



**AGENDA  
ORDINARY COUNCIL MEETING**

**27 JUNE 2018**

**COMMENCING AT 7:00 PM**

**COUNCIL CHAMBERS  
SHIRE OF NARROGIN  
89 EARL STREET  
NARROGIN WA 6312**

## SHIRE OF NARROGIN

### NOTICE OF ORDINARY MEETING OF COUNCIL

Dear Elected Member

Pursuant to resolution 1217.153 of the meeting held 20 December 2017, an ordinary meeting of the Shire of Narrogin will be held on Wednesday, 27 June 2018, in the Shire of Narrogin Council Chambers, 89 Earl Street, Narrogin, commencing at 7:00 pm.



Dale Stewart  
Chief Executive Officer

#### DISCLAIMER

The recommendations contained in this agenda are officers' recommendations only and should not be acted upon until Council has resolved to adopt those recommendations.

The resolutions of Council should be confirmed by perusing the minutes of the Council meeting at which these recommendations were considered. Resolutions are not considered final until the minutes of the meeting are confirmed.

Members of the public should also note that they act at their own risk if they enact any resolution prior to receiving official written notification of Council's decision.

Please note that meetings are recorded for minute taking purposes.

**ORDINARY COUNCIL MEETING AGENDA  
27 JUNE 2018**

**1. OFFICIAL OPENING/ANNOUNCEMENT OF VISITORS**

**2. RECORD OF ATTENDANCE/APOLOGIES/APPROVED LEAVE OF ABSENCE**

**Elected Members**

Mr L Ballard – Shire President (Presiding Member)  
Cr T Wiese – Deputy Shire President  
Cr C Ward  
Cr N Walker  
Cr P Schutz  
Cr C Bartron  
Cr B Seale  
Cr G Ballard

**Staff**

Mr D Stewart – Chief Executive Officer  
Mr A Awang – Executive Manager Development & Regulatory Services  
Mr T Evans – Executive Manager Technical & Rural Services  
Mr F Ludovico – Executive Manager Corporate & Community Services  
Ms C Thompson – Executive Assistant

**Apologies**

Cr M Fisher

**3. DECLARATION OF INTEREST BY ELECTED MEMBERS AND COUNCIL EMPLOYEES IN MATTERS INCLUDED IN THE MEETING AGENDA**

Name	Item No	Interest	Nature

**4. RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE**

**5. PUBLIC QUESTION TIME**

**6. APPLICATIONS FOR LEAVE OF ABSENCE**

**7. CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS**

**7.1 Ordinary Council Meeting**

**OFFICER'S RECOMMENDATION**

That the minutes of the Ordinary Council Meeting held on 23 May 2018 be confirmed as an accurate record of the proceedings.

**7.2 Special Council Meeting**

**OFFICER'S RECOMMENDATION**

That the minutes of the Special Meeting of Council held on 23 May 2018 be confirmed as an accurate record of the proceedings.

**8. ANNOUNCEMENTS BY THE PERSON PRESIDING WITHOUT DISCUSSION**

**9. PETITIONS, DEPUTATIONS, PRESENTATIONS OR SUBMISSIONS**

## **10. MATTERS WHICH REQUIRE DECISIONS**

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## 10.1 DEVELOPMENT AND REGULATORY SERVICES

### 10.1.042 SHIRE OF CUBALLING DRAFT LOCAL PLANNING STRATEGY – PUBLIC COMMENTS

<b>File Reference:</b>	18.6.7
<b>Disclosure of Interest:</b>	Nil
<b>Applicant:</b>	Shire of Cuballing
<b>Previous Item Nos:</b>	Nil
<b>Date:</b>	12 June 2018
<b>Author:</b>	Azhar Awang – Executive Manager Development & Regulatory Services
<b>Authorising Officer:</b>	Dale Stewart – Chief Executive Officer

#### Attachments

Attachment 1 – Draft Shire of Cuballing's Draft Local Planning Strategy

#### Summary

Council's consideration is requested in regard to providing comments on the Draft Shire of Cuballing Local Planning Strategy.

#### Background

The Shire of received Narrogin has correspondence from the Shire of Cuballing seeking the Shire of Narrogin's comment on the Shire of Cuballing's draft Local Planning Strategy which is currently advertised for public comment. Submissions to the draft Local Planning Strategy are to be made on or before 28 June 2018.

The Local Planning Strategy is a document that sets out the long term planning direction for each local government taking into consideration the State and regional legislation and policies and how this is to be implemented in a local context.

The Shire of Cuballing, in its process of reviewing its Local Planning Scheme, is required to prepare a Local Planning Strategy which will assist them to plan for the future, outline its strategic visions, policies and the needs of its Community. The Local Planning Strategy is the long term direction for the development of their Shire for the next 10-15 years.

The attached Shire of Cuballing draft Local Planning Strategy outlines three main components in the document. These are:

*The Local Profile* – this covers aspects of the local population (demographics, land supply and housing), main settlement areas (town sites and rural living), infrastructure (water, wastewater, electricity, telecommunications, stormwater management, waste water), community infrastructure (health, education, recreation and community), transport infrastructure, economics and employment (agriculture, mining and basic raw materials, industry, tourism), environment and conservation (climate, topography, geology and mineral resources, waterways and groundwater resources, salinity, vegetation, wildlife), hazards (bushfire, flooding) and heritage (native title, Aboriginal heritage, historic heritage).

*Strategic Directions* – this section looks at how the Shire of Cuballing, through its Strategic Community Plan, develops the Council's visions for the Shire and how this vision is achieved through a number of objectives. One example of the Shire's key objectives is to *manage the district's growth by developing a long term land use planning strategy that contributes to the lifestyle enjoyed by residents*. This section analyses the key issues outlined under the section of local profile and develop strategies and actions to address these issues. From these analyses, a plan is developed providing a broad overview of intended land uses, major transport networks and key planning constraints which reflect a long term vision of the Shire.

*Implementation* – this section looks at the implementation of the strategy through the Local Planning Scheme which looks at the detail of the development at the local level incorporating the recommendation and strategies of the local planning strategy.

The draft Local Planning Strategy Plan shows a number of strategies which covers the district of the Shire of Cuballing and the strategies for the town sites of Cuballing and Popanyinning and surrounds.

### **Comment**

The Shire of Cuballing's draft Local Planning Strategy under statutory requirement is required to be advertised for public submission and has been forwarded to the Shire of Narrogin for comment.

The document makes reference to Narrogin being the Regional Centre of the Southern Wheatbelt and the town sites of Cuballing and Popanyinning as 'satellite' towns to Narrogin.

Part of the Shire of Cuballing strategy, in addressing the waste management for the medium and long term, is to undertake planning and feasibility studies to identify and secure appropriate waste management.

The Shire of Narrogin has also entered into a contractual agreement in accepting waste from the transfer station facilities at Cuballing and Popanyinning at a cost. On average the monthly tonnage of waste per month, from the Shire of Cuballing, is between 15 to 20 tonnes.

Under the section of 'Commercial', the document recognises the proximity to Narrogin as the Regional Centre which has large scale commercial development and will continue to develop.

To address this issue, the document proposes a number of strategies and actions to encourage, consolidate, support and enhance the commercial activity in the town centres of Cuballing and Popanyinning.

As a neighbouring Shire to the south of the Shire of Cuballing, there are no issues that may directly or indirectly impact the Shire of Narrogin since most of the actions and strategies to be implemented are within existing built up areas in the town sites of Cuballing and Popanyinning.

It is recommended that the Shire of Narrogin writes to the Shire of Cuballing commending its effort in completing its Local Planning Strategy document and that the Shire of Narrogin has no comments to make on the Shire of Cuballing's draft Local Planning Strategy.

## **Consultation**

Nil

## **Statutory Environment**

*Regulation 13 – Planning and Development (Local Planning Schemes) Regulations 2015*

### **13. Advertising and notifying local planning strategy**

*(1) A local government must, as soon as reasonably practicable after being provided with certification that a local planning strategy complies with regulation 11(2), advertise the strategy as follows —*

- (a) publish a notice of the local planning strategy in a newspaper circulating in the area to which the strategy relates, giving details of —
  - (i) where the strategy may be inspected; and*
  - (ii) to whom, in what form and during what period submissions may be made;**
- (b) display a copy of the notice in the offices of the local government for the period for making submissions set out in the notice;*
- (c) give a copy of the notice to each public authority that the local government considers is likely to be affected by the strategy;*
- (d) publish a copy of the notice and the strategy on the website of the local government;*
- (e) advertise the strategy as directed by the Commission and in any other way the local government considers appropriate.*

## **Policy Implications**

Nil

## **Financial Implications**

There are no known meaningful financial implications relative to this matter in excess of officer time and minor administrative cost.

## **Strategic Implications**

Nil

## **Voting Requirements**

Simple Majority

## **Officer's Recommendation**

With respect to the Shire of Cuballing's draft Local Planning Strategy, that Council:

1. Write to the Shire of Cuballing commending It on the preparation of the Shire of Cuballing's draft Local Planning Strategy; and
2. Advise the Shire of Cuballing that the Shire of Narrogin supports the Shire of Cuballing's draft Local Planning Strategy and does not have any comments to provide.



## **10.2 TECHNICAL AND RURAL SERVICES**

There are no reports requiring a Council decision for the month of June.

## 10.3 CORPORATE AND COMMUNITY SERVICES

### 10.3.043 SCHEDULE OF ACCOUNTS PAID – MAY 2018

**File Reference:** 12.1.1  
**Disclosure of Interest:** Nil  
**Applicant:** Nil  
**Previous Item Nos:** Nil  
**Date:** 31 May 2018  
**Author:** Brooke Conway – Finance Officer Accounts  
**Authorising Officer:** Frank Ludovico – Executive Manager Corporate & Community Services

#### Attachments

Attachment 1 – Schedule of Accounts Paid – May 2018 is provided separately.

#### Summary

Council is requested to note the payments as presented in the Schedule of Accounts Paid – May 2018.

#### Background

Pursuant to *Local Government Act 1995 Section 6.8 (2)(b)*, where expenditure has been incurred by a local government, it is to be reported to the next ordinary meeting of Council.

#### Comment

The Schedule of Accounts Paid – May 2018 is presented to Council for notation. Below is a summary of activity.

### May 2018 Payments

<b>Payment Type</b>	<b>\$</b>	<b>%</b>
Cheque	536.65	0.05
EFT (incl Payroll)	565,607.42	92.12
Direct Debit	72,526.04	7.24
Credit Card	5,247.36	0.52
Trust	550.00	0.05
<b>Total Payments</b>	<b>1,001,356.64</b>	<b>100</b>

#### Local Spending Analysis of Total Payments

<i>Local Suppliers</i>	<i>289,644.34</i>	<i>28.93</i>
<i>Payroll</i>	<i>356,889.17</i>	<i>35.64</i>
<i>Total</i>	<i>646,533.51</i>	<i>64.57</i>

The payment schedule has been provided to elected Members separately and are not published on the Shire of Narrogin website owing to potential fraudulent activity that can arise from this practice.

Printed copies will be available on request at the administration building and the library.

### **Consultation**

Nicole Bryant – Manager Finance

### **Statutory Environment**

*Local Government Act 1995 Section 6.8 (2)(b)*

### **Policy Implications**

Nil

### **Financial Implications**

All expenditure has been approved via adoption of the 2017/2018 Annual Budget, or resulting from a Council resolution for a budget amendment.

### **Strategic Implications**

<b>Shire of Narrogin Strategic Community Plan 2017-2027</b>	
<b>Objective</b>	<b>4. Civic Leadership Objective (Continually enhance the Shire's organisational capacity to service the needs of a growing community)</b>
Outcome:	4.1 An efficient and effective organisation

### **Voting Requirements**

Simple Majority

### **Officer's Recommendation**

That with respect to the Schedule of Accounts Paid for the month of May, that Council notes the payments as presented totalling \$1,001,356.64.

## 10.3.044 MONTHLY FINANCIAL REPORTS – MAY 2018

**File Reference:** 12.8.1  
**Disclosure of Interest:** Nil  
**Applicant:** Nil  
**Previous Item Nos:** Nil  
**Date:** 13 June 2018  
**Author:** Nicole Bryant – Manager Finance  
**Authoriser:** Frank Ludovico – Executive Manager Corporate & Community Services

### Attachments

Monthly Financial Report for the period ended 31 May 2018.

### Summary

In accordance with the *Local Government Financial Management Regulations (1996), Regulation 34*, the Shire is to prepare a monthly Statement of Financial Activity for notation by Council.

### Background

Council is requested to review the May 2018 Monthly Financial Reports.

### Comment

The May 2018 Monthly Financial Reports are presented for review.

### Consultation

Frank Ludovico – Executive Manager Corporate and Community Services.

### Statutory Environment

*Local Government Financial Regulations (1996) Regulation 34 applies.*

### Policy Implications

Nil

### Financial Implications

All expenditure has been approved via adoption of the 2017/18 Annual Budget, or resulting from a Council Motion for a budget amendment.

## Strategic Implications

<b>Shire of Narrogin Strategic Community Plan 2017-2027</b>	
<b>Objective</b>	<b>4. Civic Leadership Objective (Continually enhance the Shire's organisational capacity to service the needs of a growing community)</b>
Outcome:	4.1 An efficient and effective organisation

## Voting Requirements

Simple Majority

## Officer's Recommendation

That with respect to the Monthly Financial Reports for May 2018, that Council note the Reports as presented.



## MONTHLY FINANCIAL REPORT FOR THE PERIOD ENDED 31 MAY 2018

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

**SHIRE OF NARROGIN**  
**STATEMENT OF FINANCIAL ACTIVITY**  
**(Statutory Reporting Program)**  
**FOR THE PERIOD ENDED 31 MAY 2018**

**STATEMENT OF FINANCIAL ACTIVITY**

	Revised Annual Budget (d)	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)	Var. % (b)-(a)/(b)	Var
<b>Operating Revenues</b>	\$	\$	\$	\$	%	
Governance	30,200	27,676	30,285	2,609	9%	
General Purpose Funding	1,329,125	1,305,163	1,264,557	(40,606)	(3%)	
Law, Order and Public Safety	41,738	39,225	54,075	14,850	27%	▲
Health	5,500	5,288	10,484	5,196	50%	
Education and Welfare	1,505,459	1,451,578	1,463,026	11,448	1%	
Housing	10,400	9,526	9,200	(326)	(4%)	
Community Amenities	1,161,102	1,120,217	1,209,411	89,194	7%	
Recreation and Culture	178,420	169,330	186,986	17,656	9%	
Transport	1,035,738	640,942	619,403	(21,539)	(3%)	
Economic Services	251,910	246,841	284,085	37,244	13%	▲
Other Property and Services	223,307	147,629	149,181	1,552	1%	
<b>Total (Excluding Rates)</b>	<b>5,772,899</b>	<b>5,163,415</b>	<b>5,280,692</b>	<b>117,278</b>	<b>2%</b>	
<b>Operating Expense</b>						
Governance	(685,489)	(624,596)	(477,222)	147,374	(31%)	
General Purpose Funding	(241,412)	(208,645)	(193,939)	14,706	(8%)	
Law, Order and Public Safety	(468,281)	(429,764)	(411,672)	18,092	(4%)	
Health	(227,576)	(196,215)	(202,403)	(6,188)	3%	
Education and Welfare	(1,872,808)	(1,739,198)	(1,446,947)	292,250	20%	▲
Housing	(33,084)	(31,009)	(29,347)	1,662	6%	
Community Amenities	(1,489,162)	(1,281,770)	(1,230,693)	51,077	4%	
Recreation and Culture	(3,052,739)	(2,716,655)	(2,180,077)	536,578	25%	▲
Transport	(4,359,057)	(4,014,313)	(4,416,616)	(402,303)	(9%)	
Economic Services	(718,786)	(661,439)	(572,575)	88,864	16%	▲
Other Property and Services	(30,000)	(4,889)	(82,279)	(77,390)	(94%)	▼
<b>Total</b>	<b>(13,178,394)</b>	<b>(11,908,493)</b>	<b>(11,243,769)</b>	<b>664,723</b>		
<b>Funding Balance Adjustment</b>						
Add back Depreciation	2,698,268	2,473,295	2,486,623	13,328	1%	
Adjust (Profit)/Loss on Asset Disposal	23,963	26,715	24,071	(2,644)	(11%)	
Adjust Employee Benefits Provision (Non-Current)	0	0	0	0		
Adjust Deferred Pensioner Rates (Non-Current)	0	0	0	0		
Movement in Leave Reserve (Added Back)	47,745	0	2,154	2,154	100%	
Adjust Rounding	0	0	0	0		
<b>Net Operating (Ex. Rates)</b>	<b>(4,635,520)</b>	<b>(4,245,068)</b>	<b>(3,450,230)</b>	<b>794,839</b>		
<b>Investing Activities</b>						
Non-Operating Grants, Subsidies and Contributions	1,812,507	1,737,507	1,695,671	(41,836)	2%	
Purchase of Investments	0	0	0	0		
Land Held for Resale	0	0	0	0		
Land and Buildings	(1,114,704)	(266,806)	(318,991)	(52,185)	(16%)	▼
Plant and Equipment	(1,339,639)	(1,177,627)	(1,291,385)	(113,757)	(9%)	
Furniture and Equipment	(30,000)	0	0	0		
Infrastructure Assets - Roads	(1,160,292)	(1,140,844)	(1,153,443)	(12,599)	(1%)	
Infrastructure Assets - Footpaths	(111,435)	(98,135)	(88,422)	9,713	11%	
Infrastructure Assets - Road Drainage	(30,000)	(23,340)	(23,340)	0	0%	
Infrastructure Assets - Parks & Ovals	0	0	0	0		
Infrastructure Assets - Townscape	0	0	0	0		
Infrastructure Assets - Other	(883,980)	(463,605)	(563,266)	(99,661)	(18%)	▼
Proceeds from Disposal of Assets	356,702	279,700	413,276	133,577	32%	▲
Proceeds from Sale of Investments	0	0	0	0		
<b>Amount attributable to investing activities</b>	<b>(2,500,841)</b>	<b>(1,153,151)</b>	<b>(1,329,900)</b>	<b>(176,749)</b>		
<b>Financing Activities</b>						
Proceeds from New Debentures	350,000	0	0	0		
Proceeds from Advances	0	0	0	0		
Repayment of Debentures	(220,291)	(211,378)	(211,223)	155	0%	
Self-Supporting Loan Principal	0	0	0	0		
Transfer from Reserves	768,685	77,282	68,480	(8,802)	(13%)	
Advances to Community Groups	0	0	0	0		
Transfer to Reserves	(1,316,214)	(21,438)	(22,077)	(639)	(3%)	
<b>Amount attributable to financing activities</b>	<b>(417,820)</b>	<b>(155,534)</b>	<b>(164,819)</b>	<b>(9,285)</b>		
<b>Net Capital</b>	<b>(2,918,661)</b>	<b>(1,308,685)</b>	<b>(1,494,719)</b>	<b>(186,034)</b>		
<b>Total Net Operating + Capital</b>	<b>(7,554,181)</b>	<b>(5,553,753)</b>	<b>(4,944,949)</b>	<b>608,804</b>		
Rate Revenue	4,640,116	4,642,616	4,555,049	(87,567)	(2%)	
Opening Funding Surplus(Deficit)	2,930,417	2,930,417	2,930,417	0	0%	
<b>Closing Funding Surplus(Deficit)</b>	<b>16,353</b>	<b>2,019,280</b>	<b>2,540,518</b>	<b>521,238</b>		

**SHIRE OF NARROGIN**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**FOR THE PERIOD ENDED 31 MAY 2018**

**NET CURRENT ASSETS**

	Positive=Surplus (Negative=Deficit)	
	2017-18	
	31/05/2018	30/04/2018
	This Period	Last Period
	\$	\$
<b>Current Assets</b>		
Cash Unrestricted	2,858,672	3,290,018
Cash Restricted (Reserves)	3,727,859	3,727,859
Receivables - Rates and Rubbish, ESL, Excess Rates	279,098	355,620
Receivables -Other	328,857	173,088
Inventories	35,846	40,279
	7,230,332	7,586,864
<b>Less: Current Liabilities</b>		
Payables	(486,621)	(201,035)
Loan Liability	(9,071)	(88,887)
Provisions	(845,116)	(845,116)
	(1,340,807)	(1,135,038)
<b>Net Current Asset Position</b>	5,889,525	6,451,826
Less: Cash Restricted	(3,727,859)	(3,727,859)
Add Back: Component of Leave Liability not Required to be funded	374,518	374,518
Add Back: Current Loan Liability	9,071	88,887
Adjustment for Trust Transactions Within Muni	(4,737)	(2,389)
<b>Net Current Funding Position</b>	2,540,517	3,184,984

**NOTE: For the Cash Assets above the following investments have been made as at reporting date:**

<u>Cash Unrestricted</u>		MATURITY	
Municipal Fund	1,000,000	15-Jun-18	2.03%pa
<u>Cash Restricted (Reserves)</u>			
Reserve Fund	3,618,181	16-Jun-18	2.05%pa



**SHIRE OF NARROGIN**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**FOR THE PERIOD ENDED 31 MAY 2018**

## **MAJOR VARIANCES**

*Financial Regulation 34(1)* requires reporting on variances between the year to date Budget and year to date Actuals, based upon the variance criteria determined in the Annual Budget.  
The material variance adopted by Council for the 2017/18 year is \$10,000 or 10%.

### **REPORTABLE OPERATING REVENUE VARIATIONS**

#### **LAW, ORDER AND PUBLIC SAFETY**

PERMANENT - Animal Control: Animal registration fees, fines and penalties, hire of ranger services all higher than anticipated.

#### **ECONOMIC SERVICES**

PERMANENT - TOUR: Caravan park fees higher than anticipated  
PERMANENT - TOUR: Insurance reimbursement received for water damage  
PERMANENT - ECONOM - Commercial Property lease income higher than anticipated  
PERMANENT - ECONOM - Other fees and charges income higher than anticipated  
PERMANENT - BUILD - Building Officer charge out income higher than anticipated

### **REPORTABLE OPERATING EXPENSES VARIATIONS**

#### **EDUCATION AND WELFARE**

TIMING - HACC: Expenditure lower than budget due to timing, estimated evenly over 12 month period.  
TIMING - CHSP: Expenditure lower than budget due to timing, estimated evenly over 12 month period.  
TIMING - HCP: Expenditure lower than budget due to timing, estimated evenly over 12 month period.  
PERMANENT - Aged & Disability: Karinya Dementia Wing funds spent, no funds remain to transfer.  
TIMING - Aged Disability: Expenditure lower than budget due to timing, estimated evenly over 12 month period.  
TIMING - Other Welfare: Expenditure lower than budget due to timing, estimated evenly over 12 month period.

