



Annual Report

2017-18



Natural | Connected | Prosperous



Acknowledgement of Country

The Shire of Augusta Margaret River would like to acknowledge that we are on Wadandi and Pibelmen country whose ancestors and their descendants are the traditional owners of this country.

The Shire is home to one of Australia's most significant archaeological and anthropological sites at Devil's Lair which shows that human occupation of the area began at around 48,000 years ago making it one of the earliest sites in Australia and an important source of information about the timing and character of the first human colonizers of Australia.

We acknowledge that the Wadandi and Pibelmen have been custodians since the land was soft (creation times) and continue to perform age old ceremonies of celebration, initiation and renewal. We acknowledge their living culture and their unique role in the life of this region.

The Shire is committed to Aboriginal Australians sharing fairly and equitably in the Shire's cultural, environmental and economic future.

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Our Vision 2036

Natural Connected Prosperous

“Adapt to changing climate, environment and social dynamics and celebrate a sense of place for our local Indigenous culture and our multicultural and creative community.”

Our Mission

“To protect the natural environment, strengthen our communities, foster local economic prosperity and responsibly manage the community’s infrastructure and assets.”

Our Values

Our four core values guide our behaviour and decision making as people and as an organisation and how we strive to lead and serve our community. These are:

- Honesty
- Commitment
- Respect
- Courage

Sustainability Statement

The Council recognises that all life has intrinsic value, is interconnected and that biodiversity and ecological integrity are part of the irreplaceable life support systems upon which the Earth depends. Council is therefore committed to using its best endeavours to meet the needs of current and future generations through the integration of environmental protection, social advancement and economic prosperity.

Extract from the Shire of Augusta Margaret River Sustainability Policy 2016

Approach

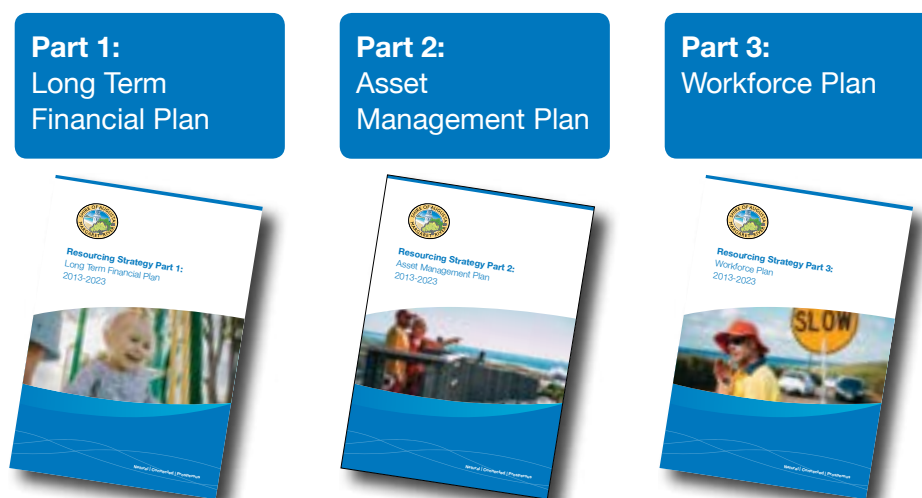
- Workplace safety
A safe and fair workplace where employees are encouraged to reach their full potential
- Innovation
Discovery of new approaches and strategies for continuous improvement

Strategic documents



Informing Strategy 10 years

The Informing Strategy is used to test and inform the long-term aspirations of the Community Strategic Plan and to guide the deliverables which can be achieved in the Corporate Plan and Operational Plan.



Shire President's report



Shire President
Pamela Townshend

2017-18 has been an eventful year for our Shire. Our hardworking Shire staff have diligently delivered services to the community with 90% of last year's Corporate Plan activities completed and reported in this Annual Report.

The Council elections in October 2017 saw three new Councillors elected and I greatly appreciate the energy and enthusiasm of our new, continuing and returning Councillors. I also wish to acknowledge and thank our fellow Councillors Kennaugh, Haynes and Hastie whose elected terms finished at this time.

I wish to extend my thanks to our CEO, Gary Evershed, who has given ten years loyal service to the Shire of Augusta Margaret River and has announced his retirement from January 2019. He will leave the Shire in a very stable financial position and has left his mark, particularly in the form of the infrastructure projects he has championed, like the Shire Civic Administration Centre, Surfers Point upgrade, Margaret River HEART upgrade, Main Street upgrade, and the Margaret River Youth Precinct upgrade.

On behalf of the Shire Council I would also like to extend my sympathies to the family and friends who lost loved ones in the tragic event which occurred in our Shire in May.

Community Strategic Plan in Action

Your new Council has been inspired by the community vision enunciated in the Community Strategic Plan 2036. The number one core principle in the plan is sustainability – how Council can continue to drive our transition to a sustainable future. Our decision making has been governed by this theme of sustainability – environmental, economic, social and cultural. Councillors are acutely aware that the decisions they make will affect the liveability of our community into the future.

Consultation and community engagement

The Shire consulted extensively with the community through the web portal Your Say, community workshops, deputations and public questions at Council meetings and via formal written submissions.

Through the Your Say online portal alone, the Shire received a total of 549 formal submissions across 17 consultations in 2017-18. I wish to thank the community for engaging with the Shire and with Council as it greatly informs our decision making.

Infrastructure Projects

The Margaret River HEART redevelopment is well underway and will be completed in mid-2019. It is an exciting and much anticipated project which will increase the seating in the auditorium to 450 seats and provide upgraded bar, kitchen, toilets and provide more performance spaces.

The Youth Precinct upgrade with its splendid skate park and Zone Room was opened by Martin Luther King Jnr III with crowds of thrilled skaters and onlookers, entertained by local Aboriginal dancers from the Undalup Association and local talented musicians. The Zone Room will soon house a café kiosk and Mental Health Youth Worker as we move into 2018-19.

The design for the Main Street Redevelopment Project is finalised and construction will commence in February 2019. Whilst improved street drainage is the major impetus for these works, our community will benefit greatly from an updated and safer main street, including two roundabouts to manage our increasing traffic congestion. A dedicated bicycle lane will encourage cycling and improved way-finding will direct car drivers to seek out increased parking options. Our Margaret River main street traders are looking forward to the economic benefits of a renewed and reinvigorated streetscape which will increase the town's vibrancy for locals and visitors alike.

Our three handsome new chalets in the Turner Caravan Park, Augusta, have proved to be a hit with locals and visitors alike. The December to June period has provided an occupancy rate of

56% which is already above the Caravan Industry Association of Australia average of 45%. Given this is the data for only the first six months of operation we can say that this was a wise investment decision, providing an income for the Shire and increasing the accommodation offerings in Augusta.

The asbestos replacement program commenced with the upgrade of the Margaret River Football Club changerooms, the Augusta Recreation Centre and Tennis Club, and the Augusta Bowling Club. This was made possible through a \$1.1 million loan. Over half of this loan (\$551,245) was spent in 2017-18 with the balance to be spent in 2018-19.

A notable addition to our Shire was the Rapids Landing Primary School which opened its classroom doors in 2018 for first term. The Shire in partnership with the Education Department has completed the school oval and is in the process of completing the public open space landscaping adjacent to the school.

The Perimeter Road construction is nearly finished and is on track for opening in December 2018. Our community is eagerly awaiting the road opening as it is anticipated that many trucks will be diverted from the Margaret River main street, improving the amenity of this important commercial hub. We all look forward to the beautification of the roundabout at the entrance to Margaret River.

International visitors to the Shire

Tourism Research Australia's surveys tell us that over the last four years we have averaged a total of 667,000 visitors each year, and a huge 2,335,000 number of visitor nights.

Citizenship Ceremonies

Over the last year we had nine citizenship ceremonies and 57 community members were granted Australian citizenship. This included two special ceremonies for community members who couldn't make it to the scheduled events. This year we had two on Australia Day – one in Cowaramup and one in Margaret River.

Local Planning Scheme Review

The Local Planning Scheme is due for review and the staff from the Directorate of Sustainable Development have commenced community workshops on a range of themes such as Planning for Resilience, The Towns and Villages of the Future, and the Future of Food. Around 60 community members have attended each workshop, engaging creatively and enthusiastically with the issues. Councillors and staff are grateful for the challenging and thought-provoking input provided by the community participants.

Local Energy Action Plan

Our Local Energy Action Plan is aimed at reducing our Shire's ecological footprint in terms of carbon emissions and energy use. It aims to reduce emissions from Shire buildings and vehicle fleet by 30% with the aim of being below 2006-07 levels by 2020, reduce emissions from street lighting by 20%, assist the community to reduce emissions by 20% and encourage the community to source 20% of its energy from carbon free sources. Our total Shire emissions are reducing and will continue to reduce, particularly through the progressive installation of photo voltaic solar panels onto Shire buildings and private houses throughout the Shire.

Waste Management Plan

The Shire is also preparing a Waste Management Plan aimed at reducing waste to landfill. We can all be part of the "War on Waste" and through small and large changes in our "waste behaviour" we can move towards a future sustainable waste model.

Personal note of thanks

In closing I'd like to thank our CEO, Gary Evershed for his support and hard work and Shire staff for their unfailing diligence and commitment to the Shire community. These professional staff have assisted me in my role as Shire President. To the numerous community members who give up their time to participate in Shire consultation activities; volunteers in our community without whom this Shire would not operate, notably our emergency services personnel, along with all the volunteers who give tirelessly to other community members, and to all of us who make up the Shire; workers, employers, sports people, neighbours, school kids, retirees and occasional visitors – thank you for making it a wonderful place to live.

Responding to Climate Change

The Shire continued to take proactive steps during 2018/19 to respond to the effects of climate change and to reduce our emissions footprint. The Shire aims to take a leadership role in this area however the urgent nature of the climate emergency requires a holistic approach involving cooperation with all sectors in the community. The Shire plan to facilitate an integrated response by way of a climate action summit to be held in 2019.

Corporate Governance

The Council

Councillors are responsible for driving the strategic direction of the Shire and for delivering what the community has identified as necessary for its economic, social, environmental and cultural wellbeing.

Our Shire is represented by seven people, elected by the community for a four-year term, with elections held every two years. Council is currently elected under a “No Wards” system which means one electoral ward covers the whole Shire rather than having a number of smaller wards, and all seven Councillors are elected by voters in one Shire wide ward. A review of the ward system is required by law every eight years, with the Shire’s last ward review completed in 2017.



Councillors



Shire President Cr Pamela Townshend

Pam enjoyed holidays in the Margaret River region for 30 years prior to retiring to Margaret River in 2013 to enjoy the magnificent environment and be near her extended family, who live in Dunsborough and Gracetown. Pam has two children who have finished tertiary study and now live in Melbourne.

Pam studied Conservation and Land Management at Canberra University and also has qualifications in Business Management and Nursing. Her professional background is in administration and she has run several small businesses in landscaping, training and retail.

Pam is currently President of Brookfield Connect. She was elected to Council in October 2015.

Pam is primarily interested in environmental and social justice issues which arise from growth and human impact. Margaret River is growing quickly and the Council plays a vital role in planning and managing the effects on the natural environment and people in the community. Pam would like to see increased community involvement in decision making and increased individual responsibility for improving our environment.

Pam was elected to represent the Town Ward in 2015. Her term of office is due to expire in October 2019.

**Contact Pam on 0415 504 653 or
ptownshend@amrshire.wa.gov.au**



Deputy Shire President Cr Julia Meldrum

Julia grew up and was educated in Manjimup where her family were original settlers. She is a married mother of two young children and has lived in Cowaramup since 2001, as well as her family having resided and holidayed in Augusta, Flinders Bay and Margaret River for 90 years.

Julia has a background in agriculture, auditing, hospitality and bookkeeping, and has also studied viticulture. She is actively involved in various community sporting groups across the Shire, having held positions of Treasurer, Registrar and President on various committees of these groups. Julia has also lived overseas and speaks various languages.

Julia was elected in October 2017. Her term of office is due to expire in October 2021.

**Contact Julia on 0439 988 846 or
jmeldrum@amrshire.wa.gov.au**

The Shire President and six elected Councillors form the governing body of the Shire. Councillors represent the community's interests.





Cr Ian Earl

Ian was born in Margaret River in 1953 and his family has lived in the district since the early 30s. He is married to Helen and has three adult sons and four grandchildren.

Ian left the district in 1969 for Perth to get a job as there were very few opportunities in this district in those days. Since his return in 1981, he has been heavily involved in the local community. He has been President of the Cowaramup P and C, Cowaramup Junior Football Club, Augusta-Margaret River Junior Football Association, Margaret River Hawks Cricket Club and the Busselton Margaret River Cricket Association.

He has also been heavily involved in the Volunteer Bush Fire Brigade for the past 31 years and has been the Fire Control Officer in Cowaramup for over 16 years.

Ian has been part of the Augusta Margaret River Sport and Recreation Committee for 26 years looking after the interests of sport and culture. He is also a mentor at the Margaret River Senior High School. Ian is the owner of Margaret River Cowaramup Electrical Service and employs 10 people.

Throughout his time in Augusta Margaret River he has seen the district grow to a strong and vibrant region where residents can find employment and raise a family with confidence. As a Councillor Ian believes there is a need to have the planning in place to make sure that this can continue into the future in an orderly and well managed fashion.

Ian was Deputy Shire President from 19 October 2011 to 23 October 2013, and Shire President from October 2015 to October 2017. He was re-elected in October 2017, with his term of office expiring in October 2021.

**Contact Ian on 0418 932 847 or
iearl@amrshire.wa.gov.au**



Cr Peter Lane

Peter was born in Manly, NSW in 1940 and graduated as a geologist from Sydney University in 1961. After working in far north Queensland Peter returned to Sydney and married Jann. He has worked as a petroleum geologist and company manager in Papua New Guinea, Canada and in numerous Australian localities, and as a consultant in Perth during the 1980s. Much of Peter's career has focused on corporate advice and the financial aspects of searching for and producing oil and natural gas.

In 1987 Peter and Jann moved to Margaret River and were soon followed by their four children. Peter continued to work in the petroleum exploration industry, jointly founding two companies, Discovery Petroleum NL and Tap Oil Limited. Peter served on the Council in 1996-97, in 2000 ran as a Greens WA candidate for State parliament and has a published book, "Geology of Western Australia's National Parks".

Peter is primarily interested in environmental issues, specifically relating to native forestry, remnant vegetation, water resources, mining and the impact of climate change. While he no longer surfs, he is a keen mountain biker and strongly supports the development of recreational facilities in the Shire.

Peter was elected as Councillor in the North Ward in 2015. His term is due to expire in October 2019.

**Contact Peter on 9757 2927 or
plane@amrshire.wa.gov.au**



Cr Pauline McLead

Pauline has lived in Margaret River with her family for 30 years. She owns and runs the Margaret River Book Shop. She is a past President of the Margaret River Chamber of Commerce, past CEO of the Augusta Margaret River Tourism Association and has served on several regional, state, national tourism and development boards. She is also a member of the Amnesty International Margaret River group.

Pauline's aim is to represent and listen to all the diverse interests of communities across the Shire and ensure the needs of all communities in the Shire are considered: Augusta, Cowaramup, Gracetown, Karridale, Margaret River, Prevelly, Rosa Brook, Scott River, Witchcliffe and all communities in between.

Locally owned businesses underpin a sustainable economy. Shopping and buying local is an important priority for both our community and our Shire. Young, new families in our Shire need meaningful employment to support and educate their children. Local enterprise that reflects our unique rural character such as farmers markets, local producers, galleries, shops, cafes, restaurants, wineries, attractions, local trades and services, need to be encouraged through innovative planning.

Action to save the environment and minimise the impact of climate change starts within the local community. We are fortunate to have knowledgeable and passionate community leaders interested in renewable and alternative energy sources to assist our transition to a cleaner, greener community. There are exciting and challenging clean energy projects on the drawing board.

It is Pauline's goal to help our community attract state and federal funds to help with essential community facilities and local infrastructure.

We live in one of Australia's global biodiversity hotspots. She believes the preservation and protection of our coastline, creeks, rivers, caves, ecosystems and natural landscape is paramount.

Pauline was elected in October 2017. Her term is due to expire in October 2021.

**Contact Pauline on 0456 797 907 or
pmcleod@amrshire.wa.gov.au**



Cr Naomi Godden

Naomi grew up in Margaret River and was a very active teenager in the Youth Advisory Council. After graduating from Margaret River Senior High School in 2003, she initiated the Shire's annual Community Development Trainee position. She then left the community for study and work, and 10 years later she and her partner Tom Dowling permanently returned to Margaret River and had two young children.

Naomi is a community worker, an activist for social justice and environmental conservation, and a participatory social researcher. For 15 years, she has facilitated processes around the world supporting communities to lead grassroots projects and research for social change. Her work has addressed issues such as women's rights, Aboriginal health, youth development, education access, poverty alleviation, homelessness, environmental protection and climate change. She has worked with many community groups, international organisations such as Oxfam Australia, and academic institutions such as Monash University.

Naomi has an Honours Degree in Social Work, a Bachelor of Arts (Indigenous Australian Studies), and a PhD in Community Work. She speaks several languages and she has advised on sustainability policies for local, state and federal governments. She has also been involved in advocacy at United Nations forums regarding women's rights, climate change, and the international Sustainable Development Goals.

Naomi is passionate about Augusta Margaret River, and she is deeply committed to the rights of all community members and the rights of our precious environment. She wants to support community members to participate in local decision-making for a bright, fair and healthy future for everyone.

Naomi is very active in community groups, including Margaret River Environment Centre, Save Mowen Forest, Just Home Margaret River, Transition Margaret River, and the Women's Climate Justice Collective. In her spare time, Naomi loves to surf our gorgeous breaks.

Naomi was elected in October 2017. Her term expires in October 2021.

**Contact Naomi on 0407 776 815 or
ngodden@amrshire.wa.gov.au**



Cr Michael Smart

After completing his education in Adelaide, Mike moved to Western Australia in 1967 to work with his father developing a sheep and cattle enterprise 40 miles east of Manjimup. In 1990 he sold up and relocated to Middlesex near Manjimup where he spent the next ten years growing and processing potatoes for the French-fry company Simplot. He holidayed in Augusta for 40 years before moving there permanently in 2000.

Mike took a leadership role in the potato processing industry and instigated a study trip to the USA which in turn brought significant knowledge back to both WA and Tasmania. Through the 90's he was instrumental in creating partnerships to establish a major tree plantation at Dingup and a large vineyard at Pemberton. He has continuing involvement with cattle, blue gums and vineyards. Prior to Council commitments, Mike, a father of five, was heavily involved with the community with active roles in St John Ambulance, the Augusta Golf Club and the Tennis Club, where he was the President.

Mike was elected to represent the Leeuwin Ward in 2015. He was first elected in 2007, and previously served in the position of Shire President from 23 October 2013 to 17 October 2015. His current term expires in 2019.

**Contact Mike on 0428 712 196 or
msmart@amrshire.wa.gov.au**



Meetings

Ordinary Meetings of Council

The Shire President and six elected Councillors form the governing body of the Shire. Councillors represent the community's interests, provide leadership, facilitate communication between the Council and community, establish policy, and participate in the decision-making process.

Ordinary Meetings of Council (OCM) are held twice a month, occurring on the second and fourth Wednesdays of each month (with the exception of December, January, April and September). The majority of the meetings are held in Margaret River, with three meetings held annually in Augusta and two meetings held annually in Cowaramup. Two OCM's this year were held at midday and 2.00pm, to enable the attendance of young people. The Shire held a total of 19 OCM's over 2017-18.

All OCM's are open to the public. Agendas are published two weeks prior to the meeting and are made available for public viewing on the Shire website **amrshire.wa.gov.au**.

Members of the public attending meetings are allocated time at the commencement of the meeting to ask questions of the Council or to make a deputation on an item on the agenda for that meeting. The Shire received 54 deputations over 2017-18.

The majority of the meetings are held in Margaret River, with three meetings held annually in Augusta and two meetings held annually in Cowaramup.

Special Council Meetings

Special Meetings of Council are held as they are needed and are open to the public, unless confidential matters are being discussed. Members of the public attending meetings are allocated time at the commencement of the meeting to ask questions of the Council. The Shire held three Special Council Meetings over 2017-18. The first was held after the election where the Shire President and Deputy Shire President were elected, seating for councillors was allocated and councillors were appointed to committees. The other two meetings were to receive reports on the Cape to Cape track and from the Cape to Cape Winter Diversion Working Group.

General Meeting of Electors

A General Meeting of Electors is held once per year, usually between November and January. The purpose of the meeting is to present the Annual Report and the Auditor's Report to electors. The Shire held the General Meeting of Electors for 2016-17 on Wednesday 13 December 2017, with three public attendees and 12 councillors and staff present.

Committees of Council

The Shire currently has five advisory committees established by Council under s5.8 Local Government Act 1995 (LG Act) and one governance structure, the Capes Regional Organisation of Councils (CapeROC). CapeROC is a voluntary governance structure formed with the Shire of Augusta Margaret River and the City of Busselton.

Committee	Cr Representative
AMR Audit and Risk Management Committee (ARMC)	All Councillors
AMR Local Emergency Management Committee (LEMC)	Shire President, Cr Townshend Cr Meldrum (Deputy)
AMR Bush Fire Advisory Committee (BFAC)	Cr Meldrum
AMR Sustainability Advisory Committee (SAC)	Cr Godden Cr Lane Cr McLeod Cr Meldrum (Deputy)
AMR Sports and Recreation Advisory Committee (SRAC)	Cr McLeod
CapeROC	Shire President, Cr Townshend Cr Godden Cr Smart
South West Joint Development Assessment Panel	Cr Earl Cr Smart Cr Godden (alternate nominee) Cr McLeod (alternate nominee)

**Deputy representatives attend committee meetings in the absence of the Shire President / Deputy Shire President.*

Councillors Attendance at Meetings 2017-18

	Cr Townshend	Cr Meldrum	Cr Earl	Cr Lane	Cr McLeod	Cr Godden	Cr Smart
Ordinary Council Meeting	17/19	10/10	16/19	18/19	10/10	10/10	19/19
Special Council Meeting	2/3	2/3	2/3	2/3	2/3	2/3	2/3
General Electors Meeting	1/1	1/1	1/1	1/1	1/1	1/1	1/1
AMR Audit and Risk Management Committee	2/3	2/2	3/3	2/3	2/2	2/2	3/3
CapeROC	3/3	1/3	N/A	N/A	N/A	3/3	2/3
LEMC	4/4	0/4	N/A	N/A	N/A	N/A	N/A
SRAC	N/A	3/4	3/3 Membership ceased with Council elections. Reappointed to committee in June 2018 due to resignation of Cr McLeod.	N/A	0/2 Resigned from the committee in March 2018 due to conflicting commitment.	N/A	N/A
BFAC	N/A	3/3	N/A	N/A	N/A	N/A	N/A
SAC	N/A	0/3	N/A	3/4	1/3	3/3	N/A

External Committee Representatives

Committee	Cr Representative
Wadandi Track Steering Committee	Cr Lane Cr Earl (Deputy)
Margaret River HEART Redevelopment Working Group	Cr McLeod Cr Godden (Deputy)
Augusta Margaret River Industry Leaders Group	Cr Townshend Cr Meldrum (Deputy)
Lower Blackwood Land Conservation District Committee	Cr Meldrum Cr Smart (Deputy)
Margaret River Perimeter Road Community Reference Group	Cr Earl Cr McLeod (Deputy)
South West Regional Road Group	Cr Meldrum Cr Earl (Deputy)
WALGA Zone Committee	Cr Townshend Cr Meldrum (Deputy)
Trails Community Reference Group	Cr Lane Cr Godden (Deputy)
Housing Advocacy Project Steering Committee	Cr McLeod

Chief Executive Officer's report



Chief Executive Officer
Gary Evershed

The 2017-18 Annual Report will be my last full year of reporting as the CEO of the Shire and I am pleased to report that it has been a year to celebrate the very successful delivery of major projects coming to fruition after painstaking years of planning and attraction of grant funding.

At the same time the Shire has been required to respond to some terrible and tragic events such as the West Bay Fire in Augusta, the cancellation of the Margaret River Pro by the World Surf League (WSL) due to shark attacks and the family tragedy at Osmington. I would like to highlight the major achievements and community support efforts undertaken by the Shire in the 2017-18 financial year.

West Bay Fire

The West Bay Fire in late January 2018 was a Level 2 classification fire, which meant the response was under the control and coordination of the Shire as the lead agency. As well as local brigades and the Department of Biodiversity, Conservation and Attractions - Parks and Wildlife service units there was additional assistance from Shires in the Warren Blackwood area. Bussell Highway was cut off to traffic and two evacuation centres were established at the Margaret River Cultural Centre and the Centennial Hall in Augusta. As the leaders of the Council and the administration, the Shire President and CEO visited the control centre at the Kudardup Fire Brigade shed and the night time community in Augusta. Community Emergency Services Manager Chris Lloyd and the Shire's volunteer fire fighters did an outstanding job bringing this fire under control quickly with minimal loss of buildings.

Shire Response to the Osmington Tragedy

On Friday 11 May as CEO I was called upon to proactively initiate a Shire response to the tragic events which had unfolded at Osmington Road that morning. Within a short time the Shire had established the Church Gallery at the Margaret River Community Centre as a drop in centre to open the following day.

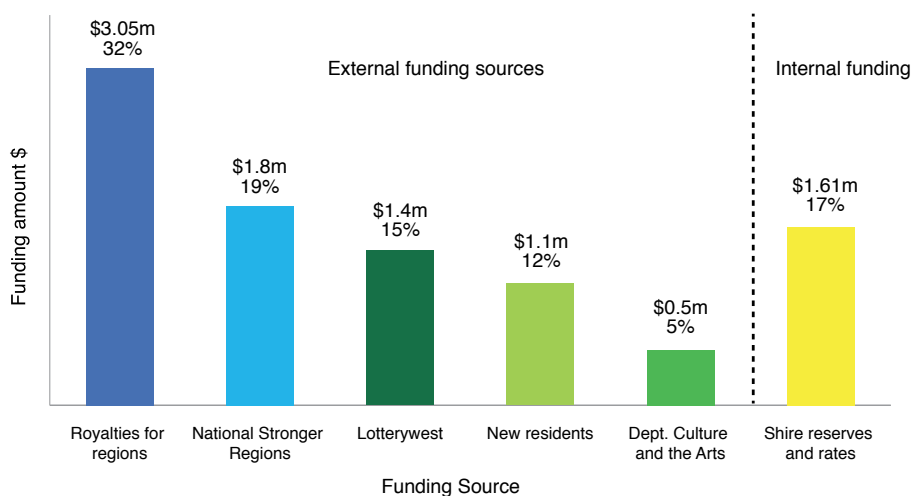
In the morning the Shire President, Director Corporate and Community Services and myself met with the WA Police Commissioner at the Margaret River Police Station prior to the massive media conference involving the Police Commissioner and the Shire President at 11am. Later that day I attended the drop in centre and met with volunteers and attended the briefing prior to the opening of the facility to the public at 1pm. That afternoon arrangements were finalised with the Premier's Office for the Premier to attend the drop in centre the following day. The next day on the Sunday the Premier and the Police Commissioner were welcomed when they arrived at the centre at approximately 10.30am to meet volunteers and to hold a media conference. That weekend was just the start of an intensive long haul process of supporting the community to deal with the aftermath of the events and to recover from the shockwaves which touched the whole community. The ongoing efforts of Shire staff, particularly Jason Cleary and Stacey Hutt and the Community Development Team, the Shire President and Cr Godden in particular has been outstanding. The recovery effort which has unfolded has been well planned and executed and a terrific team effort, welcomed by the community and applauded by all involved as best practice.

On behalf of the Shire I would like to express my sincere condolences to the families and many friends of those who died in the tragedy at Osmington.

Cultural Centre HEART Project Funding and Awarding of Construction Contract

The CEO received notification on 16 November, 2017 from the Hon Alannah MacTiernan MLC, Minister for Regional Development; Agriculture and Food as follows:

Funding sources for design and construction of the \$9.46m HEART project



"Following the release of the 2017-18 State Budget, I am pleased to advise you that the Royalties for Regions funding commitment of \$3,050,000 for the Margaret River HEART project has been confirmed. The Department of Primary Industries and Regional Development will be in contact with you soon to finalise the financial assistance agreement for this project."

Including developer contributions, a total of \$7.85 million in externally sourced funding was achieved making the HEART (Hub of Entertainment, Arts and Regional Tourism) project the largest externally funded project in the Shire's history. The Bollig Design Group were able to proceed expeditiously with the detailed design work in a parallel process ahead of the funding announcement by Hon Alannah MacTiernan MLC which enabled the project to be "shovel ready" when the funding was secured. The construction tender was awarded to BGC and the project is now well under way for a July 2019 completion date.

Asbestos Replacement Program

In March 2015 Council, in accordance with the National Strategic Plan for Asbestos Awareness and Management 2013-2018, adopted an aspirational goal to remove all asbestos products from Shire owned facilities by 2030 through funding allocations in the Long Term Financial Plan. The Asset Services team compiled a priority list with follow up work conducted to clearly mark buildings with warning signage and to provide detailed cost estimates for priority maintenance works. Approximately \$3.4 million of Asbestos Containing Material (ACM) removal and replacement costs was identified. The analysis indicated that the longer the asbestos was left unremoved the more expensive the liability would be for future ratepayers as costs would increase exponentially as the material deteriorated requiring more complex handling and disposal procedures. In 2017-18 the program came

into full swing with the removal of asbestos from a number of locations including:

- The refurbishment of the Margaret River Football Club change rooms
- Works at the Margaret River Community Resource Centre
- The Augusta Recreation Centre and Augusta Bowling Club to be followed by the Turner Caravan Park later in 2018
- Demolition of the Margaret River Squash Courts, toilets and change rooms and Cultural Centre foyer, hospitality area and toilets with the basketball court roof, auditorium and fly tower roofs to have all ACM removed later in 2018.

The outcome of the strategic approach to ACM removal has been that over half of the Shire's ACM liability has been permanently addressed in 2017-18 with the largest volumes of ACM material removed from the highest priority locations with the smaller volumes able to be mopped up by annual allocations over the next 12 years to meet the 2030 goal.

Completion of Margaret River Youth Precinct (MRYP)

Again years of planning, design work, funding applications and construction during 2017-18 has seen the recent opening of this almost \$2.5 million "all ages" community facility. The Skate Park and MRYP was opened by the Shire President at a wonderful event on 3 July 2018 attended by Dr Martin Luther King III. It is a facility that all who were associated with it can be justly proud. The community is taking advantage of the incredible MRYP, which has already become a much loved and well utilised facility. Again thanks to Nigel Anderson and his team, the Infrastructure team, and a special mention to Ladriel Hackett for her youth engagement.

Chalets at Turner Caravan Park

Having received the go ahead from the Department Aboriginal Affairs the construction of three new chalets at Turner Caravan Park (TCP) was completed this reporting period. The new chalets provide excellent accommodation for families and provide a wider range of accommodation options to visitors to Augusta. The “million dollar” views from the front verandas of the chalets over Hardy Inlet are stunning and Council hopes that they will have high occupancy rates throughout the year. Once again a great result achieved by Nigel Anderson, the Caravan Parks Team under the management of Hettie and Gary Enderes, thanks to Helen Whitbread who landscape designed the project and David Gunn for building advice.

Local Government Chief Officers Conference and Industry Participation

In February the CEO and the Shire played host to sixty four CEOs from all over Australia and New Zealand in a two day conference showcasing Shire of Augusta Margaret River and the region. The CEO presented an overview and highlights of the Shire. Other conference speakers included Dr Carmen Lawrence, Ben Tannock (Department of Biodiversity, Conservation and Attractions - Parks and Wildlife), Wayne and Zac Webb (Undalup Association Inc), Peter Bell (ABC Morning Show and Ex Dockers Captain), Sharna Kearney (Margaret River Business Tourism Association), Brad Adams (Augusta Ocean Grown Abalone), Charlotte O’Biern (Swimming Women) and Paul Miller (Millers Ice-cream). Site excursions included the Shire Offices, Surfers Point, Lake Cave viewing deck, Boranup and JahRoc Galleries. The conference dinner was held at Watershed Winery with a welcome from the acting manager. The conference came in under budget and an amount of \$4,000 was retained to offset staffing costs. The conference plus pre and post tourism contributed well to local accommodation, food and beverage and tourism providers.

Host Shire for the South West Zone of WA Local Governments Association (WALGA)

On Friday 23 February 2018 the Shire hosted the twelve SW local governments to the South West Zone of WALGA. The CEO and Shire President jointly presented an overview and promotion of the Shire and provided information on the Perimeter Road and Main Street upgrade, the Margaret River HEART project, the MRYP and the Your 2036 Community Plan community engagement process.

Media Response to Surf Pro Cancellations and Shark Attacks

Following the cancellation of the Margaret River Surf Pro midway through the event due to the two shark attacks on 17 April 2018 there was international media interest in the circumstances surrounding the WSL decision. As CEO I was called upon to participate in media interviews with Channel 9 and the ABC, the ABC Statewide Morning Show (twice), ABC Drive Time with Geoff Hutchison, 6PR and the West Newspaper. Clear and consistent messages were delivered about the importance of the event and its benefits to the local economy, the fact that the incidence of shark attack is statistically very low, the need for more research into shark behaviour and the promotion of Margaret River as a safe and exciting natural tourist destination.

“The 2017-18 reporting year has been a period of proudly delivering on major projects which have been in the pipeline for several years”

Concept image of the new Cultural Centre (HEART) project.



CEO Leadership Award – Lighthouse Awards 2017

On 25 August, 2017 I was deeply honoured to receive the CEO Leadership Award for regional local governments in the Lighthouse Awards jointly presented by WA Department of Communities (Disability Services) and the Local Government Professionals of WA. The CEO was humbled to be nominated by the Community Development Team. The award was for strong CEO leadership in providing inclusive recruitment practices and driving the employment of a diverse workplace where people with disability are fully participating.

Western Australian Local Government Association Honours

As CEO I was humbled to receive advice in May 2018 from the President of WALGA that I would be receiving the WALGA Honours Local Government Distinguished Officer Award at this year's AGM as part of the Local Government Convention on 1 August 2018 at the Perth Convention Exhibition Centre. The award is given for "Outstanding achievements, both professionally and personally by employees of member local governments to the Local Government Sector". More specifically the award is presented in recognition of:

- Demonstrating outstanding contributions to the Local Government sector
- Leading by example, sustainable performance and highlights best practice operations for the sector
- Outstanding achievements, both professionally and personally, in the advancement of the Local Government sector.

The nomination application required the endorsement of three Councillors and was duly signed off by Councillors Earl, Lane, and McLeod and was countersigned by the Shire President Cr Townshend.

Adoption and Implementation of Your 2036 Participation and Leadership

Following extensive community consultation during the reporting period the following steps were taken to finalise, adopt and implement the Your 2036 Plan:

- The final session of the 2036 Community Reference Group was held on 21 July 2017 which was joined by Councillors
- Councillors attended a workshop on the draft plan on 9 August 2017, and the Shire's Strategic Performance Improvement Working Group met on 3 August and 14 September 2017 to finalise the plan
- The Your Vision 2036 was completed in September 2017 with Council endorsing the final Community Strategic Plan 2036 on 27 September 2017

- The project was also featured at the Summit Series Western Australia Conference on 13 and 14 July 2017 and won the WA Planning Institute Australia commendation award in November 2017
- The Plan has been implemented over 2017-18 through the major review of the Corporate Plan. This has been done through business unit planning between October to January 2018, including documentation of Shire service levels and workforce analysis.

The staff members from Community Development, particularly Corporate and Community Planner Stacey Hutt and consultants Tuna Blue, have done a wonderful job in putting this 2036 Community Plan together with full support, participation and encouragement of the Council and CEO. It is considered an industry best practice community engagement process which has provided a terrific outcome to guide Council and Shire efforts for the intermediate future.

Conclusion

The 2017-18 reporting year has been a period of proudly delivering on major projects which have been in the pipeline for several years including the Margaret River Youth Precinct, the commencement of the Margaret River HEART Project, the Asbestos replacement program, major road construction and plant replacement programs and a number of process improvement programs. At the same time there has been imperative to respond decisively and effectively to the West Bay Fires, the cancellation of the Margaret River Pro due to shark attacks and the Osmington familicide tragedy.

Successfully achieving these outcomes has been made possible through the efforts of the Executive Leadership Team, which functioned well as a closely knit working group in delivering on virtually all major performance indicators. I thank Annie Riordan, Dr Dale Putland, David Nicholson as Acting Director and now Dr Markus Botte for their loyalty, support and professionalism. I would also like to acknowledge the work and contribution of the Business Unit Managers and Co-ordinators and my small highly professional team in Megan Smith, Claire Schiller, Amanda Russell, Cristina Smith and Emma Rogers.

I would like to thank Presidents Cr Earl and Cr Townshend and the Council collectively as a governing body over the past year and to individual Councillors for their ongoing support and encouragement. Working together as a cohesive team between the administration and the Council ensures that key Council priorities are successfully achieved. When this occurs the results speak for themselves.

Executive Leadership Team



Annie Riordan

Director Corporate and Community Services

Annie Riordan commenced with the Shire as Director Corporate and Community Services in November 2010 having a previous background in local government and private industry.

Annie holds a Bachelor of Business (Accountancy), a Graduate Certificate in Corporate Governance, a Master of Business Administration (MBA) and is a Certified Practising Accountant (CPA). Previous roles include Manager Corporate Services at Cook Shire Council Queensland and City of Port Lincoln South Australia and management positions in the civil construction industry. Annie was also involved in the Local Government Managers Association (LGMA) Propeller (Emerging Leaders) Program in Queensland in 2010 and represented the LGMA WA as an international exchange participant to British Columbia, Canada in 2012. In 2014 she travelled on a scholarship to Japan with the CLAIR Local Government Cooperation and Exchange Seminar.

Annie directs, coordinates and controls the functions of the Shire's Corporate and Community Services division to ensure Council's objectives are achieved. Business units within Corporate and Community Services include Finance, Customer Service, Records, Information Technology, Libraries, Community Planning and Development, Caravan Parks, Local Emergency Management, Recreational Services and Human Services. Annie enjoys the community aspect of her role and engaging with councillors, staff and members of the community through the various projects and committees undertaken by the Shire.



Dr Markus Botte

Director Infrastructure Services
(commencing October 2017)

Dr Markus Botte commenced as the Director of Infrastructure Services in October 2017 and comes with a broad experience across the civil engineering spectrum. Prior to joining the Shire Markus held senior positions at the City of Gosnells and the Shire of Serpentine Jarrahdale, after commencing his local government career at the City of Kalamunda. He has coordinated a number of behavioural change initiatives, promoting sustainable transport modes and researching travel behaviour on behalf of State Government.

Markus graduated as Civil Engineer at Dresden University of Technology, Germany, with a Master of Science degree completed at the Swiss Federal Institute of Technology in Zurich, Switzerland. More recently he completed his doctoral research degree in Transport Economics at the University of Western Australia. He holds professional affiliations with the Institute of Public Works Engineering Australasia, including a past executive function, fellow membership of the Australian Institute of Management and has been actively representing local government interests at the Urban Development Institute of Australia's urban water committee and the Corporate Research Centre for Water Sensitive Cities over a number of years and influenced government policy, guidelines and management frameworks.

Markus is responsible for strategic direction and effective operational management of the Shire's Infrastructure Services Directorate, including works, land development engineering, infrastructure assets and natural resource management. He contributes to the efficient and effective financial management of the organisation and advocacy for infrastructure funding. Besides managing a traditional civil engineering portfolio he has keen interests in transit oriented development, urban hydrology and water sensitive urban design.

**Dr Dale Putland**

Director Sustainable Development

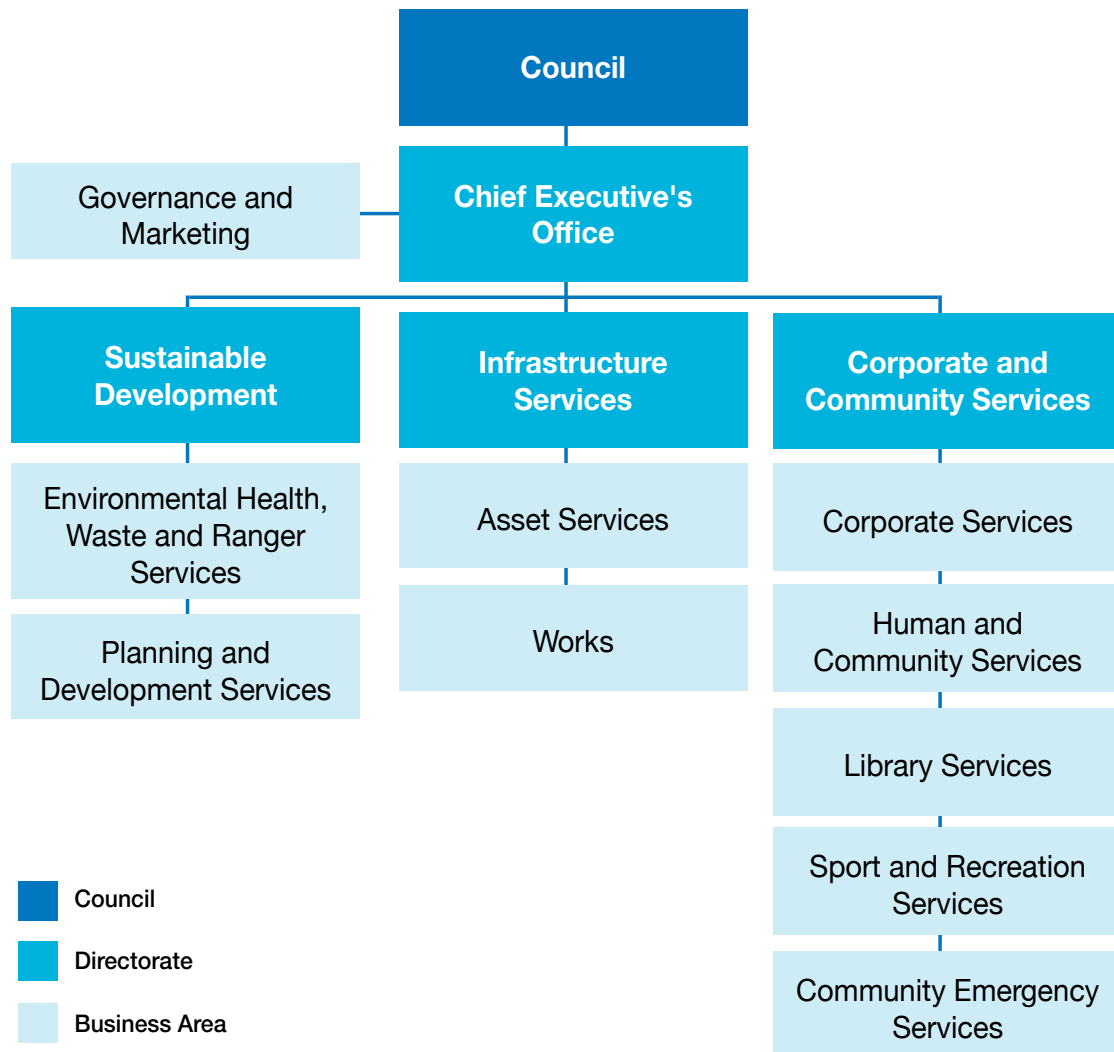
Dr Dale Putland commenced with the Shire as the Director of Sustainable Development in November 2016. Dale has a background in state and local government, and the mining industry. Previously he was the Executive Director Planning and Development at the City of Albany from 2012 until taking up his position with the Shire of Augusta Margaret River. Dale's experience in government includes several management positions in the Department of Planning in the areas of strategic planning and infrastructure coordination, Manager Environmental Services at the City of Greater Geraldton and Senior Environmental Planner at the City of Swan.

In addition to formal qualifications in project management, Dale has a Bachelor of Science in Sustainable Development, Masters of Environmental and Business Management, and a PhD in Public Policy. Dale has recently been involved as a mentor in the Local Government Professionals Western Australia Lift Off Program (a mentoring program for new and emerging leaders in local government).

Dale is currently an Adjunct Senior Research Fellow with Griffith University and is a member of the Advisory Board for the Centre for Innovative Practice at Edith Cowan University.

Dale guides the functions of the Sustainable Development Directorate which includes Planning, Building, Environmental Health, Waste, Sustainability and Ranger Services. These various services are charged with ensuring that the growth of the Shire is appropriately planned and delivered, and that the environment of the Shire is a safe, healthy and enjoyable place for residents and visitors.

Organisational Structure

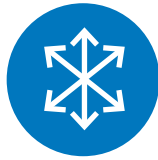


Quick Facts 2017-18 Summary

The Shire offers



Population
14,687*



Total area
2,138km²



120km
Coastline



9 x Schools/
colleges

Shire services included



9,717 Rated
properties

+\$110.4m

Development
applications value



531km
Sealed roads

395km
Unsealed roads



2 Libraries



3 Caravan &
Camping grounds

3,750ha

Reserves, parks
& playgrounds



154km
Pathways / trails



2 x Recreation
Centres

168.2
FTE[^]

Shire employees



17% Waste diverted
from landfill



23 Road bridges



197 Buildings

144km
Stormwater pipes

6980
Pits, culverts
& basins

22 Jetties
& boat ramps



56 Emergency
services
infrastructure

* Abs 2016 census

[^] Fte equivalent

How to read this Annual Report

The Annual Report is split into the five key result areas (goals) of the Community Strategic Plan 2033. This is the final reporting year against the Shire's previous community vision. The next Annual Report 2018-19, will be the first to reflect the strategic framework of the Community Strategic Plan 2036.

1. Overview

Each of the five areas starts with an overview, which details the progress against the set key performance indicators (KPIs) for that area. The overview also includes the number of actions set against that area, with how many were completed on schedule within the financial year.

Actions are the projects, activities and programs which were set for that goal area within the Operational Plan 2017-18.

2. Delivery program

The outcome areas of each area are then expanded, with detailed reporting against the actions (projects, activities and programs) and service areas which relate to each outcome area.

The priority projects for the financial year are highlighted in blue. These projects represent the CEO's KPI's for the financial year.

The second layer of service KPIs are detailed within the Shire's Corporate Plan 2017-21 and also reported against within the respective outcome areas.



Community Strategic Plan 2033

Overview



Goal 1: Valuing the natural environment

- Healthy waterways and foreshores
- Ecology and biodiversity protection
- Climate change response
- Quality parks, gardens and green spaces
- Sustainable waste management
- Unique and iconic coastal and natural landscapes

KPI1: Improvement in the management and quality of the environment **KPI2:** Increase in % of waste diverted from landfill

- Sense of identity and belonging
- Equity and opportunities for all
- Strong community groups and networks

- Lifelong learning in the community
- Active and healthy lifestyles
- Safer Communities

Goal 2: Welcoming and inclusive communities



KPI3: Percentage of population using Recreation Centres **KPI4:** Increased use of the Shire Libraries



Goal 3: Managing growth sustainably

- Clearly defined areas for growth and renewal
- Unique natural and settlement character
- Liveable and well-designed places
- Connected and safe transport network

KPI5: Development occurs in a manner consistent with the Local Planning Strategy **KPI6:** Achieve a high level of liveability for the residents in the Shire

- Strong agriculture and viticulture sectors
- Sustainable economic development
- Sustainable tourism industry
- Improved educational infrastructure
- Infrastructure for economic growth

Goal 4: Vibrant and diverse economy



KPI7: Increased participation rates at icon events **KPI8:** Increase in tourist numbers visiting the Shire



Goal 5: Effective leadership and governance

- Effective governance and corporate leadership
- Community and customer focus
- Effective strategy, planning and asset management
- A culture of innovation, quality and continuous improvement
- Effective knowledge and information management
- Measure and report on success and sustainability
- Highly skilled and motivated people

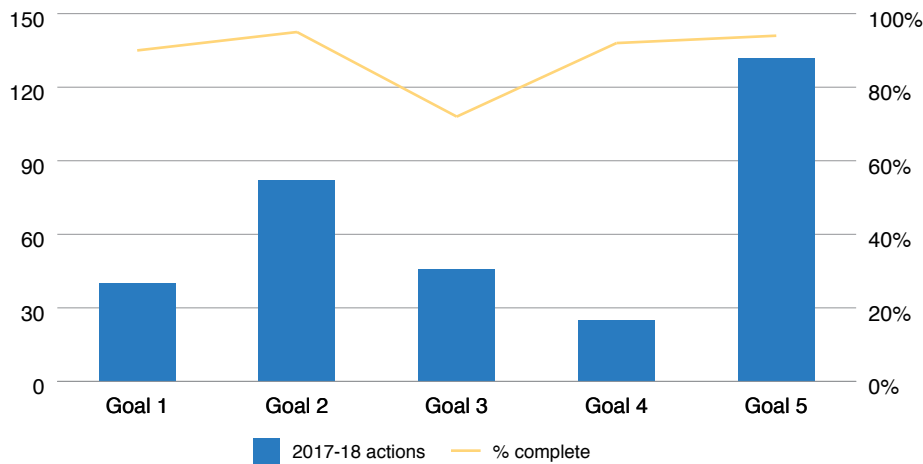
KPI9: Financial ratios are trending positively **KPI10:** Increasing satisfaction in the triennial Community Satisfaction Survey

Natural

Connected

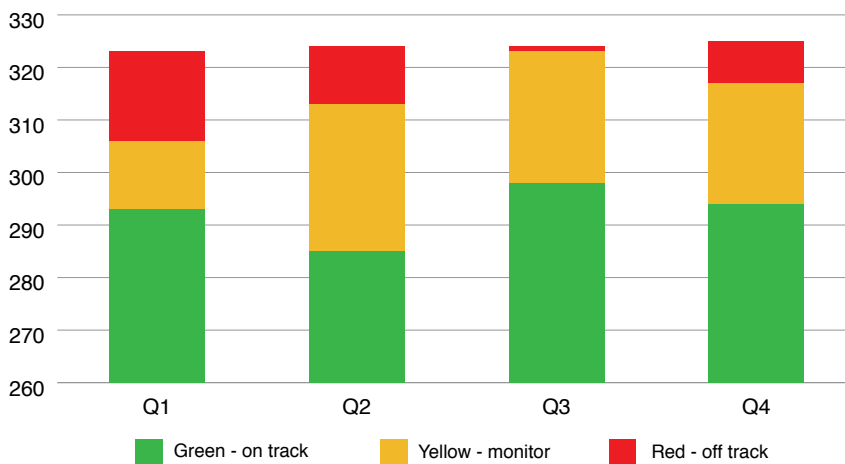
Prosperous

Implementation of the Operational Plan 2017-18




Above: An overview of actions set and completed across all Key Result Areas (Goals) and service areas in the Shire. Goal 5: Effective leadership and governance, had the majority of actions over 2017-18. Goal 2: Welcoming and inclusive communities achieved the greatest number of completed actions. Overall 90% of the Operational Plan 2017-18 was completed, with the remaining 10% rolled over to be finalised in 2018-19.

