

AGENDA



SHIRE OF MORAWA *20th March*

Councillors and Senior Staff are reminded that the next Ordinary Meeting of the Morawa Shire Council will be held in the Morawa Shire Chambers, Winfield Street, Morawa on Thursday 20th March 2014 at 3.30pm



Sean Fletcher
Chief Executive Officer
Date: 14th March 2014



20th March 2014

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Next Meeting

Ordinary Meeting 17th April, 2014

DISCLAIMER

INFORMATION FOR PUBLIC ATTENDING COUNCIL MEETINGS

PLEASE NOTE:

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.

MEMBERS OF THE PUBLIC SHOULD ALSO NOTE THAT THEY ACT AT THEIR OWN RISK IF THEY ENACT ANY RESOLUTION PRIOR TO RECEIVING AN OFFICIAL WRITTEN NOTIFICATION OF COUNCILS DECISION.

**Sean Fletcher
CHIEF EXECUTIVE OFFICER**

COUNCIL MEETING INFORMATION NOTES

1. Your Council generally handles all business at Ordinary or Special Council Meetings.
2. From time to time Council may form a Committee to examine subjects and then report to Council.
3. Generally all meetings are open to the public, however, from time to time Council will be required to deal with personal, legal and other sensitive matters. On those occasions Council will generally close that part of the meeting to the public. Every endeavour will be made to do this as the last item of business of the meeting.
4. Public Question Time. It is a requirement of the Local Government Act 1995 to allow at least fifteen (15) minutes for public question time following the opening and announcements at the beginning of the meeting. Should there be a series of questions the period can be extended at the discretion of the Chairman.

Written notice of each question should be given to the Chief Executive Officer fifteen (15) minutes prior to the commencement of the meeting. A summary of each question and response is included in the Minutes.

When a question is not able to be answered at the Council Meeting a written answer will be provided after the necessary research has been carried out. Council staff will endeavour to provide the answers prior to the next meeting of Council.

5. **Councillors** may from time to time have a financial interest in a matter before Council. Councillors must declare an interest and the extent of the interest in the matter on the Agenda. However, the Councillor can request the meeting to declare the matter **trivial, insignificant** or **in common with a significant number of electors** or **ratepayers**. The Councillor must leave the meeting whilst the matter is discussed and cannot vote unless those present agree as above.

Members of staff who have delegated authority from Council to act on certain matters, may from time to time have a financial interest in a matter on the Agenda. The member of staff must declare that interest and generally the Chairman of meeting will advise the Officer if he/she is to leave the meeting.

6. Agendas including an Information Bulletin are delivered to Councillors within the requirements of the Local Government Act 1995, ie seventy-two (72) hours prior to the advertised commencement of the meeting. Whilst late items are generally not considered there is provision on the Agenda for items of an urgent nature to be considered.

Should an elector wish to have a matter placed on the Agenda the relevant information should be forwarded to the Chief Executive Officer in time to allow the matter to be fully researched by staff. An Agenda item including a recommendation will then be submitted to Council for consideration. The Agenda closes the Monday week prior to the Council Meeting (ie ten (10) days prior to the meeting).

The Information Bulletin produced as part of the Agenda includes items of interest and information, which does not require a decision of Council.

7. Agendas for Ordinary Meetings are available in the Morawa Shire offices seventy two (72) hours prior to the meeting and the public are invited to secure a copy.
8. Agenda items submitted to Council will include a recommendation for Council consideration. Electors should not interpret and/or act on the recommendations until after they have been considered by Council. Please note the Disclaimer in the Agenda.
9. Public Question Time – Statutory Provisions – Local Government Act 1995.
 1. Time is to be allocated for questions to be raised by members of the public and responded to at:
 - (a) Every ordinary meeting of a council; and
 - (b) Such other meetings of councils or committees as may be prescribed

Procedures and the minimum time to be allocated for the asking of and responding to questions raised by members of the public at council or committee meetings are to be in accordance with regulations.

9A. Question Time for the Public at Certain Meeting - s5.24 (1) (b)

Local Government (Administration) Regulations 1996

- Reg 5 For the purpose of section 5.24(1)(b), the meetings at which time is to be allocated for questions to be raised by members of the public and responded to are:
- (a) every special meeting of a council; and
 - (b) every meeting of a committee to which the local government has delegated a power or duty.

Minimum Question Time for the Public – s5.24 (2)

- Reg 6 (1) The minimum time to be allocated for the asking of and responding to questions raised by members of the public at ordinary meetings of councils and meetings referred to in regulation 5 is fifteen (15) minutes.
- (2) Once all the questions raised by members of the public have been asked and responded to at a meeting referred to in sub regulation (1), nothing in these regulations prevents the unused part of the minimum question time period from being used for other matters.

Procedures for Question Time for the Public – s5.24 (2)

Local Government (Administration) Regulations 1996

- Reg 7 (1) Procedures for the asking of and responding to questions raised by members of the public at a meeting referred to in regulation 6 (1) are to be determined:
- (a) by the person presiding at the meeting; or
- (b) in the case where the majority of members of the council or committee present at the meeting disagree with the person presiding, by the majority of members,
- having regard to the requirements of sub regulations (2) and (3).
- (2) The time allocated to the asking and responding to questions raised by members of the public at a meeting referred to in regulation 6(1) is to precede the discussion of any matter that requires a decision to be made by the council or the committee, as the case may be.
- (3) Each member of the public who wishes to ask a question at a meeting referred to in regulation 6(1) is to be given an equal and fair opportunity to ask the question and receive a response.
- (4) Nothing in sub regulation (3) requires:
- (a) A council to answer a question that does not relate to a matter affecting the local government;
- (b) A council at a special meeting to answer a question that does not relate to the purpose of the meeting; or
- (c) A committee to answer a question that does not relate to a function of the committee.

10. Public Inspection of Unconfirmed Minutes (Reg 13)

A copy of the unconfirmed Minutes of Ordinary and Special Meetings will be available for public inspection in the Morawa Shire Offices within ten (10) working days after the Meeting.

**DECLARATION OF
FINANCIAL INTEREST FORM**

TO: THE CHIEF EXECUTIVE OFFICER

AS REQUIRED BY SECTION 5.65 OF THE LOCAL GOVERNMENT ACT 1995,

I HEREBY DISCLOSE MY INTEREST IN THE FOLLOWING MATTERS OF

THE AGENDA PAPERS FOR THE COUNCIL MEETING DATED _____

AGENDA ITEM No.	SUBJECT	NATURE OF INTEREST	MINUTE No.

DISCLOSING PERSON'S NAME: _____

SIGNATURE: _____ DATE: _____

NOTES:

1. For the purpose of the financial interest provisions you will be treated as having a financial interest in a matter if either you, or a person with whom you are closely associated, have a Direct or indirect financial interest or a proximity interest in the matter.
NB: it is important to note that under the Act you are deemed to have a financial interest in a matter if a person with you are closely associated has financial interest or proximity interest. It is not necessary that there be a financial effect on you.
2. This notice must be given to the Chief Executive Officer prior to the meeting.
3. It is the responsibility of the individual Councillor or Committee Member to disclose a Financial interest. If in doubt, seek appropriate advice.
4. A person who has disclosed an interest must not preside at the part of the meeting relating to The matter, or participate in, be present during any discussion or decision-making procedure relating to the matter unless allowed to do so under Section 5.68 or 5.69 of the Local Government Act 1995.

OFFICE USE ONLY:

1. PARTICULARS OF DECLARATION GIVEN TO MEETING
2. PARTICULARS RECORDED IN MINUTES
3. PARTICULARS RECORDED IN REGISTER.

CHIEF EXECUTIVE OFFICER _____ DATED _____

SHIRE OF MORAWA
REQUEST FOR WORKS AND SERVICES

REPORT ON REQUESTS FOR WORKS AND SERVICES REQUIRING
ATTENTION BY THE CHIEF EXECUTIVE OFFICER OR DELEGATED TO
OTHER STAFF BY THE CHIEF EXECUTIVE OFFICER FOR ACTION.

To the Chief Executive Officer,
I submit the following for consideration at the _____ meeting held

On _____ Council
Date

Chief Executive Officer

Received Date

Filed On: _____
Date

Item No:	Subject Matter	CEO Action
1.		
2.		
3.		
4.		
5.		
6.		

Councillors Name/Signature _____

Date: _____

OFFICE USE ONLY	TICK
1. Given to Chief Executive Officer	
2. Placed on Status/Information Report	
3. Action Recorded on Report	

1 Declaration of Opening

The Shire President to declare that the meeting open at 3.30 pm

1.1 Recording of Those Present

Cr K J Chappel	President
Cr D S Carslake	Deputy President
Cr D B Collins	
Cr D J Coaker	
Cr D S Agar	
Cr M J Thornton	
Cr K P Stokes	
Mr S Fletcher	Chief Executive Officer
Mr D Williams	Deputy Chief Executive Office
Mr P Buist	Principal Works Manager
Ms W Gledhill	Manager of Accounting and Finance

1.2 Recording of Apologies

1.3 Recording Leave of Absence Previously Approved

1.4 Welcoming of Visitors to the Meeting

1.5 Announcements by the Presiding Member without Discussion

2 Public Question Time

2.1 Response to previous public questions taken on notice

2.2 Public question time

3 Declaration of Interest

Members are to declare financial, proximity and indirect interests.

4 Confirmation of Minutes of Previous Meeting

4.1 Confirmation of Minutes

20th February – Ordinary Council Meeting
11th March – Special Council Meeting

5 Public Statements, Petitions, Presentations and Approved Deputations

6 Method of Dealing with Agenda Business

7 Reports

7.1 Reports from Committees

Nil

7.2 Reports from the Chief Executive Officer

<i>Date of Meeting:</i>	20 March 2014
<i>Item No:</i>	7.2.1
<i>Subject:</i>	Status Report
<i>Date & Author:</i>	6 March 2014 Sean Fletcher
<i>Responsible Officer:</i>	Chief Executive Officer
<i>Applicant/Proponent:</i>	Chief Executive Officer Sean Fletcher
<i>File Number:</i>	Various
<i>Previous minute/s &</i>	
<i>Reference:</i>	20 February 2014 (Last Update to Council)

SUMMARY

The Status Report provides an update on the progress of matters that have come before Council where a decision was made.

DECLARATION OF INTEREST

The author has no interest to declare in this report.

ATTACHMENTS

Shire of Morawa March 2014 Status Report.

BACKGROUND INFORMATION

The Status Report provides an update on the progress of matters that have come before Council where a decision was made.

OFFICER'S COMMENT

As per the Status Report

COMMUNITY CONSULTATION

As per the Status Report

COUNCILLOR CONSULTATION

As per the Status Report

STATUTORY ENVIRONMENT

Shire of Morawa Meeting Procedures Local Law 2012 (Standing Orders).

The author stated in the November 2013 Status Report that the Status Report is not listed in the Standing Orders. In the December update to Council, the author advised this report was moved from Section 5 of the Agenda and located within Section 7.2 which is for reports from the Chief Executive Officer as per the Standing Orders. In due course, the Status Report will be moved to the Information Bulletin.

POLICY IMPLICATIONS

Not Applicable

FINANCIAL IMPLICATIONS

Not Applicable

STRATEGIC IMPLICATIONS

Not Applicable

RISK MANAGEMENT

Not Applicable

VOTING REQUIREMENT:

Simple Majority

OFFICER'S RECOMMENDATION

Council accepts the Shire of Morawa March 2014 Status Report submitted by the Chief Executive Officer.

MEETING	ITEM	ACTION REQUIRED	RESPONSE	OFFICER	TIME FRAME
Jun-06	10.20	Consider community options for use of existing Morawa Hospital.	<ul style="list-style-type: none"> • Hospital has been transferred to the Shire under an interim deed of arrangement through the Dept of Health until permanent transference has been completed via resolution of an outstanding native title matter. Morawa's selection as a Super Town may also offer some opportunities. TPG has suggested that old Hospital could be turned into a modern Backpacker's Hostel to service Morawa and the region. Another option is an over 55's Retirement Village or converting the site into a potential camp school for education purposes. An engineering assessment is being coordinated to clarify the condition of the building. • A scope of works is currently being prepared follow up requested on 8 May 2013. Engineer was onsite 12-06-2013 report to follow. Still waiting. • EHO sent reminder 11 November 2013 re report. • The report was received on 26 November 2013. Council advised of its contents at the Briefing Forum on 19 December 2013; • CEO and DCEO did a thorough walkthrough of the site on 6 January 2014 re the report; • CEO discussed further with Council at the Briefing Forums on 11 February 2014 and March 2014. Council suggested that it would look over the Old Morawa Hospital on 20 March 2014 @ 2PM. 	CEO	Dec-14

Sep-07	General Business	Contact Western Power to clarify an updated maintenance position on silicon coating works on Three Springs to Morawa power lines.	<ul style="list-style-type: none"> Western Power has deferred any plans to conduct any upgrade works to the Morawa feeder until at least 2014. Minister has advised that new feeder would improve reliability, but unable to justify cost. An alternative option may be to establish a renewable power supply system to service the Morawa community. Draft Ministerial Briefing Note prepared for proposal to establish a solar / thermal power station as a pilot project in Morawa. Meeting held with Hon Mia Davies to seek support and direction for the project. Further meetings coordinated with Western Power and the Department of Regional Development. Council has committed up to \$40,000 to advance planning aspects for the North Midlands Solar Thermal Power Project. CRV tasked to secure equity funding commitment and revenue stream components for project. Design request submitted, together with application fee, to Western Power for preliminary 	CEO	Aug-13
			<p>capital costs for project to connect to Grid. Indian Ocean Group has completed Risk Management and Due Diligence components for the project. Site tour at Lake Cargelligo NSW undertaken in October 2011. Shire President & CEO met with Minister for Regional Development, Hon Brendan Grylls in Perth on 24th November 2011. State Govt Super Towns has confirmed funding of \$500k to complete a Feasibility Study for the project. State Govt has confirmed \$3.775 million in LEED funding to CRV for the project. CRV has indicated a preference to progress the project in two stages.</p> <ul style="list-style-type: none"> A further update on the status of this project has been provided as a report to Council. Legal advice received and Council advised at the Briefing Forum 19 December 2013 that there is no funding obligation/implication for the Shire of Morawa should it chose to reallocate the \$500,000 feasibility funding for the Solar Thermal project to another key project. Shire President and CEO met with Paul Rosair (Head of DRD) on 17 February 2014 to discuss the reallocation of the funding for the Solar Thermal feasibility study to another key project. The outcomes of the meeting included a letter from the Shire to include: <ul style="list-style-type: none"> A Council resolution confirming the reallocation of funding; and A copy of the Shire's legal advice regarding the Shire's obligations to CRV in this matter; An update regarding the meeting was provided to Council by the Shire President and the CEO at the 		

			<p>February Council meeting on 20 February 2014.</p> <ul style="list-style-type: none">• A confidential item has gone to today's meeting regarding the status of the North Midlands Solar Thermal Power Project. <p><u>Note:</u> The Town overhead lines have been upgraded to accommodate the future needs. Also, transformers have been installed on the residential sub-vision (Stage 1) on White Ave to meet future demands and stages 2, 3 and 4. Transformers have also been installed at the Sports Oval to cater for future demand as well.</p>		
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Mar-08	8.1.2	Sinosteel Midwest Corporation Ltd - Entry Statement Project (Gateway Project)	<ul style="list-style-type: none"> • DPI has offered assistance to ensure that Ministerial Directions in relation to the Rail Siding development are met. Council has agreed to undertake an internal design review to establish suitable on ground structures going forward. CYDO has been commissioned to manage this project with initial community meeting held. Review process will incorporate the main town entry statements and a new northern entry statement along the realigned Mingenew - Morawa Road. Preliminary designs were rejected by Council at September 2010 Meeting. Public tender process initiated to seek alternate design proposals has been suspended. Shire is seeking preliminary design proposals on an array of various concepts for further Council consideration. Visiting artists from Geraldton toured site on 15th March 2011. Preliminary concept designs rejected by Council. Council Working Group established and met to identify a way forward to further the concept design process. Landscape adviser identified and visitation to site occurred on 29th November 2011 with a following submission. TPG have provided a proposal to provide a scoping design role under the Morawa Super Town Project. • Council sub-committee and SMC representative met with principal consultants in Perth on 27th February 2012. Initial design proposal received and on site meeting held on 7th May 2012. Further design received for Council consideration. • Informal discussion held between ACEO and Scott Whitehead (SMC) - June 2013? Topics included: <ul style="list-style-type: none"> ○ Gateway project; ○ Future fund; ○ Radio tower • Options now required to address status of this project: <ul style="list-style-type: none"> ○ CEO (Sean Fletcher) met with Scott Whitehead on 20 December 2013 and had a further meeting with SMC Legal Advisor Stuart Griffiths on 22 January 2014; ○ Discussions highlighted that SMC is willing to allocate \$100,000 to the project or this level of funding to another town based project; ○ Council informed of status at the Briefing Forum on 11 February 2014. • The CEO suggested to Council at the February Council meeting that perhaps it was time to revisit the Gateway Project. Council suggested that this should be done at the Briefing Forum regarding the Old Morawa Hospital. 	CEO / CYDO	Dec-13
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Oct-09	8.1.2	Morawa Sports Ground Amenities Upgrade	<ul style="list-style-type: none"> • Official opening held 9 December 2013 with over 85 persons in attendance and three members of parliament including the Minister for Sport: <ul style="list-style-type: none"> ○ Council resolved at the November 2013 OCM that further designs and costings were required regarding the roof over the patio area. Four designs were received early March but failed to address the area over the canteen area and have been returned for correction; ○ Works regarding the playground are progressing: <ul style="list-style-type: none"> ▪ Limestone base completed and sand base compacted; ▪ Play equipment, shade sails, soft fall and paving to commence from 10 March 2014. ○ Councillors were given the opportunity on 20 February 2014 to review the Pavilion and discuss suggestions regarding the hanging, display and storing of the sporting clubs honour boards and memorabilia. A discussion with the clubs is now required regarding the placement of the honour boards and memorabilia within the Pavilion. ○ Other works regarding the BBQ will occur shortly. 	CEO	Oct-13
Feb-10	8.2.2	Morawa Perenjori Trail Master Plan	<ul style="list-style-type: none"> • Initiate action to source grant funds to assist with development of Morawa Perenjori Trail Master Plan. R4R grant application lodged with the MWDC has been unsuccessful. Further grant funding options are being pursued. Approval for part funding for the Bush trial project has been received (\$65,000). Further funding for other projects is being sought from Lotteries West. A report was prepared for the August 2013 meeting for Council's consideration. Outcome was to defer project until Council's contribution could be budgeted. • Second application seeking \$65,000 was submitted in February 2013. There has been a delay due to State Elections in assessment of the application. Notification on the outcome of this application is expected January 2014; • Notified 5 March 2014 that the above application was unsuccessful. 	CEO	Dec-12

Jul-10	8.1.3	Heavy Industrial Land 10781 Stage 2	<ul style="list-style-type: none"> • Commence with heavy industrial land subdivision stage 2 at Lot 10781 Morawa - Yalgoo Road in accordance with Council resolution. Awaiting resolution of future access to 'Club Road' which will impact on the final lots to be made available. LandCorp has confirmed its interest and intent to develop the site into a new Industrial Estate for Morawa. Joint stakeholder meeting scheduled for 7th February 2011. One landholder has indicated a preference to returning the block to the Shire and another landholder has expressed an interest in developing the site. The latter has received Council approval to a proposed land development plan, but has not met timeframe requirements as required under contractual agreement. LandCorp land development application also received and adopted as a preferred plan by Council. WAPC currently considering subdivision application. • Stage 1 – Clearing: <ul style="list-style-type: none"> ◦ Landcorp Board met in October 2013 regarding the high cost of this project and has approved Stage 1 of a three stage program. (This will include Club Rd, clearing of the access roads and land to the subdivision). Work started 3 March 2014 and is completed; • Stage 2 – Headworks: <ul style="list-style-type: none"> ◦ Will be funded by Landcorp. Approval to finalise funding will not occur until November 2014 • Stage 3 - Installation of Roadways: <ul style="list-style-type: none"> ◦ Funded by Landcorp with work to be done by Shire. 	DCEO	Dec-12
Jul-10	Urgent Business	Club Road Access	<ul style="list-style-type: none"> • A cost estimate has been received to construct a new thoroughfare to the east of 'Club Road'. WNR has also issued advice offering a 5 year lease to the Shire of Morawa for continued access to 'Club Road'. During the lease term, it is proposed that both parties agree to work together as a means of jointly resolving future access or otherwise to Club Road at the completion of the 5 year term. Club road has now been included as part of the Industrial subdivision process. • Department of Environment and Regulation permits approved end of December 2013. • Landcorp has recommended local contractor to assist with the clearing. This work ties in with Stage 1 of Heavy Industrial Land 	CEO	Dec-13
Dec-10	8.3.4	Karara Mining Ltd Regional Community Trust	<ul style="list-style-type: none"> • Enter into discussions and negotiate a Regional Community Trust for Morawa, Perenjori, Three Springs and Mingenew with Karara Mining Ltd. • No action at this time due to Karara's status 	CEO	Feb-13

Jun-11	8.2.1	Climate Change Risk Assessment & Adaptation Action Plan	<ul style="list-style-type: none"> Implement adaptation action plan strategies rated 'extreme' and 'high' as budgetary and human resources permit. Consideration required to fund actions in 2014/15 	CEO	Jun-13
Dec-11	8.2.6	Morawa Skate Park	<ul style="list-style-type: none"> The major work on the Skate Park has been completed Remaining minor works include: <ul style="list-style-type: none"> Shade sail - will be installed by staff; Costing for artificial turf surround completed (\$3,000); Costing for plants identified and submitted to the 13/14 Budget Review; A review by Convic of minor cracking occurred on 6 March 2014. Currently developing options for night lighting for 14/15 Budget consideration 	CYDO	Dec-12
Feb-12	8.2.1	Shire of Morawa Asset Management Plan	<ul style="list-style-type: none"> Seek additional funding and establish a preferred resourcing proposal to proceed with strategies identified under the Council adopted Shire of Morawa Asset Management Plan. Fair value calculations regarding assets nearing completion: <ul style="list-style-type: none"> Shire plant and equipment remaining category to be recognised; Morrison Low will then need to update the Asset Management Plan to reflect calculations 	CEO	Dec-12
Apr-13	8.2.1	Morawa Supertown - Revitalisation Project	<ul style="list-style-type: none"> Additional funding was formally announced by Shane Love MLA on 12 February 2014. The tender for the road re-alignment was awarded by Council to WBHO Civil on 20 February 2014: <ul style="list-style-type: none"> Site possession took place on 4 March 2014. WBHO Civil personnel had an initial meeting with the Project Officer on 6 March 2014 and have also introduced themselves to businesses in town; Works commenced 17 March 2014; Land swap 	CEO	Jun-13
Apr-13	8.2.2	Regional Mobile Tower Coverage	<ul style="list-style-type: none"> Updated information for business case was sent to the MWDC on 2 December 2013; The breakdown of funding was clarified at the ordinary meeting of Council on 20 February 2014: <ul style="list-style-type: none"> Merkanooka (\$680,000) <ul style="list-style-type: none"> CLGF – R: \$ 83,333 MWIP: \$471,667 Shire Funds: \$ 62,500 Morawa East High (\$942,000): <ul style="list-style-type: none"> CLGF – R: \$500,000 MWIP: \$379,500 Shire Funds: \$ 62,500 	CEO	Jun-30

			<ul style="list-style-type: none"> • DRD confirmed on 26 February 2014 that the \$1M from the CLGF-R component was approved by Cabinet and issued the FAA at the same time. Minister Redman made this announcement on 7 March 2014. • In the interim, the CEO advised DRD (Meegan Babe - Project Officer) on 6 March 2014 that the project commencement date and access to funding is subject to endorsement by the MWDC Board re MWIP funding, which in turn is still subject to final approval by Cabinet. • The MWDC Board met on 28 February 2014 to discuss the project. CEO asked for feedback on 6 March 2014 regarding the outcome of the meeting. • The CEO and Project Officer also made a submission to the Commonwealth Government's \$100M Mobile Coverage Programme and have listed Merkanooka and Morawa East High as areas requiring a base station. The President based on comments made by some councillors at the Council meeting on 20 February 2014 suggested they contact the CEO on other potential locations. The CEO also asked for this information in the Councillor update issued on 28 February 2014 including whether Merkanooka North and Canna/Gutha North East was suitable. <p>Note: The 2013/14 Budget contains an additional \$250,000 for electrical works</p>		
Nov-13	8.3.1	Morawa Community Care Units	<ul style="list-style-type: none"> • CEO and DCEO met with Brian and Betty Ross on 5 December 2013 to advise on Council's resolution regarding the establishment of a new management framework for the units. • An item regarding the charter of the new committee and applicable delegations was submitted to the ordinary meeting on 20 February 2014. The outcome is listed in the next section. 		Mar-14

Council Resolutions for Actioning or Attention Completed

	Chief Executive Officer			CEO	
Oct 2013	8.3.5	Update on Petition Regarding Noise and Fumes from a Generator	Advised by the Morawa Hotel on 3 February 2014 that the power to the new units: <ul style="list-style-type: none"> The owners are working with an electrical contractor to get things done; Now on the next step with Western Power re everything going ahead. 		In Progress
Feb 2014	7.2.6.1	Strategic Plan Update and Progress Report	Put forward for 2014/15 Budget consideration the requirements of Regulation 17 regarding risk management: <ul style="list-style-type: none"> CEO attended LGMA briefing session on 28 February 2014 regarding the requirements of Regulation 17; Budget options currently under development to implement risk management framework 		In Progress
Feb 2014	7.2.6.2	Management of Morawa Community Care Units	Steps include: <ul style="list-style-type: none"> Delegation instrument to be developed; Initial meeting of Morawa Community Aged Care Committee required; Meetings to arrange handover of units and agreements required 		In Progress
Feb 2014	7.2.6.3	Councillor Appointments to Committees – Local Emergency Management Committee	The CEO advises the CESM on 21 February 2014 that Cr Collins is now a delegate to the Mingenew, Morawa, Perenjori, Three Springs LEMC		Completed
	Deputy Chief Executive Officer			DCEO	
Feb 2014	7.2.2.6	Shire of Morawa 2012/13 Annual Report	<ul style="list-style-type: none"> Annual report submitted to the Department of Local Government and Communities; Annual Electors meeting advertised for 20 March 2014 @ 5:30PM 	DCEO	In Progress
Feb 2014	7.2.5.2	Transfer of the Special Broadcasting Service (SBS) Equipment and Asset to the Special Broadcasting Services			In Progress
Feb 2014	7.2.5.3	Shire of Morawa Financial Hardship Policy 3.9 for Water Services			In Progress

	Manager Accounting & Finance				
Feb 2014	7.2.2.7	Shire of Morawa 2013/14 Financial Year Budget Review	The Shire's budget review was submitted to the Department of Local Government and Communities	MAF	Completed
	Project Officer				
Feb 2014	7.2.4.1	Morawa SuperTown Parallel Freight Alignment Road Project Award of Tender	<ul style="list-style-type: none"> ▪ WBHO advised 21 February 2014 that it was successful re Tender No 03/2013; ▪ Works 	DCEO	In Progress
	Community Youth Development Officer			CYDO	
	Nil				

Legend

1. Text in red indicates current action.
2. Table items shaded in yellow refer to long outstanding items (generally six months or more).
3. Table items in green refer to matters within the last six months.

<i>Date of Meeting:</i>	21 st March 2014
<i>Item No:</i>	7.2.2.1
<i>Subject:</i>	Accounts Due for Payment
<i>Date & Author:</i>	13/3/2014 Jenny Mutter
<i>Responsible Officer:</i>	Finance Officer
<i>Applicant/Proponent:</i>	
<i>File Number:</i>	ADM 0135
<i>Previous minute/s & Reference:</i>	

SUMMARY

A list of accounts is attached for all payments made for the month of February 2014.

DECLARATION OF INTEREST

Nil

ATTACHMENTS

List of accounts Due & Submitted to council March 2014

BACKGROUND INFORMATION

LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) REGULATIONS 1996 – REG 13
 The local government has delegated to the CEO the exercise of power to make payments from the municipal fund or the trust fund, a list off accounts paid by the CEO is to prepared each month showing for each account paid since the last such list was prepared.

OFFICER’S COMMENT

COMMUNITY CONSULTATION

COUNCILLOR CONSULTATION

STATUTORY ENVIRONMENT

LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) REGULATIONS 1996 – REG 13

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

As per list of accounts

STRATEGIC IMPLICATIONS

RISK MANAGEMENT

VOTING REQUIREMENT:

Simple Majority

OFFICER'S RECOMMENDATION

It is recommended that the list of accounts paid by the Chief Executive Officer under delegated authority, represented by:

- **Municipal EFT Payment Numbers EFT5929 to EFT6082 inclusive, amounting to \$386,327.36;**
- **Municipal Cheque Payments numbered 11061 to 11085 totalling \$64,446.01;**
- **Municipal Direct Debit Payments Numbers DD3674.1, DD3676.1, DD3678.1, DD3680.1, DD3682.1, DD3684.1& DD3686.1 amounting to \$10,608.32;**
- **Payroll for February 2014**
 - 12/2/2014 - \$51,632.00**
 - 26/2/2014 - \$53,240.97**

Be endorsed.

EFT5929	05/02/2014	Mid West Auto Group	Purchase and Trade for Ford Ranger Px 4x4 3.2lt Turbo Diesel	42,052.30
EFT5930	06/02/2014	Betty Heitman	Rates refund for assessment A783 Boss Rd MORAWA 6623	11,428.66
EFT5931	10/02/2014	Star Track Express	Feight	312.10
EFT5932	10/02/2014	Morawa Roadhouse	Refreshments	118.60
EFT5933	10/02/2014	Landmark Operations Limited	Gas	275.00
EFT5934	10/02/2014	Midwest Chemical & Paper Distributors	Cleaning Products	172.49
EFT5935	10/02/2014	Landgate	Schedual mining tenements	35.65
EFT5936	10/02/2014	Orica Australia	2 Chlrohine Gas	767.80
EFT5937	10/02/2014	McDonalds Wholesalers	Purchases	45.25
EFT5938	10/02/2014	Reliance Petroleum	Card purchases for Dec 2013	1,940.15
EFT5939	10/02/2014	GH Country Courier	Freight	180.48
EFT5940	10/02/2014	Royal Life Saving Australia	Share cost on travel, Practice safety assesment report	556.50
EFT5941	10/02/2014	WA Local Government Association	Courses - D Collins	850.00
EFT5942	10/02/2014	Courier Australia	Freight	67.00
EFT5943	10/02/2014	Burgess Rawson (WA) Pty Ltd	Rent 01/01/204 to 31/03/2014	137.50
EFT5944	10/02/2014	Vidguard Security Systems	Monitoring fees	102.00
EFT5945	10/02/2014	Sigma Companies Group Pty Ltd	Granualr Chlorhine	255.50
EFT5946	10/02/2014	Bob Waddell Consultant	Consultancy	198.00
EFT5947	10/02/2014	Country Arts WA	Annual Subscription to Country Arts	110.00

EFT5948	10/02/2014	Leading Edge Computers Dongara & Geraldton	Cartridges	405.65
EFT5949	10/02/2014	Local Government Appointments	LOGO Gardener B Finlay	2,247.30
EFT5950	10/02/2014	Neverfail Springwater Limited	cooler rental	14.30
EFT5951	10/02/2014	Alinta Sales Pty Ltd	Usage	238.93
EFT5952	10/02/2014	Nothern Country Zone of WALGA	Annual Subscription 2013/2014	1,700.00
EFT5953	10/02/2014	Espresso Essential (WA) Pty Ltd	Bowl gasket	69.14
EFT5954	10/02/2014	Shire of Three Springs	Shared community services Manager	4,224.12
EFT5955	10/02/2014	LGISWA	Wages adjustment 30/6/2012 to 30/06/2013	5,781.03
EFT5956	10/02/2014	Toll Fast	Storage	88.00
EFT5957	10/02/2014	Garpen Pty Ltd	Pump	640.00
EFT5958	10/02/2014	Star Track Express	Freight	36.69
EFT5959	10/02/2014	Kats Rural	Keeyless enterance set	1,198.25
EFT5960	10/02/2014	Landmark Operations Limited	water fittings	34.48
EFT5961	10/02/2014	WesTrac Equipment Pty Ltd	Parts	1,094.64
EFT5962	10/02/2014	Think Water Geraldton	Water Fittings	671.95
EFT5963	10/02/2014	Mid West Auto Group	Wheel Alloy	468.85
EFT5964	10/02/2014	Hitachi Construction Machinery (Australia) Pty Ltd	Rerigerant hose	216.31
EFT5965	10/02/2014	S & K Electrical Contracting Pty Ltd	Repairs 20 Barnes St	1,356.11
EFT5966	10/02/2014	Cramer & Neill	Repairs to Airconditioners on Hall and Lesser hall	2,893.15

EFT5967	10/02/2014	Bunnings Group Limited	Purchases	264.46
EFT5968	10/02/2014	Morawa Rural Enterprises	Tyres x 4	4,126.25
EFT5969	10/02/2014	SUNNY INDUSTRIAL BRUSHWARE	Broom parts	401.50
EFT5970	10/02/2014	Covs Parts Pty Ltd	PArts	818.90
EFT5971	10/02/2014	H & P Kenyon Cleaning Contractors	carpet cleaning	190.00
EFT5972	10/02/2014	Blue Hill Couriers	freight on tank	632.50
EFT5973	10/02/2014	Dongara Tree Service	Powerline Clearance in front of school	1,232.00
EFT5974	10/02/2014	Central Midwest Service	Repairs to male toilets at pool	874.50
EFT5975	10/02/2014	Galvins Plumbing Supplies	Bathroom supplies	149.68
EFT5976	12/02/2014	Karen Jeanette Chappel	President Allowances and sitting Fees - Oct, Nov and Dec 2013	8,250.00
EFT5977	12/02/2014	Mark & Bronwyn Thornton	Sitting Fees Oct, Nov and Dec 13	2,000.00
EFT5978	12/02/2014	Ken Stokes	Sitting Fees Oct, Nov and Dec 2013	2,000.00
EFT5979	12/02/2014	DJ & JM Coaker	Deputy Pres Allowance and Sitting Fees Oct, Nov and Dec 2013	2,000.00
EFT5980	12/02/2014	Dean Carslake	Deputy Pres and Sitting Fees Oct, Nov and Dec 2013	3,062.50
EFT5981	12/02/2014	Debbie Collins	Sitting Fees Oct, Nov and Dec 13	2,000.00
EFT5982	12/02/2014	Darren S Agar	Sitting Fees Oct, Nov and Dec 13	2,000.00
EFT5983	13/02/2014	WA Local Government Superannuation Plan	Superannuation contributions	7,797.62
EFT5984	13/02/2014	Australian Services Union	Payroll deductions	122.20
EFT5985	13/02/2014	Health Insurance Fund of WA	Payroll deductions	56.00

EFT5986	13/02/2014	Navigator Personal Retirement Plan	Superannuation contributions	215.04
EFT5987	13/02/2014	BT FINANCIAL GROUP	Superannuation contributions	273.39
EFT5988	18/02/2014	Olicoli Country Homes Pty Ltd	Rates refund for assessment A274 10 EVANS ST MORAWA 6623	628.11
EFT5989	18/02/2014	Australian Taxation Office	Bas Payment Jan 2014	28,220.00
EFT5990	18/02/2014	Morawa News & Gifts	Order charge	200.99
EFT5991	18/02/2014	Garpen Pty Ltd	rebuild valves and seal kits,	474.40
EFT5992	18/02/2014	Kats Rural	Broom	16.75
EFT5993	18/02/2014	UHY Haines Norton	Audit services to year ended 30 June 2013	21,961.50
EFT5994	18/02/2014	Morawa Drapery Store	Boots	159.95
EFT5995	18/02/2014	Landmark Operations Limited	Purchases	1,560.24
EFT5996	18/02/2014	Landgate	Land enquiries	72.00
EFT5997	18/02/2014	Chadson Engineering Pty Ltd	Pool stone	90.49
EFT5998	18/02/2014	Canine Control	Patrols 6th Jan 2014	902.00
EFT5999	18/02/2014	Vidguard Security Systems	Monitoring	115.50
EFT6000	18/02/2014	Cramer & Neill	Service to rec centre aircon	148.50
EFT6001	18/02/2014	Bob Waddell Consultant	Assistance with 13/14 Budget review	8,988.76
EFT6002	18/02/2014	Durack Institute of Technology	Training	340.00
EFT6003	18/02/2014	CS Legal	Debt recovery	1,033.90
EFT6004	18/02/2014	Neverfail Springwater Limited	Cooler rental	14.30

EFT6005	18/02/2014	Morawa IGA	Purchases	724.29
EFT6006	18/02/2014	Toll Fast	Storage fees	88.00
EFT6007	18/02/2014	Mia Andrews	Catering for Council meeting 8/2/2014 for 13 people	169.00
EFT6008	18/02/2014	Caterlink	Turbo fan Convection oven	6,336.95
EFT6009	18/02/2014	Landmark Operations Limited	Boots	180.99
EFT6010	18/02/2014	WesTrac Equipment Pty Ltd	Parts	1,319.34
EFT6011	18/02/2014	Purcher International Pty Ltd	Parts	1,023.13
EFT6012	18/02/2014	Geraldton Fuel Company Pty Ltd	Purchases and card purchases	17,895.36
EFT6013	18/02/2014	S & K Electrical Contracting Pty Ltd	Repairs at Sewerage farm	984.08
EFT6014	18/02/2014	Clarkson Freightlines	Freight Chlorine	1,813.24
EFT6015	18/02/2014	Cramer & Neill	Service	1,181.95
EFT6016	18/02/2014	Geraldton Mower & Repairs Specialists	Parts	2,196.40
EFT6017	18/02/2014	Covs Parts Pty Ltd	Parts	1,861.20
EFT6018	18/02/2014	Suave Holdings T/A Melville Toyota	12 months registration - Hilux P234	291.35
EFT6019	18/02/2014	Catwest Road Maintenance	Road Construction	40,361.31
EFT6020	18/02/2014	Central Midwest Service	Repairs on drains	198.00
EFT6021	18/02/2014	Star Track Express	Freight	181.59
EFT6022	18/02/2014	Morawa Traders	Purchases	409.35
EFT6023	18/02/2014	Landmark Operations Limited	Gas	825.00

EFT6024	18/02/2014	BL & MJ Thornton Waste Removal Services	Refuse collection Jan 2014	8,586.05
EFT6025	18/02/2014	Orica Australia	Packaging	280.98
EFT6026	18/02/2014	McDonalds Wholesalers	Purchases for Caravan park	203.70
EFT6027	18/02/2014	Canine Control	Patrols 20th Jan	1,804.00
EFT6028	18/02/2014	WA Local Government Association	Short Ecourse Debbie Collins	214.50
EFT6029	18/02/2014	Courier Australia	Freight	10.07
EFT6030	18/02/2014	Geraldton Toyota	Service on Toyota Hilux	400.95
EFT6031	18/02/2014	Australian Communications and Media Authority	Licence	49.00
EFT6032	18/02/2014	Mitchell & Brown	31.5 " TV - Units	319.00
EFT6033	18/02/2014	Local Government Managers Australia	LGMA Mentors and aspiring Leaders Conference	550.00
EFT6034	18/02/2014	Eastman Poletti Sherwood Pty Ltd	Morawa Sportsground Progress Claim 5	39,706.70
EFT6035	18/02/2014	Local Government Appointments	Hours Alex Kingston	3,490.35
EFT6036	18/02/2014	P.S. CHESTER & SON	Supply and install hose reel to complex	4,936.80
EFT6037	18/02/2014	Western Australian Land Authority	Town Centre Revitalization	6,600.00
EFT6038	18/02/2014	Midwest Quarries PTY LTD	Stone	2,601.45
EFT6039	24/02/2014	Karen Jeanette Chappel	State Council Travel Reimbursement May and June 2013	1,080.00
EFT6040	25/02/2014	Britex	Drinking Fountain for Sports Ground	2,768.70
EFT6041	27/02/2014	WA Local Government Superannuation Plan	Superannuation contributions	7,921.13
EFT6042	27/02/2014	Australian Services Union	Payroll deductions	122.20

EFT6043	27/02/2014	Health Insurance Fund of WA	Payroll deductions	56.00
EFT6044	27/02/2014	Navigator Personal Retirement Plan	Superannuation contributions	215.04
EFT6045	27/02/2014	BT FINANCIAL GROUP	Superannuation contributions	273.39
EFT6046	28/02/2014	West Coast Amusements	Recloth Pool table	838.00
EFT6047	28/02/2014	Morawa Community Resource Centre	Donation to Football Tipping Comp	50.00
EFT6048	28/02/2014	Star Track Express	Freight	328.99
EFT6049	28/02/2014	J.R. & A. Hersey Pty Ltd	Safety Gear	427.02
EFT6050	28/02/2014	Kats Rural	Purchases	3,368.73
EFT6051	28/02/2014	Metal Artwork Creations	Members Badges	13.20
EFT6052	28/02/2014	Landgate	Mining Tenements	35.65
EFT6053	28/02/2014	McDonalds Wholesalers	Purchases	28.95
EFT6054	28/02/2014	Think Water Geraldton	Labour to fix controller	2,701.65
EFT6055	28/02/2014	Reliance Petroleum	Card purchases Jan 2014	2,463.93
EFT6056	28/02/2014	S & K Electrical Contracting Pty Ltd	Fault call out	103.40
EFT6057	28/02/2014	Canine Control	ranger services	1,804.00
EFT6058	28/02/2014	GH Country Courier	Freight	215.59
EFT6059	28/02/2014	WA Local Government Association	Advertising - Finance Support Officer	775.88
EFT6060	28/02/2014	Courier Australia	Freight	22.52
EFT6061	28/02/2014	Sunny Sign Company Pty Ltd	Signs	690.80

EFT6062	28/02/2014	Cramer & Neill	18A Evans Street fault on air con	1,869.35
EFT6063	28/02/2014	Australian Communications and Media Authority	Broadcasting licences	568.00
EFT6064	28/02/2014	Cordell	Building Guide	871.75
EFT6065	28/02/2014	Leading Edge Computers Dongara & Geraldton	Toners for finance printer	415.15
EFT6066	28/02/2014	Perenjori Community Resource Centre	Ad youth Support Worker	20.00
EFT6067	28/02/2014	Local Government Appointments	LOGO	4,574.22
EFT6068	28/02/2014	Neverfail Springwater Limited	Cooler rental	14.30
EFT6069	28/02/2014	Novus Autoglass Repairs & Replacement	Windscreen MAF Vehicle	517.00
EFT6070	28/02/2014	Snap Osborne Park	Printing of art show brochures	924.50
EFT6071	28/02/2014	Alinta Sales Pty Ltd	Usage - Old Hospital	580.13
EFT6072	28/02/2014	TPG	Local planning Strategy and Town centre design guidelines	2,750.00
EFT6073	28/02/2014	Champion Music	Band performance 50% Deposit	605.00
EFT6074	28/02/2014	Porter Consulting Engineers	Claim for work	550.00
EFT6075	28/02/2014	LGISWA	Property insurance Age care units	610.49
EFT6076	28/02/2014	North star Asset Pty Ltd	Screening for movie night at Swimming pool	275.00
EFT6077	28/02/2014	Jimiece Coughlan	Life guard duty Pool movie	70.00
EFT6078	28/02/2014	Central Midwest Service	Repairs to blocked drained	242.00
EFT6079	28/02/2014	Mia Andrews	catering for council 18/02/2014	220.00
EFT6080	28/02/2014	Midwest Quarries PTY LTD	7mm stone and 14mm Stone Yalgoo Road	5,902.82

EFT6081	28/02/2014	Morawa Community Care	Reimbursement of interest on \$200,000	1,601.62
EFT6082	28/02/2014	Morawa Community Care (2)	Reimbursement of interest for Aged care units	2,669.37
<i>EFT Totals</i>				\$386,327.36
11061	10/02/2014	Orana Cinemas	Movies for the Youth	135.00
11062	10/02/2014	The Workwear Group	Uniform Fred Gledhill	277.38
11063	13/02/2014	Shire of Morawa	Payroll deductions	290.00
11064	13/02/2014	AMP LIFE LTD - SUPERANNUATION	Superannuation contributions	209.30
11065	13/02/2014	MLC Nominees Pty Ltd	Superannuation contributions	199.34
11066	13/02/2014	REST Industry Superannuation	Superannuation contributions	138.75
11067	14/02/2014	Shire of Morawa	Petty cash recoup Jan 14	345.00
11068	14/02/2014	Synergy	Street lights	3,356.20
11069	14/02/2014	Telstra Corporation Limited	Usage	318.03
11070	14/02/2014	Morawa Licensed Post Office Emmlee's	Postage	61.45
11071	18/02/2014	Telstra Corporation Limited	Usage	33.95
11072	18/02/2014	Geraldton Saw Doctor 7 Sharpening Services	Saw blade	188.65
11073	27/02/2014	Shire of Morawa	Payroll deductions	290.00
11074	27/02/2014	AMP LIFE LTD - SUPERANNUATION	Superannuation contributions	209.30
11075	27/02/2014	MLC Nominees Pty Ltd	Superannuation contributions	199.34
11076	27/02/2014	REST Industry Superannuation	Superannuation contributions	155.40

11077	28/02/2014	Telstra Corporation Limited	Usage - Admin	2,647.20
11078	28/02/2014	Synergy	Usage	992.45
11079	28/02/2014	Synergy	Usage - Sandy	567.25
11080	28/02/2014	Synergy	Usage	19,651.30
11081	28/02/2014	Shire of Morawa	Gun license	117.00
11082	28/02/2014	Water Corporation	Water fittings	90.14
11083	28/02/2014	Deft Payment Systems for Perth Management Services	Rental	408.19
11084	28/02/2014	Water Corporation	usage	1,620.47
11085	28/02/2014	Water Corporation	Usage	31,944.92

CH Totals \$64,446.01

DD3674.1	11/02/2014	H & P Kenyon Cleaning Contractors	Cleaning contract Feb 14	3,334.61
DD3676.1	25/02/2014	H & P Kenyon Cleaning Contractors	Cleaning Feb 2014	3,334.61
DD3678.1	04/02/2014	Westnet Pty Ltd	internet for Feb 2014	224.75
DD3680.1	03/02/2014	Ricoh Finance	lease	294.59
DD3682.1	07/02/2014	BR & FS Tynan	rent Feb 14	500.00
DD3684.1	21/02/2014	BR & FS Tynan	rent Feb 14	500.00
DD3686.1	05/02/2014	BankWest	Credit Card purchases for Jan paid in Feb	2,419.76

DD Totals \$10,608.32

	12/2/2014	Payroll		51,632.00
	26/2/2014	Payroll		53,240.97

EFT Totals	\$386,327.36
CH Totals	\$64,446.01
DD Totals	\$10,608.32
Payroll Totals	\$104,872.97

Total \$566,254.66

Meeting Date:	20 March, 2014
Item No	7.2.2.2
Subject:	Reconciliations February 2014
Date & Author:	28/2/14 – Fred Gledhill
Responsible Officer:	Fred Gledhill/Jenny Mutter
Proponent:	Manager Accounting & Finance
File No:	ADM 0189
Voting Requirements:	Simple Majority

SUMMARY

Local Government (Financial Management) Regulation 34 (1) (a) states that a Local Government must prepare financial statements monthly.

DECLARATION OF INTEREST

Nil

ATTACHMENTS

Nil

BACKGROUND INFORMATION

The information provided is obtained from the Bank Reconciliations carried out for the Municipal Bank/Reserves Bank and the Trust Bank to ensure all transactions have been accounted for.

OFFICER'S COMMENT

The Shire of Morawa's financial position is as follows:-

BANK BALANCES

The Bank Balances as at 28 February, 2014:-

- Municipal Account #	\$1,128,510.69
- Trust Account	\$ 17,924.70
- Business Telenet Saver (Reserve)	\$5,362,879.26
- WA Treasury O/Night Facility (Super Towns)	\$2,204,919.89

BANK RECONCILIATION BALANCES

The Bank Reconciliation Balances for 28 February, 2014 with a comparison for 28 February, 2013 is as follows:

	2014	2013
Municipal Account #	\$1,128,510.69	\$141,522.25
Trust Account	\$17,924.70	\$18,891.68
Reserve Account	\$7,567,799.15	\$11,116,526.80

RESERVE ACCOUNT

The Reserve Funds of \$7,567,799.15 as at 28 February, 2014 were invested in:-

- Bank of Western Australia \$5,362,879.26 in the Business Telenet Saver Account and
- \$2,204,919.89 with WA Treasury O/Night Facility.

Breakdown for February 2014 with a comparison for February 2013 is as follows:-

	2014	2013
Sports Complex Upgrade Reserve	\$383,080.45	\$868,749.85
Land & Building Reserve	\$4,993.34	\$4,856.80
Plant Reserve	\$623,964.58	\$624,387.93
Leave Reserve	\$130,158.62	\$186,957.99
Economic Development Reserve	\$102,845.15	\$100,033.18
Sewerage Reserve	\$42,557.03	\$489,022.12
Unspent Grants & Contributions Reserve	\$177,882.63	\$221,755.81
Community Development Reserve	\$1,449,206.47	\$2,580,658.91
Water Waste Management Reserve	\$0.00	\$67,455.59
Future Funds Reserve	\$2,096,151.52	\$2,038,836.45
Morawa Community Trust Reserve	\$24,528.70	\$59,953.77
Aged Care Units Reserve	\$8,591.29	\$336,869.54
Transfer Station Reserve	\$318,919.48	\$366,404.93
S/Towns Revitalisation Reserve	\$1,680,572.65	\$2,659,707.44
ST Solar Thermal Power Station Reserve	\$524,347.24	\$510,876.59
Total	\$7,567,799.15	\$11,116,526.80

TRANSFER OF FUNDS

- \$10,000 from Morawa Community Trust Reserve to Municipal Fund on 14 August, 2013 – Tennis Club lights.
- \$800,000 from Community Development Reserve to Municipal Fund on 15 August, 2013 – Sportsground Complex upgrade.
- \$400,000 from SuperTowns Revitalisation Reserve to Municipal Fund on 27th September, 2013- Project Plans and Management for Town Centre.
- \$12,500 from Municipal Fund to Community Development Reserve on 11th October, 2013-Sale of Fines .
- \$118,118.31 from Plan Reserve to Municipal Fund on 19 February, 2014 –PWS ute, works construction crew ute, ISA vehicle, 10 lt diesel fuel tank.
- \$35,532.50 from Unspent Grants Reserve to Municipal Fund on 19 February, 2014 – Last payment from Morawa Community Care.
- \$100,000.00 from Community Development Reserve to Municipal Fund on 19 February, 2014 – Sports complex upgrade final transfer.
- \$76,884.74 from Municipal Fund to Plant Reserve on 7 February, 2014 – Plant depreciation charge 1st and 2nd quarter of budget.
- \$645,000.00 from Super Towns Revitalisation Reserve to Municipal Fund on 27 February, 2014 - further work on Town Revitalisation

STATUTORY ENVIRONMENT

Local Government Act 1995 and Local Government (Financial Management) Regulations 1996

POLICY IMPLICATIONS

Section 3 – Finance 3.4.7 Risk Management Controls – Monthly bank reconciliations to be prepared for each account and reported to Council Monthly

FINANCIAL IMPLICATIONS

As presented

STRATEGIC IMPLICATIONS

Nil

RISK MANAGEMENT

As per Policy Section 3 – Finance 3.4.7 Risk Management Controls

OFFICER’S RECOMMENDATION

It is recommended that the bank reconciliation report for 28 February 2014 be received.