#### **RECREATION AND CULTURE**

PERMANENT - Other Rec & Sport: Parks and gardens and Sundry Dry Park expenditure lower than anticipated  
TIMING - NRRC: Electricity expenditure lower than anticipated  
TIMING - LIBRARY: Expenditure lower than budget due to timing, estimated evenly over 12 month period.  
TIMING - HERITAGE: Expenditure lower than budget due to timing, estimated evenly over 12 month period.  
TIMING - OTHER CULTURE: Community Arts expenditure lower than budget due to timing, estimated evenly over 12 month period.

#### **TRANSPORT**

PERMANENT - WANDRRA expenditure higher than budgeted amount. Timing difference in recovery of reimbursement.

#### **ECONOMIC SERVICES**

TIMING - Tourism & Area Promotion: Expenditure lower than budget due to timing, estimated evenly over 12 month period.  
TIMING - Building & Control: Expenditure lower than budget due to timing, estimated evenly over 12 month period.  
TIMING - Other Economic Services: Expenditure lower than budget due to timing, estimated evenly over 12 month period.

**SHIRE OF NARROGIN  
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD ENDED 31 MAY 2018**

**MAJOR VARIANCES**

*Financial Regulation 34(1)* requires reporting on variances between the year to date Budget and year to date Actuals, based upon the variance criteria determined in the Annual Budget.

The material variance adopted by Council for the 2017/18 year is \$10,000 or 10%.

**OTHER PROPERTY and SERVICES**

TIMING - PWO and POC - Recovered amounts are under allocated, will be adjusted during year end processes

**REPORTABLE FUNDING BALANCE ADJUSTMENT VARIATIONS**

**PROCEEDS FROM DISPOSAL OF ASSETS**

PERMANENT - Disposal of assets are higher due to purchase of executive vehicles.

**REPORTABLE INVESTING ACTIVITY VARIATIONS**

**LAND AND BUILDINGS**

TIMING - Land and Building capital expenditure higher than YTD budget. See Acquisition of assets note for detail

**PLANT AND EQUIPMENT**

PERMANENT - P&E purchases are higher due to purchase of executive vehicles.

**INFRASTRUCTURE ASSETS - OTHER**

TIMING - Infrastructure Assets Other capital expenditure higher than YTD budget. See Acquisition of assets note for detail

**SHIRE OF NARROGIN**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**FOR THE PERIOD ENDED 31 MAY 2018**

**ACQUISITION OF ASSETS**

<b>Summary Acquisitions</b>	<b>Current Budget</b>				
	<b>This Year</b>				
	<b>Original Budget</b>	<b>YTD Budget</b>	<b>Actual</b>	<b>Variance (Under)Over</b>	
	\$	\$	\$	\$	
<b>Inventories</b>					
Land for Resale	0	0	0	0	
<b>Property, Plant &amp; Equipment</b>					
Land and Buildings	1,013,558	266,806	318,991	52,185	▲
Plant & Equipment	716,613	1,177,627	1,291,385	15,254	▲
Furniture & Equipment	30,000	0	0	0	
Tools	0	0	0	0	
<b>Infrastructure</b>					
Roads	1,160,292	1,140,844	1,153,443	12,599	▲
Footpaths	66,000	98,135	88,422	(9,713)	▼
Road Drainage	30,000	23,340	23,340	0	
Parks & Ovals	0	0	0	0	
Townscape	0	0	0	0	
Other Infrastructure	859,747	463,605	563,266	99,661	▲
<b>Totals</b>	<b>3,876,210</b>	<b>3,170,357</b>	<b>3,438,847</b>	<b>169,986</b>	



**SHIRE OF NARROGIN**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**FOR THE PERIOD ENDED 31 MAY 2018**

**ACQUISITION OF ASSETS**

<b>Land &amp; Buildings</b>	<b>Current Budget</b>				<b>Variance (Under)Over</b>	
	<b>This Year</b>					
	<b>Original Budget</b>	<b>Revised Budget</b>	<b>YTD Budget</b>	<b>Actual</b>		
	\$	\$	\$	\$	\$	
<b>OTHGOV - Capital Administration Building</b> Building Renovation Administration	40,119	50,119	24,587	40,155	15,568	▲
<b>ANIMAL - Building (Capital)</b> Other Law & Order Building (Capital)	0	85,000	0	60,730	60,730	▲
<b>AGEDSNRS - Building (Capital)</b> Senior Citizen Centre Building (Capital)	0	7,500	6,700	6,700	0	
<b>WELFARE - Building (Capital)</b> Disability Toilet - Changing Places	59,000	59,000	54,794	54,943	149	▲
<b>STF HOUSE - Building (Capital)</b> Staff Housing Building (Capital)	20,000	10,968	10,968	13,188	2,220	▲
<b>COM AMEN - Building (Capital) - Other Community Amenities</b> Memorial Park Public Toilets Capital	20,000	20,000	0	0	0	
<b>HALLS - Building (Capital)</b> Town Hall (Federal St) Building Capital Highbury Hall Building Capital	94,000 7,500	94,000 5,178	20,098 5,178	34,748 5,178	14,650 0	▲
<b>NRRC - Building (Capital)</b> NRRC Building (Capital)	50,000	50,000	10,792	11,692	900	▲
<b>REC - Other Rec Facilities Building (Capital)</b> Thomas Hogg Oval Buildings Capital	25,000	35,000	35,000	10,690	(24,310)	▼
<b>LIB - Building (Capital)</b> Library Landscape - Stage 1A Accessable Ramp	80,000	80,000	0	0	0	
<b>HERITAGE - Building (Capital)</b> Museum Building (Capital)	5,000	5,000	2,690	2,690	0	
<b>ROADC - Building (Capital)</b> Lydeker Depot Building (Capital)	30,000	30,000	30,000	23,074	(6,926)	▼
<b>TOUR - Building (Capital)</b> Accommodation Units (NCP) Caravan Park Renovations	350,000 152,939	350,000 152,939	0 0	0 0	0 0	
<b>ADMIN - Building (Capital)</b> Old Shire Office Building Capital	80,000	80,000	66,000	55,203	(10,797)	▼
<b>Totals</b>	<b>1,013,558</b>	<b>1,114,704</b>	<b>266,806</b>	<b>318,991</b>	<b>52,185</b>	

**SHIRE OF NARROGIN**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**FOR THE PERIOD ENDED 31 MAY 2018**

**ACQUISITION OF ASSETS**

Plant & Equipment	Current Budget				Variance (Under)Over	
	This Year					
	Original Budget	Revised Budget	YTD Budget	Actual		
<b>ANIMAL - Plant &amp; Equipment (Capital)</b>	\$	\$	\$	\$	\$	
Light Bar Fixing Ranger Vehicle	2,500	2,104	2,104	2,104	0	
<b>OLOPS - Plant &amp; Equipment (Capital) - OLOPS</b>						
CCTV Upgrade	109,113	112,788	112,787	112,788	1	
CCTV Installation Refuse Site	0	15,000	0	0	0	
<b>AGEDOTHER - Plant &amp; Equipment (Capital)</b>						
NGN219 CATS Vehicle 2017	0	26,500	26,500	23,891	(2,609)	▼
NGN219 CATS Vehicle	0	0	0	0	0	
<b>PLAN - Plant &amp; Equipment</b>						
NGN00 EMDRS Vehicle 2017	0	35,268	35,268	35,268	0	
NGN00 EMDRS Vehicle 2018	0	0	0	35,756	35,756	▲
<b>NRRC - Plant &amp; Equipment (Capital)</b>						
NRRC Airconditioner	70,000	70,000	36,000	1,000	(35,000)	▼
<b>PLANT - Plant &amp; Equipment (Capital)</b>						
Tipper Truck 3 Tonne	25,000	22,455	22,455	22,455	(0)	
10,000L Emulsion Storage Tank	75,000	57,831	57,831	57,831	0	
John Deere Ride on Mower 2017	10,000	9,745	9,745	9,745	(0)	
24 Tonne Excavator	260,000	260,000	216,100	216,100	0	
Irrigation Pump	35,000	32,140	32,140	32,140	0	
8T Side Tipping Truck	110,000	90,190	90,190	90,190	0	
Trailer & Signs(Event Traffic Management)	10,000	10,000	0	0	0	
ON0 EMTRS Vehicle 2017	0	36,389	36,389	36,389	(0)	
N001 MO Vehicle 2017	0	36,998	36,998	36,998	(0)	
ON0 EMTRS Vehicle 2017(B)	0	0	0	36,508	36,508	▲
N001 MO Vehicle 2018	0	0	0	36,871	36,871	▲
<b>TOUR - Plant &amp; Equipment (Capital)</b>						
CCTV Installation NCP	10,000	10,000	0	0	0	
<b>COMMUNITY - Plant &amp; Equipment (Capital)</b>						
ONGN EMCCS Vehicle 2017	0	34,652	34,652	34,652	0	
1NGN CEO Vehicle 2017	0	49,111	49,111	49,111	0	
1NGN CEO Vehicle 2018	0	0	0	49,393	49,393	▲
<b>Totals</b>	<b>716,613</b>	<b>1,339,639</b>	<b>1,177,627</b>	<b>1,291,385</b>	<b>15,254</b>	

Furniture & Equipment	Current Budget				Variance (Under)Over	
	This Year					
	Original Budget	Revised Budget	YTD Budget	Actual		
<b>CHCP - Furniture &amp; Equipment (Capital)</b>	\$	\$	\$	\$	\$	
Mobile Works Solution (HACC)	10,000	10,000	0	0	0	
<b>LIB - Furniture &amp; Equipment (Capital)</b>						
Library Software Upgrade	20,000	20,000	0	0	0	
<b>Totals</b>	<b>30,000</b>	<b>30,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	

**SHIRE OF NARROGIN**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**FOR THE PERIOD ENDED 31 MAY 2018**

**ACQUISITION OF ASSETS**

Roads	Current Budget				Variance (Under)Over	
	This Year					
	Original Budget	Revised Budget	YTD Budget	Actual		
	\$	\$	\$	\$	\$	
<b>ROADC - Roads (Capital) - Council Funded</b>						
Heath Street - Renewal (Local)	11,009	11,009	2,902	2,902	0	
<b>ROADC - Roads (Capital) - Roads to Recovery</b>						
Doney Street - Renewal (Local) (R2R)	33,064	33,064	33,064	35,497	2,433	▲
Felspar Street - Renewal (Local) (R2R)	49,982	49,982	46,981	47,658	677	▲
Glyde Street - Renewal (Local) (R2R)	14,061	14,061	14,061	14,646	585	▲
Garfield Street - Renewal (Local) (R2R)	8,244	8,244	8,244	8,411	167	▲
Homer Street - Renewal (Local) (R2R)	6,548	6,548	6,544	6,663	119	▲
Fairway Street - Renewal (Local) (R2R)	4,050	4,050	3,995	3,995	0	
Hale Street - Renewal (Local) (R2R)	11,322	11,322	11,322	13,128	1,806	▲
Hillman Street - Renewal (Local) (R2R)	6,048	6,048	4,500	4,500	0	
Marsh Street - Renewal (Local) (R2R)	6,480	6,480	6,480	6,507	27	▲
May Street - Renewal (Local) (R2R)	12,240	12,240	8,883	8,883	0	
Gibson Street - Renewal (Local) (R2R)	13,020	13,020	11,345	11,345	0	
Cresswell Street - Renewal (Local) (R2R)	1,485	1,485	1,484	1,726	242	▲
Narrakine Road - Renewal (Local) (R2R)	5,040	5,040	5,040	6,300	1,260	▲
Whinbin Rock Road - Renewal (Rural) (R2R)	285,522	285,522	285,522	199,541	(85,981)	▼
Wagin-Wickepin Road - Renewal (Rural) (R2R)	18,036	18,036	18,036	18,422	386	▲
Narrogin Valley Road - Renewal (Rural) (R2R)	37,091	37,091	37,091	38,337	1,247	▲
Highbury West Road - Renewal (Rural) (R2R)	21,600	21,600	21,055	108,712	87,657	▲
Rowe Street - Renewal (Local) (R2R)	7,965	7,965	7,965	8,209	244	▲
<b>ROADC - Roads (Capital) - Regional Road Group</b>						
Narrogin-Harrismith Road - Renewal (Local) (RRG)	607,486	607,486	606,331	608,061	1,730	▲
<b>Totals</b>	<b>1,160,292</b>	<b>1,160,292</b>	<b>1,140,844</b>	<b>1,153,443</b>	<b>12,599</b>	

Footpaths	Current Budget				Variance (Under)Over	
	This Year					
	Original Budget	Revised Budget	YTD Budget	Actual		
	\$	\$	\$	\$	\$	
<b>ROADC - Footpaths (Capital)</b>						
Daglish Street Footpath Construction	27,000	15,900	15,900	16,980	1,080	▲
Felspar Street Footpath Construction	27,000	19,035	19,035	19,035	0	
Williams Road - Footpath Construction	12,000	22,000	18,200	18,200	0	
Lefroy Street - Footpath Construction	0	45,000	45,000	21,539	(23,461)	▼
<b>Totals</b>	<b>66,000</b>	<b>111,435</b>	<b>98,135</b>	<b>88,422</b>	<b>(9,713)</b>	

Road Drainage	Current Budget				Variance (Under)Over	
	This Year					
	Original Budget	Revised Budget	YTD Budget	Actual		
	\$	\$	\$	\$	\$	
<b>ROADC - Drainage (Capital)</b>						
Drainage Works	30,000	30,000	23,340	23,340	0	
<b>Totals</b>	<b>30,000</b>	<b>30,000</b>	<b>23,340</b>	<b>23,340</b>	<b>0</b>	

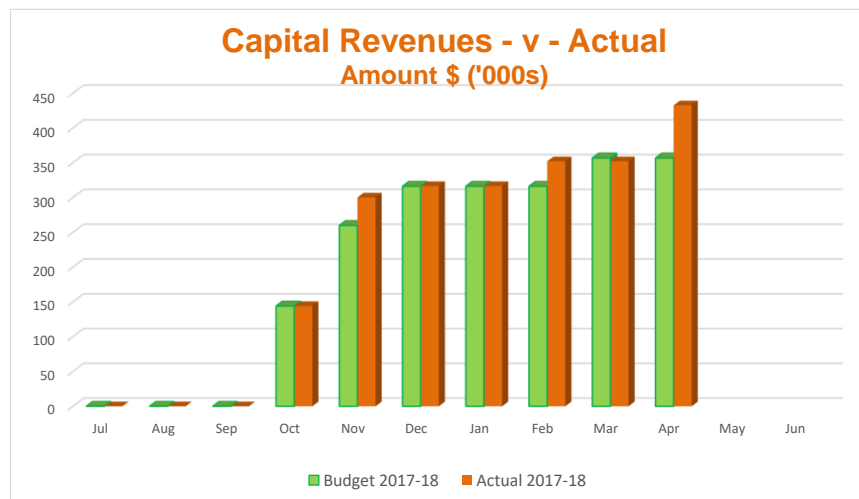
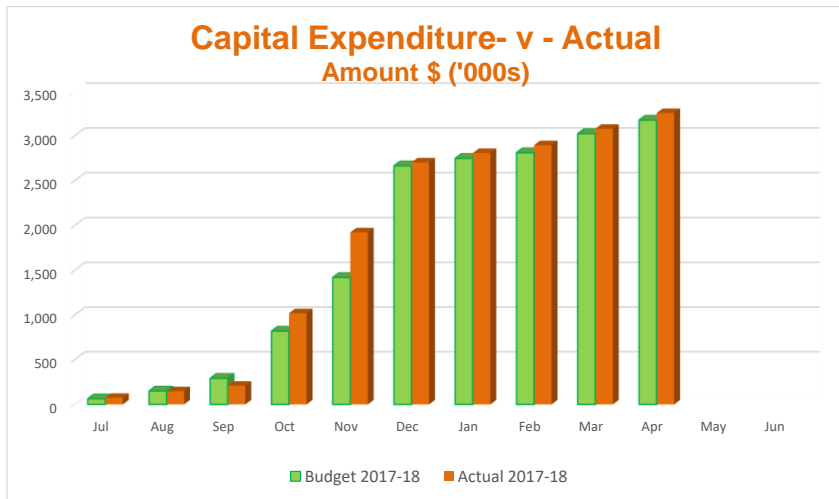
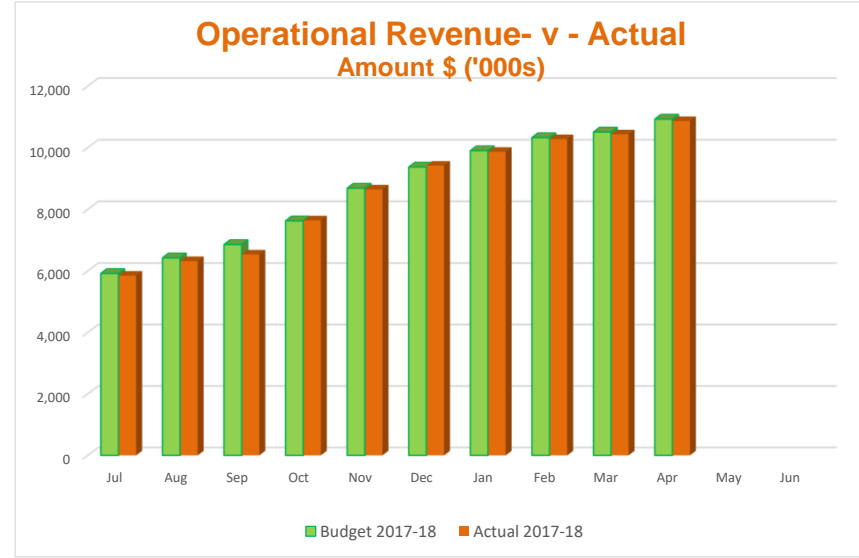
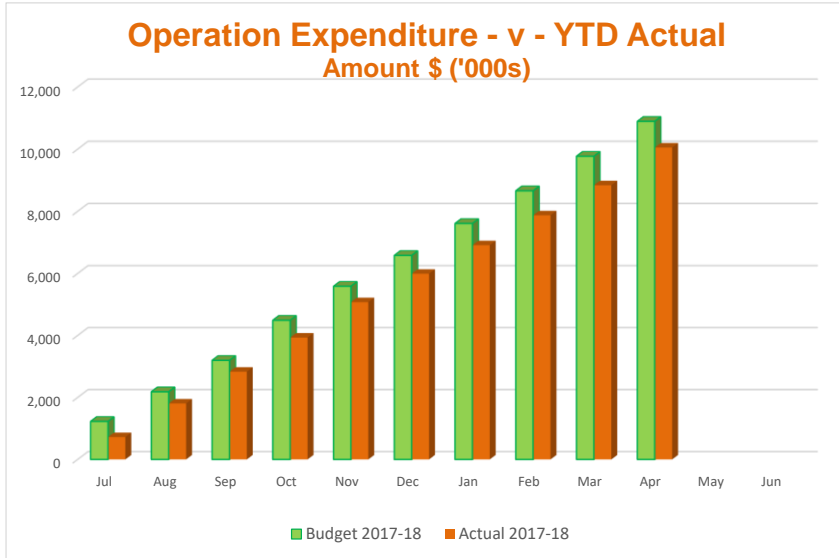
**SHIRE OF NARROGIN**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**FOR THE PERIOD ENDED 31 MAY 2018**

**ACQUISITION OF ASSETS**

Other Infrastructure	Current Budget				Variance (Under)Over	
	This Year					
	Original Budget	Revised Budget	YTD Budget	Actual		
<b>ANIMAL - Infrastructure Other (Capital)</b>	\$	\$	\$	\$	\$	
Animal Pound Exercise Area	2,944	3,258	3,258	3,258	0	
<b>SAN - Infrastructure Other (Capital)</b>						
White Road Refuse Site Upgrade	15,000	15,000	0	0	0	
Refuse Site Transfer Station	148,000	148,000	131,075	131,075	0	
Bin Surrounds	40,000	40,000	40,000	16,666	(23,334)	▼
<b>SEW - Infrastructure Other (Capital)</b>						
TWIS Dams	20,000	20,000	0	0	0	
<b>COM AMEN - Infrastructure Other (Capital) - Other Community Amenities</b>						
Cemetery Upgrade	85,000	85,000	1,554	20,754	19,200	▲
Gnarojin Park Master Plan	30,000	30,000	0	8,825	8,825	▲
CBD Enhancement	55,023	55,023	36,942	36,942	0	
<b>NRRC - Infrastructure Other (Capital)</b>						
NRRC Infrastructure Other (Capital)	30,000	30,000	15,848	15,848	0	
<b>REC - Infrastructure Other (Capital)</b>						
Heritage Trail	12,000	12,000	0	1,485	1,485	▲
Memorial Park Paving Upgrade	25,000	6,952	6,952	6,952	0	
Lions Park - Playground Equipment	50,000	42,599	42,599	42,599	0	
Jersey Park - Playground Equipment	16,000	13,660	13,660	13,660	0	
Northwood Park - Playground Equipment	45,000	45,000	45,000	45,000	0	
Ashworth Park - Playground Equipment	8,000	6,019	6,019	6,019	0	
Hockey Club - Playground Equipment	16,000	14,939	14,939	14,939	(0)	
Highbury Hall - Playground Equipment	22,000	18,300	18,300	18,300	0	
Town Clock	10,000	10,000	225	225	0	
Skate Park Construction	30,000	30,000	20,470	20,470	0	
Skate Park Improvements	39,780	39,780	2,321	2,321	0	
Sydney Hall Way - Playground Equipment	0	15,000	12,014	12,014	0	
Garfield Park - Playground Equipment	0	18,000	13,488	13,488	0	
Highbury Park - Playground Equipment	0	14,000	13,605	13,605	0	
<b>ROADC - Infrastructure Other (Capital)</b>						
Street Furniture	12,000	21,800	15,740	21,782	6,042	▲
Ensign Carpark	60,000	60,000	0	53,483	53,483	▲
CWA Carpark	60,000	25,000	0	12,416	12,416	▲
Ensign / Earl Street Carpark	0	25,500	0	21,543	21,543	▲
<b>TOUR - Infrastructure Other (Capital)</b>						
NCP Infrastructure Upgrade	8,000	8,000	395	395	0	
Caravan Park Resealing, Line Marking	20,000	20,000	0	0	0	
Banner Poles	0	11,150	9,202	9,202	(0)	
<b>Totals</b>	<b>859,747</b>	<b>883,980</b>	<b>463,605</b>	<b>563,266</b>	<b>99,661</b>	

