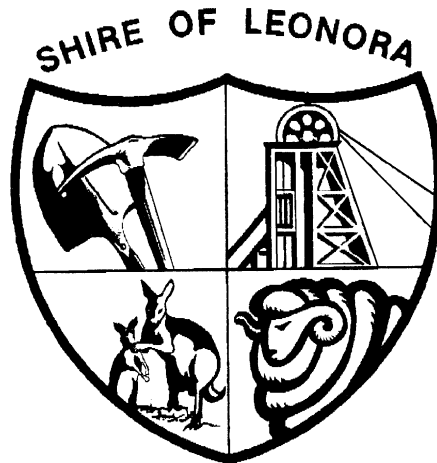


# **SHIRE OF LEONORA**

## **NOTICE OF AN ORDINARY COUNCIL MEETING**



**MINUTES OF ORDINARY MEETING HELD  
IN SHIRE CHAMBERS, LEONORA  
ON TUESDAY 15<sup>TH</sup> SEPTEMBER, 2020  
COMMENCING AT 9:30 AM.**

**1.0 DECLARATION OF OPENING / ANNOUNCEMENTS OF VISITORS / FINANCIAL/OTHER INTEREST DISCLOSURES**

**1.1 The President Cr PJ Craig declared the meeting open at 9:30am.**

**1.2 Visitors or members of the public in attendance**  
At 9:58am Sergeant Mark Monaco, Officer in Charge, Leonora Police Station

**1.3 Financial/Other Interest Disclosures**  
Mr J G Epis, Chief Executive Officer, declared a financial interest in Item 12.1(A) – Disposition of Property, as he is the other party to the contractual agreement made by Council for 35 Hoover Street, Leonora.

**2.0 DISCLAIMER NOTICE**

Nil

**3.0 COUNCIL MEETING INFORMATION NOTES**

**4.0 RECORD OF ATTENDANCE / APOLOGIES / LEAVE OF ABSENCE**

<b>4.1 President (Chairperson)</b>	<b>PJ Craig</b>
<b>Deputy President</b>	<b>RA Norrie</b>
<b>Councillors</b>	<b>AM Moore</b>
	<b>F Harris</b>
	<b>AE Taylor</b>
	<b>LR Petersen</b>
<b>Chief Executive Officer</b>	<b>JG Epis</b>
<b>Deputy Chief Executive Officer</b>	<b>L Gray</b>
<b>Visitors</b>	<b>M Monaco (09:58 to 10:37)</b>

**3.2 Apologies**  
Nil

**3.3 Leave of Absence (Previously approved)**  
Nil

**3.4 Leave of Absence**  
**Councillor RM Cotterill**

**5.0 RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE**

Nil

**6.0 PUBLIC QUESTION TIME**

Nil

**7.0 APPLICATIONS FOR LEAVE OF ABSENCE**

The Chief Executive Officer, Mr JG Epis, advised that Cr RM Cotterill had submitted an application for a leave of absence from the Ordinary Meeting to be held today; Tuesday 15<sup>th</sup> September, 2020.

**Moved Cr AM Moore, seconded Cr LR Petersen** that Cr RM Cotterill be granted a leave of absence from the Ordinary Meeting to be held today; Tuesday 15<sup>th</sup> September 2020.

**CARRIED (6 VOTES TO 0)**

The Chief Executive Officer, Mr JG Epis, advised that Cr RA Norrie had submitted an application for a leave of absence from the Ordinary Meetings to be held on Tuesday 20<sup>th</sup> October, 2020 and Tuesday 17<sup>th</sup> November, 2020.

**Moved Cr AM Moore, seconded Cr LR Petersen** that Cr RA Norrie be granted a leave of absence from the Ordinary Meetings to be held on Tuesday 20<sup>th</sup> October, 2020 and Tuesday 17<sup>th</sup> November, 2020.

**CARRIED (6 VOTES TO 0)**

**8.0 PETITIONS / DEPUTATIONS / PRESENTATIONS**

Nil

**9.0 CONFIRMATION OF THE MINUTES OF THE PREVIOUS MEETINGS**

**Moved Cr RA Norrie, seconded Cr AM Moore** that the Minutes of the Ordinary Meeting held on 18<sup>th</sup> August 2020 be confirmed as a true and accurate record.

**CARRIED (6 VOTES TO 0)**

**10.0 ANNOUNCEMENTS BY PRESIDING MEMBER WITHOUT DISCUSSION**

The Shire President attended a Workshop on Thursday 27<sup>th</sup> August, 2020, organised by Regional Development Australia and facilitated by Wendy Duncan about the successful lobbying of political parties for your community. All very relevant with the State Election due in early 2021.

The Hon Alannah MacTiernan MLC Minister for Regional Development; Agriculture and Food; Ports arrived on Friday 28<sup>th</sup> August, 2020, in Leonora to announce the funding of \$3.5m for the eight units Aged Care Village to be built in the centre of Leonora.

The GVROC Meeting was held on Friday, attended by Mr JG Epis, Chief Executive Officer, via videoconference using "Zoom".

*Chief Executive officer JG Epis left the meeting at 9:35am*

*Chief Executive Officer JG Epis returned to the meeting at 9:38am*

**11.0 REPORTS OF OFFICERS**  
**11.1 CHIEF EXECUTIVE OFFICER**  
**11.1(A) BAD DEBT WRITE OFF**

**SUBMISSION TO:** Meeting of Council  
Meeting Date: 15th September, 2020

**AGENDA REFERENCE:** 11.1 (A) SEP 20

**SUBJECT:** Bad Debt Write Off

**LOCATION / ADDRESS:** Not Applicable

**NAME OF APPLICANT:** Shire of Leonora

**FILE REFERENCE:** Debt Write-Off 16.11

**AUTHOR, DISCLOSURE OF ANY INTEREST AND DATE OF REPORT**

**NAME:** James Gregory Epis

**OFFICER:** Chief Executive Officer

**INTEREST DISCLOSURE:** Nil

**DATE:** 20<sup>th</sup> August, 2020

**BACKGROUND**

During the years 2014 and 2015 Connect Regional Pty Ltd were purchasing drums of AVGAS from the Shire of Leonora to support their charter operations in the Northern Goldfields of Western Australia. Towards the end of 2015 regular payments became irregular payments. On the 3<sup>rd</sup> July, 2018, Mr Lachlan Abbott and Mr Henry Kazar were appointed as Joint and Several Administrators of the Companies involved. This was pursuant to section 436A of the *Corporations Act 2001*. As a result of their appointment, it was resolved that the Companies be wound up.

At this time the Shire of Leonora was acknowledged as being an unsecured creditor with the amount owing being \$7,590.00.

The causes of the failure of Connect Regional Pty Ltd, Rossair Charter Pty Ltd, and AE Charter Services Pty Ltd can be attributed to the following reasons:

- The loss of the Companies' chief pilot in a fatal accident that occurred during May 2017 whom they were ultimately unable to replace due to short term cash flow restraints;
- The subsequent suspension of the Companies' Air Operating Certificate ("AOC") resulting in the Companies' fleet of aircraft being grounded indefinitely and unable to generate income to meet ongoing financing and maintenance costs; and
- The proceeds received from the insurance claim for the incident resulted in a payout of \$1.75mil which was remitted to NAB in respect of their security interest over the irreparable aircraft.

The Companies made collective losses of \$112,000.00, \$892,000.00 and \$1.3million for financial years 2016, 2017 and 2018 respectively, which resulted in working capital deficiencies.

It should be noted that since 2018, the Shire of Leonora has not been providing credit facilities as a result of avgas sales unless in case of emergency.

**STATUTORY ENVIRONMENT**

In accordance with Section 6.12 (1)© of the *Local Government Act, 1995*,

**Power to defer, grant discounts, waive or write off debts**

- (1) Subject to subsection (2) and any other written law, a local government may –
- (a) When adopting the annual budget, grant a discount or other incentive for the early payment of any amount of money;

- (b) Waive or grant concessions in relation to any amount of money; or
- (c) Write off any amount of money,

Which is owed to the local government

#### **POLICY IMPLICATIONS**

There are no policy implications resulting from the recommendation of this report.

#### **FINANCIAL IMPLICATIONS**

Loss of expected income to be considered when next budget review is undertaken.

#### **STRATEGIC IMPLICATIONS**

There are no strategic implications resulting from the recommendation of this report.

#### **RECOMMENDATIONS**

That as all attempts to recover the outstanding debt have been unsuccessful, and with the winding up of Rossair Charter Pty Ltd, AE Charter Services Pty Ltd and other associated companies, Council resolve to write off the total debt of \$7,590.00 and that the necessary book transactions be undertaken.

#### **VOTING REQUIREMENT**

Absolute Majority Required

#### **COUNCIL DECISION**

**Moved Cr RA Norrie, seconded Cr AE Taylor**, that as all attempts to recover the outstanding debt have been unsuccessful, and with the winding up of Rossair Charter Pty Ltd, AE Charter Services Pty Ltd and other associated companies, Council resolve to write off the total debt of \$7,590.00 and that the necessary book transactions be undertaken.

**CARRIED BY ABSOLUTE MAJORITY (6 VOTES TO 0)**

## **11.0 REPORTS OF OFFICERS**

### **11.1 CHIEF EXECUTIVE OFFICER**

#### **11.1(B) WRITE OFF RATES – PASTORAL PROPERTIES**

**SUBMISSION TO:** Meeting of Council  
Meeting Date: 15th September, 2020

**AGENDA REFERENCE:** 11.1(B) SEP 20

**SUBJECT:** Write Off Rates – Pastoral Properties

**LOCATION / ADDRESS:** Leonora

**NAME OF APPLICANT:** Shire of Leonora

**FILE REFERENCE:** Rates Written Off 16.11

#### **AUTHOR, DISCLOSURE OF ANY INTEREST AND DATE OF REPORT**

**NAME:** James Gregory Epis

**OFFICER:** Chief Executive Officer

**INTEREST DISCLOSURE:** Nil

**DATE:** 21<sup>st</sup> August, 2020

#### **BACKGROUND**

The Local Government Act provides for the Council to be able to write off any amount of money which is owed to the local government. There are on occasion recommendations made to Council to write off bad debts where there is no chance at recovering the money owed, or where the cost of recovering the debt far outweighs the debt itself.

Generally these debts relate to outstanding rates and charges, and a provision of \$40,000 is included in the current budget in the event that bad debts are recommended for write off after all recovery options have been exhausted.

Other situations exist where ratepayers experiencing financial hardship may seek relief from Council, in the form of write off of part or all of their outstanding rates and charges owed to the local government. These requests are considered on a case by case basis, with a recommendation made to Council for consideration. Any write off of any amount of money owing to a local government must be made by an absolute majority decision of Council.

For the 2018/2019 rating period a differential rate was not imposed for properties with Unimproved Valuations (UV). The 2013/2014 rating period was the first time in a number of years that no differential rate was imposed on UV properties. Furthermore, a concession has not been applied against pastoral property rates as was the case is 2013/2014.

The reasoning behind no concession being applied is the result of advice from the Department of Local Government, Sports and Cultural Industries that the concession offered by the Shire of Leonora was unlawful, and warned against following similar action during future years. Although the Shire of Leonora sought advice from the department in advance prior to applying concessions to pastoral rates, and advised that the proposed course of action had a 'sound statutory basis', the department is now of a different opinion.

I must stress that the Shire of Leonora vehemently disagreed with the departments and engaged solicitors on behalf of Council to provide legal advice on the action taken. To date, the advice from our solicitors has been that the action taken was within the provisions of the Local Government Act.

The Shire of Leonora is aware of the financial hardships that some pastoralists may experience as a result of the lack of concession applied to pastoral rates during 2020/2021. All pastoralists were advised by way of letter dated 23<sup>rd</sup> July, 2014 that should they find themselves in this situation, the following options are available.

- Owners may object to the valuation used to calculate rates to the Valuer Generals' Office.
- Owners may apply in writing to the Chief Executive Officer, describing hardship circumstances and seeking write off of rates and service charges. These applications will be considered on a case by case basis, and then a recommendation made to Council. It should be noted that an absolute majority of Council is required for the write off of any monies owing to it.

The owner of Grazing Lease 3128/824 – Rene and Rosemary Reddingius have provided correspondence requesting that council consider their current financial hardships and that rate relief by means of write off be considered as a form of assistance.

Details in regard hardship include:

- The paddock is divided by a bypass road which the Shire installed which effectively divides their grazing lease and renders one paddock waterless which is an inconvenience as they need to cart water to that site;
- The paddock is currently being fenced by the Leonora Rifle Club under a special arrangement looking to the future relocation of the present range but meanwhile they haven't been able to use it for many years as the fence is in disrepair and they have been paying rates without getting grazing value;
- Another factor which reduces the grazing value of the lease is the dust from the constant heavy haulage traffic that uses the bypass road. This dust spreads across the vegetation and renders much of the fodder plants inedible for stock;
- They are also reduced to one income as Mr Reddingius has retired from teaching.
- In addition, Mr Reddingius has provided the following information and I quote:

*“I am conducting horse riding sessions with about 12 people at present. This goes **some** way towards helping with fodder costs, also I have done some tutoring, however without funded programs such as we've had in pre-covid times, it is a struggle to keep up the feed costs in drought conditions.*

*I also conduct **farm skills programs** and **work for riding programs** which give many young people the opportunity to consolidate and learn many life skills. Among these are commitment, work ethic, resilience, corporation, communication skills, peer teaching skills, health consciousness and how to look after animals. Much specific learning takes place.*

*One group of **10 children** have now been engaged in these programs for **three years** and show energy and enthusiasm, responsibility and reliability. Potentially several of the teenagers may potentially, seek work careers in the **equine and animal rescue, veterinary assistance, areas**. They have the basic skills and have proven maintained interest. I work closely with the families concerned and there is a positive hope for the future for these young people. “*

Details of Proposed Write Off.

Assessment 7431 - Reddingius

Rates Levied	\$3,100.00
Less Proposed Write Off	\$1,550.00
	<hr/>
	\$1,550.00
Plus Emergency Service Levy	\$ 84.00
Plus Installment Option	NIL
Amount Paid	<hr/> NIL
Amount Owing	\$1,634.00

**STATUTORY ENVIRONMENT**

In accordance with Section 6.12(1)(c) of the Local Government Act 1995 which relates to the write off of any amount of money which is owed to the local government.

**POLICY IMPLICATIONS**

There are no policy implications resulting from the recommendation of this report.

**FINANCIAL IMPLICATIONS**

A provision of \$40,000.00 is included in the current budget to write back rates that are unrecoverable due to companies entering into administration or where all other avenues of debt recovery have been exhausted.

**STRATEGIC IMPLICATIONS**

There are no strategic implications resulting from the recommendation of this report.

## **RECOMMENDATIONS**

That Council, by Absolute Majority resolve to write off municipal rates applicable to Assessment 7431 and amounting to \$1,550.00 and that the ratepayers be advised accordingly.

## **VOTING REQUIREMENT**

Absolute Majority

## **COUNCIL DECISION**

**Moved Cr LR Petersen, seconded Cr RA Norrie**, that Council, by Absolute Majority resolve to write off municipal rates applicable to Assessment 7431 and amounting to \$1,550.00 and that the ratepayers be advised accordingly.

**CARRIED BY ABSOLUTE MAJORITY (6 VOTES TO 0)**



## 11.0 REPORTS OF OFFICERS

### 11.1 CHIEF EXECUTIVE OFFICER

#### 11.1(C) COMMUNITY GRANTS

**SUBMISSION TO:** Meeting of Council  
Meeting Date: 15<sup>th</sup> September, 2020

**AGENDA REFERENCE:** 11.1 (C) SEP 20

**SUBJECT:** Community Grants

**LOCATION / ADDRESS:** Leonora

**NAME OF APPLICANT:** N/A

**FILE REFERENCE:** Grants Leonora/Leinster 11.16

#### AUTHOR, DISCLOSURE OF ANY INTEREST AND DATE OF REPORT

**NAME:** James Gregory Epis

**OFFICER:** Chief Executive Officer

**INTEREST DISCLOSURE:** Nil

**DATE:** 7<sup>th</sup> September, 2020

#### BACKGROUND

In the past the Shire of Leonora has made an annual financial contribution of \$80,000.00 directly to community and sporting organisations at both Leinster and Leonora. The following flyer was distributed within both the Leonora and Leinster Communities during July-September 2020.

**GRANT:** Assisting your Community

**PROVIDER:** Shire of Leonora

**CLOSES:** 4<sup>th</sup> September, 2020

**FUNDING POOL:** \$80,000.00 (for both communities)

**FUNDING ALLOCATION:** Maximum \$10,000 – Minimum \$500.00

**PURPOSE:** To provide the additional resources often needed by community groups to develop their own projects and find their own ways of getting people to work together for the common goal of promoting and benefiting the whole community.

#### ACTIVITIES SUPPORTED:

- Development Projects
  - Talent identification and development.
  - Developing sport and recreation within the community.
  - Creating school – community links.
  - Skill development clinics.
  - Coaches/officials course
- Participation Projects
  - Outdoor and indoor recreation
  - Community participation
  - Annual events at local level
  - Introduction of new competitions
- Community Service Groups

#### WHO CAN APPLY:

To be eligible for funding, organisations must be:

- Not for profit
- Incorporated
- Community based

Community organisations which are not incorporated should approach an incorporated community based organisation to auspice the project.

Since the 1<sup>st</sup> July, 2006 the following organisations/clubs at Leinster have been allocated \$640,000.00, details below.

Leinster District Race Club Inc	\$ 108,829.00
Leinster Golf Club	\$ 97,721.00
Leinster Sports Recreation Association	\$ 58,498.00
Leinster Community Library	\$ 65,550.00
Leinster Community Day Care	\$ 56,435.00
Leinster Community Resource Centre	\$ 37,185.00
Leinster Residents Association	\$ 35,000.00
Leinster Drive-In	\$ 33,481.00
Leinster Play Group	\$ 29,750.00
Leinster St John Ambulance	\$ 29,500.00
Leinster Craft Group	\$ 22,000.00
Leinster P & C Association	\$ 16,023.00
Leinster's 40 <sup>th</sup> Anniversary	\$ 10,000.00
Leinster Charity Ball	\$ 6,000.00
Leinster Junior Football	\$ 5,500.00
Leinster Toy Library	\$ 5,000.00
Leinster Blue Light	\$ 5,000.00
Leinster Community School	\$ 4,673.00
Northern Goldfields Sport	\$ 4,000.00
Leinster Community Ball	\$ 3,000.00
Leinster Swimming Club	\$ 2,500.00
Leinster Kinder Gym	\$ 2,355.00
Laverton Sports Club	\$ 2,000.00
TOTAL	<u>\$ 640,000.00</u>

Since the 1<sup>st</sup> July, 2006 the following organisations/clubs at Leonora have been allocated \$600,000.00, details below.