Meeting Date:	20th March, 2014
Item No	7.2.2.3
Subject:	Monthly Financial Statements
Date & Author:	12/3/14 – Fred Gledhill
Responsible Officer:	Manager Accounting & Finance
Applicant/Proponent:	
File No:	
Voting Requirements:	Simple Majority

SUMMARY

Local Government (Financial Management) Regulation 34(1)(a) states that a Local Government must prepare financial statements monthly.

DECLARATION OF INTEREST

Nil

ATTACHMENTS

The February Monthly Financial Activity Report/Variance Report and a copy of the schedules pertaining to Councils operations is provided under separate.

BACKGROUND INFORMATION

OFFICER'S COMMENT

Asset Depreciation Costs have now been allocated and are included in the February Financial Activity Statement.

STATUTORY ENVIRONMENT

Local Government Act 1995 and Local Government (Financial Management) Regulations 1996

FINANCIAL IMPLICATIONS

As presented

STRATEGIC IMPLICATIONS

Nil

RISK MANAGEMENT

OFFICER'S RECOMMENDATION

It is recommended that Council receive the Statement of Financial Activity Report and the variance report for February, 2014.

- 7.2.2 **Manager Finance and Accounting**
Documents issued separately
- 7.2.3 **Community Youth Development Officer**
Nil
- 7.2.4 **Project Officer**

<i>Date of Meeting:</i>	20th March 2014
<i>Item No:</i>	7.2.4.1
<i>Subject:</i>	Endorsement of Local Recovery Plan and Recovery Resource Manual
<i>Date & Author:</i>	10 February 2014, Rick Ryan (Regional Community Emergency Management Officer)
<i>Applicant/ Proponent:</i>	Shire of Morawa
<i>File Number:</i>	
<i>Previous Minute/s and Reference:</i>	Shire of Morawa Council Meeting Minutes 21st March 2013

SUMMARY

The purpose of this report is for Council to consider the endorsement of a Local Recovery Plan and associated Recovery Resource Manual for the Shires of Morawa, Mingenew, Perenjori and Three Springs.

DECLARATION OF INTEREST

Author of report, as the Regional Community Emergency Management Officer has prepared the Local Recovery Plan and associated Recovery Resource Manual in conjunction with Mr Tex McPherson, the former Regional Community Emergency Management Officer.

ATTACHMENTS

Attachment 1 – Local Emergency Management Recovery Plan.
Attachment 2 – Recovery Resource Manual.

BACKGROUND INFORMATION

The Local Emergency Management Committee, made up of the Shires of Morawa, Mingenew, Perenjori and Three Springs, has approved the attached Local Emergency Management Recovery Plan and associated Recovery Resource Manual.

The next step is for Council endorsement of the Recovery Plan and associated Recovery Resource Manual. Once endorsed, the plan and manual will go to the DEMC (District Emergency Management Committee) then to the SEMC (State Emergency Management Committee) for endorsement.

OFFICER'S COMMENT

Each Local Government in Western Australia is required to prepare and maintain a Local Emergency Management Recovery Plan and Recovery Resource Manual under the *Emergency Management Act 2005*.

The plan complies with the current State Emergency Management guidelines and requirements and is to be implemented through the Local Emergency Management Committee.

Following endorsement by the Shires of Morawa, Mingenew, Perenjori and Three Springs, the Local Emergency Management recovery plan will be tabled with the District Emergency Management Committee (DEMC) by the Regional Community Emergency Management Officer.

COMMUNITY CONSULTATION

The Local Area Management Committee has endorsed the Local Emergency Management Recovery Plan. Membership of the Committee includes local community and emergency management members from the Shire of Morawa and surrounding local authorities.

COUNCILLOR CONSULTATION

The Local Emergency Management Recovery Plan and Recovery Resource Manual were provided to Councillors at the Council Briefing Season held on Tuesday, 11 February 2014.

STATUTORY ENVIRONMENT

Emergency Management Act 2005

POLICY IMPLICATIONS

Nil.

FINANCIAL IMPLICATIONS

Nil.

STRATEGIC IMPLICATIONS

Endorsement of the document by the Council would meet legislative requirements and provide a coordinated framework to manage emergencies within the Shire of Morawa and region.

RISK MANAGEMENT

The Shire of Morawa would comply with legislative requirement under *Section 41* of the *Emergency Management Act 2005*.

VOTING REQUIREMENT:

Simple majority.

OFFICER'S RECOMMENDATION

It is recommended:-

That Council endorse the Shires of Morawa, Mingenew, Perenjori and Three Springs Local Recovery Plan and associated Recovery Resource Manual.

<i>Date of Meeting:</i>	20 March 2014
<i>Item No:</i>	7.2.4.2
<i>Subject:</i>	Morawa Freight Heavy Haulage Road Main Road Acquisition of Portion of Lot 454 Winfield Street Morawa
<i>Date & Author:</i>	10 March 2014, John Elliot (Project Officer)
<i>Applicant/ Proponent:</i>	Shire of Morawa
<i>File Number:</i>	ADM 0592
<i>Previous Minute/s and Reference:</i>	Shire of Morawa Council Meeting March 2013

SUMMARY

The purpose of this report is for Council to authorise a formal agreement between Main Roads Western Australia and the Shire for the purchase/acquisition by Main Roads Western Australia of portion of Lot 454 Winfield Street Morawa for the Morawa Freight Heavy Haulage Road.

DECLARATION OF INTEREST

Author of report has no declaration of interest.

ATTACHMENTS

Attachment 1–Correspondence from Main Roads Western Australia requesting consideration of purchase/acquisition of portion of Lot 454 Winfield Street Morawa

Attachment 2 –Plan Depicting Acquisition Area

Attachment 3 - Main Roads Western Australia Plan Depicting Acquisition Area (1360-095-1).

BACKGROUND INFORMATION

The subject land holdings that the proposed parallel freight alignment road and extensions to Davis Street and Winfield Street will be located on is portion of:

- Reserve 43109 (Shire of Morawa- Control)
- Lot 302 on deposited plan 43387 (Reserve under management order Shire of Morawa)
- Lot 454 on deposited plan 220967 Folio 191(Shire of Morawa- Freehold ownership)
- Railway Reserve 46263 (Public Transport Authority/Brookfield Rail)

The majority of the subject land is either under control or ownership of the Shire of Morawa.

Mains Road Western Australia has agreed to complete the:

- Dedication and proclamation of the freight realignment road as a Main Roads Western Australia vested and controlled public road; and
- Transfer the care and control of Winfield Street from Main Roads Western Australia to the Shire of Morawa by deproclamation.

Lot 454 on deposited plan 220967 Folio 191 is a freehold landholding under the ownership of the Shire of Morawa. The subject land is zoned Railway Reserve under the Shire of Morawa Town Planning Scheme No 2.

Main Roads Western Australia has advised that the completion of a formal S.168 Land Administration Act agreement between Main Roads Western Australia and the Shire for the purchase/acquisition by Main Roads Western Australia of a 4323 m² portion of Lot 454 is the most appropriate way to transfer the portion of the land holding for the road dedication.

OFFICER'S COMMENT

Main Roads Western Australia has written to Councils officers requesting that the land be provided to Main Roads Western Australia at a nominal fee of \$1.00. The subject land is not utilised by the Shire.

Completion of the Section 106 process will allow for the completion of the road dedication process, allowing the SuperTown project to reach a successful completion.

Main Roads Western Australia have advised that the only other way to complete the road dedication process over the portion of Lot 454 would be through a form 1A subdivision process which would involve a longer time period, cost and potentially require the clearance of subdivision conditions.

COMMUNITY CONSULTATION

The Shire of Morawa in collaboration with the project consultants has completed a range of public consultation including public meetings and workshops to gain community and business input. Individual meetings with key landowners potentially impacted by the construction of the new freight realignment road were conducted on the 19th and 20th March 2013. This level of engagement is considered sufficient to alleviate any perceived concerns of inadequate community consultation.

COUNCILLOR CONSULTATION

The Road layout and design was considered and endorsed by Council at the Council Meeting held on March 2013.

STATUTORY ENVIRONMENT

Land Administration Act 1997
The Planning and Development Act 2005
Shire of Morawa Local Planning Scheme No .2
Local Government Act 1995

POLICY IMPLICATIONS

Nil.

FINANCIAL IMPLICATIONS

Main Roads Western Australia has written to Councils officers requesting that the land be provided to Main Roads Western Australia at a nominal fee of \$1.00.

Main Roads Western Australia Have agreed to fund the cost of advertising and conveyancing for the registration of the taking order.

The Shire of Morawa will fund the cost of the cadastral survey of the Morawa Heavy Freight Road Alignment road. This has been included in the Royalty for Regions Supertown budget for the project.

STRATEGIC IMPLICATIONS

The development and maintenance of the freight realignment road will be required to comply with Main Roads Western Australia policy and procedures.

The proposed road dedication associated with the freight alignment road conforms to the development and planning objectives of the Morawa SuperTown Growth Plan 2012.

RISK MANAGEMENT

Completion of the Section 106 process can run in conjunction with the associated construction of the Heavy Haulage Road project.

VOTING REQUIREMENT:

Simple majority.

OFFICER'S RECOMMENDATION

It is recommended:-

That Council:

- 1. Authorise a formal S.168 Land Administration Act agreement between Main Roads Western Australia and the Shire of Morawa for the purchase/acquisition by Main Roads Western Australia of portion of Lot 454 Winfield Street Morawa in accordance with plan 1360-095-1;**
- 2. Approve the Main Roads Western Australia acquisition price being \$1.00 for portion of Lot 454 Winfield Street Morawa and the Shire of Morawa agreeing to not lodge a claim for compensation for any further amount as part of the taking process;**
- 3. Agree to Main Roads Western Australia fund the cost of advertising and conveyancing for the registration of the taking order; and**
- 4. Approve the Shire of Morawa funding the cost of the cadastral survey of the Morawa Heavy Freight Road Alignment road.**

John Elliot

From: KITIN Nick (LAM) [nick.kitin@mainroads.wa.gov.au]
Sent: Tuesday, 4 March 2014 10:35 AM
To: John Elliot; CEO Morawa; EHO
Cc: MILLER Bernie (RM)
Subject: Morawa freight realignment road

John

I refer to our telephone conversation this morning, and my email last week dated 26 February 2014 regarding the above.

Further to my email last week regarding the process to excise and dedicate the land required from Lot 454 owned in freehold by the Shire of Morawa, MRWA is seeking the Shire's agreement to proceed with an acquisition and taking by agreement pursuant to S.168 of the Land Administration Act (LAA), instead of a Form 1A freehold subdivision through WAPC. It was intended to subdivide Lot 454 through a Form 1A due to the Shire ceding the land free of cost.

I have approval from our Principal Land Acquisition Manager to proceed down the acquisition path subject to the following:

- formal S.168 LAA agreement between MRWA and the Shire for the purchase/acquisition
- purchase or acquisition price being \$1.00 and the Shire not lodging a claim for compensation for any further amount as part of the taking process
- fund allocation for the cost of survey, advertising, conveyancing for the registration of the taking order.

The Shire's approval to proceed as above is requested to ensure there is certainty in the dedication process, including costs and timely completion, and avoiding a WAPC subdivision which could impose conditions of subdivision and uncertainty of clearances.

Can you please provide a letter of agreement confirming the Shire agrees to proceed as detailed above, and that the Shire will pay the cost of the cadastral survey of the road (previously verbally indicated). If the Shire agrees, MRWA will commence the acquisition process and request a formal agreement be drafted for the Shire's execution. MRWA will pay the costs associated with the taking, including registration and conveyancing.

A copy of Main Roads Land Dealing Plan 1360-095 will be attached to the agreement. Please confirm whether the copy of draft DP 400092 that you provided me is the latest version and correctly reflects the road requirements. If so, I will arrange for Main Roads plan to be amended to reflect DP 400092 as there are variations between the 2 plans.

If you have any further queries, please feel free to contact me.

Nick Kitin

Land Assembly Manager

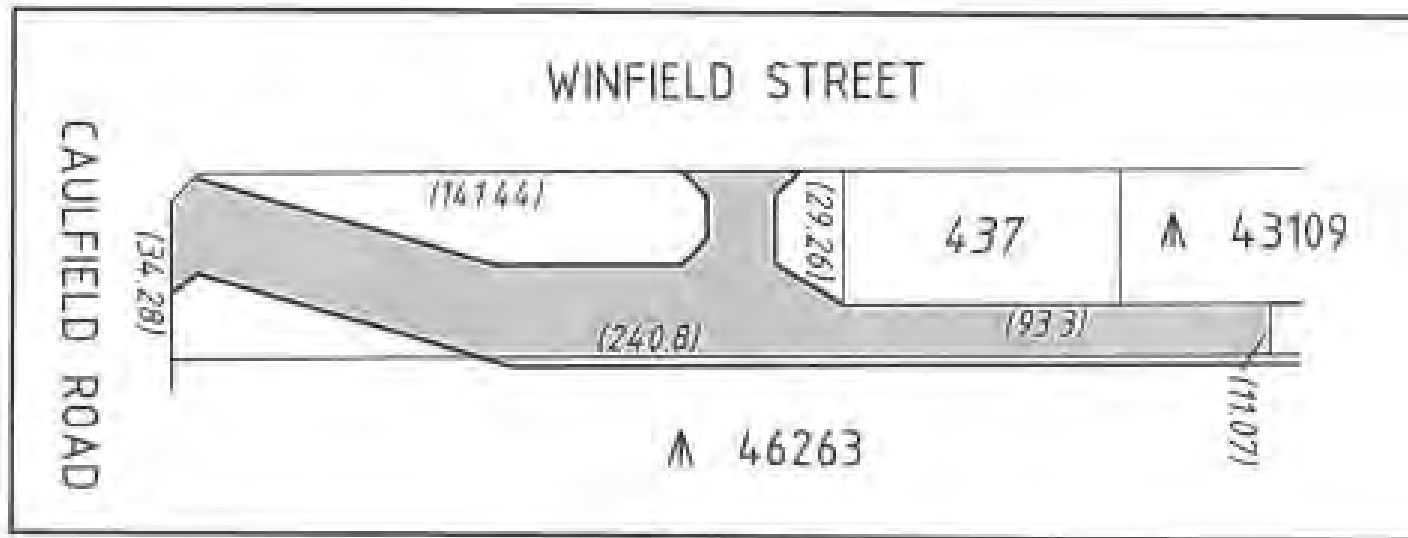


Telephone: (08) 9323 4358 Fax: (08) 9323 4600
Email: nick.kitin@mainroads.wa.gov.au



Are you bushfire ready?

Attachment 2



LOCATION PLAN
SCALE 1:2000

LDT 454

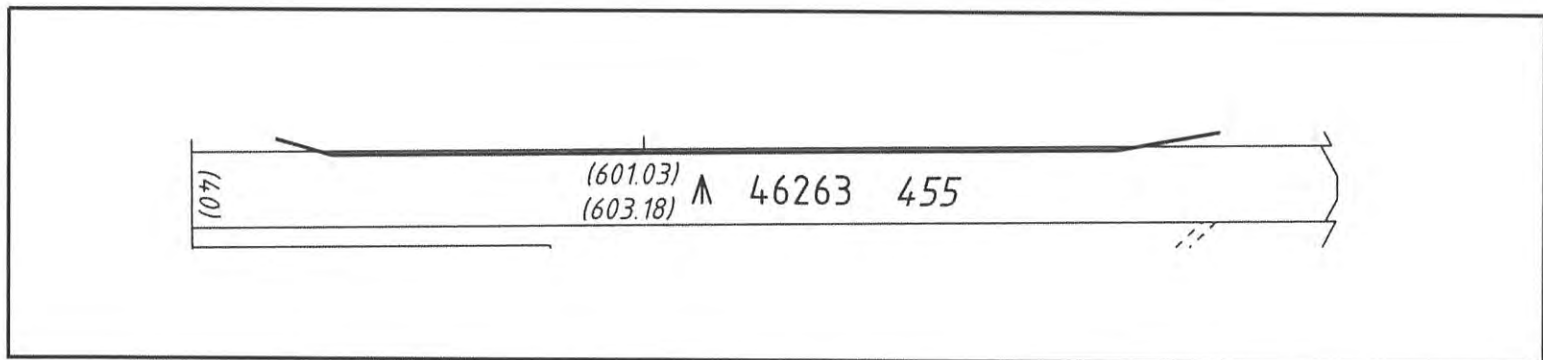
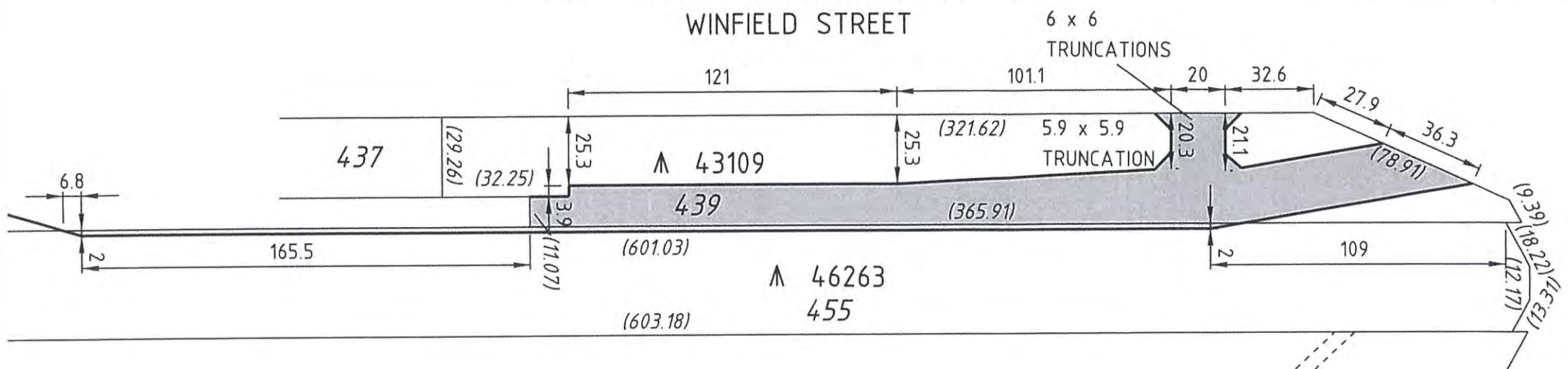
C/T: 2577/191

OWNER: SHIRE OF MORAWA

AREA REQUIRED = 4323 m²

N°	DESCRIPTION	VERIFIED	DATE	MICRO DATE
1.	REQUIREMENT AMENDED TO AGREE WITH SURVEY DP400092	<i>[Signature]</i>	6/3/14	

WUBIN - MULLEWA ROAD WINFIELD STREET



▲ 43109
 LOT 439
 LR: 3102/491
 STATUS: RESERVE UNDER MANAGEMENT ORDER
 MANAGEMENT ORDER: SHIRE OF MORAWA
 PURPOSE: PARK & PARKING
 AREA REQUIRED = 6133 m²

▲ 46263
 LOT 455
 L/R: 3116/772
 STATUS: RESERVE UNDER MANAGEMENT ORDER
 MANAGEMENT ORDER: PUBLIC TRANSPORT AUTHORITY OF WA
 PURPOSE: RAILWAY
 AREA REQUIRED = 853 m²

LEGEND

LAND REQUIRED FOR ROAD PURPOSES
 BOUNDARY TO BE SURVEYED.

- ### NOTES
- DIMENSIONS AND AREAS ARE APPROXIMATE ONLY AND ARE SUBJECT TO SURVEY.
 - S.L.K. IS A M.R. STRAIGHT LINE KILOMETRE AND IS APPROXIMATE ONLY
 - CADASTRAL MODEL: CAD1115A
 - HORIZONTAL DATUM IS MGA 94.

MID WEST REGION			
Telephone (08) 9956 1200		Fax (08) 9956 1240	
APPROVED FOR IMPLEMENTATION			
FILE NUMBER	FOLIO	DATE	APPROVAL NUMBER
AUTHORISED	M. SALT	29/8/13	
APPROVED	K. INGLE	29/8/13	

FINANCE AND SERVICES
PROPERTY MANAGEMENT

Telephone 9323 4580 Fax 9323 4600

FILE No. 13/6173
 DRAWN/DESIGNED W.M. ROLLINGS 26/8/13
 AUDITED IN ACCORDANCE WITH STANDARD 67-08-18 IN THE ROAD AND TRAFFIC ENGINEERING MANUAL *[Signature]* 6/3/14

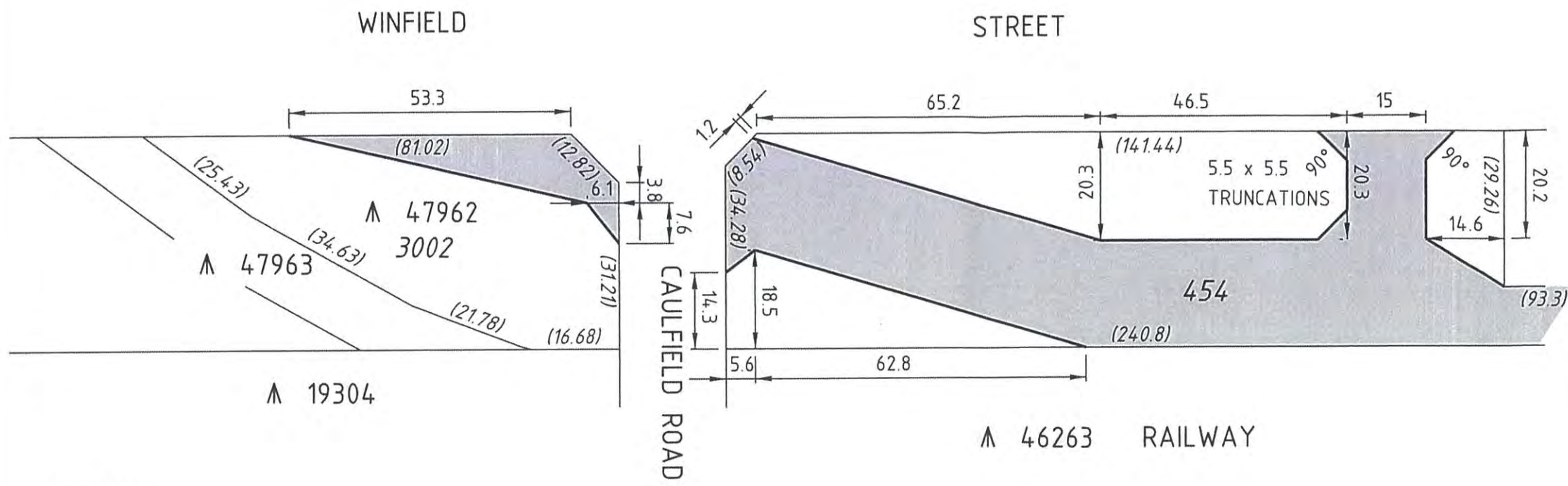
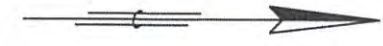
WUBIN - MULLEWA RD M39
 LAND DEALINGS
 124.9 - 125.3 S.L.K.

LOCAL AUTHORITY (511) SHIRE OF MORAWA

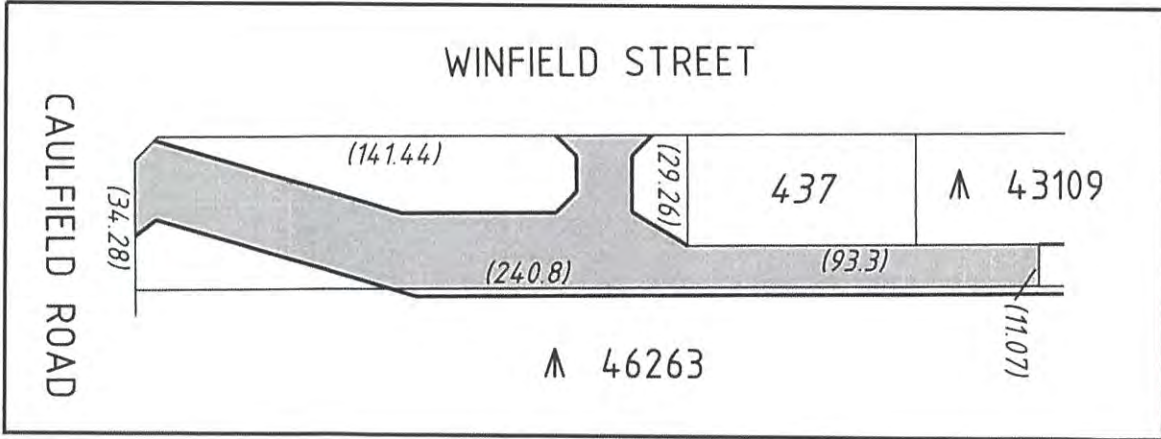
SCALE 1:2000
 SCAN DATE 2/9/13
 A 3

N°	DESCRIPTION	VERIFIED	DATE	MICRO DATE
1.	REQUIREMENTS AMENDED TO AGREE WITH SURVEY DP400092	<i>WJS</i>	6/3/14	

WUBIN - MULLEWA ROAD



▲ 47962
 LOT 3002
 LR: 3134/680
 STATUS: RESERVE UNDER MANAGEMENT ORDER
 MANAGEMENT ORDER: SHIRE OF MORAWA
 PURPOSE: RECREATION
 MEMORIAL: L249267
 AREA REQUIRED = 423 m²



LOCATION PLAN
SCALE 1:2000

LOT 454
 C/T: 2577/191
 OWNER: SHIRE OF MORAWA
 AREA REQUIRED = 4323 m²

LEGEND

- LAND REQUIRED FOR ROAD PURPOSES
- BOUNDARY TO BE SURVEYED.

NOTES

- 1 DIMENSIONS AND AREAS ARE APPROXIMATE ONLY AND ARE SUBJECT TO SURVEY.
- 2 S.L.K. IS A M.R. STRAIGHT LINE KILOMETRE AND IS APPROXIMATE ONLY
- 3 CADASTRAL MODEL: CAD1115A
- 4 HORIZONTAL DATUM IS MGA 94.

MID WEST REGION

Telephone (08) 9956 1200 Fax (08) 9956 1240

APPROVED FOR IMPLEMENTATION

FILE NUMBER	FOLIO	DATE	APPROVAL NUMBER
AUTHORISED	M. SALT	29/8/13	
APPROVED	K. INGLE	29/8/13	



FINANCE AND SERVICES PROPERTY MANAGEMENT

Telephone 9323 4580 Fax 9323 4600

FILE No. 13/6173

DRAWN/DESIGNED W.M. ROLLINGS 26/8/13

AUDITED IN ACCORDANCE WITH STANDARD 67-08-48 IN THE ROAD AND TRAFFIC ENGINEERING MANUAL *WJS 6/3/14*

WUBIN - MULLEWA RD M39

LAND DEALINGS

124.6 - 124.9 S.L.K.

LOCAL AUTHORITY (511) SHIRE OF MORAWA

DRAWING TYPE	DRAWING NUMBER	AMEND.
7200	1360-095-1	39

THIS DRAWING IS AN AMENDMENT OF THE APPROVED DRAWING. *WJS 6/3/14*

SCALE 1:1000
 0 10 20 30 40 50 60 70 80 90 100
 2/9/13
 SCAN DATE
 A
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7.2.5 Deputy Chief Executive Office

Date of Meeting:	20 March 2014
Item No:	7.2.5.1
Subject:	2013 Compliance Audit Return
Date & Author:	27 February 2014 David Williams
Responsible Officer:	David Williams Deputy Chief Executive Officer
Applicant/Proponent:	Sean Fletcher Chief Executive Officer
File Number:	Adm: 0553
Previous minute/s & Reference:	Various

SUMMARY

The Department of Local Government has distributed the 2013 Compliance Audit Return for completion by the Shire of Morawa. The Compliance Audit Return is one of the tools that allow Councils to monitor how the organisation is functioning.

Each local government is to carry out a compliance audit for the period 1 January to 31 December 2013 against the requirements included in the 2013 Compliance Audit Return. On completion of the compliance audit the local government is to complete the Compliance Audit Return.

The Compliance Audit Return is to be:-

1. Presented to Council at a meeting of the Council;
2. Adopted by the Council; and
3. The adoption recorded in the minutes of the meeting at which it is adopted.

DECLARATION OF INTEREST

Nil

ATTACHMENTS

The Compliance Audit Return 2013

BACKGROUND INFORMATION

This year's return places emphasis on the need to bring to Council's attention cases of non-compliance or where full compliance was not achieved. In addition to explaining or qualifying cases of non-compliance, the return also requires Council to endorse any remedial action taken or proposed to be taken in regard to instances of non-compliance.

This year's return has again been prepared by electronic means of Local Government access and submission.

OFFICER'S COMMENT

An audit review has been carried out by the Shire of Morawa Chief Executive Officer as a means of ensuring compliance. A copy of the final completed Compliance Audit Return has been appended to this report.

COMMUNITY CONSULTATION

Nil

COUNCILLOR CONSULTATION

Nil

STATUTORY ENVIRONMENT

The Local Government Act (1995) and accompanying Regulations as detailed in the compliance return 2013

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

Nil

STRATEGIC IMPLICATIONS

Nil

RISK MANAGEMENT

Sound internal controls assists business organisations like the Shire of Morawa to minimise events of oversight and shortcomings as identified in the review as undertaken via the attached 2013 Compliance Audit Return

VOTING REQUIREMENT:

Absolute Majority

OFFICER'S RECOMMENDATION

It is recommended:-

Council resolve;

The 2013 Compliance Audit Return be adopted by Council.

Morawa - Compliance Audit Return 2013

Certified Copy of Return

Please submit a signed copy to the Director General of the Department of Local Government and Communities together with a copy of section of relevant minutes.

Commercial Enterprises by Local Governments					
No	Reference	Question	Response	Comments	Respondent
1	s3.59(2)(a)(b)(c) F&G Reg 7,9	Has the local government prepared a business plan for each major trading undertaking in 2013.	N/A		David Williams
2	s3.59(2)(a)(b)(c) F&G Reg 7,10	Has the local government prepared a business plan for each major land transaction that was not exempt in 2013.	N/A		David Williams
3	s3.59(2)(a)(b)(c) F&G Reg 7,10	Has the local government prepared a business plan before entering into each land transaction that was preparatory to entry into a major land transaction in 2013.	N/A		David Williams
4	s3.59(4)	Has the local government given Statewide public notice of each proposal to commence a major trading undertaking or enter into a major land transaction for 2013.	N/A		David Williams
5	s3.59(5)	Did the Council, during 2013, resolve to proceed with each major land transaction or trading undertaking by absolute majority.	N/A		David Williams

Delegation of Power / Duty					
No	Reference	Question	Response	Comments	Respondent
1	s5.16, 5.17, 5.18	Were all delegations to committees resolved by absolute majority.	Yes		David Williams
2	s5.16, 5.17, 5.18	Were all delegations to committees in writing.	Yes		David Williams
3	s5.16, 5.17, 5.18	Were all delegations to committees within the limits specified in section 5.17.	Yes		David Williams
4	s5.16, 5.17, 5.18	Were all delegations to committees recorded in a register of delegations.	Yes		David Williams
5	s5.18	Has Council reviewed delegations to its committees in the 2012/2013 financial year.	Yes		David Williams
6	s5.42(1),5.43 Admin Reg 18G	Did the powers and duties of the Council delegated to the CEO exclude those as listed in section 5.43 of the Act.	Yes		David Williams
7	s5.42(1)(2) Admin Reg 18G	Were all delegations to the CEO resolved by an absolute majority.	Yes		David Williams

8	s5.42(1)(2) Admin Reg 18G	Were all delegations to the CEO in writing.	Yes		David Williams
9	s5.44(2)	Were all delegations by the CEO to any employee in writing.	Yes		David Williams
10	s5.45(1)(b)	Were all decisions by the Council to amend or revoke a delegation made by absolute majority.	Yes		David Williams
11	s5.46(1)	Has the CEO kept a register of all delegations made under the Act to him and to other employees.	Yes		David Williams
12	s5.46(2)	Were all delegations made under Division 4 of Part 5 of the Act reviewed by the delegator at least once during the 2012/2013 financial year.	Yes		David Williams
13	s5.46(3) Admin Reg 19	Did all persons exercising a delegated power or duty under the Act keep, on all occasions, a written record as required.	Yes		David Williams

Disclosure of Interest					
No	Reference	Question	Response	Comments	Respondent
1	s5.67	If a member disclosed an interest, did he/she ensure that they did not remain present to participate in any discussion or decision-making procedure relating to the matter in which the interest was disclosed (not including participation approvals granted under s5.68).	Yes		David Williams
2	s5.68(2)	Were all decisions made under section 5.68(1), and the extent of participation allowed, recorded in the minutes of Council and Committee meetings.	Yes		David Williams
3	s5.73	Were disclosures under section 5.65 or 5.70 recorded in the minutes of the meeting at which the disclosure was made.	Yes		David Williams
4	s5.75(1) Admin Reg 22 Form 2	Was a primary return lodged by all newly elected members within three months of their start day.	Yes		David Williams
5	s5.75(1) Admin Reg 22 Form 2	Was a primary return lodged by all newly designated employees within three months of their start day.	Yes		David Williams
6	s5.76(1) Admin Reg 23 Form 3	Was an annual return lodged by all continuing elected members by 31 August 2013.	Yes		David Williams
7	s5.76(1) Admin Reg 23 Form 3	Was an annual return lodged by all designated employees by 31 August 2013.	Yes		David Williams
8	s5.77	On receipt of a primary or annual return, did the CEO, (or the Mayor/ President in the case of the CEO's	Yes		David Williams

			return) on all occasions, give written acknowledgment of having received the return.		
9	s5.88(1)(2) Admin Reg 28	Did the CEO keep a register of financial interests which contained the returns lodged under section 5.75 and 5.76	Yes		David Williams
10	s5.88(1)(2) Admin Reg 28	Did the CEO keep a register of financial interests which contained a record of disclosures made under sections 5.65, 5.70 and 5.71, in the form prescribed in Administration Regulation 28.	Yes		David Williams
11	s5.88 (3)	Has the CEO removed all returns from the register when a person ceased to be a person required to lodge a return under section 5.75 or 5.76.	Yes		David Williams
12	s5.88(4)	Have all returns lodged under section 5.75 or 5.76 and removed from the register, been kept for a period of at least five years, after the person who lodged the return ceased to be a council member or designated employee.	Yes		David Williams
13	s5.103 Admin Reg 34C & Rules of Conduct Reg 11	Where an elected member or an employee disclosed an interest in a matter discussed at a Council or committee meeting where there was a reasonable belief that the impartiality of the person having the interest would be adversely affected, was it recorded in the minutes.	Yes		David Williams
14	s5.70(2)	Where an employee had an interest in any matter in respect of which the employee provided advice or a report directly to the Council or a Committee, did that person disclose the nature of that interest when giving the advice or report.	Yes		David Williams
15	s5.70(3)	Where an employee disclosed an interest under s5.70(2), did that person also disclose the extent of that interest when required to do so by the Council or a Committee.	Yes		David Williams
16	s5.103(3) Admin Reg 34B	Has the CEO kept a register of all notifiable gifts received by Council members and employees.	Yes		David Williams

Disposal of Property					
No	Reference	Question	Response	Comments	Respondent
1	s3.58(3)	Was local public notice given prior to disposal for any property not disposed of by public auction or tender (except where excluded by Section 3.58(5)).	N/A		David Williams
2	s3.58(4)	Where the local government disposed of property under section 3.58(3), did it provide details, as prescribed by section 3.58(4), in the required local public notice for each disposal of	N/A		David Williams

property.

Elections					
No	Reference	Question	Response	Comments	Respondent
1	Elect Reg 30G (1)	Did the CEO establish and maintain an electoral gift register and ensure that all 'disclosure of gifts' forms completed by candidates and received by the CEO were placed on the electoral gift register at the time of receipt by the CEO and in a manner that clearly identifies and distinguishes the candidates.	Yes		David Williams

Finance					
No	Reference	Question	Response	Comments	Respondent
1	s7.1A	Has the local government established an audit committee and appointed members by absolute majority in accordance with section 7.1A of the Act.	Yes		David Williams
2	s7.1B	Where a local government determined to delegate to its audit committee any powers or duties under Part 7 of the Act, did it do so by absolute majority.	Yes		David Williams
3	s7.3	Was the person(s) appointed by the local government to be its auditor, a registered company auditor.	Yes		David Williams
4	s7.3	Was the person(s) appointed by the local government to be its auditor, an approved auditor.	Yes		David Williams
5	s7.3, 7.6(3)	Was the person or persons appointed by the local government to be its auditor, appointed by an absolute majority decision of Council.	Yes		David Williams
6	Audit Reg 10	Was the Auditor's report for the financial year ended 30 June 2013 received by the local government within 30 days of completion of the audit.	Yes		David Williams
7	s7.9(1)	Was the Auditor's report for 2012/2013 received by the local government by 31 December 2013.	Yes		David Williams
8	S7.12A(3), (4)	Where the local government determined that matters raised in the auditor's report prepared under s7.9(1) of the Act required action to be taken by the local government, was that action undertaken.	Yes		David Williams

9	S7.12A(3), (4)	Where the local government determined that matters raised in the auditor's report (prepared under s7.9(1) of the Act) required action to be taken by the local government, was a report prepared on any actions undertaken.	Yes		David Williams
10	S7.12A(3), (4)	Where the local government determined that matters raised in the auditor's report (prepared under s7.9(1) of the Act) required action to be taken by the local government, was a copy of the report forwarded to the Minister by the end of the financial year or 6 months after the last report prepared under s7.9 was received by the local government whichever was the latest in time.	Yes		David Williams
11	Audit Reg 7	Did the agreement between the local government and its auditor include the objectives of the audit.	Yes		David Williams
12	Audit Reg 7	Did the agreement between the local government and its auditor include the scope of the audit.	Yes		David Williams
13	Audit Reg 7	Did the agreement between the local government and its auditor include a plan for the audit.	Yes		David Williams
14	Audit Reg 7	Did the agreement between the local government and its auditor include details of the remuneration and expenses to be paid to the auditor.	Yes		David Williams
15	Audit Reg 7	Did the agreement between the local government and its auditor include the method to be used by the local government to communicate with, and supply information to, the auditor.	Yes		David Williams

Local Government Employees

No	Reference	Question	Response	Comments	Respondent
1	Admin Reg 18C	Did the local government approve the process to be used for the selection and appointment of the CEO before the position of CEO was advertised.	Yes		David Williams
2	s5.36(4) s5.37(3), Admin Reg 18A	Were all vacancies for the position of CEO and other designated senior employees advertised and did the advertising comply with s.5.36(4), 5.37(3) and Admin Reg 18A.	Yes		David Williams
3	Admin Reg 18F	Was the remuneration and other benefits paid to a CEO on appointment the same remuneration and benefits advertised for the position of CEO under section 5.36(4).	Yes		David Williams
4	Admin Regs 18E	Did the local government ensure checks were carried out to confirm that the information in an application for employment was true (applicable to	Yes		David Williams

		CEO only).		
5	s5.37(2)	Did the CEO inform council of each proposal to employ or dismiss a designated senior employee.	N/A	David Williams

Official Conduct					
No	Reference	Question	Response	Comments	Respondent
1	s5.120	Where the CEO is not the complaints officer, has the local government designated a senior employee, as defined under s5.37, to be its complaints officer.	N/A		David Williams
2	s5.121(1)	Has the complaints officer for the local government maintained a register of complaints which records all complaints that result in action under s5.110(6)(b) or (c).	Yes		David Williams
3	s5.121(2)(a)	Does the complaints register maintained by the complaints officer include provision for recording of the name of the council member about whom the complaint is made.	Yes		David Williams
4	s5.121(2)(b)	Does the complaints register maintained by the complaints officer include provision for recording the name of the person who makes the complaint.	Yes		David Williams
5	s5.121(2)(c)	Does the complaints register maintained by the complaints officer include provision for recording a description of the minor breach that the standards panel finds has occurred.	Yes		David Williams
6	s5.121(2)(d)	Does the complaints register maintained by the complaints officer include the provision to record details of the action taken under s5.110(6)(b)(c).	Yes		David Williams

Tenders for Providing Goods and Services					
No	Reference	Question	Response	Comments	Respondent
1	s3.57 F&G Reg 11	Did the local government invite tenders on all occasions (before entering into contracts for the supply of goods or services) where the consideration under the contract was, or was expected to be, worth more than the consideration stated in Regulation 11(1) of the Local Government (Functions & General) Regulations (Subject to Functions and General Regulation 11(2)).	Yes		David Williams
2	F&G Reg 12	Did the local government comply with F&G Reg 12 when deciding to enter into multiple contracts rather than inviting tenders for a single contract.	Yes		David Williams
3	F&G Reg 14(1)	Did the local government invite tenders via Statewide public notice.	Yes		David Williams
4	F&G Reg 14, 15 & 16	Did the local government's advertising and tender documentation comply with F&G Regs 14, 15 & 16.	Yes		David Williams
5	F&G Reg 14(5)	If the local government sought to vary the information supplied to tenderers, was every reasonable step taken to give each person who sought copies of the tender documents or each acceptable tenderer, notice of the variation.	Yes		David Williams
6	F&G Reg 18(1)	Did the local government reject the tenders that were not submitted at the place, and within the time specified in the invitation to tender.	Yes		David Williams
7	F&G Reg 18 (4)	In relation to the tenders that were not rejected, did the local government assess which tender to accept and which tender was most advantageous to the local government to accept, by means of written evaluation criteria.	Yes		David Williams
8	F&G Reg 17	Did the information recorded in the local government's tender register comply with the requirements of F&G Reg 17.	Yes		David Williams
9	F&G Reg 19	Was each tenderer sent written notice advising particulars of the successful tender or advising that no tender was accepted.	Yes		David Williams
10	F&G Reg 21 & 22	Did the local governments' advertising and expression of interest documentation comply with the requirements of F&G Regs 21 and 22.	N/A		David Williams
11	F&G Reg 23(1)	Did the local government reject the expressions of interest that were not submitted at the place and within the time specified in the notice.	N/A		David Williams

12	F&G Reg 23(4)	After the local government considered expressions of interest, did the CEO list each person considered capable of satisfactorily supplying goods or services.	N/A	David Williams
13	F&G Reg 24	Was each person who submitted an expression of interest, given a notice in writing in accordance with Functions & General Regulation 24.	N/A	David Williams
14	F&G Reg 24E	Where the local government gave a regional price preference in relation to a tender process, did the local government comply with the requirements of F&G Reg 24E in relation to the preparation of a regional price preference policy (only if a policy had not been previously adopted by Council).	N/A	David Williams
15	F&G Reg 11A	Does the local government have a current purchasing policy in relation to contracts for other persons to supply goods or services where the consideration under the contract is, or is expected to be, \$100,000 or less.	Yes	David Williams

I certify this Compliance Audit return has been adopted by Council at its meeting on _____

Signed Mayor / President, Morawa

Signed CEO, Morawa

Date of Meeting:	20 March 2014
Item No:	7.2.5.2
Subject:	Western Australian Treasury Corporation (WATC) Execution of Master Lending Agreement
Date & Author:	27 February 2014 David Williams
Responsible Officer:	David Williams Deputy Chief Executive Officer
Applicant/Proponent:	David Williams
File Number:	Adm: 0159
Previous minute/s & Reference:	

SUMMARY

The purpose of this report is for Council to consider resolving:

- i) That the Shire of Morawa enters into a Master Lending Agreement with Western Australian Treasury Corporation as per the document tabled at this meeting.
- ii) To approve the affixation of the Common Seal of the Shire of Morawa to the said Master Lending Agreement in the presence of the Mayor or President and the Chief Executive Officer or an Agent or a Senior Employee of the Shire of Morawa authorised by the Chief Executive Officer each of whom shall sign the document to attest the affixation of the Common Seal thereto; and
- iii) That the Chief Executive Officer, Agent or any one of the Senior Employees of the Shire of Morawa authorised by the Chief Executive Officer from time to time is authorised to sign schedule documents under the Master Lending Agreement and or to give instructions thereunder on behalf of the Shire of Morawa.

DECLARATION OF INTEREST

Nil

ATTACHMENTS

Letter of request from Western Australian Treasury Corporation WATC and Local Government Master Lending Agreement (LGMLA) for the Shire of Morawa

BACKGROUND INFORMATION

Extract from attached Letter

'The Western Australian Treasury Corporation (WATC) advises the previously requested information provided by the Shire of Morawa has now been incorporated into the enclosed final Local Government Master Lending Agreement (LGMLA) for the Shire of Morawa.

Enclosed are two final copies of the LGMLA for the Shire of Morawa which sweeps all existing loans under the LGMLA and facilitates future borrowings under the one agreement thereby removing the need for individual loan agreements to be executed under seal each time the Shire of Morawa borrows from WATC. Any borrowing under the LGMLA will be subject to WATC's credit approval policy at the time of the application, and the release of funds is subject to the issuance of a firm rate quote by WATC and its acceptance by an authorised signatory of the Shire of Morawa.

For the LGMLA to be effective WATC requires that the Shire of Morawa execute the LGMLA under its Common Seal as authorised by a resolution of the Shire of Morawa. Please see the Attachment to this letter for the preferred wording of the resolution to be passed by the Shire of Morawa'.

OFFICER'S COMMENT

Council currently has three loans with the WATC under 3 separate agreements with approximately \$348,000 remaining to pay. Details on the existing loans are detailed below

Debentures

Loan Number	Principal Amount	Interest Rate	Lending Date	Maturity Date
134	\$260,000.00	6.3000% p.a.*	15/09/2003	15/09/2018
133	\$360,000.00	6.6500% p.a.*	20/05/2004	20/05/2019
135	\$150,000.00	6.2000% p.a.	01/06/2006	30/05/2016

*guarantee fee incorporated into the interest rate.

WATC have provided information stating that master agreement is to bring the governance of the existing loans into one agreement with the term and interest of the existing loans remaining the same. Future loans, terms and conditions will remain the same as from the day of execution.

COMMUNITY CONSULTATION

Nil

COUNCILLOR CONSULTATION

Nil

STATUTORY ENVIRONMENT

Section 6.4 on the Local Government Act 1995 and the Local Government (Financial Management) Regulations 21,29

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

Included in the background comment

STRATEGIC IMPLICATIONS

Resolving to sign the agreement will continue to meet the objectives for Strategy 4.5.1 of the Strategic Community Plan

RISK MANAGEMENT

Nil

VOTING REQUIREMENT:

Absolute Majority

OFFICER'S RECOMMENDATION

It is recommended:-

The Shire of Morawa hereby resolves:

- iv) That the Shire of Morawa enters into a Master Lending Agreement with Western Australian Treasury Corporation as per the document tabled at this meeting.
- v) To approve the affixation of the Common Seal of the Shire of Morawa to the said Master Lending Agreement in the presence of the Mayor or President and the Chief Executive Officer or an Agent or a Senior Employee of the Shire of Morawa authorised by the Chief Executive Officer each of whom shall sign the document to attest the affixation of the Common Seal thereto; and
- vi) That the Chief Executive Officer, Agent or any one of the Senior Employees of the Shire of Morawa authorised by the Chief Executive Officer from time to time is authorised to sign schedule documents under the Master Lending Agreement and or to give instructions thereunder on behalf of the Shire of Morawa.

Our Ref: 28081
Enquires: Tamara Marsh
Tel: (08) 9235 9153

Mrs W Gledhill
Manager of Finance & Accounting
Shire of Morawa
PO Box 14
MORAWA WA 6623

Dear Mrs Gledhill

WATC – EXECUTION OF THE LOCAL GOVERNMENT MASTER LENDING AGREEMENT

Western Australian Treasury Corporation (WATC) advises the previously requested information provided by the Shire of Morawa has now been incorporated into the enclosed final Local Government Master Lending Agreement (LGMLA) for the Shire of Morawa.

Enclosed are two final copies of the LGMLA for the Shire of Morawa which sweeps all existing loans under the LGMLA and facilitates future borrowings under the one agreement thereby removing the need for individual loan agreements to be executed under seal each time the Shire of Morawa borrows from WATC. Any borrowing under the LGMLA will be subject to WATC's credit approval policy at the time of the application, and the release of funds is subject to the issuance of a firm rate quote by WATC and its acceptance by an authorised signatory of the Shire of Morawa.

For the LGMLA to be effective WATC requires that the Shire of Morawa execute the LGMLA under its Common Seal as authorised by a resolution of the Shire of Morawa. Please see the Attachment to this letter for the preferred wording of the resolution to be passed by the Shire of Morawa.

The WATC is committed to providing its local government clients with a valued service and making the transition to the LGMLA as smooth as possible. Please do not hesitate to contact your client relationship manager Tamara Marsh if you have any queries in respect to the agreement.

Yours Sincerely

Richard McKenzie
Manager, Client Services
11 March 2014

MASTER LENDING AGREEMENT

BETWEEN

WESTERN AUSTRALIAN TREASURY CORPORATION

AND

SHIRE OF MORAWA

DATED AS OF 3RD MARCH 2014

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This Agreement dated as of the 3rd day of March 2014

BETWEEN

WESTERN AUSTRALIAN TREASURY CORPORATION (ABN 22 300 359 323)
(Corporation)

AND

SHIRE OF MORAWA (ABN 95 047 014 897) *(Borrower)*

WHEREAS:

- A. The Corporation has provided lending facilities to the Borrower under the Existing Facility Agreements.
- B. The Corporation agrees to provide the Facility to the Borrower on the terms and conditions contained in this Agreement.
- C. The Facility is an updating and consolidation of the Existing Facility Agreements and also provides further flexibility in the manner in which lending can take place.
- D. The terms and conditions of this Agreement:
 - (a) replace the terms and conditions of the Existing Facility Agreements, so that this Agreement applies to:
 - (i) loans and advances previously provided to the Borrower under Existing Facility Agreements; and
 - (ii) loans and advances provided to the Borrower after the date of this Agreement in accordance with the terms of Forward Lending commitments as at the date of this Agreement; and
 - (b) apply to all loans and advances provided by the Corporation to the Borrower hereunder after the date of this Agreement.

The Parties agree:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Agreement the following words have the meanings designated below unless otherwise provided:

Account means an account operated by the Borrower with the Corporation for the purposes of this Agreement.

Act means the Western Australian Treasury Corporation Act 1986.

Addendum means an addendum to this Agreement.

Advance means an advance of money made under the Facility by the Corporation to the Borrower and includes all loans and advances that have been or will be:

- (a) provided to the Borrower under the Existing Facility Agreements and outstanding at the date of this Agreement;
- (b) provided to the Borrower after the date of this Agreement in accordance with the terms of Forward Lending commitments on foot at, or drawdown notices given under an Existing Facility Agreement outstanding on, the date of this Agreement;
- (c) provided to the Borrower by the Corporation hereunder after the date of this Agreement; and
- (d) made after the Termination Date in accordance with any Forward Lending commitment on foot at the Termination Date.

Agreement means this agreement, its schedules, annexures, addenda and each Confirmation given by the Corporation to the Borrower under this Agreement.

Annexure means an annexure to this Agreement.

Authorised Signatory means a person duly authorised by the Borrower as provided for in clause 31.1 to give instructions to the Corporation on its behalf, or otherwise to act on its behalf, from time to time, for the purposes of this Agreement, either generally or in relation to specified actions.

Bank Account means a bank account maintained by a Party in Australia with a bank authorised and supervised by the Australian Prudential Regulation Authority under the *Banking Act 1959 (Cth)* to carry on banking business in Australia or, for payments in a currency that is not Australian dollars, a financial institution with equivalent status in another country that is acceptable to the Corporation in its reasonable opinion, and notified to the other Party from time to time.

Borrower's SSI means the Borrower's standard settlement instructions notified by the Borrower to the Corporation from time to time for a Bank Account into which all moneys payable to the Borrower are to be paid under this Agreement, and which are acceptable to the Corporation acting reasonably.

Business Day means any day not being a Saturday or Sunday on which banks generally are open for business in each of Perth, Melbourne and Sydney.

