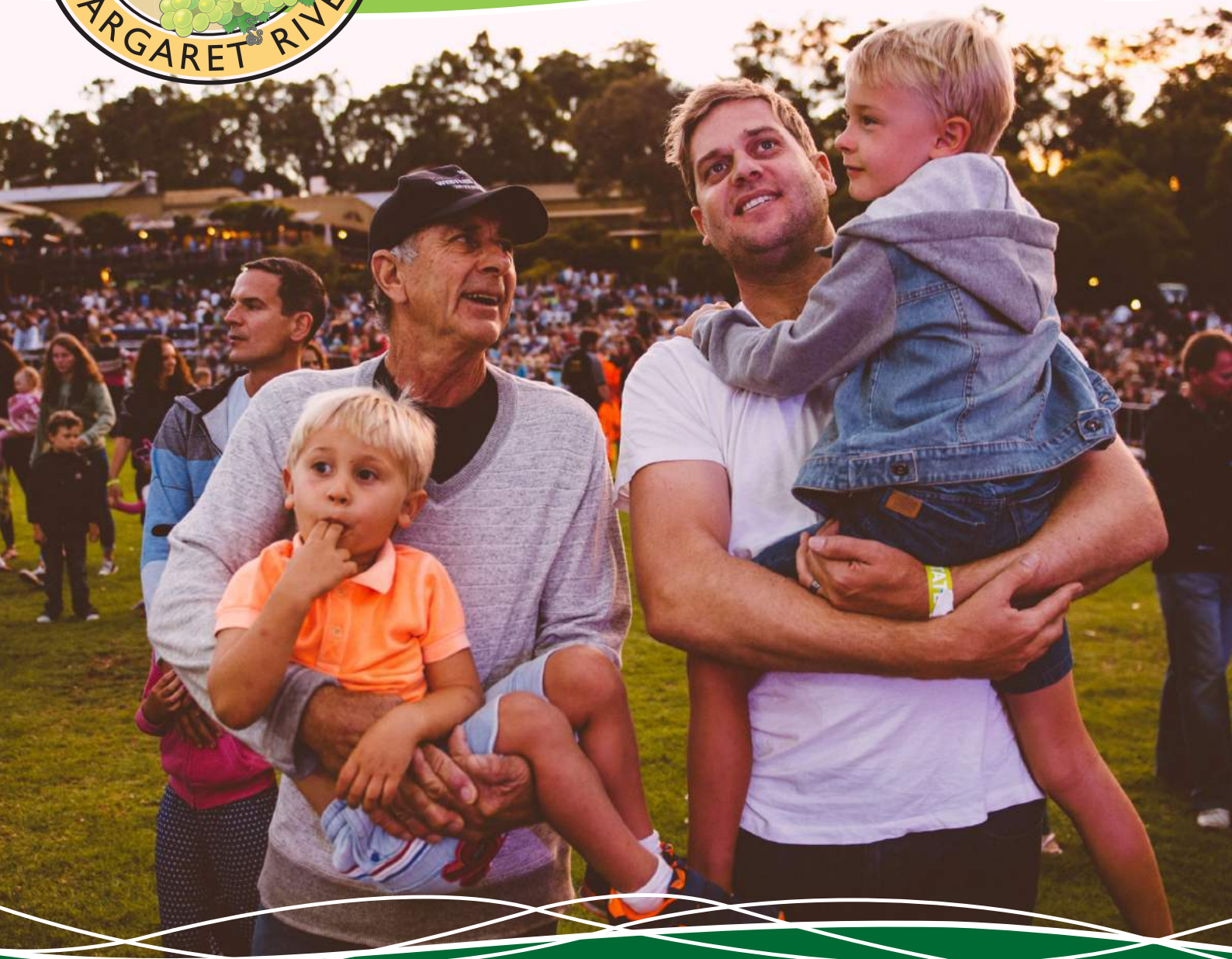


Annual Report 2016-17



Natural

Connected

Prosperous

Acknowledgement of Country



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

We acknowledge that they have been custodians for many centuries 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 2033

Natural

Connected

Prosperous



A **prosperous** and **connected** community that values its **natural environment** and character as it grows sustainably into the future.

Our Mission

"To protect the natural environment, strengthen our communities, foster local economic prosperity and responsibly manage the community infrastructure"

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.

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

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.

Above: Extract from the Shire of Augusta Margaret River Sustainability Policy 2013



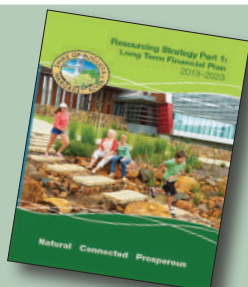
Strategic Direction



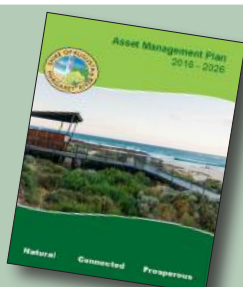
Informing Strategies 10 years

The Informing Strategies are 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

Part 1:
Long Term
Financial Plan



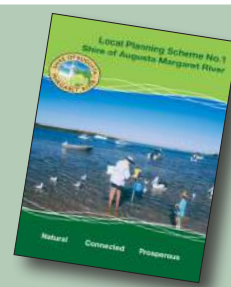
Part 2:
Asset
Management Plan



Part 3:
Workforce Plan



Part 4:
Local Planning
Scheme No. 1



**Community
Strategic Plan**
20 Years

Corporate Plan
4 Years

**Operational Plan
and Budget**
1 Year

Annual Report

Shire President's report



As the growth rates indicate, the Shire is an extremely busy place, and the elected Council has been busy governing, making key decisions and setting the strategic direction for the Shire. The CEO and his staff have been extremely busy in managing the day to day operations of a \$48 million dollar business and implementing the key actions listed in the Corporate Plan 2016-20 adopted by Council.

The release of Australian Bureau of Statistics data in March 2017 showed the Shire of Augusta Margaret River is the second fastest growing local government in the south west of Western Australia behind the City of Busselton. There were more dwellings approved (220 worth \$68.5 million) than in the local governments of Harvey (206), Capel (189), Bunbury (125), Dardanup (117), Manjimup (48), Collie (14) and Nannup (14). Augusta Margaret River combined with Busselton (626) had more new dwellings than the rest of the south west local governments combined. The release of the 2016 Census data has also indicated that there is much stronger growth in the north of the Shire with Cowaramup now becoming the second largest town, reaching 1,902 residents, while in the south Augusta has had a more modest increase to 1,382. The Margaret River Primary School is bursting at the seams and a new primary school is currently

under construction at Rapids Landing set for an official opening in 2018. The Margaret River Senior High School is also set to embark on a major building program to cater for increased enrolments.

Your 2036 community visioning

During the reporting year, a comprehensive community engagement strategy was undertaken to ascertain the community's vision for how they would like to see our community in 20 years' time. As well as being a legislative requirement to review the Community Strategic Plan, it has been an excellent opportunity to engage the community. Council appointed 36 community members to form a Community Reference Group (CRG), which met on six occasions in various locations all over the Shire. The sessions were expertly facilitated by Tuna Blue veteran Bevan Bessen and his son Will. Participants passionately discussed and workshopped what they see as the preferred future for the community. The inaugural workshop was held in Margaret River followed by weekend workshops in Augusta, Cowaramup, Gracetown and Rosa Brook. The final draft Community Strategic Plan 2036 was presented by the CRG to Council at a function on 21 July 2017. As Shire President, I would like to thank all the community members on the CRG who gave their valuable time and energy to the project. Also the facilitators from Tuna Blue and the CEO and his staff for their out of hours attendance and in particular the Community Planning and Development team of Kirstie and Stacey who coordinated the effort. Well done everyone.

Review of wards

A comprehensive eight year review of wards was undertaken during the financial year which included the development of an options paper for community consultation, reports to Council and a submission to the Local Government Advisory Board (LGAB). At the end of the process Council resolved by an absolute majority to support the new "No Wards" structure as the best model of representation going forward, particularly with strong and uneven growth in different parts of the Shire. The review was endorsed by the Minister and the abolition of wards has been gazetted to

Shire President's report

be put in place for the October 2017 elections. This will see voters for the first time being able to vote for the candidates of their choice in all vacant seats as distinct from only being able to vote for the candidate in one ward.

Cultural Centre and Youth Precinct

Two major projects received significant funding announcements in 2016. The first project is a major redevelopment of the Cultural Centre and adjacent squash courts into a hub of entertainment, arts and regional tourism (HEART). Successful funding applications saw the announcement of National Stronger Regions Funding (\$1.8 million), Lotterywest (\$1.4 million), Department of Local Government, Sport and Cultural Industries (\$0.5 million) and Royalties for Regions (\$3.05 million). With \$3.05 million currently under review by the incoming State Government, there is still great optimism that there will be a positive announcement in the state budget in September 2017. Developer contributions will service a \$1.1 million loan for the project as the new multi-purpose space to be constructed will be a Shire wide facility. Council has awarded the tender for architectural services to the Bollig Design Group (BDG) who designed the award winning Shire Civic and Administration Centre and the concept plans have been completed to allow for an increase in seating from approximately 325 to 450 seats. The second project is the creation of a Youth Precinct from the redevelopment of the Margaret River Skate Park, Zone Room and Scout Hall into a state of the art family friendly multi-purpose youth area. Funding of \$1.4 million was confirmed from Lotterywest for the \$2.2 million upgrade with additional fundraising activities underway. A highly experienced and reputable firm, Convic was awarded the tender for the design and construction of the Youth Precinct and work will commence early in the 2017-18 financial year.

Chalets at Turner Caravan Park

Having received the go ahead from the Department of Planning, Lands and Heritage, the construction of three new chalets at Turner Caravan Park was well advanced by the end of the reporting period. The new chalets will 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 will be stunning and Council hopes that they will have high occupancy rates throughout the year.

International delegations

During the reporting year I was honoured as Shire President to host three visiting delegations to our area, from Sister City Haining and from Bo Trach in Vietnam. I also had the honour of leading a Shire and Margaret River Chamber of Commerce and Industry delegation to the Sister City of Haining in China. The visit included participation in the Hong Kong Wine and Food Festival, as well as meeting with the Australian Ambassador to Vietnam, tourism authorities in Hanoi and Vung Tau. We also met the leaders of the Bo Trach district of the Quang Binh province of Vietnam where a Friendship Agreement was signed.

In closing I would like to thank Deputy Shire President, Kylie Kennaugh for her outstanding support and assistance over the year, deputising for me as required during any periods when I was not able to attend to my duties. To all the other Councillors, thank you for the valuable contributions that you have made in representing the community. To the CEO, Gary Evershed and his team, thank you for the outstanding work that you do in managing a large and complex operation and keeping the majority of ratepayers happy most of the time. A special thanks also to Megan Smith, Executive Assistant for your work in supporting the smooth running of the Shire President's office and in coordinating civic functions including the regular Australian Citizenship ceremonies and to Claire Schiller, Minutes and Agenda Officer for your very professional agendas and minutes.



Ian Earl
Shire President

Corporate Governance

The Council

The Shire President and six elected Councillors form the governing body of the Shire. They establish policies and decisions that drive the strategic direction of the Shire and are accountable for delivering what the community has identified as necessary for its economic, social, environmental and cultural wellbeing. These decisions are made at Council Meetings or Committee of Council Meetings. Each incoming Council holds a ballot for the Shire President to carry out specific actions delegated to this role.

Traditionally, the Shire has been divided into three wards: Leeuwin Ward with two representatives, North Ward with three representatives and Margaret River Ward with two representatives. The Shire recently carried out a review of ward boundaries and the number of Councillors representing each ward. A review is required by law every eight years, with the Shire's last ward review completed in April 2009.

The present ward system has functioned well for the past seven years, however given the uneven growth in different areas in the Shire, a restructure was required to maintain a fair representational system. The ward system had become progressively unfair and unrepresentative from a one vote one value principle. In January 2017 Council made the decision to move to a "No Wards" system, where one electoral ward covers the whole Shire rather than a number of smaller wards, and all seven Councillors will be elected by all voters in one Shire wide ward. The decision was ratified by the Local Government Advisory Board, and the Minister's approval. The changes will be implemented at the next Council elections in October 2017.



Above: Election of Shire President and Deputy Shire President and appointment of Councillors to Committees of Council, October 2015

Councillors



Shire President - Cr Ian Earl

North Ward

Ian was born in Margaret River in 1953 and his family has lived in the district since the early 1930s. 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 involved in the local community. He has been President of the Cowaramup Primary and Citizens Group, 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 involved in the Volunteer Bush Fire Brigade for the past 36 years and has been the Fire Control Officer in Cowaramup for over 20 years.

Ian has been part of the Augusta Margaret River Sport and Recreation Committee for 28 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 12 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 planning in

place to make sure that this can continue into the future in an orderly and well managed fashion.

Ian was re-elected as a Councillor in the North Ward in 2013 and elected Shire President in 2015. He was previously Deputy Shire President from 19 October 2011 to 23 October 2013. Ian's term of office expires in October 2017.



Deputy Shire President - Cr Kylie Kennaugh

North Ward

Kylie was raised on a wheat and sheep farm and moved to Margaret River in 1990. She has over 32 years working experience with solid backgrounds in hospitality, tourism, farming, volunteering and all aspects of small business.

She has two daughters and is involved in her family business Margaret River Venison and with her partner Greg's business Berridge Transport.

Passionate about agriculture, Kylie has been with the Margaret River Agricultural Society since 2001 where she has been the President since 2011.

Kylie was elected as a Councillor in the North Ward in 2013 and Deputy President in 2015. Her term is due to expire in October 2017.

Councillors



Cr Peter Lane

North Ward

Peter was born in Manly, New South Wales 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 1993-94, in 2000 ran as a Greens WA candidate for State Parliament and has published a 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.



Cr Felicity Haynes

Town Ward

Born in Katanning, Felicity taught at the University of Western Australia (UWA) for 27 years and published books and articles on arts education, critical thinking, permaculture, ethics and gender equity. She was the first female Dean at UWA, serving on many committees, including Senate. She was administrator of the Faculty of Education for four years.

Felicity has set up a meeting house on her farm at Tingrith to encourage an open community of inquiry, and promote the permaculture principles of caring for people, caring for the land and avoiding waste and extremes.

Felicity was elected to represent the Town Ward in 2013. Her term is due to expire in October 2017.

Councillors



Cr Pamela Townshend

Town Ward

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 moved to Melbourne, and she lives with her mother who is 100 years young!

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, volunteers for Arts Margaret River, University of the Third Age and is a member of the local permaculture group and Transition Margaret River.

Pam is primarily interested in environmental and social justice issues which arise from growth and human impact. 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 is due to expire in October 2019.



Cr Michael Smart

Leeuwin Ward

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 33 years before moving there permanently in 2000.

Mike took a leadership role in the potato processing industry and instigated a study trip to America, which in turn brought significant knowledge back to both Western Australia and Tasmania. Through the 90s 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 involved with the community with active roles in St John Ambulance, the Augusta Golf Club and Augusta Tennis Club, where he was the President.

Cr Smart 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.

Councillors



Cr Kim Hastie

Leeuwin Ward

Kim and his partner Carol have lived in Augusta since 2008. His background includes 32 years in local government, including 12 years as CEO, and the role of Secretary of the Augusta Men's Shed.

Kim was previously a member of the Darling Range Volunteer Bush Fire Brigade and board member of the Goldfields Esperance Development Commission, a superannuation fund, a credit union, the Legal Aid Review Committee and an agricultural community co-operative. He has an Masters Business Administration (Curtin) and Management Diploma (TAFE).

Kim was elected to represent the Leeuwin ward in 2013. His term expires in October 2017.



Above: Australia Day celebrations, January 2017



Above: Gracetown Jetty, May 2017



Tate family beef farm, Rosa Brook

Meetings

Ordinary Meetings of Council

The Shire held a total of 21 OCM's over 2016-17. 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 and January). The majority of the meetings are held in Margaret River, with two meetings held annually in Augusta and one meeting held annually in Cowaramup. One OCM was cancelled on 26 October 2016.

The Shire received 53 deputations over 2016-17. All OCM's are open to the public. 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.

Special Council Meetings

The Shire held one Special Council Meeting over 2016-17, which was a confidential meeting for the tender for architectural services for the Cultural Centre Redevelopment (HEART) project. Special Meetings of Council are held as they are needed and are open to the public. Members of the public attending meetings are allocated time at the commencement of the meeting to ask questions of the Council.

General Meeting of Electors

The Shire held the General Meeting of Electors for 2015-16 on Wednesday 14 December 2016, with one public attendee and 14 Councilors and staff present. 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.



Above: The Readers and Writers Festival outside the Margaret River Civic Centre, April 2017

Meetings

Committees of Council

The Shire currently has five advisory committees established by Council under s5.8 *Local Government Act 1995* 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	Councillor Representative						
	Cr Earl	Cr Kennaugh	Cr Haynes	Cr Smart	Cr Hastie	Cr Lane	Cr Townshend
Audit and Risk Management Committee (ARMC)	✓	✓	✓	✓	✓	✓	✓
Local Emergency Management Committee (LEMC)	✓					✓*	
Sports and Recreation Advisory Committee (SRAC)	✓	✓					
Bush Fire Advisory Committee (BFAC)	✓					✓	
Sustainability Advisory Committee (SAC)			✓		✓*	✓	✓
CapeROC	✓		✓	✓			

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

Councillors attendance at meetings 2016-17

	Cr Earl	Cr Kennaugh	Cr Haynes	Cr Smart	Cr Hastie	Cr Lane	Cr Townshend
Ordinary Council Meeting	20/21	20/21	20/21	21/21	21/21	21/21	17/21
Special Council Meeting	1/1	1/1	1/1	1/1	1/1	1/1	1/1
General Electors Meeting	1/1	1/1	1/1	1/1	1/1	1/1	1/1
ARMC	4/4	4/4	4/4	4/4	4/4	4/4	4/4
CapeROC	3/3	N/A	2/3	3/3	N/A	N/A	N/A
LEMC	5/5	N/A	N/A	1/4	N/A	N/A * Attendance not required as Shire President attended all meetings	N/A
SRAC	4/6	5/6	N/A	N/A	N/A	N/A	N/A
BFAC	2/4	N/A	N/A	N/A	N/A	0/4 Resigned from committee	N/A
SAC	N/A	N/A	2/4	N/A	Attended 15 Sept 2016 as Deputy	4/4	2/4

Meetings

External committee representatives

Committee	Councillor Representative
Augusta Cruise Ship Working Group	Cr Smart Cr Hastie (Deputy)
Wadandi Track Steering Committee	Cr Lane Cr Townshend (Deputy)
Capes Regional Organisation of Councils	Cr Earl Cr Haynes Cr Smart
Cultural Centre Redevelopment Working Group	Cr Kennaugh Cr Townshend (Deputy)
Augusta Margaret River Industry Leaders Group	Cr Earl Cr Kennaugh (Deputy)
Lower Blackwood Land Conservation District Committee	Cr Hastie Cr Haynes (Deputy)
Margaret River Perimeter Road Community Reference Group	Cr Haynes Cr Townshend (Deputy)
South West Regional Road Group	Cr Hastie
South West Cruise Alliance	Cr Smart
South West Joint Development Assessment Panel	Cr Earl Cr Kennaugh Cr Hastie (Deputy) Cr Smart (Deputy)
WALGA Zone Committee	Cr Earl Cr Kennaugh (Deputy)
Trails Community Reference Group	Cr Lane Cr Haynes (Deputy)

Chief Executive Officer's report



As CEO I am extremely fortunate to lead a team of very creative and hard working professionals who make working for the Shire a pleasure. There is always a positive vibe in the main office, the Depot, Libraries and other workplaces. Staff regularly work to support each other and chip in when required, when they know their colleagues are “under the pump” and require assistance. The morning teas to farewell departing workmates are always well attended and evidence of the strong relationships formed and the bonds that bind the team together. The Shire workforce has again delivered on some impressive projects during the 2016-17 financial year, which are comprehensively outlined in this Annual Report. I would like to single out and spotlight some of the higher profile priorities which have been achieved.

Waste Management

Waste management is a major area of focus for the Shire and for the community as the life of the Davis Road landfill site is relatively short and it is imperative to reduce the amount of waste to landfill to prolong the life of the facility. The incoming Manager Waste, Health and Ranger

Services, Ruth Levett, has picked up where the previous manager left off and has implemented some great new initiatives. The completion of a new waste cell and the purchase of a second hand BOMAG landfill compactor has made a dramatic impact on compacting waste to the smallest volume and thus greatly extending the life of the site. Additionally a strong focus on recycling and re-use will see the life of the facility further increased. Well done to Waste Services.

Recruitment of Executive Team

During the reporting period I was able to lead the recruitment process to secure the employment of two outstanding professionals to join the Executive Leadership Team without having to engage expensive external recruitment consultants. The vacancies were created when Director Sustainable Development, Iliya Hastings resigned to pursue business interests and when Director Infrastructure Services, Johan Louw left to take up a position closer to his friends and family on the Murray River.

Dale Putland was appointed the new Director Sustainable Development commencing 21 November 2016. Dale was the Executive Director Planning and Development at the City of Albany for the previous four years and has settled in well into his new role.

The new Director Infrastructure Services was finalised with Markus Botte appointed as the incoming Director who will commence in mid October 2017. His recent appointments include the Manager Technical Services, City of Gosnells since August 2008, Director Engineering Services, Shire of Serpentine Jarrahdale, July 2007 to August 2008, Coordinator Engineering Infrastructure, Shire of Kalamunda, December 2004 to June 2007. He has a PhD in Management and Organisations Transport and Logistics.

Along with the highly professional and high achieving Annie Riordan as Director Corporate and Community Services the two new appointments will join me to form another formidable Executive Leadership Team to lead the Shire's administration into the future.

Chief Executive Officer's report

Cultural Centre Redevelopment (HEART project)

Perhaps the highest priority project currently on the Shire's books is the major redevelopment and refurbishment of the 34 year old Margaret River Cultural Centre and the adjacent degraded squash courts into a vibrant hub of entertainment, arts and regional tourism (HEART). It is an \$8.75 million project and with Council adopting a concept plan to also clad the fly tower and to increase seating, the project is likely to cost approximately \$9.2 million. The following graph shows the relatively small call on ratepayer funds from Shire reserves at 8% of the total funds raised to date.

Funding sources for design and construction of the \$8.75m HEART project

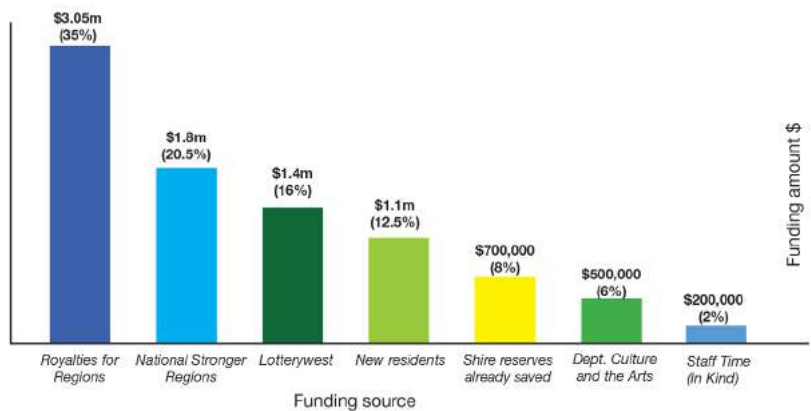


Figure 1: Funding sources for the design and construction of the redevelopment of the Cultural Centre HEART project



Above: The concept image for the redevelopment of the Cultural Centre HEART project, endorsed by Council in July 2017

Following almost three years of developer contribution planning and business case development to satisfy funding guidelines, four detailed funding applications were lodged with a variety of federal and state funding bodies in 2016. The applications were supported by three cost benefit analyses, over 100 letters of support gathered from business and peak body stakeholders, a survey of Margaret River Chamber of Commerce and Industry (MRCCI) members, concerted lobbying of key strategic decision-makers and politicians and close work with the key South West Development Commission staff to finalise the business cases. The result was the largest amount of grant funds in the Shire's

history for an individual Shire project, announced in November 2016.

The second major body of work undertaken in the project this reporting year was the completion of the comprehensive two stage tender process for the architectural services for the project won by the Bollig Design Group. The above perspective drawing shows the design adopted by Council in July 2017, in conjunction with the concept plan to increase seating from the current capacity of approximately 325 to 450 seats. Read more about this on page 81.

For more information on this project visit:
yoursay.amrshire.wa.gov.au

Chief Executive Officer's report

Economic Development Strategy (EDS)

During the reporting year a major consultation process occurred with the development of the EDS in-house by the CEO without the cost of expensive external consultants. The previous Capes Region EDS was externally produced at a cost of more than \$50,000 without the comprehensive community and stakeholder consultation associated with the current EDS.

Comprehensive community and stakeholder consultation undertaken included:

- Formal written submission period
- CEO presentation and community workshop held at Margaret River Education Campus in conjunction with Curtin University in 28 July 2016
- Feedback from the two Food and Agricultural Summits held on 8 and 9 April 2016 and the 10 August 2017
- Key industry focus groups conducted by Dr Jack Carlsen with Margaret River Chamber of Commerce and Industry, Augusta Chamber of Commerce and Industry and Cowaramup Traders Association
- Whole of Shire triennial community survey questions
- CEO presentation to CapeROC for feedback
- Community Reference Group workshops for the Your Vision 2036 Community Strategic Plan review held at various locations in the Shire throughout 2016-17.

The EDS was completely overhauled following the community feedback to include the following enhancements:

- A new framework clearly showing the environment as the fundamental foundation underpinning a healthy economy
- Inclusion of the United Nations Strategic Development Goals
- Stronger emphasis on renewable energy
- Stronger emphasis on climate change adaption and bio-diversity protection
- Stronger support for food and fibre production

and rural producers following the Food and Agricultural Summits of 2016 and 2017

- Inclusion of an "Acknowledgement of Country" and ideas for indigenous job creation.

The draft EDS was presented to Council in June 2017. Council is keen to see the inclusion of a strong social justice component integrated into the document instead of in a separate Community Resilience Strategy. Additionally the inclusion of a global economic forecast section and recent Census data will essentially make the Shire's EDS a best practice model well beyond the original scope and resource allocation envisaged at the outset of the project.

Economic Development Framework



Shire vision

A prosperous and connected community that values its natural environment and character as it grows sustainably into the future.

Tourism Development	Wine & Food	Environmental Stewardship	New Industries	Economic Infrastructure	Competitive Business
Visitor Attraction & Management	Food & Agricultural Production	Climate Change Adaption	Margaret River Education Campus Reactivation	Busselton Margaret River Airport	Small Business Support
Iconic Events	Wine Production & Marketing	Renewable Energy	Digital Economy & New Technologies	Margaret River Main Street Upgrade	Business Friendly Shire
Eco-Tourism	Land Use Planning	Waste Minimisation	Indigenous Employment	Augusta Boat Harbour Activation	Sustainable Environmental Practices
Strategic Tourism Site Development	Rural Roads	Biodiversity Protection	Professional Services	Cultural Centre Redevelopment	Export Development



Chief Executive Officer's report

Excessive Leave Reduction

Staff have responded positively to strategies to reduce excessive leave which has been highlighted as a problem in successive Shire audits. A concerted effort has resulted in the Shire clearing 3,613.39 hours (a 65% reduction) in excessive leave in the 2016-17 financial year. The current Long Service Leave (LSL) balances include a small number of special CEO approved leave arrangements which will see all excessive LSL cleared early in the 2017-18 financial year bringing the total to zero.

Leave Type	July 2016 Excessive Hours	Current Excessive Hours	Difference
Annual Leave	1612.06	378.39	-1233.67
Time in Lieu	311.15	123.75	-187.40
Long Service Leave Locked Rate	3664.75	1472.43*	-2192.32
Total	5587.96	1974.57	-3613.39

Above: The reduction of leave hours achieved over 2016-17. * NB - All LSL excessive hours have been approved for clearance in the early part of 2017-18

Conclusion

So much has been achieved on so many fronts over the past year in furthering the priorities of the Corporate Business Plan 2016-20. I would like to thank the Shire President Cr Ian Earl, Deputy Shire President Cr Kylie Kennaugh and individual Councillors for their commitment to teamwork and support for the administration over the year. It is clearly critical in achieving quality and timely outcomes for the community that there is a strong and cohesive working relationship between the elected Council, the CEO and administration. I would like to thank my Executive Team in Annie Riordan, Iliya Hastings (and now Dale Putland) and Johan Louw for their professionalism, unwavering loyalty and sense of humour over the past year in getting important priorities completed, sometimes against the odds. I respect the work done by all managers and coordinators leading their teams and thank them for their efforts. A special thanks also must go to my Executive Assistant, Megan Smith for her commitment to her duties and to my small gang of dedicated professionals in Emma Rogers, Governance and Permit Officer, Claire Schiller, Minutes and Agenda Officer, Amanda Russell and Cristina Smith, Marketing and Events Officers. Thanks everyone.



Gary Evershed
Chief Executive Officer

Left: Shire officers discuss Your Vision 2036 at an all of staff meeting in October 2016

Executive Leadership Team



Annie Riordan - Director Corporate and Community Services

Annie 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 SA and management positions in the civil construction industry. Annie was also involved in the 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 is also actively involved with the Local Government Professionals WA association both at a State level being a member of the State Board and also as an executive member of the local branch and has been involved as a mentor in the association's Lift Off mentoring program.

Annie directs, coordinates and controls the functions of the Shire's Corporate and Community Services division to ensure Council's objectives are achieved. Service teams within Corporate and Community Services include Finance, Customer Service, Records, Information

Technology, Libraries, Community Planning and Development, Caravan Parks, Local Emergency Management, Recreational and Childcare Services and Human Resources. 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.



Joahn Louw - Director Infrastructure Services

Johan commenced with the Shire as Director Infrastructure Services in December 2012, with extensive infrastructure experience in state and local government, and private industry.

Johan holds a Bachelor of Arts Degree, a Graduate Diploma in Civil Engineering and a PhD and directed the functions of the Shire's Infrastructure Services Directorate, which incorporates the Asset Management and Works business units. The main services include coordinating the delivery of new Shire assets as well as maintaining existing Shire assets and services such as roads, footpaths, drainage, buildings, parks and gardens, major plant and landcare activities. The Infrastructure Directorate is also responsible for the delivery of some key priority projects such as Margaret River Main Street upgrades.

Johan left the organisation in June 2017 to join family on the east coast of Australia.

Executive Leadership Team



Dale Putland - Director Sustainable Development

(November 2016 - Current)

Dale 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 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 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.

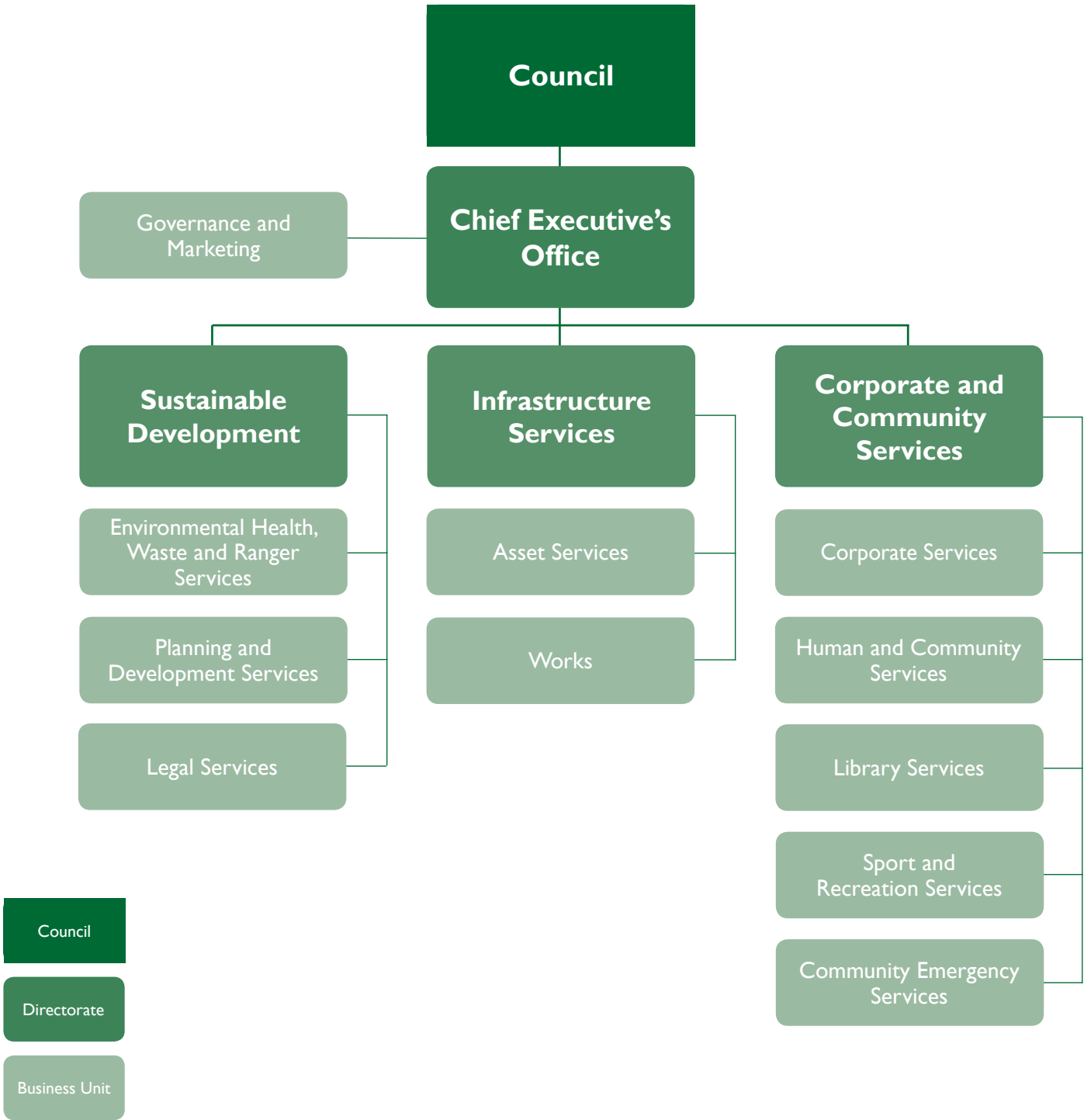


Nick Logan - Acting Director Sustainable Development

(July 2016 - November 2016)

Nick commenced at the Shire in 2010 and held the positions of Coordinator of Strategic Planning, and then Manager of Planning and Development prior to being appointed as Acting Director Sustainable Development in December 2015. He has considerable experience in both local government and the private sector in areas including strategic and statutory planning, environmental and land use policy, development feasibility, sustainability and project management. Previous roles include various local government planning positions, partnership in a planning consultancy, and leadership of the preparation of a second generation District Plan for a major metropolitan Council in New Zealand. Nick holds a Bachelor Degree in Resources and Environmental Planning.

