



**ORDINARY
COUNCIL MEETING**

AGENDA

**17th MARCH 2023
COUNCIL CHAMBERS
NORTHAMPTON**

1.00PM

**SHIRE OF NORTHAMPTON
MAURICE BATTILANA
ACTING CHIEF EXECUTIVE OFFICER**





SHIRE OF NORTHAMPTON

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Signed _____

A handwritten signature in black ink, appearing to read 'M. Battilana', is written over a horizontal line.

Date 10th March 2023

MAURICE BATTILANA
ACTING CHIEF EXECUTIVE OFFICER

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8.1 INFORMATION ITEMS – MAINTENANCE/CONSTRUCTION WORKS PROGRAM

Date of Report	9 th March 2023
Reporting Officer	Neil Broadhurst, Manager of Works and Technical Services.
Responsible Officer	Maurice Battilana, Acting Chief Executive Officer

SUPPORTING DOCUMENTS:

Reference	Title	Attached	Separate Cover
	Works Crew Program 2022/2023		

BACKGROUND

The following works, outside of the routine works, have been undertaken since the last report and are for Council information only.

Specific Road Works

- Maintenance grading carried out on Johnson, Ogilvie West, Ogilvie East, Parker, Frosty Gully, Bowes Springs, Blue Wells, Reynolds, Ogilvie East and Monegarry Road/s.
- Gravel Patching/Sheeting/Verge works carried out on Ogilvie East, Nolba Stock, Kalbarri tip and Ogilvie West Road/s.

Maintenance Items

- General – Various signage and road furniture works.
- General – Potholes and Edges various locations.
- Northampton – Verge chemical spraying.
- Northampton – NCC water leak investigations continuing.

- Kalbarri – Airport maintenance works in preparation for reseal works including mulching and mowing.
- Kalbarri – Eco Flora reticulation upgrades/maintenance.

Other Items (Budget)

- Northampton – Gwalla Street / Second Avenue works sealed with concrete kerb installed. Backfilling and site tidy up works progressing.
- Northampton Oval Toilets – Demolition of old and construction of new, works commenced.
- Parker Road/Wundi Road – Construction works continuing. Preliminary verge and earthworks complete. Drainage/Culvert installation works. Gravel import works completed. Gravel water binding commencing.
- Port Gregory – Waterline install of pipeline under George Grey Drive via underground boring.

Plant Items

- Backhoe – New Backhoe ordered, approximate deliver May 2023.

Staff Items

- Training – Further staff awareness training surrounding asbestos.
- Retirement notifications – Mr. Marty Parker 17th March 2023 (12 yrs.)
- Retirement notifications – Mr. John Woodcock 29th March 2023 (combined 27 yrs.)

VOTING REQUIREMENT:

For Council Information

OFFICERS RECOMMENDATION

For Council information.

**8.2 KALBARRI – ALLEN CENTRE / VISITOR CENTRE ENTRY
PROPOSED PERMANENT CLOSURE OF DRIVEWAY ENTRY**

Location	Lot 836, 70 Grey Street, Kalbarri
Applicant	
Owner/Lessee	Shire of Northampton
File Reference	
Date of Report	16 March 2023
Reporting Officers	Neil Broadhurst, Manager of Works and Technical Services.
Responsible Officer	Maurice Battilana, Acting Chief Executive Officer

SUPPORTING DOCUMENTS:

Reference	Description	In Report	Separate Cover
Nil			

BACKGROUND:



Council have approved two budget items within the 2022/2023 financial year that impact on the one-way driveway that enters the Kalbarri Visitors Centre and Shire offices. The driveway in question is the driveway on the immediate north side of the Kalbarri Visitors Centre/ Shire office.

The two budget items that surround this area are:

1. Grey Street Asphalt works and.
2. Municipal footpaths Grey Street – Replace section at Allen Centre.

The area in question is at best in its current condition and design outdated. The existing pathway is an existing bitumen seal pavement that is listed for replacement with a new concrete dual use pathway. The entry driveway is constructed such that traffic to enter the area are required to drive over an existing mountable kerb and onto the bitumen surface at the same level as the existing pathway. The area arguably does not clearly separate vehicular traffic from pedestrian traffic. In addition, the entry driveway at a location closer to the Kalbarri Visitors Centre again conflicts with a pedestrian crossing area. The driveway is also subject to vehicle traffic either not seeing or ignoring the signage and pavement markings that would indicate a one way traffic environment. This has resulted in several near misses at the pedestrian crossing at the northwest corner of the Kalbarri Visitors Centre when traffic illegally try to leave the main carpark area travelling in the wrong direction.

COMMUNITY & GOVERNMENT CONSULTATION:

Nil.

FINANCIAL IMPLICATIONS:

No cost addition to either budget works.

STATUTORY IMPLICATIONS:

Nil.

POLICY/PROCEDURE IMPLICATIONS:

Nil.

STRATEGIC IMPLICATIONS:

Nil

COMMENT:

The design of the access point is arguably outdated and in addition to other factors does not clearly indicate any lines of demarcation that clearly separate any vehicle and pedestrian conflict. The presence of mountable concrete kerbing does not adequately protect the adjacent Grey Street pedestrian traffic and would be replaced with barrier kerbing (As per other areas with adjacent dual use pathways). The Grey Street asphalt works would in addition see the removal of any aged concrete kerbing in works to be replaced with new kerb prior to the asphalt works commencing.

In addition the recent construction of the entry point (to the north of the Kalbarri Visitors Centre) for the caravan and bus parking area to the rear of the Kalbarri Visitors Centre has created arguably a more viable and safer access point into the front carpark area of the Kalbarri Visitors Centre being a cars/small vehicle parking area. Signage is already in place advertising this alternative access.

The existing access point to the south of the Visitors Centre/Shire Office would remain in place, unaltered other than a new pedestrian ramp as part of the dual use pathway upgrade works. Management makes the recommendation to completely close the driveway access point being the access to the immediate north of the Kalbarri Visitors Centre/Shire Office area. The closure would allow alternative and safer access to the Visitors Centre/Shire office building area from the Grey Street Dual Use pathway area, as well as safer access and passage to the existing car, bus and caravan area.

RISK ASSESSMENT:

Management would recommend the associated risk with the closure of the immediate access driveway to the north of the Visitors Centre/Shire Office area is in fact reduced as compared to operating as per the existing design/conditions.

Measures of Consequence							
Rating (Level)	Health	Financial Impact	Service Interruption	Compliance	Reputational	Property	Environment
Insignificant (1)	Negligible injuries	Less than \$1,000	No material service interruption	No noticeable regulatory or statutory impact	Unsubstantiated, low impact, low profile or 'no news' item	Inconsequential or no damage.	Contained, reversible impact managed by on site response
Minor (2)	First aid injuries	\$1,001 - \$10,000	Short term temporary interruption – backlog cleared < 1 day	Some temporary non compliances	Substantiated, low impact, low news item	Localised damage rectified by routine internal procedures	Contained, reversible impact managed by internal response
Moderate (3)	Medical type injuries	\$10,001 - \$50,000	Medium term temporary interruption – backlog cleared by additional resources < 1 week	Short term non-compliance but with significant regulatory requirements imposed	Substantiated, public embarrassment, moderate impact, moderate news profile	Localised damage requiring external resources to rectify	Contained, reversible impact managed by external agencies

Measures of Consequence							
Rating (Level)	Health	Financial Impact	Service Interruption	Compliance	Reputational	Property	Environment
Major (4)	Lost time injury	\$50,001 - \$150,000	Prolonged interruption of services – additional resources; performance affected < 1 month	Non-compliance results in termination of services or imposed penalties	Substantiated, public embarrassment, high impact, high news profile, third party actions	Significant damage requiring internal & external resources to rectify	Uncontained, reversible impact managed by a coordinated response from external agencies
Catastrophic (5)	Fatality, permanent disability	More than \$150,000	Indeterminate prolonged interruption of services – non-performance > 1 month	Non-compliance results in litigation, criminal charges or significant damages or penalties	Substantiated, public embarrassment, very high multiple impacts, high widespread multiple news profile, third party actions	Extensive damage requiring prolonged period of restitution Complete loss of plant, equipment & building	Uncontained, irreversible impact

VOTING REQUIREMENT:

Simple Majority required.

STAFF RECOMMENDATION:

That Council approve the works to close the driveway entry access point on the immediate north side of the Kalbarri Visitors Centre/Shire office building. That this work be completed in conjunction with 2022/2023 Council budget approved works associated with the asphalt resealing of Grey Street and the upgrade of the Dual Use Pathway in front of the Kalbarri Visitors Centre and Shire Office area.

9. Health and Building Report

9.1 Building Statistics for the month of February 2023.

9.1 -

File Reference	9.1
Date of Report	10 th March 2023
Reporting Officer	Michaela Simpson
Responsible Officer	Michaela Simpson – Manager of Building Services

SHIRE OF NORTHAMPTON - BUILDING APPROVALS - FEBRUARY 2023

Approval Date	App. No.	Owner	Builder	Property Address	Type of Building	Value
22/12/2022	22095	Adam and Carla Towers-Hammond	Simple Life Nominees	6 (Lot 250) Hackney Street, Kalbarri	Construct verandah and decking to existing dwelling	\$ 30,000.00
6/02/2023	22097	Kalina Farming Co	Phoenix Sheds	3118 Balla-Whehara Road, Binnu	Construct steel framed machinery shed	\$ 163,000.00
10/3/2023	23001	Grant and Christine Shadforth	Owner Builder	2-32 (Lot 54) Angle Street, Issek a	Construct steel framed two bedroom dwelling	\$ 247,000.00
8/02/2023	23004	Peter and Shirley Sanderson	Owner Builder	15 (Lot 909) Mainwaring Drive, Kalbarri	Construct steel framed patio	\$ 5,000.00
9/02/2023	23005	Michael and Jennifer Smith	Owner Builder	8 (Lot 7) Mariner Crescent, Kalbarri	Construct two- storey residence with a concrete slab-on-ground with steel portal timber framed walls lined externally with steel and fibre cement cladding and a timber roof frame and line with steel roof cladding.	\$ 450,000.00
13/02/2023	23006	Matthew and Rachel Graeber	Gavin John Hutchinson	14 (Lot 926) Crocus Circuit, Kalbarri	Install fibreglass swimming pool with barrier fence	\$ 40,500.00
13/02/2023	23007	Andries and Jocelyn Joubert	Owner Builder	9 (Lot 64) Pelican Road, Kalbarri	Construct single storey timber framed three bedroom dwelling	\$ 235,000.00
21/02/2023	23008	Paul and Kate Turner	Owner Builder	14 (Lot 98) Mortimer Street, Kalbarri	Construct steel framed shed	\$ 6,000.00
21/02/2023	23009	Bradley and Jacenta Heywood	Murray River North T/As TR Homes	6 (Lot 33) Flowe Street, Kalbarri	Construct four-bedroom steel framed modular dwelling	\$ 350,678.00
1/02/2023	22CS465	Phil and Narelle De-Grauw	Simple Life Projects	7 (Lot 182) Glass Street, Kalbarri	Rebuild Bali style pergola surrounding swimming pool	\$ 50,000.00
16/02/2023	22CS476	Anthony and Karen Gorton	Stateside Maintenance Pty Ltd	48 Fifth Avenue, Northampton	Remediation repairs to front verandah and reconstruct garage and laundry	\$ 36,000.00
2/02/2023	22CS477	Tristan and Tess Neumann	Noel Visser	18 (Lot 204) Balaam Street, Kalbarri	Remove asbestos roof and flue	\$ 5,852.00
2/02/2023	23CS478	Matthew and Sarah Gatty	Noel Visser	14 (Lot 226) Patrick Crescent, Kalbarri	Full demolition of house and shed	\$ 20,000.00
2/02/2023	23CS479	Keith Drage	Auspan Building Systems	29 Pigeon Vell Rd, Northampton	Construct steel framed machinery shed extension	\$ 165,375.10
3/02/2023	23CS480	Cheryl Rob	Noel Visser	109 (Lot 93) Robinson Street, Northampton	Removal of asbestos roof	\$ 14,300.00
8/02/2023	23CS482	Johnny and Debbie Breich	Murray River North Pty Ltd T/As TR Homes	28 (Lot 808) Glass Street, Kalbarri	Construct four-bedroom steel framed modular dwelling	\$ 440,420.00
8/02/2023	23CS483	Shire of Northampton	Stateside Maintenance Pty Ltd	166 (Lot 130) Hampton Road, Northampton	Replace roof sheeting and install tie downs	\$ 608,947.00
10/02/2023	23CS484	BRW Enterprises	Murray River North Pty Ltd T/As TR Homes	2281 (Lot 104) Oglivie East Road, Oglivie	Construct steel framed four-bedroom modular dwelling	\$ 301,822.00
16/02/2023	23CS485	Jetrio Pty Ltd	Simple Life Projects	14 (Lot 830) Bridgeman Road, Kalbarri	Remediation repairs to the roof, second-storey walls and windows, and verandah	\$ 200,000.00

10. Town Planning Agenda

- 10.1 Proposed Temporary Accommodation in Repurposed Dwelling for Northampton Child Care Association – Lot 483 (No. 92) Stephen Street, Northampton

10.1 - PROPOSED TEMPORARY ACCOMMODATION IN REPURPOSED DWELLING FOR NORTHAMPTON CHILD CARE ASSOCIATION– LOT 483 (NO. 92) STEPHEN STREET, NORTHAMPTON

Location	Lot 483 (92) Stephen Street, Northampton
Applicant	Regional Early Education and Development Inc – Steven Sizer
Owner/Lessee	Shire of Northampton
File Reference	10.8.1.3 (A1693)
Date of Report	15 March 2023
Reporting Officers	Hayley Williams, Consultant Planner
Responsible Officer	Maurice Battilana, Acting Chief Executive Officer

SUPPORTING DOCUMENTS:

Reference	Description	In Report	Separate Cover
Appendix 1	Plans denoting site plan and building floor plan	✓	
Appendix 2	Photos	✓	

BACKGROUND:

Council has been notified that an existing transportable building is being used for temporary workforce accommodation on Lot 483 (92) Stephen Street, Northampton without any approvals. The Applicant is seeking approval to utilise the transportable building on a temporary basis to house an existing member of the Regional Early Education Development (REED) staff. Council consideration is required to ensure that the use complies with Health, Building and Planning regulations.

Figure 10.1(a) – Location map for Lot 483 (92) Stephen Street, Northampton



This matter was first brought to the attention of Shire staff in an email dated 13 March 2023 when an enquiry was made regarding accommodating an employee of REED. It was noted that a transportable building was existing on Lot 483 but in terms of its ability to be converted to residential accommodation, it was not clear if this would be possible.

It is now evident that the existing transportable building on Lot 483 has been used by REED to accommodate a staff member(s) for a period of time without any formal approvals from Council.

REED are now seeking retrospective approval from Council to use the transportable building as temporary accommodation, noting:

- This is temporary only, the current educator is less than 2 months away from getting her WA licence and is actively seeking rental accommodation in Geraldton.
- No rent or utilities are being on charged to any educator that would use the temporary accommodation.
- REED has fitted it out with basic furniture.
- Currently we have a licensed builder looking at fixing all maintenance issues including putting in a new functional toilet to replace the old one, upgrades to the rotted bathroom vanity, the ramp and balustrading out the front, and a licensed electrician checking all electrics are safe, installing new fans, and fixing or replacing one of the three air conditioners.
- Without this temporary accommodation we would struggle to attract diploma qualified educators to the region.
- REED is offering Qualified Educators and Team Leader up to \$12.5k in attraction/retention and relocation allowances.
- Currently there is between 7000 and 10000 vacancies for childcare educators in Western Australia.
- A permanent Educator in Northampton, means we can again open 4 days, with Friday 31st March, looking like the start date for this.

COMMUNITY & GOVERNMENT CONSULTATION:

Internal advice provided from Shire of Northampton Health and Building staff notes:

- The transportable building has been set up to be a Class 1b accommodation unit.
- An extraction fan needs to be placed over the cooking unit.

As the proposed development is not considered to fit within the complex application definition the Application for Development Approval when received will be advertised in accordance with clause 64, Schedule 2 of the *Planning and Development (Local Planning Scheme) Regulations 2015*, for a period of 14 days.

FINANCIAL IMPLICATIONS:

Minor costs will be incurred by Council during the advertising process.

STATUTORY IMPLICATIONS:

State: Planning and Development Act 2005

Local: Shire of Northampton Local Planning Scheme No. 10 – Northampton

One of the purposes of Local Planning Scheme No. 10 (LPS10) is to 'set aside land as reserves for public purposes'.

Relevant aims of LPS10 are:

- (b) *to encourage the development of planning and sustainable settlements by focusing future population growth and the necessary support infrastructure in the established settlements of Northampton, Kalbarri, Horrocks and Port Gregory.*

The subject site is zoned as a 'Local Scheme Reserve' for 'Education' purposes. The objectives of the Reserve are:

Public purposes which specifically provide for a range of essential education facilities.

While there is no specific mention of incidental uses such as workforce accommodation or repurposed dwellings included within the Education purpose of the Local Scheme Reserve, it is considered that the use could form part of essential education facilities, not dissimilar to housing for other essential services staff.

