>-1,562,955.38</u>

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

Type	Date	Name	Description	Amount
Credit Card Charge	05/01/2023	The West Australian	Disposition of Property - Lot 3048	272.75
Bill Pmt -CCard	05/01/2023	JB Hi Fi Group Pty Ltd	FFalcon 24" TV (for displaying statutory advertising	169.00
Credit Card Charge	05/01/2023	Woolworths	Coffee pods x 120	62.00
Credit Card Charge	10/01/2023	Coles Supermarkets	Milk x 2	6.20
Credit Card Charge	10/01/2023	Westpac Bank	Credit card fees (CEO, EA & MPC)	11.25
Cheque	11/01/2023	Westpac Bank	Credit card charges (EA)	-599.99
Cheque	11/01/2023	Westpac Bank	Credit card charges (CEO)	-3.75
Cheque	11/01/2023	Westpac Bank	Credit card charges (MPC)	-3.75
Credit Card Charge	17/01/2023	Sayers Sister	Refreshments - CEO meeting with Chair	11.30
Credit Card Charge	25/01/2023	Lot Six Zero	Staff refreshments	17.19
Credit Card Charge	29/01/2023	Zoom Video Comms	Standard Pro Monthly x 3 (February 2023)	64.85
Credit Card Charge	30/01/2023	Australia Post	Postage stamps	24.00
				31.05
				31.05

Appendix 8.11

Responsible Officer	Chief Executive Officer
Voting requirements	Absolute Majority
Relevant delegations	
Initial Council adoption	16 February 2023
Amendments	
Last Council adoption	
Review due	2027

PURPOSE/OBJECTIVE

To:

- 1) Establish a policy position in relation to payments to employees whose employment with Tamala Park Regional Council is finishing (as required under Section 5.50 of the *Local Government Act 1995*); and
- 2) Establish a policy position in relation to Gifts to TPRC Councillors upon their retirement (in accordance with *Local Government (Admin) Reg 34AC*).

SCOPE

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

POLICY STATEMENT

Compliance with Legislation

In finalising the completion of an employee's term with the TPRC (whether via resignation, redundancy or voluntary severance package) the consideration of payments in addition to existing entitlements under a contract, award or agreement will be determined by the Chief Executive Officer in accordance with Regulation 19A of the *Local Government (Administration) Regulations 1996* and this Policy.

Eligibility Criteria

When determining an employee's eligibility for a payment the CEO will consider:

- the provisions of the *Local Government (Administration) Regulations* pertaining to this matter;
- the employment contract provisions of the individual;
- the:
 - length of service of the individual;
 - their performance over that period; and
 - the circumstances of redundancy or voluntary severance; and
- any potential costs (or benefits) to the TPRC from not making the payment.

Nature of Payments (TPRC Staff Members)

Resignation

If a TPRC staff member resigns from their employment the CEO may arrange for a departing gift/function at the TPRC's expense in accordance with the following:

Length of Service	Gift/Function
Less than 1 yrs service	Nil
1-5 yrs service	Gift and/or function with a value not exceeding \$50 for each completed year of service.
5-10 yrs service	Gift and/or function with a value not exceeding \$75 for each completed year of service.
Greater than 10yrs service	Gift valued at \$75 for each completed year of service Dinner function for TPRC staff and Council.

The CEO is to have regard to any recent performance issues or conduct concerns when determining whether a gift/function is arranged.

Voluntary Severance

In the case of voluntary severance, the CEO may authorise an additional payment of up to one (1) week's pay/salary for each completed year of service up to a maximum of six (6) weeks. The calculation of a week's pay/salary shall be based on the employee's standard hourly rate of pay as at the date of resignation.

Redundancy

In the case of redundancy, the CEO is to remunerate the employee in accordance with the employee's employment contract/letter of engagement or, if that is silent on the matter, in accordance with the *Local Government Officers Award (2021)*.

Purchase of Equipment Issued to an Officer

At the discretion of the CEO, an employee who is finalising their employment with TPRC who has been issued equipment purchased by TPRC, may negotiate with the CEO for the personal purchase of that equipment. The value of the purchase is to have consideration of the current market value of the asset, and the reasonable depreciation of the asset's value over the life of its ownership. Any purchase must be fully documented and signed by the CEO and the purchaser.

Gifts to Retiring Council Members

Where a TPRC Councillor is retiring and has served not less than four years on the TPRC the CEO may arrange for a gift to the value of \$50 for each year served on Council (up to a maximum of \$1,000).