Traffic lights 2017-18



Above: The progress of all actions is monitored and reported as traffic lights to Executive and Council each quarter. Quarter three of 2017-18 saw the greatest performance with close to 300 actions on track.

A woman with dark hair, wearing a red and blue floral dress, is sitting on a large, dark rock. She is smiling and holding the hand of a young child with blonde hair. The child is wearing a pink and white patterned shirt and grey leggings. The child is stepping into a shallow stream of water. The background is a dense forest with green foliage.

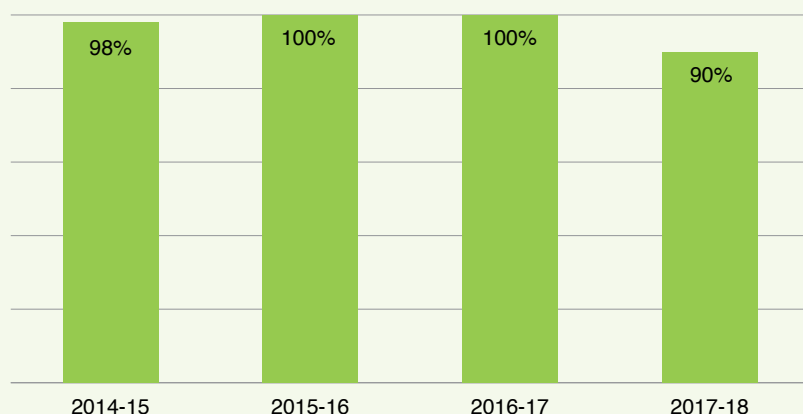
Overall 90% of the Operational Plan 2017-18 was completed. The progress of all actions is monitored and reported as traffic lights to Executive and Council each quarter.



Key result area 1

Valuing the natural environment

Goal 1: Percentage of actions completed



Above: Progress against Goal 1 over 2017-18 compared with previous financial years. The Operational Plan 2017-18 involved 40 set actions (projects, activities and programs) against Goal 1, with 36 actions completed before the end of the financial year.

KPI1: Improvement in the management and quality of the environment

Overview

Improvement in the management and quality of the environment has been an ongoing focus for the Shire over the long term. Achievements over 2017-18 included:

- Council endorsement of the Environmental Sustainability Strategy on 22 November 2017 and commencement of implementation. This is a parent strategy aiming to bring together several existing environmental response plans to build cohesion and partnership between various stakeholders throughout the community
- \$94,901 worth of grants delivered through the annual Environmental Management Fund to local community groups to undertake on ground actions, volunteer support, citizen science and community capacity-building projects including Our Patch, rehabilitation and development of Friends Groups
- Contributions of \$88,000 provided to leading Natural Resource Management community groups to assist with administrative costs, including vehicle and rent expenses

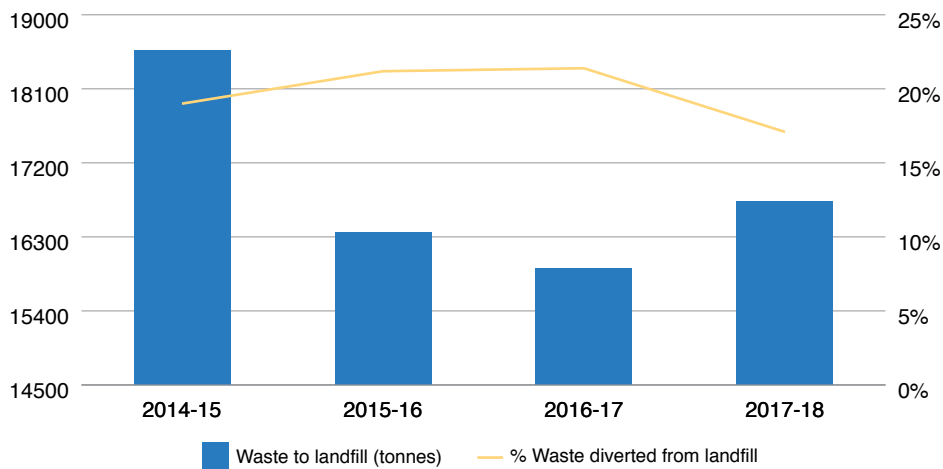
- \$53,000 was spent on weed control, revegetation and reserve management over 2017-18, a 117% increase in Shire spend from 2015-16. This has seen work conducted across 40 Shire reserves, with priority weed control in multiple locations
- Large scale commercial and community projects, including Rain Garden Rehabilitation, woody weed control and community workshops, local action for sediment control and landscape scale rehabilitation with planting of 2,000 seedlings on the Wadandi track south of Witchcliffe and 840 seedlings along the Yalgardup Brook creek line in 2017-18.

KPI2: Increase in % of waste diverted from landfill

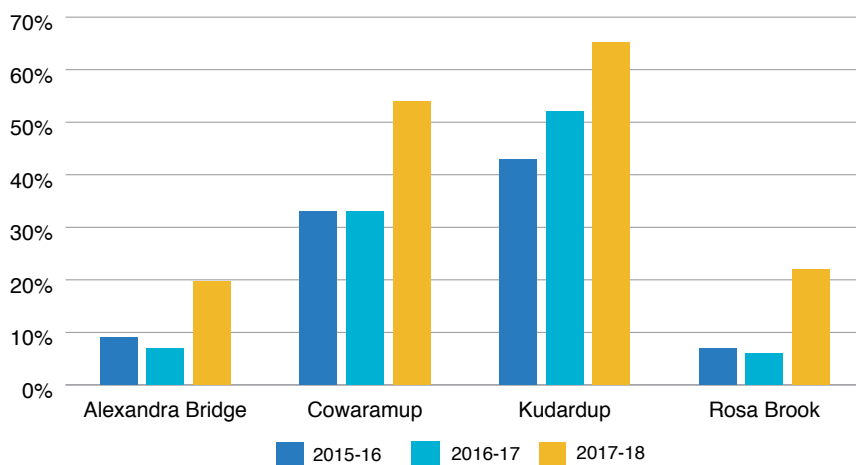
Over 2017-18, 17% of waste has been diverted from landfill showing a decrease of 4.39% from 2016-17.

Although this figure shows a decrease of 4.39% from 2016-17, this may be reflective of improved measuring by the Shire, rather than an actual decrease. In 2018 vehicle weighing scales were introduced to Davis Road Waste and Recycling Facility resulting in a more accurate estimation of tonnages than what has been previously reported. The Shire also introduced of a

Waste diverted to landfill



Recycling at transfer stations



Above: Diversion efforts from transfer station and facility drop-offs have increased significantly over 2017-18, due to recycling collection bins being made more accessible at each site.

free Bulk Waste Tip Pass for all residents, which has led to an increase in waste reported. The overall figure is inclusive of all residential waste both kerbside and drop-off, street litter bins which have no recovery options and commercial waste which consists of building and industrial waste.

Overall, a total of 20,184 tonnes of waste was received over 2017-18, a decrease of 55 tonnes from the previous financial year. Diversion of waste from landfill in the kerbside collection was 1,548 tonnes out of a total 7,328 tonnes collected resulting in 21% diversion rate.

Diversion efforts from transfer stations have increased significantly over 2017-18, due to co-mingled recycling bins being made available for Rural Residential Waste Pass holders and having access to free green waste and scrap metal drop off. 48% of material collected at transfer stations was diverted from landfill.

Delivery Program

Tidy Towns Sustainable Communities Winner

Margaret River was awarded the Environmental Sustainability Award at the annual Tidy Town Sustainable Community Awards on Friday 20 October 2017. The Shire of Augusta Margaret River was acknowledged for their action on water recycling, energy savings, the Environmental Sustainability Strategy and their commitment to working with the local community to increase awareness of waste and sustainability issues.

Transition Margaret River who have worked closely with the Shire on a range of sustainability projects, was highly commended by the judges for creating a more sustainable community by raising awareness of key environmental issues.

"This award has been made possible by collaborating with our local community groups to support waste and sustainability initiatives which enhance our local area. The community should be very proud of this achievement which acknowledges hard work and dedication by so many of our volunteers." Jackie Dickson, Shire Waste Education and Project Officer

The Augusta Chamber of Commerce was also nominated for an award for General Appearance for their work on the Augusta Streetscape project.



Shire officers Matt Cuthbert and Jackie Dickson at the Tidy Town Sustainable Community Awards evening in October 2017.

1. Healthy waterways and foreshores

Community partnerships

The Shire is committed to developing community partnerships, which maintain and improve the quality of beaches, waterways, rivers and wetlands.

Over 2017-18, the Shire continued strong collaboration with local environmental groups including regular meetings with Nature Conservation Margaret River Region and the Lower Blackwood Landcare Conservation District Committee. Collaboration also continued with the existing and new Friends Groups across the Shire including Augusta, Barrett Street, A Class Reserve, Margaret River, Cowaramup and Gracetown Friends Groups. Shire officers also provide administrative and technical support to groups and projects such as the Capes Regional Environmental Weed Management Group and the Western Ringtail Possum steering committee.

Rain Garden Rehabilitation

The Margaret River rain garden treats water that lands on the Margaret River urban area including the main street, carparks, roads and other hard surfaces. This can contain hydrocarbons, rubbish, sediments and other pollutants. The water passes through the raingarden to help filter the water prior to flowing into the Margaret River. To prevent flooding, in high flow events water bypasses the treatment systems and enters the river directly. To improve water quality of river water, the Shire has continued to undertake weed control, erosion management and planting in the bypass channel. This is a continuation of works that commenced in 2016-17. In 2017-18 an additional 1,500 plants were planted and significant rock armouring was undertaken. The rock armouring helps to slow the flows, protect banks from erosion and oxygenates the water, assisting natural breakdown of pollutants. This project is part of an ongoing program to maintain and improve the health of the Margaret River.

Sediment control

Land development can often result in the transportation of sediments from the construction sites into adjacent stormwater systems and waterways. This can cause significant environmental harm by filling summer pools, reducing light and transporting nutrients and heavy metals. Sedimentation and erosion from urban areas has long been identified as threat to the Margaret River. The Shire has previously had limited ability to undertake enforcement and control measures. To address this shortcoming, the Shire appointed a consultant to undertake a review of relevant legislation, policies and reports that relate to sediment management in the Shire. The focus of this work was to identify and develop a selection of tools to be implemented by the Shire to improve sediment management. The next steps are to prepare a local law that would allow the Shire to issue infringements for poor practice.

In winter 2018, two workshops were held, one with staff and a second with developers and builders, to discuss sediment and erosion control. The Shire has subsequently submitted a multi-year grant application to leverage funds to assist with industry education, development of best management practices and enforcement.

Margaret River foreshore rehabilitation and protection

Extensive weed control and revegetation has been undertaken in areas adjacent to the Margaret River, by the Shire and in collaboration with community groups including Nature Conservation Margaret River Region and various friends groups.

The Shire has also partially completed a Cape to Cape Winter Diversion Track along the southern side of the Margaret River, west of Caves Road. Council halted work on this project in 2016 to allow for more detailed assessment of the impacts of the trail on the ecological health of the Margaret River and indigenous values, and to consider alternate track alignments.

The results of the Aboriginal heritage and environmental management reports were received in late 2017 and both supported completion of the track, subject to measures that minimise impacts on cultural and environmental values. This was presented to Council on 28 February 2018 and Council requested more detailed stakeholder engagement and exploration of alternate track alignments. The matter was presented back to Council on 28 March 2018 and Council resolved to form a working group to guide the successful and culturally safe implementation of the Winter Diversion Track. Following officer scoping and advice, on 11 April 2018 Council appointed Stuart Hicks to chair the group. A report was delivered and endorsed by Council and is currently being implemented.

Margaret River Protection Strategy

Nature Conservation Margaret River Region (NCMRR) has developed a Margaret River Protection Strategy on behalf of the Margaret River Collaborative Management Group, of which the Shire is a member. This strategy will provide the basis for a collaborative approach to ecological rehabilitation and protection over the long term. The strategy will be finalised in 2018-19.

Swimming rafts investigations

A report on the proposed installation of swim rafts was presented to Council on 22 November 2017, following extensive consultation during the previous financial year. Investigations were completed for potential swim rafts at Flinders Bay and the Hardy Inlet in Augusta. The results of those investigations found that there were insufficient water depths available at those locations that are outside of and do not conflict with the boating channel. There was also clear lack of support for a floating raft in that area, from community engagement conducted in March and May 2017 for the Flinders Bay Masterplan. Council therefore resolved not to proceed with floating swim rafts at these locations.

2. Climate change response

Priority Project: Review and update of the Local Energy Action Plan

The Local Energy Action Plan (LEAP) is a comprehensive plan for reducing corporate and community carbon emissions and contributing to a cleaner and more sustainable planet, through living smart, energy audits, carbon offsets and community education. The Plan was reviewed over 2017-18, with a draft presented to Council on 13 June 2018 (OM2018/139 and OM2018/140), for publishing to community for final comments and endorsement in early 2018-19.

The review involved gathering data from energy consultants to determine our progress towards meeting adopted emission targets, followed by an assessment against actions implemented to date. Shire officers are organising a workshop with the Sustainability Advisory Committee to evaluate the current LEAP program and agree upon a set of new actions moving forward. The revised document focuses on renewed actions which will progress the Shire towards achieving LEAP targets.

Several LEAP actions were also progressed over 2017-18, alongside review of the Plan, including:

- LEAP audit completed involving an assessment of the current energy consumption and emissions as at July 2016 to June 2017
- Roll out of the community education program delivered through a series of seminars on energy efficiency and renewable energy in conjunction with Curtin University Sustainability Policy Institute and Transition Margaret River
- Implementation of the carbon neutral tree planting program, where 550 tonnes (70%) of emissions generated from the Shire's vehicle fleet have been offset over the last year. This was achieved through participating in revegetation of the Yarra Yarra environmental corridor north east of Perth
- Living Smart workshops held between April to June 2018. There were 26 attendees with the course covering Living Simply, Healthy Living, Energy Efficiency, Productive Gardens, Water, Waste and Community Connections.

Lyn Serventy and Paula Cristoffanini (Augusta Margaret River Clean Community Energy) and Jared Drummond (Shire of Augusta Margaret River) at the Energise Margaret River Sustainable Energy for Margaret River Seminar on 31 May 2018.



Carbon Emission Monitoring

The Shire's corporate emissions are monitored each year by an external consultant experienced in this area. The reporting includes a review of emissions generated through the Shire's vehicle fleet, street lighting, and Shire vested buildings (electricity). The Shire also monitors annual electricity consumption relating to the business and residential sectors of the broader community.

The purpose of the monitoring is to track the Shire's performance against targets set out in the LEAP. An assessment was conducted of 2016-17 progress made in implementing these targets. The results shows the following for the corporate and community sectors:

Corporate targets	Corporate progress
<ul style="list-style-type: none">• Reduce emissions generated from Shire buildings and vehicle fleet by 30% below 2006-07 levels by 2020• Reduce emissions generated from street lighting, or energy use in street lighting by 20% below 2006-07 per capita rates by 2020	<p>Data from 2016-17 shows:</p> <ul style="list-style-type: none">• There has been a 13% increase in emissions from buildings and a 70% reduction in emissions from the Shire's vehicle fleet. Overall there has been a combined 19% reduction for these sectors• Emissions generated from street lighting have decreased by 21% over the reporting period
Community targets	Community progress
<ul style="list-style-type: none">• Assist community to reduce emissions, or energy use by 20% below 2006-07 per capita rates by 2020• Encourage community to source 20% of its energy from renewable energy sources by 2020	<p>Data from 2016-17 shows:</p> <ul style="list-style-type: none">• There has been a 33% reduction in emissions per capita compared to emissions per capita in 2006-07• Approximately 10% of electricity is sourced from grid connected solar PV systems installed in the Shire

Priority Project: Renewable energy projects

The Shire has held an ongoing focus in supporting community-based projects aimed at assisting the Shire in sourcing 20% of its energy from renewable energy sources (windfarm or solar). The desire to develop a large-scale community renewable energy project has been explored by the community for a number of years.

The Shire have provided ongoing support to not-for-profit organisation Augusta Margaret River Clean Community Energy (AMRCCE) over 2017-18, who have been investigating development of a ten megawatt renewable energy project. Shire support over 2017-18 included sharing of data and information to support research initiatives. In addition, \$34,000 has been granted to AMRCCE to date to assist with leasing of wind monitoring data. Another \$10,000 is included in the Shire budget for 2018-19 to support delivery of a successful business case.

The Shire also has also assisted Transition Margaret River with a community solar survey promotion. This is linked to grant funding of \$5,100 awarded to Transition Margaret River to assist in delivering a community energy efficiency and renewable energy education program.

Margaret River Recycled Waste Water Scheme

The Shire has several strategies to conserve water as a precious resource, including the recycled waste water scheme and Margaret River Townsite District Water Management Strategy. This includes 14 kilometres of pipeline, four pump stations and four storage tanks, after the inclusion of the new extension to the Rapids Landing Oval. Additional to irrigating public parks and ovals, the system also provides irrigation water to the Margaret River golf course, Margaret River Primary School, Margaret River Senior High School and St Thomas More Catholic Primary School.

Activity over 2017-18 included providing advice on Local Water Management Strategies and Urban Water Management Plans prepared for subdivisions in East Margaret River and development of the Water Quality Management Plan for recycled waste water, which was approved by the Department of Health.

In addition, the Shire also investigated the potential for civic and private underground storage of rainwater catchment to augment existing supplies. This included a consultant providing a draft report to the Shire's Sustainability Advisory Committee, which summarised that the re-use of stormwater is costly and problematic, and recommended the greater use of existing recycled waste water scheme as a more cost effective option. This work also recommended more productive use of stormwater through water sensitive urban design and suggested locations in Margaret River where this could be achieved.

3. Sustainable waste management

Priority project: Masterplan for waste

One of the most significant projects over the last year has been the development of a Feasibility Study that will underpin the shire's Master Plan for waste management. The focus has been on working towards a long-term solution for the sustainable

management of domestic, commercial and industrial waste streams, including resource recovery, recycling and processing. This also includes consideration of the Davis Road Waste and Recycling Facility for future use after its closure as a landfill.

The tender process for the Feasibility Study commenced in November 2017 with the contract awarded in February 2018. As a first step to best understand the options available for the Shire, a comprehensive of bins and waste types was undertaken. The project also included a review of suitable sites, various processing options and community engagement to explore local waste behaviours. This study is scheduled to be completed in October 2018 and the Master Plan will be delivered over 2018-19.

"Key industry stakeholders and waste experts will also be consulted as part of this study. We are aiming for this to be a full and thorough study that puts all options on the table and considers what can best be applied in a local context. Augusta Margaret River is an environmentally passionate community and I know there must be a lot of aspirational and practical ideas out there." Shire Waste Services Manager Ruth Levett



Waste service development

The Waste Services Team conducted a bin audit and rolled out a new bin sticker program over 2017-18, to better manage domestic and commercial waste collections throughout the Shire. This service change involved allocation of bin authorisation stickers to each Shire property, in accordance with the fees paid through rates. The roll-out resulted in significant savings for the Shire to deliver a more cost-neutral and sustainable waste service. Over \$150,000 in additional revenue has resulted from the project and the Shire now has accurate data on its kerbside services.

In conjunction with the bins sticker program, there were changes to collection areas and service area increases. There was also the introduction of a Bulk Waste Tip Pass allowing residents a free drop-off of bulk items at the Davis Road Waste and Recycling Facility. The high level of community engagement and consultation throughout the project resulted in a positive reception to the changes from ratepayers.

In June the Shire's first public space recycling bins were installed in the youth precinct development, paving the way for other developments to adopt a similar approach to resource recovery.



The community was issued with new and improved Waste and Recycling Guides in 2017-18, which provided a more detailed and convenient resource on the services available to residents. The Waste Education and Project Officer was an active participant in many community events including Deja Moo, the Margaret River & Districts Agriculture Show, Living Smart, Wash against Waste Launch, Plastic Free July and Summer X Salt Markets. A periodic newsletter was produced to inform the community of relevant waste issues and events.

Waste Services acquired a DAF CF85 Series Hook Lift Truck in June 2018. The new unit was fitted with a HYVALIFT hook loader and cordless remote hydraulic tarp system, designed to deliver optimum efficiency and safety for the Augusta Margaret River community.

The unit offers improved visibility, adjustable reversing camera, Bluetooth communication, sleeper cab, steering wheel mounted control array and 'green zone' driver information. DAF engines make use of Selective Catalytic Reduction technology for high-pressure fuel injection resulting in excellent combustion and prevention of soot.

A compatible purpose built 8-wheel dual axle dolly trailer is nearing finalisation and will provide more stability and improved weight distribution than previously.

The Davis Road Waste and Recycling Facility adopted a bin refurbishment program over the 2017-18 financial year. The program incorporated the manufacture of five new hook lift 20 cubic meter bins and fourteen bins were sandblasted, repaired and repainted including six off 30 cubic meter bins.

The residential customer drop-off bins are colour styled for ease of identification by customers. The colours help to highlight mixed general domestic waste bins from specific recycling bins, for mixed scrap steel and mixed paper and cardboard. Together with current comingled recycle bins, the program provides ample options for diversion from landfill for residential domestic waste.

In accordance with the Final Closure Management Plan for the inert area of the Davis Road waste services site, an assessment report of impacted flora and fauna and clearing permit application was submitted to Department of Water and Environmental Regulation in October 2017. The extended area required was surveyed and pegged after works approval was granted.

The native tree vegetation required shearing, shredding and stacking into piles of organic matter. The processed mulch was available for Shire operations and community reuse. Simultaneously approximately 5,000 cubic metres of stockpiled green waste, accumulated over the year, was processed in the same manner providing a further 2,500 cubic metres. This material is made available free of charge to residents.

The additional area will provide the space required to build compliant batters to final design contours that will be re-vegetated on completion of capping. An installation of an access perimeter road and fence line will finalise the area.

The native tree vegetation required shearing, shredding and stacking into piles of organic matter.



Local waste statistics

Waste Services results for 2017-18 indicate:

- The total volume of landfill over the year is considered equally proportioned between kerbside collection waste, customer drop-off transfers and commercial deposits
- Information provided in the table below imply new ratios of landfill usage generated with now 50% attributed to commercial waste disposals
- Diversion efforts from transfer station and facility drop-offs have increased significantly this year by over 60%, due to provisions of collection bins for recyclables available at each site
- Town waste and recycling kerbside bin collections have increased due to changes to designated routes, additions of collection services to new areas and efforts undertaken to identify residents receiving but

not paying for services from an audit conducted internally by the Shire and has remained constant at 21% diversion

- With zero public bin recycling and a drop in commercial diversions from disposals by 7.5%; both statistics attribute to 55% the total volume landfilled for the year, dragging the overall percentage down to 17% and in so doing offsetting the excellent results from residential endeavours.

Future measures to address and better manage the high commercial construction and demolition (C&D) waste stream content are of consideration within the Waste Feasibility Study currently in development.

Davis Road Facility (tonnes)	Landfill	Diversion	TOTAL WASTE	Difference from 2016-17 in total waste	% diverted from landfill
Residential Kerbside Waste and Recycling collections	5,780	1,548	7,328	1,511 more	21%
Public Place Bins	822	0	822	328 more	0%
Facility Residential Waste and Recycling Drop-off	1,392	352	1,744	3,143 less	20%
Commercial Disposals (Mixed general, building and industrial waste) and Recyclable drop-off	8,370	1310	9,680	2,763 more	14%
Special Burial (Asbestos)	89	0	89	37 less	0%
Transfer Stations					
Alexandra Bridge Rural Waste and Recycling Drop-off	36	9.5	45.5	146.5 less	19.70%
Cowaramup Rural Waste Waste and Recycling Drop-off	104	122	226	584 less	53.90%
Kudardup Rural Waste Waste and Recycling Drop-off	47	88	135	499 less	65.10%
Rosa Brook Rural Waste Waste and Recycling Drop-off	71	20	91	230 less	21.90%
East Augusta Rural Waste Collection	23	0	23	17 less	0%
Totals	16,734	3449.5	20,184	55 less	17.09%

4. Ecology and biodiversity protection

Priority project: Environmental Sustainability Strategy

The draft Environmental Sustainability Strategy (ESS) was finalised over 2017 following a round of community consultation in July and September 2017. A total of five submissions were received, recommending minor changes to the strategy. The low number of submissions may be explained by the extensive consultation undertaken during the formative stages of the strategy, including consultation undertaken on the Issues Paper which received over 50 responses in 2016-17. The ESS was adopted by Council on 22 November 2017 (OM2017/283).

The purpose of the Strategy is to provide a strategic framework for planning projects, improving business structures and allocating resources towards environmental management and sustainability. Implementation of actions from the Strategy over 2017-18 have related to unique and iconic landscapes, including:

- Increased funding commitment towards environmental actions in the 2018-19 budget
- Funding provided for on ground environmental works via the Environmental Management Fund
- Utilisation of planning processes to protect native vegetation, for example through the East Margaret River District Structure Plan.

Management Plans for major Shire reserves

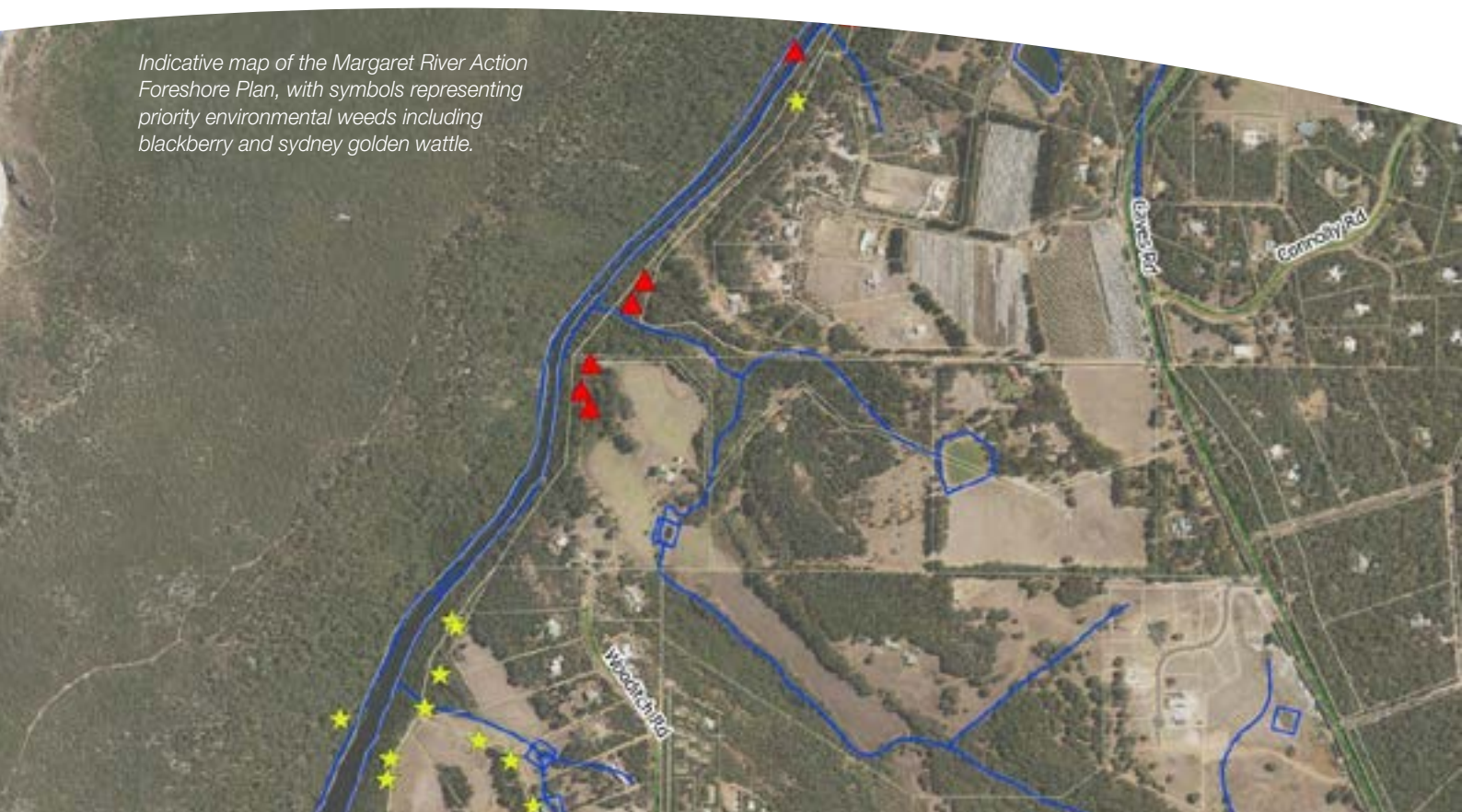
The Shire is responsible for managing over 300 reserves, containing over 3,000 hectares of native vegetation. To assist in prioritising and implementing actions, the Shire identifies, on an annual basis, priority reserves for management and commissions the preparation of a management plan to identify natural values, threats and management actions.

A major priority for 2017-18 was development of a Reserve Management Plan for the Margaret River, from town to the coast. Nature Conservation Margaret River Region (NCMRR) were engaged to develop the plan, including the conduct of community consultation. A draft plan is anticipated to be available for further consultation and then Council endorsement before the end of the calendar year.

Management Plans were also prepared for the wetland area located in the Turner Caravan Park, with a focus to leverage funds from Lower Blackwood District Landcare Committee (LBDLC) who undertake weed control within the reserve.

A Rehabilitation Plan was also prepared for the creek that flows through Reserve 23480 in Alexandra Bridge. The reserve adjoins the main Blackwood River and was heavily infested with Blackberry. The plan details a stage approach to the rehabilitation of the site, with weed control undertaken by the LBDLC to prevent the Blackberry moving down this channel and infesting the good quality foreshore vegetation.

Indicative map of the Margaret River Action Foreshore Plan, with symbols representing priority environmental weeds including blackberry and sydney golden wattle.



Aboriginal consultation

Aboriginal engagement continued to be a focus for Shire officers throughout 2017-18, with a special focus on the landcare management of the Margaret River and adjoining bushland.

Results from a detailed Aboriginal Heritage Survey completed over 2016-17 were received by the Shire in 2017-18, providing the ability for several Section 18 Aboriginal Approvals for proposed works to be sought from the Aboriginal Affairs Minister. This included Reserve site 48838-39 in Cowaramup for the Cowaramup Bushfire Shed, Cowaramup Men's Shed and concept plans for a Cowaramup Community Garden, as well as works for the Colourpatch retaining wall in Augusta, a carpark and basin renewal in Ellis Street and upgrades to paths and leach drains in the Surfers Point and Rivermouth area.

The survey included site identification for ethnographic and archaeological assessment on Shire sites and places of Aboriginal heritage as defined by Section 5 of the Western Australia Aboriginal Heritage Act (1972) (AHA) and done with South West Aboriginal Land and Sea Council (SWALSC) nominated Nyungar representatives. The results of the survey will continue to inform decision making and further engagement for heritage sites and the following projects:

- Margaret River Winter Diversion Trail
- Wallcliffe recreation area
- Rivermouth leach drains
- Surfers Point path in Prevelly
- Alexandra Bridge Campground
- Potential renaming of A-Class reserve in Margaret River.

Environmental management and landcare services

Shire staff provide a range of environmental management and landcare services including advice to community and stakeholders, as well as volunteer supervision and assistance. This includes internal communication to staff and Council on planning applications and capital works projects. Shire staff also coordinate a range of on-ground activities such as weed control, rehabilitation and erosion control.

Achievements over 2017-18 include:

- Increased expenditure on weed control and revegetation
- Successful implementation of Environmental Management Fund projects
- Weed control and revegetation over almost 40 Shire reserves, planting approximately 10,000 plants
- 120 community volunteers spent 500 hours at Gnarabup and Prevelly, 700 hours at Augusta and almost 400 hours along the Margaret River
- Large scale commercial and community projects including rain garden rehabilitation, woody weed control and community workshops, local action for sediment control and landscape scale rehabilitation
- Approvals for capital and other projects including clearing permits, approvals to interfere with the beds or banks of a watercourse, Aboriginal Heritage and Federal Environment Protection and Biodiversity Conservation Act approvals were sought and granted for projects such as the Lower Western Oval development, the Rosa Brook Road and Carters Roads upgrades, a major culvert replacement on Carburnup South Road, construction of the Darch Trail and emergency repairs to the West Bay Creek Bridge
- Revision of the Management of Vegetation on Shire Lands policy.



Landcare and Environmental Health officers responding to a hazardous material incident in Margaret River with volunteers from the Margaret River Volunteer Fire Volunteer Rescue Service on 19 June 2018. This is where four drums of toxic chemicals were dumped close to the Margaret River. Officers assisted in road closure, informing public in the local area and assisting in safe disposal at Stanley Road in Australind.

Environmental Management Fund

The Environmental Management Fund (EMF) has been established by Council to fund projects that achieve local environmental and sustainability outcomes. In the 2017-18 approximately \$100,000 was available via an external grant program, and a further \$130,000 was available for Shire related projects, which includes \$30,000 carry over from 2016-17 for a vegetation condition assessment.

The EMF themes for funding include:

- Biodiversity protection - includes projects such as revegetation, strategic weed control
- Waterway health - includes projects such as river or creek foreshore revegetation, projects to improve water quality
- Coastal management and protection - includes projects such as strategic erosion and access control, revegetation, and weed control
- Environmental education and capacity building of the community, development of educational information and training.

The Shire received 12 grant applications seeking funding through the EMF. A further seven Shire projects were also proposed to be funded through the EMF. The Shire's Sustainability Advisory Committee (SAC) consists of representatives of community groups operating in the environment and sustainability 'space' together with practitioners and community members with expert environmental knowledge. The SAC is responsible for administering the EMF and endorsed the following fund spend on 21 September 2017:

1. Shire initiated projects (total of \$134,000)
 - a. Vegetation Condition Assessment (\$30,000)
 - b. Landscape Scale Rehabilitation (\$25,000)
 - c. Woody weed removal and workshops (\$14,000)
 - d. Rain Garden maintenance (\$15,000)
 - e. Sediment control (\$15,000)
 - f. Local provenance seed collection (\$5,000)
 - g. Reserve management implementation (\$30,000).
2. Community led projects funded through the Environmental Management Fund in 2017-18 (total \$94,901)
 - a. Surfers Point environmental projects (\$3,680)
 - b. Cowaramup Creek rehabilitation (\$2,575)
 - c. Melaleuca Beach rehabilitation (\$1,200)
 - d. South Point rehabilitation (\$4,200)

- e. Community renewable energy and energy efficiency education (\$5,100)
- f. Black Cockatoo conservation project (\$5,000)
- g. Friends of Reserves (\$10,000)
- h. Our Patch (\$17,648)
- i. Western Ringtail Possum Protection (\$21,348)
- j. Turner Brook rehabilitation (\$10,000)
- k. Donovan Street environmental research book (\$14,150).

On 18 March 2018, Council endorsed reallocation of Turner Brook rehabilitation funds (\$10,000) to the newly formed Margaret River Collaborative Management Group and the further development of an action plan to protect the Margaret River. The change was requested by Nature Conservation Margaret River Region as they were unable to secure additional funding needed for the Turner Brook project.

Work was completed over 2017-18 to collect local native seeds and establish a seed bank available to the Shire and other community groups for rehabilitation projects, additionally ensuring utilisation of a local provenance seed.

Woody weeds and community education

The woody weed control priority for 2017-18 focused on the Victorian Tea Tree along the new pathway from Flinders Bay to the Augusta Boat Harbour. Several large thickets of Victorian Tea Tree were removed. Much of this coastline is now free from Victorian Tea Tree and this program aims to remove the weeds before they continue to spread into good quality vegetation.

Community education workshops were also held over 2017-18, to provide residents with access to a weed control expert to help identify woody weeds in their area and provide information on how such weeds can easily be controlled. Workshops were conducted in seven targeted locations: Molloy Island, West Bay, Augusta, Margaret River, Burnside, Wilderness and Cowaramup, with invitations sent to nearby residents.

Biodiversity protection includes projects such as revegetation and strategic weed control.



The Shire is responsible for managing over 300 reserves, containing over 3,000 hectares of native vegetation.

*Yalgardup planting with children
from the Margaret River
Montessori School in May 2018.*

Revegetation work

The second stage of this multi-year, large-scale revegetation project was undertaken in two locations this year:

1. The Wadandi track south of Witchcliffe, including planting of 2,000 seedlings and follow up weed control, plant care and maintenance of the 2,600 plants planted during the previous year
2. The Yalgardup Brook with an additional 840 seedlings planted to support the 800 seedlings planted during the previous year. Landcare officers will continue to maintain and progress further along this creek line each year. Students from the Margaret River Montessori School undertook planting at this site, with assistance from the Shire's contractor in May 2018.

Our Patch community project

Nature Conservation Margaret River Region's (NCMRR) Our Patch environmental education program had another successful year working across seven schools in the Shire. The program delivered a coordinated environmental education program to over 750 students at Margaret River Primary School, Margaret River Montessori School, Margaret River Independent School, St Thomas More Primary School, Cowaramup Primary School, Karridale Primary School and Augusta Primary School.

Biodiversity Incentive Strategy

The Biodiversity Incentive Strategy provides an annual stewardship program whereby the Shire contributes funds to landowners for on ground works on land containing areas of environmental significance. The Strategy also includes a subdivision incentive program, which can allow the subdivision of rural land to create one or more conservation lots subject to measures being put in place to covenant and protect vegetation.

In 2017-18, three properties were awarded Environmental Stewardship Program funding and two properties received subdivision approval through the Subdivision for Conservation policy. One additional property was awarded \$3,000 to implement environmental actions through the Environmental Grants Program.

Landcare officers will continue to maintain and progress further along this creek line each year.

Flinders Bay Playground project included detailed community consultation over April and May 2018; including the Friends of Flinders Bay and the Augusta Playgroup.



5. Quality parks, gardens and green spaces

Community building maintenance

The Shire manages 197 buildings including halls, community facilities, sporting facilities, municipal buildings and amenities blocks. Overall, 75% of scheduled capital works projects were completed over 2017-18 and 25% carried over, awaiting third party approval or final design documentation. Works included:

- Augusta Shire Office and Library
- Augusta Margaret River Football Club redevelopment of the club changerooms
- Western Pavillion Cricket and Soccer Club upgrade
- Major upgrade of Fearn Avenue Toilet Block
- Fire hydrant upgrade to Margaret River Recreation Centre
- Margaret River Youth Precinct Zone room grease trap
- Rotary Park toilet renewal
- Augusta Centennial Hall carpets
- Augusta Recreation Centre reroofing.

Access improvements to community facilities was a priority for delivery of these works, with regular consultations with the Shire's Community Access and Inclusion Reference Group (CAIRG). Long term management of community infrastructure continued in 2017-18 with a draft Community Infrastructure Plan, read more about community halls on page 52 of this report.

Public open space program

"The Church Council has asked me to pass on its gratitude to Peter and the Augusta crew for their work in making the cemetery presentable for the Church Service this morning... I am sure you are aware that the Augusta crew Barry and Rudy are highly thought of in this neck of the woods and certainly enhance the Shire's reputation. Once again, thank you for your assistance." Community member, Karridale cemetery, November 2017.

Maintenance of Shire parks, gardens and playgrounds continued over 2017-18 in accordance with service standards, with over 90 sites maintained through a schedule of works. Works range from parks, ovals, roundabouts, verge tree maintenance, maintaining public access walkways, pruning the footpath network and removal of weed species programs.

Streetscape and garden improvements over 2017-18 included:

- Retaining wall, turf, irrigation and tree planting behind the Margaret River Football Club at the Margaret River Gloucester Park
- Irrigation, new turf, trees, two picnic settings, bollards footpaths and disabled bay parking in Gracetown

- Two new shelters, four new seats and tree planting at the Cowaramup skate park
- A new shelter at Margaret River Cemetery.

The Shire has 29 playgrounds (containing 88 play equipment units) which are maintained through a schedule of works. Playground safety inspections occurred three times per playground over the year and one independent audit, which informed the annual program of work for follow up maintenance. Major upgrades to existing playground equipment over the year included:

- Augusta Heights - Commenced 7 June 2018, completed 30 June 2018
- Wisteria - Commenced 9 June 2018, completed 20 July 2018
- Flinders bay - Commenced 7 June 2018, completed 10 August 2018.

Lions Park Augusta

The draft concept plan for Lions Park Augusta was prepared with Augusta Lions and shared with the community for feedback in November 2017. Components included:

- The installation of another recycled plastic picnic seat in the shade of a tree
- Installing an accessible barbecue
- The provision of reticulation.



A new shelter at the Margaret River Cemetery was completed over May and June 2018..

Margaret River Rotary Park

Shire officers were requested by Council in 2016-17 to prepare a parking and road management plan for the Carters Road to Bussell Highway intersection. The work commenced in 2017-18, with a focus on addressing pedestrian access and traffic management issues at Margaret River Rotary Park. The work follows a concept plan presented to Council in the previous financial year for the Margaret River Rotary Club to develop the space, in partnership with the Shire.

The following work was completed over the year for the parking and road management plan:

- Site meeting held with various stakeholders to consider the project scope
- Intersection treatment at Carters Road investigated
- Road Safety Audit currently being scheduled with the view of potentially lodging a Black Spot Application.

Overall, the handover of Bussell Highway management, care and control to the Shire from Main Roads Western Australia is due to occur once the Perimeter Road opens and this will offer more opportunities for road management. This project may be delayed further due to lack of staff resources and a recent change of scope, with Council requesting an integrated approach to prepare a comprehensive Masterplan for the Margaret River Precinct.



The Augusta Heights playground project was completed in June 2018.

6. Unique and iconic coastal and natural landscapes

Leeuwin Naturaliste Ridge State Planning Policy (SPP 6.1)

The Leeuwin Naturaliste Ridge provides a spectacular backdrop for those who live in or visit the Augusta Margaret River region. The Leeuwin Naturaliste Ridge State Planning Policy provides protection for the environmental and landscape values of the ridge while also making provision for a wide range of opportunities for recreation, lifestyles, tourism and commercial activity.

Shire officers continued to implement this policy over 2017-18 through development applications, structure plans and scheme amendments. Shire officers and Councillors have also been participating in the preparation of the Leeuwin Naturaliste Ridge Sub Regional Strategy with the Department of Planning, Lands and Heritage which will guide review of SPP 6.1.

Coastal Rehabilitation at Gnarabup

In collaboration with the Margaret River Coastal Residents Association and the Shire, Nature Conservation Margaret River received \$14,175 funding from CoastWest to continue implementing actions identified in the 2016 Coastal Condition Assessment. The project focussed on high priority weed control, erosion control and fencing. Over 170 hours of volunteer and 75 hours of commercial weed control was undertaken along with fencing and six community brushing days.

Coastal Adaptation and Protection Grant

The Shire of Augusta Margaret River was the successful recipient of a \$50,000 Coastal Adaptation and Protection grant from the Department of Transport. The grant was for the development and implementation of a Shire wide coastal monitoring program, a coastal processes study at Flinders Bay, the development of detailed designs for the adaptation of the Gnarabup Boatramp and development of detailed designs for the adaptation, relocation or management of the Gnarabup to Prevelly path.

In early winter 2018, storms eroded significant portions of the coast, including undermining the coastal path at Gnarabup, resulting in the need for a temporary diversion while the detailed designs were developed.



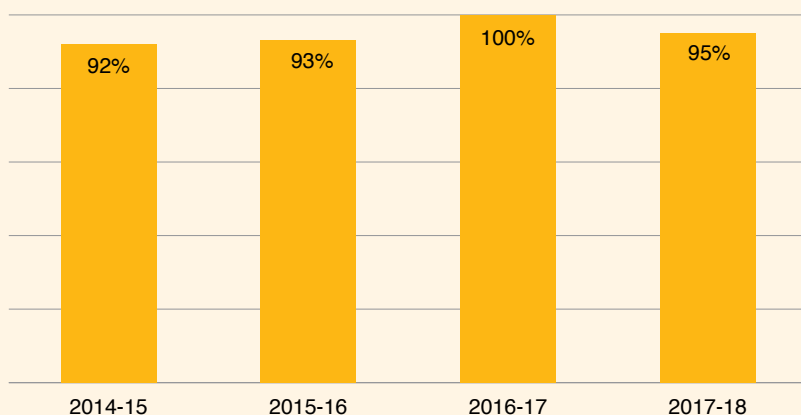
*Councillors are briefed at
Gnarabup in May 2018.*



Key result area 2

Welcoming and inclusive communities

Goal 2: Percentage of actions completed



Above: Progress against Goal 2 over 2017-18 compared with previous financial years. The Operational Plan 2017-18 involved 82 set actions (projects, activities and programs) against Goal 2, with 78 actions completed before the end of the financial year.

KPI3: Percentage of population using Recreation Centres

Overview

High usage of the Shire Recreation Centres continued over 2017-18, with:

- Total visitor (fitness and aquatic) for the year being 125,988 with 74,000 estimated people
- A 34% increase in new memberships and an increase of 3% increase in total usage of all facilities the Margaret River Recreation Centre
- The Augusta Recreation Centre saw a 30% decrease in revenue over 2017-18, which is likely due to the closure of the centre for Asbestos replacement.

Libraries saw a slight drop in visitor numbers over 2017-18, compared to the previous two years. While visitor numbers dropped, circulation figures increased by 3% (which is the number of check-ins and check-outs of books). Across the region, there has been a widely reported drop in visitor numbers and anecdotally a particular drop in seasonal workers, which will have an impact on visitor numbers but not circulation figures.

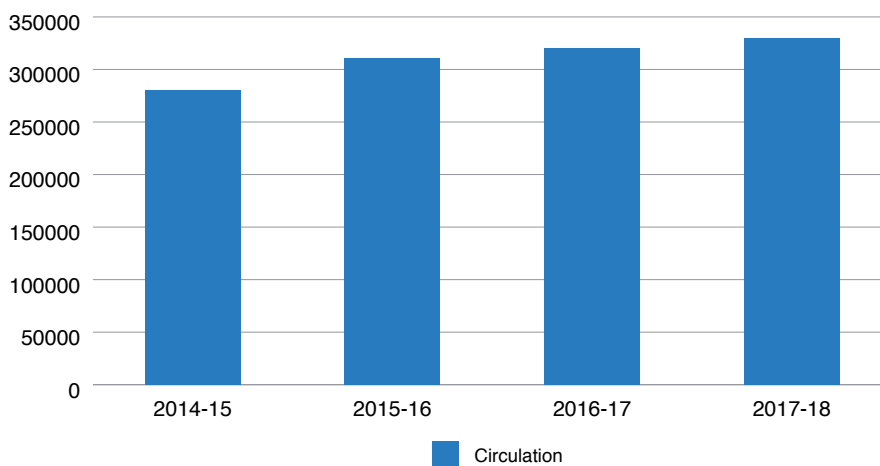
Internet usage shows a sharp rise, which is partly attributable to improved data collection methods allowing a more accurate count of actual sessions, but also reflective of the trend for increased online activity.