**SHIRE OF NARROGIN  
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD ENDED 31 MAY 2018**

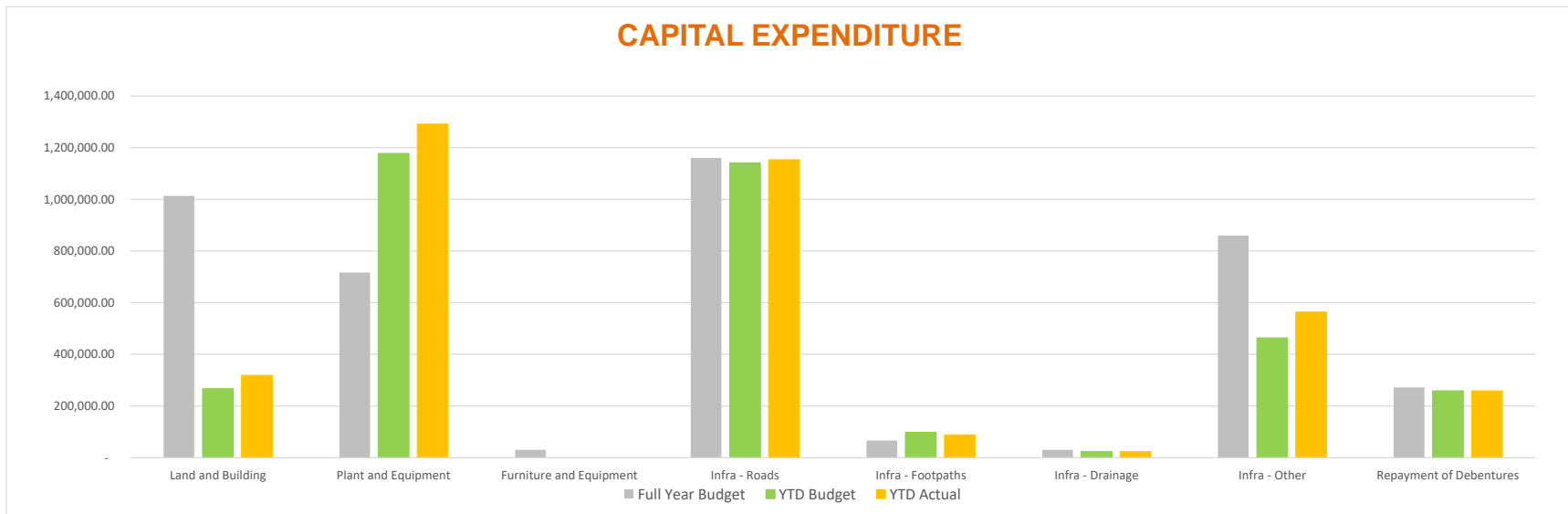
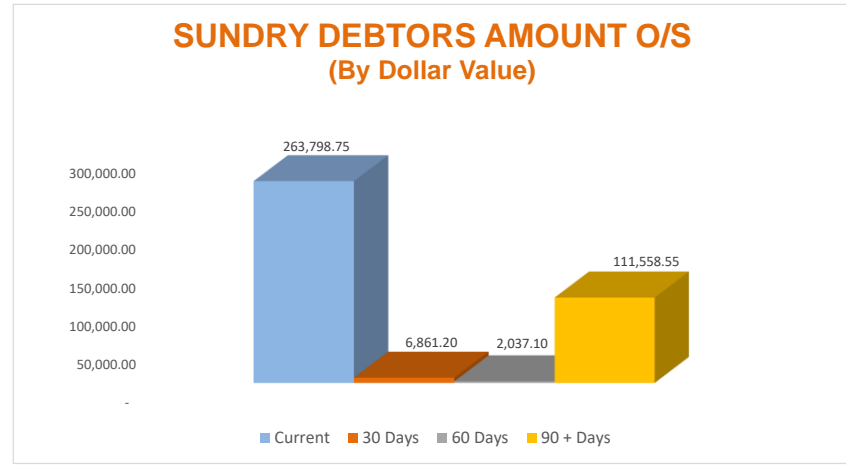
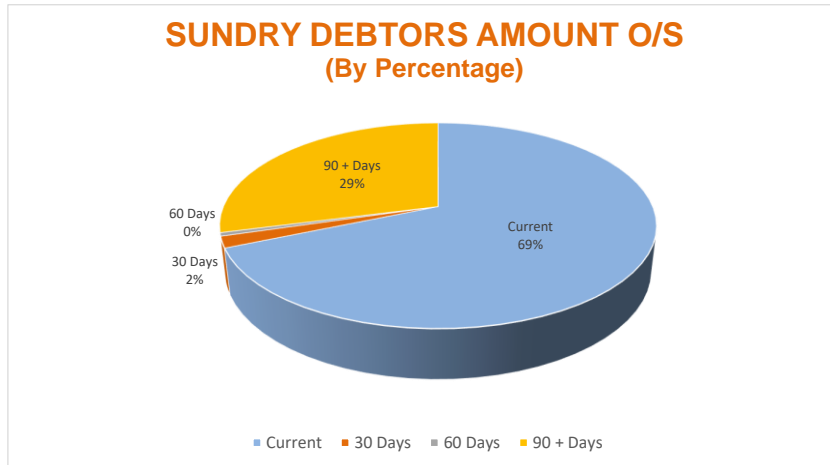
**GRAPHS**





**SHIRE OF NARROGIN  
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD ENDED 31 MAY 2018**

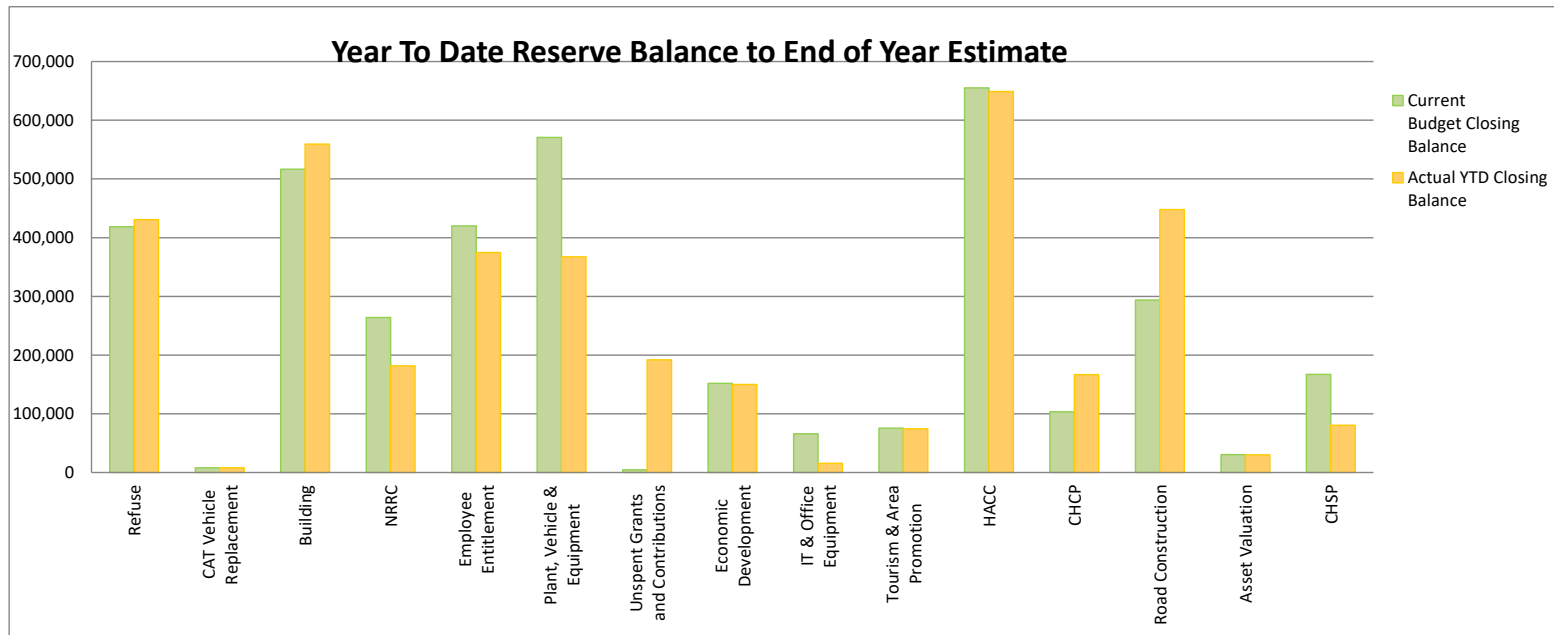
**GRAPHS**



**SHIRE OF NARROGIN**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**FOR THE PERIOD ENDED 31 MAY 2018**

**RESERVE MOVEMENTS**

Name	Opening Balance	Current Budget Interest Earned	Actual Interest Earned	Current Budget Transfers In (+)	Actual Transfers In (+)	Current Budget Transfers Out (-)	Actual Transfers Out (-)	Current Budget Closing Balance	Actual YTD Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Refuse	428,323	8,062	2,478	80,000	0	98,000	0	418,385	430,801
CAT Vehicle Replacement	8,021	101	30	0	0	0	0	8,122	8,051
Building	556,072	10,466	3,217	50,000	0	100,000	0	516,538	559,289
NRRC	180,691	3,401	1,046	80,000	0	0	0	264,092	181,737
Employee Entitlement	372,364	7,008	2,154	40,737	0	0	0	420,109	374,518
Plant, Vehicle & Equipment	393,454	7,405	2,278	410,000	0	240,000	28,282	570,859	367,450
Unspent Grants and Contributions	190,485	7,639	1,372	0	0	193,715	0	4,409	191,857
Economic Development	148,995	2,804	862	0	0	0	0	151,799	149,857
IT & Office Equipment	15,734	296	90	50,000	0	0	0	66,030	15,824
Tourism & Area Promotion	73,969	1,392	427	0	0	0	0	75,361	74,396
HACC	645,352	11,232	3,453	8,483	0	10,000	0	655,067	648,805
CHCP	165,412	3,819	1,173	0	0	65,903	0	103,328	166,585
Road Construction	445,302	8,381	2,576	0	0	160,000	0	293,683	447,878
Asset Valuation	30,000	565	175	0	0	0	0	30,565	30,175
CHSP	120,089	2,429	746	44,604	0	0	40,198	167,122	80,637
	<b>3,774,262</b>	<b>75,000</b>	<b>22,077</b>	<b>763,824</b>	<b>0</b>	<b>867,618</b>	<b>68,480</b>	<b>3,745,468</b>	<b>3,727,859</b>



Project Progress	
Complete	●
On Track	●
Off Track	●
In Trouble	●

		2017/18 Annual Budget	2017/18 YTD Actual	Responsible Officer		2018						Comments
						January	February	March	April	May	June	
<b>CAPITAL PROJECTS</b>												
1	Building Renovations Admin Side Portico's and Men's & Ladies Toilet	50,119	40,155.35	Aaron Cook/Azhar Awang	●							Plans complete. To be signed off by structural engineer. RFQ to be undertaken
3	Mobile Works Solution (HACC)	10,000	0.00	Frank Ludovico	●							Transition to Federal Government funding process must be completed to enable this purchase to occur. Defer to 2018/19
6	White Road Refuse: Development plan of existing & future landfill	15,000	0.00	Azhar Awang	●							
8	CBD Bin surrounds (C/Fwd: \$20,000 plus \$20,000) Approx. 40.	40,000	16,665.88	Azhar Awang	●							
9	Desludge dams at race track & effluent plant \$20,000	20,000	0.00	Torre Evans	●							Water corporation to desludge effluent dam and Clayton dam to be deferred to end of spring due to no rain with retic kept operational
10	Planning to Construct Memorial Park Public Toilets	20,000	0.00	Azhar Awang	●							
11	Finish Cemetery Carpark \$10,000, C/Fwd: Earthworks/Road/Carpark etc \$50,000, Niche Wall \$30,000	85,000	20,754.20	Azhar Awang / Torre Evans	●							Niche wall complete, carpark to follow in June
12	Gnarojin Park Master Plan (planning for passive and active recreation facilities, pathways etc)	30,000	8,825.00	Azhar Awang	●							
13	Town Hall: Concrete veranda \$20,000, Dressing Room Upgrade (Gyprock) \$20,000, Awning Extension (Rear) \$10,000, Touring Show required upgrade \$10,000, Disabled Access improvement \$5,000, Re pitching of roof lines \$25,000, Install larger flashing to change rooms \$4,000, extra seating for Town hall complex	94,000	34,747.94	Azhar Awang	●							Verandah complete
15	C/Fwd: Relocate Town Hall Air-Conditioner to NRLC. Narrogin Squash Club to contribute \$10,000.	70,000	1,000.00	Aaron Cook	●							
16	NRRC: General building capital upgrade	50,000	11,692.41	Aaron Cook	●							
17	NRRC: Stadium seating \$20,000, Multiple Club trophy cabinet \$10,000	30,000	15,848.25	Aaron Cook	●							
21	Skate Park graffiti art \$20,000, signage \$10,000	39,780	2,321.16	Azhar Awang	●							
22	CBD heritage trail	12,000	1,485.00	Azhar Awang	●							
30	Purchase of new Library Management software	20,000	0.00	Frank Ludovico	●							Purchase order issued May 2018
31	Library Landscape - Stage 1A Accessible Ramp	80,000	0.00	Frank Ludovico/Azhar Awang	●							RFQ to be issued May 2018
67	Trailer & Signs(Event Traffic Management)	10,000	0.00	Azhar Awang	●							Investigating Traffic Management Implementation through the events team (Internal dept)
68	CCTV Installation NCP	10,000	0.00	Frank Ludovico	●							RFQ to be issued May 2018
69	Accommodation Units (NCP)	350,000	0.00	Aaron Cook/Frank Ludovico	●							Specification being prepared. Carry forward to 2018/19
70	NCP Renovations: Retiling of ablution block \$40,000, Renovate old laundry \$40,000, 2012/13 CLGF (Local) Funds \$72,939	152,939	0.00	Frank Ludovico	●							Ablution block 2 commencing. Ablution block 1 deferred to 2018/19. Old laundry RFQ being prepared
72	Caravan Park Resealing, Line Marking	20,000	0.00	Frank Ludovico	●							Deferred until accommodation units completed
73	Old Shire Building: Paining & Internal upgrades (carpet etc)	80,000	55,203.24	Aaron Cook/Azhar Awang	●							Planning still occurring
<b>OPERATIONAL PROJECTS</b>												
75	Proposed Youth Services. Business case to be presented later.	50,000	0.00	Aaron Cook	●							
76	Highbury Tip Maintenance	5,000	0.00	Azhar Awang	●							
77	Mackie Park Public Toilets and Office Maintenance - Mackie Park Public Toilets and Office Maintenance	13,096	18,833.13	Azhar Awang	●							RFQ awarded
79	Smith St Public Toilets (Coles Carpark) Maintenance - Smith St Public Toilets (Coles Carpark) Maintenance	14,905	5,741.93	Azhar Awang	●							RFQ awarded
80	Harris St Public Toilets (Museum) Maintenance - Harris St Public Toilets (Museum) Maintenance	4,790	5,865.65	Azhar Awang	●							
81	Highbury Public Toilets Maintenance - Highbury Public Toilets Maintenance	11,000	11,778.64	Azhar Awang	●							
82	Highbury Townscape \$8,000	8,000	435.00	Azhar Awang	●							
85	Management plan Foxes Lair & Railway Dam \$20,000, PG Main \$10,000	39,917	4,330.94	Azhar Awang	●							
86	Development of Sport and recreation Master plan (included in Strategic plan) \$60,000, General consultation \$10,000	70,000	5,000.00	Aaron Cook	●							
87	Museum Building Maintenance \$6,450.00, Modify existing doorway \$1,000	8,993	3,623.66	Azhar Awang	●							
88	Public Art Strategy	40,000	0.00	Azhar Awang	●							
90	Roadworks - WANDRRA Claim works	784,723	1,552,071.23	Torre Evans	●							
94	Hilders Road Pit rehab	4,000	0.00	Torre Evans	●							Carry Forward to 2018/19 and increase to \$20,000
97	Lydeker Depot Building Maintenance - Materials \$10,000, Contractors \$5,000, Sea containers \$4,500 (install LED lights, relocate A/C, install shelving)	63,291	55,551.23	Azhar Awang	●							Sea Container: Electrician appointed. Waiting for materials
100	Fire rated Legal Documents storage \$2,000 plus \$2,500 general	4,500	1,928.18	Frank Ludovico	●							Quotes exceed budget by significant margin. Will be brought forward to 2018/19 Budget
		<b>2,411,053</b>	<b>1,873,858</b>									

		2017/18 Annual Budget	2017/18 YTD Actual	Responsible Officer	2018						Comments
					January	February	March	April	May	June	
<b>COMPLETED PROJECTS</b>											
2	CCTV Upgrade	112,788	112,787.50	Azhar Awang	●						
4	Disability Toilet - Changing Places	59,000	54,943.05	Azhar Awang	●						
5	Kitchen Renovations 13 Hough Street	10,968	13,187.61	Azhar Awang	●						
7	Consultant for Refuse Site (\$15,000) C/Fwd: Works to Construct Transfer Station (\$133,000)	148,000	131,074.50	Azhar Awang	●						
14	Highbury Hall: Upgrade Storm water drainage system \$7,500, Remove unsuitable pollarded trees and grind stumps	5,178	5,177.82	Azhar Awang	●						
18	Thomas Hogg: Install a disabled access ramp from the car park to the oval	35,000	10,690.01	Torre Evans/Azhar Awang	●						Construction underway
19	Removal of Town Clock \$10,000	10,000	225.00	Torre Evans	●						
20	Skate Park: (C/Fwd: Install Irrigation, Topsoil, Turf)	30,000	20,470.40	Torre Evans	●						
23	Memorial Park: Remove old slabs and replace with limestone paving	6,952	6,952.00	Torre Evans	●						
24	Lions Park: Replace Sand with soft fall rubber	42,599	42,599.34	Torre Evans	●						
25	Jersey Park: Shade Sails	13,660	13,660.42	Torre Evans	●						
26	Northwood Park: New Playground Equipment	45,000	45,000.00	Torre Evans	●						
27	Ashworth Park: Replace cracked asphalt basketball surface line mark and new hoop \$8,000	6,019	6,019.08	Torre Evans	●						
28	Hockey Club: Shade Sails	14,939	14,938.85	Torre Evans	●						
29	Highbury Hall: Playground Equipment	18,300	18,300.00	Torre Evans	●						
32	Museum Building: kitchen cupboards/sink, repairs to window frame	5,000	2,690.00	Azhar Awang	●						
33	Street Furniture	21,800	21,782.00	Torre Evans	●						
34	Ensign Carpark Reseal	60,000	53,483.12	Torre Evans	●						Schedule moved to be completed when mobile asphalt plant is in town
35	CWA Carpark Reseal	25,000	12,416.01	Torre Evans	●						Schedule moved to be completed when mobile asphalt plant is in town
36	Lydeker Depot: Electric gate and re align works depot security fence	30,000	23,074.18	Torre Evans	●						
37	Heath Street - Renewal (Local): Reseal	11,009	2,902.28	Torre Evans	●						
38	Doney Street - Renewal (Local) (R2R): Reseal	33,064	35,497.38	Torre Evans	●						
39	Felspar Street - Renewal (Local) (R2R): Reseal	49,982	47,658.18	Torre Evans	●						
40	Glyde Street - Renewal (Local) (R2R): Reseal	14,061	14,646.06	Torre Evans	●						
41	Garfield Street - Renewal (Local) (R2R): Reseal	8,244	8,410.69	Torre Evans	●						
42	Homer Street - Renewal (Local) (R2R): Reseal	6,548	6,662.52	Torre Evans	●						
43	Fairway Street - Renewal (Local) (R2R): Reseal	4,050	3,995.00	Torre Evans	●						
44	Hale Street - Renewal (Local) (R2R): Reseal	11,322	13,128.20	Torre Evans	●						
45	Hillman Street - Renewal (Local) (R2R): Reseal	6,048	4,499.52	Torre Evans	●						
46	Marsh Street - Renewal (Local) (R2R): Reseal	6,480	6,506.76	Torre Evans	●						
47	May Street - Renewal (Local) (R2R): Reseal	12,240	8,882.94	Torre Evans	●						
48	Gibson Street - Renewal (Local) (R2R): Reseal	13,020	11,345.18	Torre Evans	●						
49	Cresswell Street - Renewal (Local) (R2R): Reseal	1,485	1,725.90	Torre Evans	●						
50	Narrakine Road - Renewal (Local) (R2R): Reseal	5,040	6,300.08	Torre Evans	●						
51	Whinbin Rock Road - Renewal (Rural) (R2R): Reconstruct & Seal	285,522	199,540.63	Torre Evans	●						
52	Wagin-Wickepin Road - Renewal (Rural) (R2R): Reseal	18,036	18,421.96	Torre Evans	●						
53	Narrogin Valley Road - Renewal (Rural) (R2R): Reseal	37,091	38,337.12	Torre Evans	●						
54	Highbury West Road - Renewal (Rural) (R2R): Reseal	21,600	108,712.39	Torre Evans	●						
55	Rowe Street - Renewal (Local) (R2R): Reseal	7,965	8,209.22	Torre Evans	●						
56	Narrogin-Harrismith Road - Renewal (Local) (RRG): Reconstruct & Seal	607,486	608,060.99	Torre Evans	●						
57	Daglish Street Footpath Construction	15,900	16,980.00	Torre Evans	●						
58	Felspar Street Footpath Construction	19,035	19,035.00	Torre Evans	●						
59	Williams Road - Footpath Construction	22,000	18,200.00	Torre Evans	●						
60	Drainage Works: Culvert upgrades with 2 coat seal for flood way-various	30,000	23,340.00	Torre Evans	●						
61	Tipper Truck 3 Tonne	22,455	22,454.55	Torre Evans	●						
62	10,000L Emulsion Storage Tank	57,831	57,831.46	Torre Evans	●						
63	John Deere Ride on Mower 2017	9,745	9,744.98	Torre Evans	●						
64	24 Tonne Excavator	260,000	216,100.00	Torre Evans	●						
65	Irrigation Pump	32,140	32,140.00	Torre Evans	●						
66	8T Side Tipping Truck	90,190	90,190.00	Torre Evans	●						Gas BBQ Purchased instead of electric
71	NCP: Install electric and gas BBQ's	8,000	394.55	Frank Ludovico	●						
74	Senior Citizen Centre Building Maintenance - Cladding of bus bay Portico to match existing \$6,000, General Maintenance \$3,000	9,000	7,936.80	Azhar Awang	●						
78	Gnarogin Park Public Toilets Maintenance - Gnarogin Park Public Toilets Maintenance	41,309	33,450.91	Azhar Awang	●						
83	CBD Enhancement \$55,022	55,023	36,942.41	Torre Evans/Azhar Awang	●						
84	Gnarogin Park Maintenance/Operations - Dead wooding of trees	15,000	8,640.00	Torre Evans	●						
89	Arts Narrogin: Admin Support Nexis Gallery \$25,000, Attract and install a range of professional art exhibitions \$10,000	35,000	35,000.00	Azhar Awang	●						
91	White Road Pit rehab	4,000	6,000.00	Torre Evans	●						
92	Whinbin Rock Road Pit rehab	4,000	3,600.00	Torre Evans	●						
93	Cardwell Road Pit rehab	4,000	3,000.00	Torre Evans	●						
95	Wagin - Wickepin Road Pit rehab	4,000	3,500.00	Torre Evans	●						
96	Street Tree Maintenance: Materials \$10,000, Powerline pruning & Large tree pruning \$25,000	288,242	125,761.23	Torre Evans	●						Program shortened due to Wandrra works being completed. Street tree pruning complete.
98	Airport Cones	8,000	4,024.34	Torre Evans	●						
99	Dryandra Visitor Centre Donation \$35,000, plus increased \$25,000.	60,000	52,312.75	Frank Ludovico	●						
101	Lefroy Street - Footpath Construction	45,000	21,539.00	Torre Evans	●						Under construction
102	Sydney Hall Way - Playground Equipment: Shade Sail	15,000	12,013.80	Torre Evans	●						
103	Garfield Park - Playground Equipment: Shade sail	18,000	13,487.75	Torre Evans	●						
104	Highbury Park - Playground Equipment: Shade sail	14,000	13,604.80	Torre Evans	●						
105	Ensign / Earl Street Carpark	25,500	21,542.91	Torre Evans	●						

## 10.3.045 DRAFT CORPORATE BUSINESS PLAN 2018-2022

<b>File Reference:</b>	4.2.2
<b>Disclosure of Interest:</b>	Nil
<b>Applicant:</b>	Shire of Narrogin
<b>Previous Item Nos:</b>	Nil
<b>Date:</b>	Nil
<b>Author:</b>	Frank Ludovico – Executive Manager Corporate and Community Services
<b>Authorising Officer:</b>	Dale Stewart – Chief Executive Officer

### Attachments

Attachment 1 – Draft Corporate Business Plan

### Summary

The Corporate Business Plan (CBP) is Council's four year planning document and aligns to the Shire of Narrogin Strategic Community Plan 2017-2027.