Organisational structure



Quick facts

2016-17 Summary

The Shire offers

Total population
14,687*



Total area
2,138 square km

KM

120km
Coastline



8
Schools/colleges



Shire services included

9613
Rated properties



\$84,243,435
Development
applications value



522km
Sealed roads



404km
Unsealed roads



2
Libraries



3
Caravan &
Camping grounds



3,750ha
Reserves, parks &
playgrounds



163km
Pathways/trails



2
Recreation Centres



167.35 FTE[^]
Shire employees



21.4%
Waste diverted
from landfill



25
Road bridges



188
Buildings managed



130km
Stormwater pipes

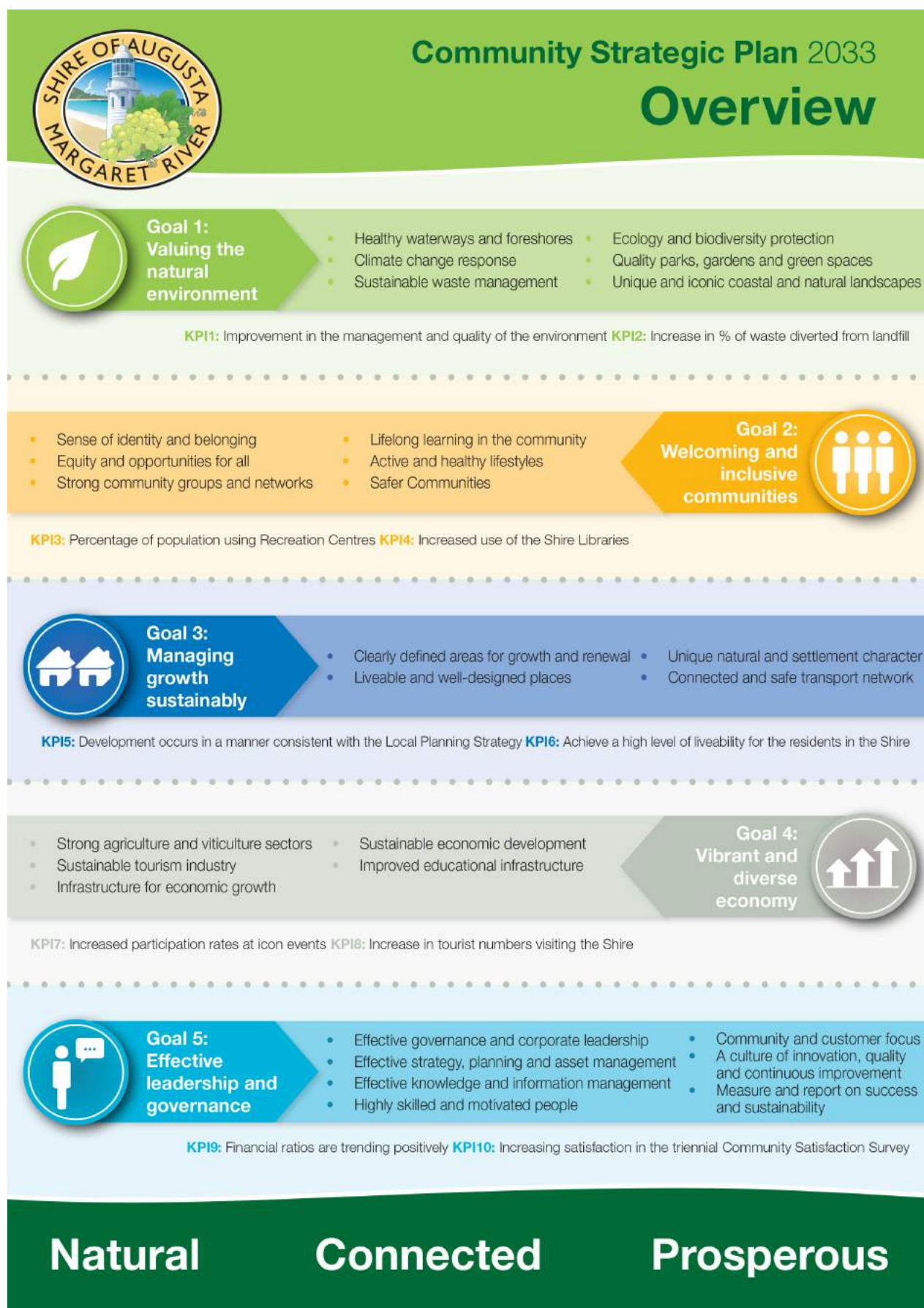
5000
Pits & basins

20
Jetties & boat ramps



*ABS Population Statistics
[^] FTE Equivalent

Corporate outcomes



Corporate outcomes

How to read this Annual Report

The Annual Report is split into the five goal areas of the Community Strategic Plan 2033 (see previous page).

1. Overview

Each goal area starts with an overview, which details the progress against the set targets for that goal area. The set targets are shown as actions.

Actions are the projects, activities and programs which were set for that each goal area within the Operational Plan and Budget 2016-17. The overview shows the number of actions, and how many were completed on schedule within the financial year.

The overview also details the results of the two key performance indicators (KPIs) which govern that goal area.

2. Delivery program

The outcome areas of each goal 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 have been highlighted. These projects represent the CEO's key performance indicators for the financial year.

The second layer of KPIs are detailed within the Shire's Corporate Plan 2016-21 are also reported against within the respective outcome areas.



Above: Award of Lotterywest grant for Cultural Centre upgrades

From left: Gary Evershed, Shire CEO, Cr Ian Earl, Shire President, Fred Affleck, Arts Margaret River, Terry Redman, former Western Australian Regional Development Minister, Tanay Wagner, Margaret River Newsxpress, Andrew Frith, Arts Margaret River and Barry House former Member for South West



Goal 1: Valuing the natural environment

Overview

Goal 1 Progress against targets

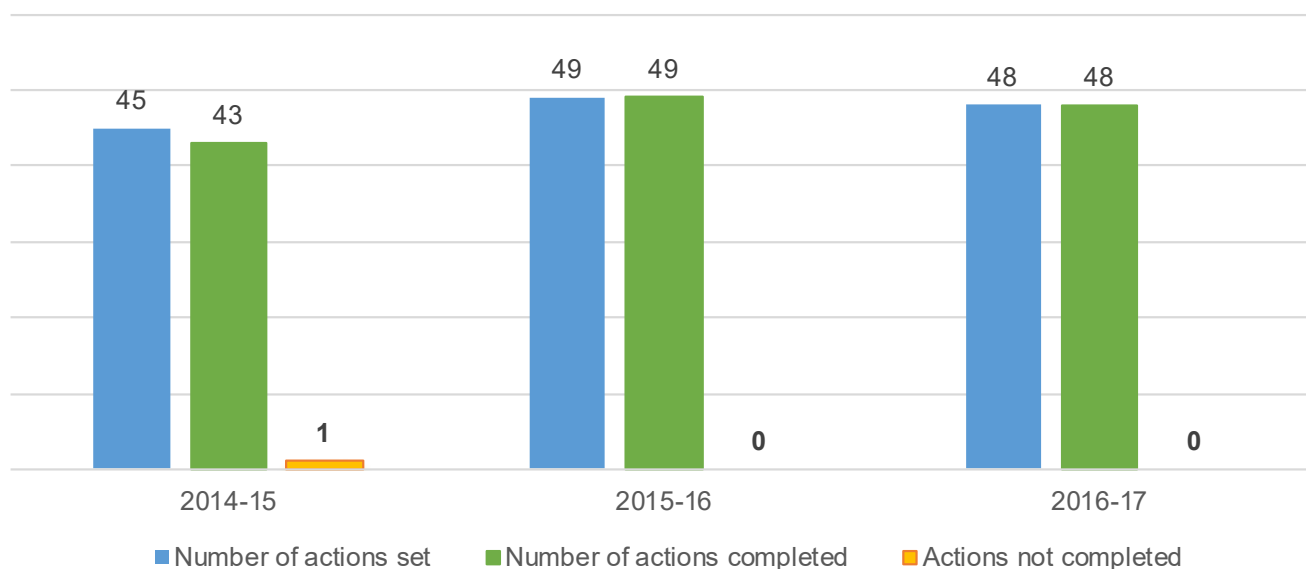


Figure 2: Progress against Goal 1 over the last three financial years

KPI1: Improvement in the management and quality of the environment

Improvement in the management and quality of the environment has been an ongoing focus for the Shire over the long term. Achievements over 2016-17 include:

- The development of the Environmental Sustainability Strategy, which is a parent strategy aiming to bring together several existing environmental response plans to build cohesion and partnership between various stakeholders throughout the community
- \$90,000 worth of local on ground actions and community capacity building projects delivered through the annual Environmental Management Fund including Our Patch and tree planting
- \$53,000 was spent on weed control, revegetation and reserve management over 2016-17, a 57% increase in funds from 2015-16. This has seen work conducted across 40 Shire reserves, planting approximately 7,800 plants and undertaking priority weed control in multiple locations
- Large scale commercial and community based planting projects including Yalgardup Brook and the Wadandi Track.



Goal 1: Valuing the natural environment

KPI2: Increase in % of waste diverted from landfill

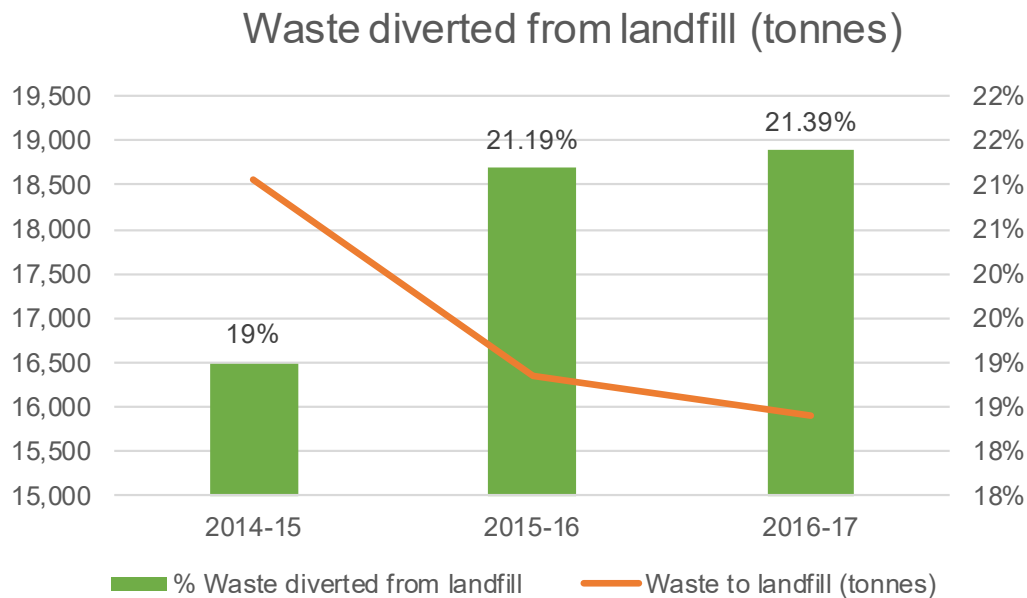


Figure 3: Over 2016-17, 21.39% of waste has been diverted from landfill, an increase of 0.2% from 2015-16. Overall, waste to Shire landfill has decreased this year by 314 tonnes and recycling has increased by 79 tonnes

Waste diverted from landfill over 2016-17 was comprised of recyclable material including:

- 488 tonnes of scrap metal
- 1,384 tonnes of concrete, rubble and brick
- 480 tonnes of green waste
- 755 steel spring mattresses which were stripped for recycled materials
- 428 fridges degassed for recycled materials
- 10 tonnes of e-waste
- 6 tonnes of car batteries
- 248 tonnes of cardboard baled and sold to market.



Above: Landfill compactor operating at Davis Road



Above: Compacted materials at Davis Road Waste Management Facility



Goal 1: Valuing the natural environment

Delivery Program

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 2016-17, the Shire continued to collaborate with environmental groups including Nature Conservation Margaret River Region and Lower Blackwood Landcare Conservation District Committee, as well as the existing Friends Groups in the Barrett Street Reserve, the A Class Reserve and the Riverslea Foreshore Reserves. A new friends group in Gracetown and Cowaramup Bay was also formed in 2016 with the support from Nature Conservation Margaret River Region and the Shire.

The Friends of the Foreshore project, funded through the Environmental Management Fund, assisted friends groups to undertake 20 on-ground action days including revegetation, dune stabilisation, environmental weed control and capacity building including strategic planning, weed identification and mapping, and Western Ringtail Possum monitoring. Over 100 volunteers were engaged, resulting in over 390 hours of volunteer labour and 1,000 native seedlings planted. The program extended in 2016-17 to include more localities and build new groups throughout the whole Shire.

Environmental community education

The Shire is heavily involved in citizen science, including funding programs which assist the community to better understand the importance of Western Ringtail Possums (WRP) and White Tailed Black Cockatoo species.

2016-17 featured a collaborative project delivered through the Environmental Management Fund by Nature Conservation Margaret River Region (NCMRR) which was designed to increase

community awareness of WRP in the community and gather further information on the status in the Shire and population hot spots. The project resulted in the formation of a steering group with Department of Biodiversity Conservation and Attractions, South West Catchments Council, NCMRR, community members and the Shire of Augusta Margaret River. The steering group met three times and oversaw project delivery.

One of the first outcomes was the development of a publicity strategy that then guided community engagement and publicity actions. The project resulted in seven media releases, one full page community update, design and construction of six interpretive signs, and four community night walks with 95 community members attending to learn more about this unique and critically endangered marsupial.

Projects over 2016-17 including sponsorship of NCMRR's Our Patch planting at the rain garden in Margaret River. Friends of the Foreshore have focused on riparian and waterway vegetation in order to protect and enhance water quality. Riparian vegetation grows along banks of a waterway extending to the edge of the floodplain (also known as fringing vegetation), contributing to the balance of oxygen, nutrients and sediment, and providing habitat and food for fauna.



Above: Community awareness campaign held over 2016-17 on conservation of the Western Ringtail Possum



Goal 1: Valuing the natural environment

Swimming rafts in our Shire

Following significant community interest in the provision of swim rafts in inland waterways, the Shire conducted community consultation in August 2016. The purpose of this work was to identify potential locations for future activities. Overall, the consultation received 47 responses which showed 73% of respondents were in support of water based infrastructure in the Shire.

The work also highlighted the community value of the Margaret River with concerns expressed around the general use of the river and potential negative impacts.

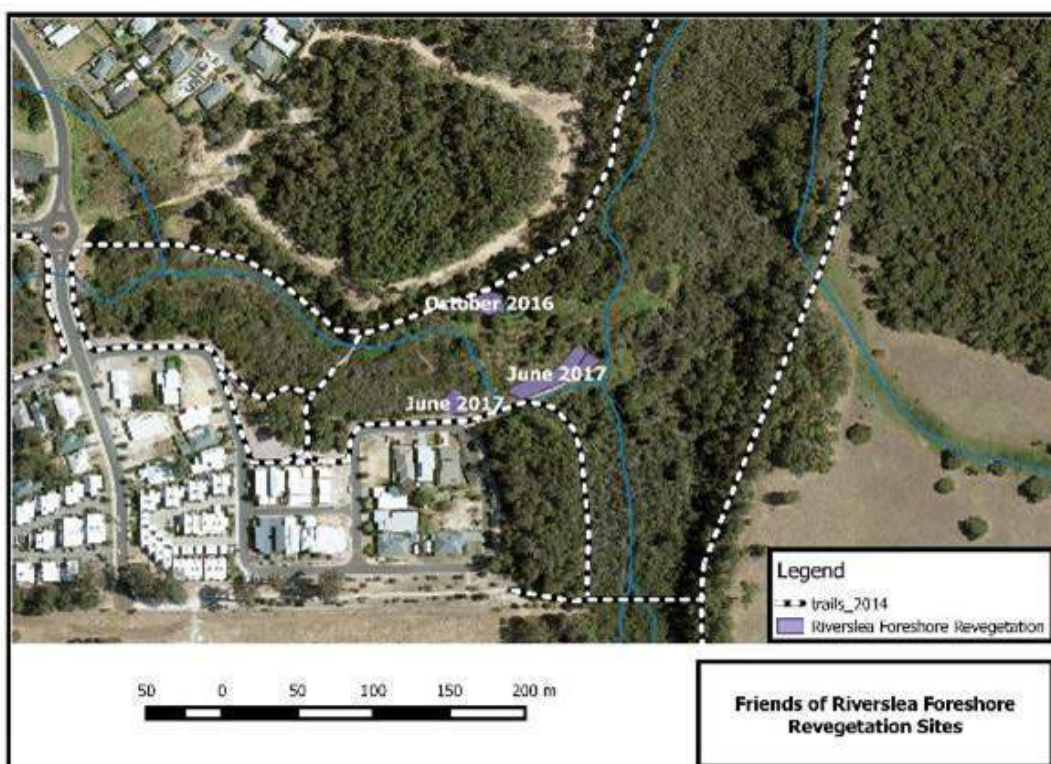
Council subsequently endorsed two locations for detailed investigations to occur, namely near Turner Caravan Park and Flinders Bay (OM2016/240). These investigations determined that both locations were not suitable, and this work has now been placed on hold.



Above: The provision of recreational swimming rafts in the Shire was explored in consultation with the community and Council over 2016-17

Margaret River foreshore rehabilitation and stormwater management

Extensive weed control and revegetation were undertaken in areas adjacent to the Margaret River over 2016-17. Over 1,700 local native seedlings were planted by contract and volunteer labour, including a school planting day organised by Nature Conservation Margaret River Region. Through this event approximately 100 children and 20 parents and volunteers from Friends of A Class Reserve learnt about the importance of the Margaret River and the stormwater treatment gardens, and then planted over 1,100 seedlings to improve water quality in the Margaret River. This complemented work in nearby reserves to bolster weed control and rehabilitation efforts by Friends of Reserves.



Left: Map showing the revegetated foreshore areas in Riverslea over 2016-17



Goal 1: Valuing the natural environment

2. Climate change response plan

Priority Project: Phase 2 of the Climate Change Response Plan

The Shire has a planned response to climate change through the Climate Change Response Plan (CCRP). The CCRP and framework was developed in 2014-15, identifying the importance of mitigation and adaption in addressing climate change, and recommending ways forward for the Shire to deliver services to its community.

Work over 2016-17 has focused on Phase 2 of the plan, with an Issues Paper to assist the Shire and the community in making decisions on future climate adaptation projects and programs. The paper will be finalised over 2017-18 through substantial input from the community in order to open lines of enquiry and engagement with the community to ensure that the resultant CCRP can be truly reflective of community aspirations.

Priority Project: Implementation of the Local Energy Action Plan (LEAP)

The LEAP is a comprehensive plan for reducing corporate and community carbon emissions and contributing to a cleaner and more sustainable planet, though living smart, energy audits, carbon offsets and community education. Actions implemented over 2016-17 included:

- Carbon emission monitoring
- Implemented solar photovoltaic (PV) system at Augusta Civic building as a carbon offset
- Living Smart community workshops conducted in February and March 2017, designed to assist the community to reduce their carbon emissions to meet adopted targets
- Broader educational seminar presented to Sustainability Advisory Committee for their consideration.



Above: Solar panels installed at the Augusta Civic building in August 2016

Priority Project: Renewable Energy

The desire to develop a large-scale community renewable energy project has been raised by the community for a number of years. The Shire's Corporate Plan 2016-20 and 2016-17 budget resolved to develop a community renewable energy project feasibility study in collaboration with Curtin University. Initial meetings with Curtin University and a working party set up by the Shire (consisting of approximately 20 community members with expertise in renewable energy) focussed on development of a feasibility study. All parties agreed that prior to developing a feasibility study, it was important to agree upon a vision, and a set of aims and objectives.

A not-for-profit organisation, Augusta Margaret River Clean Community Energy (AMRCCE) was established by the working party as a means of applying for financial and legal support. The proposal is to investigate development of a ten megawatt renewable energy project, with the intent of reducing the community's emissions by 20% in line with the Shire's LEAP objectives. Council has committed \$12,000 in funding in the 2017-18 budget, as seed funding towards a business case, with any further funding being contingent upon commitment by AMRCCE undertaking additional studies. Moving forward, a detailed feasibility study will be undertaken by experts from the AMRCCE, with assistance provided by Curtin University and others where required.



Goal 1: Valuing the natural environment

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 over 2016-17 of the progress made in implementing these targets over recent years. The results shows the following for the corporate and community sectors:

Corporate Targets	Corporate Progress
<ol style="list-style-type: none">1. Reduce emissions generated from Shire buildings and vehicle fleet by 30% below 2006-07 levels by 20202. Reduce emissions generated from street lighting, or energy use in street lighting by 20% below 2006-07 per capita rates by 2020	<ul style="list-style-type: none">• There has been a 10% reduction in emissions from buildings and a 31% 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 increased by 7% over the reporting period and energy consumption by 15%• There has been a 4% decrease in energy use and an 11% decrease in emissions per capita over the period since 2006-07
Community Targets	Community progress
<ol style="list-style-type: none">1. Assist community to reduce emissions, or energy use by 20% below 2006-07 per capita rates by 20202. Encourage community to source 20% of its energy from renewable energy sources by 2020	<ul style="list-style-type: none">• There has been a 2% reduction in emissions and a 3% increase in electricity consumption (gigajoules) over the period since 2006-07• There has been a 19% reduction in emissions per capita over the period since 2006-07

Margaret River Recycled Waste Water Scheme

The Shire has several strategies to conserve water as a precious resource, including the Margaret River Townsite District Water Management Strategy and the recycled waste water scheme. This includes 13 kilometres of pipeline, three pump stations and three storage tanks.

Activity over 2016-17 included providing advice on Local Water Management Strategies and Urban Water Management Plans prepared for subdivisions in East Margaret River and updating 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 stor-

age 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.



Goal 1: Valuing the natural environment

3. Sustainable waste management

Priority project: Waste Management improvements

2016-17 saw a major focus on implementing several improvements across waste management and waste services in the Shire.

With the Shire's Davis Road landfill nearing the end of life in the next five to six years, the Shire has been working to develop new plans and strategies for the future along with community education to change behaviours around waste. This has included a services audit conducted in May and June 2017, which will see a number of improvements to services including improved management of kerbside collections and operation of waste facilities in the Shire.

The Landfill Environmental Improvement Plan was developed over 2016-17, with initial implementation scheduled for completion mid 2017, then ongoing. The revised Landfill Closure Management Plan (LCMP) for Davis Road is pending Department of Water and Environmental Regulation approval.

The next steps for waste improvements include a masterplan that will allow development of a Shire Waste Transfer Station (compaction and truck transfer) and development of a complete resource recovery facility to process and recover resources, to replace the Davis Road landfill.

Dialogue has continued throughout the year with the City of Busselton and south west regional local governments in regards to regional collaborations for waste management including shared services and waste disposal options. These discussions will be reviewed as part of the masterplan for waste, and discussions will continue into 2017-18.

Right above: The acquisition of the landfill compactor will potentially increase the longevity of the Davis Road landfill by a further two years

Right: Davis Road Waste Management Facility

Landfill Compactor

The Shire acquired a second hand 35 tonne BOMAG landfill compactor in 2016-17, which arrived on site at Davis Road at the beginning of March 2017. It was previously employed by the Bunbury-Harvey Regional Council and underwent an overhaul for use in the Shire.

The acquisition of the landfill compactor has increased the longevity of the Davis Road landfill by approximately a further two years, so the landfill can now continue for five to six years before reaching capacity. The machine gives greater compaction and density of buried waste, which alleviates the urgency to establish a waste transfer station and resource recovery operation at the facility within a short period.

The toothed design and pattern on each wheel concentrates the machine's weight and force, achieving the increased compaction to allow more waste to be buried in a given area.





Goal 1: Valuing the natural environment

Priority project: Davis Road Stage 2 Landfill Cell

Over March and April 2017, successful tender contractors Leeuwin Civil, completed construction of Stage 2 Landfill Cell at the Davis Road Waste Management Facility. Designed to integrate into the current Stage 1 compacted clay lined cell, the new cell was built in accordance with the landfill footprint with approvals from the Department of Water and Environmental Regulation (DWER).

Connection of the two cells was achieved by overlapping the two different base liner materials. Due to the lack of suitable on-site clay, Cell 2 has been designed for construction using an engineered bentonite clay matting as a liner, that when hydrated, forms an environmental protection barrier to dramatically reduce seepage of leachate to groundwater. The contoured floors fall to a collection sump where leachate collection pipes feed into the sump's riser allowing extraction of collected leachate from the cell. As the waste cell fills, the riser will be fitted with extensions to increase its height.

Application will be made to DWER for works approval for the final Stage 3 Cell, to complete the finished footprint of the landfill. This new Cell 3 will accommodate all of the current remaining prescribed area for waste burial, tying in all cells in readiness for the implementation of the Landfill Closure Management Plan.



Above: Remediation works in preparation for the Davis Road Stage 2 Landfill Cell

Wallis Road Liquid Waste Treatment Plant Remediation

Extensive remediation of the Shire's septage treatment plant was undertaken through March-April 2017 after parts of the treatment system failed, adversely impacting on the proper functioning of the system.

A temporary closure of the facility was necessary and contractors were redirected to the Dunsborough wastewater treatment plant to allow remediation. During this time, dried bio-solids were removed from the site and transported to a Class III landfill in Dardanup. This created the necessary space to allow for ponds to be emptied and cleaned, and for pipework replacement and general maintenance to take place.

A new compacted clay cell floor in the final aerobic pond was established and bacterial load was fed to kick-start the biological treatment process. This was a major overhaul of the treatment plant challenging the safety of contractors working at the site and sensitivity to the possible impacts to the environment during remediation.

As the final stage, a review of the systems optimal and critical throughput capacities are currently being assessed from surveys of the empty ponds to determine volumes of waste that can be accepted and processed relative to the design and evaporative conditions of the location.



Above: Construction of the Davis Road Stage 2 Landfill Cell by Leeuwin Civil



Goal 1: Valuing the natural environment

Waste management services

Waste minimisation and education programs play a very important role in the Margaret River community. Over the last year, the Shire's Waste Services have taken a strong stance on waste prevention and implemented new services to ensure that we are recovering what we can from the municipal waste stream.

The Shire's Waste Education Officer has implemented a number of waste reduction initiatives within the community including:

- A strong presence of waste education at community events
- A bi-monthly newsletter dedicated to waste issues and education
- A community consultation page which encourages community members to ask questions and comment on waste issues in a public forum
- A series of waste themed events such as movie nights and composting demonstrations, which bring awareness to issues relevant to our community
- Encouraging Shire officers to lead by example with in house initiatives such as a Keep Cup Library, staff worm farm and veggie garden and "Adopt a Spot" clean ups
- Water refill station available for use at community events.

Residential drop-off recycling services increased over 2016-17, with bulk co-mingled recycling bins installed at the Shire's Davis Road facility and all transfer stations. This has allowed a variety of materials equivalent to kerbside collections to be recycled, along with opportunities to recycle fluorescent tubes, compact fluorescent lamps and globes, and household batteries at the gatehouse. Scrap metal and green waste drop off points were also implemented at three of the Shire's waste facilities and a new Tip Shop opened at the Shire's Davis Road Waste Management Facility throughout 2016-17.



Above: Waste education at the Margaret River Agricultural Show in October 2016



Above: Shire staff planting a shared community garden, worm farm and wicking garden



Above left: Water refill station for community events, to reduce the use of plastic bottles locally



Above right: Community waste education newsletter published in May 2017



Goal 1: Valuing the natural environment

Local waste statistics

Analysis of the Shire's waste data for 2016-17 suggests:

- 2.7% decrease in waste to landfill in comparison to volumes received over 2015-16, from 16,351 to 15,917 tonnes
- 2.5% decrease in total waste (landfill and recycling) accepted across the board in comparison to volumes received over 2015-16, from 20,747 to 20,238 tonnes
- This translates to an estimated 1.08 tonne of landfill per person for 2016-17 compared to 1.11 tonne of landfill per person for 2015-16, based on the Shire population of 14,687 people (ABS, 2016)
- 2016-17 saw a 27% increase in public placed bin usage.

Davis Road Facility	Landfill (tonnes)	Diversion (tonnes)	Total Waste (tonnes)	Difference from 2015-16 in total waste (tonnes)
Residential kerbside waste and recycling collections	4582	1235	5817	235 less
Public place bins	494	0	494	105 more
Facility residential waste and recycling drop-off	3886	1001	4887	380 more
Commercial disposals (mixed general, building and industrial waste) and recyclable drop-off	5459	1458	6917	335 less
Special burial (Asbestos)	126	0	126	9 less
Transfer Stations	Landfill (tonnes)	Diversion (tonnes)	Total Waste (tonnes)	Difference from 2015-16 in total waste (tonnes)
Alexandra Bridge rural waste and recycling drop-off	178	14	192	69 less
Cowaramup rural waste and recycling drop-off	540	270	810	131 less
Kudardup rural waste and recycling drop-off	303	331	634	133 less
Rosa Brook rural waste and recycling drop-off	301	20	321	66 less
East Augusta rural waste collection	40	0	40	16 less
Totals	15,917	4329	20,238	509 less

Above: Waste statistics from 2016-17



Goal 1: Valuing the natural environment

4. Ecology and biodiversity protection

Priority project: Environmental Sustainability Strategy

Preparation of the Shire's Environmental Sustainability Strategy was completed over 2016-17 with the release of an Issues Paper for public comment. The purpose of the Issues Paper was to articulate to the community the Shire's current environmental priorities and the projects and level of resources currently being directed to each one, to generate community feedback and inform strategy development.

Council adopted the draft Strategy for the purposes of further public consultation in June 2017. The Strategy will elevate the status of the environment as a factor influencing the Shire's operations, its programs and its services, at both a corporate and community level. The Strategy provides the strategic framework to achieve this vision, by guiding decisions, helping to shape plans and activities undertaken across the Shire. While the Shire has significant ability to influence sustainable outcomes, it cannot do so alone. The Strategy has a grass roots focus, which will provide resources to community groups and members so that their enthusiasm, dedication and expertise can achieve even greater results.

As refined and agreed through the consultation undertaken to date, the Strategy has five key focus areas which represent the main environmental issues which we face. Each Focus Area is assigned goals with specific projects having been designed to help us achieve those goals.

Three key action areas will be pursued (Governance, Funding and Community Empowerment) which have been identified in response to input provided during the consultation process. Each area is assigned pathways and programs, representing our high-level strategy. Measurable performance indicators will be set to record our progress towards the goals identified in this strategy thus providing transparency and conveying Council's commitment to achieving a sustainable Shire together with the community.

Vision: Our interaction with the Shire of Augusta Margaret River's natural environment is harmonious, and results in outcomes which are beneficial for both the environment and the community. We are a sustainable Shire which sustains and is sustained by nature.

Focus areas	Goals
Climate change	A resilient Shire
Green energy	A low carbon Shire
Water	A water sensitive Shire
Natural areas	A green and self-sustaining Shire
Consumption	A responsible Shire

Above: The focus areas form the Environmental Sustainability Strategy



Above: Strategies to address environmental sustainability has been a priority focus at the Shire over 2016-17



Goal 1: Valuing the natural environment

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 an independent management plan to identify natural values, threats and management actions.

In 2016-17 the Margaret River foreshore areas between Bussell Highway and the coast was identified as requiring a comprehensive and consistent set of management guidelines. Following a request for quote process, the Shire appointed the Nature Conservation Margaret River Region to prepare the plan. Due to external delays in the Shire commissioned Aboriginal Heritage Survey, the foreshore management plan was delayed, and will now be finalised following completion of Aboriginal Heritage report in 2017-18.

Aboriginal consultation

The Shire significantly improved processes related to Aboriginal engagement throughout 2016-17, with a special focus on improved consultation around infrastructure in heritage locations. This includes walking tracks, drains and sewers, roads and carparks, retaining walls, and fire and tourism management in places of Aboriginal significance.

An Aboriginal Heritage Survey was completed over May and June 2017, which engaged South West Aboriginal Land and Sea Council

(SWALSC) nominated Nyungar representatives to consult on Shire sites and places of Aboriginal heritage as defined by Section 5 of the *Western Australia Aboriginal Heritage Act (1972)* (AHA). The survey included site identification for ethnographic and archaeological assessment. The results of the survey will be analysed by the Shire for presentation to Council, which will inform future decision making for the following sites and projects:

- Cape to Cape Track Winter Diversion Trail
- Wallcliffe recreation area
- Rivermouth leach drains
- Surfers Point path in Prevelly
- Alexandra Bridge Campground
- Ellis Street carpark in Augusta
- Ellis Street basin renewal in Augusta
- Colourpatch retaining wall in Augusta
- Wadandi Track in Cowaramup
- Potential renaming of A-Class reserve in Margaret River.

The Shire CEO spoke at the pre-survey briefing where the SWALSC nominated Nyungar representatives attended with anthropologist Brad Goode, and made an apology regarding previous actions undertaken by the Shire without prior Aboriginal consultation and approvals under the AHA and in particular activities that relate to the Margaret River (read more on pages 51 and 52).



Above: The survey team walking the pipeline path to the Leach Drain location

Right: A pre-survey briefing held at the Shire of Augusta Margaret River





Goal 1: Valuing the natural environment

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 2016-17 include:

- Increased expenditure on weed control and revegetation
- Implementation of Environmental Management Fund projects
- Undertook weed control and revegetation over almost 40 Shire reserves, planting approximately 7,800 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 based planting projects including Yalgardup Brook, Wadandi Track and Margaret River foreshore.

Environmental Management Fund

The Environmental Management Fund (EMF) is implemented each year by the Shire in partnership with community groups. In 2016-17, the EMF was equivalent to 0.5% of rate revenue set aside for the sole purpose of delivering nature conservation. Projects are chosen with the assistance of the Shire's Sustainability Advisory Group which consists of representatives of community groups operating in the environment and sustainability 'space' together with practitioners and community members with expert environmental knowledge.

A list of potential projects was endorsed at the Council meeting on 9 November 2016. Projects supported and funded for the 2016-17 financial year were:

- Our Patch
- Friends of Foreshore
- Western Ringtail Possum contribution
- Birdlife and Capes Bird Group
- CoastSWaP
- Vegetation condition assessment
- A Class Reserve and Rain Garden rehabilitation
- Landscape scale rehabilitation of cleared land, including the Wadandi Track
- Woody weed control on roadsides.



Above: The spread of community projects run over 2016-17 through the Environmental Management Fund



Goal 1: Valuing the natural environment

Our Patch community project

Nature Conservation Margaret River Region's (NCMRR) Our Patch environmental education program has had another successful year working across seven schools in the Shire. The program delivered a coordinated environmental education program 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.