Margaret River Recreation Centre Use

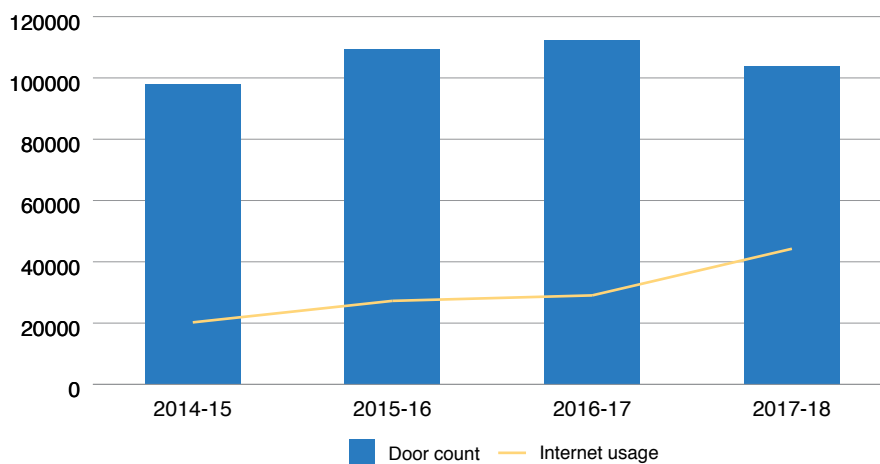


KPI4: Increased use of the Shire Libraries

Number of check-outs, check-ins and renewals processed at libraries



Door count and internet use at libraries



Delivery Program

1. Sense of identity and belonging

Aboriginal Reconciliation

Education about awareness of Aboriginal culture is important to understand the boundaries, language groups, laws and culturally accepted practices of this country. Highlights for the Shire over 2017-18 included:

- The draft Welcome to and Acknowledgement of Country Policy was prepared in May 2017, through consultation with Shire Managers and Executive. The draft policy was published for community feedback in September 2017, and then endorsed by Council on 24 January 2018 (OM2018/2)
- The emergence of the bushfoods industry and supporting innovative agricultural practices were the topics of the day at the Bushfood Summit held on Saturday 12 August 2017. Jointly hosted by the Shire of Augusta Margaret River and the Bush Food Association of Western Australia at the Margaret River Education Campus, the summit worked to theme of Djit Boodjarra-ngat – Seeds in Mother Earth
- The Shire provided sponsorship for the annual Act-Belong-Commit Undalup Birak Festival which was held on the Margaret River Gloucester Park on 13 January 2018. The event is a celebration of the Local Aboriginal Culture in the heart of Wadandi Boodja, with cultural entertainment, dancing, weaving workshops, activities and stalls. This year the community event featured Earth Dance workshops with the Four directions and connection to Mother Earth

- National reconciliation week was celebrated at the launch of the Margaret River Youth Precinct on 3 June 2018, with Undalup hosting a Reconciliation Week space. The event included a Welcome to Country with Aboriginal dance and stories, alongside Martin Luther King Jnr III. The Undalup space hosted a special screening of their short film “We are Wadandi”, as well ‘bush tucker’ tastings and artefacts on display.

The Community Development Fund

The Community Development Fund provides community groups with the opportunity to apply for up to \$1,000 to support organisational development, provision of events and activities, with a total funding pool of \$10,000 annually.

Sixteen local community, volunteer and service-based organisations applied for the 2017-18 round. Successful recipients included:

- Augusta Community Development Association
- Augusta Community Resource Centre Inc
- Augusta Playgroup
- Australian Breastfeeding Association
- Artzability Inc
- Baptistcare - Mirrambeena Margaret River
- Margaret River Camera Club
- Margaret River Community Garden
- Margaret River Uniting Church
- Wallcliffe Bushfire Brigade.

In addition to the grants program, Council Community Contributions continued in 2017-18 where budget



Undalup representative Issac Webb with Martin Luther King III at the Margaret River Youth Precinct Launch in June 2018.

funds are allocated to several community groups for the management of Shire facilities. The contributions requests were gathered and proposed to Council in May 2018 (OM2018/124).

Cultural Centre management

Arts Margaret River is now into its fifth year of a Licence Agreement with the Shire for the management of the Margaret River Cultural Centre. Since April 2018 with the commencement of construction works for the redevelopment of the Margaret River Cultural Centre to transform the centre into the Margaret River HEART, Arts Margaret River have continued to present a program of live theatre, comedy, musical and cabaret events including the successful Arts Margaret River Readers and Writers Festival at alternate venues across the Shire.

Arts Margaret River are a key stakeholder in the Margaret River HEART project and brand development, and will manage the new centre when construction is complete in 2019.

Art and Culture Plan

The Creative Blueprint 2014-18 and the Culturally Active Communities Policy outline Council's support and development for art and cultural activities as well as direction setting for collaborative projects. Much of this work is conducted in consultation with the Shire's Art and Culture Advisory Group (ACAG). 2017-18 projects included:

- Launch of the Spare Plinth Program on 7 September 2017, a project three years in the making which provides a plinth, or a cement base, by the Shire of Augusta Margaret River at three key locations including Pioneer Park in Cowaramup, Reuther Park in Margaret River and Lions Park Augusta for art to be displayed
- ACAG meetings were held on 9 February 2018 and 6 June 2018 in Margaret River
- Meeting topics included Zone Room mural projects, street art for vacant walls, art reserve, Margaret River Entry Statement project with Main Roads Western Australia and finalising processes and next steps for the Spare Plinth program
- Continuing support for community and iconic events including Margaret River Region Open Studios, Creative Emergence and the Readers and Writers Festival, with board representation and financial assistance through the Shire's local community events grants
- Public art on the north side of the Margaret River Zone Room by Lewis Horne in the October 2017 school holidays, involving ten members of the Youth Advisory Council
- Letters of support for various public art grant applications made by local artists as well as ongoing support for the Splash of Colour engagement with Margaret River Senior High School.

"This new program provides artists with the opportunity to exhibit public art works in a beautiful range of rural settings within the Shire and bring their art to the attention of the wider public. At the same time, the program enriches the local community by bringing a range of public art to its doorstep." Kirstie Davis, Shire Coordinator Community Planning and Development - September 2017.

Historical groups

The Shire continued working with the Augusta Historical Museum, Augusta Historical Society and Margaret River and Districts Historical Society to progress strategic reviews and support the groups' long-term sustainability. The focus has been on developing sustainable facility maintenance, financial and in-kind support, financial planning and governance arrangements.

Significant time has been spent on assisting the Augusta Historical Society and Augusta Museum to form joint constitution and governance committee. The next focus will be on finalising a facility lease agreement. The Historical Society was not covered by Public Liability Insurance and therefore closed their room for public meetings for a short time in early 2017-18 until a resolution was arrived at.

Other 2017-18 highlights include:

- Progressing new improved signage for the Augusta Museum
- Facilitating a Royal Flying Doctor Service fundraiser for the Augusta Museum (Council Meeting 11 April 2018 OM2018/102)
- Leasing of a storage facility for the Augusta Museum.

Below: The Spare Plinth Program was officially launched by the Art and Culture Advisory Group in September 2017.



Community Infrastructure Plan

Community infrastructure is Shire owned or managed buildings which provide health and wellbeing, sport and recreation, and community education opportunities for residents, workers and visitors, including those operated by clubs, community organisations or Shire contractors. Examples include public parks and gardens, sport, recreation and cultural facilities, community meeting places and halls and community resource centres.

Findings from community engagement activities in the previous year were progressed over 2017-18 to form a draft Community Infrastructure Policy and Plan, which articulates how and when the Shire will pursue careful and balanced planning of community facilities and services to meet the demands and expectations of the community over the next 20 years. The plan focuses on the community halls and public amenities in the Shire, with a detailed analysis of projected need, activation strategies and a schedule for major upgrades. ABV Consultants processed two rounds of review with various Shire Managers to ensure the information was accurate and best representative of future grant opportunities as well as potential demographic changes. The draft plan is anticipated to be finalised before the end of 2018.

Community halls

Ongoing support was provided to hall management groups throughout 2017-18, including assistance with annual insurance renewals, monitoring and feedback regarding annual financial returns and proposed fees and charges, as well as advising on funding, training and networking opportunities in the region.

A special focus over the first half of 2018 was a major upgrade needed for the Cowaramup Hall, and submission of a much needed Lotterywest grant application to make it happen. The application required design drawings for the upgrade, which the Shire coordinated in consultation with the Cowaramup Halls, Reserves and Residents Association. The planned works include:

- Structural restoration including bracing of the roof and southern wall
- Accessibility improvements including wider doors, accessible ramps, signage
- A new commercial kitchen
- Upgrades to the surrounding public open space, including footpath upgrades, drinking fountain and lighting around the Margaret River Youth Precinct
- Construction of deep sewer connections to the Hall and the nearby ablution block
- Decommissioning of the current septic system and making the space available for public use
- Refurbishing and extending the existing ablution block to provide one additional male cubicle, two additional female cubicles and a new accessible toilet.

"This project will help to preserve and beautiful and much-loved community building, making it a much more user-friendly building by a wider range of community members and groups." Jessica Black, Shire Community Development Officer

Draft leases were also progressed for the Cowaramup Hall and Augusta Hall Committee over 2017-18.

2. Equity and opportunities for all


Priority project: Margaret River Youth Precinct (MRYP)

Development of the MRYP has been a central focus for the Shire over the last five years, with the redevelopment moving into the construction phase in October 2017 and reopening for the community in May 2018. This project has seen years of planning, design work, funding applications, tender and contractor management, to bring together this almost \$2.5 million "all ages" community facility.

The major transformation has included an expansion of skate, scooter and BMX facilities within the park as well as the addition of a new raised stage area for music events, parkour and play equipment, BBQ areas, shade, landscaping, spectator seating, and public toilets. The project was funded by the Lions Club of Margaret River, Lotterywest, community contributions and the Shire.

In April 2018, the Lions Club of Margaret River generously increased their contribution towards the MRYP to \$45,000. This enabled the main entertainment stage to be finished with jarrah timber and will be universally accessible, with three-phase power and an iconic shade shelter to support outdoor performances.

"Knowing how much this space means to our young people and the wider community, I would like to convey my appreciation to everyone for being so patient - this project has been heavily influenced by the community who have sought to make this an inclusive space all people can come to and enjoy". Nigel Anderson, Manager Human and Community Services

A photograph of a skate park event. In the foreground, several people are seen from behind, looking towards a concrete skate bowl. One person wears a black helmet with '1991' and 'FEATURING' on it. Another person wears a black helmet with 'ST5'. A crowd of people is gathered around the bowl, and a large tree is in the background under a blue sky with wispy clouds. A blue circular overlay in the upper right contains white text.

“The Skate Park and MRYP
was opened by the Shire
President at a wonderful event
on 3 July 2018 attended by
Martin Luther King Jnr III”
Gary Evershed, CEO.

*Skate competition at the opening
of the MRYP in May 2018.*

Some members of the MRYP Concept Design Group pose for a photo at the official opening of the new youth precinct in May 2018.



New Waves event launch

The opening of the new MRYP was held on 3 June 2018, with a community festival hosted by the Shire and Undalup Association Inc, to honour Reconciliation Week alongside the reopening of the special youth space. The event was attended by Martin Luther King Jnr III and his family through his connection with Convic, the company which designed and constructed the Margaret River Youth Precinct and which had built the original skate park twenty years beforehand.

The reopening event included a community talk with Martin Luther King Jnr III, followed by an official Welcome to Country on the stage of the MRYP, and then a series of skate workshops and competitions including Margaret River Skate School, Skateboarding Western Australia and Soggybones. The day-long event also included the Undalup Association Inc space with cultural activities, laser tag, food van alley, and a series of music performances.

Zone Room and Youth Precinct (Scout) Hall

The MRYP includes the Zone Room, used predominantly for local youth activities and engagement over the last few years. The space is used on a regular and casual basis by:

- The Shire's Youth Advisory Council (YAC), who meet in the Zone Room every Wednesday afternoon throughout the school year
- The Zone Room is used three times per week by other community groups including Artzability and a local cultural and language diversity group
- The MRYP (Scout) Hall is used primarily by the Margaret River Scout Group throughout the week.

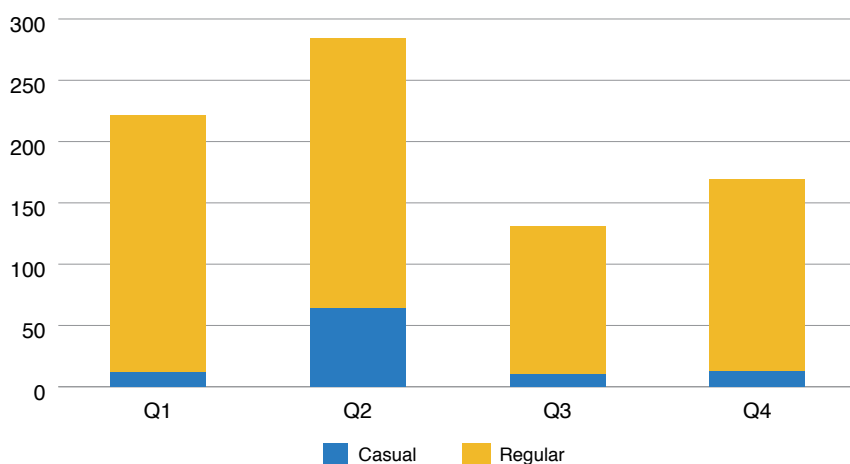
The Zone Room had regular and casual bookings throughout 2017-18, and was booked for a total of 805.50 hours which was a 16% decrease from 2016-17. This decrease is most likely due to the closure of the skate park for eight months of the year.

During construction of the MRYP, the Zone Room remained open to bookings although was not utilised as much due to the Margaret River Youth Precinct being closed. Shire officers took this time to conduct a major clean out and remodelling of the space, with new stackable chairs and tables, a new projector and setting up of the office space to enable "one-on-ones" in anticipation of new service providers moving into the room in the coming financial year. This work was completed ready for the launch of the MRYP launch in May 2018.

Design works were also completed in 2017-18 to conduct an upgrade to each facility over the next two financial years. The focus has been to establish storage and upgrade utilities to create a more dynamic space for hire and service provision. This work was approved for budget funding by Council in June 2018 and the first stage of works in 2018-19 will include a new kitchenette and storage for the Zone Room.

Development of the MRYP has been a central focus for the Shire over the last five years.

Zone room usage 2017-18



Zone Room Commercial Kitchen

Work was also completed throughout the year to realign the commercial kitchen on the northern side of the building and to invite a kiosk café style enterprise to be permanently established. The purpose of this project has been to increase the sense of place and community at the skate park, while also activating the space to be more inviting for people of all ages.

At the Ordinary Council Meeting on 13 December 2017 (OM2017/346), Council endorsed invitations for Expressions of Interest to occupy the commercial kitchen at the MRYP. The Shire invited expressions from enterprises interested in leasing the commercial kitchen via an advertisement in the Augusta Margaret River Mail on Wednesday 7, 14 and 21 February 2018. Notice was also placed on the Shire's website. The invitation asked applicants to:

- Detail their proposed business operation
- Demonstrate financial capacity and experience to operate a business of the type proposed
- Identify any redevelopment or upgrades to facility
- Detail the rent amount the proponent was prepared to pay for the lease based on the market evaluation.

The deadline for registration of expressions of interest was 1 March 2018 with a total of four submissions received. The preferred applicant was Soggybones, who have proposed to operate a food, coffee and skate kiosk from the space over a five year period. A proposed skate shop will offer hardware (decks, wheels, trucks, bearings, accessories) and protective gear (helmets, pads). Soggybones offer over five years' experience in owning and operating core skate shops in the both the South West and Perth metropolitan area. Soggybones Dunsborough store was established in late 2012 as a community driven store with a focus on local development, sponsoring local talent, coaching youth and employing local artists and staff.

The hours of operation proposed were noted as flexible to support events and functions at the precinct, including a seven day a week provision; Monday to Friday 7.00am to 6.00pm, Saturday 7am to 5pm and Sunday 10am to 4pm. Shire permits to run food vans in the precinct will be reinstated at the completion of the redevelopment, which will further support activation of the precinct particularly in the evenings. No submissions were received following public notice of the proposed lease to Soggybones, per section 3.58(3) of the Local Government Act 1995. Council endorsed the lease arrangement to proceed on 9 May 2018 (OM2018/114).

Strengthening Youth Plan

The Shire's Strengthening Youth Plan aims to support youth friendly spaces, events and activities, and the development of young people in the community. The plan and associated Shire Policy underwent a major review from August to December 2017 and was endorsed by Council on 22 November 2018 (OM2017/298). The review included:

- Youth services audit
- Youth survey with the Margaret River Senior High School where 190 responses were received from 18 October to 6 November
- Findings from a series of other Shire consultations held in the lead up to this review, including up to 180 youth submissions which informed the Your Vision 2036 project
- Formation of the Youth Stakeholder Group, which commenced quarterly meetings through the review. The group has representatives from eight government, non-for-profit or education based agencies active in youth services in the Shire
- Regular touchpoints with community from various committee and advisory group meetings, to the 2017 Margaret River Agricultural Show display through the online Your Say page.

The Plan was implemented throughout the year, with a core focus remaining capacity building of the Shire's Youth Advisory Council (YAC). The Margaret River YAC is comprised of around ten local youth who meet weekly throughout the school terms at the Zone Room. The group advise the Shire on youth matters, provide an increasing role in positive community management of the MRYP and youth projects throughout the year. Meeting topics throughout the year have included review of the youth plan, school holiday programs, development of the Zone Room and Scout Hall, construction of the MRYP, launch event for the MRYP and the development of mental health youth services in the Shire.

Other youth activities over 2017-18 have included:

- Mudfest on 1 July 2017 - 32 youth attended as "RED" team
- Zone Room Open Day on 6 July 2017 - 50 youth involved with Lamp Room 226 cupcake decorating and glass painting
- Deja Moo on 8 July 2017 - Three youth volunteered running a mug wash station at the community event in Cowaramup
- Gravity school holidays trip - 22 July 2017 - 13 youth attended
- YAC games night on 22 September 2017 - 12 youth attended

- Drug Aware Zone Room mural October 2018 - 27 youth involved over a three day period
- Adios Skate Park Fiesta October 2018 - to celebrate the life of the old Margaret River Youth Precinct
- YAC run South West Youth Festival stall in Busselton in April 2018
- Heathway Surf Pro pop-up in Margaret River and Surf Pro tour in April 2018
- Margaret River Region Open Studios tour on 11 May 2018
- 12 youth from Margaret River Senior High School Student Council attended the Shire offices for "Councillor for a Day" on 19 June 2018, to engage and learn about local government
- Community Development Trainee attended Margaret River Senior High School Board Meetings throughout the year
- A Bursary Induction Process was developed over October and November 2017, including guide noted on the main aspects of the trainee role, for annual review
- Community Development Trainee attended Southwest Young Achievers Program
- Community Development Trainee and Community Development Officer leading the planning committee for the annual YACtivate state conference
- Development of a youth mental health partnership, for services based permanently in Margaret River.

Councillor for a Day

The Margaret River Senior High School (MRSHS) Student Council and YAC were invited to attend the 'Councillor for a Day' student leadership excursion on Tuesday 19 June 2018 at the Augusta Margaret River Shire Offices.

The 18 students were welcomed by Shire President Cr Townshend and Deputy Shire President Cr Meldrum, before touring the Shire offices. Several Shire employees explained their roles and duties to the students. During the provided lunch Chief Executive Officer; Gary Evershed spoke to the students briefly about the current upgrade to the Margaret River HEART.

Students then spent time as Councillors, participating in the Shire's current Waste Management and Feasibility Study and in a review of the Local Planning Strategy. These projects were presented by Shire employees, with opportunities for the attendees to debate the issues and which then resulted in a mock Shire Council meeting.



Students at the Councillors for a Day event in June 2018.

Artzability perform at the Margaret River Youth Precinct on 25 June 2018.



The Access and Inclusion Plan (AIP)

The Community Access and Inclusion Reference Group (CAIRG) is a community based advisory group to the Shire who are dedicated to improving accessibility in the community for all ages, abilities and cultures. The Shire have partnered with this community group to develop and implement the Access and Inclusion Plan 2018-22 (AIP), which is focused on improving accessibility and inclusion on a variety of community facilities, community spaces and information services. In March 2018, the Shire sought new members for CAIRG through public communication channels.

A major review of the Shire's AIP was conducted over December 2017 to March 2018. A wide community consultation process was carried out to identify potential barriers to access and inclusion. Overall the findings indicate that the community are satisfied with the direction and achievements of the Shire within their role in access and inclusion, however more progress is required in a number of areas, including:

- Improvements and monitoring of accessible parking bays, particularly in prime locations and busy tourist spots
- Improvements and upgrades to older facilities and buildings
- Improving footpaths, seating and shading at Shire parks and reserves

- Ensuring there are multiple ways of making a complaint and better communication on when complaints/ requests are resolved
- Continuing to provide clear and concise information in a range of formats, as many people in our community do not use computers or emails
- Advocating for public transport to facilitate independence in accessing services, events and public consultations
- Ensuring officers are more proactive rather than reactive, such as budgets for projects including the cost of addressing access and inclusion in the grant application or project concept stages
- Continuing to improve organisational culture that recognises access and inclusion issues and focuses on opportunities for improving access and inclusion during the annual business planning and budgeting cycles.

The plan was expanded through the review to acknowledge that many groups may also experience barriers to access and inclusion, such as people with a disability, culturally and linguistically diverse (CALD), Aboriginal people, seniors, people experiencing financial hardships and others.

Throughout 2017-18, a total of 11 of 11 strategies identified in the AIP were completed or met across all eight outcome areas. AIP key outcomes for 2017-18 were structured around five CAIRG meetings held over the year, including consultations on

- Accessibility of Shire events
- Fearn Avenue Public Toilets
- Pioneer Park Public toilets concept plan
- Ellis Street accessible jetty
- Accessible BBQs
- Implementation of new accessible pathways including Railway Terrace, Margaret River in November 2018 (shown below)
- Review of the Shires Access and Inclusion Plan.

Access and inclusion was featured as an agenda item at Executive Leadership Team meetings throughout the year, strengthening discussion throughout all levels of the organisation. Access and Inclusion inductions were held for new staff during the year and improvements were also made to the Shire website to address access issues. Approximately ten community members with a disability and their support networks enjoyed a day out at the annual Margaret River Pro special tour in April 2018.

The Shire also participated in Workability Margaret River Day in September 2017 and continued to explore ongoing employment opportunities this year

at the Recreation Centre and Human Resources. On 26 August 2017 CEO Gary Evershed won the CEO Leadership Regional category at the Lighthouse Project Local Employment of People with Disability Awards. The awards are coordinated by the Local Government Professionals Association (LGPA) and Disability Services Commission, recognising local governments and their leaders who work to provide employment opportunities for people with a disability.

"In his nine years as CEO, Gary has ensured all HR recruiting systems are flexible and committed to equal employment opportunity, and comprehensive access and inclusion inductions are compulsory for all staff and managers. People with a disability make up 1.3% of indoor and 5.4% of the Shire's outdoor workforce. These staff members all work to serve the community through their roles and are greatly valued for their contributions to the workplace." Katie Taylor, Shire Community Development Officer.

"Thank you to the Community Development Team and our great staff for implementing our employment programs and inclusion initiatives. "I'm honoured to lead a team of dedicated professionals who nominated me for a CEO Leadership Award in access and inclusion for people with varied abilities." Gary Evershed, Shire CEO.



Gary Evershed was awarded the Lighthouse CEO Leadership award in August 2017 for achievements in the Shire on accessibility initiatives.

Age Friendly Plan

The Age Friendly Community Plan 2017-21 focuses on maximising the quality of life, participation and social recognition of seniors living within the region. Activities over 2017-18 included:

- Cyber-safety training for staff and community members held at Margaret River Library on 29 August 2017 which included scam information, digital inclusion displays, posters, blog posts and information pamphlets
- Seniors Week Augusta morning tea on 30 October 2018 and Margaret River morning tea on 2 November 2018
- Intergenerational Baby Rhyme Time on 30 October 2018.

Outside School Hours Care

Margaret River Recreation Centre Outside School Hours Care (OSHC) offers a vast range of services for the community to access including crèche, vacation care, before and after school care (Kids Club). Usage statistics shows continual growth in use over the last three years. There is also a high volume of unmet demand due to this service being the only one of its kind in the region.

The development and need for OSHC facilities within The Margaret River Region continues to grow and with the increase in attendances the facility is stretched to capacity. In conjunction with the recreation masterplan, finding space will be the next hurdle for this ever growing area. The possibility of occasional day long care within Margaret River has been put on hold

due to the upcoming renovations in the Recreation Centre and Cultural Centre. Due to licensing, size and access to building, this project will be deferred until further plans have been designed for the rear of the Recreation Centre.

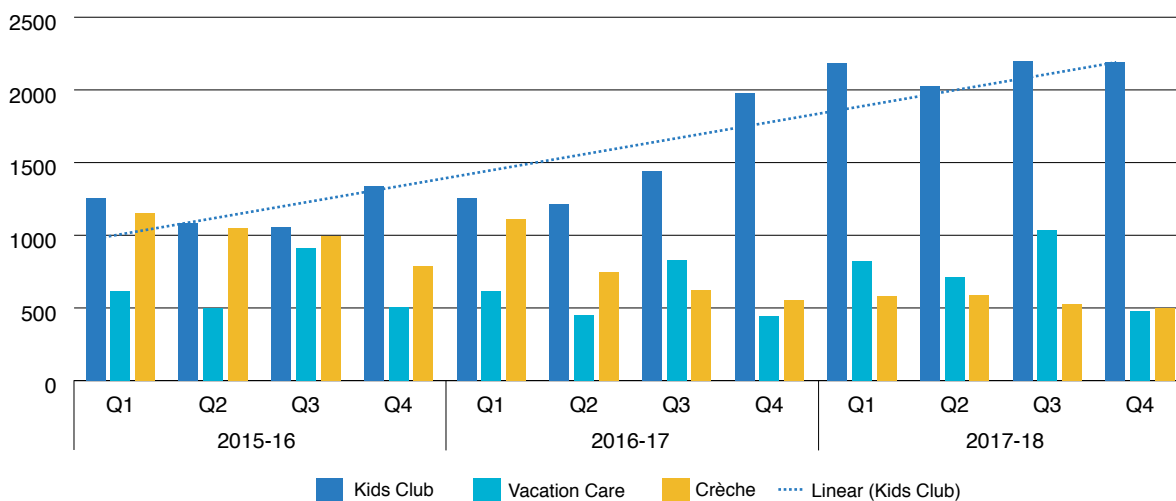
OHSC is run in line with Department of Local Government, Sport and Cultural Industries, Australian Children's Education and Care Quality Authority and Childcare Australia regulations. Strong partnerships have been developed with Margaret River Primary School, the principal of the new school in Rapids Landing, Community Health Nurses of Margaret River, National Disability Scheme, Department of Community Services and Communicare inclusion support teams for children at risk within the area.

The service was temporarily relocated for four weeks from Monday 14 May 2018 due to the demolition of the adjoining Margaret River Cultural Centre. Before school care moved to the MRYP Zone Room, with after school care was hosted at the Margaret River Primary School.

The community bus

A community bus operated throughout the financial year, to support community events as well as supporting the Shire operated OSHC, by providing transport for school children before and after school care in wet weather conditions. The bus is also used throughout the school holidays for the Shire's YAC school holiday activities, including a beach bus service over summer 2016-17.

Recreation Centre Childcare sessions





Peter Kenyon hosts a community session on Asset Based Community Development in October 2017.

3. Strong community groups and networks

Community CONNECT

The Shire is committed to providing ongoing assistance to volunteers and community groups through its Community CONNECT program, which offers an online database of local community group contacts and services. The database is designed for self-service and may not capture all community groups active in the Shire. The database is updated annually to invite other community groups and ensure information is kept up to date. Through this database, Shire officers share information for local development, promotion of events and grant opportunities.

Information on funding, training, grants and events were shared via this email database and regular updates were applied to community group information as received. Consultation Manager software was procured and implemented in late 2017, to support more targeted engagement with relevant community groups and best practice project management.

Support for community groups

The Shire provides in-kind professional advice and support to community groups as requested throughout the year. This has included the Augusta Museum and Historical Society, Augusta Chamber of Commerce, Just Home, Cowaramup Community Garden, Cowaramup Bullshed, and Suicide Prevention Margaret River. At least 15 letters of support were provided over 2017-18, to assist community groups with funding applications. This included not-for-profit groups Just Home, Undalup Association Inc, Lamp Inc, Open Studios, SWAN Network, and Cowaramup community garden project.

A wide variety of community workshops have been supported by the Shire over the year, including Mental Health First Aid training courses on 11 and 18 September and Suicide Prevention sessions held through St John of God in June 2018.

The Shire hosted a capacity building conversation with Peter Kenyon on 13 October 2018. This breakfast style session had 40 community members in attendance, engaging with Peter on how to embrace

innovation for positive local change and community development. A second community sundowner was hosted when Peter visited the Shire on the 15 March 2018 for the Margaret River Rotary Conference.

Thank a Volunteer Day celebrations were held on Tuesday 5 December 2017 at the Shire civic and administration centre in Margaret River. The annual event featured light refreshments, entertainment and presentation of volunteer awards. Winners for 2017-18 were:

- Stuart Carrick
- Sally Izod
- Stuart Carrick
- Ben Arrow
- Cynda Miles
- Narelle Rodley
- Sally Hays
- Alex Kingston - Youth volunteer award
- Louise Dumbleton - Youth volunteer award
- Lyn Serventy - in recognition of 30 years of volunteering, RAC Regional achievement and community award 2017.

"Volunteers are the backbone of our community; their invaluable contribution of time, work skills, life experience and continued support make a significant difference in many sectors across the Shire. Without their commitment many local committees, organisations, events and services would simply cease to function." Shire President, Pam Townshend.

Neighbourhood BLOCK party funding was also rolled out in November 2017, with the vision of enhancing social cohesion, contributing to a greater sense of trust and safety, improving health and well-being and may assist our community to be better prepared in the case of an emergency. The bucket of \$100 funding for street get togethers was utilised by nine groups, with the loan of a games bag (cricket, quoits, hacky sack) and blank invitations made available for groups to also take up.

Health and social services

Health and social services in the Shire were stretched in 2018 following the familicide in Osmington on Friday 11 May 2018, which resulted in international media attention and collective trauma throughout the Augusta Margaret River community.

The Shire assisted in running a community support centre with the Australian Red Cross at the Margaret River Community Centre old church in the weeks following the event, due to the large number of community groups and individuals impacted by the shootings. A community meeting was held on Monday 14 May 2018, where over 100 attendees formed a Recovery Committee, and Community Group and Health Professionals Subcommittees, to aid in a long term healing process.

These community-led groups initially meet weekly, and then fortnightly, navigating service gaps and community needs as time evolved. This included access to adequate counselling services, support for schools and community healing initiatives.

The Shire has hosted the Community Health Network Group on a quarterly basis for several years. The group comprises approximately 70 representatives from local, state, not for profit and community based human service organisations and volunteers. The group advocates for change in high needs areas such as mental health, hosts industry specialists to update on important policy and structural changes and provides feedback on agency programs and achievements. The group met three times over 2017-18 including September, December and February 2018 at the September session the Red Cross and GIVIT to discussed emergency preparedness for social services in the Shire. Meetings were placed on hold over the remainder of 2017-18 due to the high frequency of meetings at that time.

The Community Health Network Group advocates for change in high needs areas.

Shire President Cr Townshend with District Police Commissioner addressing the media in relation to the Osmington familicide in May 2018.



4. Lifelong learning in the community

Library Services in Margaret River and Augusta offer a vast range of services to entertain, educate, connect and inform the community. These services are a part of the State Library of Western Australia network of public libraries, with access to a state-wide collection through inter-library loans.

Technology in libraries

Every year Library Services reviews current library technologies to ensure that services are cost-efficient and meet the needs of our diverse community.

Highlights of 2017-18 include:

- Library Services achieved accreditation as an eSmart Library Service. eSmart provides support to libraries to improve the online safety of our communities and is funded by the Alannah and Madeline Foundation
- A grant was provided by Be Connected, to assist with the purchase of five new tablets which will be used during Digital Inclusion programs for seniors. Be Connected is a federal government initiative aiming to increase digital engagement for older citizens
- The Library Services online catalogue became more user-friendly, with the upgrade to Discovery enabling patrons to find and place holds on items using fewer clicks
- An upgrade of all library self-issue machines was completed this year, providing a simpler check-out process for patrons, and enabling them to borrow e-books at the same time as physical items
- There were significant rises in the use of online services this year, especially in the areas of e-books and e-audiobooks (+23%), movie streaming services (+14%) and language-learning sessions (+178%).

Library events for adults

The Libraries' Lifelong Learning events program included 60 adult lifelong learning events with 861 attendees including 15 Cinefest Oz screenings as well as various author talks, storytelling, artisan workshops, educational talks and celebrations of Harmony Week, Seniors Week, Plastic Free July and Anzac Day. Other highlights from the year include:

- Collaboration with the 'Tartan Fleck' project celebrating the contribution of Scottish migrants to rural South West Capes' communities of WA. A 'Robert Burns Supper' was held including a three-course meal, speakers, poetry and music. Two recycled paper-making workshops were also held as part of the 'Fleck' and 70 people in total attended this series of events
- Ongoing partnerships with organisations such as Writing WA, Arts Margaret River, Noongar Boodjar Language Cultural Aboriginal Corporation, Boomerang Bags and Margaret River TAFE and Education Campus, Margaret River Readers and Writers Festival, Margaret River Open Studios and Plastic Free July ensure our program of events is varied, interesting and supports lifelong learning for all members of our community.

General comments from front counter comment book

"Congratulations. Beautiful space. Fresh, contemporary, large selection, loved. Most of all the gracious and sincere welcome." Anonymous

"The Library is helping my mental health so much. Thank you." Sam

"We so enjoyed visiting. Your library is a haven of peacefulness and calm. The staff fabulous and the setting so serene. We are visiting from Melbourne." Anonymous



*Tatami weaving workshop with Cynamon
Aeria was very popular with a second
session held to accommodate 28 people.*



It has been recognised that for every \$1 put into early literacy the benefit value to the community is \$5.60.

Children's services and events

A record number of 172 programs were run this year at the Shire Libraries for children, with a total of 3,860 children and young people attending. Regular programs included Better Beginnings Family Literacy program, Reading Rabbits year one rewards program, Baby Rhyme Time, Story time, Toddler Tales, CoderDojo and Book Chat Club. School holiday activities included illustrator workshops, story and art weaving workshops and Lego Club.

989 children and adults attended regular CoderDojo sessions at the Margaret River Library. CoderDojo is a worldwide organisation supported by the Fogarty Foundation and Woodside. The Margaret River CoderDojo club is run entirely by volunteers, hosted by the Margaret River Library with support of the Lions Club of Margaret River. CoderDojo encourages members aged 7 -17 years old to develop their coding skills.

New braille board books for young children were purchased this year and a French bi-lingual storytime was held, attracting 25 attendees. Funding was also secured from Children's Book Council of Australia (WA branch), Lotterywest and Healthway to host children's author Mark Greenwood in which over 200 students and teachers attended sessions at our libraries from five local primary schools.

Other highlights included:

- Better Beginnings is a program targeting early literacy and our shire partners with State Library WA to roll-out the program. It has been recognised that for every \$1 put into early literacy the benefit value to the community is \$5.60
- Over 200 students from local primary schools came to the Shire Libraries to hear author Mark Greenwood speak about his books, research and writing processes. Funding was sourced from Children's Book Council of Australia, Lotterywest, Healthway Go for 2 and 5 message and Department of Culture and the Arts
- To celebrate Children's Book Week we visited Cow Town Kids Toddler and Kindy Hubs as part of an outreach promotion. Thirty-four children attended these sessions and received information on library services
- Another successful school holiday program was run in July, all activities (including Lego Club and a Maker Space Morning) booked out and 58 attended sessions at both libraries.

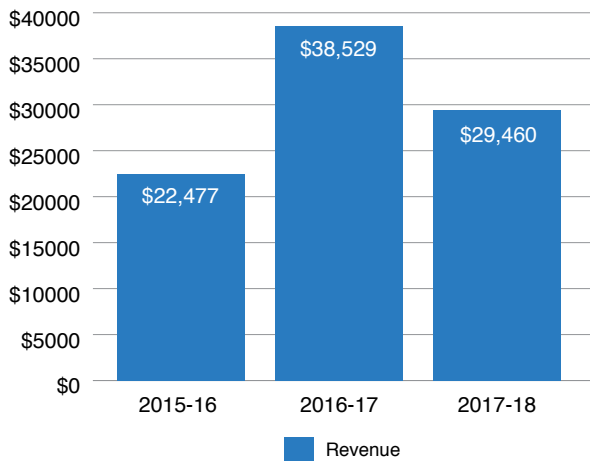
Arts at the Library

Collaborating with the Margaret River Open Studios event was a highlight for the Cocoon Gallery again this year with local artist Barbara Webster exhibiting her work. Over the year, 6 artists were exhibited in the Cocoon Gallery for Emerging Artists with 167 attending launch events. The Augusta Library also hosted an exhibition by Wendy Strucelli.

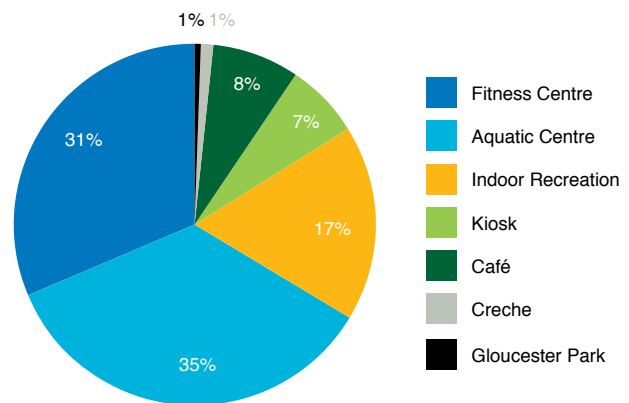


Children at a Margaret River Library school holiday lego club session.

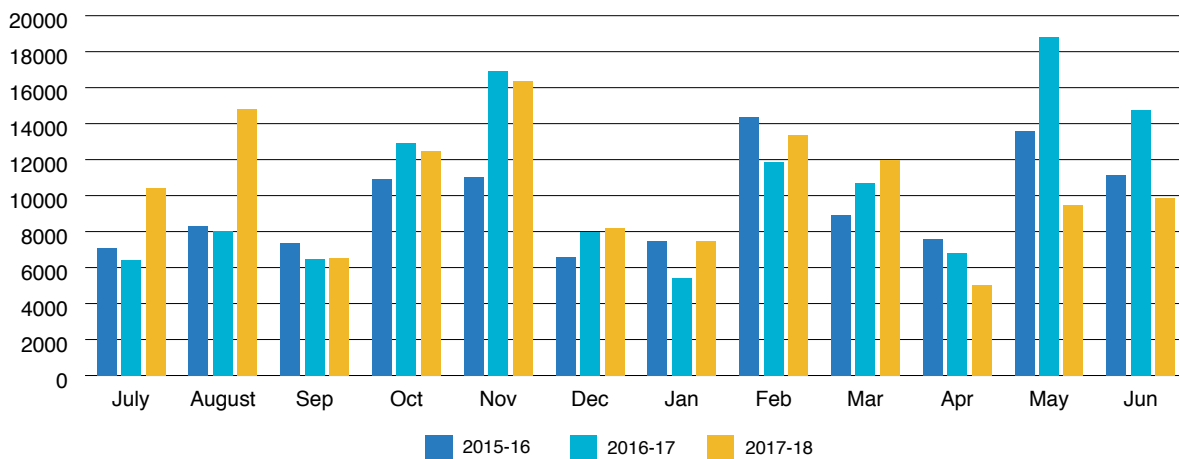
Augusta Recreation Centre Revenue



Margaret River Recreation Centre Revenue 2017-18



Fitness and aquatic admission 2017-18



Top Left: The Aquatic Centre and Fitness Centre were the top revenue sources for the Recreation Centre in 2017-18.
 Top Right: The Augusta Recreation Centre revenue has decreased likely due to the closure for Asbestos replacement in early 2018.
 Above: Fitness and aquatic admissions remain steady in comparison to previous years.

5. Active and healthy lifestyles

Recreation Services

Margaret River and Augusta Recreation Centres continue to be used actively by the community, with aquatic and fitness admissions remaining steady with a 34% increase in 2017-18 in new memberships and an increase of 3% in total usage of all facilities the Margaret River Recreation Centre. Swimming lane bookings over 2017-18 were an average of five hours per day comprising mostly of local schools and swimming clubs. Sporting ground bookings in Margaret River continue to be a key revenue source.

The Margaret River Recreation Centre has provided a range of programs over the year, including \$44,000 of funding to support KidSport in the community and partnerships with disability groups such as Western Australia Disabled Sport Association. Active lifestyle programs include DanceAbility, GymAbility and MoveAbility.

Achievements over 2017-18 include:

- The National Basketball League pre-season game for the Perth Wildcats and Adelaide 36ers in a ticketed game at the Margaret River Recreation Centre on 3 September 2017, with 640 tickets sold
- Margaret River Tennis Club hosted the Tennis West Gold AMT event on the 23-26 September with 66 registered players
- The Margaret River Recreation Centre offered over 28 physical activity classes per week throughout 2017-18, with an average attendance of ten per class
- In Augusta the Living Longer Living Stronger program was increased from two sessions per week to three sessions with an average attendance of ten people per session
- Super Movers and Supervised Rehab held successfully this year, with Super Movers at 80% capacity and 12 classes per week to cater for aging clients, two classes for people with disabilities
- New Les Mills steps were purchased for Group Fitness in quarter one which are safer and more ergonomic and can use incline for older or pregnant clients. Red risers make the steps easier to see, not blending in with the flooring.

"Council provided sponsorship to secure the game to afford local residents a social engagement and entertainment opportunity usually reserved for people living in metropolitan areas. The Wildcats were fantastically inspiring for our youth and the local association saw a marked increase in basketball participation. The players were great with meeting and greeting the local people and hosting coaching workshops." Cr Ian Earl.

Priority project: Upgrades to Margaret River Aquatic Centre

Improvements to the Margaret River Recreation Centre over of 2017-18 included the ongoing maintenance of plant room as well as an upgrade of the Centre's dehumidifier which was completed in June 2018.

The new pool hall heating and ventilation system utilises a water cooled heat recovery system to provide an energy efficient method of heating and dehumidifying the hall. The system consists of a heat pump, supply air heating air handling unit, exhaust air heat recovery air handling unit and two buffer tanks and pumps, and uses a water cooled screw compressor which recovers heat from the pool. By using this recovered heat, the performance and efficiency of the heat pump is vastly improved in winter conditions. The heat pump then heats up the water via the vapour compression process and in turn heats the incoming outside air and delivers it to the pool hall.

Unlike the previous recirculating system, the new system operates at 100% outside air to assist in the removal of chloramines from the pool hall and improve indoor environment quality. The heating of the air also reduces its relative humidity and allows it to extract more moisture from the pool hall. The system could be reconfigured to suit a revised pool hall layout if required. The typical life expectancy is approximately 25 years, with proper maintenance and water treatment.

Also included in the upgrades this year was the addition of new water saving tapware to the all the shower's at the facility. The new Tempo mix shower mixers provides a 30 second automatic shut-off delay with the added benefit of temperature control. With small and large measures put in place over the past few years, energy consumption for 2017-18 is the lowest it has been since 2014-15, and water consumption the lowest since 2012-13.



Margaret River fans meeting with Perth Wildcat players in September 2017.

Priority Project: Construction of Lower Western Oval

The construction of the Lower Western Oval at the Margaret River Gloucester Park was due to commence over 2017-18, although the project was delayed due to several environmental matters. Work was completed to ensure the impacts of clearing were well managed, and that oval development, including lighting, was assessed and approved at a State and Federal Government level specifically to protect on the critically endangered Western Ringtail Possums.

Construction works will begin in early 2018-19 and are anticipated to be completed in January 2019 to deliver a new \$1.1m playing field. The project will see the grass paddock at Lower Western Oval, which was previously used as a dog exercise area and overflow parking area, transformed into a grass turf pitch suitable for a range of sporting activities including soccer, hockey and rugby.

Sport and Recreation Committee

The role of the Sport and Recreation Advisory Committee is to:

- Provide community input and monitor the implementation of sport and recreation actions, and promote the successful achievements of clubs
- Provide Council with advice on community concerns, expectations and needs regarding the effectiveness of recreation, sport and leisure services within the Shire, particularly those concerning barriers to participation, use of facilities and promotion of activities
- Promote physical activity practices, principles and participation opportunities within the broader community
- Establish networks of local sport and recreation providers and assist in the coordination and dissemination of sport and recreation information particularly in relation to funding and resource sharing.

This year the committee has seen the fruition of the CEO priority project for the Lower Western Oval. The committee and clubs provided valuable information and support to bring this project to life. The committee has also recently started to collate information to provide the Shire in the future master planning of Gloucester Park Margaret River, Cowaramup and Augusta sporting precincts which will occur in the 2018-19 financial year.

Swim school

Both swim schools operating at the Margaret River Recreation Centre have existing contracts which were reviewed in December 2017. The Shire has been working with these groups to ensure services are accessible for all families throughout the area.

Beach lifeguard

The service commenced operation daily between 10am and 5pm, 16 December 2017 at Rivermouth Beach in Prevelly and wrapped up on 25 April 2018. Services include supervision of the public within the defined Rivermouth Beach swimming area from 10am each day, in accordance with standard operating procedures. Through consultation, staff have increased lifeguard time over the peak period to a 9am start for Christmas and New Year to ensure public safety. The Shire will continue to monitor beach usage and potential redevelopment upgrades to make the areas more accessible for the community and protective for the environment.

Surfers Rescue 365 Program

2017 marked the launch of Surfing WA's Surfers Rescue 365 Program, an ocean safety initiative run with support from Surf Life Saving Western Australia that provides a free, short training course for recreational surfers to learn life saving board rescue techniques and First Aid/CPR skills.

Below: The Surfers Rescue 365 Program was sponsored by the Shire of Augusta Margaret River and the Department of Local Government, Sport and Cultural Industries, and was held in Margaret River in December 2017 and again in March 2018.



6. Safer communities

Partner for bushfire planning in the Shire

2017-18 saw a five year burning program continue into its second year, where the Shire guided and coordinated a tenure blind, multi-agency bushfire risk management program. The Bushfire Risk Management Plan 2017-22 (BRMP) was endorsed by Council in June 2017, with the Office of Bushfire Risk Management (OBRM) being pleased with the high standard of the plan, and have used it as a template for the other participating local governments across the state.

Strategic firebreaks and hazard reduction burns were conducted throughout 2017-18 by the Shire, DFES and Department of Biodiversity Conservation and Attractions, including:

- Three hazard reduction burns successfully completed over July to September 2017 in collaboration with state government
- The spring burn program for 2017 included Shire reserves, where negotiations occurred with Water Corporation, Parks and Wildlife, and other agencies and landowners to plan in prescribed burns and other bushfire mitigation treatment options
- Asset and risk assessments are still to be input into the Bushfire Risk Management System (BRMS) as the BRPC role was left vacant from May 2017.



A prescribed burn at the Margaret River Pony Club in April 2018.

Support for local fire brigades

The Shire Emergency Contacts and Resource List is regularly updated and details ten local brigades and over 400 volunteers. Highlights over 2017-18 for emergency management support include:

- Preparations for the 2017-18 bushfire season commenced in August 2017, with the pre-season forum and Fire Control Officer Refresher course held in October 2017 for 30 volunteer bushfire leaders
- DFES have rolled out the new 'Fire Chat' campaign which the bushfire ready facilitators have helped roll out to the residents and property owners in the community
- Gracetown, Cowaramup and Rosa Brook Fire Stations where extended
- Two new Digital Bush Fire Danger Signs were installed in Cowaramup and Margaret River
- Training courses delivered as per the Shire Volunteer Bush Fire Brigade training calendar, including Fire Chat for Shire staff
- The local government BFB training officers participated in an inaugural training officer forum in January 2018 in order to share information across the ten brigades and improve current practices
- The Shire also participated in and completed the annual State Preparedness Report in conjunction with the Office of Emergency Management
- The Western Australia National Prescribed Burning Forum 2017 was held in Busselton where over 140 participants from across the country attended a site visit to the Shire of Augusta Margaret River
- The Local Emergency Management Committee (LEMC) met on 8 August 2017, 7 November 2017, 13 March 2018 and 8 May 2018.

New bushfire vehicles

Two new emergency services vehicles were delivered to the Shire in July 2017, funded by the Emergency Services Levy (ESL). Such equipment continues to strengthen the Shire's capability to respond to emergencies as well as improve community safety, as they will also be utilised for risk management activities such as prescribed burning.

The Kudardup Bush Fire Brigade received a new Toyota Landcruiser 4x4 light tanker which is fitted out with the latest technology to keep fire fighters safe, as well as to provide the necessary equipment to respond to fires. Some of this equipment includes:

- Automatic Vehicle Location system (AVL – vehicle tracking capability also includes distress alarm)
- Burnover crew protection includes heat reflective panels for the windows and personnel blankets
- In Cab Air (2 x breathing apparatus)
- 4WD recovery equipment
- Firefighting equipment lockers and toolboxes
- Pump, hose reel
- Firefighting foam
- Radio communications.

The Augusta Margaret River State Emergency Service (SES) also received a new Ford Ranger 4X4 Dual Cab ute from the Emergency Service Levy. This vehicle also comes fitted with:

- AVL – Vehicle tracking capability also includes distress alarm
- 4WD recovery equipment including heavy duty winch, recovery tracks
- Radio communications
- Rescue equipment racks.

The Shire is also expecting a new fire truck (the Kudardup 4.4) in the near future which will also be fitted out with the latest technology and equipment.



Priority project: State Risk Project

The Shire participated in and completed the State Risk Project (local) in conjunction with the Office of Emergency Management (OEM) over 2017-18.

This involved two risk workshops attended with the OEM, including a Shire hosted session for fire related risk on 13 February 2018. Throughout this project risk assessments were completed for the top five hazards for the Shire, which are flood, storm, electricity power disruption, human epidemic, and fire. The Shire is partnering with OEM to develop a risk report which will be tabled at future LEMC meetings.

Community preparedness program

The Shire Internal Emergency Recovery Response Unit attended Red Cross Communicating with Communities in Crisis Training on 26 September 2017, where approximately 15 staff attended. The Red Cross also addressed social service providers on 27 September 2018 on emergency preparedness.