### Background

The Corporate Business Plan is a key component of the Integrated Planning and Reporting Framework requirements that were introduced in 2013. The intent of the Integrating Planning and Reporting Framework is to ensure improved strategic, financial and asset management planning across Western Australian Local Governments.

The Shire of Narrogin Strategic Community Plan was adopted by Council at the Ordinary Meeting held on 24 May 2017, Resolution No. 0517.059.

Council workshopped the CBP at a workshop on 13 June 2018.

### Comment

The *Local Government Act 1995 (LGA) Section 5.56 "Planning for the Future"* requires a local government to plan for the future of the district and to make plans in accordance with the regulations. These regulations require all local governments in Western Australia to develop and adopt a Strategic Community Plan and a Corporate Business Plan, supported by informing strategies (ie Workforce Management, Asset Management and Long Term Financial plans).

These plans drive the development of each local government's annual budget and through a process of continuous improvement, local governments should be better able to plan for and meet the needs of their communities.

The Integrated Planning and Reporting Framework is designed to ensure more effective delivery of the local government's strategic intentions, and to provide a process to:

- Ensure community input is explicitly and reliably generated;
- Inform the long-term objectives of the local government with these inputs;
- identify the resourcing required to deliver against the long-term objectives; and

- Clearly articulate the long term financial implications and strategies.

### Consultation

- Workshop with Elected Members held 13 June 2018
- Dale Stewart – Chief Executive Officer
- Aaron Cook – Former Chief Executive Officer, Shire of Narrogin
- Torre Evans – Executive Manager Technical & Rural Services
- Azhar Awang – Executive Manager Development & Regulatory Services
- Frank Ludovico – Executive Manager Corporate & Community Services

### Statutory Environment

Council must comply with the statutory requirements of the Integrated Planning and Reporting Framework.

*Local Government Act 1995 Section 5.56* Planning for the future

*Local Government (Administration) Regulations 1996 19DA* Corporate business plans, requirements for (Act s. 5.56)

### Policy Implications

Nil

### Financial Implications

The Shire’s Corporate Business Plan is a key driver for the annual budget and the long term financial plan. This linkage ensures the community priorities are adequately funded.

There is also an ongoing cost associated with the review of the Corporate Business Plan and reporting on the performance as required. The costs are primarily that of internal (staff) resources are managed from within existing budget allocations.

### Strategic Implications

Shire of Narrogin Strategic Community Plan 2017-2027	
<b>Objective</b>	<b>4. Civic Leadership Objective (Continually enhance the Shire's organisational capacity to service the needs of a growing community)</b>
Outcome:	4.1 An efficient and effective organisation
Strategy:	4.1.1 Continually improve operational efficiencies and provide effective services
Strategy:	4.1.2 Continue to enhance communication and transparency

### Voting Requirements

Absolute Majority

### Officer’s Recommendation

That with respect to the Draft Corporate Business Plan 2018-2022, that Council adopt the document as per Attachment 1.



# Draft Corporate Business Plan 2018 - 2022

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# ***Our Vision:***

***“To be a leading regional economic driver  
and a socially interactive and inclusive  
community”***

**Our Mission:** Provide leadership, direction and opportunities for the community.

**Key Principles:** In achieving the Vision and Mission, we will set achievable goals and work with the community to maintain a reputation of openness, honesty and accountability. In doing so, we will:

- respect the points of view of individuals and groups;
- build on existing community involvement;
- encourage community leadership;
- promote self-reliance and initiative;
- recognise and celebrate achievement;
- support the principles of social justice; and
- acknowledge the value of staff and volunteers.

## Forward

The Strategic Community Plan outlines community long term (10+ years) vision, values, aspirations and priorities, with reference to other Shire plans, information and resourcing capabilities.

This plan, the Corporate Business Plan, provides the internal business planning tool that translates Council priorities into operations within the resources available. It details the services, operations, projects, and the associated cost, the Shire intends to deliver over the next four years.

Leigh Ballard  
Shire President

27 June 2018

Dale Stewart  
Chief Executive Officer

DRAFT

*The Shire of Narrogin acknowledges the Noongar people as traditional custodians of this land and their continuing connection to land and community. We pay our respect to them, to their culture and to their Elders past and present.*

# Planning Framework

This Draft Corporate Business Plan 2018-2022, together with the Strategic Community Plan 2017-2027, is the Shire of Narrogin's Plan for the Future and has been prepared to achieve compliance with *the Local Government (Administration) Regulations 1996*.

Under *Local Government (Administration) Regulations 1996* Regulation 19DA (3),

"A Corporate Business Plan for a district is to:

- a) set out, consistently with any relevant priorities in the Strategic Community Plan, a local government's priorities for dealing with the objectives and aspirations of the community in the district; and
- b) govern a local government's internal business planning by expressing a local government's priorities by reference to operations that are within the capacity of the local government's resources; and
- c) develop and integrate matters relating to resources, including asset management, workforce planning and long-term financial planning."

In the preparation of the annual budget the local government is to have regard to the contents of the Plan for the Future as per Section 6.2(2) of the *Local Government Act 1995*.

Development of the Plan has also been influenced by the Department of Local Government and Communities Framework and Guidelines for Integrated Planning and Reporting.

## Strategic Community Plan

The Narrogin community had a strong involvement and voice in the development of the Strategic Community Plan. Commencing in January 2017, the community was invited to share their visions and aspirations for the future of Narrogin, and the Plan has subsequently been reviewed and updated to reflect the community aspirations.

The community shared what they considered most special about the district and their aspirations for the future. The sense of community and a country town feel was highly regarded as was the multicultural community and the history of the district. It was evident the community values their natural environment and the many native reserves. High quality regional sporting and recreation facilities, along with medical and education services available in Narrogin were also very important.

The community strongly identified their desire for further economic development, supporting current local industry whilst pursuing opportunities for economic diversity and growth.

This information provided a valuable insight into the key issues and aspirations, as perceived by the local community. Importantly for the Council, these views have helped establish clear priorities and shaped the visions, values, objectives and strategies contained within the Strategic Community Plan 2017 - 2027.

# Planning Framework (continued)

## Corporate Business Plan

Achieving the community's vision and the Shire's strategic objectives requires the development of actions to address each strategy contained within the Strategic Community Plan. Careful operational planning and prioritisation is required to achieve the outcomes due to the constraints of limited resources. This planning process is formalised by the development of this Corporate Business Plan. The Corporate Business Plan then, in turn, converts the Strategic Community Plan into action via the adoption of an Annual Budget.

The Draft Corporate Business Plan 2018-2022 must be reviewed annually to assess the progress of projects and realign the Plan's actions and priorities based on current information and available funding.

Actions requiring funding will only be undertaken once approved within the statutory budget and subject to funding availability. Along with achieving the community aspirations and objectives the Corporate Business Plan draws on information contained within the following strategic documents.

## Asset Management Plan

The Shire has developed Asset Management Plans for major asset classes in accordance with the Asset Management Policy. The Asset Management Plans form a component of an overall Asset Management Strategy which addresses the Shire's current asset management processes and sets out the steps required to continuously improve the management of Shire controlled assets.

Capital renewal estimates contained within the Asset Management Plans have been considered to the extent the financial and workforce resources are available to enable the renewals to occur.

## Workforce Plan

The Workforce Plan provides the workforce management and resource strategies necessary to deliver the objectives, outcomes and strategies of the Shire's Strategic Community Plan.

Workforce issues have been considered during the development of this Corporate Business Plan and the financial impacts of the Workforce Plan captured within the Long Term Financial Plan. A combination of workforce and financial constraints has influenced the prioritisation of actions within this Plan.

## Long Term Financial Plan

The Shire of Narrogin is planning for a positive and sustainable future. The Shire seeks to maintain, and where possible, improve service levels into the future while maintaining a healthy financial position.

During the development of this Corporate Business Plan, the Long Term Financial Plan was updated to confirm the financial capability to undertake the planned actions and ensure integration with this Plan. The results of this update are reflected within the Forecast Statement of Funding on the following page.

## Review of Plan

In accordance with statutory requirements, the Corporate Business Plan is reviewed and updated annually. The review of this Plan occurred following a major review of the Strategic Community Plan in 2017.

# Forecast Statement of Funding

The following Statement is extracted from the Long Term Financial Plan to provide an indication of the activities proposed in the Corporate Business Plan. This forecast underpinned by a number of assumptions that provided a reasonable estimate of activity.

## RATE SETTING STATEMENT

	Proposed Estimates			
	2018-19	2019-20	2020-21	2021-22
<b>OPERATING REVENUE</b>				
General Purpose Funding	2,612,796	2,666,022	2,724,972	2,811,974
Governance	30,710	31,351	32,129	33,008
Law, Order Public Safety	59,092	59,794	60,621	61,531
Health	5,594	5,711	5,854	6,015
Education and Welfare	1,404,466	1,433,960	1,469,809	1,510,229
Housing	10,400	10,400	10,400	10,400
Community Amenities	1,057,327	1,078,431	1,104,082	1,133,003
Recreation and Culture	120,920	120,920	120,920	120,920
Transport	1,090,270	217,997	221,300	225,025
Economic Services	271,334	274,901	279,236	284,123
Other Property and Services	173,967	175,604	177,594	179,838
<b>TOTAL REVENUE</b>	<b>6,836,875</b>	<b>6,075,090</b>	<b>6,206,918</b>	<b>6,376,065</b>
<b>LESS OPERATING EXPENDITURE</b>				
General Purpose Funding	(238,874)	(243,585)	(248,745)	(254,408)
Governance	(581,047)	(606,041)	(624,491)	(634,623)
Law, Order, Public Safety	(471,275)	(483,867)	(495,653)	(510,315)
Health	(205,661)	(211,158)	(216,838)	(223,263)
Education and Welfare	(1,606,958)	(1,650,966)	(1,693,713)	(1,744,299)
Housing	(0)	0	(0)	(0)
Community Amenities	(1,415,722)	(1,396,088)	(1,432,923)	(1,474,000)
Recreation and Culture	(2,908,819)	(3,001,020)	(3,051,540)	(3,144,925)
Transport	(3,867,988)	(3,110,497)	(3,134,386)	(3,244,202)
Economic Services	(711,347)	(729,353)	(743,019)	(762,087)
Other Property & Services	(87,283)	(89,715)	(91,909)	(94,657)
<b>TOTAL EXPENSES</b>	<b>(12,094,975)</b>	<b>(11,522,290)</b>	<b>(11,733,217)</b>	<b>(12,086,779)</b>
<i>Increase(Decrease)</i>	<b>(5,258,100)</b>	<b>(5,447,200)</b>	<b>(5,526,300)</b>	<b>(5,710,714)</b>
<b>ADD</b>				
Movement in Employee Benefits (Non-current)	0	0	0	0
Movement in Deferred Pensioners (Non-current)				
Movement in Accrued Interest				
Movement in Entitlement Reserve	0	0	0	0
(Profit)/ Loss on the disposal of assets	0	0	0	0
Depreciation Written Back	2,422,561	2,561,590	2,497,607	2,606,940
<i>Sub Total</i>	<b>2,422,561</b>	<b>2,561,590</b>	<b>2,497,607</b>	<b>2,606,940</b>

**RATE SETTING STATEMENT (Continued)**

	Proposed Estimates			
	2018-19	2019-20	2020-21	2021-22
Purchase Land				
Purchase Buildings	(574,529)	(157,652)	(77,592)	(222,869)
Infrastructure Assets - Roads	(1,627,500)	(1,627,500)	(1,627,500)	(1,627,500)
Infrastructure Assets - Footpaths	(50,000)	(50,000)	(50,000)	(50,000)
Infrastructure Assets - Drainage	(50,000)	(50,000)	(50,000)	(50,000)
Infrastructure Assets - Sewerage	0	0	0	0
Infrastructure Assets - Solid Waste	0	0	0	0
Infrastructure Assets - Other	(60,000)	(130,000)	(60,000)	(60,000)
Purchase Plant and Equipment	(719,500)	(657,000)	(480,000)	(675,000)
Purchase Furniture and Equipment	(30,000)	0	(30,000)	0
Purchase Tools				
Proceeds from Sale of Assets	277,000	157,000	119,000	205,000
Contributions for the Development of Assets	789,088	865,000	865,000	865,000
<b>Financing Activities</b>				
Repayment of Debt - Loan Principal	(160,778)	(167,137)	(173,773)	(180,704)
Principal Repayment Received -Loans	0	0	0	0
Advances to Community Groups	0	0	0	0
Transfer to Reserves	(635,989)	(743,731)	(860,490)	(816,024)
<i>Sub Total</i>	(2,842,208)	(2,561,020)	(2,425,355)	(2,612,097)
<b>FUNDED FROM</b>				
Loans	350,000	0	0	0
Transfers from Reserves	522,500	500,000	361,000	470,000
Opening Surplus/ (Deficit)	0	0	0	0
Closing (Surplus)/Deficit	0	(0)	0	0
<b>TO BE MADE UP FROM GENERAL RATES</b>	<b>(4,805,246)</b>	<b>(4,946,630)</b>	<b>(5,093,047)</b>	<b>(5,245,871)</b>

# Capital Program

A number of projects are forecast to be undertaken during the life of the Plan which result in capital expenditure. The activities are summarised below along with an indication of the forecast capital expenditure extracted from the Long Term Financial Plan.

## SHIRE OF NARROGIN CAPITAL WORKS SCHEDULE

	Proposed Estimates			
	2018-19	2019-20	2020-21	2021-22
Governance Furniture & Equipment Replacements	30,000	0	30,000	0
<b>TOTAL EXPENDITURE</b>	<b>30,000</b>	<b>0</b>	<b>30,000</b>	<b>0</b>
<b>Rate Setting Statement Total</b>	30,000	0	30,000	0

FURNITURE & EQUIPMENT FUNDING SOURCES				
Council Funds	30,000	0	30,000	0
<b>TOTAL FUNDING</b>	<b>30,000</b>	<b>0</b>	<b>30,000</b>	<b>0</b>

LAND AND BUILDINGS ITEM DESCRIPTION				
<b>Governance</b>				
Administration Building Renovation	0	140,000	0	0
Administration Building Replace 850m <sup>2</sup> Gyprock Ceiling Lining	9,010	0	0	0
<b>Education &amp; Welfare</b>				
Senior Citizen Centre - Replace Metal Roofing	0	0	0	51,688
<b>Housing</b>				
Staff Housing Upgrades	0	0	0	0
13 Hough St - Replace 2 Shower Units	2,720	0	0	0
Memorial Park - Construct New Toilets	80,000	0	0	0
Cemetery Entry Gazebo - Replace Metal Roof	0	0	0	2,237
<b>Recreation &amp; Culture</b>				
NRRC - Replace 624.9m <sup>2</sup> Metal Roofing	44,368	0	0	0
NRRC - Replace 375.3m <sup>2</sup> Gyrock Lined Ceiling	19,891	0	0	0
NRRC - Replace 99.3m <sup>2</sup> Suspended Panel Ceiling	7,753	0	0	0
NRRC - Replace 507m <sup>2</sup> Carpet	0	0	30,420	0
NRRC - Replace 22m <sup>2</sup> Ceramic Tiles	3,410	0	0	0
Library - Replace 260m <sup>2</sup> Carpet	0	0	15,600	0
Library - Replace 93m <sup>2</sup> Internal Metal Windows Frames	0	0	0	22,135
Highbury Hall - Rewire Hall	10,000	0	0	0
Museum Building - Replace 250m <sup>2</sup> Colorbond Roofing	4,500	0	0	0

	Proposed Estimates			
	2018-19	2019-20	2020-21	2021-22
Museum Heritage Building - Replace 190m <sup>2</sup> T&G Timber Flooring	17,100	0	0	0
Museum Building - Renew 300m <sup>2</sup> Plaster Wall Finish	2,100	0	0	0
Bannister St Oval Clubrooms - Renew Roof Gutters	0	2,090	0	0
Clayton Rd Oval Clubrooms - Replace 151m <sup>2</sup> Carpet	4,530	0	0	0
Clayton Rd Oval Toilet Block - Replace 38.5m <sup>2</sup> Metal Roofing	0	0	0	2,734
Dr S Mainland Tennis Club rooms (Ngn Tennis Club) - Replace 56m <sup>2</sup> carpet	0	0	3,360	0
Narrogin Memorial Park Gardeners Shed - Replace 17m <sup>2</sup> Covered Ways	6,783	0	0	0
Narrogin Race Course Committee Room - Replace 219m <sup>2</sup> Metal Roofing	0	0	0	15,549
Narrogin Race Course TAB Building - Replace 101m <sup>2</sup> Metal Roofing	0	0	0	7,171
Narrogin Tennis Club (outside Pavillion) – Replace 48m <sup>2</sup> Metal Roofing	0	0	0	3,408
Narrogin Tennis Club (outside Pavillion) - Replace 36m Fixed Seating	0	6,120	0	0
Railway Institute Hall - Replace 56m <sup>2</sup> Vinyl Floor Finishes	0	0	2,072	0
Railway Station - Replace 161m Metal Gutters	6,641	0	0	0
Railway Station - Replace 650m <sup>2</sup> Metal Roofing	0	0	0	46,150
Showmen's Public Toilets - Replace 37m <sup>2</sup> Metal Roofing	2,627	0	0	0
Showmen's Public Toilets - Replace 2 Shower Units	0	0	5,440	0
Thomas Hogg Oval Changerooms - Replace 16m External Metal Framed Windows	0	4,512	0	0
Thomas Hogg Oval Changerooms - Replace 29m Fixed Seating	0	4,930	0	0
Thomas Hogg Oval Changerooms - Replace 6 Shower Units	0	0	16,320	0
<b>Transport</b>				
Shire Depot - Re-Asphalt 765m <sup>2</sup> Hard Stand Area	0	0	0	53,550
<b>Economic Services</b>				
Caravan Park Accommodation Units Construction	350,000	0	0	0
Narrogin Caravan Park New Ablutions - Replace 115m Metal Roofing	0	0	0	8,165
Narrogin Computers Offices - Replace 142m <sup>2</sup> Metal Roofing	0	0	0	10,082
Visitor Centre - Replace 72m Timber Roof Fascia	3,096	0	0	0
Visitor Centre - Replace 73m <sup>2</sup> Carpet	0	0	4,380	0
<b>TOTAL EXPENDITURE</b>	<b>574,529</b>	<b>157,652</b>	<b>77,592</b>	<b>222,869</b>
<b>Rate Setting Statement Total</b>	<b>574,529</b>	<b>157,652</b>	<b>77,592</b>	<b>222,869</b>

<b>LAND &amp; BUILDINGS FUNDING SOURCES</b>				
<b>Economic Services</b>				
Loan Funds	350,000			
<b>Own Resources</b>	224,529	157,652	77,592	222,869
<b>TOTAL FUNDING</b>	<b>574,529</b>	<b>157,652</b>	<b>77,592</b>	<b>222,869</b>