The definition of Repurposed Dwelling means:

a building or structure not previously used as a single house which has been repurposed for use as a dwelling.

The definition of Workforce Accommodation means:

premises, which may include modular or relocatable buildings used-

- (a) primarily for the accommodation of workers engaged in construction, resource, agricultural or other industries on a temporary basis; and*
- (b) for any associated catering, sporting and recreation facilities for the occupant and authorised visitors.*

The definition of Workforce Accommodation is primarily associated with workers engaged in the construction, resource, or agricultural industries, and while this proposal is for the temporary accommodation of staff within essential education services, it is considered to be separate from this use.

As the Scheme provides no development standards for certain types of uses within with the Local Scheme Reserve zoning, footnote to Table 5 – Development Requirements states that:

Development standards for zones not included in Table 5 will be subject to relevant provisions outlined elsewhere in this Scheme (including any Local Planning Policies adopted under this Scheme), or in the absence of any such provisions, they will be determined by the local government in each particular case.

Therefore, given the transportable building fits within the definition of "Repurposed Dwelling" the Local Planning Policy framework can be applied. It is also noted that additional requirements concerning Health and Building related matters will need to form part of Council's determination.

POLICY/PROCEDURE IMPLICATIONS:

Local: Shire of Northampton Local Planning Strategy

Shire of Northampton Local Planning Policy – Repurposed and Secondhand Dwellings

Shire of Northampton Local Planning Strategy

The Shire's Local Planning Strategy applies to the Northampton townsite and immediate surrounds and forms the basis for development of a long-term strategic plan for the future development and growth of the Shire. The Strategy identifies key issues within the area as follows:

Cl. 2.6.1 Northampton Townsite includes the following objective:

To actively promote broader housing choices within the Northampton Townsite in order to stabilise and enhance the community and cultural values of the Townsite and position the Townsite as a viable and attractive alternative residential location within the Mid-West.

The Strategy does not include any specific objectives in relation to this site, however, it is noted that generally there is a need to actively promote broader housing choices to stabilise the community values of the Townsite and position the Townsite as a viable location within the Mid-West.

Shire of Northampton Local Planning Policy – Repurposed and Secondhand Dwellings

The transportable building on Lot 483 is considered to fit within the definition of a repurposed dwelling, given that it is a building not previously used in a residential capacity and has been repurposed for use as dwelling, or in this case ‘Workforce Accommodation’.

The objectives of the Local Planning Policy (LPP)

- 1.1 *To ensure that any development proposing to use a repurposed or second hand building meets acceptable aesthetic and amenity requirements in the locality for which it is proposed.*
- 1.2 *To ensure that any repurposed or second-hand dwelling does not detract from an existing (or reasonably desired) streetscape.*
- 1.3 *To enable the local government to retain such monies (bonds) to ensure the desired standard of development is achieved.*

The transportable building is an existing structure on Lot 483 and has been in place for a long period of time. Its original use formed part of the Day Care Centre operations and was primarily used for storage.

While it may not be necessary to apply the LPP retrospectively to the development, given that its use has changed consideration should be given to how the repurposed dwelling can meet an acceptable aesthetic and amenity requirements within the locality. Some conditions that may be considered include:

- a) *Need for additional setbacks over and above the prescribed minimum and the need for screening via landscaping and/or boundary fencing;*
- b) *A bond/bank guarantee and legal agreement to ensure the external appearance of the repurposed or second-hand dwelling has been completed to the approval of the local government;*
- c) *The space between the ground level and the floor level being suitably enclosed;*
- d) *Upgrading, alterations or additional design features that will enhance the elevations and architectural detail of the proposed development (i.e.. roof pitch, eaves, colours/materials, and external treatments);*

- e) *The roof and / or walls being clad of non-reflective materials and be consistent or complimentary in colour with the surrounding natural landscape features or desired streetscape; and*
- f) *Require landscaping and constructed vehicle access to be established within a specified timeframe and thereafter maintained.*

While some of these conditions may be difficult to apply, such as increased setbacks, it is considered if the transportable building continues to be used to temporarily accommodate staff members working at REED then it should include some upgrades to its external appearance in accordance with the LPP.

STRATEGIC IMPLICATIONS:

Nil

COMMENT:

The proposal to utilise the existing transportable building for temporary workforce accommodation associated with staff working for REED is considered to comply with the aims and objectives of Local Planning Scheme No. 11. Including the purpose of the Local Scheme Reserve to provide for essential education services. However, given the transportable building has been repurposed for the use of residential accommodation some parts of the *Shire of Northampton Local Planning Policy – Repurposed and Secondhand Dwellings* are considered to apply.

An Application for Development Approval should include the following additional information that includes:

- Details on the upgrading of external appearance of transportable building, paying particular attention to suitable enclosure of the space between the ground level and floor level and screening of the building from Axle Rest;
- Plans that denote location of vehicular access and car parking bays for two employees;
- Plans that denote floor plan of repurposed dwelling, along with details of outdoor living area;
- Details outlining compliance with Building requirements for Class 1B buildings; and
- Details outlining compliance with Health requirements relating to wastewater disposal.

RISK ASSESSMENT:

The associated risk would be the failure to comply legislation and setting a precedent. However, as the approval is temporary the risk is considered minimal in comparison to the REED service being removed from Northampton. Therefore the risk can be considered either way i.e.

- Temporary approval – Minor
- Rejection resulting in loss of service - Major

Measures of Consequence							
Rating (Level)	Health	Financial Impact	Service Interruption	Compliance	Reputational	Property	Environment
Insignificant (1)	Negligible injuries	Less than \$1,000	No material service interruption	No noticeable regulatory or statutory impact	Unsubstantiated, low impact, low profile or 'no news' item	Inconsequential or no damage.	Contained, reversible impact managed by on site response

Measures of Consequence							
Rating (Level)	Health	Financial Impact	Service Interruption	Compliance	Reputational	Property	Environment
Minor (2)	First aid injuries	\$1,001 - \$10,000	Short term temporary interruption – backlog cleared < 1 day	Some temporary non-compliances	Substantiated, low impact, low news item	Localised damage rectified by routine internal procedures	Contained, reversible impact managed by internal response
Moderate (3)	Medical type injuries	\$10,001 - \$50,000	Medium term temporary interruption – backlog cleared by additional resources < 1 week	Short term non-compliance but with significant regulatory requirements imposed	Substantiated, public embarrassment, moderate impact, moderate news profile	Localised damage requiring external resources to rectify	Contained, reversible impact managed by external agencies
Major (4)	Lost time injury	\$50,001 - \$150,000	Prolonged interruption of services – additional resources; performance affected < 1 month	Non-compliance results in termination of services or imposed penalties	Substantiated, public embarrassment, high impact, high news profile, third party actions	Significant damage requiring internal & external resources to rectify	Uncontained, reversible impact managed by a coordinated response from external agencies
Catastrophic (5)	Fatality, permanent disability	More than \$150,000	Indeterminate prolonged interruption of services – non-performance > 1 month	Non-compliance results in litigation, criminal charges or significant damages or penalties	Substantiated, public embarrassment, very high multiple impacts, high widespread multiple news profile, third party actions	Extensive damage requiring prolonged period of restitution Complete loss of plant, equipment & building	Uncontained, irreversible impact

VOTING REQUIREMENT:

Simple Majority required

STAFF RECOMMENDATION:

That once an Application for Development Approval is received, Council publicly advertise the proposal for a period of 14 days in accordance clause 64, Schedule 2 of the *Planning and Development (Local Planning Scheme) Regulations 2015*. Staff may continue to use the transportable building as temporary accommodation during this advertising period.

Subject to there being no adverse submissions Council advise of approval for REED staff to use the transportable building as temporary accommodation, for a period determined by the Chief Executive Officer.

The Applicant should also be advised of the requirement to adequately address the Shire of Northampton's Health, Building and Planning requirements in their development application including providing the following supporting information:

- Details on the upgrading of external appearance of transportable building;
- Plans that denote location of vehicular access and car parking bays for two employees;
- Plans that denote floor plan of repurposed dwelling, along with details of outdoor living area;
- Details outlining compliance with Building requirements for Class 1B buildings; and
- Details outlining compliance with Health requirements relating to wastewater disposal.

APPENDIX 1 – Site Plan



APPENDIX 2 – Photos





11. Finance Report

- 11.1 Accounts for Payment
- 11.2 Monthly Financial Statements – February 2023
- 11.3 Budget Review 2022/2023

11.1 ACCOUNTS FOR PAYMENT (ITEM 11.1)

Reference	1.1.1
Date of Report	3 rd March 2023
Reporting Officer	Grant Middleton
Responsible Officer	Grant Middleton, Deputy Chief Executive Officer

SUPPORTING DOCUMENTS:

Reference	Description	In Report	Separate Cover
Appendix	List of Accounts	✓	

DISCLOSURE OF INTEREST:

BACKGROUND:

A list of payments submitted to Council on 17th March 2023, for confirmation in respect of accounts already paid or for the authority to those unpaid.

COMMUNITY & GOVERNMENT CONSULTATION:

Not applicable

FINANCIAL IMPLICATIONS:

A list of payments is required to be presented to Council as per section 13 of the Local Government Act (Financial Management Regulations 1996).

STATUTORY IMPLICATIONS:

Local Government (Financial Management) Regulation 13 1996
Local Government Act 1995 Section 6.10

POLICY/PROCEDURE IMPLICATIONS:

Council Delegation F02 allows the CEO to make payments from the Municipal bank accounts. These payments are required to be presented to Council each month in accordance with Financial Management Regulations 13 (1) for recording in the minutes.

COMMENT:

Council to authorise the payments as presented.

RISK ASSESSMENT:

As Council has complied with legislative requirements there is no associated risk of failing to comply with Local Government Financial Regulations requiring monthly reporting of Financial Activity. Risk rating is considered Level 1 – Insignificant.

Measures of Consequence							
Rating (Level)	Health	Financial Impact	Service Interruption	Compliance	Reputational	Property	Environment
Insignificant (1)	Negligible injuries	Less than \$1,000	No material service interruption	No noticeable regulatory or statutory impact	Unsubstantiated, low impact, low profile or 'no news' item	Inconsequential or no damage.	Contained, reversible impact managed by on site response

VOTING REQUIREMENT:

Absolute Majority required

STAFF RECOMMENDATION – 11.1

That Municipal Fund Cheques 22336 to 22345 inclusive totalling \$58,910.28, Municipal EFT payments numbered EFT24553 to EFT24656 inclusive totalling \$845,435.51, Direct Debit payments numbered GJ0808 to GJ0813 inclusive totalling \$251,264.70 be passed for payment and the items therein be declared authorised expenditure.

APPENDIX 1 –**MUNICIPAL FUND CHEQUES**

Chq #	Date	Name	Description	Amount
22336	03-02-2023	WATER CORPORATION	WATER USE & SERVICE CHARGES	12536.92
22337		CANCELLED		
22338	03-02-2023	DEPARTMENT OF TRANSPORT	SPECIAL SERIES PLATES 5768NR	200.00
22339	07-02-2023	KALBARRI GAS	GAS	340.00
22340	07-02-2023	MARSH PTY LTD	TRAINING EMERGENCY EVAC SERVICES	3386.45
22341	09-02-2023	SYNERGY	ELECTRICITY CHARGES	21114.07
22342	21-02-2023	AUSTRALIA POST	POSTAGE	637.64
22343	21-02-2023	CITY OF GREATER GERALDTON	REFUSE DISPOSAL - MERU	20190.30
22344	21-02-2023	GERALDTON MOWER & REPAIR SPECIALISTS	SERVICE HEDGER,PARTS	417.15
22345	21-02-2023	SHIRE OF NORTHAMPTON	BCITF/BRB COMMISSION SEPT 22	87.75
				<u>\$58,910.28</u>

APPENDIX 1 –

ELECTRONIC FUND TRANSFERS – MUNICIPAL ACCOUNT

EFT #	Date	Name	Description	Amount
EFT24553	01-02-2023	HAYLEY R WILLIAMS DEVISE URBAN PLANNING	PLANNING SERVICES	2431.00
EFT24554	01-02-2023	GERALDTON SHEETMETAL AND ROOFING	HKS FIRE SHED REPAIR MATERIALS	1248.50
EFT24555	02-02-2023	TELSTRA	TELEPHONE CHARGES	2455.82
EFT24556	07-02-2023	AFGRI GERALDTON	PARTS	146.17
EFT24557	07-02-2023	KALBARRI IGA	ALLEN CENTRE GOODS	90.52
EFT24558	07-02-2023	CAT WEST PTY LTD	KAL GREY ST ASPHALT RESEAL WORKS	60427.40
EFT24559	07-02-2023	BOC GASES AUSTRALIA	INDUSTRY GASES	70.84
EFT24560	07-02-2023	WINC AUSTRALIA PTY LTD	P/COPIER MTCE	795.34
EFT24561	07-02-2023	CORSIGN WA PTY LTD	SIGNS	1045.00
EFT24562	07-02-2023	TOLL TRANSPORT PTY LTD	FREIGHT	266.70
EFT24563	07-02-2023	CRAMER & NEILL REFRIGERATION	AIRCON SERVICES	788.44
EFT24564	07-02-2023	GARY DUNGATE	MARY ST BOLLARDS, HAMP RD PAVING REPAIRS	4472.60
EFT24565	07-02-2023	FENN PLUMBING & GAS	KAL FSHORE INSTALL 5 SHOWERS	2046.08
EFT24566	07-02-2023	FREEMANS LIQUID WASTE PTY LTD	PUMP HKS DUMP POINT	787.40
EFT24567	07-02-2023	GANTHEAUME BAY ELECTRICAL	KAL PCYC POWERPOINT	348.70
EFT24568	07-02-2023	GERALDTON LOCK & KEY SPECIALISTS	KEYS	52.80
EFT24569	07-02-2023	GERALDTON TYREPOWER	GRADER UTE 2 TYRES/WHEEL ALIGN	652.00
EFT24570	07-02-2023	GERALDTON FUEL COMPANY PTY LTD	FUEL CARD PURCHASES	295.10
EFT24571	07-02-2023	GHD PTY LTD	DISASTER DISCOVERY WORKS KAL FSHORE	16304.55
EFT24572	07-02-2023	GREAT NORTHERN RURAL SERVICES	RETIC, NTON/KAL FERTILISERS	9264.93
EFT24573	07-02-2023	HASLEBYS HARDWARE SUPPLIES	I20 SPRINKLERS, RETIC, HARDWARE	6145.53
EFT24574	07-02-2023	C + J HANSON PLUMBING CONTRACTORS	NTON PLUMBING REPAIRS	1061.74
EFT24575	07-02-2023	HOPPYS PARTS R US	PARTS	154.82
EFT24576	07-02-2023	JCB CONSTRUCTION EQUIPMENT AUST	PARTS	818.85
EFT24577	07-02-2023	SCOTT ALEXANDER JONES	PORT GREG GARDENING	1160.00

EFT #	Date	Name	Description	Amount
EFT24578	07-02-2023	KALBARRI EXPRESS FREIGHT	FREIGHT	86.66
EFT24579	07-02-2023	BP KALBARRI	FUEL,HARDWARE,RETIC	195.15
EFT24580	07-02-2023	KALBARRI NEWSAGENCY	STATIONERY	10.00
EFT24581	07-02-2023	KALBARRI REFRIGERATION AND AIRCON	KAL DR SURG REPAIR A/C FAULT	608.30
EFT24582	07-02-2023	KALBARRI GRAVEL & SAND SUPPLIES	GRAVEL	528.00
EFT24583	07-02-2023	KIMBERLEY QUARRY PTY LTD	NTON AGGREGATE/DUST	3831.06
EFT24584	07-02-2023	KALBARRI OCCASIONAL CHILD CARE	ANNUAL 22/23 OPERATING GRANT	2100.00
EFT24585	07-02-2023	KALBARRI PEST CONTROL	PEST CONTROL	550.00
EFT24586	07-02-2023	KALBARRI SITEWORKS	KAL JAKES ACCESS, EDGE RESORT DEBRI	5511.00
EFT24587	07-02-2023	LAKELINE RESOURCES PTY LTD (MOSS)	PT GREG WATER LINE REPAIRS	2015.75
EFT24588	07-02-2023	LENANE HOLDINGS PTY LTD	PARKER RD WATER TRUCK HIRE	6024.90
EFT24589	07-02-2023	MIDWEST MULCHING MOWING	KAL AIRSTRIP FIRE PREVENTION MULCHING	8866.00
EFT24590	07-02-2023	SHIRE OF MINGENEW	VELPIC ONLINE TRAINING	124.30
EFT24591	07-02-2023	M L COMMUNICATIONS	PLANT RADIO HANDPIECE	263.40
EFT24592	07-02-2023	NAPA	PARTS	72.88
EFT24593	07-02-2023	NORTHAMPTON NEWSAGENCY	STATIONERY,NEWSPAPERS	330.72
EFT24594	07-02-2023	NOVUS AUTOGLASS MIDWEST	TRUCK STONE CHIP REPAIR	225.00
EFT24595	07-02-2023	ORIGO PTY LTD	PT GREG WATER TANK SMS ALERTS	1179.20
EFT24596	07-02-2023	RED DUST HOLDINGS	PARKER/WUNDI RD GRAVEL CARTAGE	14833.50
EFT24597	07-02-2023	REGIONAL EARLY EDUC AND DEVEL (REED)	DONATION CYCLONE SEROJA	100.00
EFT24598	07-02-2023	SCAVENGER SUPPLIES PTY LTD	FIRE PPE	1496.00
EFT24599	07-02-2023	PAUL SHERIFF	COMPUTER SUPPORT SYNERGYSOFT UPDATE	385.00
EFT24600	07-02-2023	SKYTRUST	SKYSTRUST MONTHLY SUBS/TRAINING	493.90
EFT24601	07-02-2023	STAR TRACK EXPRESS	FREIGHT	221.44
EFT24602	07-02-2023	2V NET IT SOLUTIONS	COMPTER MTCE	574.00
EFT24603	07-02-2023	TOTALLY WORKWEAR - GERALDTON	UNIFORMS	158.01
EFT24604	07-02-2023	LANDGATE	VALUATION EXPENSES	225.60
EFT24605	07-02-2023	WESTRAC EQUIPMENT PTY LTD	NEW 2022 CAT 140 GRADER PARTS	468795.80 16611.14
EFT24606	07-02-2023	WA LOCAL GOVERNMENT ASS (WALGA)	COUNCILLOR TRAINING	907.50