Business Day Convention means the convention for adjusting any relevant date for the performance of any obligation or the taking of any action under this Agreement if that date would otherwise fall on a day that is not a Business Day.

Charge means the charge created under clause 5.1 of this Agreement.

Confirmation means a confirmation given by the Corporation to the Borrower setting out the terms applicable to an Advance made or to be made under the Facility.

Corporation's SSI means the Corporation's standard settlement instructions notified by the Corporation to the Borrower from time to time for a Bank Account into which all moneys payable to the Corporation are to be paid under this Agreement.

Costs means any and all costs incurred by the Corporation that arise from a default by the Borrower, demand for Mandatory Prepayment, termination other than a voluntary termination by either Party, or enforcement.

Default Interest Rate means the rate 2% per annum above the Corporation's overnight lending rate on each relevant day.

Designated Date means the date notified by the Corporation in accordance with, or the date set by operation of, the terms of this Agreement (as the case may be) for the Mandatory Prepayment of any Advance.

Discount means the amount by which the Corporation benefits from the Prepayment of an Advance.

Drawdown Notice means a written request for an Advance given by the Borrower to the Corporation in accordance with the Annexure for the relevant Product.

Email notice means a notice given by the Borrower to the Corporation by a computer based electronic mailing system.

Event of Default means a Vires Event of Default or an Other Event of Default.

Existing Facility Agreements means:

Debentures

Loan Number	Principal Amount	Interest Rate	Lending Date	Maturity Date
134	\$260,000.00	6.3000% p.a.*	15/09/2003	15/09/2018
133	\$360,000.00	6.6500% p.a.*	20/05/2004	20/05/2019
135	\$150,000.00	6.2000% p.a.	01/06/2006	30/05/2016

*guarantee fee incorporated into the interest rate.

(All existing Debentures referred to above are collectively referred to as “**Existing Facility for Term Fixed Rate Lending**”.)

Facility means the lending facility provided by the Corporation to the Borrower under this Agreement from time to time.

Fees means fees charged by the Corporation to the Borrower from time to time in connection with this Agreement, the Facility, an Advance or a Forward Lending, described in clause 18.

First Schedule means the first schedule to this Agreement.

Forward Lending means a commitment of the Corporation to advance funds and a commitment of the Borrower to borrow funds in accordance with the terms of a Confirmation issued by the Corporation in accordance with this Agreement, or an Existing Facility Agreement, prior to those funds being advanced by the Corporation.

General Funds has the meaning given in section 6.21(4) of the Local Government Act.

Increased Costs means those costs described in clause 19.

Interest Payment Date means a date when interest is payable on an Advance.

Interest Rate means the interest rate for an Advance applying for all or part of the term of that Advance as applicable.

Local Government Act means the Local Government Act 1995 (WA).

Mandatory Prepayment means an early repayment by the Borrower in respect of any outstanding Advance or part of an Advance (and includes termination of obligations in relation to any Forward Lending or part of a Forward Lending) which is required by the Corporation to be made under or in accordance with the provisions of this Agreement following the occurrence of an Event of Default.

Mandatory Prepayment Notice means a notice referred to in clause 27 requiring the Borrower to repay to the Corporation the outstanding Advances specified in the notice, or terminating any specified Forward Lendings, on the Designated Date specified in the notice.

Market Valuation means a valuation made by the Corporation under the procedure set out in clause 16.

Market Valuation Adjustment means the adjustment to be made to reflect an additional or reduced amount to be repaid by the Borrower to extinguish the Borrower's liability in respect of all or part of an Advance on Prepayment, as described in clause 16.4 or to terminate obligations in relation to all or part of a Forward Lending.

Maturity Date means the date that an Advance is scheduled to be repaid by the Borrower to the Corporation, and where an Advance is made on the basis that it is to be repaid by more than one payment, the date that the last of these payments is to be made, as set out in the relevant Confirmation.

Other Event of Default means each of the events set out in paragraphs (c) to (i) inclusive of clause 25.

Outstanding Payment means the value of any payment that remains outstanding after the date on which that payment was due to be made in accordance with this Agreement.

Party means a party to this Agreement and Parties means both of them.

Premium means the amount necessary to compensate the Corporation for the Prepayment of an Advance.

Prepayment means a Mandatory Prepayment or a Voluntary Prepayment.

Prepayment Amount means the amount required to extinguish the indebtedness of the Borrower in relation to all or part of one or more Advances prior to the scheduled date for its or their repayment, or to terminate obligations in relation to all or part of one or more Forward Lendings, including without limitation a Market Valuation Adjustment.

Product means a type of Advance available to the Borrower under the Facility and identified in the First Schedule, as amended from time to time.

Product Facility Limit means the aggregate amount the Borrower may have outstanding at any time in respect of any Product, being the sum of all Advances the Corporation has agreed to provide to the Borrower under the relevant Product from time to time minus any amounts cancelled under clause 3.1 or repaid under Products that do not incorporate a capacity to redraw.

PPSA means the Personal Property Securities Act 2009 (Cth).

PPSA Law means:

- (a) the PPSA; and
- (b) any regulations in force from time to time made under the PPSA.

PPSA Register means the personal property securities register established under section 147 of the PPSA.

PPSA Security Interest has the meaning given to “security interest” in section 12 of the PPSA.

Rate Set Notice means a notice by the Corporation to the Borrower as described in clause 11.2.

Second Schedule means the second schedule to this Agreement.

Secured Money means all amounts under or in connection with the Facility or this Agreement or both:

- (a) which now or in the future are owing or payable (actually or contingently) by the Borrower to the Corporation;
- (b) which, having now or in the future become owing or payable (actually or contingently) by the Borrower to the Corporation, cease to be owing under any law relating to bankruptcy or insolvency and remain unpaid by the Borrower;
- (c) that now or in the future there is a prospect may become owing or payable (actually or contingently) by the Borrower to the Corporation, for any reason including moneys and damages payable by the Borrower, alone, jointly or jointly

and severally with any other person, or by the Borrower in its own right or in any capacity; or

- (d) which can be debited by the Corporation to the Account or any other account of the Borrower.

Secured Property means all of the present and future interest and rights of the Borrower in the General Funds of the Borrower from time to time, including all present and future claims, causes of action, payments and proceeds in respect thereof.

State means the State of Western Australia.

Termination Date means the date on which the Facility is terminated in accordance with this Agreement.

Termination Procedure means the procedure set out in clause 27 of this Agreement.

Vires Event of Default means each of the events set out in clauses 25(a) and (b).

Voluntary Prepayment means an early repayment in respect of any Advance or part of any Advance (and includes termination of obligations in relation to any Forward Lending or part of a Forward Lending) which is made voluntarily by the Borrower.

Voluntary Prepayment Notice means a notice referred to in clause 16.1 notifying the Corporation that the Borrower wishes to make a Voluntary Prepayment.

1.2 Interpretation

In this Agreement unless the context otherwise requires:

- (a) words importing the singular include the plural and vice versa;
- (b) a reference to a statute, ordinance, code, or other law includes regulations, by-laws, rules and other statutory instruments under it for the time being in force and consolidations, amendments, re-enactments, or replacements of any of them (whether of the same or any other legislative authority having jurisdiction);
- (c) references to this Agreement or any other instrument include this Agreement or other instrument as varied or replaced, and notwithstanding any change in the identity of the Parties;
- (d) if a word or phrase is defined, other parts of speech and grammatical forms of that word or phrase have corresponding meanings;
- (e) references to this Agreement include its Schedules and Annexures;
- (f) headings are inserted for ease of reference only and are to be ignored in construing this Agreement;

- (g) references to time are to local time in Perth, Western Australia unless otherwise stated;
 - (h) where time is to be reckoned from a day or event, that day or the day of that event is to be included;
 - (i) references to currency are to Australian currency unless otherwise stated;
 - (j) no rule of construction applies to the disadvantage of a Party on the basis that that Party put forward this Agreement or any part of this Agreement;
 - (k) a reference to any thing is a reference to the whole and each part of it; and
 - (l) words and phrases which are defined in the PPSA and which have relevance to this Agreement but are not defined in this Agreement have the same meaning as in the PPSA.
- 1.3 It is acknowledged and agreed by the Parties that when an amendment to or passing of legislation takes place during the term of this Agreement which is relevant to this Agreement, such amendment or passing applies to the application of this Agreement from the time of its occurrence and whether or not notice is given by the Corporation of the amendment or passing.
- 1.4 If the Corporation reasonably forms the opinion that there has been a change in a market convention that is relevant to this Agreement, or to any Product or transaction under this Agreement, the Corporation shall notify the Borrower of such change and this Agreement and the affected transactions shall be amended as provided in the notice to the Borrower from the Corporation setting out those amendments required by the Corporation. Upon request by the Borrower, the Corporation will provide to the Borrower a copy of information on the new market convention from a recognised financial market body in the relevant market.

2. PRODUCTS:

2.1 The Corporation offers to:

- (a) keep on foot all advances made under the Existing Facility Agreements outstanding on the date of this Agreement;
- (b) advance funds in accordance with the terms of any Forward Lending commitment arising under an Existing Facility Agreement prior to the date of this Agreement; and
- (c) make available to the Borrower financial accommodation by lending under this Agreement,

through the Products set out in the First

Schedule as amended from time to time.

- 2.2 The terms and conditions on which:
- (a) Advances have been provided to the Borrower under Existing Facility Agreements; and
 - (b) Advances will be provided to the Borrower after the date of this Agreement under Forward Lending commitments and drawdown notices given under Existing Facility Agreements,

shall be replaced in their entirety by the terms and conditions of this Agreement.

- 2.3 Terms and conditions relating to each Product are set out in the Annexure relating to that Product.
- 2.4 The Corporation may at its discretion from time to time remove Products or incorporate additional Products into this Agreement together with Annexures relevant thereto by giving written notice of such removal or addition to the Borrower. The removal of a Product will not affect the terms and conditions applying to Advances then outstanding, or Forward Lendings, in respect of that Product.
- 2.5 Subject to clause 18, the Corporation may on not less than 30 days' written notice to the Borrower amend the terms and conditions which apply to a Product and, subject to clause 3.3, and in consultation with the Borrower, may reduce the Product Facility Limit for any Product where applicable. The reduction of a Product Facility Limit will not affect the terms and conditions applying to Advances then outstanding, or Forward Lendings, in respect of that Product.
- 2.6 Subject to clause 2.7, and unless expressly provided otherwise, the terms and conditions contained in clauses 1 to 33 of this Agreement are applicable to all Products.
- 2.7 Where any term or condition of an Annexure in respect of a Product is inconsistent with any term or condition in clauses 1 to 33 of this Agreement,

then the term or condition contained in the Annexure in respect of the Product shall prevail to the extent of the inconsistency.

3. TERMINATION OF FACILITY OR PART THEREOF:

3.1 The Facility commences on the date hereof and continues until the Termination Date. Subject to clause 3.3, any part of the Facility may be terminated at any time by either Party giving no less than 30 days' written notice to the other of the amount and/or type of Product or Products that are cancelled.

3.2 The Facility may be terminated:

- (a) (i) at any time by either Party providing at least 30 days' written notice to the other;
- (ii) at any time by mutual agreement of the Parties;
- (b) on the date specified in a notice served by the Corporation on the Borrower following an Other Event of Default in accordance with clause 26.2; and
- (c) immediately, upon the occurrence of a Vires Event of Default, in accordance with clause 26.1,

and the date on which the Facility is terminated in accordance with this clause 3.2 is the Termination Date.

3.3 If the Facility is terminated under clause 3.2(a), after the Termination Date the Parties will comply with all obligations in relation to Forward Lendings and Advances outstanding on the Termination Date, which will continue to be repayable on their respective Maturity Dates unless:

- (a) a Vires Event of Default occurs prior to the respective Maturity Dates, in which case all Advances then outstanding are immediately due and payable and any obligations in respect of Forward Lendings are immediately terminated in accordance with the provisions of clause

26.1; or

- (b) an Other Event of Default occurs and the Corporation gives notice to the Borrower under clause 26.2 declaring Advances due and payable, and/or obligations in respect of Forward Lendings terminated, on the Designated Date or Designated Dates; or
- (c) alternative arrangements are agreed by the Parties in relation to Forward Lendings and for the repayment or refinancing of the indebtedness of the Borrower under this Agreement prior to the respective Maturity Dates.

4. FACILITY LIMIT

The total amount of debt outstanding at any time shall be the aggregate of all borrowings approved by the Corporation in respect of each product specified in the Annexes to this Agreement in accordance with the application process set out in clause 7 of this Agreement, less any amounts that have been cancelled under clause 3.1 or repaid under Products that do not incorporate a capacity to redraw.

5. SECURITY, PPSA SECURITY INTEREST AND ATTACHMENT:

- 5.1 The Borrower charges the Secured Property to the Corporation to secure the payment of the Secured Money to the Corporation.
- 5.2 The Charge is a PPSA Security Interest.
- 5.3 The Borrower acknowledges and agrees:
 - (a) the Corporation has given value for the PPSA Security Interest in the Secured Property by its provisions under this Facility or the Existing Facility Agreements or by providing or continuing to make available any financial accommodation under or in connection with this Facility or the Existing Facility Agreements;
 - (b) nothing in this Agreement or in any of the Existing Facility Agreements constitutes an agreement that a security interest under

this Agreement attaches at a later time than the time specified in section 19(2) of the PPSA;

- (c) it has not made any agreement with a secured party to vary the time of attachment of a PPSA Security Interest; and
- (d) for the purposes of sub section 20(2) of the PPSA, the Charge covers the present and future interests and rights of the Borrower in the Borrower's General Funds.

6. REPRESENTATIONS, WARRANTIES AND UNDERTAKINGS: 6.1

The Borrower represents and warrants that:

- (a) it is a local government constituted under the Local Government Act;
- (b) it has in full force and effect all approvals, authorisations and consents necessary to enter validly into this Agreement, to borrow and to fulfil its obligations in relation to each Advance provided hereunder and to give the Charge;
- (c) this Agreement has been validly executed by the Borrower;
- (d) the Borrower has complied with all requirements under the Local Government Act and Regulations under the Local Government Act in respect of this Agreement, and that all Advances have been approved by the Borrower in its annual budget or satisfy the provisions of Section 6.20(2) of the Local Government Act;
- (e) each Advance is financially sustainable and that the Borrower is not aware of any event, circumstance or action by the Borrower which may adversely affect its ability to service the Advance;
- (f) the Borrower has not created any charge, mortgage, pledge or lien upon over or in respect of the General Funds of the Borrower in favour of any other lending institution, bank or third party other than those charges mortgages, pledges or liens that have already

been notified to the Corporation .

- (g) there has been no material adverse change in the financial position of the Borrower, and the Borrower will immediately notify the Corporation if a material adverse change in the financial position occurs.
- (h) it does not have any interest, obligation or arrangement, whether directly or indirectly, that conflicts or may potentially conflict with its obligations under this Agreement, and if any such interest, obligation or arrangement should arise, the Borrower will promptly advise the Corporation thereof.
- (i) no Event of Default (including without limitation, a breach of a term or condition included in this Agreement pursuant to Clause 26.2(c)) has occurred and is continuing, other than an Event of Default which has been waived in writing by the Corporation.
- (j) Drawdown Notices, applications for Advances and instructions given in respect of the Facility from time to time by the person(s) nominated by the Borrower for this purpose are valid and shall bind the Borrower.

6.2 The Borrower undertakes that it will observe all obligations under the approvals, authorisations and consents referred to in clause 6.1(b) and carry out and fulfil its obligations hereunder.

6.3 The representations and warranties set out in clause 6.1 are deemed to be repeated in respect of each application for an Advance hereunder.

7. APPLICATIONS FOR ADVANCES

7.1 The Borrower may apply for an Advance by submitting an application to the Corporation in a manner and form prescribed by the Corporation from time to time.

7.2 The Borrower shall obtain in advance of making an application all necessary approvals, authorisations and consents that are necessary in respect of each Advance.

- 7.3 The making of each Advance is subject to the condition that the Corporation's credit criteria in effect at the relevant time for such lending are met by the Borrower.
- 7.4 The Borrower shall upon request provide the Corporation with such information as may be reasonably required by the Corporation to determine whether its credit criteria are met by the Borrower.
- 7.5 A determination made by the Corporation as to whether its credit criteria are met by the Borrower shall be final and the Corporation shall not be required to disclose such details of the determination to the Borrower.
- 7.6 The Corporation may at its discretion cancel or delay the making of an Advance if any required information in relation to the Borrower is not provided to the Corporation in a timely manner to undertake/complete its credit assessment. The costs incurred by the Corporation in connection with the cancelling or delaying of an Advance as certified by the Corporation shall be promptly paid to the Corporation by the Borrower.
- 7.7 The Corporation may in its absolute discretion decline an application for an Advance where the Borrower has not met the Corporation's credit criteria in effect at the relevant time and where the Advance is not considered by the Corporation to be financially sustainable.

8. ACCOUNTS:

Advance will be made on one Account unless it is agreed by the Corporation that the Borrower may operate more than one Account under the Facility. If the Borrower operates more than one Account, the Advance will be made on the Account specified in the application for an Advance.

- 9. TERM OF ADVANCES:** The Borrower shall repay each Advance in full on the Maturity Date, or if any Advance is made on the basis that it is to be repaid by more than one instalment, the Advance shall be repaid in accordance with the repayment schedule set out in the relevant Confirmation.
- 10. INTEREST:** The Borrower shall pay interest on each Advance from and including the date funds are advanced up to but excluding the date they are repaid in full.
- 11. INTEREST RATE:**
- 11.1 Subject to any conditions as to interest rate outcomes set out in an application for an Advance, the Interest Rate will be determined by the Corporation.
- 11.2 Where the Corporation sets or resets an Interest Rate in respect of all or any part of the term of an Advance, the Corporation will promptly notify the Borrower of the Interest Rate in the Confirmation or in a Rate Set Notice.
- 12. PAYMENT DATE ADJUSTMENT:** If a date for the making of any payment (or performing any obligation) under this Agreement falls on a day which is not a Business Day, it will be subject to adjustment in accordance with the Business Day Convention referred to in the Annexure relevant to that type of payment or obligation for the relevant Product, unless another Business Day Convention has been requested by the Borrower and agreed to by the Corporation and the payment will be made (or the obligation performed) on the date for the making of the payment (or performing the obligation) as adjusted by the relevant Business Day Convention.
- 13. CONFIRMATIONS:** The Corporation will give to the Borrower a Confirmation promptly after setting the terms of each Advance. The Confirmation shall be deemed true and correct in the absence of manifest error, unless the Borrower notifies the Corporation in writing that the details in the Confirmation are incorrect within 24 hours of receipt of the Confirmation. To the extent of any inconsistency, the provisions of a Confirmation prevail over those of the relevant application for an Advance and over clauses 1 to 33 of this Agreement.
- 14. BUSINESS DAY:** If the Borrower wishes the definition of Business Day for a particular Advance to depend on different business centres being open other than those provided in the definition in clause 1.1 or any business centres specified

in the Annexure for the relevant Product, then it may request that the Corporation agree to a different business centre or centres being open for the purpose of that definition in relation to that Advance, but any amendment to that definition is subject to the agreement of the Corporation in its absolute discretion.

15. BUSINESS DAY CONVENTION:

The following terms, when used in conjunction with the term “Business Day Convention” and a date for the performance of an obligation or the taking of an action under this Agreement, shall mean that an adjustment will be made if that date would otherwise fall on a day that is not a Business Day so that:

- (a) if “*Following*” is specified, that date will be the first following day that is a Business Day;
- (b) if “*Modified Following*” is specified, that date will be the first following day that is a Business Day unless that day falls in the next calendar month, in which case that date will be the first preceding day that is a Business Day; and
- (c) if “*Preceding*” is specified, that date will be the first preceding day that is a Business Day.

16. PREPAYMENT:

16.1 If the Borrower wishes to make a Voluntary Prepayment, it must give to the Corporation a Voluntary Prepayment Notice substantially in the form specified in the Third Schedule hereto signed by an Authorised Signatory of the Borrower, no later than 12.00 noon at least 4 Business Days prior to the proposed date of the Voluntary Prepayment, or such later time or date as the Corporation may agree.

16.2 Once given, a Voluntary Prepayment Notice is irrevocable and may not be withdrawn except with the prior written consent of the Corporation.

The Corporation will advise the Borrower as soon as practicable after it receives any request to withdraw a Voluntary Prepayment Notice whether or not the Corporation has consented to the withdrawal.

16.3 Whenever a Prepayment is made, whether voluntarily by the Borrower or otherwise, the amount to be repaid by the Borrower to the Corporation is to be adjusted by a Market

Valuation Adjustment.

- 16.4 The Market Valuation Adjustment is the amount calculated by the Corporation as the Premium or Discount applicable to the Prepayment.
- 16.5 (a) Prior to the date of the proposed Prepayment the Corporation will undertake a Market Valuation of the relevant Advance at such time as is suitable to the Corporation acting reasonably.
- (b) The Corporation will calculate the Market Valuation Adjustment in accordance with the Corporation's standard procedure for the relevant Product.
- 16.6 The Corporation shall certify the Market Valuation Adjustment to the Borrower and once certified the Market Valuation Adjustment is final and binding in the absence of manifest error.
- 16.7 (a) If the Market Valuation Adjustment is a Premium the Borrower must pay the amount of the Premium to the Corporation at the time at which the Prepayment is made to the Corporation.
- (b) If the Market Valuation Adjustment is a Discount, the Corporation will credit the amount of the Discount to the relevant Account of the Borrower when the Prepayment is made.
- 16.8 When obligations in relation to all or part of a Forward Lending are to be terminated, the Corporation will undertake a Market Valuation of the Forward Lending (or relevant part thereof) and the procedures set out in this clause 16 will apply, with the necessary changes having been made, in relation to the calculation of the Market Valuation Adjustment.
- 16.9 The Parties agree that amounts payable by way of Market Valuation Adjustment are a reasonable pre-estimate of loss and not a penalty.
- 16.10 On giving notice thereof to the Borrower, the Corporation may value the Prepayment for the

purposes of calculating the Market Valuation Adjustment on an "ex interest" basis, in which case the Borrower shall be liable to make a payment on account of interest on the next Interest Payment Date for the relevant Advance.

**17. GOVERNMENT
GUARANTEE:**

- 17.1 The Borrower must pay to the Corporation as and when required by the Corporation such fee or fees as the Corporation notifies are required by the Treasurer on behalf of the State under section 13(3) of the Act in respect of the guarantee by the Treasurer arising under section 13(1) of the Act in relation to liabilities incurred by the Corporation in connection with, or to facilitate, the making of Advances to the Borrower under the Facility. Such fee may be adjusted from time to time.
- 17.2 Any fees payable under clause 17.1 will be identified and recovered separately from interest payable under the Facility.

18. FEES:

- 18.1 The Corporation may charge the Borrower Fees in connection with this Agreement, the Facility, any Advance and any Forward Lending. Subject to clause 18.3, Fees may be introduced or amended from time to time at the Corporation's sole discretion.
- 18.2 The Corporation will give the Borrower at least 30 days' prior written notice of the introduction of any new Fee or the amendment of an existing Fee, and shall specify in any such notice the amount or method of calculation of the Fee and the manner in which the Fee will be charged.
- 18.3 With the exception of Costs and Increased Costs, the Corporation may not increase any Fees, or seek to impose any new Fees, in connection with a Forward Lending or an Advance prior to its Maturity Date.

**19. INCREASED
COSTS:**

If as a result of any law, regulation, judicial decision or government directive instituted, passed, issued, amended or given a new interpretation by any competent court, administrative tribunal or government authority, the Corporation incurs additional costs in funding or maintaining Advances or Forward Lendings under this

Agreement or the Facility, the Corporation will notify the Borrower thereof and the Borrower shall on demand pay to the Corporation the amount of such costs either as a lump sum or through increased interest rates as determined by the Corporation after consultation with the Borrower.

20. METHOD OF PAYMENT:

20.1 All payments to the Corporation must be made in immediately available funds without set off or deduction into the Corporation's Bank Account for the relevant currency specified in the Corporation's SSI as at the time of payment, and any payment not so made will be deemed by the Corporation to have been made on the date and at the time the funds represented by the payment become available to the Corporation.

20.2 All payments to the Borrower will be made in immediately available funds into the Bank Account for the relevant currency specified in the Borrower's SSI as at the time of payment unless other arrangements have been agreed between the Corporation and the Borrower in respect of that payment.

21. TIME OF PAYMENT:

All payments to be made to the Corporation under the Facility must be made no later than 10.00 a.m. on the due date or such other time as the Corporation may notify the Borrower from time to time. The Corporation may recover from the Borrower any charges or intra-day interest it incurs as a consequence of any payment being received by it after the due time for payment on the relevant due date.

22. INTEREST ON OVERDUE AMOUNTS:

The Corporation may charge interest on any amount payable under this Agreement which is not made, or is deemed to have been not made by the time for payment on the relevant due date, at the Default Interest Rate, from and including the due date for payment to but excluding the date on which the funds become available to the Corporation, such additional interest to compound daily and be payable on demand.

23. STAMP DUTY:

All stamp duties and penalties (if any) payable in relation to this Agreement shall be promptly paid by the Borrower.

24. CALCULATIONS:

The Corporation shall carry out in good faith and in a commercially reasonable manner all calculations

required under this Agreement including but not limited to those involving the amount of interest payable, Market Valuation Adjustments, Fees, government guarantee fees and Increased Costs. All calculations and determinations of the Corporation will be conclusive and binding in the absence of manifest error.

25. EVENTS OF DEFAULT:

Each of the following is an Event of Default:

- (a) the Borrower ceases to be a local government duly constituted under the Local Government Act (or any amendment or re-enactment of the Act) by virtue of which it is an "authority" for the purposes of the Western Australian Treasury Corporation Act 1986 unless the obligations of the Borrower hereunder are assumed by a successor which is such an "authority" and which agrees, or is otherwise bound by law, to comply with the obligations of the Borrower hereunder;
- (b) the Borrower for any reason, other than a reason set out in clause 25(a), ceases to be an entity to which the Corporation can lawfully make or maintain Advances, or if as a result of any change in law, regulation or official directive, the Corporation determines that it has become contrary to such official directive, illegal or impossible for the Corporation to make or maintain Advances to the Borrower;
- (c) if in the reasonable opinion of the Corporation, it is likely that a Vires Event of Default will occur because of a proposed change in law, regulation or official directive, and the Corporation notifies the Borrower that upon the occurrence of the change in law, regulation or official directive, the Facility is terminated on the Termination Date specified in the notice and all outstanding Advances are due and payable, and all Forward Lendings are terminated, on the Designated Date specified in the notice;
- (d) a receiver is appointed in respect of any of the income of the Borrower
- (e) the Borrower fails to make payment of any amount payable to the Corporation, whether under this Agreement or under any other

arrangement with the Corporation, when due and the failure continues for more than 15 Business Days. The Corporation will use reasonable endeavours to notify the chief executive officer of the Borrower of the failure not less than 10 Business Days before exercising the Corporation's rights arising under this Agreement as a consequence of such failure;

- (f) the Borrower is in breach of any other material term of this Agreement (including a term or condition included in the Agreement pursuant to clause 26.2(c)), and if the breach is capable of remedy, if it is not remedied within 20 Business Days of the Borrower becoming aware of the breach;
- (g) the Borrower fails to pay any other indebtedness of the Borrower for moneys borrowed or raised when due in an amount which the Corporation reasonably considers to be material in the context of the indebtedness of the Borrower to the Corporation under this Agreement unless liability to pay that other indebtedness is being contested by the Borrower in good faith and with due diligence;
- (h) any power, authorisation, approval or consent required by the Borrower for the purposes of borrowing or fulfilling its obligations under this Agreement is withdrawn or ceases to be current or valid or is found to be defective or inadequate by the Corporation; and
- (i) any warranty or representation made by the Borrower hereunder or for the purposes of this Agreement is untrue or ceases to be true.

26. EFFECT OF DEFAULT:

- 26.1 If a Vires Event of Default occurs, whether or not the Corporation is aware of the occurrence of the Event of Default, the Facility is immediately terminated without the need for any notice to be given by the Corporation to the Borrower and, subject to clause 26.3, all outstanding Advances are immediately due and payable, and any obligations in respect of Forward Lendings are immediately terminated.

The Prepayment Procedure will apply in respect of all outstanding Advances and all Forward Lendings.

The date on which the Facility is terminated, and all obligations in respect of outstanding Advances and Forward Lendings are terminated in accordance with this clause 26.1 is the Designated Date for the purposes of this Agreement.

26.2 If an Other Event of Default occurs, the Corporation may by notice in writing to the Borrower do any or all of the following:

- (a) declare that any or all outstanding Advances are due and payable and any or all obligations in respect of Forward Lendings are terminated immediately on the date of the notice, or on a date specified in the notice, which date shall be the Designated Date for those Advances;
- (b) declare that the Facility is terminated; and
- (c) specify terms and conditions upon which the Corporation is willing to allow any or all of the following to occur:
 - (i) any or all outstanding Advances to remain outstanding;
 - (ii) any or all Forward Lending commitments to remain in force; and
 - (iii) the Borrower to continue to borrow under any or all Products,

and the Borrower must, not later than the date specified in the notice, advise the Corporation in writing whether or not it agrees to accept those terms and conditions.

If the Borrower advises the Corporation in writing on or before the date specified in the notice that it agrees to accept those terms and conditions, then this Agreement is thereupon varied by inclusion of those terms and conditions without any further action required to be taken by the Parties.

If the Borrower does not advise the Corporation in writing on or before the date specified in the notice that it agrees to accept those terms and conditions, then the Corporation may carry out the provisions of (a) and (b) above.

26.3 If the Corporation is not aware of the occurrence of a Vires Event of Default when the Vires Event of Default occurs, all outstanding Advances are due and payable, and all obligations in respect of Forward Lendings shall be terminated, immediately the Corporation becomes aware of the occurrence of that Event of Default.

26.4 For the avoidance of doubt, any payment made by either Party after the occurrence of a Vires Event of Default and before the Corporation becomes aware of the relevant Event of Default, is a payment for value under this Agreement and is to be treated as if it had been validly made and received in accordance with this Agreement.

**27. MANDATORY
PREPAYMENT
PROCEDURE:**

27.1 Where any Advance becomes due and payable before the Maturity Date for that Advance or any Forward Lending is to be terminated under the terms of this Agreement, the Parties will follow the procedure set out in this clause.

27.2 Mandatory Prepayment of Advances and termination of Forward Lendings will occur on the Designated Date whether or not the relevant event is then subsisting and the Prepayment Amount will be due as of the Designated Date.

27.3 The Corporation will issue a Mandatory Prepayment Notice to the Borrower with respect to Advance(s) and Forward Lending(s).

27.4 Irrespective of the termination of the Facility, the Borrower shall pay to the Corporation the amount of any Costs incurred by the Corporation whether before or after the Designated Date in relation to the relevant Advance(s), Forward Lending(s) and the Facility, as applicable, and interest on the Prepayment Amount calculated at the Default Interest Rate from and including the Designated Date up to, but not including, the date of actual payment.

**28. PERSONAL
PROPERTY
SECURITIES ACT
2009**

28.1 The Borrower hereby irrevocably authorises the Corporation, its agents, solicitors, officers, employees and service providers to:

- (a) apply for and effect (in any manner the Corporation considers necessary or appropriate) any registration of a financing statement on the PPSA Register in connection with any PPSA Security Interest created or expressed to be created under this Agreement;
- (b) complete any document associated with this Agreement, including any financing statement or financing change statement; and
- (c) recover from the Borrower, at the Corporation's absolute discretion, any costs incurred by the Corporation in relation to the abovementioned matters.

28.2 (a) The Parties contract out of each provision of the PPSA that section 115 of the PPSA permits parties to contract out of.

(b) To the extent permitted by section 275 of the PPSA, the Parties agree to keep all information of the kind described in section 275(1) of the PPSA confidential and not to disclose any such information to any other person except where such disclosure is otherwise permitted or authorised under this Agreement or an Existing Facility Agreement.

(c) The Parties agree that a receiver or receivers appointed under section 6.22 of the Local Government Act need not give any notice required under any provision of the PPSA.

**29. VARIATION OF
ADVANCES OR
FORWARD
LENDINGS:**

29.1 If at any time the Borrower wishes to vary a term or condition of an, Advance or Forward Lending, the Borrower must so notify the Corporation and the Corporation will use reasonable endeavours to accommodate the Borrower's request.

29.2 Relevant rates and prices which prevail at the time will be applied in undertaking the

calculations for the variation of the Advance or Forward Lending, as applicable.

29.3 The Corporation will promptly give a Confirmation to the Borrower with respect to a variation so carried out.

29.4 The Corporation will promptly notify the Borrower in writing of the cost or benefit of a variation under this clause.

Any additional cost will be paid by the Borrower to the Corporation on a date nominated in writing by the Corporation, and any benefit will be credited to an Account of the Borrower with the Corporation.

30. NOTICES:

30.1 Subject to paragraph 30.3, all requests, notices and other communications required to be given, made or sent to the Corporation by the Borrower under this Agreement are to be in writing and addressed to " Manager, Client Services" of the Corporation or to such other officer of the Corporation as the Corporation nominates to the Borrower from time to time.

30.2 All requests, notices, and other communications required to be given, made, or sent to the Borrower by the Corporation under this Agreement are to be in writing and addressed to the officer of the Borrower designated for such purposes, or such other officer of the Borrower as the Borrower nominates to the Corporation from time to time, and in the absence of a designation or nomination shall be addressed to the chief executive officer of the Borrower.

30.3 The Borrower may request in writing that the Corporation accept email notices or other form of electronic transmissions acceptable to the Corporation for the making of applications for Advances, acceptance of firm quotes, giving of Drawdown Notices, Voluntary Prepayment Notices, requests to vary the term or conditions of an Advance or Forward Lending, or requests for withdrawal of any such notice or request or communications that are otherwise notified in writing by the Corporation to the Borrower from time to time.

The Borrower:

- (a) must ensure that each email notice is either signed by means of an electronically produced signature of an Authorised Signatory or states that it is being sent by a named Authorised Signatory of the Borrower, and the Borrower shall give prior written advice to the Corporation as to which of these alternative procedures it wishes to use from time to time;
- (b) in any legal proceedings in respect of or in any way relating to this Agreement, expressly waives any right to raise any claim, defence or waiver of liability based upon the signing, or purported signing, of an email notice by means of an electronically produced signature of an Authorised Signatory or purporting to be sent by an Authorised Signatory as the case may be; and
- (c) must send all email notices to the specified email address of the Corporation notified by the Corporation to the Borrower from time to time. Email notices will only be taken to have been received by the Corporation when actually received.

30.4 The Corporation may at any time give written notice to the Borrower that it will no longer accept email notices, either generally, or on the conditions set out above or for any specified purpose. The Corporation may at any time withdraw any such notice or give written notice to the Borrower of alternative conditions on which it is then willing to accept email notices.

31. OTHER TERMS: 31.1 The Borrower shall provide to the Corporation:

- (a) a copy of the resolution authorising:-
 - (i) the execution of this Agreement under the Common Seal of the Borrower; and
 - (ii) the Chief Executive Officer, an agent of the Borrower or any one of the Senior employees of the Borrower who are

authorised by the Chief Executive Officer from time to time to sign schedule documents and instructions under this Agreement on behalf of the Borrower.

(b) Upon request by the Corporation copies of the resolutions passed by the Borrower authorising the borrowings under this Agreement from time to time; and

(c) a list of names, position titles and sample signatures of the Authorised Signatories as advised by the Chief Executive Officer from time to time.

31.2 The Borrower agrees to provide to the Corporation such additional information as the Corporation may require from time to time to enable it to meet its regulatory and compliance obligations relating to anti-money laundering and counter-terrorism financing, and acknowledges that where legally obliged to do so, the Corporation will disclose the information provided to relevant regulatory and law enforcement agencies.

31.3 The Corporation will use all reasonable endeavours to meet the borrowing and prepayment requirements of the Borrower under this Agreement. The Borrower acknowledges that this Facility does not create an obligation for the Corporation to lend under it.

31.4 The Facility is made available and will be maintained subject to compliance with relevant laws and subject to the Borrower obtaining all authorisations, approvals and consents necessary for it to enter into this Agreement and accept the Facility and to fulfil its obligations hereunder, including obligations incurred in respect of Advances provided from time to time.

31.5 So long as any amounts owing to the Corporation remain payable, the Borrower will not create or permit to be outstanding any security (in the form of mortgage, charge, pledge, lien or other security interest) upon the Borrower's General Funds to secure indebtedness of the Borrower or any guarantee by the Borrower of indebtedness of third parties, without the prior written consent of

the Corporation which may be withheld in the Corporation's absolute discretion, and in any event may not be given unless the Borrower (if so required by the Corporation) procures the other creditors to enter into a deed of priority with the Borrower and the Corporation in which the Borrower and the other creditor irrevocably and unconditionally agree with the Corporation:

- (a) the Charge has first priority over the Secured Property for the full amount of the Secured Moneys for the purposes of section 6.24 of the Local Government Act and section 61 of the PPSA and the other creditor has second priority over the Secured Property only after the full amount of the Secured Money has been received by the Corporation; and
- (b) the priority in clause 31.5(a) applies despite any provision of the PPSA and despite the respective times of registration of the financing statements in respect of this Agreement and the other creditor's PPSA Security Interest under that Act.

31.6 The Borrower will immediately notify the Corporation of any actual or proposed changes to its establishment or designation or to any legislation under which it is constituted, of which it becomes aware, and which may be likely to affect or have the potential to affect the Borrower's corporate existence, capacity to borrow hereunder, authorisations in respect hereof or ability to observe its obligations under this Agreement, and provide the Corporation with a copy of any such change promptly after it occurs.

31.7 The Borrower indemnifies the Corporation against all liabilities and losses arising from, and any costs, charges and expenses incurred in connection with the Corporation acting in good faith on facsimile instructions, electronically protected documents (such as Adobe PDF) sent by e-mail or other electronically delivered instructions purporting to originate from the offices of the Borrower or to be given by an Authorised Signatory of the Borrower, including without limitation all liabilities, losses, costs, charges and expenses on account of funds

borrowed, contracted for or used to fund any amount payable under this Agreement.

31.8 The Borrower shall obtain the prior written consent of the Corporation before committing to any subsequent or additional borrowing from any other authority, bank, lending institution or source or increasing the limit of its existing overdraft facility during the currency of this Agreement (third party borrowing).

**32. GOVERNING
LAW AND
JURISDICTION:**

This Agreement is governed by the law in force in the State, and the Parties submit to the non-exclusive jurisdiction of the courts exercising jurisdiction in the State.

33. SURVIVAL:

Except to the extent provided otherwise herein, the respective rights and obligations of the Parties in respect of Advances, Forward Lendings and obligations that continue following termination of the Facility under clause 3.2(a) or clause 26.2 and all Outstanding Payments shall survive termination of the Facility, and the terms and conditions of this Agreement continue to apply as if the Facility remained on foot.

Execution hereunder by authorised representatives of the Corporation and the Borrower respectively creates a binding agreement with respect to the terms and conditions contained herein.

For and on behalf of Western Australian Treasury Corporation by its attorney:

SIGNATURE: _____

NAME: _____

POSITION: _____

DATE: _____

Witness (signature): _____

Name (print): _____

THE COMMON SEAL of)
SHIRE OF MORAWA)
was hereunto affixed)
in the presence of:)

*Mayor
*President

Chief Executive Officer

FIRST SCHEDULE

As at 3rd March 2014, the Corporation makes the following Products available to the Borrower:

1. Short Term Lending
2. Term Fixed Rate Lending

SECOND SCHEDULE

1. All Loans under the Existing Debentures are classified as Term Fixed Rate Lending and are covered by the provisions of Annexure 2 Term Fixed Rate Lending.

ANNEXURE 1

SHORT TERM LENDING

As at 3rd March 2014, provisions specifically referable to Short Term Lending under this Agreement are as follows:

Product Facility Limit The aggregate sum of all Short Term Lending Advances the Corporation has agreed to provide to the Borrower from time to time under each Addendum less any amount that has been cancelled or terminated from time to time.

Unless otherwise agreed with the Corporation in relation to a specific Advance, the following provisions apply to each Advance of Short Term Lending (**Short Term Lending Advance**):

Applications for Advances:	i) The Borrower may apply to the Corporation to borrow funds under this Annexure in accordance with the terms and conditions of the Agreement; and ii) upon the Corporation agreeing to lend such funds to the Borrower, the parties shall execute an Addendum to the Agreement substantially in the form specified in the Fifth Schedule hereto which shall stipulate the project facility limit being the maximum amount the Borrower is entitled to borrow under that Addendum.
Notice Period:	The Drawdown Notice must be received by the Corporation no later than 12:00 noon on the Business Day prior to the date the Advance is to be made.
Minimum amount of Advance	\$10,000
Minimum Term of Each Advance:	1 day
Maximum Term of Each Advance:	12 months
Maturity Date:	The nominated Maturity Date should be a Business Day
Repayment of Principal of Each Advance:	In full on the Maturity Date of that Advance
Interest Rate:	The Interest Rate is determined by the Corporation and is fixed until the Maturity Date of the Advance
Date of Determination of Interest Rate:	The Interest Rate will be determined on the day the Advance is made, or on such other day or days as

	the Corporation may from time to time reasonably determine.
Interest Amount:	<p>Interest on each Advance will be calculated as follows:</p> $I = \frac{P \times R \times D}{36500}$ <p>where:</p> <p>I = amount of interest payable;</p> <p>P = principal amount of the Advance;</p> <p>R = Interest Rate applicable to the Advance expressed as a percentage per annum to two decimal places; and</p> <p>D = the number of calendar days from and including the date of the Advance to, but not including, its Maturity Date.</p>
Interest Payment Date:	Interest is payable on the Maturity Date of the Advance
Business Day Convention:	Following
Interest Adjustment:	<p>Where a Maturity Date is not a Business Day and the due date for repayment of the Advance is adjusted to the following Business Day, an interest adjustment is also payable at the discretion of the Corporation on the payment date specified in the notice provided by the Corporation to the Borrower setting out details of the Interest Adjustment, which will be calculated as follows:</p> $\text{Interest Adjustment Amount} = \frac{(P+I) \times R \times D}{36500}$ <p>where:</p> <p>P = the principal amount of the Advance;</p> <p>I = the interest amount due on the stated Maturity Date of the Advance;</p> <p>R = the Corporation's overnight lending rate applicable on the Business Day prior to the stated Maturity Date of the Advance expressed as a percentage per annum to two decimal places; and</p> <p>D = the number of calendar days from and including the stated Maturity Date to, but not including, the Business Day after the stated Maturity Date.</p>

<p>DRAWDOWN NOTICES:</p>	<p>1. Advances under this Facility will be made by the Corporation to the Borrower substantially in the form of the “Form of Request for an Advance (“Drawdown Notice”) attached to this Annexure.</p> <p>2. Subject to the terms and conditions of this Facility, Advances will be made on dates specified in a Drawdown Notice given by the Borrower to the Corporation and signed by an Authorised Signatory. If a date specified in a Drawdown Notice is not a Business Day, the Advance will be made on the next following Business Day unless another arrangement is agreed to by the Corporation in its discretion.</p> <p>3. Once given, a Drawdown Notice is irrevocable and may not be withdrawn except with the prior written consent of the Corporation.</p> <p>The Corporation will advise the Borrower as soon as practicable after it receives any request to withdraw a Drawdown Notice whether it has consented to the withdrawal if the Borrower is required to pay any costs incurred by the Corporation in executing the withdrawal request.</p>
<p>REDRAWING:</p>	<p>Subject to the terms of the Agreement, amounts repaid or voluntarily prepaid under Facilities governed by this Annexure may be redrawn by the giving of an appropriate Drawdown Notice.</p>
<p>REPRESENTATIONS, WARRANTIES AND UNDERTAKINGS:</p>	<p>The representations and warranties contained in the Agreement are deemed to be repeated each time a Drawdown Notice is submitted to the Corporation;</p> <p>(a) an Advance provided under a Drawdown Notice will not result in the Facility being exceeded as at the date the Drawdown Notice is given or at any time up to the Maturity Date of the proposed Advance, after allowing for any reduction in the Facility Limit of which notice has been given prior to receipt of the Drawdown Notice by the Corporation; and</p> <p>(b) Drawdown Notices and instructions given in respect of the Facility from time to time by the person(s) nominated by the Borrower for this purpose shall be valid and binding on the Borrower.</p>

TERM OF ADVANCES:	Where a Party has served a notice of termination of the Facility on the other Party under clause 3.2(a), the Borrower may continue to issue Drawdown Notices and draw down Advances prior to the Termination Date, but the Maturity Date of Advances made thereunder must be on or before the Termination Date.

By requesting an Advance under this Annexure, the Borrower acknowledges and agrees that the provisions contained herein specifically referable to Short Term Lending are terms and conditions of this Agreement and apply to any Advance made hereunder.

FORM OF REQUEST FOR A SHORT TERM LENDING ADVANCE
(DRAWDOWN NOTICE) ⁽¹⁾₍₂₎ (Effective as at 3rd March 2014)

MASTER LENDING FACILITY FROM
WESTERN AUSTRALIAN TREASURY CORPORATION TO
SHIRE OF MORAWA

TO: MANAGER CLIENT SERVICES
WESTERN AUSTRALIAN TREASURY CORPORATION

FAX: (08) 9235 9199

Shire of Morawa requests the following Short Term Lending Advance:

Date of Advance:⁽²⁾ _____

Amount: _____

Maturity Date:⁽³⁾ (specify) _____

Account:⁽⁴⁾ _____

Any other details: _____

For and on behalf of Shire of Morawa:

Authorised Signatory

Date

Note:

- (1) Subject to the terms of the Agreement, this notice once given is irrevocable and cannot be withdrawn except with the prior written consent of Western Australian Treasury Corporation (“Corporation”).
- (2) This notice must be received by the Corporation no later than 12.00 noon on the Business Day prior to the Date of Advance specified above.
- (3) Unless otherwise agreed by the Corporation, the Maturity Date must be a Business Day that is one day to twelve months after the Date of Advance.
- (4) Specify Account only if the Borrower operates more than one Account with the Corporation under this Facility.

ANNEXURE 2

TERM FIXED RATE LENDING

As at 3rd March 2014, provisions specifically referable to Term Fixed Rate Lending under this Facility are as follows:

Product Facility Limit The aggregate sum of all Term Fixed Rate Advances the Corporation has agreed to provide to the Borrower from time to time less any amount that has been repaid or cancelled.

Unless otherwise agreed with the Corporation in relation to a specific Advance, the following provisions apply to each Advance of Term Fixed Rate Lending (**Term Fixed Rate Advance**):

Minimum amount of Advance	\$50,000
Minimum Term of Each Advance:	6 months
Maximum Term of Each Advance:	20 years or such longer period as may be agreed between the Parties either generally or in relation to an Advance with specified characteristics or in relation to a proposed Advance.
Payments Due:	Payments of interest and repayments of principal in relation to each Advance will be due in the amounts and on the dates stipulated in the repayment schedule set out in the Confirmation for the Advance.
Interest Rate:	Subject to any interest rate parameters agreed between the Corporation and the Borrower, the Interest Rate in relation to each Advance will be determined by the Corporation and is fixed until the Maturity Date of that Advance.
Business Day Convention:	Following
Interest Adjustment:	<p>Where the due date for any payment is adjusted by the Following Business Day Convention so that the payment is due on the next succeeding Business Day, an interest adjustment is also payable at the discretion of the Corporation on the payment date specified in the notice provided by the Corporation to the Borrower setting out details of the Interest Adjustment, which will be calculated as follows:</p> $\text{Interest Adjustment Amount} = \frac{P \times R \times D}{36500}$ <p>where:</p> <p>P = the amount of the payment due;</p> <p>R = the Corporation's overnight lending rate applicable on the Business Day prior to the relevant due date</p>

	<p>expressed as a percentage per annum to two decimal places; and</p> <p>D = the number of calendar days from and including the original due date for payment to, but not including, the adjusted due date for the payment.</p>
FIRM RATE QUOTE:	<p>Once a signed acceptance of a Firm Rate Quote substantially in the form specified in the Fourth Schedule hereto is received by the Corporation, the acceptance is irrevocable and may not be withdrawn except with the prior written consent of the Corporation.</p> <p>The Corporation will advise the Borrower as soon as practicable after it receives any request to withdraw a Firm Rate Quote whether or not the Corporation has consented to the withdrawal, and if the Borrower is required to pay any costs incurred by the Corporation in executing the withdrawal request.</p>
NO REDRAW:	<p>The Borrower cannot redraw funds that have been applied to an Advance.</p>

By requesting an Advance under this Annexure, the Borrower acknowledges and agrees that the provisions contained herein specifically referable to Term Fixed Rate Lending are terms and conditions of this Agreement and apply to any Advance made hereunder.

FOURTH SCHEDULE

Form of acceptance of the firm rate quote

Summary of Terms of Loan and Repayment Schedule

Client: Shire of Morawa (the “Borrower”)
Interest Rate: [x.xxxx] % p.a. *([Quarterly] Compounding)
 [y.yyyy] % * effective []
**These rates do not include the government guarantee fee.*
Lending Date: [date]
Maturity Date: [date]
Loan Amount: \$[amount]
Schedule Basis: [Quarterly] repayments

Payment Date	Debt Balance Outstanding	Capital Repayment	Interest Payment	Total Fixed Payment	Indicative Guarantee Fee	Indicative Total Payment
[date]	[amount]	[amount]	[amount]	[amount]	[amount]	[amount]
[date]	[amount]	[amount]	[amount]	[amount]	[amount]	[amount]
[date]	[amount]	[amount]	[amount]	[amount]	[amount]	[amount]
[date]	[amount]	[amount]	[amount]	[amount]	[amount]	[amount]
[date]	[amount]	[amount]	[amount]	[amount]	[amount]	[amount]
	Totals:	[amount]	[amount]	[amount]	[amount]	[amount]

Note:

- The interest rate quoted and this Summary of Terms of Loan and Repayment Schedule are based on rates applying as at [date].
- The Guarantee Fee is charged by the Treasurer of the State of Western Australia and is collected by The Western Australian Treasury Corporation (“Corporation”) on the behalf of the Treasurer. The rate of the Government Guarantee Fee is subject to change in accordance with government policy. The amount of the Government Guarantee Fee shown in this schedule is indicative and does not form part of the fixed lending rate charged by the Corporation.

- I confirm that:
 - the financial information provided in the Loan Application Form or as otherwise provided to the Corporation in relation to the proposed Loan remains accurate in all material aspects;

CERTIFICATION FOR ACCEPTANCE OF FIRM RATE QUOTE

(b) The proposed Loan has been approved by the Council in the annual budget of the Borrower or satisfies the provisions of Section 6.20(2) of the Local Government Act (the “Act”).