During 2016-17, the Our Patch program has delivered 58 classroom incursions, 49 field excursions, an aquatic fauna extravaganza and a school's Bioblitz day. The Our Patch program was promoted at the South West Catchment Council's regional celebration and through 15 media releases outlining the student learning. NCMRR also posted 17 Facebook posts featuring the Our Patch program.

NCMRR also commenced delivery of the Adopt a Spot Program for all year four students across the seven schools, separately funded by the state natural resource management program. Adopt a Spot aims to establish long term links between schools and local bushland, foreshore and coastal areas. Connected with volunteer friends groups, schools provide long term care for their adopted spot contributing to site restoration and environmental management. The program has now delivered seven field excursions with 2,600 native seedlings planted by students, assisted by 56 local community volunteers.

The Our Patch program received \$10,000 from the Shire in 2016-17, plus \$37,000 cash from other contributions including direct school payments showing the leveraging that is possible from a relatively modest Shire contribution.



Above: Bioblitz at Mammoth Cave through the Our Patch project

Bottom left: A class room excursion for the Our Patch project

Revegetation at Yalgardup and Wadandi Track

The first stages of multi-year, large scale revegetation projects were undertaken in two locations this year. Volunteers, school children and contractors undertook planting of over 750 local native seedlings in the Yalgardup creek area following weed control by a commercial contractor, improving water quality in the Yalgardup Brook. The project also met the community's ecological values of the reserve.

The Wadandi Track was identified as a location where planting could provide significant ecological and amenity benefits, with large portions of the reserves being predominantly cleared. Following a procurement process, a commercial contractor was appointed to undertake initial stages of planting in the area immediately south of Witchcliffe Reserve. A concept plan was prepared by the contractor and stage one of planting comprised of 1,540 local native seedlings. It is intended that further stages of this plan will be implemented on an annual basis.

Extensive roadside woody weed control was undertaken, particularly in the Wilderness and Scott River areas. These areas were targeted due to high conservation value and complementary projects undertaken in the area by private landholders with the support of Nature Conservation Margaret River Region. The works predominantly focussed on non-local Australian species such as Sydney Golden Wattle, Pittosporum and Victorian Tea Tree which have the ability to invade high quality bushland, displacing native species.



Goal 1: Valuing the natural environment



Above: Revegetation occurred throughout the year along the Wadandi Track

Biodiversity Incentive Strategy

The Biodiversity Incentive Strategy provides an annual stewardship program whereby the Shire contributes funds to land owners 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 2016-17, three residential properties were appointed to the Environmental Stewardship Program. In addition, three properties were awarded \$3,000 each to implement environmental actions through the Environmental Grants Program and another three properties received subdivision approval through the Subdivision for Conservation policy.

5. Quality parks, gardens and green spaces

Rotary Park Forest Playground

Work was conducted with the Margaret River Rotary Club in 2016-17 for the future development of Rotary Park in Margaret River. The club offered to fund the development of a concept plan focused on nature play in the park. A concept plan was presented to Council in February 2017 (OM2017/35). This included detail of the

extensive consultation undertaken including a community workshop attended by over 30 people and through the Shire's Your Say website page viewed by 110 people of which 29 provided responses. Council deferred the item, pending a site visit.

The plan was represented to Council in April 2017 (OM2017/89) where Council requested a Pedestrian Access and Traffic Management Plan be developed to address parking and road management issues in the area, prior to adopting a plan for the park. This work has been scheduled for completion in 2017-18.

Lions Park Augusta draft concept plan

The draft concept plan has been developed and minor works have already been completed.

Major components include:

- The installation of another recycled plastic picnic seat in the shade of a tree
- Installing an accessible barbecue
- The provision of reticulation
- An additional shelter for shade
- Planting of low growing shrubs to enhance the public open space.

Full consultation of the draft concept plan is yet to be undertaken; however, the Shire would like to acknowledge the interest and support provided by the Augusta Lions Club in the initial development of the plan.



Above: The draft concept plan for upgrades to the Augusta Lions Park



Goal 1: Valuing the natural environment

Priority project: Lower Western Oval construction

The redevelopment of Lower Western Oval is the next step in the implementation of the Gloucester Park Sporting Precinct Masterplan. This plan has been adopted by the Shire for the staged development of its principal sporting precinct and in line with the Shire's Strategic Community Plan 2033 and Corporate Plan 2016-20.

The Lower Western Oval has long been identified as a critical element within the precinct to accommodate growing demand in the sports of soccer and rugby. Current pressures within the precinct are greatest from soccer, with growing numbers and demand for access to full size, quality playing surfaces. Rugby has a range of playing field alternatives but all are compromised by the requirement to share a field with another winter code (causing conflicts with scheduling, line marking and goal post placement); or sharing with cricket, resulting in a less than desirable cricket pitch installation in the middle of the rugby field.

The Shire received a Community Sporting and Recreation Facilities Fund grant for the Lower Western Oval in January 2017, with a total of \$332,207 granted towards the total project cost of \$1,154,987. The project will provide:

- A 130m x 81m east-west orientated field that can provides maximum flexibility for the two sporting codes
- 1000mm high spectator barrier fence around the perimeter and retaining walls with a higher catchment fence on the corners to address changes in ground level
- Lighting at 100 lux to accommodate both training and competition for both soccer and rugby
- Coaches box and shelters
- Minor road realignment and progress car parking.

Achievements over 2016-17 included completing the feasibility study, concept designs and pursuing funding for development of Lower Western Oval. Construction is anticipated to start in 2017-18 and be finalised in July 2018. In preparation for the future development, preparatory drainage work was completed in August 2016 on the oval.

Below: Concept plan for the development of the Lower Western Oval





Goal 1: Valuing the natural environment

Community building maintenance

The Shire manages 188 buildings including halls, community facilities, sporting facilities, municipal buildings and amenities blocks. Overall, 75% of scheduled capital works projects were completed over 2016-17 and 25% carried over, awaiting third party approval or final design documentation. Works included:

- Augusta Centennial Hall - air conditioning in the back of stage change rooms and ventilation in the main hall
- Augusta Shire Office and Library - new automatic opening doors to improve access for elderly and people with disabilities
- Gracetown swimmers beach toilets - power connected, septic tank and leach drains replaced with new aerobic treatment unit, water pressure pump and UV treatment system. These upgrades have resolved several ongoing issues at the site including water pressure
- Gnarabup Sea Search and Rescue – construction of retaining wall
- Margaret River Shire Depot - new consumer power pole installed that has the capability for a generator to be directly connected to the pole, the emergency generator was purchased in May 2017, read more on page 70.

Access improvements to community facilities was a priority project for the Community Access and Inclusion Reference Group (CAIRG) over the first half of 2016-17. The group conducted a prioritisation activity to advise the Shire on community facility maintenance. The group were directly engaged on the design for Fearn Avenue and Pioneer Park public amenities, regional bike path network (Department of Transport) and Margaret River Youth Precinct public toilets.

The Margaret River Youth Precinct public toilets were upgraded in April 2017 through consultation with the CAIRG, Scout Group, Youth Advisory Council and Youth Precinct users. The toilets go above the current *Australian Standards and the Building Code of Australia* requirements to provide multiple accessible toilets, which include wheelchair and ambulant cubicles. Drawings for proposed alterations to Cowaramup Pioneer

Park public toilets were presented to the CAIRG in May 2017 for consideration.

Long term management of community infrastructure was conducted in 2016-17, read more about community halls on page 54 and 55.

Public open space program

Maintenance of Shire parks, gardens and playgrounds continued over 2016-17 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 improvements included Fearn Avenue in Margaret River townsite, where the retaining wall was repaired and garden revitalised.

The Shire has 29 playgrounds 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. Renewal of remaining playground equipment included Augusta Civic Park, completed in August 2016. The only delay to scheduled work was in Flinders Bay, due to finalisation of the management plan.

The upgrade to Memorial Park in Margaret River was completed over 2016-17. This important inner town reserve in Margaret River was upgraded to create a small parkland environment close to the town centre.



*Right:
Upgrades to
Memorial Park
completed in
2016-17*



Goal 1: Valuing the natural environment

6. Unique and iconic coastal and natural landscapes

Leeuwin Naturaliste Ridge Statement of Planning Policy

The Leeuwin Naturaliste Ridge provides a spectacular backdrop for those who live in or visit the Augusta Margaret River region. The Leeuwin Naturaliste Ridge Statement of 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 2016-17 through development applications, structure plans and scheme amendments. Shire officers have also been participating in the preparation of the Leeuwin Naturaliste Ridge Sub Regional Strategy with the Department of Planning, Lands and Heritage.

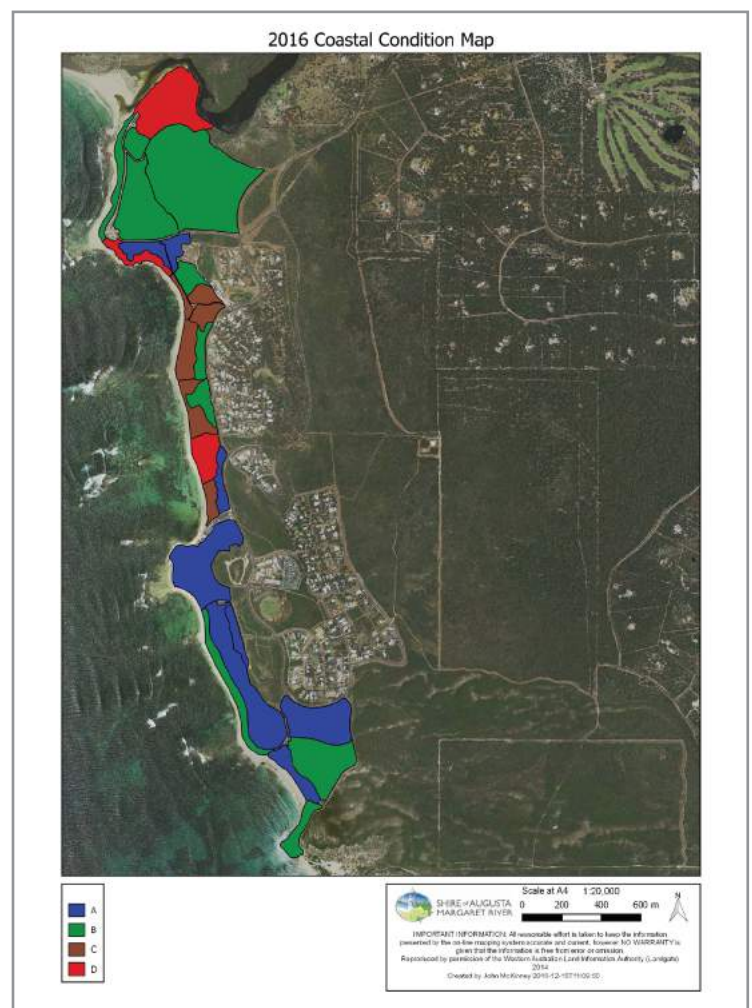
Coastal condition assessment

In November 2011 an uncontrolled bushfire decimated the coastal landscape between Ellenbrook Road and Redgate. The loss of vegetation allowed weeds to colonise, and wind and water erosion threatened infrastructure, private property as well as dunal stability. The landscape lost its visual amenity, and for some time its value as a resource for public recreation.

In 2013, a coastal condition assessment was carried out by Nature Conservation Margaret River Region (NCMRR) using trained staff and volunteers from the Margaret River Coastal Residents Association (MRCRA), to assist in planning and prioritising management actions and allocation of funds.

In 2016, the Shire, NCMRR and MRCRA received a grant to update the condition assessment. Volunteers from the MRCRA undertook all the field work and wrote the report, and the Shire digitised the maps and recorded the information in a GIS system. The 2016 assessment found that since the 2013 assessment, native vegetation has continued to recover in density, biodiversity and coverage of area. Of the 25 locations, none

were graded less than they were in the previous assessment, while nine were graded higher, and a few had their borders slightly altered.



Above: The area of land under assessment for rehabilitation

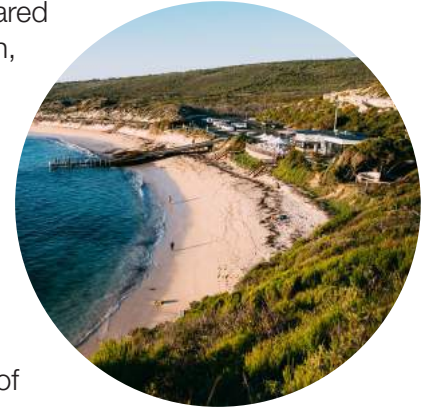


Goal 1: Valuing the natural environment

Coast Risk Assessment Audit

The Coastal Hazard Risk Management Adaptation Plan (CHRMAP) was prepared in 2015-16 as phase one of an overarching Climate Change Response Plan, identified as an action from the Shire's Community Strategic Plan 2033. The study has been prepared to provide strategic guidance on land use and development in the coastal zone.

A key recommendation of the CHRMAP is to commence a monitoring and data collection exercise that will fill in data gaps and allow a more refined assessment of coastal risk. As a result, the Shire commissioned a Limestone Cliff Stability Assessment report in 2016-17. The key aim of the assessment was to identify risks to both recreational users and coastal assets. The report provided a better understanding of the risk and also identified a number of high priority risks to public safety, with remedial works including improved signage, modification of structures and additional monitoring and investigations.



Above right: Gnarabup boat ramp

CoastSWaP

South West and Peel Coastal Management Group (CoastSWaP) were funded through the Environmental Management Fund in 2016-17, to improve collaboration and information sharing within coastal management community groups. The Shire funded the group \$1,500 to deliver a series of stakeholder forums and best management practice notes relating to coastal management. As a result, ten best practice management notes were produced from two workshops conducted in Margaret River which will guide local coastal management into the future.



Above: A geographical review of the areas where the assessment was conducted in Gnarabup

Left: CHRMAP assessments identified the need for a coastal cliff assessment, which occurred in 2016-17



Goal 2: Welcoming and inclusive communities

Overview

Goal 2 Progress against targets

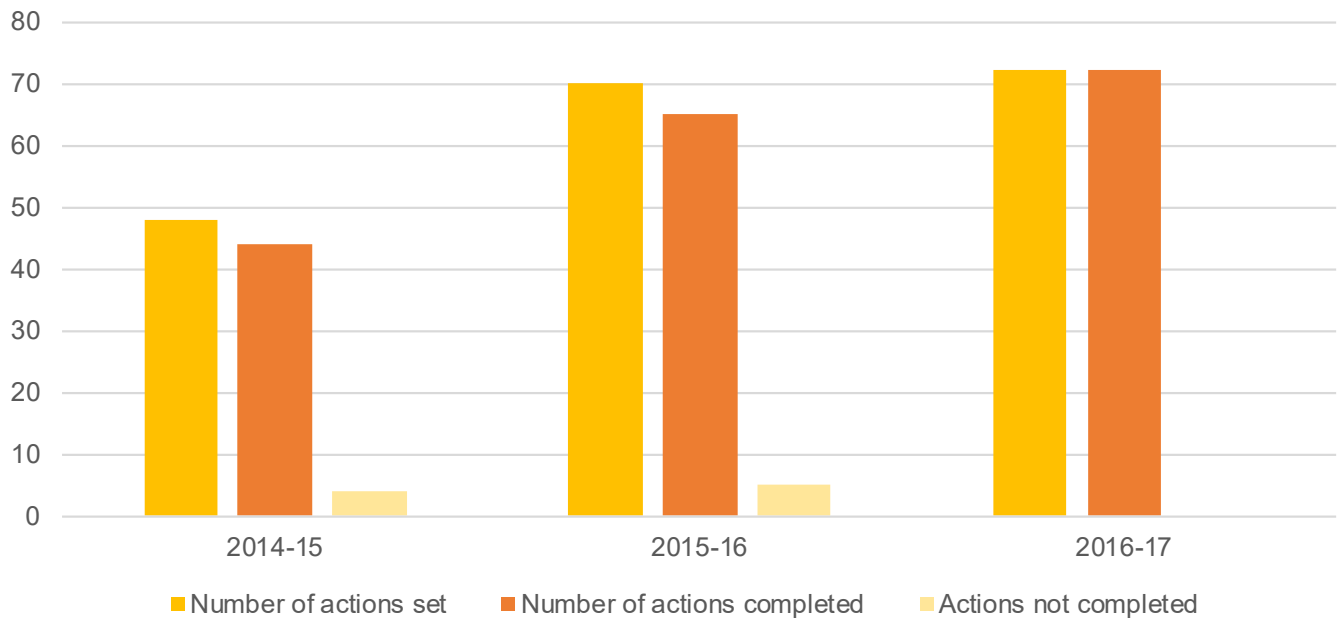


Figure 4: Progress against Goal 2 over the last three financial years

KPI3: % of population using Recreation Centres

Margaret River Recreation Centre Use

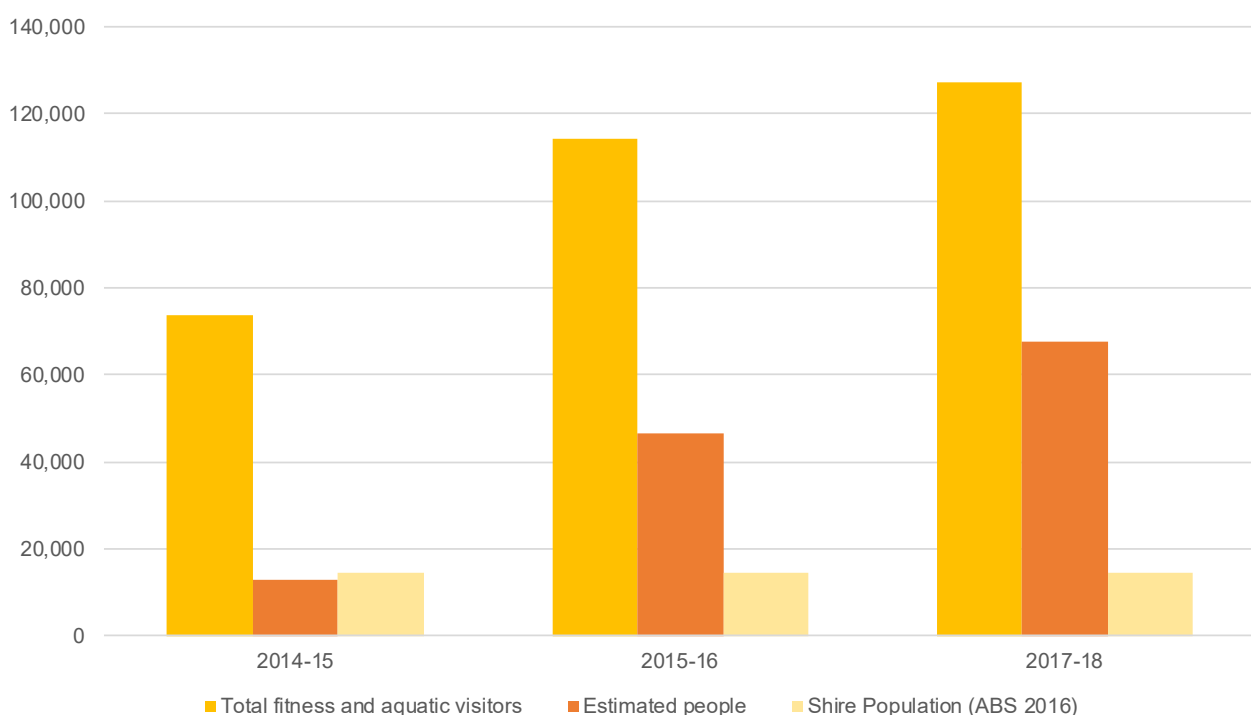


Figure 5: The Margaret River Recreation Centre continues to experience an increase in use by the community and visitors to the Shire, with visitation far greater than the local population



Goal 2: Welcoming and inclusive communities

Usage of the Shire Recreation Centres continued to increase over the 2016-17 financial year

Margaret River

- 12% increase in bookings at the Margaret River Recreation Centre, with 507 bookings over 2016-17
- An average spend of \$295.79 per booking at the Margaret River Recreation Centre, an increase of 55% from 2015-16
- 31% increase in visitations to the Margaret River Recreation Centre, with 67,800 visitations over 2016-17.

Augusta

- 41% increase in revenue and 10% increase in usage at the Augusta Recreation Centre
- Close to 1,000 hydrotherapy and rehabilitation sessions supervised by qualified staff and approximately 2,500 child swimming lessons completed in the hydrotherapy pool.

KPI4: Increased use of Shire Libraries

The Libraries recorded 112,341 individual visits in 2016-17, an increase of 2.6% from 2015-16 and including a record-breaking door count of 662 people at the Margaret River Library on 20 February 2017. The number of check-outs, check-ins and renewals processed at libraries increased by 3%, and internet use increased by 6.5% from 2015-16.

Door count and internet use at the libraries

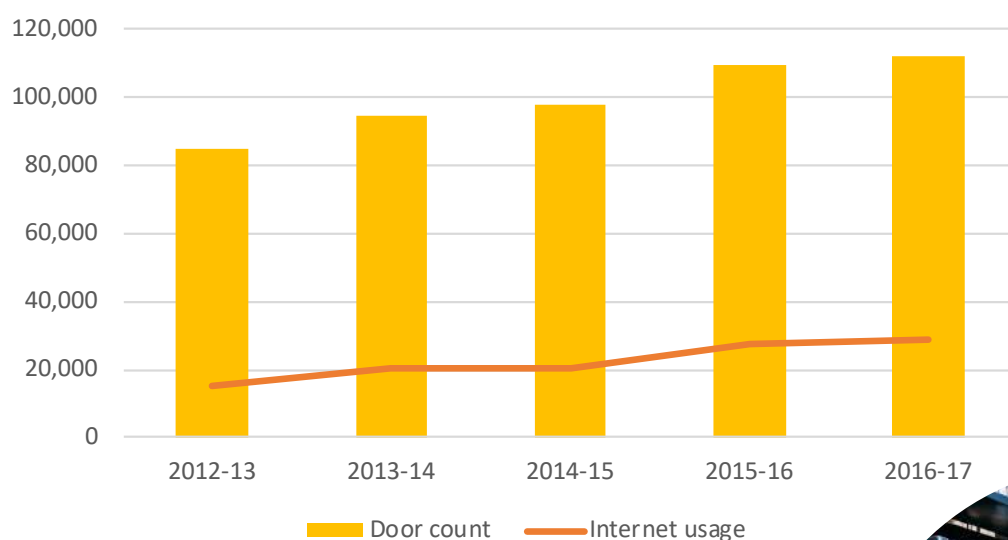


Figure 6: Internet use at the Shire libraries in 2016-17 increased by 6.5% from 2015-16



Above: Enjoying puzzles and games in the Margaret River Library's junior section

Right: Patrons enjoying the facilities at the Margaret River Library





Goal 2: Welcoming and inclusive communities

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

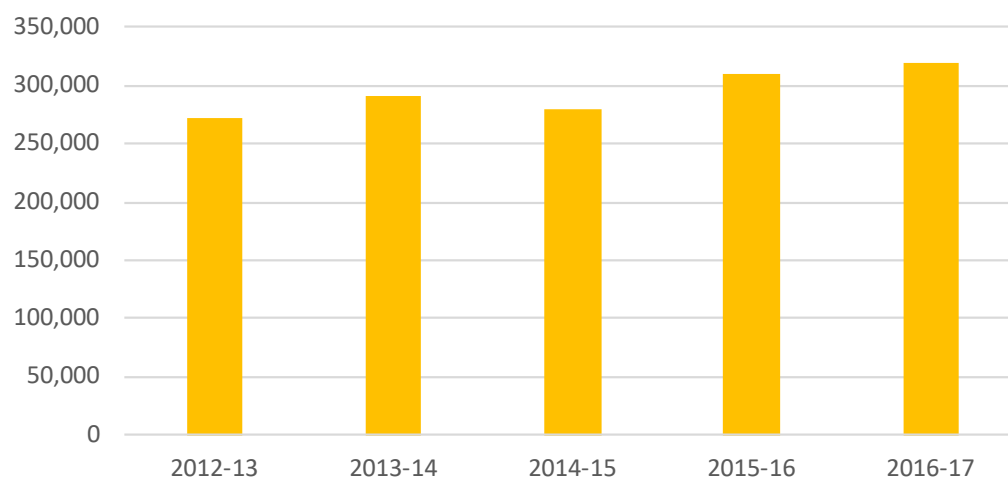


Figure 7: Shire library usage over the last five years shows a gradual increase each years

Delivery Program

1. Sense of identity and belonging

Aboriginal Reconciliation

Education and 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 2016-17 include:

- The Shire CEO met with Department of Planning, Lands and Heritage (DPLH) senior representatives on 30 November 2016, to progress a range of issues regarding heritage sites as well as Shire organisational training for cultural awareness
- The Shire received a letter of congratulations from the DPLH in February 2017, for its efforts in closer engagement with local Nyungar people
- A Shire training session was held on 21 April 2017 for approximately 20 key planning and infrastructure services staff in the requirements of the **Aboriginal Heritage Act 1972**. The training was conducted by DPLH with input from local custodian Wayne Webb. Following this, preparations were made in

June 2017 for a cultural awareness session at the all of staff meeting in July 2017

- The Shire CEO made an apology to South West Aboriginal Land Sea Council nominated Nyungar representatives in May 2017 regarding previous actions undertaken by the Shire without prior Aboriginal consultation and approvals under the **Aboriginal Heritage Act 1972**, and in particular activities that relate to the Margaret River. The CEO also made an apology at a Friends of the Margaret River rally at Rotary Park for the mistakes made
- National reconciliation week celebrated at the Margaret River Library in May 2017 with an event coordinated by the Shire which provided



Right: Local custodian, Wayne Webb and Kerry Darnell, Coordinator Library Operations at the Margaret River Library during national reconciliation week, May 2017



Goal 2: Welcoming and inclusive communities

the opportunity for the community to taste ‘bush tucker’ and listen and learn about Aboriginal culture and heritage from local custodians

- The draft Welcome to and Acknowledgement of Country Policy was prepared in May 2017, through consultation with Shire Managers. The policy is scheduled to go to Council in 2017-18 to be released for public comment which will include consultation with the Undalup Association and Warden Centre
- The Shire installed interpretation material at various sites in June 2017 including the recently upgraded Alexandra Bridge Campground, which aims to increase awareness of local Aboriginal culture, language, food and spirituality.

The Shire also commenced work in June 2017 with the Community Arts Network (CAN). CAN have successfully received a five year grant for \$225,000 per annum to run a Place Names project in the region, complementing the work of Professor Len Collard into Nyungar place names in the South West.

The Shire will work with CAN over 2017-18 to participate in a community engagement program for this project.

When attending Australian Community Food Hubs Conference in Bendigo in August 2016 the CEO met Bruce Pascoe, Tasmanian Aboriginal and author of “Dark Emu Black Seeds”, and made a preliminary approach to sound out Bruce’s interest in attending the Readers and Writers Festival in Margaret River over June 2017. The information and Bruce’s contact details were passed on to Event Director, Tanya Perdue who followed this lead and secured Bruce’s attendance at the Festival. Bruce recently made a very interesting presentation at the event to a full house in the main auditorium of the Cultural Centre on a panel with author Bill Bunbury.

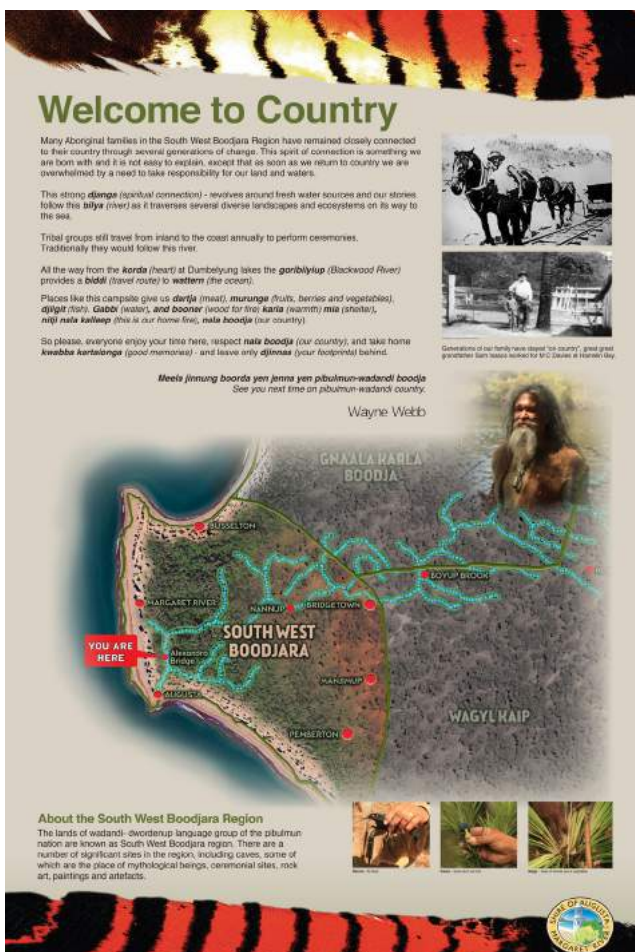


Above: Shire CEO with SWALSC nominated Nyungar representatives in May 2017

Below: Custodian Wayne Webb prepares bush tucker at the reconciliation week event in May 2017



Left: Signage implemented at the Alexandra Campground in June 2017





Goal 2: Welcoming and inclusive communities

The Community Development Fund

The Community Development Fund provides community groups 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.

There were two applicants in 2016-17. One group received the full funding request while the other group were not eligible to receive funds. The successful applicant was Enable South West and the project, "My Own Business Initiative". A microenterprise support hub providing a holistic approach to the development and business idea exploration for people who live with disability or mental health illness.

Cultural Centre management

Arts Margaret River continues to grow from strength to strength with its management of the Margaret River Cultural Centre, now into its fourth full year of the licence agreement with the Shire. Arts Margaret River complied with the requirements of the licence agreement and exceeded the key performance indicators for user numbers, ticket sales and cultural development programs among others.

The Shire regularly meets with Arts Margaret River to discuss licence agreement requirements, joint projects and associated works as well as budgeting and planning requirements. Arts Margaret River has also been a key stakeholder for the Margaret River Cultural Centre redevelopment meetings. The licence was extended for another three years in July 2016.

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). 2016-17 projects included:

Above right: Spare Plinth Program in Margaret River townsite, implemented in 2016-17

Right: Public art in Cowaramup, completed in June 2017



- Establishment of the Spare Plinth program, policy and procedures, with implementation of three public art plinths in Cowaramup, Margaret River and Augusta featuring local artist sculptures for sale
- Public art by Chris Nixon, showing the Cowara bird, completed in June 2017 on the Telstra Exchange Box in Cowaramup
- ACAG planning for the Margaret River Entry Statement Project in collaboration with Main Roads Western Australia, which will occur alongside the Main Street Redevelopment project
- Continuing support for community and iconic events including Margaret River Region Open Studios and Emergence, Readers and Writers Festival, with board representation and financial assistance through the Shire's local community events grants
- The ACAG conducted nominations in August 2016 and a new group of six members plus one Shire staff as administration support was appointed, with the Terms of Reference and contact list updated
- ACAG meetings were held on 20 October 2016 in Augusta, 10 February and 9 May 2017 in Margaret River
- Meeting topics included visioning exercise for the Your Vision 2036 project, Tartan Fleck project plan, Scout Hall and Zone Room mural projects, street art for vacant walls, art reserve, Margaret River Entry Statement project with Main Roads Western Australia and Spare Plinth Program.





Goal 2: Welcoming and inclusive communities

Historical groups

The Shire is working with the Augusta Historical Museum, Augusta Historical Society and Margaret River and Districts Historical Society to progress a strategic review and support the group's long term sustainability. This includes maintenance, financial and in-kind support, financial planning and governance arrangements. Throughout the year, the Shire has attended regular meetings where officers have worked with the groups to assist with planning for the future and attracting more volunteers. 2016-17 highlights include:

- Regular meetings with the Augusta Historical Society and Museum community groups to discuss long term planning and finalise lease and facility arrangements, including facility maintenance in Augusta
- Regular meetings with the Margaret River and Districts Historical Society to discuss long term planning and use of the historical site on the banks of the Margaret River
- Signage implemented on the Margaret River Main Street to better direct visitors to the "Old Settlement" site
- Leasing of a storage facility for the Augusta Museum.

Augusta Archaeological Dig

The Shire supported the Augusta Historical Society, Augusta Museum and Notre Dame University for the Augusta Archaeological Dig held between the 5 to 12 December 2016. The event saw a team of university student archaeologists and film makers visit the area to research Augusta's early colonial history.

It is estimated between 60 to 100 people volunteered in the works throughout the time, which included a focus on Flinders Bay, Cape Leeuwin and Molloy Island. A variety of items of significance were found which has changed the direction of this work and further investigations are now underway. The University of Notre Dame will continue to work closely with the Shire as this project progresses.



Above: The Augusta Archaeological Dig held in December 2016.

Community Infrastructure Plan

Community infrastructure is Shire owned or managed buildings providing 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, halls and community resource centres.

Community planning ensures the Shire has the right community infrastructure and facilities in place, to meet changing needs in the community. Quarter four of 2016-17 focused on analysis and community engagement to develop the 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 Shire is motivated to invest in quality design and to manage risk appropriately in order to provide buildings that are a socially, functionally and financially successful in order to encourage confidence and wellbeing in the community, enhance cultural richness and offer an enduring legacy. The work included strategies to increase activation, usage of halls and maintenance works.

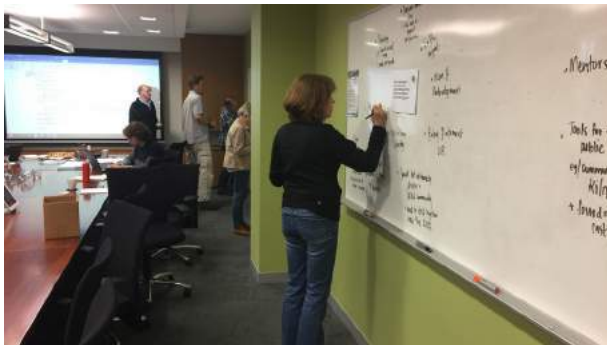
Community engagement conducted over June



Goal 2: Welcoming and inclusive communities

2017 included seven pop up sessions across all Shire townsites and villages, alongside a survey open over three weeks. The engagement included discussion of 127 facilities, comprising community, cultural, recreation and other. Of the 197 submissions received, results showed:

- The most talked about facility was the Margaret River Recreation and Aquatic Centre and its need for improvements to bring it up to standard
- A common theme was the Margaret River Cultural Centre's much needed upgrade to better support art and culture throughout the Shire and provide a hub for a wide variety of events
- Various feedback received through this proj-



Above: The ACAG workshop for Your Vision 2036 in February 2017

ect about Waste Transfer Station opening times at Alexandra Bridge and Rosa Brook, which was addressed through the Waste Services team as a matter of priority with an additional open day provided midweek

- All recreational facilities across the Shire are used and loved by community, however many would like to see more for families and people with young children which is supported though population growth within this demographic
- An overarching theme throughout the feedback is the need to cater for older demographics through aged services, accommodation and other types of facilities
- All townsites made comment of the need for recreational vehicle friendly infrastructure to be provided to drive important tourism growth and prevent damage or misuse of

current spaces through not providing for visitors to the region.