Leonora Clay Target Club	\$ 57,271.00
Leonora Bush Mission	\$ 57,200.00
Walkatjorra Cultural Centre	\$ 55,428.00
Leonora Race Club	\$ 38,372.00
Leonora St John Ambulance	\$ 36,300.00
Leonora Rifle Club	\$ 35,597.00
Leonora Information Centre/Library	\$ 29,398.00
Leonora Community Resource Centre	\$ 28,096.00
Leonora RSL Branch	\$ 22,828.45
Leonora Auskick	\$ 21,190.00
Leonora Child Care Centre	\$ 21,105.00
Leonora Golf Club	\$ 18,000.00
Leonora Aquatic Centre	\$ 17,905.00
Leonora Recreation Centre	\$ 11,307.00
Gwalia Reference Group	\$ 10,605.00
Tjupan Ngalia Tribal Land Council	\$ 10,100.00
Marlarthunda Aboriginal Corporation	\$ 10,000.00
Leonora Senior Football Club (Kambalda)	\$ 10,000.00
Leonora Youth Services	\$ 10,000.00
Leonora Bowls Club	\$ 9,902.00
YMCA Goldfields Leonora	\$ 7,500.00
Leonora Basketball (Local)	\$ 7,340.00
Leonora Milo IN2 Program	\$ 7,025.00
Leonora District High School	\$ 7,000.00
Leonora Motocross	\$ 6,500.00
Leonora Junior Football	\$ 6,500.00
Leonora Police Rangers	\$ 6,000.00
Leonora P&C Association	\$ 5,500.00
Leonora Nyunnga-gu Women's Group	\$ 5,400.00

Leonora Community Xmas Group	\$ 5,000.00
Leonora Junior Tennis	\$ 5,000.00
Leonora Health Service	\$ 4,532.55
Leonora Drug Action Group	\$ 3,268.00
Leonora Community Guitar Lessons	\$ 3,000.00
Tower Street Times	\$ 2,600.00
Aboriginal Football Training Squad	\$ 2,000.00
Leonora Pilates Group	\$ 1,780.00
Leonora WA Country Health Service	\$ 1,450.00
Leonora Playgroup	\$ 1,000.00
Leonora Kindy Gym	\$ 1,000.00
<b>TOTAL</b>	<b>\$ 600,000.00</b>

When applications for funding closed on the 4<sup>th</sup> September, 2020, the following community groups and sporting organisations had expressed an interest in the available funding.

#### **LEINSTER**

Leinster Community Day Care Centre	\$ 10,000.00
Leinster Sports & Recreation Association	\$ 9,700.00
Leinster Community School (P.C.)	\$ 9,240.00
Leinster Play Group	\$ 6,250.00
Leinster Golf Club	\$ 4,810.00
<b>TOTAL</b>	<b>\$ 40,000.00</b>

#### **LEONORA**

Leonora Rifle Club	\$ 10,000.00
Leonora Youth Centre Basketball	\$ 10,000.00
Leonora Parents & Citizens	\$ 6,265.00
Redd Horizons (Life Skills Program)	\$ 6,000.00
Redd Horizons (Tutoring Program)	\$ 5,600.00
Leonora Youth Centre (Life Skills Program)	\$ 5,000.00
Leonora Bush Mission	\$ 5,000.00
Leonora Information Centre / Library	\$ 3,000.00
Leonora Adventurers Anonymous	\$ 2,800.00
Leonora Yoga & Pilates	\$ 1,150.00
<b>TOTAL</b>	<b>\$ 54,815.00</b>

Unfortunately for Leonora, the total amount sought exceeds the funding pool by \$14,815.00. Even though all projects above would be of great benefit to the Leonora Community, not all projects can be funded.

So that everyone gets a bite of the cherry. The top five funding requests have all been reduced by 29% to match the funding pool, and the second of the Life Skills Program has not been funded at all

I can only offer the support and assistance of the Shire of Leonora in sourcing funds elsewhere for those projects not funded or fully funded.

#### **STATUTORY ENVIRONMENT**

Section 3.1 of the Local Government Act 1995 states that “The general function of a Local Government is to provide for the good government of persons in its district”.

#### **POLICY IMPLICATIONS**

There are no policy implications resulting in the recommendation of this report.

#### **FINANCIAL IMPLICATIONS**

An amount of \$80,000.00 is contained within the current budget for expenditure as detailed.

#### **STRATEGIC IMPLICATIONS**

To provide the additional resources often needed by community groups and sporting organisations to develop their own projects and to find ways of getting people to work together for the common goal of promoting and benefiting the whole community.

## RECOMMENDATIONS

That Council approve the allocation of funding to the following sporting groups/organisations:

### LEINSTER

Leinster Community Day Care Centre	\$ 10,000.00
Leinster Sports & Recreation Association	\$ 9,700.00
Leinster Community School (P.C.)	\$ 9,240.00
Leinster Play Group	\$ 6,250.00
Leinster Golf Club	\$ 4,810.00
TOTAL	<u>\$ 40,000.00</u>

### LEONORA

Leonora Rifle Club	\$ 7,100.00
Leonora Youth Centre Basketball	\$ 7,100.00
Leonora Parents & Citizens	\$ 5,590.00
Leonora Bush Mission	\$ 5,000.00
Redd Horizons (Life Skills Program)	\$ 4,260.00
Redd Horizons (Tutoring Program)	\$ 4,000.00
Leonora Information Centre / Library	\$ 3,000.00
Leonora Adventurers Anonymous	\$ 2,800.00
Leonora Yoga & Pilates	\$ 1,150.00
TOTAL	<u>\$ 40,000.00</u>

## VOTING REQUIREMENT

Simple majority required.

## COUNCIL DECISION

**Moved Cr F Harris, seconded Cr RA Norrie,** that Council approve the allocation of funding to the following sporting groups/organisations:

### LEINSTER

Leinster Community Day Care Centre	\$ 10,000.00
Leinster Sports & Recreation Association	\$ 9,700.00
Leinster Community School (P.C.)	\$ 9,240.00
Leinster Play Group	\$ 6,250.00
Leinster Golf Club	\$ 4,810.00
TOTAL	<u>\$ 40,000.00</u>

### LEONORA

Leonora Rifle Club	\$ 7,100.00
Leonora Youth Centre Basketball	\$ 7,100.00
Leonora Parents & Citizens	\$ 5,590.00
Leonora Bush Mission	\$ 5,000.00
Redd Horizons (Life Skills Program)	\$ 4,260.00
Redd Horizons (Tutoring Program)	\$ 4,000.00
Leonora Information Centre / Library	\$ 3,000.00
Leonora Adventurers Anonymous	\$ 2,800.00
Leonora Yoga & Pilates	\$ 1,150.00
TOTAL	<u>\$ 40,000.00</u>

**CARRIED (6 VOTES TO 0)**

*Corporate Services Officer, K Lord entered the room at 9:55am.*

*Corporate Services Officer, K Lord left the room at 9:56am*

*Chief Executive Officer JG Epis left the meeting at 9:57am*

*Chief Executive Officer JG Epis returned to the meeting at 9:58am, with Sergeant Mark Monaco, Officer in Charge at Leonora Police Station.*

*Sergeant Monaco responded to questions regarding Police activities and the community's concerns with policing in Leonora.*

*Cr AM Moore left the meeting at 10:04am*

*Cr AM Moore returned to the meeting at 10:06am.*

*The Shire President, Cr PJ Craig, adjourned the meeting at 10:37am for a morning tea break.*

*The meeting resumed at 11:04am with all those previously listed in the record of attendance present.*

## **11.0 REPORTS OF OFFICERS**

### **11.2 DEPUTY CHIEF EXECUTIVE OFFICER**

#### **11.2(A) MONTHLY FINANCIAL STATEMENTS**

**SUBMISSION TO:** Meeting of Council  
Meeting Date: 15th September, 2020

**AGENDA REFERENCE:** 11.2 (A) SEP 20

**SUBJECT:** Monthly Financial Statements

**LOCATION / ADDRESS:** Leonora

**NAME OF APPLICANT:** Shire of Leonora

**FILE REFERENCE:** Nil

#### **AUTHOR, DISCLOSURE OF ANY INTEREST AND DATE OF REPORT**

**NAME:** Linda Gray

**OFFICER:** Deputy Chief Executive Officer

**INTEREST DISCLOSURE:** Nil

**DATE:** 10<sup>th</sup> September, 2020

#### **BACKGROUND**

In complying with the Local Government Financial Management Regulations 1996, a monthly statement of financial activity must be submitted to an Ordinary Council meeting within 2 months after the end of the month to which the statement relates. The statement of financial activity is a complex document but gives a complete overview of the “cash” financial position as at the end of each month. The statement of financial activity for each month must be adopted by Council and form part of the minutes.

It is understood that parts of the statement of financial activity have been submitted to Ordinary Council meetings previously. In reviewing the Regulations the complete statement of financial activity is to be submitted, along with the following reports that are not included in the statement.

Monthly Financial Statements for the month ended 31st August, 2020 consisting of:

- (a) Compilation Report
- (b) Statement of Financial Activity – 31st August, 2020
- (c) Material Variances – 31st August, 2020

#### **STATUTORY ENVIRONMENT**

##### ***Part 4 — Financial reports— s. 6.4***

34. *Financial activity statement report – s. 6.4*

(1A) *In this regulation —*

***committed assets*** means revenue unspent but set aside under the annual budget for a specific purpose.

34. (1) *A local government is to prepare each month a statement of financial activity reporting on the revenue and expenditure, as set out in the annual budget under regulation 22(1)(d), for that month in the following detail —*

- (a) *annual budget estimates, taking into account any expenditure incurred for an additional purpose under section 6.8(1)(b) or (c);*
  - (b) *budget estimates to the end of the month to which the statement relates;*
  - (c) *actual amounts of expenditure, revenue and income to the end of the month to which the statement relates;*
  - (d) *material variances between the comparable amounts referred to in paragraphs (b) and (c); and*
  - (e) *the net current assets at the end of the month to which the statement relates.*
34. (2) *Each statement of financial activity is to be accompanied by documents containing —*
- (a) *an explanation of the composition of the net current assets of the month to which the statement relates, less committed assets and restricted assets;*
  - (b) *an explanation of each of the material variances referred to in subregulation (1)(d); and*
  - (c) *such other supporting information as is considered relevant by the local government.*
34. (3) *The information in a statement of financial activity may be shown —*
- (a) *according to nature and type classification; or*
  - (b) *by program; or*
  - (c) *by business unit.*
34. (4) *A statement of financial activity, and the accompanying documents referred to in subregulation (2), are to be —*
- (a) *presented at an ordinary meeting of the council within 2 months after the end of the month to which the statement relates; and*
  - (b) *recorded in the minutes of the meeting at which it is presented.*
34. (5) *Each financial year, a local government is to adopt a percentage or value, calculated in accordance with the AAS, to be used in statements of financial activity for reporting material variances.*

#### **POLICY IMPLICATIONS**

There are no policy implications resulting from the recommendation of this report.

#### **FINANCIAL IMPLICATIONS**

There are no financial implications resulting from the recommendation of this report.

#### **STRATEGIC IMPLICATIONS**

There are no strategic implications resulting from the recommendation of this report.

#### **RECOMMENDATIONS**

That the Monthly Financial Statements for the month ended 31st August, 2020 consisting of:

- (a) **Compilation Report**
- (b) **Statement of Financial Activity – 31st August, 2020**
- (c) **Material Variances – 31st August, 2020**

be accepted.

#### **VOTING REQUIREMENT**

Simple Majority

#### **COUNCIL DECISION**

**Moved Cr RA Norrie, seconded Cr LR Petersen, that the Monthly Financial Statements for the month ended 31st August, 2020 consisting of:**

- (a) **Compilation Report**
- (b) **Statement of Financial Activity – 31st August, 2020**
- (c) **Material Variances – 31st August, 2020**

be accepted.

**CARRIED (6 VOTES TO 0)**

8 September 2020

Mr Jim Epis  
The Chief Executive Officer  
Shire of Leonora  
PO Box 56  
**LEONORA WA 6438**

### COMPILATION REPORT TO THE SHIRE OF LEONORA

We have compiled the accompanying Local Government special purpose financial statements of the Shire of Leonora, which comprise the Statement of Financial Activity (by Statutory Reporting Program), a summary of significant accounting policies and other explanatory notes for the period ending 31 August 2020. The financial statements have been compiled to meet compliance with the *Local Government Act 1995* and associated Regulations.

### THE RESPONSIBILITY OF THE SHIRE OF LEONORA

The Shire of Leonora are solely responsible for the information contained in the special purpose financial statements and are responsible for the maintenance of an appropriate accounting system in accordance with the relevant legislation.

### OUR RESPONSIBILITY

On the basis of information provided by the Shire of Leonora we have compiled the accompanying special purpose financial statements in accordance with the requirements of the *Local Government Act 1995*, associated Regulations and APES 315 *Compilation of Financial Information*.

Our procedures use accounting expertise to collect, classify and summarise the financial information, which the Shire of Leonora provided, in compiling the financial statements. Our procedures do not include verification or validation procedures. No audit or review has been performed and accordingly no assurance is expressed.

The Local Government special purpose financial statements were compiled exclusively for the benefit of the Shire of Leonora. We do not accept responsibility to any other person for the contents of the special purpose financial statements.



Russell Barnes  
Director  
[Moore Australia \(WA\) Pty Ltd](http://www.moore-australia.com.au)

**SHIRE OF LEONORA**  
**MONTHLY FINANCIAL REPORT**  
**(Containing the Statement of Financial Activity)**  
**For the period ending 31 August 2020**

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

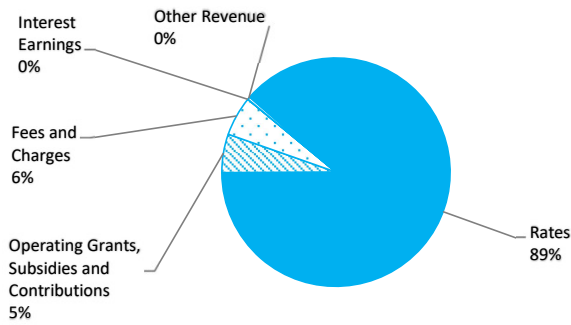
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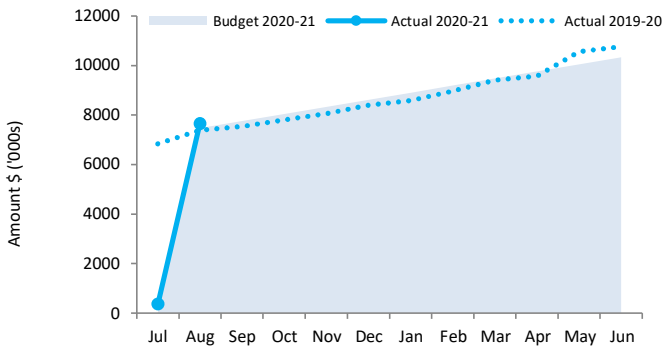


**OPERATING ACTIVITIES**

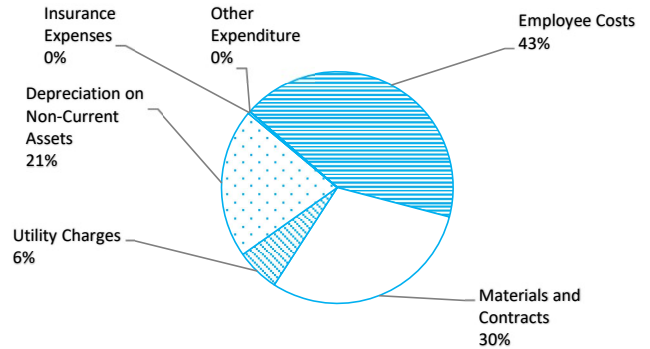
**OPERATING REVENUE**



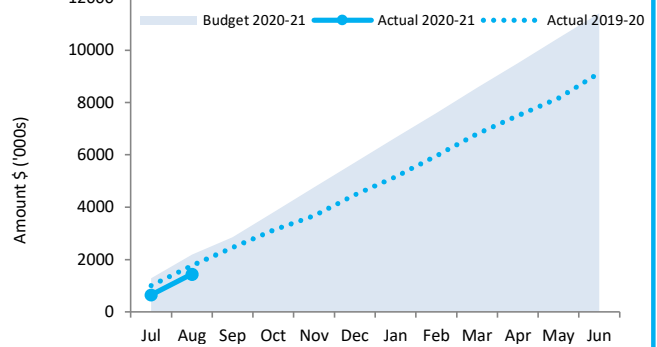
**Budget Operating Revenues -v- Actual**



**OPERATING EXPENSES**



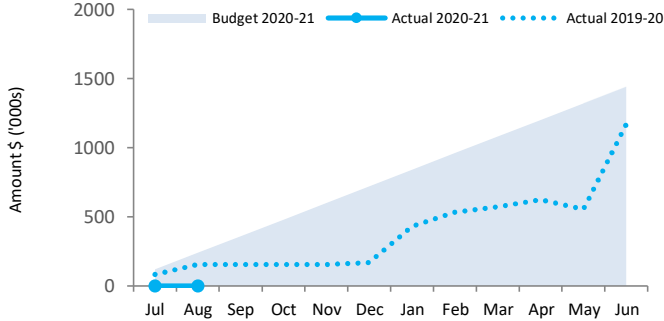
**Budget Operating Expenses -v- YTD Actual**



**INVESTING ACTIVITIES**

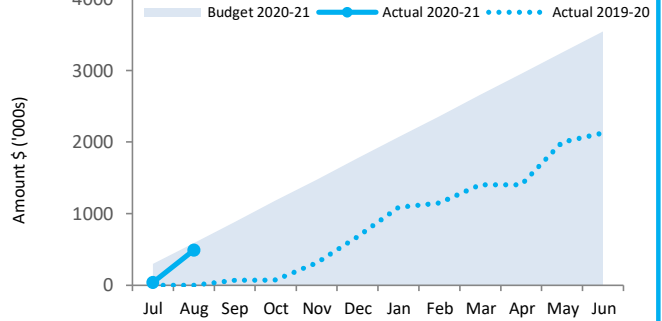
**CAPITAL REVENUE**

**Budget Capital Revenue -v- Actual**



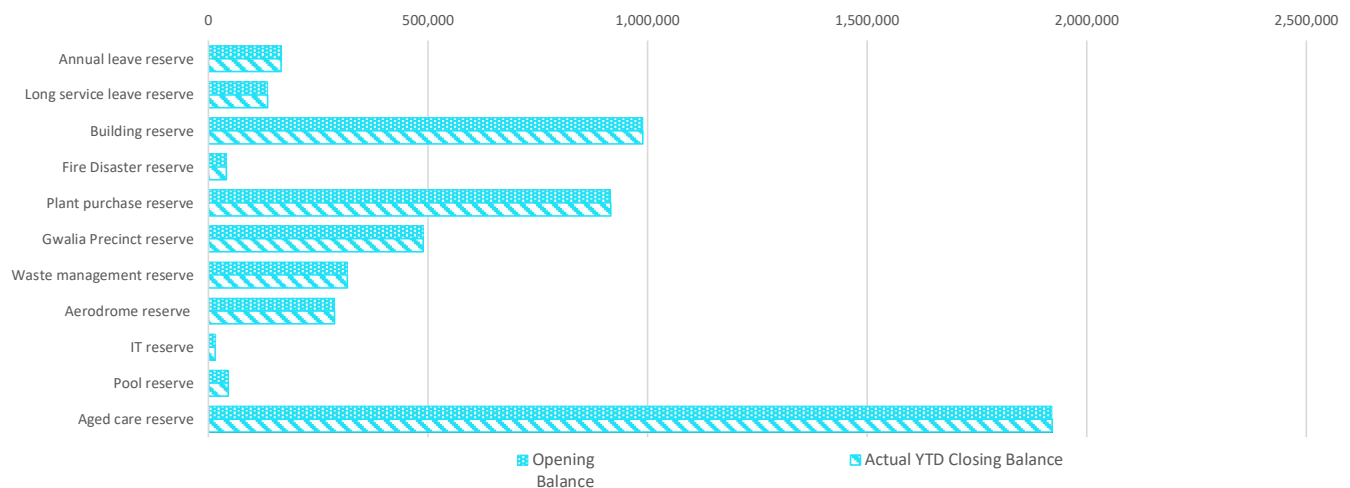
**CAPITAL EXPENSES**

**Budget Capital Expenses -v- Actual**



**FINANCING ACTIVITIES**

**RESERVES**



Funding surplus / (deficit) Components

Funding surplus / (deficit)

	Adopted Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)
Opening	\$2.68 M	\$2.68 M	\$2.66 M	(\$0.03 M)
Closing	\$0.00 M	\$8.41 M	\$8.68 M	\$0.28 M

Refer to Statement of Financial Activity

Cash and cash equivalents

	\$9.36 M	% of total
Unrestricted Cash	\$4.05 M	43.2%
Restricted Cash	\$5.32 M	56.8%

Refer to Note 2 - Cash and Financial Assets

Payables

	\$0.18 M	% Outstanding
Trade Payables	\$0.00 M	
Over 30 Days		0.0%
Over 90 Days		0%

Refer to Note 5 - Payables

Receivables

	\$4.86 M	% Collected
Rates Receivable	\$4.75 M	31.9%
Trade Receivable	\$0.11 M	
Over 30 Days		87.3%
Over 90 Days		13.2%

Refer to Note 3 - Receivables

Key Operating Activities

Amount attributable to operating activities

Adopted Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)
\$0.68 M	\$5.83 M	\$6.52 M	\$0.69 M

Refer to Statement of Financial Activity

Rates Revenue

YTD Actual	\$6.78 M	% Variance
YTD Budget	\$6.76 M	0.3%

Refer to Note 6 - Rate Revenue

Operating Grants and Contributions

YTD Actual	\$0.42 M	% Variance
YTD Budget	\$0.42 M	(1.5%)

Refer to Note 11 - Operating Grants and Contributions

Fees and Charges

YTD Actual	\$0.43 M	% Variance
YTD Budget	\$0.45 M	(5.0%)

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)
(\$2.10 M)	(\$0.11 M)	(\$0.49 M)	(\$0.38 M)

Refer to Statement of Financial Activity

Proceeds on sale

YTD Actual	\$0.00 M	%
Adopted Budget	\$0.33 M	(100.0%)

Refer to Note 7 - Disposal of Assets

Asset Acquisition

YTD Actual	\$0.49 M	% Spent
Adopted Budget	\$3.54 M	(86.2%)

Refer to Note 8 - Capital Acquisition

Capital Grants

YTD Actual	\$0.00 M	% Received
Adopted Budget	\$1.11 M	(100.0%)

Refer to Note 8 - Capital Acquisition

Key Financing Activities

Amount attributable to financing activities

Adopted Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)
(\$1.27 M)	(\$0.00 M)	(\$0.00 M)	\$0.00 M

Refer to Statement of Financial Activity

Borrowings

Principal repayments	\$0.00 M
Interest expense	\$0.00 M
Principal due	\$0.00 M

Refer to Note 8 - Borrowings

Reserves

Reserves balance	\$5.32 M
Interest earned	\$0.00 M

Refer to Note 9 - Cash Reserves

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

Shire operations as disclosed in these financial statements encompass the following service orientated activities/programs.