In accepting the offer of a loan on the terms set out above (the “Loan”)

- I certify that the statutory requirements of the Act and Regulations under the Act have been met in relation to the Loan;
- I confirm that:
 - The financial information provided in the Loan Application Form or as otherwise provided to the Corporation in relation to the proposed Loan remains accurate in all material aspects;
 - The proposed Loan has been approved by the Local Government in the annual budget of the Borrower or satisfies the provisions of Section 6.20(2) of the Local Government Act (the “Act”).
- I represent that the loan is financially sustainable and I am not aware of any circumstance, events or actions by the Council (including the borrowing of moneys) which may adversely affect the Borrower’s ability to service this loan. The Corporation will be advised as soon as practicable of any material adverse changes in the financial position of the Borrower.
- I give an undertaking that during each year in which any of the Borrower’s loans remains outstanding with the Corporation, the Borrower will provide to the Corporation a copy of its audited Annual Financial Statements, a copy of its adopted Annual Budget and the statutory Debt Service Ratio and the Debt and Revenue Ratio under the Act and where provided, in relation to the Loan;
- I certify that I have been authorised to complete and sign all necessary documents relating to this new loan borrowing and that the Corporation has been provided with the relevant document proving this authorisation;
- I certify that the loan is financially sustainable and I am not aware of any circumstance, events or actions by the Council (including the borrowing of moneys) which may adversely affect the Borrower’s ability to service the loan. The Corporation will be advised as soon as practicable of any material adverse changes in the financial position of the Borrower; and

5. I give an undertaking that during each year in which any of the Borrower's loans remains outstanding with the Corporation, the Borrower shall provide the Corporation with a copy of its audited Annual Financial Statements, adopted Annual Budget and updated ratios as required by the Corporation's Credit Policy from time to time as soon as practicable after these are available each year while any Loan is outstanding.
6. I acknowledge that the Loan is secured by the Charge contained in the Master Lending Agreement between the Corporation and the Borrower.
7. Once this signed acceptance of firm rate quote is received by the Corporation, the Loan is irrevocable and may not be withdrawn without the prior consent of the Corporation.
8. I represent that the below bank account details are correct and that the Corporation accepts no liability for any loss occasioned by the Borrower as a result of the Corporation relying on the bank details.

Accepted for and on behalf of Shire of Morawa on this _____ day of _____ 20 _____

Signature of the
Authorised Signatory: _____

Name: _____

Title: _____

Bank Account details for receipt of Loan:

Bank:	BANK A	Branch:	BRANCH A	BSB:	XXX
Account No:	XXX XXX	Account Name:	Shire of Morawa		

FIFTH SCHEDULE

MASTER LENDING AGREEMENT BETWEEN WESTERN AUSTRALIAN TREASURY CORPORATION AND SHIRE OF MORAWA

SHORT TERM LENDING ADDENDUM NO: []

This addendum forms part of the Master Lending Agreement (the Agreement) between the Borrower and the Corporation. The provisions specifically applicable to this addendum are as follows;

PURPOSE OF BORROWING: []

PROJECT FACILITY LIMIT: []

TERMINATION DATE [DD /MM/ YYYY].

All Advances under this addendum shall have a maturity date which is on or before the termination date.

TERMS AND CONDITIONS All Advances under this addendum are governed by the terms and conditions that are contained in clauses 1 to 33 of the Agreement and Annexure 1 to the Agreement;

REQUEST FOR ADVANCE The Borrower may request an Advance under this addendum in the manner and form prescribed by Annexure 1 (Short Term Lending) of the Agreement.

REPRESENTATIONS, WARRANTIES AND UNDERTAKINGS In requesting an Advance under this addendum the Borrower;

1. is deemed to repeat each representation and warranty under the Agreement.
2. represents that the Advance is financially sustainable and the Borrower is not aware of any circumstance, events or action by the Council (including the borrowing of moneys) which may adversely affect the Borrower's

ability to service the Advance. The Borrower will advise the Corporation as soon as practicable of any material adverse change in the financial position of the Borrower.

Execution hereunder by authorised representatives of the Corporation and the Borrower respectively creates a binding agreement with respect to the terms and conditions contained herein.

For and on behalf of Western Australian Treasury Corporation by its attorney:

SIGNATURE: _____

NAME: _____

POSITION: _____

DATE: _____

Witness (signature): _____

Name (print): _____

Accepted for and on behalf of Shire of Morawa on this _____ day of _____ 20 _____

Signature of the
Authorised Signatory: _____

Name: _____

Title: _____

Bank Account details for receipt of Loan:

Bank:	BANK A	Branch:	BRANCH A	BSB:	XXX
Account No:	XXX XXX	Account Name:	Shire of Morawa		

Date of Meeting:	20 March 2014
Item No:	7.2.5.3
Subject:	Lot 5- Wubin /Mullewa Road Morawa Business Unit No 8 Lease – McIntosh and Son
Date & Author:	27 February 2014 David Williams
Responsible Officer:	David Williams Deputy Chief Executive Officer
Applicant/Proponent:	David Williams
File Number:	Adm: 0569 and Contract file

SUMMARY

The purpose of this report is for Council to consider leasing Lot 5- Wubin /Mullewa Road Morawa Business Unit No 8 to Macintosh and Son for:

1. A period of one year with a 6 month period of free rent and 6 month period at half rent with full rent to be charged thereafter utilising the standard lease agreement terms and conditions for the business units until a further term has been agreed.
2. Provide the option to extend beyond this term utilising the standard lease agreement terms and conditions for the business units.

DECLARATION OF INTEREST

Nil

ATTACHMENTS

Letter from Macintosh and Son Mechanical seeking to lease Morawa Business Unit No 8

Draft Standard lease agreement for the business unit 8

BACKGROUND INFORMATION

The business units were built by the Shire of Morawa in 2010 as an incubator for businesses to come to Morawa and have had a varied number of occupants. Currently there are only two units, unit 4 and unit 8 and the workshop area of unit 2 not being fully occupied by a tenant.

Brookfield Rail was a foundation tenant of the Morawa Business Unit 8 followed by Chiz Co Mechanical who vacated in January 2014.

OFFICER'S COMMENT

The exit of Chiz Co Mechanical and the closing of Riggs Mechanical (now a mobile service) in Winfield Street means there are no longer mechanical services being offered locally in Morawa.

McIntosh & Son representatives approached Council officers mid-January 2014 regarding the possibility of entering into an arrangement with the Shire of Morawa to start up a branch of McIntosh and Son.

McIntosh & Son is a well-known business in the region, has been established since 1955 and currently operates a machinery dealership providing sales, service and parts out of premises in several areas of Western Australia. McIntosh & Son employs approximately 35 staff members and have stated their intention is to have one full time technician, and two apprentices, residing in Morawa.

The business in Morawa will carry out repairs on farm machinery, motor vehicles, light and heavy trucks, with additional services to include air conditioning, tyres and general servicing.

McIntosh & Son are seeking a reduction in start-up rent as an incentive to bring their business to Morawa as part of a standard agreement. The reduction sought is 6 months free rent, with 6 months at half rent and full rent to be charge each month thereafter until a further term has been agreed.

The Shire of Morawa's Policy 11.1 provides the following for new business to locate to Morawa.

11.1 INCENTIVES FOR INVESTMENT

The Morawa Incentives for Investment Program is a key element of the Morawa Shire Council's approach to encouraging business investment and economic development for the district through assisting:

Local businesses looking to expand into new areas;

Businesses relocating into the district;

New enterprises to establish in the district.

The objectives of the Morawa Incentives for Investment program are:

To increase the size of the local population (market);

To assist development of sustainable enterprises and industries;

To increase employment and investment in the Morawa district;

To assist the growth of value adding businesses in the region.

The program is targeted at all levels of business, particularly small to medium sized enterprises.

Types of Assistance given include:

The Morawa Incentives for Investments program provides a range of incentives, primarily focused at local authority fees and charges associated with investment. The primary aim is to minimise any initial cost impediments that firms face when establishing or expanding their operation.

There original tenants received start up incentives due to power not being available at the units and a reduced rent for an extend period.

Hence the offer by Council of a reduction in start-up rent for the unit can be justified to encourage a business of this nature to relocate to Morawa.

COMMUNITY CONSULTATION

Nil

COUNCILLOR CONSULTATION

Nil

STATUTORY ENVIRONMENT

The Local Government Act 1995 and the Local Government (Financial Management) Regulations

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

The lessee is also responsible for all outgoings incurred on site including power, water, rubbish, rates, etc. The lessee is also responsible for all reasonable Shire costs incurred in preparing the lease deed.

STRATEGIC IMPLICATIONS

The Shire of Morawa Strategic Plan – Plan for the Future includes the following adopted strategy:-

“Proactively endeavour to establish new small businesses and service industries in Morawa

RISK MANAGEMENT

The Chiz Co Mechanical vacancies being filled by McIntosh and Son brings the units back up to 75% occupancy rate reducing the risk of the units being seen as not being occupied for the purpose they were built.

VOTING REQUIREMENT:

Simple Majority

OFFICER'S RECOMMENDATION

It is recommended:-

- 1. Approval is given by the Shire of Morawa to lease Unit 8- Lot 5 Wubin/Mullewa Road for a period of one year which is for a 6 month period of free rent and 6 month period at half rent with full monthly rent of \$1440.00 to be charged thereafter utilising the standard lease agreement terms and conditions for the business units until a further term has been agreed.**

- 2. That there is an option to extend beyond this term included in the lease of two years plus a further two years utilising the standard lease agreement terms and conditions for Unit 8 Lot 5 Wubin/Mullewa Road.**

- 3. The Chief Executive Officer is authorised to sign the lease on behalf of the Shire of Morawa.**

RE: Intent to lease Unit 8/ Lot 5

To the Morawa Shire Council,

I am writing this email to express out interest in leasing Unit 8/Lot 5 on the Wubin-Mullewa Rd.

We would like a 12 month lease on the unit and would like to commence the lease on the 15th March 2014.

We intend to operate a Mechanical workshop out of the premises in conjunction with our current operations in Geraldton.

We will provide mechanical repairs, tyre supply and fit, auto air-conditioning services and much more for the community and surrounding areas of Morawa.

Regards



Brad Forrester
Branch Manager
McIntosh & Son Geraldton

SALES

PARTS

SERVICE

FINANCE

THIS LEASE is made the day of Two thousand and fourteen

BETWEEN

The Lessor described in Item 1 in the Reference Schedule (called "Lessor") of the first part

The Lessee described in Item 2 in the Reference Schedule (called "Lessee") of the second part

The Guarantor described in Item 3 in the Reference Schedule (called "Guarantor") of the third part

PART 1 — DEFINITIONS AND INTERPRETATION

1 Definitions

In this Lease the following expressions have the following meanings:

- (a) **"Business day"** means any day which is not Saturday, Sunday or a public holiday.
- (b) **"Car"** means one motor car used for private purposes or for the business purposes of the Licensee (but not taxi or hire business) or an employee of the Lessee.
- (c) **"Car Park"** means the car park at the Leased Premises.
- (d) **"Common Areas of the Land"** means those portions which are designed or are permitted by the Lessor for common use by lessees, their employees, customers and the public, including:
 - (i) access and egress roads within the Land; and
 - (ii) Heavy/Oversize Vehicle parking/unloading area.
- (e) **"Heavy/Oversized Vehicle"** means any vehicle that has a gross vehicle mass of 4 tonnes or greater or a vehicle equipped to seat 12 or more persons including the driver.
- (f) **"Insolvency Event"** means any of the following:
 - (i) judgment is obtained by any person in any court against the Lessee and remains unsatisfied for a period exceeding fourteen (14) days;
 - (ii) the Lessee, if a corporation:
 - (A) enters into liquidation or provisional liquidation; or
 - (B) has a receiver, or receiver and manager, or other controller of the corporation's property, appointed;
 - (iii) the Lessee, without the Lessor's consent, leaves the Leased Premises, unoccupied, or discontinues carrying on business at the Leased Premises, for a period exceeding fourteen (14) days, except during refurbishment of the Leased Premises or annual holidays.
- (g) **"Land"** means the land on which the Leased Premises is erected and as defined in Item 4 of the Reference Schedule including:
 - (i) Other leased premises on the Land;

- (ii) Common Areas; and
 - (iii) Heavy/Oversized Vehicle parking and unloading area.
- (h) **“Latent Defects”**, with reference to the Leased Premises, means any defects which:
- (i) are attributable to defective
 - (A) preparation or remediation of the site on which the Leased Premises is erected;
 - (B) supervision of the construction or any installation;
 - (C) design;
 - (D) workmanship; or
 - (E) materials;
 - (ii) occurred when the Leased Premises was erected or is substantially extended or altered;
 - (iii) are not reasonably apparent to a competent professional consultant on a visual inspection of the property; and
 - (iv) are not expressly disclosed by the Lessor to the Lessee before entry into this Lease.
- (i) **“Lease”** means this document and includes the schedules and annexures to this Lease.
- (j) **“Leased Premises”** means:
- (i) the premises described in Item 4 in the Reference Schedule and includes, with reference to those premises:
 - (A) the internal surfaces of external walls and of internal structural walls of the Leased Premises;
 - (B) the internal surfaces of the ceiling and of concrete or other floors;
 - (C) walls of the buildings separating the Leased Premises from other adjoining premises;
 - (D) the external surfaces of partitions and doors separating the Leased Premises from Common Areas of the Leased Premises or from other premises not intended to be leased;
 - (E) the internal surfaces of glass contained in external windows;
 - (F) all internal partitions, divisions, windows and window frames, doors and door frames, which are fully within the Leased Premises;
 - (G) the external surfaces and finishes on walls, floors, ceilings, partitions, doors and windows included in the Leased Premises, including paint, wallpaper and other materials or substances;

- (ii) the Lessor's Fixtures and any chattels provided by the Lessor for the Lessee within the Leased Premises at any time during the lease term, including those listed in Item 5 in the Reference Schedule;
 - (iii) pipes and connections to water, sewerage, electricity, gas, telecommunications, air conditioning and other services and supplies, situated within above or under the Leased Premises which connect those services to the Leased Premises; and
 - (iv) the external office facility that connects the Leased Premises.
- (k) **"Lessee"** means the person or persons described in Item 2 of the Reference Schedule and includes:
- (i) when an individual, the Lessee's legal personal representatives;
 - (ii) when several individuals, the Lessees jointly and their respective legal personal representatives;
 - (iii) the Lessee's assigns; and
 - (iv) when a company or corporation, its successors and assigns.
- (l) **"Lessor"** means the person or persons described in Item 1 of the Reference Schedule and includes:
- (i) when an individual, the Lessor's legal personal representatives;
 - (ii) when several individuals, the Lessors jointly and their respective legal personal representatives;
 - (iii) the Lessor's assigns; and
 - (iv) when a company or corporation, its successors and assigns.
- (m) **"Lessor's Fixtures"** means all the plant, equipment and chattels which have been or become permanently or securely affixed to the Leased Premises and are the Lessor's property, including the items listed as fixtures in Item 5 in the Reference Schedule.
- (n) **"Licence"** means the licence to use the Car Park and the Parking Bays granted under Clause 54 of this Lease;
- (o) **"Parking Bay"** means the parking space/s specified in Item 7 of Reference Schedule or such other car parking space as may be allotted to the Lessee by the Lessor from time to time by notice in writing;
- (p) **"Reference Schedule"** means the Reference Schedule in this Lease.
- (q) **"Security Interest"** has the same meaning as defined in Section 12 of the *Personal Property Securities Act 2009 (Cth)*.
- (r) **"Services"** means electricity, gas, water, sewerage, telephone, telecommunication, and any other services provided or available to Leased Premises or to Common Areas of the Land by public or local or statutory authorities and the pipes, wires, ducting and other means of providing those services to the Leased Premises.

- (s) **“Structural repairs”** means repairs to the structure of the Leased Premises, such as the foundations, floors, walls and load bearing columns.

2 Interpretation

(1) Terms

- (a) Words expressed in the singular include the plural and vice versa.
- (b) Words expressed in one gender include the other genders, as is appropriate in the context.
- (c) The reference to “person” includes a corporation.

(2) Statutes

References to statutes, regulations, ordinances and by-laws when contained in this Lease include amendments, re-enactments or consolidations of any of them.

(3) Covenants implied by statute

Covenants and powers implied by statute are excluded from this Lease, unless any such covenant or power cannot be excluded by force of statute or is expressly incorporated in this Lease.

(4) Joint and several liability

- (a) In the event of there being two or more Lessors or two or more Lessees under this Lease (including whilst the Lease or the reversion is held by legal personal representatives, successors or assigns) each of them is jointly and severally liable to perform covenants and obligations under this Lease.
- (b) When there are two or more Lessors or Lessees, any conduct under or in respect of this Lease, including the exercise of any entitlement or taking any action under this Lease or a provision of this Lease, shall be undertaken by all of the Lessors or all of the Lessees jointly, unless this Lease expressly provides otherwise.

(5) Severance

If any provision contained in this Lease is or becomes legally ineffective, under the general law or by force of legislation, the ineffective provision shall be severed from this Lease which otherwise continues to be valid and operative.

(6) Governing law

This Lease is governed and construed in accordance with the law of the State in Item 6 in the Reference Schedule.

(7) Lease comprises entire agreement

It is agreed that this Lease contains the whole of the agreement between the Lessor and the Lessee relating to the Leased Premises.

PART 2 — THE SUBJECT MATTER AND TERM OF THIS LEASE

3 Rights and entitlements granted to Lessee

(1) The Lessor grants to the Lessee for the duration of this Lease

- (a) exclusive possession of the Leased Premises;
- (b) use and enjoyment of the Lessor's Fixtures and the chattels listed in Item 5 in the Reference Schedule;
- (c) the free and uninterrupted passage of Services to the Leased Premises through Common Areas of the Land or the Leased Premises;
- (d) the entitlement to exclusive use of the car spaces described in Item 7 in the Reference Schedule;
- (e) the entitlement to use the Common Areas of the Land together with other persons authorised by the Lessor for access purposes only. The Lessee is not to conduct any business from the Common Areas nor are they to obstruct the passage of any other users of the Common Areas., subject to such restrictions as are specified in this Lease

4 The term of this Lease

The Lessor leases the Leased Premises to the Lessee for the term specified in Item 8 in the Reference Schedule.

5 Holding over after expiry of Lease

After the expiry of the term of this Lease, when the Lessee remains in occupation of the Leased Premises with the consent of the Lessor this Lease continues as a monthly tenancy:

- (a) commencing on the day immediately following the last day of the term of this Lease;
- (b) the rent being payable monthly in advance, comprising the rent payable immediately before the end of this Lease and the Lessee's contributions to Operating Expenses, calculated and payable from time to time in accordance with this Lease or as agreed between the parties;
- (c) on the terms contained in this Lease, except those terms which are inapplicable to a monthly tenancy; and
- (d) the tenancy being terminable by either party on one (1) month's written notice expiring at any time.

6 Option for renewal

After the expiry of the term of this Lease, the Lessee may apply to the Lessor for a new lease for a term and at a rent to be agreed. The Lessor will be obligated to review the application but will be under no obligation to renew the Lease.

PART 3 — LESSEE'S FINANCIAL OBLIGATIONS

7 Rent payments

The Lessee covenants to pay rent as specified in Item 10 in the Reference Schedule

- (a) by an initial payment in advance on the date for commencement of rent to the end of that calendar month and then by calendar monthly payments in advance on the first day of each month, each payment being one-twelfth of the annual rent then due as fixed or varied under this Lease;
- (b) without demand by the Lessor;
- (c) by cash or cheque, or if required by the Lessor by banker's order on the Lessee's bank, or by depositing or transferring the payments into an account as directed by the Lessor; and
- (d) to, or as directed by, the Lessor, which may be altered by the Lessor by written notice served on the Lessee.

8 Abatement of rent and financial obligations

(1) Abatement of Lessee's financial obligations

If during the continuance of this Lease the Leased Premises is wholly or partly damaged or destroyed or is rendered wholly or substantially inaccessible through an event described in clause 8(2), rendering the Leased Premises or any part of it wholly or substantially unfit for the Lessee's use and occupation or inaccessible for a period exceeding seven (7) days, then the Lessee's financial obligations abate in accordance with this clause.

(2) Abating events

This clause applies in case of fire, lightning, storm, flood, earthquake, explosion, malicious damage, war damage, and any other event beyond the Lessee's control.

(3) Lessee's financial obligations

Abatement extends to all the Lessee's financial obligations to the Lessor under this Lease, including rent, rates, outgoings and Operating Expenses.

(4) Period of abatement

The period of abatement is from the date of the destruction, damage or inaccessibility until the date when the premises are restored and rendered suitable for the Lessee's use and occupation or accessible.

(5) Effect of abatement

During and for the period of abatement the Lessee's liability to pay the whole or proportion of the financial obligations under this Lease, as agreed or determined under clause 8(7), calculated on a daily basis, ceases and abates.

(6) Exception to abatement

The Lessee is not entitled to an abatement of the Lessee's financial obligations under this clause if:

- (a) the event resulting in the damage, destruction or inaccessibility is caused or contributed to by the act or negligent omission of the Lessee or the Lessee's employees; or
- (b) the Lessor fails to recover the benefit of any insurance for loss or damage to the Leased Premises because of any act or omission of the Lessee or the Lessee's employees.

(7) Determination of abatement

- (a) The parties shall endeavour to agree on the commencement and period of abatement of the Lessee's financial obligations, and if the Lessee is able to have partial use and enjoyment of the Leased Premises, the proportion of the abatement having regard to the nature and extent of the damage to and use of the premises.
- (b) If the parties have any dispute regarding the Lessee's entitlement to an abatement, its period or amount, the dispute shall be determined by a loss assessor:
 - (i) who is then a member of the Insurance Council of Australia Ltd and is experienced in assessing premises of the nature of the Leased Premises and is nominated by the President for the time being or senior officer of that Council on the application of either party;
 - (ii) acting as an expert;
 - (iii) who is entitled to accept written submissions and expert reports from either party;
 - (iv) whose costs shall be borne equally by the parties; and
 - (v) whose decision is final and binding on the parties.
- (c) If the loss assessor nominated under paragraph (b) fails to proceed or to determine the dispute, either party may seek the nomination of another loss assessor in accordance with paragraph (b).

9 Goods and services tax (GST)**(1) Interpretation**

In this clause:

"GST" refers to goods and services tax under *A New Tax System (Goods and Services) Act 1999* ("GST Act") and the terms used have the meanings as defined in the GST Act.

(2) Rent and other amounts exclusive of GST

It is agreed that rent and all other amounts agreed to be paid by the Lessee to the Lessor, being the consideration for the supply expressed in this Lease, are exclusive of GST.

(3) Lessee's obligation to reimburse Lessor

In respect of any liability of the Lessor for GST under this Lease, and the renewal or extension of this Lease including for rent, rates, outgoings, or any consideration for any other taxable supply the Lessee covenants to pay to the Lessor, at the same time as any payment is made involving the Lessor in GST liability, the additional amount of GST, together with the payment to which it relates.

(4) Lessor's input tax credits

- (a) The Lessee's liability under (3) is to reimburse the full amount of GST, disregarding and excluding the Lessor's entitlement to input tax credits or other credits or reimbursements for GST.

- (b) Notwithstanding (4)(a) if the Lessor is entitled to an input tax credit in relation to any amount recoverable from the Lessee under (3), the amount payable by the Lessee shall be reduced by the amount of the input tax credit which the Lessor has received or claims and is entitled to receive.

(5) Tax invoice

In respect of each payment by the Lessee under (3), the Lessor agrees to deliver to the Lessee, as required under the GST Act, tax invoices in a form which complies with the GST Act and the regulations, to enable the Lessee to claim input tax credits in respect of the taxable supply.

10 Rent review

(1) Review Date

- (a) The annual rent shall be reviewed at the dates and in the manner specified in Item 11 in the Reference Schedule.
- (b) The parties agree that the annual rent payable upon review under this Clause shall not be less than the annual rent payable for the period immediately prior to the relevant rent review date.

(2) Late rent reviews

The current rent may be determined from a Review Date even if the review is instituted after that Review Date.

(3) Fixed Increase Rent Reviews

If the Method of Rent Review set next to a Rent Review Date states that Rent is to be reviewed by a specified percentage or to a specified amount then this clause applies and the Rent shall be reviewed in respect of the period from the Rent Review Date to the next Rent Review Date and in calculating the Rent payable from the Rent Review Date the following shall apply:

- (a) If a specified percentage is applicable then the Rent payable from the Rent Review Date shall be the Rent payable immediately prior to the Rent Review Date increased by the percentage set out against the Rent Review Date.
- (b) If a fixed amount is specified the Rent payable from the Rent Review Date shall be the amount so specified.

(4) CPI Adjustments

- (a) On each date specified in Item 11 of the Reference Schedule as a CPI Review Date ("CPI Review Date"), the annual rent shall be reviewed and shall be calculated by multiplying the annual rent payable immediately prior to the relevant CPI Review Date ("base period") by the fraction of C/P. C refers to the Consumer Price Index for Perth (All Groups) ("Index"© published by the Australian Bureau of Statistics ("Bureau") in respect of the quarter immediately preceding the CPI Review Date and P is the Consumer Price Index for Perth (All Groups) published by the Bureau in respect of the quarter immediately preceding the previous rent review date.
- (b) The Lessor shall notify the Lessee in writing of the Lessor's calculation of increase in rent claimed since the CPI Review Date and the calculation of the new instalment of rent.

- (c) The annual rent calculated from any CPI Review Date shall be payable by calendar monthly instalments calculated to the nearest cent by dividing the annual rent by twelve and references in this Lease to monthly instalments of rent shall be varied accordingly.
- (d) The Lessee shall pay the increased rent from the last review date within fourteen (14) days after service of the Lessor's notice.
- (e) When the rent is not determined until after that CPI Review Date the Lessee shall continue to pay the current instalments of rent due until the new rent is determined.
- (f) When the rent is determined, the Lessee shall pay the additional amount (if any) due for rent from the CPI Review Date to the date when the next monthly instalment of rent is payable on the rent day next succeeding the expiration of thirty (30) days after the date when the Lessee is informed of the rent determination.

11 Operating Expenses

(1) Lessee's Obligation

- (a) The Lessee shall pay to the Lessor the Lessee's percentage of Operating Expenses specified in Item 12 in the Reference Schedule for the term of this Lease.
- (b) If at any time during the term of this Lease the total lettable area of the Leased Premises is altered, because of additions, alterations or extensions, or any other reason, the Lessee's share of Operating Expenses shall be recalculated, as at the date when such alteration occurs, having regard to the altered lettable area of the Leased Premises.
- (c) The amount of Operating Expenses is to be recovered based on actual expenditure and invoices provided by the Lessor.

(2) Operating Expenses

In this Lease "Operating Expenses" means the expenses of the Lessor in operating, repairing or maintaining the Leased Premises and more particularly the following:

(a) Rates and Taxes

All rates, taxes, charges and impositions, currently and in the future, payable to any Federal, State, local government, statutory or public authority or corporation, in respect of the property, the Leased Premises, including:

- (i) municipal, local and other rates and charges payable to a local authority;
- (ii) rates and charges for the supply, reticulation or discharge of water (including excess water), sewerage, drainage and removal of waste; and
- (iii) land tax or any similar tax, at the rate payable if the land on which the Leased Premises is situated was the only land owned by the Lessor,

but not including any income tax, capital gains tax or similar tax payable by the Lessor.

(b) Insurance

Insurance costs and charges paid by the Lessor in respect of risks to or in connection with the property and the Leased Premises and its use, control and management, which the Lessor reasonably considers necessary to cover by insurance.

(c) Management and administration

The Lessor's reasonable costs of management and administration of the Leased Premises, including:

- (i) the fees paid to the managing agent of the Leased Premises where the Lessor employs the services of a managing agent;
- (ii) accountancy and audit costs with regard to the Lessor's Operating Expenses during an Annual Period;
- (iii) the costs and expenses of operating and cleaning parking areas and Common Areas of the Land;
- (iv) providing for the security of the Leased Premises, cleaning and caretaking for the Leased Premises;
- (v) the supply of services, facilities and amenities for the Leased Premises, including electricity, gas, power, fuel, oil, garbage compacting and removal, waste disposal and telephone;
- (vi) safety and environmental audits of the Leased Premises;
- (vii) the costs of independent contractors and the costs of employing staff to perform any of those functions; and
- (viii) the costs of leasing or hiring equipment for any of those functions.

(d) Maintenance and repair

Costs and expenses relating to:

- (i) painting, repair, renewal and maintenance of the Leased Premises and Common Areas of the Land;
- (ii) cleaning, maintenance, repair and replacement of carpets and floor coverings;
- (iii) maintaining, repairing and replacing notice boards and signs;
- (iv) detection, control and eradication of insects and pests;
- (v) operating, maintaining, servicing and repairing plant and equipment, services and facilities provided by the Lessor, including door hinges, latches, locks, window fixtures and fittings, sliding door rollers and mechanisms, roller door motors and mechanisms, plumbing, electrical and other services, air conditioning, ventilating, heating or cooling the Leased Premises (or any part of the Leased Premises), fire detection prevention and protection equipment, the costs of electricity and power to operate the services and facilities, and fees paid for service contracts and to specialist contractors;

- (vi) licence, registration, inspection and other fees paid by the Lessor in respect of plant, equipment, Services and facilities in the Leased Premises;
- (vii) landscaping including the replacement of plants and the maintenance of the reticulation, if any; and
- (viii) where a gantry crane(s) is included in the Property, maintaining, replacing parts and repairs in compliance with Occupational Health and Safety Regulations and manufacturers specifications including periodic major inspections to keep the crane in full working order and compliant with all Worksafe and other relevant regulations.

(e) **Sinking fund**

The Lessor is not entitled to require the Lessee to contribute to any sinking fund created by the Lessor for repairs, replacements or other expenditure, as part of the Lessee's contributions to Operating Expenses under this Lease.

(f) **Exclusions from Operating Expenses**

The following are excluded from constituting Operating Expenses and the Lessee is not required to contribute to:

- (i) capital expenditure by the Lessor on plant, machinery, equipment or structural repairs to the Leased Premises;
- (ii) any liability or expenditure payable by the Lessee under some other provisions of this Lease;
- (iii) any liability or expenditure payable by or recoverable from some other lessee or lessees of the Leased Premises or from any other person;
- (iv) any liability or expenditure recoverable by the Lessor through insurance;
- (v) costs, expenses and interest in connection with money borrowed by the Lessor; or
- (vi) any other capital expenditure or deduction which should not be considered an operating expense of the Leased Premises under normal accounting policies or practice.

(3) Payment of Lessee's Operating Expenses contribution

The Lessee's Operating Expenses contributions will be invoiced on a per item basis as incurred. Payment is to be made within fourteen (14) days of invoice being presented to the Lessee by the Lessor

The Lessee's liability to pay for Operating Expenses during the Lease term shall not be extinguished merely because the Lease term has expired or has been terminated, subject to any other express agreement between the parties.

12 Services

(1) Lessee's liability for services and utilities

The Lessee will pay throughout this Lease for any electricity, power, fuel, gas, oil, water, telephone, garbage removal, waste disposal, and other services or utilities provided by public local or other authorities or suppliers to the Leased Premises and charged separately in respect of the Leased Premises, to the supplier of the service or utility.

(2) Installation of meters

The Lessee will, if required by the Lessor or by an authority supplying any such service or utility, permit the installation of meters required to measure the quantity of the service supplied to the Leased Premises.

(3) Cost of establishment of Services

The Lessee shall pay for all levies charges and fees imposed by a public, local or other authority or supplier associated with the delivery, establishment, connection or installation of any services or utilities to the Leased Premises including but not limited to any underground electricity connection.

13 Costs**(1) Costs of preparation of Lease**

The Lessee shall pay on execution of this Lease the costs of preparation of this Lease.

(2) Renewal or extension of lease

The costs and disbursements of any renewal or extension of this Lease shall be paid by the parties as is indicated in clause 13(1).

(3) Consents, transactions and default

The Lessee agrees to pay the Lessor's costs, charges, and expenses which are incurred reasonably, properly and in good faith, in connection with:

- (a) the obtaining of any consent from the Lessor, and from any headlessor, mortgagee or other person, which is required by the Lessee under this Lease;
- (b) the negotiation and preparation of all documents relating to any consent required by the Lessee, and all costs incurred by the Lessor, and by any other party whose consent is required, whether a consent is given, refused, or the application for consent is withdrawn;
- (c) any breach or default by the Lessee under this Lease; and
- (d) the exercise or attempted exercise by the Lessor of any right, power, privilege, authority or remedy, against the Lessee or against any Guarantor, to enforce the Lessee's obligations under this Lease, or to terminate this Lease for the Lessee's breach or default.

(4) Costs on an indemnity basis

The Lessor's legal and professional costs and disbursements under clause 13(3) shall be charged and allowed on an indemnity basis to provide full indemnity to the Lessor for costs charges and expenses.

(5) Lessor's internal costs

The Lessor's costs under clause 13(3) include:

- (a) the Lessor's reasonable administrative costs and expenses of considering any application for consent, of considering and managing any breach or default under this Lease and attendances by the Lessor's officers, employees or agents, including attendances on the Lessor's legal advisers and in court; and

- (b) the fees of professional consultants reasonably and properly incurred by the Lessor.

(6) Lessee's obligation to pay costs

- (a) The Lessor is entitled to render to the Lessee an itemised statement of any costs charges and expenses for which the Lessee is liable in accordance with clause 13(3) at any time after they have been incurred. In respect of any such statement, the Lessee shall pay the amount claimed:
 - (i) when the Lessor's consent is provided to the Lessee; and
 - (ii) in any other case, within thirty (30) days after service of the statement on the Lessee.
- (b) The Lessee's liability shall incur interest on the basis specified in clause 15 from the thirty first day after the date of service of the statement until the day of payment, calculated on a daily rate.

14 Precluding deduction for set-off or counterclaim

The Lessee expressly agrees to make all payments due under this Lease, including for rent and outgoings, punctually on the date when each payment is due and shall not withhold or be entitled to withhold the whole or part of any such payment by way of deduction, set-off or counterclaim, in respect of any claim for damages or for compensation which the Lessee shall make or has made against the Lessor, until after the Lessor's liability for damages or compensation is determined and the amount due to the Lessee is determined or agreed.

15 Lessee's liability for interest on overdue payments

(1) Interest on overdue payments

In the event of the Lessee being in default for a period of more than fourteen (14) days with the payment of rent, rates, outgoings, costs or any other liability to or on behalf of the Lessor under this Lease, the Lessee is liable to pay additional interest to the Lessor in accordance with this clause.

(2) Computation of interest

Interest is computed:

- (a) from the day immediately following the day on which each liability is due for payment, at a daily rate, until the liability is discharged by payment;
- (b) at the rate of interest indicated in Item 13 in the Reference Schedule calculated as at the date of commencement of the default and applicable until the liability is discharged by payment; and
- (c) in respect of amounts remaining unpaid, the Lessor at its option may capitalise interest calculated up to the end of each calendar month whilst there are outstanding liabilities in accordance with clause 15(1) from the Lessee.

(3) Recovery of interest

The Lessor may demand the payment of interest and take legal action to recover the amount due at any time after not less than fourteen (14) days notice is given to the Lessee indicating the amount due and its calculation.

PART 4 — SECURING THE LESSEE'S OBLIGATIONS

16 Security Deposit and Bank Guarantee

- (a) On signing the Lease, the Lessee must give security against breach of the Lease by:
 - (i) depositing with the Lessor the amount equivalent to the amount shown in Item 23 of the Reference Schedule; „**Security Deposit**“ or
 - (ii) giving an unconditional bank guarantee drawn to the Lessor, „**Bank Guarantee**“ equivalent to the amount shown in Item 23 of the Reference Schedule.
- (b) The Lessor must maintain the Security Deposit in a separate interest-bearing account with a respectable financial institution. Interest earned on the account will become part of the Security Deposit.
- (c) If the Lessee fails to pay rent or other money payable under the Lease or if the Lessor suffers loss or damage because of any other breach of the Lease by the Lessee, the Lessor may apply the Security Deposit or the amount payable under the Bank Guarantee towards the arrears of rent or other money, or towards the loss or damage. In doing so, the Lessor does not waive the Lessee's breach and does not waive any other right or remedy arising from the breach.
- (d) If the Lessor does use the Security Deposit or the amount payable under the Bank Guarantee as described in clause 16(c), the Lessor may notify the Lessee that it has done so. Within fourteen (14) days of the notification date, the Lessee must reinstate the Security Deposit by paying to the Lessor the amount applied or extend or renew the Bank Guarantee for the amount applied.
- (e) At the end of the Lease, if the Lessee is not indebted to, or otherwise liable to the Lessor for breach of the Lease, the Lessor will refund the Security Deposit or the balance of the Security Deposit then held to the Lessee or will consent to the discharge of the Bank Guarantee.

17 Guarantee

(1) Entering into Guarantee

In consideration of the Lessor agreeing to grant this Lease to the Lessee at the request of the Guarantor the Guarantor enters into this guarantee (called "Guarantee") in favour of the Lessor on the terms specified in this clause.

(2) Scope of Guarantee

- (a) The Guarantor agrees to guarantee the payment of rent and the observance and performance of all the Lessee's obligations as specified in this Lease throughout the lease term, including during holding over as periodical tenant after the expiry of the lease term, by the Lessee, its successors and assignees of this Lease.
- (b) This Guarantee covers the whole period whilst the Lessee occupies or is entitled to occupy the Leased Premises under this Lease as the lessee, or whilst holding an equitable interest over the Leased Premises under an agreement for lease or as a periodical tenant.
- (c) This Guarantee extends to claims by the Lessor:

- (i) for damages for breaches of lease covenants;
 - (ii) for breaches of any essential terms of this Lease;
 - (iii) for repudiation of this Lease;
 - (iv) for the Lessor's loss or damage in the event of the Lessee abandoning or vacating the Leased Premises;
 - (v) in the event of the Lessor electing to re-enter or to terminate this Lease;
 - (vi) for the Lessor's reasonable legal and other expenses of seeking to enforce those obligations against the Lessee and the Guarantor, recovering possession and terminating this Lease, on the basis specified in clause 13; and
 - (vii) for loss or damage consequent on disclaimer of this Lease on the Lessee's insolvency, as if this Lease had not been disclaimed.
- (d) This Guarantee is in favour of the Lessor and its successors and assigns being the owner of the Leased Premises from time to time during the continuance of this Guarantee.

(3) Liability of several Guarantors

When there is more than one Guarantor under this Lease:

- (a) the term Guarantor in this clause refers to each of the Guarantors and to all of them;
- (b) their obligations as Guarantor are joint and several;
- (c) the Lessor may enforce this Guarantee against all or any of them;
- (d) any notice or demand may be served on all of them by serving any one of them; and
- (e) this Guarantee remains binding on the other Guarantors, even if:
 - (i) any Guarantor fails to execute this Lease or to enter into this Guarantee;
 - (ii) this Guarantee is not binding on any Guarantor; or
 - (iii) the Lessor shall release any Guarantor from liability under this Guarantee.

(4) Guarantee not discharged

This Guarantee is not discharged and the Lessor's rights against the Guarantor are not affected by any of the following:

- (a) the granting of any indulgence or extension of time by the Lessor to the Lessee or to the Guarantor;
- (b) the Lessor's neglect or failure to enforce lease covenants against the Lessee or waiver of any breaches or defaults under this Lease;
- (c) the total or partial release of liability of the Lessee or of a Guarantor by the Lessor;

- (d) the entry into any arrangement, composition or compromise relating to this Lease between the Lessor and the Lessee or any other person;
- (e) the variation of any provision of this Lease between the Lessor and the Lessee without the Guarantor's consent but only if they are minor and are not prejudicial to the Guarantor;
- (f) the death or bankruptcy or winding up of the Lessee or the Guarantor;
- (g) the Lessee's liability under this Lease, or this Lease, being or becoming invalid, illegal, or unenforceable, including through any act, omission or legislation; or
- (h) the disclaimer of this Lease following the Lessee's insolvency.

(5) Lessor's Certificate

For the purpose of this Guarantee, a certificate or statement signed by or on behalf of the Lessor or the Lessor's solicitor relating to any sum of money claimed by the Lessor to be due from the Lessee under this Lease is prima facie evidence of the amount claimed and the facts therein.

(6) Payments

- (a) In respect of any payment made by or on behalf of the Lessee under this Lease which is void or is avoided for any reason, the Guarantor shall remain liable under this Guarantee as if that payment had not been made.
- (b) Until the Lessor's claims against the Lessee and against the Guarantor have been fully satisfied, the Guarantor will hold on trust for the Lessor any money received by the Guarantor under any arrangement, composition, assignment, liquidation or bankruptcy of the Lessee.

(7) Disclaimer of lease

In the event of the Lease being terminated by disclaimer by a trustee or liquidator of the Lessee, the Guarantor agrees that upon being required by the Lessor within ninety (90) days after the date of the disclaimer to do so, the Guarantor will enter into a lease of the Leased Premises for a term commencing from the date of the disclaimer to the end of the lease term at the cost of the Guarantor and on the terms and conditions of the Lease but without containing any provision for a guarantee of that lease.

PART 5 — USE OF LEASED PREMISES

18 Use of Leased Premises

The Lessee will not use or permit the Leased Premises to be used for any other purpose than that stated in Item 14 in the Reference Schedule. The Lessee shall not use the Leased Premises for the sale of goods or services by retail or any other retail business or as a retail shop as defined in the *Commercial Tenancy (Retail Shops) Agreements Act 1985*.

(1) Change of use

The Lessee may apply to the Lessor for consent to a change of use during the continuance of this Lease which the Lessor shall not unreasonably refuse or withhold, if the following conditions precedent are satisfied:

- (a) the Lessee first obtains all planning and other approvals to the use of the Leased Premises for that purpose and subsequently complies with the conditions of approval at the Lessee's expense;

- (b) there are no unremedied breaches of the Lessee's obligations under this Lease at the date of the Lessee's application for consent to change of use or whilst that application is considered by the Lessor;
- (c) any other consents which are required to the change of use, by head Lessors, mortgagees, guarantors under this Lease, or others, are obtained before the change of use;
- (d) the execution of a deed in a form reasonably required by and prepared on behalf of the Lessor, by the Lessor and the Lessee,;
- (e) the execution by the Lessor and the Lessee of an appropriate instrument varying the lease covenant relating to use, which shall be duly stamped and registered; and
- (f) the payment by the Lessee to the Lessor of the Lessor's reasonable costs and disbursements, in accordance with clause 13.

19 Warranties and representations

(1) No warranty of suitability or adequacy

Regarding the present or future suitability or adequacy, for the Lessee's intended use or the business intended to be conducted by the Lessee, of the Leased Premises, or the fixtures, fittings, furnishings, plant, machinery, equipment, services and facilities provided by the Lessor:

- (a) the Lessee acknowledges that no promise, representation or warranty was given by or on behalf of the Lessor to or on behalf of the Lessee;
- (b) the Lessor makes no warranty; and
- (c) any warranties implied under the general law or by statute are excluded under this Lease and negated to the extent permitted by law.

(2) Lessee's responsibility for approvals

- (a) The Lessee has satisfied itself, before entering into this Lease, regarding the need for the availability and existence of all approvals, consents and licences required for use of the Leased Premises by the Lessee for its business and for the intended and permitted use of the Leased Premises.
- (b) The Lessee has full responsibility, at its expense, to ensure that all approvals, consents and licences required by the Lessee for the conduct of the business and use of the Leased Premises are obtained and maintained throughout the term of this Lease and that all their conditions are observed.

20 Trust Representations and Warranties

(1) Interpretation

In this clause:

„Trust“ means the Trust set out in item 15 of the Reference Schedule established and governed by the Trust Deed;

„Trust Deed“ means the trust deed described in item 15 of the Reference Schedule; and

„Trust Fund“ means the property held by the Lessee as trustee under the Trust Deed.

(2) Trust Representations and Warranties

The Lessee represents and warrants to the Lessor that:

(a) Valid and Subsisting Trust

The Trust is a valid and subsisting trust as at the date of this Lease and full particulars of the Trust were disclosed to the Lessor prior to the execution of this Lease.

(b) Valid Exercise of Trust Powers

All the powers and discretions conferred on the Lessee as trustee of the Trust Fund are, at the date of this Lease, capable of being validly exercised by it as trustee of the trust fund (notwithstanding any conflict of interest which may arise for the Lessee as trustee in performing this Lease), no action has been taken to vary or revoke those powers and discretions and the covenants, undertakings, and agreements given by the Lessee to the Lessor are so given pursuant to the powers contained in the Trust Deed.

(c) Trustee Power

The Lessee is sole trustee of the Trust and no action has been taken to replace the Lessee as such sole trustee and, as sole trustee, the Lessee has full and unfettered power under the Trust Deed to execute, and perform its obligations under, this Lease on behalf of the Trust and all action necessary under the Trust Deed has been taken to authorise the execution and performance of this Lease.

(d) Lessee's Personal Liability

This Lease is binding upon the Lessee personally and in its capacity as trustee of the Trust and nothing contained or implied in this Lease or in any notification given or deemed to be given to the Lessor will prejudice, affect or in any way limit the personal liability of the Lessee on its own account as Lessee under this Lease.

(e) Trust Not to Affect Lease

This Lease is not affected by the fact that the Lessee is the trustee of the Trust or is otherwise a trustee or nominee whether or not disclosed to the Lessor or by any change whatsoever which is made or takes place in the position of the Lessee as such trustee or nominee.

(f) Lessor Not Affected

Nothing contained or implied in this Lease or in any notification given or deemed to be given to the Lessor by any person will:

- (i) oblige or require the Lessor to take notice of any actual, contingent or future interest of any person in or under the Trust or in respect of any beneficiary or otherwise in regard to any trustee or nominee relationship of the Lessee.
- (ii) prejudice, affect or limit any rights or remedies conferred by law or in equity upon the Lessor against the Lessee or any present or future beneficiary of the Trust or in respect of any beneficiary or any other person referred to in the Trust Deed or any other relevant agreement or claiming any interest under the Trust Deed or other relevant agreement or otherwise in regard to any trustee or nominee relationship including all rights to trace, follow and levy execution upon or against all or any assets.

(g) Lessor's Right of Indemnity

The Lessor may exercise all the rights, powers, authorities and discretions conferred by this Lease or implied by law or in equity upon the Lessor and the Lessor will be entitled to full recourse and resort to an indemnity from time to time held by the Lessee as trustee or nominee in the same manner and to the same extent as if the Lessee were the sole unencumbered legal and beneficial owner of its assets.

(h) Trust Benefit

The Lessee considers that this Lease is being executed and entered into as, and all transactions contemplated by this Lease are or will be entered into as, part of the due and proper administration of the Trust Fund and for the benefit of the beneficiaries of the Trust.

(i) Lessee's Right of Indemnity

The Lessee has a right to be fully indemnified out of the Trust Fund for obligations and liabilities undertaken by the Lessee in its capacity as trustee of the Trust Fund under this Lease and no action has been taken to limit or restrict that right.

(j) No Default

No default has occurred or, having occurred, is subsisting under the Trust Deed.

(k) Vesting Date

No vesting date for the Trust Fund has been determined.

(l) No Changes Regarding Trust

The Lessee warrants that it will not permit (insofar as it is able to do so), without the prior written consent of the Lessor:

- (i) any re-settlement, appointment, appropriation or distribution of capital of the Trust Fund;
- (ii) where the Trust Deed constitutes a unit trust, any issue, transfer or repurchase of units;
- (iii) any retirement or replacement of the Lessee as trustee of the Trust Fund (whether in addition to, or in substitution for, the lessee);
- (iv) any amendment of the Trust Deed;
- (v) any breach of the Trust Deed; or
- (vi) any encumbrance, mortgage or charge whatsoever on any of the assets of the Trust fund which are encumbered, mortgaged or charged for the benefit of the Lessor.

21 Lessee's obligation to trade**(1) Requiring Lessee to continue trading**

The Lessee covenants to keep the Leased Premises open for business and to conduct the Lessee's business throughout the term of this Lease during the hours in Item 16 in the Reference Schedule, except:

- (a) when the Lessee is prevented from trading in the Leased Premises in circumstances beyond the Lessee's control; or
- (b) when the business is closed for annual holidays.

22 Signs

(1) Sign on exterior of Leased Premises

- (a) The Lessee shall not display or affix any sign, advertisement or notice to the exterior of the Leased Premises or situated within or affixed to the interior of the Leased Premises which is visible from outside the Leased Premises, without the Lessor's prior written consent. Such consent may be withheld at the Lessor's absolute discretion or provided on such conditions as the Lessor requires.
- (b) With the Lessor's consent, the Lessee may install a sign on the exterior of the Leased Premises:
 - (i) limited to the Lessee's trading name, the description of its business and the Lessee's trade mark or insignia;
 - (ii) the size of the sign shall not exceed the dimensions approved by the Lessor;
 - (iii) in a style substantially similar to signs on other Leased Premises on the Land; and
 - (iv) with painted or plastic characters which are not moving, flashing or animated.
- (c) Any signs or notices installed by the Lessee shall be maintained by the Lessee in good repair and condition throughout the term of this Lease.
- (d) The Lessee shall ensure compliance with the requirements of statutory and local government authorities in relation to the signs.

23 Alterations

(1) No alterations to premises

The Lessee shall not:

- (a) make or permit to be made any alterations or additions in or to the Leased Premises;
- (b) install, or make any additions or alterations to, any electrical, gas, water, plumbing and other services, fixtures, or appliances, or any other equipment or appliances for heating, cooling, ventilating or air conditioning the Leased Premises; or
- (c) mark, paint, damage, deface, drive nails or screws into, any walls, floors, ceilings, partitions, or any wood, stone or metal surface of the Leased Premises except in accordance with clause 23(2).

(2) Minor alterations

The Lessee is permitted to drive screws or nails into the walls or floors of the Leased Premises, without the Lessor's consent, but only in order to affix, using as few nails and screws as are reasonably necessary, decoration, paintings, carpets, and equipment used by the Lessee in its business. Such work must be carried by an appropriately qualified

tradesman to ensure a professional standard of work and the use of appropriate nails, screws or other attachments.

24 Compliance with regulations

(1) Lessee's obligation

The Lessee shall at its expense observe and comply with all laws and requirements relating to:

- (a) the Lessee's use and occupation of the Leased Premises for the use permitted in this Lease;
- (b) the Leased Premises and facilities by reason of the number and the sex of the Lessee's employees and other persons working in or entering the Leased Premises;
- (c) the fixtures, fittings, machinery, plant and equipment in the Leased Premises; and
- (d) occupational health, safety and environmental matters.

(2) Compliance with notices

The Lessee shall comply with the notices or requirements of the relevant authorities regarding the matters in clause 24(1), whether given to the Lessor or the Lessee, except to carry out structural alterations to the Leased Premises.

25 Lessee's obligations regarding use of Leased Premises

(1) Prohibitions with reference to use of premises

The Lessee shall not, during the term of this Lease:

- (a) Allow the Leased Premises to be used for any illegal, immoral, noxious, dangerous or offensive purpose, activity or occupation.
- (b) Use or permit any part of the Leased Premises to be used as sleeping quarters or for residence.
- (c) Keep any animals in the Leased Premises.
- (d) Hold or permit any auction or public meeting in the Leased Premises.
- (e) Use or permit the use of any sound producing equipment in the Leased Premises at a volume which may be heard outside the premises.
- (f) Use the Leased Premises in a noisy or in any other manner which would cause damage, nuisance or disturbance to the Lessor, to other lessees of leased premises on the Land, or to the owners or occupiers of adjoining properties.
- (g) Trade, display merchandise or conduct any business activities outside the Leased Premises and Common Areas of the Land.
- (h) Use the Leased Premises in an excessively noisy or noxious or offensive manner.
- (i) Use plant or machinery in the Leased Premises so as to constitute a nuisance or disturbance to the Lessor or to other lessees of the other leased premises on the Land, due to excessive noise, vibration, odours or otherwise.

- (j) Obstruct the Common Areas of the Land.
- (k) Use any part of the Common Areas of the Land for storage purposes without the express consent of the Lessor in writing.

(2) Mode of conducting Lessee's business

The Lessee agrees, regarding the conduct of the business in the Leased Premises, throughout the term of this Lease, to conduct the business in an orderly, efficient and reputable manner, consistent with the standard and quality of the Leased Premises.