EFT #	Date	Name	Description	Amount
EFT24607	07-02-2023	WEST AUSTRALIAN NEWSPAPERS LTD	ADVERTISING	2864.85
EFT24608	07-02-2023	WESTERN AUSTRALIAN TREASURY CORP	LOAN 155	14558.26
EFT24609	07-02-2023	WILSONS SIGN SOLUTIONS	MEMORIAL PLAQUE	147.95
EFT24610	16-02-2023	HAYLEY R WILLIAMS DEVISE URBAN PLANNING	PLANNING SERVICES	4433.00
EFT24611	16-02-2023	AUSTRALIAN TAXATION OFFICE	BAS JAN 2023	29111.00
EFT24612	21-02-2023	ABCO PRODUCTS PTY LTD	SOAP DISPENSERS	1212.78
EFT24613	21-02-2023	ALERTFORCE	TRAINING ASBESTOS AWARENESS	1950.00
EFT24614	21-02-2023	BLACKWOODS	NTON DEPOT SLINGS/CHAIN	698.30
EFT24615	21-02-2023	BUILDING & CONST INDUSTRY TRAIN FUND	BCTIF SEPT 22	4717.78
EFT24616	21-02-2023	ELIZABETH GRACE BUIST	REFUND DOG REGISTRATION	37.50
EFT24617	21-02-2023	CATERLAAST	KAL LOADER REPAIRS/PLANT REPAIRS	19081.84
EFT24618	21-02-2023	CENTRAL WEST PUMP SERVICE	PARKER/WUNDI WATER BORE PUMP	3435.40
EFT24619	21-02-2023	COASTAL ELECTRICAL & SOLAR	KAL FSHORE ELECTRICAL REPAIRS	772.20
EFT24620	21-02-2023	TOLL TRANSPORT PTY LTD	FREIGHT	206.38
EFT24621	21-02-2023	CRAMER & NEILL REFRIGERATION	AIRCON SERVICES/REPAIRS	5017.73
EFT24622	21-02-2023	ECO-FLORA SERVICES	KAL RUBBISH TIP ROAD GRADING	1200.00
EFT24623	21-02-2023	ELDERS RURAL SERVICES AUSTRALIA LTD	ANT SPRAY, COUPLINGS, HARDWARE	3043.93
EFT24624	21-02-2023	ENGIN	TELEPHONE CHARGES	406.55
EFT24625	21-02-2023	DEPT MINES, INDUSTRY REG & SAFETY	BRB SEPT 2022	480.78
EFT24626	21-02-2023	GERALDTON LOCK & KEY SPECIALISTS	KEYS	543.30
EFT24627	21-02-2023	GREAT NORTHERN RURAL SERVICES	VARIOUS RETIC FITTINGS	1226.54
EFT24628	21-02-2023	GOODYEAR & DUNLOP TYRES (AUST) PTY LTD (BEAUREPAIRES)	PLANT (TRUCK) 16 TYRES	9200.06
EFT24629	21-02-2023	GREAT SOUTHERN FUEL SUPPLY	NTON/KAL DEPOT FUELS, FUEL CARDS	25803.93
EFT24630	21-02-2023	RAY HENLEY	REFUND DOG REGISTRATION	50.00
EFT24631	21-02-2023	JCB CONSTRUCTION EQUIPMENT AUST	PARTS - FILTERS, OIL	686.66
EFT24632	21-02-2023	KALBARRI AUTO CENTRE	PLANT TYRES, BATTERY, STARTMOTOR	1360.00
EFT24633	21-02-2023	KALBARRI EXPRESS FREIGHT	FREIGHT	19.61
EFT24634	21-02-2023	KALBARRI PHARMACY	IMMUNISATIONS	106.50
EFT24635	21-02-2023	KALBARRI GRAVEL & SAND SUPPLIES	PARKER RD WATER CART HIRE, ECOFLORA	6160.00

EFT #	Date	Name	Description	Amount
EFT24636	21-02-2023	KEMPTON ELECTRICAL CONTRACTING	RESIDENCE ELECTRICAL REPAIRS	440.20
EFT24637	21-02-2023	LAKELINE RESOURCES PTY LTD (MOSS)	PT GREGORY WATER REPAIR MAIN LINE	825.00
EFT24638	21-02-2023	LIGHT MY FIRE PIT	DEPOSIT FIRE SPHERE	1195.00
EFT24639	21-02-2023	LOCAL GOVERNMENT SUPERVISORS ASS	LGWA MEMBERSHIP STAFF SUPERVISORS	400.00
EFT24640	21-02-2023	MCLEODS BARRISTERS & SOLICITORS	LEGAL FEES	269.50
EFT24641	21-02-2023	LGRCEU	PAYROLL DEDUCTIONS	123.00
EFT24642	21-02-2023	KEVIN JOHN MOSS	REIMB BATTERY PT GREG BBQ	156.20
EFT24643	21-02-2023	MULTICOM ELECTRICAL	NTON OFFICE/DEPOT DATA OUTLETS	5289.93
EFT24644	21-02-2023	NAPA	PLANT PARTS	490.87
EFT24645	21-02-2023	NORTHAMPTON COMMUNITY CENTRE	CONTRIBUTION TO NETBALL AMENITIES	20000.00
EFT24646	21-02-2023	NORTHAMPTON NEWSAGENCY	STATIONERY,NEWSPAPERS	1856.60
EFT24647	21-02-2023	NORTHAMPTON AUTO ELECTRICS	PLANT ELECTRICAL REPAIRS/BATTERY	968.00
EFT24648	21-02-2023	GERALDTON CLEANPAK TOTAL SOLUTIONS	TOILET PAPERS/CLEANING GOODS	1680.85
EFT24649	21-02-2023	PRINTLOGIC (WA) PTY LTD	KVC ADV 2023 CORAL COAST PLANNER	2850.00
EFT24650	21-02-2023	QUANTUM SURVEYS	HKS SURVEY CROWN LAND	1210.00
EFT24651	21-02-2023	STAR TRACK EXPRESS	FREIGHT	153.56
EFT24652	21-02-2023	ST JOHN AMBULANCE WESTERN AUSTRALIA LTD	STAFF FIRST AID TRAINING	320.00
EFT24653	21-02-2023	TELSTRA BUSINESS TECHNOLOGY CENTRE PERTH SOUTH	IPHONES	3615.00
EFT24654	21-02-2023	2V NET IT SOLUTIONS	COMPTER MTCE	3725.00
EFT24655	21-02-2023	LANDGATE	VALUATION EXPENSES	378.93
EFT24656	21-02-2023	NORTHAMPTON TYRES	PLANT 14 TYRES, BALANCE, PARTS	10300.00
				\$845,435.51

APPENDIX 1 –

DIRECT DEBITS

Jnl #	Date	Name	Description	Amount
	02-02-2023	PAYROLL	FN/E 01/02/2023	97,460.00
	07-02-2023	SUPERCHOICE	SUPERANNUATION PAY FN/E 1/02/2023	22,168.12
	16-02-2023	PAYROLL	FN/E 15/02/2023	105,060.00
	20-02-2023	SUPERCHOICE	SUPERANNUATION PAY FN/E 15/02/2023	24,470.17
GJ0808	28-02-2023	NATIONAL AUSTRALIA BANK	BANK FEES	96.48
GJ0809	28-02-2023	NATIONAL AUSTRALIA BANK	BANK MERCHANT FEES	289.61
GJ0810	28-02-2023	COMMONWEALTH BANK	BPOINT FEES	63.44
GJ0811	28-02-2023	NATIONAL AUSTRALIA BANK	BPAY	176.00
GJ0813	28-02-2023	NAB DCEO CORPORATE CARD	BANK CHARGES	9.00
			KCC IINET	79.99
			COMPUTER EXPS 2VNET/ADOBE	1,351.89
			KMART CERTIFICATE FRAMES	40.00
				<u>1,480.88</u>
				<u>\$251,264.70</u>

11.2 MONTHLY FINANCIAL STATEMENTS – FEBRUARY 2023 (ITEM 11.2)

File Reference	1.1.1
Date of Report	3 rd March 2023
Reporting Officer	Grant Middleton
Responsible Officer	Grant Middleton, Deputy Chief Executive Officer

SUPPORTING DOCUMENTS:

Reference	Description	In Report	Separate Cover
Appendix	Monthly Financial Report for February 2023	✓	

DISCLOSURE OF INTEREST:

BACKGROUND:

This information is provided to Council in accordance with provisions of the Local Government Act 1995 and Local Government (Financial Management) Regulations 1996.

The Monthly Statements of Financial Activity for the period ending 28 February 2023 are detailed from page 1 to page 22 per the attached Monthly Financial Report.

COMMUNITY & GOVERNMENT CONSULTATION:

Not applicable

FINANCIAL IMPLICATIONS:

The 28 February 2023 financial position is comprised of the following:

Total operating revenue has a surplus position of \$843,325 and operating expenditure has a surplus position of \$42,990 to the end of February 2023. The surplus revenue position is largely due to the receipt of \$750,000 for Insurance and LRC12 final grant revenue component. The expenditure variances are spread across multiple programs and not considered significant at this stage of the year.

Investing and Financing variances will reconcile as the year progresses and it is anticipated there will be no significant budget variations.

Further explanations of material variations are detailed by reporting program in Note 15 of the Monthly Financial Report.

STATUTORY IMPLICATIONS:

Local Government (Financial Management) Regulation 34 1996
Local Government Act 1995 Section 6.4

POLICY/PROCEDURE IMPLICATIONS:

Council is required annually to adopt a policy on what it considers to be material as far as variances that require to be reported for Council. The current Council Policy sets the material variance at \$5,000.

COMMENT:

Council to adopt the monthly Financial Report as presented.

RISK ASSESSMENT:

As Council has complied with legislative requirements there is no associated risk of failing to comply with Local Government Financial Regulations requiring monthly reporting of Financial Activity. Risk rating is considered Level 1 – Insignificant.

Measures of Consequence							
Rating (Level)	Health	Financial Impact	Service Interruption	Compliance	Reputational	Property	Environment
Insignificant (1)	Negligible injuries	Less than \$1,000	No material service interruption	No noticeable regulatory or statutory impact	Unsubstantiated, low impact, low profile or 'no news' item	Inconsequential or no damage.	Contained, reversible impact managed by on site response

VOTING REQUIREMENT:

Absolute Majority required

STAFF RECOMMENDATION – 11.2

That Council adopts the Monthly Financial Report for the period ending 28 February 2023.

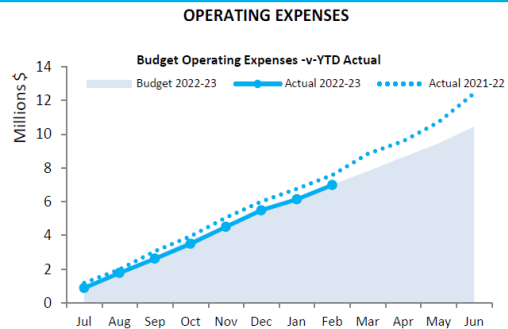
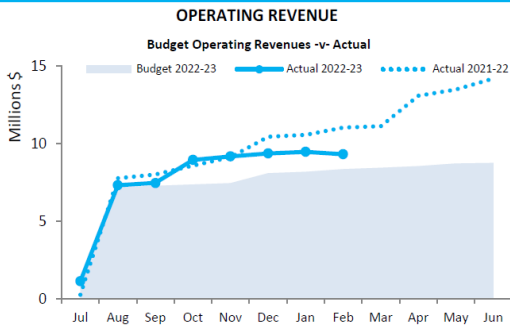
SHIRE OF NORTHAMPTON
MONTHLY FINANCIAL REPORT
(Containing the Statement of Financial Activity)
For the period ending 28 February 2023

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

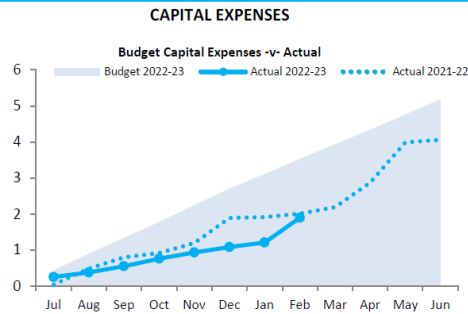
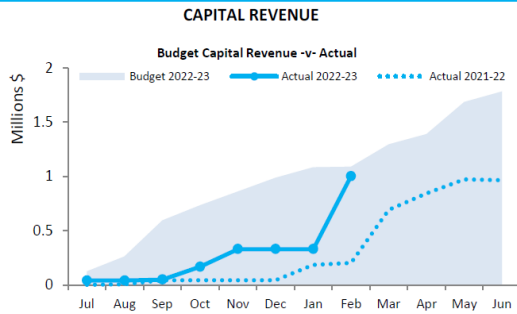
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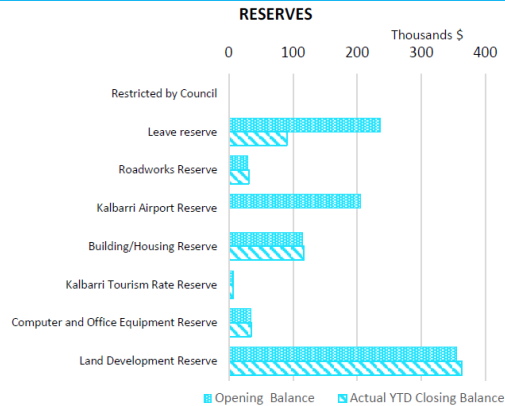
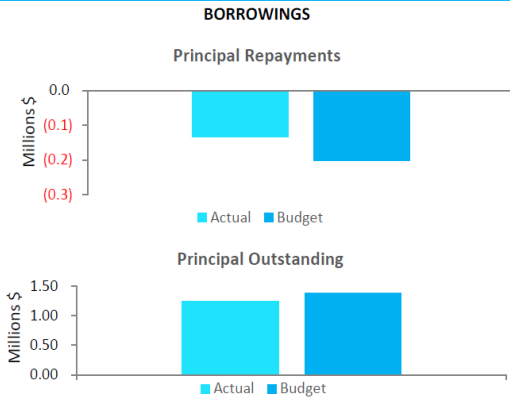
OPERATING ACTIVITIES



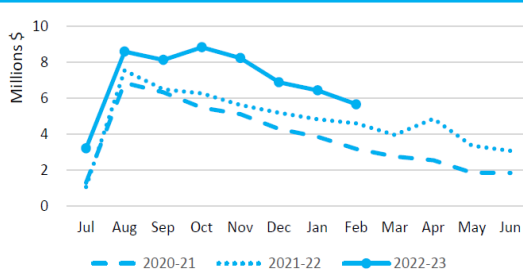
INVESTING ACTIVITIES



FINANCING ACTIVITIES



Closing funding surplus / (deficit)



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

Funding surplus / (deficit) Components

Funding surplus / (deficit)				
	Adopted Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)
Opening	\$3.01 M	\$3.01 M	\$2.39 M	(\$0.62 M)
Closing	\$0.00 M	\$3.26 M	\$5.66 M	\$2.40 M

Refer to Statement of Financial Activity

Cash and cash equivalents		
	\$	% of total
Unrestricted Cash	\$5.39 M	89.3%
Restricted Cash	\$0.64 M	10.7%

Refer to Note 2 - Cash and Financial Assets

Payables		
	\$	% Outstanding
Trade Payables	\$0.23 M	
0 to 30 Days		98.0%
Over 30 Days		1.9%
Over 90 Days		1.9%

Refer to Note 5 - Payables

Receivables		
	\$	% Collected
Rates Receivable	\$0.45 M	90.9%
Trade Receivable	\$0.33 M	
Over 30 Days		60.1%
Over 90 Days		48.9%

Refer to Note 3 - Receivables

Key Operating Activities

Amount attributable to operating activities			
Adopted Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)
\$0.88 M	\$2.96 M	\$3.83 M	\$0.87 M

Refer to Statement of Financial Activity

Rates Revenue		
	\$	% Variance
YTD Actual	\$4.82 M	
YTD Budget	\$4.77 M	1.0%

Refer to Statement of Financial Activity

Operating Grants and Contributions		
	\$	% Variance
YTD Actual	\$1.23 M	
YTD Budget	\$0.86 M	43.2%

Refer to Note 11 - Operating Grants and Contributions

Fees and Charges		
	\$	% Variance
YTD Actual	\$1.21 M	
YTD Budget	\$1.20 M	1.0%

Refer to Statement of Financial Activity

Key Investing Activities

Amount attributable to investing activities			
Adopted Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)
(\$3.61 M)	(\$2.42 M)	(\$0.77 M)	\$1.65 M

Refer to Statement of Financial Activity

Proceeds on sale		
	\$	%
YTD Actual	\$0.27 M	
Adopted Budget	\$0.24 M	8.7%

Refer to Note 6 - Disposal of Assets

Asset Acquisition		
	\$	% Spent
YTD Actual	\$1.77 M	
Adopted Budget	\$4.98 M	(64.5%)

Refer to Note 7 - Capital Acquisitions

Capital Grants		
	\$	% Received
YTD Actual	\$0.86 M	
Adopted Budget	\$1.10 M	(22.0%)

Refer to Note 7 - Capital Acquisitions

Key Financing Activities

Amount attributable to financing activities			
Adopted Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)
(\$0.29 M)	(\$0.29 M)	\$0.21 M	\$0.50 M

Refer to Statement of Financial Activity

Borrowings	
Principal repayments	\$0.13 M
Interest expense	\$0.03 M
Principal due	\$1.25 M

Refer to Note 8 - Borrowings

Reserves	
Reserves balance	\$0.64 M
Interest earned	\$0.02 M

Refer to Note 9 - Cash Reserves

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

KEY TERMS AND DESCRIPTIONS

FOR THE PERIOD ENDED 28 FEBRUARY 2023

REVENUE

RATES

All rates levied under the *Local Government Act 1995*. Includes general, differential, specified area rates, minimum rates, interim rates, back rates, ex-gratia rates, less discounts and concessions offered. Excludes administration fees, interest on instalments, interest on arrears, service charges and sewerage rates.