**PROGRAM NAME AND OBJECTIVES**

**ACTIVITIES**

**GOVERNANCE**

To provide a decision making process for the efficient allocation of scarce resources.

Includes costs and revenues associated with the President and Councillors in the exercise of their obligations as a governing body. Items of expenditure include conference, travel, meeting attendance fees, presidential allowances, receptions, donations, subscriptions and phone rentals. Costs of advertising and conducting elections are also included. Revenues include election nomination fees and reimbursements by members for private expenses. An administration cost is also allocated which enables staff to process Council meeting procedures, implement all government decisions and conduct Council meetings. Cost of conducting any audits of Council books of accounts and procedures is included under this heading. Also included is the sponsorship of the Royal Flying Doctor Service of Australia through a five year contribution towards funding an aircraft.

**GENERAL PURPOSE FUNDING**

To collect revenue to allow for the provision of services.

1. Rates.

- (a) GRV (gross rental value) refers to property rates for Leonora, Leinster and Agnew town sites and operational mines and associated infrastructure.
- (b) UV (Unimproved value) refers to mining properties and tenements (other than mines and other associated infrastructure) and prospecting licenses, exploration licenses and mining leases. It also refers to pastoral properties.
- (c) Additional rates and rates written back refer mainly to mining rates where tenements are granted or surrendered following the adoption of the budget.
- (d) Administration charge refers to the charge levied on ratepayers electing to make payment of rates on the offered instalment plan and is based on the actual cost involved in administering this process.
- (e) Administration costs allocated are the costs of maintaining records, levying and collecting all rates.

2. Grants

- (a) Grants Commission - a general purpose grant allocated annually by the Federal Government to all local governments. The amount is determined by various formulae devised by the Grants Commission, with a significant component being based on population.
- (b) Roads Grant - An unimproved road grant allocated by the Federal Government and again distributed by the Grants Commission utilising a pre-determined formula.
- (c) Administration costs allocated to grants refers to the costs associated in the collection of Federal Government grants including provision and updating of data used in grants commission formula.

3. Interest from Investments

Includes interest received on surplus funds invested throughout the year from both operating and reserve accounts.

**LAW, ORDER, PUBLIC SAFETY**

To provide services to help ensure a safer and environmentally conscious community.

Costs and revenues associated with animal control within the Shire and also includes dog and cat registration, fire prevention and control, emergency services and other aspects of community safety.

**HEALTH**

To provide an operational framework for environmental and community health.

Costs and revenues associated with compliance with the Health Act including inspections and approvals, food quality control, mosquito control, septic tank inspection/control, food hygiene inspection/control, contribution to doctor's expenses, aged care feasibility study and notification of disease.

**EDUCATION AND WELFARE**

To provide services to disadvantaged persons, the elderly, children and youth.

Provision of support services for education through the Leonora Childcare Centre, and for the elderly, youth and disabled within the district for the betterment of the residents.

**HOUSING**

To provide and maintain staff housing.

Costs of maintaining Council owned accommodation units and collection of rentals paid by staff for the use of those buildings. Costs that can be accurately attributed to other programs are allocated. Accommodation included 9 houses, 2 duplexes and a single persons quarters.

**COMMUNITY AMENITIES**

To provide services required by the community.

Costs of collection and disposal of domestic and commercial refuse for the town site of Leonora and maintenance of the landfill refuse site and liquid waste facility. Revenue collection by way of an annual fee for this service is included on rate assessment notices. Costs associated with review and administration of Council's Town Planning Scheme and operation of the Leonora Cemetery. Provisions of Christmas decorations in Leonora townsite.

**RECREATION AND CULTURE**

To establish and effectively manage infrastructure and resource which will help the social wellbeing of the community.

Provision and maintenance of Council owned parks, gardens and grassed oval/recreation ground at Leonora and a contribution to similar facilities within Leinster townsite. Costs of operation and maintenance of a purpose built recreation centre which includes indoor basketball courts, two squash courts, kitchen, gymnasium, swimming pool and associated facilities and revenues collected from the public for use of these facilities. Additional facilities located in Leonora include a bowling club and skate park. Costs of maintenance of Council owned television and radio re-transmission service which includes digital television and radio costs, and revenue associated with the operation and maintenance of library facilities at Leonora in conjunction with the Library Board of WA.

**TRANSPORT**

To provide safe, effective and efficient transport services to the community.

Maintenance and improvements of 1,300 kilometres of Council controlled unsealed roads, townsite footpaths and streets, drainage control, street cleaning and provision and maintenance of street trees. Costs of providing electricity for street lights in the Leonora townsite and maintenance of Council's works depot and associated infrastructure. Operation, maintenance and management of Leonora Airport including runways, runway lighting, tarmac and terminal building and gardens. Purchase of aviation fuel for resale to aircraft operators. Revenues by way of landing fees and head tax charges charged to all aircraft with the exception of the Royal Flying Doctor Service, lease/renting of building to all users of facilities and charges for fuel supplied to aircraft.

**ECONOMIC SERVICES**

To help promote the Shire and its economic wellbeing.

Costs associated with tourism promotion throughout the Shire including employment of staff at the Gwalia Heritage Precinct and Leonora Information Centre. Costs and revenues associated with building control under building regulations including inspections and issuing building permits. Completion of the Northern Goldfields Regional Offices and Administration Centre (NGROAC) providing regional office accommodation and a casual meeting place.

**OTHER PROPERTY AND SERVICES**

To monitor and control the Shire's overheads operating accounts.

Costs and revenues for private hire of Council machinery and operators for completion of private works for ratepayers and others. Costing allocation pools including administration, overheads, plant operation costs and salaries and wages which are all individually detailed and then allocated throughout all previously mentioned operating activities, works and services. Costs and revenue associated with standpipe facilities.

**STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD ENDED 31 AUGUST 2020**

**STATUTORY REPORTING PROGRAMS**

	Ref Note	Adopted Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)	Var. % (b)-(a)/(a)	Var.
		\$	\$	\$	\$	%	
<b>Opening funding surplus / (deficit)</b>	1(c)	2,683,641	2,683,641	<b>2,655,503</b>	(28,138)	(1.05%)	
<b>Revenue from operating activities</b>							
Governance		1,530	255	<b>0</b>	(255)	(100.00%)	
General purpose funding - general rates	6	6,903,219	6,758,219	<b>6,780,459</b>	22,240	0.33%	
General purpose funding - other		589,993	151,794	<b>147,686</b>	(4,108)	(2.71%)	
Law, order and public safety		9,950	126	<b>470</b>	344	273.02%	
Health		36,095	7,469	<b>2,542</b>	(4,927)	(65.97%)	
Education and welfare		300,800	42,984	<b>39,450</b>	(3,534)	(8.22%)	
Housing		44,795	7,468	<b>7,658</b>	190	2.54%	
Community amenities		423,146	230,688	<b>205,033</b>	(25,655)	(11.12%)	▼
Recreation and culture		310,746	73,486	<b>46,036</b>	(27,450)	(37.35%)	▼
Transport		776,870	264,466	<b>265,922</b>	1,456	0.55%	
Economic services		787,208	138,218	<b>136,958</b>	(1,260)	(0.91%)	
Other property and services		143,500	23,916	<b>26,348</b>	2,432	10.17%	
		<b>10,327,852</b>	<b>7,699,089</b>	<b>7,658,562</b>	(40,527)		
<b>Expenditure from operating activities</b>							
Governance		(702,267)	(148,206)	<b>(59,521)</b>	88,685	59.84%	▲
General purpose funding		(418,515)	(86,504)	<b>(75,586)</b>	10,918	12.62%	
Law, order and public safety		(209,030)	(37,666)	<b>(24,977)</b>	12,689	33.69%	
Health		(877,273)	(173,228)	<b>(122,936)</b>	50,292	29.03%	▲
Education and welfare		(777,830)	(141,669)	<b>(105,899)</b>	35,770	25.25%	▲
Community amenities		(361,499)	(64,674)	<b>(115,333)</b>	(50,659)	(78.33%)	▼
Recreation and culture		(1,704,445)	(319,913)	<b>(192,482)</b>	127,431	39.83%	▲
Transport		(3,479,033)	(582,978)	<b>(595,454)</b>	(12,476)	(2.14%)	
Economic services		(3,020,648)	(535,024)	<b>(274,572)</b>	260,452	48.68%	▲
Other property and services		(15,000)	(68,192)	<b>127,360</b>	195,552	286.77%	▲
		<b>(11,565,540)</b>	<b>(2,158,054)</b>	<b>(1,439,400)</b>	718,654		
Non-cash amounts excluded from operating activities	1(a)	1,920,718	291,118	<b>300,705</b>	9,587	3.29%	
<b>Amount attributable to operating activities</b>		<b>683,030</b>	<b>5,832,153</b>	<b>6,519,867</b>	687,714		
<b>Investing Activities</b>							
Proceeds from non-operating grants, subsidies and contributions	12	1,110,213	185,036	<b>0</b>	(185,036)	(100.00%)	▼
Proceeds from disposal of assets	7	331,000	0	<b>0</b>	0	0.00%	
Payments for property, plant and equipment and infrastructure	8	(3,542,524)	(295,210)	<b>(490,009)</b>	(194,799)	(65.99%)	▼
<b>Amount attributable to investing activities</b>		<b>(2,101,311)</b>	<b>(110,174)</b>	<b>(490,009)</b>	(379,835)		
<b>Financing Activities</b>							
Transfer from reserves	9	250,000	0	<b>0</b>	0	0.00%	
Transfer to reserves	9	(1,515,360)	(426)	<b>(426)</b>	0	0.00%	
<b>Amount attributable to financing activities</b>		<b>(1,265,360)</b>	<b>(426)</b>	<b>(426)</b>	0		
<b>Closing funding surplus / (deficit)</b>	1(c)	<b>0</b>	<b>8,405,194</b>	<b>8,684,935</b>			

**KEY INFORMATION**

▲ ▼ Indicates a variance between Year to Date (YTD) Actual and YTD Actual data as per the adopted materiality threshold. Refer to threshold. Refer to Note 13 for an explanation of the reasons for the variance.

The material variance adopted by Council for the 2020-21 year is \$15,000 or 8.00% whichever is the greater.

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

## KEY TERMS AND DESCRIPTIONS

FOR THE PERIOD ENDED 31 AUGUST 2020

## NATURE OR TYPE DESCRIPTIONS

### 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. Exclude 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, 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 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.

#### 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 etc.

#### PROFIT ON ASSET DISPOSAL

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

### EXPENSES

#### EMPLOYEE COSTS

All costs associate 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, consultancy, maintenance agreements, communication expenses, advertising expenses, membership, periodicals, publications, hire expenses, rental, leases, 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, ETC.)

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.

#### INTEREST EXPENSES

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

#### OTHER EXPENDITURE

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

**STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD ENDED 31 AUGUST 2020**

**BY NATURE OR TYPE**

	Ref Note	Adopted Budget \$	YTD Budget (a) \$	YTD Actual (b) \$	Var. \$ (b)-(a) \$	Var. % (b)-(a)/(a) %	Var.
<b>Opening funding surplus / (deficit)</b>	1(c)	2,683,641	2,683,641	<b>2,655,503</b>	(28,138)	(1.05%)	
<b>Revenue from operating activities</b>							
Rates	6	6,903,219	6,758,219	<b>6,780,459</b>	22,240	0.33%	
Operating grants, subsidies and contributions	11	1,443,953	424,238	<b>417,955</b>	(6,283)	(1.48%)	
Fees and charges		1,717,206	452,311	<b>429,694</b>	(22,617)	(5.00%)	
Interest earnings		44,000	7,336	<b>622</b>	(6,714)	(91.52%)	
Other revenue		219,474	56,985	<b>29,832</b>	(27,153)	(47.65%)	▼
		<b>10,327,852</b>	<b>7,699,089</b>	<b>7,658,562</b>	(40,527)		
<b>Expenditure from operating activities</b>							
Employee costs		(2,245,080)	(367,183)	<b>(614,614)</b>	(247,431)	(67.39%)	▼
Materials and contracts		(6,736,538)	(1,200,436)	<b>(432,901)</b>	767,535	63.94%	▲
Utility charges		(305,200)	(50,864)	<b>(86,700)</b>	(35,836)	(70.45%)	▼
Depreciation on non-current assets		(1,774,091)	(291,118)	<b>(300,705)</b>	(9,587)	(3.29%)	
Insurance expenses		(241,690)	(230,503)	<b>(4,097)</b>	226,406	98.22%	▲
Other expenditure		(116,314)	(17,950)	<b>(383)</b>	17,567	97.87%	▲
Loss on disposal of assets	7	(146,627)	0	<b>0</b>	0	0.00%	
		<b>(11,565,540)</b>	<b>(2,158,054)</b>	<b>(1,439,400)</b>	718,654		
Non-cash amounts excluded from operating activities	1(a)	1,920,718	291,118	<b>300,705</b>	9,587	3.29%	
<b>Amount attributable to operating activities</b>		<b>683,030</b>	<b>5,832,153</b>	<b>6,519,867</b>	687,714		
<b>Investing activities</b>							
Proceeds from non-operating grants, subsidies and contributions	12	1,110,213	185,036	<b>0</b>	(185,036)	(100.00%)	▼
Proceeds from disposal of assets	7	331,000	0	<b>0</b>	0	0.00%	
Payments for property, plant and equipment and infrastructure	8	(3,542,524)	(295,210)	<b>(490,009)</b>	(194,799)	(65.99%)	▼
<b>Amount attributable to investing activities</b>		<b>(2,101,311)</b>	<b>(110,174)</b>	<b>(490,009)</b>	(379,835)		
<b>Financing Activities</b>							
Transfer from reserves	9	250,000	0	<b>0</b>	0	0.00%	
Transfer to reserves	9	(1,515,360)	(426)	<b>(426)</b>	0	0.00%	
<b>Amount attributable to financing activities</b>		<b>(1,265,360)</b>	<b>(426)</b>	<b>(426)</b>	0		
<b>Closing funding surplus / (deficit)</b>	1(c)	<b>0</b>	<b>8,405,194</b>	<b>8,684,935</b>			

**KEY INFORMATION**

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

Refer to Note 13 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**

**REPORT PURPOSE**

This report is prepared to meet the requirements of *Local Government (Financial Management) Regulations 1996 , Regulation 34* . Note: The statements and accompanying notes are prepared based on all transactions recorded at the time of preparation and may vary due to transactions being processed for the reporting period after the date of preparation.

**BASIS OF ACCOUNTING**

This statement comprises a special purpose financial report which 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 (Financial Management) Regulations 1996* take precedence over Australian Accounting Standards. Regulation 16 prohibits a local government from recognising as assets Crown land that is a public thoroughfare, such as land under roads, and land not owned by but under the control or management of the local government, unless it is a golf course, showground, racecourse or recreational facility of State or regional significance. Consequently, some assets, including land under roads acquired on or after 1 July 2008, have not been recognised in this financial report. This is not in accordance with the requirements of *AASB 1051 Land Under Roads paragraph 15* and *AASB 116 Property, Plant and Equipment paragraph 7*.

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 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.

**PREPARATION TIMING AND REVIEW**

Date prepared: All known transactions up to 04 September 2020

**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 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 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.

In the process of reporting on the local government as a single unit, all transactions and balances between those funds (for example, loans and transfers between funds) have been eliminated.

All monies held in the Trust Fund are excluded from the financial statements. A separate statement of those monies

**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.



(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)
<b>Non-cash items excluded from operating activities</b>				
		\$	\$	\$
<b>Adjustments to operating activities</b>				
Add: Loss on asset disposals	7	146,627	0	0
Add: Depreciation on assets		1,774,091	291,118	300,705
<b>Total non-cash items excluded from operating activities</b>		<b>1,920,718</b>	<b>291,118</b>	<b>300,705</b>

(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.

		Last Year Closing 30 June 2020	This Time Last Year 31 August 2019	Year to Date 31 August 2020
<b>Adjustments to net current assets</b>				
Less: Reserves - restricted cash	9	(5,315,507)	(3,330,809)	(5,315,933)
Add: Provisions - employee	10	228,633	145,175	228,633
<b>Total adjustments to net current assets</b>		<b>(5,086,874)</b>	<b>(3,185,634)</b>	<b>(5,087,300)</b>

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

<b>Current assets</b>				
Cash and cash equivalents	2	7,545,391	8,897,840	9,363,361
Rates receivables	3	195,415	299,664	4,749,843
Receivables	3	275,500	2,721,379	112,188
Other current assets	4	89,353	72,545	63,336
<b>Less: Current liabilities</b>				
Payables	5	(54,649)	(369,192)	(181,893)
Contract liabilities	10	(80,000)	(101,902)	(105,967)
Provisions	10	(228,633)	(145,175)	(228,633)
<b>Less: Total adjustments to net current assets</b>	1(b)	<b>(5,086,874)</b>	<b>(3,185,634)</b>	<b>(5,087,300)</b>
<b>Closing funding surplus / (deficit)</b>		<b>2,655,503</b>	<b>8,189,525</b>	<b>8,684,935</b>

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
		\$	\$	\$	\$			
<b>Cash on hand</b>								
Municipal bank	Cash and cash equivalents	4,046,158	0	4,046,158	0	NAB	Variable	Nil
Petty cash and floats	Cash and cash equivalents	1,270	0	1,270	0	Cash on hand	Nil	Nil
Reserve bank	Cash and cash equivalents	0	5,315,933	5,315,933	0	NAB	Variable	Nil
<b>Total</b>		<b>4,047,428</b>	<b>5,315,933</b>	<b>9,363,361</b>	<b>0</b>			
<b>Comprising</b>								
Cash and cash equivalents		4,047,428	5,315,933	9,363,361	0			
		<b>4,047,428</b>	<b>5,315,933</b>	<b>9,363,361</b>	<b>0</b>			

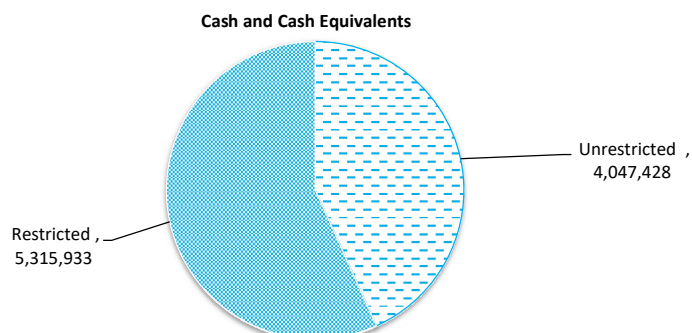
**KEY INFORMATION**

Cash and cash equivalents include cash on hand, cash at bank, deposits available on demand with banks and other short term highly liquid investments 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 and bank overdrafts. 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.