This report has been made available to the appointed consultants to complete the Community Infrastructure Plan on behalf of the Shire, together with communication back to community and Shire officers. Identified projects will be aligned with the Shire's corporate planning process through the Corporate Plan for implementation from 2018 onwards.



Above: Susan Elton, Community Development Officer with Cowaramup Bulls Shed representatives for the Community Infrastructure Plan



Above: Stacey Hutt, Community and Corporate Planner with Margaret River Rotary Club representative to gather community feedback for the Shire's Community Infrastructure Plan



Goal 2: Welcoming and inclusive communities

Community halls

Ongoing support was provided to hall management groups throughout 2016-17, 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.

The Community Facilities Advisory Group comprises representatives from community halls in the Shire. At their meeting on 24 February 2017, the group determined meetings be held annually or as required. Development of a framework, or management plan for the group will commence at the completion of the Community Infrastructure Plan to ensure necessary alignment.

2. Equity and opportunities for all

Priority project: Margaret River Youth Precinct

Development of the Margaret River Youth Precinct has been a key focus over the last three years, with efforts for fundraising, design and community engagement completed over 2016-17. This key priority project was identified in the Super Town Growth Plan 2012 and the Strengthening Youth Plan 2014-18 to provide the community with high standard recreational facilities and support community based recreational programs.

Community engagement was conducted in September 2016 to determine the type of play elements that should be included in the precinct, with 72 submissions received to guide the concept plans. Results found that the majority of participants see nature play as the preferred style of playground equipment, with other popular play styles being; parkour, old school and rope play. A community based project group was formed in mid-2016 to develop and then finalise the concept plans in December 2016 based on the geotechnical report, community engagement and varying funding scenarios.



Above: Community meeting held with the project group in September 2016, to finalise design of the Margaret River Youth Precinct

The final plans were then included in the Design and Construction Tender, advertised in April 2017. Council endorsed Convic Pty Ltd as the most advantageous tenderer in June 2017, with construction scheduled to start in September 2017.

The total masterplan design of the precinct is estimated to cost approximately \$3 million dollars. Fundraising for the project continued over the year, with applications lodged with the Royalties for Regions, Stronger Communities Fund and Department of Local Government, Sport and Cultural Industries. No grants were awarded for the project over 2016-17. Existing funding partners include LotteryWest and the Margaret River Lions Club, as well as community initiatives through gofundme.com.au and the Margaret River Skate School fundraising events in April 2017. As a number of the funding applications were unsuccessful the upgrade to the Margaret River Youth Precinct will be staged over a number of years, with approximately \$800,000 funds still to be secured.



Right: Final design of the Margaret River Youth Precinct



Goal 2: Welcoming and inclusive communities

Zone Room usage

The Zone Room had regular and casual bookings throughout 2016-17, booked for a total of 968.5 hours which was an 8% increase from 2015-16. Promotional material was developed in October 2016 to advertise the space as a venue for hire. Improvements to the space over the year include window repair, locks to the facility changed, new couch and chairs, and replacement of sliding and main doors.

Priority project: Activation of the Zone Room

The Margaret River Youth Precinct includes the Zone Room, built in 1998 and used predominantly for local youth activities and engagement. The space is used on a regular and casual basis by:

- The Shire's Youth Advisory Council (YAC), who meet in the space every Thursday afternoon throughout the school year, and since June 2017 an extra informal session every Tuesday afternoon open to all youth
- Four to six times per week by other community groups including Artzability and The Salvation Army.

Efforts were made over 2016-17 to better activate the Zone Room at the Margaret River Youth Precinct, particularly for increased use by local youth. This included a business case model for use of the commercial kitchen in the Zone Room for place activation. The Shire's Executive Leadership Team endorsed the proposal on 23 January 2017 for further development and implementation over 2017-18.

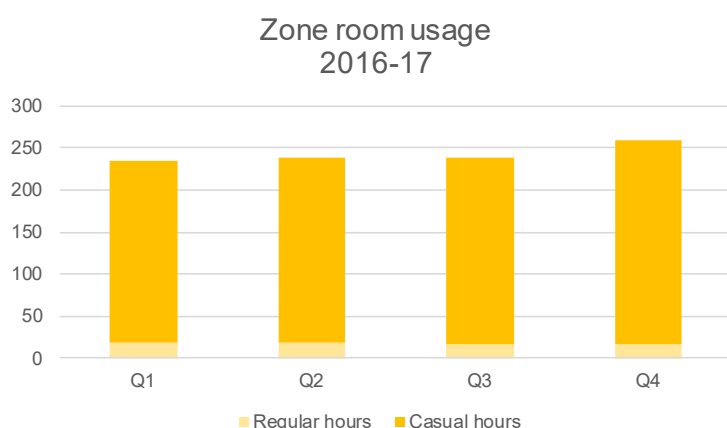


Figure 8: The Zone Room usage peaked in the fourth quarter of 2016-17

Strengthening Youth Plan

The Shire's Strengthening Youth Plan 2014-18 aims to encourage youth friendly spaces, events and activities, and the development of young people for health and environmental stewardship.

The Shire's YAC is comprised of around ten local youth who work to advise the Shire on youth matters. This group have provided an increasing role in positive community management of the Zone Room and Margaret River Youth Precinct, contributing to the redevelopment of the Skate Park, Zone Room, Scout Hall and public toilets over 2016-17.

A highlight for the year was MR SAM held on 10 December 2016. This annual youth event is organised and hosted by the YAC. An estimated 250 locals attended this event which included a skateboarding clinic, youth music performances and art wall activity.

Over 2016-17, the YAC had an increasing role in recycling and reuse activities volunteering time at the Margaret River Agricultural Show in 2016 and the National Youth Week event in 2017 to run community related activities.

Activities over 2016-17 included:

- Attendance at the South West Mud Festival held in July 2016, with a Margaret River "Smells like Teen Spirit" YAC team comprised of 30 local youth



Above: Coastal Leadership Youth Camp attendees at the Margaret River Zone Room prior to departure in September 2016



Goal 2: Welcoming and inclusive communities

- Five YAC members attended the YACtivate Conference on the 14 August 2016 in Perth to learn more about how to run their YAC and events in their community
- The July 2016 school holiday program including a movie night, Urban Art Day and Nannup Survival Camp over two nights with three other south west local government YACs
- The September 2016 school holiday program included Freestyle Now Skate Competition in Cowaramup and another in Margaret River, and a YAC pizza night at Goodfellas
- The Coastal Leadership Camp was held in September 2016 in partnership with Cape to Cape Explorer Tours involving 14 youth trekking from Ellensbrook to Boranup Forest over three days



Above: Youth Advisory Council attended National Youth Week in April 2016

- Nerve movie fundraiser, held 1 October 2016 with 21 people in attendance and \$86 revenue raised
- Shire Trainee attending the three day Leeuwin Sailing adventure as part of the Young Achievers Program in October 2016
- Six YAC members volunteered at the Margaret River Agricultural Show Shire stall on 14 October 2016
- Three YAC members met with visiting Singapore Youth Group to discuss climate change on 2 December 2016
- Three YAC members volunteered at the Shire's Thank a Volunteer event on 8 December 2016
- MR SAM 2016 was attended by 250 youth, with 15 YAC volunteers assisting on the day.

MR SAM included a skate competition, mural painting workshop, drug and alcohol education, bouncy castle, henna tattoos, face painting, photography competition, cupcake making, waste education stall and a dunking machine

- The January school holiday program included 11 youth attending the Nannup Family Fun Day, a pizza and games night held at the Zone Room, Chapman Pool swimming and BBQ day attended by 15 youth and two dreamcatcher making workshops attended by 30 youth
- The April 2017 school holiday program included, a Your 2036 YAC Pizza Night on 12 April 2017 with 12 YAC members, the South West Youth Festival in Busselton where eight YAC members assisted other youth in making T-Shirt tote bags and a bottle cap mural in relation to the eco-futures theme, eight YAC members attended a tour of the Margaret River Pro with a focus on learning about event management and 15 youth participated in a Skateboarding WA clinic held at the Cowaramup Skate Park
- Two youth volunteered to speak about youth in our region at a Your Vision 2036 community workshop on 29 April 2017



Above: The YAC in the Zone room for the Your Vision 2036 pizza night

- Ten youth attended an Margaret River Region Open Studios event on 4 May 2017
- 12 youth from Margaret River Senior High School Student Council attended the Shire offices for "Councillor for A Day" on 12 June 2017, to engage and learn about local government



Goal 2: Welcoming and inclusive communities



Above: The YAC visiting Margaret River Region Open Studio in Cowaramup

- Community Development Trainee attended Margaret River Senior High School Board Meetings throughout the year.

A YAC Leeuwin Scholarship Program was explored in 2016-17 and will ramp up in 2017-18. The Land Asset Management Plan (LAMP) review conducted in 2016-17 also recommended a feasibility study be conducted in 2017-18 for a youth facility in Cowaramup.



Above: The YAC working on bottle art at the South West Youth Festival in March 2017

The Disability Access and Inclusion Plan

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 Disability Access and Inclusion Plan 2014-16 (DAIP), which is focused on improving accessibility and inclusion on a variety of community facilities, community spaces and information services.

A total of 41 of 44 strategies identified in the DAIP were completed or met this financial year across all eight outcome areas. DAIP key outcomes for 2016-17 were structured around five CAIRG meetings held over the year, including consultations on:

- The promotion and compliance of Shire managed disabled bays
- An upgrade of the picnic tables and pathways at Memorial Park in Margaret River which are fully wheelchair accessible
- Upgrades to Alexandra Bridge Campground
- Access audit to create and implement a prioritised list of buildings and facilities that require access upgrades
- The Flinders Bay masterplan development
- Margaret River Main Street Redevelopment
- Disability employment opportunities
- Use and location of beach wheelchair
- Your 2036 vision workshop
- Accessibility of Shire events
- Proposed amendments to the Wadandi Track map.

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 15 community members with a disability and their support networks enjoyed a day out at the Margaret River Pro in April 2017, which included a tour and lunch.



Goal 2: Welcoming and inclusive communities

Accessible Parking Bay

MORE THAN JUST A QUICK PARK!



What's an **ACROD** bay?

- An ACROD bay, otherwise known as an Accessible Parking Bay, Blue Bay or Disabled Bay, is a parking space available to only those unable to walk, or their ability to walk is significantly restricted.

Accessible Parking Bays offer people with walking disabilities access to services.



PERCENTAGE of bays

ACROD bays make up 1 – 2%* of all parking bays in the Shire of Augusta Margaret River.

*Based on requirements set out in the NCC 2016 Building Code of Australia - Volume One

DID YOU KNOW?

Did you know that ACROD Parking Permits are only provided to people who meet the following eligibility criteria:

1. Are unable to walk and always require the use of a wheelchair, or
2. Ability to walk is severely restricted by a permanent medical condition or disability, or
3. Ability to walk is severely restricted by a temporary medical condition or disability.

This means they are really hard to get! For more information, please contact the ACROD Parking Program www.app.org.au



thinking of all in our community

Tessa likes to do her shopping once a week at a local supermarket and asks a friend to pick her up to visit the shops. Sometimes when Tessa gets to the shops the ACROD bay is being used illegally. For you or me this might mean finding a bay further away from the shops but for Tessa this means she is unable to do her shopping for the week. This parking infringement results in a major impact on her life.

PLEASE DO THE right thing

- In the month of April, the Rangers of the Shire of Augusta Margaret River will be targeting ACROD Bays.
- If you are caught illegally parking in an ACROD Bay, over any amount of time, you will be issued a fine.



THINK before grabbing a quick park



- If you do not have an ACROD parking permit – please park somewhere else, even if you are just stopping for 5 minutes.
- If you do have a ACROD parking permit, please be courteous and consider other ACROD parking bay users by limiting your time particularly in high usage areas.

Above: Flyer produced by the Shire to raise awareness in the community about Accessible Parking Bays



Goal 2: Welcoming and inclusive communities

Age Friendly

Council adopted the Age Friendly Community Plan 2017-21 on the 24 May 2017. The aim of the plan is to maximise the quality of life, participation and social recognition of seniors living within the region.

The plan was developed through extensive community engagement conducted in November 2016. This included 33 responses to the community survey, which was offered both online and in hard copy. A focus group session was held in Augusta on the 29 November 2016 with eight attendees and a Margaret River session held on the 30 November 2016 with 16 attendees. Following this, the results were analysed and used to inform development of a draft plan, guided by the World Health Organisation international standards for developing age friendly communities. A staff workshop was then held on the 16 March 2017 to refine the draft plan.

Other activities over 2016-17 included multiple Council for the Aged seminars:

- "Ageing well in your own home" hosted at the Margaret River Shire administration building on 17 November 2016 with 30 attendees and 30 May 2017 with 50 attendees
- "Cyber Safety" hosted at the Margaret River Shire administration building on 25 November 2016 which was attended by 40 people.



Above: The Kids Club area had outdoor blinds attached to create a more protected indoor/outdoor space for the children to have access. This supports the SunSmart Cancer Council guidelines followed by Kids Club

Upgrades to Margaret River childcare facility and equipment

Outside School Hours Care 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. Considerations for future upgrades to equipment and services will continue to occur in accordance with industry standards.



Above: The Kids Club are proudly members of the Stephanie Alexander's Kitchen Garden revolution. The fresh produce grown by the children and staff is utilised within Recreation Centre Café



Above: The Kids Club staff are undertaking accreditation to deliver a Science, Technology, Engineering and Science (STEM) approach to the program being offered to the children



Goal 2: Welcoming and inclusive communities

Outside School Hours Care

Margaret River Recreation Centre Outside School Hours Care offers a vast range of services for the community to access including crèche, vacation care, before and after school care (Kids Club). Usage statistics show a steady increase in Kids Club services over the last three years.

Future services for childcare in the Shire has been a focus over 2016-17, with a masterplan to be developed in 2017-18. The development and need for Outside School Hours Care within the Margaret River 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 continues to be an area under review.

The delivery of childcare facilities in Augusta were explored over 2016-17, with a feasibility study conducted on the area. The results showed the area would not financially sustain the Outside School Hours Care operation at this time.

Community engagement

The regulations require the Service to engage with the community. A survey was conducted in October 2016 with users of the service through the Shire's Your Say website and again in May 2017 using a paper version. The results highlighted that the community were overwhelmingly satisfied with the Kids Club services. Primarily families rate the quality and performance of staff at an outstanding level. Families acknowledged that staff are fully equipped to support their child's needs and interests in a respectful and genuine manner.

Strong partnerships have been developed with Margaret River Primary School, the new school in Rapids Landing Principal, 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.



Above and below: Children enjoying a wide range of school holiday activities Kids Club offer





Goal 2: Welcoming and inclusive communities

Customer feedback

"Staff are always friendly and accommodating, they do a great job. My daughter enjoys her attendance at Kids Club, I feel comfortable leaving her there"

Recreation Centre Childcare sessions

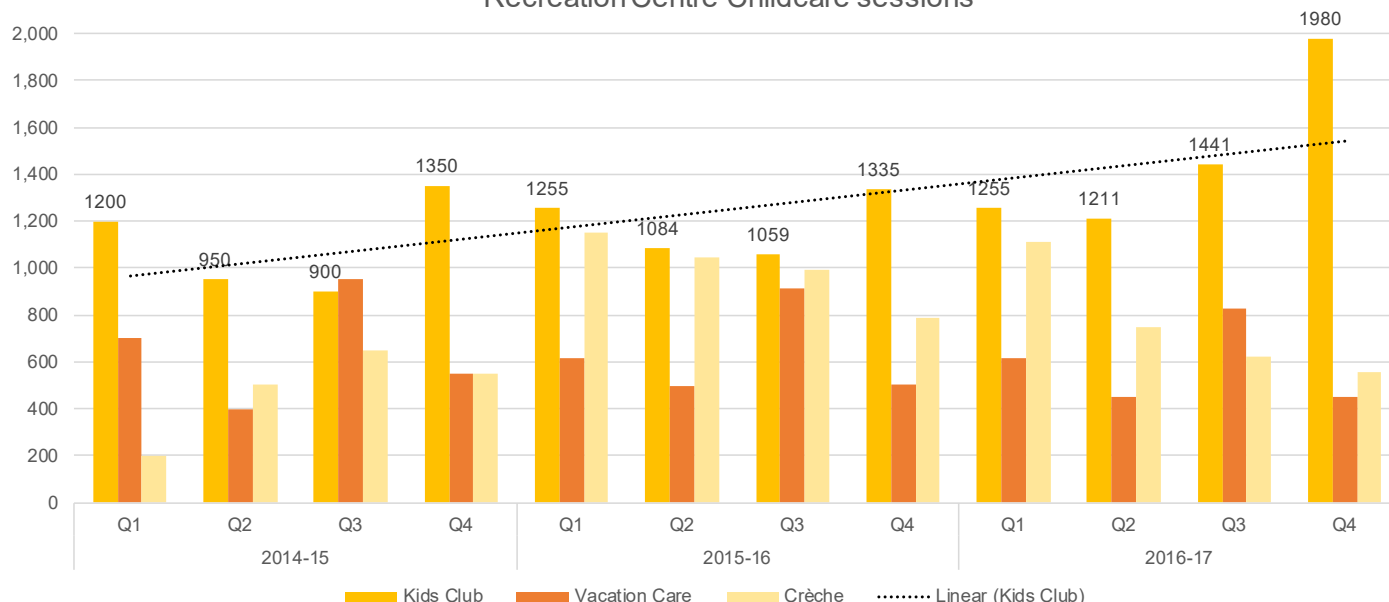


Figure 9: Numbers at the Margaret River Recreation Centre Kids Club continues to increase steadily, providing an in-demand service for the community

The community bus

A community bus was purchased in May 2016, to support community events as well as the Shire operated Outside School Hours Care with transport for school children to before and after school care in wet weather conditions. The bus does six round trips a day completing the school run during winter. The opening of the new primary school in Rapids Landing will require transport to collect and deliver children to school and this is currently being scoped.

The bus is also used throughout the school holidays for the Shire's Youth Advisory Council school holiday activities, including a beach bus service over summer 2016-17.



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. Through this database, Shire officers share information for local development, promotion of events and grant opportunities.

At the end of 2016-17, there were 239 groups on the database showing a 20% increase from the previous year. 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.

Left: Community bus departing for the Your Vision 2036 community workshop held in Augusta, November 2016



Goal 2: Welcoming and inclusive communities

Support for community groups

The Shire provides in-kind professional advice and support to community groups as required throughout the year. Work over 2016-17 has included support for Just Home (long term planning and set up), Cowaramup Lions Club (community garden), Margaret River Men's Shed (long term planning and set up), Margaret River Toy Library (long term planning and facility use), and ongoing support provided for establishment of a suicide prevention group through sporting clubs.

Ten letters of support were provided over 2016-17, to assist community groups with funding applications. This included not-for-profits Just Home, Margaret River Men's Shed, Margaret River Toy Library, Augusta Medical Centre and Enable WA and the Cowaramup Community Garden Project. A special collaboration with City of Busselton also occurred for a series of early years events across the two local governments in 2016-17.

The Shire conducted a special volunteer recruiting promotion over Volunteer Week 8 to 14 May 2017, which included publications locally to advertise various volunteer needs across the Shire. Commemorative events held over the 2016-17 included:

- A memorial for the Gracetown Cliff collapse was held on Sunday, 25 September 2016 with over 200 people in attendance
- The 2016 Thank a Volunteer Day Celebration was held on Thursday, 8 December at the Margaret River Cultural Centre
- A sundowner was held in Margaret River Council Chambers to celebrate the Margaret River Lion's Club 10 year anniversary on 19 May 2017, which was attended by approximately 60 people.



Above: Shire event Thank a Volunteer held at the Cultural Centre in December 2016



Below: Winners of volunteer awards at the event, with Deputy Shire President, Cr Kylie Kennaugh

Community Network Group

Hosted by the Shire on a quarterly basis, the Community Network Group comprises approximately 20 to 30 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. Activity over 2016-17 included:

- Meeting on 6 September 2016 which included a detailed presentation from Relationships Western Australia Bunbury
- Co-joint meeting on 7 December 2016 with the Vasse Human Services Alliance group featuring an engagement exercise with Bunbury St John of God on a regional Suicide Prevention Plan
- Meeting on 22 March 2017 focused on Your Vision 2036
- Meeting on 22 June 2017 included a detailed presentation from the Western Australia Primary Health Alliance.



Above: Community Network Group meeting held in December 2016 with the Vasse Human Services Alliance



Goal 2: Welcoming and inclusive communities

4. Lifelong learning in the community

Library Services

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. Highlights over 2016-17 include:

- Over 4,240 hours of volunteer work in 2016-17 with two long serving library volunteers acknowledged at the Shire's annual Thank a Volunteer event in December 2016, with one being awarded Shire's Volunteer of the Year award
- The Cocoon Gallery for emerging artists at the Margaret River Library hosted five local artists over the year with two opening events attracting 95 guests. The library is committed to collaborative partnerships with artists to help develop creative industries and opportunities for up-skilling that enhance our community's cultural economy. Participating in the Margaret River Open Studios event this year was a highlight for the gallery with exhibiting artist, Verity Haines
- 14 free community screenings for CinefestOz with 113 people attending
- Book Chat Club for Teens aged 12-17, in partnership with the Margaret River Bookshop
- The Fogarty Foundation, Woodside, SciTech and the Margaret River Lions Club provided support to enable the Margaret River CoderDojo to be launched by community volunteers in partnership with the Margaret River Library. CoderDojo

is a world-wide club encouraging members (aged 7 – 17) to develop their coding skills.



Above and bottom right: CoderDojo launched at the library in 2016-17

Technology in libraries

Every year Library Services assesses and reviews current library technologies to deliver a cost-efficient library service that meets the varying needs of our community. Additions over 2016-17 included:

- Five new public internet-access PCs were provided at the Margaret River and Augusta libraries
- A dedicated public access catalogue PC was provided at Augusta Library
- WIFI access launched for Augusta library patrons
- A new e-book service was launched for Shire library members: Cloud Library
- The Library blog was updated to be more user-friendly and accessible. It was viewed over 46,000 times during the year and currently has over 1,000 followers
- The Alannah and Madeline Foundation supporting the process of accreditation as an eSmart Library Service. eSmart offers a framework to assess and improve the online safety of our communities, while minimising costs to individual Shires.



Goal 2: Welcoming and inclusive communities

Library events for adults, youth and children

The library collaborated with 23 community groups, organisations and businesses to host 195 library events and attracted 3,977 participants.

Lifelong Learning events included author talks, mindfulness sessions, movie nights, workshops and tutoring.

Seniors Week collaborations with Margaret River Primary School attracted 110 guests to the libraries this year with highlights of high tea, hand massages, a choir performance and a quiz competition.

Youth and children's events included Better Beginnings Family Literacy program, Reading Rabbits Year One reading program, and author/illustrator workshops.

Feedback received from the Pam Lynch Everest Talk, 1 April 2017

"Keep it up please – the variety of events is great".

"Everything about Margaret River Library is professionally organised".

"Another very enjoyable and informative session in our fabulous library".

5. Active and healthy lifestyles

Priority project: Upgrades to Margaret River Aquatic Centre

Several improvements to the Margaret River Recreation Centre were conducted over 2016-17, including the implementation of a new bulkhead, reconstructed grandstand and repair of the ultraviolet disinfection system.

The eight lane lap pool at the centre has two bulkheads at each end of the pool, with one in a state of disrepair requiring removal and replacement. The new bulkhead was built in January 2017, while tilers worked in the water to ensure

the job was completed in time to open for school term.

The grandstand seating area was at critical point for renewal at 17 years old, requiring reconstruction in April and May 2017 for structural integrity. With space being a limiting factor, the design of the grandstand remained the same but material changed to meet the humid and slippery environment, with reinforced fibreglass chosen as the most sustainable material.

The ultraviolet disinfection system was also replaced in April and May 2017. The unit was experiencing ongoing issues and failed to meet the required turnover rates for Department of Health standards. The new system offers no requirement for chemicals, 60% less power costs, significantly reduced operational costs. It is effective against bacteria, moulds, spores and viruses, and against chlorine resistant species such as *cryptosporidium* and *giardia*.



Left: Demolition of the existing grandstand

Below: Reconstructed grandstand



Aquatic and fitness admissions to the Margaret River Recreation Centre continued to increase through 2016-17, with an increase of 11% in visitations from the previous year. Swimming lane bookings over 2016-17 were an average of five hours per day comprising mostly of local schools and swimming clubs. Overall, both Margaret River and Augusta centres have been trending positively. Sporting grounds bookings in Margaret River continue to be a key revenue source.



Goal 2: Welcoming and inclusive communities

Recreation Services

The Margaret River Centre offered over 28 physical activity classes per week throughout 2016-17, with an average attendance of 13.7 per class. In Augusta there were two days per week for the Living Longer Living Stronger program with an average attendance of six people per session. The Recreation Centre has provided active lifestyle programs over the year, in partnership with disability groups such as Western Australia Disabled Sport Association. Programs include danceability, gymability and moveability.

Margaret River Recreation Centre revenue 2016-17

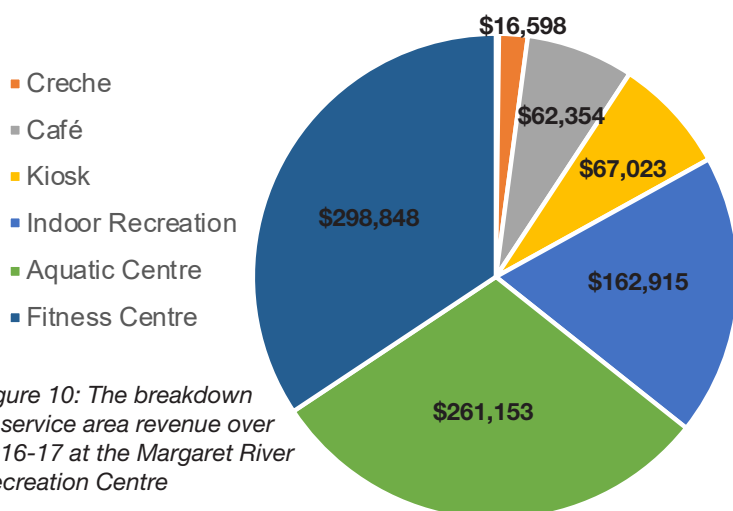


Figure 10: The breakdown of service area revenue over 2016-17 at the Margaret River Recreation Centre

Augusta Recreation Centre revenue

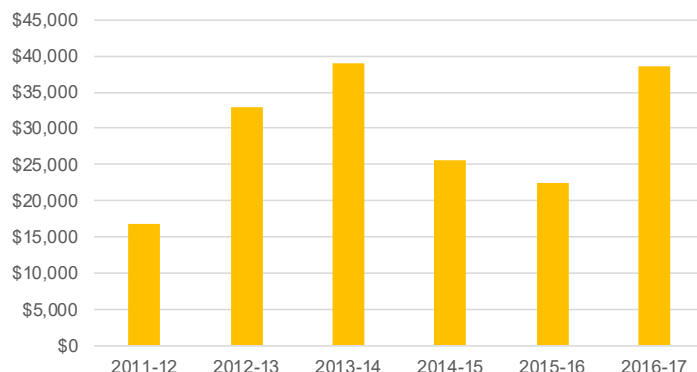


Figure 11: Augusta Recreation Centre usage by the community over the past six years

Achievements over 2016-17 included:

- The Shire hosted the Australia Masters 11 vs the Margaret River 11s cricket match on the Western Oval, Margaret River in October 2016, which saw close to 300 community members in attendance
- The Shire hosted the Western Australia Ultimate's Western Regionals, which is the peak event for single gender flying disc in Western Australia and the official qualifying event for the Division I Australian Ultimate Championships. This annual event was held on the Western Oval, Margaret River in March 2017 with 133 players and nine state teams in attendance

Fitness and aquatic admission comparison

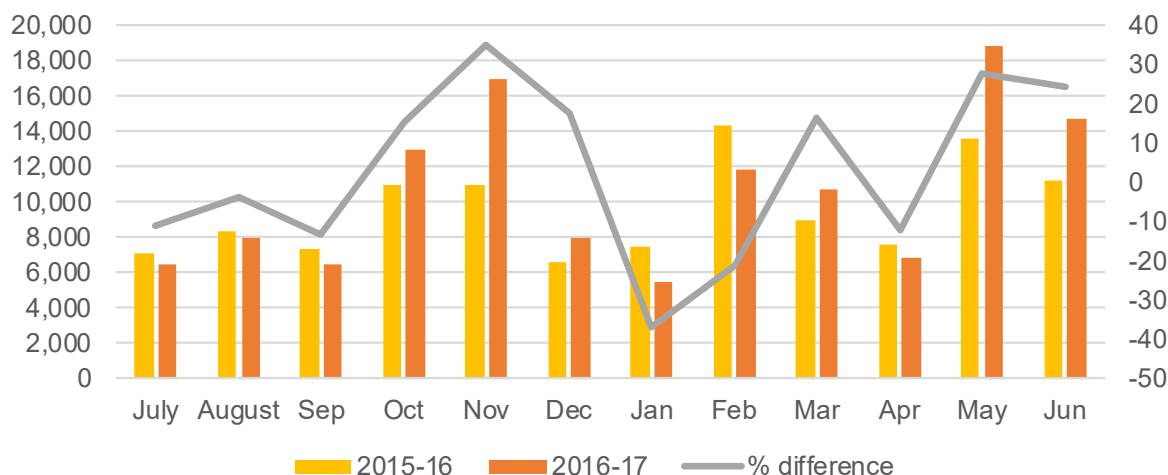


Figure 12: Margaret River Recreation Centre usage over the year shows May and November are the busiest times of activity



Goal 2: Welcoming and inclusive communities

- Margaret River hosted the Red Bull Neymar Juniors Five a Side football regional qualifiers on Gloucester Oval, Margaret River in April 2017 with over 40 players attending
- The Margaret River Recreation Centre was awarded the Leisure Institute of Western Australia (LWWA) Community Spirit award for their work in the community during the Margaret River Bushfires in 2011
- A customer feedback survey was conducted over February 2017, which indicated a high satisfaction rate with current services and a desire for infrastructure to be upgraded. The information will directly inform master planning over 2017-18 with a special focus on improved hydrotherapy, child care facilities and fitness space
- A new fence was installed at Nippers Oval in Margaret River replacing the 15 year old pine post and rail fence
- A marketing plan for Recreation Centres was completed to support use of social media and the website within current capacity, for integration into the organisational Marketing Plan.



Above: Australia Masters 11 vs the Margaret River 11s cricket match on Western Oval, Margaret River in October 2016

The Shire called for community feedback on Recreation Services in April 2017, attracting close to 200 responses. The feedback was overall positive, with high satisfaction rates across the service and suggested improvements for the aquatic centre, gyms, group fitness, creche and Kids Club, recreation courts, and ovals and parks.

Comments from the Recreation Services community survey April 2017

"My kids and I love the rec centre and the staff are its greatest asset. Overall I'm extremely happy with the facilities offered."

"The staff are excellent and professional and make using the recreational centre easy and therefore is our families number one option."

"Love the pool! Thanks staff and life-guards. Great service."



Above: The Margaret River Recreation Centre was awarded the LWWA Community Spirit Award for their work in the community during the Margaret River Bushfires

Swim School

The Shire aims to ensure services are accessible for all families throughout the area. Work was conducted over 2016-17 to investigate opportunities to deliver low cost local swim school services. The analysis was presented to Council in February 2017, who resolved to support the current services running out of the Margaret River Recreation Centre. Consequently, the Shire will enter into a new facility hire agreement for a fixed period of five years. Following this timeframe the Shire will call for public expressions of interest for any future facility hire agreements.



Goal 2: Welcoming and inclusive communities

Beach lifeguard

The service commenced operation daily between 10am and 5pm, 16 December 2016 at Rivermouth Beach in Prevelly and wrapped up on 25 April 2017. This season was one of the safest that the team have encountered, with no major incidents occurring.

Greater public education was conducted than previous years, with 300 plus people recorded on the beach on Christmas Day. Upgraded equipment included a new trailer, defibrillator and a custom made rescue board for Rivermouth beach conditions. 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.



Above: Lifeguard on duty at the Rivermouth

6. Safer communities

The triennial community satisfaction survey was conducted in June 2016 and attracted 754 respondents. The results showed an average 73% satisfaction rate for Shire services relating to community safety:

Customer satisfaction survey results		
Category	Rating out of 4	Comments
Public health	3	<ul style="list-style-type: none">• Presentation of public toilets• Ensuring safe eating premises• Ensuring well operated events and markets
Ranger services	2.8	<ul style="list-style-type: none">• Dog control• Illegal camping control• Car parking control in towns• Fire break inspections
Community safety	3	<ul style="list-style-type: none">• Support for bushfire brigades• Emergency management planning• Graffiti control• Lifeguard services at Rivermouth beach



Goal 2: Welcoming and inclusive communities

Priority project: Partner for bushfire planning in the Shire

A special focus over 2016-17 was placed on partnership with the Department of Fire and Emergency Services (DFES) and the Office of Bushfire Risk Management (OBRM) for Bushfire Risk Management Planning in the Shire.

The Bushfire Risk Management Plan (BRMP) was completed in consultation with the Lower South West DFES Bushfire Risk Management Officer and endorsed by Council on 14 June 2017. The plan is a significant achievement for the Shire, with a detailed five year bushfire mitigation schedule in line with state guidelines.

The Shire maintains a strong partnership with DFES and OBRM for implementation, with the treatment schedule and risk register updated regularly and communicated with all stakeholders and works commenced on the Shire's Emergency Risk Management Plan as part of the State Risk Project which covers bushfire, storms, biosecurity, power disruption and road-crashes.

Strategic firebreaks and hazard reduction burns were conducted throughout 2016-17 by the Shire, DFES and Department of Biodiversity Conservation and Attractions. Late harvesting of vineyards for the autumn 2017 period put on hold all hazard reduction burning, resulting in eight burns completed over spring 2016. The next burns as per the Bushfire Risk Management Plan are scheduled for spring 2017.