OPERATING GRANTS, SUBSIDIES AND CONTRIBUTIONS

Refers to all amounts received as grants, subsidies and contributions that are not non-operating grants.

NON-OPERATING GRANTS, SUBSIDIES AND CONTRIBUTIONS

Amounts received specifically for the acquisition, construction of new or the upgrading of identifiable non financial assets paid to a local government, irrespective of whether these amounts are received as capital grants, subsidies, contributions or donations.

REVENUE FROM CONTRACTS WITH CUSTOMERS

Revenue from contracts with customers is recognised when the local government satisfies its performance obligations under the contract.

FEES AND CHARGES

Revenues (other than service charges) from the use of facilities and charges made for local government services, sewerage rates, rentals, hire charges, fee for service, photocopying charges, licences, sale of goods or information, fines, penalties and administration fees. Local governments may wish to disclose more detail such as rubbish collection fees, rental of property, fines and penalties, and other fees and charges.

SERVICE CHARGES

Service charges imposed under *Division 6 of Part 6 of the Local Government Act 1995*. *Regulation 54 of the Local Government (Financial Management) Regulations 1996* identifies these as television and radio broadcasting, underground electricity and neighbourhood surveillance services. Exclude rubbish removal charges.

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.

NATURE OR TYPE DESCRIPTIONS

EXPENSES

EMPLOYEE COSTS

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

MATERIALS AND CONTRACTS

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

UTILITIES (GAS, ELECTRICITY, WATER)

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

INSURANCE

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

LOSS ON ASSET DISPOSAL

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

DEPRECIATION ON NON-CURRENT ASSETS

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

INTEREST EXPENSES

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

OTHER EXPENDITURE

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

STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 28 FEBRUARY 2023

BY NATURE OR TYPE

	Ref	Adopted Budget	YTD Budget	YTD Actual	Variance \$	Variance %	Var.
	Note	(a)	(b)	(c)	(c) - (b)	((c) - (b))/(b)	
		\$	\$	\$	\$	%	
Opening funding surplus / (deficit)	1(c)	3,011,814	3,011,814	2,389,563	(622,251)	(20.66%)	▼
Revenue from operating activities							
Rates		4,770,499	4,770,499	4,816,759	46,260	0.97%	▲
Operating grants, subsidies and contributions	11	1,133,783	856,617	1,226,743	370,126	43.21%	▲
Fees and charges		1,345,971	1,198,748	1,210,420	11,672	0.97%	▲
Interest earnings		40,000	32,164	129,226	97,062	301.77%	▲
Other revenue		1,468,540	1,468,540	1,750,000	281,460	19.17%	▲
Profit on disposal of assets	6	137,500	137,496	173,241	35,745	26.00%	▲
		8,896,293	8,464,064	9,306,389	842,325	9.95%	
Expenditure from operating activities							
Employee costs		(4,033,035)	(2,733,284)	(2,634,625)	98,659	3.61%	▲
Materials and contracts		(2,681,458)	(1,790,150)	(1,724,865)	65,285	3.65%	▲
Utility charges		(339,634)	(226,256)	(204,707)	21,549	9.52%	▲
Depreciation on non-current assets		(2,382,850)	(1,588,504)	(1,698,371)	(109,867)	(6.92%)	▼
Interest expenses		(53,237)	(35,472)	(26,478)	8,994	25.36%	▲
Insurance expenses		(227,456)	(227,342)	(223,935)	3,407	1.50%	▲
Other expenditure		(542,031)	(353,997)	(485,014)	(131,017)	(37.01%)	▼
		(10,259,701)	(6,955,005)	(6,997,995)	(42,990)	0.62%	
Non-cash amounts excluded from operating activities	1(a)	2,245,350	1,451,008	1,525,130	74,122	5.11%	▲
Amount attributable to operating activities		881,942	2,960,067	3,833,524	873,457	29.51%	
Investing activities							
Proceeds from non-operating grants, subsidies and contributions	12	1,096,786	731,176	710,118	(21,058)	(2.88%)	▼
Proceeds from disposal of assets	6	244,000	226,658	265,253	38,595	17.03%	▲
Proceeds from financial assets at amortised cost - self supporting loans	8	37,470	26,910	26,811	(99)	(0.37%)	▼
Payments for property, plant and equipment and infrastructure	7	(4,984,264)	(3,402,104)	(1,769,456)	1,632,648	47.99%	▲
Amount attributable to investing activities		(3,606,008)	(2,417,360)	(767,274)	1,650,086	(68.26%)	
Financing Activities							
Proceeds from new debentures	8	200,000	0	0	0	0.00%	
Transfer from reserves	9	205,000	205,000	360,335	155,335	75.77%	▲
Repayment of debentures	8	(202,648)	(145,537)	(132,231)	13,306	9.14%	▲
Transfer to reserves	9	(490,100)	(351,977)	(21,677)	330,301	93.84%	▲
Amount attributable to financing activities		(287,748)	(292,514)	206,427	498,941	(170.57%)	
Closing funding surplus / (deficit)	1(c)	0	3,262,007	5,662,240	2,400,233	(73.58%)	▲

KEY INFORMATION

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

Refer to Note 15 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

The financial report has been prepared in accordance with Australian Accounting Standards (as they apply to local governments and not-for-profit entities) and interpretations of the Australian Accounting Standards Board, and the *Local Government Act 1995* and accompanying Regulations.

The *Local Government Act 1995* and accompanying Regulations take precedence over Australian Accounting Standards where they are inconsistent.

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

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

THE LOCAL GOVERNMENT REPORTING ENTITY

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

All monies held in the Trust Fund are excluded from the financial statements. A separate statement of those monies appears at Note 13 to these 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 28 February 2023

(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				
Less: Profit on asset disposals	6	(137,500)	(137,496)	(173,241)
Add: Depreciation on assets		2,382,850	1,588,504	1,698,371
Total non-cash items excluded from operating activities		2,245,350	1,451,008	1,525,130

(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 28 February 2023	
Adjustments to net current assets				
Less: Reserves - restricted cash	9	(1,267,703)	(982,603)	(643,945)
Less: - Financial assets at amortised cost - self supporting loans	4	(37,470)	(35,627)	(26,811)
Less: Land Held for Resale		(235,000)		
- Other liabilities - Adjustment to current non current liabilities		39,605		(25,769)
Add: Borrowings	8	402,648	202,648	70,418
Add: Provisions employee related provisions	10	718,085	706,956	732,724
Total adjustments to net current assets		(379,835)	(108,626)	106,617

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

Current assets				
Cash and cash equivalents	2	1,452,197	4,180,625	6,035,509
Financial assets at amortised cost	2	37,740	0	0
Rates receivables	3		160,407	450,988
Receivables	3	427,563	260,289	327,093
Other current assets	4	246,568	47,195	70,686
Less: Current liabilities				
Payables	5	(663,501)	(717,614)	(525,512)
Borrowings	8	(402,648)	(202,648)	(70,418)
Contract liabilities	10		(497,341)	0
Provisions	10	(718,084)	(732,724)	(732,724)
Less: Total adjustments to net current assets	1(b)	(379,835)	(108,626)	106,617
Closing funding surplus / (deficit)		0	2,389,563	5,662,240

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	Restricted	Total Cash	Trust	Institution	Interest Rate	Maturity Date
		\$	\$	\$				
Cash Deposits	Municipal	2,354,941.98		2,354,941.98		NAB		At call
Petty Cash	Cash on Hand	1,050.00		1,050.00				
Investment	Reserves	0.00	643,945.01	643,945.01		NAB	4.31%	30/06/2023
Investment	Term Deposit	1,010,924.18		1,010,924.18		NAB	3.40%	31/03/2023
Investment	Term Deposit	1,010,135.14		1,010,135.14		NAB	3.40%	31/03/2023
Investment	Term Deposit	1,014,512.36		1,014,512.36		NAB	4.20%	31/05/2023
Total		5,391,563.66	643,945.01	6,035,509	0			
Comprising								
Cash and cash equivalents		5,391,563.66	643,945.00	6,035,509	0			
		5,391,563.66	643,945.00	6,035,509	0			

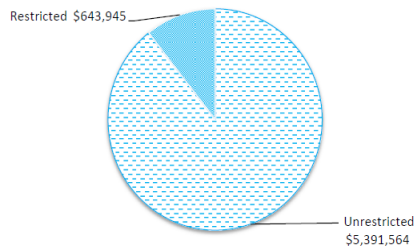
KEY INFORMATION

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.

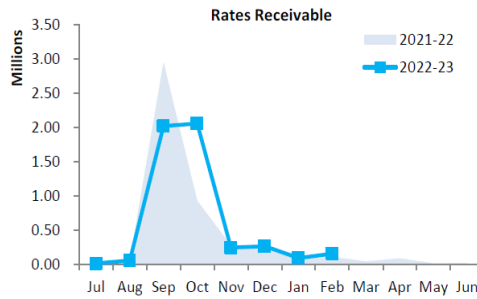
The local government classifies financial assets at amortised cost if both of the following criteria are met:

- 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.



Rates receivable	30 June 2022	28 Feb 2023
	\$	\$
Opening arrears previous years	56,814	160,407
Levied this year	4,816,759	4,816,759
Less - collections to date	(4,713,166)	(4,526,178)
Gross rates collectable	160,407	450,988
Net rates collectable	160,407	450,988
% Collected	96.7%	90.9%



Receivables - general	Credit	Current	30 Days	60 Days	90+ Days	Total
	\$	\$	\$	\$	\$	\$
Receivables - general	(6,068)	48,078	8,061	3,841	51,511	105,423
Percentage	(5.8%)	45.6%	7.6%	3.6%	48.9%	
Balance per trial balance						
Sundry receivable						105,423
GST receivable						94,015
Rubbish Releivables						52,285
Emergency Services Levy						75,370
Total receivables general outstanding						327,093

Amounts shown above include GST (where applicable)

KEY INFORMATION

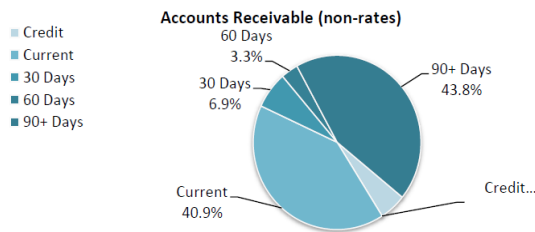
Trade and other receivables include amounts due from ratepayers for unpaid rates and service charges and other amounts due from third parties for goods sold and services performed in the ordinary course of business.

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

Classification and subsequent measurement

Receivables which are generally due for settlement within 30 days except rates receivables which are expected to be collected within 12 months are classified as current assets. All other receivables such as, deferred pensioner rates receivable after the end of the reporting period are classified as non-current assets.

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



	Opening Balance 1 July 2022	Asset Increase	Asset Reduction	Closing Balance 28 February 2023
Other current assets	\$	\$	\$	\$
Other financial assets at amortised cost				
Financial assets at amortised cost - self supporting loans	35,627		(8,816)	26,811
Inventory				
Fuel	11,568	32,308		43,876
Total other current assets	47,195	32,308	(8,816)	70,686

Amounts shown above include GST (where applicable)

KEY INFORMATION

Other financial assets at amortised cost

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

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

Inventory

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

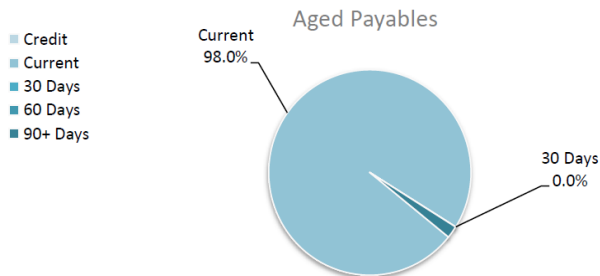
Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Payables - general	Credit	Current	30 Days	60 Days	90+ Days	Total
	\$	\$	\$	\$	\$	\$
Payables - general	0	226,623	71	0	4,453	231,146
Percentage	0%	98%	0%	0%	1.9%	
Balance per trial balance						
Sundry creditors						231,146
Accrued salaries and wages						3,924
ATO liabilities						66,381
Payroll Deductions Rates						(40)
Prepaid Rates						68,115
Bonds and Deposits						155,986
Total payables general outstanding						525,512

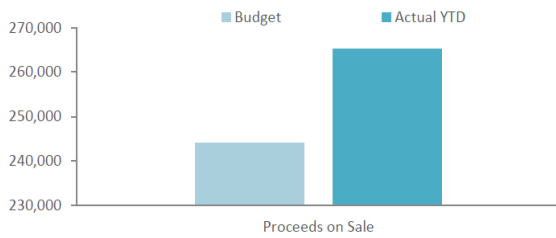
Amounts shown above include GST (where applicable)

KEY INFORMATION

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



Asset Ref.	Asset description	Budget				YTD Actual			
		Net Book Value	Proceeds	Profit	(Loss)	Net Book Value	Proceeds	Profit	(Loss)
		\$	\$	\$	\$	\$	\$	\$	\$
	Plant and equipment								
	Governance								
41761	Toyota Prado - CEO	22,000	52,000	30,000	0	20,824	50,000	29,176	0
	Law, order, public safety								
41729	Ajana/Binnu Fast Attack - DFES			0	0	13,201	44,545	31,345	0
	Transport								
41769	P283 - Ute LH Kalbarri	11,000	12,000	1,000	0			0	0
41770	P284 - Ute LH Main't N'hpton	13,500	20,000	6,500	0			0	0
41758	P271 - Ute LH Road Construction	0	20,000	20,000	0	0	24,990	24,990	0
41716	P238 - Cat Grader 12M	60,000	140,000	80,000	0	57,987	127,273	69,286	0
41758	P258 - Ute General Northampton	0	0	0	0	0	18,445	18,445	0
		106,500	244,000	137,500	0	92,012	265,253	173,242	0



Capital acquisitions	Adopted		YTD Actual	YTD Actual Variance
	Budget	YTD Budget		
	\$	\$	\$	\$
Buildings	596,410	405,164	514,581	109,417
Plant and equipment	865,300	641,958	548,797	(93,161)
Infrastructure - Roads	2,352,084	1,568,048	664,420	(903,628)
Infrastructure - Footpaths & Carpark	376,470	250,936	2,934	(248,002)
Infrastructure - Parks & Ovals	109,000	79,334	16,553	(62,781)
Infrastructure - Airport	630,000	420,000	22,170	(397,830)
Infrastructure - Water & Sewer Reticulation	55,000	36,664	0	(36,664)
Payments for Capital Acquisitions	4,984,264	3,402,104	1,769,456	(1,632,648)
Capital Acquisitions Funded By:				
	\$	\$	\$	\$
Capital grants and contributions	1,096,786	731,176	855,419	124,243
Borrowings	200,000	0	0	0
Other (disposals & C/Fwd)	244,000	226,658	265,253	38,595
Cash backed reserves				
Leave reserve	0		155,335	155,335
Kalbarri Airport Reserve	(205,000)		205,000	205,000
Contribution - operations	3,648,478	2,444,270	288,449	(2,155,821)
Capital funding total	4,984,264	3,402,104	1,769,456	(1,632,648)

SIGNIFICANT ACCOUNTING POLICIES

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

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

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

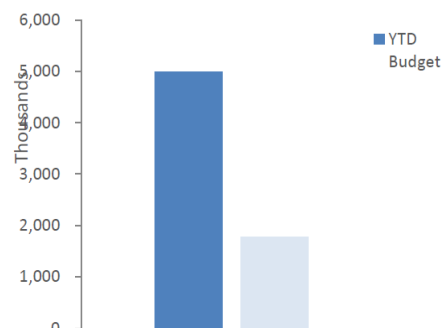
Initial recognition and measurement for assets held at cost

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

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

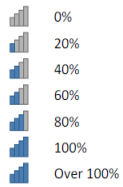
In relation to this initial measurement, cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition. For assets acquired at zero cost or otherwise significantly less than fair value, cost is determined as fair value at the date of acquisition. The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

Payments for Capital Acquisitions



Capital expenditure total

Level of completion indicators



Percentage Year to Date Actual to Annual Budget expenditure where the expenditure over budget highlighted in red.