**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD ENDED 31 AUGUST 2020**

**OPERATING ACTIVITIES  
NOTE 3  
RECEIVABLES**

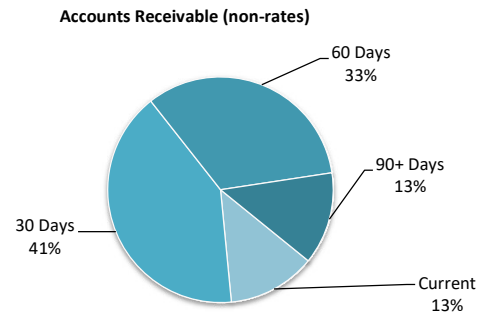
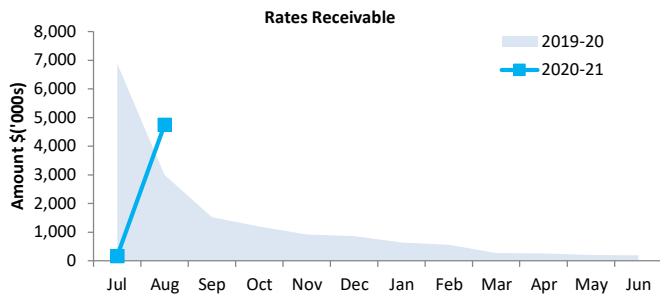
Rates receivable	30 Jun 2020	31 Aug 2020
	\$	\$
Opening arrears previous years	165,403	195,415
Rates, instalment charges and interest levied	6,448,237	6,780,459
Less - collections to date	(6,418,225)	(2,226,031)
Equals current outstanding	<b>195,415</b>	<b>4,749,843</b>
<b>Net rates collectable</b>	<b>195,415</b>	<b>4,749,843</b>
% Collected	97%	31.9%

Receivables - general	Credit	Current	30 Days	60 Days	90+ Days	Total
	\$	\$	\$	\$	\$	\$
Receivables - general	0	14,195	45,859	37,276	14,858	112,188
Percentage	0.0%	12.7%	40.9%	33.2%	13.2%	
<b>Balance per trial balance</b>						
Sundry receivable						112,188
<b>Total receivables general outstanding</b>						<b>112,188</b>

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. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets. Collectability of trade and other receivables is reviewed on an ongoing basis. Debts that are known to be uncollectible are written off when identified. An allowance for impairment of receivables is raised when there is objective evidence that they will not be collectible.



	Opening Balance 1 July 2020	Asset Increase	Asset Reduction	Closing Balance 31 August 2020
	\$	\$	\$	\$
<b>Other current assets</b>				
<b>Inventory</b>				
Stores on hand	89,353	0	(26,017)	63,336
<b>Total other current assets</b>	<b>89,353</b>	<b>0</b>	<b>(26,017)</b>	<b>63,336</b>

KEY INFORMATION

**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.

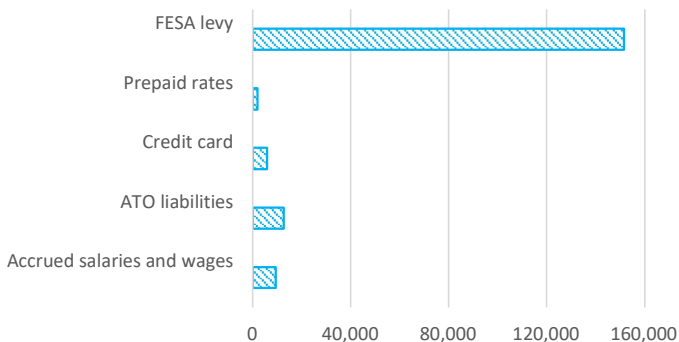
Payables	Credit	Current	30 Days	60 Days	90+ Days	Total
	\$	\$	\$	\$	\$	\$
Payables - trade	0	0	0	0	0	0
Percentage	0%	0%	0%	0%	0%	
<b>Balance per trial balance</b>						
Accrued salaries and wages						9,534
ATO liabilities						12,739
Credit card						5,973
Prepaid rates						2,022
FESA levy						151,605
Bank fee reserves						20
<b>Total payables general outstanding</b>						<b>181,893</b>

Amounts shown above include GST (where applicable)

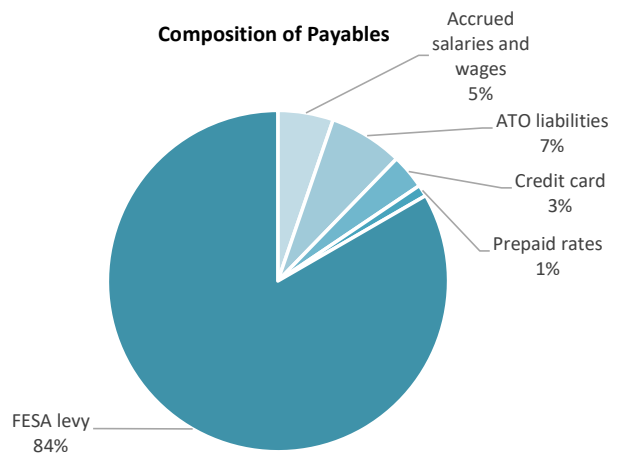
KEY INFORMATION

Trade and other payables represent liabilities for goods and services provided to the Shire 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.

Composition of Payables



Composition of Payables



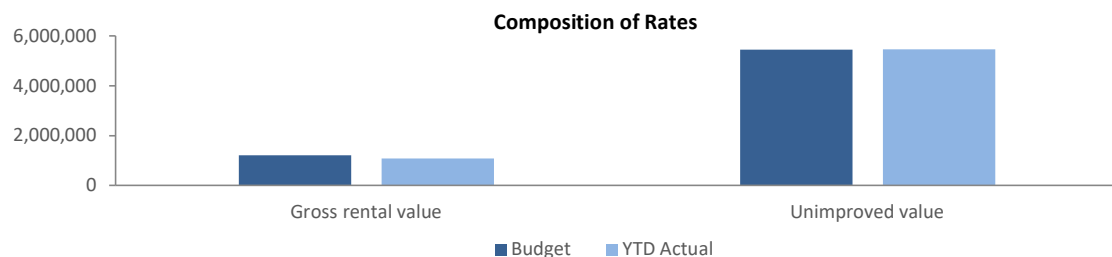
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD ENDED 31 AUGUST 2020

OPERATING ACTIVITIES  
NOTE 6  
RATE REVENUE

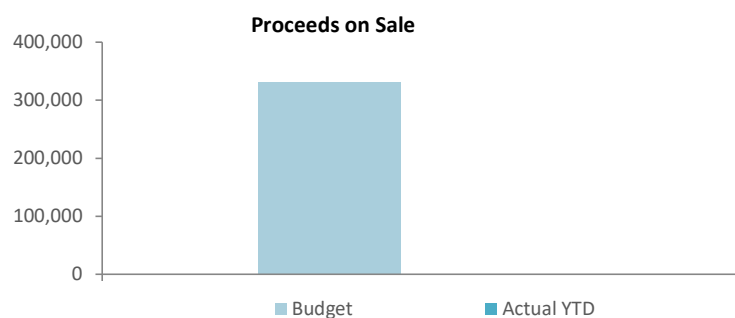
General rate revenue	Budget							YTD Actual			
	Rate in \$ (cents)	Number of Properties	Rateable Value	Rate Revenue	Interim Rate	Back Rate	Total Revenue	Rate Revenue	Interim Rates	Back Rates	Total Revenue
RATE TYPE				\$	\$	\$	\$	\$	\$	\$	\$
<b>Gross rental value</b>											
General rate revenue	0.0706	586	15,222,674	1,074,721	134,000	0	1,208,721	1,074,721	173	0	1,074,894
<b>Unimproved value</b>											
General rate revenue	0.1550	1,415	34,965,661	5,419,677	40,000	0	5,459,677	5,419,677	51,067	0	5,470,744
<b>Sub-Total</b>		<b>2,001</b>	<b>50,188,335</b>	<b>6,494,398</b>	<b>174,000</b>	<b>0</b>	<b>6,668,398</b>	<b>6,494,398</b>	<b>51,240</b>	<b>0</b>	<b>6,545,638</b>
<b>Minimum payment</b>	<b>Minimum \$</b>										
<b>Gross rental value</b>											
General rate revenue	323	61	120,189	29,393	0	0	29,393	29,393	0	0	29,393
<b>Unimproved value</b>											
General rate revenue	323	636	720,994	205,428	0	0	205,428	205,428	0	0	205,428
<b>Sub-total</b>		<b>697</b>	<b>841,183</b>	<b>234,821</b>	<b>0</b>	<b>0</b>	<b>234,821</b>	<b>234,821</b>	<b>0</b>	<b>0</b>	<b>234,821</b>
<b>Total general rates</b>							<b>6,903,219</b>				<b>6,780,459</b>

KEY INFORMATION

Prepaid rates are, until the taxable event for the rates has occurred, refundable at the request of the ratepayer. Rates received in advance give rise to a financial liability. On 1 July 2020 the prepaid rates were recognised as a financial asset and a related amount was recognised as a financial liability and no income was recognised. When the taxable event occurs the financial liability is extinguished and income recognised for the prepaid rates that have not been refunded.



Asset Ref.	Asset description	Budget				YTD Actual			
		Net Book Value	Proceeds	Profit	(Loss)	Net Book Value	Proceeds	Profit	(Loss)
		\$	\$	\$	\$	\$	\$	\$	\$
<b>Plant and equipment</b>									
<b>Transport</b>									
658	2018 Ford Ranger Grader Ute	45,752	33,000	0	(12,752)	0	0	0	0
660	Holden Colorado Space Cab Tray Top 4WD	40,764	33,000	0	(7,764)	0	0	0	0
645	Asset 645 John Deere 670G Grader 2014	235,000	140,000	0	(95,000)	0	0	0	0
<b>Other property and services</b>									
PE70	2019 Nissan Patrol 4WD CEO	68,145	52,000	0	(16,145)	0	0	0	0
PE39	2019 Ford Everest 4WD DCEO	51,179	38,000	0	(13,179)	0	0	0	0
658	2018 Amarok Dual Cab MWS	36,787	35,000	0	(1,787)	0	0	0	0
		<b>477,627</b>	<b>331,000</b>	<b>0</b>	<b>(146,627)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>



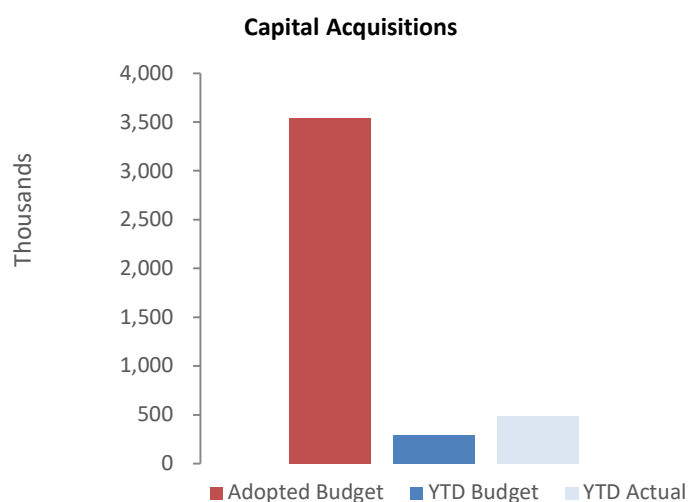
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD ENDED 31 AUGUST 2020**

**INVESTING ACTIVITIES  
NOTE 8  
CAPITAL ACQUISITIONS**

Capital acquisitions	Adopted		YTD Actual	YTD Actual Variance
	Budget	YTD Budget		
	\$	\$	\$	\$
Buildings	778,566	64,881	22,866	(42,015)
Furniture and equipment	7,000	583	0	(583)
Plant and equipment	1,037,500	86,458	0	(86,458)
Infrastructure - roads	500,000	41,667	0	(41,667)
Infrastructure - parks, gardens, recreation facilities	1,219,458	101,622	467,143	365,522
<b>Payments for Capital Acquisitions</b>	<b>3,542,524</b>	<b>295,210</b>	<b>490,009</b>	<b>194,799</b>
<b>Total Capital Acquisitions</b>	<b>3,542,524</b>	<b>295,210</b>	<b>490,009</b>	<b>194,799</b>
<b>Capital Acquisitions Funded By:</b>				
	\$	\$	\$	\$
Capital grants and contributions	1,110,213	185,036	0	(185,036)
Other (disposals & C/Fwd)	331,000	0	0	0
Cash backed reserves				
Aerodrome reserve	250,000	0	0	0
Contribution - operations	1,851,311	110,174	490,009	379,835
<b>Capital funding total</b>	<b>3,542,524</b>	<b>295,210</b>	<b>490,009</b>	<b>194,799</b>

**SIGNIFICANT ACCOUNTING POLICIES**

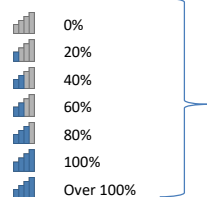
All assets are initially recognised at cost. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition. For assets acquired at no cost or for nominal consideration, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by the local government includes the cost of all materials used in the construction, direct labour on the project and an appropriate proportion of variable and fixed overhead. Certain asset classes may be revalued on a regular basis such that the carrying values are not materially different from fair value. Assets carried at fair value are to be revalued with sufficient regularity to ensure the carrying amount does not differ materially from that determined using fair value at reporting date.





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.

		Adopted			
Account Description		Budget	YTD Budget	YTD Actual	Variance (Under)/Over
<b>Buildings</b>					
	11A Walton Street	25,000	2,083	0	(2,083)
	Doctor's House	40,000	3,333	0	(3,333)
	11 Queen Victoria Street	35,000	2,917	0	(2,917)
	26 Queen Victoria Street	15,000	1,250	0	(1,250)
	29 Hoover Street	35,000	2,917	0	(2,917)
	40A Hoover Street	25,000	2,083	0	(2,083)
	51 Gwalia Street	35,000	2,917	0	(2,917)
	9 Cohen Street	25,000	2,083	0	(2,083)
	Oval Caretaker	20,000	1,667	0	(1,667)
	Container Scheme Modifications	8,000	667	0	(667)
	Renewable Energy Setup Lot 60 Tower St	28,500	2,375	0	(2,375)
	Renewable Energy Setup Lot 96 Tower St	28,500	2,375	0	(2,375)
	Playground- Tower Street Toilet	73,202	6,100	0	(6,100)
	Public Toilet - Town	150,000	12,500	0	(12,500)
LB10002	Public Toilet - Gwalia Museum	126,764	10,564	22,866	12,302
	Porch - Gwalia Museum	22,600	1,883	0	(1,883)
	Records storage shed - Kalgoorlie (1/4)	70,000	5,833	0	(5,833)
	Renewable Energy Setup Admin Offices	16,000	1,333	0	(1,333)
		778,566	64,881	22,866	(42,015)
<b>Furniture and Equipment</b>					
	Services Locator	7,000	583	0	(583)
		7,000	583	0	(583)
<b>Plant and Equipment</b>					
	Tractor	66,500	5,542	0	(5,542)
	Backhoe	145,000	12,083	0	(12,083)
	Grader	450,000	37,500	0	(37,500)
	Grader Driver's Vehicle	62,000	5,167	0	(5,167)
	Solar Street Lights x 3	8,000	667	0	(667)
	Solar Street Lights x 3	40,000	3,333	0	(3,333)
	Reporting Officer's Vehicle	62,000	5,167	0	(5,167)
	MWS's Vehicle	73,000	6,083	0	(6,083)
	CEO's Vehicle Nissan	76,000	6,333	0	(6,333)
	DCEO's Vehicle Ford Everest	55,000	4,583	0	(4,583)
		1,037,500	86,458	0	(86,458)
<b>Infrastructure Roads</b>					
	Grid renewals	50,000	4,167	0	(4,167)
	Leonora Nambi Road RRG	450,000	37,500	0	(37,500)
		500,000	41,667	0	(41,667)
<b>Infrastructure Other</b>					
	Bowling Club internal fencing	30,000	2,500	0	(2,500)
IO10001	Playground - Tower Street	317,000	26,417	14,640	(11,777)
	Pumptrack - Skate Park	135,000	11,250	0	(11,250)
	Standpipe	30,000	2,500	0	(2,500)
	Fencing - Shire Common	25,000	2,083	0	(2,083)
IO20005	Airport Lights	632,458	52,705	452,503	399,798
	Information Bay Upgrade	10,000	833	0	(833)
	Malcom Dam Upgrade	40,000	3,333	0	(3,333)
		1,219,458	101,622	467,143	365,522
		<b>3,542,524</b>	<b>295,210</b>	<b>490,009</b>	<b>389,597</b>

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD ENDED 31 AUGUST 2020**

**OPERATING ACTIVITIES  
NOTE 9  
CASH RESERVES**

**Cash backed reserve**

<b>Reserve name</b>	<b>Opening Balance</b>	<b>Budget Interest Earned</b>	<b>Actual Interest Earned</b>	<b>Budget Transfers In (+)</b>	<b>Actual Transfers In (+)</b>	<b>Budget Transfers Out (-)</b>	<b>Actual Transfers Out (-)</b>	<b>Budget Closing Balance</b>	<b>Actual YTD Closing Balance</b>
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Annual leave reserve	165,344	0	14	0	0	0	0	165,344	165,358
Long service leave reserve	134,561	960	11	0	0	0	0	135,521	134,572
Building reserve	988,771	40,000	84	950,000	0	0	0	1,978,771	988,855
Fire Disaster reserve	39,922	460	3	0	0	0	0	40,382	39,925
Plant purchase reserve	915,193	7,500	78	0	0	0	0	922,693	915,271
Gwalia Precinct reserve	488,650	0	42	0	0	0	0	488,650	488,692
Waste management reserve	315,991	2,000	27	0	0	0	0	317,991	316,018
Aerodrome reserve	286,443	3,400	0	200,000	0	(250,000)	0	239,843	286,443
IT reserve	15,000	0	0	0	0	0	0	15,000	15,000
Pool reserve	45,040	40	4	300,000	0	0	0	345,080	45,044
Aged care reserve	1,920,592	11,000	163	0	0	0	0	1,931,592	1,920,755
	<b>5,315,507</b>	<b>65,360</b>	<b>426</b>	<b>1,450,000</b>	<b>0</b>	<b>(250,000)</b>	<b>0</b>	<b>6,580,867</b>	<b>5,315,933</b>