Two electronic Fire Danger Rating signs were installed in the Shire on 20 November 2017. The signs located in Cowaramup and Margaret River display current fire danger ratings and important variable messaging. The ratings assist with informing residents when they may need to enact their bushfire preparedness plans. These assets also support the Department of Fire and Emergency Services 'Fire Chat' initiative.

Throughout the State Risk Project assessments were completed for the top five hazards for the Shire, which are flood, storm, electricity power disruption, human epidemic, and fire.

Bushfire Ready Street Meet

On the 12 November 2017 the Shire of Augusta Margaret River, the Department of Fire and Emergency Services and local volunteer firefighters from the community participated in an operational planning exercise "Bushfire Ready Street Meet" in preparation for the 2017-18 fire season.

Approximately 70 residents attended the street meet property inspections and preparedness talk while about 60 fire services volunteers participated in the operational/response exercise. The event focused on planning and effort for preparation, with discussion around scenarios where fire trucks and water bombing by aircraft may not be guaranteed to defend homes during a bushfire. DFES staff and local fire brigade volunteers talked to the residents in 'West Margaret River' about ways to get prepared and how to respond if a bushfire threatens. This included:

- Assessing the risk and preparing your property
- Walk through of a local property with advice and checklists
- How to keep informed about emergencies within the area
- Fire Chat & Bushfire Planning Toolkit advice and assistance
- Emergency access routes and safer places
- Emergency Kits and Protective Clothing
- Information about joining your local brigade
- Information about the Local Government, Department of Fire and Emergency Services and Parks and Wildlife Service prescribed burn programs.

Augusta Fires

The Shire had one fire emergency in the financial year, on 29 and 30 January 2018 close to Augusta where a fire was started at the Westbay Retreat Caravan Park and quickly escalated with winds blowing up to 60 kilometres per hour.

Two evacuation centres were established on 29 January 2018, one at the Augusta Civic Centre and another the Margaret River Cultural Centre after parts of Bussell Highway were closed in both directions. The evacuation centres were set up by the Shire and then supported by the Department of Communities. An emergency community meeting was held in Augusta on the evening of Monday 29 January 2018 to update residents. A total of 23 private properties, including the Westbay Retreat Caravan Park, were affected with two non-residential dwellings lost.

Your high standing in the firefighting arena was duly noted with authorities determining to leave Shire personnel in charge of the incident instead of transferring to State leadership as is usual practice for an incident of this size.” Cr Townsend, Shire President.

Ranger Regulatory Services

The Shire of Augusta Margaret River Ranger Services Team perform a valuable role in making our community a better place to live. Working closely with community and Police, our Rangers are responsible for:

- Dog and cat control
- Straying stock on roads
- Illegal camping

- Bushfire control and prevention
- Parking related issues
- Litter control, such as illegal dumping investigations
- Off-road vehicles
- Abandoned vehicles
- Cemeteries management
- Patrol of Shire owned parks, reserves and buildings
- Assist with other key agencies in shark response.

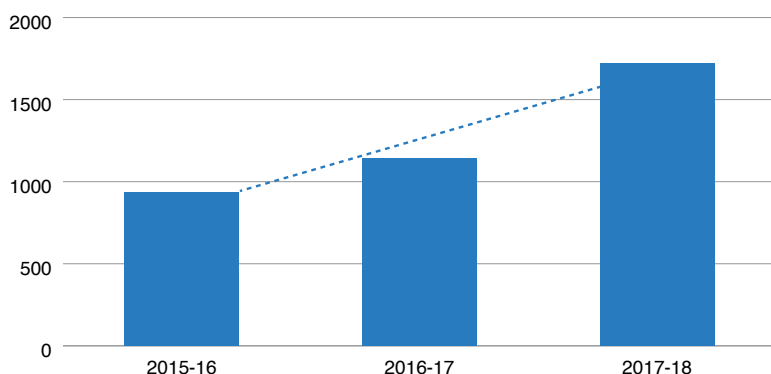
Over 2017-18, Rangers investigated 1,724 complaints received from the public, an increase in 51% from 2016-17 financial year. The most frequent complaints received were dogs wandering, parking and illegal camping. The areas within the district with the most complaints were Margaret River, Cowaramup, Prevelly and Gnarabup.

The 2017-18 summer season involved two serious shark incidents at surf breaks along Gracetown to Prevelly in April 2018. Although these incidents occurred on state government managed land, they occurred close to Shire managed land and therefore Shire Rangers worked closely with Department of Parks and Wildlife (DPAW) Rangers to erect warning signs and close beaches nearby to reduce the risk of another attack. Shire rangers continued to liaise with DPaW Rangers over a period to extend beach closure times and produce a consistent message on the warning signs being erected at beaches. Various alerts via media releases were also issued through both state and local media officers, which proved essential in reducing confusion and concern to the public.

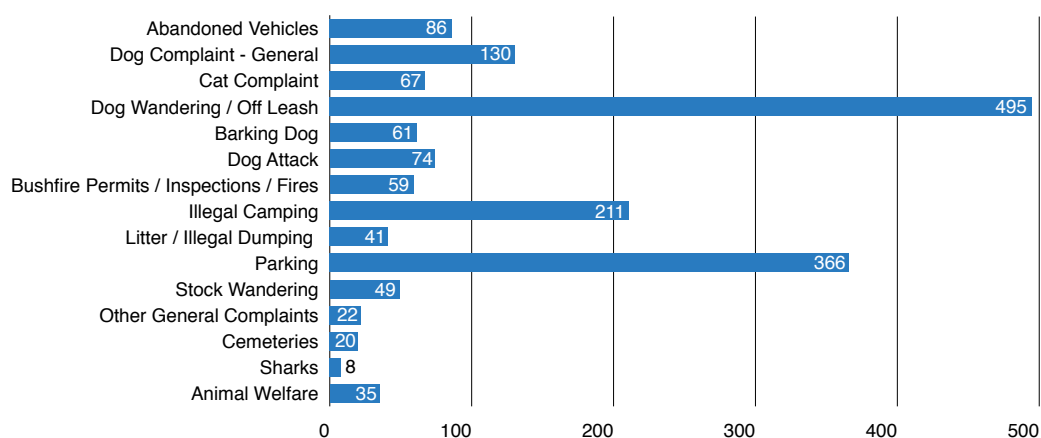
An aerial view of the Augusta fires in January 2018.



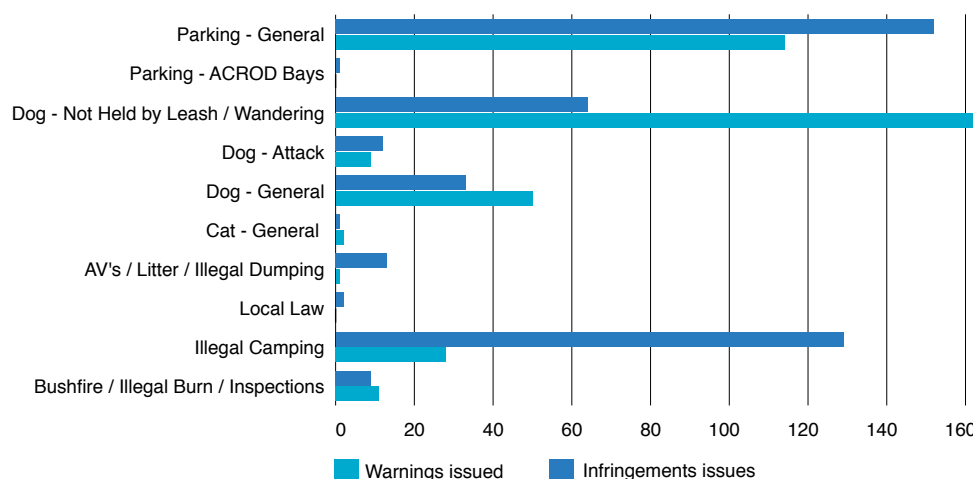
Total Ranger jobs completed



Total Ranger jobs completed in 2017-18



Warnings and Infringements Issued for 2017-18



Top: Ranger jobs have risen steadily over the last three years, with an increase of 85% in 2017-18 in comparison to 2016-17.

Middle: The range of Ranger jobs completed throughout the year. Rangers have also been present at the local schools throughout the year attempting to educate drivers about where and how to park. Their main purpose in being there is to provide a safe environment so that students can safely access their schools.

Above: Overall, 377 warnings and 416 infringements were issued, with 7.7% of infringements withdrawn over 2017-18. This shows an increase in compliance levels with 4% infringements withdrawn in 2017-18.

Cats and dogs

There were 2,617 dogs and 370 cats registered with the Shire in 2017-18. Activity over the year included:

- 979 dog and 125 cat registrations processed for 2017-18 financial year
- 96 dogs were impounded, 87 of those dogs were returned to their owners, three were rehomed and six euthanised
- 50 cats were impounded, eight were released to their owner and 18 were rehomed. 24 of the cats were impounded as a result of actively trapping feral cats these cats were euthanised
- Reported dog attacks 74, resulting in 12 infringements issued and nine warnings in proven cases.

This year 366 parking offences were investigated, resulting in 153 parking infringements being issued, 114 were warnings and 99 were general complaints which were investigated without enforcement action taken.

Illegal camping

This year 211 illegal camping offences were investigated, 129 camping infringements issued and 28 warnings: 30 were general complaints, investigated without enforcement action taken.

Rangers conducted early morning patrols during the summer months, targeting illegal camping 'hot spots' Prevelly, Gnarabup, Rotary Park and Barrett Street weir.

Cemeteries

Rangers Services are responsible for the Shire's cemetery operations and enquiries. For the 2017-18 financial year Rangers Services handled ten burials, two ashes interments into gravesites, and 14 niche wall plaque fittings and interments. Cemetery locations include Margaret River, Karridale and Cowaramup niche wall. The Margaret River cemetery received a new \$100,000 shelter in 2017-18, a collaboration project with Lions Club of Margaret River.

Fire compliance

Rangers inspected a total of 5,364 properties for fire compliance over 2017-18 fire season. A total of 5,062 properties complied on first inspection, with 62 infringements issued for non-compliance, 87 warnings issued for non-compliance and five Section 33 Work Orders issued (two in Augusta, one in Karridale and two in Molloy Island).

Safer Communities Prevention Plan

The Safer Communities Prevention Plan identifies priorities for community safety and crime prevention in the Shire, through injury prevention, crime prevention and emergency management.

Liquor Forum meetings were held quarterly over 2017-18, as an opportunity for the Shire, Police and liquor licensees to discuss responsible consumption of alcohol, issues around community safety and to contribute to the overall health and wellbeing of the community. A consistent cohort of approximately 10-16 licensees attended meeting to discuss CCTV and lighting audits as preventative mechanisms for community safety, discussion around capping of liquor licence approvals, event summaries and the potential for an Augusta Margaret River voluntary liquor agreement for leavers week. Other progress over 2017-18 involved the Shire applying for major CCTV grant funding, with consultation conducted with Rockingham and Cockburn as industry leaders in this space.



*Liquor Forum held on held
28 February 2018.*



Homelessness and affordable housing

The Shire continued support for housing advocacy and homelessness in the Shire over 2017-18, with quarterly reports provided to Council on the Housing Advocacy Officer. This follows the community group Just Home being awarded Shire funds of \$20,000 per annum in 2016 for three years to support a housing advocacy project, subject to co-matched funding.

The Shire established a Homelessness and Affordable Housing Working Group with members from Just Home and the Margaret River Soup Kitchen, which meets on a quarterly basis to progress local action for housing solutions.

Public health risk assessments

In 2017-18, the Shire had almost 500 registered health premises which had regular onsite inspections for compliance with statutory requirements. These comprised of food businesses, public buildings, accommodation facilities, caravan parks and aquatic facilities. Over 520 applications were processed by the Shire over the year for new food businesses, caravan parks, public buildings, skin penetration establishments, liquor licence permits, drinking water sampling, onsite waste water treatment, planning, building applications and event applications.

Services over 2017-18 included:

- Regular food safety assessments of the 415 food businesses operating as supermarkets, restaurants, cafes, child and family day care establishments, school canteens, manufacturers and market stalls throughout the Shire. Inspections confirmed that most businesses are compliant with the relevant regulations
- Assessments of egg, meat and fish wholesalers and producers to ensure compliance with production standards
- Analysis of protein and fat in locally made pies and testing of heavy metals in imported sardines and comparison against standards
- Ongoing monitoring of drinking water quality in food businesses which are not connected to scheme water supply.

Public health enquiries and complaints

The Environmental Health Team responds to situations which impact on public health and amenity. This includes unreasonable noise from animals, human activity and machinery on building sites, Asbestos replacement, sewage overflows and dilapidated dwellings. The team also provide information to residents and businesses regarding the approval process and relevant legislation. In 2017-18, the team responded to over 500 queries and complaints from the public.

Resultant enforcement actions over 2017-18 included:

- Three infringements for breaches of noise regulations (two to private residential homes, one to a licensed premises)
- One ongoing noise abatement direction (to a licensed premises)
- One food safety improvement notice
- One public swimming pool improvement notice.

Environmental Health officers were involved in four public health emergency response situations through 2017-18. These included two hazardous chemical spill incidents, one wastewater overflow and a significant response to the Augusta bushfire in January. Following the Augusta fire, officers assisted with the management of asbestos on the affected properties and provided support and information to the affected residents. The recovery effort continued beyond the end of the 2017-18 year.

Community Planning and Development staff attend the Local Government Professionals Association Spotlight on Homelessness on 6 April 2018 at the City of Joondalup.

Environmental water sampling

Sampling for bacterial analysis of ten identified recreational sites was undertaken over November 2017 to March 2018 including Flinders Bay, Hardy Inlet, Margaret River, Blackwood River, Gnarabup beach and Gracetown swimmers beach. A total of 110 samples were taken. Adequate sampling data has been collected over five years for two sites, Gracetown beach and Gnarabup beach. These sites have been given a low risk rating profile, reducing the requirement for regular sampling. As a result, two new sites were added to the regular water sampling program, Alexandra Bridge and an additional site on the Hardy Inlet.

High levels of bacteria were detected at Barrett Street Weir and the Margaret River Rivermouth in December 2017 and January 2018. Warning signs were erected at these sites while the water was considered to be unsafe for water activities.

"The quality of these sites is variable so there is a possibility that we will need to erect signs from time to time until the end of the sampling season in May. We erect the signs based on bacterial levels, but river users also need to use their own judgement when considering swimming in any natural waterbody." Chris McAtee, Shire Coordinator Environmental Health.

Aquatic facilities available to the public were also monitored and sampled for water quality. A total of 176 samples were taken from 15 sites and sent for analysis. One improvement notice was issued.

Communicable disease surveillance

Environmental Health Services undertake an important role in preventing and controlling communicable diseases of public health significance, including food borne, water borne and blood borne diseases within the community. Over 2017-18, the South West Population Health Unit (SWPHU) alerted the Shire to five cases of Ross River virus infections (mosquito borne disease) and two Campylobacteriosis infections (from exposure to contaminated water or food), which were investigated further.

Margaret River was at the centre an outbreak of Sporotrichosis over the summer of 2017-18. 13 notifications were received regarding the disease which results from exposure to mould on straw and mulch products. Environmental Health officers worked closely with the SWPHU to investigate the cause of the outbreak.

A mosquito surveillance program is in development with several mosquito trapping sites activated to begin data collection in relation to identifying breeding sites and mosquito species identification. This is in support of the Fight the Bite information campaign through local schools, hospitals, libraries and medical centres.

Events

In 2017-18, the Shire issued approvals for 93 events, an increase of 10% from 2016-17. Of these events, eight attracted more than 1,000 people and five events attracted more than 5,000 people, which included the Margaret River Pro, the Leeuwin Estate concert, Gourmet Escape Village, Augusta River Festival and the Margaret River Agricultural Show. Approvals were also issued for 23 ceremonies (weddings), the majority of which were held at Gnarabup Beach.

Each event involved working with the event organisers in relation to logistics, assessment of the event plans to ensure compliance with legislation, site inspections for public safety and food vendor safety and conducting stakeholder meetings as necessary. Constant review of event processes, forms and requirements is undertaken in an effort to simplify the application process for event organisers.

The draft Events Strategy was presented to Council on 14 February 2018 (OM2018/27), where Councillors requested a workshop to discuss issues identified within the Strategy and elements to be added. Due to other work priorities taking precedent and with the draft Sustainable Economy Strategy still to be confirmed, the work is to be resumed in 2018-19. The Strategy will ensure the Shire is better equipped to best manage event proposals, understand the social, economic and environmental value of event types and avoid event fatigue while responding in a balanced way to community aspirations.



Environmental Health Officer Brad Roberts and Parks Coordinator Shane Bacskai collecting sample material.

Margaret River Surf Pro

The Margaret River Pro 2018 included the use of North Point surf break, which was permitted for a maximum of two days during the competition as endorsed by Council on 28 February 2018 (OM2018/42, OM2018/43 and OM2018/44).

A community workshop was held at the Margaret River Recreation Centre on 1 February 2018 to gather feedback and facilitate conversation with the event organisers. The workshop was well attended with close to 70 community members present.

Community groups, businesses, and community members showed their overwhelming support for the event with numerous expressions of support received prior and during the Council meeting. Event organisers Surfing Western Australia showed commitment to improve environmental and traffic management in Gracetown as part of the event.

A full-page background image showing a surfer in a blue wetsuit riding a large, powerful wave. The wave is curling over, creating a massive spray of white water. The sky is a clear, deep blue. The surfer is positioned in the lower center of the frame, leaning into the wave.

“The World Surf League competition in Margaret River equates to over \$35m in destination advertising and brings an injection of over \$5m into our local economy, with the majority of contractors used for the event being local. Beyond these benefits, the Pro also offers social engagement opportunities, healthy living messages, environmental education and awareness, and other educational opportunities.”

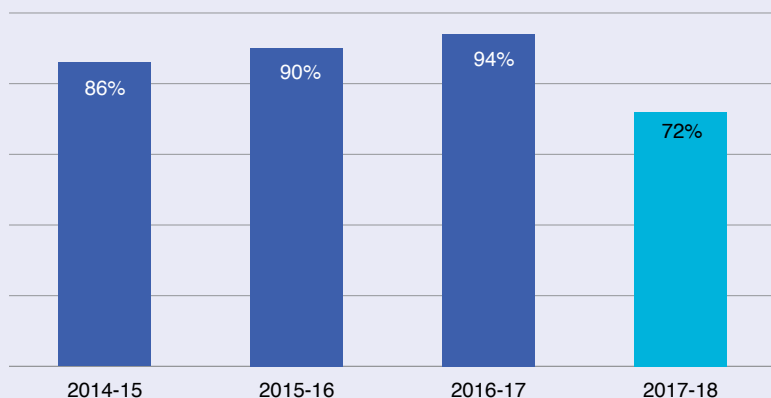
Cr Townshend, Shire President.



Key result area 3

Managing growth sustainably

Goal 3: Percentage of actions completed



Above: Progress against Goal 3 over 2017-18 compared with previous financial years. The Operational Plan 2017-18 involved 46 set actions (projects, activities and programs) against Goal 2, with 33 actions completed before the end of the financial year.

KPI5: Development occurs in a manner consistent with the Local Planning Strategy

Overview

Residential development continues to be undertaken in accordance with its development framework with the major growth areas Rapids Landing and Brookfield in Margaret River. In 2018 the Shire supported a structure plan which will provide for an additional 400 residential lots east of Brookfield which now awaits approval by the Western Australia Planning Commission.

Year	2010	2011	2012	2013	2014	2015	2016	2017 (as of 30 June)
No. of Structure Plans with WAPC approval	6	3	3	4	6	3	4	0

The following structure plans were progressed over the course of the financial year to facilitate future land release in areas identified for that purpose by the Local Planning Strategy. Structure plans are assessed by the Shire to ensure that the resultant form of subdivision and development will be consistent with the Local Planning Strategy and other relevant policies such as Liveable Neighbourhoods.

Re Plan No	Locality	Street/Lot	Nature of Structure Plan	Status
LND/1/6SASP	Margaret River	Lot 20 Rosa Brook Road and Lot 21 Darch Road, Margaret River	Rezone from General Agriculture to Industry and Industry Deferred.	Structure Plan – Referred to WAPC for final approval
LND/1/21SASP	Augusta	Lots 1, 2, 3, 5, 6, 7, 10, 11 & 12 Matthews Road, Augusta	Amendment to existing Structure Plan	Referred to WAPC for final endorsement
LND/1/45	Margaret River	Lots 3-11 Doyle Place Margaret River		Referred to WAPC for final endorsement
LND/1/47SASP	Margaret River	Lots 11-15, 431-433, 18-20 & 22 Ashton Street, Margaret River	Modifying Schedule 11 – Structure Plan Areas	Received Schedule of Modifications from WAPC
LND/1/49SASP	Hamelin Bay	Lot 21 Caves Road, Hamelin Bay	General Agriculture to Rural Residential	Referred to WAPC for final endorsement
LND/1/51SASP	Margaret River	Lots 37, 391 and 392 Devon Drive, Margaret River	Modifying Schedule 7 and Schedule 2	Referred to WAPC for final endorsement
LND/1/56SASP	Margaret River	Lot 13 Ashton Street, Margaret River	Rezoning from 'Parks and Recreation' Reserve to 'Residential R5'	Referred to WAPC for final endorsement
LND/1/12	Kudardup	Lot 1 Kudardup Road, Kudardup	Modification to existing Structure Plan	Referred to Internal Officers for assessment
LND/152SP	Margaret River	Lot 9007 Darch Road, Margaret River	Residential Development	Referred to WAPC for final endorsement
LND/82SP	Margaret River	Lot 104 Bluebell Place, Margaret River (Lot 1 Caves Road)	Amendment to Endorsed Structure Plan	Received Schedule of Modifications WAPC

KPI6: Achieve a high level of liveability for the residents in the Shire

Implementation of the Affordable Housing Strategy continued into its second year over 2017-18 as a key focus area. Activity involved:

- Continued investigating several pieces of land for potential projects through the Homelessness and Affordable Housing Working Group (HAHWG)
- Incorporating housing affordability and liability throughout the review of the Local Planning Scheme No. 1 which will see a major update to planning rules in the Shire.

Delivery Program

1. Clearly defined areas for growth and renewal

Priority project: Finalise review of the Witchcliffe Village Strategy

The review of the Witchcliffe Village Strategy centres around the need to determine the most feasible option for providing waste water disposal infrastructure to support growth of Witchcliffe to its intended population of 2,000 persons.

The review has been completed over the last two financial years, by Shire staff in close consultation with project partners including the Western Australia Planning Commission (WAPC), Department of Health, local developers and wastewater service providers. Investigation undertaken to date indicates a preference for a centralised waste treatment facility, which could be utilised by all residential growth cells.

The findings of the review were that the likelihood of a village scale waste water treatment plant being brought to fruition by a collective of developers is remote, and (with the exception of the eco village) development cells lack the land area and critical mass of lots to feasibly provide for a centralised service on site. The draft strategy was presented to Council on 13 December 2017 (OM2017/311 and OM2017-312)

with Council endorsing advertisement of amendments to the Witchcliffe Village Strategy which have the effect of facilitating revisions to the adopted structure plans (west of Bussell Highway only), for the purpose of allowing 2,000m² lots serviced by onsite effluent disposal systems.

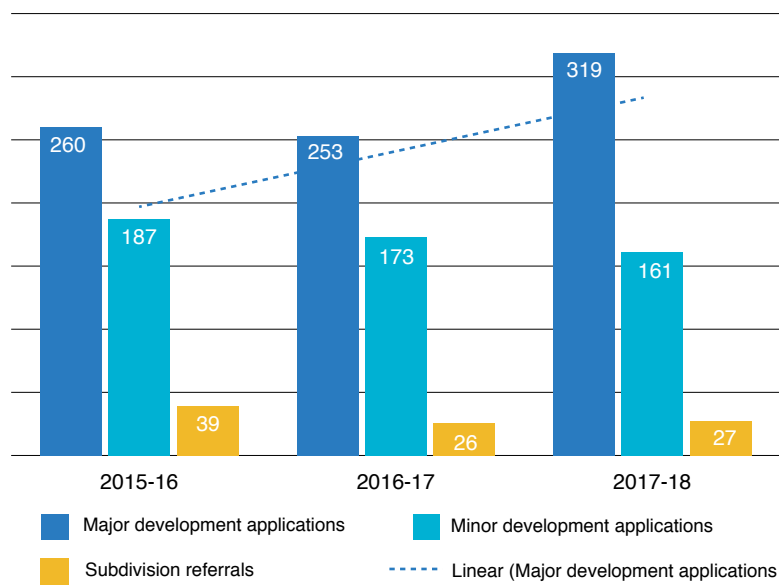
Consultation on the draft strategy was conducted over January and February 2018. The Shire is currently in discussions with Water Corporation, over the potential for wastewater to be piped to the Margaret River Wastewater Treatment Plan. When these discussions are finalised, the strategy will be presented back to Council.

Planning development and building approvals

The Shire's Planning and Development Services received 520 planning applications in 2017-18, and issued 480 approvals.

611 building permits were issued over 2017-18, including 292 new dwellings. This compares with 506 permits and 249 dwellings for 2016-17. All building applications were processed within statutory timeframes, 25 business days for un-certified applications and ten business days for certified applications. The average construction value of building permits issued for 2017-18 was \$110,418,608 up from 2016-17 by \$26,175,173.

Planning applications approved



Amendments to Local Planning Scheme No.1

17 amendments were progressed in 2017-18, to Local Planning Scheme No.1:

Nt No	Locality	Street/Lot	Nature of Amendment	Status
36	Margaret River Townsite	Perimeter Road Contributions	Contributions towards the Perimeter Road and John Archibald Drive	Referred to WAPC for final approval
45	Margaret River	Lots 3-11 Doyle Place, Margaret River	Rural Residential Subdivision.	Awaiting resolution of BMP issues
49	Hamelin Bay	Lot 21 Caves Road, Hamelin Bay	General Agriculture to Rural Residential	Officer assessing submissions and preparing final report, extension of time granted for resolution of bushfire issues
51	Margaret River	Lots 37, 391 and 392 Devon Drive, Margaret river	Modifying Schedule 7 and Schedule 2	Officer finalising Report to Council
52	Margaret River	Lot 202 Railway Terrace, Margaret River	Rezoning from Tourism to Residential R15	Referred to Applicant to modify amendment documents as per Council's resolution
56	Margaret River	Lot 13 Ashton Street, Margaret River	Rezoning from 'Parks and Recreation' Reserve to 'Residential R5'	Officer assessing submissions and finalising report to be presented to Council in December
58	Margaret River	Various Lots on Exmoor Drive, Brumby Place and Boodjidup Road, Margaret River	Introducing RR38 into Schedule 7 with Special Provisions	Referred to applicant to modify documents to be in accordance with Council's resolution

Gazetted scheme amendments included:

Dment No	Locality	Street/Lot	Nature of Amendment	Gazettal Official Approval
16	Cowaramup	Lot 9000 Brockman Road, Margaret River	General Agriculture to Future Development	13 April 2018
28	Witchcliffe	Location 2807 & Lot 2812 Bussell Highway, Witchcliffe	Priority Agriculture to Future Development	29 August 2017
32	Margaret River	Lots 56, 57 & 58 Kevill Road East, Margaret River		29 August 2017
44	Witchcliffe	Lot 122 Bussell Highway, Witchcliffe	Priority Agriculture to Future Development	17 August 2018
46	Augusta	Lot 27 Greenhill Road, Augusta	Rezoning from Public Purpose (Shire Purposes) Reserve to Rural Residential	16 February 2018
47	Margaret River	Lots 11-15, 431-433, 18-20 & 22 Ashton Street, Margaret River	Additional use right and Structure Plan for consideration of x 2 chalets and managers residence, and strata subdivision	7 September 2018
48	Whole Shire	Various Lots	Rezoning Conservation Lots to Bushland Protection Zone	3 October 2017
50	Cowaramup	Lot 145 Cowaramup Bay Road, Cowaramup	Amending Schedule 16 'T4' to include other uses and removing the 'Eating House' use	7 September 2018
54	Shire	Whole Shire	Omnibus Amendment 3	10 August 2018
57	Cowaramup	S/L 1 – 20 Lot 101 Cowaramup Bay Road, Cowaramup	All provisions and reference to the 'Cluster Farm' zone are to be removed. Schedule 12 will be amended to insert new particulars dealing with the 'Restricted Uses', being 'Dam' and 'Recreation – Private'	17 August 2018

Priority project: Review of the Local Planning Strategy (LPS) and Local Planning Scheme No.1

Local Planning Scheme No. 1 was gazetted in 2010. Since that time, it has been regularly amended, including three omnibus amendments, and over 60 amendments, which have kept the scheme in line with changes to the state government planning framework. However the Local Planning Scheme is now due for review.

Officers held a workshop with Council's Planning Committee in February 2018 to explain the review process and explore options for progressing the review to finality. To commence the review, Council were required to prepare a report for the Western Australia Planning Commission (WAPC), assessing the suitability of the existing scheme to effectively control land use and development in the Shire either with or without amendments, and the need for a new scheme. This report was endorsed by Council on 11 April 2018 (OM2018/98), with approval gained from the WAPC on 23 August 2018.

A comprehensive consultation process commenced in May 2018 for the review, a series of workshops to explore with Councillors and the community the major issues impacting on the sustainable development of the Shire, with the following workshops completed in 2017-18:

- Planning for Resilience – 28 May 2018
 - The Towns and Villages of the Future – 25 June 2018
- Issues and Options Papers have been published as an outcome from each workshop, detailing for further consideration by the community, planning issues and suggested responses. Ongoing discussion with the community using the Issues and Options Papers as the basis for consultation via a dedicated 'Your Say' web page and conventional web and print media. The major review is scheduled to be completed over the next two financial years.

The issues of extractive industries and policy for tree preservation (two CEO priority projects for 2017-18) have been incorporated into the review to be addressed at a parent policy level.

"Over the next 18 months, this important strategy will be reviewed with the help of the community via a series of interactive workshops. Members of the public can have direct input in the way future development happens locally. I encourage people that are interested in this issue to get involved and help shape the neighbourhoods and towns of the Shire for the next generation." Dale Putland, Shire Director of Sustainable Development.

Holiday home Policy

Council requested a review of Local Planning Policy 7 – Holiday Houses at its meeting of the 14 June 2017. Briefing sessions were conducted with Council in December 2017 and April 2018 to define the scope and direction for the review. It was agreed that the review should be undertaken in two stages:

- Stage 1 - More minor changes to deal with the most acute issues. This work was completed over early 2018 with several community workshops to inform the policy review. The reviewed policy was presented to Council on 8 May 2018 (OM2018/112) for advertisement and community comment
- Stage 2 - A broader and more consultative process to consider whether a more fundamental change in policy direction is appropriate. The scope of this stage has started with Councillors and given that Council has consented to the commencement of a major review of LPS1 and the Local Planning Strategy, a project which is likely to take at least 18 months and significant resources, consultants would need to be engaged to progress this work. Monies have been included in the draft 2019-20 budget for this purpose.



Shire officers hosting a community workshop for the review of the Planning Scheme No. 1 in June 2018.

2. Liveable and well designed places

Priority project: Cultural Centre Redevelopment (Margaret River HEART)

The redevelopment of the Margaret River Cultural Centre officially moved into construction phase on 30 April 2018, following a detailed tender process over 2017-18. BGC Construction was selected as the preferred tender for the project with the company to complete the upgrade in two stages.

The new centre, dubbed the Margaret River Hub of Entertainment Arts and Regional Tourism (HEART), will create a multi-purpose, highly flexible entertainment and business events complex which both meets the needs of the current population and caters for projected population and visitor growth. Stage 1 includes the multi-purpose function spaces and commercial kitchen due for completion by January 2019. This will be followed by Stage 2 which is the main theatre and foyer area due for completion in June 2019.

In September 2017, \$3.1m was confirmed in the state government budget and review Royalties for Regions projects, enabling all stages of the \$9.2m project to progress. All potentially cancer causing asbestos will be removed in the transformed facility.

"This multi-venue, multi-purpose facility will help to attract events to our region and provide employment as well as providing a venue for local community functions and entertainment. The Royalties for Regions funding will secure the increase from 300 to 450 seats, which will mean that end of year school concerts and large events such as the Melbourne Comedy Festival will be able to take in 50% more people in the audience" Cr Ian Earl.

The centre was formerly branded the "HEART" centre, being endorsed by Council on 13 June 2018 (OM2018/136). The HEART (Hub for Events, Arts and Regional Tourism) concept has been developed through the Shire Marketing and Events Officer working closely with Arts Margaret River over the last two financial years. It was initially established through the grant and design process spanning the last five years. The work endorsed by Council in June 2018 included brand style guide, marketing plan and brand launch. Works have now commenced for website design, with promotion of the venue for booking to be progressed for early 2019.



HEART construction crew onsite in May 2018 with Annie Riordan, Shire Director Corporate and Community Services and Gary Evershed, Shire CEO.

Priority project: Margaret River Main Street Redevelopment

The Margaret River Main Street Redevelopment Project commenced in 2012 as part of the Super Town Planning Process with a key focus on improved safety and amenity. The project has been funded with \$5.5 million of Royalties for Regions funding and a \$2 million contribution from the Shire.

Work over 2017-18 focused on finalising the detailed design with Council and community, ready for construction to commence in February 2019.

Project milestones over the year include:

- A Council briefing on the community consultation and design review outcomes took place on September 13, 2017, which included the Traffic Impact Assessment, Road Safety Audit, Crime Prevention Assessment Report and Disability Access Review
- Council adopting the overarching Concept Plan for the project on 13 December 2018 (OM2017/357 and OM2017/358) which incorporated the detailed community engagement received in May 2017
- Ongoing engagement with the Project Control Group, comprising representatives of the Margaret River Chamber of Commerce and Industry (MRCCI), Main Street Traders Association and Shire officers
- Funding application for Better Regions funding for a pedestrian bridge to Rotary Park was unsuccessful, although the process collated quality detail for future exploration
- Community public art project for street furniture commenced in June 2018.

Community feedback comments:

"Attractive entrance to town from both directions - welcoming and 'iconic' in terms of knowing you have arrived in a special place".

"It is dangerous to walk down the Main Street beyond Tunbridge Street due to lack of lighting".

"I feel strongly about making the town more bike-friendly by including (sculptural) parking frames, bike lanes & a relaxing of the current helmet laws".

Priority project: Sale of Churchill Avenue property

In order to raise revenue for the Margaret River Main Street Redevelopment project, the Shire identified the sale of Churchill Avenue property in Margaret River. A contract to purchase the site for \$725,000 was received and is to be presented to Council in July 2018. Settlement took place on 27 September 2018.

Priority project: Masterplan for upgrades to the Margaret River Recreation Centre

Work to develop a Masterplan for upgrades to the Margaret River Recreation Centre commenced in 2017-18, which includes Outside School Hours Care, Recreation infrastructure renewal and maintenance requirements.

The scope of works for the project changed throughout the year. An external report with concept plans to develop the Recreation Centre for the next 20 years has been completed. The 2018-19 Shire budget includes an allocation to continue this work through consultancy planning.

Below: The South West Development Commission held a session in Margaret River on 2 November 2018, for local businesses to hear detail on the Perimeter Road project and opportunities for local employment. The session included a presentation on the Margaret River Main Street Redevelopment from Shire Project Manager Helen Whitbread.



Community education

A Shire supported special residential design event was hosted at the Margaret River Library on 7 June 2018, where local homeowners interested in making their homes more environmentally-friendly were invited to 'speed-date' an architect. The session included four local architects and was the first of five monthly sustainability workshops to be held at the Margaret River Library, which focus on different ways to live a little lighter on earth.

Survey and design

Survey and design services at the Shire aim to ensure facilities and projects are well designed, have aesthetic appeal and are accessible by all. Significant projects over 2017-18 included:

- Survey and design of the Shire's major road reconstruction project
- Design program for paths completed for construction in 2018-19.

Landcorp development

The final structure plan for the Gracetown Landcorp development was forwarded to the Western Australia Planning Commission in February 2017. The Shire had assessed the structure plan to ensure modifications required by the Western Australia Planning Commission had been captured in the final documentation. The structure plan was endorsed by the West Australian Planning Commission on the 13 December 2017.

Augusta Ellis Street Jetty

Construction of a 20 boat trailer parking bays and a turnaround at Augusta Ellis Street Jetty was completed during 2017-18. Construction of a universal access floating jetty was delayed whilst the required Section 18 Aboriginal Approval was obtained. Construction of the jetty is anticipated to occur in spring 2018. A rigging and de-rigging bay will also be constructed to complete the boating facilities upgrade in this precinct. These projects are 75% funded by the state government's Recreational Boating Facilities Scheme grants program.

3. Unique natural and settlement character

Flinders Bay Protection and Management Plan

Following extensive community engagement in 2016-17, the Shire completed a local protection plan for Flinders Bay. The plan strikes a balance between the preservation of the heritage values and significance of Flinders Bay, the pressure for future development, and the requirements of property owners.

The plan was endorsed by Council at its meeting on 22 November 2017 (OM2017/286 and OM2017/287), with a consultation plan to guide the implementation of the plan in consultation with the Friends of Flinders Bay.

Gracetown concept plan

A concept plan for Gracetown was finalised in June 2018 in consultation with the Gracetown Progress Association. The focus of this work is on the public space surrounding the community hall. The plan features a new half basketball court, playground area, table tennis table, BBQ, upgrading seating and landscaping surrounding the Gracetown Hall. The plan will see the existing playground replaced and is to be presented to the community for feedback in early 2018-19.

In addition, a new pathway has been designed for the Gracetown community on the western side of Bayview Drive.

Local heritage inventory list

In 2012 the Shire prepared the Local Government Heritage Inventory and adopted a Heritage List. The Heritage Inventory is a database that records places that are considered of cultural heritage significance by the local community. The Heritage List allows for the conservation and protection of those places within the Shire that are considered of significant heritage values. No changes or maintenance have occurred to the document since it was adopted in 2012, however a desktop review and consultation for new nominations is underway.



The completed carpark at Ellis Street Jetty in Augusta.

4. Connected and safe transport network

Priority project: Road reconstruction program

The Shire manages 531 kilometres of sealed roads and 393 kilometres of unsealed roads. Bussell Highway, Brockman Highway, Caves Road and Sues Road are managed by Main Roads Western Australia. Roads and tracks within national parks are managed by the Department of Biodiversity Conservation and Attractions.

The \$3.6 million road reconstruction program continued as a priority project, with the program for 2017-18 78% complete by the end of the financial year. This includes:

- Leeuwin Road design only for 2017-18 (Regional Roads Group funding)
- Rosa Brook Road – major works completed, \$748,540 spend
- Carters Road – major works completed, \$574,149 spend
- Treeton Road – works completed, \$63,973 spend
- Rosa Glen Road – major works completed, \$491,231 spend
- Warner Glen – design and survey at 40% for entire road, \$417,956 spend
- Carburnup Road Bridge – completed in March 2018, \$481,175 spend
- Total spend as of 30 June 2018 was \$ 2,807,024. The remaining \$800,000 on schedule for completion in 2018-19 as per our planned commitments and Regional Road Group funding stream
- Works were delayed and construction season started later than originally expected due to weather conditions.

Priority project: Path from Flinders Bay to Cape Leeuwin

A pathway from Flinders Bay to Cape Leeuwin has been explored over the last few years with several options considered by Council.

Work over 2017-18 involved working with Main Roads Western Australia to approve a reduction of the speed limit on Leeuwin Road to 70km per hour. This was done when the track along edge of road was preferred option.

Council also explored the possible alternative trail alignment flagged from Augusta Boat Harbour to Dead Finish Road. This involved completion of a spring flora and fauna survey to inform the discussion. A workshop was held with Councillors who then resolved at their meeting of 27 June 2018 for the extension to Dead Finish to go ahead, with a consultant to be engaged to finalise remaining alignment to Lighthouse in 2018-19 (OM2018/162).

Extension to the Wadandi track

The Shire was awarded a \$50,000 Lotterywest grant in December 2017 for a 4.75km extension to the Wadandi Track. Construction of the track extension is scheduled to commence in April 2018.

The section of the track within the Shire of Augusta Margaret River local government area currently provides a continuous track between Cowaramup and Calgardup Road (south of Witchcliffe). The newly announced grant, along with a matching contribution by the Shire, will enable reconstruction further south to Sebbes Road.

Construction of the Wadandi Track will achieve a number of outcomes identified in the Shire's 2036 Community Strategic Plan, including liveable and well-designed places, connected and safe transport network, quality parks gardens and green spaces, community environmental education, sustainable tourism industry and protection of heritage.

"Being on a relatively flat gradient, the Wadandi Track caters for walkers and cyclists of all ages and levels of mobility. It will benefit local residents who can quickly and easily access the trail for commuting or recreation, and the extension will provide an opportunity for longer one-way or return trip excursions. The extension will also serve the Margaret River Independent School, providing an opportunity for students to walk or cycle to school away from busy roads." Markus Botte, Shire Director Infrastructure Services.

Priority project: Margaret River Walk and Mountain Bike Trails Strategy

The purpose of this strategy is to:

- Develop a future network of walk and cycle trails, identify locations that are not suitable for development of trails
- Identify existing trails that should be restricted to particular user groups, upgraded or closed
- Integrate the strategy with the overall plan for the Margaret River Precinct, the Bike Plan, and other plans and strategies
- Identify the most appropriate location for an off-road cycle hub in Margaret River
- Identify infrastructure needed to support trail development, maintenance and management requirements
- Development of a trail users code of conduct
- Development of a staged and costed implementation program, to promote responsible use of trails within member groups and to provide a channel for communication back to stakeholder groups and the broader community.

A Community Reference Group (CRG) was formed in December 2017 involving representatives from user and environmental groups, Council and Department of Biodiversity, Conservation and Attractions. The CRG met twice in 2017-18 and also completed a site visit to the Old Settlement, Rotary Park and Carters Road precinct. The CRG will be reconvened in spring 2018 to progress the project.

Priority project: Regional Trails Strategy

The Leeuwin Naturaliste Regional Trails Strategy is being jointly prepared with the City of Busselton. The objective is to develop a strategy for the consistent and integrated development of a walking, off-road cycling and horse riding trails network in the Capes region. The project includes a review of current trails, stakeholder consultation and desktop review to determine current and future community need and desire for trails, opportunities for future trail development, and costing and prioritisation of recommended actions.

Highlights over 2017-18 include the scope of the project being endorsed by CapeROC and a consultant's brief prepared in consultation with City of Busselton officers. A Request for Quotation is scheduled to be issued in August 2018.

Footpath maintenance program

The Shire's path network covers 165 kilometres of sealed paths and unsealed tracks and trails. The path expansion works in 2017-18 included Stage 1 of the construction of a path in Point Marmaduke Drive, Gnarabup.

The Shire has provided support to the Department of Transport over the year for development of the Leewin-Naturaliste 2050 Cycling Strategy. This included a call for community feedback on the draft plan in March 2018. The final plan will be released in September 2018 and presented to Council for adoption.

Extension of Bridle Trails into adjacent areas is currently on hold, pending more detailed planning and consultation with stakeholders over 2018-19. Gates installed to restrict vehicle access to the bridle trails precinct have been repeatedly vandalised. Access control options will be reviewed and upgraded in 2018-19.

Bridle Trails Feasibility Study

Signage and trail markers for the Margaret River Pony Club was installed in 2017-18. Extension of Bridle Trails into adjacent areas is currently on hold, pending more detailed planning and consultation with stakeholders over 2018-19.



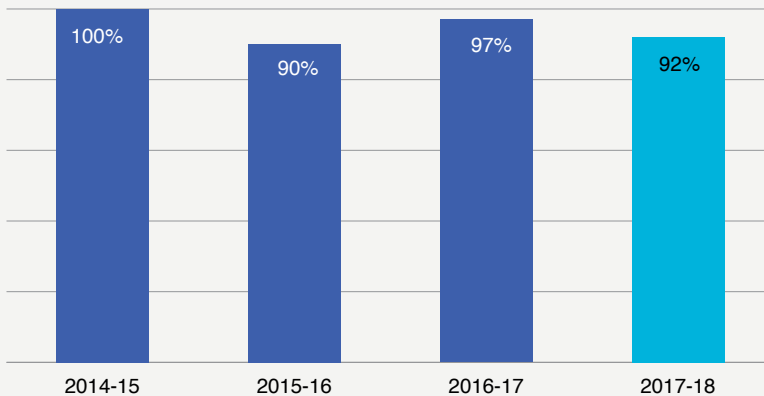
A new pathway on the western side of Bayview Drive has been designed for Gracetown, in 2017-18 and will be constructed in 2018-19.



Key result area 4

Vibrant and diverse economy

Goal 4: Percentage of actions completed

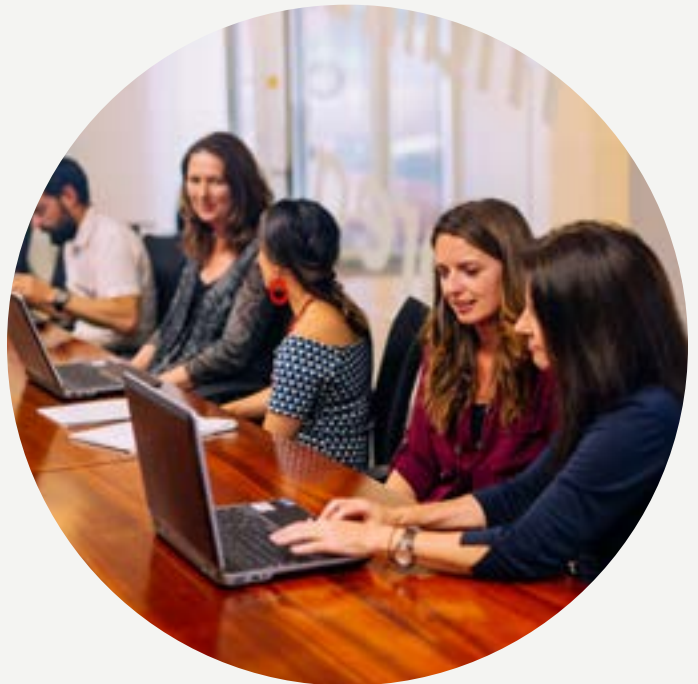


Above: Progress against Goal 4 over 2017-18 compared with previous financial years. The Operational Plan 2017-18 involved 25 set actions (projects, activities and programs) against Goal 4, with 23 actions completed before the end of the financial year.

KPI7: Increased participation rates at icon events

Overview

In the 2017-18 financial year, Council approved \$135,200 in Icon Event Sponsorship funding for 12 icon events, in comparison to \$108,000 for ten events in 2016-17. This funding aims to showcase the Shire to national and international audiences. Icon event funding aims to support major events that are large scale, deemed to be of state, national and/or international significance and demonstrate the ability to generate economic activity (tourism, trade investment) within the local government area.



Event	2017-18 Sponsorship	Participation rates
CinefestOz Film Festival	\$25,000	27,500 attendances
Margaret River Region Open Studios	\$10,000	44,000 visits, 131 participating artists
Emergence Creative Festival	\$10,000	800
Augusta Adventure Fest	\$7,500	2,718 competitors 8,050 people attended the Act-Belong-Commit Augusta Adventure Fest on race weekend (including all competitors)
Drug Aware Surf Pro	\$20,000	Event cancelled partway due to shark attacks. Statistics unknown
Lunar Circus	\$7,500	No of participants, ticket holders, spectators, attendees, volunteers, performers, bands etc. - 3,000
Cape to Cape Mountain Bike	\$10,000	1,500 to 1,800
MR Golf Event	\$2,500	224 players on each of the three days of the event 10 Club employees on each day of the event A total of 80 volunteers for the three days
Wildcats	\$15,000	750 spectators
Tennis West (inclusive of booking fee)	\$7,200	Entries 128, Operations Staff 6, Officials 8, Spectators 280-300, Volunteers 25
Readers and Writers	\$12,500	Attendees – 1,700 Ticket holders – 1,500 Participants (authors/presenters/workshop facilitators/musicians) – 55 Volunteers – 50 (565 hours)
Ultramarathon	\$8,000	Competitors 697 and 31 kids in kids run. 2,505 people attended MR ultra marathon

As well as aiming to achieve economic activity in the Shire, sponsorship agreements with organisers sought to ensure the community also benefited from accessible and affordable social engagement, upskilling, and capacity building opportunities. Examples of community benefits achieved include:

- Youth Advisory Council and all-ability and mobility backstage tours at the Margaret River Surf Pro
- Emerging artist scholarship to Emergence Creative Festival
- Emergency services medical training to up-skill local volunteer paramedics
- CinefestOz 2018 ticket giveaway and red carpet sundowner networking event.

The events are selected for funding based on to their ability to demonstrate good planning, sustainable management and environmental preservation. Events funded aimed to represent and support various industry sectors including food and wine, arts and culture and sports.

Statistics for Augusta Margaret River visitation are based on Tourism Research Australia's National and International Visitor surveys. Data derived from this source is based on the average of the past four calendar years, from 2014 to 2017.

KPI8: Increase in tourist numbers visiting the Shire

The release of data including the 2017 calendar year indicates the annual estimated visitors to the Shire has increased by 9% over the last four years, from 610,000 (average 2013-16) to 667,000 (average 2014-17).

International and Domestic overnight visitation summary	2013-16 Calendar years Average annual visitors	2014-17 Calendar years Average annual visitors	% change
Estimated visitors			
Intrastate	459,000	503,000	10%
Interstate	73,000	81,000	11%
International	78,000	83,000	6%
Total	610,000	667,000	9%
Estimated visitor nights			
Intrastate	1,383,000	1,495,000	8%
International	486,000	502,000	3%
Total	2,120,000	2,335,000	10%
Average length of stay (estimated nights)			
Intrastate	3.0	3.0	0%
International	6.3	6.1	-3%
Total	9.3	9.2	-1%
Purpose of visit			
Holiday or leisure	499,000	539,000	8%
Visiting friends and relatives	77,000	93,000	21%
Business	22,000*	23,000*	5%*
Other	8,000*	9,000*	13%*

*Cells contain estimated data and should not be used for analysis purposes.