Level of completion indicator, please see table at the end of this note for further detail.

Account Description	Adopted			Variance (Under)/Over
	Budget	YTD Budget	YTD Actual	
	\$	\$	\$	\$
Office Generator changeover switching	13,300	13,299	13,257	(42)
CEO Vehicle	60,000	59,997	59,045	(952)
Northampton Recreation Ground Ablutions	140,060	47,898	119,451	71,553
Sallys Tree Ablutions outdoor showers	8,000	2,736	8,198	5,462
Chinamans ablutions outdoor showers	8,000	2,736	8,198	5,462
Seal Access Road to Horrocks Dump Point	27,500	18,328	23,636	5,308
Horrock Foreshore - stairs and shower	24,000	16,000	16,553	553
Kalbarri Recreation Jetty Repairs	65,000	43,336	0	(43,336)
NCC - Change Room Upgrade	40,000	39,996	0	(39,996)
Port Gregory Carpark and BBQ	141,310	94,192	0	(94,192)
Kalbarri Community Camp Kitchen	134,750	134,742	123,608	(11,134)
Stud Breeders Shed - Northampton	227,600	151,728	252,136	100,408
Kalbarri Multi-Use Centre	30,000	20,000	2,990	(17,010)
Horrocks North Holding Tanks	20,000	19,998	0	(19,998)
Road Construction	2,324,584	1,549,720	640,784	(908,936)
Footpath/Carpark Construction	235,160	156,744	2,934	(153,810)
Maintenance Grader	440,000	293,332	426,178	132,846
Back Hoe	230,000	153,332	0	(153,332)
Ute Leading Hand M'tce Kalbarri	50,000	49,999	1,855	(48,144)
Ute Leading Hand M'tce Northampton	48,000	47,999	48,462	463
Safety Officer (50% share)	24,000	24,000	0	(24,000)
Kalbarri Depot Ablution	8,000	5,328	0	(5,328)
Airport - Runway and Apron Seal	630,000	420,000	22,170	(397,830)
Port Gregory Water Supply - Tank/Shed	55,000	36,664	0	(36,664)
	4,984,264	3,402,104	1,769,456	(1,632,648)

Repayments - borrowings

Particulars	Loan No.	1 July 2022	New Loans		Principal Repayments		Principal Outstanding		Interest Repayments	
			Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget
		\$	\$	\$	\$	\$	\$	\$	\$	\$
Housing										
Staff Housing	154	117,155	0	0	(18,743)	(37,792)	98,412	79,363	(2,013)	(4,344)
Recreation and culture										
RSL Hall Extensions	156	360,605	0	0	(24,077)	(48,402)	336,528	312,203	(4,592)	(9,604)
Transport										
Plant Purchases	153	46,346	0	0	(46,346)	(46,346)	(0)	0	(745)	(1,606)
Plant Purchases	157	276,264	0	0	(16,254)	(32,638)	260,010	243,626	(2,243)	(6,120)
Plant Purchases	158	0	0	200,000			0	200,000		
		800,370	0	200,000	(105,420)	(165,178)	694,950	835,192	(9,593)	(21,674)
Self supporting loans										
Education and welfare										
Pioneer Lodge		327,177	0	0	(16,353)	(16,353)	310,824	310,824	(9,041)	(14,983)
Other property and services										
Staff Housing (CEO)		254,835	0	0	(10,458)	(21,117)	244,377	233,718	(7,844)	(16,580)
		582,012	0	0	(26,811)	(37,470)	555,201	544,542	(16,885)	(31,563)
Total		1,382,382	0	200,000	(132,231)	(202,648)	1,250,151	1,379,734	(26,478)	(53,237)
Current borrowings		202,648					70,418			
Non-current borrowings		1,179,734					1,179,733			
		1,382,382					1,250,151			

All debenture repayments were financed by general purpose revenue.

Self supporting loans are financed by repayments from third parties.

New borrowings 2022-23

Particulars	Amount Borrowed	Amount Borrowed	Institution	Loan Type	Term Years	Total Interest & Charges	Interest Rate	Amount (Used)		Balance Unspent
	Actual	Budget						Actual	Budget	
	\$	\$				\$	%	\$	\$	\$
Loan 158 - Plant Purchases	0	200,000	WATC	Fixed	10	0		0	0	0

The Shire has no unspent debenture funds as at 30th June 2022, nor is it expected to have unspent funds as at 30th June 2023.

KEY INFORMATION

Borrowing costs are recognised as an expense when incurred except where they are directly attributable to the acquisition, construction or production of a qualifying asset. Where this is the case, they are capitalised as part of the cost of the particular asset until such time as the asset is substantially ready for its intended use or sale.

Fair values of borrowings are not materially different to their carrying amounts, since the interest payable on those borrowings is either close to current market rates or the borrowings are of a short term nature. Non-current borrowings fair values are based on discounted cash flows using a current borrowing rate.

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

OPERATING ACTIVITIES
NOTE 9
RESERVE ACCOUNTS

Reserve accounts

Reserve name	Opening Balance	Budget Interest Earned	Actual Interest Earned	Budget Transfers In (+)	Actual Transfers In (+)	Budget Transfers Out (-)	Actual Transfers Out (-)	Budget Closing Balance	Actual YTD Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Restricted by Council									
Leave reserve	236,560	1,250	4,085	5,000	5,000	0	(155,335)	242,810	90,310
Roadworks Reserve	29,456	500	1,630	0	0	0	0	29,956	31,086
Kalbarri Airport Reserve	205,535	100	330	0	0	(205,000)	(205,000)	635	865
Building/Housing Reserve	114,710	500	1,630	480,000	0	0	0	595,210	116,340
Kalbarri Tourism Rate Reserve	6,975	0	0	0	0	0	0	6,975	6,975
Computer and Office Equipment Resen	33,861	250	820	0	0	0	0	34,111	34,681
Land Development Reserve	355,506	2,500	8,182	0	0	0	0	358,006	363,688
	982,603	5,100	16,677	485,000	5,000	(205,000)	(360,335)	1,267,703	643,945

	Note	Opening Balance 1 July 2022	Liability transferred from/(to) non current	Liability Increase	Liability Reduction	Closing Balance 28 February 2023
		\$		\$	\$	\$
Other current liabilities						
Other liabilities						
- Contract liabilities		497,341	0		(497,341)	0
Total other liabilities		497,341	0	0	(497,341)	0
Employee Related Provisions						
Annual leave		265,551	0			265,551
Long service leave		467,173	0			467,173
Total Employee Related Provisions		732,724	0	0	0	732,724
Total other current assets		1,230,065	0	0	(497,341)	732,724
Amounts shown above include GST (where applicable)						

A breakdown of contract liabilities and associated movements is provided on the following pages at Note 11

KEY INFORMATION

Provisions

Provisions are recognised when the Shire has a present legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

Employee Related Provisions

Short-term employee benefits

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

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

Other long-term employee benefits

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

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

Contract liabilities

An entity's obligation to transfer goods or services to a customer for which the entity has received consideration (or the amount is due) from the customer.

Capital grant/contribution liabilities

Grants to acquire or construct recognisable non-financial assets to identified specifications to be controlled by the Shire are recognised as a liability until such time as the Shire satisfies its obligations under the agreement.

Provider	Unspent operating grant, subsidies and contributions liability					Operating grants, subsidies and contributions revenue		
	Liability	Increase in Liability	Decrease in Liability	Liability	Current Liability	Adopted Budget Revenue	YTD Budget	YTD Revenue Actual
	1 July 2022		(As revenue)	28 Feb 2023	28 Feb 2023			
	\$	\$	\$	\$	\$	\$	\$	\$
Operating grants and subsidies								
General purpose funding								
GRANTS COMMISSION - GENERAL	0	0		0	0	280,291	210,216	380,524
GRANTS COMMISSION - ROADS	0	0		0	0	173,134	129,849	129,851
Law, order, public safety								
EMERGENCY SERVICES LEVY - BFB	0	0		0	0	45,120	31,479	32,737
EMERGENCY SERVICES LEVY - SES	0	0		0	0	40,768	25,777	29,580
Education and welfare								
NCCA GRANTS/CONTRIBUTIONS REVENUE	0	0		0	0	32,500	32,500	65,000
Transport								
- MRD MAINTENANCE	0	0		0	0	201,476	201,476	205,809
	0	0	0	0	0	773,289	631,297	843,500
Operating contributions								
Governance								
CONTRIBUTIONS	0	0		0	0	0	0	55
CONTRIBUTIONS	0	0		0	0	15,000	10,000	3,581
REBATES AND COMMISSIONS	0	0		0	0	41,422	27,608	34,499
General purpose funding								
LEGAL CHARGES RATES (NO GST)	0	0		0	0	5,000	3,328	9,896
RATE EQUIVALENT PAYMENTS	0	0		0	0	22,372	0	0
Law, order, public safety								
REIMBURSEMENTS	0	0		0	0	2,000	1,328	10,715
Health								
CONTRIBUTIONS	0	0		0	0	16,000	10,664	0
REIMBURSEMENTS - OTHER	0	0		0	0	2,000	1,328	358
Education and welfare								
NCCA - REIMBURSEMENTS	0	0		0	0	0	0	34,333
NCCA CCS REBATE	0	0		0	0	5,000	3,328	1,944
SELF SUPPORTING LOAN INTEREST REIMBURSEMENTS - I	0	0		0	0	0	0	12,764
Housing								
REIMBURSEMENTS - HOUSING OTHER	0	0		0	0	20,000	13,328	8,831
Community amenities								
CONTRIBUTIONS	0	0		0	0	50,000	33,328	42,410
REIMBURSEMENTS - DRUMMUSTER	0	0		0	0	4,000	2,664	0
REIMBURSE (ADVERTISING/PLANNING COMMISSION)	0	0		0	0	200	128	0
REIMBURSEMENTS	0	0		0	0	7,400	4,928	11,391
OTHER COMMUNITY AMENITIES - CONTRIBUTIONS/GRA	0	0		0	0	0	0	3,273
Recreation and culture								
CONTRIBUTIONS/REIMBURSEMENTS	0	0		0	0	0	0	15,802
CONTRIBUTIONS/DONATIONS	0	0		0	0	0	0	7,116
REIMBURSEMENTS	0	0		0	0	5,400	3,600	6,045
CONTRIBUTIONS	0	0		0	0	0	0	23,840
REIMBURSEMENTS- REC. CTRE/GOLF CLUB	0	0		0	0	12,000	8,000	13,068
REIMBURSEMENTS	0	0		0	0	0	0	467
150 YEAR CELEBRATIONS - REVENUE (INC BRICKS/MEMO)	0	0		0	0	0	0	12
CONTRIBUTIONS/REIMBURSEMENTS	0	0		0	0	0	0	6,320
Transport								
CONTRIBUTION (INC STREET LIGHTING)	0	0		0	0	3,750	2,496	0
Economic services								
BUILDING REIMBURSEMENTS	0	0		0	0	1,750	1,160	539
REIMBURSEMENTS	0	0		0	0	4,000	2,664	358
LIA (KITSON CIRCUIT) UNITS ANNUAL RENT	0	0		0	0	5,000	3,328	2,720
PT GREGORY SPEC AREA RATE	0	0		0	0	1,000	664	1,000
Other property and services								
LEASE FEES - HALF WAY BAY COTTAGES	0	0		0	0	16,000	10,664	16,000
INSURANCE CLAIMS - VEHICLES	0	0		0	0	2,000	1,328	2,200
DIESEL FUEL REBATE	0	0		0	0	30,000	20,000	20,741
WHS COORDINATOR INCOME RECOUP	0	0		0	0	47,620	31,744	25,344
SELF SUPPORTING LOAN INTEREST REIMBURSEMENTS - I	0	0		0	0	16,580	11,048	7,844
CYCLONE SEROJA - DFRAWA INCOME	0	0		0	0	0	0	10,534
REIMB. - WORKERS COMPENS.	0	0		0	0	25,000	16,664	49,244
	0	0	0	0	0	360,494	225,320	383,243
TOTALS	0	0	0	0	0	1,133,783	856,617	1,226,743

Provider	Capital grant/contribution liabilities					Non operating grants, subsidies and contributions revenue		
	Liability 1 July 2022	Increase in Liability	Decrease in Liability (As revenue)	Liability 28 Feb 2023	Current Liability 28 Feb 2023	Adopted Budget Revenue	YTD Budget	YTD Revenue Actual
	\$	\$	\$	\$	\$	\$	\$	\$
Non-operating grants and subsidies								
Community amenities								
LRCI - NCC ABLUTIONS				0		0	0	70,000
Transport								
ROADS TO RECOVERY FUNDING				0		453,484	302,320	158,484
LRCI - LITTLE BAY ROAD				0		290,302	193,528	275,000
WA BIKE NETWORK GRANT				0		61,000	40,664	20,000
REGIONAL ROAD GROUP FUNDING				0		92,000	61,336	41,333
RUNWAY RESEAL - LRCI GRANT				0		200,000	133,328	145,301
Economic services								
LRCI - AIRPORT RUNWAY RESEAL				0		200,000	133,328	145,301
	0	0	0	0	0	1,296,786	864,504	855,419

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

**NOTE 13
BONDS AND DEPOSITS**

Funds held at balance date which are required by legislation to be credited to the trust fund and which are not included in the financial statements are as follows:

Description	Opening Balance	Amount	Amount	Closing Balance
	1 July 2022	Received	Paid	28 Feb 2023
	\$	\$	\$	\$
Transportable House Bonds	4,500	1,600	0	6,100
Footpath Bonds	28,007	5,000	(4,000)	29,007
Building Levies (BCITF & BRB)	265	33,850	(21,896)	12,219
Community Bus Bond	5,200	800	(400)	5,600
Unclaimed Monies - Rates	5,179	0	0	5,179
RSL Hall Key Bond	430	230	0	660
Special Series Plates	3,520	620	(400)	3,740
Northampton Child Care Association	23,654	85	0	23,739
Horrocks Memorial Wall	515	1,750	(1,067)	1,198
One Life	940	0	0	940
Rubbish Tip Key Bond	1,800	0	0	1,800
Horrocks - Skate/Pump Park	0	2,000	(80)	1,920
RSL - Kalbarri Memorial	16,130	15,754	0	31,883
DOT - Department of Transport	0	200,617	(200,617)	0
Cyclone Seroja Donations	47,259	100	(47,359)	0
Rates - Overpaid	30,761	0	0	30,761
Horrocks Lookout	0	3,500	(2,260)	1,240
	168,160	265,905	(278,079)	155,986

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

NOTE 14
 BUDGET AMENDMENTS

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

GL Code	Description	Council Resolution	Classification	Non Cash Adjustment	Increase in Available Cash	Decrease in Available Cash	Amended Budget Running Balance
	Budget adoption			\$	\$	\$	\$ 3,011,814
				0	0	0	0

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 0.00% whichever is the greater.

Nature or type	Var. \$	Var. %	Explanation of positive variances		Explanation of negative variances	
			Timing	Permanent	Timing	Permanent
	\$	%				
Opening funding surplus / (deficit)	(622,251)	(20.66%) ▼				Ver due to LRCI Contract Liability and additional accruals @ 30 June 2022
Revenue from operating activities						
Rates	46,260	0.97% ▲		Additional Interim Rating largely cyclone Seroja related		
Operating grants, subsidies and contributions	370,126	43.21% ▲		Var due to LRCI2 final revenue component and contributions revenue		
Fees and charges	11,672	0.97% ▲		Add sale of scrapmetal & building fees		
Interest earnings	97,062	301.77% ▲		Additional revenue due to increased interest investment rates		
Other revenue	281,460	19.17% ▲		Var associated with additional insurance payment of \$250k		
Profit on disposal of assets	35,745	26.00% ▲			Profit on disposal of CEO vehicle, (x2) utes and the Cat 12M Grader only	
Expenditure from operating activities						
Employee costs	98,659	3.61% ▲			Savings due to vacant positions	
Materials and contracts	65,285	3.65% ▲			Will reconcile as the year progresses	
Utility charges	21,549	9.52% ▲			Positive variance associated with power costs	
Depreciation on non-current assets	(109,867)	(6.92%) ▼				Variance due to additional depreciation associated with building revaluation process
Interest expenses	8,994	25.36% ▲			Will reconcile EOY	
Other expenditure	(131,017)	(37.01%) ▼			Will reconcile EOY	
Non-cash amounts excluded from operating activities	74,122	5.11% ▲				Partly associated with additional depreciation and profit on disposal of assets
Investing activities						
Proceeds from non-operating grants, subsidies and contributions	(21,058)	(2.88%) ▼			Will reconcile EOY	
Proceeds from disposal of assets	38,595	17.03% ▲			The majority of veh & plant trades completed	
Payments for property, plant and equipment and infras	1,632,648	47.99% ▲		Will reconcile as the year progresses and major works completed including the airport runway, roadworks etc		
Financing activities						
Transfer from reserves	155,335	75.77% ▲			Reserve Transfers processed	
Repayment of debentures	13,306	9.14% ▲		Var will reconcile		
Transfer to reserves	330,301	93.84% ▲		Transfer to reserves to be processed in June 2023		
Closing funding surplus / (deficit)	2,400,233	(73.58%) ▲		To be addressed in the March Budget Review		

11.3 BUDGET REVIEW 2022/2023 (ITEM 11.3)

File Reference	1.1.2
Date of Report	3 rd March 2023
Reporting Officer	Grant Middleton
Responsible Officer	Grant Middleton, Deputy Chief Executive Officer

SUPPORTING DOCUMENTS:

Reference	Description	In Report	Separate Cover
Appendix 1	Budget Review Template	✓	

DISCLOSURE OF INTEREST:

Nil

BACKGROUND:

The Local Government (Financial Management) Regulations 1996 require a budget review to be completed between 1 January and 31 March each financial year.