(3) Inflammable substances and contaminants

- (a) The Lessee covenants that, during the continuance of this Lease, the Lessee will:
 - (i) not use or permit to be used or stored at the Leased Premises any radioactive, toxic, hazardous, inflammable, dangerous or explosive chemicals, wastes or substances, except in concentrations and quantities permitted by the relevant statutory authorities and in accordance with any licences, permits or authorisations required by law and in accordance with the conditions imposed by such authorities or under their permission;
 - (ii) not permit any petroleum product, oil, grease, or any noxious, dangerous or poisonous chemical or substance to be discharged through the pipes of the water or sewerage service at the Leased Premises, or into any nearby stream or river or into or under the soil, and to discharge them only as permitted by the relevant statutory authorities, as required by law and in accordance with any conditions imposed by those authorities; and
 - (iii) control and restrict the emission of smoke or odours at and from the Leased Premises in accordance with the applicable legislation, regulations and the requirements of statutory authorities;

unless the sale or use of such substances constitutes proper conduct of the Lessee's business for the permitted use of the Leased Premises and the particular substances are stored and used only whilst taking all necessary safety precautions and in compliance with all fire and safety regulations relating to such substances.

- (b) The Lessee must comply with the demands, notices and requirements of the regulatory authorities in respect of contamination of the Leased Premises caused by the Lessee or by occupiers of the Leased Premises, including notices to remediate the Leased Premises.
- (c) Notify the Lessor within fourteen (14) days after receiving any demand or notice from a regulatory authority in respect of contamination of the Leased Premises.
- (d) The Lessee agrees to indemnify the Lessor against any liability, loss, damage, expense or claim which the Lessor may incur as a consequence of the breach by the Lessee of any obligation under this Clause, including fines, legal costs, consultants' fees and remediation costs.
- (e) The Lessee at the reasonable request of the Lessor will obtain a contamination certificate at the termination of the Lease.

(4) Cleaning and hygiene

The Lessee must keep the Leased Premises in a clean and sanitary condition at least to the standard of the relevant health authorities, and otherwise as considered satisfactory by the Lessor, and must prevent any contamination or environmental damage resulting from vermin or accumulation of rubbish or substances of any kind. The Lessee must

regularly remove rubbish and refuse from the Leased Premises using, where appropriate, proper receptacles for the purpose. If the Lessor nominates a cleaning contractor for cleaning the common areas or removing rubbish or contaminants from common areas, the Lessee must accept the services of that cleaning contractor.

(5) Disposal of rubbish

- (a) The Lessee shall cause all rubbish accumulated in the Leased Premises to be placed daily in suitable containers to be provided by the Lessee for the Leased Premises and situated in an area on the Land designated by the Lessor ("Bin Area") and shall maintain that Bin Area in accordance with the requirements of the Health Department.
- (b) The Lessee will ensure that trade waste or wet refuse including cooking oil is removed from the Leased Premises and the Bin Area daily.
- (c) If the suitable containers become full, the Lessee must remove excess rubbish to the local rubbish tip and must not allow rubbish to accumulate anywhere within the Leased Premises or on the Land.

(6) Use of toilets and drainage

The Lessee shall:

- (a) not use the toilets, sinks, drainage and plumbing in the Leased Premises or on the Land for purposes other than those for which they were designed;
- (b) not place in any of those facilities rubbish, chemicals, contaminated and other substances, which they are not designed to receive or which would infringe health or environmental regulations; and
- (c) repair any damage caused to any of those facilities by breach of paragraph (a) or (b).

26 Overloading and heavy equipment

(1) Weight and location of heavy equipment

- (a) The Lessor is entitled to specify the maximum weight and the proper location of any heavy articles which may be brought into and located in the Leased Premises.

(2) Requirement for Lessor's consent

- (a) The Lessee shall not bring into the Leased Premises any heavy equipment, including machinery, plant, safe, furniture or other equipment, unless:
 - (i) it is reasonably necessary for the conduct of the Lessee's business for the permitted use in the Leased Premises;
 - (ii) if required for conduct of Lessee's business then the Lessee will give at least seven (7) days prior written notice to the Lessor of the intention to bring them into the Leased Premises, a description of the nature, size and weight of each item, and indicating the intended position of each item; and
 - (iii) the Lessee has obtained the Lessor's prior consent;
 - (iv) the location of the equipment, machinery or any other plant item shall not interfere with the business operations of lessees of adjoining premises.

(3) Damages

- (a) The Lessee is liable to the Lessor for any damage caused to the Leased Premises or the Land consequent on the Lessee moving heavy equipment into the Leased Premises without having complied with the provisions of this clause.

(4) Overloading electrical supply

- (a) The Lessee will not install any electrical equipment which will overload the cables, switchboards and other equipment that supplies electricity to the Land or to the Leased Premises.

(5) Lessee's liability

- (a) If any installations by the Lessee result in overloading that equipment, the Lessee is liable:
 - (i) for the costs of repairing any damage;
 - (ii) for ensuring that the Lessor's equipment is repaired and restored to working order; and
 - (iii) if necessary, to disconnect the Lessee's installations or alter or upgrade the electrical supply system at the Lessee's cost, in order that it will suffice for the additional load imposed by the Lessee's installations.

27 Security and keys**(1) Securing premises**

The Lessee shall:

- (a) take reasonable action to secure the Leased Premises against unauthorised entry whilst the premises are unoccupied; and
- (b) securely lock and fasten external doors and windows in the Leased Premises whilst the premises are unoccupied.

(2) Lessee's obligations regarding alarm

The Lessee shall:

- (a) service, maintain and repair, when required, any intruder alarm installed in the Leased Premises by the Lessee;
- (b) ensure that any intruder alarm installed by the Lessee is not incompatible with, or does not adversely affect the performance of, any intruder alarm installed by the Lessor; and
- (c) allow reasonable access to the Leased Premises to persons nominated by the Lessor, for the purpose of testing, servicing, maintaining and repairing any intruder alarm to the Leased Premises installed by the Lessor.

(3) Lessor to provide keys and access cards

At the commencement of this Lease the Lessor shall provide to the Lessee at the Lessor's cost a sufficient number of keys reasonably required by the Lessee for entry into the Land, the Leased Premises, including outside normal business hours.

(4) Lessee's obligations regarding keys and access cards

The Lessee shall:

- (a) not make or allow to be made any duplicate keys;
- (b) provide keys only to the Lessee's employees;
- (c) keep a permanent record of who is provided with keys, including their issue and return, and allow the Lessor to inspect that record on reasonable notice;
- (d) notify the Lessor promptly if any keys are reported to the Lessee to have been lost, destroyed or stolen;
- (e) pay the Lessor for the cost of supplying any replacement or additional keys; and
- (f) return to the Lessor all keys obtained from the Lessor on termination of the Lessee's tenancy of the Leased Premises.

28 Lessee's obligations relating to air conditioning and other facilities**(1) Air conditioning**

- (a) In this clause "air conditioning" means the heating, cooling or circulating of air and the plant and equipment associated with heating, cooling or circulating air.
- (b) In the event that the Lessee is the sole occupant of the Leased Premises or where the Leased Premises is supplied with independent and dedicated air conditioning facilities:
 - (i) The Lessee will maintain throughout this Lease at the Lessee's expense, maintenance and service contracts relating to the air conditioning with specialist consultants or contractors.
 - (ii) Where the air-conditioning is reverse cycle the Lessee will arrange for a maintenance contract with an appropriately qualified contractor to service the unit or units every three (3) months, including cleaning of filters and refrigerant recharging as required.
 - (iii) In the case of evaporative air conditioning, the Lessee will have the unit or units cleaned twice a year, and replace the pads as required. In the case of all evaporative air-conditioning the Lessee will ensure that the bleed-off water is piped to ground and into the sewer, or where no sewerage exists, clear of the Leased Premises. Where capillary tubing or similar clear plastic pipework is used the tubing is to be replaced annually. The Lessee warrants that the Lessee will ensure that bleed-off water does not come into contact with the roof, gutter or downpipes or interfere with the adjoining lessee's business operation;
 - (iv) The Lessee will ensure that the Lessee's employees shall comply with the Lessor's reasonable instructions regarding the use of the air conditioning, and will not interfere with, or allow anything to be done which might impair the efficient operation of any of the air conditioning.

(2) Facilities

- (a) In this clause "Facilities" means fire sprinklers and other fire safety and prevention equipment provided by the Lessor in the Leased Premises, and includes the plant, machinery and equipment associated with those Facilities, but excludes fire extinguishers and fire hose reels.

- (b) The Lessor will maintain throughout this Lease, maintenance and service contracts relating to Facilities with specialist consultants or contractors.
- (c) The Lessor will ensure that the Facilities referred to in paragraph (b) are regularly inspected, serviced and repaired, by specialist consultants or contractors, under service contracts, at intervals considered necessary or prudent by those specialists.
- (d) The Lessee will ensure that the Lessee's employees shall comply with the Lessor's reasonable instructions regarding the use of the Facilities, and will not interfere with, or allow anything to be done which might impair the efficient operation of any of the Facilities.
- (e) The Lessee will ensure that appropriate fire extinguishers are provided in the premises and that they and the fire hose reels if any are serviced by specialist contractors in accordance with the manufacturer's service recommendations.

(3) Exemption of Lessor's financial responsibility

The Lessor is exempted from any liability to the Lessee for financial loss or inconvenience, including for damages, abatement of rent or for repudiation, and the Lessee is not entitled to terminate this Lease, because:

- (a) any of the air conditioning or Facilities is out of order and is not functioning properly or at all; or
- (b) any of the air conditioning or Facilities is temporarily stopped or interrupted pending inspection, repair, maintenance, replacement for any other cause beyond the Lessor's control.

PART 6 — REPAIRS, MAINTENANCE AND ALTERATIONS

29 Lessor's repair obligations

(1) Lessor's general obligation

The Lessor shall keep the Leased Premises and Services in and to the Leased Premises in good repair throughout the term of this Lease.

(2) Lessor's specific obligations

- (a) The Lessor shall maintain the Leased Premises in a standard of repair having regard to its standard, quality, nature, character, situation and age, in keeping with comparable commercial buildings of similar nature and quality.
- (b) The Lessor is responsible, in respect of the Leased Premises, for
 - (i) structural repair;
 - (ii) Latent Defects; and
 - (iii) fair wear and tear subject to the Lessee's maintenance obligations,
 but the Lessor is not required to carry out structural repairs or to remedy Latent Defects or to remedy fair wear and tear, except:
 - (A) when required for the stability or safety of the Leased Premises; or

- (B) to maintain the reasonable use and enjoyment of the Land and the Leased Premises by the Lessee and other lessees of leased premises on the Land; or
 - (C) to maintain the Leased Premises in the condition in paragraph (2)(b).
- (c) The Lessor is not responsible for any damage to the Lessee's plant and equipment, stock, fixtures and fittings caused by termite or timber pest activity or infestation.

30 Lessee's repair obligations

(1) Lessee's general obligation

The Lessee shall keep the Leased Premises and the Lessor's fixtures and chattels situated in the Leased Premises in good repair and working condition throughout this Lease and shall on expiry or termination of this Lease yield up the Leased Premises to the Lessor in the state of repair and condition as is specified in this clause.

(2) Lessee's specific obligations

The Lessee shall:

- (i) take reasonable action to prevent the entry of water into the Leased Premises and to keep the Leased Premises watertight and weatherproof;
- (ii) keep and maintain Services to the Land and to the Leased Premises in good working condition and repair;
- (iii) properly maintain gardens, lawns and landscaped areas in and outside the Leased Premises in good condition; and
- (iv) comply with the requirements of statutory and local government authorities relating to the Leased Premises which are imposed on the Lessor as owner of the Leased Premises

(3) Limiting Lessee's repair obligation

The Lessee is not responsible for:

- (a) Latent Defects;
- (b) structural repairs, unless the need for repair occurred:
 - (i) through the conduct or negligence of the Lessee or of persons for whose conduct the Lessee is legally liable; or
 - (ii) through the Lessee's use and occupation of the Leased Premises or the use of fixtures, plant and machinery in the Leased Premises;
- (c) the condition of the Leased Premises at the commencement of this Lease;
- (d) fair wear and tear since the commencement of this Lease, throughout the term of this Lease;
- (e) repairs required as a result of natural disasters, deliberate damage or accident, such as fire, flood, storm, earthquake, explosion, which are beyond the Lessee's responsibility or control, unless

- (i) the damage occurred as a result of or was substantially contributed to by the Lessee's negligence; and
- (ii) the Lessor is legally unable to recover from its insurer insurance money for the damage because of some act, neglect, default or misconduct by the Lessee or by other persons for whose conduct the Lessee is responsible.

(4) Lessee's additional specific repair obligations

In addition to the Lessee's obligations under clause 30(1), the Lessee shall throughout the term of this Lease, notwithstanding clause 30(2) (which does not apply to the matters listed in this paragraph), carry out the following repair and maintenance:

- (a) promptly repair or replace all broken, cracked or damaged glass in the Leased Premises, with glass of the same or similar gauge and quality, unless the damage was caused by the Lessor or the Lessor's tradespersons;
- (b) promptly repair or replace all damaged, broken or faulty light globes, fluorescent lights, power points, light switches, heating, lighting and electrical appliances, services and wiring in the Leased Premises;
- (c) promptly repair and keep in proper working order and free from blockage plumbing fittings, drains, water pipes, sewerage pipes, toilets and sinks, to the extent to which they are situated in or under the Leased Premises and provide Services or facilities to the Leased Premises;
- (d) maintain and repair all door and window locks and fittings in the Leased Premises; and
- (e) repair any damage or breakage to the Leased Premises, to the Lessor's Fixtures and property in the Leased Premises, and to Services and Facilities (as defined in clause 28(2)), in the Leased Premises, caused by lack of care or misuse, act or omission by the Lessee or by its employees or agents.

(5) Carrying out repairs

When carrying out any repair in accordance with this clause, the Lessee shall ensure that:

- (a) the work is carried out by appropriately licensed and qualified tradespersons;
- (b) the work is carried out promptly;
- (c) the work is completed in high class workmanship and with good quality materials;
- (d) fittings and materials of similar style and quality are used to the items being repaired or replaced;
- (e) the required consent or approval of any statutory authority is obtained to carry out the work and the conditions of approval are observed; and
- (f) the work is carried out without creating undue noise, nuisance or interference with the use and enjoyment of adjoining or nearby leased premises.

31 Lessee's obligation to paint**(1) Obligation to paint**

The Lessee shall paint the Leased Premises during each period specified in Item 17 in the Reference Schedule.

(2) Quality of painting

- (a) Painting shall be carried out by qualified tradespersons engaged by the Lessee, in high class workmanship and with good quality materials.
- (b) If the Lessee desires to change the colours, patterns, nature, style or quality of the painting or wallpapering, the Lessee shall submit to the Lessor full details of and patterns for the intended changes, for the Lessor's prior written approval, such approval not to be refused unreasonably by the Lessor.

(3) Extent of painting

Painting includes:

- (a) painting all painted surfaces, including internal walls and ceilings, with at least two coats of first quality paint;
- (b) where the Leased Premises is a single occupancy building, the external previously painted surfaces of the Leased Premises excluding colourbond and panel tilt surfaces; and
- (c) wallpapering where the internal walls of the Leased Premises are wallpapered.

(4) Lessee's failure to paint

If the Lessee fails to paint the Leased Premises in accordance with this clause, the Lessor may give notice to the Lessee requiring it to commence to paint within thirty (30) days, and if the Lessee fails to commence to paint in accordance with that notice, the Lessor may paint the Leased Premises and recover from the Lessee the reasonable cost of the painting.

32 Lessor's right to inspect Leased Premises**(1) Right of inspection**

The Lessor, or persons authorised by the Lessor, may enter the Leased Premises:

- (a) to inspect the condition and state of repair of the Leased Premises, Services and Facilities, (as defined in clause 28(2)); and
- (b) to ascertain that the Lessee complies with the Lessee's obligations under this Lease.

(2) Prior notice

The Lessor shall exercise its entitlement under clause 32(1) after giving not less than seven (7) days prior written notice to the Lessee of the intended time of the inspection, except in an emergency when the Lessor has an additional right to enter the Leased Premises and prior notice is not required before entry.

33 Lessor's right to repair Leased Premises**(1) Lessor's right of entry**

The Lessor and persons authorised by the Lessor, including consultants and contractors, may enter the Leased Premises, together with tools, equipment and materials, and remain on the Leased Premises, at and for such reasonable times as is necessary for the purpose of carrying out repairs and other work, in accordance with this clause.

(2) Notice before entry

Before entering the Leased Premises the Lessor shall give to the Lessee not less than seven (7) days prior written notice of the intended date and time of entry, its purpose and the likely duration of the intended work, except in an emergency, when prior notice before entry is not required.

(3) Nature of repairs

The Lessor may carry out repairs, including maintenance, installations, alterations, replacement or renewal, in respect of the Land, the Leased Premises, Services and Facilities, (as defined in clause 28(2)), to or situated in the Leased Premises, in order:

- (a) to undertake work which the Lessor is required or desires to carry out in accordance with this Lease;
- (b) to comply with the requirements of any authority;
- (c) to carry out work in conjunction with or to adjoining leased premises or Common Areas of the Land which cannot be reasonably undertaken without access from or through the Leased Premises;
- (d) to undertake work which the Lessee:
 - (i) failed to carry out, in breach of its obligations under this Lease, or following notice from the Lessor; or
 - (ii) failed to complete in a workmanlike manner;
- (e) to remove unauthorised work, alterations or signs, undertaken or installed by the Lessee in breach of its obligations under this Lease; and
- (f) to restore or rebuild the Leased Premises following damage or destruction.

34 Removal of alterations and fixtures**(1) The Lessee shall**

- (a) Remove:
 - (i) any alterations, additions, fixtures, partitions and fittings made or installed by the Lessee in the Leased Premises during this Lease;
 - (ii) all signs and notices erected or affixed by the Lessee to the Leased Premises; and
 - (iii) all nails and screws inserted by the Lessee into any part of the Leased Premises.
- (b) Reinststate:

- (i) the Leased Premises to their condition before any alterations, additions, installations and partitions were made or installed by the Lessee; and
- (ii) make good, in a proper and workmanlike manner, any damage caused to the Leased Premises by the installations and their removal.

(2) Period of removal

The Lessee shall comply with the obligations under clause 34(1)

- (a) before the expiry or termination of this Lease; and
- (b) if this Lease is terminated suddenly or unexpectedly, by forfeiture, destruction or other event, within fourteen (14) days after the termination of this Lease.

(3) Removal of fixtures

- (a) The Lessee is entitled to remove from the Leased Premises all fixtures installed by the Lessee during the lease term (except fixtures which the parties agreed in writing to become the Lessor's property and not removable by the Lessee).
- (b) The Lessee may remove fixtures during the term of this Lease, during any extension of the term of this Lease, during holding over after the expiration of this Lease, and during the term of a new lease granted to the Lessee, notwithstanding the surrender of this Lease, subject to this clause.
- (c) The Lessee (or the Lessee's successors or assigns) must remove fixtures within the number of days in Item 18 in the Reference Schedule after having ceased to occupy the Leased Premises.
- (d) The Lessee covenants to repair any damage caused to the Leased Premises by the removal of fixtures, or becoming apparent on their removal, in a workmanlike manner, so as to restore the Leased Premises to its condition before the installation of those fixtures which are removed.
- (e) Those fixtures which the Lessee does not remove within the period specified in paragraph (c) may at the Lessor's option remain permanently affixed to the Leased Premises and be and remain the property of the Lessor.

(4) Consequences of failure to remove and reinstate

If the Lessee fails to comply with the obligations under clause 34(1) or (3) within the periods in clause 34(2) or (3)(c):

- (a) the Lessor may cause the removal, reinstatement and repairs to be carried out, and the Lessee is responsible for and shall reimburse the Lessor for the Lessor's reasonable costs and expenses; and
- (b) if the Lessor incurs further loss in reletting the Leased Premises by reason of the Lessee's failure, the Lessor may recover from the Lessee the loss of rent and Operating Expenses which would have been received from a prospective Lessee.

PART 7 — INSURANCE, INDEMNITIES, DAMAGE AND DESTRUCTION

35 Lessor's insurances

(1) Lessor's obligation to insure

The Lessor shall effect and maintain throughout the term of this Lease a comprehensive insurance policy:

- (a) for the full insurable and replacement value of the Leased Premises and the Lessor's plant, equipment, Facilities (as defined in clause 28(2)) and property in the Leased Premises and on the Land;
- (b) including for the costs of demolition, site clearance, removal of debris, professional and other costs of planning and other approvals and for reinstating or replacing the Leased Premises, and Services and Facilities (as defined in clause 28(2)), to the Leased Premises;
- (c) against loss or damage by fire, storm, tempest, earthquake, lightning, explosion, and other risks usually covered under a comprehensive insurance policy for fire and related risks;
- (d) for the full replacement value, through breakage or damage from any cause:
 - (i) of all plate and other glass in windows, doors, shop front, display cases and other fixed glass in the Leased Premises; and
 - (ii) of any doors, windows or other frames containing the glass;
 within or forming part of the Leased Premises.

(2) Insurer

The Lessor shall effect the insurance under clause 35(1) with an insurer which is respectable, reputable and financially sound.

(3) Premium

The Lessor shall pay punctually the insurance premium to effect and maintain insurance throughout the term of this Lease.

(4) Replacement of property

- (a) In the event of loss or damage to the Lessor's property covered by the insurance under clause 35(1) the Lessor will promptly replace, repair or reinstate the damaged or destroyed property and utilise the insurance proceeds.
- (b) The Lessor is not required to repair, replace or reinstate the Lessor's property, when the following conditions are satisfied:
 - (i) the Leased Premises has been seriously damaged and is required to be substantially rebuilt or replaced; and
 - (ii) the Lessor is unable:
 - (A) to obtain planning or building consent to a reinstatement of a Leased Premises of substantially similar size and lettable space;
 - (B) to obtain consents without the imposition of conditions which would render compliance by the Lessor unreasonable or not financially viable as a property investment; and

- (C) to reinstate the Leased Premises due to circumstances beyond the Lessor's control.

36 Lessee's insurances

(1) Lessee's obligations to insure

The Lessee shall effect and maintain throughout the term of this Lease the following insurances:

(a) Public Risk

A public risk insurance policy:

- (i) in the form of a standard public risk policy or in the form commonly used by the Lessee's insurer and by some other reputable insurers;
 - (A) in the sum in Item 19 in the Reference Schedule in respect of any single event or accident; and
 - (B) or for such higher amount as the Lessor, acting reasonably and prudently, may require, during any year of the term of this Lease after the first year of the term of this Lease;
- (ii) relating to the Lessee's liability for death, personal injuries and property damage arising from the Lessee's occupancy of the Leased Premises and use of the Land, whilst entering, leaving, using and being in the Leased Premises or any portion of the Land, in circumstances in which the Lessee may incur liability for the injury, loss or damage; and
- (iii) and extended to include claims, risks and events covered under indemnities provided by the Lessee to the Lessor under this Lease.

(b) Lessee's property

A comprehensive insurance policy:

- (i) for the full insurable and replacement value of the Lessee's fixtures, fittings, plant, equipment and stock in trade in the Leased Premises; and
- (ii) against loss or damage by fire, storm, tempest, earthquake, lightning, explosion, burglary, damage caused by pest activity and other risks usually covered under a comprehensive insurance policy for fire and related risks.

(c) Workers' compensation

A workers' compensation insurance policy, providing unlimited cover in respect of the Lessee's employees for workers' compensation, as required by law.

(2) Insurer and conditions

(a) Lessee's Insurer

The Lessee's insurances shall be effected with one or more insurance companies which are respectable, reputable and financially sound.

(b) Joint insurances

The Lessee's insurances relating to public risk and the Lessee's property (in order to cover fixtures):

- (i) shall cover the Lessor's and Lessee's interests;
- (ii) and, if requested by the Lessor, shall include the interest of any mortgagee over the Leased Premises; and
- (iii) the Lessee shall provide to the Lessor on their request a Certificate of Currency for insurance policies taken out by the Lessee pursuant to this Lease.

(3) Payment of premium

- (a) The Lessee shall pay punctually when due the insurance premiums and other moneys payable to effect and maintain the insurances required under this clause.
- (b) If the Lessee fails to pay an insurance premium when due, the Lessor may make such payment, which shall become due and payable by the Lessee to the Lessor, together with interest, within seven (7) days after service of written notice by the Lessor on the Lessee requiring payment.

(4) Replacement of property

- (a) In the event of loss or damage to the Lessor's or Lessee's property which is covered by insurance effected by the Lessee, the Lessee will promptly replace, repair or reinstate the damaged or destroyed property, utilising the proceeds from the insurance.
- (b)
 - (i) The Lessee shall pay any additional costs of replacement, repair or reinstatement not covered by the proceeds from the insurance,
 - (ii) unless the Leased Premises is seriously damaged or destroyed and is not repaired or reinstated by the Lessor or this Lease is terminated as a consequence of the damage or destruction.
- (c) In the events under paragraph (b)(ii), the proceeds from any insurance effected by the Lessee in respect of damage or loss to the Lessor's property shall be remitted to the Lessor as compensation for its loss.

37 Lessee's conduct relevant to insurance**(1) Compliance with fire safety regulations**

- (a) The Lessee agrees to comply with the requirements imposed by the Lessor's insurer for the Leased Premises and under fire safety regulations, in respect of the authorised use by the Lessee of the Leased Premises:
 - (i) with regard to the installation, repair and maintenance of fire alarms, sprinklers, and fire prevention equipment in the Leased Premises, except those provided by the Lessor at or before the commencement of this Lease; and
 - (ii) including in respect of partitions and alterations in the Leased Premises.
- (b) The Lessee is liable to the Lessor for the reasonable cost of installations and equipment, which the Lessor may install in the Leased Premises during this

Lease, in order to comply with the requirements under paragraph (a), if the Lessee shall have failed to comply with those obligations in any respect.

38 Lessee's indemnities to Lessor

(1) Indemnities

The Lessee agrees to indemnify the Lessor from and against any liability, loss, damage, expense or claim, which the Lessor may incur, including to a third party, during or after the term of this Lease, in respect of or arising from:

(a) Plate Glass Insurance Excess

Any excess payable by the Lessor for claims relating to damage to plate glass and other glass in windows, doors, shop front, display cases and other fixed glass of any doors, windows or other frames containing the glass of the Leased Premises.

(b) Breach of lease obligations

Loss, damage or injury to property or person occurring within the Land or the Leased Premises, caused or contributed to by the Lessee's failure (including through the Lessee's agents or employees) to comply with the obligations imposed under this Lease.

(c) Misuse of Services or Facilities

The negligent use or misuse by the Lessee (and by its agents or employees) of any Services or Facilities (as defined in clause 28(2), on the Land or in the Leased Premises.

(d) Escape of substances

The overflow, leakage or escape of water, gas, electricity, fire, or other materials or substances in or from the Leased Premises, caused or contributed to by the Lessee's (and its agents' or employees') negligence.

(e) Use of Leased Premises

Loss, damage or injury to property or person, caused or contributed to by the Lessee's negligence, arising out of use of the Leased Premises.

(f) Faulty installations

Loss, damage or injury to property or persons, caused or contributed to by the defective installation of plant, fixtures and equipment in the Leased Premises by or on behalf of the Lessee.

(g) Failure to notify

The Lessee's failure to notify the Lessor regarding any defect in the Facilities (as defined in clause 28(2), or Services in the Leased Premises.

(2) Conditions and limitations

The indemnities under this clause:

- (a) include penalties, fines, legal and other costs incurred by the Lessor;

- (b) do not apply when the loss, damage or injury was caused or substantially contributed to by the wilful or negligent act or omission of the Lessor, its employees or agents; and
- (c) do not apply when the Lessor is indemnified for the loss or damage from moneys paid or recovered from insurances effected by the Lessor.

PART 8 — ASSIGNMENT AND SUBLETTING

39 Prohibition against assignment, subletting and mortgage over lease

(1) Prohibition of dealings

During the continuance of this Lease, in respect of whole or part of this Lease or the Leased Premises, the Lessee shall not:

- (a) assign, transfer, sublet, deal with, hold on trust, or grant any interest in, this Lease;
- (b) mortgage, charge or encumber this Lease;
- (c) part with possession of whole or any part of the Leased Premises;
- (d) grant any licence, or share the right of occupation or possession, in respect of whole or part of the Leased Premises; and
- (e) grant any franchise or concession over the Lessee's business conducted at the Leased Premises which would entitle any other person to use, occupy or trade from whole or part of the Leased Premises.

(2) Consent to assignment

The Lessee may apply to the Lessor for consent to the assignment of this Lease, which shall not be unreasonably withheld if the following conditions precedent are satisfied:

- (a) the Lessee shall make a written application to the Lessor for consent and furnish complete copies of all written documents entered into between the Lessee and the proposed assignee relating to the Lessee's business and the premises, written personal and business references and financial statements relating to the assignee and any proposed new guarantors;
- (b) the Lessee shall establish to the reasonable satisfaction of the Lessor that:
 - (i) the proposed assignee is respectable, responsible and solvent;
 - (ii) the proposed assignee has adequately performed its obligations as the lessee or former lessee of other business premises;
 - (iii) in respect of the business or profession intended to be conducted by the assignee at the Leased Premises the assignee has sufficient financial resources and business experience to be capable of adequately complying with the Lessee's obligations under this Lease and of efficiently conducting the assignee's business at the Leased Premises;
- (c) the Lessee shall have paid to the Lessor all moneys due under this Lease up to the date of the assignment (and, in respect of any liability which can not be accurately determined, will secure it to the Lessor's reasonable satisfaction at the date of the assignment);
- (d) there are no unremedied breaches of the Lessee's obligations under this Lease at the date of the assignment;

- (e) any other consents which are required to the assignment, by headlessors, mortgagees or others, are obtained before the assignment;
- (f) when the assignee is a company, other than a company whose shares are listed on an Australian Stock Exchange, personal guarantees for performance of lease covenants for the duration of the lease term by the assignee be provided, in a form reasonably acceptable to the Lessor and prepared on behalf of the Lessor at the Lessee's expense, by two of the assignee's directors or principal shareholders chosen by the Lessor;
- (g) the execution of a deed in a form reasonably required by and prepared on behalf of the Lessor, by the Lessor, Lessee, assignee, continuing guarantors and new guarantors, in which:
 - (i) the Lessee confirms its liability under this Lease for the balance of the current lease term;
 - (ii) the Lessor is released from liability to the Lessee under this Lease;
 - (iii) the assignee covenants to observe the Lessee's obligations under this Lease during the duration of this Lease;
- (h) the payment by the Lessee to the Lessor of the Lessor's reasonable costs and disbursements of considering the application for consent and consenting to the assignment, including:
 - (i) the Lessor's solicitors' reasonable costs of acting for the Lessor and preparing instruments in accordance with this Clause; and
 - (ii) the Lessors' reasonable administrative costs and expenses of considering the application and consenting to the assignment, including making inquiries regarding the Assignee.
- (i) If the Lessee has made a proper and sufficiently detailed application for consent and the Lessor has failed, within twenty eight (28) days after receiving the application, to give written notice to the Lessee, that the Lessor consents, or withholds consent, to the assignment, the Lessor shall be taken to have consented to the assignment of this Lease to the Assignee.
- (j) When the preconditions for consent to the assignment of this Lease in respect of a proposed Assignee are satisfied, the Lessor is entitled to refuse consent to the assignment of this Lease, but only if,:
 - (i) the Lessor and the Assignee have negotiated and reached agreement on the grant of a new lease from the Lessor to the Assignee;
 - (ii) such lease to be for a lease term (including options for renewal) which shall have a longer total duration than the outstanding term of this Lease (including any subsisting options for renewal); and
 - (iii) such new lease to contain substantially similar lease covenants as those contained in this Lease, unless otherwise agreed with the proposed assigned.

(3) Consent to subletting

The Lessee may apply to the Lessor for consent to the grant of a sublease over the whole or part of the leased premises, which shall not be unreasonably withheld if the following conditions precedent are satisfied:

- (a) the Lessee shall make a written application to the Lessor for consent and furnish a copy of the proposed sublease and written personal and business references and financial statements relating to the proposed sublessee for the sublease;
- (b) the terms and conditions of the sublease shall be reasonably acceptable to the Lessor and shall:
 - (i) require the sublessee to comply with the Lessee's obligations under this Lease as far as they govern the conduct of the sublessee as occupant of the subleased premises; and
 - (ii) prohibit the sublessee from doing or permitting some act in relation to the subleased premises which is inconsistent with or would constitute a breach of this Lease;
- (c) the Lessee shall establish to the reasonable satisfaction of the Lessor that:
 - (i) the proposed sublessee is respectable, responsible and solvent;
 - (ii) the proposed sublessee has adequately performed its obligations as the lessee or former lessee of other business premises;
 - (iii) in respect of the business or profession intended to be conducted by the sublessee at the leased premises, the sublessee has sufficient financial resources and business experience to be capable of adequately complying with the Lessee's obligations under the sublease and of efficiently conducting the sublessee's business at the subleased premises;
- (d) the Lessee has paid to the Lessor all monies due under this Lease up to the date of the sublease;
- (e) there are no unremedied breaches of the Lessee's obligations under this Lease at the date of the sublease;
- (f) any other consents to the sublease which are required, by mortgagees or others, are obtained before the sublease is granted;
- (g) the execution of a deed of consent in a form reasonable required by and prepared on behalf of the Lessor, by the Lessor, Lessee and sublessee;
- (h) the payment by the Lessee to the Lessor of the Lessor's reasonable costs and disbursements of considering the application for consent and consenting to the sublease, including:
 - (i) the Lessor's solicitor's reasonable costs of acting for the Lessor and preparing instruments in accordance with this Clause;
 - (ii) the costs of obtaining any other consents to the sublease;
 - (iii) the Lessor's reasonable administrative costs and expenses of considering the application and consenting to the sublease, including making inquiries regarding the sublessee; and

- (i) If the Lessor, within twenty eight (28) days after the Lessee has made a proper and sufficiently detailed application for consent, fails to give to the Lessee written notice of the Lessor's consent, or withholding of consent, to the subletting, the Lessor shall be taken to have consented to the subletting.

(4) Change in control of Lessee

- (a) When the Lessee is not a company whose shares are listed on an Australian Stock Exchange, any proposed:
 - (i) transfer in the legal or beneficial interest in shares of the Lessee if a company;
 - (ii) allotment of shares in the Lessee company; or
 - (iii) changes in the company's articles of association,

which would have the consequence of altering the effective control of the Lessee company, is considered to be an assignment of this Lease and requires the Lessor's consent in accordance with clause 39(2) as if the parties which would acquire control over the company were assignees of the Lease.

(5) Consent to mortgage over Lease

The Lessee may apply to the Lessor for consent to the grant of a mortgage over this Lease, which shall not be unreasonably withheld if each of the following conditions precedent is satisfied:

- (a) the Lessee shall make a written application to the Lessor for consent, and furnish a copy of the proposed mortgage and any other documents between the Lessee and the mortgagee;
- (b) the mortgagee is a bank or financial institution;
- (c) the purpose of the loan is to enable the Lessee to acquire the business conducted at the Leased Premises or to continue or expand the Lessee's business;
- (d) the Lessee is not in default under this Lease;
- (e) the execution of a deed of consent, in a form reasonably required by the Lessor, and to be prepared on behalf of the Lessor, by the Lessor, Lessee and mortgagee; and
- (f) the payment by the Lessee to the Lessor of the Lessor's reasonable costs and disbursements in accordance with clause 13(3)-(6).

(6) Exclusion of statutory provisions

The provisions of sections 80 and 82 of the *Property Law Act 1969* do not apply to this Lease.

PART 9 — LESSOR'S COVENANTS, OBLIGATIONS AND RESERVATION OF ENTITLEMENTS

40 Lessor's covenant for quiet enjoyment

The Lessor covenants with the Lessee that whilst the Lessee complies with the financial and other obligations under this Lease, the Lessee may occupy and have the use and enjoyment of the Leased Premises for the term of this Lease without interruption or disturbance from the Lessor and other persons lawfully claiming through or under the Lessor.

41 Miscellaneous reservations**(1) Right to inspect Leased Premises**

- (a) The Lessor, its employees, agents and persons authorised by the Lessor, may enter and remain on the Leased Premises, for reasonably short periods of time, for the purpose of inspecting the Leased Premises, with a prospective purchaser or mortgagee of the Leased Premises or with a prospective lessee of the Leased Premises.
- (b) The right to enter and inspect the Leased Premises shall be exercised:
 - (i) during the last two (2) months of the lease term, with prospective lessees; and
 - (ii) during two hours in any week, to be nominated by the Lessor, with prospective purchasers or mortgagees of the Leased Premises.

(2) Passage of Services

The Lessor reserves the right to maintain Services to the Leased Premises, to any other leased premises on the Land and to the Common Areas of the Land, by having those Services pass through or under the Leased Premises, and to have access to those Services for the purpose of maintenance, repair or replacement, or to provide additional Services for any leased premises or common areas through or under the Leased Premises.

42 Lessor's entitlement to alter Leased Premises or common areas**(1) Work in Leased Premises**

The Lessor may carry out any building work in the Leased Premises, but without that work altering or interfering with the Leased Premises.

(2) Extent of building work

The Lessor is entitled to:

- (a) repair, renovate or refurbish the Leased Premises and Common Areas of the Land;
- (b) alter the Common Areas of the Land, including their size, nature and arrangement;
- (c) extend or alter the Leased Premises;
- (d) add to and alter the car parking facilities, alter their location and the direction and access to those facilities; and
- (e) alter the access to the Land or to the Leased Premises, including for pedestrians or for vehicles.

PART 10 — DEFAULT AND TERMINATION**43 Lessee's obligation to yield up Leased Premises**

The Lessee agrees, immediately on the expiry or legally effective termination of this Lease, to yield up possession and control over the Leased Premises to the Lessor, in the condition and state of repair as required under this Lease.

44 Essential terms of Lease

It is agreed that the following obligations by the Lessee are essential terms of this Lease:

- (a) the covenant to pay rent throughout the lease term at a date not later than fourteen (14) days after the due date for the payment of each monthly instalment of rent (clause 7);
- (b) the covenant to pay outgoings throughout the lease term at a date not later than fourteen (14) days after the due date for the payment of instalments (clause 11);
- (c) the covenant dealing with the use of the Leased Premises (clause 18); and
- (d) the covenant dealing with assignment and subletting (clause 39).

45 Lessor's entitlements after Lessee vacates during lease term**(1) Lessor's entitlements**

If the Lessee vacates or abandons the Leased Premises during the lease term in breach of the Lessee's obligations under this Lease, the Lessor may:

- (a)
 - (i) accept the keys to the Leased Premises from the Lessee;
 - (ii) renovate, restore and clean the Leased Premises;
 - (iii) change the locks and secure the Leased Premises; and
 - (iv) permit prospective tenants to inspect the Leased Premises;
- (b) take any action in paragraph (a) without the Lessor's conduct constituting
 - (i) a re-entry or termination of this Lease; and
 - (ii) the acceptance of a surrender of this Lease.

46 No Caveat

The Lessee agrees and acknowledges that it will not register a subject to claim or an absolute caveat over the title of the land on which the Leased Premises is situated during the term of this Lease.

47 Waiver**Demand and acceptance of rent and other financial obligations**

After the Lessee is in default or breach under this Lease, including in breach of an essential term of this Lease, the demand or acceptance from the Lessee by the Lessor of arrears or of any late payment of rent, rates, taxes, outgoings, Operating Expenses, or other financial obligations does not:

- (a) preclude the Lessor from exercising any rights or remedies under this Lease, including enforcing or terminating this Lease;
- (b) constitute a waiver of the essentiality of the Lessee's obligation to make those payments; or
- (c) waive the Lessee's continuing obligation to make those payments during the lease term.

48 Termination after damage to or destruction of Leased Premises**(1) Lessor's entitlement to terminate lease**

- (a) The Lessor may terminate this Lease when the Leased Premises is seriously damaged by fire, storm, tempest, earthquake, lightning, explosion, or other similar event, in any of the following circumstances:
- (i) when the Leased Premises is required to be demolished and wholly replaced;
 - (ii) when the serious damage or destruction extends to more than fifty per cent (50%) of the Leased Premises;
 - (iii) when the Lessor is not required to repair, replace or reinstate the Leased Premises under this Lease;
 - (iv) when the Leased Premises cannot be repaired or reinstated by the Lessor, acting reasonably and promptly, within the number of months in Item 21 in the Reference Schedule after the damage; or
 - (v) when the Leased Premises are incapable of being used and occupied due to the damage and this Lease expires, with no option for renewal, within two (2) years after the date when the damage occurs.
- (b) In any of the circumstances specified in paragraph (a) the Lessor may give written notice at any time terminating this Lease on one (1) month's notice.

(2) Lessee's entitlement to terminate Lease

- (a) The Lessee may terminate this Lease when the Leased Premises are seriously damaged by fire, storm, tempest, earthquake, lightning, explosion, or other similar event, or the Leased Premises are rendered incapable of being used and occupied as a consequence of serious damage to the Leased Premises from such an event, in any of the following circumstances:
- (i) when the Lessor takes no action to repair or reinstate the Leased Premises for a consecutive period of the number of weeks in Item 21 in the Reference Schedule, at any time after the date of the damage; and
 - (ii) when the Leased Premises will not be capable of being used and occupied for a period in excess of the number of months in Item 21 in the Reference Schedule from the date of the damage.
- (b) In any of the circumstances specified in paragraph (a), the Lessee may give one (1) month's written notice terminating this Lease.

49 Termination of Lease for default**(1) Default**

Each of the following constitutes a default by the Lessee under this Lease:

- (a) the failure to pay to the Lessor rent or comply with any other financial obligation under this Lease, including the payment of outgoings, for a period in excess of fourteen (14) days after the due date for payment, whether a formal demand for payment has or has not been made;
- (b) the failure to comply with an essential term of this Lease;

- (c) the use of the Leased Premises as a retail shop as defined in section 3(1) of the *Commercial Tenancy (Retail Shops) Agreements Act 1985*;
- (d) any serious, persistent and continuing breach by the Lessee of its covenants and obligations under this Lease;
- (e) a judgment, order or Security Interest is enforced, or becomes enforceable against the Lessee's interest in this Lease or the Lessee's Property;
- (f) an Insolvency Event occurs with respect to the Lessee;
- (g) the Premises are deserted or vacated;
- (h) the Lessee ceases to be the sole trustee of the Trust;
- (i) any part of the capital of the Trust fund is distributed without the Lessor's prior consent, which consent shall not be unreasonably withheld;
- (j) any warranty under clause 20 proves to be untrue or incorrect in any material respect;
- (k) any application or order being sought or made in any court for the removal of the Lessee as trustee of the Trust or for accounts to be taken in respect of the Trust or for any property of the Trust to be brought into court or administered by the court or under the court's control;
- (l) any notice is given or meeting summoned or proposal put forward for the removal of the Lessee as trustee of the whole or any part of the Trust fund or the appointment of any other person as trustee with the Lessee; or
- (m) if, without the prior written consent of the Lessor, any alteration is made to the terms of the Trust Deed or through the exercise of any power under any such instrument, to the constitution of the Trust fund or any other trust fund which might in the opinion of the Lessor, detrimentally affect the Lessor's position under this Lease.

(2) Termination after default

The Lessor may terminate this Lease, after a default by the Lessee in accordance with clause 49(1), and continuance of the default, after the Lessor shall have served a legally effective notice of breach of covenant (if required) by

- (a) re-entering and taking possession of the Leased Premises, using reasonable force to secure possession;
- (b) serving on the Lessee written notice terminating this Lease;
- (c) instituting proceedings for possession against the Lessee; or
- (d) taking the actions in both (a) and (b) or in (b) and (c).

Except that when section 81(1) of the *Property Law Act 1969* applies, the Lessor may only terminate this Lease if the Lessor has first given to the Lessee a notice which complies with that section and the Lessee has failed to comply with that notice.

50 Lessor's entitlement to damages

(1) Damages for breach or for repudiation

- (a) In the event that the Lessee's conduct (whether acts or omissions) constitutes:
- (i) a repudiation of this Lease (or of the Lessee's obligations under this Lease);
 - (ii) a breach of any Lease covenants; and
 - (iii) a breach of an essential term of this Lease;
- the Lessee covenants to compensate the Lessor for the loss or damage suffered by the Lessor as a consequence of the repudiation or breach, whether this Lease is or is not terminated for the repudiation, breach or on any other ground.
- (b) The Lessor's entitlement to damages is in addition to any other remedy or entitlement, including termination of this Lease.
- (c) The Lessor is entitled to recover damages against the Lessee in respect of the repudiation or breach of covenant or essential term for the loss suffered by the Lessor during the term of this Lease, including the periods before and after termination of this Lease.
- (d) The Lessor's entitlement to recover damages is not affected or limited by any of the following:
- (i) if the Lessee abandons or vacates the Leased Premises;
 - (ii) if the Lessor elects to re-enter or to terminate the Lease;
 - (iii) if the Lessor accepts the Lessee's repudiation; or
 - (iv) if the parties' conduct constitutes a surrender by operation of law.

(2) Additional entitlements of Lessor

The Lessor's entitlement to damages is in addition to:

- (a) the entitlement to recover rent, rates, taxes, outgoings and Operating Expenses until the date of expiry or termination of this Lease;
- (b) interest on late payments in accordance with this Lease; and
- (c) costs of any breach or default, including the costs of termination.

51 Removal of Lessee's property

(1) Lessee's obligation to remove property

- (a) The Lessee shall remove all its property, including furniture, plant, equipment and stock in trade, from the Leased Premises, before the expiry or termination of this Lease or, if it is terminated by the Lessor, within seven (7) days after this Lease is terminated.
- (b) After the Lessor terminates this Lease, the Lessee and its employees and agents may have access to the Leased Premises, whilst the Lessor has possession and control over those premises, for the next seven (7) days (excluding Sundays and

public holidays), between 8am and 5pm, for the purposes of removing the Lessee's property and cleaning, repairing or restoring the Leased Premises.

- (c) The Lessee shall not cause any damage to the Land or to the Leased Premises whilst removing its property, shall leave the Leased Premises clean and tidy after the removal and shall be liable for the cost of repair of the damage caused by or during the removal and any additional cleaning required after the removal.

(2) Lessee's failure to remove property

- (a) If the Lessee fails to remove any of its property from the Leased Premises, the Lessor may:
- (i) have that property removed from the Leased Premises and stored, using reasonable care in removing and storing the property, but being exempted from any liability to the Lessee for loss or damage to any of its property through the negligence of the Lessor, its employees or agents; and
 - (ii) sell or otherwise dispose of all or any of the Lessee's property, with or without removing them from the Leased Premises, in the name of and as agent for the Lessee.
- (b) (i) In respect of all or any of the Lessee's property which the Lessee has failed to remove from the Leased Premises, the Lessee is deemed to have abandoned the property and title to it and the Lessor at its option acquires title to that property through abandonment.
- (ii) The Lessor is not obliged to account to the Lessee for the value of any property whose title vests in the Lessor by abandonment.

(3) Lessee's responsibility for damages and costs

The Lessee is responsible for and indemnifies the Lessor in respect of:

- (a) any loss or damage caused by the Lessee, its employees or agents during the removal of the Lessee's property from the Leased Premises; and
- (b) the costs of removal, storage and sale of any of the Lessee's property.

PART 11 — MISCELLANEOUS

52 Service of notices

(1) Notice

Any notice, document or demand (called "notice") under this Lease shall be served in accordance with this clause.

(2) Signature of notice

The notice shall be in writing, signed by the party giving it, or by the party's duly authorised officer (if a corporation), agent or solicitor.

(3) Service of notice

A notice may be served on a party to this Lease, including their successors, assigns, and guarantors:

- (a) by personal delivery to that party or if more persons than one are lessors or lessees to any one of them;
- (b) by delivering the notice to the Leased Premises and leaving it with an employee of the Lessee;
- (c) by delivering the notice to the Lessor's business address and leaving it with an employee of the Lessor;
- (d) by sending it, addressed to the party at that party's address stated in Item 22 in the Reference Schedule, by prepaid security post or certified post; or
- (e) if the Lessor maintains a centre manager's or administrator's office on the Land, by delivering any notice addressed to the Lessor to that office whilst it is open and leaving it with a person working in that office.

(4) Time of service

A notice is considered to have been served

- (a) at the time of delivery; or
- (b) on the third Business day after the day on which it is posted, the first Business day being the day of posting, whether received by the party or not.

53 Special Conditions

- (a) This Lease includes the Special Conditions set out in item 24 of the Reference Schedule; and
- (b) To the extent of any conflict between the Special Conditions set out in Item 24 of the Reference Schedule and the other terms and conditions of this Lease, the Special Conditions prevail.

54 Car Parking

(1) Grant of Licence

The Lessor grants to the Lessee a Licence to use the Parking Bays specified in Item 7 of the Reference Schedule with right of access to and from the Car Park at all times during the Term and during any extension or renewal of the Term at the Lessee's own risk.

(2) Lessee's License obligations

The Lessee agrees with the Lessor:

- (a) to observe and perform the Lessee's Licensee Covenants;
- (b) to indemnify the Lessor against all actions, claims, demands, losses and liability in respect of any breach of the Lessee's Licensee Covenants; and
- (c) not to assign the benefit of this Licence or assign or underlet the Parking Bay or allow it to be occupied by any car except as authorised by this Licence.

(3) Lessee's Licence Covenants

- (a) The Lessee must park the Car in an orderly manner in the Parking Bay and shall not park or cause to be parked any vehicle at the front of the Leased Premises except for purposes of loading and unloading.
- (b) For deliveries made by Heavy/Oversized Vehicles the Lessee agrees to use the Heavy/Oversized Vehicle Parking Bay on the Land as shown marked in the attached plan.
- (c) The Lessee must use his best endeavours to prevent oil or grease dripping from the Car onto the floor of the Car Park.
- (d) The Lessee may use the Parking Bay only for the purpose authorised by this Licence.
- (e) The Lessee must at all times fully and effectually indemnify the Lessor against any liability whatsoever and however caused arising out of the use of the Car Park and the Parking Bays authorised by the Licence.
- (f) The Lessee must comply with all further reasonable regulations and conditions that may from time to time be made by the Lessor through its managing agent for the safety, good management and control of parking of motor vehicles in the Car Park.
- (g) The Lessee must not deposit rubbish or litter in the Car Park.
- (h) The Lessee must not do or allow to be done anything in the Car Park that may be or become a nuisance or annoyance or cause damage to the Lessor or any other person using the Car Park or the means of access to it or egress from it or the owners or occupiers of adjoining property or the Property or the licensees of adjoining car parking spaces.
- (i) The Lessee must not do or permit anything in the Car Park whereby the policy of insurance against damage by fire and/or other risks may become void or voidable or whereby the rate of premium on it may be increased.
- (j) The Lessee must not do or permit anything in the Car Park that may contravene any statutory provision or regulation or any by-laws made by a competent authority with regard to the parking or use of motor vehicles.
- (k) The Lessee must not clean any vehicle or undertake any maintenance or repair of any vehicle or permit any cleaning, maintenance or repair of any vehicle in the Car Park.
- (l) The benefit of this Licence is personal to the Lessee and not assignable without the consent of the Lessor, and the rights given in this Licence may only be exercised by the Lessee and his duly authorised employees. Sections 80 and 82 of the *Property Law Act 1969* shall not apply and hereby excluded provided that in the event of any assignment of the Lease, the Lessor will consent to the assignment of the Licence.

(4) Lessor's Licence obligations

- (a) The Lessor shall use reasonable endeavours to ensure that other occupiers of the Land do not use the Parking Bays assigned to the Lessee.
- (b) The Lessor shall maintain, service and repair the Car Park and remove any pot holes or other similar damage within a reasonable period of such defects occurring.

(5) No Warranty

The Lessor gives no warranty that the Car Park is legally or physically fit for the purposes specified in this Licence.

(6) No Liability for Loss or Damage

The Lessor is not to be under any liability whatever:

- (a) for the death of, or injury to the Lessee or its employees and customers, or for damage to any property of theirs, or for any losses, claims, demands, actions, proceedings, damages, costs or expenses or other liability incurred by the Lessee in the exercise or purported exercise of the rights granted by the Licence.
- (b) for damages or compensation for loss of profits, delay or otherwise if:
 - (i) unauthorised persons use or endeavour to use the Car Park or Parking Bays; or
 - (ii) vehicles prevent ingress to or egress from the Car Park.