ROADS ITEM DESCRIPTION	Proposed Estimates			
	2018-19	2019-20	2020-21	2021-22
<b>Roads to Recovery</b>				
Various Projects	340,000	340,000	340,000	340,000
<b>Regional Road Group</b>				
Various Projects	787,500	787,500	787,500	787,500
<b>Municipal Fund</b>				
Various Projects	500,000	500,000	500,000	500,000
<b>TOTAL EXPENDITURE</b>	<b>1,627,500</b>	<b>1,627,500</b>	<b>1,627,500</b>	<b>1,627,500</b>
<b>Rate Setting Statement Total</b>	1,627,500	1,627,500	1,627,500	1,627,500

ROADS & BRIDGES FUNDING SOURCES				
Roads to Recovery Grant Funding	264,088	340,000	340,000	340,000
Regional Road Group Grant Funding	525,000	525,000	525,000	525,000
Municipal Funds	838,412	762,500	762,500	762,500
<b>TOTAL FUNDING</b>	<b>1,627,500</b>	<b>1,627,500</b>	<b>1,627,500</b>	<b>1,627,500</b>

FOOTPATHS ITEM DESCRIPTION				
<b>Footpath Projects</b>				
Various Projects	50,000	50,000	50,000	50,000
<b>TOTAL EXPENDITURE</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>
<b>Rate Setting Statement Total</b>	50,000	50,000	50,000	50,000

FOOTPATHS FUNDING SOURCES				
Municipal Fund	50,000	50,000	50,000	50,000
<b>TOTAL FUNDING</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>

DRAINAGE ITEM DESCRIPTION				
Various Projects	50,000	50,000	50,000	50,000
<b>TOTAL EXPENDITURE</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>
<b>Rate Setting Statement Total</b>	50,000	50,000	50,000	50,000

DRAINAGE FUNDING SOURCES	Proposed Estimates			
	2018-19	2019-20	2020-21	2021-22
Municipal Fund	50,000	50,000	50,000	50,000
<b>TOTAL FUNDING</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>

PLANT & EQUIPMENT ITEM DESCRIPTION				
<b>Governance</b>				
CEO Vehicle 1NGN P1	40,000	0	0	40,000
ECCS Vehicle 0NGN P5	35,000	0	0	35,000
<b>Law, Order &amp; Public Safety</b>				
Ranger Vehicle P7	0	0	35,000	0
<b>Community Amenities</b>				
NGN00 EMDRS Vehicle 2016 (P2)	35,000	0	0	35,000
<b>Recreation &amp; Culture</b>				
Manager Leisure Centre Vehicle NGN 0 P4	0	25,000	0	0
<b>Transport</b>				
ON0 EMTRS Vehicle 2016 (P700)	35,000	0	0	35,000
Toro Zero Turn Mower P59	35,000	0	0	35,000
Works Foreman Vehicle P26	0	0	0	45,000
Leading Hand Vehicle (P18)	30,000	0	0	0
Works Triton D/Cab (P26)	45,000	0	0	0
NO01 MO Vehicle 2016 (P967)	30,000	30,000	0	0
Works Navara D/Cab (P8164)	45,000	0	45,000	0
Works Hilux D/Cab (P8165)	0	0	25,000	0
Works Triton Ute (P17)	26,000	26,000	0	0
Depot Colorado D/Cab (P8163)	47,500	0	0	0
JD Grader (P978)	0	0	375,000	0
Tag Along Roller P8515	15,000	0	0	0
CAT Mutli Roller (P8516)	0	150,000	0	0
CAT Mutli Roller (P8517)	0	0	0	150,000
JCB Backhoe (P1200)	0	150,000	0	0
UD 6 Wheel Truck (P8213)	226,000	0	0	0
UD Side Tipper (P8216)	0	226,000	0	0
Flocon Patcher (P8215)	0	0	0	300,000
Side Tip Trailer (P968)	50,000	0	0	0
<b>Economic Services</b>				
Building Surveyor Vehicle 2016 (P6)	0	25,000	0	0
<b>Other Property &amp; Services</b>				
002 NGN MF Vehicle 2016 P47	25,000	25,000	0	0
<b>TOTAL EXPENDITURE</b>	<b>719,500</b>	<b>657,000</b>	<b>480,000</b>	<b>675,000</b>
<b>Rate Setting Statement Total</b>	<b>719,500</b>	<b>657,000</b>	<b>480,000</b>	<b>675,000</b>

PLANT & EQUIPMENT FUNDING SOURCES	Proposed Estimates			
	2018-19	2019-20	2020-21	2021-22
Proceeds from Sale of Plant	277,000	157,000	119,000	205,000
Plant Reserve Fund Transfers	442,500	500,000	361,000	470,000
<b>TOTAL FUNDING</b>	<b>719,500</b>	<b>657,000</b>	<b>480,000</b>	<b>675,000</b>

OTHER INFRASTRUCTURE ITEM DESCRIPTION				
<b>Recreation &amp; Culture</b>				
Nature Play Playground	0	100,000	0	0
Playground Equipment (Future Projects)	30,000		30,000	30,000
<b>Transport</b>				
Airport Master Plan (Future Projects)	30,000	30,000	30,000	30,000
	<b>60,000</b>	<b>130,000</b>	<b>60,000</b>	<b>60,000</b>
<b>Rate Setting Statement Total</b>	60,000	130,000	60,000	60,000

GRAND TOTALS (by Asset Class)				
Furniture & Equipment	30,000	0	30,000	0
Land & Buildings	574,529	157,652	77,592	222,869
Roads & Bridges	1,627,500	1,627,500	1,627,500	1,627,500
Footpaths	50,000	50,000	50,000	50,000
Airport infrastructure	0	0	0	0
Drainage Infrastructure	50,000	50,000	50,000	50,000
Sewerage Infrastructure	0	0	0	0
Parks & Ovals Infrastructure	0	0	0	0
Solid Waste Infrastructure	0	0	0	0
Plant & Equipment	719,500	657,000	480,000	675,000
Other Infrastructure	30,000	100,000	30,000	30,000
	<b>3,081,529</b>	<b>2,642,152</b>	<b>2,345,092</b>	<b>2,655,369</b>

GRAND TOTALS (by Expenditure Type)				
Renewals	2,121,529	2,042,152	1,815,092	2,125,369
Upgrades	610,000	600,000	530,000	530,000
New	350,000	0	0	0
<b>TOTAL</b>	<b>3,081,529</b>	<b>2,642,152</b>	<b>2,345,092</b>	<b>2,655,369</b>

# Service Delivery

The Shire of Narrogin delivers services to its community in line with its mission, values and four key strategic objectives as set out within the Strategic Community Plan.

Each of the four objectives have several outcomes the Shire seeks to achieve over the 10+ years of the Strategic Community Plan. For each objective, one or more desired outcomes has been defined along with strategies to achieve the outcomes.

The outcomes were developed after considering the community engagement process and other external factors such as the available plans published by other government agencies.

The tables on the following pages detail future actions to be undertaken for each strategy. Prioritisation of the actions is reflected by the square indicating when the action is planned to be undertaken. This prioritisation guides the delivery of services and implementation of the actions.

The table below summarises the desired outcomes under each of the four key themes and strategic objectives.

	Objectives	Outcomes
<b>ECONOMIC</b>	<i>Support growth and progress, locally and regionally</i>	<b>Outcome 1.1</b> Growth in revenue opportunities <b>Outcome 1.2</b> Increased tourism <b>Outcome 1.3</b> An effective well maintained transport network <b>Outcome 1.4</b> Agriculture opportunities maintained and developed
<b>SOCIAL</b>	<i>To provide community facilities and promote social interaction</i>	<b>Outcome 2.1</b> Provision of youth services <b>Outcome 2.2</b> Build a healthier and safer community <b>Outcome 2.3</b> Existing strong community spirit and pride is fostered, promoted and encouraged <b>Outcome 2.4</b> Cultural and heritage diversity is recognised <b>Outcome 2.5</b> A broad range of quality education services and facilities servicing the region
<b>ENVIRONMENT</b>	<i>Conserve, protect and enhance our natural and built environment</i>	<b>Outcome 3.1</b> A preserved natural environment <b>Outcome 3.2</b> Effective waste services <b>Outcome 3.3</b> Efficient use of resources <b>Outcome 3.4</b> A well maintained built environment
<b>CIVIC LEADERSHIP</b>	<i>Continually enhance the Shire's organisational capacity to service the needs of a growing community</i>	<b>Outcome 4.1</b> An efficient and effective organisation <b>Outcome 4.2</b> An employer of choice



# Economic Objective

## Support growth and progress, locally and regionally

The following tables reflect the future actions to be undertaken for each strategy. The prioritisation of the actions is reflected by a square indicating when the action is planned to be undertaken.

### Outcome 1.1 Growth in revenue opportunities

Strategy	Action No.	Actions	2018-19	2019-20	2020-21	2021-22	2022 Onwards
Attract new industry, business, investment and encourage diversity whilst encouraging growth of local business	1.1.1.1	Develop and implement an economic development strategy			■		
	1.1.1.2	Development of new industrial area	■	■	■	■	→
	1.1.1.3	Develop stakeholder relationships for exporting	■	■	■		
	1.1.1.4	Lobby for improved communication services within the district	■	■	■	■	→
	1.1.1.5	Engage with potential investors	■	■	■	■	→
	1.1.1.6	Advocate for Narrogin to be a centre for provision of Government services	■	■	■	■	→
Promote Narrogin and the Region	1.1.2.1	Review and update the Business Prospectus	■		■		→
	1.1.2.2	Maintain relationships with key stakeholders	■	■	■	■	→
	1.1.2.3	Investigate development of regional industrial hub		■	■		
	1.1.2.4	Engage with regional organisations for the promotion of the Region	■	■	■	■	→
	1.1.2.5	Finalise and activate the Local Planning Scheme and Local Planning Strategy	■	■			
Promote Narrogin's health and aged services including aged housing	1.1.3.1	Advocate for increased provision of health and aged services in the Shire of Narrogin	■	■	■	■	→
	1.1.3.2	Advocate for the provision of specialist surgical services	■	■	■	■	→
	1.1.3.3	Identify and promote the development of further aged housing	■	■			
	1.1.3.4	Continue to support the provision of HACC and aged services	■	■	■	■	→

# Economic Objective (continued)

## Outcome 1.2 Increased Tourism

Strategy	Action No.	Actions	2018-19	2019-20	2020-21	2021-22	2022 Onwards
Promote, develop tourism and maintain local attractions	1.2.1.1	Develop and activate a Tourism Strategy			■		
	1.2.1.2	Support tourism activities within the district	■	■	■	■	→
	1.2.1.3	Support sport, art and cultural events, recognising the economic benefit they provide	■	■	■	■	→
	1.2.1.4	Review and update the Caravan Park Master Plan		■			
	1.2.1.5	Maintain Shire controlled local tourist attractions	■	■	■	■	→
	1.2.1.6	Support and encourage local micro tourism	■	■	■	■	→

## Outcome 1.3 An effective well maintained transport network

Strategy	Action No.	Actions	2018-19	2019-20	2020-21	2021-22	2022 Onwards
Maintain and improve road network in line with resource capacity	1.3.1.1	Maintain and improve road network in line with Asset Management Plans	■	■	■	■	→
Review and implement the Airport Master Plan	1.3.2.1	Implement Airport Master Plan		■	■	■	→
	1.3.2.2	Review Airport Master Plan	■			■	

## Outcome 1.4 Agriculture opportunities maintained and developed

Strategy	Action No.	Actions	2018-19	2019-20	2020-21	2021-22	2022 Onwards
Support development of agricultural services	1.4.1.1	Continue to engage with stakeholders within agricultural industry to ensure appropriate service provision	■	■	■	■	→
	1.4.1.2	Ensure appropriate consideration of the agricultural industry requirements in the preparation of the Local Planning Scheme and Local Planning Strategy	■	■	■	■	→
	1.4.1.13	Ensure agriculture is an integral element of the proposed Economic Development Strategy		■	■		
	1.4.1.4	Advocate for the interests of agriculture as a critical component of our economy	■	■	■	■	→

# Social Objective

## To provide community facilities and promote social interaction

The following tables reflect the future actions to be undertaken for each strategy. The prioritisation of the actions is reflected by a square indicating when the action is planned to be undertaken.

### Outcome 2.1 Provision of youth services

Strategy	Action No.	Actions	2018-19	2019-20	2020-21	2021-22	2022 Onwards
Develop and implement a youth strategy	2.1.1.1	Budget for the development of a youth strategy and engage with stakeholders.	■				
	2.1.1.2	Provide youth services and facilities in accordance with the youth strategy		■	■	■	→
	2.1.1.3	Work with local youth service providers	■	■	■	■	→

### Outcome 2.2 Build a healthier and safer community

Strategy	Action No.	Actions	2018-19	2019-20	2020-21	2021-22	2022 Onwards
Support the provision of community security services and facilities	2.2.1.1	Develop a community safety and security strategy			■		
	2.2.1.2	Maintain and further develop the CCTV network	■	■	■	■	→
	2.2.1.3	Advocate for increased police and justice services	■	■	■	■	→
Advocate for mental health and social support services	2.2.2.1	Lobby for increased mental health support services	■	■	■	■	→
	2.2.2.2	Lobby for increased social support services	■	■	■	■	→
Continue and improve provision of in-home care services	2.2.3.1	Continue to support the provision of HACC and aged services	■	■	■	■	→
	2.2.3.2	Lobby for increased funding for HACC and in-home care services	■	■	■	■	→



## Social Objective (continued)

### Outcome 2.3 Existing strong community spirit and pride is fostered, promoted and encouraged

Strategy	Action No.	Actions	2018-19	2019-20	2020-21	2021-22	2022 Onwards
Develop and activate Sport and Recreation Master Plan	2.3.1.1	Seek funding and develop Sport and Recreation Master Plan	■	■			
	2.3.1.2	Activate Sport and Recreation Master Plan			■	■	
Engage and support community groups and volunteers	2.3.2.1	Continue to provide the community chest	■	■	■	■	→
	2.3.2.2	Advocate on behalf of volunteer and community groups	■	■	■	■	→
	2.3.2.3	Support emergency services	■	■	■	■	→
Facilitate and support community events	2.3.3.1	Continue to support existing community events	■	■	■	■	→
	2.3.3.2	Investigate opportunities and support for new community events	■	■	■	■	→
Provide improved community facilities (eg library/recreation)	2.3.4.1	Improve and continue to provide community facilities in line with Asset Management Plans	■	■	■	■	→
Encourage and support continued development of arts and culture	2.3.5.1	Continue to support arts and cultural activities within the district	■	■	■	■	→

### Outcome 2.4 Cultural and heritage diversity is recognised

Strategy	Action No.	Actions	2018-19	2019-20	2020-21	2021-22	2022 Onwards
Maintain and enhance heritage assets	2.4.1.1	Review Municipal Heritage List			■		
	2.4.1.2	Maintain heritage assets in line with AMP's	■	■	■	■	→
	2.4.1.3	Seek and support initiatives for enhancement of heritage assets in the district	■	■	■	■	→
Support our Narrogin cultural and indigenous community	2.4.2.1	Continue to engage with cultural and indigenous community	■	■	■	■	→
	2.4.2.2	Review the Community Engagement Strategy		■			
	2.4.2.3	Lobby for long term funding in support of cultural and indigenous initiatives	■	■	■	■	→

## Social Objective (continued)

### Outcome 2.5 A broad range of quality education services and facilities servicing the region

Strategy	Action No.	Actions	2018-19	2019-20	2020-21	2021-22	2022 Onwards
Advocate for increased education facilities for the region	2.5.1.1	Continue lobbying for increased education facilities	■	■	■	■	→
Advocate for and support increased education services	2.5.2.1	Continue lobbying for increased education services	■	■	■	■	→

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# Environment Objective

## Conserve, protect and enhance our natural and built environment

The following tables reflect the future actions to be undertaken for each strategy. The prioritisation of the actions is reflected by a square indicating when the action is planned to be undertaken.

### Outcome 3.1 A preserved natural environment

Strategy	Action No.	Actions	2018-19	2019-20	2020-21	2021-22	2022 Onwards
Conserve, enhance, promote and rehabilitate the natural environment	3.1.1.1	Develop and implement the Local Biodiversity Strategy	■				
	3.1.1.2	Develop and implement Natural Resource Plans			■		
	3.1.1.3	Continue to implement and support Foxes Lair Management Plan	■	■	■	■	→

### Outcome 3.2 Effective waste service

Strategy	Action No.	Actions	2018-19	2019-20	2020-21	2021-22	2022 Onwards
Support the provision of waste services	3.2.1.1	Continue to investigate regional waste facility	■	■	■	■	→
	3.2.1.2	Continue to implement the waste management plan	■	■	■	■	→

### Outcome 3.3 Efficient use of resources

Strategy	Action No.	Actions	2018-19	2019-20	2020-21	2021-22	2022 Onwards
Increase resource usage efficiency	3.3.1.1	Seek funding to improve and expand treated waste water irrigation system	■	■			
	3.3.1.2	Continue to work with research institutes for alternative energy	■	■	■	■	→
	3.3.1.3	Seek funding to harvest and reutilise storm water	■				

### Outcome 3.4 A well maintained built environment

Strategy	Action No.	Actions	2018-19	2019-20	2020-21	2021-22	2022 Onwards
Improve and maintain built environment	3.4.1.1	Maintain and implement Asset Management Plans	■	■	■	■	→
	3.4.1.2	Investigate and implement Shire of Narrogin (incorporating Narrogin and Highbury) Townscape Plan	■				
	3.4.1.3	Review the Shire of Narrogin Townscape Plan				■	

# Civic Leadership Objective

Continually enhance the Shire's organisational capacity to service the needs of a growing community

The following tables reflect the future actions to be undertaken for each strategy. The prioritisation of the actions is reflected by a square indicating when the action is planned to be undertaken.

## Outcome 4.1 An efficient and effective organisation

Strategy	Action No.	Actions	2018-19	2019-20	2020-21	2021-22	2022 Onwards
Continually improve operational efficiencies and provide effective services	4.1.1.1	Provide quality customer service	■	■	■	■	→
	4.1.1.2	Review, update and maintain strategic and operational plans	■	■	■	■	→
	4.1.1.3	Continue to provide quality regulatory services (planning/ building /health/ranger services)	■	■	■	■	→
	4.1.1.4	Continue to utilise technological developments to enhance efficiencies	■	■	■	■	→
	4.1.1.5	Continue to develop shared service provision	■	■	■	■	→
	4.1.1.6	Support and provide training and development opportunities for Elected Members and staff	■	■	■	■	→
Continue to enhance communication and transparency	4.1.2.1	Promote participation of community stakeholders	■	■	■	■	→
	4.1.2.2	Utilise diverse communication channels	■	■	■	■	→
	4.1.2.3	Build increased awareness of Shire operations and services	■	■	■	■	→
	4.1.2.4	Encourage community interest in Local Government Elected Member leadership	■	■	■	■	→

## Outcome 4.2 An employer of choice

Strategy	Action No.	Actions	2018-19	2019-20	2020-21	2021-22	2022 Onwards
Provide a positive, desirable workplace	4.2.1.1	Provide an attractive and safe work environment	■	■	■	■	→
	4.2.1.2	Maintain a positive work culture and teamwork	■	■	■	■	→

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# Measuring Success

The intended outcome of this Plan is to align the community’s visions and aspirations for the future of the Shire of Narrogin to the Shire’s objectives. Success will be measured by both quantifiable and non-quantifiable outcomes.

Key performance measures provide an indication of whether the Shire is meeting the objectives and will be monitored and reported. The measures for each objective are provided in the table below.

	Objectives	Key Performance Measures
<b>ECONOMIC</b>	<i>Support growth and progress, locally and regionally</i>	<ul style="list-style-type: none"> <li>Population statistics</li> <li>No. of development approvals</li> <li>Assessed vacancy rates (business and residential)</li> <li>No. of building approvals</li> </ul>
<b>SOCIAL</b>	<i>To provide community facilities and promote social interaction</i>	<ul style="list-style-type: none"> <li>Social media activity</li> <li>Community participation levels in recreation activities and events</li> <li>Recreation Centre usage rates</li> <li>Reduction in anti-social behaviour</li> </ul>
<b>ENVIRONMENT</b>	<i>Conserve, protect and enhance our natural and built environment</i>	<ul style="list-style-type: none"> <li>Statutory asset management ratios</li> <li>Compliance with statutory reviews required by the Local Planning Framework</li> <li>Compliance with statutory requirements for the review of the Municipal Heritage Inventory</li> </ul>
<b>CIVIC LEADERSHIP</b>	<i>Continually enhance the Shire’s organisational capacity to service the needs of a growing community</i>	<ul style="list-style-type: none"> <li>Statutory financial ratios</li> <li>Employee retention rates</li> <li>Volunteer levels</li> </ul>

# Services and Facilities

Services and facilities provided by the Shire are linked with the relevant strategy of the Strategic Community Plan in the following table. The table reflects the strong connection between the services and facilities provided by the Shire and the desired outcomes and community vision.