The review of an annual budget for a financial year must:

- Consider the local government's financial performance in the period beginning on 1 July and ending no earlier than 31 December in that financial year; and
- Consider the local government's financial position as at the date of the review; and
- Review the outcomes for the end of the financial year that are forecast in the budget.

The current budget review addresses the change (reduction) in the carryover figure of \$622,251 per the Annual Financial Statements for 2021/2022. Financial Management Regulation 33 (2A) (c) requires the outcomes for the end of the financial year to be part of the budget review process.

The amount included in the 2022/2023 budget as a carryover was estimated at \$3,011,814 whereas the Annual Financial Statements for 2021/2022 detail a carryover amount of \$2,389,563. The reduction carryover amount of \$622,251 is predominately due to the following:

Contract Liability for unspent LRCI grant funding	\$497,341
Payroll and payment accruals (additional compared to budget)	\$107,725
(Payroll Accrual = \$87,330, Payment Accruals = \$38,343 while the 2022/2023 budgeted figure for accruals was \$50,000)	

The carryover figure in the budget is an estimate based on the trial balance and other known variables at the time of finalising the budget. Whilst there are not normally a large number of changes the final position can vary depending on end of year processes which include accruals. A major factor in the decreased carryover figure was the contract liability journal for unspent LRCI grant funding which was posted after the finalisation of the budget process.

The summary of the final budget variation position for 2022/2023 is as follows:

Adjustment to carryover figure from 2021/2022	-\$622,251
Reduced Expenses 2022/2023	\$ 16,833
Increased Revenue 2022/2023	<u>\$855,174</u>
Estimated Surplus @ 30 June 2023	<u>\$216,090</u>

The budget review considers all relevant changes in expense and income plus allowing for the change in the carryover figure resulting in an estimated surplus amount of \$216,090.

COMMUNITY & GOVERNMENT CONSULTATION:

Not applicable

FINANCIAL IMPLICATIONS:

There will be no overall change to the 2022/2023 budget provision to accommodate the revised budget allocations listed above. Additionally, the budget revision will not impact on the Long Term Financial Plan (LTFP).

STATUTORY IMPLICATIONS:

General Financial Management of Council
Local Government (Financial Management) Regulation 33A 1996

Regulation 33A (1) (2) (3) and (4) of the FM Regulations requires the results of the budget review to be submitted to Council within 30 days of the review. Council is then to consider the review and determine whether or not to adopt the review, any part of the review and any recommendations made in the review.

POLICY/PROCEDURE IMPLICATIONS:

No Policy or Procedure implications

COMMENT:

The intention of the legislation is to ensure local governments conduct at least one budget review between six and nine months into the financial year.

The Budget review is a detailed comparison of the year to date actual results with the adopted or amended budget. It establishes whether a local government continues meeting its budget commitments, is in receipt of income and incurs expenditure in accordance with the adopted budget.

The current review is indicating an overall budget surplus of \$216,090.

Detailed information relating to items listed in the 2022/2023 Budget Review have been provided on pages 7-12 per appendix 1. All additional expenditure variations listed in the review are considered to be a priority in nature and need to be funded this financial year.

RISK ASSESSMENT:

The associated of not approving the budget variations will impact on Councils ability to spend allocated grant funds however the risk rating is considered Level 2 – Minor.

Measures of Consequence							
Rating (Level)	Health	Financial Impact	Service Interruption	Compliance	Reputational	Property	Environment
Minor (2)	First aid injuries	\$1,001 - \$10,000	Short term temporary interruption – backlog cleared < 1 day	Some temporary non compliances	Substantiated, low impact, low news item	Localised damage rectified by routine internal procedures	Contained, reversible impact managed by internal response

VOTING REQUIREMENT:

Absolute Majority Required: - As there will be a change to the 2022/2023 Budget Council is required to approve the expenditure by an absolute majority as per Section 6.8 of the Local Government Act 1995.

STAFF RECOMMENDATION – 11.3

1. That Council adopt by absolute majority the 2022/2023 midyear budget review as provided at appendix 1 and note any variances or recommendations.

2. That Council adopt by absolute majority the following budget amendments to the 2022/2023 adopted annual budget:

146110.19	Capital Revenue	LRCI & R2R Revenue (Reversal from 21/22)	Increase provision by \$497,341
145010.11	Operating Revenue	Increase in General Rates Revenue	Increase provision by \$40,000
146030.17	Operating Revenue	Additional revenue increased interest rates	Increase provision by \$100,000
111630.19	Operating Revenue	NCCA Grant transferred to REED	Increase provision by \$32,500
113320.09	Capital Expenses	NCCA Grant payment to REED	Increase provision by \$32,500
128430.14	Operating Revenue	Reduced rent at Rake Place	Decrease provision by \$5,000
133230.14	Operating Revenue	Add refuse site fees Kalbarri & Northampton	Increase provision by \$10,000
133430.14	Operating Revenue	Reduced Business Refuse Fees	Decrease provision by \$2,500
133630.14	Operating Revenue	Increased Sale of Scrap Metal	Increase provision by \$12,500
162810.19	Operating Revenue	Increased MRD Direct Grant	Increase provision by \$4,000
102720.01	Operating Expenses	Additional Staff Costs - CEO	Increase provision by \$140,000
138120.08	Operating Expenses	Waste Removal revised contract rate	Decrease provision by \$200,000
142820.08	Operating Expenses	Add planning work undertaken in-house	Decrease provision by \$20,000
155220.08	Operating Expenses	Additional building repairs/maintenance	Increase provision by \$10,000
164120.01	Operating Expenses	Reduced Building Officer relief costs	Decrease provision by \$15,000
171520.01	Operating Expenses	Reduced superannuation provision for wages	Decrease provision by \$25,000
173120.02	Operating Expenses	Additional fuel costs for plant fuel	Increase provision by \$25,000
167520.08	Operating Expenses	Replace Port Gregory fire hydrants	Increase provision by \$11,000
149820.08	Operating Expenses	Replace electrical cubicle Horrocks Oval	Increase provision by \$3,000
105020.08	Operating Expenses	Replace line of sight POE Infrastructure - Depot	Increase provision by \$7,000
154140.99	Capital Expenses	Defer Pt Gregory Water supply shed installation	Decrease provision by \$21,000
104080.08	Operating Expenses	Additional costs for Infrastructure revaluation	Increase provision by \$40,000
105020.09	Operating Expenses	Additional (x5) Synergyssoft licenses	Increase provision by \$8,000
133440.08	Capital Expenses	Additional (x4) septic lids, extra plumbing /electrical for NCC toilet block	Increase provision by \$10,000
Reserves	Capital Revenue	Staff costs - Reserves Transfer (CEO)	Increase provision by \$155,000

SHIRE OF NORTHAMPTON

BUDGET REVIEW REPORT

FOR THE PERIOD ENDED 28 FEBRUARY 2023

LOCAL GOVERNMENT ACT 1995

LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) REGULATIONS 1996

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SHIRE OF NORTHAMPTON
STATEMENT OF BUDGET REVIEW
(NATURE OR TYPE)
FOR THE PERIOD ENDED 28 FEBRUARY 2023

Note	Budget v Actual		Predicted			
	Adopted YTD Budget (a)	YTD Actual (b)	Variance Permanent (c)	Variance Timing (Carryover) (d)	Year End (a)+(c)+(d)	
	\$	\$	\$	\$	\$	
OPERATING ACTIVITIES						
Net current assets at start of financial year surplus/(deficit)	4.5.2	3,011,814	2,389,563	(622,251)	2,389,563	▼
Revenue from operating activities (excluding rates)						
Specified area rates	4.1.1	53,000	54,368		53,000	
Operating grants, subsidies and contributions	4.1.2	856,617	1,226,743	533,841	1,390,458	▲
Fees and charges	4.1.3	1,198,748	1,210,420	15,000	1,213,748	▲
Interest earnings	4.1.6	32,164	129,226	100,000	132,164	▲
Other revenue	4.1.7	1,468,540	1,750,000		1,468,540	
Profit on asset disposals	4.1.8	137,496	173,241		137,496	
		3,746,565	4,543,998	648,841	0	4,395,406
Expenditure from operating activities						
Employee costs	4.2.1	(2,733,284)	(2,634,625)	(161,000)	(2,894,284)	▲
Materials and contracts	4.2.2	(1,790,150)	(1,724,865)	163,667	(1,626,483)	▼
Utility charges	4.2.3	(226,256)	(204,707)		(226,256)	
Depreciation on non-current assets	4.2.4	(1,588,504)	(1,698,371)		(1,588,504)	
Interest expenses	4.2.5	(35,472)	(26,478)		(35,472)	
Insurance expenses	4.2.6	(227,342)	(223,934)		(227,342)	
Other expenditure	4.2.7	(353,997)	(485,014)	(40,500)	(394,497)	▲
		(6,955,005)	(6,997,993)	(37,833)	0	(6,992,838)
Non-cash amounts excluded from operating activities		1,451,008	1,525,130			1,451,008
Amount attributable to operating activities		1,254,382	1,460,697	(11,243)	0	1,243,139
INVESTING ACTIVITIES						
Non-operating grants, subsidies and contributions	4.3.1	731,176	710,118	11,333	742,509	▲
Purchase land and buildings	4.4.2	(405,164)	(514,581)	(20,000)	(425,164)	▲
Purchase plant and equipment	4.4.3	(641,958)	(548,797)		(641,958)	
Purchase and construction of infrastructure-roads	4.4.5	(1,568,048)	(664,420)	20,000	(1,548,048)	▼
Purchase and construction of infrastructure-other	4.4.6	(786,934)	(41,657)	21,000	(765,934)	▼
Proceeds from self supporting loans	4.3.6	26,910	26,811		26,910	
Proceeds from disposal of assets	4.3.2	226,658	265,253		226,658	
		(2,417,360)	(767,273)	32,333	0	(2,385,027)
Non-cash amounts excluded from investing activities		0	0			0
Amount attributable to investing activities		(2,417,360)	(767,273)	32,333	0	(2,385,027)
FINANCING ACTIVITIES						
Repayment of debentures	4.4.8	(145,537)	(132,231)		(145,537)	
Transfers to cash backed reserves (restricted assets)	4.5.10	(351,977)	(21,677)		(351,977)	
Transfers from cash backed reserves (restricted assets)	4.5.11	205,000	360,335	155,000		360,000
Amount attributable to financing activities		(292,514)	206,427	155,000	0	(137,514)
Budget deficiency before general rates		(1,455,492)	899,851	176,090	0	(1,279,402)
Estimated amount to be raised from general rates	4.5.1	4,717,499	4,762,391	40,000		4,757,499
Closing funding surplus(deficit)	3 (c)	3,262,007	5,662,242	216,090	0	3,478,097

1. BASIS OF PREPARATION

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

Local Government Act 1995 requirements

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

Accounting policies which have been adopted in the preparation of this budget review have been consistently applied unless stated otherwise. Except for rate setting information, the budget review 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.

Financial reporting disclosures in relation to assets and liabilities required by the Australian Accounting Standards have not been made unless considered important for the understanding of the budget review or required by legislation.

The local government reporting entity

All funds through which the Shire of Northampton controls resources to carry on its functions have been included in the financial statements forming part of this budget review.

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

Rounding off figures

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

2022-23 actual balances

Balances shown in this budget review report as YTD Actual are as forecast at the time of budget review preparation and are subject to final adjustments.

Budget comparative figures

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

Judgements, estimates and assumptions

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

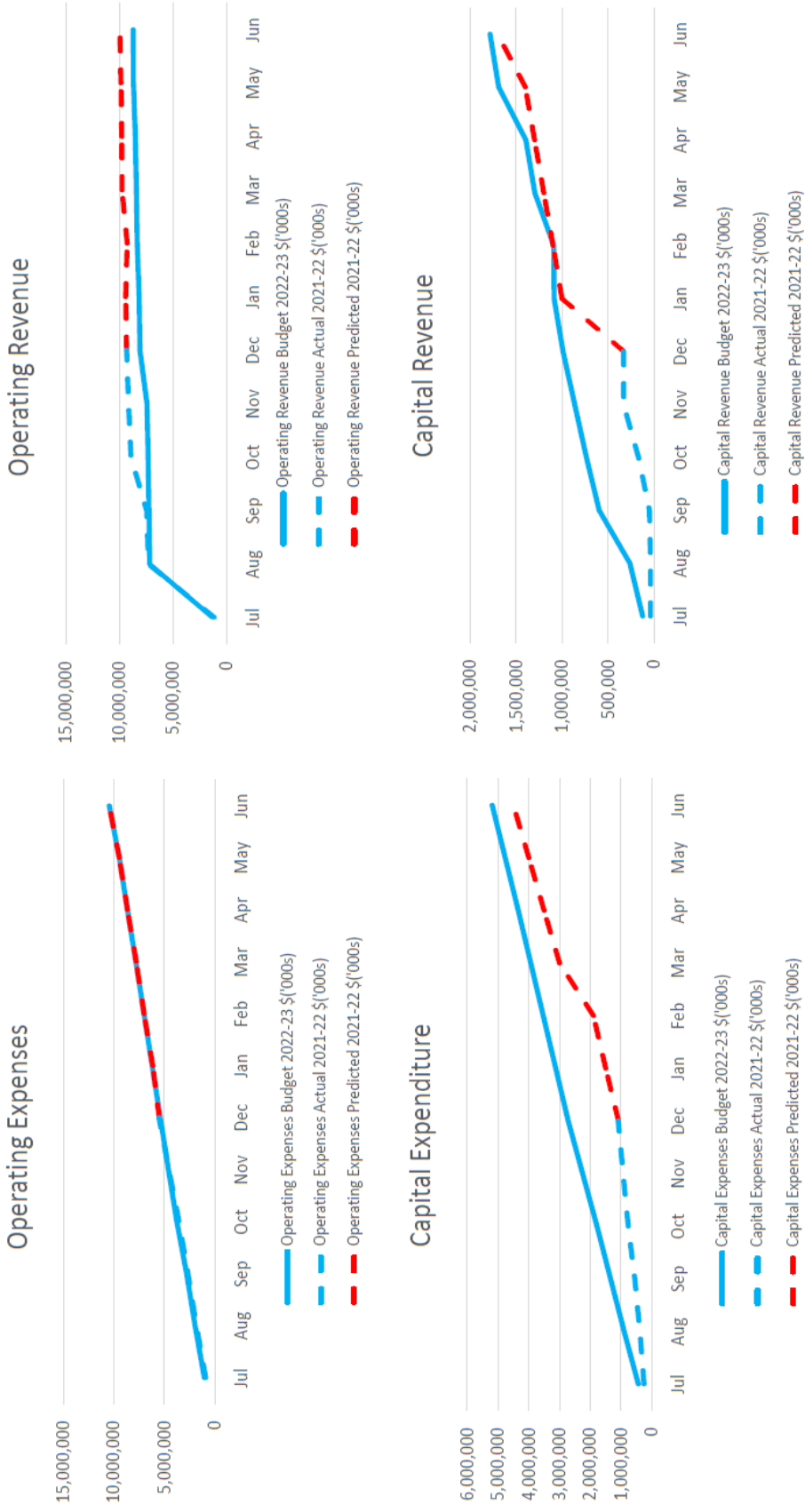
The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances; the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent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

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

- estimated fair value of certain financial assets
- estimation of fair values of land and buildings and investment property
- impairment of financial assets
- estimation uncertainties and judgements made in relation to lease accounting
- estimated useful life of assets

SHIRE OF NORTHAMPTON
 SUMMARY GRAPHS - BUDGET REVIEW
 FOR THE PERIOD ENDED 28 FEBRUARY 2023

2. SUMMARY GRAPHS - BUDGET REVIEW



This information is to be read in conjunction with the accompanying financial statements and notes.