DEFINITIONS

“**resignation**” means a situation where the employee voluntarily elects to discontinue their employment with the organisation.

“**voluntary severance**” means a financial payment made to a person who voluntarily chooses to end their employment in a situation where surplus positions within the organisation are identified.

“**redundancy**” means a situation where the employer no longer requires a specific position to be performed by a person(s) because of changes in the operational requirements of the organisation.

LEGISLATION / LOCAL LAW REQUIREMENTS

This policy is required under s5.50 of the *Local Government Act 1995*.

Appendix 9.1

**TAMALA PARK REGIONAL COUNCIL
STATEMENT OF FINANCIAL ACTIVITY
BUDGET REVIEW
2022-23**

Analysis as at 31 January 2023	2022-23 ADOPTED BUDGET	2022-23 REVISED BUDGET	2022-23 YTD ACTUAL	VARIANCE		VARIANCE
				FAVOURABLE	UNFAVOURABLE	
REVENUE	\$	\$	\$	\$	\$	%
General Purpose Funding	890,426	1,070,000	606,738	179,574		20.17%
Other Property and Services	22,939	43,818	5,713	20,879		91.02%
	913,365	1,113,818	612,451			
LESS EXPENDITURE						
Governance	(171,255)	(164,005)	(81,122)	7,250		4.23%
Other Property & Services	(1,191,961)	(1,129,658)	(595,013)	62,303		5.23%
	(1,363,216)	(1,293,663)	(676,135)			
Increase(Decrease)	(449,851)	(179,845)	(63,684)			
ADD						
Depreciation Written Back	43,510	43,510	25,381	0		0.00%
	43,510	43,510	25,381			
Sub Total	(406,341)	(136,335)	(38,303)			
LESS CAPITAL PROGRAMME						
Purchase Plant and Equipment	(5,000)	0	0	5,000		100.00%
	(5,000)	0	0			
LESS MEMBERS EQUITY						
Development of Land for Resale						
Income Sale of Lots -Subdivision	51,204,185	32,145,059	16,329,459		(19,059,126)	-37.22%
Income Other -Subdivision	8,952,354	9,102,340	2,072	149,986		1.68%
Development Costs - Subdivision	(61,064,082)	(37,037,724)	(12,425,649)	24,026,358		39.35%
Members Equity - GST Withheld	(4,165,673)	(3,077,580)	(1,157,380)	1,088,093		26.12%
Movement in Employee Benefits Provisions - Non Current	0	0	(12,296)	0		0.00%
Payments for Principal Portion of Lease Liabilities	(33,576)	(33,576)	(18,417)	0		0.00%
Contribution Refund	(485,534)	(485,534)	(4,700)	0		0.00%
Profit Distribution	(20,000,000)	(20,000,000)	(10,000,000)	0		0.00%
	(25,592,326)	(19,387,015)	(7,286,911)			
Sub Total	(26,003,667)	(19,523,350)	(7,325,214)			
Opening Funds	52,899,172	52,894,309	52,894,309		(4,863)	-0.01%
	52,899,172	52,894,309	52,894,309			
Net Surplus /(Deficit)	26,895,505	33,370,959	45,569,095	25,539,443	(19,063,989)	

6,475,454

6,475,454

**TAMALA PARK REGIONAL COUNCIL
STATEMENT OF SURPLUS / DEFICIT
BUDGET REVIEW
2022-23**

Analysis as at 31 January 2023	2022-23 ADOPTED BUDGET	2022-23 REVISED BUDGET	2022-23 YTD ACTUAL
	\$	\$	\$
TOTAL OF OPERATING AND CAPITAL REVENUE AND EXPENDITURE	(26,047,177)	(19,566,860)	(7,350,595)
ADD DEPRECIATION WRITTEN BACK	43,510	43,510	25,381
ADD SURPLUS BROUGHT FORWARD	52,899,172	52,894,309	52,894,309
LESS SURPLUS CARRIED FORWARD	(26,895,505)	(33,370,959)	(45,569,095)
RATES LEVIED	0	0	0