Other current liabilities	Note	Opening Balance 1 July 2020	Liability Increase	Liability Reduction	Closing Balance 31 August 2020
		\$	\$	\$	\$
<b>Contract liabilities</b>					
Unspent grants, contributions and reimbursements					
- operating	11	80,000	77,899	(51,932)	105,967
<b>Total unspent grants, contributions and reimbursements</b>		80,000	77,899	(51,932)	105,967
<b>Provisions</b>					
Annual leave		154,386	0	0	154,386
Long service leave		74,247	0	0	74,247
<b>Total Provisions</b>		228,633	0	0	228,633
<b>Total other current assets</b>		<b>308,633</b>	<b>77,899</b>	<b>(51,932)</b>	<b>334,600</b>
<b>Amounts shown above include GST (where applicable)</b>					

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 benefits

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

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD ENDED 31 AUGUST 2020

NOTE 11

OPERATING GRANTS AND CONTRIBUTIONS

Provider	Unspent operating grant, subsidies and contributions liability					Operating grants, subsidies and contributions revenue		
	Liability 1 July 2020	Increase in Liability	Liability Reduction (As revenue)	Liability 31 Aug 2020	Current Liability 31 Aug 2020	Adopted Budget Revenue	YTD Budget	YTD Revenue Actual
	\$	\$	\$	\$	\$	\$	\$	\$
<b>Operating grants and subsidies</b>								
<b>General purpose funding</b>								
Grant - Equalisation	0	0	0	0	0	273,399	68,350	73,778
Grant - Roads (Untied)	0	0	0	0	0	304,094	76,024	71,792
<b>Law, order, public safety</b>								
Operational Grant - Bush Fire	0	0	0	0	0	2,000	0	0
<b>Education and welfare</b>								
Youth Support DCP Grant	0	17,984	(11,989)	5,995	5,995	71,935	17,984	11,989
Grant- Sustainability Child Ca	0	0	0	0	0	78,865	0	0
<b>Recreation and culture</b>								
Indue agreement	0	31,857	(21,238)	10,619	10,619	0	0	21,238
CRC other grants	0	0	0	0	0	132,887	33,222	2,500
CRC grant funding	0	28,058	(18,705)	9,353	9,353	0	0	18,705
<b>Transport</b>								
MRWA Direct	0	0	0	0	0	159,050	159,050	159,050
NGWG Consultant	80,000	0	0	80,000	80,000	0	0	0
Contrib. - Street Lights	0	0	0	0	0	4,070	0	0
<b>Economic services</b>								
Weed control	0	0	0	0	0	0	0	10,000
Lotterywest Gwalia Interpretation	0	0	0	0	0	248,403	41,400	48,903
Golden Gift Sponsorship	0	0	0	0	0	115,000	19,166	0
Golden Gift Grants	0	0	0	0	0	54,250	9,042	0
	<b>80,000</b>	<b>77,899</b>	<b>(51,932)</b>	<b>105,967</b>	<b>105,967</b>	<b>1,443,953</b>	<b>424,238</b>	<b>417,955</b>

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD ENDED 31 AUGUST 2020

NOTE 12

NON-OPERATING GRANTS AND CONTRIBUTIONS

Provider	Unspent non operating grants, subsidies and contributions liability					Non operating grants, subsidies and contributions revenue		
	Liability	Increase	Liability	Liability	Current	Adopted Budget	YTD	YTD Revenue
	1 July 2020	in	Reduction	31 Aug 2020	Liability	Revenue	Budget	Actual
	\$	\$	\$	\$	\$	\$	\$	(b)
<b>Non-operating grants and subsidies</b>								
<b>Transport</b>								
Grant - Roads to Recovery	0	0	0	0	0	178,236	29,706	0
Grant - Infrastructure COVID-19	0	0	0	0	0	440,415	73,402	0
RRG Funding	0	0	0	0	0	300,000	50,000	0
RADS Grant	0	0	0	0	0	191,562	31,928	0
	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,110,213</b>	<b>185,036</b>	<b>0</b>

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD ENDED 31 AUGUST 2020**

**NOTE 13  
EXPLANATION OF MATERIAL VARIANCES**

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

The material variance adopted by Council for the 2020-21 year is \$15,000 or 8.00% whichever is the greater.

Reporting Program	Var. \$	Var. %	Timing/ Permanent	Explanation of Variance
	\$	%		
<b>Revenue from operating activities</b>				
Community amenities	(25,655)	(11.12%)	▼ Timing	Will adjust to the budget when rates payment date is reached (10/09/2020)
Recreation and culture	(27,450)	(37.35%)	▼ Timing	Compliance with AASB15 means late transfer of revenue (\$27K)
<b>Expenditure from operating activities</b>				
Governance	88,685	59.84%	▲ Timing	Budget timing and payment for attendance & Conferences delayed till late in the FY
Health	50,292	29.03%	▲ Timing	COVID-19 Costs down \$25K, Costs down \$25K
Education and welfare	35,770	25.25%	▲ Timing	Youth Centre Costs down \$25K due to not being invoiced by contractor, budget timing only \$10K
Community amenities	(50,659)	(78.33%)	▼ Timing	Budget timing re full payment to Outback Grave Markers \$25K, Rubbish Tip maintenance very high \$25K
Recreation and culture	127,431	39.83%	▲ Timing	Budget timing re Pool Maintenance issues \$50K - Sand filter not being fixed till end of September now. \$100K Season not kicked off so low maintenance on Oval etc \$25K
Economic services	260,452	48.68%	▲ Timing	Low maintenance costs as season gets busier at Gwalia, project work not yet commenced \$200K - Budget timing.
Other property and services	195,552	286.77%	▲ Timing	Correction requires to over allocation of PWOH and POC. Remedial measures later in the FY.
<b>Investing activities</b>				
Proceeds from non-operating grants, subsidies and contributions	(185,036)	(100.00%)	▼ Timing	Awaiting payment for Roads (RRG & R2R) once work commences.
Payments for property, plant and equipment and infrastructure	(194,799)	(65.99%)	▼ Timing	Budget timing only. Once purchases are finalised payments will be aligned to this year's budget.

**11.0 REPORTS OF OFFICERS**  
**11.2 DEPUTY CHIEF EXECUTIVE OFFICER**  
**11.2(B) ACCOUNTS FOR PAYMENT**

**SUBMISSION TO:** Meeting of Council  
Meeting Date: 15th September, 2020

**AGENDA REFERENCE:** 11.2 (B) SEP 20

**SUBJECT:** Accounts for Payment

**LOCATION / ADDRESS:** Nil

**NAME OF APPLICANT:** Nil

**FILE REFERENCE:** Nil

**AUTHOR, DISCLOSURE OF ANY INTEREST AND DATE OF REPORT**

**NAME:** Linda Gray

**OFFICER:** Deputy Chief Executive Officer

**INTEREST DISCLOSURE:** Nil

**DATE:** 10<sup>th</sup> September, 2020

**BACKGROUND**

Attached statements consist of accounts paid by Delegated Authority and Council Authorisation since the previous council meeting as follows:

1. Accounts paid by Delegated Authority, totalling **\$997,956.10**, consisting of:
  - a. Credit Card Payments for **August, 2020**, totalling **\$5,913.68**;
  - b. Direct Bank Transactions numbered from **1547** to **1580** and totalling **\$189,075.22**;
  - c. Batch Payments **42, 42A** and **43**, totalling **\$647,607.28**; and
  - d. Cheques from **25712** to **25721** and Payroll Payments relating to **Pay Periods Ending 10/08/2020 & 24/08/2020**, totalling **\$161,273.60**.
2. Accounts paid by Council Authorisation, totalling **\$268,647.36**, consisting of:
  - a. Batch Payments **BP 44.01** to **BP 44.46** and **BP 44A** totalling **\$268,647.36**.

The total amount paid since the previous meeting is **\$1,266,603.46**.

**STATUTORY ENVIRONMENT**

*Local Government Act 1995 S6.10 & Financial Management (1996) Regulation 12 & 13* apply to how the information is to be presented within this report for authorisation by Council.

**POLICY IMPLICATIONS**

There are no policy implications resulting from the recommendation of this report.

**FINANCIAL IMPLICATIONS**

There are no financial implications resulting from the recommendation of this report.

**STRATEGIC IMPLICATIONS**

There are no strategic implications resulting from the recommendation of this report.

## RECOMMENDATIONS

That the accounts for payment, as detailed:

1. Accounts paid by Delegated Authority, totalling **\$997,956.10**, consisting of:
  - a. Credit Card Payments for **August, 2020**, totalling **\$5,913.68**;
  - b. Direct Bank Transactions numbered from **1547** to **1580** and totalling **\$189,075.22**;
  - c. Batch Payments **42, 42A** and **43**, totalling **\$647,607.28**; and
  - d. Cheques from **25712** to **25721** and Payroll Payments relating to **Pay Periods Ending 10/08/2020 & 24/08/2020**, totalling **\$161,273.60**.
2. Accounts paid by Council Authorisation, totalling **\$268,647.36**, consisting of:
  - a. Batch Payments **BP 44.01** to **BP 44.46** and **BP 44A** totalling **\$268,647.36**.

be accepted.

## VOTING REQUIREMENT

Simple Majority

## COUNCIL DECISION

**Moved Cr AM Moore, seconded Cr AE Taylor** that the accounts for payment, as detailed:

1. Accounts paid by Delegated Authority, totalling **\$997,956.10**, consisting of:
  - a. Credit Card Payments for **August, 2020**, totalling **\$5,913.68**;
  - b. Direct Bank Transactions numbered from **1547** to **1580** and totalling **\$189,075.22**;
  - c. Batch Payments **42, 42A** and **43**, totalling **\$647,607.28**; and
  - d. Cheques from **25712** to **25721** and Payroll Payments relating to **Pay Periods Ending 10/08/2020 & 24/08/2020**, totalling **\$161,273.60**.
2. Accounts paid by Council Authorisation, totalling **\$268,647.36**, consisting of:
  - a. Batch Payments **BP 44.01** to **BP 44.46** and **BP 44A** totalling **\$268,647.36**.

be accepted.

**CARRIED (6 VOTES TO 0)**



<b>Shire of Leonora</b>				
<b>Monthly Report – List of Credit Card Transactions Paid by Delegated Authority</b>				
<b>Submitted to Council on the 15th September, 2020</b>				
The following list of accounts relate to Credit Card Transactions paid under delegation by the Chief Executive Officer, since the previous list of accounts. Payments detailed are from statements for <b>August, 2020</b> as per Direct Bank Transaction <b>1572</b> totalling <b>\$5,913.68</b> .				
<b>CHIEF EXECUTIVE OFFICER</b>				
<b>Reference</b>	<b>Date</b>	<b>Name</b>	<b>Item</b>	<b>Payment by Delegated Authority</b>
<b>CEO 08/20</b>	05/08/2020	Bizness Apps	Monthly Subscription to hosting site for Geocaching app - August, 2020	138.62
	07/08/2020	Mad Wax Car Wash	Wash and Detail P1	30.00
	07/08/2020	Coles Express Leonora	Fuel for P1	97.41
	14/08/2020	Foxtel	Foxtel, Internet and Phone for 35 Hoover Street August, 2020	218.89
	25/08/2020	Chez Pierre	Meals & Refreshments for Cactus Hunter Group	890.20
	25/08/2020	Coles Express Leonora	Fuel for P1	161.04
	26/08/2020	Westnet Pty Ltd	Annual Email Hosting CRC - 2020/2021	190.00
	27/08/2020	Nespresso Australia	Coffee for Meetings	219.00
	27/08/2020	Whitehouse Hotel	Refreshments for Volunteers of Outback Grave Markers - 26th August, 2020	123.60
	28/08/2020	National Australia Bank	Card Fee - August, 2020	9.00
<b>CEO 08/20</b>			<b>Total CEO Card August, 2020</b>	<b>\$2,077.76</b>
<b>DCEO 08/20</b>	29/07/2020	St John Ambulance Western Australia Ltd	Payment of CPR & General first Aid course for P Lockyer	128.00
	06/08/2020	Qantas	Flight for L Gray to attend WALGA training	373.12
	10/08/2020	Mobil Yellowdine	Fuel for P2	58.96
	10/08/2020	Slater-Gartrell Sports	Badminton supplies and Croquet sets for Recreation Centre	720.40
	10/08/2020	Aviation ID Australia Pty Ltd.	ASIC Card for G Wallace	257.00
	11/08/2020	Liberty Oil Albany	Fuel for P2	70.47
	17/08/2020	BP Allway Motors	Fuel for P2	46.12
	17/08/2020	Mobil Yellowdine	Fuel for P2	72.39
	17/08/2020	Adobe Systems Software	Annual subscription to Adobe Suite 2020/2021	263.87
	17/08/2020	Coles Express Leonora	Fuel for P245 (Kluger)	37.66
	18/08/2020	Booking.com	Accommodation for A Baxter to attend course in Perth	1,688.00
	26/08/2020	Vistaprint	Magnets for resale at Info Centre	95.97
	28/08/2020	National Australia Bank	Card Fee - August, 2020	9.00
<b>DCEO 08/20</b>			<b>Total DCEO Card August, 2020</b>	<b>\$3,820.96</b>
<b>Other Fees/Payments</b>	06/08/2020	National Australia Bank	International Transaction Fee - Bizness Apps Subscription August, 2020	4.16
	17/08/2020	National Australia Bank	Internal Transaction Fee	7.92
	26/08/2020	National Australia Bank	Internal Transaction Fee	2.88
<b>Other Fees/Payments</b>			<b>Total Other Fees/Payments</b>	<b>\$14.96</b>
<b>1572</b>	<b>07/09/2020</b>	<b>National Australia Bank</b>	<b>Credit Card Purchases for August, 2020</b>	<b>\$5,913.68</b>

<b>Shire of Leonora</b>				
<b>Monthly Report – List of Direct Bank Transactions Paid by Delegated Authority</b>				
<b>Submitted to Council on the 15th September, 2020</b>				
The following list of accounts relate to Direct Bank Transactions paid under delegation by the Chief Executive Officer, since the previous list of accounts. Transactions are numbered from <b>1547</b> to <b>1580</b> and totalling <b>\$189,075.22</b>				
<b>CHIEF EXECUTIVE OFFICER</b>				
<b>Transaction</b>	<b>Date</b>	<b>Name</b>	<b>Item</b>	<b>Payment by Delegated Authority</b>
1547	14/08/2020	Australian Super	Superannuation PPE: 10/8/2020	1,060.36
1548	14/08/2020	Christian Super	Superannuation PPE: 10/8/2020	67.64
1549	14/08/2020	CBUS	Superannuation PPE: 10/8/2020	659.27
1550	14/08/2020	Dazacom Superfund	Superannuation PPE: 10/8/2020	239.34
1551	14/08/2020	HESTA	Superannuation PPE: 10/8/2020	179.93
1552	14/08/2020	Hostplus Super	Superannuation PPE: 10/8/2020	108.99
1553	14/08/2020	MLC Super Fund	Superannuation PPE: 10/8/2020	1,457.96
1554	14/08/2020	MTAA Super	Superannuation PPE: 10/8/2020	358.65
1555	14/08/2020	Sunsuper	Superannuation PPE: 10/8/2020	343.06
1556	14/08/2020	WA Super	Superannuation PPE: 10/8/2020	7,656.45
1557	3/08/2020	Westnet	Monthly Email Hosting + CRC (July, 2020)	11.00
1558	14/08/2020	3E Advantage	Printing Costs for Childcare, Shire, CRC, Works & Museum, July, 2020 + Copier Agreement	3,045.99
1560	24/08/2020	National Australia Bank	NAB Connect Fees and Access Usage August, 2020	42.74
1	25/08/2020	Shire of Leonora	Salaries & Wages PPE: 24/8/2020	77,126.96
1561	31/08/2020	Australian Super	Superannuation PPE: 24/8/2020	944.12
1562	31/08/2020	Christian Super	Superannuation PPE: 24/8/2020	67.64
1563	31/08/2020	CBUS	Superannuation PPE: 24/8/2020	1,010.75
1564	31/08/2020	Dazacom Superfund	Superannuation PPE: 24/8/2020	239.34
1565	31/08/2020	HESTA	Superannuation PPE: 24/8/2020	159.94
1566	31/08/2020	Hostplus Super	Superannuation PPE: 24/8/2020	36.33
1567	31/08/2020	MLC Super Fund	Superannuation PPE: 24/8/2020	1,525.90
1568	31/08/2020	MTAA Super	Superannuation PPE: 24/8/2020	339.88
1569	31/08/2020	Sunsuper	Superannuation PPE: 24/8/2020	343.90
1570	31/08/2020	WA Super	Superannuation PPE: 24/8/2020	8,328.50
1571	31/08/2020	National Australia Bank	Account Fees + August, 2020	77.50
1572	7/09/2020	National Australia Bank	Credit Card Charges for August, 2020	5,913.68
1573	1/09/2020	Westnet	Email Hosting Monthly Fee - leonora@crc.net.au - August, 2020	11.00
1574	1/09/2020	National Australia Bank	EFTPOS Merchant Fee - August 2020 - 7381278 - Childcare Centre	20.00
1575	1/09/2020	National Australia Bank	EFTPOS Merchant Fee - August 2020 - 7379314 - Rec Centre	20.08
1576	1/09/2020	National Australia Bank	EFTPOS Merchant Fee - August 2020 - 7374463 - Info Centre	24.34
			<b>Sub Total</b>	<b>\$111,421.24</b>

<b>Transaction</b>	<b>Date</b>	<b>Name</b>	<b>Item</b>	<b>Payment by Delegated Authority</b>
			<b>Balance Brought Forward</b>	<b>\$111,421.24</b>
1577	1/09/2020	National Australia Bank	EFTPOS Merchant Fee - August 2020 - 73780395 - CRC	24.59
1578	1/09/2020	National Australia Bank	EFTPOS Merchant Fee - August 2020 - 7374513 - Events	86.25
1579	1/09/2020	National Australia Bank	EFTPOS Merchant Fee - August 2020 - 7374471 - Airport	144.15
1580	1/09/2020	National Australia Bank	EFTPOS Merchant Fee - August 2020 - 7381393 - Shire & Museum	1,282.51
1	8/09/2020	Shire of Leonora	Salaries & Wages PPE: 7/9/2020	76,116.48
			<b>GRAND TOTAL</b>	<b>\$189,075.22</b>