Services/Facilities	Associated Strategic Reference	Services/Facilities	Associated Strategic Reference
<b>Community Facilities</b>		<b>Shire Services</b>	
Caravan park	1.2.1   3.4.1	Building control	4.1.1
Children's playgrounds	2.3.4   3.4.1	Community consultation & engagement	2.4.2   4.1.2
Gnarojin park	1.2.1   2.3.4   3.4.1	Council's customer service & payments	4.1.1
Library	2.3.4   3.4.1	Economic development	1.1.1   1.1.2   1.1.3   1.2.1   1.4.1   3.1.1
Narrogin Regional Leisure Centre	1.1.2   1.2.1   2.3.1   3.4.1	Environmental initiatives	3.1.1   3.2.1   3.3.1
Outdoor gym	2.3.1   2.3.4	Festival & event management	2.3.3
Parks, gardens & ovals	2.3.4   3.4.1	Financial management	4.1.1
Public toilets	2.3.4   3.4.1	Fire control & emergency management	2.3.2   3.1.1
Reserves & public open spaces	1.2.1   3.1.1	Governance & advocacy	1.1.1   1.1.3   2.2.1   2.2.2   2.2.3   2.3.2   2.4.1   2.4.2   3.1.1   4.1.1   4.1.2   4.2.1
Skate park	2.1.1   2.3.1   2.3.4	Health administration, inspection & education	4.1.1
Sport & recreation facilities	2.3.1   2.3.4	Household waste and recycling	3.2.1
Town hall complex	2.3.4   3.4.1	Litter Control	1.2.1   3.2.1
		Long term planning	4.1.1
		Maintenance - other infrastructure	3.4.1
<b>Community Support &amp; Services</b>			
Aged care & home-care	1.1.3   2.2.3	Maintenance - roads	1.3.1   3.4.1
Arts & culture	1.1.2   1.2.1   2.3.2   2.3.3   2.3.5   2.4.2	Natural resource management	3.1.1
Community Assisted Transport Service	1.1.3	Parking control	1.1.2
Crime prevention	2.2.1	Pest control	3.1.1   4.1.1
Disability services	1.1.3   2.2.2	Ranger and animal services	4.1.1
Sport & recreation club development	2.3.1   2.3.2   2.3.3   2.3.5	Refuse site	3.2.1
		Regional collaboration	1.1.1   1.1.2   1.4.1
<b>Infrastructure</b>			
		Streetscape and gardens	1.2.1   2.3.4   3.4.1
Airport	1.3.2	Tourism	1.2.1
CBD infrastructure (footpaths, seating, etc.)	1.2.1   3.4.1	Town planning	1.4.1   3.4.1
CBD street lighting	3.4.1	Transport, licensing & coach ticketing	4.1.1
Cemetery	3.4.1		
Drainage & storm water	1.3.1		
Roads, verges & footpaths	1.3.1   3.4.1		

For further details on the Corporate Business Plan please contact

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### **10.3.046 PROPOSED LEASE TO REGIONAL EARLY EDUCATION AND DEVELOPMENT INC (PRIVATE TREATY) – PART 2, LOT 36, 39-45 FEDERAL STREET, NARROGIN**

**File Reference:** A 162100  
**Disclosure of Interest:** Nil  
**Applicant:** Regional Early Education and Development Inc  
**Previous Item Nos:** Nil  
**Date:** 18 June 2018  
**Author:** Frank Ludovico – Executive Manager Corporate and Community Services  
**Authorising Officer:** Dale Stewart – Chief Executive Officer

#### **Attachments**

- Attachment 1 – Proposed lease Regional Early Education and Development Inc

#### **Summary**

To consider the leasing of Part 2, Lot 36, at 39-45 Federal Street Narrogin, commonly known as "Old Shire Offices" to Regional Early Education and Development Inc (REED).

#### **Background**

Council would be aware there have been ongoing negotiations with REED for the use of the "Old Shire Offices" (downstairs and upstairs) in Federal Street Narrogin. This multifunctional service caters to the needs of Narrogin and its surrounding community by providing different types of child care

- Permanent and Occasional Childcare
- Before School, After School and Vacation Care
- Great Beginnings Family Day Care Service

They were recently successful in obtaining grants up to \$1.4 million to provide quality childcare services across the region.

This expanded role has necessitated the organisation to seek office space to house their administrative unit.

#### **Comment**

- A draft lease on the following terms has been negotiated:
- Term: 2 years plus a 2 year option.
- Lease payment: \$3,500 pa (plus GST) for the first 2 years and reviewed prior to the commencement of any additional term.
- REED will meet all outgoing expenses.
- Council will only be responsible for major capital expenditure.

As REED is considered to be an incorporated body whose objects are a charitable, benevolent, religious, cultural, educational, recreational, sporting or other like nature; and the

members of which are not entitled or permitted to receive any pecuniary profit from the body's transactions (*Local Government (Functions and General) Regulations 1996 Regulation 30(2)(b)*) and therefore considered to be an exempt disposition of property.

This means there is no requirement to obtain a valuation or advertise the disposal.

The style of the lease has been updated to reflect the current standard in leasing to community groups.

### Consultation

- Frank Ludovico – Executive Manager Corporate and Community Services
- Executive of the Regional Early Education and Development Inc
- Aaron Cook – former Chief Executive Officer Shire of Narrogin.

### Statutory Environment

The *Local Government Act 1995 Section.3.58* addresses the disposition of property.

The *Local Government (Function and General) Regulations 1993 Regulation 30* provides for exemptions from the disposition requirements.

### Policy Implications

Nil

### Financial Implications

Rental of \$3,500 pa will be received for the property. This amount was determined by agreement between the parties based on the same rental applied with the Day Care Centre operated by Narrogin Regional Childcare Centre at the corner of William Kennedy Way and Park Street Narrogin.

The market valuation for the lettable area of 159 m<sup>2</sup> at February 2017 was \$11,900 per annum, being a discount of \$8,400.

### Strategic Implications

Shire of Narrogin Strategic Community Plan 2017-2027	
<b>Objective</b>	<b>2. Social Objective (To provide community facilities and promote social interaction)</b>
Outcome:	2.2 Build a healthier and safer community
Strategy:	2.2.1 Support the provision of community security services and facilities
Outcome:	2.3 Existing strong community spirit and pride is fostered, promoted and encouraged
Strategy:	2.3.2 Engage and support community groups and volunteers

<b>Objective</b>	<b>3. Environment Objective (Conserve, protect and enhance our natural and built environment)</b>
Outcome:	3.3 Efficient use of resources
Strategy:	3.3.1 Increase resource usage efficiency

## **Voting Requirements**

Absolute Majority

## **Officer's Recommendation**

That with respect to the proposed lease to Regional Early Education and Development Inc that Council:

1. Delegate authority to the Chief Executive Officer to finalise the negotiations with Regional Early Education and Development Inc for the proposed lease (including minor amendments) for – Part 2, Lot 36, 39-45 Federal Street, Narrogin as per Attachment .1.
2. Authorise the President and Chief Executive Officer to sign and affix the Common Seal to the proposed lease with option to buy and any other necessary documentation.

# Lease of Offices

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Shire of Narrogin

and

Regional Early Education and Development Inc.

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# Details

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## Parties

### **Shire of Narrogin**

of PO Box 1145, Narrogin, Western Australia  
ABN 46 564 581 944  
(Lessor)

### **Regional Early Education and Development Inc.**

of 43 Federal Street, Narrogin, Western Australia  
ABN 36 101 516 994  
(Lessee)

## Background

- A The Lessor is registered as the proprietor of the Land.
- B The Lessor has agreed to lease and the Lessee has agreed to take a lease of the Premises upon the terms and conditions contained in this Deed.

## Agreed terms

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### 1. Definitions

In this Lease, unless otherwise required by the context or subject matter:

**Amounts Payable** means the Rent and any other money payable by the Lessee under this Lease;

**Authorised Person** means:

- (a) an agent, employee, licensee or invitee of the Lessor; and
- (b) any person visiting the Premises with the express or implied consent of any person mentioned in paragraph (a);

**CEO** means the Chief Executive Officer for the time being of the Lessor or any person appointed by the Chief Executive Officer to perform any of her or his functions under this Lease;

**Commencement Date** means the date of commencement of the Term specified in **Item 4** of the Schedule;

**Contaminated Sites Act** means the *Contaminated Sites Act 2003 (WA)*;

**CPI** means the Consumer Price Index (All Groups) Perth number published from time to time by the Australian Bureau of Statistics;

**Environmental Contamination** has the same meaning as the word “contaminated” in the Contaminated Sites Act;

**Encumbrance** means a mortgage, charge, lien, pledge, easement, restrictive covenant, writ, warrant or caveat and the claim stated in the caveat;

**Further Term** means each further term specified in **Item 3** of the Schedule;

**Good Repair** means good and substantial tenantable repair and in clean, good working order and condition;

**Interest Rate** means the rate of 11%;

**Land** means the land described at **Item 1** of the Schedule;

**Lease** means this deed as supplemented, amended or varied from time to time;

**Lessee's Agents** includes:

- (a) the sublessees, employees, agents, contractors, invitees and licensees of the Lessee; and
- (b) any person on the Leased Premises by the authority of a person specified in paragraph (a);

**Lessee's Covenants** means the covenants, agreements and obligations set out or implied in this Lease or imposed by law to be performed and observed by any person other than the Lessor;

**Lessor's Covenants** means the covenants, agreements and obligations set out or implied in this Lease, or imposed by law to be observed and performed by the Lessor;

**Notice** means each notice, demand, consent or authority given or made to any person under this Lease;

**Party** means the Lessor or the Lessee according to the context;

**Premises** means the premises described at **Item 1** of the Schedule;

**Rent** means the rent specified in **Item 5** of the Schedule;

**Schedule** means the Schedule to this Lease;

**Term** means the term of years specified in **Item 2** of the Schedule and any Further Term; and

**Termination** means expiry by effluxion of time or sooner determination of the Term or any period of holding over.

## 2. Interpretation

In this Lease, unless expressed to the contrary:

- (a) words importing:
  - (i) the singular includes the plural and vice versa; and
  - (ii) a gender or genders include each other gender;
- (b) if a word or phrase is assigned a particular meaning, other grammatical forms of that word or phrase have a corresponding meaning;
- (c) a reference to:

- (i) a natural person includes a body corporate or local government;
  - (ii) a body corporate or local government includes a natural person;
  - (iii) a professional body includes a successor to or substitute for that body;
  - (iv) a Party includes its legal personal representatives, successors and assigns and if a Party comprises two or more persons, the legal personal representatives, successors and assigns of each of those persons;
  - (v) a statute, includes an ordinance, code, regulation, award, town planning scheme, regulation, local law, by-law, requisition, order or other statutory instruments made under any of them and a reference to any of them, whether or not by name, includes any amendments to, re-enactments of or replacements of any of them from time to time in force;
  - (vi) a right includes a benefit, remedy, discretion, authority or power;
  - (vii) an obligation includes a warranty or representation and a reference to a failure to observe or perform an obligation includes a breach of warranty or representation;
  - (viii) this Lease or provisions of this Lease or any other deed, agreement, instrument or contract includes a reference to:
    - (A) both express and implied provisions; and
    - (B) that other deed, agreement, instrument or contract as varied, supplemented, replaced or amended;
  - (ix) writing includes any mode of representing or reproducing words in tangible and permanently visible form and includes facsimile transmissions;
  - (x) any thing (including, without limitation, any amount) is a reference to the whole or any part of it and a reference to a group of things or persons is a reference to any one or more of them; and
  - (xi) a subparagraph, paragraph, subclause, clause, Item, Schedule or Annexure is a reference to, respectively, a subparagraph, paragraph, subclause, clause, Item, Schedule or Annexure of this Lease;
- (d) the covenants and obligations on the part of the Lessee not to do or omit to do any act or thing include:
- (i) covenants not to permit that act or thing to be done or omitted to be done by a Lessee's Agent; and
  - (ii) a covenant to take all reasonable steps to ensure that that act or thing is not done or omitted to be done;
- (e) the meaning of general words or phrases is not limited by specific examples introduced by 'including', 'for example' or similar expressions; and
- (f) if a Party comprises two or more persons, the covenants and agreements on their part bind them and must be observed and performed by them jointly and each of them severally, and may be enforced against any one or more of them.

### 3. Minister for Lands Consent

Not applicable.

### 4. Grant of lease

The Lessor leases to the Lessee the Premises for the Term subject to:

- (a) all Encumbrances;
- (b) the payment of the Amounts Payable; and
- (c) the performance and observance of the Lessee's Covenants.

### 5. Quiet enjoyment

Except as provided in the Lease, for so long as the Lessor is registered as the proprietor in fee simple in the Land, and subject to the performance and observance of the Lessee's Covenants the Lessee may quietly hold and enjoy the Premises during the Term without any interruption or disturbance from the Lessor or persons lawfully claiming through or under the Lessor.

### 6. Rent and other payments

The Lessee covenants with the Lessor:

#### Rent

To pay to the Lessor the Rent in the manner set out at **Item 5** of the Schedule on and from the Commencement Date clear of any deductions.

#### Outgoings

- (1) To pay to the Lessor or to such person as the Lessor may from time to time direct punctually all the following outgoings or charges, assessed or incurred in respect of the Premises:
  - (a) local government rates, specified area rates, taxes, service and other charges and including charges for rubbish and garbage removal;
  - (b) water, drainage and sewerage rates, charges for disposal of stormwater, meter rent and excess water charges;
  - (c) telephone, electricity, gas and other power and light charges including but not limited to meter rents and the cost of installation of any meter, wiring, internet connections or telephone connection;
  - (d) land tax and metropolitan regional improvement tax on a single ownership basis;
  - (e) premiums, excess and other costs arising from the insurance obtained by the Lessor pursuant to **clause 8.2**. For the avoidance of doubt, the parties agree:
    - (i) that if such premium or cost does not include a separate assessment or identification of the Premises or the Land, the Lessee must pay a proportionate part of such premium or cost determined by the Lessor acting reasonably; and
    - (ii) such insurance will include insurance for the full replacement value of buildings; and

- (f) any other consumption charge or cost, statutory impost or other obligation incurred or payable by reason of the Lessee's use and occupation of the Premises.
- (2) If the Premises are not separately charged or assessed the Lessee will pay to the Lessor a proportionate part of any charges or assessments referred to in **clause 6(1)** being the proportion that the Premises bears to the total area of the land or premises included in the charge or assessment.

### **Interest**

Without affecting the rights, power and remedies of the Lessor under this Lease, to pay to the Lessor interest on demand on any Amounts Payable which are unpaid for 7 days computed from the due date for payment until payment is made and any interest payable under this paragraph will be charged at the Interest Rate.

### **Costs**

- (3) To pay to the Lessor on demand:
  - (a) all duty, fines and penalties payable under the *Duties Act 2008* and other statutory duties or taxes payable on or in connection with this Lease;
  - (b) all registration fees in connection with this Lease; and
  - (c) all legal costs of and incidental to the instructions for the preparation, execution and stamping of this Lease and all copies.
- (4) To pay to the Lessor all costs, legal fees, disbursements and payments incurred by or for which the Lessor is liable in connection with or incidental to:
  - (a) the Amounts Payable or obtaining or attempting to obtain payment of the Amounts Payable under this Lease;
  - (b) any breach of covenant by the Lessee or the Lessee's Agents;
  - (c) the preparation and service of a notice under Section 81 of the *Property Law Act 1969* requiring the Lessee to remedy a breach even though forfeiture for the breach may be avoided in a manner other than by relief granted by a Court;
  - (d) any work done at the Lessee's request; and
  - (e) any action or proceedings arising out of or incidental to any matters referred to in this **clause 0** or any matter arising out of this Lease.

### **Accrual of amounts payable**

Amounts Payable accrue on a daily basis.

## **7. Rent Review**

### **Rent to be Reviewed**

The Rent will be reviewed on and from each Rent Review Date to determine the Rent to be paid by the Lessee until the next Rent Review Date.

### **Methods of Review**

The review will be either based on CPI or a Market Review. The basis for each rent review is as identified for each Rent Review Date in **Item 6** of the Schedule.

## **CPI Review**

A rent review based on CPI will increase the amount of Rent payable during the immediately preceding period by the percentage of any increase in CPI having regard to the quarterly CPI published immediately prior to the later of the Commencement Date or the last Rent Review Date as the case may be and the quarterly CPI published immediately prior to the relevant Rent Review Date. If there is a decrease in CPI having regard to the relevant CPI publications the Rent payable from the relevant Rent Review Date will be the same as the Rent payable during the immediately preceding period. Should the CPI be discontinued or suspended at any time or its method of computation substantially altered, the parties shall endeavour to agree upon the substitution of the CPI with an equivalent index, or failing agreement by the parties, the substitution shall be made by a Valuer appointed in accordance with **clause 0**.

## **Market Rent Review**

- (1) A rent review based on market rent will establish the current market rent for the Premises (which will not be less than the Rent payable in the period immediately preceding the Rent Review Date) by agreement between the parties and failing agreement, will be determined in accordance with the following provisions.
- (2) If agreement as to the substitution of the CPI with an equivalent index for the Premises is not reached at least one (1) month prior to the relevant Rent Review Date then the current market rent for the Premises will be determined at the expense of the Lessee by a valuer (**Valuer**) licensed under the Land Valuers Licensing Act 1978, to be appointed, at the request of either party, by the President for the time being of the Australian Property Institute (Western Australian Division) (or if such body no longer exists, such other body which is then substantially performing the functions performed at the Commencement Date by that Institute).
- (3) The Valuer will act as an expert and not as an arbitrator and his or her decision will be final and binding on the parties. The parties will be entitled to make submissions to the Valuer.
- (4) In this **clause 7**, “current market rent” means the rent obtainable for the Premises in a free and open market if the Premises was unoccupied and offered for rental for the use for which the Premises is permitted pursuant to this Lease and on the same terms and conditions contained in this Lease, BUT will not include:
  - (a) any improvements made or effected to the Premises by the Lessee; and
  - (b) any rent free periods, discounts or other rental concessions.

## **Rent will not decrease**

Notwithstanding the provisions in this clause, the Rent payable from any Rent Review based on CPI Review will not be less than the Rent payable in the period immediately preceding such Rent Review Date.

## **Lessor’s right to review**

The Lessor may institute a rent review notwithstanding the Rent Review Date has passed and the Lessor did not institute a rent review on or prior to that Rent Review Date, and in which case the Rent agreed or determined shall date back to and be payable from the Rent Review Date for which such review is made.

# **8. Insurance**

## **Insurance required**

The Lessee must effect and maintain with insurers approved by the Lessor (noting the Lessor's and the Lessee's respective rights and interest in the Premises) for the time being:

- (a) adequate public liability insurance for a sum not less than the sum set out at **Item 8** of the Schedule in respect of any one claim or such greater amount as the Lessor may from time to time reasonably require;
- (b) insurance against all risks as the Lessor may require, of all plate glass windows, doors and display show cases forming part of or within the Premises for a sum which is not less than its full insurable value;
- (c) insurance to cover the Lessee's fixtures, fittings, equipment and stock against loss or damage by fire, fusion, smoke, lightning, flood, storm, tempest, earthquake, sprinkler leakage, water damage and other usual risks against which a Lessee can and does ordinarily insure in their full replacement value, and loss from theft or burglary;
- (d) employers' indemnity insurance including workers' compensation insurance in respect of all employees of the Lessee employed in, about or on the Premises; and
- (e) any other policy of insurance which the Lessor may reasonably require or specify from time to time.

### **Building Insurance to be effected by Lessor**

The Lessor shall effect and keep effected insurance to the full insurable value on a replacement or reinstatement value basis of the Premises against damage arising from fire, tempest, storm, earthquake, explosion, aircraft, or other aerial device including items dropped from any device, riot, commotion, flood, lightning, act of God, fusion, smoke, rainwater, leakage, impact by vehicle, machinery breakdown and malicious acts or omissions and other standard insurable risks and the Lessee will reimburse the Lessor for any premiums, excess or other costs arising therefrom.

### **Details and receipts**

In respect of the insurances required by **clause 0** the Lessee must:

- (f) upon renewal of any insurance policy immediately forward to the Lessor copies of Certificates of Currency and details of the insurances as held by the Lessee;
- (g) promptly pay all premiums and produce to the Lessor each policy or certificate of currency and each receipt for premiums or certificate of currency issued by the insurers; and
- (h) notify the Lessor immediately:
  - (i) when an event occurs which gives rise or might give rise to a claim under or which could prejudice a policy of insurance; or
  - (ii) when a policy of insurance is cancelled.

### **Lessee May be Required to Pay Excess on Insurances**

The Lessee AGREES with the Lessor that it shall be responsible to pay any excess payable in connection with the insurances referred to in **clause 0** and **clause 0**.

### **Not to invalidate**

The Lessee must not do or omit to do any act or thing or bring or keep anything on the Premises which might:

- (i) render any insurance effected under **clause 0** and **clause 0** on the Premises, or any adjoining premises, void or voidable; or
- (j) cause the rate of a premium to be increased for the Premises or any adjoining premises (except insofar as an approved development may lead to an increased premium).

## **Report**

Each Party must report to the other promptly in writing and in an emergency verbally:

- (k) any damage to the Premises of which they are or might be aware; and
- (l) any circumstances of which they are aware and which are likely to be a danger or cause any damage or danger to the Premises or to any person in or on the Premises.

## **Settlement of claim**

The Lessor may, but the Lessee may not without prior written consent of the Lessor, settle or compromise any claims under any policy of insurance required by **clause 0** and **clause 0**.

## **Lessor as attorney**

The Lessee irrevocably appoints the Lessor as the Lessee's attorney during the Term:

- (m) in respect to all matters and questions which may arise in relation to any insurances required by **clause 0** and **clause 0**;
- (n) with full power to demand, sue for and recover and receive from any insurance company or society or person liable to pay the insurance money as are payable for the risks covered by the insurances required by **clause 0** and **clause 0**;
- (o) to give good and effectual receipts and discharges for the insurance; and
- (p) to settle, adjust, arbitrate and compromise all claims and demands and generally to exercise all powers of absolute owner.

## **9. Indemnity**

### **Lessee responsibilities**

- (1) The Lessee is subject to the same responsibilities relating to persons and property to which the Lessee would be subject if during the Term the Lessee were the owner and occupier of the freehold of the Premises.
- (2) The Lessee is responsible and liable for all acts or omissions of the Lessee's Agents on the Premises and for any breach by them of any covenants or terms in this Lease required to be performed or complied with by the Lessee.

### **Indemnity**

- (3) The Lessee indemnifies, and shall keep indemnified, the Lessor from and against all actions, claims, costs, proceedings, suits and demands whatsoever which may at any time be incurred or suffered by the Lessor, or brought, maintained or made against the Lessor, in respect of:
  - (a) any loss whatsoever (including loss of use);
  - (b) injury or damage of, or to, any kind of property or thing; and



- (c) the death of, or injury suffered by, any person,  
caused by, contributed to, or arising out of, or in connection with, whether directly or indirectly:
- (i) the use or occupation of the Premises by the Lessee or the Lessee's Agents;
  - (ii) any work carried out by or on behalf of the Lessee on the Premises;
  - (iii) the Lessee's activities, operations or business on, or other use of any kind of, the Premises;
  - (iv) the presence of any Contamination, Pollution or Environmental Harm in on or under the Premises or adjoining land caused or contributed to by the act, neglect or omission of the Lessee or the Lessee's Agents;
  - (v) any default by the Lessee in the due and punctual performance, observance and compliance with any of the Lessee's covenants or obligations under this Lease; or
  - (vi) an act or omission of the Lessee.

### **Obligations Continuing**

The obligations of the Lessee under this clause:

- (d) are unaffected by the obligation of the Lessee to take out insurance, and the obligations of the Lessee to indemnify are paramount, however if insurance money is received by the Lessor for any of the obligations set out in this clause then the Lessee's obligations under **clause 0** will be reduced by the extent of such payment.
- (e) continue after the expiration or earlier determination of this Lease in respect of any act, deed, matter or thing occurring or arising as a result of an event which occurs before the expiration or earlier determination of this Lease.