Community preparedness program

The Shire Internal Emergency Recovery Response Unit completed WALGA's Local Recovery Coordinator Training in October 2016. The aim of the course was to provide participants with the knowledge of their responsibilities to coordinate and manage local government recovery activities as a Local Recovery Coordinator, in accordance with the *Emergency Management Act 2005*. An emergency generator was purchased for the Shire on 1 May 2017 to supply power to specified building facilities operating as an evacuation centre in the case of an emergency and

power outage. Two electronic fire danger signs were also procured.



Above: New emergency generator purchased for emergency preparedness

Community education included a joint welfare exercise for the Shire of Augusta Margaret River and the Department of Community Services, completed on 1 December 2016 which was attended by all local brigades. The Shire also held a recovery forum on this date to refresh staff on roles and responsibilities of recovery management. Other activities included Cowaramup, Wallcliffe and Margaret River Fire Brigades visiting the Margaret River Senior High School Cadets on 9 March 2017.

There was one local fire emergency over 2016-17, in Rosa Brook on 8 February 2017 which was contained under 90 hectares with most brigades in attendance throughout the day and approximately 120 firefighters. Damage was minimised to sheds and vineyards on the property. Four regional fires over the summer period called on local brigades, which included two fires in Nannup, one in Donnybrook and another in Gwindinnup.

Local Emergency Management Committee (LEMC)

The Shire's Local Emergency Management Arrangements were completely reviewed and endorsed by Council on the 8 March 2017, with the State Emergency Management Committee (SEMC) recommending that the LEMC business plan was no longer required. The arrangements have been submitted to the SEMC. Bush Fire Advisory Committee (BFAC) meetings have continued on schedule over the year.



Goal 2: Welcoming and inclusive communities

Support for local fire brigades

The Shire Emergency Contacts and Resource List was updated and presented to LEMC on 8 November 2016, with ten local brigades and 400 volunteers. Other support over 2016-17 included:

- A new 4.4 truck for Cowaramup Bush Fire Brigade delivered on 26 April 2017, purchased through the Shire's Emergency Services Levy
- Extensions to the Gracetown and Wallcliffe Fire Stations and plans for upgrades to Cowaramup, Rosa Brook and Kudardup Fire Stations for 2017-18 through Shire's Emergency Services Levy
- The Shire held a celebration at the Wallcliffe Fire Station for National Volunteer Week in May 2017 with 65 fire volunteers in attendance
- Ten Shire led training courses over 2016-17, including Introduction to Firefighting, Radio and Communications, Sector Commanders and Pump Operations
- Two first aid courses have been organised for August 2017 for 30 volunteers
- Arrangements have been made with the Red Cross for Shire welfare centre volunteers and customer service staff to attend psychological first aid training in September 2017
- Planning has commenced for a Rural Urban Interface and Incident Management Team exercise in November 2017.



Above: New fire truck for Cowaramup arrived in April 2017



Below: Visit to the Margaret River Cadets in March 2016

Ranger Regulatory Services

Rangers perform an important enforcement role in our community, from animal management, through to camping, law and order, litter, vehicle parking and fire control. Rangers engage with all sectors of the community on a variety of issues and assist with events, road closures, beach surveillance, cemeteries and more.

Over 2016-17, Rangers investigated 1,140 complaints received from the public, an increase in 18% from 2015-16. 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 and Prevelly/Gnarabup.

Ranger infringements and warnings

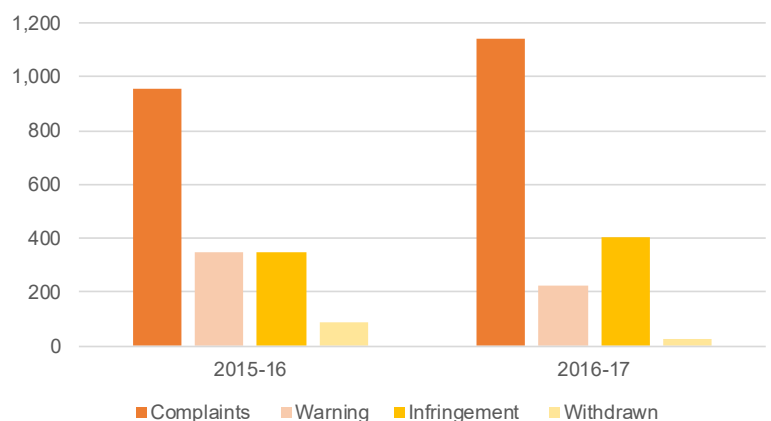


Figure 13: Complaints received from the public for Ranger investigation increased over 2016-17 in comparison to 2015-16

Overall, 222 warnings and 350 infringements were issued, with 7.7% of infringements withdrawn over 2016-17. This shows an increase in compliance levels with 11.7% infringements withdrawn in 2015-16. Efficiency with Ranger infringement management has been possible through the introduction of Pin force software, tablets and wireless printers in all Ranger vehicles in November 2016. Additional improvements included the introduction of a new Ranger uniform in 2016-17, which saw a fresh new design with greater safety protection all year round, and new purpose built pods for Ranger vehicles providing safe means for collecting and transporting animals.



Goal 2: Welcoming and inclusive communities

Ranger jobs by type
2016-17

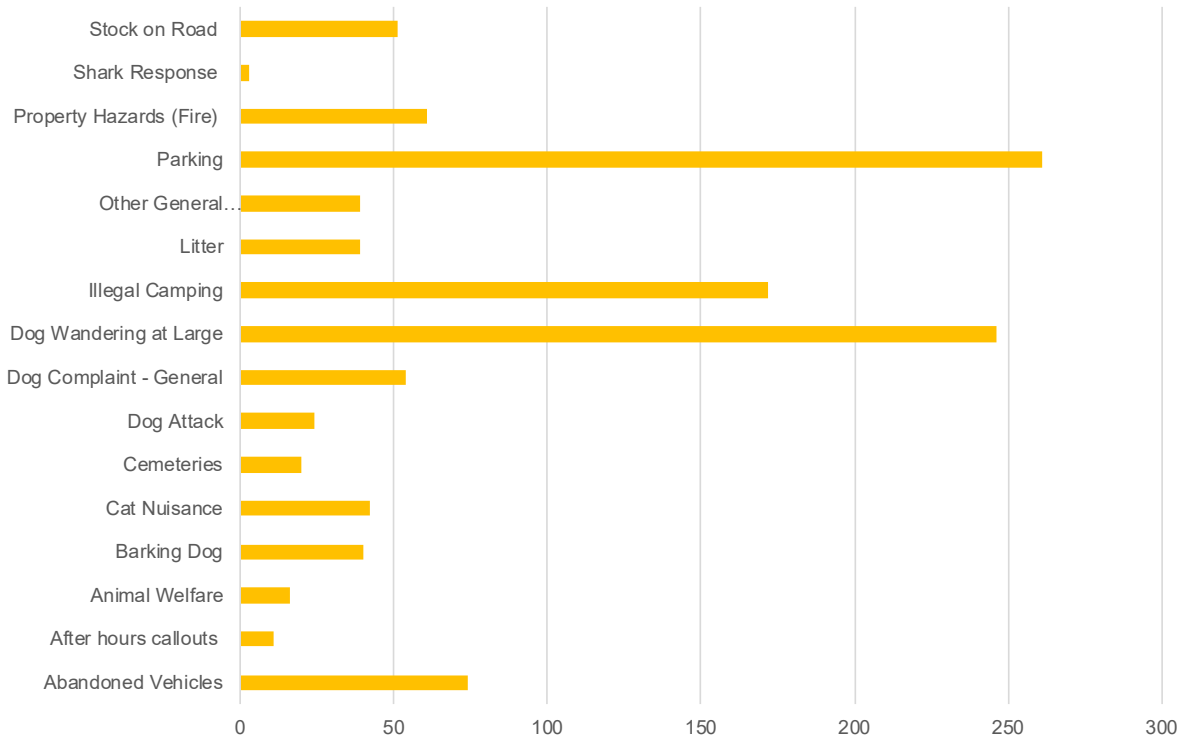


Figure 14: Shire Ranger Services over 2016-17 saw parking and wandering dogs as the most frequent jobs

Cats and dogs

There are currently 3,127 dogs and 457 cats registered within the Shire. This year:

- 1,132 dog and 196 cat registrations were processed
- 70 dogs were impounded, 64 of those dogs were returned to their owners, three were rehomed and three euthanised
- 34 cats were impounded, eight were rehomed and three released to their owner. 23 of the cats were a result of actively trapping feral cats, these cats were euthanised
- Dog attacks decreased from 35 to 24, with one severe dog attack on 2 February 2017, resulting in the Shire successfully prosecuting the dog owner in June 2017.

In conjunction with local vets, Rangers have developed a responsible dog ownership presentation and delivered it at monthly puppy pre-school classes educating new dog owners about their responsibilities as a pet owner in the Shire. Rangers also attended several schools over the year educating children about dog safety and responsible pet ownership.



Above: Shire Ranger at puppy pre-school session in June 2017 to delivery community education



Above: Shire Rangers with workplace student in June 2017 from the Margaret River Senior High School



Goal 2: Welcoming and inclusive communities

Parking

This year 261 parking offences were investigated, 149 parking infringements issued and 48 warnings; 64 were general complaints, investigated without enforcement action being taken. An audit of the Margaret River Primary School zone-parking signage was completed and Rangers have worked with school bus contractors to reduce parking breaches in the Cowaramup school bus zones. Figure 10 on page 72 shows parking to be one of the most frequent Ranger jobs in 2016-17.

Illegal camping

Complaints, warning and infringements in relation to illegal camping have remained fairly steady in comparison to 2015-16. 172 complaints were investigated, 64 infringements and 39 warnings issued. Rangers carried out a series of late night patrols and the Responsible Camping Brochure was reviewed and has been distributed throughout the district. The camping brochure remains multi-lingual with information printed in six languages.

Cemeteries

Rangers oversee two cemeteries and three niche walls in Cowaramup, Margaret River and Karridale. A total of 16 burials and nine internments occurred in 2016-17. An audit of both cemeteries was completed, with a survey of all existing graves and new cemetery maps printed.

Fire compliance

The annual Firebreak Notice was endorsed by Council and sent to all listed ratepayers in the week of 13 October 2016. Rangers inspected 1,630 properties for fire compliance over 2016-17 with 76% of those properties complying on a first inspection, 105 warnings and 45 infringements were issued. Rangers engaged compliance contractors for three properties that failed to



Above: Regular monitoring supports ongoing bush fire mitigation efforts

complete required works. Inspections this year were focussed on areas that were rural residential, in high-risk bushfire areas and those which had not been inspected in the past two years.

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 2016-17, 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 meetings to discuss CCTV and lighting audits as preventative mechanisms for community safety, leavers slideshow, discussion around capping of liquor licence approvals, event summaries (Leeuwin, Rufus) and the potential for an Augusta Margaret River voluntary liquor agreement for future discussion. Training courses for dealing with methamphetamine affected people and armed hold up survival were conducted in Dunsborough in December 2016.

Homelessness and affordable housing

After thorough community consultation and research, a Homelessness Policy for the Shire was adopted by Council on 12 October 2016. A Homelessness Roundtable was conducted with Councillors and community members on 7 December 2016, with recommendations provided to Council in January 2017 to inform decision making on the provision of a local housing officer.

Community group Just Home incorporated in May 2017 and the Shire resolved to fund \$20,000 per annum 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, who meet on a quarterly basis to progress local action for housing solutions.



Goal 2: Welcoming and inclusive communities

Public health risk assessments

In 2016-17, the Shire had over 480 registered health premises which had regular onsite inspections for compliance with statutory requirements, comprising of food businesses, public buildings, accommodation facilities, caravan parks and aquatic facilities. Over 563 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, on-site waste water treatment, planning, building applications and event applications.

Food safety is central to community wellbeing and for local economic growth. Regular assessments were undertaken over 2016-17 of the 382 food businesses operating in supermarkets, restaurants, cafes, liquor licenced premises, child and family day care establishments, markets, and events throughout the Shire. Results were found to be within acceptable limits and reflect the effectiveness of cleaning and sanitising of surfaces.

Environmental health applications

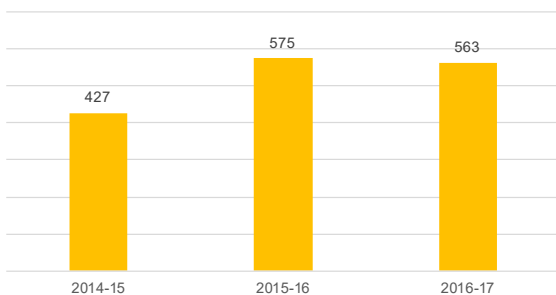


Figure 15: The amount of Environmental Health Applications over the last three years shows a slight increase

Public health assessment programs

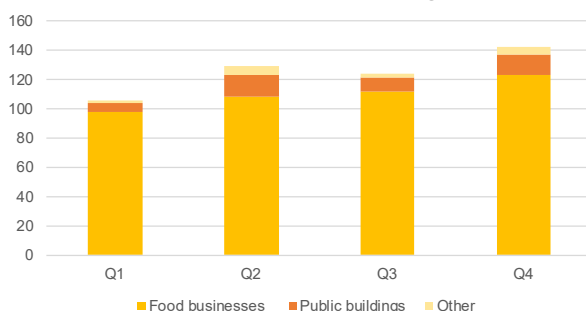
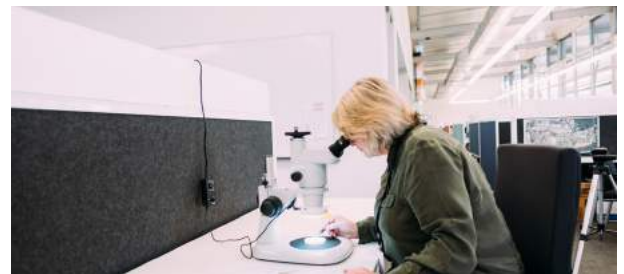


Figure 16: Quarter four of 2016-17 shows the highest number of public health assessments conducted by the Shire

A particular focus over 2016-17 included free range poultry egg producers to ensure compliance with production standards. Local and imported seafood products were also sampled for contaminants, with laboratory results checked for compliance against the *Australia New Zealand Food Standards Code*. Drinking water quality is monitored at food businesses which are not connected to scheme water supply. Similarly, upgrading the Shire's community halls in regards to public building safety requirements and water quality treatment has been completed.



Above: Analysis done by Environmental Health Officer, Anne Marie Laddie

Public health 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 removal, sewage overflows and dilapidated dwellings. Resultant enforcement actions over 2016-17 included:

- Five unreasonable noise interactions (three music/parties and two construction sites)
- Four Food Safety Improvement notices, compared to three in 2015-16
- One dwelling declared unfit for habitation.

Environmental water sampling

Sampling for bacterial analysis of eight identified recreational sites was undertaken over November 2016 to April 2017 including Flinders Bay, Hardy Inlet, Margaret River, Gnarabup beach and Gracetown swimmers beach. A total of 120 samples were taken and no alerts were issued. Data will be assembled over at least a five year period to develop a water quality profile indicator to these recreational swimming locations for a



Goal 2: Welcoming and inclusive communities

state wide Department of Health program with results displaying on their website.

Aquatic facilities available to the public were also monitored and sampled for water quality. A total of 206 samples were taken from 15 sites and sent for analysis. No improvement notices were 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 2016-17, the South West Population Health Unit alerted the Shire to six cases of Ross River Virus infections (mosquito borne disease) and two *Salmonella typhimurium* infections, which were investigated further.

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 2016-17, the Shire issued approvals for 85 events, a decrease of 15% from 2015-16. Of these events, eight attracted more than 1,000 people and six events attracted more than 5,000 people, which included the Margaret River Drug Aware Pro, the Leeuwin Estate Family Concert, Gourmet Escape, Augusta River Festival and the Margaret River Agricultural Show. Approvals were also issued for 24 ceremonies (weddings) the majority of which were held at Gnarabup beach.

Each event involved assessment of the event's Risk Management Plans, site inspections for public safety and food vendor safety with stakeholder meetings before and after the event. Constant review of event processes, forms and requirements is undertaken in an effort to simplify the application process for event organisers.



Above: Chickens at the Margaret River Agricultural Show in October 2016

Development of an Events Strategy progressed over 2016-17, with a local consultant working closely with the Shire and event stakeholders. 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.

Consultation with the community was undertaken using the Shire's Your Say website, engaging 70 community members including local event promoters, government agencies and volunteer groups. The consultant's report is currently being analysed by staff with the view that the strategy be placed before Council in 2017-18.

Comments from the Events Strategy Community Survey January 2017

"I think it's vital that we have a diversity of events, that are authentic and adequately reflect the values of the community"

"More accessibility and consideration of people with disabilities to events"

"Remember that our local volunteers only stretch so far"

"Maximise their community and seasonal effectiveness and to leave plenty of room in the calendar for other things to take place or breathing room."



Goal 3: Managing growth sustainably

Overview

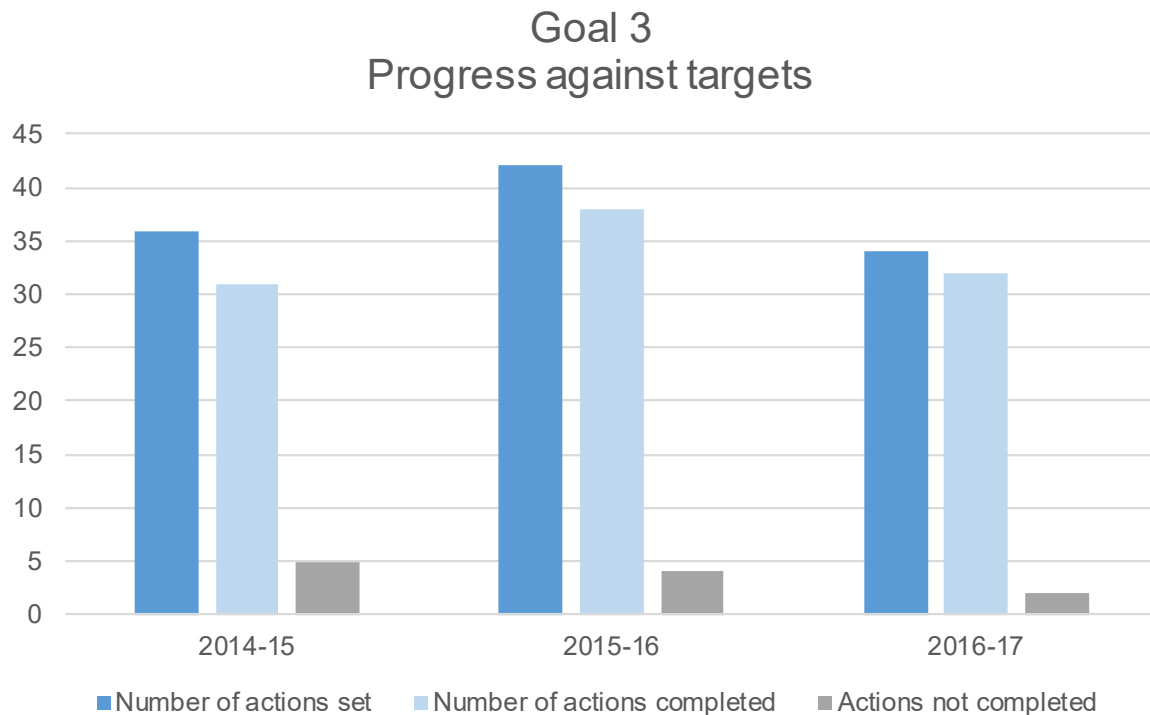


Figure 17: Progress against Goal 3 over the last three financial years

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

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. The Shire submitted the East Margaret River Structure Plan to the Western Australia Planning Commission in December 2015 for approval. The Shire received approval on 18 July 2017.

Structure plan no	Locality	Street/lot	Nature of structure plan	Status
LND/152SP	Margaret River	Lot 9007 Darch Road, Margaret River	Residential Development	Applicant working through concerns that were raised during advertising period
LND/82SP	Margaret River	Lot 104 Bluebell Place, Margaret River (Lot 1 Caves Road)	Amendment to endorsed structure plan	Submissions being assessed by officer
LND/1/28SP	Witchcliffe	Sussex Location 2807 and 2812 Bussell Highway, Witchcliffe	Development of approximately 300 lot strata titled Ecovillage Subdivision	Referred to Western Australia Planning Commission (WAPC) for final endorsement
LND/153SP	Margaret River	Lot 9001 Caves Road Margaret River	Facilitate future subdivision and development over the land	Referred to WAPC for final endorsement



Goal 3: Managing growth sustainably

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

Implementation of the Affordable Housing Strategy commenced over 2016-17, including:

- Homelessness and Affordable Housing Working Group (HAHWG) currently considering land options for potential housing project
- Small House Policy adopted by Council in May 2017 to create exemptions for ancillary dwellings from development approvals.



Delivery Program

1. Clearly defined areas for growth and renewal

Priority project: Review 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 is being undertaken 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.

Work conducted on this project in 2016-17 culminated in a briefing to Council in June 2017. Council gave support for extending the review period to provide every opportunity for a suitable and willing service provider to be found.

Priority project: Analysis of extractive industries

Work was done over the year to analyse and identify areas in the Shire, which may and may not be suitable for extractive industries based on environmental, social and aesthetic criteria.

Extractive industries are those activities, which involve the quarrying or removal of sand, gravel, similar material from land and includes the treatment and storage of those materials, but does not include mining, being the recovery of minerals or the aforementioned materials on crown land. Extractive industries are an important source of basic raw materials used by the construction and development industries to create building products such as bricks and road base.

Approvals are required to be issued by the Shire before extractive industries can commence. In order to guide the suitable location of future extraction and to ensure that land is suitably rehabilitated, staff have been undertaking the necessary background research which will allow the preparation and advertising of a suitable policy in 2017-18.



Goal 3: Managing growth sustainably

Planning development and building approvals

The Shire's Planning and Development Services processed 505 planning applications in 2016-17.

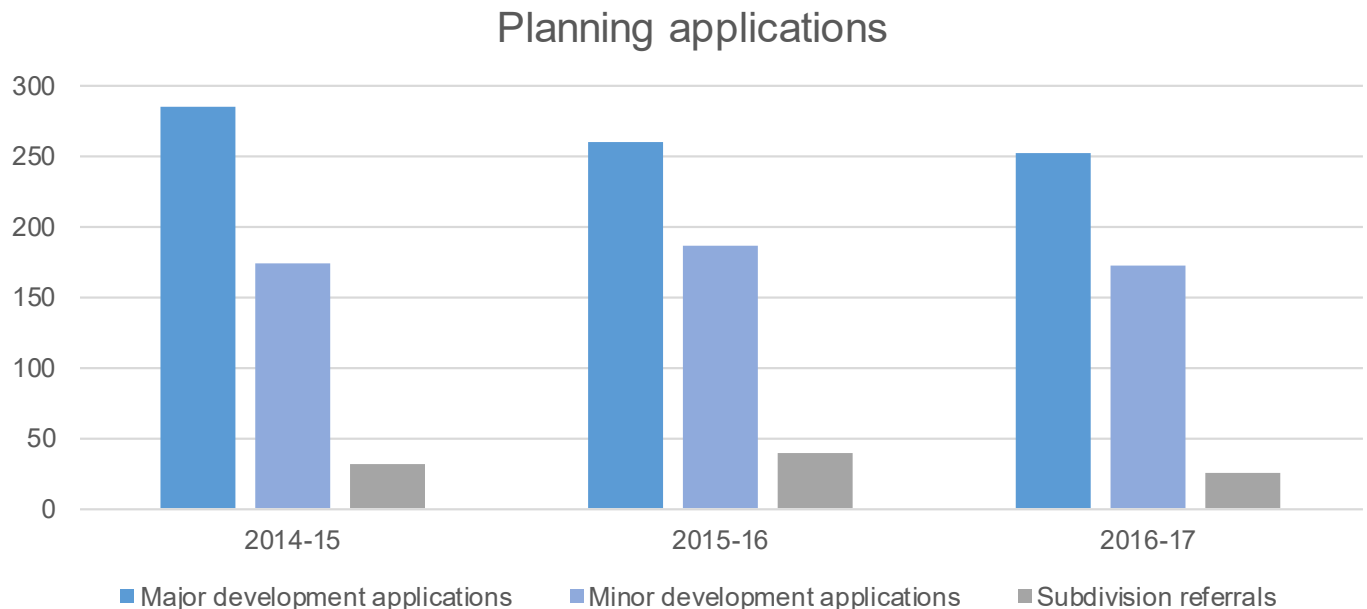


Figure 18: Planning applications received over the last three financial years

506 building permits were issued over 2016-17, including 249 new dwellings. This compares with 482 permits and 236 dwellings for 2015-16. All building applications were processed within statutory timeframes. The average construction value of building permits issued for 2016-17 was \$84,243,435, which is up from 2015-16 by \$6,088,468.

Amendments to Local Planning Strategy (LPS)

On the 2 February 2017 the WAPC endorsed an amended version of the Shire's Local Planning Strategy, thus concluding a process of modification to include content relating to tourism, conservation and the re-subdivision of rural residential land. The proposed modifications do not set a new policy direction with respect to these matters, they merely reflect and reiterate the Shire's adopted policy direction, with inclusion in the LPS simply being a means with which to give those policies the greatest weight.



Above: Residential development in Margaret River



Goal 3: Managing growth sustainably

Amendments to Local Planning Scheme No.1

20 amendments were progressed in 2016-17, to Local Planning Scheme No.1:

Amendment No	Locality	Street / Lot	Nature of amendment	Status
2	Gracetown	Lot 300 Salter Street, Gracetown	Rezoning from 'Parks and Recreation' reserve to 'Future Development' zone	Scheme Amendment Gazetted – 30 September 2016, the structure plan required modifications as per WAPC Schedule of Modifications, revised documents received forwarded to WAPC
6	Margaret River	Lot 20 Rosa Brook Road and Lot 21 Darch Road, Margaret River	Rezone from General Agriculture to Industry and Industry Deferred	Amendment – Gazetted 5 August 2016, structure plan referred to WAPC for final approval
16	Cowaramup	Lot 9000 Brockman Road, Margaret River	General Agriculture to Future Development	Received Schedule of Modifications from WAPC, Modified document received and Officer checking before forwarding to WAPC for final approval
28	Witchcliffe	Location 2087 Bussell Highway, Witchcliffe	Foxcliffe 'ecovillage'	Referred to WAPC for final approval
32	Margaret River	Lots 56, 57 and 58 Kevill Road East Margaret River	Amend the zoning to two existing and adjoining 'Rural Residential' lots, in order to facilitate their future subdivision into smaller (1ha) lots	Referred to WAPC for final approval
36	Margaret River Townsite	Perimeter Road Contributions	Contributions towards the Perimeter Road and John Archibald Drive	Referred to WAPC for final approval
40	Margaret River	Lot 4 Wallcliffe Road Margaret River	Amending Schedule 4 as applicable to Special Use Zone 9, specifically to include telecommunications infrastructure as a permissible use	Gazetted 2 June 2017
44	Witchcliffe	Lot 122 Bussell Highway, Witchcliffe	Priority Agriculture to Future Development	Referred to WAPC for final approval
45	Margaret River	Lots 3-11 Doyle Place, Margaret River	Rural Residential Subdivision	Out for advertising – Closes 7 August 2017
46	Augusta	Lot 27 Greenhill Road, Augusta	Reserve to Rural Residential	Officer assessing submissions and finalising report
47	Margaret River	Lots 11-15, 431-433, 18-20 and 22 Ashton Street, Margaret River (also has a Structure Plan)	Modifying Schedule 11 – Structure Plan Areas	Officer assessing submissions and preparing final report



Goal 3: Managing growth sustainably

Amendments to Local Planning Scheme No.1 continued:

Amendment No	Locality	Street / Lot	Nature of amendment	Status
48	Whole Shire	Various properties	Rezoning Conservation Lots to Bushland Protection Zone	Referred to WAPC for final approval
49	Hamelin Bay	Lot 21 Caves Road, Hamelin Bay (also has structure plan)	General Agriculture to Rural Residential	Officer assessing submissions and preparing final report, extension of time granted for resolution of bushfire issues
50	Cowaramup	Lot 145 Cowaramup Bay Road, Cowaramup	Amending Schedule 16 to include additional uses and deleting a use	Officer assessing submissions and preparing final report
51	Margaret River	Lots 37, 391 and 392 Devon Drive, Margaret River (also has a structure plan)	Modifying Schedule 7 and Schedule 2	Environmental Protection Authority advice received – Amendment/Structure Plan to be advertised shortly
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
53	Margaret River	Lot 12 Glengarry Road, Margaret River (also has a structure plan)	Rezoning to Introduce 'Rural Smallholding'	Officer assessing and preparing initiation report to Council
54	Whole Shire	Omnibus Amendment No 3	Whole Shire – various rezoning and text amendments	Prepared for Ordinary Council Meeting 26 July 2017
55	Karridale	Part Lots 102 and 104 Bushby Road/Ironmonger Road, Karridale	Include portion of Lot 102 and portion Lot 104 within the Rural Residential Zone, Reserve for Parks and Recreation and additional use notation	Officer assessing and preparing initiation report
56	Margaret River	Lot 13 Ashton Street, Margaret River (also has structure plan)	Rezoning from 'Parks and Recreation' Reserve to 'Residential R5'	Referred to Environmental Protection Authority – awaiting advice



Goal 3: Managing growth sustainably

2. Liveable and well designed places

Priority project: Cultural Centre Redevelopment (HEART)

The redevelopment of the Margaret River Cultural Centre was a major focus over 2016-17, and resulted in the Shire securing the largest amount of grant funds in the Shire's history for an individual Shire project. The funding announced in November 2016, will enable a major redevelopment and refurbishment of the 34 year old Margaret River Cultural Centre and the adjacent degraded squash courts into a vibrant hub of entertainment, arts and regional tourism (HEART).

Following three years of developer contribution planning and business case development to satisfy funding guidelines, four detailed funding applications were lodged with a variety of federal and state funding bodies in 2016. The applications were supported by three cost benefit analysis, over 100 letters of support gathered from business and peak body stakeholders, a survey of Margaret River Chamber of Commerce and Industry members, concerted lobbying of key strategic decision-makers and politicians and close work with the key South West Development Commission staff to finalise the business cases.

Successful funding applications saw the announcement of National Stronger Regions Funding (\$1.8 million), Lotterywest (\$1.4 million), Department of Local Government, Sport and Cultural Industries (\$0.5 million) and Royalties for Regions (\$3.05 million). The breakdown in funding sources for stage 1 are shown below. Funding of \$3.05 million has been reconfirmed in the 2017 State budget meaning all funds had been obtained.

The two stage tender process for the architectural services was also completed throughout the year, with Council adopting the concept plan for the Cultural Centre Redevelopment at their Council meeting on 12 July 2017. The Bollig Design Group were awarded the tender for architectural services and have provided detailed stakeholder engagement alongside detailed recommendations for development of the centre. Their recommendations have further informed aspects relating to the current degraded state of the facilities, specifically the asbestos and structural complexities. Through this process Council agreed additional seating would be needed from 325 to 450 seats, and that remedial cladding works should occur alongside new roof works, seeing the development costs at approximately \$9.2 million.



Above left: Design plan chosen by Council in July 2017, for the redevelopment of the Margaret River Cultural Centre. The plan will enable a multi-purpose space for conferences, meetings, performance, exhibition and events

Above right: Royalties for Regions funding announcement for the Cultural Centre project. Pauline McLeod, Arts Margaret River, Stuart Hicks, Former Chairman of the South West Development Commission, Hon. Terry Redman, MLA, Hon. Barry House, MLC, Ian Earl, Shire President



Goal 3: Managing growth sustainably

Priority project: Augusta Ellis Street Jetty

The Shire obtained Recreational Boating Facilities Scheme grant funding in 2015-16 to implement a universal access finger jetty, 20 boat trailer parking bays, a boat trailer turnaround and rigging bay.

Several aspects of the project were completed over 2016-17, with completion of the remaining boat trailer parking bays and floating jetty delayed due to Section 18 approval for the registered Aboriginal heritage site. Construction of the jetty is anticipated to occur in summer 2017-18.



Above: Ellis Street boat ramp in Augusta

Priority project: Margaret River Main Street Redevelopment

The Main Street Redevelopment project has been in progress for five years now, to deliver community safety and create opportunities for businesses to flourish, showcasing the Margaret River region and brand to support the prosperity of our region as a whole. Funding sources for the project include the Department of Primary Industries and Regional Development, Royalties for Regions South West Development Commission and community.

The Perimeter Road, currently being constructed by Main Roads Western Australia, will allow trucks and a proportion of traffic to bypass the town's main street commercial precinct.

This provides the opportunity for the Shire to improve the main street, increase pedestrian safety

and manage traffic flows in the Margaret River townsite.

The current design for the main street focuses on improving community safety, while incorporating al fresco dining areas, beautiful landscaping, street furniture, mood lighting, public art works and wider footpaths. Community engagement to finalise the design of the main street was conducted over April and May 2017, including a three week survey and a community workshop held on 20 April 2017. Overall this work engaged around 150 residents and attracted 300 individual pieces of feedback, which will all work to refine the final design and stages of stakeholder engagement. Construction of the project is anticipated to commence in 2019, after the Perimeter Road is complete.

In order to raise revenue for the Margaret River Main Street Redevelopment project, the Shire identified two properties to be sold. Over 2016-17, an offer to purchase freehold property owned by the Shire on Le Souef Street, Margaret River was made in May 2016. After obtaining a valuation and publically advertising the offer and value as required under the *Local Government Act 1995*, Council resolved to accept the offer. The sale was finalised in July 2016 with a purchase price of \$330,000 being paid to the Shire. A freehold lot owned by the Shire on Churchill Avenue, Margaret River is currently being advertised for sale. A valuation was obtained in June 2017, and the Shire is likely to auction the property 2017-18.



Above: Stage 1 Construction Margaret River Main Street Redevelopment project



Goal 3: Managing growth sustainably

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 2016-17 included:

- Survey and design of the Shire's major road reconstruction project
- Concept plan and feature survey for carpark design at the Margaret River Youth Precinct
- Design program for paths completed for construction in 2017-18
- Support for roundabout redesign in conjunction with Margaret River Main Street Redevelopment project
- Supported Main Roads Western Australia with design of the access road to the airport as part of the Margaret River Perimeter Road project.