<b>Shire of Leonora</b>				
<b>Monthly Report - List of Accounts Paid by Delegated Authority</b>				
<b>Submitted to Council on the 15th September, 2020</b>				
<p><b>Batch Payments 42</b>, consisting of <b>BP 42.01 to BP 42.04 (\$22,556.62)</b>, <b>42A</b>, consisting of <b>BP 42A.01 (\$495,013.56)</b>, and <b>43</b> consisting of <b>BP 43.01 to BP 43.44 (\$130,037.10)</b> and totalling <b>\$647,607.28</b> were paid by delegated authority by the Chief Executive Officer and have been checked and are fully supported by remittances and duly certified invoices with checks being carried out as to prices, computations and costing. Bank Details are reconciled against those invoices by two officers.</p>				
<b>CHIEF EXECUTIVE OFFICER</b>				
<b>Batch Reference</b>	<b>Date</b>	<b>Name</b>	<b>Item</b>	<b>Payment by delegated Authority</b>
BP 42.01	12/08/2020	Aaxxa	Fuel, Oil and Related Fittings and Air Lines for Grader Camp	6,216.21
BP 42.02	12/08/2020	Artcom Fabrication Design Group	Variations to Media Units at Gwalia Vehicle Shed	7,221.50
BP 42.03	12/08/2020	Dave Hadden	Environmental Health and Building Services for Shires of Leonora, Laverton and Menzies	8,712.00
BP 42.04	12/08/2020	Heatley's Sales Pty Ltd	Work Pants and Workboots for Museum Staff	406.91
			<b>Total Batch Payment 42</b>	<b>22,556.62</b>
BP 42A.01	19/08/2020	West Coast Civil	Leonora AGL Upgrade - Progress Claim No. (July)	495,013.56
			<b>Total Batch Payment 42A</b>	<b>495,013.56</b>
BP 43.01	28/08/2020	Air Liquide W.A. Ltd	Large Cylinder Fee for 1/07/2020-31/07/2020	26.06
BP 43.02	28/08/2020	Ashdown Ingram	12V Lights, Switch and Fuse Holder	45.66
BP 43.03	28/08/2020	Bidfood Kalgoorlie	Consumables for Child Care Centre and Hoover House	976.59
BP 43.04	28/08/2020	BOC Limited	20kg Liquid Nitrogen for Medical Centre	28.83
BP 43.05	28/08/2020	Building and Energy	BSL Remittance Advice 1/2/2020-31/7/2020	2,333.25
BP 43.06	28/08/2020	Bunnings Building Supplies Pty Ltd	Assorted Fittings for Grader Camps and Door Rollers and Solenoids for 26 Queen Victoria St	672.18
BP 43.07	28/08/2020	Butsons Building Service	Accommodation for L. Trevenen 04/07/2020-25/07/2020	2,772.00
BP 43.08	28/08/2020	Canine Control	Ranger Services for Shire of Leonora August, 2020	8,498.78
BP 43.09	28/08/2020	Canning Pool and Pump Centre	Pool Parts for 1 Queen Victoria St	123.80
BP 43.10	28/08/2020	Chefmaster Australia	1 x Carton of Biobag Dog Roll for Town Oval	125.28
BP 43.11	28/08/2020	Cheric Leonora	Supply and Install Pipework and Fittings for Grader Camp Water Tank	418.77
BP 43.12	28/08/2020	Coolgardie Tyre Service	Front and Rear Tyres for Mower	374.00
BP 43.13	28/08/2020	Dave Hadden	Environmental Health and Building Services for Shires of Leonora, Laverton and Menzies July- August 2020	14,520.00
BP 43.14	28/08/2020	Dunning's	Supply of 24 New Drums of Avgas	13,055.76
BP 43.15	28/08/2020	Eagle Petroleum (WA) Pty Ltd	Fuel for Parks and Gardens and Grease Cartridges	598.15
BP 43.16	28/08/2020	Global Communication Services	Supply of Satellite Dish, Coax Cable with Connectors and vast Set Top Boxes for Grader	1,421.75
			<b>Sub Total Batch Payment 43</b>	<b>45,990.86</b>
			<b>Sub Total Batch Payment 42, 42A &amp; 43</b>	<b>\$563,561.04</b>

<b>Batch Reference</b>	<b>Date</b>	<b>Name</b>	<b>Item</b>	<b>Payment by delegated Authority</b>
			<b>Batch Payment 42, 42A &amp; 43 Balance Brought Forward</b>	<b>\$563,561.04</b>
			<b>Batch Payment 43 Balance Brought Forward</b>	<b>45,990.86</b>
BP 43.17	28/08/2020	GTN Services	Service to P4, DOT inspection for Registration and Service to P11521, Supply batteries to New Grader Camp Gen Set and L783 and repairs to Everest cruise control	1,927.49
BP 43.18	28/08/2020	Heatley's Sales Pty Ltd	Toilet Paper and Hand Towel for Leonora Airport, Shire Office, Public Toilets and NGROAC	447.87
BP 43.19	28/08/2020	In2balance	Annual Licence, Maintenance and Support Fees for the Year Ended 30 June, 2021	20,790.00
BP 43.20	28/08/2020	J.R. & A. Hersey Pty Ltd	Jackets and Polo Shirts for Leonora Child Care Centre	610.61
BP 43.21	28/08/2020	Juwest Pty Ltd	Clear Blocked Pipes at 26 Queen Victoria St	404.25
BP 43.22	28/08/2020	Lamination System Pty Ltd	Supply of 1 x Econolam Compact Poster Laminator + Freight	3,641.00
BP 43.23	28/08/2020	Lee-Anne Trevenen	Reimbursement for Purchase of Plants for Rec Centre Community Garden	85.77
BP 43.24	28/08/2020	Leonora Drive Connectors	Hydraulic Fittings for P322	60.06
BP 43.25	28/08/2020	Linda Gray	Reimbursement for Purchase of Police Disco Prizes	99.98
BP 43.26	28/08/2020	Luck Thai Cleaning	Cleaning of Shire Buildings 3/08/2020-16/08/2020	9,553.50
BP 43.27	28/08/2020	Magnetic Resources NL-	Tyson Resources rates overpaid 17/8/2020	2,997.22
BP 43.28	28/08/2020	Marketforce	Advertising for proposed unmanned fuel facility - Lot 881 (11) Rochester Street - Kal Mi...	256.52
BP 43.29	28/08/2020	Moore Australia	FBT Return for 2020	1,815.00
BP 43.30	28/08/2020	Northern Goldfields Electrical Pty Ltd	Supply of Globes for Airport Apron Lights and Replacement of Flood Light Switch at Hoover House	585.75
BP 43.31	28/08/2020	Outback Grave Markers	Financial Contribution Towards the Marking of Outback Graves in the Goldfields	25,000.00
BP 43.32	28/08/2020	Pier Street Medical	Alcohol and Drug Test for Stanley Bell	66.00
BP 43.33	28/08/2020	RF Young	Hourly Labour Hire - Leonora - Mt Ida	3,300.00
BP 43.34	28/08/2020	Royal Flying Doctor Service	Supply of Flying Doctor Cookbook for Resale at Information Centre	324.00
BP 43.35	28/08/2020	Royal Life Saving (WA Branch)	Provide Advanced First Aid Course - A. Baxter	299.00
BP 43.36	28/08/2020	Snap Printing	8,000 Rate Notices printed colour one side and black on back on 80gsm bond perfed w/ reverse	1,104.31
BP 43.37	28/08/2020	TAPS Industries Pty Ltd	Assessment of Septic at Old Telecentre	280.00
BP 43.38	28/08/2020	Tennant Australia	Supply of Brushes for Tennant Sweeper	2,900.63
BP 43.39	28/08/2020	United Steel	Angles, RHS and Flats as quoted for Grader Camps	1,254.00
BP 43.40	28/08/2020	Vanguard Press	Freight and Handling of Northern Goldfields Maps and Brochures for Month of July ,2020	117.05
BP 43.41	28/08/2020	Weldpower Pty Ltd -	Repairs to Lookout Tower at Museum	4,200.00
BP 43.42	28/08/2020	West Australian Newspapers Ltd	Publications in Kalgoorlie Miner for Month of July, 2020	1,254.00
BP 43.43	28/08/2020	Western Australian Museum	20 X 110 In the Waterbag Books for Resale at Information Centre	514.38
BP 43.44	28/08/2020	Wurth Australia Pty Ltd	Grinder Cutting Discs	157.85
			<b>Total Batch Payment 43</b>	<b>\$130,037.10</b>
			<b>GRAND TOTAL BATCH PAYMENTS 42, 42A &amp; 43</b>	<b>\$647,607.28</b>

<b>Shire of Leonora</b>				
<b>Monthly Report – List of Accounts Paid by Delegated Authority</b>				
<b>Submitted to Council on the 15th September, 2020</b>				
The following list of accounts has been paid under delegation by the Chief Executive Officer, since the previous list of accounts. Cheque <b>25712</b> to <b>25721</b> (\$160,018.60), and Payroll Liability payments relating to <b>Pay Periods Ending 10/08/2020</b> (\$627.50) & <b>24/08/2020</b> (\$627.50), total <b>\$161,273.60</b> .				
<b>CHIEF EXECUTIVE OFFICER</b>				
<b>Cheque</b>	<b>Date</b>	<b>Name</b>	<b>Item</b>	<b>Payment by Delegated Authority</b>
PL10082020	14/08/2020	Shire of Leonora	Payroll deductions PPE: 10/8/2020	627.50
25712	14/08/2020	Australian Taxation Office	BAS for June, 2020	28,352.00
25713	14/08/2020	Department Of Transport	Licence Renewal Fees for P1915, P008, and P1935 - Expiry 2021	978.85
25714	14/08/2020	Horizon Power	Power Usage Charges for Shire Office, Recreation Centre and Sporting Complex June - July, 2020	4,589.12
25715	14/08/2020	Telstra	Service and Rental Fees for NGROAC and Camping Requisites July - August, 2020	914.19
25716	19/08/2020	Department Of Transport	Renewal of Licence for P11521 for 2020/21 Financial Year	414.20
25717	19/08/2020	Horizon Power	Charges for Streetlights - July, 2020	4,694.39
25718	19/08/2020	Telstra	Service, Equipment Rental and Usage Charges 21/07/2020 - 21/08/2020	3,071.20
PL24082020	28/08/2020	Shire of Leonora	Payroll deductions PPE: 24/8/2020	627.50
25719	26/08/2020	Australian Taxation Office	BAS for July, 2020	90,014.00
25720	25/08/2020	Emily Butson	Refund for Falanitama Wedding	2,050.00
25721	28/08/2020	Horizon Power	Power Usage Charges for Shire of Leonora - July, 2020	24,940.65
			<b>GRAND TOTAL</b>	<b>\$161,273.60</b>

<b>Shire of Leonora</b>				
<b>Monthly Report - List of Accounts Paid by Authorisation of Council</b>				
<b>Submitted to Council on the 15th September, 2020</b>				
<p><b>Batch Payment 44</b>, referenced from <b>BP 44.01</b> to <b>BP 44.46</b> totalling <b>\$205,334.78</b> and <b>Batch Payment 44A</b>, referenced as <b>BP 44A</b> for <b>\$63,312.58</b> submitted to each member of the Council on 15th September, 2020 and totalling <b>\$268,647.36</b> have been checked and are fully supported by remittances and duly certified invoices with checks being carried out as to prices, computations and costing. Bank Details are reconciled against those invoices by two officers.</p>				
<b>CHIEF EXECUTIVE OFFICER</b>				
<b>Batch Reference</b>	<b>Date</b>	<b>Name</b>	<b>Item</b>	<b>Payment</b>
BP 44.01	15/09/2020	Access Office Industries	3 x Book Cases for Shire Depot Office	499.65
BP 44.02	15/09/2020	Air Safety Navigators	AROC Radio Training Course for 3 x Participants	3,705.34
BP 44.03	15/09/2020	Airport Security Pty Ltd	Aviation Security Identification Card for D. Roos	220.00
BP 44.04	15/09/2020	Alex Baxter	Reimbursement for Meals, Parking and Fuel Associated with LG Professionals Course 19-26/08/2020	1,001.14
BP 44.05	15/09/2020	Bidfood Kalgoorlie	Consumables for Hoover House	689.06
BP 44.06	15/09/2020	BOC Limited	Expendable Tools, Freight & Medical Centre equipment	140.73
BP 44.07	15/09/2020	Bunnings Building Supplies Pty Ltd	Hardware and Consumables for Gwalia Museum and 13 Fitzgerald Dr.	349.85
BP 44.08	15/09/2020	Cloud Collections Pty Ltd	Legal Cost Incurred for Recovery of Bad Debts	55.00
BP 44.09	15/09/2020	Corsign WA Pty Ltd	Supply of 2 Illegal Rubbish Dumping Signs as per quote 49561	110.00
BP 44.10	15/09/2020	Creative Spaces	Eighth Invoice for Stage One of Leonora's Interpretation Project	11,709.72
BP 44.11	15/09/2020	Dean's Autoglass	Supply and Fit New Windscreen to P6	632.5
BP 44.12	15/09/2020	Department of Fire and Emergency Services	ESL 1st Quarter Contribution	44,159.67
BP 44.13	15/09/2020	Discount Domain Name Services Pty. Ltd.	Domain Renewal - gwalia.org.au - 2 Years 8/9/2020 - 8/9/2022	35.00
BP 44.14	15/09/2020	Dunning's	Refill of 38 Drums (Approx 7600L) of Avgas	17,812.90
BP 44.15	15/09/2020	Elite Gym Hire	Monthly Hire of Gym Equipment for September 2020	1,499.74
BP 44.16	15/09/2020	Gail Ross	Reimbursement for Consumables Purchased for Hoover House	26.40
BP 44.17	15/09/2020	Galaxy Embroidery and Printing	Merchandise for Resale for Gwalia	1,544.95
BP 44.18	15/09/2020	gallery360	Fittings for Gwalia Precinct as Part of Gwalia's Interpretation Project	547.80
BP 44.19	15/09/2020	Goldfields Locksmiths	Cylinders, Keys and Padlocks for Child Care Centre and Grader Camp	1,432.74
BP 44.20	15/09/2020	GTN Services	Scheduled Service for P6 as Quoted #2064	312.99
BP 44.21	15/09/2020	Hocking Heritage Studio	Provision of Project Management Services on Behalf of the Shire of Leonora - Leonora Interpretation Project	9,475.13
BP 44.22	15/09/2020	Intouch Kiosks Pty Ltd	Supply of Free Standing Landscape Kiosk for Gwalia Museum	5,286.60
			<b>Sub Total Batch Payment 44</b>	<b>101,246.91</b>

<b>Batch Reference</b>	<b>Date</b>	<b>Name</b>	<b>Item</b>	<b>Payment</b>
			<b>Batch Payment 44 Balance Brought Forward</b>	<b>101,246.91</b>
BP 44.23	15/09/2020	J.R. & A. Hersey Pty Ltd	Workshop Tools, parts and consumables as per dockets 45297, 45298, 45299	1,309.20
BP 44.24	15/09/2020	Juwest Pty Ltd	Hire of Rock Breaker for Trenching and Supply and Delivery of Concrete Surround for New Shed at 35 Hoover St	3,749.90
BP 44.25	15/09/2020	Kleenheat Gas	Yearly Cylinder Service Charge for 13 Fitzgerald Dr	14.30
BP 44.26	15/09/2020	Leonora Motor Inn	Accommodation and Meals for G. Dewar, R. Clarke and P. Craig - August and September, 2020	1,428.00
BP 44.27	15/09/2020	Luck Thai Cleaning	Cleaning of Shire of Leonora Buildings 17/8/2020-3/8/2020	9,256.50
BP 44.28	15/09/2020	Marlou Contracting Pty Ltd	Bobcat and Truck clean up rubbish between Braemore Rd and Nambi Rd	2,213.75
BP 44.29	15/09/2020	McGinty and Co Pty Ltd	Installation of 3 Footings and Flagpoles	1,815.00
BP 44.30	15/09/2020	McMahon Burnett Transport	Freight Charges for Goods Delivered to the Shire Office	563.74
BP 44.31	15/09/2020	Moore Australia	Fees Relating to the Revaluation of Land and Buildings in Fixed Asset Online, Preparation of the Detailed Budget Template for 2020/2021 FY, Lodgement of the BAS for July, 2020, and Input of 2020/21 Budget into Reckon	14,300.00
BP 44.32	15/09/2020	Netlogic Information Technology	Access to Reckon for Mandy Wynne	637.50
BP 44.33	15/09/2020	Northern Goldfields Electrical Pty Ltd	Electrical Repairs to ATM in Presence of two prosegur Security Guards, Repairs to Power Fault at TV Hut, and Supply and Fit Four LED Lights to Vehicle Shed at Gwalia	1,672.00
BP 44.34	15/09/2020	Outback Parks&Lodges	2 nights accommodation for Peter Smith	260.00
BP 44.35	15/09/2020	Prosegur Australia Pty Ltd	ATM Install & Run for Month of August, 2020	2,910.95
BP 44.36	15/09/2020	PWT Electrical Pty Ltd	Replace Switchboard in Board Room at Shire Office, and Install Safety Lights at Child Care Centre	2,450.66
BP 44.37	15/09/2020	Squire Patton Boggs	Watching Brief Over Native Title Claim WC2018/005 - Darlot Claim and Native Title Watching Brief: Nyalpa Prirniku	458.70
BP 44.38	15/09/2020	St John Ambulance Western Australia Ltd	Provide First Aid Training to I. Falanitama	128.00
BP 44.39	15/09/2020	State Law Publisher	Publication in Government Gazette - Application for Revestment of Land in the Crown	108.15
BP 44.40	15/09/2020	Statewide Bearings	Supply Bearing Kits for Older Grader Caravans	253.88
BP 44.41	15/09/2020	Tudor House (WA) Pty Ltd	Open Banners for the Information Centre	256.00
BP 44.42	15/09/2020	WA Fuel Supplies	Supply and Deliver Approx. 30,000L of Diesel at 0.9583c/L(ex GST)	31,560.81
BP 44.43	15/09/2020	West Australian Newspapers Ltd	Advertising in the Kalgoorlie Miner 15/08/2020, 22/08/2020 and 25/08/2020	811.90
BP 44.44	15/09/2020	Western Australian Local Government Ass.	WALGA Membership for 2020/2021 Financial Year and Training for Councillors and President	25,834.47
			<b>Sub Total Batch Payment 44</b>	<b>203,240.32</b>



<b>Batch Reference</b>	<b>Date</b>	<b>Name</b>	<b>Item</b>	<b>Payment</b>
			<b><i>Batch Payment 44 Balance Brought Forward</i></b>	<b>203,240.32</b>
BP 44.45	15/09/2020	Whitehouse Hotel	Finger Food and Fruit Juice for 25 People Friday 28/08/2020	750.00
BP 44.46	15/09/2020	Wurth Australia Pty Ltd	Tools and Consumables for Leonora Child Care Centre and General Maintenance	1,344.46
			<b><i>Total Batch Payment 44</i></b>	<b>\$205,334.78</b>
BP 44A	15/09/2020	Pier Street Medical	Medical Services Provisional Fee and Administrative Support Payment for Quarter 1/10/2020-31/12/2020	63,312.58
			<b><i>Total Batch Payment 44A</i></b>	<b>\$63,312.58</b>
			<b>GRAND TOTAL Batch Payments 44 &amp; 44A</b>	<b>\$268,647.36</b>

## 11.0 REPORTS OF OFFICERS

### 11.3 ENVIRONMENTAL HEALTH OFFICER/BUILDING SURVEYOR

#### 11.3(A) SHIRE OF LEONORA LOCAL PLANNING STRATEGY AND LOCAL PLANNING SCHEME NO. 2 – OUTCOMES OF ADVERTISING AND FINAL ADOPTION

**SUBMISSION TO:** Meeting of Council  
Meeting Date: 15th September, 2020

**AGENDA REFERENCE:** 11.3(A) SEP 20

**SUBJECT:** Shire of Leonora Local Planning Strategy and Local Planning Scheme, No 2.

**LOCATION / ADDRESS:** N/A

**NAME OF APPLICANT:** Shire of Leonora

**FILE REFERENCE:** 20.0

#### **AUTHOR, DISCLOSURE OF ANY INTEREST AND DATE OF REPORT**

**NAME:** Dave Hadden

**OFFICER:** Principal EHO / Building Surveyor

**INTEREST DISCLOSURE:** Nil

**DATE:** 2<sup>nd</sup> September, 2020

#### **PURPOSE OF REPORT:**

To present Council with the outcomes of advertising of the City's Draft Local Planning Strategy and Local Planning Scheme No. 2 and to request Council adopt the Draft Local Planning Strategy (LPS) and Local Planning Scheme No. 2 (LPS 2), subject to modifications.

#### **BACKGROUND**

Under the *Planning and Development Act 2005* (PD Act) local governments can prepare a local planning scheme for any land within its district to make suitable provisions for the improvement, development and use of land. The *Planning and Development (Local Planning Schemes) Regulations 2015* (Regulations) require that local planning schemes are reviewed on a five-yearly basis, or within two years of the Regulations coming into operation.