### **No indemnity for Lessor's negligence**

The parties agree that nothing in this clause shall require the Lessee to indemnify the Lessor, its officers, servants, or agents against any loss, damage, expense, action or claim arising out of a negligent or wrongful act or omission of the Lessor, or its servants, agents, contractors or invitees.

### **Release**

- (4) The Lessee:
- (a) agrees to occupy and use the Premises at the risk of the Lessee; and
  - (b) releases to the full extent permitted by law, the Lessor from:
    - (i) any liability which may arise in respect of any accident or damage to property, the death of any person, injury to any person, or illness suffered by any person, occurring on the Premises or arising from the Lessee's use or occupation of the Premises by;
    - (ii) loss of or damage to the Premises or personal property of the Lessee; and
    - (iii) all claims, actions, loss, damage, liability, costs and expenses arising from or connected with (directly or indirectly) the presence of any Contamination, Pollution or Environmental Harm in, on or under the Premises or surrounding area

except to the extent that such loss or damage arises out of a negligent or wrongful act or omission of the Lessor, or its servants, agents, contractors or invitees.

- (5) The release by the Lessee continues after the expiration or earlier determination of this Lease in respect of any act, deed, matter or thing occurring or arising as a result of an event which occurs before the expiration or earlier determination of this Lease.

## 10. Limit of Lessor's liability

### **No liability for loss on Premises**

The Lessor will not be liable for loss, damage or injury to any person or property in or about the Premises however occurring.

### **Limit on liability for breach of Lessor's covenants**

- (1) The Lessor is only liable for breaches of the Lessor's Covenants set out in this Lease which occur while the Lessor is registered as the proprietor in fee simple in the Premises.
- (2) The Lessor will not be liable for any failure to perform and observe any of the Lessor's Covenants due to any cause beyond the Lessor's control.

## 11. Maintenance, repair and cleaning

### **Generally**

- (1) The Lessee AGREES during the Term and for so long as the Lessee remains in possession or occupation of the Premises to maintain, replace, repair, clean and keep the Premises (which for the avoidance of doubt includes the Lessor's Fixtures and Fittings) and Appurtenances in Good Repair having regard to the age of the Premises at the Commencement Date PROVIDED THAT this subclause shall not impose on the Lessee any obligation:
  - (a) to carry out repairs or replacement that are necessary as a result of fair and reasonable wear and tear, EXCEPT when such repair or replacement is necessary because of any act or omission of or on the part of the Lessee (or its servants, agents, contractors or invitees), or the Lessor's insurances are invalidated by any act, neglect or default by the Lessee (or its servants, agents, contractors or invitees); and
  - (b) in respect of any structural maintenance, replacement or repair EXCEPT when such maintenance, repair or replacement is necessary because of any act or omission of or on the part of the Lessee (or its servants, agents, contractors or invitees), or by the Lessee's particular use or occupancy of the Premises.
- (2) In discharging the obligations imposed on the Lessee under this subclause, the Lessee shall where maintaining, replacing, repairing or cleaning:
  - (a) any electrical fittings and fixtures;
  - (b) any plumbing;
  - (c) any air-conditioning fittings and fixtures;
  - (d) any gas fittings and fixtures,

in or on the Premises use only licensed trades persons, or such trades persons as may be approved by the Lessor and notified to the Lessee, which approval shall not be unreasonably withheld.

- (3) The Lessee must take such reasonable action as is necessary to:
- (a) prevent, if it has occurred as a result of the Lessee's use of the Premises; and
  - (b) rectify or otherwise ameliorate,
- the effects of erosion, drift or movement of sand, soil, dust or water on or from the Premises.

### **Cleaning**

The Lessee must at all times keep the Premises clean, tidy, unobstructed and free from dirt and rubbish.

### **Repair**

Unless such damage is the Lessor's responsibility pursuant to the terms of the Lease, the Lessee must promptly repair at its own expense to the satisfaction of the Lessor, any damage to the Premises, regardless of how the damage is caused and replace any of the Lessor's fixtures and fittings which are or which become damaged.

### **Responsibility for Securing the Premises**

The Lessee must ensure the Premises, including Lessor's and Lessee's fixtures and fittings, are appropriately secured at all times.

### **Maintain surroundings**

- (4) The Lessee must regularly inspect and maintain in good condition any part of the Premises which surrounds any buildings, including but not limited to any flora, gardens, lawns, shrubs, hedges and trees.
- (5) The Lessee agrees that any pruning of trees must be undertaken by a qualified tree surgeon.
- (6) If any flora, trees or lawn dies the Lessee must replace the flora, trees or lawn at its own expense.
- (7) The Lessee must plant and care for such trees on the Premises as the Lessor may from time to time reasonably require.
- (8) The Lessee may not remove any trees, shrubs or hedges without first consulting with and obtaining the approval of the Lessor, except where necessary for urgent safety reasons.

### **Lessor's Fixtures and Fittings**

The Lessee covenants and agrees that the Lessor's Fixtures and Fittings will remain the property of the Lessor and must not be removed from the Premises at any time.

### **Pest control**

The Lessee must keep the Premises free of any pests and vermin and the cost of extermination will be borne by the Lessee.

### **Painting**

- (9) The Lessee must on or before each repainting date as stated in **Item 9** of the Schedule paint with at least 2 coats of paint those parts of the Premises usually painted internally.
- (10) All painting carried out on the Premises must be carried out by a registered painting contractor; and the registered painting contractor or other person engaged by the Lessee to paint the Premises must:

- (a) do so in a proper manner using good quality materials;
- (b) have the colour and quality of the materials approved in writing by the Lessor before the work commences;
- (c) comply with all reasonable directions given or requests made by the Lessor; and
- (d) be finished in a proper and workmanlike manner.

## **Drains**

- (11) The Lessee must keep and maintain the waste pipes drains and conduits originating in the Premises or connected thereto in a clean clear and free flowing condition and must pay to the Lessor upon demand the cost to the Lessor of clearing any blockage which may occur in such waste pipes, drains and conduits between the external boundaries of the Premises and the point of entry thereof into any trunk drain unless such blockage has been caused without neglect or default on the part of the Lessee.
- (12) The Lessee must not permit the drains, toilets, grease traps (if any) and other sanitary appliances on the Premises to be used for any purpose other than that for which they were constructed and must not allow any foreign matter or substance to be thrown therein.

## **12. Use**

### **Restrictions on use**

#### **(1) Generally**

The Lessee must not and must not suffer or permit a person to:

- (a) use the Premises or any part of it for any purpose other than the Permitted Purpose; or
- (b) use the Premises for any purpose which is not permitted under any local or town planning scheme, local laws, acts, statutes or any law relating to health.

#### **(2) No offensive or illegal acts**

The Lessee must not and must not suffer or permit a person to do or carry out on the Premises any harmful, offensive or illegal act, matter or thing.

#### **(3) No nuisance**

The Lessee must not and must not suffer or permit a person to do or carry out on the Premises any thing which causes a nuisance, damage or disturbance to the Lessor or to owners or occupiers of adjoining properties.

#### **(4) No dangerous substances**

The Lessee must not and must not suffer or permit a person to store any dangerous compound or substance on or in the Premises, otherwise than in accordance with the following provisions:

- (a) any such storage must comply with all relevant statutory provisions;
- (b) all applications for the approval or renewal of any licence necessary for such storage must be first referred to the Lessor;
- (c) the Lessor may within its absolute discretion refuse to allow the storage of any particular dangerous compound or substance on the Premises; and

- (d) upon the request of the Lessor, the Lessee will provide a list of all dangerous compounds or substances stored on the Premises.

**(5) No harm or stress**

The Lessee must not and must not suffer or permit a person to do any act or thing which might result in excessive stress or harm to any part of the Premises.

**(6) No signs**

The Lessee must not and must not suffer or permit a person to display from or affix any signs, notices or advertisements on the Premises without the prior written consent of the Lessor.

**(7) No smoking**

The Lessee must not suffer or permit a person to smoke inside any building or other enclosed area on the Premises.

**(8) Consumption of alcohol**

The Lessee must not suffer or permit a person to use or allow the Premises to be used for the consumption of alcohol without first obtaining the written consent of the Lessor.

**(9) Sale of Alcohol**

The Lessee will not sell or supply liquor from the Premises or allow liquor to be sold or supplied from the Premises without the prior written consent of the Lessor and then only in accordance with the provisions of the *Liquor Control Act 1988*, *Health (Food Hygiene) Regulations 1993*, *Liquor Licensing Regulations 1989* and any other relevant written laws that may be in force from time to time.

**(10) Removal of rubbish**

The Lessee must keep the Premises free from dirt and rubbish and to store and keep all trade waste and garbage in proper receptacles.

**(11) No pollution**

The Lessee must do all things necessary to prevent pollution or contamination of the Premises by garbage, refuse, waste matter, oil and other pollutants.

**No warranty**

The Lessor gives no warranty:

- (a) as to the use to which the Premises may be put; or
- (b) that the Lessor will issue any consents, approvals, authorities, permits or licences required by the Lessee under any statute for its use of the Premises.

**Lessee to Observe Copyright**

In the event that the Lessee or any person sub-leasing, hiring, or in temporary occupation of the Premises provides, contracts for, or arranges for the performance, exhibition or display of any music or work of art the copyright of which is not vested in the Lessee or that person, the Lessee shall ensure that all obligations in regard to payment of copyright or licensing fees with the owner or licensor of the copyright are met before any such performance, exhibition or display is held.

## Premises Subject to Restriction

The Lessee accepts the Premises for the Term subject to any existing prohibition or restriction on the use of the Premises.

## Indemnity for Costs

The Lessee indemnifies the Lessor against any claims or demands for all costs, on a solicitor client basis, reasonably incurred by the Lessor by reason of any claim in relation to any matters set out in this **clause 12**.

## 13. Alcohol

Not applicable.

## 14. Minimise nuisance to neighbours

Not applicable.

## 15. Alterations

### Restriction

- (1) The Lessee must not without prior written consent:
  - (a)
    - (i) from the Lessor;
    - (ii) from any other person from whom consent is required under this Lease;
    - (iii) required under statute in force from time to time, including but not limited to the planning approval of the Lessee under a town planning scheme of the Lessee;
  - (b) make or allow to be made any alteration, addition or improvements to or demolish any part of the Premises; or
  - (c) subject to the performance of the Lessee's obligations in **clause 11**, remove any flora or fauna, alter or cut down any flora, or sell, remove or otherwise dispose of any flora, sand, gravel, timber or other materials from the Premises.

### Consent

- (2) If the Lessor and any other person whose consent is required under this Lease or at law consents to any matter referred to in **clause 0** the Lessor may:
  - (a) consent subject to conditions; and
    - (i) require that work be carried out in accordance with plans and specifications approved by the Lessor or any other person giving consent; and
    - (ii) require that any alteration be carried out to the satisfaction of the Lessor under the supervision of an engineer or other consultant; and
  - (b) if the Lessor consents to any matter referred to in **clause 0**:
    - (i) the Lessor gives no warranty that the Lessor will issue any consents, approvals, authorities, permits or policies under any statute for such matters; and

- (ii) the Lessee must apply for and obtain all such consent approvals, authorities, permits or policies as are required at law before undertaking any alterations, additions, improvements or demolitions.

### **Cost of Works**

All works undertaken under this **clause 15** will be carried out at the Lessee's expense.

### **Conditions**

If any of the consents given by the Lessor or other persons whose consent is required under this Lease or at law require other works to be done by the Lessee as a condition of giving consent, then the Lessee must at the option of the Lessor either:

- (c) carry out those other works at the Lessee's expense; or
  - (d) permit the Lessor to carry out those other works at the Lessee's expense,
- in accordance with the Lessor's requirements.

## **16. Lessor's right of entry**

### **Entry on Reasonable Notice**

The Lessee must permit entry by the Lessor or any Authorised Person onto the Premises without notice in the case of an emergency, and otherwise upon reasonable notice:

- (a)
  - (i) at all reasonable times;
  - (ii) with or without workmen and others; and
  - (iii) with or without plant, equipment, machinery and materials;
- (b) for each of the following purposes:
  - (i) to inspect the state of repair of the Premises and to ensure compliance with the terms of this Lease;
  - (ii) to carry out any survey or works which the Lessor considers necessary, however the Lessor will not be liable to the Lessee for any compensation for such survey or works provided they are carried out in a manner which causes as little inconvenience as is reasonably possible to the Lessee;
  - (iii) to comply with the Lessor's Covenants or to comply with any notice or order of any authority in respect of the Premises for which the Lessor is liable; and
  - (iv) to do all matters or things to rectify any breach by the Lessee of any term of this Lease but the Lessor is under no obligation to rectify any breach and any rectification under this **clause 16(b)(iv)** is without prejudice to the Lessor's other rights, remedies or powers under this Lease.

### **Costs of Rectifying Breach**

All costs and expenses incurred by the Lessor as a result of any breach referred to at **clause 16(b)(iv)** together with any interest payable on such sums will be a debt due to the Lessor and payable to the Lessor by the Lessee on demand.

## 17. Statutory obligations and notices

### Comply with Statutes

The Lessee must:

- (a) comply promptly with all statutes and local laws from time to time in force relating to the Premises;
- (b) apply for, obtain and maintain in force all consents, approvals, authorities, licences and permits required under any statute for the use of the Premises specified at **clause 12**;
- (c) ensure that all obligations in regard to payment for copyright or licensing fees are paid to the appropriate person for all performances, exhibitions or displays held on the Premises; and
- (d) comply promptly with all orders, notices, requisitions or directions of any competent authority relating to the Premises or to the business the Lessee carries on at the Premises.

### Indemnity if Lessee Fails to Comply

The Lessee indemnifies the Lessor against:

- (e) failing to perform, discharge or execute any of the items referred to in **clause 0**; and
- (f) any claims, demands, costs or other payments of or incidental to any of the items referred to in **clause 0**.

## 18. Report to Lessor

The Lessee must immediately report to the Lessor:

- (a) any act of vandalism or any incident which occurs on or near the Premises which involves or is likely to involve a breach of the peace or become the subject of a report or complaint to the police and of which the Lessee is aware or should be aware;
- (b) any occurrence or circumstances in or near the Premises of which it becomes aware, which might reasonably be expected to cause, in or on the Premises, pollution of the environment; and
- (c) all notices, orders and summonses received by the Lessee and which affect the Premises and immediately deliver them to the Lessor.

## 19. Default

### Events of Default

A default occurs if:

- (a) the Lessee is in breach of any of the Lessee's Covenants for 28 days after a Notice has been given to the Lessee to rectify the breach or to pay compensation in money;
- (b) the association is wound up whether voluntarily or otherwise;
- (c) the Lessee passes a special resolution under the *Associations Incorporation Act 1997* altering its rules of association in a way that makes its objects or purposes inconsistent with the use permitted by this Lease;



- (d) a mortgagee takes possession of the property of the Lessee under this Lease;
- (e) any execution or similar process is made against the Premises on the Lessee's property;
- (f) the Premises are vacated, or otherwise not used, in the Lessor's reasonable opinion, for the Permitted Purpose for six month period; or
- (g) a person other than the Lessee or a permitted sublessee or assignee is in occupation or possession of the Premises or in receipt of a rent and profits.

### **Forfeiture**

On the occurrence of any of the events of default specified in **clause 0** the Lessor may:

- (h) without notice or demand at any time enter the Premises and on re-entry the Term will immediately determine;
- (i) by notice to the Lessee determine this Lease and from the date of giving such notice this Lease will be absolutely determined; and
- (j) by notice to the Lessee elect to convert the unexpired portion of the Term into a tenancy from month to month when this Lease will be determined as from the giving of the notice and until the tenancy is determined the Lessee will hold the Premises from the Lessor as a tenant from month to month under **clause 20**,

but without affecting the right of action or other remedy which the Lessor has in respect of any other breach by the Lessee of the Lessee's Covenants or releasing the Lessee from liability in respect of the Lessee's Covenants.

### **Lessor may remedy breach**

If the Lessee:

- (k) fails or neglects to pay the Amounts Payable by the Lessee under this Lease; or
- (l) does or fails to do anything which constitutes a breach of the Lessee's Covenants,

then, after the Lessor has given to the Lessee notice of the breach and the Lessee has failed to rectify the breach within a reasonable time, the Lessor may without affecting any right, remedy or power arising from that default pay the money due or do or cease the doing of the breach as if it were the Lessee and the Lessee must pay to the Lessor on demand the Lessor's cost and expenses of remedying each breach or default.

### **Acceptance of Amount Payable By Lessor**

Demand for or acceptance of the Amounts Payable by the Lessor after an event of default has occurred will not affect the exercise by the Lessor of the rights and powers conferred on the Lessor by the terms of the Lease or at law and will not operate as an election by the Lessor to exercise or not to exercise any right or power.

### **Essential Terms**

Each of the Lessee's Covenants in **clauses 6** (Rent and Other Payments), **7** (Insurance), **9** (Indemnity), **11** (Maintenance, Repair and Cleaning), **12** (Use), **26** (Assignment, Subletting and Charging) and **33** (Goods and Services Tax), is an essential term of this Lease but this **clause 0** does not mean or imply that there are no other essential terms in this Lease.

## Breach of Essential Terms

If the Lessee breaches an essential term of this Lease then, in addition to any other remedy or entitlement of the Lessor:

- (m) the Lessee must compensate the Lessor for the loss or damage suffered by reason of the breach of that essential term;
- (n) the Lessor will be entitled to recover damages against the Lessee in respect of the breach of an essential term; and
- (o) the Lessee covenants with the Lessor that if the Term is determined:
  - (i) for breach of an essential term or the acceptance by the Lessor of a repudiation of this Lease by the Lessee; or
  - (ii) following the failure by the Lessee to comply with any notice given to the Lessee to remedy any default,

the Lessee must pay to the Lessor on demand the total of the Amounts Payable under this Lease which would have been payable by the Lessee for the unexpired balance of the Term as if the Term had expired by effluxion of time together with the losses incurred or reasonably expected to be incurred by the Lessor as a result of the early determination including but not limited to the costs of re-letting or attempting to re-let the Premises;

- (p) the Lessee agrees that the covenant set out in this **clause 19(o)** will survive termination or any deemed surrender at law of the estate granted by this Lease;
- (q) the Lessee may deduct from the amounts referred to at **clause 19(o)** the Rent and other money which the Lessor reasonably expects to obtain by re-letting the Premises between the date of Termination and the date on which the Term would have expired by effluxion of time; and
- (r) the Lessor must take reasonable steps to mitigate its losses and endeavour to re-let the Premises at a reasonable rent and on reasonable terms but the Lessor is not required to offer or accept rent or terms which are the same or similar to the rent or terms contained or implied in this Lease.

## 20. Damage or destruction of Premises

### Abatement of Rent

If the Premises are at any time during the Term, without neglect or default of the Lessee, destroyed or damaged by fire or other risk covered by insurance so as to render the same unfit for the occupation and use of the Lessee, then the Rent or a proportionate part thereof (according to the nature and extent of the damage) shall abate until the Premises have been rebuilt or made fit for the occupation and use of the Lessee, and in case of any dispute arising under this provision the same will be referred to arbitration under the provisions of the *Commercial Arbitration Act 1985* and the full Rent must be paid without any deduction or abatement until the date of the arbitrator's award whereupon the Lessor will refund to the Lessee any Rent which according to the award appears to have been overpaid.

### Total Damage or Destruction

If the premises are at any time during the Term destroyed or damaged to an extent as to be wholly unfit for the occupation and use of the Lessee either party may give notice in writing to the other of them given within sixty (60) days after the event elect to cancel and terminate this lease. The term will terminate upon such notice being given and the Lessee must vacate the premises and surrender

the same to the Lessor, but such termination will be without prejudice however to the liability of the Lessee under this Lease up to the date of termination.

## 21. Option to renew

If the Lessee at least one month, but not earlier than 12 months, prior to the date for commencement of the Further Term gives the Lessor a Notice to grant the Further Term and:

- (a) all consents and approvals required by the terms of this Lease or at law have been obtained; and
- (b) there is no subsisting default by the Lessee at the date of service of the Notice in:
  - (i) the payment of Amounts Payable; or
  - (ii) the performance or observance of the Lessee's Covenants,

the Lessor shall grant to the Lessee a lease for the Further Term at the Rent and on terms and conditions similar to this Lease other than this **clause 21** in respect of any Further Term previously taken or the subject of the present exercise and on such other terms and conditions as the Lessor may consider appropriate.

## 22. Holding over

If the Lessee remains in possession of the Premises after the expiry of the Term with the consent of the Lessor, the Lessee will be a monthly tenant of the Lessor at a rent equivalent to one twelfth of the Rent for the period immediately preceding expiry of the Term and otherwise on the same terms and conditions of this Lease provided that all consents required under this Lease or at law have been obtained to the Lessee being in possession of the Premises as a monthly tenant.

## 23. Restore premises

Prior to Termination, the Lessee at the Lessee's expense must restore the Premises to a condition consistent with the observance and performance by the Lessee of the Lessee's Covenants under this Lease fair wear and tear excepted.

## 24. Yield up the premises

### Peacefully surrender

On Termination the Lessee must:

- (a) peacefully surrender and yield up to the Lessor the Premises in a condition consistent with the observance and performance of the Lessee's Covenants under this Lease;
- (b) surrender to the Lessor all keys and security access devices and combination for locks providing an access to or within the Premises held by the Lessee whether or not provided by the Lessor.

### Clause 0 to survive termination

The Lessee's obligation under **clause 0** will survive termination.

## 25. Removal of property from Premises

### **Remove property prior to termination**

Prior to Termination, unless otherwise mutually agreed between the parties, the Lessee must remove from the Premises all property of the Lessee which is not a fixture other than air-conditioning plant and fire equipment, security alarms and security systems and other fixtures and fittings which in the opinion of the Lessor form an integral part of the Premises and promptly make good, to the satisfaction of the Lessor, any damage caused by the removal.

### **Lessor can remove property on re-entry**

On re-entry the Lessor will have the right to remove from the Premises any property of the Lessee and the Lessee indemnifies the Lessor against all damage caused by the removal of and the cost of storing that property.