(7) Indemnity

The Lessee must indemnify the Lessor, and keep the Lessor indemnified, against all losses, claims, demands, actions, proceedings, damages, costs or expenses or other liability arising in any way from this Licence, any breach of any of the Licensee's covenants contained in this clause, or the exercise or purported exercise of any of the rights given in this Licence.

REFERENCE SCHEDULE

Item 1	<p>Lessor:</p> <p>Shire of Morawa of PO Box 14, Morawa WA 6623.</p>
Item 2	<p>Lessee:</p> <p>McIntosh Holdings Pty Ltd (ACN 008 675 876) trading as McIntosh and Son of 547 Great Eastern Highway, Redcliffe WA 6104.</p>
Item 3 (introduction)	<p>Guarantor:</p> <p>Not applicable.</p>
Item 4 (clause 1)	<p>Description of Land</p> <p>Lot 5 Mullewa-Wubin Road, Morawa more particularly known as Lot 5 on Diagram 60251 Certificate of Title Volume 1589 Folio 261.</p> <p>Description of Leased Premises:</p> <p>Unit 8, Lot 5 Mullewa-Wubin Road, Morawa being that part of the Land shown hachured on the attached plan marked "Annexure A" consisting of an office space of approximately 13 square meters and a workshop of approximately 180 square meters.</p>
Item 5 (clauses 1 and 3(b))	<p>Inclusions in Leased Premises —</p> <p>Lessor's Fixtures:</p> <p>Not applicable.</p> <p>Lessor's chattels:</p> <p>Not applicable.</p>
Item 6 (clause 2(6))	<p>Law of State governing this Lease:</p> <p>Western Australia</p>
Item 7 (clause 54)	<p>Car Parking Bays:</p> <p>Two (2) Parking Bays plus shared use of the disabled Parking Bay.</p> <p>Licence Fee:</p> <p>Nil</p>
Item 8 (clause 4)	<p>Lease term:</p> <p>One (1) year commencing on 15 March 2014 and expiring on 14 March 2015.</p>

Item 9 (clause 6)

Option for renewal —**Period of service of notice of exercise of option:**

Ninety (90) Days.

First Term of renewal:

Two (2) years commencing on 15 March 2015 and expiring on 14 March 2017.

Second Term of renewal:

Not applicable.

Item 10 (clause 7)

Rent:

Seventeen thousand two hundred and eighty dollars (\$17,280.00) per annum (exclusive of GST) payable in advance by equal monthly instalments of one thousand four hundred and forty dollars (\$1,440.00) per month (exclusive of GST) in advance on the first day of every calendar month.

Item 11 (clause 10)

Review Dates (clause 10(1)):**Date**

15 March 2015

Review Basis

CPI Review or 3% Fixed Increase, whichever is the greater.

15 March 2016

CPI Review or 3% Fixed Increase, whichever is the greater.

Service of Lessor's intention for rent review:

Not Applicable

Time for conclusion of determination of rent review:

Not Applicable

Item 12 (clause 11)

Percentage of Operating Expenses:

The proportion that the Leased Premises bears to the total lettable area of the Land.

Item 13 (clause 15)

Rate of interest (clause 15(2)(b)):

Two percent (2%) above the Commonwealth Bank overdraft rate of interest charged from time to time on unsecured borrowings or facilities of amounts not exceeding \$100,000.

Item 14 (clause 18)

Use of Leased Premises for the following purposes (clause 18(1)):

Workshop and Office. The Lessee shall be responsible for obtaining any and all permits and approvals necessary for any specified use of the Leased Premises.

Item 15 (clause 20)

Details of the Trust:

Not applicable.

Item 16 (clause 21)

Leased Premises required to be kept open and trading during the following hours (clause 21(1)):

Not Applicable

Hours when Leased Premises is closed (clause 21(3)):

Not Applicable

Item 17 (clause 31)

Painting of Leased Premises during each of the following periods (clause 31(1)):

Not Applicable

Item 18 (clause 34)

Removal of fixtures (clause 34(3)(c)):

Fourteen (14) days

Item 19 (clause 36)

Lessee's insurances:

Amount of initial public risk cover (clause 36(1)(a)(ii)(A)):

Ten Million Dollars (\$10,000,000)

Item 20

Duration of power of attorney after termination of Lease:

Not applicable.

Item 21 (clause 48)

Lessor's entitlement to terminate Lease, when Leased Premises seriously damaged and cannot be repaired or reinstated within following period (clause 48(1)(a)(iv)):

Two (2) months

Lessee's entitlement to terminate Lease, when Leased Premises seriously damaged and

Lessor takes no action to repair or reinstate for eight (8) weeks after damage (clause 48(2)(a)(i)),

Leased Premises will not be capable of being used and occupied for period in excess of (clause 48(2)(a)(ii)): Six (6) months

Item 22 (clause 52)

Address for service of notices (clause 52(3)(d)):

Lessor:

PO Box 14, Morawa WA 6623.

Lessee:

160 Flores Road, Geraldton WA 6530.

Item 23 (clause 16)

Bank Guarantee or Security Deposit:

Not Applicable.

Item 24 (clause 53)

Special Conditions:

1.

(a) Subject to Special Conditions 1(b) and 1(c) and the Lessee in all respects performing, fulfilling and complying with the Lessee's covenants and obligations under this Lease the Lessor grants the Lessee the following rent concessions:

(i) a rent free period of six (6) months commencing on 15 March 2014 and expiring on 14 September 2014; and

(ii) a reduced rent of seven hundred and twenty dollars (\$720.00) per month (exclusive of GST) payable monthly in advance for a period of six (6) months commencing on 15 September 2014 and expiring 14 March 2015.

(b) The Lessee must pay the Operating Expenses for the Leased Premises from 15 March 2014.

(c) The Lessee acknowledges and agrees that if, at any time during a period when the rent concessions granted in sub-clause 1(a) are in operation, the Lessee defaults in the performance of any covenant or obligation under this Lease, the rent concessions granted in sub-clause 1(a) will be withdrawn effective immediately and the Lessee will:

(i) from the date of the default, be liable to pay the full rent payable under the Lease; and

(ii) be liable to repay to the Lessor the full amount of the rent payable under this Lease for the period from 15 March 2014 to the date of the default less the rent paid under the concessional rate in sub-clause 1(a)(ii).

2. The Lessor grants the Lessee the right to install fixtures and fittings reasonably necessary for the efficient operation of the Lessee's business and as agreed upon in writing by the Lessor (including the Lessor's consent to the contractors and consultants used). The Lessee agrees that all costs associated with the fitting out of the Leased Premises including but not limited to the installation of air conditioning and any modifications of mechanical and electrical equipment are payable by the Lessee including all architectural, engineering and consultant fees incurred by the Lessor in approving the works to be carried out by the Lessee;

3. When carrying out the fitout, the Lessee shall ensure that:

(d) the work is carried out by appropriately licensed and qualified tradespersons;

(e) the work is carried out promptly;

- (f) the work is completed to a high standard of workmanship and with good quality materials;
 - (g) fittings and materials of similar style and quality are used;
 - (h) the required consent or approval of any statutory authority is obtained to carry out the work, and the conditions of approval are observed;
 - (i) the work is carried out without creating undue noise, nuisance or interference with the use and enjoyment of adjoining or nearby leased premises.
4. The Lessee agrees to keep the Leased Premises and the area surrounding the Leased Premises in a neat and tidy condition at all times.

DRAFT

Executed as a Deed

Execution by Lessor

The Common Seal of)
THE SHIRE OF MORAWA)
was affixed in the presence of:)

President

Chief Executive Officer

Presidents Full Name

Chief Executive Officers Full Name

Execution by Lessee

Executed on behalf of)
McIntosh Holdings Pty Ltd)
(ACN 008 675 876) in accordance with)
section 127(1) of the *Corporations*)
Act 2001 by authority of its Directors)

Signature of Director

Signature of Director/Secretary

Full Name of Director

Full Name of Director/Secretary

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DRAFT

DATED THIS

DAY OF

2014

Shire of Morawa
("the Lessor")

AND

McIntosh Holdings Pty Ltd (ACN 008 675 876)
("the Lessee")

LEASE OF
UNIT 8, LOT 5 MULLEWA-WUBIN ROAD, MORAWA



Unit 1, 234 Pier Street
Perth WA 6000
T: (08) 9476 4499
F: (08) 9476 4478
Ref:NJ:eg:14073

Date of Meeting:	20 March 2014
Item No:	7.2.5.4
Subject:	Policy and Procedures Manual & Delegations Register Review 2014
Date & Author:	04 March 2014 David Williams
Responsible Officer:	David Williams Deputy Chief Executive Officer
Applicant/Proponent:	David Williams
File Number:	Adm: 0159

SUMMARY

The purpose of this report is for Council to adopt the updated and reviewed 20th March 2014 Shire of Morawa Policy and Procedures Manual & Delegations Register as presented.

DECLARATION OF INTEREST

Nil

ATTACHMENTS

The Shire of Morawa updated and amended Policy and Procedures Manual & Delegations Register

BACKGROUND INFORMATION

It is current Council policy to carry out a review of the Policies and Procedures of the Shire annually. It is a statutory requirement that Shire delegations are also reviewed annually. The Shire of Morawa Policy and Procedures Manual & Delegations Register were last reviewed at the Council Meeting held on 20th March 2013.

OFFICER'S COMMENT

The Shire of Morawa maintains a Policy and Procedures manual and Delegations register with an up-to-date recording of the various policies and delegations of the Council. The Shire Delegations Register reflects those delegations delegated to senior staff to improve on operational efficiencies and organisational effectiveness.

The policies relate to issues of an on-going nature (policy decisions on single issues are not recorded in the manual). The objectives of the Council's Policy and Procedures Manual are:-

- To provide Council with a formal written record of all policy decisions;
- To provide staff with precise guidelines in which to act in accordance with Council's wishes;
- To enable the staff to act promptly in accordance with Council's requirements, but without continual reference to Council;

- To enable Elected Members to adequately handle enquiries from electors without undue reference to the staff or the Council;
- To enable Council to maintain a continual review of Council policy decisions and to ensure they are in keeping with the community expectations, current trends and circumstances;
- To enable ratepayer customers to obtain immediate advice on matters of Council Policy.

The Shire of Morawa Policy and Procedures Manual has been reviewed and updated accordingly. All updates are highlighted for ease of reference.

COMMUNITY CONSULTATION

Nil

COUNCILLOR CONSULTATION

Nil

STATUTORY ENVIRONMENT

Local Government Act 1995 Section 2.7, 5.42.and 5.44

POLICY IMPLICATIONS

Policy and Procedures Manual & Delegations Register is to be reviewed at least once annually

FINANCIAL IMPLICATIONS

Nil

STRATEGIC IMPLICATIONS

Resolving to sign the agreement will continue to meet the objectives for Strategy 4.5.1 of the Strategic Community Plan

RISK MANAGEMENT

Nil

VOTING REQUIREMENT:

Absolute Majority

OFFICER'S RECOMMENDATION

It is recommended:-

Council resolve to adopt the reviewed and updated March 2014 Shire of Morawa Policy and Procedures Manual & Delegations Register as presented.

SHIRE OF MORAWA

DELEGATIONS REGISTER



Reviewed 20th March 2014



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1.0 INTRODUCTION

This Delegations Register has been prepared in accordance with the Local Government Act 1995 sections 5.16 to 5.18 and 5.42 to 5.46, and the Administration Regulations r19.

All delegations require approval by an absolute majority of Council.

It is a requirement that the use of all delegated authority is recorded, but it is not a requirement to report the use of delegated authority to Council.

However, given the limited number of delegations, and their importance, it is recommended that Council be advised of use of delegations, for their information. It is open to Council to make a policy direction that this is the case.

The Local Government Act 1995 Section 5.16 places limitations and conditions upon the delegations that may be made to various types of Committee. A Committee with delegated authority is not permitted to further delegate that authority.

The Local Government Act 1995 Section 5.42 places a limitation upon the delegations that may be made to the CEO. The CEO is not permitted to further delegate that authority.

The Local Government Act 1995 Section 5.44 permits the CEO to delegate the exercise of, or the carrying out of, a function delegated to the CEO.

2.0 HEAD OF POWER

Unless stated otherwise, the Local Government Act 1995 Sections 5.16 and 5.42 constitute the head of power for Council to make the delegations.

The Council is responsible for functions and activities under numerous Acts and other legislation, many of which permit Council to delegate responsibilities and authority to various officers. In order to maintain consistency with the concepts of the Local Government Act 1995, all delegations to officers are made to the CEO, who is then responsible for the implementation of the delegated function, either personally or through management of officers and staff.

It is Council's expectation, that the CEO will assign delegations relevant to a specialist or specific position, to that person.

3.0 PROCESS

It is a requirement of the Local Government Act 1995 Section 5.18 and Section 5.46(1) that all delegations be reviewed at least once in each financial year.

In order to ensure that there is clear authority, Council and the appropriate officers will formally review this Delegations Register at a convenient meeting date each year, (commencing in May 2003) and their application confirmed.

In this way, the delegations will be reviewed at a time when there is less time pressure, and after a year of operation, with the formal motion of application made for continuation into the following period.

4.0 NEW DELEGATIONS

Council may make new delegations at any time. However, unless specifically stated that the authority is to be included in the Delegations Register, it will be assumed that the authority to act is for a specific matter and is not a general or ongoing delegation. For 2014 a new delegation has been added **Local Government Act 1995 3.25 Power to issue Notices**

5.0 DEFINITIONS

The Local Government Act 1995 has not defined the term “delegation” or “delegated power”, however:

- Section 5.16 refers to “... the exercise of any of its powers and duties...”
- Section 5.42 refers to “... the exercise of any of its powers or the discharge of any of its duties...”

The term “policy” is not defined anywhere in the Local Government Act.

Accordingly, throughout this document, the following terms apply, insofar as they are consistent with all enabling legislation referred to within each of the specific delegations.

“Authority” means the permission or requirement for a Committee or the CEO to act in accordance with:

- The Local Government Act or other legislation or regulation;
- A delegation made by Council;
- A policy made by Council, or
- A specific decision made by Council.

“Delegation” means the authority for a Committee or the CEO to act on behalf of Council, where the power is either specifically or by implication, intended to be exercised by the elected members, rather than an organisational responsibility.

“Policy” as the context requires, means either:

- A procedural direction to officers to implement Council’s wishes or instructions in a particular way; or
- The authority for officers to act, where that authority is not considered to be a delegation, but more procedural in nature.

6.0 CERTIFICATIONS

The Delegations contained in parts 1 and 2, and the Direction in Part 3, of this Register were formally reviewed by Council on 20th March, 2014 and a resolution confirming their continued application.

K S Chappel
President

Date

The Delegations contained in Part 2 of this Register from CEO to other officers have been formally reviewed, and their continued application is confirmed.

Sean Fletcher
Chief Executive Officer

Date

7.0 DELEGATIONS

7.1 DELEGATIONS FROM COUNCIL TO COMMITTEES

Nil.

To:

Delegation: Nil. Council does not operate any committees.

Objectives:

Guidelines:

Conditions:

Formal
Record:

Head of
Power: Local Government Act Section 5.16

History:

7.2.0 DELEGATIONS FROM COUNCIL TO CHIEF EXECUTIVE OFFICER

7.2.1 Investment of surplus funds

Delegation: The CEO is authorised to invest money held in any Council fund that is not required for immediate use, in an approved investment as defined by the Trustees Act Sections 17, 18 and 19, provided that sufficient working funds are retained at all times.

Objectives: To maximise the interest earnings of funds not otherwise in use.

Guidelines: All else being equal, preference is to be given to placing the funds on deposit with or through branches of local banks.

Conditions: Authority to Chief Executive Officer is unlimited
Authority which may be delegated by the Chief Executive Officer to employees is subject to the following maximum individual amounts:

Deputy Chief Executive Officer	\$100,000
Manager Accounting & Finance	\$100,000

Delegation

By CEO: Deputy Chief Executive Officer
Manager Accounting & Finance

Formal Record: Investment Register

Head of Power: Local Government Act 1995 Sections 5.42 and 5.44

Reference: Local Government Act 1995, Section 6.14

History: Council Policy: “*Finance – 3. Investment of Funds*”

Adopted	25 th May	1998
Reviewed	21 st February	2002
Reviewed	16 th December	2004
Amended	22 nd December	2005
Amended	21 st December	2006
Amended	20 th December	2007
Reviewed	20 th May	2009
Reviewed	18 th March	2010
Reviewed	17 th February	2011
Reviewed	21 th March	2013
Reviewed	20 th March	2014

7.2.2 Creditor payments

Delegation: The **Chief Executive Officer** is delegated authority to make payments from the Municipal Fund, Trust Fund, and Reserve Funds. Each payment from the Municipal Fund, Trust Fund, or Reserve Fund is to be noted on a list compiled for each month showing:

- a) The payee's name
- b) The amount of the payment
- c) The date of the payment
- d) Sufficient information to identify the transaction.

The list referred to above is to be presented to Council at the next Ordinary Meeting of Council following the preparation of the list and is to be recorded in the minutes of the meeting at which it is presented.

Cheques/EFT's up to a value of \$100,000 (one hundred thousand dollars) are to be signed by the Chief Executive Officer and the Deputy Chief Executive Officer, or in the absence of one or both, to be substituted by the Manager Accounting & Finance, or Councillor or Councillors.

Cheques/EFT's in excess of \$100,000 (one hundred thousand dollars) are to be signed by the Chief Executive Officer or in his absence the Deputy Chief Executive Officer and a Councillor.

Objectives: To streamline payment of creditor's accounts, and to ensure timely payment.

Guidelines: All payments are to be reported to the following Council meeting as having been paid during the month.

Conditions: Subject to Financial Management Regulations r13.

Delegation

By CEO: Deputy Chief Executive Officer
Manager Accounting & Finance

Formal Record: Officer's report to Council – Schedule of accounts paid and for payment.

Heads of Power: Local Government Act 1995 Sections 5.42 and 5.44
Financial Management Regulations r13.

History: Council Policy: *“Finance – 5 Cheque Signing & Account Limit*
Adopted 16th March 2000
Reviewed 21st February 2002

Amended 16th December 2004
Amended 22nd December 2005
Amended 21st December 2006
Amended 20th December 2007
Reviewed 20th May 2009
Reviewed 18th March 2010
Reviewed 17th February 2011
Reviewed 21th March 2013
Reviewed 20th March 2014

7.2.3 Creditor payments

Delegation: The **CEO**, in conjunction with the Deputy Chief Executive Officer or Manager Accounting & Finance, is authorised to make payments from the Municipal and Trust Fund for the following purposes:

<i>Municipal Fund</i>	<i>Trust Fund</i>
Payroll	Payroll deductions
Creditors	BCITF
	Deposit Refunds

Objectives: To streamline payment of creditor's accounts, and to ensure timely payment.

Guidelines: All payments are to be reported to the following Council meeting as having been paid during the month.

Conditions: Subject to Financial Management Regulations r13.

**Delegation
By CEO:** Deputy Chief Executive Officer
Manager Accounting & Finance

**Formal
Record:** Officer's report to Council – Schedule of accounts paid and for payment.

**Heads of
Power:** Local Government Act 1995 Sections 5.44.
Financial Management Regulations' 13.

History:

Adopted:	21 st February	2002
Reviewed:	16 th December	2004
Amended:	22 nd December	2005
Reviewed:	21 st December	2006
Amended	20 th December	2007
Reviewed	20 th May	2009
Reviewed	18 th March	2010
Reviewed	17 th February	2011
Reviewed	15 th March	2012
Reviewed	21 th March	2013
Reviewed	20 th March	2014

DEMOLITION PERMIT

Function to be performed:	To approve or refuse to approve plans and specifications submitted under section 21 of the <i>Building Act 2011</i> .
Delegator:	Council of the Shire of Morawa
Delegate:	Building Services Practitioner (Building Surveyor)
Sub-delegation to:	N/A
Legislative Powers:	Sections 21, 22 and 127 of the <i>Building Act 2011</i> .
Conditions and Exceptions:	In undertaking the functions of this delegation, Building surveyors must: 1) be employed by the Shire of Morawa in accordance with section 5.36 of the <i>Local Government Act 1995</i>
Duration of delegation:	Until next annual review
Origin of Delegation:	20 October 2011
Delegation last reviewed:	Reviewed 20 th March 2014

- Objectives: To permit early approval of building and demolition applications submitted.
- Guidelines: Compliance with the Building Code of Australia and Town Planning Scheme is mandatory. Any application not complying is to be refused, unless there is a discretion, in which case it is to be referred to Council for decision.
- Conditions: Buildings in Class 3 to Class 9 to be referred to Council for decision.

**Delegation
By Council:** Building Services Practitioner

Formal
Record: Officer's report to Council September 2011

Heads of
Power: Sections 20, 22 and 127 of the *Building Act 2011*
Local Government Act 1995 Sections 5.42 and 5.44
Local Government (Miscellaneous Provisions) Act Section 374 (1b)

History: Council Policy: "*Buildings – 1. Building Permits (BLD 06)*"
Adopted: 16th March 2000
Reviewed: 21st February 2002
Reviewed: 16th December 2004
Reviewed: 22nd December 2005
Reviewed 21st December 2006
Reviewed 20th December 2007
Reviewed 20th May 2009
Reviewed 18th March 2010
Reviewed 17th February 2011
Reviewed 15 March 2012
Reviewed 21th March 2013
Reviewed 20 March 2014

7.2.5 Septic Tank Licences

Delegation: The **Environmental Health Officer** is authorised to exercise and discharge the powers and functions of the Council in relation to the Health (Treatment of Sewage and Disposal of Liquid Waste) Regulations 1974:

- a) Regulation 4 (3)(a) – grant approval subject to form and conditions set by Council.
- b) Regulation 4 (3)(b) – refuse to grant approval.
- c) Regulation 10 (2) – (relating to approvals).
- d) Regulation 10 (4)(b) – (relating to approvals).
- e) Regulation 22 (2)(a) – (relating to appeals).
- f) Regulation 22 (2)(b) – (relating to appeals).

Objectives: To permit early approval of septic tank applications submitted.

Guidelines: Compliance with the Health Act and Regulations, the Building Code of Australia and the Town Planning Scheme is mandatory. Any application not complying is to be refused, unless there is a discretion, in which case it is to be referred to Council for decision.

Conditions: Effluent systems are to be sized in accordance with Schedule B.

Formal Record: Officer's report to Council.

Heads of Power: Health Act Section 26, and Regulations.

History: Council Policy: *"Health - 1. Delegation of Council Authority – Health Act (HLT 01)"*
 Adopted: 16th March 2000
 Reviewed: 21st February 2002
 Amended: 16th December 2004
 Reviewed: 22nd December 2005
 Reviewed 21st December 2006
 Reviewed 20th December 2007
 Reviewed 20th May 2009
 Reviewed 18th March 2010
 Reviewed 17th February 2011
 Reviewed 15 March 2012
 Reviewed 21th March 2013
 Reviewed 20 March 2014

7.2.6 Planning Consent

- Delegation:** The CEO is authorised to issue planning consent for development applications that fully comply with all requirements.
- Objectives:** To permit early approval of development applications submitted.
- Guidelines:** Compliance with the Local Planning Scheme, Regulations and Codes, and Council’s Planning Policies, is mandatory. Any application not complying is to be referred to Council for decision.
- Conditions:** Local Government Act Section 5.71(a)
The Chief Executive Officer must disclose to the President the nature of any interest in relation to a matter under consideration relating to this delegated function.

Delegation

By CEO: Planning Officer/Environmental Health Officer/Building Surveyor.

Formal Record: Officer’s report to Council

Heads of Power: Planning and Development Act 2005.
Local Planning Scheme No 2 Section 8.7

History: Council Policy: “*Buildings – 1. Building Permits (BLD 06)*”
Adopted: 16th March 2000
Reviewed: 21st February 2002
Amended: 16th December 2004
Reviewed: 22nd December 2005
Reviewed 21st December 2006
Reviewed 20th December 2007
Reviewed 20th May 2009
Reviewed 18th March 2010
Reviewed 17th February 2011
Reviewed 15 March 2012
Reviewed 21th March 2013
Reviewed 20 March 2014

7.2.7 **Fire Fighting – Emergency Plant Hire**

Delegation: The CEO is authorised to commit expenditure for the private hire of plant and equipment necessary for the efficient fighting and control of fires.

Objectives: To ensure that maximum effort can be made for the control of wildfire's, for the protection of life and property.

Guidelines: Where possible, the CEO is to seek advice from the Chief Bush Fire Control Officer, Deputy CBFCO or an FCO, and approval from the President or Deputy President. However, since this delegation will only be used in emergency situations, it is acknowledged that this may not be possible.

Conditions: Adequate resources to fight a fire, for the safety of fire fighters and for the protection of life and property have the higher priority, and are not to be unnecessarily jeopardised by delay.

Formal Record: Officer's report to Council

Heads of Power: Bush Fires Act Section 38 (3)(4)(5) and 48

History: New Policy
Amended: 16th December 2004
Reviewed: 22nd December 2005
Reviewed 21st December 2006
Reviewed 20th December 2007
Reviewed 20th May 2009
Reviewed 18th March 2010
Reviewed 17th February 2011
Reviewed 15 March 2012
Reviewed 21th March 2013
Reviewed 20 March 2014

7.2.8 Council Reserve Accounts

Delegation: The **CEO** is authorised to transfer any additional or surplus funds not budgeted for into approved Reserve Accounts for the current budget year

Objectives: To ensure that surplus funds not budgeted for receipt can be placed into a reserve account rather than be part of general municipal funds.

Guidelines: Nil.

Conditions: Nil.

**Delegation
By CEO:** Nil.

**Formal
Record:** Officer's report to Council.

**Heads of
Power:** Local Government Act 1995 Section 6.14

History: New Policy.
Amended: 16th December 2004
Reviewed: 22nd December 2005
Reviewed: 21st December 2006
Reviewed 20th December 2007
Reviewed 20th May 2009
Reviewed 18th March 2010
Reviewed 17th February 2011
Reviewed 15 March 2012
Reviewed 21 March 2013
Reviewed 20 March 2014

7.2.9 Authority to Waive Fees

Delegation: The **Chief Executive Officer** is delegated authority to waive or grant a concession in relation to any amount of money which is owed to the Shire other than rates and services charges

Objectives: To streamline approval for requests to waive or grant concessions on fees.

Guidelines: All waivers or concessions granted are to be reported to Council

Conditions: Section 6.12 of the Local Government Act 1995

Delegation

By CEO: No further delegation
Formal
Record: Officer's report to Council – Schedule of waivers or concessions

Heads of
Power: Local Government Act 1995 Section 6.14

History: Council Policy: *“Authority to Waive Fees*
Adopted

Adopted 21 March 2013
Reviewed 20 March 2014

7.2.10 Authority to Write Off Monies

Delegation: The **Chief Executive Officer** is delegated authority to write off monies owing to council – individual amounts up to the value of \$500

Objectives: To streamline approval for write offs

Guidelines: All write offs are to be reported to Council

Conditions: Section 6.12 of the Local Government Act 1995

Delegation

By CEO: No further delegation
Formal
Record: Officer's report to Council – Schedule of write offs

Heads of
Power: Local Government Act 1995 Section 6.14

History: Council Policy: *“Authority to Write Off Monies*
Adopted

Adopted 21 March 2013
Reviewed 20 March 2014

7.2.11 Incurring Liability and Making Payments

Delegation: The **Chief Executive Officer** is to ensure efficient systems and procedures are established to ensure proper authorisation for the incurring of liabilities and the making of payments

The authority to approve requisitions and purchases orders and for the supply of goods and service and subsequent certification of services for which funds have been provided for in the Annual Budget

Objectives: To provide efficient systems and procedures when approving requisitions and purchases

Guidelines:/policy Council policy for purchases

Conditions: Authority to Chief Executive Officer is unlimited subject to annual budget limitations.
Authority which may be delegated by the Chief Executive Officer to employees is subject to the following maximum individual amounts

Delegation

By CEO:	Deputy Chief Executive Officer	\$100,000
	Manager Accounting & Finance	\$100,000
	Principal Works Supervisor	\$100,000

Formal

Record: Record to be maintained in hard copy on file

Heads of

Power: Local Government Act 1995 Section 6.14

History:

Council Policy: *“Incurring Liability and Making Payments Adopted*

Adopted 21 March 2013

Reviewed 20 March 2014

**7.2.12 Power to issue Notices Section 3.25
Local Government Act 1995**

Delegation: The **CEO** is authorised to issue notices under section 3.25 of the Local Government Act 1995.Schedule 3.1

Objectives: To permit action for cleaning up of property ensuring that overgrown vegetation, rubbish, or disused material, as specified, is removed from land that the local government considers to be untidy.

Guidelines: Compliance with the Local Government Act 1995

Conditions: Local Government Act Section 3.25 and schedule 3.1

Delegation

By CEO: Environmental Health Officer/Building Surveyor.

Formal

Record: Officer’s report to Council

Heads of
Power: Local Government Act 1995 Section 5.42 and 5.44

History: Adopted: 20th March 2014

8.0 OTHER STATUTORY MATTERS NOT BEING DELEGATIONS

8.1 Media Releases

Delegation: The **Shire President authorises the Chief Executive Officer** to make media releases and to speak on behalf of the Shire of Morawa.

Objectives: To ensure that the public receives full, appropriate and timely information.

Guidelines: The President, or the Deputy President if President unavailable, should be consulted prior to matters of delicacy being discussed in public, however it is recognised that this may not always be possible. In this case, the CEO is to use discretion whether comment is to be made or not. Regardless, the CEO is not under any obligation to make any comment on any matter.

Conditions: Local Government Act 1995 Section 5.95.

Head of
Power: Local Government Act 1995 Section 5.41 (f).

History: Council Policy: “*Administration – 6. Media Relations (ADM 08)*”
Adopted: 16th March 2000
Reviewed: 21st February 2002
Amended: 16th December 2004
Reviewed: 22nd December 2005
Reviewed: 21st December 2006
Reviewed 20th December 2007
Reviewed 20th May 2009
Reviewed 18th March 2010
Reviewed 17th February 2011
Reviewed 15 March 2012
Reviewed 21 March 2013
Reviewed 20 March 2014

7.2.6 Chief Executive Officer - Other

<i>Date of Meeting:</i>	20 March 2014
<i>Item No:</i>	7.2.6.1
<i>Subject:</i>	Strategic Plan Update and Progress Report
<i>Date & Author:</i>	6 March 2014 Sean Fletcher
<i>Responsible Officer:</i>	Chief Executive Officer
<i>Applicant/Proponent:</i>	Chief Executive Officer Sean Fletcher
<i>File Number:</i>	Various
<i>Previous minute/s &</i>	
<i>Reference:</i>	20 February 2014 (Last Update to Council)

SUMMARY

The Strategic Plan Update and Progress Report provides an update on the progress of matters under the Integrated Planning and Reporting Process including the:

- Shire of Morawa Strategic Community Plan 2012, and
- Corporate Business Plan.

Other updates are also provided regarding the informing strategies including:

- The Long Term Financial Plan;
- The Asset Management Plan; and
- The Workforce Plan.

DECLARATION OF INTEREST

The author has no interest to declare in this report.

ATTACHMENTS

- 2013/14 Project Summary Report;
- Shire of Morawa March 2014 *Strategic Plan Update and Progress Report*.

BACKGROUND INFORMATION

The Strategic Plan Update and Progress Report is provided to Council each month for information. The Strategic Community Plan was adopted 21 June 2012.

At this point in time, the Strategic Community Plan has some 109 actions listed:

Objective	Actions	Projects 2013/14	Programs 2013/14	Comment
1. A diverse, resilient and innovative economy	46	9	3	This objective is divided into two sub-objectives with nine key projects and three programs covering 27 of the 46 actions which are due for completion in 2013/14
2. Protect and enhance the natural environment	14	5	0	Five key projects covering 11 strategic actions are required to be completed for 2013/14
3. A community that is friendly, healthy and inclusive	26	5	0	Five key projects covering 17 of the 26 actions are due for completion for 2013/14
4. A connected community with strong leadership	23	3	1	Three key projects and one program area covering 18 actions are due for completion for 2013/14

Table One: Summary of Strategic Actions

Accordingly, the progress of the projects and program areas covering the strategic actions for 2013/14 are tracked within the Corporate Business Plan. This is because:

- This plan has the projects or actions the Shire is required to achieve over a four year period to meet the objectives listed in the Strategic Community Plan;
- This approach will also ensure there is a cross link with the Status Report where Council has made a decision regarding the projects listed in the Corporate Business Plan from time to time; and
- The Corporate Business Plan also acknowledges the key operating costs for each program area and the external stakeholders.

Informing Strategies

Other reports that need consideration in terms of their impact on the Strategic Community Plan include the following informing strategies:

Long Term Financial Plan

The long term financial plan is due for review at the end of March 2014.

Asset Management Plan

To date three of the four key areas have been completed. The final area for completion is that regarding plant and equipment.

Workforce Plan

The Workforce Plan is also monitored by the Department of Local Government and Communities. This requires assessment by staff by the end of March 2014.

Information Communication and Technology (ICT) Plan

Although the ICT is not a formal requirement, the Department of Local Government and Communities highly recommends that such a plan is developed and implemented and provides the appropriate framework for such a plan on its website.

It should be noted that the Shire of Morawa does not have such a plan.

Other Key Informing Strategies

Other key plans that impact on the Strategic Community Plan and the Corporate Business Plan include the Local Planning Scheme and Strategy, the Growth Plan, the Mid West Investment Plan and the North Midlands Economic Plan (proposed Mid West Blue Print). Generally, links are made back from the Corporate Business Plan to the applicable project within this plan.

Risk Management Framework and Compliance Plan

As per comments made in the February report, the CEO has now attended a briefing on the requirements of the *Local Government (Audit) Regulations – Regulation 17*. The Shire (CEO) by 31 December 2014 will need to have in place:

- A risk management policy;
- A risk management framework including processes, procedures and reporting; and
- A compliance plan

OFFICER'S COMMENT

Strategic Community Plan

Further to the above, the success of the Strategic Community Plan (SCP) is based on the outcomes of the Corporate Business Plan and the key performance measures (KPIs) that will form part of the SCP from March 2014. The key performance measures show the desired trend to be achieved for each objective (Economic, Environment, Social and Governance). The key performance measures are listed in today's report on the additional information required by the Department Of Local Government and Communities for the SCP to meet compliance.

Corporate Business Plan

The Corporate Business Plan Report is provided each month. The author has also developed a summary sheet of the Corporate Business Plan that shows the overall status of the projects and programs. A full copy of the Corporate Business Plan report for March 2014 is also attached.

Accordingly, the progress of the Corporate Business Plan is summarised as follows:

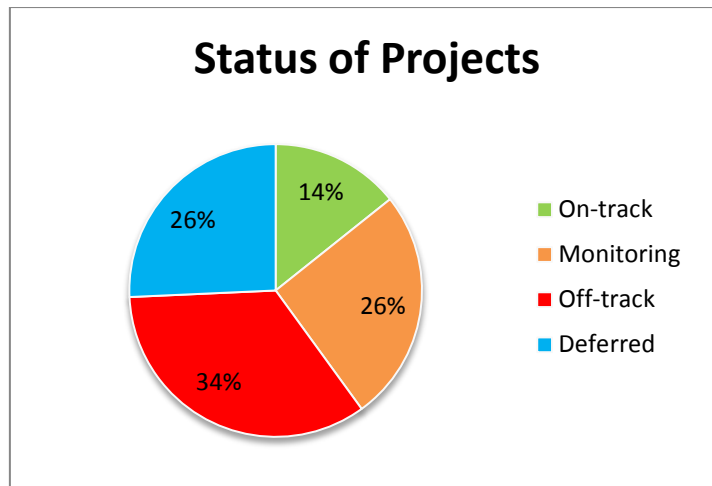


Chart 1: Breakdown on Status of Projects for 2013/14

The key things to note regarding Chart 1 are:

- In terms of overall completion (i.e. the percentage of each project completed divided by the number of projects underway), this is 47%, which is up from 38% in February 2014;
- There are five (14%) projects on track (1, 2, 3, 4 & 32), up from three listed last month. In particular, these encapsulate:
 - The major works for the Sporting Pavilion are completed and the facility is in use (Project 1);
 - Approval of funding for the Club Development Officer of \$30,000PA from 2014/15 (Project 2). The project is shared between the Shire's of Morawa, Perenjori and Three Springs;
 - With the development of recreational facilities (Project 3), the Skate Park has been completed and the works to the swimming pool are underway including the seeking of a loan as per Council's resolution regarding the 2013/14 Budget Review;
 - Although the Morawa Community Aged Units have been completed, Council has resolved the establishment of a management committee to take over and manage the units;
 - In terms of the Old Morawa Hospital, Council is in the process of reviewing the engineering report to resolve a way forward regarding this facility.
- There are nine projects deferred due to fiscal constraints and other resourcing issues or because the priority has changed (6, 11, 16, 17, 22, 23, 24, 25 & 28);
- Nine (26%) projects are at the monitoring level (14, 15, 18, 20, 29, 31, 33, 34 & 35) down from 11 projects the previous month. Essentially, the majority of these projects are on track, but show as at the monitoring phase due to funding decisions put on hold or the availability of funding not due until 2014/15. Some of these projects are tracking according to their timelines, but will not show as on track until they achieve 70% completion (14, 18, 20, 31, 33, 34 & 35);
- In total there are 12 projects off track (5, 7, 8, 9, 10, 12, 13, 19, 21, 26, 27 and 30). Issues regarding off track include waiting for funding approval, funding reallocation or have yet to commence.

Key issues overall regarding delays with projects include:

- Staff resourcing in terms of key roles is a constant issue regarding consistency and progressing of goals i.e. the long term vacancy of the CEO position;
- The second key issue has been the constant waiting on the approval of funding or resources for key projects:
 - State Cabinet – continual delays whilst it makes a decision (Project 26 - Town Centre Revitalisation and Freight Road Re-alignment);
 - Scrapping of Commonwealth funding programs e.g. RADF5 (Project 5 - Town Hall project);
 - Changes to Royalties for Regions (CLGF) funding or not meeting acquittal requirements (Includes key funding regarding Project 3 regarding the Morawa Swimming Pool);
 - MWDC requirement to continually review business cases (Projects 15 & 27);
 - Competition regarding the availability of bitumen for major road projects (Project 21 – bitumen has been secured for February/March 2014, so will be on track).
- Thirdly competing re-allocation of resources undermining the strategic focus.

COMMUNITY CONSULTATION

As per the Strategic Plan Update and Progress Report

COUNCILLOR CONSULTATION

As per previous reports to Council and the Information and CEO Briefing Sessions (Forums).

STATUTORY ENVIRONMENT

Local Government (Administration) Regulations 1996 Part 5 Annual Reports and Planning for the Future - Division 3 – Planning for the Future

POLICY IMPLICATIONS

Not Applicable

FINANCIAL IMPLICATIONS

The cost of developing the risk management policy, risk management plan (s) and compliance plan will need to be determined as part of the 2014/14 budget development process.

STRATEGIC IMPLICATIONS

As per the reporting requirements regarding the Strategic Community Plan and the Corporate Business Plan.

RISK MANAGEMENT

Under the Integrated Planning and Reporting Framework, the Shire of Morawa is required to meet the compliance requirements. By putting each of the key requirements in place, the Shire will avoid further scrutiny and action by the Department of Local Government and Communities.

VOTING REQUIREMENT:

Simple Majority

OFFICER'S RECOMMENDATION

Council accepts the Shire of Morawa March 2014 Strategic Plan Update and Progress Report submitted by the Chief Executive Officer.

Overview

The Shire of Morawa Corporate Business Plan Report sets out the key objectives to be achieved for the reporting year in question based on the Shire's Strategic Community Plan. In this case it is 2013/14. The report is presented to Council each month with an update on the status of each project and relevant program area and an assessment of the Corporate Business Plan (CBP) overall.

Objective: A friendly community that is healthy, passionate, caring and inclusive

Program Area: Recreation & Leisure

Goal: Provide and promote sport, recreation and leisure facilities and programs

Project	Priority	SCP Link	Who	12/13 \$	13/14 \$	14/15 \$	15/16 \$	Stakeholders	Progress (Including Performance Indicators)
1. Greater Sports Ground Project Project management 0.2 FTE 2013/14 Percentage Completed: 90%	High	3.5.2	CEO	0	2,800,000	0	0	Department of Sport and Recreation	<ul style="list-style-type: none"> Playground works commenced 24 February 2014: <ul style="list-style-type: none"> Limestone wall completed; Play equipment from 10/03 BBQ to be installed behind South Dugout; Remaining pathways to be done; Waiting on final CCTV quotes; Waiting on patio roof designs – have had to be redone as canteen area and costs not included. <hr/> Increased Sporting Participation <ul style="list-style-type: none"> Club membership numbers reported by clubs Increased Usage <ul style="list-style-type: none"> Additional events reported by Sporting Committee. To date: two events held
2. Sports Club Development Officer – Regional Project Project management 0 FTE Percentage Completed: 75%	Medium	3.1.7	CEO, Shire of Three Springs	0	12,500	12,500	12,500	<ul style="list-style-type: none"> Department of Sport and Recreation Shire of Three Springs Shire of Perenjori Shire of Mingenev 	<ul style="list-style-type: none"> Advised 26/02/14 Perenjori/Morawa/Three Springs submission successful (\$30,000 PA for three years from 2014/15); Next steps: <ul style="list-style-type: none"> Meeting re implementation process; Inclusion in 2014/15 Budget <hr/> Increased Support for Members & Volunteers <ul style="list-style-type: none"> Membership numbers Club Officials trained in financial and corporate governance <ul style="list-style-type: none"> Clubs report improvement

<p>3. Recreational Facility Development: 3.1 Swimming Pool Upgrade 3.2 Construction of the Skate Park</p> <p>Project management 0.1 FTE</p> <p>Percentage Completed: 70% 3.1: 45% 3.2 95%</p>	Medium	3.5.3	CEO	0	800,000 300,000	400,000	0 0	Department of Sport and Recreation	<p>Swimming Pool (Works 2013/14 - \$805,000)</p> <ul style="list-style-type: none"> • CLGF funding of \$358,000 for 12/13 withheld as Shire had not acquitted a previous project within required timelines. Request for reconsideration was declined; • DSR contribution \$228,000 then parked; • Minister Redman agreed as a result of WALGA lobbying to re-include for 2014/15 Budget consideration; • Council resolved at Feb 2014 Budget Review to fund gap by way of a loan. • DCEO met with consultants 6/03/14 to initiate program of works; • Request for loan underway. • Steps: <ul style="list-style-type: none"> o Filtration System and Shed 13/14 o Tanks and painting of bowl 14/15. <p>Skate Park (Due to Open October 2013)</p> <ul style="list-style-type: none"> • Core works completed and official opening held 10 November 2013; • Water cooler, bin holder installed. Shade sails to be installed; • Possible lighting options under review by staff including funding sources. <hr/> <p>Reduction of Vandalism</p> <ul style="list-style-type: none"> • Maintenance costs (reduced) <p>Improved School Attendance</p> <ul style="list-style-type: none"> • School attendance records
<p>Program Area Operating Cost:</p> <ul style="list-style-type: none"> • Undertake ongoing maintenance and management of the Sports facilities and programs <p>Percentage Completed: 53%</p>	Ongoing			775,000	790,000	805,000	821,000		<p>Recurrent Cost post 2017: \$837,000 Staff Required: 3 FTE Cost YTD: \$479,031</p> <p>Note: Expenditure for 2013/14 set at: \$446,425</p>

Program Area: Health Provision

Goal: Support ongoing health care provision through existing arrangements

Project	Priority	SCP Link	Who	12/13 \$	13/14 \$	14/15 \$	15/16 \$	Stakeholders	Progress (Including Performance Indicators)
Program Area Operating Cost: <ul style="list-style-type: none"> Support the implementation of the North Midlands Primary Care Project Support the provision of adequate GP services Support the Three Springs Dental Service <p>Percentage Completed: 26%</p>	Ongoing	3.1.1, 3.1.2, 3.1.3, 3.1.4		251,884	256,900	262,000	267,000		<p>Note:</p> <ul style="list-style-type: none"> Expenditure for 2013/14: \$281,173; Includes one off contribution to Mobile Dental Clinic of \$50,000: <ul style="list-style-type: none"> February clinic had 67 patients; Next clinic due 31 March 2014 As of 10 February 2014, Dr Rao is in the process of setting up Mid West Medical Services and seeking to employ an additional GP. Requires use of 2 Caulfield Street for accommodation <p>Recurrent Cost post 2017: \$272,000 Staff Required: 0.02 FTE Cost YTD: \$70,243</p>

Program Area: Community Amenities

Goal: Provide and promote sport, recreation and leisure facilities and programs

Project	Priority	SCP Link	Who	12/13 \$	13/14 \$	14/15 \$	15/16 \$	Stakeholders	Progress (Including Performance Indicators)
4. Morawa Community Care Project management 0.6 FTE Percentage Completed: 75% 4 Units: 100% Management: 50%	High	1.9.1	CEO	528,800	420,718	40,000	40,000	Morawa Community Care	<p>Construction 2013:</p> <ul style="list-style-type: none"> Construction of the 4 units completed Cost post 2013/14 are recurrent costs. Will need revaluation <p>Management:</p> <ul style="list-style-type: none"> Council resolved 21 November 2013 for the Shire to take over management of units; ACEO and DCEO met with current managers 5 December 2013; Delegations and management adopted at Feb 2014 OCM <p>Elderly people age in their home community</p> <ul style="list-style-type: none"> Census figures <p>Older people able to live independently</p> <ul style="list-style-type: none"> Increase in number aged people staying in community

<p>5. Refurbish Old Council Chambers</p> <p>Percentage Completed: 20%</p>	<p>High</p>	<p>1.7.3</p>	<p>CEO</p>	<p>0</p>	<p>220,000</p>			<p>LotteryWest</p>	<ul style="list-style-type: none"> Capital Works for 2013/14 set at \$309,990. Funded: <ul style="list-style-type: none"> o RDAF5: 89,990 o Lotterywest: 90,595 o Reserve: 129,405 RDAF5 funding of \$89,990 abolished by Commonwealth Government. This means façade, exterior and lesser hall kitchen cannot go ahead; Lotterywest has indicated its funding is fine; DCEO has met with Terry Baker and Laura Gray (Heritage Adviser) during Jan 2014 to confirm schedule of works: <ul style="list-style-type: none"> o Roof to change from tile to colourbond; o Specification should be approved end of March 2014 Tender for remaining works i.e chambers & admin area Feb/Mar 2014 <hr/> <p>Increased level volunteer activity</p> <ul style="list-style-type: none"> Annual survey Volunteering statistics available every census <p>Older people able to live independently</p> <ul style="list-style-type: none"> Number community activities per year monitored <p>Note: regular use is occurring.</p>
<p>6. Childcare Centre development</p> <p>Project management 0.2 FTE</p> <p>Percentage Completed: NA</p>	<p>Medium</p>	<p>3.1.8</p>	<p>CEO</p>	<p>0</p>	<p>0</p>	<p>0</p>	<p>0</p>	<ul style="list-style-type: none"> Department of Communities Mid West Development Commission LotteryWest 	<ul style="list-style-type: none"> Deferred post 2015/16 Expected cost \$750,000 Expected completion date 2018 <p>Additional childcare places available to the community</p> <ul style="list-style-type: none"> Uptake of service <p>Employment opportunities in the caring industry</p> <ul style="list-style-type: none"> Number of people employed <p>Respite care available to parents</p> <ul style="list-style-type: none"> Respite visits number per annum

<p>7. Community Group Support:</p> <ul style="list-style-type: none"> • Billaranga Arts Studio • Morawa Historical Society • Community events • Morawa CRC • Biennial Arts Festival • Morawa Future Fund • Community connectedness forum • Morawa Chamber of Commerce <p>Project management 0.1 FTE Percentage Completed: 30%</p>	<p>Medium</p>	<p>3.2.2, 3.2.4, 3.2.5, 3.4.1</p>	<p>CEO</p>	<p>35,000</p>	<p>35,000</p>	<p>35,000</p>	<p>35,000</p>		<ul style="list-style-type: none"> • Planning for Arts Festival underway (Shire contribution: \$10,000). • Discussions recommenced re Future Fund (Scott Whithead & Stuart Griffiths) <p>Costs 2013/14</p> <ul style="list-style-type: none"> • YTD: <ul style="list-style-type: none"> ○ Arts Festival \$ 0 ○ Museum: \$2,139 ○ Depreciation: \$5,201 • Recurrent costs post 2016 are \$35,000 per annum <hr/> <p>Community events enhance liveability of community</p> <ul style="list-style-type: none"> • Reports to Council community groups <p>Community feedback on events</p> <ul style="list-style-type: none"> • Annual community survey
<p>8. Community Engagement and Communication</p> <p>Project management 0.05 FTE</p> <p>Percentage Completed: 29%</p>	<p>Medium</p>	<p>4.1.1, 4.1.2</p>	<p>CEO</p>	<p>1,020</p>	<p>1,020</p>	<p>1,020</p>	<p>1,020</p>		<p>Costs 2013/14</p> <ul style="list-style-type: none"> • Met through Public Relations Budget (\$9,000) • Recurrent costs post 2016 are \$1,020 per annum <hr/> <p>Good relationship between community and Council</p> <ul style="list-style-type: none"> • Annual community survey
<p>9. Trails Strategy</p> <p>Project management 0.1 FTE</p> <p>Percentage Completed: 33%</p>	<p>Medium</p>	<p>1.7.2</p>	<p>CEO</p>	<p>0</p>	<p>0</p>	<p>260,000</p>	<p>0</p>	<ul style="list-style-type: none"> • LotteryWest • Department of Regional Development 	<p>Morawa Perenjori Wildflower Drive Trail</p> <ul style="list-style-type: none"> • R4R Grant required listed in 2013/14 Budget: \$467,000 - Pending <p>Town Heritage Walk Trails 2014/15</p> <ul style="list-style-type: none"> • \$65,000 Lotterywest application unsuccessful (7 March 2014) • \$65,000 Shire contribution not budgeted <p>Bush Trails 2014/15?</p> <ul style="list-style-type: none"> • \$65,000 application "parked" subject to Council contribution • \$65,000 Shire contribution required • Recurrent cost post 2016: \$5,000 PA <p>Increased level of community activity and activation trails</p> <ul style="list-style-type: none"> • Annual community survey

Objective: Protect and enhance the natural environment and sense of place

Program Area: Environment

Goal: Protect and enhance the natural environment

Project	Priority	SCP Link	Who	12/13 \$	13/14 \$	14/15 \$	15/16 \$	Stakeholders	Progress (Including Performance Indicators)
10. Waste Management – Regional Project Project management 0.15 FTE Percentage Completed: 10%	High	2.4	CEO, MWRC	0	360,000	0	0	Shires of Carnamah, Coorow, Mullewa, Perenjori, Three Springs and Mingenew	<ul style="list-style-type: none"> Capital works set at \$320,470. Funded by Refuse Station Reserve Recurrent costs post 2016: \$60,000; Joint project identified between Shire of Morawa and Shire of Perenjori: <ul style="list-style-type: none"> DCEO has applied for \$5,000 in planning funding; Joint approach discussed on 9 December 2013 at meeting between Presidents, Deputy President and CEO's; Agreed this is a key project. Dallywater Consulting appointed to develop strategic plan. First site visit February 2014 <hr/> Coordinated waste management by Shires <ul style="list-style-type: none"> Removal of waste to sub-regional station
11. Water Supply Development Project management 0.05 FTE Percentage Completed: N/A	Medium	1.4.1	CEO	0	0	0	Unknown	<ul style="list-style-type: none"> Water Corporation Department of Water 	<ul style="list-style-type: none"> Recurrent costs post 2016: Unknown Drainage re greening of the Town. Not until 2015/16 Stage Three SuperTowns <hr/> Future water needs secured <ul style="list-style-type: none"> Water storage constructed
12. Solar Thermal Power Station Feasibility Study Project management 0.1 FTE Percentage Completed: 40%	Medium	1.3.1	Project Officer	0	500,000	0	0	<ul style="list-style-type: none"> Western Power Public utilities Office 	<ul style="list-style-type: none"> Project may be put on hold or scrapped; Legal advice received re reallocation of \$500,000 to another project; Shire President and CEO met with Paul Rosair 17 February 2014 to discuss Recurrent costs post 2016: \$60,000 <hr/> Feasibility study completed <ul style="list-style-type: none"> Completion Endorsement key agencies <ul style="list-style-type: none"> Satisfaction Western Power, Public utilities Office