Local planning schemes provide the statutory framework for managing land use development within a local government. It also provides the spatial plan for where particular land uses should occur within the locality. A local planning strategy is a strategic document that sets the land use vision for the local government area as well as a local profile of the locality and its community. A local planning strategy sets out the long-term planning directions for a local government, taking into account any relevant regional or state planning policies and provides the rationale for any zoning or classification of land under the local planning scheme. The local planning strategy is a precursor for the preparation of the local planning scheme.

The Shire of Leonora Town Planning Scheme No. 1 (TPS1) was originally gazetted on 23 November 1984, and was last amended on 24 November 2009. TPS 1 is outdated and is required to be reviewed to align with the current planning regulatory framework.

At its meeting on 16 October 2018, Council considered the draft local planning strategy and scheme and approved them for advertising.

#### **STATUTORY ENVIRONMENT**

A local planning scheme is to be prepared in accordance with the provisions of the *Planning and Development Act 2005* and *Planning and Development (Local Planning Schemes) Regulations 2015*.

## **CONSULTATION**

In accordance with the Regulations, the local planning scheme was advertised for a minimum of 90 days. The Regulations stipulate that a local planning strategy be advertised for a period of 21 days. However, given the relationship between the two documents, they were concurrently advertised for 90 days. An advertisement was placed in the Kalgoorlie Miner on 4th April 2020 marking the commencement of the advertising. The form of advertising was consistent with the requirements of the Regulations.

The local planning strategy and scheme were advertised between 4 April 2020 and 6 July 2020. A total of 9 submissions were received. One of the 9 submissions was from a resident, with the remaining 8 submissions being submitted by government agencies as listed below:

- The Department of Water & Environmental Regulation;
- The Environmental Protection Authority;
- The Department of Mines, Industry Regulation and Safety;
- The Department of Biodiversity, Conservation and Attractions;
- The Department of Education;
- The Department of Fire and Emergency Services;
- Water Corporation; and,
- The Department of Primary Industry and Regional Development.

A schedule of the submissions received is included in Attachment 1. The schedule provides a summary of the comments received, the Shire's response and any proposed modifications to the Scheme and Strategy as a result of the submissions.

### **Summary of Modifications to the Local Planning Strategy**

The key modifications proposed to the local planning strategy as a result of advertising are outlined below. A full list of the proposed modifications and justification is provided in the schedule of submissions.

#### **Minor administrative changes or text updates**

There are some minor administrative changes proposed to the local planning strategy such as:

- Adding further text to section 3.3.3 to identify that the provision of any additional schools should be consistent with the operational policies of the Western Australian Planning Commission relating to school sites.
- Removing references to the Depot Springs Water Reserve which was abolished in August 2015.
- Clarifying that the Leonora Water Reserve was amended in May 2020.
- Including reference to the *Country Areas Water Supply Act 1947*.
- Updating references to legislation eg. replacing the *Wildlife Conservation Act 1950* with *Biodiversity Conservation Act 2016*.
- Including a figure depicting the location of the Leonora Water Reserve.

### **Summary of Modifications to Local Planning Scheme**

The key modifications proposed to the local planning scheme are outlined below. A full list of the proposed modifications is provided in the schedule of submissions.

#### **Local Planning Scheme Text**

- Amend the zoning table (Table 3) to include the 'Industrial Development' zone.

The local planning strategy identifies the need to provide land for General Industrial purposes. Land on Laverton Road to the east of Leonora has accordingly been depicted on the LPS 2 maps as Industrial Development. Zoning of this land for industrial development provides for the preparation of a structure plan to determine specific development approaches and infrastructure to address localised site opportunities and constraints, including drainage, bushfire risk, detailed servicing and appropriate access. The inclusion of the Industrial Development zone in the zoning table will correct this inadvertent omission in the advertised documents.

- Amend Schedule 1 to add the land use classes ‘Single House’ and ‘Grouped Dwelling’ as ‘D’ uses to Special Use Zone 4.

A submission from a local resident has been received questioning the validity of the statement that the purpose of the Special Use Zone is to facilitate special categories of land uses which do not sit comfortably within any other zone given that Schedule 1 (Special Use zones) lists various uses which are permitted within other zones and sit comfortably within those zones. Additionally the submission notes that Gwalia is a residential area forming part of the Leonora town site and is supported by associated services and businesses. Therefore, it has been suggested that Special Use Zone 4, relating to Gwalia, be modified to allow residential development to be included in the uses that may be considered in Gwalia.

Special Use zones have limited application under local planning schemes and are typically applied where there is a desire to limit the range of permissible land uses and would generally exclude all or some of the uses that may be accommodated in adjacent or surrounding zones. Often land use permissibilities within Special Use zones have associated development requirements which may be expressed as performance criteria or as specific standards or conditions which do not apply to the same land use class in other zones. In this respect it is noted that the statement included in the LPS 2 text is consistent with the model scheme text provisions of the Regulations.

Special Use Zone 4 seeks to protect and preserve the Gwalia Historic Precinct and to facilitate development that supports tourism opportunities. While there are currently some residents in Gwalia, it is noted that only one property within the precinct is held in freehold with the balance of land subject of lease agreements through the Department of Planning, Lands and Heritage. The Shire has an agreement with the Regional Manager – Lands, that as these leases expire and/or the current occupants pass away, that these leases will not be renewed. Accordingly the requested modification to Special Use Zone 4 to include residential development is not supported.

## **Other Matters**

### Bushfire Matters

The Department of Fire and Emergency Services noted that while a bushfire hazard level (BHL) assessment was undertaken for the Leonora and Gwalia townsites, a BHL assessment was not undertaken for Leinster presumably because BHP has overarching management responsibilities for Leinster. Additionally, it was noted that LPS 2 does not propose any objectives or controls specific to mitigating the risk of bushfire other than the local government may vary the location of firebreaks to avoid destruction of vegetation, due to the physical features of the land.

Leinster is private town managed by BHP Billiton in accordance with the *Nickel (Agnew) Agreement Act 1974* (the State Agreement). Under the State Agreement, the Shire is precluded from interfering with the use and development of land in Leinster. Accordingly, the Leinster townsite is not included within or subject to the provisions of LPS 2. In terms of bushfire objectives and controls within the local planning scheme, it is noted that as growth continues and more land is developed, bushfire risk will decrease. Future development of peripheral growth areas will require bushfire attack level assessments to support applications for further development and will need to demonstrate compliance with bushfire protection criteria set out in the guidelines to *State Planning Policy 3.7 – Planning in Bushfire Prone Areas*.

Accordingly the DFES has indicated support for the local planning strategy and LPS 2 on the basis that consideration has been given to how compliance with bushfire protection criteria can be achieved at subsequent planning stages.

### Rural Residential Zone

The Department of Mines, Industry Regulation and Safety (DMIRS) has made a number of comments in relation to the proposed Rural Residential zone, specifically:

- The proposed Rural Residential zones may be impacted by active exploration tenements, future potential buffer requirements, flooding, contamination arising from past land use activities, restrictions relating to pipeline protection corridors and drainage channels.

It should be noted that the zoning of land for Rural Residential purposes does not obviate the need to obtain any necessary approvals or agreements prior to subdivision and/or development of the land for Rural Residential purposes. Further it is not appropriate that land use be prevented on the basis of potential mining activities which may or may not eventuate.

Notwithstanding it is acknowledged that the Murrin Murrin high pressure gas pipeline traverses the Rural Residential zone and it is appropriate that the pipeline owner/operator is consulted prior to the subdivision and development of the land for Rural Residential purposes. It is recommended that the draft Strategy be modified to acknowledge the Murrin Murrin high pressure gas pipeline and that the provisions relating to the Rural Residential zone in Schedule 1 of LPS 2 be modified to include a requirement to liaise with the pipeline owner/operator prior to any subdivision or development of land within this zone.

### Mining

In relation to mining specific activities the DMIRS provided the following comments:

- Section 120 of the *Mining Act 1978* (Mining Act) states that local planning schemes and local laws are not to derogate from the Mining Act and recommends that the land use class 'Mining Operations' be removed from the LPS 2.

The inclusion of the land use class 'Mining Operations' is consistent with the model scheme provisions of the Regulations which includes a land use definition for Mining Operations. Mining Operations has been identified as a discretionary use within all zones under the LPS 2. This provides for Mining Operations to be considered throughout the whole scheme area depending on the merits and individual circumstances of each case. The inclusion of Mining Operations in the scheme does not prohibit or affect the granting of a tenement under the Mining Act and does not, therefore, derogate from the Mining Act.

- Recognising the importance of extractive industry and its compatibility with rural activities, it is recommended that it be a permitted use within Rural zone(s) under the Scheme.

There are a wide range of considerations that need to be taken into account when assessing extractive industry applications including impacts on surrounding land uses and operations, traffic and environmental impacts. In light of this, the advertised LPS 2 assigned a 'D' permissibility meaning the use is not permitted unless the local government has exercised its discretion by granting development approval. Accordingly, the inclusion of extractive industry as a permitted use in the Rural zone(s) is not supported.

### **POLICY IMPLICATIONS**

There are no policy implications resulting from the recommendations of this report.

### **FINANCIAL IMPLICATIONS**

The cost of preparing a new local planning scheme and local planning strategy is included in Council's budget.

### **RISK ASSESSMENT**

The adoption of the Draft Scheme and Strategy will fulfil the Shire's obligations under the Regulations of preparing, maintaining and reviewing a Local Planning Strategy and Local Planning Scheme.

The Shire does not currently have a Local Planning Strategy. The current Shire of Leonora TPS1 was originally gazetted on 23 November 1984, and was last amended on 24 November 2009. TPS1 is outdated and notably, does not comply with the current regulatory framework. In particular, the scheme is not aligned with the model or deemed provisions set out in the Regulations.

### **STRATEGIC IMPLICATIONS**

The local planning strategy and scheme examines a number of key matters throughout the Shire and responds to strategic objectives of all four of the key themes of community interest identified in the Shire's Strategic Community Plan (2017-2027) namely:

- Social – *An empowered and spirited community*
- Economic – *Economic hub of the northern goldfields*
- Environment – *Forward thinking management of the built and natural environment*
- Leadership – *Innovative and proactive Shire and Councillors*

## CONCLUSION

The Draft Scheme and Strategy presents a clear vision and certainty for future development and residents within the Shire of Leonora and it is recommended that Council supports the Local Planning Strategy and Local Planning Scheme No. 2 in accordance with Regulations 14 (2)(b) and 25(3)(b), respectively, of the *Planning and Development (Local Planning Schemes) Regulations 2015*, subject to the modifications detailed in the attached schedule of submissions.

## RECOMMENDATIONS

That Council:

1. CONSIDERS the submissions received on the draft Local Planning Strategy and Local Planning Scheme No.2 in accordance with Regulation 14(1) and 25(2) respectively.
2. SUPPORTS the draft Local Planning Strategy and Local Planning Scheme No.2, in accordance with Regulation 14(2)(b) and 25(3)(b), respectively, subject to the modifications detailed in the attached schedule of submission.
3. FORWARDS the relevant information on the draft Local Planning Strategy and Local Planning Scheme No. 2 to the Western Australian Planning Commission, in accordance with Regulations 14(3) and 28, respectively.

## VOTING REQUIREMENT

Absolute Majority

## COUNCIL DECISION

**Moved Cr LR Petersen, seconded Cr AE Taylor, that Council:**

1. CONSIDERS the submissions received on the draft Local Planning Strategy and Local Planning Scheme No.2 in accordance with Regulation 14(1) and 25(2) respectively.
2. SUPPORTS the draft Local Planning Strategy and Local Planning Scheme No.2, in accordance with Regulation 14(2)(b) and 25(3)(b), respectively, subject to the modifications detailed in the attached schedule of submission.
3. FORWARDS the relevant information on the draft Local Planning Strategy and Local Planning Scheme No. 2 to the Western Australian Planning Commission, in accordance with Regulations 14(3) and 28, respectively.

**CARRIED BY ABSOLUTE MAJORITY (6 VOTES TO 0)**

The following submissions were received during the advertising period (4 April 2020 – 6 July 2020)

No.	Name and address	Description of Property	Summary of Submission	Shire Response	Proposed Modifications
1	<p>Melanie Strawbridge Department of Primary Industries and Regional Development (DPIRD)</p> <p>Locked Bag 4 Bentley Delivery Centre 6983</p>	Not Applicable	<p>Agrees that the Shire of Leonora has no freehold land outside of the town site and therefore has limited influence on planning matters outside of the town site.</p> <p><b>Local Planning Strategy</b> While investigations into potential rural residential areas are supported it needs to be acknowledged that rural residential land uses generally require more resources to service these lots than regular residential lots.</p> <p>Agree that encouraging tourism growth is important to create employment opportunities outside of the mining industry in the area.</p> <p>Appropriate industrial land needs to be identified in accordance with the statement made in <i>Availability of Land</i> of Page 11 regarding the gradual transition of industrial land to service industrial.</p>	<p>Noted.</p> <p>Noted – future investigations relating to rural residential areas will take servicing levels into account.</p> <p>Noted.</p> <p>Noted - The existing industrial land has been included in the 'Light Industry' zone and the zoning table amended to incorporate the Light</p>	No modifications proposed as a result of this submission.

No.	Name and address	Description of Property	Summary of Submission	Shire Response	Proposed Modifications
			<p><b>Local Planning Scheme</b> On the zoning map the only industrial area identified is for '<i>Light Industry</i>' and DPIRD recommends that a '<i>Development Investigation Area</i>' be identified for possible future use as a general industrial area.</p>	<p>Industry zone and land use permissibilities introduced that support this transition.</p> <p>Noted - The Scheme maps depicts an area east of the Leonora townsite as Industrial Development. The intent of this zone is to require that a structure plan addressing detailed planning is prepared prior to subdivision and development of the land for General Industrial purposes.</p>	
2	<p>Charles Sabato Water Corporation</p> <p>Locked Mail Bag 2 Osborne Park WA 6916</p>	Not applicable	<p>The Water Corporation supplies most of the water and wastewater services to the Shire and as such is interested in the extent and spatial location of any new town-site growth areas and any proposed up-coding of existing residential areas.</p> <p>The Water Corporation will provide further advice on the capacity and capability of the water and wastewater infrastructure to service new planned growth when the</p>	<p>Noted – The revised local planning strategy and local planning scheme identify areas subject of future land use intensification.</p> <p>Noted – Public advertising of the strategy and scheme was undertaken concurrently. The Water Corporation was advised of this by the Shire.</p>	No modifications proposed as a result of submission.



No.	Name and address	Description of Property	Summary of Submission	Shire Response	Proposed Modifications
			Scheme is advertised for public comment.	No further comments were received.	
3	Joel Gajic Department of Fire and Emergency Services  PO Box 1174 PERTH WA 6844	Not applicable	<p>It is not understood why a bushfire management plan was not undertaken for Leinster like it was for Leonora and Gwalia.</p> <p>No objective or controls have been proposed that will attempt to mitigate the risk of bushfires other than the local government may at its discretion vary the location of firebreaks to avoid destruction of vegetation, due to physical features of the land.</p> <p>The Scheme and Strategy are supported on the basis that the BMP</p>	<p>Noted - Leinster is a private town managed by BHP Billiton in accordance with the <i>Nickel (Agnew) Agreement Act 1974</i> (the State Agreement). Under the State Agreement, the Shire of Leonora is precluded from interfering with the use and development of land within Leinster. The Leinster townsite is outside of land that is subject to the provisions of the local planning scheme.</p> <p>Noted - As growth continues and more land is developed, bushfire prone areas will decrease. Varying the firebreak is the most viable option.</p> <p>Noted</p>	No modifications proposed as a result of submission.

No.	Name and address	Description of Property	Summary of Submission	Shire Response	Proposed Modifications
			adequately considers how compliance with the bushfire protection criteria can be achieved at subsequent planning stages.		
4	Michael John Mulcahy Owner and occupier  P.O. Box 142 Leonora WA 6438	Lot 499 (HN 13) Manning Street and Lot 494 (HN 3) Manning Street	<p>The scheme states that the purpose of Special Use Zones is -<i>"To facilitate special categories of land uses which do not sit comfortably within any other zone."</i> Special Use Zone number 4 lists various uses which are uses that are permitted in other zones and sit comfortably within those zones. This is contradictory to the stated purpose of special use zones. The same contradiction applies in regard to Special Use Zone number 3. What is the real purpose of these Special Use Zones?</p> <p>Gwalia is residential area supported by associated services and businesses It is not a ghost town and is part of the Leonora town site with some of its history preserved.</p>	<p>Noted - The Special Use Zones are intended to give effect to unique objectives that relate to specific areas within the scheme and apply land use classes and development conditions which will contribute to the achievement of these objectives. In considering the specified land uses, Council is required to consider them within the context of specified objectives and the extent to which they comply with the specific development conditions of the Special Use Zone, which are not applicable in other zones.</p> <p>Not supported – While there are currently some residents in Gwalia, it is noted that only one property within the precinct is held in freehold</p>	No modifications proposed as a result of submission.