Delivery Program

1. Strong agriculture and viticulture sectors

Agriculture primary production is a major contributor to the local economy with a total contribution of over \$300 million annually within the Capes region (Tourism Research Services Dr Jack Carlsen). Secondary production, mainly wine, contributes a further \$450 million a year within the region. This equates to a contribution of around 30% of employment opportunities within the Shire, second only to the service industry. These figures reflect a trend over the last 20 years of an increase in importance of the service and retail industries and some fluctuations within agriculture, especially dairy farming (ABS data 2013 and 2016).

Supporting the agricultural sector

Achievements over 2017-18 included:

- Bushfood Summit held on Saturday 12 August 2017. Jointly hosted by the Shire of Augusta Margaret River and the Bush Food Association of Western Australia at the Margaret River Education Campus, the summit worked to theme of Djit Boodjarra-ngat – Seeds in Mother Earth.
- Participation in the Scott River Region Study, with local representation from Shire Director Corporate and Community Services Annie Riordan, Barbara Dunnett and Cr McLeod. Project scope and potential funding sources are being finalised for continuation into 2018-19.


Margaret River Wine Industry

The Shire aims to maintain a collaborative relationship with the Margaret River Wine Industry Association and promote the Margaret River wine region as Australia's premier wine region. The Shire supported the 50-year anniversary celebration of Margaret River Wines over 2017, including the Wine Label Panel and Art Exhibition in October 2018. Mary-Lynne Stratton was the winner of the label with "Dam Reflections".

Industry Leaders Group

The Industry Leaders Group met three times in the 2017-18 financial year. The group consists of representatives of the Chambers of Commerce and Industry of Margaret River and Augusta, Cowaramup Retailers Association, Margaret River Busselton Tourism Association, Margaret River Regional Producers Association, Margaret River Wine Association and the Shire.

Meeting topics included a review of the meeting format, establishing the terms of reference for the group, the composition of the group and potential new members, as well as ongoing updates on members activities and projects.

An aerial photograph showing a wide river flowing through a lush, green forest. The river is on the left side of the frame, and the forest covers the majority of the right and top portions. In the background, a large, flat, brownish field is visible. A blue circular graphic is overlaid on the upper left portion of the image, containing white text.

A focus for 2017-18 was
to develop masterplans
and management plans
for Turner and Flinders
Bay Caravan Parks
and Alexandra Bridge
Campground.

2. Sustainable tourism industry

Priority project: Chalets at Turner Caravan Park

The Shire is committed to providing alternative accommodation throughout the Shire. A priority project over 2017-18 has continued to be the provision of chalets at Turner Caravan Park, with the aim of increasing visitation to the park and Augusta during the off peak season.

Construction of the chalets commenced in May 2016, along with a new storage facility that will service the chalets. The work was completed, and practical handover of chalets, Dekker Amenity Block and storage facility occurred in the first quarter of the financial year. All landscaping and furnishing works were finalised and professional photos including drone shots were taken, ready for the chalets to officially open for the summer season.

Flinders Bay Caravan Park

Flinders Bay Caravan Park is Augusta's only beachfront holiday park situated 40 kilometres south of Margaret River. The park is open from 1 September to 31 May each year and provides beachfront access, powered and unpowered sites, electric barbeques and three ablution blocks with laundries.

Improvements to the park over 2017-18 included Amenity Block 3 being upgraded with a new commercial heat pump hot water system, a major electrical and water supply upgrade to the park, and extension of fire breaks.

Development of masterplans

A focus for 2017-18 was to develop masterplans and management plans for Turner and Flinders Bay Caravan Parks and Alexandra Bridge Campground. A Council visioning workshop was held in quarter one of the financial year to inform the Request for Quotation for concept planning works.

Priority project: Improvement of Shire procurement and purchasing practices

A review was completed over 2017-18 to implement a series of improvements to Shire procurement and purchasing practices, to ensure uniformity and consistency. This included a CEO report to Council on the City of Busselton's request to expand the regional price preference to the whole Capes Region recommending not to participate.

Shire officers have ensured templates, processes and procedures are being continually updated. Staff assisted with the conduct of procurement workshops during the year and supported by reviewing and amending procurement request documents prior to their distribution. A procurement site on the Shire's intranet has also been updated and a "Doing Business with the Shire" section has been included on the Shire's internet page.

CapeROC calendar

The Shire collaborated with the City of Busselton and the Margaret River Busselton Tourism Association through CapeROC to produce the previously annual CapeROC calendar into a quarterly magazine liftout. The calendar ensures the most accurate, up-to-date information is available for the community and tourists, helping to instigate economic activity and social engagement.

3. Infrastructure for economic growth

Main Roads Western Australia

Local major road developments by Main Roads Western Australia include the Perimeter Road and John Archibald Drive. Shire representatives have regularly attended project control group meetings and assisted the project manager with design and construction matters throughout 2017-18.

The Shire provided support for MRWA over 2017-18 as the construction of the Perimeter Road was progressed around the Margaret River townsite. On 11 April 2018 (OM2018/100) Council resolved to permanently close a section of Rosa Brook Road under Section 3.50 (1a) of the Local Government Act 1995 at the request of MRWA, in order to restrict access on the western approach to the Perimeter Road.

John Archibald Drive is scheduled for completion by the end of 2018. Road formation, pavement, drainage have all been completed, with landscaping to be Shire-funded and completed in 2018-19.

Busselton-Margaret River Airport

Shire Councillors endorsed \$125,000 for an airport marketing fund in September 2018, to support efforts to secure interstate and international flights for the Busselton-Margaret River Airport. Funds committed by the Shire will be paid at a rate of \$25,000 per annum for five years, with the first instalment slated for 2018-19.

This follows City of Busselton and the Margaret River Busselton Tourism Association (MRBTA) who had committed funds into the joint account, with the Shires of Boyup-Brook, Bridgetown Greenbushes, Capel, Collie, Dardanup, Donnybrook-Balingup, Harvey, Manjimup and Nannup also considering contributions.

The Busselton Margaret River Regional Airport is recognised in the Shire's draft Economic Development Strategy 2017-27 (EDS) as an economic opportunity in assisting in:

- Eliminating the seasonality of tourism
- Growing and safeguarding the Margaret River brand
- A viable and sustainable food and agricultural sector.



Shire CEO Gary Evershed and Cr Earl meet Australian Prime Minister Malcolm Turnbull in Busseton, July 2017.

4. Sustainable economic development

Priority project: Work with the key stakeholders to maximise sustainable economic development

The Shire is committed to working collaboratively with the South West Development Commission (SWDC), key stakeholders, local peak industry bodies, other tiers of government and the community sector to maximise sustainable economic development. Activity over 2017-18 included:

- Shire facilitated SWDC Perimeter Road and the Margaret River HEART project information sessions for prospective local suppliers
- Shire CEO met with Chair SWDC, Acting CEO and Funding Officer to discuss local and regional issues
- Finalised Margaret River HEART project funding contract with state government through SWDC
- Participated in visit by Minister Saffioti regarding Perimeter Road progress
- Shire CEO's Office arranged dinner event with Governor Sanderson and key regional identities
- Hosted Industry Leaders Meetings
- Board members invited to networking event - Shire President Sundowner
- Liaised with Tradestart Manager and Acting CEO regarding Margaret River Youth Precinct.

Priority project: The Shire's Economic Development Strategy

The draft Economic Development Strategy (EDS) is a high-level strategic document, outlining key signature projects to be undertaken by the Shire as well as the associated key activities which will be instrumental in delivering sustainable economic development over the next ten years. This includes diversification of the economy, transition to renewable energy, improved business innovation and overcoming the seasonality of tourist visitation. Inclusion of recent census data and

further information on economic inequality, with job creation and increased access to education, training and skills development.

The draft was previously presented to Council in late 2016-17 but deferred to allow work to be undertaken to include analysis of economic inequality and poverty along with other strategic responses. As the Shire did not have the specialist expertise required to carry out this work "in house" Council approved for an external contractor to be appointed to carry out a project brief adopted by Council in December 2017 (OM2017/329, OM2017/330 and OM2017/331) for the sum of approximately \$20,000.

Dr Gary Burke and Laura Stocker submitted a report in May, 2018 entitled, "Tackling Disadvantage and Inequality through the Economic Development Strategy". Council received the report on 13 June 2018 (OM2018/137) for advertisement to wider community and stakeholder feedback from relevant agencies and peak bodies. Council endorsed the incorporation of key recommendations of the report into the draft EDS to enable it to be finalised under the revised name of the "Economic Sustainability Strategy". The report recommendations will also help to inform the development of the Community Resilience Strategy in 2018-19 and the next iteration of the Access and Inclusion Plan.

Council also endorsed to the formation of a Sustainable Economic Development Advisory Committee on 23 May 2018 (OM2018/127), with a draft terms of reference to be refined with Council before formation in 2018-19. The recruitment of a Sustainable Economy Officer has also been progressed with Council through workshop discussions in November 2017 and 7 March 2018, and endorsed by Council on 9 May 2018 (OM2018/110).

Support for local food and agriculture industries

The focus of activity in this space has shifted to the Scott River area with the feasibility study being developed and two field trips recently conducted.

The emergence of the bushfoods industry and supporting innovative agricultural practices were the topics of the day at the Bushfood Summit held on Saturday 12 August 2017. Jointly hosted by the Shire of Augusta Margaret River and the Bush Food Association of Western Australia at the Margaret River Education Campus, the summit worked to theme of Djit Boodjarra-ngat – Seeds in Mother Earth.

"The Shire is very proud to be providing opportunity for people in all sectors of the community to learn more about bushfood and agricultural practices. There's so much local interest in learning about sustainable food sources and bushfoods is another dimension in that space. We are so very fortunate that there are people who are willing to share their knowledge and experiences so we can all have a greater understanding of this aspect of Australian history and food culture." Annie Riordan, Shire Director Corporate and Community Services.

International relations

The Shire has a sister relationship with Haining, China for international relations and to support economic development. The Shire hosted a delegation from Haining in April 2018. The delegation included the Vice Director of the Standing Committee of Haining Peoples Congress, the Vice Director of the Haining Municipal Peoples Government office, the Director of the Department of Finance, the Director of the Department of Culture and Sports, and the Vice Director of the Department of Public Health. The itinerary included a visit to the Margaret River HEART and an overview of the project, a site visit to the Youth Precinct which was under construction, and a visit to the Margaret River Hospital.

The Shire of Augusta Margaret River hosted a delegation of 15 Bangladeshi public servants on Monday 18 September 2017, with the group taking a day-tour through the region to learn more about local sustainability initiatives. Delegation members are all Award Fellows visiting the country as part of the as part of their Australia Government-funded research program on Promoting Inclusive, Resilient and Sustainable Urbanisation in Bangladesh. The Shire's involvement is the result of a Memorandum of Understanding with Curtin University whose Sustainability Policy Institute was awarded a Department of Foreign Affairs and Trade grant to convey Western Australian portion of the program.

Support for local businesses

The Shire supported the Telstra Margaret River Regional Business Awards 2017, through sponsorship of two awards: Business of the Year and the Industry Development Prize. Hosted by the Margaret River Chamber of Commerce and Industry in September 2017, the awards provide recognition for high performing businesses and individuals among the business community. The awards evening held in the Margaret River Cultural Centre received feedback for being inspirational, memorable and amazing.

Meeting rooms at the Margaret River Civic and Administration building were used over the year by a wide variety of community groups and local businesses, including Margaret River Chamber of Commerce and Industry, Arts Margaret River, Disability Services Commission and the Department of Planning, Lands and Heritage.

Working with the City of Busselton

The Shire conducted work with the City of Busselton over 2017-18, to minimise regulatory constraints particularly for local businesses. All agreed actions have been implemented, including identifying areas where local planning schemes and policies can be better aligned to improve consistency.

5. Improved educational infrastructure

Margaret River Education Campus

The CEO is working as an independent Chair of Margaret River Education Campus. A special focus in recent years has been with Curtin University's Sustainability Policy Institute to foster more activity at the campus.

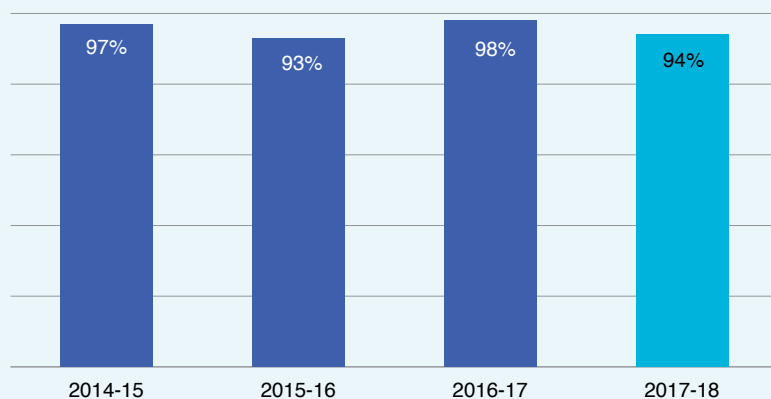
The Margaret River Chamber of Commerce and Industry awards evening held in the Margaret River Cultural Centre received feedback for being inspirational, memorable and amazing.



Key result area 5

Effective leadership and governance

Goal 5: Percentage of actions completed



Above: Progress against Goal 5 over 2017-18 compared with previous financial years. The Operational Plan 2017-18 involved 132 set actions (projects, activities and programs) against Goal 5, with 124 actions completed before the end of the financial year.

KPI9: Financial ratios are trending positively

The Shire's Statement of Financial Position (Balance Sheet) at 30 June 2018 shows that net assets have increased by almost \$62 million compared to the previous year. The Shire is now responsible for the management of net assets valued at over \$466 million. Of this total over \$444 million represents the value of fixed or capital assets. Read the full Annual Financial Report at the end of this report.

Key Financial Indicator	2017-18	2016-17	2015-16	2014-15
Operating Surplus Ratio Industry benchmark is between 0% and 15%	-12%	-1%	-7%	5%
Own Source Revenue Coverage Ratio Industry benchmark is greater than 60%	88%	89%	89%	92%
Current Ratio Industry benchmark is greater than 100%	137%	134%	115%	121%
Debt Service Cover Ratio Industry benchmark is greater than 5	5.64	8.11	5.63	8.01
Asset Sustainability Ratio Industry benchmark is between 90% and 110%	88%	81%	73%	57%
Asset Consumption Ratio Industry benchmark is between 50% and 75%	99%	97%	99%	75%
Asset Renewal Funding Ratio Industry benchmark is between 75% and 105%	121%	136%	128%	118%

KP10: Increasing satisfaction in the biennial Community Satisfaction Survey

The Customer Satisfaction Survey has been scheduled for 2018-19.

Delivery Program

1. Effective governance and corporate leadership

Priority project: Local Government Elections

The Shire partnered with the Western Australian Electoral Commission to conduct the biennial election program by postal voting in October 2017. Preparation for elections were conducted on schedule, with an information session held in September 2017. Additional advertising of the “no wards” election was also published in the local newspapers.

Voting participation saw 4,510 votes received in total, with the majority being received in the eight days leading up to election day. Most voters were 55 years or older, and 52.5% female.

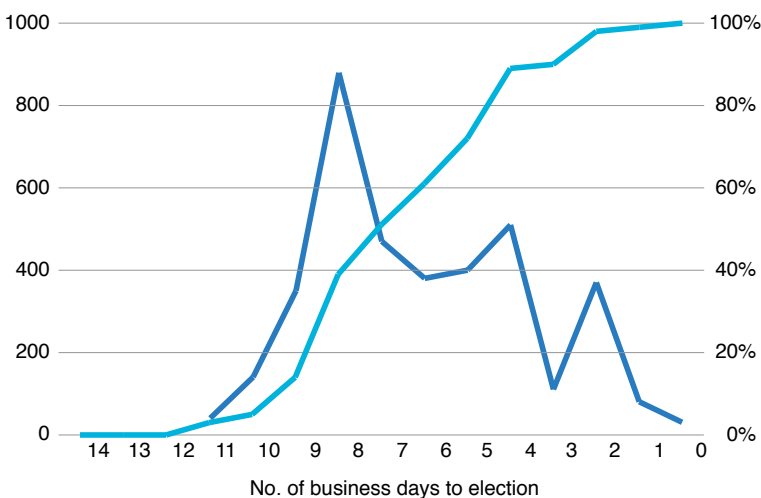
The votes count was completed for the Shire of Augusta Margaret River’s local elections with the four winning candidates each serving on a seven-member Council for a period of four years until October 2021:

- Pauline McLeod (2,306 votes)
- Julia Meldrum (1,959 votes)
- Naomi Godden (2,152 votes)
- Ian Earl (1,863).

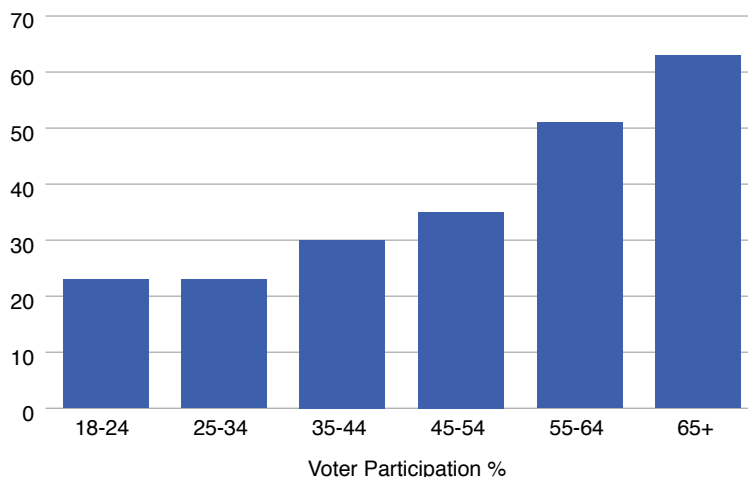
These members join existing Councillors Mike Smart, Pam Townshend and Peter Lane whose terms expire in 2019. The winning candidates were officially sworn at the 25 October 2017 Special Council Meeting, during which the new Council voted on the positions of Shire President and Deputy Shire President for the next two years.

“Thank you also to everyone who turned out to vote in the election. We have an excellent representation of passionate and enthusiastic Councillors to ensure your views are being reflected in the work of the Shire”
Gary Evershed, Shire CEO.

Australia Post Receipts



Voter Participation by Age



Above: Results of participation in the Council Elections held in October 2017, which saw a voter turnout of 42.52%.

Above left: Voter Participation by Age in the Council Elections held in October 2017.

Priority project: Councillor inductions

A comprehensive Councillor induction program was conducted following the elections, which included training in the Rules of Conduct Regulations. A full review of the Councillors induction manual was completed in advance, and councillors attended a series of Western Australia Local Government Association (WALGA) and Department of Local Government, Sport and Cultural Industries training on the Local Governance Act 1995 and planning legislation. Site visits, service and project presentations were also conducted for the new Council.

Site visits, service and project presentations were also conducted for the new Council.

Councillor development and capacity building program

The Shire uses Western Australian Local Government Association (WALGA) modules and other identified courses to develop a comprehensive annual development program for Councillors. Training information is forwarded to Councillors on an ongoing basis and training opportunities are continually explored.

Over 2017-18, Councillors completed several WALGA and other provider modules both in person and on line. Specifically:

- Councillors Meldrum, Godden and McLeod attended the following WALGA training: Serving on Council – 6 November, Meeting procedures and Debating – 7 November, New Councillor Seminar – 17 November
- Councillor Meldrum attended the Mayors and Presidents workshop on 20 November 2017, run by the Department of Local Government, Sport and Cultural Industries
- Councillors Meldrum and Godden attended planning training on 6 and 7 February 2018
- Councillor Meldrum attended the Australian Coastal Councils conference in March 2018
- Councillor Lane attended Climate Change conference in March 2018
- WALGA courses Understanding Financial Reports and Budgets and Effective Community Leadership in March 2018 were also attended
- Cr Meldrum attended WALGA Reducing Plastic Waste event
- Councillors Lane, McLeod, Meldrum and Godden attended the South West Development Commission (SWDC) conference “Critical Horizons – Powering the Future of WA” in Collie on 7 and 8 June 2018.



The Shire Executive team hosted 97 briefings with Council over 2017-18.

Priority project: Conduct Strategic Planning Days with Council

A strategic planning day was successfully held with Council on 15 November 2017, where the Long Term Financial Plan and financial review was presented. Several other Shire strategic planning workshops were conducted throughout the year including for the Margaret River Main Street, Rates, Local Planning Strategy, Holiday Home Policy and Governance Review.

Councillor briefing sessions

Elected Member Briefings are held before every Ordinary Meeting of Council, where required. The purpose is to:

1. Provide relevant information so that elected members are better informed when participating in Council decision making processes
2. Provide a forum for two-way communication between elected members and key staff members on important Council related matters.

Over 2017-18, 97 briefings were held across 19 Ordinary Council Meetings. Topics included, but were not limited to: Your 2036

- Potential for stormwater harvesting
- Turner Caravan Park
- Corporate Plan 2018
- CEO Performance Targets / Review
- Waste and Recycling Services
- Witchcliffe Review Strategy
- Planning Policy Development
- Trails Strategy and Old Settlement
- Leeuwin Naturaliste Planning Strategy
- Strategic Planning Sessions
- SAT Review Updates
- Margaret River Youth Precinct
- Strengthening Youth Plan
- Walk and Mountain Bike Strategy
- Shire's financial performance
- Scheme amendments
- Flinders Bay Protection and Management Plan
- Witchcliffe Eco Village
- Wallcliffe Road Streetscape
- Main Street Redevelopment
- Access and Inclusion Plan
- AMR Clean Community Energy
- Holiday Homes Planning Policy
- Cliff stability reports
- Procurement
- Community consultation
- Cultural Centre redevelopment
- HEART project branding
- Working for the dole
- Lower Blackwood Landcare Updates
- Nature Conservation Margaret River Updates
- Limiting access to Wallcliffe Caves
- Cape to Cape Winter Diversion Track
- Bikeplan Draft Report
- Margaret River Surf Pro
- Developer Contributions
- Financial planning
- Cape Leeuwin Trail Alignment
- Land Asset Management Plan
- Main Roads Project Updates
- Economic Development Strategy
- Waste Disposal and Resource Recovery
- Asset management and rural roads
- Events Strategy
- Service levels and staffing
- Coastal Management
- Local Energy Action Plan
- Climate change and social justice
- Fire season updates / arrangements.

Implementation of Council decisions

There were 256 resolutions over 2017-18 (compared to 240 in 2016-17) of Ordinary and Special Council meetings. 233 of these have been completed or require no further action, and 23 items are in progress:

- Trail between Augusta Boat Harbour and Dead Finish
- Review of Governance Charter
- The Tackling Disadvantage Stream of the Economic Sustainability Strategy
- Cape to Cape Winter Diversion Track
- Formation of a Sustainable Economic Development Advisory Committee
- Recruitment of a Sustainable Economic Development Officer
- Margaret River Youth Precinct Café
- Climate Change Initiatives
- Approval to Commence Review of Local Planning Scheme Number.1 and the Local Planning Strategy
- Objection to Proposed Holiday Houses
- Additional Purpose to Reserve 28928- Poole Road, Kudardup
- Boundary Realignment of Reserve 45243 and Reserve 12298 – Wallcliffe Bush Fire Brigade
- Augusta Margaret River Events Strategy
- Sustainable Economy Disadvantage Analysis Consultancy Brief
- Flinders Bay Boat Ramp
- Proposed Addition of Reserve 12951 to Scott National Park and Conservation Reserve
- Road Widening for Communication Compound – Leschenaultia Avenue, Rapids Landing
- Obstruction of Waddingham Road, Thoroughfare
- Turner Caravan Park Masterplan.

The Council Meeting Decision Action List is updated following every meeting of Council and distributed to relevant staff for updates. The list was presented back to Council on 14 March 2018 and 12 September 2018.

Priority project: Review of Governance processes

Western Australia Local Government Association (WALGA) undertook a governance workshop for Councillors and staff in 2017-18. Shire participated in governance review program implemented by the Department of Local Government, Sports and Cultural Industries and conducted by the Australian Institute of Company Directors with the final presentation given in May 2018.

The Shire completed a review of Councillor Delegations over 2017-18, which was adopted by Council on 27 June 2018 (OM2018/149 and OM2018/150).

The new legislative compliance calendar was rolled out across the organisation in mid 2017-18. The calendar was successfully implemented via the organisation's record management system, providing scheduled reminders and sign off for routine updates to all legislative documents.

Priority project: Statutory Compliance Return

The Statutory Compliance Return was completed and adopted by Council 14 March 2018. 93 out of 94 areas achieved full compliance, with one error remediated within the set timeframes.

Local Government Professionals Australia South West Conference

The Shire aims to support collaboration and learning among South West local governments. The Local Government Professionals Australia Professional Development Conference is a key professional development event for officers in local government. This year, the event was held at the Quality Inn, Margaret River between 3 and 4 May 2018 with a total ten Shire staff attending. The theme for this conference was "Leadership is different for everyone".

Priority project: Women in leadership

The Women in Leadership program is designed to foster greater participation of female Councillors and staff into leadership positions.

The program was supported by the Executive Leadership Team and promoted over the year. As part of the program, 14 members of staff attended the Margaret River Chamber of Commerce and Industry International Women's Day Celebration at Cullen Wines in March 2018, which included networking and information sharing opportunities. Shire female staff were also supported to attend the South West Local Government Professionals Conference and awareness has been raised about Climate Justice impact on women amongst the Shire Executive Leadership Team.

Priority project: Development of the Shire as a values based organisation

A priority project over the financial year was to continue to develop the Shire as a values based and driven organisation. Progress over the year included:

- A focus on cultural awareness across all directorates, resulting in two Aboriginal cultural awareness sessions at all-of-staff meetings
- An amended suite of Shire values adopted and implemented
- Staff recognition awards at both all-of-staff meeting, based on organisational values demonstrated by staff
- Innovation recognised at management meetings, highlighted in internal communications and also displayed throughout workplace.

Corporate citizenship programs

Over the last twelve months, the organisation has focused on improving its corporate citizenship in the community and has maintained the number of work experience placements from the previous year. Two of the students taken on through work experience were students with disabilities. Further to this, during the 2017-18 financial year, the Shire continued its trainee programs, employing a Community Development Trainee, as well as having a Trainee Gardener endorsed for the 2018-19 budget.

Financial Year	High School Student	University Student
2016-17	12	4
2017-18	10	5

These placements were undertaken in the following business units:

Business Unit	High School Student	University Student
Childcare	1	1
Depot	2	N/A
Recreation Centre	4	3
Library Services	1	N/A
Rangers	1	N/A
Corporate and Community	1	N/A
Planning	N/A	1

Priority project: Funding Arrangement for the Augusta Margaret River Library

Assessment of the funding arrangement and framework agreement between state government and local libraries continued to be a priority for the Shire in 2017-18.

The Western Australia Public Libraries Strategy was released for public comment in December 2017. The priorities outlined in the Strategy are intended as a consultation tool to establish a shared strategic vision for public library development in Western Australia. A re-formed Public Libraries Working Group has been initiated to achieve the five priorities.

Strategic partnerships

The Shire held regular meetings with the following groups throughout 2017-18, to develop strong partnerships and collaboration across various projects:

- Arts Margaret River – read more on page 51.
- Art and Culture Advisory Group – read more on page 51.
- CapeROC – read more on pages 87 and 93.
- Community Access and Inclusion Reference Group – read more on page 58.
- Community Health Network Group – read more on page 62.
- Liquor Forum– read more on page 74.
- Local Emergency Management Committee - read more on pages 70 and 71.
- Sport and Recreation Advisory Committee – read more on page 68.
- Youth Advisory Council (YAC) – read more on page 56.

2. Effective strategy, planning and asset management

Priority project: Integrated planning and reporting (IPR) program

The Shire continued implementation of the IPR program over 2017-18, including quarterly reporting against the Operational Plan to Council. The IPR program was implemented by the Department of Local Government, Sports and Cultural Industries in 2013 with a set of best practice guidelines for strategic planning and reporting to Council and community.

IPR documents set the direction for the organisation and guide development of all other strategies and plans in the Shire. Activity over 2017-18 included:

- A desktop review of the Corporate Plan 2017-21 was conducted in June 2017 and presented to Council on 12 July 2017. Councillors held a workshop to discuss the draft plan on 26 July 2017 and endorsed the plan on 23 August 2017
- A desktop review of the Operational Plan 2017-18 was endorsed by Council on 23 August 2017
- Desktop review of the Asset Management Plan conducted over 2017-18 which will include annual schedules for maintenance and renewal of Shire assets within this review round, with the final plan to be adopted in 2018-19
- Major review of Corporate Plan 2018-22 commenced in December 2017, with the work including integration with the Informing Strategy, Corporate Plan major review, KPI review and service level improvements.



The Shire of Augusta Margaret River were fortunate to pick up an award for Public Engagement and Community Planning from the Planning Institute of Australia.

Priority project: Your Vision 2036

The Community Strategic Plan 2036 was endorsed by Council on Wednesday, 27 September 2017. The final session of the Community Reference Group on 21 July 2017, which was joined by Councillors. Councillors attended a workshop on the draft plan on 9 August 2017, and the Strategic Performance Improvement Working Group met on 3 August and 14 September 2017 to finalise the plan.

Approximately 2,000 local residents have provided feedback to the Shire of Augusta Margaret River about their visions and priorities for the future, to help draft Council's key planning document the Community Strategic Plan 2036. The key planning document reached its final stages of adoption following an opportunity of public comment, which saw 14 formal submissions received with 13 (92%) in favour of the Plan.

The project was featured at the Summit Series Western Australia Conference on 13 and 14 July 2017.

"Thank you to everyone who has had a hand in bringing this key planning document to fruition. The Community Reference Group played a critical role in reviewing the strategies within this plan, and we are pleased to present this plan which has been drafted and word smithed directly by our community members" Gary Evershed, Shire CEO.

Priority project: Risk Management Framework

The Risk Management Framework has been reported on regularly to the Executive Leadership Team at the Shire, with a Risk Dashboard Report presented to Shire's Audit and Risk Committee in March and June 2018. Discussions held with LGIS regarding an expression of interest for a Regional Risk Coordinator.

The Audit and Risk Management Committee met on 11 October 2017, 14 March 2018 and 27 June 2018, and considered several matters including:

- Auditor's Report for 2016-17
- Annual Financial Report for 2016-17
- Internal Audit Review
- Report on Legislative Compliance
- Risk Dashboard Report
- Compliance Audit Return for 1 January 2016 to 31 December 2017.

Priority project: Review the Long-Term Financial Plan (LTFP)

The draft LTFP 2018-19 to 2027-28 and its assumptions were presented at the Council Strategic Planning day in November 2017. Council comments were used to update and finalise the Plan, which was adopted by Council on 11 April 2018 (OM2018/101). The LTFP balanced model includes the assumptions that the annual increase to the rate yield would be 3% from 2018-19.

Shire's Annual Budget

The Annual Budget for 2017-18 was adopted by Council at their meeting on 26 July 2017 (OM2017/190). Property rates were billed in July 2017 and mailed in early August 2017 with an issue date of 7 August 2017 and a due date of 15 September 2017. Sundry debtors were billed at least fortnightly throughout the year based on debtors invoice requests lodged by staff. Monthly financial reports were prepared, reviewed and analysed at the end of each month and reported regularly to Council.

Revenue opportunities are maximised by identifying grant opportunities, additional revenue sources and cost recovery. This is an ongoing process associated with preparing budgets and monitoring and improving financial performance.

Shire investments over 2017-18 were rolled over or redeemed at maturity, as required to meet cash flow needs. Shire loan principal and interest repayments were processed in accordance with loan schedules throughout the year. Interest earned on term deposits was transferred to reserves each month as well as any additional funds required to be transferred. The balance of reserves increased from \$24.977 million at 30 June 2017 to \$28.030 million at 30 June 2018.

As of 30 June 2018, the Shire had 9,717 rateable properties, an increase of 171 from 2016-17.

Annual Financial Report

The Annual Financial Report (AFR) was prepared and provided to the Shire's contracted external auditors on 16 August 2018. The audit was conducted from 20 to 22 August 2018. Following audit adjustments to the AFR, an unqualified Audit Opinion was received by email on 9 October 2018. A copy of the AFR including the Auditor's Report was forwarded to the Department of Local Government, Sport and Cultural Industries on 10 October 2018, and has also been provided to the Shire's internal Audit and Risk Management Committee for review and discussion.

The Annual Financial Report is included at the end of this document and is also available on the Shire's website – www.amrshire.wa.gov.au

Community engagement at the Shire

The Shire's Community Consultation and Stakeholder Engagement Policy is based on Asset Based Community Development, the IAP2 model by the International Association for Public Participation, and the Institute of Public Works

Engineering Australia (IPWEA) Practice Note 8: Levels of Service. Highlights over 2017-18 included:

- Inhouse training conducted for 20 Shire staff on Community Engagement Essentials in February 2018
- Regular inductions held over the year with new staff on the engagement policy, framework and consultation tools
- At least 20 community workshops hosted across all departments and 17 online engagement project pages opened within the year
- Regular participation in the state network group meeting for community engagement including development of a local government video explaining why communities should engage
- Work done to establish Consultation Manager software, to support engagement with community groups and project management.

Consultation projects through Your Say over quarter one of 2017-18 have included the following projects:

The Margaret River Youth Advisory Council hosting a mug wash station at Dejamoo community event in July 2018.

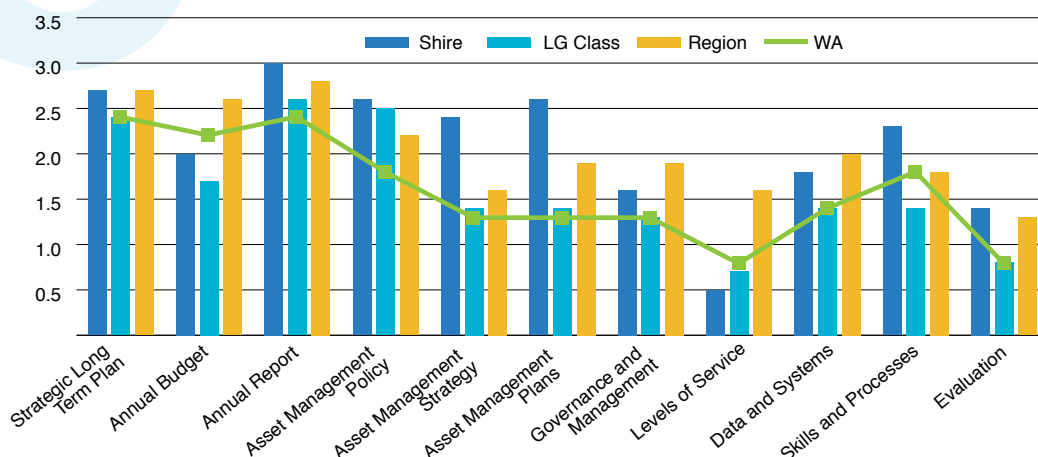


Project	Publish date	Aware	Engaged
Cycling in The South West Region	July 2017	139	22
Welcome to And Acknowledgement Of Country Policy	August 2017	115	2
Community Facility Planning	August 2017	604	30
Cowaramup Skate Park Upgrade	August 2017	314	6
Wildcats NBL Pre-Season Challenge Feedback	September 2017	125	57
Access and Inclusion Plan (AIP) 2018 - 22	September 2017	301	16
Augusta Lions Park	October 2017	45	1
Thank A Volunteer Celebration 2017 Awards	October 2017	74	6
Proposed Surfing Event - Part of The Margaret River Pro	January 2018	421	7
Dog Exercise Area Review	January 2018	907	173
Flinders Bay Playground	January 2018	394	65
Shire Workforce Engagement Survey 2018	March 2018	101	30
Cycling in The Leeuwin-Naturaliste Region	March 2018	471	25
Infrastructure & Assets Projects	April 2018	153	0
Local Planning Strategy and Scheme Review 2018-19	May 2018	541	24
Waste Feasibility Study	May 2018	588	85
Cultural Centre (HEART) project	June 2018	434	0

Ongoing project pages have included Your 2036 Community Strategic Plan, Talking Rubbish, and Margaret River Youth Precinct.

Face to face engagement has continued to be focus alongside hardcopy and online endeavours. Examples for 2017-18 include Shire stalls at the DeJaMoo in Cowaramup on 8 July 2017, Margaret River Agricultural Show in October 2017, Augusta River Festival in March 2018.

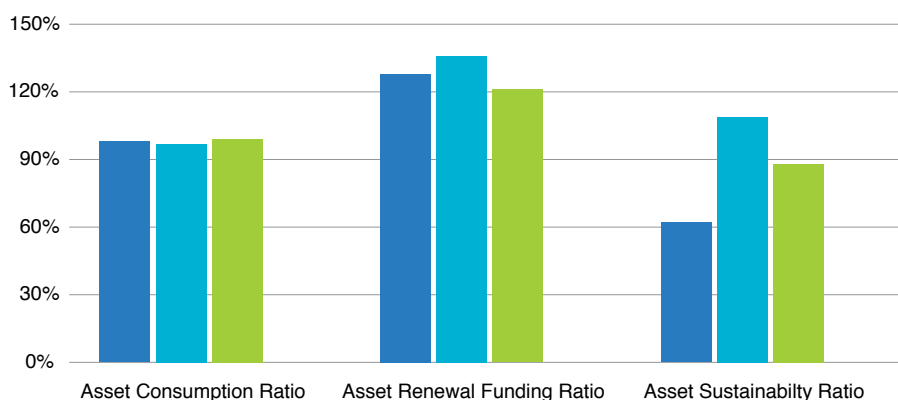
National Asset Management Framework Assessment Scores



Above: Asset ratios for 2018-19 meet basic standards.

Below: Asset management services over 2017-18 included:

Asset Management Ratios



Implementation of the Asset Management Plan

A National Asset Management Assessment Framework assessment was conducted against the Shire's Asset Management Plan in early 2017, facilitated by the Department of Local Government, Sports and Cultural Industries. The assessment showed that the areas of strategic planning, budgeting, financial planning and asset management planning either met requirements or were well progressed to meet requirements.

Several areas for improvement were identified including:

- Documenting roles and responsibilities in asset management planning processes as well as the required skills
- Developing a Level of Service (LOS) framework including measuring current levels and setting targets to assist with evaluation of asset performance

- Documenting operation, maintenance renewal and upgrade planning as well as works programming process and capital evaluation methodology
- Implementing new asset management information system and associated processes
- Continue with two yearly assessment using the National Asset Management Assessment Framework to monitor progress.
- Finalising infrastructure valuations conducted in 2017-18
- Uploading of inventories and valuations into the new asset management information system and operating the system to manage data on Shire building and infrastructure assets as works get done and assets are donated
- The Shire is currently reviewing the asset management plan with a draft to be ready in the first half of this 2018-19. The plan will include network level modelling of the Shire's funding requirements to sustain current levels of services for infrastructure and buildings.

Priority project: The asbestos replacement program (ARP)

Asbestos management across Shire buildings continued to be a major focus in 2017-18, with the implementation of a 15 year replacement program across ten Shire buildings. The program is based on the cost, importance, frequency of use by the public, which determined a final priority score for each building. Over the year more than 50% of Shire's Asbestos replacement liability has been addressed.

The Augusta Recreation Centre on Allnutt Terrace was progressed in early 2018, with \$618,992 approved in the 2017-18 budget for the removal of asbestos containing material at the Centre. The works included removal of asbestos containing materials from the basketball court and the junior football/cricket clubrooms, as well as replacing the roof, ceilings and some carpets in the library and the Lesser Hall, replacing the existing noncompliant staircase with a Building Code of Australia (BCA) compliant staircase and painting of face brickwork. Council endorsed the project and successful tender on 11 April 2018 (OM2018/100), with the work scheduled to be completed in August 2018.

Other Asbestos replacement projects for 2017-18 have included:

- Margaret River Football Club completed which included refurbished change rooms, new showers, toilets and equipment storage for a growing range of users
- The Margaret River Cultural Centre – including demolition of the Margaret River Squash Courts, toilets and change rooms, and the Cultural Centre foyer, hospitality area and toilets
- Works at the Margaret River Community Resource Centre
- The Augusta Recreation Centre and Augusta Bowling Club to be followed by the Turner Caravan Park later in 2018.

Priority project: Plant replacement program

The ongoing maintenance of Shire plant assets is important for viable organisational financial management. This financial year the \$2 million plant replacement program included purchase of a Zero turn mowers, skid steer loader, roller and light fleet program.

The management of the Fleet Long Term Replacement Plan will continue into 2018-19, with a focus on reducing fuel consumption and carbon emissions.

Margaret River Depot Masterplan

Progress over 2017-18 included:

- Decommissioning of a disused bitumen emulsion tank
- Safety improvements throughout the Depot
- Construction of new multipurpose Shed
- Pavement upgrades.

Over the year more than 50% of Shire's Asbestos replacement liability has been addressed.



Works in play for the Margaret River Football Club in December 2017.

Shire infrastructure maintenance and upgrades

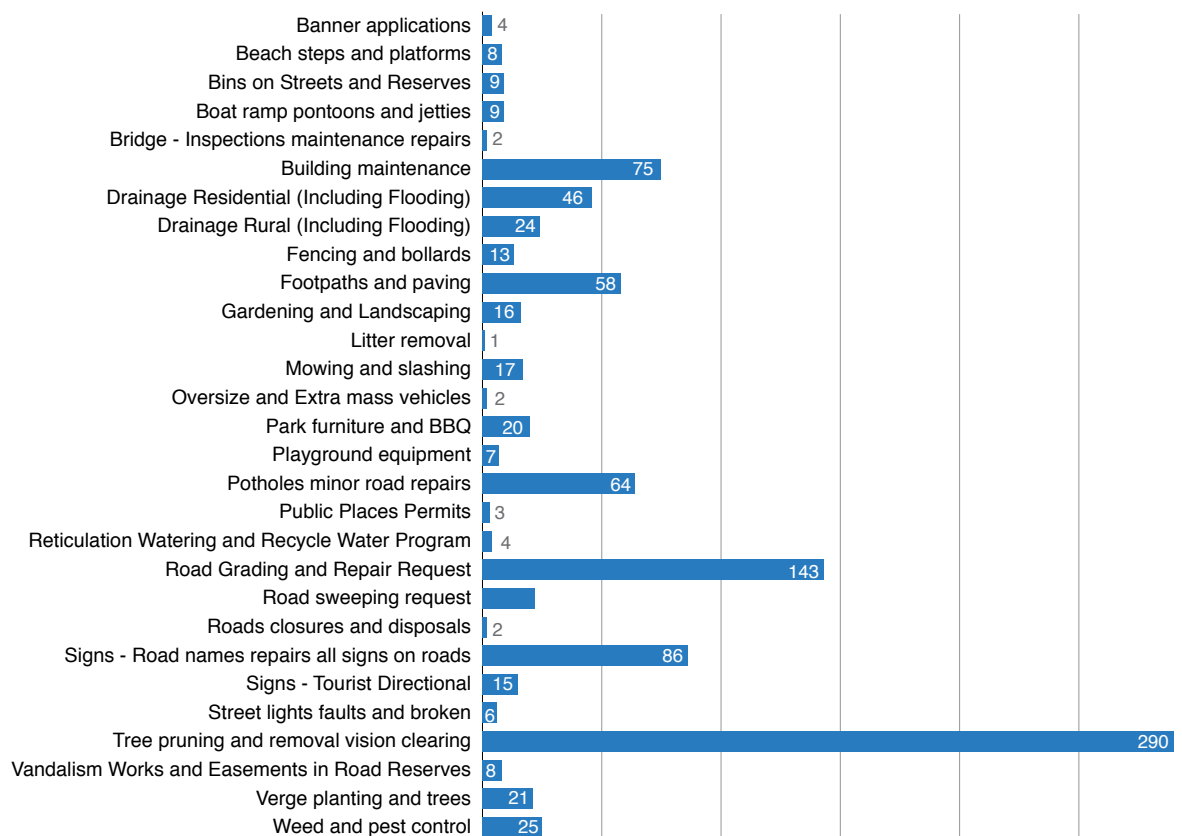
Each year the Shire undertakes renewal activities on core infrastructure assets that have reached their end of life which are no longer functionally and aesthetically fit for purpose. The extent of works infrastructure is highlighted in the following table:

Transport Infrastructure	
Asset Subclass	Extent*
Sealed Road	513 km
Unsealed Road	396 km
Culverts	1,726 culvert locations, 60 headwalls
Open Drains	Approximately 68 Basins, 86 linear swales
Pits and Pipes	Approximately 5,275 pits, 7,283 pipe sections (127 km of pipes)
Sealed Car Parks	62 Car Parks
Unsealed Car Parks	10 Car Parks
Airport Infrastructure	6 items
Aerodromes Site	2 locations in Margaret River and Augusta
Runways	40,000 m ² runways; 6,800 m ² taxiways; 3,500 m ² Aircraft parking
Road Bridges	17 Bridges, 8 Major Culverts
Sealed Paths off Roads	18 km
Sealed Paths on Roads	75 km
Unsealed Paths off Roads	34km formal, 16 km informal bush tracks
Unsealed Paths on Roads	6 km formal

Shire staff attend an open day at the Shire Works Depot in October 2017.



Customer Works Requests 2017-18



Works requests

A total of 1,000 works requests were completed over 2017-18, compared with 934 requests in 2016-17. The majority being tree pruning and removal and road grading and repairs, which is consistent with previous years.

Business Improvement Strategy

The Shire's Business Improvement Strategy derives from Australian Business Excellence Framework assessments conducted every four years. Actions implemented over 2016-17 include implementation of the document control process and improvements to the Shire's procurement and tender processes.

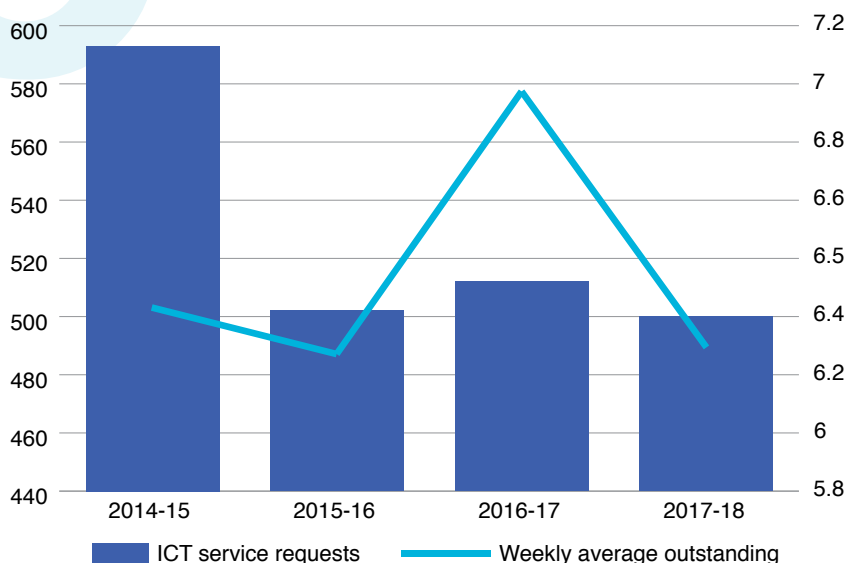
Analysis was conducted for CEO priorities as part of Operational Plan 2017-18 in July 2017. A draft project plan developed for major review of the Corporate Plan also touched on several improvement areas including Category 1: Leadership, Category 2: Strategy and Planning, Category 3: Information and Knowledge, Category 4: People, and Category 7: Results and Performance.

Land Asset Management Plan (LAMP)

The LAMP provides an ongoing plan for the management of Shire land. Implementation of the LAMP includes routine cross-departmental meetings, with various tasks allocated to Shire business areas.

The implementation of the LAMP reviewed and adopted by Council in December 2016, was completed in early 2018 with almost all actions being implemented, including the sale of 5 vacant lots resulting in over \$1 million in revenue. A new review was initiated in June 2018, which includes investigating: means to increase land values such as potential rezoning's; feasibility of relocating some community uses; land that is being underutilised by the Shire; land that may be required for future Shire use such as gravel resources. The current review is expected to be ready for Council adoption by December 2018. The current review will also include an audit of all vacant freehold land owned by the Shire.

ICT Service Requests



Above: 500 support requests entered and completed over 2016-17, with a weekly average of 6.23 requests outstanding across the year, in compared to 512 and 7 respectively in 2016-17.

In March 2018, following advice from its agent, the Shire offered Lot 134 for 'Public Tender' under section 3.58(2)(b) of the Local Government Act 1995 (LG Act). An invitation for tenders for the purchase of the site were advertised on 25, 27 and 28 April 2018 in local and state-wide newspapers. Tenders closed on 25 May 2018 and one compliant response was received and was evaluated by the tender panel. Council rejected the tender submitted as an unacceptable tender for sale on 13 June 2018 (OM2018/142).

Legal services

Legal matters dealt with by the Shire's Legal team in 2017-18 include:

- New Mobile Food Business Policy
- Developing an Expression of Interest (EOI) for mobile food businesses to operate in the Shire
- Preparing invitations for EOIs, assessing EOIs and granting of permits for commercial operations at the Youth Precinct
- 40 trading and commercial activity applications assessed with 37 permits issued and three refusals
- Coordinating commercial leasing of the Youth Precinct Commercial Kitchen
- Successfully managed five reviews of Shire decisions in the State Administrative Tribunal without external consultants or cost to the Shire
- Managing five dispositions in property including one public tender and four statutory private contracts.