Landcorp development

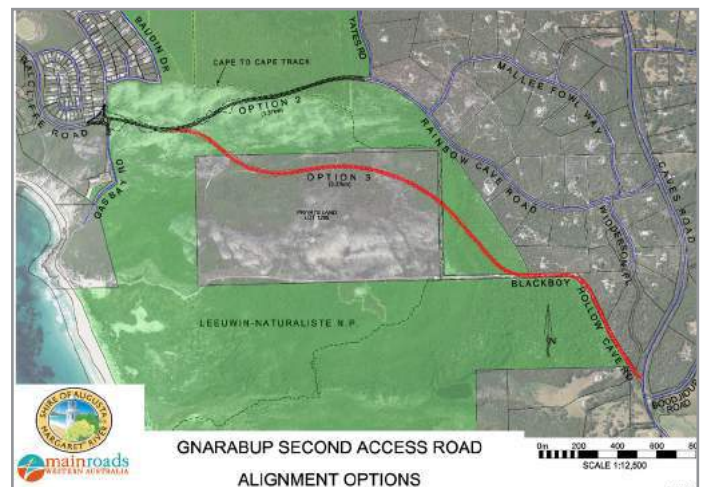
The final structure plan for the Gracetown Landcorp development was forwarded to the Western Australia Planning Commission in February 2017. The Shire had assessed the structure plan to ensure modifications required by the Western Australia Planning Commission had been captured in the final documentation. The Shire is awaiting a response.

Second access routes to Gracetown and Gnarabup Prevelly

Over 2016-17, the Shire participated in a comprehensive assessment of options for additional access to the Gnarabup/Prevelly and Gracetown communities, through participation in an interagency steering group, which was led by Main Roads Western Australia. Consultation was undertaken with the community from October 2016 to January 2017. The consultation outcomes and technical findings of the steering group investigations were summarised in feasibility reports, which included the various options for additional access.

The outcome of these investigations were presented at the Ordinary Council Meetings of 8 March 2017 (Gnarabup/Prevelly) and 28 June

2017 (Gracetown). Council resolved to support the preferred option identified in the feasibility assessment for Gnarabup/Prevelly, but not to support the findings in relation to options for access to Gracetown. Both feasibility assessments have subsequently been forwarded to the state government for their consideration.



Above: Location of final two options considered for the second access road alignment options in Gnarabup (Options two and three)

3. Unique natural and settlement character

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 and a desk top review and consultation for new nominations.





Goal 3: Managing growth sustainably

Flinders Bay Protection and Management Plan

Over 2016-17, the Shire completed the community consultation and analysis to develop a local 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 work included a community workshop held on 18 January 2017 with approximately 50 local community members in attendance.

The plan is to guide development of infrastructure, public open space and amenity in the Flinders Bay area and will be presented to Council in 2017-18 for a final decision.



Above: Community meeting held in Flinders Bay on 18 January 2017

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 was a priority project for 2016-17 with the majority of works for Leeuwin Road, Rosa Brook Road, Treeton Road and Wallcliffe Road completed. Carburnup South Road bridge was deferred to 2017-18 due to significant unseasonal river flows. Survey and design works were completed for sections of Carters Road and Rosa Glen Road in preparation for their reconstruction in 2017-18.

In 2016-17, the Shire's bitumen reseal and asphalt overlay program included the following roads.

Bitumen reseal program included:

- Clydesdale Place
- Coppin Grove
- Hereford Place
- Percheron Place
- Sandpit Road
- Walker Place
- Wadandi Place
- Widji Lane
- Wright Road.

Asphalt overlay program included:

- Zinfandel Street
- Memorial Drive
- Turner Street
- Exmoor Drive
- Osnaburg Street
- Ommanney Street
- Gale Road
- Cygnet Close
- Chaudiere Place
- Blackwood Avenue
- Betts Street
- Davis Road
- Duggan Drive
- Elva Street
- Freycinet Way
- Karri Loop
- Lake Street
- Redgate Road
- Knight Place
- York Street.

4. Connected and safe transport network

The triennial community satisfaction survey was conducted in June 2016 and attracted 754 respondents. The results showed a 79% satisfaction rate of traffic services in the Shire, which is an increase of 8% from the previous survey in 2013. The survey included scores for local traffic safety, speed and volume, footpaths in town, bicycles and walking trails, and street lighting.

Priority project: Road reconstruction program

The Shire manages 522 kilometres of sealed roads and 404 kilometres of unsealed roads. Bussell Highway, Brockman Highway, Caves Road and Sues Road are managed by Main



Goal 3: Managing growth sustainably



Above and below: Reconstruction of a 1.5 kilometre section of Rosa Brook Road, 4.5km east of Margaret River



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 2016-17.

Restricted Access Vehicles

Main Roads Heavy Vehicle Services (HVS) is responsible for administering road access for Restricted Access Vehicles (RAV), which are vehicles that exceed specific width, height, length and mass criteria. These vehicles must only operate on roads approved by Main Roads West-

ern Australia, under either an order or permit, due to the road space required when operating and their impact on road infrastructure.

A lack of RAV routes in the Shire became a major issue in 2016, with concerns raised by rural producers and the abattoirs in Cowaramup and Jindong Treeton. Main Roads Western Australia had not assigned RAV ratings to Jindong Treeton, Mowen and Rosa Brook Roads, resulting in Main Roads Western Australia redirecting vehicles on these routes at a significant cost to the abattoirs and the trucking companies. Responding to industry concerns, the Shire CEO intervened, requesting Shire officers to work urgently with Main Roads Western Australia and the businesses to have these roads upgraded by vegetation pruning and signage to gain approval. The work was completed in March 2017.

Trail Margaret River from Rotary Park to the Rivermouth

This project is the subject of additional investigation, research and approval. Council resolved on 12 October 2016 to undertake an information gathering process, and following this consultants were appointed to consider Aboriginal heritage matters and to prepare a comprehensive Foreshore Management Plan. Significant delays have been experienced in the Aboriginal heritage component, and Council resolved on 14 June 2017 to defer further consideration of this project until these reports have been received.

Bridle Trails Feasibility Study

A parking area at the Margaret River Pony Club was completed in September 2016 and fencing implemented in October 2016. Signage and trail markers for the area is scheduled to be installed in 2017-18. Extension of Bridle Trails into adjacent areas is currently on hold, pending more detailed planning and consultation with stakeholders over 2017-18.



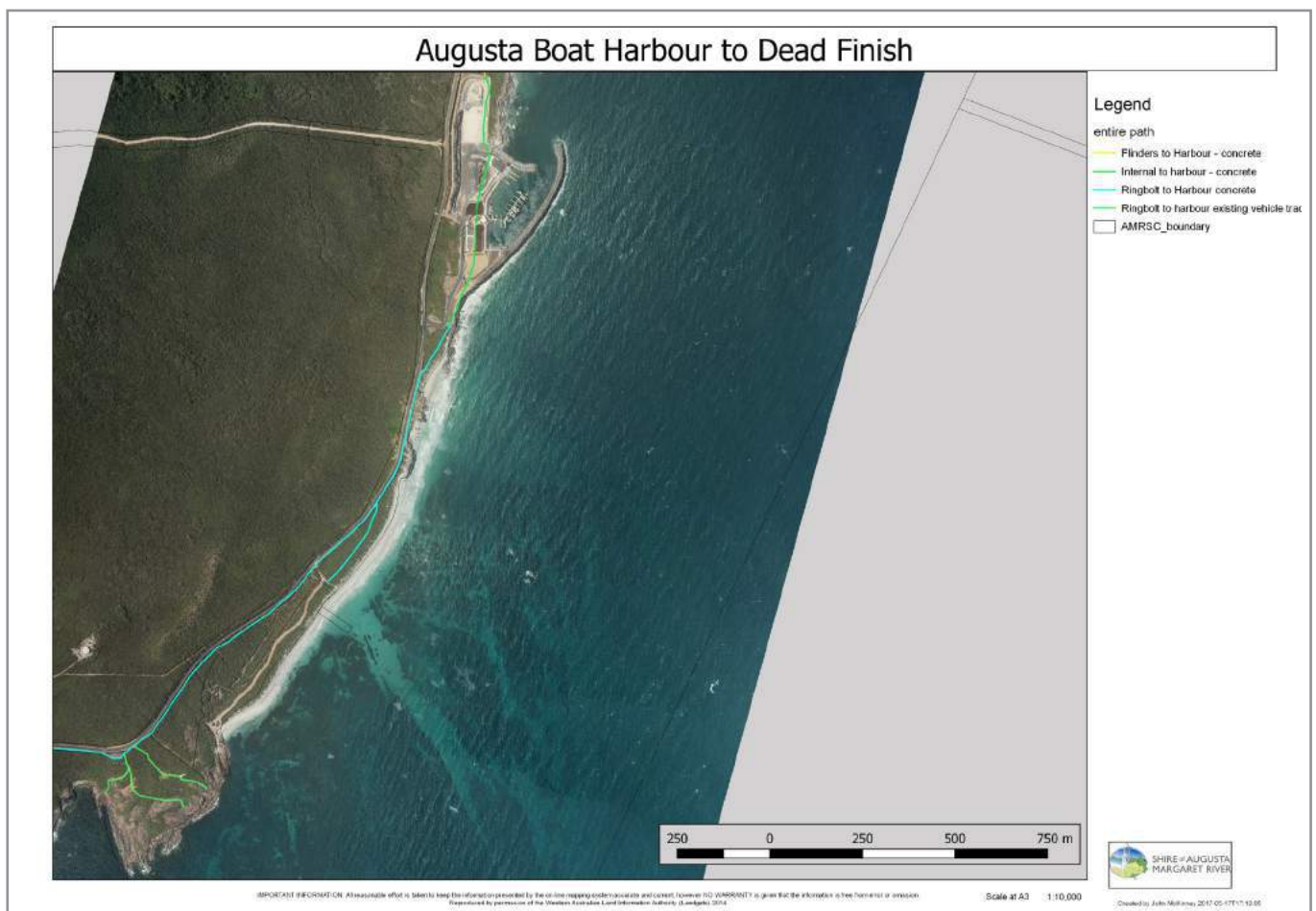
Goal 3: Managing growth sustainably

Priority project: Path from Flinders Bay to Cape Leeuwin

The coastal scenery from Flinders Bay to Cape Leeuwin is outstanding and there is a wonderful opportunity to create a path or trail to provide a safe passage, and to appreciate the natural scenery.

Following advertising of various options, Council resolved in March 2016 to support construction of a dual use concrete path from the Augusta Boat Harbour to Dead Finish Road in the 2016-17 financial year and to form a community reference group. Following a request for quote process, it was determined there were insufficient funds to construct the path as resolved. The community reference group then requested officers to research alternative options, including probable cost and constraints of path adjacent to the road.

Officers briefed Council 12 April 2017 outlining possible options and alignments with discussion focusing on development on an on-road bicycle lane as directed. A subsequent meeting of the community reference group resulted in direction for a multi-use trail offset from the road to be further considered with a potential alignment from the Augusta Boat Harbour to Dead Finish to be identified by a community member. Officers will discuss this alignment at a future Councillor workshop in 2017-18.



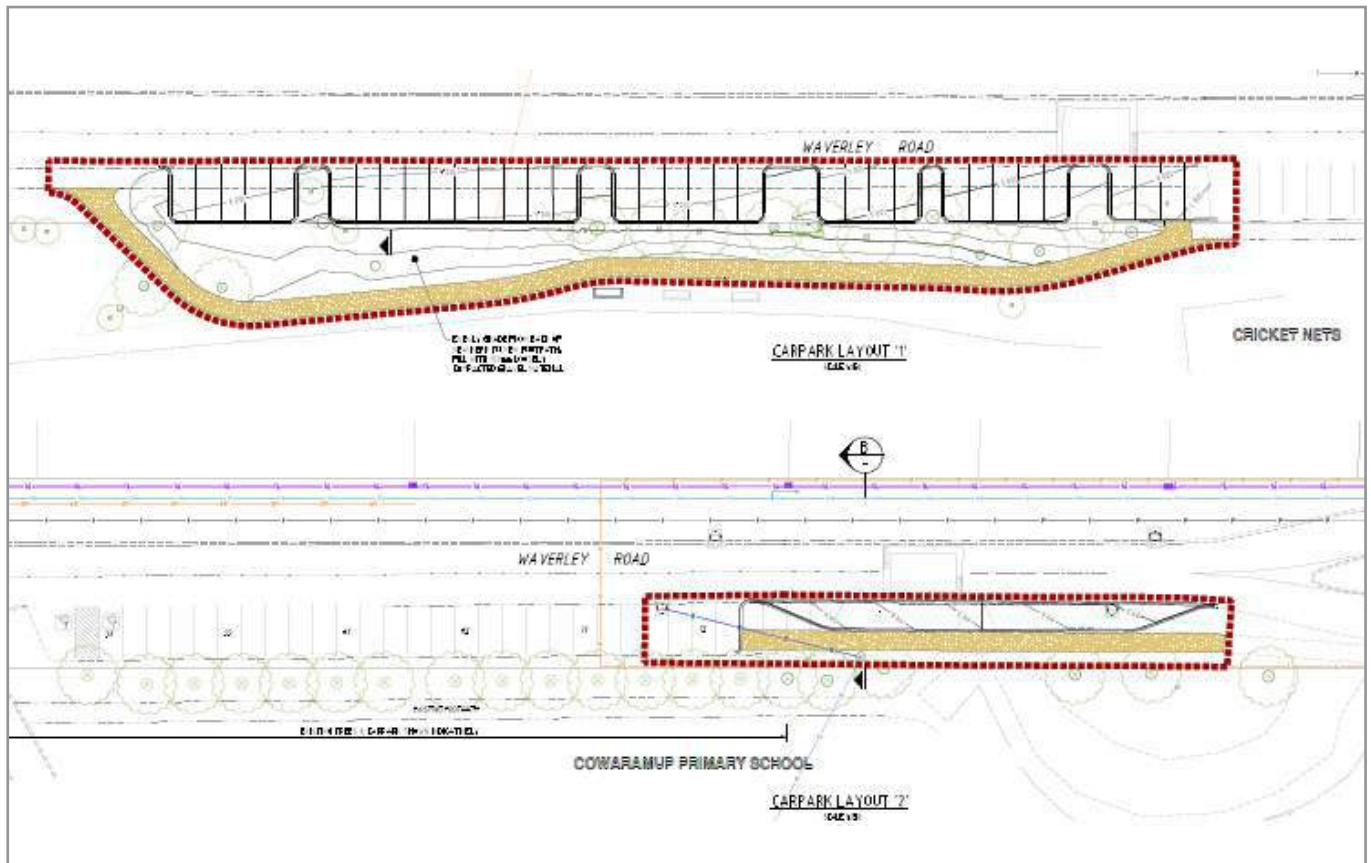
Above: One of the options for the pathway which was considered by Councillors in 2016-17



Goal 3: Managing growth sustainably

Cowaramup Primary School Parking

The Cowaramup Primary School on Waverley Road is experiencing significant growth in enrolments resulting in a need to improve parking and bus embayments at the entry of the school. These planned improvements are subject to community consultation and endorsement by Council in 2017-18.



Above: Plans for the Cowaramup Primary School carpark

Footpath maintenance program

The Shire's path network covers 163 kilometres of sealed paths and unsealed tracks and trails. The path expansion works in 2016-17 included the construction of the path adjacent to Blackwood Avenue, which has improved universal access to the Augusta Hospital. Approximately one kilometre of the Wallcliffe Road recreation path was reconstruction between Devon Drive and Kevill Road. The existing 1.8 metre wide path was reconstructed and widened to 3.0 metres wide to continue the renewal work from between Railway Terrace to Merino Way in previous years.



Above: The completed Blackwood Avenue Pathway network link in Augusta



Goal 4: Vibrant and diverse economy

Overview

Goal 4 Progress against targets

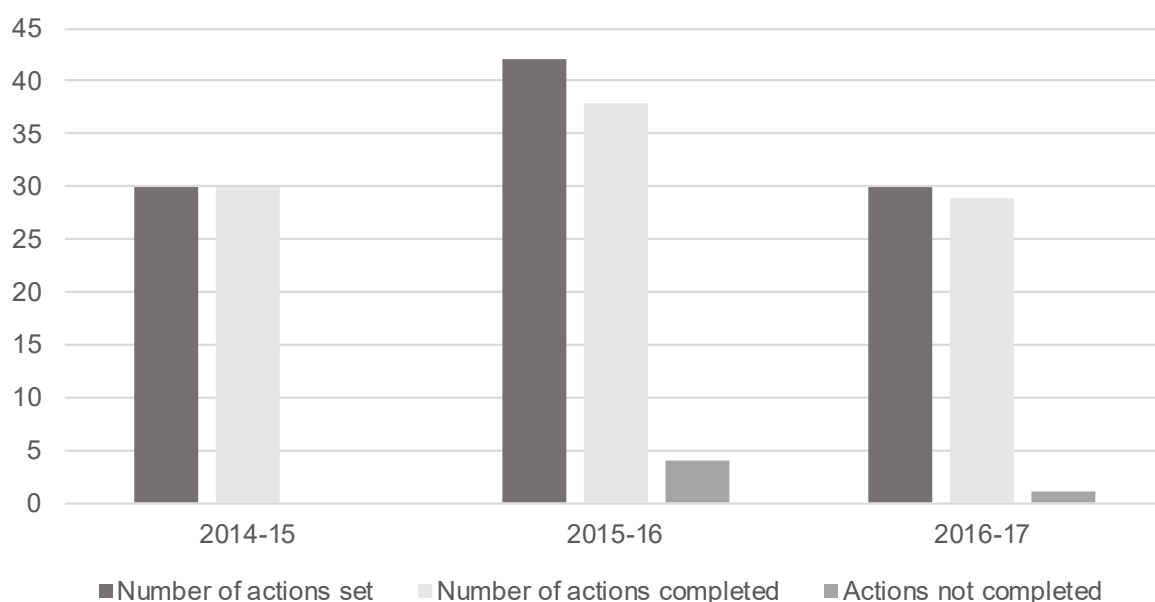


Figure 19: Progress against Goal 4 over the last three financial years

KPI7: Increased participation rates at Icon events

In the 2016-17 financial year, Council approved \$108,000 in Icon Event Sponsorship funding for ten icon events. 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	2016-17 Sponsorship	Participation rates
Augusta Adventure Fest	\$7,500	3,576
Rural Health West Medical Conference	\$5,000	27
Cape to Cape Mountain Bike	\$10,000	1,252
CinefestOz Film Festival	\$25,000	25,550
Drug Aware Margaret River Pro	\$20,000	5,376 6.5million webcast views
Emergence Creative Festival	\$10,000	1,780
Margaret River Region Open Studios	\$10,000	34,000
Margaret River Marathon	\$2,500	N/A
Readers and Writers Festival	\$7,500	6,410
The Margaret River Running Festival	\$5,500	203
Tour of Margaret River	\$5,000	615

Above: Breakdown of Icon Event Sponsorship funding



Goal 4: Vibrant and diverse economy

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 ticket giveaway and red carpet sundowner networking event.

The events are selected for funding based on 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.



Above and below: Open Studios - Evelyn Henschke, March 2017



Above: The Readers and Writers Festival in Margaret River, April 2017



Above: Youth Advisory Council and all-ability and mobility backstage tours at the Margaret River Surf Pro



Above: Cinefest Oz Director's Chair



Goal 4: Vibrant and diverse economy

KPI8: Increase in tourist numbers visiting the Shire

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 three calendar years, 2014, 2015 and 2016.

The average of annual estimated visitors to the Shire has increased by 30%, from 457,200 (average 2013, 2014 and 2015) to 650,400 (average 2014, 2015 and 2016).

Visitor summary	2013-14-15 Calendar years Average annual visitors	2014-15-16 Calendar years Average annual visitors	% difference
Estimated visitors			
Intrastate	335,300	485,700	31%
Interstate	63,000	80,700	22%
International	58,900	83,800	30%
Total	457,200	650,400	30%
Estimated visitor nights			
Domestic	1,238,000	1,731,400	28%
International	381,900	496,100	23%
Total	1,619,900	2,227,400	27%
Average length of stay (estimated nights)			
Domestic	3.1	3.3	6%
International	6.5	5.9	-10%
Total	3.5	3.4	-3%
Purpose of visit			
Holiday or leisure	359,800	527,800	32%
Visiting friends and relatives	70,000	83,500	16%
Business	16,500	26,900	39%
Other	11,300	13,000	13%



Goal 4: Vibrant and diverse economy

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 2016-17 included:

- The CEO attended the Community Food Hubs Conference in Bendigo on 8 August 2016
- The Shire adopted the Urban and Regional Food Alliance Declaration in December 2016, and held the Food and Agricultural Summit on 10 August 2017
- The Shire CEO met with local business to discuss promotion of bush tucker in the region and attended a board meeting for Rural Industries Research and Development Corporation
- Restricted Access Vehicles routes to abattoirs upgraded in March 2017
- The Shire CEO participated in a dairy industry consultative forum, which was part of the Australian Competition and Consumer Commission inquiry into the Australian Dairy Industry, which included hearing directly from local dairy farmers about competition and fair trading issues
- The Shire CEO held discussions with Curtin

University about their Agricultural Opportunity Strategy

- Provided support for Margaret River Agricultural Society member Stephanie Kennaugh in application for 2016-17 Rural Ambassador for the South West Region.



Above: Margaret River Agricultural Society member Stephanie Kennaugh was selected as the 2016-17 Rural Ambassador for the South West Region (second from right)

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 continued participation in strategic planning for the 50 year anniversary celebration of Margaret River Wines in 2017. Including a public art auction.



Right: The Margaret River wine region celebrated 50 years of industry in 2017



Goal 4: Vibrant and diverse economy

Wine Equalisation Tax rebate campaign

The Shire lobbied over 2016 on behalf of the wine industry to state and federal parliamentarians on the Wine Equalisation Tax (WET) Reform, which had the potential to have a severely detrimental effect on the profitability of locally run wineries and cellar doors.

The CEO researched and provided a comprehensive report to Council and to CapeROC who unanimously agreed the Shire should lodge a submission in support of the Margaret River Wine Industry Association and Wines of Western Association position:

1. Calling for the elimination of the misuse of the WET Rebate through:
 - The ability to create artificial business structures to access the rebate and claim multiple rebates
 - The conversion of uncommercial grapes into bulk wine for the sole purpose of claiming the rebate, affecting the pricing of both grapes and wine.
2. Supporting the retention of the full \$500,000 rebate for legitimate regional wine producers such as those wineries and cellar doors operating in the Margaret River Region.
3. Tightening eligibility criteria for the WET Rebate to support wineries and those who are based and operate from a regional location such as the Margaret River Region and who process grapes from the crusher through to the bottled and branded product.
4. Endorsing the Wines of Western Australia (WoWA) Wine Equalisation Tax Position Paper.

The campaign was successful and the \$500,000 rebate retained. The eligibility criteria was also tightened in favour of the regional grass roots producers. The Australian Tax Office website provides the advice to producers on the eligibility criteria for the rebate to apply to producers such as those in the Margaret River wine region.



Above and below: The Shire has provided ongoing support for the local wine industry over 2016-17



Industry Leaders Group

The Industry Leaders Group met six times in the 2016-17 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 Industry Association and the Shire.

At these meetings, updates were given to the group on current projects, with the emphasis being on supporting these projects and planning for the future. Outside pressures on particular groups were also discussed, an example being the pressure on the wine industry from the producers to reduce the Wine Equalisation Tax, which was introduced by the federal government. The Shire also facilitated the group on a visit to the Perimeter Road site with Main Roads Western Australia on 16 June 2017.



Goal 4: Vibrant and diverse economy

2. Sustainable tourism industry

Priority project: Construct and commission three chalets at Turner Caravan Park

The Shire is committed to providing alternative accommodation. A priority project over 2016-17 included 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. Further development of new facilities at the park will continue to be priority over 2017-18. The Turner Caravan Park website received an upgrade to include 'What's New' posts, where Shire officers have been providing progress updates of the new chalets.

Other improvements to the park over the year included new commercial heat water pumps at

the Wilson and Circle block ablutions completed in November 2016 and a major renovation of the Dekker ablution block commencing in May 2017. Work also commenced in 2016-17 to assess the power supply to the park, with an upgrade required in 2017-18.

For the third year running, Turner Caravan Park received an Award of Excellence in June 2017 for consistently achieving outstanding traveller reviews on tripadvisor.com.au.



Below: Construction progress in July 2017



Above: Concept drawing of the new chalets at Turner Caravan Park

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 2016-17 included replacement of gas barbeques with an electric system, external power infrastructure upgrades and works to commence a major internal power line upgrade.



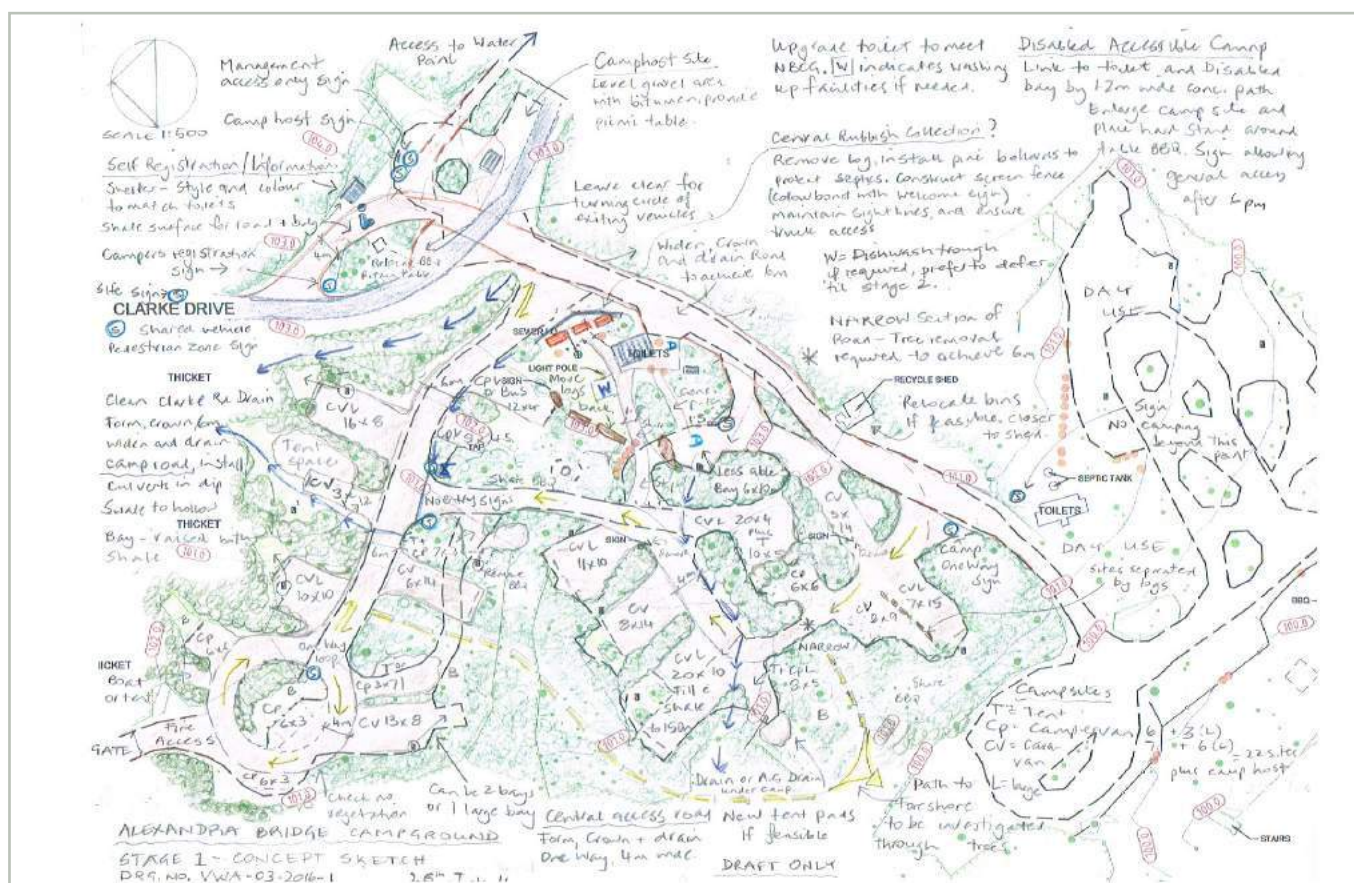


Alexandra Bridge Campground has undertaken a major transformation this year in making it compliant with the ***Caravan Parks and Camping Grounds Act 1995*** and importantly to protect the natural environment and improve our camper's experience. This included completion of the Alexandra Bridge Campground masterplan which reconfigured the camp sites to be more effective. Further planning will be undertaken beyond these interim improvements for both the camping ground and foreshore areas.

Tourism information signage has been developed and installed at the Alexandra Bridge Campground in June 2017. Other improvements included a new registration process, information shelter and water line installed throughout the year.



Above: New information shelter at Alexandra Bridge Campground



Above: Drawings showing the reconfiguration process of the sites at the campground



Goal 4: Vibrant and diverse economy

Smoke-free main street

Council resolved to designate the Margaret River main street as 'smoke free' in November 2016. Ashtrays were removed and a number of signs were put in place to promote a positive smoke free message. The smoke free campaign received media coverage at local, state and national level with a post on the Channel 7 Facebook page receiving over 79,000 views and generating over 5,000 comments.

This project's aim was to reduce public exposure to harmful second hand smoke (passive smoking) and to promote the clean, green and progressive image of Margaret River. Overall, the initiative aims to make the town's main street a healthier place to work and to do business. The project received accolades from the Cancer Council, the Australian Council on Smoking and Health was awarded a Certificate of Commendation from the Public Health Advocacy Institute of Western Australia. Consultation for the initiative included the Margaret River Chamber of Commerce and Industry, retailers, Cancer Council Western Australia, Margaret River Busselton Tourism Association and the Western Australia Country Health Service South West Public Health Unit.

The project was commended as a 2016 Childrens Environment and Health Local Government Report Card Project.



Above: Residents with the new smoke free signage on the Margaret River main street

Shire brand and promotion

During 2016-17, the Shire implemented a revised Corporate Style Guide to provide consistent and professional communications to customers. This included producing major items of collateral such as flags, banners, and marquees as well as rolling out new stationery and corporate templates. Work has also been completed for a Recreation Centre Style Guide. This includes creating template solutions for all marketing materials, user-friendly brochures, and new branding and wayfinding for the Centre. A new library blog was also completed, bringing the site in line with Shire branding and improving functionality for users.

A customer survey was completed in May 2017, to review the way customers received information and news from the Shire. The results showed a high satisfaction rate with current services. The results will be used alongside the branding audit and integrated communications review to inform the new marketing strategy to be drafted in 2017-18.

Brand development has been completed over the year for the Cultural Centre, in consultation with Arts Margaret River. Effective branding will optimise the potential of the new development, particularly for attracting events to the region. The work included a brand vision and personality to suit the various groups and the modernised building and delivering a completed style guide with concept collateral and draft marketing plan, which identifies key opportunities for promotion and marketplace positioning.

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 change ensures the most accurate, up-to-date information is available for the community and tourists helping to instigate economic activity and social engagement.



Goal 4: Vibrant and diverse economy

3. Infrastructure for economic growth

Priority project: Implement the Developer Contributions Plan

Requirements for developer contributions were embedded in Local Planning Scheme by way of Amendment 35, gazetted on 9 December 2016. The Scheme now allows the Shire to levy per lot charges on new development with the money quarantined for community infrastructure to serve the resultant increase to the local population. Projects to be part funded by developer contributions include the upgrade of the Margaret River Cultural Centre and sport and recreation facility upgrades in Cowaramup and Augusta. Developer contributions provide an important funding source by which the Shire can ensure that our community is serviced with a high level of infrastructure and amenity, making them truly liveable.

4. Sustainable economic development

Priority project: International relations

The Shire holds a sister relationship with Haining, China for international relations and to support economic development. Over 2016-17, a priority project was to undertake reciprocal visits to and from Haining, and further explore the potential for international relations with the Vietnam city of Dong Hoi.

From 26 October to 2 November 2016, a Shire and MRCCI delegation visited the Hong Kong Wine and Food Festival, the Sister City of Haining in China and the Bo Trach district of the Quang Binh province of Vietnam where a Friendship Agreement was signed.

During the year the CEO and the CEO's Office were active in the organisation of three visiting delegations. This included two from Vietnam in August 2016 and May 2017, and one from Haining, China in December 2016.



Above: Shire President signing the Friendship agreement with the Quang Binh province in October 2016



Above and below: Haining delegation to the Shire in December 2016, consisting of Yumin Pan, Vice Director, Standing Committee of Haining Peoples Congress, Jiqing Liu, Director, Haining Civil Affairs Bureau, Xiaohua Zhu, Haining Agricultural Economics Bureau, and Yaping Qian, Section Chief, Haining Foreign and Overseas Chinese Affairs Officer





Goal 4: Vibrant and diverse economy

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.

Over 2016-17, the Shire hosted a Western Australian Local Government Association South West Zone meeting at the Margaret River Civic and Administration building. The CEO and Manager of Corporate Services worked with the SWDC to finalise the Cultural Centre Business Case for consideration for Growing the South Royalties for Region funding.

The SWDC partnered with the Shire on the HEART funding application in 2016-17 and future collaborations will include the Witchcliffe Waste Water Scheme.



Above: Shire CEO and Shire President meet Australian Prime Minister in Busselton, July 2017

Priority project: The Shire's Economic Development Strategy

The Economic Development Strategy (EDS) was presented to Council on 28 June 2017. The EDS is a high level strategic document which outlines the key signature projects which will 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.

The Strategy will assist in identifying and prioritising strategies to deliver on the following key elements:

- The critical importance of environmental protection
- Transition to renewable energy
- Diversification of the economy
- Improved business innovation
- Overcoming the seasonality of tourist visitation
- Job creation
- Increased access to education, training and skills development
- Creative industries development
- Leveraging benefit from major infrastructure investment in the Shire and the wider Margaret River region.

Council moved to defer adoption so that work could be undertaken to update the strategy to include recent census data and further information on economic inequality. Further information can be found on pages 21 and 22.

Priority project: Support for local food and agriculture industries

A Food and Agricultural Summit was held on 15 August 2016, following on from the first local summit in 2015-16. The event featured Anthony Flaccavento, author of "Building a Healthy Economy from Bottom Up" as well as local producers and regenerative farmers. Presenters included Paul Miller, Kat Lombardo, Kylie Kennaugh, Jeff Pow, Mike Hulme, Jo Wren, Barbara Dunnet, Ian Noakes, Naomi Searle, Simon Taylor, Laura Stocker and Gary Burke.

Council adopted the Urban and Regional Food Alliance Declaration on the 14 December 2016, committing the Shire to support a sustainable, healthy and fair food system. Developed by Sustain: The Australian Food Network, the declaration enables organisations to demonstrate their commitment to a sustainable, healthy and fair food system. Current signatories include City of Melbourne, City of Greater Geelong, City of



Goal 4: Vibrant and diverse economy

Yarra, Mornington Peninsula Shire and City of Ballarat along with 24 other state, regional, industry, not-for-profit and commercial organisations who have an interest in the food system and its impact upon their communities.