## 26. Casual Hire of Premises

### **Casual Hire**

- (1) The Lessee may hire out the Premises or any part thereof on a casual basis only PROVIDED:
  - (a) such use is consistent at all times with the Permitted Purpose;
  - (b) the Lessee ensures any hirer complies strictly with the relevant terms of this Lease; and
  - (c) the Lessee obtains the prior written consent for any hire arrangements, which consent may be withheld by the Lessor in its absolute discretion.
- (2) For the purposes of this Lease, “casual hire” means any hire of the Premises by the Lessee to a third party and does not include any formal transfer, assignment or sublease of the Premises.

### **Lessee remains responsible for Premises at all times**

The Lessee ACKNOWLEDGES that at all times, including when the Premises are hired to a third party, it remains responsible for the Premises, including without limitation any damage that may be caused or occurs during any hire period.

## 27. Assignment, Subletting and Charging

### **No assignment or sub-letting without consent**

The Lessee must not assign the leasehold estate in the Premises nor Sub-let, part with possession, or dispose of the Premises or any part of the Premises without the prior written consent of the Lessor and any other persons whose consent is required under the terms of this Lease or at law.

### **Lessor’s Consent to Assignment and Sub-letting**

Provided all parties whose consent is required, under this Lease or at law, to an assignment or Sub-letting, give their consent and any assignment or sublease is for a purpose consistent with the use of the Premises permitted by this Lease then the Lessor may not unreasonably withhold its consent to the assignment or Sub-letting of the leasehold estate created by this Lease if:

- (a) the proposed assignee or sublessee is a respectable and responsible person of good financial standing capable of continuing the permitted use for non-profit making community purposes;

- (b) all Amounts Payable due and payable have been paid and there is no existing unremedied breach, whether notified to the Lessee or not, of any of the Lessee's Covenants;
- (c) the Lessee procures the execution by:
  - (i) the proposed assignee of a deed of assignment; or
  - (ii) the proposed sublessee of a deed of sublease,
 to which the Lessor is a party and which deed is prepared and completed by the Lessor's solicitors; and
- (d) the assignment contains a covenant by the assignee or sublessee with the Lessor to pay all Amounts Payable and to perform and observe all the Lessee's Covenants.

### **Where sublessee is a community group**

If the proposed sublessee is a community group, whether or not a body corporate or unincorporated, the Lessor may not require a deed of sublease under **clause 27(c)**.

### **Consents of Assignee Supplementary**

The covenants and agreements on the part of any assignee will be supplementary to the Lessee's Covenants and will not release the assigning lessee from the Lessee's Covenants.

### **Property Law Act 1969**

Sections 80 and 82 of the *Property Law Act 1969* are excluded.

### **Costs for assignment and sub-letting**

If the Lessee wishes to assign or sub-let the leasehold estate created by this Lease the Lessee must pay all reasonable professional and other costs, charges and expenses, incurred by the Lessor or other person whose consent is required under this Lease, of and incidental to:

- (e) the enquiries made by or on behalf of the Lessor as to the respectability, responsibility and financial standing of each proposed assignee or sublessee;
- (f) any consents required under this Lease or at law; and
- (g) all other matters relating to the proposed assignment or sub-letting,

whether or not the assignment or Sub-letting proceeds.

### **No mortgage or charge**

The Lessee must not mortgage nor charge the Premises.

## **28. Disputes**

### **Referral of Dispute: Phase 1**

Except as otherwise provided any dispute arising out of this Lease is to be referred in the first instance in writing to the Lessor's Representative as nominated in writing by the Lessor from time to time (**the Lessor's Representative**) who shall convene a meeting within 10 days of receipt of such notice from the Lessee or such other period of time as is agreed to by the parties between the Lessor's Representative and an officer of the Lessee for the purpose of resolving the dispute (**the Original Meeting**).

## Referral of Dispute: Phase 2

In the event the dispute is not resolved in accordance with **clause 0** of this Lease then the dispute shall be referred in writing to the CEO of the Lessor who shall convene a meeting within 10 days of the Original Meeting or such other date as is agreed to by the parties between the CEO and the President of the Lessee for the purpose of resolving the dispute.

## Appointment of Arbitrator: Phase 3

In the event the dispute is not resolved in accordance with **clause 0** of this Lease then the dispute shall be determined by a single arbitrator under the provisions of the *Commercial Arbitration Act 1985* (as amended from time to time) and the Lessor and the Lessee may each be represented by a legal practitioner.

## Payment of Amounts Payable to Date of Award

The Lessee must pay the Amounts Payable without deduction to the date of the award of the Arbitrator or the date of an agreement between the Parties whichever event is the earlier, and if any money paid by the Lessee is not required to be paid within the terms of the award of the Arbitrator or by agreement between the Lessor and the Lessee then the Lessor will refund to the Lessee the monies paid

## 29. Prior notice of proposal to change rules

The Lessee agrees that it will not change its rules of association under the Associations Incorporations Act 1987 without notifying the Lessor of its intention to make such a change prior to consideration of the required special resolution.

## 30. Provision of information

The Lessee agrees to provide to the Lessor:

- (a) a copy of the Lessee's audited annual statement of accounts for each year;
- (b) advice of any changes in its office holders during the Term; and
- (c) any information reasonably required by the Lessor.

## 31. Right to terminate upon notice

- (1) Notwithstanding any other provision of this Lease, the Parties AGREE that either party may terminate this Lease for any reason upon six months written notice to the other party.
- (2) If this Lease is terminated in accordance with this clause, **clause 24** will apply.

## 32. Caveat

### No absolute caveat

The Lessee nor any person on behalf of the Lessee will, without the prior written consent of the Lessor, lodge any absolute caveat at Landgate against the Certificate of Title for the Land, to protect the interests of the Lessee under this Lease.

## CEO & Lessor as attorney

In consideration of the Lessor having granted this Lease to the Lessee, the Lessee irrevocably appoints the Lessor and the CEO of the Lessor jointly and severally:

- (a) for the Term of this Lease;
- (b) for any holding over under this Lease; and
- (c) for a period of 6 months after Termination,

to be the agent and attorney of the Lessee in its name and on its behalf to sign and lodge at Landgate:

- (d) a withdrawal of any absolute caveat lodged by or on behalf of the Lessee;
- (e) a withdrawal of any caveat lodged by or on behalf of the Lessee and not withdrawn on Termination; and
- (f) a surrender of the estate granted by this Lease,

and the costs of withdrawing any caveat or surrendering this Lease (including the Lessor's solicitor's costs and registration fees) will be borne by the Lessee.

## Ratification

The Lessee undertakes to ratify all the acts performed by or caused to be performed by the Lessor, its agent or attorney under this clause.

## Indemnity

The Lessee indemnifies the Lessor against:

- (g) any loss arising directly from any act done under this clause. and
- (h) all costs and expenses incurred in connection with the performance of any act by the attorney on behalf of the Lessee under this clause.

## 33. Goods and services tax

### Definitions

The following definitions apply for the purpose of this clause:

- (a) **Act** means the Commonwealth's *A New Tax System (Goods and Services Tax) Act 1999* and associated Acts and subsidiary legislation;
- (b) **Consideration** means the Amounts Payable or any other money payable to the Lessor under this Lease, but does not include the amount of the GST which may apply to the Amounts Payable or other money payable under the Act;
- (c) **GST** means a tax under the Act levied on a Supply including but not limited to the Amounts Payable or other money payable to the Lessor for goods or services or property or any other thing under this Lease; and
- (d) **Supply** means a good or service or any other thing supplied by the Lessor under this Lease and includes but is not limited to a grant of a right to possession of the Premises.

## Lessee to pay GST

- (2) The Consideration will be increased by the amount of the GST, if any, which the Lessor is required under the Act to pay on any Supply made under this Lease.
- (3) The Lessee must pay any increase referred to at **clause 33(2)** whether it is the Lessee or any other person who takes the benefit of any Supply.
- (4) The Lessee must pay the amount of the GST to the Lessor at the same time and in the same manner as the Lessee is required to pay the Consideration under this Lease.

## Consideration in Kind

If consideration in kind is accepted by the Lessor for any Supply made under this Lease, the GST amount payable to the Lessor under **clause 33(3)** in respect of the consideration in kind will be calculated by using the prevailing market value of the consideration in kind as determined by the Lessor.

- (5) No Contribution from Lessor

If the Lessee is required under this Lease to make any payment of money or give other consideration to a third party for outgoings, goods, services and benefits of any kind, the Lessee is not entitled to any contribution from the Lessor for any GST payable by it to any person.

- (6) Statement of GST paid is Conclusive

A written statement given to the Lessee by the Lessor of the amount of the GST that the Lessor pays or is liable to pay or account for is conclusive as between the Parties except in the case of an obvious error.

- (7) Tax Invoices

For each payment by the Lessee under this clause the Lessor agrees to promptly deliver to the Lessee, as required under the Act, tax invoices and adjustment notes in a form which complies with the Act, so as to enable the Lessee to claim input tax credits or decreasing adjustments for Supplies.

- (8) Reciprocity

If the Lessee furnishes any Supplies to the Lessor under this Lease, then the requirements set out in this clause with respect to the Lessee will apply to the Lessor with the necessary changes.

## 34. No Fetter

Notwithstanding any other provision of this Lease, the Parties acknowledge that the Lessor is a local government established by the *Local Government Act 1995*, and in that capacity, the Lessor may be obliged to determine applications for consents, approvals, authorities, licences and permits having regard to any Written Law governing such applications including matters required to be taken into consideration and formal processes to be undertaken, and the Lessor shall not be taken to be in default under this Lease by performing its statutory obligations or exercising its statutory discretions, nor shall any provision of this Lease fetter the Lessor in performing its statutory obligations or exercising any discretion.

## 35. Additional Terms Covenants and Conditions

Each of the terms, covenants and conditions (if any) specified in **Item 10** of the Schedule are part of this Lease and are binding on the Lessor and the Lessee as if incorporated into the body of this Lease.



## 36. *Commercial Tenancy Act*

If at any time and for so long as the *Commercial Tenancy (Retail Shops) Agreements Act 1985* applies to this Lease and a provision of that Act conflicts with a provision of this Lease, then each conflicting provision of this Lease is deemed to be amended to the extent necessary to comply with that Act.

## 37. Acts by agents

All acts and things which the Lessor is required to do under this Lease may be done by the Lessor, the CEO, an officer or the agent, solicitor, contractor or employee of the Lessor.

## 38. Governing law

This Lease is governed by and is to be interpreted in accordance with the laws of Western Australia and, where applicable, the laws of the Commonwealth of Australia.

## 39. Statutory powers

The powers conferred on the Lessor by or under any statutes for the time being in force are, except to the extent that they are inconsistent with the terms and provisions expressed in this Lease, in addition to the powers conferred on the Lessor in this Lease.

## 40. Notice

### Form of delivery

A Notice to a Party must be in writing and may be given or made:

- (a) by delivery to the Party personally; or
- (b) by addressing it to the Party and leaving it at or posting it by registered post to the address of the Party appearing in this Lease or any other address nominated by a Party by Notice to the other.

### Service of notice

A Notice to a Party is deemed to be given or made:

- (c) if by personal delivery, when delivered;
- (d) if by leaving the Notice at an address specified in **clause 40(b)**, at the time of leaving the Notice, provided the Notice is left during normal business hours; and
- (e) if by post to an address specified in **clause 40(b)**, on the second business day following the date of posting of the Notice.

### Signing of notice

A Notice to a Party may be signed:

- (f) if given by an individual, by the person giving the Notice;
- (g) if given by a corporation, by a director, secretary or manager of that corporation;
- (h) if given by a local government, by the CEO;

- (i) if given by an association incorporated under the *Associations Incorporation Act 1987*, by any person authorised to do so by the board or committee of management of the association; or
- (j) by a solicitor or other agent of the individual, corporation, local government or association giving the Notice.

## 41. Severance

If any part of this Lease is or becomes void or unenforceable, that part is or will be severed from this Lease to the intent that all parts that are not or do not become void or unenforceable remain in full force and effect and are unaffected by that severance.

## 42. Variation

This Lease may be varied only by deed executed by the parties subject to such consents as are required by this Lease or at law.

## 43. Moratorium

The provisions of a statute which would but for this clause extend or postpone the date of payment of money, reduce the rate of interest or abrogate, nullify, postpone or otherwise affect the terms of this Lease do not, to the fullest extent permitted by law, apply to limit the terms of this Lease.

## 44. Further assurance

The Parties must execute and do all acts and things necessary or desirable to implement and give full effect to the terms of this Lease.

## 45. Payment of money

Any Amounts Payable to the Lessor under this Lease must be paid to the Lessor at the address of the Lessor referred to in the Lease or as otherwise directed by the Lessor by Notice from time to time.

## 46. Waiver

### **No general waiver**

Failure to exercise or delay in exercising any right, power or privilege in this Lease by a Party does not operate as a waiver of that right, power or privilege.

### **Partial exercise of right power or privilege**

A single or partial exercise of any right, power or privilege does not preclude any other or further exercise of that right, power or privilege or the exercise of any other right, power or privilege.

# Schedule

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## Item 1 Land and Premises

### Land

Part Lot 36 on Deposited Plan 222890 being Part 2 of Strata Plan 78751 of the land comprised in Certificate of Title Volume 411 Folio 169.

### Premises

That part of the Land depicted on the plan annexed hereto as **Annexure 1**, including all buildings, structures, alterations, additions and improvements on that part of the Land, or erected on that part of the Land during the Term.

## Item 2 Term

2 years commencing on **1 July 2018** and expiring on **30 June 2020**

## Item 3 Further Term

2 years commencing on **1 July 2020** and expiring on **30 June 2022**

## Item 4 Commencement Date

1 July 2018

## Item 5 Rent

\$3,500.00 plus GST per annum, payable annually in advance.

## Item 6 Rent Review

Not applicable during the initial term of lease.

To be reviewed and mutually agreed prior to the commencement of the further term of lease.

## Item 7 Permitted purpose

Administration and coordination of regional early education and development, and uses reasonably ancillary thereto.

## Item 8 Public liability insurance

Twenty million dollars (\$20,000,000.00).

## Item 9 Repainting Dates

June 2028

## Item 10 Additional terms and covenants

None.

# Signing page

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EXECUTED \_\_\_\_\_ 2018

**THE COMMON SEAL of THE SHIRE OF NARROGIN** was hereunto affixed in the presence of:

\_\_\_\_\_  
President

\_\_\_\_\_  
Leigh BALLARD

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Dale STEWART

**THE COMMON SEAL of REGIONAL EARLY EDUCATION AND DEVLEOPMENT Inc.** was hereunto affixed pursuant to the constitution of the Lessee in the presence of each of the undersigned each of whom hereby declares by the execution of this document that he or she holds the office in the Lessee indicated under his or her name-

\_\_\_\_\_  
Office Holder Sign

\_\_\_\_\_  
Office Holder Sign

\_\_\_\_\_  
Name:

\_\_\_\_\_  
Name:

\_\_\_\_\_  
Address:

\_\_\_\_\_  
Address:

\_\_\_\_\_  
Office Held:

\_\_\_\_\_  
Office Held:



**STRATA PLAN  
78751**

SHEET 2 OF 3 SHEETS

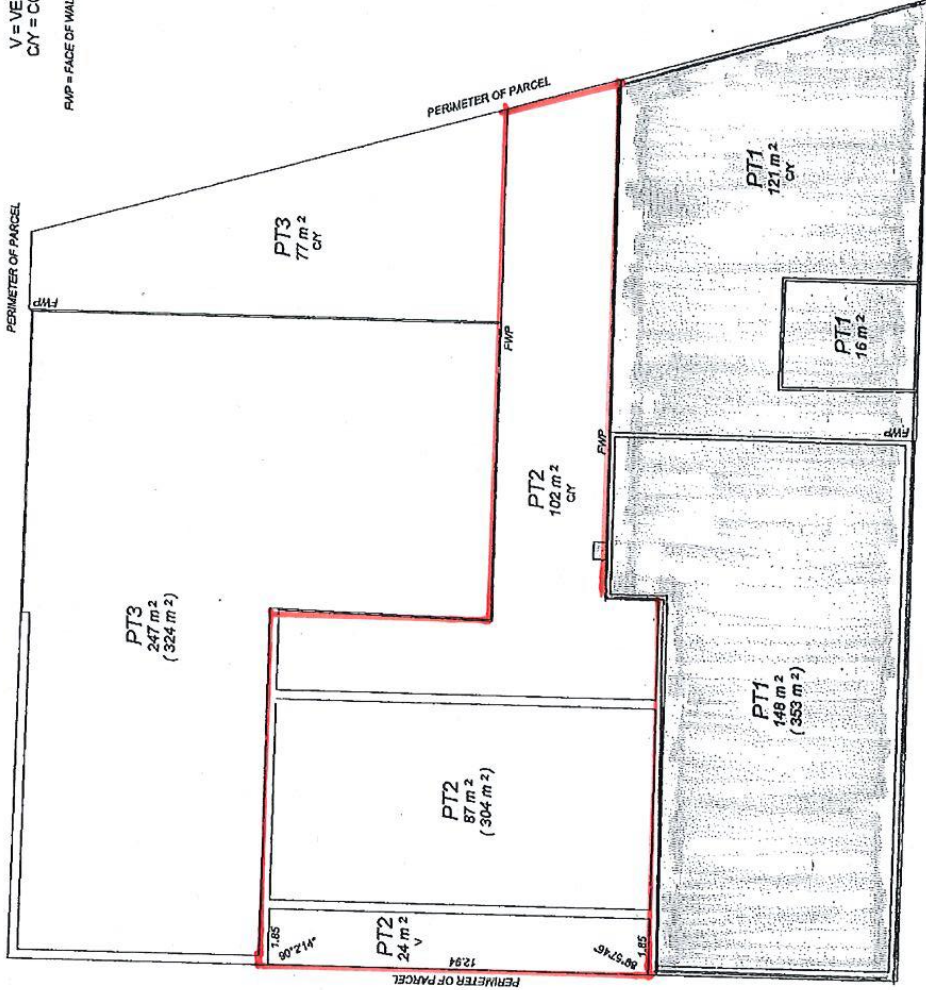


**GROUND FLOOR PLAN**

PIERS AND DUCTS ARE COMMON PROPERTY

V = VERANDAH  
CY = COURTYARD

FWP = FACE OF WALL PRODUCED TO BOUNDARY



THE BOUNDARIES OF THE LOTS OR PARTS OF THE LOTS WHICH ARE BUILDINGS SHOWN ON THIS PLAN ARE TO THE UPPER SURFACE OF THE FLOOR AND THE LOWER SURFACE OF THE CEILING AS PROVIDED BY SECTION 32(2)(a) OF THE STRATA TITLES ACT 1985.

THE BOUNDARIES OF THE PARTS OF LOTS WHICH ARE VERANDAHS SHOWN ON THIS STRATA PLAN ARE TO THE OUTER SURFACE OF THE BUILDING WALL OR WHERE SHOWN DESIGNATED DIMENSIONS, THE UPPER SURFACE OF THEIR FLOOR AND THE PROLONGATION OF THE UNDER SURFACE OF THE CEILING OF THE RESPECTIVE BUILDING PART LOT, EXCEPT WHERE COVERED.

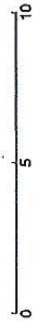
THE BOUNDARIES OF THE PARTS OF LOTS WHICH ARE COURTYARDS SHOWN ON THIS STRATA PLAN ARE TO THE OUTER SURFACE OF THE BUILDING WALL OR WHERE SHOWN DESIGNATED DIMENSIONS, THE UPPER SURFACE OF THEIR FLOOR AND 10 METRES ABOVE THE UPPER SURFACE OF THEIR FLOOR.

ALL ANGLES ARE IN DEGREES UNLESS SHOWN OTHERWISE.

ALL DISTANCES ARE FROM THE EXTERNAL SURFACE OF THE BUILDING WALLS UNLESS SHOWN OTHERWISE. FOR OTHER PARTS OF LOTS 1 & 2 SEE SHEET 1.

**PH & KE GOW**  
LICENSED SURVEYORS  
P. O. BOX 890  
NARROGIN, W.A. 6312.  
PH - 98833340 . FAX - 98815275  
pete-gow@bigpond.com

SCALE 1 : 150 @ A3



HELD BY UNDOATE IN DIGITAL FORMAT ONLY

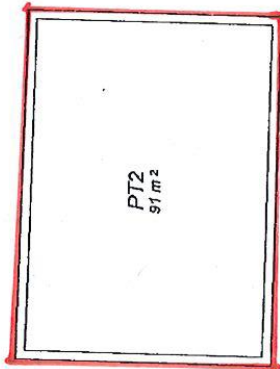
STRATA PLAN

78751

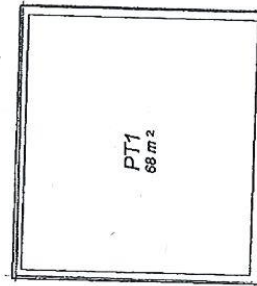
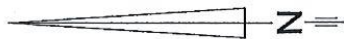
SHEET 3 OF 3 SHEETS

FIRST FLOOR PLAN

PIERS AND DUCTS ARE COMMON PROPERTY

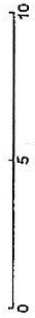


X



PH & KE GOW  
 LICENSED SURVEYORS  
 P. O. BOX 280  
 NARROGIN, W.A. 6312  
 PH-9883340, FAX-9881575  
 peter-gow@gigaplan.com

SCALE 1:150 @ A3



THE BOUNDARIES OF THE LOTS OR PARTS OF THE LOTS WHICH ARE BUILDINGS SHOWN ON THE STRATA PLAN ARE THE INNER SURFACES OF THE WALLS AND THE UPPER SURFACES OF THE CEILING AS PROVIDED BY SECTION 42(3) OF THE STRATA TITLES ACT 1985.  
 FOR LOT 3 AND OTHER PARTS OF LOTS 1 & 2 SEE SHEET 2.

HELD BY LANDGATE IN DIGITAL FORMAT ONLY



# Annexure 2 – Minister for Lands' Consent

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Not applicable

**11. ELECTED MEMBER'S MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN**

Nil

**12. NEW BUSINESS OF AN URGENT NATURE APPROVED BY THE PERSON PRESIDING OR BY DECISION OF THE MEETING**

**13. CLOSURE OF MEETING**

There being no further business to discuss, the Presiding Member declared the meeting closed at.....pm.