**TAMALA PARK REGIONAL COUNCIL
STATEMENT OF CLOSING FUNDS
BUDGET REVIEW
2022-23**

Analysis as at 31 January 2023	2022-23 ADOPTED BUDGET	2022-23 REVISED BUDGET	2022-23 YTD ACTUAL
	\$	\$	\$
CURRENT ASSETS			
Cash at Bank	26,648,937	33,157,968	45,160,370
Trade and Other Receivables	350,000	350,000	638,089
Other	10,000	10,000	1,000
Total Current Assets	27,008,937	33,517,968	45,799,459
LESS CURRENT LIABILITIES			
Lease Liabilities	(33,577)	(33,577)	(13,343)
Payables and Provisions	(113,432)	(113,432)	(230,364)
Total Current Liabilities	(147,009)	(147,009)	(243,707)
NET CURRENT ASSETS	26,861,928	33,370,959	45,555,752
Adjustments to net current assets	33,577	33,577	13,343
SURPLUS OF CURRENT ASSETS OVER LIABILITIES	\$26,895,505	\$33,370,959	\$45,569,095

NOTE 2 2022-23 ADOPTED BUDGET HAS NOT BEEN AMENDED SINCE ADOPTION

**TAMALA PARK REGIONAL COUNCIL
BUDGET REVIEW
2022-23**

	Annual Budget 2022/23	Projected Estimates to 30/06/2023	Variance Projected Estimates to Budget \$	Variance Projected Estimates as % of Budget
Total Income - Operating	913,365	1,113,819	200,454	21.95%
Total Expenses - Operating	(1,363,216)	(1,293,664)	69,552	5.10%
Net operating Deficit	(449,851)	(179,845)	270,006	60.02%
Income - Members Equity				
Proceed Sale of Lots	51,204,185	32,145,059	(19,059,126)	-37.22%
Other Income Sale of Lots	8,952,354	9,102,340	149,986	1.68%
Total Income - Members Equity	60,156,539	41,247,399	(18,909,140)	-31.43%
Expense - Members Equity				
Consultancy	(12,000)	(6,000)	6,000	50.00%
Property Admin & Approvals	(18,000)	(15,000)	3,000	16.67%
Mtce Services - Land (Incl. Selling and Marketing Expenses)	(6,388,185)	(5,101,759)	1,286,426	20.14%
Land Development Costs	(54,645,897)	(31,914,965)	22,730,932	41.60%
Total Expense - Members Equity	(61,064,082)	(37,037,724)	24,026,358	39.35%
Subtotal	(907,543)	4,209,675	5,117,218	563.85%
Other Items				
Contribution Refund	(485,534)	(485,534)	0	0.00%
Book Value of Assets Written Back	-	0	0	0.00%
Profit and Loss on disposal of asset	-	0	0	0.00%
Depreciation Written Back	43,510	43,510	0	0.00%
Payments for Principal Portion of Lease Liabilities	(33,576)	(33,576)	0	0.00%
Capital Expenditure	(5,000)	0	5,000	100.00%
GST Withheld Member Councils	(4,165,673)	(3,077,580)	1,088,093	26.12%
Profit Distributions	(20,000,000)	(20,000,000)	0	0.00%
Opening Surplus	52,899,172	52,894,309	(4,863)	-0.01%
Closing Net Surplus/ Deficit	26,895,505	33,370,959	6,475,454	24.08%

6,475,454

Appendix 9.2



Compliance Audit Return 2022

Commercial Enterprises by Local Governments		
No	Reference	Question
1	s3.59(2)(a) F&G Regs 7,9,10	Has the local government prepared a business plan for each major trading undertaking that was not exempt in 2022? <i>N/A – No major trading undertaken during audit term</i>
2	s3.59(2)(b) F&G Regs 7,8A, 8, 10	Has the local government prepared a business plan for each major land transaction that was not exempt in 2022? <i>N/A</i>
3	s3.59(2)(c) F&G Regs 7,8A, 8,10	Has the local government prepared a business plan before entering into each land transaction that was preparatory to entry into a major land transaction in 2022? <i>N/A</i>
4	s3.59(4)	Has the local government complied with public notice and publishing requirements for each proposal to commence a major trading undertaking or enter into a major land transaction or a land transaction that is preparatory to a major land transaction for 2022? <i>N/A</i>
5	s3.59(5)	During 2022, did the council resolve to proceed with each major land transaction or trading undertaking by absolute majority? <i>N/A</i>