A second bush tucker event was held at the Margaret River Education Campus on 28 January 2017, which saw a number of local farmers and food producers come together as a South West Food Alliance to discuss a variety of topics. The event included a Kambarang satellite event, and helped to shape the development of the Shire's Economic Development Strategy and generally raise the profile of food and fibre production and issues facing rural producers in the Shire. Preparations for a second seminar were conducted in June 2017, to be held in August 2017.



Support for local businesses

The Shire supported the Telstra Margaret River Regional Business Awards 2016, 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 2016, 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.



Above: The Telstra Margaret River Regional Business Award 2016 held in September 2016

A collaborative sundowner was held at the Margaret River Civic and Administration building on Thursday 8 June 2017, including approximately 100 members from Margaret River Chamber of Commerce and Industry, Augusta Chamber of Commerce and Industry and the Cowaramup Retailers Association. At the event, the Shire CEO gave an update on the Margaret River Main Street Redevelopment and Cultural Centre HEART projects, and the Cabin Fever team also gave an update on what businesses could expect during the ten day festival being held in July 2017.



Above: Cr Felicity Haynes, CEO Gary Evershed, Nola Merino, Member for Forrest and President Ian Earl at the Chambers sundowner at the Margaret River Civic and Administration building, held in June 2017

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.



Goal 4: Vibrant and diverse economy

Working with the City of Busselton

The Shire conducted work with the City of Busselton over 2016-17, 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.

Cowaramup Resort Development

The Shire continued to work with the landowner of the Cowaramup Resort site to assist in realising the development potential of the land. While the development has not progressed to date, the Shire and state government remain supportive of assisting where possible. It is anticipated that discussions with developer will be ongoing in 2017-18 to provide advice for this project, particularly in relation to waste services. The Shire's Waste Strategy will inform these discussions once it has been prepared.

5. Improved educational infrastructure

Margaret River Education Campus

The CEO is working as an independent Chair of Margaret River Education Campus and with Curtin University's Sustainability Policy Institute to foster more activity at the campus. A letter of support was provided to Curtin University in December 2016, which saw the life of the seminar series extended after threats of funding cuts.



Above: The Margaret River Education Campus hosted South West Aboriginal Gourmet Experience on 19 November 2016



Above: Stall holders at the Margaret River Farmers Market held the Margaret River Education Camps every Saturday



Above: Live music at the Margaret River Farmers Markets



Goal 5: Effective leadership and governance

Overview

Goal 5 Progress against targets

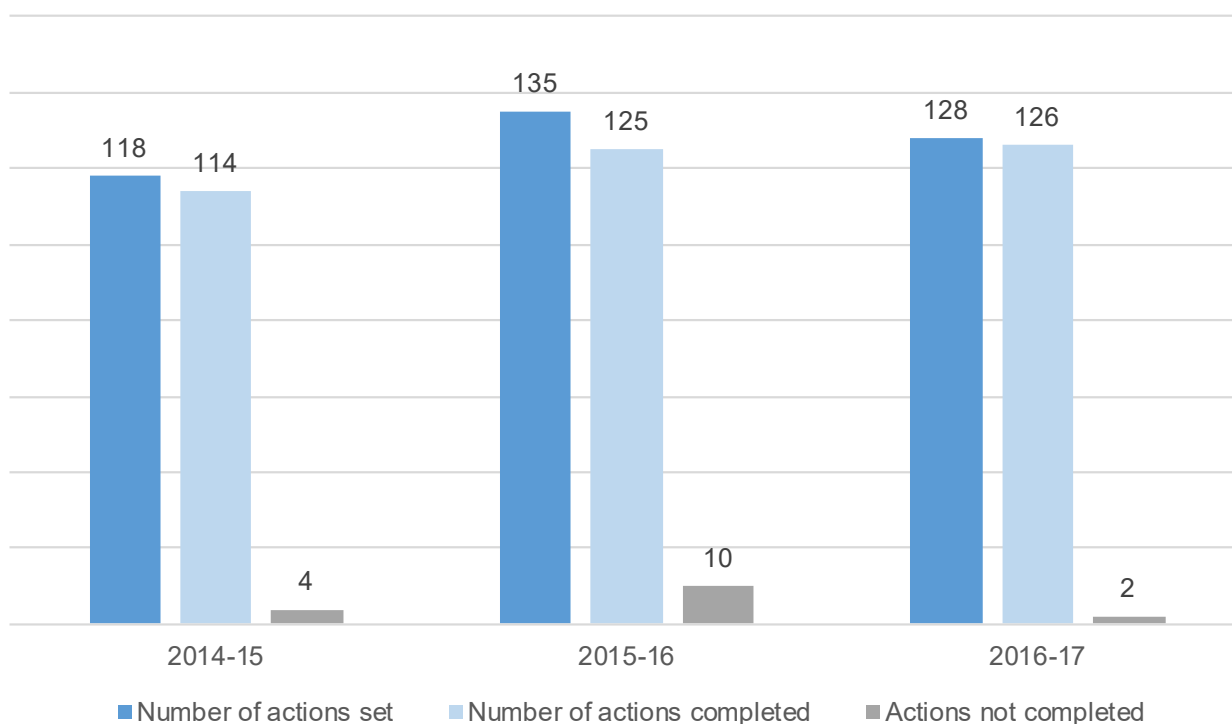


Figure 20: Progress against Goal 5 over the last three financial years

KPI9: Financial ratios are trending positively

The Shire's Statement of Financial Position (Balance Sheet) at 30 June 2017 shows that net assets have increased by over \$16 million compared to the previous year. The Shire is now responsible for the management of net assets valued at over \$404 million. Of this total over \$384 million represents the value of fixed or capital assets. Read the full financial summary starting on page 127.

Key Financial Indicator	2016-17	2015-16	2014-15	2013-14
Operating Surplus Ratio Industry benchmark is between 0% and 15%	-1%	-6%	4%	-5%
Own Source Revenue Coverage Ratio Industry benchmark is greater than 60%	89%	89%	91%	91%
Current Ratio Industry benchmark is greater than 100%	134%	105%	121%	107%
Debt Service Cover Ratio Industry benchmark is greater than 5	8.11	5.81	7.81	4.92
Asset Sustainability Ratio Industry benchmark is between 90% and 110%	81%	73%	57%	110%
Asset Consumption Ratio Industry benchmark is between 50% and 75%	97%	99%	75%	79%
Asset Renewal Funding Ratio Industry benchmark is between 75% and 105%	136%	128%	118%	57%



Goal 5: Effective leadership and governance

KPI:10

Increasing satisfaction in the triennial Community Satisfaction Survey

The triennial community satisfaction survey was conducted in June 2016 and attracted 754 respondents. The survey is run by external consultants and comprises a self-completion questionnaire mailed to 4,000 residential and business ratepayers (both owner occupiers and absentee owners) randomly selected from the Shire's rate roll.

Results from the 2016 survey showed increased satisfaction ratings against 2013 results, across the majority of questions covering 12 Shire corporate image areas, as well as importance and performance ratings across 57 Shire service areas.

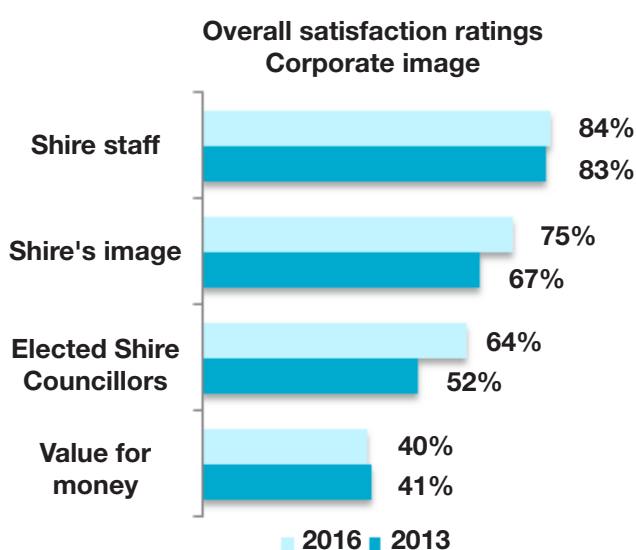


Figure 21: Corporate image results from the triennial community survey, June 2016

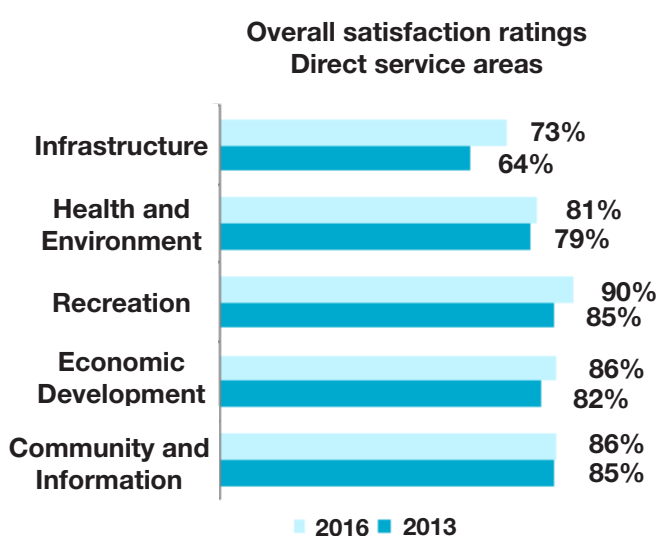


Figure 22: Overall satisfaction ratings for service areas from the triennial community survey, June 2016

Delivery Program

1. Effective governance and corporate leadership

Priority project: Conduct Strategic Planning Days with Council

A strategic planning day was successfully held with Council on 16 November 2016, where the Long Term Financial Plan and financial review was presented by an external consultant. The session also included discussion around the Margaret River Cultural Centre, Land Asset Management Plan (LAMP) review, waste management update and an Council open session.

A second session was held with Councillors on 14 December 2016, which was an open discussion session and attended by Councillors only.



Above: Cr Smart, Cr Townshend, Shire President Cr Earl, Deputy Shire President Cr Kennaugh, Cr Lane and Cr Hastie



Goal 5: Effective leadership and governance

Priority project: Review of Wards

The Shire's Governance Officer completed a review of Shire's Ward System over 2016-17. Reviews are required by legislation every eight years, including submission to the Local Government Advisory Board (LGAB) for approval.

The review commenced with a report to Council on 13 April 2016 detailing the Shire CEO's analysis of the current situation and future trends, such as demographic and population trends, physical and topographical features, communities of interest, economic factors, and ratio of Councillors to electors. The analysis received favorable feedback from the chair of the LGAB and as a result of the report, Council resolved to undertake a review of wards in accordance with part 6 of Schedule 2.2 of the **Local Government Act 1995** (LGA), and to develop a discussion paper based on six ward options.



Above: Shire CEO, Gary Evershed worked closely with Councillors to review the ward structure of the Shire

The Shire's Governance Officer then developed a discussion paper over May and September 2016, for the purposes of the statutory community consultation period and finalisation at a Councillor strategic planning workshop. The discussion paper explained the review process, current situation, ward options being considered and the assessment factors for decision. Council conducted three strategic planning workshops related to the ward options developed by Shire staff. At one session, the Chairman of the Local Government Advisory Board, Mal Congerton and

Executive Officer Chris Berry were in attendance.

Council resolved on 28 September 2016 to adopt the Wards Review Discussion Paper, presenting four possible ward options for community consultation and comment between 7 October to 21 November 2016. A total of 253 community submissions were received, which were analysed and presented to Council in a final report on 25 January 2017. This final Council report was provided in accordance with the LGAB Guide for Local Governments How To Conduct a Review Of Wards. Council considered all submissions received and the relevant factors and authorised the CEO to submit a report to the LGAB recommending an order be made under section 2.2 (1) of the LGA abolishing all of the wards into which the district of the Shire of Augusta Margaret River is divided, and a direction be provided under section 9.62 of the LGA and in accordance with s2.35 that the offices of the Councillors, whose terms expire at the local government elections in October 2019, continue until the October 2019 elections.

The CEO submitted a report to the LGAB for consideration on 30 January 2017. The Minister for Local Government approved the recommendation of the LGAB to abolish the Shire's current ward structure on 8 June 2017, with the number of offices of Councillor remained unchanged at seven. The order to abolish wards was approved by the Governor and gazetted on 11 July 2017 with the no ward system coming into effect on the next local government election day, being 21 October 2017.

Priority project: Statutory Compliance Return

The Statutory Compliance Return was completed and adopted by Council 8 March 2017. 86 out of 87 areas achieved full compliance, with one error remediated within the set timeframes.



Goal 5: Effective leadership and governance

Priority project: Assessment of library state funding arrangement and Framework Agreement

Little progress was made over 2016-17 to assess the funding arrangement and framework agreement between the state government and Augusta Margaret River Library, due to changes in state government structure. As a result, the Public Libraries Working Group discussion paper on future directions is still on hold.



Above: Library patrons taking advantage of the Margaret River Library facilities

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 2016-17, Councillors completed several WALGA and other provider modules both in person and on line. This included attending workshops held by Civic Legal and other organisations.

The community satisfaction survey conducted in 2016 showed a 64% satisfaction rate of elected Shire Councillors, compared with 52% in 2013.

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 2016-17, 58 briefings were held across 21 Ordinary Council Meetings. Topics included, but are not limited to:

- Bushfire Risk Management Plan (BRMP)
- Extractive Industry Application
- Asbestos Removal Program
- Flinders Bay Cape Leeuwin Trail
- Perimeter Road update
- Gas exploration in Margaret River
- Homelessness Policy
- Ward Review
- Illegal camping at Alexandra Bridge
- Community Strategic Plan
- Community Engagement Policy
- Future operations of Swim Schools at the Margaret River Recreation Centre
- Second access road to Gnarabup/Prevelly
- Cultural Centre Redevelopment (HEART)
- Rotary Forest Playground – Nature Play Concept Plan (on site)
- Margaret River Main Street Development
- Long Term Financial Plan
- Your Vision 2036
- Witchcliffe Review Strategy
- Planning Policy development
- Proposed Service Station, Cowaramup
- Investigation into Second Access Road, Gracetown
- Turner Caravan Park
- Winter Diversion Track
- Aboriginal Heritage Study.



Goal 5: Effective leadership and governance

Implementation of Council decisions

There were 239 resolutions over 2016-17 (compared to 204 in 2015-16) of Ordinary and Special Council meetings. 220 of these have been completed or require no further action, and 19 items are in progress:

- BFAC meeting report 17 August 2017
- Proposed Alignment of Trail/Path from Flinders Bay to Cape Leeuwin
- Motion to Halt Further Work on the Cape to Cape Winter Diversion Track
- Future Use of Water Corporation Tank – Cr Ian Earl
- Provision of Swim Rafts within the Shire – Results of Community Consultation
- Proposed Amalgamation of Reserves – Flinders Bay Caravan Park
- Winter Diversion Track – Cr Pam Townshend
- Homelessness Community Roundtable
- Formation of Working Group – Indigenous Engagement
- Authorisation to Execute Common Seal on Deed of Surrender of Easement
- Road Dedication and Proposed Road Closure of Unrequired Road Reserve – McDonald Road, Karridale
- Tender for Architectural Services for the Cultural Centre Redevelopment (HEART) Project
- Rotary Forest Playground – Nature Play Concept Plan
- Margaret River Speedway Lease
- CEO Policy Review
- Cape to Cape Track Winter Diversion Track Boardwalk Funding
- Tender 03/17 Margaret River Youth Precinct Design and Construction
- Environmental Sustainability Strategy
- Adoption of Economic Development Strategy.

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 September 2016 and 8 March 2017.

Governance

The Shire completed a review of Councillor Delegations over 2016-17, which was adopted by Council on 14 June 2017. The Shire has been working on development and implementation of a legislative compliance calendar for the organisation. The compliance calendar is currently being trialled and plans to be implemented by the end of 2017.

Women in leadership

16 members of staff attended the Margaret River Chamber of Commerce and Industry International Women's Day Celebration at Cullen Wines in March 2017, which included networking and information sharing opportunities. The Shire also hosted Enable's Empowering Women Expo in March 2017 where 24 members of staff attended. Topics included life and financial coaching. A new working group of Shire employees was formed in June 2017 to plan a four year program to progress the development of women within the region and the skills within the organisation.



Above: Leadership for women at the Shire continues to be an important focus

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 30 to 31 March 2017 with a total 20 Shire staff attending. The theme for this conference was Challenge Yourself.



Goal 5: Effective leadership and governance

Corporate citizenship programs

The Shire regularly participates in suitable programs that offer wider community benefit. In 2016-17, the Shire arranged a work experience placement for a person with a disability and part funding for a Housing Advocacy Officer through local community group Just Home was included in the 2017-18 draft budget, with a further two years adopted by Council.

Over the last twelve months, the organisation has focused on improving its corporate citizenship in the community and as a result has experienced an increase in students undertaking work experience placements.

Financial year	High School Student	University Student
2015-16	5	1
2016-17	12	4

These placements were undertaken in the following business units:

Team	High School Student	University Student
Building Services	1	-
Civic Administration Building	1	-
Community Development	2	1
Ranger Services	2	-
Recreation Services	6	2
Technical Services	-	1

Strategic partnerships

The Shire held regular meetings with the following groups throughout 2016-17, to develop strong partnerships and collaboration across various projects:

- Arts Margaret River – read more on page 53
- Art and Culture Advisory Group – read more on page 53

- Bushfire Advisory Committee
- CapeROC – read more on page 95
- Community Access and Inclusion Reference Group – read more on page 59
- Community Facilities Advisory Group – read more on page 56
- Community Network Group – read more on page 64
- Liquor Forum – read more on page 73
- Local Emergency Management Committee – read more on page 70
- Sport and Recreation Advisory Committee
- Youth Advisory Council (YAC) – read more on page 57.



Above: Flexible bollards were installed throughout the Shire over 2016-17. This was a need identified with the assistance of the Community Access and Inclusion Reference Group



Above: Shire President, Ian Earl at the Readers and Writers Festival organised by Arts Margaret River



Goal 5: Effective leadership and governance

2. Effective strategy, planning and asset management

Priority project: Integrated planning and reporting (IPR) program

The Shire continued implementation of the IPR program over 2016-17, 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. Activity over 2016-17 included:

- A desktop review of the Corporate Plan 2016-20, endorsed by Council on 13 July 2016
- A desktop review of the Operational Plan 2016-17, endorsed by Council on 27 July 2016
- Quarterly reporting against the Operational Plan 2016-17 to Council on 10 August 2016, 9 November 2016 and 22 February 2017
- Ongoing desktop review of the Workforce Plan
- Desktop review of the Asset Management Plan to be completed by September 2017 which will include annual schedules for maintenance and renewal of Shire assets within this review round.

IPR documents set the direction for the organisation and guide development of all other strategies and plans in the Shire. Strategic documents prioritised for 2016-17 included development of:

- Desktop review of Ten Year Capital Works Program was completed in conjunction with review of Long Term Financial Plan
- Strategic Waste Masterplan has been rescheduled for completion over 2017-18 due to the degree of changes occurring within the Waste Services area
- The Sport and Recreation Strategic Plan was absorbed into the Shire's Community Infrastructure Plan, which is scheduled for completion in September 2017 (read more on page 53).

Priority project: Your Vision 2036

2016-17 has seen a major review of Community Strategic Plan (CSP), through the community engagement project Your Vision 2036 which extended over a full 12 months in order to develop meaningful professional relationships with community members throughout the Shire.

The project was based around a Community Reference Group (CRG) comprised of 36 community representatives across seven townsites and a wide range of interest areas. The purpose of the group was to conduct a full visioning exercise over six workshops with an external facilitator. Feedback was also gathered from the wider community throughout the process by Shire officers, in order to guide the CRG in their discussions. This included targeted engagement with the Youth Advisory Council, Sport and Recreation Advisory Committee, Art and Culture Advisory Group, Community Network Group, Community Access and Inclusion Reference Group, young families and culturally and linguistically diverse residents.

It is estimated that this project has successfully reached approximately 42% of the community through a wide variety of avenues and attracted over 1,000 submissions directly shaping the draft CSP 2036. The feedback showed a consensus in the community for three additional principles: climate change, social justice and technology, adding to previously established principles of sustainability, financial management and access and inclusion standards.

The reviewed plan is scheduled for final endorsement by Council in September 2017, following two weeks of formal community engagement.



Goal 5: Effective leadership and governance



Above: The Your Vision 2036 CRG pictured in Augusta, November 2016

“Collaboration between key decision makers of the Shire and the community is essential in planning for our future. We are proud to have worked with a group with such diverse views and experiences, and who proactively shared their perspectives.”

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 2016. LGIS held a Strategic Risk workshop with the Executive Leadership Team on 11 May 2017.

The Audit and Risk Management Committee met on 12 October and 14 December 2016, and 28 June 2017 and considered a number of matters including:

- Auditor's Report for 2015-16
- Annual Financial Report for 2015-16
- Risk Dashboard Report
- Compliance Audit Return for 1 January 2016 to 31 December 2016.

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

The Draft Long Term Financial Plan 2016-26 and its assumptions were presented at the Council Strategic Planning day on 16 November 2016. Council comments were used to update and finalise the Plan, which was adopted by Council on 12 April 2016. The LTFP balanced model includes the assumptions that the annual increase to the rate yield would be 4% in 2016-17 and 2017-18 and that the annual rate yield increase would reduce to 3% from 2018-19.

A major review of the LTFP has been scheduled to occur over 2017-18, in accordance with the newly endorsed CSP.

Shire's Annual Budget

The Annual Budget for 2016-17 was prepared and adopted by Council on 27 July 2016. Property rates were billed in July 2016 and mailed in early August 2016 with an issue date of 8 August 2016. 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 2016-17 were rolled over or redeemed at maturity, as required to meet cash flow needs. Shire loan principal and interest repayments processed in accordance with loan schedules throughout the year, with interest transferred to reserves each month as well as any additional funds required to be transferred. The balance of reserves increased from \$21,506,508 at 30 June 2016 to a forecasted balance of \$23,391,494 at 30 June 2017.



Goal 5: Effective leadership and governance

Annual Financial Report

The Annual Financial Report (AFR) for 2015-16 was prepared and provided to the Auditors on 1 August 2016. Following audit adjustments to the AFR, an unqualified Audit Opinion was received on 22 September 2016. A copy of AFR including the Auditor's Report was forwarded to the Department of Local Government, Sport and Cultural Industries on 29 September 2016.

The AFR for 2016-17 was provided to the Shire's external auditors on 1 August 2017. Audit sign off was received in October and was provided to the Shire's internal Audit and Risk Management Committee for review and discussion. The Concise Financial Report is included at the end of this document and the full version of the audited Annual Financial Report is available on the Shire's website – www.amrshire.wa.gov.au



Above: The Shire have achieved all deadlines for legislative financial reporting over 2016-17

Procurement and tenders

Procurement and tender processes at the Shire are in a process of constant improvement. Templates, processes and procedures are updated progressively and assistance continues to be provided to Shire staff through peer review of Request for Quotations and Requests for Tenders prior to their distribution. The review of the Purchasing Policy has been prioritised for 2017-18, with a recommendation for a new process around preferred supplier agreements for common purchases.

The Shire promotes a whole of life assessment approach for projects, with financial assessments and business cases of the viability of capital completed when required or requested. An example in 2016-17 was the replacement of light fleet vehicles by the Manager Works.

Priority project: Community engagement at the Shire

The Community Consultation and Stakeholder Engagement Policy was developed in 2016-17 in line with 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. The policy was endorsed by Council on 9 November 2016, enabling a whole of organisation approach for community engagement with a supporting framework of processes and templates for various scenarios.

The Shire officially launched its Your Say online community engagement website in July 2016. Performance over the year includes:

- 37 Shire projects hosted for community comment across a wide variety of topics
- A total of 1,045 registrations to the website showing spread across the local community
- 74% of registered users who have indicated they are from the local region. The great majority is Margaret River and Cowaramup aged 36 - 45
- The returning user rate has increased steadily over time indicating the same community members are successfully coming back and engaging on multiple topics
- Use peaked in October and November 2016 with the Margaret River Speedway generating 969 sessions
- 49% of users direct enter the Your Say address and 24% of users come from social media (mostly Facebook).

Ongoing project pages have included Your 2036 Online Vision Board, Talking Rubbish, and Margaret River Youth Precinct. Support has also been provided for the Margaret River and Augusta Tidy Towns application process and tour, held on 28 June 2017.

Face to face engagement has continued to be focus alongside hardcopy and online endeavours. Examples for 2016-17 include Shire stalls at the Margaret River Agricultural Show on



Goal 5: Effective leadership and governance

9 October 2016, Augusta River Festival on 5 March 2017 and Dejamoo in Cowaramup on 8 July 2017.



Above: The judges of the Your Vision 2036 competition at the Margaret River Agricultural Show in October 2016: Gary Evershed, Shire CEO, Terry Redman, Minister for Regional Development, Kylie Kennaugh, Deputy Shire President and Ian Earl, Shire President



Above: Grapevine feedback activity run at a Cowaramup community event in September 2016

Priority project: Enterprise Bargaining Agreement 2016

In February 2016, negotiations commenced for the Enterprise Bargaining Agreement (EBA) with the aim of delivering a document that would offer employees maximum entitlements whilst still being cost effective for the organisation. Following negotiations the following entitlements were modified:

- Salary increases of 2.5% for all EBA employees every July for three years
- Increase in the number of days accessible for compassionate leave
- Inclusion of Domestic Violence Leave provision

- Supplementary Leave Benefit becoming more accessible for new employees.

The EBA received 100% support by the workforce during the voting period and the document was formally endorsed by the Fair Work Commission on 31 August 2016. The salary increases stipulated in the EBA 2016 are in line with the Western Australia Wage Price Index which indicated increases of 2.3% for March 2017.

Priority project: Implement new asset management information system

The new asset management information system will provide best practice management of Shire assets through an efficient and holistic organisational database. Implementation over 2016-17 included the award of tender for supply and installation of an asset management information system. The provider held a workshop with relevant staff in September 2016 on system and data requirements for forward planning for building and other infrastructure assets. Data migration and system setup for all Shire buildings and infrastructure assets are progressing. Staff training and the official roll out of the database for use is scheduled for 2017-18.

Priority project: The asbestos replacement program

Asbestos management across Shire buildings continued to be a major focus in 2016-17, with development of a 15 year replacement program across ten Shire buildings. The program was developed based on the cost, importance, frequency of use by the public, which determined a final priority score for each building.

A Councillor briefing was delivered on 12 October 2016 followed by formal endorsement by Council, with support for borrowing \$1 million in 2016-17 financial year to commence the project. The program is fully integrated with the Long Term Financial Plan, with staged implementation from 2017-18.



Goal 5: Effective leadership and governance

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 and have been addressed throughout the year, including:

- Conducting building and infrastructure valuations including condition assessments
- 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.

Asset planning services over 2016-17 included:

- Reviewing information on over \$5 million of roads, paths and drainage infrastructure donated as part of new subdivision cleared this financial year
- Full external building valuation project indicating that Shire is managing 188 buildings with a written down valued of approximately \$57 million and a replacement cost of \$86 million
- Preparing for infrastructure valuations in 2017-18
- Uploading of inventories and valuations into the new asset management information system and displaying of information in IntraMaps
- Memorandum of Understand discussions with Department Biodiversity, Conservation and Attractions and the City of Busselton in regards to road responsibilities.

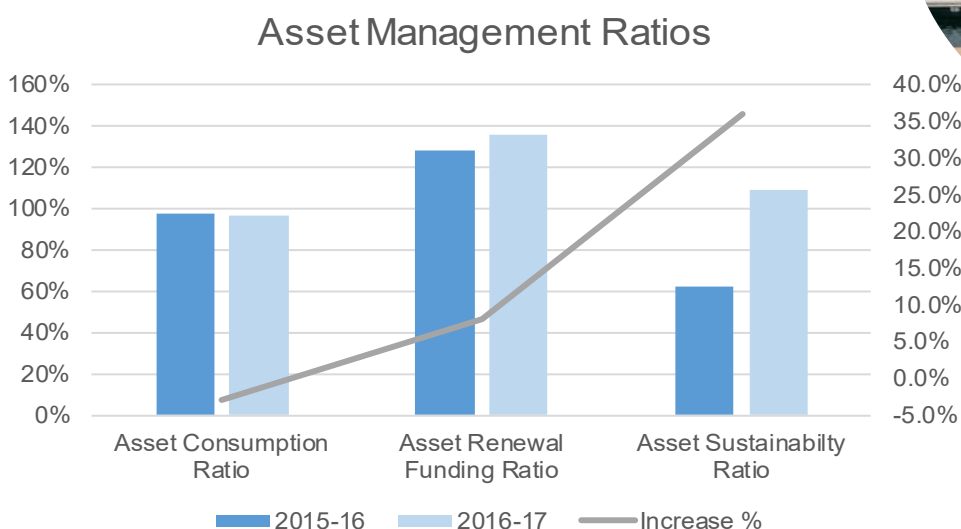


Figure 23: Shire asset management ratios over the last two years



Above: Augusta Boat Harbour



Goal 5: Effective leadership and governance

Priority project: Plant replacement program

The ongoing maintenance of Shire plant assets is important for viable organisational financial management. 2016-17 included the \$2 million plant replacement program including purchase of a grader, three heavy trucks, light truck, tri-axle low loader, multi-tyre roller, three movers and slashers, excavator, tractor and road broom. The majority of items were ordered in 2016-17, with varying delivery times expected in 2017-18. The new five tonne excavator arrived in July 2017 and is expected to improve operational performance, replacing an older and smaller model.

The light fleet replacement program was completed in January to March 2017, with the replacement of five light vehicles and two Ranger vehicles.



Above: New five tonne excavator which arrived in July 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. This includes:

- 25 Shire managed road bridges
- 63 Shire managed sealed carparks and 11 unsealed carparks
- 130 kilometres of pipeline, 5,000 pits and 1,400 culverts

- 20 Shire managed boat ramps and jetties
- 48 Shire managed pedestrian structures including viewing platforms and staircases to assist with beach access and a further 30 structures providing access to other inland recreational areas
- Two aerodromes, one in Margaret River and one in Augusta.

Highlights in works completed for 2016-17 included improved drainage for Ellen Brook Road and Rocky Road, as well as kerbside improvements on Bovell Avenue in Margaret River. Investigations for the Le Souef Street infill drainage scheme are ongoing with initial easements for a number of affected properties been lodged over the 2016-17 year. Detailed design is currently underway with construction expected in 2017-18.



Above: Twin culvert drainage to Bullant Drive (typical project)

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 the Emerging Leaders Program, which was completed in December 2017, development of the Events Strategy (read more on page 76) and the Community Consultation and Stakeholder Engagement Policy. The focus for 2017-18 includes implementation of the document control process and improvements to the Shire's procurement and tender processes.



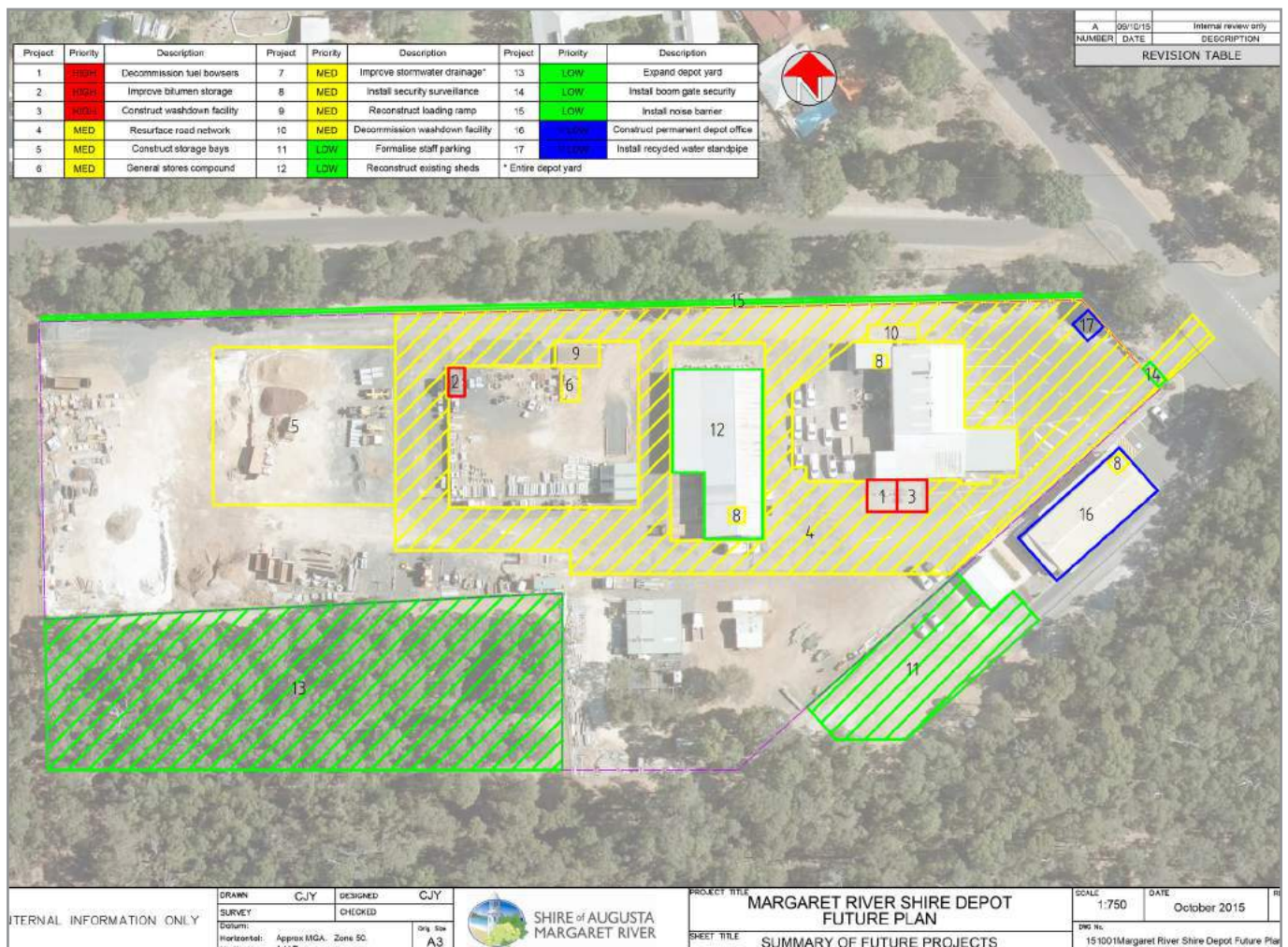
Goal 5: Effective leadership and governance

Margaret River Depot masterplan

2016-17 saw the 50 year old vehicle shed demolished, after spending approximately 40 years at the current Depot site. The shed will be replaced with a 36 metre by 15 metre engineered shed with open storage bays in 2017-18. Other upcoming projects include the decommissioning of a disused bitumen emulsion tank and safety improvements throughout the Depot.