No.	Name and address	Description of Property	Summary of Submission	Shire Response	Proposed Modifications
			Changes need to be made that ensure Residential use is a permitted use in Gwalia and does not become an illegal use as proposed in the new scheme.	with the balance of land subject of lease agreements. It is the intention that as these leases expire and/or the current occupants pass away, that these leases will not be renewed.	
5	Ikmal Ahmad Department of Education  151 Royal Street, East Perth, Western Australia 6004	Not applicable	Existing public school sites within the shire can accommodate the projected population growth identified within the draft Strategy.  However the correlation between expanding/intensifying residential development areas, resultant demand for student enrolments and need to forward plan for public school sites, needs to be understood. The draft Strategy should clearly indicate that public school sites should be provided in accordance with the requirements of the Western Australian Planning Commission's Development Control Policy 2.4 - School Sites and Element 8 of Liveable Neighbourhoods.	Noted  Agreed – the Strategy will be updated to reference relevant planning policy relating to the planning for public school sites.	No modification proposed.  Insert at the end of section 3.3.3 Housing projections of Part 2 of the Strategy the following:  <b>Population growth may trigger the need to upgrade existing schools or provide additional school sites. Where required, additional school sites should be provided in accordance with the Western Australian Planning Commission's Development Control</b>

No.	Name and address	Description of Property	Summary of Submission	Shire Response	Proposed Modifications
			<p>The Department welcomes the opportunity to liaise with the Shire for the preparation of any proposed planning framework documents including structure plans, particularly where residential growth is contemplated in the future within the Shire. This will assist the Department in analysing the potential student yield and assessing the student accommodation demand on affected public schools.</p>	Noted.	<p><b>Policy 2.4 - School Sites and Objective 8 of Liveable Neighbourhoods.</b></p> <p>No modification proposed.</p>
6	Justin King Department of Water and Environmental Regulation	Not applicable	The Depot Springs Water Reserve was abolished under the <i>Country Areas Water Supply Act 1947</i> in August 2015. References to the former water reserve in the local planning strategy can be removed.	Agreed – References to the Depot Spring Water Reserve in the Strategy will be removed.	<p>Delete the following words on Pg 35 of the Strategy:</p> <p><b>The Depot Springs Water Reserve, located to the northwest of the Shire is a gazetted water reserve. A priority classification for this reserve has not been assigned.</b></p>

No.	Name and address	Description of Property	Summary of Submission	Shire Response	Proposed Modifications
			<p>The boundary of the Leonora Water Reserve was amended in May 2020 under the <i>Country Areas Water Supply Act 1947</i>.</p> <p>If the local planning scheme is extended to cover any part of the Leonora Water Reserve, the Department recommends reflecting the water reserve as a Special control area.</p> <p>The Department recommends identifying the location of the Leonora Water Reserve on a map within the local planning strategy.</p>	<p>Agreed – The Strategy will be amended to note the amendment of the Leonora Water Reserve boundary.</p> <p>Noted – It is not proposed to extend the scheme area</p> <p>Agreed – A figure depicting the location of the Leonora Water Reserve will be inserted into the Strategy.</p>	<p>Add the words bolded to the first sentence of the 2nd paragraph on page 34 of the Strategy:</p> <p>The Leonora Water Reserve was proclaimed in 1990, <b>and last amended in May 2020</b>, under the <i>Country Areas Water Supply Act 1947 (WA)</i> for the purpose of public drinking water source protection.</p> <p>No modification proposed.</p> <p>Insert a figure into the Strategy depicting the location of the Leonora Water Reserve after Figure 11 and renumber the</p>

No.	Name and address	Description of Property	Summary of Submission	Shire Response	Proposed Modifications
			<p>The Leonora Water Reserve is protected and managed under <i>Country Areas Water Supply Act 1947</i> and SPP 2.7.</p> <p>The word Areas should be added to the heading State Planning Policy 2.7 – Public Drinking Water Source on page 21.</p>	<p>Noted – The Strategy will be updated accordingly.</p> <p>Agreed – Amend the title of State Planning Policy 2.7 on pg 21 to include the word Areas.</p>	<p>remaining Figures accordingly.</p> <p>Add the words bolded to the second sentence of the second paragraph under the heading - State Planning Policy 2.7 – Public Drinking Water Source on page 21 of the Strategy:</p> <p>Protection and management of the water reserve will be managed under the <b><i>Country Areas Water Supply Act 1947 and Rights in Water and Irrigation Act 1914.</i></b></p> <p>Add the word <b>Areas</b> to the heading- State Planning Policy 2.7 – Public Drinking Water Source on page 21 of the Strategy.</p>

No.	Name and address	Description of Property	Summary of Submission	Shire Response	Proposed Modifications
7	<p>Samantha Carter Department of Mines, Industry Regulation and Safety</p> <p>Locked Bag 11, East Perth WA 6892</p>	Not Applicable	<p>On the scheme map 'General Industry - p13' has been omitted from the legend.</p> <p>In zoning Table 3 - the option for 'Industrial Development' zone has been omitted.</p>	<p>Noted - No land is identified within the General Industry zone. Land for future general industrial use is to be included in the Industrial Development zone. The Industrial Development zone requires the preparation of a structure plan prior to subdivision and development of the land for industrial purposes to ensure that planning proceeds in a proper and orderly manner. Structure plans are not statutorily binding and land use permissibilities are regulated through local planning schemes. A General Industrial zone and associated land use permissibilities has been included in the zoning table so that these may be referenced in the structure plan accordingly.</p> <p>Noted – The zoning table should be updated to include the Industrial Development zone.</p>	<p>No modification proposed.</p> <p>Amend Table 3 by adding a column headed <b>Industrial Development</b> and</p>

No.	Name and address	Description of Property	Summary of Submission	Shire Response	Proposed Modifications
			<p>DMIRS is not opposed to the concept of Rural Residential zones around Leonora, however, most of the areas being considered for Rural Residential are covered by active exploration tenements and tenement holders should be in agreement.</p> <p>The mine area to the west of the Rural Residential area north of Leonora has the potential to be cut-back to enable deeper mining. In this event a 1000 m buffer would typically be required as a protection buffer in the event of fly-rock generated from blasting activities. It is noted that the majority of the proposed rural residential area is within 500 m of the current mine boundary.</p>	<p>Noted – The zoning of the land for Rural Residential purposes does not obviate the need to obtain any necessary approvals or agreement prior to subdivision and/or development of the land for Rural Residential purposes.</p> <p>Noted - Appropriate buffers to potential future mining activities will need to be addressed if and when this need arises. It is not appropriate to prevent land use on the basis of eventualities that may or may not occur.</p>	<p>including the words “<b>In accordance with an approved structure plan</b>” across all land use classes.</p> <p>No modification proposed.</p> <p>No modification proposed.</p>



No.	Name and address	Description of Property	Summary of Submission	Shire Response	Proposed Modifications
			<p>This area could also potentially be affected by flash flooding as a broad N-S and NE-SW trending drainage channel is located through the centre of the proposed area.</p> <p>The rural residential zone east of contains a site (Lot 51) that was a former tailings plant. Although it is stated that the infrastructure has been removed, aerial photography suggests that the area is far from rehabilitated with several cleared pads evident. This area would have to undergo a thorough site investigation to ensure there was no contamination.</p> <p>Lot 51 and 52 are separated by the Laverton-Leonora road and coincident gas pipeline. The current polygon for Lot 52 encroaches into the pipeline protection corridor. Conditions are likely to be required to cross and operate within close proximity to the pipeline.</p>	<p>Noted - Issues relating to flooding will be required to be addressed prior to any subdivision and/or development of the land for Rural Residential purposes.</p> <p>Noted - Issues relating to potential site contamination will be required to be addressed prior the subdivision and/or development of the land for Rural Residential purposes. Controls under the <i>Contaminated Sites Act 2003</i> will also apply.</p> <p>Agreed – The strategy should be updated to acknowledge the high pressure gas pipeline and the Scheme modified to require liaison with the pipeline owner/operator prior to and subdivision or development of land within the Rural Residential zone.</p>	<p>No modification proposed.</p> <p>No modification proposed.</p> <p>Adding the words <b>bolded</b> to Action 7.4 on page 9 of the Strategy</p> <p>7.4 Investigate the need for Rural Residential land for a variety of rural lifestyle opportunities, subject to</p>

No.	Name and address	Description of Property	Summary of Submission	Shire Response	Proposed Modifications
					<p>consideration of bushfire risk, <b>high pressure gas pipeline protection requirements</b>, separation from industrial land, road and road transport noise, access and demand for future rural residential lots in the Shire.</p> <p>Inserting a new section following section 3.2.14 on page 69 of Part 2 of the Strategy as bolded below:</p> <p><b>3.2.15 High Pressure Gas Pipelines</b></p> <p><b>There are a number of high pressure gas pipelines that traverse the Shire of Leonora as depicted on Figure 30. Any future subdivision and/or development within the zone of influence surrounding</b></p>

No.	Name and address	Description of Property	Summary of Submission	Shire Response	Proposed Modifications
					<p><b>these pipeline(s) may need to address the policy measures outlined in the Western Australian Planning Commission's Draft <i>Development Control Policy 4.3 – Planning for High-Pressure Gas Pipelines</i> (2016).</b></p> <p>Inserting a new Figure 30 depicting the location of high pressure gas pipelines within the Shire of Leonora and renumbering the following figures accordingly.</p> <p>Inserting a new part (vii) to the Rural Residential Zone in Schedule 2 of the Scheme stating:</p> <p><b>(vii) Within the zone, any subdivision or development</b></p>

No.	Name and address	Description of Property	Summary of Submission	Shire Response	Proposed Modifications
			<p>Lot 51 is partially overlain by miscellaneous Licence L37/196 which appears to be designed to cover a number of the local drainage channels. It is unclear what the intention of this tenement is for but it is likely to act as a water source and any interference could impact its primary objective.</p> <p>The area could potentially be affected by flash flooding as a broad N-S trending drainage channel is located through the centre of the proposed area.</p>	<p>Noted – Issues relating to drainage will be required to be addressed prior to any subdivision and/or development of the land for Rural Residential purposes.</p> <p>Noted – Issues relating to flooding will be required to be addressed prior to any subdivision and/or development of the land for Rural Residential purposes.</p>	<p><b>application within or adjacent to the zone of influence of a high pressure gas pipeline is to be accompanied by evidence of consultation with the relevant pipeline owner/operator.</b></p> <p>No modification proposed.</p> <p>No modification proposed.</p>

No.	Name and address	Description of Property	Summary of Submission	Shire Response	Proposed Modifications
			<p>In total, there are 2398 granted mining tenements, 224 pending mining tenements wholly or partly within the Shire. Most of the mining companies are targeting Gold, or Base metals. There are no active petroleum titles but a number of gas pipelines pass through the Shire.</p> <p>Known mining resource areas should be protected from inappropriate zoning or development, and access to land for exploration should be maintained over as much of the planning area as possible. Changes to land use that are incompatible with mineral, petroleum and basic raw material exploration and mining can result in the loss to the community of valuable resources.</p> <p>DMIRS recommends that the following strategies be adopted:</p> <ul style="list-style-type: none"> <li>Operating mines and quarries should be protected from sterilization or hindrance by encroachment of incompatible adjacent development.</li> </ul>	<p>Noted.</p> <p>Noted - The local planning scheme area is limited to the Leonora townsite and surrounds, recognising the significance and extent of mining activity throughout the broader municipal area.</p> <p>The Strategy proposes to retain the boundary of the current TPS 1 and recognises that various legislation provide exemptions associated with mining of identified mineral deposits. The prevalence of mining as the primary land use across</p>	<p>No modification proposed.</p> <p>No modification proposed.</p> <p>No modification proposed.</p>

No.	Name and address	Description of Property	Summary of Submission	Shire Response	Proposed Modifications
			<ul style="list-style-type: none"> <li>• Known resources and areas of identified high resource potential should not be unnecessarily sterilized by inappropriate zoning or development.</li> <li>• Consistent with Section 5.7 of State Planning Policy No. 2 - Environment and Natural Resources the important mineral resources and basic raw materials within the Shire should be identified and protected.</li> </ul> <p>Section 120 of the <i>Mining Act 1978</i> states that local planning schemes and local laws are to be considered but do not derogate from the <i>Mining Act 1978</i>. It is recommended that no comments be made in the Local Planning Scheme 3 or zoning table, in regard to constraining or providing for mining operations, although it will be important to identify particular areas of known resources.</p>	<p>the Shire is also recognised by the Goldfields-Esperance Regional Planning and Infrastructure Framework (2015). To this end, it is considered that an adequate framework exists which safeguards current and future resource related activities.</p> <p>Not Supported - The draft scheme is consistent with the <i>Planning and Development (Local Planning Schemes) Regulations 2015</i> (Model Scheme Text) which includes a land use definition for Mining Operations. Mining Operations has been identified as a discretionary use within all zones under the Scheme. This provides for Mining Operations to be considered throughout the</p>	<p>No modification proposed.</p>

No.	Name and address	Description of Property	Summary of Submission	Shire Response	Proposed Modifications
			<p>Consistent with the recognition of the importance of the extractive industry and its compatibility with rural activities, it is recommended that 'Industry- Extractive' be noted in the Shire's Zoning Table as a 'P - Permitted' use for all areas zoned rural.</p>	<p>whole scheme area dependent on the merits and individual circumstances of each case. The inclusion of Mining Operations in the scheme does not prohibit or affect the granting of a tenement under the <i>Mining Act 1978</i>.</p> <p>Not Supported - There are a wide range of considerations that need to be taken into account in assessing applications for extractive industries including impacts on surrounding land uses and operations, traffic, environmental impacts etc. Accordingly, the inclusion of extractive industry as a permitted use in the Rural zone is not supported.</p>	<p>No modification proposed.</p>
8	<p>Anthony Sutton EPA Services</p> <p>Locked Bag 10 Joondalup DC WA 6919</p>	<p>Not Applicable</p>	<p>The EPA considers that the proposed scheme should not be assessed under Part IV Division 3 of the <i>Environmental Protection Act 1986</i> (EP Act) and that it is not necessary</p>	<p>Noted.</p>	<p>No modifications proposed in response to submission.</p>

No.	Name and address	Description of Property	Summary of Submission	Shire Response	Proposed Modifications
			to provide any advice or recommendations.		
9	Nigel Wessels Department of Biodiversity, Conservation and Attractions	Not Applicable	DBCA does not have any comments on the intent and content of the planning scheme and strategy, except to suggest amendments to reflect recent changes to legislation and terminology, i.e. references to the <i>Wildlife Conservation Act 1950</i> should be amended to the <i>Biodiversity Conservation Act 2016</i> , and references to flora as "declared rare" should be amended to "threatened flora".	Agreed – Documents will be amended accordingly.	<p>Update the Strategy as follows:</p> <ul style="list-style-type: none"> <li>• Replace <i>Wildlife Conservation Act 1950</i> (WC Act) on pg 28 of the Strategy with <i>Biodiversity Conservation Act 2016</i> (BC Act);</li> <li>• Replace references to WC Act on pg 28 of the Strategy with BC Act.</li> </ul> <p>Update the Scheme as follows:</p> <ul style="list-style-type: none"> <li>• Replace the words declared rare in part (iv) of the Rural Residential zone in Schedule 2 of the Scheme with the word threatened.</li> <li>•</li> </ul>



*Chief Executive Officer, JG Epis declared a financial interest in Item 12.1(A) – Disposition of Property, and left the meeting at 11:39am.*

## **12.0 REPORTS OF ELECTED MEMBERS**

### **12.1 SHIRE PRESIDENT**

#### **12.1(A) DISPOSITION OF PROPERTY**

**SUBMISSION TO:** Meeting of Council  
Meeting Date: 15<sup>th</sup> September 2020

**AGENDA REFERENCE:** 12.1(A) SEP 20

**SUBJECT:** Disposition of Property

**LOCATION / ADDRESS:** Leonora

**NAME OF APPLICANT:** Shire of Leonora

**FILE REFERENCE:** Council Property 3.0

#### **AUTHOR, DISCLOSURE OF ANY INTEREST AND DATE OF REPORT**

**NAME:** Cr Peter Craig

**OFFICER:** Shire President

**INTEREST DISCLOSURE:** Nil

**DATE:** 21<sup>st</sup> August 2020

#### **BACKGROUND**

The Agenda Item and correspondence with Ms Cable has been undertaken by the Shire President due to the perception of conflict of interest.

On the 26<sup>th</sup> March 2020, the market value or fair value of the property was valued at \$150,000. It is important to note that the Land and Building Asset Valuation undertaken in March 2020 was completely independent of any decisions made regarding the disposal of property but was contracted to Griffin Valuation Advisory. This is part of a three-year compliance process where a local government must have its fixed assets revalued by an accredited valuer.

It was only after March 2020, that as part of the retention and attraction of a suitable CEO for the Shire, that Council discussed its strategies to retain the current CEO for another term, and for the need to provide suitable executive housing in order to attract a new CEO. It was decided at the Council meeting that the current house was unsuitable for a new CEO. It is described as a “steel framed fibro and metal clad air conditioned 4 bedroom 2 bathroom house on concrete slab with attached metal carport” which is at least 35 years old, and no longer aligned with the expectations of current potential CEOs. It was decided that the Shire needed to find or build a more modern and easily maintained brick residence.

Secondly, in recognition of the long term residence of the current CEO, and as part of the retention package offered by Council, the decision was made to offer the dwelling to the CEO with the valuation as provided in March 2020. In addition, the legal requirements were also completed through Squires Patton & Boggs to ensure that this was compliant with current legislation. If the current CEO did not wish to continue to reside in his home, then the house would be retained for shire employees.

The current CEO accepted the Council’s offer.

The Shire of Leonora did provide Public Notice on the 23<sup>rd</sup> July, 2020, of its intention to enter into a disposition of land arrangement with its current Chief Executive Officer. Details related to the sale of 35 Hoover Street, Leonora, being Lot 229, Deposited Plan 222752, Certificate of Title Volume 1909 Folio 95 to James Gregory Epis, the purchase price being \$150,000.00.

Any person wishing to make a submission in regards to the disposition of property was invited to do so but prior to Friday 14<sup>th</sup> August, 2020. One submission was received (14<sup>th</sup> August, 2020) from Ms Tralee Cable, her submission being as follows:

*I'd like to lay comment for consideration on the table regarding the sale of 35 Hoover Street as advertised in the Kalgoorlie Miner.*

*It has been some time since a house of that quality has been sold in Leonora, and this has made valuing executive style homes in Leonora particularly difficult due to the lack of comparison properties.*

*The recent Banking Royal Commission has placed a greater focus on the valuation for purchasers than in previous years. The valuation of a property now determines the amount of rental income a bank will accept as repayment income, for example, regardless of any lease contract that is in place.*

*The sale of your house at such a low price will have roll on ramifications to the valuation of every home in Leonora.*

*It is well below a fraction of replacement cost, and represents a very poor return on investment for the Shire when modifications to the home over many previous years have been taken into account.*

*This benchmark sale will decimate any remnants of a property market in Leonora that should concern every property owner.*

*I am also concerned at the perception of economic advantage gained when a sale of a home of value to the Shire is sold to the CEO in such a way without going to public tender.*

*The Shire has recently obtained a valuation against my own home, without my permission and used a "drive by" method of valuation which can have little accuracy when the home is surrounded by a six foot fence. That valuation also represents a 25% reduction on a privately obtained valuation I purchased not 12 months earlier.*

*If the value of homes in Leonora has genuinely reduced that far, then I would be expecting a significant reduction in my rates this year.*

*I believe in the best interest of fairness and impartiality the house should go to open market.*

*Thank you for your consideration, and for allowing public comment.*

Having read the above, it is obvious that Ms Cable is confusing the valuation of a property with the potential sale price of a property, and it is a common perception that what you want for a property is its value. This can only be supported if the property has sold, and that is not the case. Nor have several other houses in that area sold recently. However, Griffin know their business and part of their methodology in assessing fair value includes analysis of any recent sales.

It also cannot be expected that the confidential legal and financial information regarding the retention and attraction of a CEO which has contributed to the decision of Council to dispose of 35 Hoover Street is available to Ms Cable. Her submission raises various issues that are not connected to the Council's decision but relate to her own perception as to the value of 35 Hoover Street and her own property and that of real estate in Leonora generally.

The Council are not responsible for many of the issues raised and can only detail to her the basis of its decision which was made using independent advice from Griffin Valuation Advisory, Squires Patton & Boggs and Moore Australia. It can do no more than base its decision to dispose of 35 Hoover Street Leonora upon the independent professional advice provided, whilst understanding that the decision by Ms Cable not to accept the valuation is based on her own personal views.

## **STATUTORY ENVIRONMENT**

Section 3.1 of the Local Government Act 1995 states that "the general function of a Local Government is to provide for the good government of persons in its district."

## **POLICY IMPLICATIONS**

There are no policy implications resulting from the recommendation of this report.

## **FINANCIAL IMPLICATIONS**

Nil

## **STRATEGIC IMPLICATIONS**

Under the Shire of Leonora's Strategic Community Plan 2017 – 2027, the Leadership Objective is for an innovative and proactive Shire and Councillors.

## **RECOMMENDATIONS**

That Council continues to support its original decision based on independent professional advice, to dispose of Council property located at 35 Hoover Street to Mr JG Epis as part of his Chief Executive Officer's retention package, and to build a property over the next three years that is more suited to a new incoming Chief Executive Officer.

## **VOTING REQUIREMENT**

Absolute Majority Required

## **COUNCIL DECISION**

**Moved Cr AE Taylor, seconded Cr AM Moore**, that Council continues to support its original decision based on independent professional advice, to dispose of Council property located at 35 Hoover Street to Mr JG Epis as part of his Chief Executive Officer's retention package, and to build a property over the next three years that is more suited to a new incoming Chief Executive Officer.

**CARRIED BY ABSOLUTE MAJORITY (6 VOTES TO 0)**

*Chief Executive Officer, JG Epis returned to the meeting at 11:56am.*

**13.0 NEW BUSINESS OF AN URGENT NATURE INTRODUCED BY DECISION OF THE MEETING.**

**A. ELECTED MEMBERS**

Nil

**B. OFFICERS**

Nil

**14.0 STATE COUNCIL AGENDA**

Nil

**16.0 NEXT MEETING**

Tuesday 20<sup>th</sup> October, 2020

**17.0 CLOSURE OF MEETING**

There being no further business, the Shire President Cr PJ Craig declared the meeting closed at **12:00pm.**