Delegation of Power/Duty		
No	Reference	Question
1	s5.16	Were all delegations to committees resolved by absolute majority? <i>Yes</i>
2	s5.16	Were all delegations to committees in writing? <i>Yes</i>
3	s5.17	Were all delegations to committees within the limits specified in section 5.17 of the <i>Local Government Act 1995</i> ? <i>Yes</i>
4	s5.18	Were all delegations to committees recorded in a register of delegations? <i>Yes</i>
5	s5.18	Has council reviewed delegations to its committees in the 2021/2022 financial year? <i>Yes</i>
6	s5.42(1) & s5.43 Admin Reg 18G	Did the powers and duties delegated to the CEO exclude those listed in section 5.43 of the <i>Local Government Act 1995</i> ? <i>Yes</i>
7	s5.42(1)	Were all delegations to the CEO resolved by an absolute majority? <i>Yes</i>
8	s5.42(2)	Were all delegations to the CEO in writing? <i>Yes</i>
9	s5.44(2)	Were all delegations by the CEO to any employee in writing? <i>No</i>
10	s5.16(3)(b) & s5.45(1)(b)	Were all decisions by the council to amend or revoke a delegation made by absolute majority? <i>Yes</i>
11	s5.46(1)	Has the CEO kept a register of all delegations made under Division 4 of the Act to the CEO and to employees? <i>Yes</i>
12	s5.46(2)	Were all delegations made under Division 4 of the Act reviewed by the delegator at least once during the 2021/2022 financial year? <i>Yes</i>



Department of
**Local Government, Sport
and Cultural Industries**

13 s5.46(3) Admin Reg 19

Did all persons exercising a delegated power or duty under the Act keep, on all occasions, a written record in accordance with Local Government (Administration) Regulations 1996, regulation 19?

Yes

Disclosure of Interest

No	Reference	Question
1	s5.67	Where a council member disclosed an interest in a matter and did not have participation approval under sections 5.68 or 5.69 of the <i>Local Government Act 1995</i> , did the council member ensure that they did not remain present to participate in discussion or decision making relating to the matter? Yes
2	s5.68(2) & s5.69(5) Admin Reg 21A	Were all decisions regarding participation approval, including the extent of participation allowed and, where relevant, the information required by the Local Government (Administration) Regulations 1996 regulation 21A, recorded in the minutes of the relevant council or committee meeting? Yes



Department of
**Local Government, Sport
and Cultural Industries**

3	s5.73	Were disclosures under section sections 5.65, 5.70 or 5.71A(3) of the <i>Local Government Act 1995</i> recorded in the minutes of the meeting at which the disclosures were made? <i>Yes</i>
4	s5.75 Admin Reg 22, Form 2	Was a primary return in the prescribed form lodged by all relevant persons within three months of their start day? <i>Yes</i>
5	s5.76 Admin Reg 23, Form 3	Was an annual return in the prescribed form lodged by all relevant persons by 31 August 2022? <i>No</i>
6	s5.77	On receipt of a primary or annual return, did the CEO, or the mayor/president, give written acknowledgment of having received the return? <i>On all but one occasion</i>
7	s5.88(1) & (2)(a)	Did the CEO keep a register of financial interests which contained the returns lodged under sections 5.75 and 5.76 of the <i>Local Government Act 1995</i> ? <i>Yes</i>
8	s5.88(1) & (2)(b) Admin Reg 28	Did the CEO keep a register of financial interests which contained a record of disclosures made under sections 5.65, 5.70, 5.71 and 5.71A of the <i>Local Government Act 1995</i> , in the form prescribed in the Local Government (Administration) Regulations 1996, regulation 28? <i>Yes</i>
9	s5.88(3)	When a person ceased to be a person required to lodge a return under sections 5.75 and 5.76 of the <i>Local Government Act 1995</i> , did the CEO remove from the register all returns relating to that person? <i>Yes</i>
10	s5.88(4)	Have all returns removed from the register in accordance with section 5.88(3) of the Local Government Act 1995 been kept for a period of at least five years after the person who lodged the return(s) ceased to be a person required to lodge a return? <i>Yes</i>
11	s5.89A(1), (2) & (3) Admin Reg 28A	Did the CEO keep a register of gifts which contained a record of disclosures made under sections 5.87A and 5.87B of the Local Government Act 1995, in the form prescribed in the Local Government (Administration) Regulations 1996, regulation 28A? <i>Yes</i>
12	s5.89A(5) & (5A)	Did the CEO publish an up-to-date version of the gift register on the local government's website? <i>Yes</i>
13	s5.89A(6)	When people cease to be a person who is required to make a disclosure under section 5.87A or 5.87B of the Local Government Act 1995, did the CEO remove from the register all records relating to those people? <i>Yes</i>
14	s5.89A(7)	Have copies of all records removed from the register under section 5.89A(6) Local Government Act 1995 been kept for a period of at least five years after the person ceases to be a person required to make a disclosure? <i>Yes</i>
15	s5.70(2) & (3)	Where an employee had an interest in any matter in respect of which the employee provided advice or a report directly to council or a committee, did that person disclose the nature and extent of that interest when giving the advice or report? <i>Yes</i>
16	s5.71A & s5.71B(5)	Where council applied to the Minister to allow the CEO to provide advice or a report to which a disclosure under s5.71A(1) of the Local Government Act 1995 relates, did the application include details of the nature of the interest disclosed and any other information required by the Minister for the purposes of the application? <i>N/A</i>
17	s5.71B(6) & s5.71B(7)	Was any decision made by the Minister under subsection 5.71B(6) of the Local Government Act 1995 recorded in the minutes of the council meeting at which the decision was considered? <i>N/A</i>
18	s5.104(1)	Did the local government prepare and adopt, by absolute majority, a code of conduct to be observed by council members, committee members and candidates within 3 months of the prescribed model code of conduct coming into operation (3 February 2021)? <i>Yes - Adopted in April 2021</i>