3 NET CURRENT FUNDING POSITION

EXPLANATION OF DIFFERENCE IN NET CURRENT ASSETS AND SURPLUS/(DEFICIT)

Operating activities excluded from budgeted deficiency

When calculating the budget deficiency for the purpose of Section 6.2 (2)(c) of the *Local Government Act 1995* the following amounts have been excluded as provided by *Local Government (Financial Management) Regulation 32* which will not fund the budgeted expenditure.

(a) Operating activities excluded from budgeted deficiency

The following non-cash revenue or expenditure has been excluded from operating activities within the Rate Setting Statement.

	Actual - Used for Budget 30 June 2022	Audited Actual 30 June 2022	Budget 30 June 2023	Actual 28 February 2023
Adjustments to operating activities			\$	\$
Less: Profit on asset disposals	620,387	620,387	(137,496)	(173,241)
Add/Less Change in deferred rates & provisions		485		
Add: Depreciation on non-current assets	2,390,255	2,408,508	1,588,504	1,698,371
Non-cash amounts excluded from operating activities	3,010,642	3,029,380	1,451,008	1,525,130

(b) Current assets and liabilities excluded from budgeted deficiency

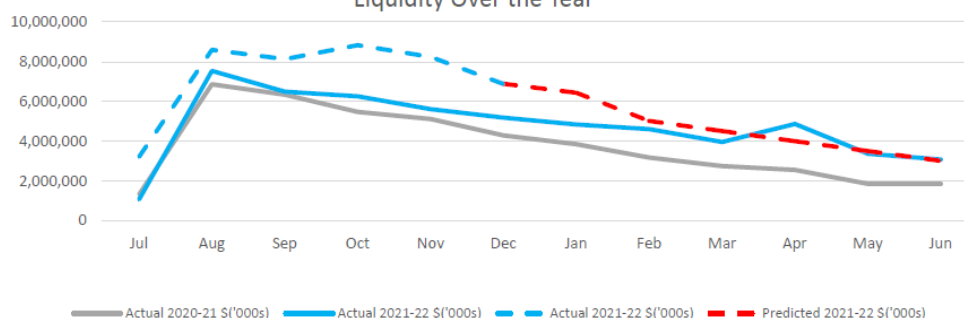
The following current assets and liabilities have been excluded from the net current assets used in the Rate Setting Statement.

Adjustments to net current assets				
Less: Restricted cash	(982,603)	(982,603)	(1,267,703)	(643,945)
Less : Financial assets at amortised cost - self supporting loans	(35,627)	(35,627)	(37,470)	(26,811)
Less : Land held for resale	(235,000)		(235,000)	
Less/Add - Adjustment to current non current liabilities			39,605	(25,768)
Add: Long term borrowings	196,293	202,648	402,648	70,418
Add: Provisions - employee	718,084	706,956	718,085	732,724
Add: Change in accounting policy/adjustment	39,875			
Total adjustments to net current assets	(298,978)	(108,626)	(379,835)	106,618

(c) Composition of estimated net current assets

Current assets				
Cash unrestricted	2,224,382	4,180,625	(787,432)	6,035,509
Cash restricted	1,954,529		2,239,629	(643,945)
Financial assets - unrestricted	35,627		37,740	
Receivables - rates and rubbish	218,904	160,407	427,563	450,988
Receivables - other	208,660	260,289		327,093
Other current assets		47,195		70,686
Inventories	246,568		246,568	
	4,888,670	4,648,516	2,164,068	6,240,331
Less: current liabilities				
Payables	(663,501)	(717,614)	(663,501)	(525,512)
Unspent contribution provision		(497,341)		
Long term borrowings	(196,293)	(202,648)	(402,648)	(70,418)
Provisions	(718,084)	(732,724)	(718,084)	(732,724)
	(1,577,878)	(2,150,327)	(1,784,233)	(1,328,654)
Net current assets	3,310,792	2,498,189	379,835	4,911,677
Less: Total adjustments to net current assets	(298,978)	(108,626)	(379,835)	106,618
Closing funding surplus / (deficit)	3,011,814	2,389,563	0	5,018,295

Liquidity Over the Year



3 COMMENTS/NOTES - NET CURRENT FUNDING POSITION (CONTINUED)

SIGNIFICANT ACCOUNTING POLICIES

CASH AND CASH EQUIVALENTS

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

Bank overdrafts are shown as short term borrowings in current liabilities.

FINANCIAL ASSETS AT AMORTISED COST

The Shire of Northampton 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.

TRADE AND OTHER RECEIVABLES

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

Trade receivables are recognised at original invoice amount less any allowances for uncollectible 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.

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

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

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

INVENTORIES

General

Inventories are measured at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

CONTRACT ASSETS

A contract asset is the right to consideration in exchange for goods or services the entity has transferred to a customer when that right is conditioned on something other than the passage of time.

CURRENT AND NON-CURRENT CLASSIFICATION

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

TRADE AND OTHER PAYABLES

Trade and other payables represent liabilities for goods and services provided to the Shire of Northampton prior to the end of the financial year that are unpaid and arise when the Shire of Northampton 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.

PREPAID RATES

Prepaid rates are, until the taxable event has occurred (start of the next financial year), refundable at the request of the ratepayer. Rates received in advance are initially recognised as a financial liability. When the taxable event occurs, the financial liability is extinguished and the Shire of Northampton recognises revenue for the prepaid rates that have not been refunded.

EMPLOYEE BENEFITS

Short-Term Employee Benefits

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

The Shire of Northampton's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of current of financial trade and other payables in the statement position. Shire of Northampton's obligations for employees' annual leave and long service leave entitlements are recognised as provisions in the statement of financial position.

PROVISIONS

Provisions are recognised when the Shire of Northampton has a 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.

CONTRACT LIABILITIES

An entity's obligation to transfer goods or services to a customer for which the entity has received consideration (or the amount is due) from the customer. Grants to acquire or construct recognisable non-financial assets to be controlled by the Shire of Northampton are recognised as a liability until such time as the Shire of Northampton satisfies its obligations under the agreement.

SHIRE OF NORTHAMPTON
 NOTES TO THE REVIEW OF THE ANNUAL BUDGET
 FOR THE PERIOD ENDED 28 FEBRUARY 2023

4. PREDICTED VARIANCES

Comments/Reason for Variance	Variance \$	
	Permanent	Timing
4.1 OPERATING REVENUE (EXCLUDING RATES)		
4.1.1 SPECIFIED AREA RATES		
No material variance		
4.1.2 OPERATING GRANTS, SUBSIDIES AND CONTRIBUTIONS		
Increased revenue associated with LRCl & R2R Revenue (Reversal from 21/22) \$497,341, NCCA Grant transferred to REED \$32,500 & Increased MRD Direct Grant \$4,000.	533,841	
4.1.3 FEES AND CHARGES		
Variance due to reduced rent at Rake Place and reduced business refuse fees offset by additional refuse fees Kalbarri & Northampton tip and increased Sale of Scrap Metal	15,000	
4.1.4 OPERATING GRANTS, SUBSIDIES AND CONTRIBUTIONS		
No material variance		
4.1.5 SERVICE CHARGES		
N/A		
4.1.6 INTEREST EARNINGS		
Additional revenue due to increased interest rates associated with investment of funds.	100,000	
4.1.7 OTHER REVENUE		
No material variance		
4.1.8 PROFIT ON ASSET DISPOSAL		
No material variance		
Predicted Variances Carried Forward	648,841	0

SHIRE OF NORTHAMPTON
 NOTES TO THE REVIEW OF THE ANNUAL BUDGET
 FOR THE PERIOD ENDED 28 FEBRUARY 2023

4. PREDICTED VARIANCES

Comments/Reason for Variance	Variance \$	
	Permanent	Timing
Predicted Variances Brought Forward	648,841	0
4.2 OPERATING EXPENSES		
4.2.1 EMPLOYEE COSTS		
Variance due to no provision in 22/23 budget for CEO relief & payout offset by reduced building relief costs and reduced super costs for wages.	(161,000)	
4.2.2 MATERIAL AND CONTRACTS		
Variance due to reduced Rubbish lift charges per new contract offset by additional costs associated with the CEO recruitment process plus an additional \$40,000 to undertake the Infrastructure revaluation process (budget was understated).	173,667	
4.2.3 UTILITY CHARGES		
No material variance		
4.2.4 DEPRECIATION (NON CURRENT ASSETS)		
N/A		
4.2.5 INTEREST EXPENSES		
No material variance		
4.2.6 INSURANCE EXPENSES		
No material variance		
4.2.7 OTHER EXPENDITURE		
NCCA Grant transferred to REED, offset by recieval of grant revenue. Additional synergy soft (x5) licences.	(40,500)	
4.2.8 LOSS ON ASSET DISPOSAL		
No material variance		
Predicted Variances Carried Forward	621,008	0

SHIRE OF NORTHAMPTON
 NOTES TO THE REVIEW OF THE ANNUAL BUDGET
 FOR THE PERIOD ENDED 28 FEBRUARY 2023

4. PREDICTED VARIANCES

Comments/Reason for Variance

	Variance \$	
	Permanent	Timing
Predicted Variances Brought Forward	621,008	0
4.3 CAPITAL REVENUE		
4.3.1 NON OPERATING GRANTS, SUBSIDIES AND CONTRIBUTIONS		
Increase Kalb Road RRG Re-seal revenue.	11,333	
4.3.2 PROCEEDS FROM DISPOSAL OF ASSETS		
No material variance		
4.3.3 PROCEEDS FROM NEW DEBENTURES		
No material variance		
4.3.4 PROCEEDS FROM SALE OF INVESTMENT		
No material variance		
4.3.5 PROCEEDS FROM ADVANCES		
No material variance		
4.3.6 SELF-SUPPORTING LOAN PRINCIPAL		
No material variance		
4.3.7 TRANSFER FROM RESERVES (RESTRICTED ASSETS)		
No material variance		
Predicted Variances Carried Forward	632,341	0

SHIRE OF NORTHAMPTON
 NOTES TO THE REVIEW OF THE ANNUAL BUDGET
 FOR THE PERIOD ENDED 28 FEBRUARY 2023

4. PREDICTED VARIANCES

Comments/Reason for Variance	Variance \$	
	Permanent	Timing
Predicted Variances Brought Forward	632,341	0
4.4 CAPITAL EXPENSES		
4.4.1 LAND HELD FOR RESALE No material variance		
4.4.2 LAND AND BUILDINGS Increase costs associated with lighting and electrical works to complete the Stud Breeders shed.	(30,000)	
4.4.3 PLANT AND EQUIPMENT No material variance		
4.4.4 FURNITURE AND EQUIPMENT No material variance		
4.4.5 INFRASTRUCTURE ASSETS - ROADS Reduction due to Grey Street (Allen Centre) footpath deferreal of works.	20,000	
4.4.6 INFRASTRUCTURE ASSETS - OTHER Deferral of Pt Gregory Water Supply - Shed Installation	21,000	
4.4.7 PURCHASES OF INVESTMENT N/A		
4.4.8 REPAYMENT OF DEBENTURES No material variance		
4.4.9 ADVANCES TO COMMUNITY GROUPS N/A		
Predicted Variances Carried Forward	643,341	0

SHIRE OF NORTHAMPTON
 NOTES TO THE REVIEW OF THE ANNUAL BUDGET
 FOR THE PERIOD ENDED 28 FEBRUARY 2023

4. PREDICTED VARIANCES

Comments/Reason for Variance	Variance \$	
	Permanent	Timing
Predicted Variances Brought Forward	643,341	0
4.5 OTHER ITEMS		
4.5.10 TRANSFER TO RESERVES (RESTRICTED ASSETS)		
No material variance		
4.5.11 TRANSFER FROM RESERVES (RESTRICTED ASSETS)		
Employment costs transfer	155,000	
4.5.1 RATE REVENUE		
Increased rate revenue due to valuation adjustments associated with revised property valuations from the repair/replacement of buildings post cyclone Seroja	40,000	
4.5.2 OPENING FUNDING SURPLUS(DEFICIT)		
The reduction carryover amount of \$622,251 is predominately due to the Contract Liability for unspent LRCI grant funding of \$497,341 and the payroll and payment accruals (additional compared to budget) of \$107,725.	(622,251)	
4.5.3 NON-CASH WRITE BACK OF PROFIT (LOSS)		
N/A		
Total Predicted Variances as per Annual Budget Review	216,090	0

SHIRE OF NORTHAMPTON
NOTES TO THE BUDGET REVIEW REPORT
FOR THE PERIOD ENDED 28 FEBRUARY 2023

5. BUDGET AMENDMENTS
Amendments to original budget since budget adoption, Surplus/(Deficit)

GL Account Code	Description	Council Resolution	Classification	No Change - (Non Cash Items) Adjust.	Increase in Available Cash	Decrease in Available Cash	Amended Budget Running Balance	Comments
				\$	\$	\$	\$	
Budget Adoption								
152820.08	Eco Flora Kalbarri	10.10.3	Operating Surplus/(Deficit)			(622,251)	(622,251)	Change in B/FWD position per annuals
150600.08	Municipal Roadworks – Smith Street	10.10.3	Operating Expenses	15,000		(15,000)	(607,251)	No provision in 22/23 budget
150620.02	Kings Park	10.10.3	Operating Expenses	1,250			(622,251)	Reduced budget allocation
149820.02	Parks, Reserves, Garden General	10.10.3	Operating Expenses		1,250		(621,001)	Add funds required to complete installation
102720.01	Salaries	10.10.3	Operating Expenses	50,000		(1,250)	(622,251)	Reduced budget allocation
158500.08	Muni Road Maintenance – Dozer Hire	10.10.3	Operating Expenses		50,000	(25,000)	(572,251)	No provision in 22/23 budget for CEO relief
158500.08	Muni Road Maintenance – Verge Mowing/Mulching	10.10.3	Operating Expenses	8,000		(25,000)	(597,251)	Reduced budget allocation
104080.08	Consultancy Services	11.12.6	Operating Expenses		8,000		(622,251)	Reduced budget allocation
138120.08	Refuse Collection	11.12.6	Operating Expenses			(8,000)	(614,251)	No provision 22/23 budget CEO recruitment
152140.08	R441 Grey Street Asphalt Works	11.4	Capital Expenses	600,000			(22,251)	Rubbish lift charges per new contract
152140.08	R440 Little Bay Road Construction	11.4	Capital Expenses		600,000		(622,251)	Reduce Little Bay road budget (LRCI3)
152100.08	RT41 Grey Street R2R Asphalt Works	11.4	Capital Expenses	7,040		(7,040)	(629,291)	Increase Grey Street asphalt works (LRCI3)
150900.08	F707 Grey Street (Allen Centre) Footpath	11.4	Capital Expenses		7,040		(622,251)	Increase Grey Street asphalt works (RTR)
150300.08	RRG Kalbarri Road Re-seal Works	11.4	Capital Expenses	11,333		(11,333)	(633,584)	Reduce Grey Street (Allen Centre) footpath
155810.18	RRG Kalbarri Road Grant Revenue	11.4	Capital Revenue		11,333		(622,251)	Increase Kalb Road RRG Re-seal Revenue
150800.08	Muni - Kalbarri Road Re-seal Works	11.4	Capital Expenses	5,667		(5,667)	(627,918)	Increase Kalb Road Muni Re-seal Expense
150900.08	F707 Grey Street (Allen Centre) Footpath	11.4	Capital Expenses		5,667		(622,251)	Reduce Grey street (Allen Centre) footpath
150900.08	Stud Breeders Shed (Ram Pavilion)	11.4	Capital Expenses	20,000		(20,000)	(642,251)	Increase Stud Breeders budget allocation
150900.08	F707 Grey Street (Allen Centre) Footpath	11.4	Capital Expenses	497,341			(622,251)	Reduce Grey street (Allen Centre) footpath
146110.19	Contract Liability	Budget Review	Capital Revenue		20,000		(642,251)	Reduce Grey street (Allen Centre) footpath
145010.11	General Rates	Budget Review	Operating Revenue	40,000			(602,251)	LRCI & RZR Revenue (Reversal from 21/22)
146030.17	Interest on Investments	Budget Review	Operating Revenue	100,000			(502,251)	Increase in General Rates Revenue
111630.19	NCCA Grant	Budget Review	Operating Revenue	32,500			(469,751)	Add revenue due to increased interest rates
113320.09	Payment to Reed	Budget Review	Capital Expenses			(32,500)	(47,590)	NCCA Grant transferred to REED
128430.14	Property Rental	Budget Review	Operating Revenue		5,000		(42,590)	Reduced rent at Rake Place
133230.14	Refuse Site Fees	Budget Review	Operating Revenue	10,000		(2,500)	(40,090)	Add refuse site fees Kalbarri & Northampton
133630.14	Business Refuse Fees	Budget Review	Operating Revenue	12,500			(27,590)	Reduced Business Refuse Fees
162810.19	MRD Grant	Budget Review	Operating Revenue	4,000			(23,590)	Increased Sale of Scrap Metal
102720.01	Admin Salaries	Budget Review	Operating Expenses	200,000		(140,000)	(103,590)	Increased MRD Direct Grant
138120.08	Rubbish Collection Charges	Budget Review	Operating Expenses	20,000			(83,590)	Additional Staff Costs - CEO
142820.08	Consultant Planning	Budget Review	Operating Expenses		20,000		(63,590)	Savings due to revised contract rate
155220.08	Old Police Station	Budget Review	Operating Expenses	15,000		(10,000)	(73,590)	Add planning work undertaken in-house
164120.01	Building Salaries	Budget Review	Operating Expenses	25,000			(48,590)	Additional repairs/maintenance
171520.01	Superannuation	Budget Review	Operating Expenses		15,000		(63,590)	Reduced Building relief costs
173120.02	Fuel & Oil	Budget Review	Operating Expenses		25,000		(38,590)	Reduced super costs for wages
167520.08	Pt Gregory Water Supply	Budget Review	Operating Expenses			(25,000)	(63,590)	Additional fuel costs for plant
149820.08	Horrocks Recreational Oval	Budget Review	Operating Expenses			(11,000)	(74,590)	Replace fire hydrants
105020.08	Northampton Depot	Budget Review	Operating Expenses			(3,000)	(77,590)	Replace electrical cubicle
154140.99	Pt Gregory Water Supply - Capital Works	Budget Review	Capital Expenses	21,000		(7,000)	(80,590)	Replace line of sight POE Infrastructure
104080.08	Asset Revaluation	Budget Review	Operating Expenses			(40,000)	(120,590)	Defer shed installation
105020.09	Computer Expenses	Budget Review	Operating Expenses			(8,000)	(128,590)	Additional costs for Infrastructure revaluation
133440.08	Northampton Rec Ground Ablutions	Budget Review	Capital Expenses			(10,000)	(138,590)	Additional (x5) Synergysoft licenses
Reserves	Transfer from Reserves	Budget Review	Capital Revenue	155,000			(123,590)	Add (x4) septic lids, extra plumbing & electrical
				0	1,850,631	(1,834,541)	216,090	Staff costs - CEO