<p>13. Water Supply Development and Waste Water Plant Upgrade</p> <p>Project management 0.05 FTE</p> <p>Percentage Completed: 25%</p>	Medium	1.4.4, 2.1.1, 2.1.3	CEO	0	140,000	0	0	<ul style="list-style-type: none"> Watercorp 	<ul style="list-style-type: none"> Recurrent costs post 2016:Unknown; Works for 2013/14: <ul style="list-style-type: none"> Set at \$70,000 for sewerage pond desludging; Scope of Works reduced to reflect budget; Works commence 11 March 2014 <hr/> <p>Overflow managed in winter</p> <ul style="list-style-type: none"> Nil events <p>Improved use of waste water for irrigation</p> <ul style="list-style-type: none"> Reduced potable water usage
<p>14. Sustainability Program:</p> <ul style="list-style-type: none"> Identify policies to manage carbon sequestration Implement the Climate Change and Adaption Plan Continue to manage feral flora and fauna Rehabilitate, protect and conserve Shire controlled land Support and promote environmental management practices <p>Project management 0.1 FTE</p> <p>Percentage Completed: 67%</p>	Medium	2.1.5, 2.1.6, 2.2.1, 2.2.2, 2.2.3	DCEO	0	0	0	0	<ul style="list-style-type: none"> 	<p>2013/14</p> <ul style="list-style-type: none"> Costs are as per in accordance with the EHO role; Sequestration policies to be included in LPS and Strategy; The Climate Change Risk Assessment & Adaption Action Plan needs resources for this to happen in 2014/15; Flora & Fauna pests in conjunction with Department of Agriculture Bio-Security Officer in Morawa; Shire has rehabilitation policy in place; Environmental management practices are supported through implementation of relevant infrastructure: <ul style="list-style-type: none"> Continuing monitoring and upgrading of key facilities <hr/> <p>Sustainability initiatives achieved</p> <ul style="list-style-type: none"> Set of nominated activities achieved

Objective: A diverse, resilient and innovative economy

Program Area: Economic Services

Goal: Provide economic services that drive growth and development of the Shire

Project	Priority	SCP Link	Who	12/13 \$	13/14 \$	14/15 \$	15/16 \$	Stakeholders	Progress (Including Performance Indicators)
15. Develop Industry Training Centre Project management 0.1 FTE Percentage Completed: 20%	High	1.2.8, 3.1.5	MEITA & Shire	0	508,404	0	0	<ul style="list-style-type: none"> MWDC, Durack Institute, Department of Training & Workforce Development, Karara Mining Limited 	<ul style="list-style-type: none"> Training Centre expenditure: <ul style="list-style-type: none"> 2013/14 set at \$433,908; Funded through Mid West Investment Plan; Business case reviewed and submitted to MWRC Board 28 November 2013. Further changes completed: <ul style="list-style-type: none"> Improve in-kind contribution re project management; Develop job description form for training coordinator. 13 December 2013 the MWDC Board approved funding for this project; Equipment costs queried before it can progress further; First part of funding should be received 2013/14, but works cannot commence at the Industrial units until the Ag School move out in August 2014; Recurrent cost post 2016: \$80,000 <hr/> <p>Students demand training and gain jobs in the mining industry as a result</p> <ul style="list-style-type: none"> Annual student numbers, conversion to employment <p>Specialist training provided through facility</p> <ul style="list-style-type: none"> Educational staff numbers (increase)
16. Migration Settlement Scheme (Research) Project management 0.3 FTE Percentage Completed: N/A	Medium	Super Town Growth Implementation Plan	CEO	0	0	0	0	<ul style="list-style-type: none"> Department of Immigration, Department of Training and Workforce Development 	<ul style="list-style-type: none"> Deferred post 2015/16 Expected cost \$45,000 <hr/> <p>Sustainable increase in population</p> <ul style="list-style-type: none"> Population trends
17. Develop Additional Business Incubator Units Project management 0.2 FTE Percentage Completed: N/A	Medium	1.9.7	CEO	0	0	0	0	<ul style="list-style-type: none"> MWDC, MEITS 	<ul style="list-style-type: none"> Deferred post 2015/16 Costs not identified <hr/> <p>New business established</p> <ul style="list-style-type: none"> New business establishment

<p>18. Industry Attraction and Retention Project</p> <p>Regional Resource – Investment Coordinator: 1.25 FTE (Funded MWIP)</p> <p>Project management 0.08 FTE</p> <p>Percentage Completed: 67%</p>	High	1.2.5, 1.5.2	Super Towns Project Manager	85,800	100,000	100,000	100,000	<ul style="list-style-type: none"> MWDC, MWCCI, Other Shires 	<p>2011/12</p> <ul style="list-style-type: none"> PRACYS developed Growth & Implementation Plan <p>2012/13</p> <ul style="list-style-type: none"> PRACYS commenced North Midlands Economic Development Strategy (\$85,800 inc GST); Prospectus reviewed January 2013 <p>2013/14</p> <ul style="list-style-type: none"> PRACYS developing North Midlands Economic Development Strategy: <ul style="list-style-type: none"> Framework finalised December 2013 Working Group to be established Feb 2014 (Meets 31 March 2014); Investment plan required (attraction process defined)? Funding of \$100,000 pa from CLGF/Mid West Investment Plan not requested? <p>2014</p> <ul style="list-style-type: none"> Regional Resource Coordinator employed and prospectus issued? <hr/> <p>Service gaps filled</p> <ul style="list-style-type: none"> Reported by community <p>Increased business activity</p> <ul style="list-style-type: none"> Applications recorded Reported by CCI
<p>19. Local Tourism Industry Development</p> <p>Support Visitor Information Centre 0.02 FTE</p> <p>Project management 0.02 FTE</p> <p>Percentage Completed: 50%</p>	Medium	1.2.7, 1.2.10, 1.2.11	CEO	0	50,000	0	0	<ul style="list-style-type: none"> Wildflower Way Committee, Local Tourism Group 	<p>2013/14</p> <ul style="list-style-type: none"> CYDO is attending Wildflower Country Committee meetings; CEO has completed regional tourism project survey \$40,000 is allocated for the Caravan park Caretaker transportable accommodation; \$5,500 Wildflower Country Brochure completed (\$5,329); \$1,928 Wildflower Country Drive Trail <hr/> <p>Increase in visitor numbers</p> <ul style="list-style-type: none"> Visitor numbers Caravan park <p>Wildflower Way project</p> <ul style="list-style-type: none"> Completion of project

Objective: Morawa is a comfortable and welcoming place to live, work and visit

Program Area: Transport Infrastructure and Services

Goal: Provide transport linkages and infrastructure which enables industry and community to grow and develop

Project	Priority	SCP Link	Who	12/13 \$	13/14 \$	14/15 \$	15/16 \$	Stakeholders	Progress (Including Performance Indicators)
20. Upgrade Morawa Airport Project development support 0.02 FTE 13/14 Project management: 0.2 FTE – External 14/15 Asset management: 0.2 FTE - ongoing Percentage Completed: 50%	High	1.10.1, 1.10.2	Project Officer	0	40,000	1,000,000	1,500,000	RDAF	2013/14 <ul style="list-style-type: none"> Airport Masterplan: <ul style="list-style-type: none"> \$20,000 RADS - approved \$20,000 Shire funds Andrew Forte appointed to develop Masterplan Shire President, ACEO met with Gavin Treasure 9 December 2013 confirming that that the Airport project is an “above the line” project; New airport road sealed Feb 2014. 2014/15 <ul style="list-style-type: none"> Seal and upgrade runways and apron 2015/16 <ul style="list-style-type: none"> Provide Terminal Building <hr/> Commencement commercial facility <ul style="list-style-type: none"> Commencement Improved transport hub to the region <ul style="list-style-type: none"> Volume traffic flow Service hub RFDS <ul style="list-style-type: none"> Usage
21. Upgrade Major Roads and Annual Road Program Project management: 0.9 Percentage Completed: 34%	Medium	1.8	Works Manager	1,580,000	1,580,000	1,580,000	1,580,000	Department of Main Roads	2013/14 (\$1,694,555) YTD: \$571,693 <ul style="list-style-type: none"> Recurrent cost post 2016: \$1.6M <hr/> Road safety <ul style="list-style-type: none"> Survey Asset maintenance <ul style="list-style-type: none"> Improvement in asset ratios
Program Area Operating Cost: Percentage Completed: 60%	Ongoing		Works Manager	2,059,403	2,100,000	2,142,000	2,185,000		2013/14 (\$1,734,194) Staff Required: 11 FTE Cost YTD: \$1,033,856 Recurrent Cost post 2017: \$2.23M

Program Area: Housing									
Goal: Provide housing for all needs (staff, aged, tourism) to facilitate growth and development									
Project	Priority	SCP Link	Who	12/13 \$	13/14 \$	14/15 \$	15/16 \$	Stakeholders	Progress (Including Performance Indicators)
22. Key Worker Housing Percentage Completed: N/A	Medium	1.9.3	CEO	0	0	0	0	Department of Housing	Project deferred until development of next corporate business plan
23. Staff Housing Project management 0.1 FTE Percentage Completed: N/A	High	1.9.5	CEO	0	0	350,000	350,000	Royalties for Regions - CLGF	2013/14 <ul style="list-style-type: none"> \$63,435 has been allocated for maintenance Recurrent cost post 2016: \$14,000 <hr/> Houses constructed <ul style="list-style-type: none"> Houses in place Staff satisfaction with housing <ul style="list-style-type: none"> Staff satisfaction (annual survey)
24. Expansion Van Park Project management 0.2 FTE Percentage Completed: N/A	Medium	1.2.9, 1.9.6	CEO	0	0	0	0		Project deferred until development of next corporate business plan: <ul style="list-style-type: none"> 4 dwellings constructed; Budget \$500,000 from Shire funds <hr/> Additional people stay in town <ul style="list-style-type: none"> Accommodation statistics Additional expenditure <ul style="list-style-type: none"> Increased estimated expenditure
25. Lifestyle Village for Aged Care Project management 0.3 FTE Percentage Completed: N/A	Medium	1.9.1	CEO EDO	0	0	0	0	MWDC, RFR – CLGF, Morawa Community Care	Project deferred until development of next corporate business plan: <ul style="list-style-type: none"> Plan and feasibility study for additional aged care housing; Budget \$10M from various sources.

Note:

No key activity is occurring for this goal in 2013/14

Program Area: ?									
Goal: ?									
Project	Priority	SCP Link	Who	12/13 \$	13/14 \$	14/15 \$	15/16 \$	Stakeholders	Progress (Including Performance Indicators)
26. Main Street Project Landcorp Project Management 1 FTE funded Project support: 0.5 FTE – External 13/14 Percentage Completed: 25% Stage 1: 40% Stage 2: 10%	High	1.7.1, 1.7.5, 1.6.1	Project Officer	0	3,536,000	2,200,000	0	SuperTownns Project – R4R	<ul style="list-style-type: none"> The main street of Morawa will be revitalised to provide new opportunities for community interaction and an increased level of retail and commercial services: <ul style="list-style-type: none"> Civic Square (Stage 1) - 2013/14 Freight Realignment (Stage 2) - 2014/15 Recurrent costs of \$50,000 Stage 3 deferred beyond 2015/16 Stage 4 deferred beyond 2015/15 Stage 5 commenced pending funding <p>2013/14</p> <ul style="list-style-type: none"> Additional funding of \$2.536M announced 12 February 2014. Tenders for freight road re-alignment: <ul style="list-style-type: none"> Awarded at OCM 20 Feb 2014; Site secured 4 March 2014; WBHO has commenced meet and greet in town; Works commence 17 March 2014 Expected completion for Stage 1 and 2 December 2014 <hr/> <p>Civic Square constructed</p> <ul style="list-style-type: none"> Project opening 2014 <p>Freight realignment constructed</p> <ul style="list-style-type: none"> Project opening 2014
27. Wireless and Mobile Blackspot Coverage Project involves Shires of Morawa, Mingenew, Perenjori and Three Springs and MWDC Project management: 0.1 Percentage Completed: 15%	High	1.3.2, 1.3.4	Project Officer	0	375,000	0	0	CLGF	Shire of Morawa coordinating update to project business case. Funding required is as follows: <ul style="list-style-type: none"> Merkanooka (\$680,000) <ul style="list-style-type: none"> CLGF – R: \$ 83,333 MWIP: \$534,167 Shire Funds: \$ 62,500 Morawa East High (\$942,000): <ul style="list-style-type: none"> CLGF – R: \$500,000 MWIP: \$379,500 Shire Funds: \$ 62,500

									<ul style="list-style-type: none"> • Business went to the MWDC Board on 28 February 2014; • Minister Redman announced 7 March 2014 \$1M approved from CLGF – R; • FAA for project received by CEO. Advised DRD awaiting outcome of MWIP decision before project milestones developed <p>Note: The 2013/14 Budget contains an additional \$250,000 from the Community Development Reserve for electrical works</p> <hr/> <p>Meets community standards</p> <ul style="list-style-type: none"> • Monitoring data speed <p>Increase coverage and reliability</p> <ul style="list-style-type: none"> • Telstra
28. Power Line Upgrade Project management: 0.1 Percentage Completed: N/A	Medium	1.4.2	MWDC	0	0	0	0	Wester Power	Project deferred until development of next corporate business plan: <ul style="list-style-type: none"> ○ Must be externally funded; ○ Budget \$7M
29. Land Development – Residential and Industrial Project management: Landcorp? Percentage Completed: 67% <ul style="list-style-type: none"> • Residential: 100% • Industrial: 33% 	High	1.1.2	CEO	800,000 Landcorp	900,000 Landcorp			Landcorp	Costs for 2012/13, 13/14 met by Landcorp: <ul style="list-style-type: none"> • 38 residential lots • 50 industrial lots <p>2013/14</p> <p>Residential Sub-division</p> <ul style="list-style-type: none"> • First stage of residential sub-division completed – 8 blocks <p>Industrial Sub-division</p> <ul style="list-style-type: none"> • First stage of industrial sub-division – 6 blocks underway. Clearing re Club Road completed 8 March 2014 • Stage two re headworks is now scheduled for November 2014 • Stage three – finalisation of roads <hr/> <p>Lots successfully developed</p> <ul style="list-style-type: none"> • Sale of lots

<p>30. Gateway Project Plans</p> <p>Project management: 0.1</p> <p>Percentage Completed: 10%</p>	High	1.2.3, 1.6.1	CEO	0	250,000	0	0	Sinosteel	<ul style="list-style-type: none"> • Designs received previously. Matters to be determined: level of funding, Munckton Road, the design (tower) • Funding sources : <ul style="list-style-type: none"> ○ Sinosteel: \$200,000. Stated in CBP confirmed. However, only \$30,000 put aside; ○ Shire: \$50,000 to be budgeted. Has not happened. ○ 13/14 Budget \$250,000 Sinosteel? ○ SMC are now offering \$100,000 • Recurrent costs post 2016 \$2,500 <hr/> <p>Formal entry will provide sense of place</p> <ul style="list-style-type: none"> • Annual community survey • Visitor survey conducted visitor centre
<p>31. Omnibus Scheme Development</p> <p>Project management: 0.2</p> <p>Percentage Completed: 55%</p> <ul style="list-style-type: none"> • Omnibus: 70% • Urban Design: 75% • LP Strategy: 20% 	Medium	1.5.1	Planning Officer CEO	0	350,000	300,000	0	WAPC, EPA	<p>2013/14 \$232,844 in Budget</p> <ul style="list-style-type: none"> • Urban Design Guidelines developed: <ul style="list-style-type: none"> ○ Individual meetings held with business owners; ○ Staff briefed 25 February 2014; ○ Community meeting to be rescheduled; ○ Completion expected 25/04/14; • Omnibus amendments due 30/06/14 • Scheme strategy changes due 30/09/14 <hr/> <p>LP Strategy and Scheme</p> <ul style="list-style-type: none"> • Completed report WAPC <p>Omnibus</p> <ul style="list-style-type: none"> • Completed report WAPC <p>Urban design guidelines</p> <ul style="list-style-type: none"> • Endorsement by Shire of Morawa as policy
<p>32. Old Morawa Hospital</p> <p>Project management: 0.05</p> <p>Percentage Completed: 80%</p>	Medium	1.9.4	CEO	0	50,000	0	0	MWDC, R4R	<p>2013/14</p> <ul style="list-style-type: none"> • \$50,000 not budgeted; • Technical report received 16/11/13. Cost of report: \$3,900 funded from Consultancy Services Admin; • Scope of report discussed with Council 11 February 2014. Separate briefing required <hr/> <p>Hospital is renewed as community asset</p> <ul style="list-style-type: none"> • Project completion and new community use

Objective: A collaborative and connected community with strong and vibrant leadership

Program Area: Governance and Leadership

Goal: Provide high levels of governance to lead and successfully manage the Shire and program of services for the community

Project	Priority	SCP Link	Who	12/13 \$	13/14 \$	14/15 \$	15/16 \$	Stakeholders	Progress (Including Performance Indicators)
33. Leadership and Mentoring – Young people Project management 0.01 FTE Percentage Completed: 67%	High	3.1.9	CYDO	0	120,000	120,000	120,000	<ul style="list-style-type: none"> Morawa Youth Centre 	2013/14 <ul style="list-style-type: none"> Operating \$112,634; Projects \$24,200 (Grants): <ul style="list-style-type: none"> Crime Prevention Grant application submitted for CCTV and Skate Park lighting (\$24,000); LDAG Event: 160 people attended; National Youth Event next 2013 Output: Youth Officer employed (completed) <hr/> Young people move into leadership role <ul style="list-style-type: none"> Number in community organisations and Council
34. Leadership and Advocacy Role: <ul style="list-style-type: none"> CBH to upgrade and extend facilities Lobby for access to education system Advocate with State Government to deliver NBN Advocate with Western Power for an upgrade of the Morawa Three Springs Feeder Lobby State Government to retain grain on rail Lobby for Roads Funding Engage with State Government re Kadji Kadji Station Advocate for visiting specialist and allied health Advocate for adequate police and emergency services Project management 0.1 FTE Percentage Completed: 67%	High	1.2.1, 1.3.4	CEO	0	0	0	0	<ul style="list-style-type: none"> All major service providers, State and Australian Government Agencies 	Met through normal operating costs 2013/14 <ul style="list-style-type: none"> CBH: Has changed focus? No further action Education System: MEITA project – Interim Business Case completed NBN: Satellite to Mt Campbell; Optic to Town Western Power – Townsite has been upgraded, but feeder line under review see Status Report Grain on Rail: Watching Brief Kadji Kadji: Conservation watching brief Specialist & Allied Health: <ul style="list-style-type: none"> GP expanding practice, RFDS Dental Van in place; Police & Emergency Services: LEMC and CESM Program in place <hr/> Agencies and Service Providers meet community needs <ul style="list-style-type: none"> Annual community survey

<p>35. Invest in Council's Capacity</p> <p>Oversee Management of Shire 0.1 FTE</p> <p>Integrated Strategic Planning Support: 0.2 FTE</p> <p>Annual Customer Survey: 0.1 FTE</p> <p>Percentage Completed: 67%</p>	<p>High</p>	<p>4.3.1, 4.3.2, 4.3.3, 4.4.1, 4.4.2, 4.5.1, 4.5.2, 4.5.3, 4.6.1, 4.6.2, 4.7.1, 4.7.2, 4.8.1, 4.8.3</p>	<p>CEO</p>	<p>0</p>	<p>0</p>	<p>0</p>	<p>0</p>		<p>Met through normal operating costs:</p> <p>Staff Training and Development</p> <ul style="list-style-type: none"> Well Program: \$12,696 (MWRC dissolved – will affect training of staff) PWOH: \$26,578 Other Property & Services: \$8,438 <p>Professional Development Councillors</p> <ul style="list-style-type: none"> \$8,000. Zone Conference 28/29 March <p>Traineeships</p> <ul style="list-style-type: none"> \$0. CII Student 1 day a week engaged <p>Whole of Life Costings</p> <ul style="list-style-type: none"> 12/13 Plant & Equipment not finished 13/14 Land & Buildings 14/15 Road Infrastructure 15/15 Furniture & Equipment <p>Implemented IPR Framework</p> <ul style="list-style-type: none"> SCP 21/06/12; CBP 20/06/13; Department requested modifications to SCP by 31 March 2014; Risk Management policy, compliance plan and strategy now required <p>Review Council Policies and Local Laws</p> <ul style="list-style-type: none"> Undertaken each March <p>Compliance with all Legislation and LG Act</p> <ul style="list-style-type: none"> Annual Compliance Return undertaken and submitted to March OCM <p>Delivery of Services as Sub-Regional Hub</p> <ul style="list-style-type: none"> Ongoing Shared Services <p>Website</p> <p>New design chosen. Should be live by the end of March 2014</p> <p>Annual Customer Surveys</p> <ul style="list-style-type: none"> Process to be revisited by 30 June 14 <p>Excellence in governance, management and leadership</p> <ul style="list-style-type: none"> Annual community survey
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Program Area Operating Cost: Percentage Completed: 36%	Ongoing		CEO	836,083	852,000	869,000	886,000		2013/14 (\$508,806) Staff Required: 1 FTE Cost YTD: \$183,804 Recurrent Cost post 2017: \$903,000 Note: \$309,990 is set aside separately as a capital cost for the Old Town Hall upgrade
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Assessment

The following matrix is a summary assessment on the status of the Corporate Business Plan:

Criterion	Key Requirements	Progress/Comment	Tracking
Assessment of Projects	<p>Projects (35):</p> <p>Projects on-track: 5 Projects monitored: 9 Projects off-track: 12 Projects deferred: 9 Percentage Completed: 47%</p> <p>Program Areas-Operating (4):</p> <p>Monitor 2 Off-track 2</p>	<p>Projects</p> <ul style="list-style-type: none"> Staff resourcing in terms of key roles is a constant issue regarding consistency and progressing of goals i.e. the long term vacancy of the CEO position; The second key issue has been the constant waiting on the approval of funding or resources for key projects: <ul style="list-style-type: none"> State Cabinet – continual delays whilst it makes a decision (Town Centre Revitalisation and Freight Road Re-alignment); Scrapping of Commonwealth funding programs e.g. RADF5 (Town Hall project); Changes to Royalties for Regions (CLGF) funding or not meeting acquittal requirements (Includes key funding regarding the Morawa Swimming Pool); MWDC requirement to continually review business cases; Competition regarding the availability of bitumen for major road projects (has been secured for Feb 2014, so will be on track) The majority of projects with monitoring status, although they have a low completion status, are on track in terms of where they are regarding the timeline of the project. <p>Program Areas-Operating Each program area – operating although they have a monitoring status and off-track status, are on track in terms of normal operations for this time of year.</p>	
Resource Capability (Staff)	<ul style="list-style-type: none"> CBP: 2.08 FTE Programs: 24.07 FTE Project Officer funded externally MWRC setting up support re: <ul style="list-style-type: none"> Human Resource Management Higher Level Financial Management 	<p>The key issue here is that the MWRC has dissolved and so is no longer in a position to provide additional support. In particular:</p> <ul style="list-style-type: none"> HRM appears to be lacking; Higher level financial management appears to be lacking; Engineering support has fallen over; Health and building support has fallen over. 	

	<ul style="list-style-type: none"> ○ Engineering ○ Health and Building ● Succession planning/mentoring 	<p>The balance between SuperTowns and local government operations is impacting on staff. Key impacts include:</p> <ul style="list-style-type: none"> ● The struggle to provide consistent governance support; ● Records management constantly suffers; ● Front line services constantly interrupt administration support. <p>Resource sharing with Shire of Perenjori is now being explored to help address the above</p>	
Assets of the Shire	Whole of Life costs for the next 10 years are put at \$2,426,700 per annum	No change. However, this may change once the asset management plans are completed	
Financial Estimates of the SCP	<p>Funding:</p> <ul style="list-style-type: none"> ● Shire Contribution \$3,041,238 ● CLGF – Regional: \$ 250,000 ● CLGF – Local: \$ 718,000 ● Mid West DC: \$3,049,980 ● Other: \$5,147,500 <p>Financial Ratios</p> <ul style="list-style-type: none"> ● It is not believed that the CBP will negatively impact on the ratios ● Will need recalculation in line with the long term financial plan 	<p>Funding:</p> <p>As per Assessment of Projects:</p> <ul style="list-style-type: none"> ● CLGF – R for Mobile Blackspot Tower Project of \$583,333 (out of \$1M approved 7 March 2014); ● CLGF – L 358,000 for 2012/13 is subject to reinstatement as part of the State Budget process for 2014/15 <p>Financial Ratios</p> <p>The 2013/14 auditor’s report puts three ratios within acceptable limits and three that are borderline</p>	
Operational Risk Assessment	<p>Consists of three key elements:</p> <ul style="list-style-type: none"> ● Systems ● Processes ● Resources 	<p>A Corporate Risk Management Plan and Matrix is required for the Shire (This was not identified as a key system in the CBP although there is an operational risk assessment that forms part of the CBP. The operational risk assessment does not provide the list of risk parameters or appetite that can be used on an ongoing basis. This is a critical tool when making key decisions).</p> <p>Document Management</p> <ul style="list-style-type: none"> ● Staff are in the process of setting up electronic records management. <p>Project Management</p> <ul style="list-style-type: none"> ● Not in place <p>Stakeholder Management System</p> <ul style="list-style-type: none"> ● Not in place <p>ICT System</p> <ul style="list-style-type: none"> ● Current system is adequate for needs. Requires optimisation of its use. 	

		<p>HR Processes</p> <ul style="list-style-type: none"> • Training and development is budgeted for; • Flexible work arrangements are in place; • Recruitment processes have been improved since November 2013 (recruitment start up sheet and interview assessment sheet introduced); • It is highly unlikely that HR support and high level financial support will come from the MWRC; <p>Workforce Planning and Cost Modelling</p> <ul style="list-style-type: none"> • Performance management system required; • A review of JDFs (PDs) required. <p>Skills Development</p> <p>See HR processes and Workforce Planning and Cost Modelling</p> <p>Workforce</p> <ul style="list-style-type: none"> • Corporate Business Plan monthly report developed and implemented December 2013; • Also see workforce planning and cost modelling. <p>Council</p> <ul style="list-style-type: none"> • Engagement of community regarding the role of the Shire and Council's responsibilities is required: <ul style="list-style-type: none"> ◦ Review of the community engagement policy required; <p>Asset Base</p> <ul style="list-style-type: none"> • Rationalisation of assets will occur with the adoption of the asset management plans; • Collaborative regional processes that optimise the revenue base is occurring 	
<p>Internal Analysis (Required Improvements)</p>	<p>There are 10 key improvements required:</p> <ol style="list-style-type: none"> 1. Invest in electronic data management 2. Implement electronic project management 3. Stakeholder relationships managed electronically 4. Communication systems between staff and councillors 5. Formal HR mentoring for senior staff 6. Implement excellent HR systems 7. Effective job planning, detailed JDFs 8. Implement work output monitoring systems 	<p>See Operational Risk Assessment</p>	

	<p>9. Rationalise asset base at every opportunity</p> <p>10. Continue to invest in regional processes that optimise Shire revenue base</p>		
<p>Measuring Our Success</p>	<p>The Key Performance Measures are:</p> <ul style="list-style-type: none"> • Community satisfaction telecommunication services (AS); • Community satisfaction town amenity (AS); • Community satisfaction housing supply (AS); • Community satisfaction other services (AS) • Number houses built per year; • Land availability for projects; • Nil waste targets achieved; • All residents able to access primary health care service within 24 hour target; • Number cultural events held; • Annual community satisfaction with cultural, heritage and recreation services (AS); • Volunteering rate each census period; • Community satisfaction with engagement with Council (AS); • Improvement in financial ratios • Low employee turnover • Successful fundraising for key projects 50% target 	<p>Annual Survey (AS) Outcomes:</p> <ul style="list-style-type: none"> • Survey process is in place. Satisfaction levels developed based on Shire of Morawa Community Engagement Report 2012. <p>House Built Statistics:</p> <ul style="list-style-type: none"> • To be determined (possibly 2 per annum) <p>Waste Targets</p> <ul style="list-style-type: none"> • Closure of Landfill by 2015; Subregional centre in place 2015 <p>Primary Health Care Access (24 hour)</p> <ul style="list-style-type: none"> • Increase satisfaction rating from 2.23 – 2.93. <p>Cultural Events</p> <ul style="list-style-type: none"> • There are 12 – 15 events in place a year. • Arts festival in place <p>Volunteering Rate (ABS Census)</p> <ul style="list-style-type: none"> • To be ascertained <p>Financial Ratios</p> <ul style="list-style-type: none"> • These are now compiled and form part of the 2012/13 annual financial statements. <p>Employee Turnover</p> <ul style="list-style-type: none"> • Currently 7%. The benchmark for local government is 12%-16% <p>Successful Fundraising for key Projects = 50%</p> <ul style="list-style-type: none"> • Grants approved to date include: <ul style="list-style-type: none"> ○ RADS funding \$20,000 to develop Airport Masterplan. Shire contribution will be \$20,000; ○ DER - Waste Management Strategic Plan: \$5,000. Shire's contribution \$5,000. • It would be appropriate to develop a grants plan and matrix to Identify, track and summarise all grants received 	

Legend

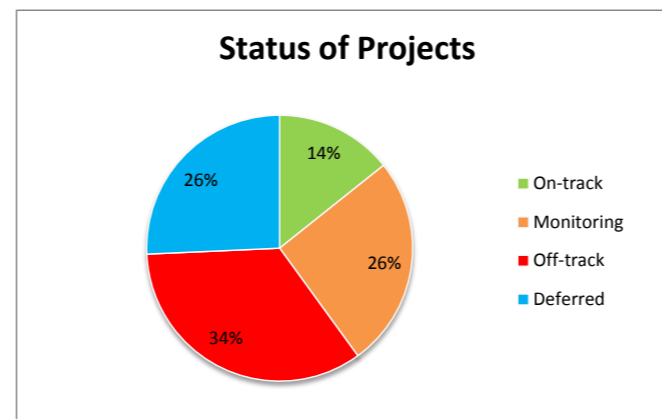
Off-track (0-49% completed)	
Monitor (50-69% completed)	
On-track (70 – 100% completed)	
Projects deferred	

SUMMARY OF CORPORATE BUSINESS PLAN STATUS 2013/2014

No.	Project	Who	Start	Cost	Cost Remaining	% Completed	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
1	Greater Sports Ground Development	PO				90												
2	Sports Club Development Officer	CEO				75												
3	Recreational Facility Development	DCEO/CYDO				70												
4	Morawa Community Care	CEO				75												
5	Refurbish Old Chambers	DCEO				20												
6	Childcare Centre Development	CEO				0												
7	Community Group Support	CYDO				30												
8	Community Engagement & Communication	CEO				29												
9	Trails Strategy	CEO				33												
10	Waste Management Project	DCEO				10												
11	Water Supply Development	DCEO				0												
12	Solar Thermal Power Station - Feasibility Study	CEO				40												
13	Waste Water Plant Upgrade	DCEO				25												
14	Sustainability Program	DCEO				67												
15	Develop Industry Training Centre	PO				20												
16	Migration Settlement Scheme (Research)	CEO				0												
17	Develop Additional Business Incubator Units	CEO				0												
18	Industry Attraction & Retention Project	CEO				67												
19	Local Tourism Industry Development	CYDO				50												
20	Upgrade Morawa Airport	DCEO				50												
21	Upgrade Major Roads and Annual Road Program	WS				34												
22	Key Worker Housing	CEO				0												
23	Staff Housing	DCEO				0												
24	Expansion Van Park	DCEO				0												
25	Lifestyle Village for the Aged	CEO				0												
26	Main Street Project	DCEO				25												
27	Wireless and Mobile Blackspot Coverage	CEO				15												
28	Powerline Upgrade	CEO				0												
29	Land Development	DCEO				67												
30	Gateway Project Plans	CEO				10												
31	Omnibus Scheme Development	PO				55												
32	Old Morawa Hospital	DCEO				75												
33	Leadership and Mentoring Young People	CYDO				67												
34	Leadership and Advocacy Role	CEO				67												
35	Invest in Council's Capacity	CEO				67												
	Total					47.42												

Program Areas	Who	Start	Cost	Cost Remaining	% Completed	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
1 Sports Facilities and Programs	DCEO				53												
2 Ongoing Healthcare Provision	CEO				26												
3 Roads	WS				60												
4 Governance	CEO				36												

Status	Projects	Programs
On-track	5	0
Monitoring	9	2
Off-track	12	2
Deferred	9	0



Updated 8 March 2014
CEO

<i>Date of Meeting:</i>	20 March 2014
<i>Item No:</i>	7.2.6.2
<i>Subject:</i>	Additional Information Required for the Strategic Community Plan
<i>Date & Author:</i>	6 March 2014 Sean Fletcher
<i>Responsible Officer:</i>	Chief Executive Officer
<i>Applicant/Proponent:</i>	Chief Executive Officer Sean Fletcher
<i>File Number:</i>	Various
<i>Previous minute/s &</i>	
<i>Reference:</i>	20 February 2014 Item 7.2.6.1

SUMMARY

The purpose of this report is for Council to adopt the amended Shire of Morawa Strategic Community Plan 2012 so that it meets the Integrated Planning and Reporting Framework compliance criteria.

DECLARATION OF INTEREST

The author has no interest to declare in this report.

ATTACHMENTS

The Strategic Community Plan 2012 (Version 8 – Amendment 1).

BACKGROUND INFORMATION

At the ordinary Council meeting on 20 February 2014, the author advised under the Integrated Planning and Reporting Framework, the Shire of Morawa is required to meet the compliance criteria. Failure to address the compliance criteria will see the Department of Local Government and Communities respond on a case by case basis.

As it stands, the Shire of Morawa received notification via email from the Department of Local Government and Communities on Friday 14 February 2014 (5:26PM) that there is insufficient information to meet the compliance requirements regarding the Shire's Strategic Community Plan (SCP). In particular:

- No evidence of local public notice for a minimum of 7 days where the plan can be inspected upon adoption;
- No evidence that a desktop review (2 years) and full review (4 years) within the SCP;

- More descriptive data is required regarding the Shire's current and future resources;
- The KPIs are listed as examples only and need correction.

The author also advised that failure to address the compliance criteria will affect the grant arrangements regarding the funding for the Strategic Community Plan. The author must respond within 14 days as to when the changes will be made. The author must also undertake the changes, advertise them accordingly and provide the addendums to the Department as well as seek the Council's endorsement of the changes.

The author contacted the Department's Senior Project Officer Crystal Bell on 25 February 2014 and advised her that the corrected Strategic Community Plan would be completed and submitted by 31 March 2014.

OFFICER'S COMMENT

The following matrix is an overview of the responses to the matters raised by the Department regarding the Strategic Community Plan and the changes made to the Plan itself:

Matter to be Addressed/Item Included	Author's Comments
<p>Upon adoption of the Strategic Community Plan, local public notice is given.</p> <p>No documentation indicating that local public notice was given for a minimum of 7 days with details on where and when the plan can be inspected (i.e. a copy of the newspaper advertisement) was provided to the Department.</p>	<p>It would appear that the Shire did not undertake this requirement. The author could not find any evidence that the required local public notice took place.</p> <p>Accordingly, the Shire will be found non-compliant on this issue.</p>
<ul style="list-style-type: none"> • A strategic review of the Strategic Community Plan is to be scheduled for 2 years from when it is adopted; and • A full review of the Strategic Community Plan is to be scheduled for 4 years from when it was adopted. <p>No evidence is provided in the SCP that a desktop review after 2 years and for a full review every four years is scheduled. DLGC recommends that sentences be included in the SCP confirming a commitment to a strategic review and full review 2 and 4 years from adoption.</p>	<p>Statements regarding the review process for the Strategic Community Plan as recommended by the Department are found on page 13 of the revised Plan.</p> <p>This includes confirming that the first periodic review will be undertaken as a "desk top" review of the Strategic Community Plan and will be completed prior to 30 June 2014. A full review will be completed with a new Council endorsed plan by 30 June 2016.</p> <p>It is expected that the above review process will continue during the life of the Strategic Community Plan.</p>
<p>Has consideration of current and future resources</p>	<p>A resources profile is now included on pages 9 and 10 to meet this requirement. In particular, the resource profile captures:</p>

<p>DLGC notes that page 9 states "Desired outcomes have been determined to achieve each of these objectives after considering the capacity of the Shire's current and future resources along with demographic trends". However, in order to meet the minimum practice for this compliance requirement, the Shire will need to include more descriptive detail/data on what the Shire's relative resource position is, supported by commentary around what this means for progressing the aspirations in the SCP. One method for achieving this would be to include a resource profile.</p>	<ul style="list-style-type: none"> • Key demographic data including an increasing population, but a decline in the number of electors; • Key financial data regarding the Shire's financial position and capacity and key strategies to fund the Strategic Community Plan including: <ul style="list-style-type: none"> ○ Funding through the SuperTowns process; ○ Funding through the Mid West Investment Plan; ○ Funding raised through the sale of fines; ○ Funding received from the Country Local Government Fund; ○ Contributions received from mining companies in the region. • Comments on staff resources including some strategies that improve effectiveness on achieving outcomes; • Key data regarding an increasing employment trend and increasing level of dwellings occupied.
<p>Has regard to strategic performance indicators and ways of measuring performance against the indicators.</p> <p>Although page 32 provides a list of KPIs that would meet this compliance requirement, DLGC notes that the plan states that these are examples only and the Shire is yet to develop the combination of measures it will use. In order to meet this compliance requirement, DLGC advises that at a minimum, the SCP should establish KPIs for each of the key themes. DLGC also recommends that these measures indicate the desired trend</p>	<p>It would appear that this section was not developed to the appropriate level as it showed examples only and the objectives listed were incorrect.</p> <p>Accordingly, the author has:</p> <ul style="list-style-type: none"> • Included the correct objectives and the associated key performance measures (KPIs) that were identified in the development of the Corporate Business Plan (Page 64 of this document) that are subject to annual reporting regarding achieving the Strategic Community Plan; and • Reworded the KPIs so that they reflect the desired trend. <p>This corrected section is now shown on page 35.</p>

COMMUNITY CONSULTATION

The changes to the Strategic Community Plan will be advertised, seeking public comment, in the Morawa Scene, 17 March 2014.

COUNCILLOR CONSULTATION

As per previous reports to Council and the Information and CEO Briefing Sessions (Forums).

STATUTORY ENVIRONMENT

Local Government (Administration) Regulations 1996 Part 5 Annual Reports and Planning for the Future - Division 3 – Planning for the Future

19C (7). A council is to consider a strategic community plan, or modifications of such a plan, submitted to it and is to determine* whether or not to adopt the plan or the modifications.

*Absolute Majority required.

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

Nil

STRATEGIC IMPLICATIONS

As per the reporting requirements regarding the Strategic Community Plan.

RISK MANAGEMENT

By updating the Strategic Community Plan by 31 March 2014 to reflect the changes required by the Department of Local Government and Communities will greatly improve the level of compliance regarding these matters.

However, the matter regarding the apparent lack of advertising to the community concerning the Plan's adoption will stand as a non-compliant issue.

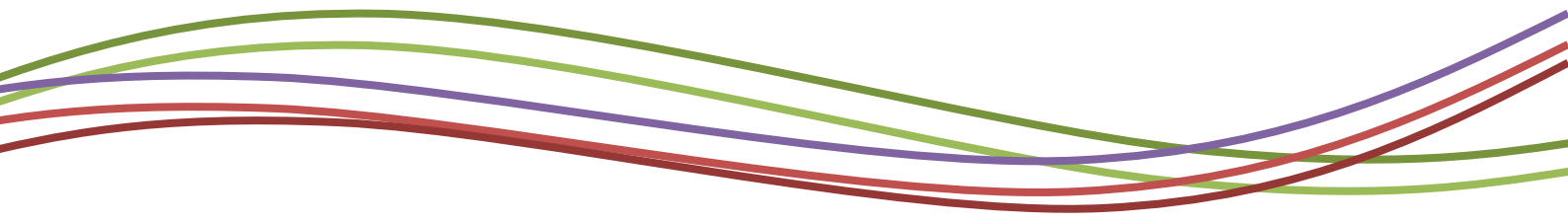
VOTING REQUIREMENT:

Absolute Majority.

OFFICER'S RECOMMENDATION

Council under Regulation 19C (7) of the *Local Government (Administration) Regulations 1996* adopts the modifications to the Shire of Morawa Strategic Community Plan 2012 (Version 8 – Amendment 1) so that the Plan as attached now includes:

- How the Strategic Community Plan will be reviewed including the conducting of a strategic or desk top review (2 years), a full review (4 years) and ongoing review (page 13);
- Consideration of the current and future resources that impact on meeting the aspirations within the Strategic Community Plan (pages 9 & 10); and
- The correct key performance measures (page 35).



Shire of Morawa
10+ Year
Strategic Community Plan
2012



Department of **Local Government**
Department of **Regional Development and Lands**



**ROYALTIES
FOR REGIONS**
221

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Document Management
Version: 8 (Amendment 1)
Status: Adopted
Date: 20 March 2014

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Draft

Our Vision

A proud and inclusive community with committed partnerships and a strong economy.

Welcome to our 2011 Strategic Community Plan for the Shire of Morawa.

This plan shares our visions and aspirations for the future and outlines how we will, over the next decade, work towards a brighter future for the Morawa community.

As a result of recent changes to the legislation, all Western Australian local governments are required to develop a Strategic Community Plan for a period of at least 10 years. Our Strategic Community Plan outlines our long term vision, values, aspirations and objectives, based on the input provided by the community. We are also planning to develop a Corporate Business Plan, which will be an internal working document to ensure our priorities and resources are aligned to the Strategic Community Plan, and provide a mechanism to ensure the strategies are delivered.

In 2011, the Minister for Regional Development and Lands, Hon Brendon Grylls MLA, nominated Morawa as one of nine local governments in the southern part of the State to be part of the State Government's Royalties for Region's SuperTowns Program, which encourages regional communities to accelerate planning to ensure they are well positioned to take advantage of projected population growth. The Morawa SuperTown Growth and Implementation Plan ("the SuperTown Growth Plan") was released in February 2012 and describes the strategies necessary for the growth of Morawa to occur. The Shire has endorsed the strategies identified in the SuperTown Growth Plan and will support its implementation, subject to state government funding approval.

The Shire of Morawa was keen to ensure that the planning and community engagement undertaken for both the SuperTown Growth Plan and Strategic Community Plan were complementary and integrated where possible. There has been good collaboration and cooperation in the development of each strategy and consequently, the visions, objectives and strategies of each document, are aligned.

This plan could not have been produced without the input of the local community and I thank everyone for their enthusiastic response and taking the time to fill in the surveys and attending the workshops. Your responses gave us a valuable insight into your visions and aspirations for the future.

We believe we have captured your aspirations and have reflected these in our desired outcomes. We will work in partnership with the community and other key stakeholders to deliver these outcomes using the strategies we have detailed in this plan.

I welcome your contributions and thoughts, and look forward to continuing our focus to ensure Morawa continues to be a proud and inclusive community with committed partnerships and a strong economy.

Karen Chappel
Shire President

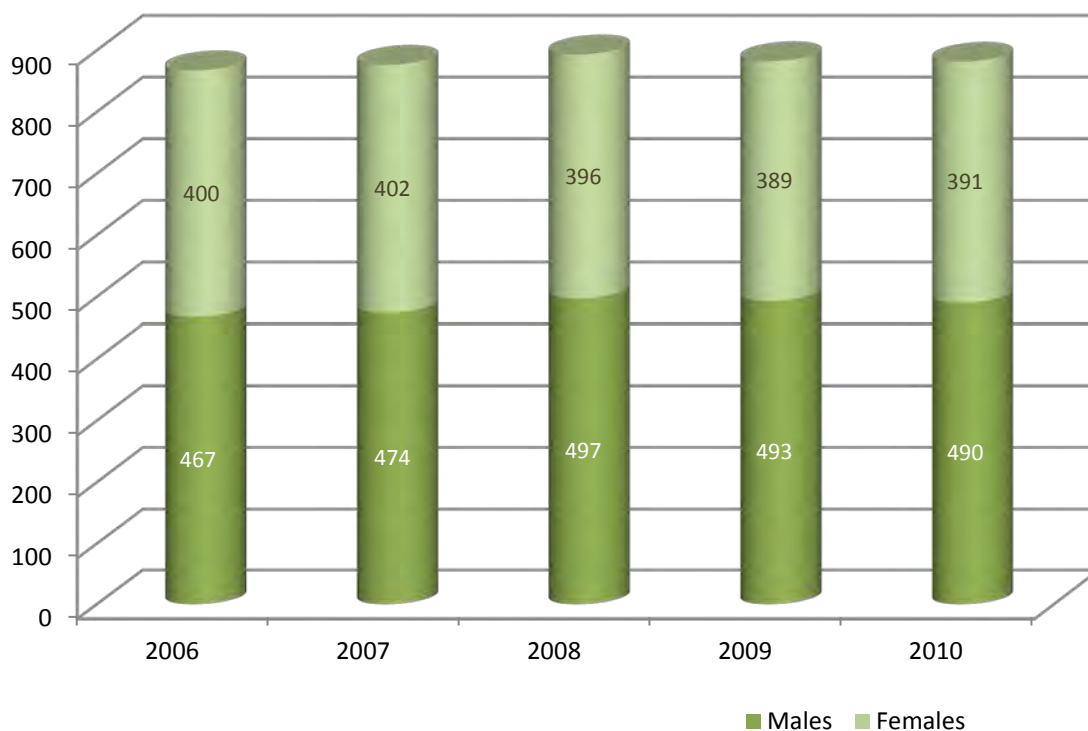


The Morawa Community

Morawa is a proud and inclusive community with a traditional farming economic backbone. Located in the Mid West Wheatbelt (also referred to as the North Midlands) and home to approximately 881 residents, Morawa is positioning itself to become a multi-faceted sub-regional centre with 2,500 residents. In addition to the town of Morawa the District also includes the localities of Canna, Gutha, Koolanooka, Merkanooka and Pintharuka.

The current estimated resident population has not changed significantly over the past five years in contrast to the population decline occurring of many other Mid West Shires. The Australian Bureau of Statistics (ABS) data for 2010 showed of the 881 residents 56% are male and 44% female representing a significant variation when compared to the State proportion of 51:49.

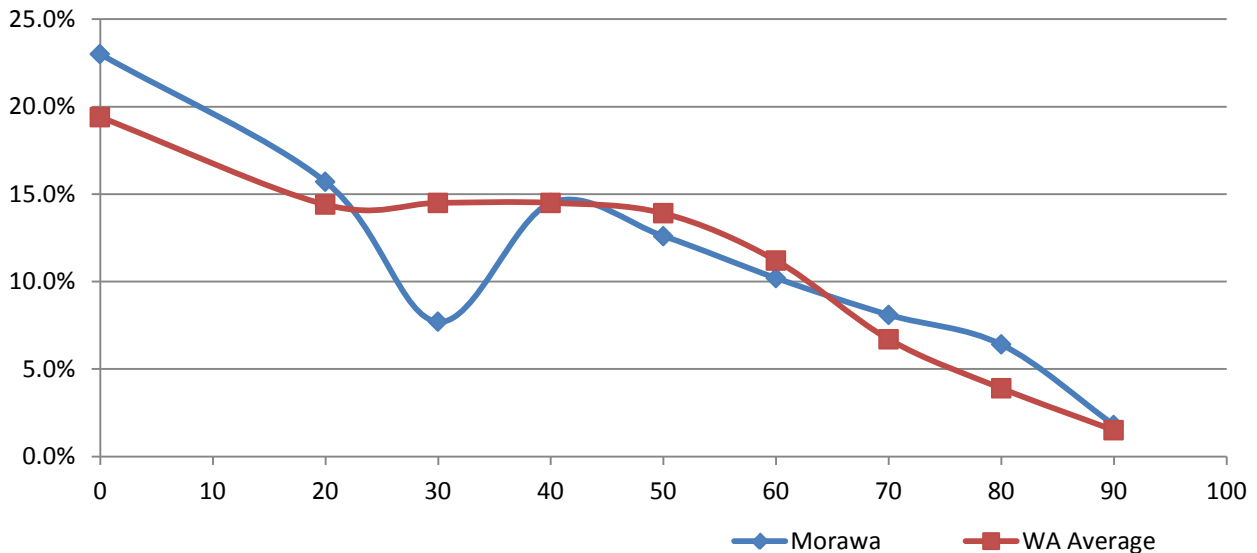
Estimated Resident Population



Data Source: Australian Bureau of Statistics

The ABS population estimate at 30th June 2011 is lower than the Shire's current population estimate of 950 people as the Shire's estimate takes into consideration the additional accommodation available in the Morawa townsite. However, for the purposes of this report the population estimates of the ABS has been used.

Estimated Resident Population by Age Group



Data Source: Australian Bureau of Statistics

The age demographic of the resident population compared to the State is shown in the above graph. The age distribution shows the number of residents in the Shire aged between 25 to 34 years is considerably lower than the State average which has been suggested is due to factors such as limited employment opportunities for this age group.

In contrast, the number of residents aged between 0 and 14 years is above the state average as is the number aged from 65 to 84 years. These statistics suggest there is a need for an emphasis on employment opportunities to retain families, a continued investment in facilities and services for children and youth and also investment in facilities and services for the aged.

In addition to cropping and wool production, iron ore mining has recommenced at Koolanooka Hills. Morawa also supports a strong education and training base with the Morawa Education and Industry Training Alliance (MEITA) seeking to position Morawa as a preferred destination for staff and students within the North Midlands District.

The growth of the mining industry and a desire to be a 'Centre of Excellence' in research, education and training are expected to result in an increase in the population of the Shire. This will hopefully encourage younger families to remain in the District. Population levels should also be supported if the 70 plus age group continue to show a preference for remaining within the Shire. However, this trend may increase the demand for medical, aged care and housing facilities.

These demographics and population trends have influenced the outcomes and strategies contained within this plan resulting in a number of strategies specifically to address these issues.

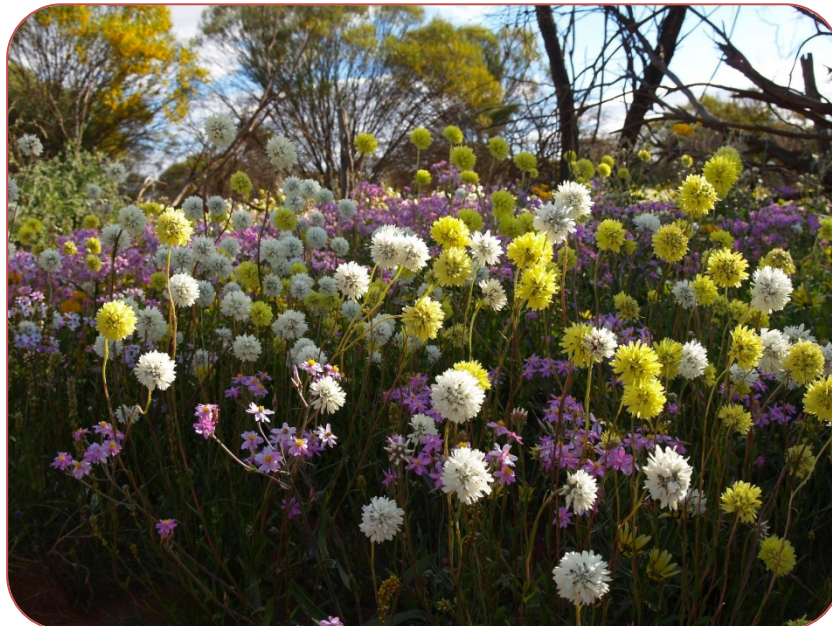
The natural landscape

Morawa is located approximately 370 kilometres north east of Perth and 180 kilometres south east of Geraldton. The Shire is bordered by the community of Mullewa to the north, the Shires of Perenjori to the South, Mingenew and Three Springs to the West and Yalgoo to the East.