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19	s5.104(3) & (4)	Did the local government adopt additional requirements in addition to the model code of conduct? If yes, does it comply with section 5.104(3) and (4) of the Local Government Act 1995? <i>No</i>
20	s5.104(7)	Has the CEO published an up-to-date version of the code of conduct for employees on the local government's website? <i>Yes</i>
21	s5.51A(1) & (3)	Has the CEO prepared and implemented a code of conduct to be observed by employees of the local government in accordance with section 5.51A(1) of the Local Government Act 1995? <i>Yes</i>



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

Elections		
No	Reference	Question
1	Elect Regs 30G(1) & (2)	Did the CEO establish and maintain an electoral gift register and ensure that all disclosure of gifts forms completed by candidates and donors and received by the CEO were placed on the electoral gift register at the time of receipt by the CEO and in a manner that clearly identifies and distinguishes the forms relating to each candidate in accordance with regulations 30G(1) and 30G(2) of the Local Government (Elections) Regulations 1997? N/A
2	Elect Regs 30G(3) & (4)	Did the CEO remove any disclosure of gifts forms relating to an unsuccessful candidate, or a successful candidate that completed their term of office, from the electoral gift register, and retain those forms separately for a period of at least two years in accordance with regulation 30G(4) of the Local Government (Elections) Regulations 1997? N/A
3	Elect Regs 30G(5) & (6)	Did the CEO publish an up-to-date version of the electoral gift register on the local government's official website in accordance with regulation 30G(5) of the Local Government (Elections) Regulations 1997? N/A

Finance		
No	Reference	Question
1	s7.1A	Has the local government established an audit committee and appointed members by absolute majority in accordance with section 7.1A of the Local Government Act 1995? Yes
2	s7.1B	Where the council delegated to its audit committee any powers or duties under Part 7 of the <i>Local Government Act 1995</i> , did it do so by absolute majority? Yes
3	s7.9(1)	Was the auditor's report for the financial year ended 30 June 2022 received by the local government by 31 December 2022? Yes
4	s7.12A(3)	Where the local government determined that matters raised in the auditor's report prepared under section 7.9(1) of the <i>Local Government Act 1995</i> required action to be taken, did the local government ensure that appropriate action was undertaken in respect of those matters? Yes
5	s7.12A(4)(a) & (4)(b)	Where matters identified as significant were reported in the auditor's report, did the local government prepare a report that stated what action the local government had taken or intended to take with respect to each of those matters? Was a copy of the report given to the Minister within three months of the audit report being received by the local government? N/A - no significant matter reported
6	s7.12A(5)	Within 14 days after the local government gave a report to the Minister under section 7.12A(4)(b) of the <i>Local Government Act 1995</i> , did the CEO publish a copy of the report on the local government's official website? N/A



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7 Audit Reg 10(1)

Was the auditor's report for the financial year ending 30 June 2022 received by the local government within 30 days of completion of the audit?