Amended Budget Cash Position as per Council Resolution

12. Corporate and Administration Report

- 12.1 CEO Recruitment – Finalise Process
- 12.2 Venues – Annual Electors Meetings
- 12.3 Budget Review 2022/2023

12.1 CEO RECRUITMENT - FINALISE PROCESS

Location	Shire of Northampton
Applicant	CEO Recruitment – Finalise Process
Owner/Lessee	Not Applicable
File Reference	17.1.12
Date of Report	17 March 2023
Reporting Officer	Maurice Battilana, Acting CEO
Responsible Officer	Maurice Battilana, Acting CEO

SUPPORTING DOCUMENTS:

Reference	Description	In Report	Separate Cover
	NIL		

DISCLOSURE OF INTEREST:

Nil

BACKGROUND:

As soon as practicable after the CEO is employed (e.g., after the employment contract has been fully executed) a Council resolution is required for compliance with Regulation 18FB of the Local Government (Administration) Regulations 1996 to finalise the recruitment and selection process.

COMMENT:

This Agenda item is presented now the Contract has been formerly signed by all parties as per the Council resolutions at the Special meeting held on 23 February 2023 i.e.

Moved Cr Horstman

Seconded Cr Hay

Council:

- (a) *Approves the making of an offer to the candidate named in Confidential Attachment 5.1.1(a) for the position of CEO at the Shire of Northampton as the person the Council believes to be most suitably qualified for the position.*
- (b) *Approves and is satisfied with the proposed terms of the CEO employment contract detailed in Confidential Attachment 5.1.1(a), being for a period of five (5) years inclusive of a Total Reward Package valued at \$266,793 calculated in accordance with the 2022 Salaries and Allowances Tribunal Local Government Determination Band 3 range.*

CARRIED UNANIMOUSLY 6/0

Moved Cr Hay
Council:

Seconded Cr Suckling

- (a) Authorises the Shire President to execute the CEO employment contract and apply the common seal in accordance with section 9.49A(1)(a) of the Local Government Act 1995, subject to the candidate agreeing to enter into the proposed terms of the CEO employment contract without amendment;
- (b) Notes that subject to the candidate named in Confidential Attachment 5.1.1(a) accepting the proposed terms of the CEO employment contract, the candidate is appointed to the position of CEO at the Northampton;
- (c) Notes that, if the candidate negotiates under clause 12 of Schedule 2 of the Local Government (Administration) Regulations 1996 terms different to the proposed terms, the Shire President will present the amended proposed contract to Council for approval before the contract is executed.

CARRIED UNANIMOUSLY 6/0

STATUTORY REQUIREMENTS

Regulation 18FB of the Local Government (Administration) Regulations 1996

FINANCIAL & BUDGET IMPLICATIONS:

Not applicable.

STRATEGIC IMPLICATIONS:

5.	Our Leadership			
5.1	To be accountable for good governance, strong stewardship and leadership with proactive communication and consultation			
	Key Outcomes	Objectives	Success Measures	Timelines
5.1.1	To maintain and expand capacity and capability in the Shire workforce as required for ongoing good governance, accountability,	A retained and developed workforce and effective recruitment in staff turnover	Stable workforce and successful recruitment	Ongoing

VOTING REQUIREMENT:

Absolute Majority.

OFFICER RECOMMENDATION

Council certifies the CEO recruitment process completed on execution of the CEO employment contract dated 23 February 2023 and approved by Council Resolutions at the Special Meeting held on 23 February 2023, was conducted in accordance with the Shire of Northampton's adopted standards for CEO recruitment.

12.2 VENUES - ANNUAL ELECTORS MEETINGS

Location	Shire of Northampton
Applicant	Cr Des Pike
Owner/Lessee	NA
File Reference	4.1.1
Date of Report	17 March 2023
Reporting Officer	Maurice Battilana, Acting CEO
Responsible Officer	Maurice Battilana, Acting CEO

SUPPORTING DOCUMENTS:

Ref	Description	In Report	Separate Cover
	Nil	✓	

DISCLOSURE OF INTEREST:

Nil

BACKGROUND:

During general discussion after the February 2023 Ordinary Council Meeting (OCM) Cr Pike suggested Council should consider rotating the location where the Annual Electors Meeting is to be held.

COMMUNITY & GOVERNMENT CONSULTATION:

No community or government consultation has occurred or was considered necessary.

Cr Pike has assisted with the compilation of this Agenda Report and has endorsed the *Elected Member Recommendation* below.

FINANCIAL IMPLICATIONS:

No significant financial impact envisaged with the concept of rotating the Annual Electors Meeting location.

STATUTORY IMPLICATIONS:

Section 5.27 of the Local Government Act 1995 requires that:

Electors' general meetings

- 1) *A general meeting of the electors of a district is to be held once every financial year.*
- 2) *A general meeting is to be held on a day selected by the local government but not more than 56 days after the local government accepts the annual report for the previous financial year.*
- 3) *The matters to be discussed at general electors' meetings are to be those prescribed.*

The Act is silent on where the meetings is to be held, so there is no legislative impediment if Council did want to move the meetings around to different locations within the Shire.

POLICY/PROCEDURE IMPLICATIONS:

No Policy or Procedure affected.

COMMENT:

Local Government Authorities (LGA) are regularly, yet not necessarily fairly, criticised for poor communication with its constituents, so any process which improves community communication should be considered.

RISK ASSESSMENT:

Rotating (or not rotating) the Electors meeting I believe would have at worst, a *minor* risk to the Councils reputation.

Measures of Consequence							
Rating (Level)	Health	Financial Impact	Service Interruption	Compliance	Reputational	Property	Environment
Insignificant (1)	Negligible injuries	Less than \$1,000	No material service interruption	No noticeable regulatory or statutory impact	Unsubstantiated, low impact, low profile or 'no news' item	Inconsequential or no damage.	Contained, reversible impact managed by on site response
Minor (2)	First aid injuries	\$1,001 - \$10,000	Short term temporary interruption – backlog cleared < 1 day	Some temporary non compliances	Substantiated, low impact, low news item	Localised damage rectified by routine internal procedures	Contained, reversible impact managed by internal response
Moderate (3)	Medical type injuries	\$10,001 - \$50,000	Medium term temporary interruption – backlog cleared by additional resources < 1 week	Short term non-compliance but with significant regulatory requirements imposed	Substantiated, public embarrassment, moderate impact, moderate news profile	Localised damage requiring external resources to rectify	Contained, reversible impact managed by external agencies
Major (4)	Lost time injury	\$50,001 - \$150,000	Prolonged interruption of services – additional resources; performance affected < 1 month	Non-compliance results in termination of services or imposed penalties	Substantiated, public embarrassment, high impact, high news profile, third party actions	Significant damage requiring internal & external resources to rectify	Uncontained, reversible impact managed by a coordinated response from external agencies
Catastrophic (5)	Fatality, permanent disability	More than \$150,000	Indeterminate prolonged interruption of services – non-performance > 1 month	Non-compliance results in litigation, criminal charges or significant damages or penalties	Substantiated, public embarrassment, very high multiple impacts, high widespread multiple news profile, third party actions	Extensive damage requiring prolonged period of restitution. Complete loss of plant, equipment & building	Uncontained, irreversible impact

VOTING REQUIREMENT:

Simple Majority.

ELECTED MEMBER RECOMMENDATION

<p>1. Council rotates the location of the Annual Electors Meeting based upon the following recurring cycle:</p> <ul style="list-style-type: none">• Northampton (already occurred in 2023)• Kalbarri• Horrocks <p>2. Council reserves the right to alter the location of the Annual Electors Meeting if mitigating circumstances arise.</p>

12.3 - SUPPLY & LAYING OF ASPHALT ROAD SURFACING KALBARRI TOWNSITE

Location	Shire of Northampton
Applicant	Acting Chief Executive Officer
Owner/Lessee	NA
File Reference	12.1.2
Date of Report	17 March 2023
Reporting Officer	Maurice Battilana, Acting CEO
Responsible Officer	Maurice Battilana, Acting CEO

SUPPORTING DOCUMENTS:

Ref	Description	In Report	Separate Cover
	NIL		

DISCLOSURE OF INTEREST:

Nil

BACKGROUND:

Council resolved the following at the February 2023 Ordinary Council Meeting as part of a Budget Review Agenda Item presented to this meeting:

“That Council approve of the following Budget Variation’s and this be declared authorised expenditure.

- 1a. *Vary the Local Roads and Infrastructure (LRC13) grant and transfer the allocation of \$550,000 from the Little Bay Road Project to the Grey Street Asphalt works in the event that the Little Bay project cannot be completed to comply with the LRC13 grant funding deadline.*
- 1b. *Vary the Little Bay Road construction budget (LRC13) totalling \$630,000 by allocating \$600,000 to the Grey Street Asphalt works in the event that the Little Bay project cannot be completed to comply with the LRC13 grant funding deadline.*

GL 152140.08R441 Grey Street LRC13 Asphalt Works +\$600,000

GL 152140.08R440 Little Bay Road Construction LRC13 -\$600,000

*CARRIED BY ABSOLUTE MAJORITY 6/0
Minute Reference 02/23-10”*

The tender process has now commenced for the *“Supply & Laying of Asphalt Road Surfacing Kalbarri Townsite.”*

COMMUNITY & GOVERNMENT CONSULTATION:

Staff have been in consultation with Greenfield Technical Services (consultant engineers) to assist with the compilation of tender specifications and conducting the tender process. This was considered necessary and appropriate considering the size and nature of works involved. Consultancy costs will be covered within the overall budget allocation for the works.

FINANCIAL IMPLICATIONS:

There will be no effect on the 2022/2023 Budget as the scope of works for the “Supply & Laying of Asphalt Road Surfacing Kalbarri Townsite” will be adjusted accordingly to ensure tender come within the Shire budget allocation for these works.

STATUTORY IMPLICATIONS:

Local Government Act, 1995

Local Government (Function & General) Regulations 1996

Section 5.43(b) of the Local Government Act gives Council the ability to delegate the acceptance of tenders up to a specific amount determined by Council. The Staff Recommendation states the delegation is conditional upon the expenditure for the “Supply & Laying of Asphalt Road Surfacing Kalbarri Townsite” being within budget allocated for this work.

5.43. Limits on delegations to CEO

A local government cannot delegate to a CEO any of the following powers or duties —

- (a) any power or duty that requires a decision of an absolute majority of the council;*
- (b) accepting a tender which exceeds an amount determined by the local government for the purpose of this paragraph;*
- (c) appointing an auditor;*
- (d) acquiring or disposing of any property valued at an amount exceeding an amount determined by the local government for the purpose of this paragraph;*
- (e) any of the local government’s powers under section 5.98, 5.98A, 5.99, 5.99A or 5.100;*
- (f) borrowing money on behalf of the local government;*
- (g) hearing or determining an objection of a kind referred to in section 9.5;*
- (ha) the power under section 9.49A(4) to authorise a person to sign documents on behalf of the local government;*
- (h) any power or duty that requires the approval of the Minister or the Governor;*
- (i) such other powers or duties as may be prescribed.*

POLICY/PROCEDURE IMPLICATIONS:

No Policy or Procedure affected.

COMMENT:

Due to time constraints associated with calling tenders (minimum 14 days advertising), evaluating tenders received and appointing the preferred contractor, combined with the need to have asphalt works undertaken prior to arrival of cool weather, it is necessary to seek Council’s endorsement to delegate authority to the CEO to accept

the preferred tender, rather than present this to April 2023 OCM. In addition, the ability to arrange for the preferred contractor to undertake the required work can be an issue as these contractors are in demand.

An application has been submitted with the Commonwealth Department of Infrastructure, Transport, Regional Development & Communication seeking a variation to the Shire’s Local Roads & Community Infrastructure (LRCI) Program Work Schedule as described in the Council resolution at the February 2023 OCM (*Minute Ref: 02/23-10* above). To date there has been no response on this variation request, which is conditional upon the “Supply & Laying of Asphalt Road Surfacing Kalbarri Townsite” project progressing beyond the tender process stage.

It has now become more evident the Shire’s Native Vegetation Clearing and Aboriginal Heritage Permit applications will not be in place in time for the Little Bay Road Project to commence in 2022/2023, let alone be completed by 30 June 2023.

RISK ASSESSMENT:

The inability to appointing the preferred tender(s) by delegation to the Acting CEO could result in works not being undertaken at the most appropriate time (i.e. before cooler weather arrives) which could have a **Major or Catastrophic** effect financially on the Shire based on the total cost of the “Supply & Laying of Asphalt Road Surfacing Kalbarri Townsite” project.

Measures of Consequence							
Rating (Level)	Health	Financial Impact	Service Interruption	Compliance	Reputational	Property	Environment
Insignificant (1)	Negligible injuries	Less than \$1,000	No material service interruption	No noticeable regulatory or statutory impact	Unsubstantiated, low impact, low profile or ‘no news’ item	Inconsequential or no damage.	Contained, reversible impact managed by on site response
Minor (2)	First aid injuries	\$1,001 - \$10,000	Short term temporary interruption – backlog cleared < 1 day	Some temporary non compliances	Substantiated, low impact, low news item	Localised damage rectified by routine internal procedures	Contained, reversible impact managed by internal response
Moderate (3)	Medical type injuries	\$10,001 - \$50,000	Medium term temporary interruption – backlog cleared by additional resources < 1 week	Short term non-compliance but with significant regulatory requirements imposed	Substantiated, public embarrassment, moderate impact, moderate news profile	Localised damage requiring external resources to rectify	Contained, reversible impact managed by external agencies
Major (4)	Lost time injury	\$50,001 - \$150,000	Prolonged interruption of services – additional resources; performance affected < 1 month	Non-compliance results in termination of services or imposed penalties	Substantiated, public embarrassment, high impact, high news profile, third party actions	Significant damage requiring internal & external resources to rectify	Uncontained, reversible impact managed by a coordinated response from external agencies
Catastrophic (5)	Fatality, permanent disability	More than \$150,000	Indeterminate prolonged interruption of services – non-performance > 1 month	Non-compliance results in litigation, criminal charges or significant damages or penalties	Substantiated, public embarrassment, very high multiple impacts, high widespread multiple news profile, third party actions	Extensive damage requiring prolonged period of restitution. Complete loss of plant, equipment & building	Uncontained, irreversible impact

VOTING REQUIREMENT:

Simple Majority

Local Government Act, 1995

5.42. Delegation of some powers and duties to CEO

(1) A local government may delegate* to the CEO the exercise of any of its powers or the discharge of any of its duties under —

(a) *this Act other than those referred to in section 5.43; or*

(b) the Planning and Development Act 2005 section 214(2), (3) or (5).

* Absolute majority required.

STAFF RECOMMENDATION

Council delegate authority to the Acting Chief Executive Officer, in accordance with Section 5.43(b) of the Local Government Act, 1995, to accept the preferential compliant tender(s) for the "Supply & Laying of Asphalt Road Surfacing Kalbarri Townsite" from tenders received, under the condition the actual expenditures to be incurred by the Shire does not exceed the adopted budget amount allocation for this project.

12.4**ACTING CHIEF EXECUTIVE OFFICER APPOINTMENT**

Location	Shire of Northampton
Applicant	Not Applicable
Owner/Lessee	Not Applicable
File Reference	17.1.10
Date of Report	23/02/2023
Reporting Officer	Maurice Battilana, Acting Chief Executive Officer
Responsible Officer	Maurice Battilana, Acting Chief Executive Officer

THIS AGENDA REPORT HAS BEEN PROVIDED UNDER SEPARATE COVER DUE TO THE MATTER TO BE DISCUSSED BEING CONFIDENTIAL