The Shire covers 3,528 km² of agricultural and pastoral farmland, mining leases, Crown land and townsites and is within the Yarra Yarra catchment area. The landscape varies from large flat plains to rolling hills and rugged breakaway country. Approximately 12.8 km² of land is salt affected or salt lakes. Soil types are primarily York Gum soil (light/heavy) interspersed with Salmon Gum clay.

Morawa is an aboriginal name that is possibly derived from “Morowa” or “Morowar”, the name given to a small burrowing marsupial, now known as a Dalgite (similar to a Bilby). Morawa first appeared on maps in 1910 and marked the location of a rock hole.

Situated within the wildflower region the landscape turns to a mass of colour when the warmth of spring arrives, particularly after a wet winter, attracting tourists from all over Australia.



The built landscape

Morawa was declared a townsite in 1912 and the railway service commenced in 1913. Like many towns in the area Morawa owed its early existence to the railway line to Geraldton which represented a vital transport link for the agricultural industry. In 1948 Prater Airport was opened for use by light aircraft. The airstrip is fully illuminated to allow night landings by the Royal Flying Doctors Service and courier aircraft.



Since the 'early days' the town has grown to include education and medical services. The education services include a Primary School and District High School (pre-primary to Year 12) with 215 students enrolled in 2011 and the WA College of Agriculture with 62 students. The Morawa Perenjori Multi-purpose Medical Centre includes the Morawa-Perenjori Health Service, providing clinical services and primary health services, community care and patient assisted scheme. The Morawa Medical Centre supports a general practitioner who services the community 3.5 days per week. Two banks, two supermarkets, two agricultural agencies, a hardware store, pharmacy, newsagency, roadhouse, café and a variety of other retail, service and contractor businesses are all part of a vibrant commercial and industrial sector for the town.

To service agriculture and other industries, along with residents and visitors to the district, the Shire maintains 195km of sealed roads and 850 km of unsealed roads.

A major challenge for the area is electricity supply reliability as the town is located on the edge of the South West interconnected power grid with power usage at 90% of available supply. Water is obtained from the Arrowsmith borefield and approximately 80% of the borefield's allocation is being extracted each year.



Community engagement

The State Government's Integrated Planning and Reporting Framework requires all local governments to develop their 10+ year Strategic Community Plan through a process of community engagement aimed at identifying long term community aspirations, visions and objectives.

The community engagement process for this plan was combined with the SuperTown Growth Plan, to avoid mixed messages and stakeholder fatigue.

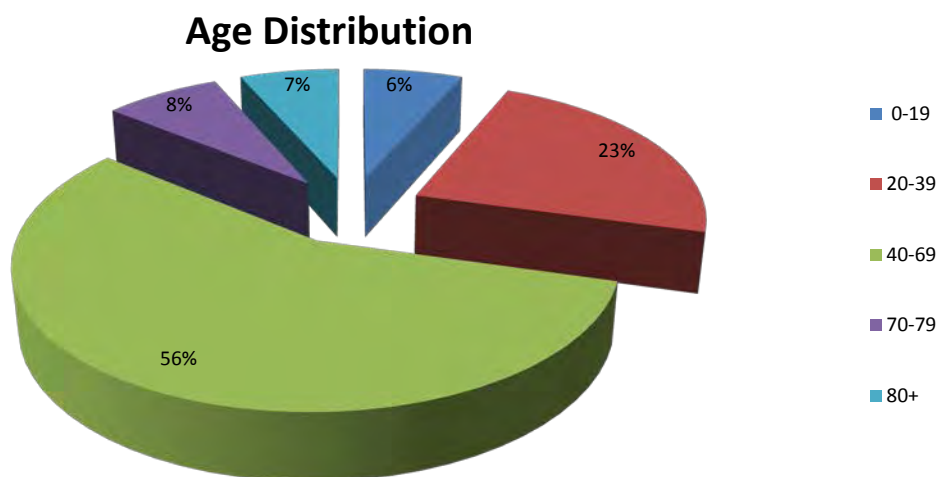
The Morawa community were asked to share their visions and aspirations for the future through a number of engagement methods, which were supported by a communications campaign that included newspaper articles and advertisements, regular information updates on the Shire's website, the distribution of project flyers and displays on information boards.

As part of the community engagement process, surveys were distributed by mail or letter drop to all ratepayers and households. An on-line version was also available from the Shire website. A Community Visioning Workshop was held in October 2011 attended by 26 people and the SuperTown Community Information Forum held in December 2011 was attended by 100 people.

A total of 91 people responded to two community surveys. 44 people completed the first survey, including four Councillors, two shire employees and four visitors. 47 people completed the second survey, including four visitors.

Statistically, the total responses received provide a 95% confidence level with a sampling error of plus or minus 9.7%. With an estimated population of approximately 881 residents, the number of survey responses received represents 10.3% of the estimated population. With the addition of a number of people who attended the community workshops, the basic community engagement standard defined in the Integrated Planning and Reporting Advisory Standard was achieved. This Standard requires basic community engagement to involve at least 500 or 10% of residents, whichever is fewer, and to be conducted by at least 2 documented mechanisms.

56% of survey respondents were males and 43% females. As represented in the following graph, respondents were from a range of age groups, although the majority of respondents were aged from 40 to 69 years of age.



More than half of the respondents (55%) described themselves as families with children, while 45% indicated they were older or younger singles and couples with no children. A significant number of respondents were ordinarily resident in Morawa (81.4%), while 9.3% were residents in a range of communities including the surrounding towns of Coorow and Carnamah. The remaining 9.3% of respondents did not respond with their place of residence.

More than half of the respondents who are ordinarily resident in Morawa have lived in Morawa for more than 10 years.

The surveys provided an insight into the key issues and aspirations important to the local community. These views have been recognised by the Council and subsequently shaped the visions, values, objectives and strategies documented in this Plan.

Following the community surveys and workshops, a Councillor and senior staff strategic planning workshop was held on 9th March 2012 to:

- Review the Community's visions, values and priorities;
- Confirm the Shire's vision, values and aspirations; and
- Define the Shire of Morawa's Strategic Community Plan objectives.

Community Importance and Satisfaction

A number of the survey respondents added their views on the importance of, and satisfaction with, current and future Shire services. The results of these responses are grouped and summarised in the table below providing a guide to the prioritisation of service provision.

Whilst not a definitive priority listing this feedback will assist guiding the Shire with prioritisation of service provision. The table categorises services according to the community's assessment of their relative importance and satisfaction.

Very Important/ Low Satisfaction

Long term planning
Economic development
Small Business
Maintenance
Townscape presentation
Water supplies
Support for volunteers
Aged person homes
Education and Training
Drainage, storm water and flood management
Telecommunications
Verges and footpaths
Road works
Affordable housing
Power supplies

Very Important / High Satisfaction

Health services
Emergency services
Council's customer service
Parks and sporting facilities
Crime prevention
Playgrounds
Financial management
Child care, playgroup, maternal and infant services
Aged and disabled services
Community engagement

Important / Low Satisfaction

Mining partnerships
Community Resource Centre
Town planning
Waste Dump Point
Environmental initiatives
Museum management
Vegetation management
Street lighting
Employee housing
Pest control
Skate park
Libraries
Ranger services
Tourism management

Important / High Satisfaction

Tourist Centre
Police licensing services
Community halls and Rec Centre
Regional collaboration
Festival and event support
Public toilets
Youth services
Cemetery
Health administration and inspection
General garbage collection
Indigenous relations
Building control
Landscaping

Current and future resources to meet services

The Shire's resource position is a key consideration in terms of how it will impact on our ability to progress the community's aspirations. The trend regarding the Shire's capacity to meet the community's aspirations is shown in the following table:

Resource Profile	2006 Census, WAEC & 2006/2007 Annual Report	2011 Census, WAEC & 2011/2012 Annual Report
Population	824	894*
Number of Electors	498	479
Employees	25 FTE	27 FTE
Budget	\$14,957,984	\$22,359,547
Rates	\$866,085	\$1,267,434
Capital Grants	\$477,322	\$5,996,213
Operating Grants	\$1,291,725	\$3,828,396
Capital Expenditure	\$1,295,283	\$3,457,746
Operational Expenditure	\$3,322,984	\$5,537,564
Shire Reserves	\$1,218,841	\$11,041,691
Value of Assets	\$20,963,390	\$37,538,146
Total Labour Force	383	417
Occupied Dwellings	289	298
All Private Dwellings (including unoccupied)	415	386

*Note: Although this is based on the 2011 Census, the Shire's population figures are 950.

The Resource Profile shows that the Shire of Morawa has received a range of key funding to help it meet the community's aspirations. In particular, a number of new reserves were created based on the funding received and there is the expectation that some of these key sources of funding will continue. The sources of funding include:

- SuperTowns Funding (\$3,500,662). The majority of funding received will allow the implementation of the revitalisation of the Morawa Town Centre;
- Mid West Investment Plan Funding (\$1,000,000). The funding received will allow the Shire to upgrade or replace its key sporting facilities and the construction of accommodation for the aged in the community. Under the Mid West Investment Plan and other funding programs to be developed such as the North Midlands Economic Blue-Print, the Shire will have ongoing opportunities to seek additional funding for key projects;
- Sale of Fines Funding (\$3,165,061). The funding from the sale of iron ore purchased by the Shire previously has seen the creation of a Community Development Reserve to assist with key activities including the development of the Morawa Community Future Fund;
- Country Local Government Fund (\$717,156). This funding will allow for key works regarding the sewerage system and the waste management facilities;

- Contributions from Mining Companies (\$950,000). Key mining companies in the region have provided funding to assist the Shire achieve outcomes for the community in general. It is believed that key funding opportunities, contributions or joint community programs will continue.

Apart from the above, the Shire also has access to Landcorp to assist us with the development of additional residential and commercial subdivisions. The release of land with services provided will promote both the ongoing economic investment and support for people moving to the district.

It should be noted that without the financial contributions from the key funding bodies and other stakeholders, the Shire's existing rate base is insufficient to meet a number of aspirations otherwise outlined in the Strategic Community Plan. However, by striving towards the development of Morawa as a sub-regional centre through the implementation of the outcomes in the Strategic Community Plan, the resulting investment and population growth will see an increase in the Shire's rate base and thus make the provision of some ongoing services more affordable.

The Shire provides a range of infrastructure assets to enable services to be delivered to the community. This includes roads (1,050km), culverts (324), railway crossings (15), road signs (727), floodways (115), footpaths (13.8km) and kerbing. There are a number of buildings including Shire/depot (3), public/civic (10) and housing (19). Other assets include recreation (5), public civic (4) and airport (2). The value of many these assets will increase as they are renewed or replaced. Some new assets will occur. The total maintenance and capital renewal required to provide the infrastructure service in the next ten years is estimated at \$24,267,000 or an average of \$2,426,700 per annum. Correspondingly, the life cycle cost to provide these assets is \$2,190,400 PA and the life cycle cost funded by the Shire is \$2,067,700 PA or a life cycle sustainability index of 0.94. It is expected that the gap will be met through sustained rate increases of at least 6% PA.

The Shire has a small and flat staff structure. This means the Shire is limited in the types of services it can provide. Succession planning is difficult to plan for and the loss of corporate knowledge is an issue. However, this can be ameliorated in part through introducing key software regarding the building/planning application process and the tracking of the Shires services and assets including their status. Another strategy is to continue resource sharing with others in the region thus minimizing costs for some services and increasing funding opportunities for joint initiatives. Targeted mentoring, training and development of staff will also occur. The Shire will also need to re-evaluate staffing levels in the out years as key projects come on line.

Other key indicators to note are that generally the total labour force in the Shire has increased by 8.9%. due to increased mining activity in the area. As mining and infrastructure rebuilds come on line in the out years, the total labour force is expected to grow even further.

The level of occupied dwellings has increased by 3.1% with private dwellings decreasing by 7% demonstrating that dwellings beyond their usefulness have been renewed or demolished and a level of regeneration is occurring in the District. Further construction of new properties is expected to continue including provision for the aged.

What is in the plan

The Morawa Strategic Community Plan reflects the community's vision for the future and is the principal strategic guide for future Shire planning and activities.

Based on the community engagement results we have set out the vision for the Shire's future and captured the community's aspirations and values.

A strategic objective has been developed for each of the four key areas of community interest being **economic, environmental, social** and **civic leadership**. Desired outcomes have been determined to achieve each of these objectives after considering the capacity of the Shire's current and future resources along with demographic trends.

For each strategic objective we have provided the following:

- a summary of the major issues highlighted by the community;
- a selection of the community's comments;
- the opportunities available to the Shire;
- a table of strategies to achieve our desired outcomes; and
- an overview of the important partners that will help us achieve our objectives and outcomes.

In later sections we have also stated how we will measure our success in achieving our objectives and who else has influence over our ability to achieve these objectives.



How we will use this plan

This plan shares our visions and aspirations for the future and outlines how the Shire will, over the long term, work towards a brighter future for the Morawa community.

Looking to the future, the 2012 Strategic Community Plan will influence how as a Shire we resource and deliver our services. It will be the primary strategic plan for all other planning undertaken by the Shire.

The Shire of Morawa intends to use the Strategic Community Plan in several ways, including:

- Guide Council priority-setting and decision-making;
- Provide a framework for the on-going integration of local planning initiatives;
- Inform decision-making at other agencies and organisations, including community and State Government;
- Provide a rationale to pursue grants and other resources to demonstrate how specific projects align with the aspirations of our community and within the strategic direction outlined in the Strategic Community Plan;
- Inform potential investors and developers of our community's key priorities, and the ways in which we seek to grow and develop;
- Engage local businesses, community groups and residents in various ways to contribute to the Shire's future; and
- Provide a framework for monitoring progress against our vision, values and aspirations.

Importantly, plans are only effective if resourced adequately to ensure an outcome.

Strategies will be prioritised and actions applied (after an assessment of available resources) through the development of a Corporate Business Plan annually.

Key performance indicators will be used to report to the community on the Shire's performance in achieving the outcomes.



Updating the Strategic Community Plan

The Strategic Community Plan provides an outline of how the Shire of Morawa is listening to our community and taking responsibility for ensuring the sustainability of the local environment, local economy and the local community and the organisation itself. To ensure its ongoing relevance, there will be periodic reviews of the Strategic Community Plan undertaken that will see us adapt our actions to account for any shifts in community expectations and priorities.

The first periodic review will be undertaken in keeping with the requirements of the Integrated Planning and Reporting Advisory Standard. This means a “desk top” review of the Strategic Community Plan will be completed within two years and endorsed by Council prior to 30 June 2014. This review will focus on the strategies to ensure that they are still appropriate for achieving community objectives.

A full review of the Strategic Community Plan as required by the *Local Government (Administration) Regulations 1996* will be completed with a new Council endorsed plan by 30 June 2016. The full review will include going back to the community and asking what they want to see changed in the District of Morawa. This will test whether the aspirations and objectives need to be changed.

It is expected that the above review process will continue during the life of the Strategic Community Plan.

Community aspirations and values

The Morawa community aspires to be guided by the following values:

- To be innovative and creative;
- To cooperate through partnerships;
- To be managed by strong leaders that make informed decisions;
- To listen and respond; and
- To be flexible to grow.



Economic

Objective 1:

A diverse, resilient and innovative economy.

“Variety of jobs in all sectors”.

– Member of Community

Draft

What the community told us

Attracting steady economic growth, more jobs and population growth was one of the most common responses, in relation to the question, “what is your greatest ‘wish’ for the future?” Other important issues in relation to the economy were:

- Attract a diverse range of new businesses and maintain government services in Town;
- Industry diversification (agriculture, mining, renewable energy, supporting trades, health, education) and technological advancement;
- Population attraction and retention;
- Improving the availability and range of quality/affordable housing;
- Improved regional road access between towns and traffic management (truck freight bypass);
- Retain local community character and a safe environment (including heritage properties) and improve Town Centre presentation; and
- Improved infrastructure, particularly power, water and telecommunications.

The opportunity

The Shire of Morawa is entering an exciting phase with iron ore mining emerging in the region. While the opportunities presented by the mining industry are embraced, the community maintains the importance of agriculture as the local economy’s ‘backbone’. Other potential value-add businesses associated with agriculture were identified as important employment generators, as well as services, such as health, renewable energy industries, education and government administration. On-going liaison with the North Midlands sub-region and the recently established Morawa Chamber of Commerce is viewed as important in facilitating these opportunities. The provision of adequate infrastructure to accommodate growth, such as a reliable power supply, suitable land supply, well-maintained roads and new technologies and innovation were noted as important issues.

Whilst the community embraces growth and an expanding population, they acknowledge the importance of a range of quality, affordable housing, services and amenities to ensure Morawa continues to remain an attractive district in which to live. An attractive main street with an increased level of retail, commercial and entertainment services was highlighted as a keen wish for the future. Traffic management (particularly freight) was identified as an issue of concern.

Quotes from the Community

“I would like to see Agriculture more secure, and the mining settled and support industries to both viable. There are many opportunities for businesses for example panel beaters, engineering works, retailers, machinery dealerships”.

“Strong economy supported by industry and government services”.

“To not have less than now.”

“Hopefully, we can keep all of the businesses that are in town already”.

“Increase in population, and affordability. Take away Monopolies in the market to help curb affordability.”

“A vibrant economy - jobs for students to transition into straight from school. Agriculture/retail/mining/environmental jobs.”

How will we get there?

The following strategies have been identified as contributing to the achievement of each outcome.

Outcome 1.1 Maintain and increase population

Key Partners

1.1.1	Engage with mining companies to invest in the region.	MWDC, MCC, DSD
1.1.2	Make land available for residential, commercial and industrial uses.	LC, MWDC, RDL

Outcome 1.2 Maximise business, industry and investment opportunities

Key Partners

1.2.1	Continue to liaise with CBH to upgrade and extend grain handling and storage facilities.	CBH
1.2.2	Support the Morawa Chamber of Commerce.	MCC
1.2.3	Promote Morawa as an attractive place to live and work.	MCC, MWDC, RDL
1.2.4	Implement Morawa SuperTown Growth and Implementation Plan.	MWDC, RDL, DSD
1.2.5	Undertake and implement the North Midlands Sub-regional Economic Development Strategy.	MWDC, DSD
1.2.6	Support the development of agriculture and related industries.	DAFWA, MWDC
1.2.7	Continue to support development of the tourism industry.	TWA, MCC
1.2.8	Continue to support MEITA and its strategic direction (Education Industry Training Alliance).	MEITA, DoE
1.2.9	Initiate plans to expand the Morawa Caravan Park.	TWA
1.2.10	Support the Morawa Visitors Information Centre.	MCC, TWA
1.2.11	Continue to support the Wildflower Country Tourism Committee.	MCC, TWA

Outcome 1.3 Responsive to innovation and new technologies		Key Partners
1.3.1	Partner with private enterprise to deliver North Midlands Solar Thermal Power Project.	MWDC, RDL
1.3.2	Continue to advocate with the State Government to deliver NBN fibre optic solution.	MWDC, DSD
1.3.3	Support NEFF (North East Farming Futures) and DAFWA in the identification of agriculture innovations.	NEFF, DAFWA
1.3.4	Continue to lobby for improved telecommunications.	MWDC, RDL
Outcome 1.4 Provide essential services and infrastructure to support population growth		Key Partners
1.4.1	Advocate and partner with Water Corp for the provision of adequate water capacity and supply.	WC
1.4.2	Advocate and partner with Western Power for an upgrade of the Morawa Three Springs Feeder.	WP, MWDC
1.4.3	Expand and maintain sewerage infrastructure.	WC
1.4.4	Develop a stormwater management and capture strategy for the townsite.	WC, RDL
Outcome 1.5 Planned and balanced growth		Key Partners
1.5.1	Deliver Town Planning Strategies to align with the Morawa Growth Plan.	WAPC
1.5.2	Implement North Midlands Sub-regional Economic Development Strategy (refer to 1.2.5)	MWDC

Outcome 1.6 The main street is the civic and retail heart connecting the town**Key Partners**

1.6.1	Support Town Centre revitalisation strategies as contained in the Morawa SuperTown Growth Plan.	MWDC, RDL
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Outcome 1.7 Attractive and well maintained buildings and streetscapes**Key Partners**

1.7.1	Continue to implement and fund the policy 2.3 Heritage Colours – Solomon and Winfield Street.	MCC
1.7.2	Continue to maintain a high standard of landscaping and maintenance.	MCC
1.7.3	Identify funding to refurbish the old Shire Council Chambers and Town Hall.	MWDC, RDL
1.7.4	Maintain Shire assets in accordance to Shire Asset Management Plan.	-
1.7.5	Encourage local residents to improve presentation of their properties.	MCC

Outcome 1.8 Well maintained local roads and ancillary infrastructure**Key Partners**

1.8.1	Establish a prioritisation schedule for the upgrade of roads infrastructure.	MRWA
1.8.2	Maintenance and renewal of roads, and ancillary infrastructure is undertaken in accordance to Shire Asset Management Plan.	MRWA
1.8.3	Lobby government and private sector for increased road maintenance funding.	MRWA
1.8.4	Control roadside vegetation.	MRWA

Outcome 1.9	Affordable, diverse and quality accommodation options for both residential and business	Key Partners
1.9.1	Secure funding and build aged accommodation.	DoHA, RDL
1.9.2	Secure funding to establish the multi-use accommodation village.	MWDC, RDL
1.9.3	Finalise negotiations with the State Government to deliver key worker housing infrastructure.	DOH
1.9.4	Identified preferred use and redevelop the Old Morawa Hospital.	HWA, HCWA
1.9.5	Secure funds for the provision of staff housing.	MWDC
1.9.6	Investigate options and facilitate the development of tourism accommodation.	TWA
1.9.7	Continue to develop business units.	MCC

Outcome 1.10	Increased investment in transport networks	Key Partners
1.10.1	Secure funding to seal the Morawa airport.	DOT, RDL, MWDC
1.10.2	Continue to maintain the airport strips and comply with CASA regulations.	CASA
1.10.3	Continue to lobby the State Government to retain grain movements on rail.	DOT
1.10.4	Lobby for Roads funding (refer to 1.8.3).	MRWA, DOT
1.10.5	Lobby to widen and upgrade the Perenjori to Mullewa Road.	MRWA, DOT
1.10.6	Lobby to refurbish Mingenew-Morawa Road.	MRWA, DOT

Environment

Objective 2:

Protect and enhance the natural environment.

“Well maintained buildings, beautiful trees and gardens, parks, playgrounds.”

– Member of Community

Draft

What the community told us

The key issues in relation to the environment were:

- Maintain the Town Centre's natural landscape;
- Leverage the natural environment through tourism opportunities (fauna, flora and landscape);
- More natural parklands, trees and shade in town; and
- Reduced salinity.

The opportunity

Morawa's natural environment and central location is highly regarded as one of the community's most valued attributes.

Morawa also has impressive natural and built assets, including the Kadji Kadji Station, beautiful wildflowers and significant heritage buildings. Maintaining a natural bush landscape and the town's local character was a common message from the community.

Whilst the main street is very well presented, many people expressed concern over the presentation of other buildings in town, including derelict housing and poorly maintained yards. Improved Town Centre presentation and amenity will create the impression Morawa is an attractive and inviting town, which may in turn, encourage more future residents, and entice visitors and commuters to extend their stay.

Quotes from the Community

"More trees, less salt, more natural bush".

"Mixture of both old and new, heritage retention".

"I would like to see Morawa have the same amount of public open space per head of population that we currently have".

"Town should keep some natural space so that birds and other wildlife can co-habit with the town".

"Keep the character of the yard however get residents to clean up their properties."

"Tourism of natural environments - Kadji Kadji Station".

"Demolish derelict housing".

"Dedicated areas of natural vegetation/large areas of revegetation".

"Well-presented buildings - retail/residential/industrial".

"Balance between social/economic/environment. Morawa can be harsh in summer - trees/shade/green areas are important".

How will we get there?

The following strategies have been identified as contributing to the achievement of each outcome.

Outcome 2.1 Ensure natural resources are used efficiently and effectively. Key Partners

2.1.1	Develop a storm water use strategy (refer to 1.4.4).	WC
2.1.2	Engage with the State Government to increase access and visitation of Kadji Kadji Station.	DEC
2.1.3	Refurbish and maintain Morawa Shire dams.	WC, DOW
2.1.4	Continue to reuse waste water for irrigation purposes.	-
2.1.5	Identify policies to manage the impacts of carbon sequestration initiatives.	-
2.1.6	Implement the Climate Change and Adaptation Plan.	-
2.1.7	Manage rail impacts on the Morawa Townsite.	DOT, PTA, BR

Outcome 2.2 Enhance and promote rehabilitation of our native vegetation. Key Partners

2.2.1	Continue to manage feral flora and fauna.	DEC
2.2.2	Rehabilitate, protect and conserve Shire controlled land.	-
2.2.3	Support and promote environmental management practices.	DEC

Outcome 2.3 Minimise impact of salinity. Key Partners

2.3.1	Implement Drainage Policy.	-
2.3.2	Support Yarra Yarra Catchment Council.	YYCC

Outcome 2.4 A regional waste management solution to achieve zero landfill. Key Partners

2.4.1	Secure funding to establish a transfer station at the Morawa tip.	RDL
2.4.2	Identify regional locations for waste collection.	MWRC

Social

Objective 3:

A community that is friendly, healthy and inclusive.

“To have stable and consistent fundamental services in health, education, policing and local government”.

– Member of Community

Draft

What the community told us

Morawa's people and lifestyle, its friendly, strong community spirit and its good facilities and quality infrastructure were identified as amongst the Shire's most valued social attributes.

The key issues identified in relation to social well-being were predominately service driven and include:

- Improved medical services, particularly more doctors and dentists;
- Improve and expand the provision of education and training;
- Maintain and improve the provision of facilities and services, including Centrelink, Medicare and Police;
- More affordable housing;
- Services and facilities to support the ageing population; and
- Continue to support our volunteer base.

The opportunity

The community overwhelmingly identified maintaining and improving social services, as fundamental to future community well-being. Improved health and aged care services, particularly doctors and dentists, was highlighted as particularly important.

Morawa's economy has seen growth in the areas of education, health services and government administration in recent years. In the same vein, the SuperTown Growth Plan suggests Morawa has the opportunity to increase its amenities and services, not only to benefit the Morawa community, but also the surrounding towns. This proposition was well supported by the local community, which would like to see Morawa positioned as a future regional services hub. In the interests of regional collaboration, it will be important for the residents of Morawa to support the services of their neighbouring communities. Quality and affordable housing was identified by the community as critical to meeting the future demand of new families, key workers, aged persons and students.

Morawa seeks to leverage its local strengths, and has identified the opportunity to become recognised as a 'Centre of Excellence' for education, training and innovation in the North Midlands district. This opportunity was strongly endorsed by the local community and the Shire will continue to support the education partnership alliance, MEITA (Morawa Education and Industry Training Alliance), which has already successfully obtained funding for a new Trade Training Centre.

The Shire's diverse range of recreational infrastructure and events play an important role in promoting community cohesiveness and nurturing its strong community spirit. These facilities will require on-going refurbishment and consolidation, to ensure they are appropriately maintained and tailored to meet the needs of the diverse age groups comprising the local community.

Quotes from the Community

"More affordable housing, more training for up-skilling."

"To be a regional hub - providing a range of services".

"To be a vibrant, cohesive and committed community".

"Health, education, crime, safety, social support and affordable housing are all very important to our family and would definitely be very attractive to us moving into the area".

"More doctors and a dentist. A bus for oldies to have outings. Decent Homeswest housing".

"It would be great to see more affordable housing that is available to all, better agency housing to encourage police, teachers & health professionals to Morawa. I would like to see a much larger support system for aged care with more age specific housing".

How will we get there?

The following strategies have been identified as contributing to the achievement of each outcome.

Outcome 3.1	Services and facilities that meet the needs of the community.	Key Partners
3.1.1	Support the implementation of the North Midlands Primary Care Project.	DoHA, WACHS
3.1.2	Support the provision of adequate GP services.	DoHA, WAH
3.1.3	Continue to advocate for visiting specialists and allied health.	DoHA, WAH
3.1.4	Support the Three Springs Dental service.	DoHA, WAH
3.1.5	Support and Implement the MEITA strategy (refer to 1.2.8)	MEITA, DoE
3.1.6	Advocate and support the maintenance of adequate police and emergency services.	FESA
3.1.7	Seek funding to secure a Sport Development Officer for the region.	DSR
3.1.8	Identify opportunities to establish a Child Development Centre.	DC
3.1.9	Continue to operate and resource the Morawa Youth Centre.	DC, DSR, DCA
3.1.10	Investigate feasibility to acquiring Morawa Community Care facilities.	DoHA
3.1.11	Continue to support the Morawa Community Resource Centre.	DLG
3.1.12	Continue to provide Police Licensing Services.	DOT, WAP
Outcome 3.2	Respect our cultural, indigenous and heritage assets.	Key Partners
3.2.1	Maintain, enhance and promote heritage assets.	DEC, HCWA, DIA
3.2.2	Support the Billaranga Arts Studio.	DCA, DIA
3.2.3	Support the Koolanooka Springs Reserve.	DEC, DIA
3.2.4	Support the operations of the Morawa Historical Society.	HCWA
3.2.5	Support to community events.	DCA, TWA

Outcome 3.3	Retain a safe environment.	Key Partners
3.3.1	Continue to support visiting ranger services.	MWRC
3.3.2	Maintain regulatory health services.	HWA
3.3.3	Continue to support the employment of a regional CESM (Community Emergency Services Manager).	FESA
Outcome 3.4	A wide range of regional events.	Key Partners
3.4.1	Continue to support Morawa Biannual Arts festival.	DCA
3.4.2	Support community events. (refer to 3.2.5)	DSR, TWA, DCA
Outcome 3.5	Improved and well maintained community, recreational and civic infrastructure.	Key Partners
3.5.1	Maintain community recreational and civic infrastructure in accordance to the Shire Asset Management Plan.	-
3.5.2	Secure funding for Morawa Sports Ground upgrade.	DSR
3.5.3	Secure funding for swimming pool upgrade.	DSR
3.5.4	Continue to improve the Morawa cemetery.	-

Civic Leadership

Objective 4:

A connected community with strong leadership.

“I believe in 20-30 years Morawa will be the main centre for Local Government in the North Midlands.”

– Member of Community

Draft

What the community told us

The key issues identified in relation to civic leadership were:

- Amalgamation was perceived as inevitable, and strong representation will be important;
- Morawa as a regional services hub;
- Greater collaboration with the region; and
- Greater engagement, interaction and communication with the community.

The opportunity

The community expects the Shire to lead by example and continue to be a respected organisation into the future. The Shire will strive to have strong representation and provide good leadership.

The SuperTown Plan suggests the North Midlands district has a significant opportunity to increase the level of services, infrastructure and social amenities and it is only through a strong and committed partnership approach between the various communities, government, industry and stakeholders that this opportunity can be harnessed.

The Shire of Morawa is already well regarded for its strong relationship management and cooperative and collaborative partnerships with neighbouring communities. The Shire is committed to continue to nurture these relationships as a core focus into the future.

As a small Shire, with tremendous ambition, resource constraints will continue to confront the Shire. Where possible, the Shire will continue to advocate for funding to implement the strategies identified in this plan, as well as the SuperTown Growth Plan.

Attracting and retaining quality staff will remain an important focus to ensure the Shire can maintain the delivery of quality services to support the local community. Morawa will work closely with the community and its volunteers, as they continue to be the driving force behind Morawa's strong community spirit and pride.

In response to the community's request for greater engagement, interaction and improved communication, the Shire plans to continue to proactively communicate and acknowledge local feedback to ensure the services delivered are well promoted and representative of the community's needs.

Quotes from the Community

"There should be a better balance between Town and Farm representation"

"Larger Shire, amalgamation of towns - lead by Mayor, more Councillors."

"Amalgamation will happen and hopefully we will have good representatives from the district"

"More interaction with community, planning etc."

"More community steering committees and groups."

"With technology things will be different but all in all, I don't think it will change"

"Local government will have to improve facilities and services."

"That Morawa becomes the centre for the area."

How will we get there?

The following strategies have been identified as contributing to the achievement of each outcome.

Outcome 4.1 A well informed, connected and engaged community that actively participates. Key Partners

4.1.1	Continue to produce the 'Morawa Snippets'.	-
4.1.2	Continue to support the production of the 'Morawa Scene'.	-
4.1.3	Develop and implement a communications and engagement strategy.	-
4.1.4	Develop and implement community development, governance and marketing strategies in the SuperTown Growth Plan.	MWDC, RDL

Outcome 4.2 Existing strong community spirit and pride is fostered and encouraged. Key Partners

4.2.1	Continue to support the Morawa Future Fund.	SMC
4.2.2	Support the community connectedness forum.	DC
4.2.3	Support leaderships / youth development programs through the Morawa Youth Centre.	DC, DSR, DCA
4.2.4	Continue to acknowledge and support volunteers.	DC

Outcome 4.3 A local government that is respected, professional and accountable. Key Partners

4.3.1	Provision of professional development opportunities for Councillors and Staff.	DLG, WALGA
4.3.2	Annual customer feedback surveys.	-
4.3.3	Maintain a high standard of customer service.	-

Outcome 4.4 Improved regional partnerships with government and industry. Key Partners

4.4.1	Continue to participate in regional forums.	MWRC, MWDC
4.4.2	Deliver services as a sub-regional hub for the North Midlands.	MWRC

Outcome 4.5 Be compliant with relevant legislation.**Key Partners**

4.5.1	Adhere to the Local Government Act 1995.	DLG, WALGA
4.5.2	Ensure compliance with local, town planning, building, health and all other legislation.	DLG, WALGA
4.5.3	Maintain, review and ensure relevance of Council policies and laws.	DLG, WALGA

Outcome 4.6 Planned, affordable and effective service delivery and infrastructure.**Key Partners**

4.6.1	Develop and implement Integrated Planning and Reporting.	DLG, WALGA
4.6.2	Continue to improve strategic and long term planning.	DLG, WALGA

Outcome 4.7 Long term financial viability.**Key Partners**

4.7.1	Planning to consider whole of life costs of service provision and assets.	-
4.7.2	Seek efficiencies in planning and operations.	-

Outcome 4.8 Attract and retain quality staff.**Key Partners**

4.8.1	Continue to provide staff training and development.	DLG, WALGA
4.8.2	Provide quality housing for staff.	DOH
4.8.3	Provide traineeships within the Shire.	WALGA

Objectives

Outcomes

ECONOMIC	<p><i>A diverse, resilient and innovative economy.</i></p>	<ul style="list-style-type: none"> 1.1 Maintain and increase population. 1.2 Maximise business, industry and investment opportunities. 1.3 Responsive to innovation and new technologies. 1.4 Provide essential services and infrastructure to support population growth. 1.5 Planned and balanced growth. 1.6 The main street is the civic and retail heart connecting the town. 1.7 Attractive and well maintained buildings and streetscapes. 1.8 Well maintained local roads and ancillary infrastructure. 1.9 Affordable, diverse and quality accommodation options for both residential and business. 1.10 Increased investment in transport networks.
ENVIRONMENT	<p><i>Protect and enhance the natural environment.</i></p>	<ul style="list-style-type: none"> 2.1 Ensure natural resources are used efficiently and effectively. 2.2 Enhance and promote rehabilitation of our native vegetation. 2.3 Minimise impact of salinity. 2.4 A regional waste management solution to achieve zero landfill.
SOCIAL;	<p><i>A community that is friendly, healthy and inclusive.</i></p>	<ul style="list-style-type: none"> 3.1 Services and facilities that meet the needs of the community. 3.2 Respect our cultural, indigenous and heritage assets. 3.3 Retain a safe environment. 3.4 A wide range of regional events. 3.5 Improved and well maintained community, recreational and civic infrastructure.
CIVIC LEADERSHIP	<p><i>A connected community with strong leadership.</i></p>	<ul style="list-style-type: none"> 4.1 A well informed, connected and engaged community that actively participates. 4.2 Existing strong community and spirit and pride is fostered and encouraged. 4.3 A local government that is respected, professional and accountable. 4.4 Improved regional partnerships with government and industry. 4.5 Be compliant with relevant legislation. 4.6 Planned, affordable and effective service delivery and infrastructure. 4.7 Long term financial viability. 4.8 Attract and retain quality staff.

Services undertaken and facilities provided by the Shire are linked with the relevant strategy of the Strategic Community Plan below. The table provides a connection between the services and facilities and the desired outcomes and community vision for the Shire of Morawa.

Services	Associated Strategies
Community Services	
Affordable/Multi Use/Tourism Housing	1.9.2♦1.9.3♦1.9.6
Aged and disabled services	3.1.10
Aged person homes	1.9.1
Agriculture innovations	1.3.3
Arts, Heritage & Culture	3.2.1♦3.2.2♦3.2.4
Childcare, Playgroup, infant health	3.1.8
Crime prevention	3.1.6
Education facilities/services	1.2.8♦3.1.5
Medical services	3.1.1♦3.1.2♦3.1.3♦3.1.4
Youth services	3.1.7♦3.1.9♦4.2.3
Shire Services	
Building control	4.5.2
Community engagement/support	1.7.5♦4.2.2
Council's customer service	3.1.12♦4.1.1♦4.1.2♦4.3.2♦4.3.3
Drainage, stormwater and flood management	1.4.4♦2.1.1♦2.3.1
Economic development	1.2.6
Emergency services	3.1.6♦3.3.3
Environmental initiatives/management	2.1.4♦2.1.5♦2.1.6♦2.2.1♦2.2.2♦2.2.3♦2.3.2
Festival and event management	3.2.3♦3.2.5♦3.4.1♦3.4.2
Financial management	4.2.1♦4.7.1
Governance & elected member support	4.3.1♦4.5.1♦4.5.3
Health administration & inspection	3.3.2♦4.5.2
Local Business Support	1.2.2♦1.9.7
Long term planning	1.1.2♦1.2.4♦1.2.5♦1.5.2♦1.9.4♦4.1.4♦4.2.1♦4.6.1♦4.6.2♦4.7.1♦4.7.2
Maintenance and landscaping	1.7.2
Marketing and Promotion	1.2.3♦4.1.3♦4.1.4
Pest control	2.2.1
Political & Industry Lobbying	1.1.1♦1.1.2♦1.2.1♦1.3.2♦1.3.4♦1.4.1♦1.4.2♦1.8.3♦1.9.4♦1.10.3♦1.10.4♦1.10.5♦1.10.6♦2.1.2♦2.1.7
Ranger services	3.3.1
Regional collaboration	4.4.1♦4.4.2
Staff development & management	4.8.1♦4.8.3
Support for volunteers	3.1.11♦4.2.4
Tourism management	1.2.7♦1.2.10♦1.2.11
Town planning	1.5.1♦4.5.2
Vegetation management, Reserves, etc	1.7.2♦1.8.4♦2.2.2
Waste collection & management	2.4.1♦2.4.2

Facilities	Associated Strategies
Community Facilities	
Cemetery	1.7.4♦3.5.1♦3.5.4
Community Halls & Rec Facilities	1.7.3♦1.7.4♦3.5.1
Libraries	1.7.4♦3.5.1
Parks and Sporting Facilities	1.7.4♦3.1.7♦3.5.1♦3.5.2
Playgrounds	1.7.4♦3.5.1
Public Toilets	1.7.4♦3.5.1
Skate Park	1.7.4♦3.5.1
Swimming Pools	1.7.4♦3.5.1♦3.5.3
Tourist Centre	1.7.4♦3.5.1
Youth facilities	1.7.4♦3.5.1
Infrastructure	
Airport	1.7.4♦1.10.1♦1.10.2♦3.5.1
Caravan Parks	1.2.9♦1.7.4♦3.5.1
Dams	2.1.3
Employee housing	1.7.4♦1.9.5♦3.5.1♦4.8.2
Heritage Assets/Interpretation Signage	1.7.1♦3.2.1
Roads, verges and footpaths	1.7.4♦1.8.1♦1.8.2♦1.8.4♦3.5.1
Sewerage infrastructure	1.4.3
Solar Thermal Power Project	1.3.1
Townscape	1.6.1♦1.7.4♦3.5.1

The aim of this Plan is to align the community's visions and aspirations for the future to the Shire's objectives. These objectives will be measured by both quantifiable and non-quantifiable outcomes.

The Shire will use the following two measures to identify how we progress towards our objectives.

Community satisfaction

As part of the formulation of this plan, the community was asked to provide feedback on the importance of services provided, and the level of satisfaction with these services.

By conducting annual community satisfaction survey the Shire will obtain an indication of ongoing community satisfaction levels to guide the prioritisation of the delivery of this plan.

Key performance measures

Key performance measures which are able to provide an indication of whether the Shire is meeting the objectives will be monitored and reported. The key performance measures identified are based on the Shire of Morawa Community Engagement Report of Findings 2012.

The type of measures which will be used for each objective showing the desired trend is provided in the table below.

	Objectives	Key Performance Measures
ECONOMIC	<i>A diverse, resilient and innovative economy.</i>	<ul style="list-style-type: none"> • Increase in community satisfaction with telecommunication services • Increase in community satisfaction with town amenity • Increase in community satisfaction with housing supply • Community is satisfied with other Shire services • There is suitable land available for projects • The Number of houses built each year increases
ENVIRONMENT	<i>Protect and enhance the natural environment.</i>	<ul style="list-style-type: none"> • Nil waste targets achieved
SOCIAL	<i>A community that is friendly, healthy and inclusive.</i>	<ul style="list-style-type: none"> • All residents able to access primary health care service within 24 hour target • Increase in the no. of cultural events • Increase in annual community satisfaction with cultural, heritage and recreation services
CIVIC LEADERSHIP	<i>A connected community with strong leadership.</i>	<ul style="list-style-type: none"> • Financial ratios meet the requirements for local government • Employee turnover is reduced • Fundraising for key projects = 50% of funding target • Increase in community satisfaction with engagement with the Shire/Council • Maintain volunteer levels through support

The ability to achieve the desired outcomes may be influenced by other levels of government. The table below lists the outcomes and the various level of government which the Shire believes may have significant influence on its ability to achieve the desired outcomes. Where achievement of an outcome is primarily influenced by Shire strategies and actions, no other level of government is indicated. With respect to 'Region' the reference is to regional collaboration.

	Outcomes	Region	State	Federal
ECONOMIC	1.1 Maintain and increase population.	○	○	-
	1.2 Maximise business, industry and investment opportunities.	○	○	○
	1.3 Responsive to innovation and new technologies.	-	○	○
	1.4 Provide essential services and infrastructure to support population growth.	○	○	-
	1.5 Planned and balanced growth.	○	○	-
	1.6 The main street is the civic and retail heart connecting the town.	○	○	-
	1.7 Attractive and well maintained buildings and streetscapes.	○	-	-
	1.8 Well maintained local roads and ancillary infrastructure.	○	○	○
	1.9 Affordable, diverse and quality accommodation options for both residential and business.	○	○	-
	1.10 Increased investment in transport networks.	○	○	○
ENVIRONMENT	2.1 Ensure natural resources are used efficiently and effectively.	○	○	-
	2.2 Enhance and promote rehabilitation of our native vegetation.	○	○	-
	2.3 Minimise impact of salinity.	○	○	○
	2.4 A regional waste management solution to achieve zero landfill.	○	○	-
SOCIAL	3.1 Services and facilities that meet the needs of the community.	○	○	○
	3.2 Respect our cultural, indigenous and heritage assets.	○	○	○
	3.3 Retain a safe environment.	○	○	-
	3.4 A wide range of regional events.	○	○	○
	3.5 Improved and well maintained community, recreational and civic infrastructure.	○	○	○
CIVIC LEADERSHIP	4.1 A well informed, connected and engaged community that actively participates.	-	-	-
	4.2 Existing strong community and spirit and pride is fostered and encouraged.	-	-	-
	4.3 A local government that is respected, professional and accountable.	-	-	-
	4.4 Improved regional partnerships with government and industry.	○	○	○
	4.5 Be compliant.	-	-	-
	4.6 Planned, affordable and effective service delivery and infrastructure.	-	-	-
	4.7 Long term financial viability.	-	-	-

The following acronyms have been used within this document.

BR	Brookfield Rail	www.brookfieldrail.com
CASA	Civil Aviation Safety Authority	www.casa.gov.au
CBH	Cooperative Bulk Handling	www.cbh.com.au
DAFWA	Department of Agriculture and Food	www.agric.wa.gov.au
DCA	Department of Culture and the Arts	www.dca.wa.gov.au
DC	Department for Communities	www.communities.wa.gov.au
DEC	Department of Environment and Conservation	www.dec.wa.gov.au
DoE	Department of Education	www.det.wa.edu.au
DIA	Department of Indigenous Affairs	www.dia.wa.gov.au
DLG	Department of Local Government	www.dlg.wa.gov.au
DoH	Department of Housing	www.housing.wa.gov.au
DOW	Department of Water	www.water.wa.gov.au
HWA	Department of Health	www.health.wa.gov.au
DoHA	Department of Health and Ageing	www.health.gov.au
DoP	Department for Planning (WA Planning Commission)	www.planning.wa.gov.au
DOT	Department of Transport	www.transport.wa.gov.au
DSD	Department of State Development	www.dsd.wa.gov.au
DSR	Department of Sport and Recreation	www.dsr.wa.gov.au
FESA	Fire and Emergency Services Authority	www.fesa.wa.gov.au
HCWA	Heritage Council of WA	www.hc.wa.gov.au
LC	LandCorp	www.landcorp.com.au
MRWA	Main Roads	www.mainroads.wa.gov.au
MEITA	Morawa Education and Industry Training Alliance	
MWDC	Mid West Development Commission	www.mwdc.wa.gov.au
MWRC	Mid West Regional Council	www.mwrc.wa.gov.au
MCC	Morawa Chamber of Commerce	
PTA	Public Transport Authority	www.pta.wa.gov.au
RDL	Department of Regional Development and Lands	www.rdl.wa.gov.au
SBDC	Small Business Development Corporation	www.smallbusiness.wa.gov.au
SMC	Sinosteel Midwest Corporation Ltd	http://ausmining.sinosteel.com/
TWA	Tourism WA	www.westernaustralia.com
WACHS	Western Australian Country Health Services	http://www.wacountry.health.wa.gov.au/
WC	Water Corporation	www.watercorporation.wa.gov.au
WP	Western Power Corporation	www.westernpower.com.au
WALGA	Western Australian Local Government Association	www.walga.asn.au
WAP	Western Australian Police	www.police.wa.gov.au
YYCC	Yarra Yarra Catchment Council	

We thank the people of the Shire of Morawa for their time and effort in being a part of our community engagement and for their invaluable input into our Strategic Community Plan.

The Shire of Morawa 10+ Year Strategic Community Plan 2011, has been developed by engaging the community and other stakeholders. Council's Elected Members, Management and Staff have also had input to the development of the Plan.

Facilitators for the process were UHY Haines Norton (WA) Pty Ltd.

Much of the information contained in this Plan has been derived from documents in the public domain and liaison with key stakeholders. We have also made reference to the following documents or sources during the preparation of the plan.

Morawa SuperTown Growth and Implementation Plan, February 2012

Shire of Morawa Plan for the Future Facilitation Report (adopted July 2010)

Council Website: <http://www.morawa.wa.gov.au>



Disclaimer

This report has been solely prepared for the purposes set out in the engagement letter with the Shire of Morawa. The services provided in terms of this engagement comprise an advisory engagement, which is not subject to assurance or other standards issued by the Australian Auditing and Assurance Standard Board and, consequently no opinions or conclusions intended to convey assurance have been expressed.

UHY Haines Norton (WA) Pty Ltd has sourced information from those indicated within this report. No attempt to independently verify this information or those sources has been made unless otherwise indicated within the report.

UHY Haines Norton (WA) Pty Ltd is under no obligation to update this report, in either oral or written form, for events occurring after the report has been issued in its final form.

The report has been formed on the basis of the above inherent limitations.

Any reliance placed by a third party on this report is that party's sole responsibility. The information contained herein is believed to be reliable and accurate. However, no guarantee is given as to its accuracy and reliability, and no responsibility or liability for any information, opinions or commentary contained herein, or for any consequences of its use, will be accepted by UHY Haines Norton (WA) Pty Ltd, nor any members or by any person involved in the preparation of this report.

Date of Meeting:	20 March 2014
Item No:	12.1
Subject:	Closure of Meeting to the Public
Date & Author:	14 March 2014 Sean Fletcher
Responsible Officer:	Sean Fletcher Chief Executive Officer
Applicant/Proponent:	Sean Fletcher
File Number:	ADM 0595
Previous minute/s & Reference:	

SUMMARY

This item seeks Council's approval under s5.23 (2) (d) of the *Local Government Act 1995* to move into camera or closed session to consider a matter regarding the North Midlands Solar Thermal Power Project and the SuperTowns' feasibility study funding associated with this project.

DECLARATION OF INTEREST

Nil

ATTACHMENTS

Nil.

BACKGROUND INFORMATION

Nil

OFFICER'S COMMENT

In item 12.1.1 Council needs to consider matters regarding the North Midlands Solar Thermal Power Project.

COMMUNITY CONSULTATION

Nil

COUNCILLOR CONSULTATION

Nil

STATUTORY ENVIRONMENT

Local Government Act 1995

Under section 5.23 (2) of the *Local Government Act 1995*, part of a council meeting may be closed, if the meeting deals with any of the following:

(d) legal advice obtained, or which may be obtained, by the local government and which relates to a matter to be discussed at the meeting;

Shire of Morawa Standing Orders Local Law 2011

6.2 (1) The CEO may recommend that part of the meeting is closed.

6.2 (2) The Council may decide to close a meeting or part of a meeting.

6.2 (3) The presiding member is to direct everyone to leave the meeting except, members, the CEO and any officer specified.

6.2 (5) Clause 8.9 (re speaking twice)

6.2 (7) Unless the Council resolves otherwise, the presiding member is to ensure any resolution of the Council made while the meeting was closed is to be read out including a vote of a member.

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

Nil

STRATEGIC IMPLICATIONS

Nil

RISK MANAGEMENT

Nil

VOTING REQUIREMENT

Simple Majority

OFFICER'S RECOMMENDATION

Council closes the meeting to the public under section 5.23 (2) (d) of the *Local Government Act 1995* and the *Shire of Morawa Standing Orders Local Law 2011* s 6.2 (2) at _____ PM so that it can consider sensitive matters regarding the North Midlands Solar Thermal Power Project and SuperTowns' feasibility study funding associated with this project.

- 7.2.6.4 Correspondence
- 7.2.6.5 Information Bulletin

- 8. New Business of an Urgent Nature**
- 9. Applications for Leave of Absence**
- 10. Motions of Which Previous Notice Has Been Given**
- 11. Questions from Members without Notice**
- 12. Meeting Closed**
 - 12.1 Matters for which the meeting may be closed
 - 12.2 Public reading of resolutions that may be made public
- 13. Closure**

Next Meeting

Ordinary Meeting 17th April 2014