Yes



Integrated Planning and Reporting		
No	Reference	Question
1	Admin Reg 19C	Has the local government adopted by absolute majority a strategic community plan? If Yes, please provide the adoption date or the date of the most recent review in the Comments section? <i>Yes – adopted 20 February 2020</i>
2	Admin Reg 19DA(1) & (4)	Has the local government adopted by absolute majority a corporate business plan? If Yes, please provide the adoption date or the date of the most recent review in the Comments section? <i>Yes – adopted 10 December 2020</i>
3	Admin Reg 19DA(2) & (3)	Does the corporate business plan comply with the requirements of Local Government (Administration) Regulations 1996 19DA(2) & (3)? <i>Yes</i>

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

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



Optional Questions		
No	Reference	Question
1	Financial Management Reg 5(2)(c)	Did the CEO review the appropriateness and effectiveness of the local government's financial management systems and procedures in accordance with the Local Government (Financial Management) Regulations 1996 regulations 5(2)(c) within the three years prior to 31 December 2022? If yes, please provide the date of council's resolution to accept the report. <i>Yes - Adopted 20 February 2020</i>
2	Audit Reg 17	Did the CEO review the appropriateness and effectiveness of the local government's systems and procedures in relation to risk management, internal control and legislative compliance in accordance with Local Government (Audit) Regulations 1996 regulation 17 within the three financial years prior to 31 December 2022? If yes, please provide date of council's resolution to accept the report. <i>Yes - Adopted 17 June 2021</i>
3	s5.87C	Where a disclosure was made under sections 5.87A or 5.87B of the <i>Local Government Act 1995</i> , were the disclosures made within 10 days after receipt of the gift? Did the disclosure include the information required by section 5.87C of the Act? <i>Yes</i>
4	s5.90A(2) & (5)	Did the local government prepare, adopt by absolute majority and publish an up-to-date version on the local government's website, a policy dealing with the attendance of council members and the CEO at events? <i>Yes</i>
5	s5.96A(1), (2), (3) & (4)	Did the CEO publish information on the local government's website in accordance with sections 5.96A(1), (2), (3), and (4) of the <i>Local Government Act 1995</i> ? <i>Yes</i>
6	s5.128(1)	Did the local government prepare and adopt (by absolute majority) a policy in relation to the continuing professional development of council members? <i>Yes</i>
7	s5.127	Did the local government prepare a report on the training completed by council members in the 2021/2022 financial year and publish it on the local government's official website by 31 July 2022? <i>Yes</i>
8	s6.4(3)	By 30 September 2022, did the local government submit to its auditor the balanced accounts and annual financial report for the year ending 30 June 2022? <i>Yes</i>
9	s.6.2(3)	When adopting the annual budget, did the local government take into account all its expenditure, revenue and income? <i>Yes</i>

Tenders for Providing Goods and Services		
No	Reference	Question
1	F&G Reg 11A(1) & (3)	Did the local government comply with its current purchasing policy, adopted under the Local Government (Functions and General) Regulations 1996, regulations 11A(1) and (3) in relation to the supply of goods or services where the consideration under the contract was, or was expected to be, \$250,000 or less or worth \$250,000 or less? <i>Yes</i>
2	s3.57 F&G Reg 11	Subject to Local Government (Functions and General) Regulations 1996, regulation 11(2), did the local government invite tenders for all contracts for the supply of goods or services where the consideration under the contract was, or was expected to be, worth more than the consideration stated in regulation 11(1) of the Regulations? <i>Yes</i>
3	F&G Regs 11(1), 12(2), 13, & 14(1), (3), and (4)	When regulations 11(1), 12(2) or 13 of the Local Government Functions and General) Regulations 1996, required tenders to be publicly invited, did the local government invite tenders via Statewide public notice in accordance with Regulation 14(3) and (4)? <i>Yes</i>
4	F&G Reg 12	Did the local government comply with Local Government (Functions and General) Regulations 1996, Regulation 12 when deciding to enter into multiple contracts rather than a single contract? <i>N/A - No multiple contracts entered into during audit term</i>



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5	F&G Reg 14(5)	If the local government sought to vary the information supplied to tenderers, was every reasonable step taken to give each person who sought copies of the tender documents or each acceptable tenderer notice of the variation? Yes
6	F&G Regs 15 & 16	Did the local government's procedure for receiving and opening tenders comply with the requirements of Local Government (Functions and General) Regulations 1996, Regulation 15 and 16? Yes



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