3. Effective knowledge and information management

Information Management (ICT) services

The ICT Team manages the Shire's servers, desktops, laptops, switches, routers, telephone systems, mobiles, communication links and software applications spread across nine separate sites within the Shire. The four sites in Margaret River have been interconnected with fibre, providing high speed (Gigabit) connections to the main administration site.

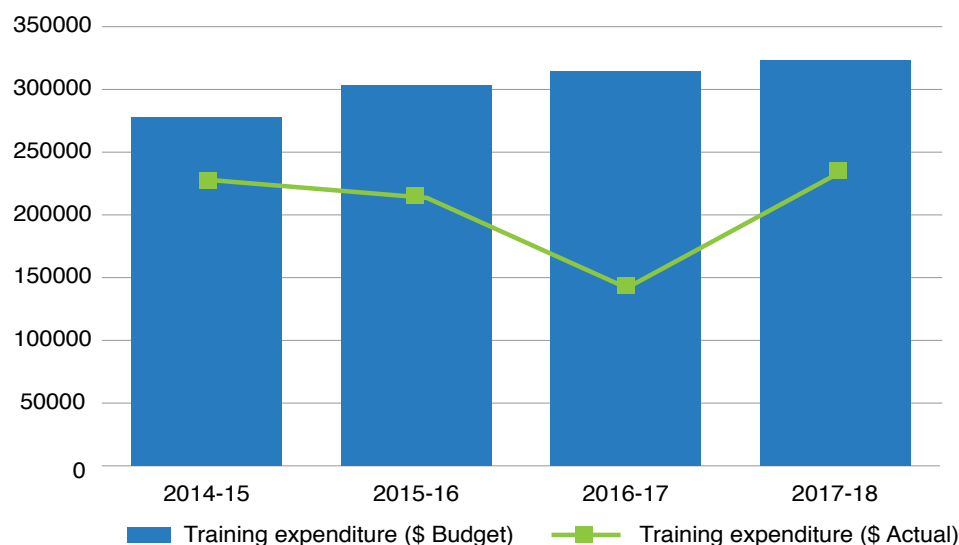
IT Vision's SynergySoft product continues to be used as the primary information management system. All computers have the latest antivirus software, are protected from spam and are kept up to date with operating system patches and hot-fixes.

Highlights for the year include:

- Success rate of 100% for monthly data backup
- 32 new Shire employees completing ICT inductions
- There were no network outages over 2017-18
- Research completed into production server replacements, with a vendor selected and equipment ordered for installation in October 2018.

The ICT Team will continue to focus on improving its service to the staff and customers of the Shire. Development of a ICT Strategic Framework has been scheduled to commence over 2019-20 due to lack of officer time currently available, with a focus to identify technological advancements which will increase the reliability and cost effectiveness of service delivery without an increase in ICT staff numbers.

Training Expenditure



Above: Training expenditure for the Shire over 2017-18, in comparison to previous years.

Records

The Shire is required to manage its business records in accordance with the State Records Act 2000 which is supported by a Record Keeping Plan, policy, procedures and training. The Plan and associated documents are required to be audited every five years by the State Records Commission. In 2017-18, activity included:

- 37,661 total incoming records registered by the Records team over 2017-18, in comparison to 35,211 in 2016-17
- 21,447 of these records were actioned within 10 days
- Another 19,480 outgoing records and 19,099 internal records were registered by the team over the financial year
- 11 freedom of information requests completed in 2017-18, in comparison to 7 in 2016-17
- 32 Shire officer inductions completed.

4. Highly skilled and motivated people

Reduction in excessive leave hours

Excessive leave is accrued leave, which is in excess of the leave accumulation entitlements under the Enterprise Bargaining Agreement. An ongoing strategy to reduce excessive leave entitlement has been ongoing over the past three years.

In 2017-18 the Shire continued its strategies to combat excessive leave balances. Due to the strategies

implemented in the previous two financial years, the volume of long standing excessive leave needing to be cleared in 2017-18 was significantly reduced. The volume of leave generated over the 2017-18 financial year was cleared at a rate that kept the excessive leave balance to a very similar level as was at the end of the 2016-17 financial year (2.8% increase).

Employee development and growth program

The Shire implemented an organisational development program that included the following initiatives over 2017-18:

- Aboriginal cultural session with Wadandi elder Wayne Webb at the all-of-staff meeting on 14 July 2018
- Peer Support Training
- LGMA Professional Development Conference held in Margaret River on 3 and 4 May 2018.

Overall training and development expenditure accounted for 1.82% of the Shire's salary and wages expenditure paid over 2017-18. There was a decrease in actual training expenditure throughout the 2017-18 financial year and this was due to:

- Increase in employees taking Long Service Leave
- Some senior roles staying vacant for an extended period of time
- Significant number of capital works projects being completed during the financial year.

Recruitment expenditure and activity



Above: Recruitment expenditure for the Shire over 2017-18, in comparison to previous years.

Employee recruitment

The Shire had a total of 37 job vacancies in 2017-18, of which 13 were advertised externally, eight advertised internally and 16 were direct appointments. Recruitment expenditure for the 2017-18 financial year more than halved, falling from \$83,509 in the 2016-17 financial year to \$41,070. This was largely due to the percentage of direct appointments and internally advertised vacancies increasing, and externally advertised vacancies decreasing, compared to the 2016-17 financial year.

The Shire has maintained its efforts to rationalise its workforce whilst also reviewing its core operations and expanding into economic services. Several workforce initiatives have also been undertaken including:

- Review and continuation of effective retention strategies in response to workforce engagement survey results, including areas such as Flexible Working Arrangements and therefore greater work-life balance. In March 2018 our workforce engagement survey re-enforced progress in this area with work-life balance returning the highest ranking when employees were asked to rank how satisfied they were with the Shire's performance across 12 key metrics
- Reallocating existing resources to higher priority areas that are experiencing higher demand and workloads.



Priority Project: Major review of the Workforce Plan

The Shire's Workforce Plan has undergone a major review over 2017-18 in conjunction with the Corporate Plan 2018-22, with an aim to provide a short, medium and long term approach for the Shire's workforce.

Business unit strategic reviews and staff survey were completed with the findings being used to inform the Workforce Plan major review that is currently being prepared. The CEO advised Council in a briefing session what new positions have been required and allocations have been made in the draft budget to

action. The Shire will continue to adapt to the current economic climate and build greater resilience within its workforce to ensure its sustainability now and into the future.

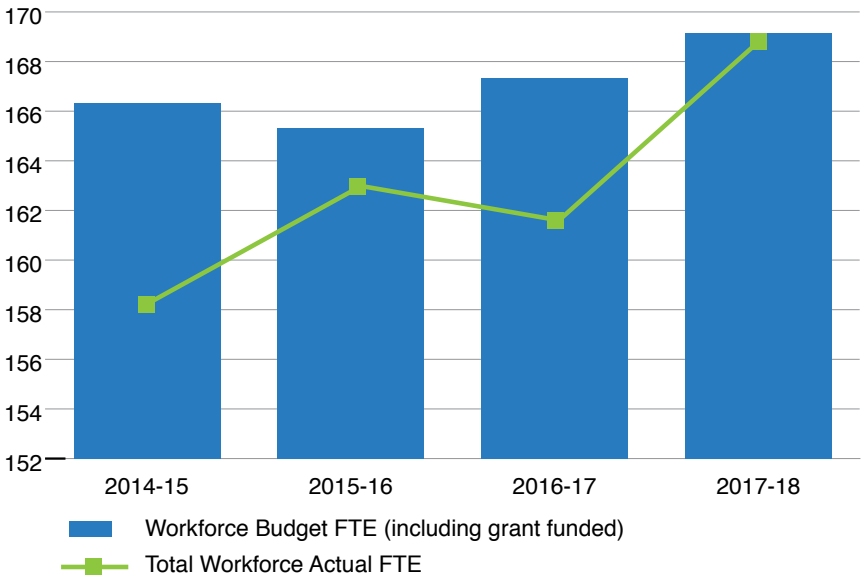
Key workforce changes within the 2018-19 budget are detailed in the following table. Full-Time Equivalents (FTE) is based upon a 38 hour week and 1,976 hours per annum and an actual FTE is inclusive of all ordinary work hours, overtime hours, paid leave hours and including grant funded positions (excluding long service leave, unpaid leave and workers compensation leave).

Service Area	Services	Resources	FTE
Governance and Marketing	New digital services	Expand existing Marketing and Events Officer role	0.40
Directorate Corporate and Community Services	New risk management services	Expand existing Governance Officer role	0.20
Finance	Expand centralisation of procurement support services	Expand existing Procurement Officer role	0.20
Library	Maintain current service levels with increased service demand	New library relief support role for staff absences	0.50
Caravan Parks and Camping Ground	New chalet accommodation servicing	Expand existing cleaning roles	0.25
Childcare	Maintain current service levels with increased service demand	New Childcare Supervisor relief support role for staff absences	0.25
Aquatic Services	Maintain current service levels	Reduction of Aquatic Services Officer role	-1.00
Directorate of Infrastructure	New Main Street Project	Continuation of Project Manager role.	0.52
Asset Services	New Project Planning services to improve project approval and design processes	New Project Planning Officer role	0.50
Asset Services	Resolve backlog of bond acquittals	Continuation of existing Engineering Technical Officer role	0.50
Community Buildings	Expand community buildings asset management administration system	New Administration role	1.00
Parks and Gardens	Maintain current service levels with increased parks and gardens	New Trainee	1.00
Construction	Utilise existing resources to cover seasonal traffic control	Reduction of General Hand role	-1.00
Ranger	Reduction in the level of ranger services during peak season	Reduction of Ranger role	-0.50
Waste Services - Direct	Expand waste education services	Expand existing Waste Education role	0.20
Waste Services - Direct	Expand waste management contract services	New Waste Contract Officer role	0.50
Waste Services - Jobs	Utilise existing resources to cover gate services	Reduced Gate Attendant role	-1.00



The Shire's FTE's budgeted and actual for 2017-18 were respectively 168.13 and 168.72, the difference being 0.59. This was due to funding from the Department of Fire and Emergency Services for a Bushfire Risk Planning Coordinator.

FTE Budget vs Actual



Above: FTE budget vs actual for the Shire over 2017-18, compared with previous years.

Employee retention

The Shire's voluntary staff turnover decreased significantly from 14.79% in 2016-17 to 11.75% in 2017-18, which is 7.75% lower than the industry average of 19.5%. 19 employees left the organisation throughout the year, having amassed 88.20 years of service at the Shire:

Department	No.	Loss of Service – Shire
Beach Lifeguards	1	6.8
Caravan Parks	5	9.7
Childcare	2	8.0
Community Development and Planning	2	4.8
Environmental Health	1	4.5
Fitness	2	6.3
Infrastructure	1	5.0
Parks and Gardens	1	23.5
Planning	1	9.8
Rangers	1	0.7
Revenue	1	7.5
Waste Services	1	1.6

The Shire conducted five separation interviews with staff that voluntarily ceased employment with the Shire. 100% of interviewed staff indicated they would recommend the Shire as a place to work to their friends. Only five separation interviews were conducted as a majority of the turnover stemmed from seasonal employees in the off-season.

The average length of service at the Shire for 2018 is 6.85 years, which is a slight decrease from 2017 average of 7.12. The decrease is due to the fact that the organisation saw a turnover of some long-standing employees.

100% of interviewed staff indicated they would recommend the Shire as a place to work to their friends.

Workforce Cost Ratio

The Shire has been actively working towards a more sustainable workforce that has resulted in the need to introduce initiatives such as freezing workforce growth, backfilling long service leave and parental leave vacancies and reallocating vacant FTE to other service areas. Whilst challenging, significant progress has been made. The budget workforce cost ratio shows that the percentage of rates attributed to employee expenses in 2018 was 73.7%. The Shire achieved an actual workforce cost ratio of 72.9% in 2018.

The workforce cost ratio figure can be impacted by timing of termination payments, including leave entitlement payouts, and the actual spend on FTE for the financial year.

Equal Opportunities Plan

The local government Equal Opportunity Survey in 2018 identified the Shire's workforce breakdown as follows:

Workforce Group	Representation %	
	Indoor	Outdoor
Women	72.9	6.8
People from culturally diverse backgrounds	5.6	3.4
Aboriginal Australians	0	1.7
People with disability	2.5	3.4
Youth	7.6	3.4
Mature employees	40.1	59.3
Women in tier 2 management	33.3	N/A
Women in tier 3 management	30.4	N/A

Employee performance

195 performance reviews (PES) were completed throughout 2017-18, with three outstanding. The outstanding performance reviews were due to the following reasons;

- Two employees were on maternity leave during the review period
- One employee was on extended unpaid leave and not available during the review period.

All outstanding PES reviews, where relevant, have been completed during the 2018-19 review period. The payroll team administered pay increases for pay period ending 24 October 2017.

Employee recognition

The Shire has an employee recognition program which aims to commend officers who display Shire values of honesty, commitment, respect and courage. In 2017-18 year there were 67 instances of where staff were formally recognised by the Shire, including:

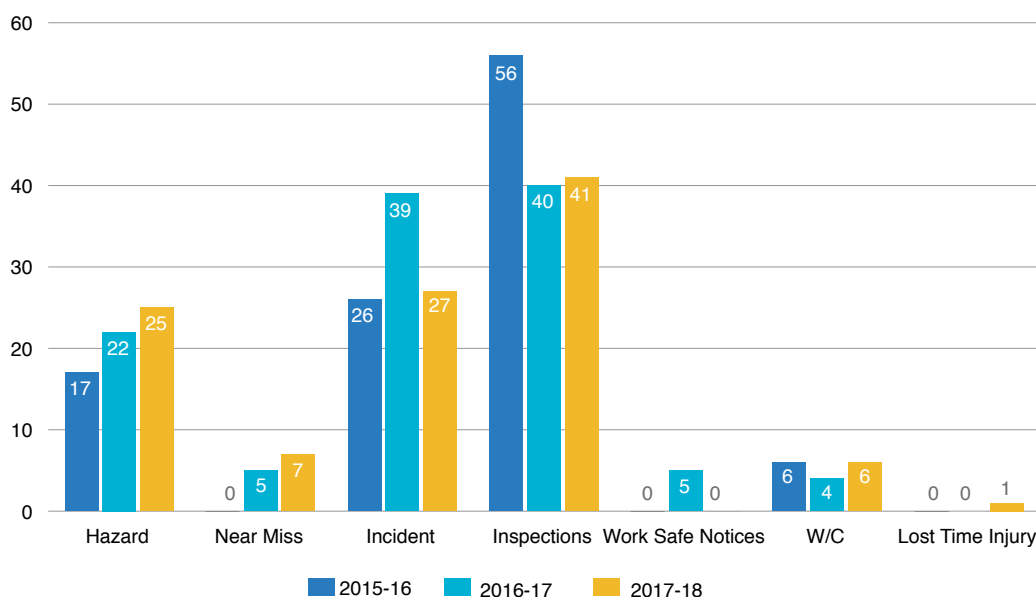
- 23 Peer Recognition Awards awarded at the all of staff meeting held in December 2017, comprising of 15 individual awards and 8 team awards
- 15 Peer Recognition Awards awarded at the all of staff meeting held in July 2018 – comprised of 9 individual and 6 team awards
- 22 service recognition awards, with three employees celebrating 20 years of service and one employee celebrating 30 years of service
- Seven safety awards were awarded throughout the year to those employees who demonstrated a commitment to Occupational Health and Safety.

"Shane is a wealth of knowledge, always good to call on for gardening advice....although he loves a chat and with Shane there's no such thing as "a quick answer" - mind you, you do tend to learn a whole heap about other things along the way. Shane, the eternal optimist, always has a positive outlook on things, which is probably what has allowed him survive 25 years at the Shire." Shire Works Depot Administration, Tracey Charles.

Below: Works Shire officer Shane Bacskai is recognised for 25 years service to the Shire in November 2017.



Shire hazards identified over 2017-18



Occupational Safety and Health Management Plan

The Shire has continued to strive towards improving its occupational safety and health performance, with several preventative programs completed in 2017-18:

- Safety Officer inducted in 100% of all employees within five days of starting and completed four comprehensive inductions for the 2017-18 year
- All seven safety representatives trained and inducted in inspection processes
- Major high-risk facilities evacuation drills completed with emergency response volunteers which included the main administration buildings, Recreation Centre, Caravan Parks and Libraries
- Area Wardens completed training for these voluntary roles, undertaken by the Safety Officer
- 45 stand up desks implemented throughout the organisation as an injury preventative measure
- 2 electric desks purchased for the Libraries, helping to prevent musculoskeletal injuries
- Promotion of LGIS online health portal rolled out to all employees and four work group sessions held to promote on line health portal on 27 September 2017
- Online health risk assessment (HRA) where staff received personalised reports about their health status and their risk factors
- A contractor management procedure was finalised with the Shire's Procurement Officer to assimilate with the procurement procedure. This package includes the procedure, toolkit, cheat sheet, online induction package and shire compliant contractor register
- Altor online contractor induction package developed

and consultation process undertaken with 143 contractors added to the online system and 54 Shire employees inducted into OSH Procedures

- Inspections completed:
 - Building inspections 97% to program
 - Safe Act Observations inspections 84% to program
 - Training Program 93.33%
 - Health Programs 100%
 - Emergency response programs.
- A review of the Occupational Safety Management system, and Occupational Safety and Health (OSH) policy and plan was completed in 2017-18 and endorsed by the Executive Leadership Team (ELT) and OSH committee. The plan has commenced implementation by Safety representatives and Safety officer.

Hazard management

Over 73 hazards (includes hazard reports, hazards from inspections and near misses) were identified by staff over 2017-18, in comparison to 69 in 2016-17. 34.42% of these identified risks rated as either high or significant, resulting in immediate attention being required. The majority of these hazards identified through the Shire's formalised inspection program, with 41 hazards identified from formal inspections being undertaken.

Workers Compensation Claims

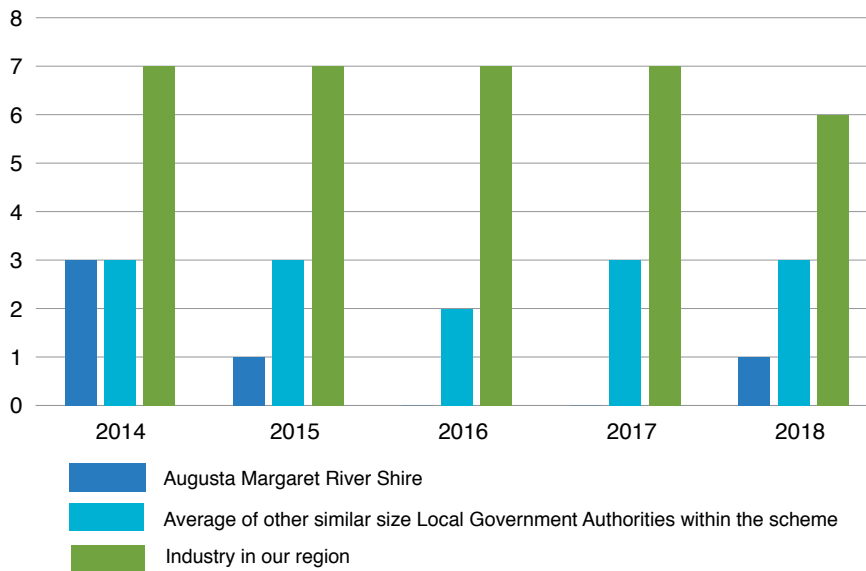
The Shire had six workers compensation claims over 2017-18, maintaining a low level of claims against the industry benchmark. The Shire's Lost Time Injury (LTI) duration days and LTI days lost have both significantly decreased which will result in workers compensation premium expense savings, based upon the Local Government Insurance Service performance rate.

All of staff meetings

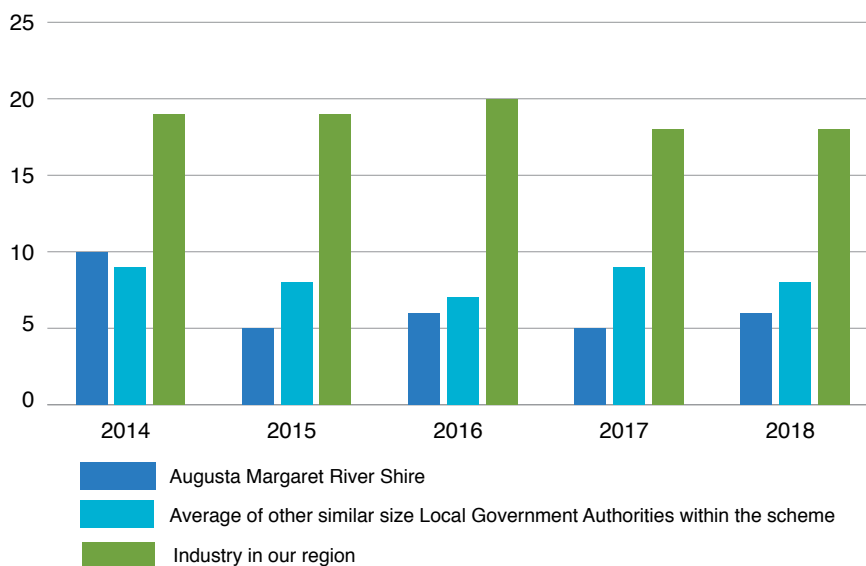
The Shire aims to hold at least two all of staff meetings each year, which includes project updates and the employee recognition program. Events over 2017-18 included:

- Aboriginal session at all of staff meeting 14 July 2017
- End of calendar year meeting on 8 December 2017.

Lost Time Injury



Number of Claims



Human Resources Statutory Information

Regulation 19B of the Local Government (Administration) Regulations 1996 requires the Shire to include the number of Shire employees entitled to an annual salary of \$100,000 or more; and the number of those employees with an annual salary entitlement that falls within each band of \$10,000 over \$100,000, in its Annual Report.

Augusta Margaret River Shire encourages employees to take advantage of salary packaging options, such as novated lease arrangements for vehicles.

Further detailed information can be found in the Shire's Workforce Plan: Report and Update 2018 located on the Shire's website www.amrshire.wa.gov.au

Salary Package Range (\$)	Number of employees 2017-18
100,000 - 109,999	3
110,000 – 119,999	1
120,000 – 129,999	1
130,000 – 139,999	5
140,000 – 149,999	
150,000 – 159,999	
160,000 – 169,999	
170,000 – 179,999	1
180,000 – 189,999	2
190,000 – 199,999	
200,000 – 209,999	
210,000 – 219,999	
220,000 – 229,999	
230,000 – 239,999	1
240,000 – 249,999	
250,000 – 259,999	
260,000 – 269,999	
Total	14

5. Community and customer focus

Priority project: Develop a Corporate Marketing Plan

A major review of the Shire's organisation's Marketing Strategy was completed over 2017-18. The Strategy:

- Provides improved consistency of the Shire's brand, centralised systems and licensing, consolidated training opportunities
- Consolidates purchasing and the recruitment of adequately skilled officers to perform marketing tasks
- Seeks to better align with Council priorities identified in the Community Strategic Plan 2036, particularly the focus areas of becoming a technology driven organisation
- Seeks to align with organisational priorities as identified in the Corporate and Operational Plans by providing framework for planning and executing marketing activities
- Aims to achieve unified, coordinated, multi-channelled communications to the community and our key stakeholders.

Customer Services

The Customer Service Team have processed a total of 10,036 transactions between July 2017 to June 2018, in comparison to 7,346 in 2016-17. Front counter staff process payments including planning, building, health applications, rates, animal registrations and TransWA ticketing, as well as assisting with a variety of general enquiries and providing customers with information.

	2017-18
Customer requests logged	3,338
Phone calls Margaret River office	6,724
Total collected revenue Shire and Department of Transport	\$11M
Shire transactions - Margaret River	8,034
Shire transactions - Augusta	2,002
Department of Transport transactions - Margaret River	12,037
Department of Transport transactions - Augusta	2,895
Department of Transport commission	\$276,141

The Shire received a total of 20 complaints over 2016-17, compared with 56 over 2017-18. The complaints for 2017-18 are categorised as follows:

- Assets - 8
- Building - 1
- Caravan Parks - 4
- Corporate Services - 1
- Council - 3
- Development Services - 6
- Executive - 5
- Finance - 2
- Health - 5
- Human Resources - 1
- Infrastructure Services - 3
- Maintenance - 2
- Parks and Gardens - 1
- Planning and Development - 5
- Rangers - 5
- Works - 4.

The Customer Services Team conducted a review of the Shire's Customer Service Charter over 2017-18. This included engaging with business units across the organisation to consider response times for key services. The new charter is now being finalised for publication in 2018-19.

6. A culture of innovation, quality and continuous improvement

Priority project: Maintenance of Shire policies

The Shire currently has 107 policies, which undergo a rolling review by the various business units, under the Shire's annual policy framework. The policy register is presented to the Executive Leadership team quarterly.

A focus over 2017-18 was on Shire leadership and best practice governance policies including Code of Conduct for Councillors and Committee Members and Governance Charter. The Shire also completed its three-yearly review of the Governance Charter, being endorsed by Council on 13 June 2018 (OM2018/134). The review of the best practice document focused on changes in legislation and Council policy, with the next review to be conducted in 2021.

A review of the Code of Conduct for Councillors and committee members was also endorsed by Council on 13 June 2018 (OM2018-133), to identify any changes in legislation (including the gift and travel contribution disclosure requirements under the LGA), and modifications or improvements required.

Other policies reviewed over 2017-18 included:

- Review of Investments Policy (OM2017/177)
- Strengthening Youth Policy (OM2017/298)
- Access and Inclusion Policy (OM2018/34, OM2018/35 and OM2018/36)
- Management of Vegetation on Shire Lands OM2018/29, OM2018/30, OM2018/31, OM2018/32 and OM2018/33)
- Welcome to and Acknowledgement of Country Policy (OM2018/15)
- Review of Occupational Health and Safety Policy (OM2018/193)
- Review of Mobile Food Van Policy (OM2017/222, OM2017/265 and OM2017/266)
- Review of Financial Assistance Policy (OM2017/236 and OM2017/237).

Continuous improvement

The Shire's Continuous Improvement Register is open to all Shire officers to provide suggestions for improvements for business areas to investigate. The register is presented quarterly to the Executive Leadership Team.

7. Measure and report on success and sustainability

Priority project: Levels of Service

Work was completed over October 2017 to February 2018 to collect service level data from all business units in the Shire. This was done through the review of the major Shire' Corporate Plan 2018-22, where business planning templates included scoping of the response to primary and secondary Shire services across four levels. The levels allowed for turnaround time or quantity of service demand. This work was developed into a service matrix, to assist with identifying risks across the organisation and workforce need.

This work will continue into 2018-19, with the finalisation of a Service Level Framework to better guide corporate planning.

Priority project: Review of Workforce Performance Plans

Annual employee performance reviews were completed between August and September 2017. Performance based salary increase was implemented first full pay period in October 2017. All outstanding reviews were completed for a 100% completion rate in the reporting period.

Financial Reviews

An independent internal audit review to satisfy the CEO's obligations in respect to regulation 5 of the Local Government (Financial Management) Regulations 1996 was undertaken in the first quarter of 2018 by a contracted firm of external accountants (not the Shire's contracted external auditors).

The final report was received in April 2018 and provided to the Audit and Risk Management Committee for their review. The report found that the Shire's overall internal control environment, policies, procedures and processes in place are appropriate and operating effectively at the time of the review.

Local Government performance improvement group

The Shire participated in the Price Waterhouse Coopers Local Government Operational and Management Effectiveness Self Assessment Program for the second year running in August 2017. The project enables local governments to track, share and learn about their performance against the local government sector as a whole. Survey results are aggregated for all Australian and New Zealand participating Councils to allow for more comparisons across different 'sizes' (e.g. small) and 'types' (e.g. metropolitan) of Councils, both at a state and

The project enables local governments to track, share and learn about their performance against the local government sector as a whole.

national level. The program is spread across five business areas including corporate leadership, finance management, operations management, risk management and workforce management.

The Shire will continue to participate in this annual program to aggregate data, which will allow a broader, contextual perspective of the Shire's performance.

Annual reporting

The Annual Report for 2016-17 was presented to Council on 22 November 2017 and endorsed by Council at the General Electors Meeting of 13 December 2017.

Statutory Reports

National Competition Policy

Competitive Neutrality

Local Governments are required to report annually on the implementation, application and effects of the National Competition Policy (NCP) with regard to three significant areas being: competitive neutrality; legislation review; and structural reform. The Shire did not acquire any new entities or privatise any activities during 2017-18, and therefore there was no additional requirement for competitive neutrality testing. Local laws and policies do not contain anticompetitive provisions and no complaints were received during the period.

Disability Access and Inclusion

Access and equity statement

The Shire is committed to providing services and working within a diverse community, including people with disability, their families and carers, people from culturally and linguistically diverse backgrounds, refugees, Aboriginal Australians, the elderly, women, LGBTIQ+ people, and people experiencing financial hardships. The Shire strives to continually improve access and inclusion for all its community members.

The Shire interprets an accessible and inclusive community as one in which all community members can access and are welcomed to participate in all local government functions, facilities and services (both in-house and contracted) in the same manner and with the same rights and responsibilities as other members of the community. A community that recognises its diversity and supports the participation

and inclusion of all its members makes for a richer community life. The Shire of Augusta Margaret River commits to achieving the following eight objectives:

1. Improve the accessibility and inclusiveness of services and events for all our community
2. Improve access to the Shire's buildings and facilities for all our community
3. Improve access to information that is inclusive to all our community
4. Improve the quality of service delivered by the Shire of Augusta Margaret River
5. Ensure the Shire's feedback and complaints procedure is inclusive for all our community
6. Improve opportunities for all our community to participate in public consultation undertaken by the Shire
7. Improve opportunities for all people with diverse abilities and backgrounds to obtain and maintain employment with the Shire
8. Ensure the strategic management of the monitoring and review of the Access and Inclusion Plan.

The implementation of the Policy is applied through the Shire's current Access and Inclusion

Plan (AIP) 2018-22. The Policy is measured according to progress against the implementation plan that sits alongside the AIP. The Shire is committed to achieving the desired outcomes of its AIP by taking all practical measures to ensure the implementation of the AIP by its Councillors, staff, agents and contractors. View the full list of Access and Inclusion Plan key outcomes for 2017-18 on pages XX of this report.

Annual Financial Report

The Annual Financial Report is included at the end of this document and is also available on the Shire's website – www.amrshire.wa.gov.au

A copy of the AFR including the Auditor's Report was forwarded to the Department of Local Government, Sport and Cultural Industries on 10 October 2018, and has also been provided to the Shire's internal Audit and Risk Management Committee for review and discussion.





Future Directions

The future directions of the Shire are clearly articulated in the Corporate Plan 2018-22 and the Annual Budget 2018-19 which are summarised in the following paragraphs and dot points.

Corporate Plan 2018-22 Overview

The Corporate Plan 2018-22 is a comprehensive strategic document articulating the Shire's vision, mission, values, goals and objectives and the key strategies to achieve those objectives.

Key priorities to be achieved over the next four years include:

	Project	Key principles	2018-19	2019-20	2020-21	2021-22
Key Result Area 1 	1.1.1.1 Coordinate and implement the delivery of the Environmental Management Fund to deliver improved environmental outcomes including community delivery through grants	Sustainability Climate change	▼	▼	▼	▼
	1.2.1.1 Collaborate with Nature Conservation Margaret River Region and other agencies to develop and implement the Margaret River Protection Strategy in collaboration with the community	Sustainability Climate change	▼	▼	▼	▼
	1.5.2.1 Implement and regularly review the Bushfire Risk Management Plan, including the bushfire risk treatment schedule through consultation with Landcare services	Sustainability Climate change	▼	▼	▼	▼
	1.5.3.1 Implement and regularly review the Climate Change Response Plan	Sustainability Climate change	▼	▼	▼	▼
Key Result Area 2 	2.1.3.1 Develop and implement the Shire's Reconciliation Action Plan and supporting policy	Access and equity	▼	▼		
	2.2.2.1 Develop a plan for community resilience and regeneration, to absorb the Community Safety Plan and include strategies for volunteerism, community capacity building and addressing disadvantage	Access and equity	▼			
	2.5.2.1 Complete construction of the Lower Western Oval at Gloucester Park	Access and equity	▼			
	2.6.1.1 Develop and implement the Public Health Plan to include the core principles of the Community Strategic Plan 2036	Social justice	▼	▼		
	2.5.4.1 Develop the Shire's childcare facilities to adequately respond to local needs	Social justice	▼	▼		
	2.6.1.4 Develop long term partnerships to provide youth mental health services across the Shire	Access and equity	▼	▼	▼	▼

	Project	Key principles	2018-19	2019-20	2020-21	2021-22
Key Result Area 3 	3.1.1.1 Review the Shire's Local Planning Scheme and Strategy	Sustainability Climate change	▼	▼	▼	
	3.3.1.1 Progressively install solar panels on Shire buildings	Sustainability Climate change	▼	▼	▼	▼
	3.4.2.1 Develop and implement long term waste plans, a Master Plan and Waste Management Strategy, supported by Waste Management Plans for Shire waste facilities	Sustainability Climate change	▼	▼	▼	
	3.6.2.1 Deliver the upgrade to the Margaret River Main Street	Sustainability	▼	▼		
	3.6.2.2 Develop a Margaret River Precinct Masterplan, to include Rotary Park, bridge, the weirs and traffic management strategies for Carters Road and the wider precinct	Sustainability	▼	▼	▼	
Key Result Area 4 	4.2.4.1 Develop a masterplan for Turner Caravan Park	Financial sustainability	▼	▼		
	4.3.1.1 Complete the redevelopment of the Margaret River Cultural Centre and launch the HEART complex	Financial viability	▼	▼		
	4.3.1.4 Conduct long term planning for rural roads maintenance and upgrades which take into consideration needs of industry, safety and risk to ensure Shire roads are fit for purpose	Financial viability Access and equity	▼	▼		
	4.4.3.1 Create efficiencies which better enable local businesses to provide contract services for the Shire	Sustainability Financial viability	▼			
	4.4.4.1 Finalise and commence implementation of the Sustainable Economy Strategy, including recruitment of the Sustainable Economy Development Officer and establishment of the Sustainable Economy Advisory Committee, and review every four years.	Sustainability Financial viability	▼	▼	▼	▼
	4.4.4.2 Participate in the Scott River Region Study	Sustainability Financial viability	▼	▼		
Key Result Area 5 	5.2.3.6 Implement the Shire's Asset Management Improvement Plan	Sustainability Financial viability	▼	▼	▼	▼
	5.4.2.1 Deliver the Integrated Planning Framework through review of the Shire's Service Levels and Operational Plan in accordance with the annual budget and workforce plan	Sustainability Financial viability	▼	▼	▼	▼
	5.4.3.2 Develop online customer services at the Shire including upgrades to the Shire website	Technology and innovation		▼	▼	▼

Further information on the Corporate Plan is available on the Shire's website.



The Community Strategic Plan 2036 states our mission is to protect the natural environment, strengthen our communities, foster local economic prosperity and responsibly manage the community's infrastructure and assets.

Budget Summary 2018-19

A summary of the Annual Budget 2018-19 compared to the Forecast Actual result and Annual Budget for 2017-18 is provided below for reference purposes:

Description	2018-19 Budget \$'000s	2017-18 Forecast \$'000s	2017-18 Budget \$'000s
Rates	21,401	20,525	20,299
Operating Revenue	12,080	13,280	11,747
Operating Expenditure	(36,083)	(33,943)	(34,771)
Net Operating Result	(2,602)	(138)	(2,725)
Capital Grants	7,665	8,375	9,646
Profit/(Loss) on Asset Disposals	(147)	16	(151)
Net Result	4,916	8,253	6,769
Asset Purchases	(26,628)	(15,731)	(25,480)
Asset Sale Proceeds	1,457	584	2,136
Borrowings Repaid	(854)	(578)	(708)
New Borrowings	500	2,450	2,450
Transfers To Reserve	(3,045)	(5,685)	(2,748)
Transfers From Reserve	9,245	2,388	4,333
Brought Forward Surplus	5,104	4,332	4,041
Closing Budget Position	0	5,104	0

It is expected the Shire will commence the budget year with a surplus of \$5,103,678 from 2017-18. This is an increase on the budgeted result expected for 2017-18 and is the result of a number of factors including:

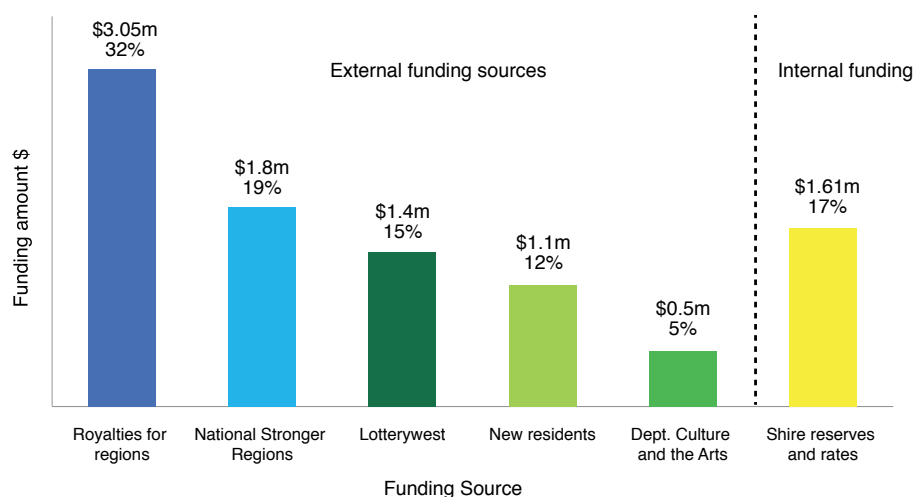
- Carrying forward various operating expenditure projects totalling \$576,486
- Carrying forward various capital projects totalling \$3,750,860 including \$764,157 unspent loan for the Cultural Centre redevelopment project and \$548,755 unspent loan for Asbestos replacement and reinstatement projects

- Carrying forward the advance payment for 2018-19 of Financial Assistance Grants of \$694,516 received in June 2018
- Carrying forward the first quarter operating grants for bushfire brigades and the SES of \$81,816 received from DFES
- Various under and over expenditures and revenues for the year.

Expectations are that 2018-19 will end up with a balanced result.

CEO's budget overview

Funding sources for design and construction of the \$9.46m HEART project



The 2018-19 balanced budget includes two very exciting major projects that have been long anticipated by the community and which are now ready for implementation.

The redevelopment of the cultural centre building into the Margaret River HEART (Hub for Entertainment, Art, Recreation and Tourism) complex commenced in May 2018 and should be operational early in the 2019-20 financial year. Almost \$8.5 million has been set aside in this year's budget for the \$9.46 million project with the majority of this expenditure funded from grants and developer contributions obtained from a number of external sources including Royalties for Regions (\$3.05 million), Lotterywest (\$1.4 million), the Federal Government's National Stronger Regions Fund (\$1.8 million), the Regional Venues Improvement Fund (\$0.5 million) and a \$1.1 million loan serviced from Developer Contributions. A "once in a lifetime" opportunity is being taken to increase the seating in the main theatre from 300 patrons to almost 450 and a variety of multi-purpose venues and activity spaces will be created. Over 3,000 square metres of cancer causing asbestos cement sheeting will be permanently removed, which along with the extensive Asbestos replacement from the Augusta Recreation Centre will result in only smaller community facilities in the Shire needing to be remediated.

Following the planned completion of the Perimeter Road in December 2018, civil works to upgrade the main street of Margaret River are planned to commence in February 2019 with works staged to minimise disruption to business owners, community and visitors. However, works are required to be done in the dryer months when tourism is at a high level so there will be disruption and members of our community can assist by using alternate access ways to main street businesses. Ongoing support of our business community is essential while works are progressing. At an estimated cost of over \$7.5 million, with \$5.5 million provided by Royalties for Regions, this project will transform our town centre. The Shire will contribute \$2 million from land sales.

Of course there are many other services and projects included within the budget and with a total budgeted spend of over \$60 million there should be something to benefit everyone. Support of our existing services and facilities including libraries, recreation and aquatic centres, community halls, outside school hours child care, emergency services, youth facilities, trails, paths, roads, parks and rubbish collection make up a large portion of the budget. Compliance services are also a major role of local government and our planning, health, building and ranger areas ensure we are able to live in a generally harmonious community.

The Community Strategic Plan 2036 states our mission is to protect the natural environment, strengthen our communities, foster local economic prosperity and responsibly manage the community's infrastructure and assets. Our budget reflects this

statement and has been strengthened in 2018-19 with increased emphasis upon environmental related works and planning, sustainable economic development and a continued focus on responsibly managing our community assets and providing for their maintenance and renewal. The overall economic impact of the Shire's budget should not be underestimated as most expenditure is spent locally. Additionally, with over 200 employees, most of whom live locally, they and their families make a major contribution to our community and economy.

Continued responsible financial management is the key objective of the Shire's long term financial planning, integrated corporate planning and annual budget in order to ensure the Shire's ongoing financial sustainability. To be sustainable our Shire

To be sustainable our Shire needs to take a long-term view by restraining future spending and maximising revenue sources to fund that spending.

needs to take a long-term view by restraining future spending and maximising revenue sources to fund that spending. This will ensure we avoid spikes in annual rate increase percentages and disruptive cuts in service delivery.

Influenced by continuing soft economic conditions and mindful of the impact cost increases have upon the community, Council approved a rate yield increase of 3% for 2018-19. This increase equated with the forecast in the Long Term Financial Plan and the increase that has applied for the past two years.

The other factor impacting property rates are the independent property valuations provided by Landgate. This year all properties in the Shire were revalued. Average changes were not significant with rural or unimproved value (UV) properties increasing by 0.08% and town site or gross rental value (GRV) properties increasing by 0.93%. For each valuation category, the values for a large number of properties did not change. As these percentage increases are

overall averages for the valuation category, changes for individual properties may be lower or higher and consequently rates for some property owners may vary by more or even less than the 3% intended by Council.

Unfortunately as state government and other charges increase, the costs of providing services and facilities also increase and consequently increased property rates are unavoidable in order to achieve a balanced budget for our community. Operating and capital expenditure demands totalling \$60 million are fully funded by rates, revenue, grants, reserves, loans and surplus budget funds from last year. This positive result is becoming increasingly difficult to achieve as obtaining funding for projects becomes more challenging.

As always the budget aims to deliver a balance of new and improved assets and a comprehensive range of important community services and facilities. Prudent use of our savings (reserves) and our borrowing capacity has allowed us to leverage ratepayer funds by obtaining grants funding 28% of our \$26.6 million capital works program. Almost half of the program is to be spent on renewing the Shire's asset base and as the budgeted amount exceeds the budgeted depreciation allocation, positively demonstrates a commitment to renewing our asset base.

With a forecast balance of over \$22 million in cash backed reserves, we are also improving our ability to meet significant future challenges including the upgrade of the main street of Margaret River and the conversion of the Davis Road Waste and Recycling Facility to a waste transfer station servicing a regional waste facility.

The Shire continues to record a net operating deficit and while this is not uncommon amongst regional local governments, due primarily to the annual allocation of depreciation charges, the Shire's long-term financial objective is to generate sufficient operating revenue to at least meet operating expenditure needs. This would then allow increased funds to be allocated to renew and replace our significant capital asset base. However, it is once again pleasing to see this deficit is budgeted to reduce compared to last year's budget.

Employee costs are the Shire's largest expenditure item and are constantly being scrutinised by Council, management and the community. The Shire's

enterprise agreement and Workforce Plan ensures workforce costs are restrained. On a budget to budget basis total operating employee costs (salaries, wages, superannuation, workers compensation, leave, uniforms, protective clothing, training and FBT) are expected to increase by 2.7%. An increase in the Shire's labour force establishment has been necessary to address pressures on meeting statutory requirements and corporate due diligence, meeting increasing operational service demands and providing increased resourcing for areas such as waste and environmental management in accordance with community expectations. Overall, the Shire's 2018-19 Budget will continue to provide a wide range of services and activities benefiting our community, including the following:

- Special Projects for the Landcare area total \$0.439 million and include the continuation of the \$0.2 million environmental management fund which provides financial support for on ground environmental projects and supports the Strategic Plan's key result area of valuing, protecting and enhancing the natural environment
- Contributions for events include \$0.128 million for major events that increase visitor numbers and expenditure in the Shire and a further \$0.073 million provided to local events such as Australia Day, Anzac Day, the Agricultural Show and the Augusta River Festival
- Over \$0.1 million has been allocated as donations, sponsorships and contributions to support local groups across the Shire

- Our Community Planning and Development Team have allocated \$0.252 million to youth, community capacity building, community resilience, disability access and inclusion projects, and arts and culture projects
- The Shire continues to commit extensive expenditure to a myriad of community and recreation services such as the libraries, aquatic centre, indoor recreation centres, parks and gardens, recreation ovals, skate parks, halls, cultural centre, after school and school holiday child care and public toilets.

Our business unit reporting shows Caravan Parks and Building Services provide a contribution to the financial operation of the Shire. Other business units such as Outside School Hours Care and the Fitness Centre strive to record a close to break-even position. The Waste Services area is self-sufficient as waste fees and charges and reserve transfers fully fund operating and capital expenditure needs. However, the majority of business units are service providers and raise limited revenue or are providing services for the benefit of the community and are subsidised by general revenue as they are considered an investment in protecting the environment, fostering economic activity, enhancing the community's health, wellbeing and safety, and improving the quality of community life in the Shire.



Capital Works Program

\$26.628 million has been allocated towards capital works and the following table provides a breakdown of the type of expenditure and the source of funding.

Capital Expenditure and Funding Source	\$	%
Asset Renewal Expenditure	12,947,520	48.6%
New Assets	3,384,310	12.7%
Asset Upgrades	10,296,168	38.7%
Total Capital Expenditure	26,627,998	
Funded by:		
General Revenue	5,498,770	20.7%
Reserves	9,060,072	34.0%
Grants and Contributions	7,381,114	27.7%
Loans	500,000	1.9%
Asset Sale Proceeds	437,182	1.6%
Previous Period Funding (carry overs)	3,750,860	14.1%

The table shows the majority of expenditure is used to renew capital assets as opposed to upgrading assets or acquiring new assets. This is a positive situation and the proposed asset renewal expenditure exceeds the 100% target for the Asset Sustainability Ratio which compares asset renewal expenditure against depreciation. This result is influenced by how proposed capital expenditure is categorised and is a developing asset management process.

New asset expenditure proposed for the year includes:

- The development of the public open space adjacent to the Rapids Landing School Oval (\$426,150) will be funded from reserves and a carryover
- Landscaping of John Archibald Drive of \$250,000 will be funded from reserves and general revenue
- The second instalment payable to the Department of Education for the Rapids Landing School Oval of \$320,000 is funded from land asset sales and reserves
- Purchase of land for the Cape to Cape winter diversion trail along the Margaret River of \$170,000 is funded from general revenue
- Extension of Heppingstone View to Allnut Terrace cost of \$180,000 is to be funded from reserves
- Construction of chalets at Turner Caravan Park (\$500,000) is funded from reserves

- Continuation of the Flinders Bay to Cape Leeuwin Lighthouse Trail (\$450,000) is funded by carryover funds and reserves
- Extension of the Wadandi Track (\$100,000) is expected to be partly funded by a Lotterywest grant.

A major asset upgrade project which also includes an asset renewal component is the Cultural Centre redevelopment (\$8.463 million). This project is funded by a combination of grants, reserves, loans and general revenue. The Cowaramup Hall project also involves renewal and upgrade works.

Other asset upgrade projects include works to the Cowaramup Bushfire Brigade shed, landfill site fencing, leachate pond upgrade and construction of a waste cell at the Davis Road Waste and Recycling Facility, the Gloucester Park lower western oval development (\$1.169 million), path expansion, the Ellis Street boat ramp finger jetty and various upgrades to caravan park infrastructure. The redevelopment of the Margaret River main street is a major asset upgrade project and \$2.550 million allocated in the budget is funded from reserves with civil works expected to commence in February 2019.

The majority of road and related infrastructure projects have been categorised as asset renewal expenditure as the scheduled works have the objective of restoring service levels. \$4.075 million is allocated to road and infrastructure preservation works with the majority of road works funded by the state government's Regional Road Group grants administered through Main Roads WA. 2018-19 is the final year of the current five year Roads to Recovery grant allocation from the federal government. However, as the Shire chose to obtain its 2018-19 allocation earlier in this program no grant will be received this year.

Details of each capital project and their proposed funding source are included in the Capital Works Expenditure and Funding Schedule included within the supplementary information to the budget.

Grants

A total of \$8.947 million of operating and capital grants and contributions are included in the budget. This amount is lower than originally anticipated as the federal government provided an advance payment of 50% of the 2018-19 allocation of the Financial Assistance Grants distributed by the WA Local Government Grants Commission. This advance payment of \$0.695 million was received in late June 2018 and is included in the brought forward amount for the 2018-19 Budget. The advance payment distorts comparison of financial results and ratios between years as it inflates operating grants for 2017-18 and understates operating grants for 2018-19.

Operating grants of \$1.282 million include the Emergency Services Levy (ESL) grants of \$0.245 million for the voluntary SES and Bushfire Brigade services and contributions of \$0.060 million for the Community Emergency Services Manager, grants for the operation of the Outside School Hours Care service, Community Planning and Development grants of \$0.028 million, kidsSport grants of \$0.023 million and various other grants and contributions for specific projects and activities for business units.

\$7.665 million of capital grants and contributions are provided for specific purposes and include:

- \$3.750 million for the Cultural Centre redevelopment project including \$1.800 million from the National Stronger Regions Fund, \$1.400 million from Lotterywest and the second instalment from royalties for Regions of \$0.550 million
- \$0.818 million for replacement of bushfire brigade vehicles including appliances for the Rosa Brook and Witchcliffe Brigades, as well as grants and contributions for building works for the Cowaramup and Wallcliffe bushfire brigades
- \$1.626 million from Main Roads WA through the Regional Roads Group for road works primarily on Warner Glen Road, Wallcliffe Road, Boodjdup Road and Surfers Point Road
- \$0.050 million from Lotterywest for the extension of the Wadandi track
- \$0.116 million from the South West Development Commission for the Cape to Cape winter diversion trail
- \$0.181 million in two grants from the Recreational Boating and Facilities Scheme for the Ellis Street boat ramp, finger jetty and boat trailer parking project
- \$0.332 million from the Department of Sport and Recreation's Community Sport and Recreation Facilities Fund grant for the development of the Lower Western Oval
- \$0.405 million from Lotterywest for Cowaramup Hall building works
- \$0.045 million WA Bicycle Network grant to extend the path to the Margaret River Education Campus
- \$0.200 million in developer contributions are to be transferred to Developer Contributions reserve to fund future works.

Further detailed information on the 2018-19 Shire Budget can be accessed from the Shire website.





Shire of Augusta Margaret River

Main Administration Office
41 Wallcliffe Road (PO Box 61)
Margaret River WA 6285

P: 08 9780 5255

F: 08 9757 2512

Office Hours: Mon to Fri, 9am – 4pm

Phone Enquiries: 8am – 4.30pm

Augusta Administration Office

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Augusta WA 6290

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(closes for lunch 12pm – 1pm)

Phone Enquiries: 8am – 4.30pm

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If you are deaf, or have a hearing impairment or speech impairment, contact us through the National Relay Service:

- TTY users phone 133 677 then ask for 08 9780 5255
- Speak and Listen users phone 1300 555 727 then ask for 08 9780 5255
- Internet relay users connect to the NRS (www.relayservice.com.au) then ask for 08 9780 5255

SHIRE OF AUGUSTA MARGARET RIVER
FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018

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COMMUNITY VISION

Adapt to changing climate, environment and social dynamics and celebrate a sense of place for our local Indigenous culture and our multicultural and creative community.

Principal place of business:
41 Wallcliffe Road
PO Box 61
Margaret River WA 6285

**SHIRE OF AUGUSTA MARGARET RIVER
FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018**

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

STATEMENT BY CHIEF EXECUTIVE OFFICER

The attached financial report of the Shire of Augusta Margaret River for the financial year ended 30 June 2018 is based on proper accounts and records to present fairly the financial position of the Shire of Augusta Margaret River at 30 June 2018 and the results of the operations for the financial year then ended in accordance with the *Local Government Act 1995 and, to the extent* that they are not inconsistent with the Act, the Australian Accounting Standards.

Signed on the

9th day of

October 2018



Gary Evershed
Chief Executive Officer

STATEMENT OF COMPREHENSIVE INCOME
BY NATURE OR TYPE
FOR THE YEAR ENDED 30TH JUNE 2018

	NOTE	2018 Actual \$	2018 Budget \$	2017 Actual \$
Revenue				
Rates	20(a)	20,522,452	20,299,508	19,582,298
Operating grants, subsidies and contributions	2(a)	2,412,186	1,509,315	3,135,966
Fees and charges	2(a)	9,678,816	9,382,506	9,274,105
Service charges	20(b)	4,333	4,333	4,333
Interest earnings	2(a)	1,009,731	824,191	968,544
Other revenue	2(a)	193,206	26,500	222,299
		33,820,724	32,046,353	33,187,545
Expenses				
Employee costs		(14,258,895)	(14,294,716)	(13,672,157)
Materials and contracts		(7,984,402)	(8,616,475)	(6,894,724)
Utility charges		(1,031,636)	(1,211,290)	(1,150,145)
Depreciation on non-current assets	9(b)	(9,114,195)	(9,046,640)	(8,805,609)
Interest expenses	2(b)	(485,860)	(505,030)	(504,213)
Insurance expenses		(592,577)	(627,699)	(605,141)
Other expenditure		(542,066)	(469,472)	(456,760)
		(34,009,631)	(34,771,322)	(32,088,749)
		(188,907)	(2,724,969)	1,098,796
Non-operating grants, subsidies and contributions	2(a)	8,374,650	9,645,626	9,819,155
Profit on asset disposals	9(a)	47,536	13,023	42,817
(Loss) on asset disposals	9(a)	(1,598,134)	(164,345)	(1,485,558)
(Loss) on revaluation of Infrastructure - Waste Management Facilities	8(b)	(587,309)	0	0
(Loss) on revaluation of Infrastructure - Public Utilities	8(b)	(1,267,008)	0	0
		4,780,828	6,769,335	9,475,210
Net result				
Other comprehensive income				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes on revaluation of non-current assets	10	57,186,093	0	6,860,411
Total other comprehensive income		57,186,093	0	6,860,411
Total comprehensive income		61,966,921	6,769,335	16,335,621

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

**STATEMENT OF COMPREHENSIVE INCOME
BY PROGRAM
FOR THE YEAR ENDED 30TH JUNE 2018**

	NOTE	2018 Actual \$	2018 Budget \$	2017 Actual \$
Revenue	2(a)			
Governance		451,044	362,560	603,829
General purpose funding		23,217,515	21,982,432	22,935,496
Law, order, public safety		823,093	590,401	832,785
Health		121,961	110,965	110,417
Education and welfare		456,838	305,500	325,641
Community amenities		5,171,926	4,934,451	4,960,650
Recreation and culture		962,714	1,247,320	1,054,298
Transport		172,043	134,200	147,451
Economic services		2,415,578	2,358,524	2,206,743
Other property and services		28,012	20,000	10,235
		33,820,724	32,046,353	33,187,545
Expenses	2(a)			
Governance		(6,423,382)	(6,874,989)	(6,234,254)
General purpose funding		(1,018,985)	(1,037,478)	(905,840)
Law, order, public safety		(1,945,644)	(1,777,183)	(1,816,965)
Health		(499,846)	(548,649)	(534,046)
Education and welfare		(443,311)	(343,658)	(399,709)
Community amenities		(3,724,271)	(3,932,313)	(3,110,725)
Recreation and culture		(8,422,284)	(8,457,907)	(7,992,389)
Transport		(9,509,582)	(9,612,981)	(9,259,431)
Economic services		(1,450,187)	(1,582,072)	(1,286,420)
Other property and services		(86,279)	(99,062)	(44,757)
		(33,523,771)	(34,266,292)	(31,584,536)
Finance Costs	2(a)			
Governance		(346,508)	(344,634)	(362,600)
Community amenities		(5,257)	(5,431)	(7,961)
Recreation and culture		(88,444)	(108,776)	(82,775)
Economic services		(45,651)	(46,189)	(50,877)
		(485,860)	(505,030)	(504,213)
		(188,907)	(2,724,969)	1,098,796
Non-operating grants, subsidies and contributions	2(a)	8,374,650	9,645,626	9,819,155
Profit on disposal of assets	9(a)	47,536	13,023	42,817
(Loss) on disposal of assets	9(a)	(1,598,134)	(164,345)	(1,485,558)
(Loss) on revaluation of Infrastructure - Waste Management Facilities	8(b)	(587,309)	0	0
(Loss) on revaluation of Infrastructure - Public Utilities	8(b)	(1,267,008)	0	0
		4,969,735	9,494,304	8,376,414
Net result		4,780,828	6,769,335	9,475,210
Other comprehensive income				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes on revaluation of non-current assets	10	57,186,093	0	6,860,411
Total other comprehensive income		57,186,093	0	6,860,411
Total comprehensive income		61,966,921	6,769,335	16,335,621

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

STATEMENT OF FINANCIAL POSITION
AS AT 30TH JUNE 2018

	NOTE	2018 \$	2017 \$
CURRENT ASSETS			
Cash and cash equivalents	3	34,242,729	29,992,450
Trade and other receivables	5	2,268,873	1,727,333
Inventories	6	671,349	91,789
TOTAL CURRENT ASSETS		37,182,951	31,811,572
NON-CURRENT ASSETS			
Other receivables	5	94,597	83,457
Inventories	6	0	586,000
Property, plant and equipment	7	85,399,089	83,856,717
Infrastructure	8	358,663,291	300,317,755
TOTAL NON-CURRENT ASSETS		444,156,977	384,843,929
TOTAL ASSETS		481,339,928	416,655,501
CURRENT LIABILITIES			
Trade and other payables	11	3,267,157	2,490,479
Current portion of long term borrowings	12(a)	853,729	636,806
Provisions	13	1,754,713	1,661,012
TOTAL CURRENT LIABILITIES		5,875,599	4,788,297
NON-CURRENT LIABILITIES			
Long term borrowings	12(a)	8,896,778	7,241,982
Provisions	13	434,574	459,166
TOTAL NON-CURRENT LIABILITIES		9,331,352	7,701,148
TOTAL LIABILITIES		15,206,951	12,489,445
NET ASSETS		466,132,977	404,166,056
EQUITY			
Retained surplus		199,742,510	198,014,443
Reserves - cash backed	4	28,029,962	24,977,201
Revaluation surplus	10	238,360,505	181,174,412
TOTAL EQUITY		466,132,977	404,166,056

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

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30TH JUNE 2018**

		RESERVES			
	NOTE	RETAINED SURPLUS	CASH BACKED	REVALUATION SURPLUS	TOTAL EQUITY
		\$	\$	\$	\$
Balance as at 1 July 2016		192,009,926	21,506,508	174,314,001	387,830,435
Comprehensive income					
Net result		9,475,210	0	0	9,475,210
Changes on revaluation of assets	10	0	0	6,860,411	6,860,411
Total comprehensive income		9,475,210	0	6,860,411	16,335,621
Transfers from/(to) reserves		(3,470,693)	3,470,693	0	0
Balance as at 30 June 2017		198,014,443	24,977,201	181,174,412	404,166,056
Comprehensive income					
Net result		4,780,828	0	0	4,780,828
Changes on revaluation of assets	10	0	0	57,186,093	57,186,093
Total comprehensive income		4,780,828	0	57,186,093	61,966,921
Transfers from/(to) reserves		(3,052,761)	3,052,761	0	0
Balance as at 30 June 2018		199,742,510	28,029,962	238,360,505	466,132,977

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

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30TH JUNE 2018

	NOTE	2018 Actual	2018 Budget	2017 Actual
		\$	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts				
Rates		20,413,582	20,349,508	19,355,582
Operating grants, subsidies and contributions		1,893,790	1,909,315	3,050,933
Fees and charges		9,678,816	9,382,506	9,274,105
Service charges		4,333	4,333	4,333
Interest earnings		1,009,731	824,191	968,544
Goods and services tax		1,217,558	300,000	1,256,730
Other revenue		193,206	26,500	222,299
		34,411,016	32,796,353	34,132,526
Payments				
Employee costs		(14,174,212)	(14,394,716)	(14,116,578)
Materials and contracts		(7,272,049)	(8,979,375)	(6,038,832)
Utility charges		(1,031,636)	(1,211,290)	(1,150,145)
Interest expenses		(371,640)	(495,030)	(506,334)
Insurance expenses		(592,577)	(627,699)	(605,141)
Goods and services tax		(1,195,887)	0	(1,598,221)
Other expenditure		(542,066)	(469,472)	(456,760)
		(25,180,067)	(26,177,582)	(24,472,011)
Net cash provided by (used in) operating activities	14	9,230,949	6,618,771	9,660,515
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for purchase of property, plant & equipment		(6,163,497)	(12,148,255)	(2,837,379)
Payments for construction of infrastructure		(9,641,389)	(13,331,283)	(11,333,036)
Non-operating grants, subsidies and contributions		8,374,650	9,645,626	9,819,155
Proceeds from sale of fixed assets		583,961	2,136,000	472,384
Net cash provided by (used in) investment activities		(6,846,275)	(13,697,912)	(3,878,876)
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayment of long term borrowings		(578,281)	(708,194)	(600,922)
Proceeds from self supporting and interest free loans		12,701	12,700	21,385
Advances to community groups		(18,815)	(5,200)	0
Proceeds from new long term borrowings		2,450,000	2,450,000	0
Net cash provided by (used in) financing activities		1,865,605	1,749,306	(579,537)
Net increase (decrease) in cash held		4,250,279	(5,329,835)	5,202,102
Cash at beginning of year		29,992,450	30,008,061	24,790,348
Cash and cash equivalents at the end of the year	14	34,242,729	24,678,226	29,992,450

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

**RATE SETTING STATEMENT
FOR THE YEAR ENDED 30TH JUNE 2018**

	NOTE	2018 Actual	2018 Budget	2017 Actual
		\$	\$	\$
OPERATING ACTIVITIES				
Net current assets at July 1 b/fwd - surplus/(deficit)		4,331,506	4,041,229	2,420,988
		4,331,506	4,041,229	2,420,988
Revenue from operating activities (excluding rates)				
Governance		452,382	362,560	603,829
General purpose funding		2,695,063	1,682,924	3,353,198
Law, order, public safety		828,094	590,401	832,785
Health		121,961	110,965	110,417
Education and welfare		456,838	305,500	325,641
Community amenities		5,173,744	4,934,451	4,960,650
Recreation and culture		975,835	1,247,320	1,078,772
Transport		198,301	147,223	165,794
Economic services		2,415,578	2,358,524	2,206,743
Other property and services		28,012	20,000	10,235
		13,345,808	11,759,868	13,648,064
Expenditure from operating activities				
Governance		(6,778,169)	(7,219,623)	(6,596,854)
General purpose funding		(1,018,985)	(1,037,478)	(905,840)
Law, order, public safety		(1,945,775)	(1,777,183)	(2,872,551)
Health		(499,846)	(548,649)	(534,046)
Education and welfare		(443,311)	(343,658)	(399,709)
Community amenities		(3,738,951)	(3,937,744)	(3,118,686)
Recreation and culture		(10,021,199)	(8,566,683)	(8,252,291)
Transport		(9,521,146)	(9,718,326)	(9,332,276)
Economic services		(1,554,104)	(1,628,261)	(1,337,297)
Other property and services		(1,940,596)	(158,062)	(224,757)
		(37,462,082)	(34,935,667)	(33,574,307)
Operating activities excluded				
(Profit) on disposal of assets	9(a)	(47,536)	(13,023)	(42,817)
Loss on disposal of assets	9(a)	1,598,134	164,345	1,485,558
Loss on revaluation of fixed assets	8(b)	1,854,317	0	0
(Gain)/Loss on revaluation of land held for resale		61,000	0	(1,000)
Movement in deferred pensioner rates (non-current)		(5,295)	0	17,378
Movement in employee benefit provisions (non-current)		(24,592)	0	(81,159)
Depreciation and amortisation on assets	9(b)	9,114,195	9,046,640	8,805,609
Amount attributable to operating activities		(7,234,545)	(9,936,608)	(7,321,686)
INVESTING ACTIVITIES				
Non-operating grants, subsidies and contributions		8,374,650	9,645,626	9,819,155
Proceeds from disposal of assets	9(a)	583,961	2,136,000	472,384
Purchase of property, plant and equipment	7(b)	(6,163,497)	(12,148,255)	(2,837,379)
Purchase and construction of infrastructure	8(b)	(9,641,389)	(13,331,284)	(11,333,036)
Amount attributable to investing activities		(6,846,275)	(13,697,913)	(3,878,876)
FINANCING ACTIVITIES				
Advances to community groups		(18,815)	(5,200)	0
Repayment of long term borrowings	12(a)	(578,281)	(708,194)	(600,922)
Proceeds from new long term borrowings	12(b)	2,450,000	2,450,000	0
Proceeds from interest free and self supporting loans	12(a)	12,701	12,700	21,385
Transfers to reserves (restricted assets)	4	(5,715,267)	(2,747,795)	(4,399,431)
Transfers from reserves (restricted assets)	4	2,662,506	4,333,502	928,738
Amount attributable to financing activities		(1,187,156)	3,335,013	(4,050,230)
Surplus(deficiency) before general rates		(15,267,976)	(20,299,508)	(15,250,792)
Total amount raised from general rates	20	20,522,452	20,299,508	19,582,298
Net current assets at June 30 c/fwd - surplus/(deficit)	21	5,254,476	0	4,331,506

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

1. BASIS OF PREPARATION

The financial report comprises general purpose financial statements which have been prepared in accordance with Australian Accounting Standards (as they apply to local governments and not-for-profit entities and to the extent they are not inconsistent with the *Local Government Act 1995* and accompanying regulations.), Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board, the *Local Government Act 1995* and accompanying regulations. Accounting policies which have been adopted in the preparation of this financial report have been consistently applied unless stated otherwise.

Except for cash flow and rate setting information, the report has been prepared on the accrual basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and liabilities.

CRITICAL ACCOUNTING ESTIMATES

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

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

THE LOCAL GOVERNMENT REPORTING ENTITY

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

THE LOCAL GOVERNMENT REPORTING ENTITY (Continued)

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

AUSTRALIAN ACCOUNTING STANDARDS - INCONSISTENCY Land under roads

In Western Australia, all land under roads is Crown Land, the responsibility for managing which, is vested in the local government.

Effective as at 1 July 2008, Council elected not to recognise any value for land under roads acquired on or before 30 June 2008. This accords with the treatment available in *Australian Accounting Standard AASB 1051 Land Under Roads* and the fact *Local Government (Financial Management) Regulation 16(a)(i)* prohibits local governments from recognising such land as an asset.

In respect of land under roads acquired on or after 1 July 2008, as detailed above, *Local Government (Financial Management) Regulation 16(a)(i)* prohibits local governments from recognising such land as an asset.

Whilst such treatment is inconsistent with the requirements of *AASB 1051, Local Government (Financial Management) Regulation 4(2)* provides, in the event of such an inconsistency, the *Local Government (Financial Management) Regulations* prevail.

Consequently, any land under roads acquired on or after 1 July 2008 is not included as an asset of the Shire.

2. REVENUE AND EXPENSES

(a) Revenue

Other revenue

Reimbursements and recoveries
Other

	2018 Actual	2017 Actual
	\$	\$
Reimbursements and recoveries	0	151,095
Other	193,206	71,204
	193,206	222,299
Fees and Charges		
Governance	229,366	290,396
General purpose funding	245,546	203,081
Law, order, public safety	207,086	195,760
Health	121,961	110,417
Education and welfare	441,174	325,641
Community amenities	5,095,813	4,930,671
Recreation and culture	887,525	920,019
Transport	143,930	125,036
Economic services	2,306,415	2,173,084
	9,678,816	9,274,105

There were no changes during the year to the amount of the fees or charges detailed in the original budget.

2. REVENUE AND EXPENSES (Continued)

(a) Revenue (Continued)

Grant Revenue

Grants, subsidies and contributions are included as operating and non-operating revenues in the Statement of Comprehensive Income:

	2018	2017
	\$	\$
Operating grants, subsidies and contributions		
Governance	121,685	258,783
General purpose funding	1,432,925	2,026,146
Law, order, public safety	621,007	637,025
Education and welfare	15,664	
Community amenities	77,931	29,978
Recreation and culture	88,257	134,279
Transport	6,860	22,416
Economic services	26,827	23,441
Other property and services	21,030	3,898
	2,412,186	3,135,966
Non-operating grants, subsidies and contributions		
Governance	1,435,323	0
Law, order, public safety	746,412	412,301
Community amenities	409,009	415,788
Recreation and culture	2,537,030	535,371
Transport	3,246,876	8,455,695
	8,374,650	9,819,155
Total grants, subsidies and contributions	10,786,836	12,955,121

SIGNIFICANT ACCOUNTING POLICIES

Grants, Donations and Other Contributions

Grants, donations and other contributions are recognised as revenues when the local government obtains control over the assets comprising the contributions.

Where contributions recognised as revenues during the reporting period were obtained on the condition that they be expended in a particular manner or used over a

Grants, Donations and Other Contributions (Continued)

particular period, and those conditions were undischarged as at the reporting date, the nature of and amounts pertaining to those undischarged conditions are disclosed in Note 19. That note also discloses the amount of contributions recognised as revenues in a previous reporting period which were obtained in respect of the local government's operations for the current period.

Interest earnings

- Loans receivable - clubs/institutions
 - Reserve funds
 - Other funds
- Other interest revenue (refer note 20(d))

2018	2018	2017
Actual	Budget	Actual
\$	\$	\$
316	291	630
468,386	468,000	423,262
287,580	138,400	294,148
253,449	217,500	250,504
1,009,731	824,191	968,544

2. REVENUE AND EXPENSES (Continued)

(b) Expenses

Auditors remuneration

- Audit of the Annual Financial Report
- Assistance with the finalisation of Annual Financial Report
- Audit of Grant Reports and Acquittals

Interest expenses (finance costs)

Long term borrowings (refer Note 12(a))

Rental charges

- Operating leases

	2018	2017
	\$	\$
	29,767	27,775
	8,400	6,000
	2,750	2,200
	40,917	35,975
	485,860	504,213
	485,860	504,213
	493,900	587,752
	493,900	587,752

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018**

3. CASH AND CASH EQUIVALENTS

	NOTE	2018 \$	2017 \$
Unrestricted		4,577,022	4,079,152
Restricted		29,665,707	25,913,298
		34,242,729	29,992,450
The following restrictions have been imposed by regulations or other externally imposed requirements:			
Leave Reserve	4	404,880	396,869
Margaret River CBD Redevelopment Reserve	4	6,803,128	6,697,946
Public Open Space Reserve	4	89,653	225,567
Caravan Parks Upgrade Reserve	4	1,123,150	1,518,141
Limesand Pits Reserve	4	63,634	62,375
Cemeteries Reserve	4	10,774	10,558
Community Loan Reserve	4	162,924	170,805
Cedarvale Reserve	4	229,943	225,393
Waste Management Reserve	4	9,281,316	7,133,988
Parking Reserve	4	154,575	151,517
Infrastructure Contributions Reserve	4	1,548,690	1,478,615
Biodiversity Reserve	4	55,391	10,187
Community Facilities Reserve	4	4,622,682	3,390,521
Plant Reserve	4	1,225,169	1,810,035
Affordable Housing Fund Reserve	4	61,454	60,238
Gravel Pits Reserve	4	455,933	368,365
Self Insurance Reserve	4	298,330	263,021
Recreation Centres Reserve	4	18,106	15,784
Old Settlement Reserve	4	30,436	29,834
Developer Contributions Reserve	4	1,175,089	753,453
Community Grants Reserve	4	22,555	15,641
Emergency Services Reserve	4	192,150	188,348
Unspent grants	19	322,833	936,097
Unspent loans	12(c)	1,312,912	0
		29,665,707	25,913,298

SIGNIFICANT ACCOUNTING POLICIES

Cash and cash equivalents

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

Cash and cash equivalents (Continued)

of changes in value and bank overdrafts. Bank overdrafts are reported as short term borrowings in current liabilities in the statement of financial position.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018

4. RESERVES - CASH BACKED

	2018 Actual Opening Balance	2018 Actual Transfer to	2018 Actual Transfer (from)	2018 Actual	2018 Budget Opening Balance	2018 Budget Transfer to	2018 Budget Transfer (from)	2018 Budget Closing Balance	2017 Actual Opening Balance	2017 Actual Transfer to	2017 Actual Transfer (from)	2017 Actual Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Leave Reserve	396,869	8,011	0	404,880	396,869	7,937	0	404,806	389,017	7,852	0	396,869
Margaret River CBD Redevelopment Reserve	6,697,946	105,182	0	6,803,128	6,697,946	898,049	0	7,595,995	6,489,840	408,106	(200,000)	6,697,946
Public Open Space Reserve	225,567	4,086	(140,000)	89,653	225,567	4,511	(140,000)	90,078	81,337	144,230	0	225,567
Caravan Parks Upgrade Reserve	1,518,141	25,009	(420,000)	1,123,150	1,518,141	30,363	(1,080,000)	468,504	1,488,105	30,036	0	1,518,141
Limesand Pits Reserve	62,375	1,259	0	63,634	62,375	1,247	0	63,622	61,243	1,132	0	62,375
Cemeteries Reserve	10,558	216	0	10,774	10,558	211	0	10,769	10,249	309	0	10,558
Community Loan Reserve	170,805	10,934	(18,815)	162,924	170,805	10,639	(5,200)	176,244	151,199	19,606	0	170,805
Cedarvale Reserve	225,393	4,550	0	229,943	225,393	4,508	0	229,901	220,934	4,459	0	225,393
Waste Management Reserve	7,133,988	2,147,328	0	9,281,316	7,133,988	1,007,686	0	8,141,674	5,375,812	1,858,176	(100,000)	7,133,988
Parking Reserve	151,517	3,058	0	154,575	151,517	3,030	0	154,547	148,519	2,998	0	151,517
Infrastructure Contributions Reserve	1,478,615	70,075	0	1,548,690	1,478,615	36,147	0	1,514,762	1,743,249	64,104	(328,738)	1,478,615
Biodiversity Reserve	10,187	45,204	0	55,391	10,187	204	0	10,391	10,000	187	0	10,187
Community Facilities Reserve	3,390,521	2,566,161	(1,334,000)	4,622,682	3,390,521	63,810	(1,529,000)	1,925,331	2,332,177	1,058,344	0	3,390,521
Plant Reserve	1,810,035	135,134	(720,000)	1,225,169	1,810,035	236,211	(1,224,674)	821,572	1,774,709	335,326	(300,000)	1,810,035
Affordable Housing Fund Reserve	60,238	1,216	0	61,454	60,238	1,204	(45,000)	16,442	49,212	11,026	0	60,238
Gravel Pits Reserve	368,365	87,568	0	455,933	368,365	7,367	0	375,732	361,075	7,290	0	368,365
Self Insurance Reserve	263,021	35,309	0	298,330	263,021	5,260	0	268,281	257,817	5,204	0	263,021
Recreation Centres Reserve	15,784	2,322	0	18,106	15,784	5,316	0	21,100	6,928	8,856	0	15,784
Old Settlement Reserve	29,834	602	0	30,436	29,834	597	0	30,431	29,244	590	0	29,834
Developer Contributions Reserve	753,453	451,327	(29,691)	1,175,089	753,453	159,547	(169,628)	743,372	467,888	285,565	0	753,453
Community Grants Reserve	15,641	6,914	0	22,555	15,641	20,313	0	35,954	10,000	5,641	0	15,641
Emergency Services Reserve	188,348	3,802	0	192,150	188,348	978	(20,000)	169,326	47,954	140,394	0	188,348
Augusta Revitalisation Reserve	0	0	0	0	0	240,000	(120,000)	120,000	0	0	0	0
Youth Facilities Reserve	0	0	0	0	0	2,660	0	2,660	0	0	0	0
	24,977,201	5,715,267	(2,662,506)	28,029,962	24,977,201	2,747,795	(4,333,502)	23,391,494	21,506,508	4,399,431	(928,738)	24,977,201

All of the reserve accounts are supported by money held in financial institutions and match the amount shown as restricted cash in Note 3 to this financial report.

4. RESERVES - CASH BACKED (Continued)

In accordance with council resolutions in relation to each reserve account, the purpose for which the reserves are set aside and their anticipated date of use are as follows:

Name of Reserve	Anticipated date of use	Purpose of the reserve
Leave Reserve	Ongoing	To be used to fund annual and long service leave requirements.
Margaret River CBD Redevelopment Reserve	Ongoing	To be used for funding capital projects in the Margaret River townsite.
Public Open Space Reserve	Ongoing	To be used to fund future public open space requirements.
Caravan Parks Upgrade Reserve	Ongoing	To be used for the upgrading of Caravan Parks and Camping Grounds.
Limesand Pits Reserve	Ongoing	Rehabilitation and development of the Boranup, Redgate and any other Shire limesand pits.
Cemeteries Reserve	Ongoing	To be used for the upgrade of Cemeteries.
Community Loan Reserve	Ongoing	Interest free funding for eligible groups associated with sporting and cultural activities.
Cedarvale Reserve	Ongoing	To meet obligations in respect of the Cedarvale agreement for the Gnarabup site and future foreshore rehabilitation at Prevelly and Gnarabup.
Waste Management Reserve	Ongoing	To fund future waste facility and plant requirements.
Parking Reserve	Ongoing	To be used to fund future car parking requirements.
Infrastructure Contributions Reserve	Ongoing	To be used to fund future road and drainage maintenance and construction requirements.
Biodiversity Reserve	Ongoing	To be used for the funding of biodiversity initiatives
Community Facilities Reserve	Ongoing	To be used for the construction and major maintenance of community buildings and facilities.
Plant Reserve	Ongoing	To be used for the purchase of plant, vehicles and equipment.
Affordable Housing Fund Reserve	Ongoing	Infrastructure and capital improvements within the Cowaramup townsite and area covered by the West Cowaramup townsite strategy.
Gravel Pits Reserve	Ongoing	Rehabilitation and development of the Shire's gravel and other related resource reserves.
Self Insurance Reserve	Ongoing	To fund self insurance, workers compensation performance risk, risk management and other related employee and organisational activities.
Recreation Centres Reserve	Ongoing	Income from advertising signs is reserved for future improvements to facilities.
Old Settlement Reserve	Ongoing	Income from the lease of the Old Settlement site is reserved for future improvements to facilities.
Developer Contributions Reserve	Ongoing	Funds received and used in accordance with the Developer Contributions Plan.
Community Grants Reserve	Ongoing	Funds received from sale of special services vehicle registration plates and other initiatives are provided as community grants.
Emergency Services Reserve	Ongoing	To be used to support the provision of emergency services in the Shire.
Augusta Revitalisation Reserve	Ongoing	To be used for funding capital projects in Augusta.
Youth Facilities Reserve	Ongoing	To be used to renew and develop youth facilities in the Shire.

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018**

5. TRADE AND OTHER RECEIVABLES

Current

Rates outstanding
Sundry debtors
GST receivable
Loans receivable - clubs/institutions
Accrued Interest Receivable
Prepayments
Accrued Income

Non-current

Rates outstanding - pensioners
Loans receivable - clubs/institutions

Information with respect the impairment or otherwise of the totals of rates outstanding and sundry debtors is as follows:

Rates outstanding

Includes:

Past due and not impaired

Sundry debtors

Includes:

Past due and not impaired

2018	2017
\$	\$
769,711	666,136
741,833	240,861
319,820	341,491
12,655	12,386
333,555	332,074
75,356	134,385
15,943	0
2,268,873	1,727,333
44,491	39,196
50,106	44,261
94,597	83,457
769,711	666,136
128,088	101,638

SIGNIFICANT ACCOUNTING POLICIES

Trade and other receivables

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

Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Collectability of trade and other receivables is reviewed on an ongoing basis. Debts that are known to be uncollectible are written off when identified. An allowance for doubtful debts is raised when there is objective evidence that they will not be collectible.

Classification and subsequent measurement

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss.

Loans and receivables are included in current assets where they are expected to mature within 12 months after the end of the reporting period.

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018**

6. INVENTORIES

Current

Fuel and materials
Land held for resale - fair value

Non-current

Land held for resale - fair value

2018	2017
\$	\$
146,349	91,789
525,000	0
671,349	91,789
0	586,000
0	586,000

SIGNIFICANT ACCOUNTING POLICIES

General

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

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

Land held for sale

Land held for development and sale is valued at the lower of cost and net realisable value. Cost includes the cost of acquisition, development, borrowing costs and holding costs until completion of development.

Land held for sale (Continued)

Finance costs and holding charges incurred after development is completed are expensed.

Gains and losses are recognised in profit or loss at the time of signing an unconditional contract of sale if significant risks and rewards, and effective control over the land, are passed on to the buyer at this point.

Land held for sale is classified as current except where it is held as non-current based on the Council's intentions to release for sale.

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018**

7 (a). PROPERTY, PLANT AND EQUIPMENT

	2018	2017
	\$	\$
Land and buildings		
Land - freehold land at:		
- Independent valuation 2017 - level 2	2,506,300	2,572,000
- Independent valuation 2017 - level 3	8,520,000	8,520,000
	11,026,300	11,092,000
Land - vested in and under the control of Council at:		
- Independent valuation 2017 - level 3	5,092,300	5,092,300
	5,092,300	5,092,300
Total land	16,118,600	16,184,300
Buildings - specialised at:		
- Independent valuation 2017 - level 3	61,551,187	59,452,555
Less: accumulated depreciation	(1,379,608)	0
	60,171,579	59,452,555
Total buildings	60,171,579	59,452,555
Total land and buildings	76,290,179	75,636,855
Furniture and equipment at:		
- Management valuation 2016 - level 2	280,269	196,829
- Management valuation 2016 - level 3	1,531,604	1,531,604
Less: accumulated depreciation	(413,610)	(207,464)
	1,398,263	1,520,969
Plant and equipment at:		
- Independent valuation 2016 - level 2	6,348,399	4,437,559
- Independent valuation 2016 - level 3	3,300,650	3,300,650
Less: accumulated depreciation	(1,938,402)	(1,039,316)
	7,710,647	6,698,893
Total property, plant and equipment	85,399,089	83,856,717

7. PROPERTY, PLANT AND EQUIPMENT (Continued)

(b) Movements in Carrying Amounts

Movement in the carrying amounts of each class of property, plant and equipment between the beginning and the end of the current financial year.

	Land - freehold land	Land - vested in and under the control of Council	Total land	Buildings - specialised	Total buildings	Total land and buildings	Furniture and equipment	Plant and equipment	Total property, plant and equipment
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2016	12,419,591	3,715,750	16,135,341	54,604,343	54,604,343	70,739,684	1,679,949	6,371,009	78,790,642
Additions	0	0	0	1,218,549	1,218,549	1,218,549	48,484	1,570,346	2,837,379
(Disposals)	(480,000)	0	(480,000)	(1,293,207)	(1,293,207)	(1,773,207)	0	(124,352)	(1,897,559)
Revaluation increments/ (decrements) transferred to revaluation surplus	(847,591)	1,376,550	528,959	6,331,452	6,331,452	6,860,411	0	0	6,860,411
Depreciation (expense)	0	0	0	(1,408,582)	(1,408,582)	(1,408,582)	(207,464)	(1,118,110)	(2,734,156)
Carrying amount at 30 June 2017	11,092,000	5,092,300	16,184,300	59,452,555	59,452,555	75,636,855	1,520,969	6,698,893	83,856,717
Additions	0	0	0	3,735,500	3,735,500	3,735,500	87,420	2,340,577	6,163,497
(Disposals)	(65,700)	0	(65,700)	(1,566,163)	(1,566,163)	(1,631,863)	(882)	(268,314)	(1,901,059)
Depreciation (expense)	0	0	0	(1,450,313)	(1,450,313)	(1,450,313)	(209,244)	(1,060,509)	(2,720,066)
Carrying amount at 30 June 2018	11,026,300	5,092,300	16,118,600	60,171,579	60,171,579	76,290,179	1,398,263	7,710,647	85,399,089

7. PROPERTY, PLANT AND EQUIPMENT (Continued)

(c) Fair Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
Land and buildings					
Land - freehold land	Level 2 and Level 3	Market approach using recent observable market data for similar properties.	Independent Registered Valuers and Management Valuation	June 2017	Price per hectare, with reference to current zoning of land. Market values were used unless there were some restrictions or other factors associated with the land.
Land - vested in and under the control of Council	Level 3	Cost approach using depreciated replacement cost.	Independent Registered Valuers	June 2017	Improvements to land using estimated construction costs.
Buildings - specialised	Level 3	Cost approach using depreciated replacement cost.	Independent Registered Valuers	June 2017	Construction costs based on recent contract prices and current condition, residual values and remaining useful life assessments.
Furniture and equipment	Level 2 and Level 3	Market approach using recent observable market data for similar assets. Cost approach using depreciated replacement cost.	Management Valuation	June 2016	Market price per item, purchase costs of similar assets adjusted for condition and comparability, residual values and remaining useful life assessments.
Plant and equipment	Level 2 and Level 3	Market approach using recent observable market data for similar assets. Cost approach using depreciated replacement cost	Independent Registered Valuers	June 2016	Market price per item, purchase costs of similar assets adjusted for condition and comparability, residual values and remaining useful life assessments.

Level 3 inputs are based on assumptions with regards to future values and patterns of consumption utilising current information. If the basis of these assumptions were varied, they have the potential to result in a significantly higher or lower fair value measurement.

During the period there were no changes in the valuation techniques used by the local government to determine the fair value of property, plant and equipment using either level 2 or level 3 inputs.

Freehold land that is the location of the the Augusta Museum has been valued on a highest and best use basis, which differs from its current use, as the possible relocation of the museum will allow the land to be sold for commercial purposes.

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018**

8 (a). INFRASTRUCTURE

Infrastructure - Roads

- Management valuation 2018 - level 3
- Management valuation 2015 - level 3

Less: accumulated depreciation

2018	2017
\$	\$
267,725,656	0
0	218,333,369
0	(6,683,636)
267,725,656	211,649,733

Infrastructure - Road Bridges

- Management valuation 2018 - level 3
- Management valuation 2015 - level 3

Less: accumulated depreciation

8,032,500	0
0	6,634,374
0	(354,729)
8,032,500	6,279,645

Infrastructure - Car Parks

- Management valuation 2018 - level 3
- Management valuation 2015 - level 3

Less: accumulated depreciation

4,041,551	0
0	5,157,462
0	(253,478)
4,041,551	4,903,984

Infrastructure - Paths

- Management valuation 2018 - level 3
- Management valuation 2015 - level 3

Less: accumulated depreciation

13,294,746	0
0	11,139,472
0	(714,777)
13,294,746	10,424,695

Infrastructure - Drainage

- Management valuation 2018 - level 3
- Management valuation 2015 - level 3

Less: accumulated depreciation

28,352,746	0
0	40,087,940
0	(1,411,888)
28,352,746	38,676,052

Infrastructure - Caravan and Camping

- Management valuation 2018 - level 3
- Management valuation 2015 - level 3

Less: accumulated depreciation

1,438,992	0
0	1,952,582
0	(88,059)
1,438,992	1,864,523

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018**

8 (a). INFRASTRUCTURE (Continued)

Infrastructure - Parks and Reserves

- Management valuation 2018 - level 3

- Management valuation 2015 - level 3

Less: accumulated depreciation

2018	2017
\$	\$
28,746,354	0
0	20,601,590
0	(1,783,775)
28,746,354	18,817,815

Infrastructure - Aerodromes

- Management valuation 2018 - level 3

- Management valuation 2015 - level 3

Less: accumulated depreciation

2,727,620	0
0	2,522,113
0	(215,004)
2,727,620	2,307,109

Infrastructure - Boat Ramps and Jetties

- Management valuation 2018 - level 3

- Management valuation 2015 - level 3

Less: accumulated depreciation

1,999,096	0
0	1,343,858
0	(226,052)
1,999,096	1,117,806

Infrastructure - Waste Management Facilities

- Management valuation 2018 - level 3

- Management valuation 2015 - level 3

Less: accumulated depreciation

654,874	0
0	1,346,077
0	(69,609)
654,874	1,276,468

Infrastructure - Public Utilities

- Management valuation 2018 - level 3

- Management valuation 2015 - level 3

Less: accumulated depreciation

1,649,156	0
0	3,080,053
0	(80,128)
1,649,156	2,999,925

Total infrastructure

358,663,291	300,317,755
-------------	-------------

8. INFRASTRUCTURE (Continued)

(b) Movements in Carrying Amounts

Movement in the carrying amounts of each class of infrastructure between the beginning and the end of the current financial year.

	Infrastructure - Roads	Infrastructure - Road Bridges	Infrastructure - Car Parks	Infrastructure - Paths	Infrastructure - Drainage	Infrastructure - Caravan and Camping	Infrastructure - Parks and Reserves	Infrastructure - Aerodromes	Infrastructure - Boat Ramps and Jetties	Infrastructure - Waste Management Facilities	Infrastructure - Public Utilities	Total Infrastructure
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2016	209,492,701	6,331,220	4,841,713	9,708,410	36,325,627	1,782,536	18,992,497	2,414,142	1,225,329	973,154	2,986,409	295,073,738
Additions	5,561,143	131,576	189,281	1,093,472	3,066,866	126,596	761,120	3,550	4,986	340,866	53,580	11,333,036
(Disposals)	0	0	0	0	0	0	(17,566)	0	0	0	0	(17,566)
Depreciation (expense)	(3,404,111)	(183,151)	(127,010)	(377,187)	(716,441)	(44,609)	(918,236)	(110,583)	(112,509)	(37,552)	(40,064)	(6,071,453)
Carrying amount at 30 June 2017	211,649,733	6,279,645	4,903,984	10,424,695	38,676,052	1,864,523	18,817,815	2,307,109	1,117,806	1,276,468	2,999,925	300,317,755
Additions	3,977,014	597,583	217,195	582,477	202,614	228,859	3,700,430	10,320	64,347	41,134	19,416	9,641,389
(Disposals)	0	0	0	0	0	0	(233,500)	0	0	0	0	(233,500)
Revaluation increments/ (decrements) transferred to revaluation surplus	55,683,693	1,338,492	(951,809)	2,705,817	(9,755,866)	(606,605)	7,418,568	521,170	929,613	(36,288)	(60,692)	57,186,093
Revaluation (loss)/ reversals transferred to profit or loss	0	0	0	0	0	0	0	0	0	(587,309)	(1,267,008)	(1,854,317)
Depreciation (expense)	(3,584,784)	(183,220)	(127,819)	(418,243)	(770,054)	(47,785)	(956,959)	(110,979)	(112,670)	(39,131)	(42,485)	(6,394,129)
Carrying amount at 30 June 2018	267,725,656	8,032,500	4,041,551	13,294,746	28,352,746	1,438,992	28,746,354	2,727,620	1,999,096	654,874	1,649,156	358,663,291

8. INFRASTRUCTURE (Continued)

(c) Fair Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
Infrastructure - Roads	Level 3	Cost approach using depreciated replacement cost.	Management Valuation	June 2018	Construction costs and current condition, residual values and remaining useful life assessments.
Infrastructure - Road Bridges	Level 3	Cost approach using depreciated replacement cost.	Management Valuation	June 2018	Construction costs and current condition, residual values and remaining useful life assessments.
Infrastructure - Car Parks	Level 3	Cost approach using depreciated replacement cost.	Management Valuation	June 2018	Construction costs and current condition, residual values and remaining useful life assessments.
Infrastructure - Paths	Level 3	Cost approach using depreciated replacement cost.	Management Valuation	June 2018	Construction costs and current condition, residual values and remaining useful life assessments.
Infrastructure - Drainage	Level 3	Cost approach using depreciated replacement cost.	Management Valuation	June 2018	Construction costs and current condition, residual values and remaining useful life assessments.
Infrastructure - Caravan and Camping	Level 3	Cost approach using depreciated replacement cost.	Management Valuation	June 2018	Construction costs and current condition, residual values and remaining useful life assessments.
Infrastructure - Parks and Reserves	Level 3	Cost approach using depreciated replacement cost.	Management Valuation	June 2018	Construction costs and current condition, residual values and remaining useful life assessments.
Infrastructure - Aerodromes	Level 3	Cost approach using depreciated replacement cost.	Management Valuation	June 2018	Construction costs and current condition, residual values and remaining useful life assessments.
Infrastructure - Boat Ramps and Jetties	Level 3	Cost approach using depreciated replacement cost.	Management Valuation	June 2018	Construction costs and current condition, residual values and remaining useful life assessments.
Infrastructure - Waste Management Facilities	Level 3	Cost approach using depreciated replacement cost.	Management Valuation	June 2018	Construction costs and current condition, residual values and remaining useful life assessments.
Infrastructure - Public Utilities	Level 3	Cost approach using depreciated replacement cost.	Management Valuation	June 2018	Construction costs and current condition, residual values and remaining useful life assessments.

Level 3 inputs are based on assumptions with regards to future values and patterns of consumption utilising current information. If the basis of these assumptions were varied, they have the potential to result in a significantly higher or lower fair value measurement.

During the period there were no changes in the valuation techniques used to determine the fair value of infrastructure using level 3 inputs.

9. FIXED ASSETS

SIGNIFICANT ACCOUNTING POLICIES

Fixed assets

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

Initial recognition and measurement between mandatory revaluation dates

All assets are initially recognised at cost and subsequently revalued in accordance with the mandatory measurement framework.

In relation to this initial measurement, cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition. For assets acquired at no cost or for nominal consideration, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by the Shire includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overheads.

Individual assets acquired between initial recognition and the next revaluation of the asset class in accordance with the mandatory measurement framework, are recognised at cost and disclosed as being at fair value as management believes cost approximates fair value. They are subject to subsequent revaluation at the next anniversary date in accordance with the mandatory measurement framework.

Revaluation

The fair value of fixed assets is determined at least every three years in accordance with the regulatory framework. At the end of each period the valuation is reviewed and where appropriate the fair value is updated to reflect current market conditions. This process is considered to be in accordance with *Local Government (Financial Management) Regulation 17A (2)* which requires property, plant and equipment to be shown at fair value.

Increases in the carrying amount arising on revaluation of assets are credited to a revaluation surplus in equity. Decreases that offset previous increases of the same class of asset are recognised against revaluation surplus directly in equity. All other decreases are recognised in profit or loss.

Land under control

In accordance with *Local Government (Financial Management) Regulation 16(a)(ii)*, the Shire was required to include as an asset (by 30 June 2013), Crown Land operated by the local government as a golf course, showground, racecourse or other sporting or recreational facility of State or Regional significance.

Upon initial recognition, these assets were recorded at cost in accordance with AASB 116. They were then classified as Land and revalued along with other land in accordance with the other policies detailed in this Note.

9. FIXED ASSETS (Continued)

(a) Disposals of Assets

The following assets were disposed of during the year.

	Actual Net Book Value	Actual Sale Proceeds	Actual Profit	Actual Loss	Budget Net Book Value	Budget Sale Proceeds	Budget Profit	Budget Loss
	\$	\$	\$	\$	\$	\$	\$	\$
Plant and Equipment								
Governance								
Passenger vehicle	9,872	11,183	1,311	0	10,312	10,000	0	(312)
Passenger vehicle	14,504	8,729	0	(5,775)	16,304	15,000	0	(1,304)
Passenger vehicle	15,414	12,910	0	(2,504)	16,987	15,000	0	(1,987)
Law, order, public safety								
Utility - Rangers	22,360	22,229	0	(131)	24,979	20,000	0	(4,979)
Utility - Rangers	7,000	12,001	5,001	0	16,437	20,000	3,563	0
Community amenities								
Crawler Excavator	18,182	20,000	1,818	0				
Passenger vehicle	14,451	5,410	0	(9,041)	14,863	15,000	137	0
Passenger vehicle	8,747	8,365	0	(382)	9,124	10,000	876	0
Recreation and culture								
Mower	4,545	4,251	0	(294)				
Mulcher	2,042	986	0	(1,056)	2,283	2,000	0	(283)
Tractor	23,315	36,436	13,121	0	23,834	20,000	0	(3,834)
Mower	6,990	5,765	0	(1,225)	9,430	8,000	0	(1,430)
Turf Tidy	0	0	0	0	11,804	10,000	0	(1,804)
Tractor	0	0	0	0	18,873	20,000	1,127	0
Tractor	0	0	0	0	61,965	30,000	0	(31,965)
Transport								
Roller	19,000	20,000	1,000	0	21,743	20,000	0	(1,743)
Compactor	896	227	0	(669)				
Tip Truck	39,376	38,184	0	(1,192)	48,337	20,000	0	(28,337)
Low Loader	9,200	22,500	13,300	0	16,380	15,000	0	(1,380)
Solar Powered Vehicle	13,647	3,945	0	(9,702)	16,871	15,000	0	(1,871)
Utility	15,955	16,729	774	0	7,549	10,000	2,451	0
Utility	11,909	21,092	9,183	0	12,873	15,000	2,127	0
Utility	10,909	12,910	2,001	0	12,353	15,000	2,647	0
Roller	0	0	0	0	5,905	6,000	95	0
Roller	0	0	0	0	27,498	25,000	0	(2,498)
Dog Trailer	0	0	0	0	21,130	20,000	0	(1,130)
Boxtop Trailer	0	0	0	0	1,357	1,000	0	(357)
Truck mountable water tank	0	0	0	0	31,540	20,000	0	(11,540)
Tag along pig trailer	0	0	0	0	20,757	18,000	0	(2,757)
Excavator	0	0	0	0	23,622	20,000	0	(3,622)
Hooklift Truck	0	0	0	0	61,141	60,000	0	(1,141)
Light truck	0	0	0	0	17,071	16,000	0	(1,071)
Furniture and equipment								
Recreation and Culture								
Coffee Machine	882	909	27	0	0	0	0	0
Land and buildings								
Recreation and Culture								
Land Sale	65,700	65,700	0	0	1,704,000	1,645,000	0	(59,000)
Cricket shed	16,040	0	0	(16,040)	0	0	0	0
Aquatic Centre dehumidifier	147,532	0	0	(147,532)	0	0	0	0
Football club hall works	15,231	0	0	(15,231)	0	0	0	0
Cultural Centre works	1,277,411	0	0	(1,277,411)	0	0	0	0
Western Pavilion works	2,017	0	0	(2,017)	0	0	0	0
Augusta Centennial Hall works	1,078	0	0	(1,078)	0	0	0	0
Augusta Recreation Centre	26,039	0	0	(26,039)	0	0	0	0
Augusta Bowling Clubrooms	22,548	0	0	(22,548)	0	0	0	0
Economic Services								
Caravan Park ablution works	5,934	0	0	(5,934)	0	0	0	0
Caravan Park ablution works	1,219	0	0	(1,219)	0	0	0	0
Caravan Park ablution works	51,114	0	0	(51,114)	0	0	0	0
Infrastructure								
Recreation and Culture								
Synthetic Bowling Greens	233,500	233,500	0	0	0	0	0	0
	2,134,559	583,961	47,536	(1,598,134)	2,287,322	2,136,000	13,023	(164,345)

9. FIXED ASSETS (Continued)

(b) Depreciation

	2018	2017
	\$	\$
Buildings - specialised	1,450,313	1,408,582
Furniture and equipment	209,244	207,464
Plant and equipment	1,060,509	1,118,110
Infrastructure - Roads	3,584,784	3,404,111
Infrastructure - Road Bridges	183,220	183,151
Infrastructure - Car Parks	127,819	127,010
Infrastructure - Paths	418,243	377,187
Infrastructure - Drainage	770,054	716,441
Infrastructure - Caravan and Camping	47,785	44,609
Infrastructure - Parks and Reserves	956,959	918,236
Infrastructure - Aerodromes	110,979	110,583
Infrastructure - Boat Ramps and Jetties	112,670	112,509
Infrastructure - Waste Management Facilities	39,131	37,552
Infrastructure - Public Utilities	42,485	40,064
	9,114,195	8,805,609

(b) Depreciation (Continued)

SIGNIFICANT ACCOUNTING POLICIES

Depreciation

The depreciable amount of all fixed assets including buildings but excluding freehold land and vested land, are depreciated on a straight-line basis over the individual asset's useful life from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful life of the improvements.

When an item of property, plant and equipment is revalued, any accumulated depreciation at the date of the revaluation is treated in one of the following ways:

- The gross carrying amount is adjusted in a manner that is consistent with the revaluation of the carrying amount of the asset. For example, the gross carrying amount may be restated by reference to observable market data or it may be restated proportionately to the change in the carrying amount. The accumulated depreciation at the date of the revaluation is adjusted to equal the difference between the gross carrying amount and the carrying amount of the asset after taking into account accumulated impairment losses; or
- Eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset.

Depreciation rates

Major depreciation periods used for each class of depreciable asset are:

Land	Not Depreciated
Buildings	up to 50 years
Furniture & Equipment	up to 10 years
Plant & Equipment	up to 20 years
Bridges	up to 50 years
Carparks	up to 40 years
Drainage	up to 80 years
Paths	up to 40 years
Roads	up to 50 years
Jetties & Boatramps	up to 30 years
Waste Management	up to 40 years
Public Utilities	up to 40 years
Parks	up to 50 years

Depreciation (Continued)

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of comprehensive income in the period in which they arise.

10. REVALUATION SURPLUS

	2018 Opening Balance	2018 Revaluation Increment	2018 Revaluation (Decrement)	2018 Total Movement on Revaluation	2018 Closing Balance	2017 Opening Balance	2017 Revaluation Increment	2017 Revaluation (Decrement)	2017 Total Movement on Revaluation	2017 Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Revaluation surplus - Land and buildings	50,280,930	0	0	0	50,280,930	43,420,519	7,708,002	(847,591)	6,860,411	50,280,930
Revaluation surplus - Plant and equipment	2,346,679	0	0	0	2,346,679	2,346,679	0	0	0	2,346,679
Revaluation surplus - Infrastructure - Roads	79,903,207	55,683,693	0	55,683,693	135,586,900	79,903,207	0	0	0	79,903,207
Revaluation surplus - Infrastructure - Road Bridges	5,510,485	1,338,492	0	1,338,492	6,848,977	5,510,485	0	0	0	5,510,485
Revaluation surplus - Infrastructure - Car Parks	3,585,853	0	(951,809)	(951,809)	2,634,044	3,585,853	0	0	0	3,585,853
Revaluation surplus - Infrastructure - Paths	4,347,247	2,705,817	0	2,705,817	7,053,064	4,347,247	0	0	0	4,347,247
Revaluation surplus - Infrastructure - Drainage	30,481,607	0	(9,755,866)	(9,755,866)	20,725,741	30,481,607	0	0	0	30,481,607
Revaluation surplus - Infrastructure - Caravan and Camping	1,173,470	0	(606,605)	(606,605)	566,865	1,173,470	0	0	0	1,173,470
Revaluation surplus - Infrastructure - Parks and Reserves	805,694	7,418,568	0	7,418,568	8,224,262	805,694	0	0	0	805,694
Revaluation surplus - Infrastructure - Aerodromes	2,073,263	521,170	0	521,170	2,594,433	2,073,263	0	0	0	2,073,263
Revaluation surplus - Infrastructure - Boat Ramps and Jetties	568,997	929,613	0	929,613	1,498,610	568,997	0	0	0	568,997
Revaluation surplus - Infrastructure - Waste Management Facilities	36,288	0	(36,288)	(36,288)	0	36,288	0	0	0	36,288
Revaluation surplus - Infrastructure - Public Utilities	60,692	0	(60,692)	(60,692)	0	60,692	0	0	0	60,692
	181,174,412	68,597,353	(11,411,260)	57,186,093	238,360,505	174,314,001	7,708,002	(847,591)	6,860,411	181,174,412

Movements on revaluation of fixed assets are not able to be reliably attributed to a program as the assets were revalued by class as provided for by AASB 116 Aus 40.1.

11. TRADE AND OTHER PAYABLES

Current

Sundry creditors
Accrued interest on long term borrowings
Accrued salaries and wages
ATO liabilities
Income received in advance

2018	2017
\$	\$
2,739,284	2,009,047
125,023	10,803
390,648	377,063
12,202	10,213
0	83,353
3,267,157	2,490,479

SIGNIFICANT ACCOUNTING POLICIES

Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Shire prior to the end of the financial year that are unpaid and arise when the Shire becomes obliged to make future payments in respect

Trade and other payables (Continued)

of the purchase of these goods and services. The amounts are unsecured, are recognised as a current liability and are normally paid within 30 days of recognition.

12. INFORMATION ON BORROWINGS

(a) Repayments - Borrowings

Particulars	Principal 1 July 2017	New Loans	Principal Repayments		Principal 30 June 2018		Interest Repayments	
	\$	\$	Actual	Budget	Actual	Budget	Actual	Budget
Governance								
191, Civic and Administration Building	6,058,096	0	215,453	289,128	5,842,643	5,768,968	346,508	344,634
Community amenities								
184, Augusta Town Toilets	22,100	0	10,750	10,750	11,350	11,350	1,040	1,128
186, Margaret River Memorial Toilet Block	44,995	0	21,831	21,831	23,164	23,164	2,414	2,487
188, Augusta Water Wheel Toilets	30,411	0	10,476	10,476	19,935	19,936	1,803	1,816
Recreation and culture								
164, Aquatic Centre	288,714	0	81,959	81,959	206,755	206,755	18,446	20,038
174, Cowaramup Recreation Centre	241,895	0	29,671	29,671	212,224	212,224	15,881	16,210
185, MR Recreation Centre Solar Power	17,189	0	8,361	8,361	8,828	8,828	809	877
187, MR Recreation Centre Stage 1	280,727	0	32,589	32,589	248,138	248,138	19,737	19,716
189, MR Recreation Centre Stage 2	200,378	0	69,024	69,024	131,354	131,355	11,880	11,961
192, Cultural Centre Redevelopment	0	1,100,000	0	13,731	1,100,000	1,086,269	5,755	13,804
193, Margaret River Youth Precinct	0	350,000	15,150	14,948	334,850	335,052	7,681	6,713
194, Asbestos Removal & Reinstatement	0	1,000,000	0	42,709	1,000,000	957,291	7,925	19,124
Economic services								
173, Augusta Rural Transaction Centre	368,074	0	44,190	44,190	323,884	323,884	24,728	24,739
179, Gnarabup Café	199,495	0	23,375	23,375	176,120	176,118	12,925	13,452
181, Gnarabup Café	120,229	0	10,305	10,305	109,924	109,924	7,998	7,998
	7,872,303	2,450,000	573,134	703,047	9,749,169	9,619,256	485,530	504,697
Self Supporting Loans								
Recreation and culture								
183, Augusta Bowling Club	6,485	0	5,147	5,147	1,338	1,339	330	333
	6,485	0	5,147	5,147	1,338	1,339	330	333
	7,878,788	2,450,000	578,281	708,194	9,750,507	9,620,595	485,860	505,030

Self supporting loans are financed by payments from third parties.
All other loan repayments were financed by general purpose revenue.

Borrowings

	2018	2017
	\$	\$
Current	853,729	636,806
Non-current	8,896,778	7,241,982
	9,750,507	7,878,788

12. INFORMATION ON BORROWINGS (Continued)

(b) New Borrowings - 2017/18

Particulars/Purpose	Amount Borrowed		Institution	Loan Type	Term Years	Total Interest & Charges	Interest Rate	Amount (Used)		Balance Unspent
	Actual	Budget						Actual	Budget	
	\$	\$				\$	%	\$	\$	\$
192, Cultural Centre Redevelopment	1,100,000	1,100,000	WATC	Debenture	15	316,636	3.48%	335,843	1,100,000	764,157
193, Margaret River Youth Precinct	350,000	350,000	WATC	Debenture	10	55,832	2.97%	350,000	350,000	0
194, Asbestos removal & reinstatement	1,000,000	1,000,000	WATC	Debenture	10	172,480	3.20%	451,245	1,000,000	548,755
	2,450,000	2,450,000				544,948		1,137,088	2,450,000	1,312,912

(c) Unspent Borrowings

Particulars	Date Borrowed	Unspent Balance 1 July 17	Borrowed During Year	Expended During Year	Unspent Balance 30 June 18	Balance 30 June 17
		\$	\$	\$	\$	
Loan 192, Cultural Centre Redevelopment	May 2018	0	1,100,000	(335,843)	764,157	
Loan 194, Asbestos Removal and Reinstatement	April 2018	0	1,000,000	(451,245)	548,755	
		0	2,100,000	(787,088)	1,312,912	

(d) Undrawn Borrowing Facilities

Credit Standby Arrangements

	2018	2017
	\$	\$
Bank overdraft limit	0	0
Bank overdraft at balance date	0	0
Credit card limit	40,000	34,000
Credit card balance at balance date	(4,483)	(7,344)
Total amount of credit unused	35,517	26,656

Loan facilities

Loan facilities - current	853,729	636,806
Loan facilities - non-current	8,896,778	7,241,982
Total facilities in use at balance date	9,750,507	7,878,788

Unused loan facilities at balance date

1,312,912 NIL

SIGNIFICANT ACCOUNTING POLICIES

Financial liabilities

Financial liabilities are recognised at fair value when the Shire becomes a party to the contractual provisions to the instrument.

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss.

Financial liabilities are derecognised where the related obligations are discharged, cancelled or expired. The difference between the carrying amount of the financial liability extinguished or transferred to another party and the fair value of the consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

Borrowing costs

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

13. PROVISIONS

Opening balance at 1 July 2017

Current provisions
Non-current provisions

Additional provision
Amounts used
Increase in the discounted amount arising because of time and the effect of any change in the discounted rate

Balance at 30 June 2018

Comprises

Current
Non-current

	Provision for Annual Leave	Provision for Long Service Leave	Provision for Personal Leave Reward Scheme	Total
	\$	\$	\$	\$
Opening balance at 1 July 2017				
Current provisions	1,024,136	451,464	185,412	1,661,012
Non-current provisions	0	459,166	0	459,166
	1,024,136	910,630	185,412	2,120,178
Additional provision	1,106,983	237,680	0	1,344,663
Amounts used	(959,968)	(278,799)	(10,993)	(1,249,760)
Increase in the discounted amount arising because of time and the effect of any change in the discounted rate	(2,537)	(23,257)	0	(25,794)
Balance at 30 June 2018	1,168,614	846,254	174,419	2,189,287
Comprises				
Current	1,168,614	411,680	174,419	1,754,713
Non-current	0	434,574	0	434,574
	1,168,614	846,254	174,419	2,189,287

SIGNIFICANT ACCOUNTING POLICIES

Employee benefits

Short-term employee benefits

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

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

Other long-term employee benefits

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

Long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at

Other long-term employee benefits (Continued)

rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Any remeasurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the changes occur.

The Shire's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the Shire does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

Provisions

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

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

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018**

14. NOTES TO THE STATEMENT OF CASH FLOWS

Reconciliation of Cash

For the purposes of the Statement of Cash Flows, cash includes cash and cash equivalents, net of outstanding bank overdrafts. Cash at the end of the reporting period is reconciled to the related items in the Statement of Financial Position as follows:

	2018 Actual	2018 Budget	2017 Actual
	\$	\$	\$
Reconciliation of Net Cash Provided By Operating Activities to Net Result			
Net result	4,780,828	6,769,335	9,475,210
Non-cash flows in Net result:			
Depreciation	9,114,195	9,046,640	8,805,609
(Profit)/loss on sale of asset	1,550,598	151,322	1,442,741
(Gain)/Loss on revaluation of land for resale	61,000		(1,000)
Loss on revaluation of fixed assets	1,854,317		
Changes in assets and liabilities:			
(Increase)/decrease in receivables	(546,566)	750,000	(733,989)
(Increase)/decrease in inventories	(54,560)	(50,000)	227,145
Increase/(decrease) in payables	776,678	(292,900)	345,113
Increase/(decrease) in provisions	69,109	(110,000)	(81,159)
Grants contributions for the development of assets	(8,374,650)	(9,645,626)	(9,819,155)
Net cash from operating activities	9,230,949	6,618,771	9,660,515

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018**

15. TOTAL ASSETS CLASSIFIED BY FUNCTION AND ACTIVITY

	2018	2017
	\$	\$
Governance	35,264,931	28,059,413
General purpose funding	5,905,000	5,905,000
Law, order, public safety	3,104,290	2,758,855
Health	63,064	67,050
Education and welfare	1,274,072	1,265,629
Housing	95,866	95,866
Community amenities	23,545,381	17,470,930
Recreation and culture	71,340,654	64,087,073
Transport	331,307,278	294,199,961
Economic services	9,345,204	2,630,085
Other property and services	94,188	94,188
Unallocated	0	21,451
	481,339,928	416,655,501

16. CONTINGENT LIABILITIES

There are no contingent liabilities at 30 June 2018.

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018**

17. CAPITAL AND LEASING COMMITMENTS

(a) Capital Expenditure Commitments

Contracted for:

- capital expenditure projects
- plant & equipment purchases

Payable:

- not later than one year

	2018	2017
	\$	\$
	8,737,009	1,306,239
	267,705	194,800
	9,004,714	1,501,039

The capital expenditure projects outstanding at the end of the current reporting period include the redevelopment of the Cultural Centre, electrical works at Turner Caravn Park and the removal and reinstatement of asbestos at the Augusta Recreation Centre and Augusta Bowling Club. The plant & equipment purchases are contracts for 4 items of plant. The prior year commitment relates to the construction of chalets and electrical works at Turner Caravan Park, architectural design works for the redevelopment of the Cultural Centre and the contracted purchase of a Roller and Trailer.

(b) Operating Lease Commitments

Non-cancellable operating leases contracted for

Payable:

- not later than one year
- later than one year but not later than five years
- later than five years

	334,300	329,632
	243,501	442,841
	0	0
	577,801	772,473

SIGNIFICANT ACCOUNTING POLICIES

Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not legal ownership, are transferred to the Shire, are classified as finance leases.

Finance leases are capitalised recording an asset and a liability at the lower of the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leases (Continued)

Leased assets are depreciated on a straight line basis over the shorter of their estimated useful lives or the lease term.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses on a straight line basis over the lease term.

Lease incentives under operating leases are recognised as a liability and amortised on a straight line basis over the life of the lease term.

18. RELATED PARTY TRANSACTIONS

Elected Members Remuneration

The following fees, expenses and allowances were paid to council members and/or the President.

	2018 Actual	2018 Budget	2017 Actual
	\$	\$	\$
Meeting Fees	132,234	132,252	132,282
President's allowance	38,400	38,400	38,352
Deputy President's allowance	9,497	9,600	9,600
Travelling expenses	20,020	19,421	15,340
Telecommunications allowance	24,499	24,500	24,499
	224,650	224,173	220,073

Key Management Personnel (KMP) Compensation Disclosure

The total of remuneration paid to KMP of the Shire during the year are as follows:

	2018	2017
	\$	\$
Short-term employee benefits	756,039	751,180
Post-employment benefits	72,140	71,277
Other long-term benefits	62,957	19,818
Termination benefits	0	24,489
	891,136	866,764

Short-term employee benefits

These amounts include all salary, paid leave, fringe benefits and cash bonuses awarded to KMP except for details in respect to fees and benefits paid to elected members which may be found above.

Post-employment benefits

These amounts are the current-year's estimated cost of providing for the Shire's superannuation contributions made during the year.

Other long-term benefits

These amounts represent long service benefits accruing during the year.

Termination benefits

These amounts represent termination benefits paid to KMP (Note: may or may not be applicable in any given year).

Transactions with related parties

Transactions between related parties, and the Shire are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

No outstanding balances or provisions for doubtful debts or guaranties exist in relation to related parties at year end.

The following transactions occurred with related parties:

	2018	2017
	\$	\$
Purchase of goods and services	111,189	136,811

Related Parties

The Shire's main related parties are as follows:

i. Key management personnel

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any elected member, are considered key management personnel.

ii. Entities subject to significant influence by the Shire

An entity that has the power to participate in the financial and operating policy decisions of an entity, but does not have control over those policies, is an entity which holds significant influence. Significant influence may be gained by share ownership, statute or agreement.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018

19. CONDITIONS OVER GRANTS/CONTRIBUTIONS

Grant/Contribution	Opening Balance ⁽¹⁾ 1/07/16	Received ⁽²⁾ 2016/17	Expended ⁽³⁾ 2016/17	Closing Balance ⁽¹⁾ 30/06/17	Received ⁽²⁾ 2017/18	Expended ⁽³⁾ 2017/18	Closing Balance 30/06/18
	\$	\$	\$	\$	\$	\$	\$
Governance							
Regional Youth Collaboration Project	2,777	0	0	2,777	0	(2,777)	0
DLGSC - Cowaramup Community Garden	0	0	0	0	8,700	0	8,700
CLGF - Community Development Scholarships	0	0	0	0	12,117	(9,155)	2,962
Law, order, public safety							
DFES - Treatment works, Bushfire Risk Management Planning	3,804	0	0	3,804	0	(3,804)	0
DFES - Bushfire Risk Planning Coordinator	97,567	69,885	(124,074)	43,378	0	(43,378)	0
DFES - Bushfire Mitigation Program	10,000	0	(10,000)	0	0	0	0
DFES - SES and BFB Operating Grants	0	0	0	0	81,817	0	81,817
Community amenities							
Tourism WA Grant for Cowaramup Waste Transfer Station	26,450	0	0	26,450	0	0	26,450
Recreation and culture							
Rotary Club - Nature play playground design	13,636	1,364	0	15,000	0	(15,000)	0
Culture and the Arts - Regional Venues Improvement Fund grant	0	500,000	0	500,000	0	0	500,000
Royalties for Regions Growing the South grant for Cultural Centre	0	0	0	0	2,500,000	0	2,500,000
Department of Sports & Recreation - Kidsport grant	0	40,000	(28,403)	11,597	7,000	(18,597)	0
Transport							
Bridge grant	84,377	420,000	(4,377)	500,000	0	(500,000)	0
Royalties for Regions grant for Main Street project	5,490,000	0	(200,000)	5,290,000	0	0	5,290,000
Friends of the Cape to Cape Track - Boardwalk	0	20,000	0	20,000	0	(20,000)	0
Friends of the Southwest Communities - Winter Diversion Trail	0	9,091	0	9,091	0	0	9,091
Department of Education - Cowaramup Primary School carpark	0	0	0	0	60,830	0	60,830
Roads to Recovery - various roads	0	1,503,500	(1,199,500)	304,000	912,857	(1,083,874)	132,983
Total	5,728,611	2,563,840	(1,566,354)	6,726,097	3,583,321	(1,696,585)	8,612,833

Notes:

(1) - Grants/contributions recognised as revenue in a previous reporting period which were not expended at the close of the previous reporting period

(2) - New grants/contributions which were recognised as revenues during the reporting period and which had not yet been fully expended in the manner specified by the contributor.

(3) - Grants/contributions which had been recognised as revenues in a previous reporting period or received in the current reporting period and which were expended in the current reporting period in the manner specified by the contributor

(4) - For the closing balance at 30/6/17, the unspent balance of \$5,290,000 pertaining to the Royalties for Regions grant was held in the Margaret River CBD Redevelopment reserve and the unspent balance of \$500,000 pertaining to the Regional Venues Improvement Fund grant was transferred to the Margaret River CBD Redevelopment reserve. The balance of unspent grants of \$936,097 is shown as restricted funds in Note 3

(5) - For the closing balance at 30/6/18, the unspent balance of \$5,290,000 pertaining to the Royalties for Regions grant was held in the Margaret River CBD Redevelopment reserve and the unspent balance of \$500,000 pertaining to the Regional Venues Improvement Fund grant was transferred to the Margaret River CBD Redevelopment reserve. The unspent balance of \$2,500,000 pertaining to the Royalties for Regions grant for the Cultural Centre redevelopment project was transferred to the Margaret River CBD Redevelopment reserve. The balance of unspent grants of \$322,833 is shown as restricted funds in Note 3

20. RATING INFORMATION

(a) Rates

RATE TYPE	Rate in \$	Number of Properties	Value \$	Rate Revenue \$	Interim Rates \$	Back Rates \$	Total Revenue \$	Budget Rate Revenue \$	Budget Interim Rate \$	Budget Back Rate \$	Budget Total Revenue \$
Differential general rate / general rate											
Gross rental valuations											
Residential GRV	0.101900	4,231	72,837,061	7,422,096	208,157	13,711	7,643,964	7,299,113	100,000	20,000	7,419,113
Residential GRV Vacant	0.195206	321	4,099,990	800,343	10,288	6,297	816,928	806,796	0	0	806,796
Rural Residential GRV	0.097613	631	12,786,860	1,248,164	2,818	1,016	1,251,998	1,246,920	0	0	1,246,920
Rural Residential GRV Vacant	0.190007	139	1,727,710	328,277	(8,325)	2,024	321,976	330,073	0	0	330,073
Commercial, Industrial & Tourism	0.120698	1,024	36,657,931	4,424,540	16,478	(4,869)	4,436,149	4,451,971	0	0	4,451,971
Unimproved valuations											
UV Rural	0.004456	782	517,001,000	2,303,756	3,108	(404)	2,306,460	2,308,729	0	0	2,308,729
Rural Strate Titled Vineyard	0.004456	0	0	0	0	0	0	0	0	0	0
UV 1 (one non rural use)	0.005570	114	74,397,000	414,391	4,864	(3,397)	415,858	401,992	0	0	401,992
UV 2 (two non rural uses)	0.006684	23	15,092,000	100,875	4,779	0	105,654	87,006	0	0	87,006
UV 3 (over two non rural uses)	0.007798	16	13,431,000	104,735	0	0	104,735	104,735	0	0	104,735
UV Conservation	0.004355	70	59,246,000	258,016	0	0	258,016	258,016	0	0	258,016
Sub-Total		7,351	807,276,552	17,405,193	242,167	14,378	17,661,738	17,295,351	100,000	20,000	17,415,351
Minimum payment											
Gross rental valuations											
Residential GRV	1,264	843	8,955,537	1,065,552	0	0	1,065,552	1,064,288	0	0	1,064,288
Residential GRV Vacant	1,264	689	3,015,885	870,896	0	0	870,896	918,928	0	0	918,928
Rural Residential GRV	1,539	139	1,909,834	213,921	0	0	213,921	212,382	0	0	212,382
Rural Residential GRV Vacant	1,539	29	198,270	44,631	0	0	44,631	46,170	0	0	46,170
Commercial, Industrial & Tourism	1,358	238	1,851,324	323,204	0	0	323,204	324,562	0	0	324,562
Unimproved valuations											
UV Rural	1,418	175	37,237,794	248,150	0	0	248,150	256,658	0	0	256,658
Rural Strate Titled Vineyard	833	37	2,700,000	30,821	0	0	30,821	30,821	0	0	30,821
UV 1 (one non rural use)	1,418	7	1,268,300	9,926	0	0	9,926	8,508	0	0	8,508
UV 2 (two non rural uses)	1,418	0	0	0	0	0	0	0	0	0	0
UV 3 (over two non rural uses)	1,418	0	0	0	0	0	0	0	0	0	0
UV Conservation	1,365	15	3,764,000	20,475	0	0	20,475	21,840	0	0	21,840
Sub-Total		2,172	60,900,944	2,827,576	0	0	2,827,576	2,884,157	0	0	2,884,157
		9,523	868,177,496	20,232,769	242,167	14,378	20,489,314	20,179,508	100,000	20,000	20,299,508
Movement in Excess Rates							35,666				0
Discounts/concessions (refer note 20(c))							(2,528)				0
Total amount raised from general rate							20,522,452				20,299,508
Totals							20,522,452				20,299,508

SIGNIFICANT ACCOUNTING POLICIES

Rates

Control over assets acquired from rates is obtained at the commencement of the rating period or, where earlier, upon receipt of the rates.

20. RATING INFORMATION (Continued)

(b) Service Charges

Service Charges	Amount of Charge	Revenue Raised	Budget Revenue	Charges Applied to Costs	Charges Set Aside to Reserve	Reserve Applied to Costs	Budget Charges Applied to Costs	Budget Charges Set Aside to Reserve	Budget Reserve Applied to Costs
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Cowaramup Underground Power	333	4,333	4,333	4,333	0	0	4,333	0	0
		4,333	4,333	4,333	0	0	4,333	0	0

Nature of the Service Charge	Objects of the Charge	Reasons for the Charge	Area/Properties Charge Imposed
Cowaramup Underground Power	Properties in the defined area are charged an equal annual amount for 10 years from 2011-12.	To recover the cost of the service from the rateable properties benefiting from the improved service.	13 rateable properties located on Bussell Hwy between Peake Street and 30 metres south of Bottrill Street

(c) Discounts, Incentives, Concessions, & Write-offs

Rate or Fee and Charge to which the Waiver or Concession is Granted	Type	Discount	Discount	Actual	Budget
		%	\$	\$	\$
Residential rate	Concession	100.00%		2,528	0
				2,528	0

Rate or Fee and Charge to which the Waiver or Concession is Granted	Circumstances in which the Waiver or Concession is Granted and to whom it was available	Objects of the Waiver or Concession	Reasons for the Waiver or Concession
A full concession of the minimum payment for residential properties of \$1,264 is provided for 2 properties	Riverslea Community Group and Brookfield Estate Pty Ltd for properties used as the location of satellite facilities for providing television broadcasting services.	To acknowledge the role these properties play in providing services to the community.	To ensure the community is not disadvantaged by not being able to receive television services.

20. RATING INFORMATION (Continued)

(d) Interest Charges & Instalments

Instalment Options	Date Due	Instalment Plan Admin Charge	Instalment Plan Interest Rate	Unpaid Rates Interest Rate
		\$	%	%
Option One				
Single full payment	15-Sep-17	0	0.00%	11.00%
Option Two				
First instalment				
Second instalment				
Option Three				
First instalment	15-Sep-17	0	5.50%	11.00%
Second instalment	17-Nov-17	7.50	5.50%	11.00%
Third instalment	19-Jan-18	7.50	5.50%	11.00%
Fourth instalment	23-Mar-18	7.50	5.50%	11.00%

	2018	2018 Budget
	\$	\$
Interest on unpaid rates	110,402	95,000
Interest on instalment plan	138,163	120,000
Charges on instalment plan	80,598	75,000
Pensioner Deferred Interest	858	1,000
ESL Penalty Interest	4,026	1,500
	334,047	292,500

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018**

21. NET CURRENT ASSETS

Composition of net current assets for
the purposes of the Rate Setting Statement

	2018 (30 June 2018 Carried Forward)	2018 (1 July 2017 Brought Forward)	2017 (30 June 2017 Carried Forward)
	\$	\$	\$
Surplus/(Deficit)	5,254,476	4,331,506	4,331,506
CURRENT ASSETS			
Cash and cash equivalents			
Unrestricted	4,577,022	4,079,152	4,079,152
Restricted	29,665,707	25,913,298	25,913,298
Receivables			
Rates outstanding	769,711	666,136	666,136
Sundry debtors	741,833	240,861	240,861
GST receivable	319,820	341,491	341,491
Loans receivable - clubs/institutions	12,655	12,386	12,386
Accrued Interest Receivable	333,555	332,074	332,074
Prepayments	75,356	134,385	134,385
Accrued Income	15,943	0	0
Inventories			
Fuel and materials	146,349	91,789	91,789
Land held for resale	525,000	0	0
LESS: CURRENT LIABILITIES			
Trade and other payables			
Sundry creditors	(2,739,284)	(2,009,047)	(2,009,047)
Accrued interest on long term borrowings	(125,023)	(10,803)	(10,803)
Accrued salaries and wages	(390,648)	(377,063)	(377,063)
ATO liabilities	(12,202)	(10,213)	(10,213)
Income received in advance	0	(83,353)	(83,353)
Current portion of long term borrowings	(853,729)	(636,806)	(636,806)
Provisions			
Provision for annual leave	(1,168,614)	(1,024,136)	(1,024,136)
Provision for long service leave	(411,680)	(451,464)	(451,464)
Provision for personal leave reward scheme	(174,419)	(185,412)	(185,412)
Unadjusted net current assets	31,307,352	27,023,275	27,023,275
Adjustments			
Less: Reserves - restricted cash	(28,029,962)	(24,977,201)	(24,977,201)
Less: Loans receivable - clubs/institutions	(12,655)	(12,386)	(12,386)
Less: Land held for resale	(525,000)	0	0
Add: Current portion of long term borrowings	853,729	636,806	636,806
Add: Leave component backed by cash reserve	404,880	396,869	396,869
Add: Leave component not required to be funded	1,256,132	1,264,143	1,264,143
Adjusted net current assets - surplus/(deficit)	5,254,476	4,331,506	4,331,506

Difference

There was no difference between the surplus/(deficit) 1 July 2017 brought forward position used in the 2018 audited financial report and the surplus/(deficit) carried forward position as disclosed in the 2017 audited financial report.

22. FINANCIAL RISK MANAGEMENT

The Shire's activities expose it to a variety of financial risks including price risk, credit risk, liquidity risk and interest rate risk. The Shire's overall risk management focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Shire.

The Shire does not engage in transactions expressed in foreign currencies and is therefore not subject to foreign currency risk.

Financial risk management is carried out by the finance area under policies approved by the Council.

The Shire held the following financial instruments at balance date:

	Carrying Value		Fair Value	
	2018	2017	2018	2017
	\$	\$	\$	\$
Financial assets				
Cash and cash equivalents	34,242,729	29,992,450	34,242,729	29,992,450
Receivables	2,363,470	1,810,790	2,363,470	1,810,790
	36,606,199	31,803,240	36,606,199	31,803,240
Financial liabilities				
Payables	3,267,157	2,490,479	3,267,157	2,490,479
Borrowings	9,750,507	7,878,788	9,050,179	7,355,134
	13,017,664	10,369,267	12,317,336	9,845,613

Fair value is determined as follows:

Cash and cash equivalents, receivables, payables - estimated to the carrying value which approximates net market value.

Borrowings - estimated future cash flows discounted by the current market interest rates applicable to assets and liabilities with similar risk profiles.

22. FINANCIAL RISK MANAGEMENT (Continued)

(a) Cash and Cash Equivalents

The Shire's objective is to maximise its return on cash whilst maintaining an adequate level of liquidity and preserving capital. The finance area manages the cash portfolio.

The Shire has an Investment Policy and the Policy is subject to review by Council.

An Investment Report is provided to Council on a monthly basis setting out the make-up and performance of the portfolio.

Cash is subject to interest rate risk - the risk that movements in interest rates could affect returns.

Another risk associated with cash is credit risk – the risk that a contracting entity will not complete its obligations under a financial instrument resulting in a financial loss to the Shire.

The Shire manages these risks by diversifying its portfolio and only investing in investments authorised by Local Government (Financial Management) Regulation 19C.

	2018	2017
	\$	\$
Impact of a 1% ⁽¹⁾ movement in interest rates on cash		
- Equity	343,456	310,160
- Statement of Comprehensive Income	343,456	310,160

Notes:

⁽¹⁾ Sensitivity percentages based on management's expectation of future possible interest rate movements.

22. FINANCIAL RISK MANAGEMENT (Continued)

(b) Receivables

The Shire's major receivables comprise rates and annual charges and user charges and fees. The major risk associated with these receivables is credit risk – the risk that the debts may not be repaid. The Shire manages this risk by monitoring outstanding debt and employing debt recovery policies. It also encourages ratepayers to pay rates by the due date through incentives.

Credit risk on rates and annual charges is minimised by the ability of the Shire to recover these debts as a secured charge over the land, that is, the land can be sold to recover the debt. The Shire is also able to charge interest on overdue rates and annual charges at higher than market rates, which further encourages payment.

The level of outstanding receivables is reported to Council monthly and benchmarks are set and monitored for acceptable collection performance.

The Shire makes suitable provision for doubtful receivables as required and carries out credit checks on most non-rate debtors.

There are no material receivables that have been subject to a re-negotiation of repayment terms.

The profile of the Shire's credit risk at balance date was:

	2018	2017
	%	%
Percentage of rates and annual charges		
- Current	0.00%	0.00%
- Overdue	100.00%	100.00%
Percentage of other receivables		
- Current	91.46%	90.42%
- Overdue	8.54%	9.58%

22. FINANCIAL RISK MANAGEMENT (Continued)

(c) Payables and borrowings

Payables and borrowings are both subject to liquidity risk – that is the risk that insufficient funds may be on hand to meet payment obligations as and when they fall due. The Shire manages this risk by monitoring its cash flow requirements and liquidity levels and maintaining an adequate cash buffer. Payment terms can be extended and overdraft facilities drawn upon if required.

The contractual undiscounted cash flows of the Shire's Payables and Borrowings are set out in the Liquidity Table below:

	Due within 1 year	Due between 1 & 5 years	Due after 5 years	Total contractual cash flows	Carrying values
2018	\$	\$	\$	\$	\$
Payables	3,267,157	0	0	3,267,157	3,267,157
Borrowings	1,300,753	4,592,941	7,005,603	12,899,297	9,750,507
	4,567,910	4,592,941	7,005,603	16,166,454	13,017,664
2017					
Payables	2,490,479	0	0	2,490,479	2,490,479
Borrowings	909,408	3,848,254	5,847,020	10,604,682	7,878,788
	3,399,887	3,848,254	5,847,020	13,095,161	10,369,267

Borrowings are also subject to interest rate risk - the risk that movements in interest rates could adversely affect funding costs. The Shire manages this risk by borrowing long term and fixing the interest rate to the situation considered the most advantageous at the time of negotiation.

The following tables set out the carrying amount, by maturity, of the financial instruments exposed to interest rate risk:

Year ended 30 June 2018	<1 year	>1<2 years	>2<3 years	>3<4 years	>4<5 years	>5 years	Total	Weighted Average Effective Interest Rate
	\$	\$	\$	\$	\$	\$	\$	%
Borrowings								
Fixed rate								
Long term borrowings	44,680	151,289	206,755	0	0	9,347,783	9,750,507	4.88%
Weighted average								
Effective interest rate	5.75%	6.12%	6.95%			4.81%		
Year ended 30 June 2017								
Borrowings								
Fixed rate								
Long term borrowings	0	90,769	230,789	288,714	0	7,268,516	7,878,788	5.44%
Weighted average								
Effective interest rate		5.78%	6.12%	6.95%		5.35%		

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018**

23. TRUST FUNDS

Funds held at balance date over which the Shire has no control
and which are not included in the financial statements are as follows:

	1 July 2017	Amounts Received	Amounts Paid	30 June 2018
	\$	\$	\$	\$
Unclaimed Monies	2,808	21	(343)	2,486
BCITF Levy	5,384	77,423	(78,102)	4,705
DPI Licencing	105,617	2,948,521	(2,996,038)	58,100
BRB Levy	8,978	165,712	(158,568)	16,122
ESL Levy	(2,551)	850,510	(849,022)	(1,063)
Community Arts Events	3,308	0	0	3,308
TRANSWA Agency	299	6,883	(6,793)	389
Public Open Space	138,274	0	0	138,274
Unspent Grants	0	26,450	0	26,450
Bonds	1,193,132	341,680	(382,316)	1,152,496
	<u>1,455,249</u>			<u>1,401,267</u>

24. NEW ACCOUNTING STANDARDS AND INTERPRETATIONS FOR APPLICATION IN FUTURE PERIODS

The AASB has issued a number of new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods, some of which are relevant to the Shire.

Management's assessment of the new and amended pronouncements that are relevant to the Shire, applicable to future reporting periods and which have not yet been adopted are set out as follows:

	Title	Issued / Compiled	Applicable (1)	Impact
(i)	AASB 9 Financial Instruments (incorporating AASB 2014-7 and AASB 2014-8)	December 2014	1 January 2018	Nil – The objective of this Standard is to improve and simplify the approach for classification and measurement of financial assets compared with the requirements of AASB 139. Given the nature of the financial assets of the Shire, it is not anticipated the Standard will have any material effect.
(ii)	AASB 15 Revenue from Contracts with Customers	December 2014	1 January 2019	<p>This Standard establishes principles for entities to apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer.</p> <p>The effect of this Standard will depend on the nature of future transactions the Shire has with those third parties it has dealings with. It may or may not be significant.</p>
(iii)	AASB 16 Leases	February 2016	1 January 2019	<p>Under AASB 16 there is no longer a distinction between finance and operating leases. Lessees will now bring to account a right-to-use asset and lease liability into the statement of financial position for all leases. Effectively this means the vast majority of operating leases as defined by the current AASB 117 Leases which currently do not impact the statement of financial position will be required to be capitalised on the statement of financial position when AASB 16 is adopted.</p> <p>Currently, operating lease payments are expensed as incurred. This will cease and will be replaced by both depreciation and interest charges. Based on the current number of operating leases held by the Shire, the impact is not expected to be significant.</p>

Notes:

(1) Applicable to reporting periods commencing on or after the given date.

24. NEW ACCOUNTING STANDARDS AND INTERPRETATIONS FOR APPLICATION IN FUTURE PERIODS (Continued)

Title	Issued / Compiled	Applicable (1)	Impact
(iv) AASB 1058 Income of Not-for-Profit Entities	December 2016	1 January 2019	<p>These standards are likely to have a significant impact on the income recognition for NFP's. Key areas for consideration are:</p> <ul style="list-style-type: none"> - Assets received below fair value; - Transfers received to acquire or construct non-financial assets; - Grants received; - Prepaid rates; - Leases entered into at below market rates; and - Volunteer services. <p>Whilst it is not possible to quantify the financial impact (or if it is material) of these key areas until the details of future transactions are known, they will all have application to the Shire's operations.</p>

Notes:

(1) Applicable to reporting periods commencing on or after the given date.

Adoption of New and Revised Accounting Standards

During the current year, the Shire adopted all of the new and revised Australian Accounting Standards and Interpretations which were compiled, became mandatory and which were applicable to its operations.

Whilst many reflected consequential changes associate with the amendment of existing standards, the only new standard with material application is as follows:

- | | | |
|------|---|----------------|
| (i) | AASB 2016-4 Amendments to Australian Accounting Standards - Recoverable Amount of Non-Cash-Generating Specialised Assets of Not-for-Profit Entities | 1 January 2017 |
| (ii) | AASB 2016-7 Amendments to Accounting Standards - Deferral of AASB 15 for Not-for-Profit Entities | 1 January 2017 |

25. OTHER SIGNIFICANT ACCOUNTING POLICIES

a) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows.

b) Current and non-current classification

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

c) Rounding off figures

All figures shown in this annual financial report, other than a rate in the dollar, are rounded to the nearest dollar. Amounts are presented in Australian Dollars.

d) Comparative figures

Where required, comparative figures have been adjusted to conform with changes in presentation for the current financial year.

When the Shire applies an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in its financial statements that has a material effect on the statement of financial position, an additional (third) statement of financial position as at the beginning of the preceding period in addition to the minimum comparative financial statements is presented.

e) Budget comparative figures

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

f) Superannuation

The Shire contributes to a number of Superannuation Funds on behalf of employees. All funds to which the Shire contributes are defined contribution plans.

g) Fair value of assets and liabilities

Fair value is the price that the Shire would receive to sell the asset or would have to pay to transfer a liability, in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (i.e. the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (i.e. the market that maximises the receipts from the sale of the asset after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

h) Fair value hierarchy

AASB 13 requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurement into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

Level 1

Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2

Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3

Measurements based on unobservable inputs for the asset or liability.

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

Valuation techniques

The Shire selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the Shire are consistent with one or more of the following valuation approaches:

Market approach

Valuation techniques that use prices and other relevant information generated by market transactions for identical or similar assets or liabilities.

Income approach

Valuation techniques that convert estimated future cash flows or income and expenses into a single discounted present value.

Cost approach

Valuation techniques that reflect the current replacement cost of the service capacity of an asset.

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the Shire gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data is not available and therefore are developed using the best information available about such assumptions are considered unobservable.

i) Impairment of assets

In accordance with Australian Accounting Standards the Shire's cash generating non-specialised assets, other than inventories, are assessed at each reporting date to determine whether there is any indication they may be impaired.

Where such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount.

Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard (e.g. AASB 116) whereby any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

For non-cash generating specialised assets that are measured under the revaluation model, such as roads, drains, public buildings and the like, no annual assessment of impairment is required. Rather AASB 116.31 applies and revaluations need only be made with sufficient regulatory to ensure the carrying value does not differ materially from that which would be determined using fair value at the ends of the reporting period.

26. ACTIVITIES/PROGRAMS

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

PROGRAM NAME	OBJECTIVE	ACTIVITIES
GOVERNANCE	To provide a decision making process for the efficient allocation of scarce resources.	Includes the activities of members of Council and the administrative support available to the Council for the provision of governance of the district. Other costs relate to the task of assisting elected members and ratepayers on matters which do not concern specific Council services.
GENERAL PURPOSE FUNDING	To collect revenue to allow for the provision of services.	Rates, general purpose government grants and interest revenue.
LAW, ORDER, PUBLIC SAFETY	To provide services to help ensure a safer and environmentally conscious community.	Supervision and enforcement of various local laws relating to fire prevention, animal control and other aspects of public safety including emergency services.
HEALTH	To provide an operational framework for environmental and community health.	Inspection of food outlets and their control, provision of meat inspection services, noise control and waste disposal compliance.
EDUCATION AND WELFARE	To provide services to disadvantaged persons, the elderly, children and youth.	Care of families and children, contributions to education and other welfare.
HOUSING	To provide rental and staff housing.	Provision of staff and rental housing. However, the Shire has no housing of this nature.
COMMUNITY AMENITIES	To provide services required by the community.	Rubbish collection and disposal services recycling, septic tank inspection services, environmental protection initiatives, administration of town planning and regional development services and the operation of other community amenities.
RECREATION AND CULTURE	To establish and effectively manage infrastructure and resource which will help the social wellbeing of the community.	Provision and maintenance of public halls, civic centres, aquatic centres, recreation centres and various sporting facilities. Provision and maintenance of parks, gardens, reserves and playgrounds. Operation and support of libraries, museum and other cultural facilities.
TRANSPORT	To promote safe, effective and efficient transport services to the community.	Construction and maintenance of roads, streets, footpaths, depots, cycle ways, parking facilities and traffic control. Cleaning of streets and maintenance of street trees, street lighting, etc.
ECONOMIC SERVICES	To help promote the shire and its economic wellbeing.	Tourism and area promotion including the maintenance and operation of caravan parks and a camping ground. Provision of rural services including weed control, vermin control and standpipes.
OTHER PROPERTY AND SERVICES	To monitor and control the shire's overheads operating accounts.	Plant repair and operation costs and engineering operation costs.

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018**

27. FINANCIAL RATIOS

	2018	2017	2016
Current ratio	1.37	1.34	1.05
Asset consumption ratio	0.99	0.97	0.99
Asset renewal funding ratio	1.21	1.36	1.28
Asset sustainability ratio	0.88	0.81	0.73
Debt service cover ratio	5.64	8.11	5.81
Operating surplus ratio	(0.12)	(0.01)	(0.06)
Own source revenue coverage ratio	0.88	0.89	0.89

The above ratios are calculated as follows:

Current ratio	$\frac{\text{current assets minus restricted assets}}{\text{current liabilities minus liabilities associated with restricted assets}}$
Asset consumption ratio	$\frac{\text{depreciated replacement costs of depreciable assets}}{\text{current replacement cost of depreciable assets}}$
Asset renewal funding ratio	$\frac{\text{NPV of planned capital renewal over 10 years}}{\text{NPV of required capital expenditure over 10 years}}$
Asset sustainability ratio	$\frac{\text{capital renewal and replacement expenditure}}{\text{depreciation expenses}}$
Debt service cover ratio	$\frac{\text{annual operating surplus before interest and depreciation}}{\text{principal and interest}}$
Operating surplus ratio	$\frac{\text{operating revenue minus operating expenses}}{\text{own source operating revenue}}$
Own source revenue coverage ratio	$\frac{\text{own source operating revenue}}{\text{operating expenses}}$

Notes:

Three of the ratios disclosed above were distorted by the early receipt of Financial Assistance Grants.

	2017/18	2016/17	2015/16
	\$	\$	\$
Amount of Financial Assistance Grant received during the year relating to the subsequent year.	694,516	677,329	0
Amount of Financial Assistance Grant received in prior year relating to current year.	677,329	0	651,156

If the events detailed above did not occur, the impacted ratios in the 2018, 2017 and 2016 columns above would be as follows:

	2018	2017	2016
Current ratio	1.25	1.19	1.05
Debt service cover ratio	5.63	7.50	6.35
Operating surplus ratio	(0.12)	(0.03)	(0.04)

**INDEPENDENT AUDITOR'S REPORT
TO THE COUNCILLORS OF
THE SHIRE OF AUGUSTA MARGARET RIVER**

REPORT ON THE AUDIT OF THE FINANCIAL REPORT

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Opinion

We have audited the accompanying financial report of the Shire of Augusta Margaret River (the Shire), which comprises the Statement of Financial Position as at 30 June 2018, Statement of Comprehensive Income by Nature or Type, Statement of Comprehensive Income by Program, Statement of Changes in Equity, Statement of Cash Flows and the Rate Setting Statement for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the Statement by Chief Executive Officer.

In our opinion, the financial report of the Shire of Augusta Margaret River:

- a) is based on proper accounts and reports; and
- b) fairly represents, in all material respects, the results of the operations of the Shire for the year ended 30 June 2018 and its financial position at the end of that period in accordance with the Local Government Act 1995 (the Act) and, to the extent that they are not inconsistent with the Act, Australian Accounting Standards.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Shire in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the "Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter – Basis of Preparation

We draw attention to Note 1 to the financial report, which describes the basis of preparation. The financial report has been prepared for the purpose of fulfilling the Shire's financial reporting responsibilities under the Act. Regulation 16 of the Local Government (Financial Management) Regulations 1996 (Regulations), does not allow a local government to recognise some categories of land, including land under roads, as assets in the annual financial report. Our opinion is not modified in respect of this matter.

Responsibilities of the Chief Executive Officer and Council for the Financial Report

The Chief Executive Officer (CEO) of the Shire is responsible for the preparation and fair presentation of the annual financial report in accordance with the requirements of the Act, the Regulations and, to the extent that they are not inconsistent with the Act, Australian Accounting Standards. The CEO is also responsible for such internal control as the CEO determines is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the CEO is responsible for assessing the Shire's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the State government has made decisions affecting the continued existence of the Shire.

The Council is responsible for overseeing the Shire's financial reporting process.

**INDEPENDENT AUDITOR'S REPORT
TO THE COUNCILLORS OF
THE SHIRE OF AUGUSTA MARGARET RIVER (CONTINUED)**

REPORT ON THE AUDIT OF THE FINANCIAL REPORT (CONTINUED)

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives of the audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Shire's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the CEO.
- Conclude on the appropriateness of the CEO's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report, as we cannot predict future events or conditions that may have an impact.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Council and the CEO regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**INDEPENDENT AUDITOR'S REPORT
TO THE COUNCILLORS OF
THE SHIRE OF AUGUSTA MARGARET RIVER (CONTINUED)**

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the Local Government (Audit) Regulations 1996, we also report that:

- a) All required information and explanations were obtained by us.
- b) All audit procedures were satisfactorily completed in conducting our audit.
- c) In our opinion, the asset consumption ratio and the asset renewal ratio included in the annual financial report were supported by verifiable information and reasonable assumptions.

MATTERS RELATING TO THE ELECTRONIC PUBLICATION OF THE AUDITED FINANCIAL REPORT

This auditor's report relates to the annual financial report of the Shire of Augusta Margaret River for the year ended 30 June 2018 included on the Shire's website. The Shire's management is responsible for the integrity of the Shire's website. This audit does not provide assurance on the integrity of the Shire's website. The auditor's report refers only to the financial report described above. It does not provide an opinion on any other information which may have been hyperlinked to/from this financial report. If users of the financial report are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial report to confirm the information contained in this website version of the financial report.

MOORE STEPHENS
CHARTERED ACCOUNTANTS



WEN SHIEN-CHAI
PARTNER

Date: 9 October 2018
Perth, WA