Above: The old shed soon to be replaced through the masterplan



Above: The Margaret River Depot Master Plan



Goal 5: Effective leadership and governance

Works requests

Customer Works Requests 2016-17

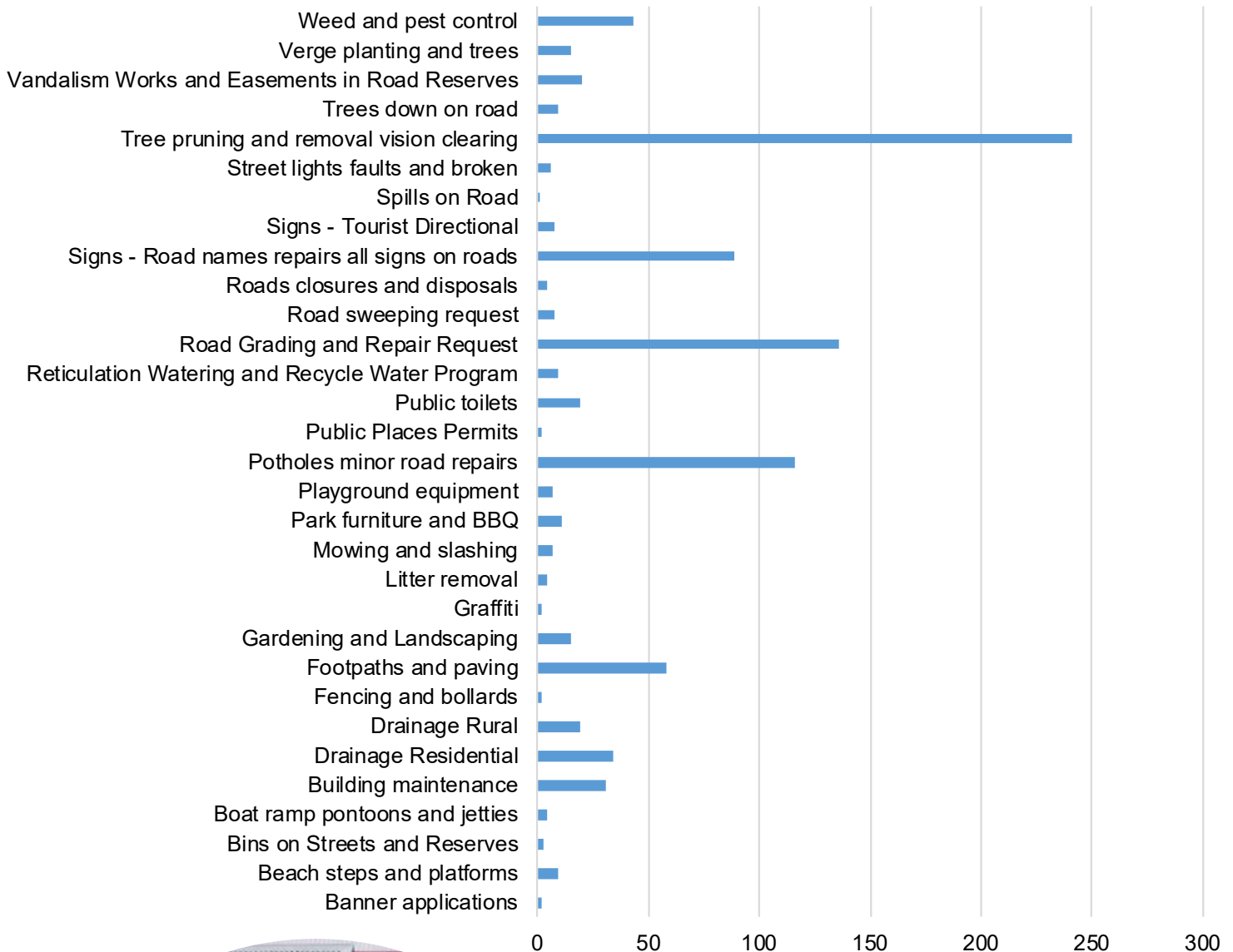


Figure 24: A total of 934 requests were received from customers for works to be done by the Shire, the majority being tree pruning and removal and road grading and repairs



Left: Customer works requests over the last year have been managed on schedule



Goal 5: Effective leadership and governance

Land Asset Management Plan (LAMP)

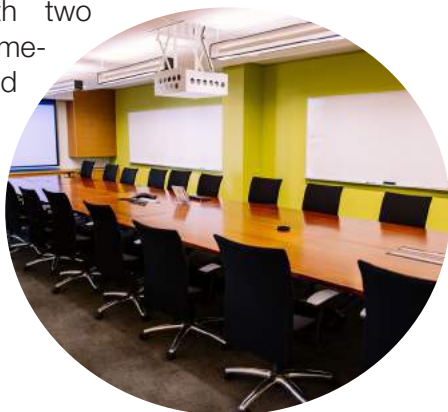
The LAMP provides an ongoing plan for the management of Shire land. A review of the LAMP is required every two years, and was completed in September 2016 with endorsement from Council on 14 December 2016. The review included the sale of one property, the removal of three properties for native title or conservation reasons and the addition of four new freehold properties plus one potential reserve. The review also recommends the relocation of two community uses from freehold lots to reserves.

Implementation of the LAMP included a meeting held on 2 May 2017, with various tasks allocated to various Shire business areas. Valuation was obtained for most LAMP freehold properties in June 2017. A follow up implementation meeting is scheduled for September 2017.

Legal services

Legal matters dealt with by the Shire's Legal team in 2016-17 include:

- Preparing and executing 12 new leases or lease variations over local government land, the majority of lessees being community groups
- Investigation and enforcement action in relation to legislative breaches, with two successful prosecutions in the Magistrates Court: one for an intentional obstruction of a thoroughfare and the other for a serious dog attack
- A number of notices and infringements issued in relation to encroachments on local government land and unauthorised development
- Three State Administrative Tribunal appeals, with two resolved in mediation and the third currently going through the mediation process.



3. Effective knowledge and information management

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 2016-17, activity included:

- 35,103 transactions processed by the Records team
- Seven freedom of information requests
- 72 files and 214 boxes of records disposals
- Six Shire officer inductions and four training sessions.

At the end of 2016-17, there were 1,534 pieces of outstanding correspondence. This shows an increase of 13 from 2015-16.

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.

The Shire has standardised on the Windows 7 Professional operating systems for desktop computers and Windows Server 2012 R2 for servers. Email and collaboration services are provided by the use of Exchange 2010, SharePoint Foundation 2013 and Microsoft Office 2010. 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.

Left: Mainbreak Meeting Room has a wide range of audio visual capabilities including projector, projector screen, wireless keyboard, wireless mouse and a Polycom speaker phone



Goal 5: Effective leadership and governance

Information Management (ICT) services continued:

Highlights for the year include:

- A PC refresh program was completed from September through to 30 November 2016, including significant expansion of public PCs at libraries
- Success rate of 100% for monthly data backup
- 27 new Shire employees completing ICT inductions

- One small network outage occurred in March 2017 due to outside events, and was fully functional within two hours.

The ICT team will continue to focus on improving its service to the staff and customers of the Shire. Where possible, technological change will be harnessed to increase the reliability and cost effectiveness of service delivery without an increase in ICT staff numbers.

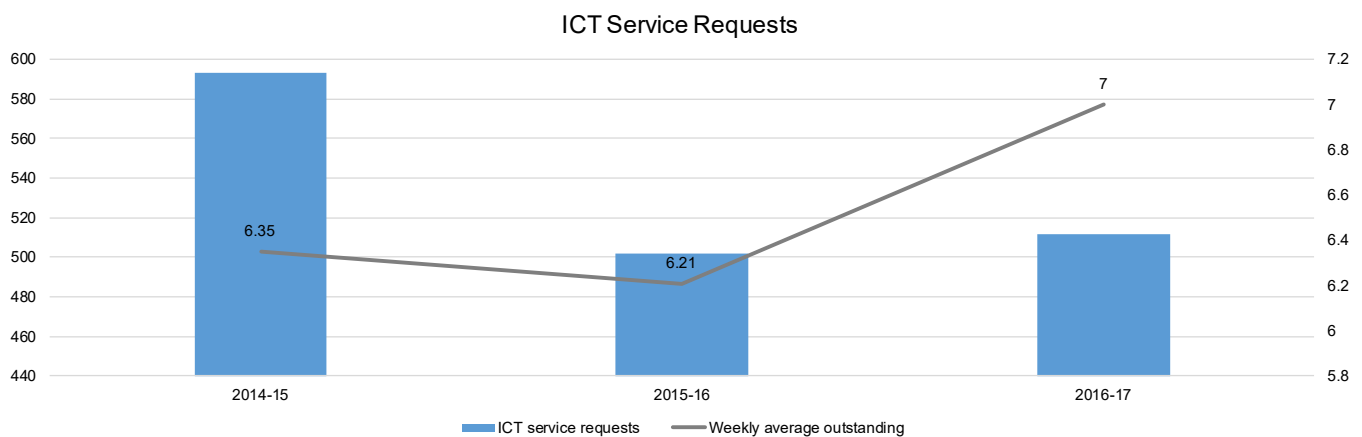


Figure 25: Workforce service requests for information technology at the Shire over the last three years has increased slightly

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 (EBA). An ongoing strategy to reduce excessive leave entitlement has been ongoing over the past two years.

In 2016-17 the CEO implemented multiple strategies to combat excessive leave balances, resulting in the Shire clearing 3,613.39 hours or a 65% reduction of excessive leave in the 2016-17 financial year. Strategies included:

1. Fortnightly Leave Accrual Reports - Sent to all reporting officers who are instructed to approach any employees in the excessive leave categories and discuss an appropriate time for the leave to be cleared

2. Monthly Excessive Leave Report - Issued to management and identifies all employees with excessive leave to plan how that leave can be managed and cleared. For example, if an employee does not have a leave plan, the Human Resources team issue a formal letter signed by the CEO instructing them to submit a leave plan within one month and a signed acknowledgement is given
3. Cashing out leave - As per the Leave Procedure, employees are given the option of cashing out excessive leave
4. Extensions - In the event an employee is unable to clear the leave by the deadline, they are to seek written approval from the CEO outlining the circumstances, this is a last resort and clear reasoning must be given.



Goal 5: Effective leadership and governance

Employee development and growth program

The Shire implemented an organisational development program that included the following initiatives over 2016-17:

- Emerging Leaders – Round 2 in October to December 2016
- Recovery Coordinator – October 2016
- Having Difficult Conversations – 12 October 2016
- Dealing with Difficult Customers – 3 November 2016
- Safety Representative Training – September, October and November 2016
- Equal Opportunity Training - 1 March, 31 May and 1 June 2017.

Overall training and development expenditure accounted for 1.62% of the Shire's salary and wages expenditure paid over 2016-17. There was a decrease in actual training expenditure throughout the 2016-17 financial year and this was due to:

- Increase in employees taking Parental Leave and also 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.

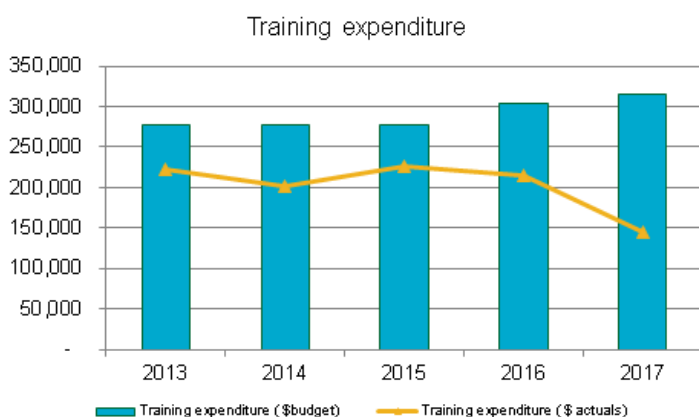


Figure 26 above: Workforce training expenditure budget vs actual expenditure at the Shire over the last five years

Employee recruitment

The Shire had a total of 44 job vacancies in 2016-17, of which 32 were advertised externally, seven advertised internally and five were direct

appointments. There was an increase in recruitment expenditure for the 2016-17 financial year due to the need to fill several senior positions and the utilisation of speciality recruitment services to fill some senior roles.

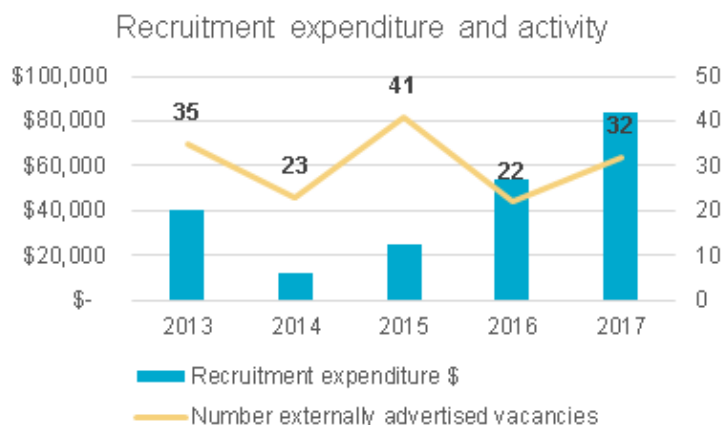


Figure 27 above, right: The recruitment expenditure costs and number of externally advertised vacancies over the last five financial years

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 that are as follows:

- Creation of retention strategies in order to maintain staffing in particular those identified within Western Australia occupational skill shortage registers
- Reallocating existing resources to higher priority areas that are experiencing higher demand and workloads.

The Shire's Workforce Plan provides a short, medium and long term approach for its workforce. 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. 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).



Goal 5: Effective leadership and governance

Key workforce changes within the 2017-18 budget are as follows:

Unit	Services	Workforce
Ranger Services	Manage increase in workload over the summer period	New additional Ranger position for fixed term period (0.5 FTE)
Caravan Parks and Campgrounds	Reviewed management arrangements for Alexandra Bridge Campground	Overall reduction of 0.61 FTE Development of resourcing synergies across entire operations
Infrastructure Services Directorate	Reduction in Personal Assistant services to the Director Infrastructure	Reduction in Personal Assistant Infrastructure role (-0.5 FTE) that has been reallocated to Community Buildings
Community Buildings	Manage requirement for administration support	Increase in existing Building Assets Officer role (0.5 FTE)
Public Works Overheads	Manage the quality assurance of construction works	New Works Inspector role (1.00 FTE) that has been reallocated from Maintenance
Maintenance	No change to services	Reduction in Maintenance (-1.00 FTE) with FTE reallocated to Works Inspector role
Building Control	No change to services	Reduction in total FTE due to rounding (-0.06 FTE)

The Shire's Full-Time Equivalents (FTE) budgeted and actual for 2016-17 were respectively 167.35 and 161.74. The differential in FTE was represented by the following:

- Increase in the number of employees taking Parental Leave during the period. The organisation had nine employees take Parental Leave during the 2016-17 financial year
- Increase in employees taking Long Service Leave due to excessive leave audits.

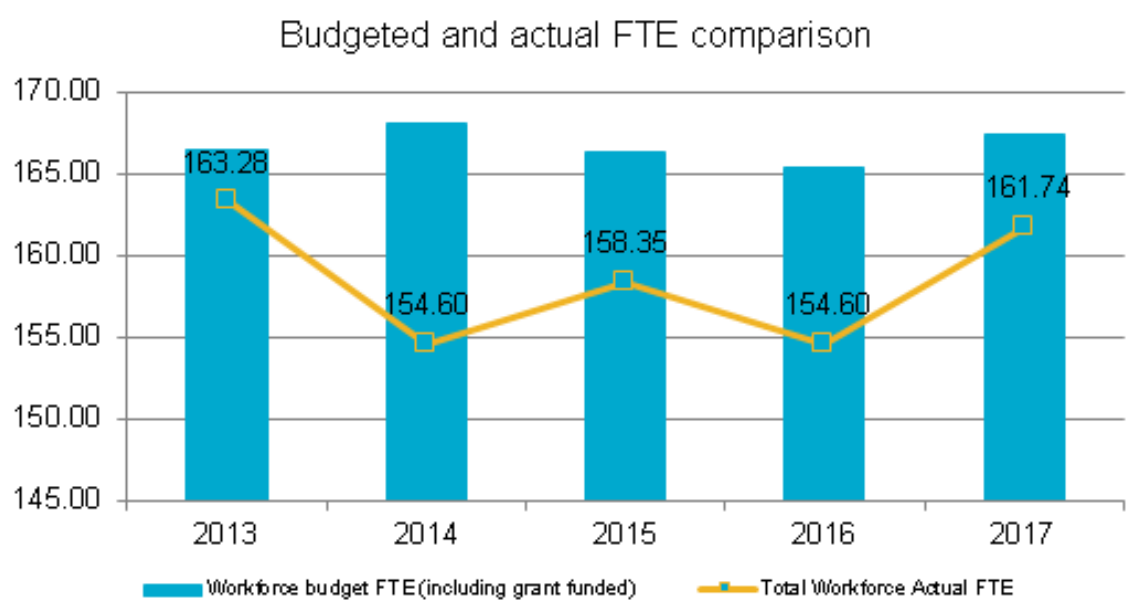


Figure 28: The comparison of budgeted and annual FTE at the Shire over the last five years



Goal 5: Effective leadership and governance

Employee retention

The Shire's voluntary staff turnover rate remained relatively stable at 14.79%, with 29 employees leaving the organisation throughout the year, having amassed 119.1 years of service at the Shire:

Business Unit	No.	Loss of service - Shire
Aquatics	5	13.7
Caravan Parks	2	6.0
Childcare	8	29.3
Community Planning and Development	1	1.1
Emergency Services	1	1.9
Finance	1	2.1
Infrastructure	2	8.4
Information Management	1	4.7
Library Services	1	2.6
Ranger Services	1	2.1
Revenue and Customer Service	1	11.6
Planning and Development	1	0.3
Waste Services	2	22.6
Works	2	12.7

The Shire conducted 12 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 12 separation interviews were conducted as a majority of the turnover stemmed from seasonal employees who resigned in the off season.

The average length of service at the Shire for 2017 is 7.12 years which is an increase of 1.09% from 2016 average of 6.50. This increased significantly from last year as long serving employees were retained while a majority of turnover resulted from seasonal or fixed term contracts. This now means that the average length of service is equal to the due date of Long Service

Leave pro rata entitlements which may result in an increase in employees taking long service leave in the coming financial year.

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 workforce costs in 2017 was 72.9%. The Shire achieved an actual workforce cost ratio of 67.8% in 2017.

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

Activity to support workplace diversity over 2016-17 included Equal Opportunity Essential Training delivered by the Equal Opportunity Commission in March 2017, with three additional sessions held in May 2017 capturing a majority of senior management, reporting officers and human resource employees in the organisation.

The local government Equal Opportunity Survey in 2017 identified the Shire's workforce breakdown as follows:

Workforce Group	Representation %	
	Indoor	Outdoor
Women	70.9	5.4
People from culturally diverse backgrounds	7.3	3.6
Aboriginal Australians	0	1.8
People with disability	1.3	5.5
Youth	7.9	1.8
Mature employees	35.8	64.3
Women in tier 2 management	33.3	N/A
Women in tier 3 management	36.4	N/A



Goal 5: Effective leadership and governance

Employee performance

182 performance reviews (PES) were completed throughout 2016-17, with nine outstanding. The outstanding performance reviews were due to the following reasons;

- Three employees on maternity leave during the review period
- Five employees were casual and not available 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 2017-18 review period. The payroll team administered pay increases for pay period ending 25 October 2016.



Above: Norma Guthrie awarded for 35 years long service at the Shire

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 2016-17 year there were 60 instances of where staff were formally recognised by the Shire, including:

- 16 Peer Recognition Awards awarded at the all of staff meeting held on 16 December 2016, comprising of 13 individual awards and three team awards
- 17 Peer Recognition Awards awarded at the all of staff meeting held on 14 July 2017 – comprised of 13 individual and four team awards
- 23 service recognition awards, with two employees celebrating over 30 years of service.



Above: During the 2016 Ranger Conference, Mike Molyneux – Coordinator Ranger Services received his 10 years of service medal



Above: Zach Sholer received an award for 15 years long service at the Shire

Employee recognition types

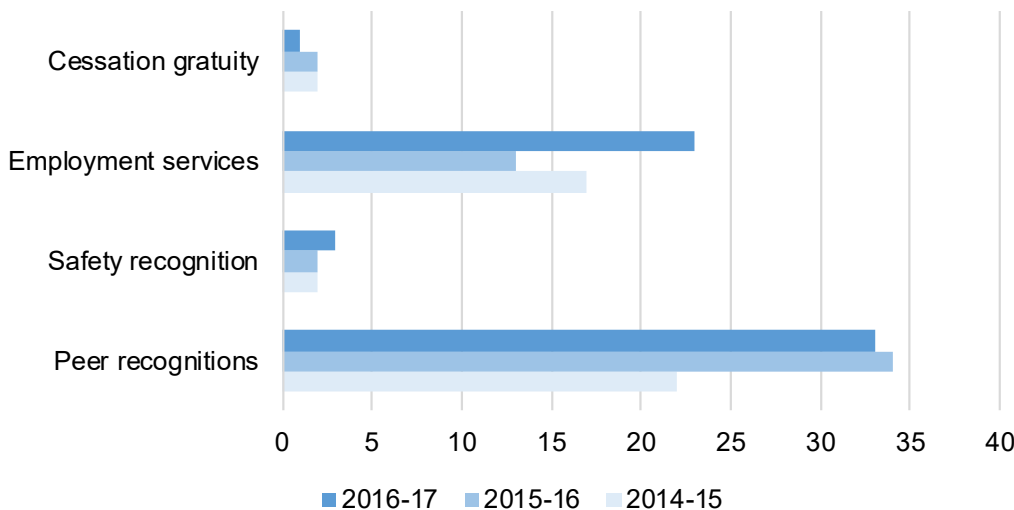


Figure 29: The number and type of employee recognition received by officers of the Shire over the last three financial years



Above: Andrew Ross received the Local Government Professionals 'WA Finance Professional of the Year'



Goal 5: Effective leadership and governance

Occupational Safety and Health Management Plan

The Shire has continued to strive towards improving its occupational safety and health performance, with preventative programs conducted in 2016 - 2017 as follows:

- Safety representatives trained and inducted into inspection processes
- Inspections completed include Waste Services, Recreation Centres and the Asbestos Register
- Safety Officer inducted in construction, drainage, waste, sports and recreation, health and rangers
- Safety Officer facilitated major high-risk facilities evacuation drills with emergency

response volunteers which included the main administration buildings, Recreation Centres, Caravan Parks, Zone Room and Libraries

- 40 area wardens completed fire extinguisher training for the organisation
- Ten stand up desks implemented throughout the organisation.

Over 69 hazards were identified by staff over 2016-17, of which 38.30% were risk rated as either high or significant, resulting in immediate attention being required. The majority of these hazards were identified through the Shire's formalised inspection program, with 40 hazards identified from formal inspections being undertaken.

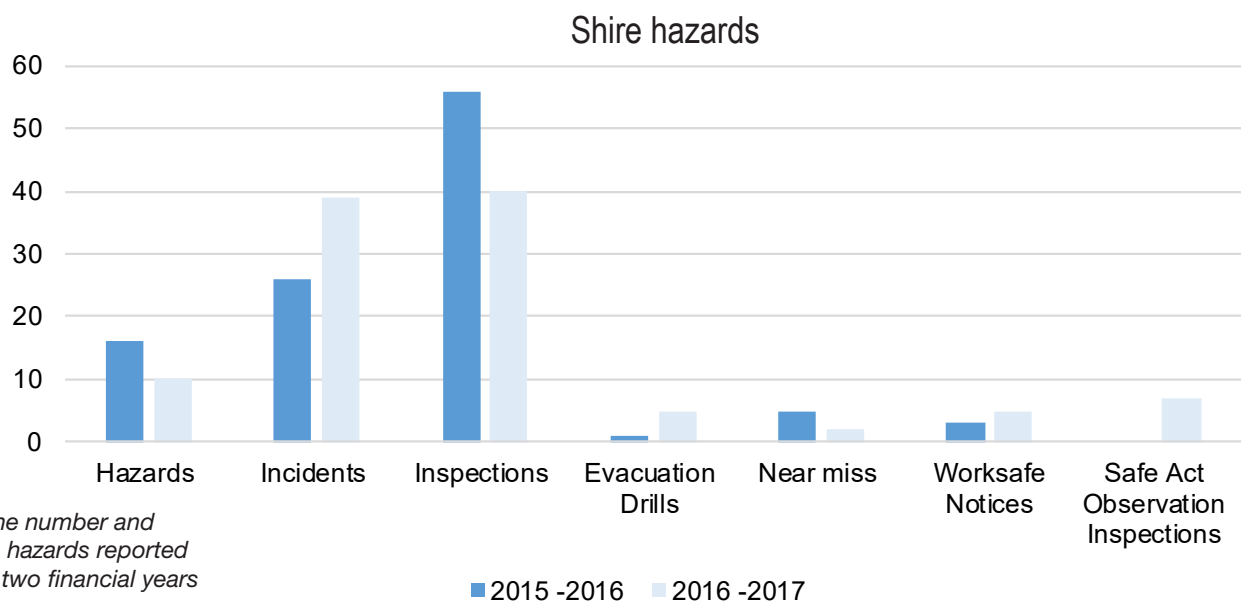


Figure 30: The number and type of Shire hazards reported over the last two financial years

57 Shire employees took part in the fit24 challenge during the month of May 2017 – achieving an average weight loss of 2.2kg and 40% of participants achieving 100% of zero sugar, 30 minutes of daily exercise and eight hours of sleep each night.

Right: Results from the Shire's fit24 in May 2017

Weight	60%	of participants lost weight
	72kg	total weight loss (taken from 32 survey respondents)
	2.2kg	average weight loss (taken from 32 survey respondents)
Behaviour	54%	will continue to reduce or eliminate sugar from their diet
	69%	will continue to prioritise getting enough sleep
	79%	will continue to prioritise moving more during the day



Goal 5: Effective leadership and governance

Workers Compensation Claims

The Shire had four workers compensation claims over 2016-17, maintaining a low level of claims from previous year 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.

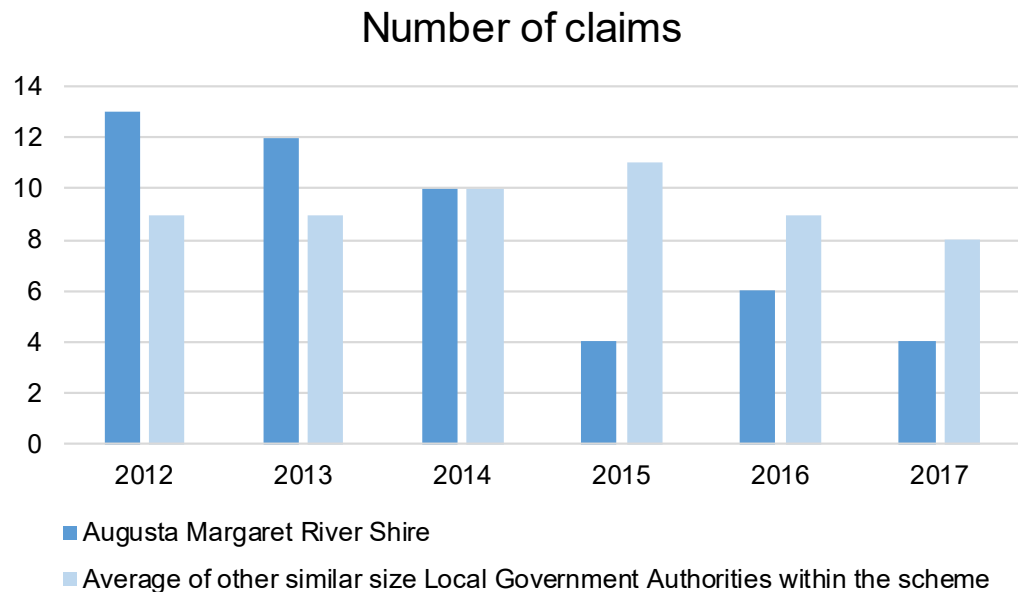


Figure 31: The number of claims at the Shire over the last six years compared to other local government authorities of similar size



Above: Reduction in workers compensation claims allowed the organisation to purchase 10 stand up working stations in order to minimise ergonomic workplace fatigue, through the Local Government Insurance Scheme

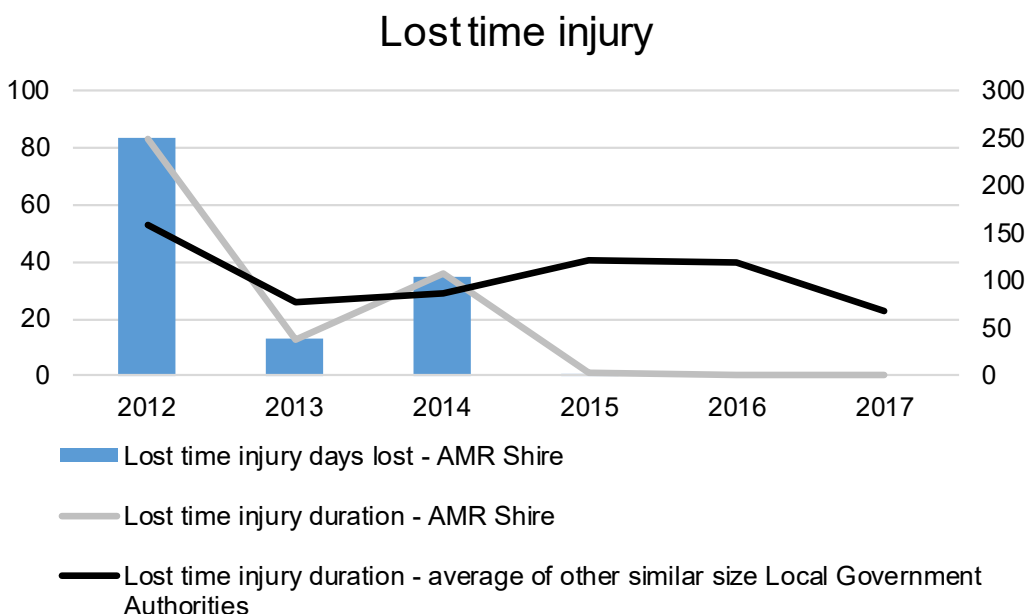


Figure 32: The lost time due to injury at the Shire over the last six years compared to other local government authorities of a similar size



Above: Reduction in workers compensation claims allowed the organisation to purchase an OHS "Bax Pack" for all employees, through the Local Government Insurance Scheme



Goal 5: Effective leadership and governance

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 2016-17 included:

- Your 2036 all of staff meeting held 18 October 2016
- End of calendar year event held on 16 December 2016
- End of financial year event held on 14 June 2017.

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.

To eliminate issues associated with the treatment of benefits, other than cash salary, the Shire has adopted a total employee cost approach to remuneration. This packages all remuneration into one total number whether or not it is cash. This is considered a far more transparent and open approach to payment and goes much further than the requirement of the regulations.

Figure 11 to the right is based on what each employee actually received over the period of the Annual Report, whether employed for a full year or not, and includes:

- Annual cash component including overtime, back payments and allowances (including motor vehicle)
- Statutory 9.50% superannuation (10% plus Shire co-matching for Enterprise Agreement employees)
- Salary sacrifice
- Unpaid leave or leave paid at half pay
- Additional leave entitlements
- Professional development
- Professional memberships

- Advance leave payments and cashing out of leave (either upon request or termination)
- Higher duties where applicable.

For further detailed information can be found in the Shire's Workforce Plan: Report and Update 2017 located on the Shire's website:

www.amrshire.wa.gov.au

Salary package range (\$)	Number of employees 2016-17
100,000 - 109,999	
110,000 - 119,999	2
120,000 - 129,999	1
130,000 - 139,999	
140,000 - 149,999	6
150,000 - 159,999	
160,000 - 169,999	
170,000 - 179,999	
180,000 - 189,999	
190,000 - 199,999	1
200,000 - 209,999	2
210,000 - 219,999	
220,000 - 229,999	
230,000 - 239,999	
240,000 - 249,999	
250,000 - 259,999	
260,000 - 269,999	1
Total	13

Above: The salary package range of Shire employees earning above \$100,000 over 2016-17



Goal 5: Effective leadership and governance

5. Community and customer focus

Priority project: Implement the Integrated Communications Plan

Implementation of the Integrated Communications Plan continued over 2016-17, with a total of 61 media releases, 21 community newspaper updates and 52 community consultations via newspaper and email.

Design and production work included:

- Updating library collateral and new blog
- Your Say templates
- Recreation Centre branding
- HEART branding
- Corporate brand stationery and document templates
- Shire entry signage
- Environmental Sustainability Strategy video
- Invitation templates
- Main Street Redevelopment community engagement
- Waste services and Tip Shop
- New brochures for Pet Ownership, Ringtail Possum Conservation, Camping, Firebreak and Fuel Hazard Reduction, Wadandi Track
- ACROD bays
- Living smart
- Flinders Bay community engagement
- Monitoring of website links and content updates.

Customer services

The Customer Service team have processed a total of 7,346 transactions between July 2016 to June 2017. Front counter staff process payments including planning, building, health applications, rates, animal registrations and renewals, and also assist customers with a variety of general enquiries and provide customers with information.

The Shire commenced as a TransWA ticketing agency on 1 November 2016, with 152 ticket sales over 2016-17. Customer Service commenced regular meetings with teams from all directorates to streamline the Shire's form templates and payment processes.

Activity	2016-17
Customer requests logged	2,407
Phone calls Margaret River office	7,155
Total collected revenue	\$11,352,401
Shire transactions	7,346
Department of Transport transactions	15,800
Department of Transport commission	\$285,030

The Shire received a total of 20 complaints over 2016-17, categorised as follows:

- Administration – 3
- Building and Planning – 5
- Camping – 5
- Community – 2
- Environment – 0
- Engineering – 5.



Above: The Customer Service Team set up a new initiative with the Margaret River High School. The Team put together Learner Packs which included all the reference material, guidelines and step by step process on how students get their licence after passing their 'keys for life' at school



Goal 5: Effective leadership and governance

6. A culture of innovation, quality and continuous improvement

Priority project: Review of Standing Orders

A review of Standing Orders was conducted in 2016-17 and Council resolved, at the 24 May 2017 Ordinary Meeting of Council, that the Shire does not need to adopt a new local law. Council resolved a comprehensive review be conducted in 2018-19 in accordance with Part 2 of the *Local Government Act 1995*.

Priority project: Review 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.

The policies reviewed over 2016-17 included:

- GL1 - Special Meeting following Annual Elections
- GL2 - Councillor Induction
- GL4 - Councillor Professional Development
- GL5 - Councillor Contact with Administration
- GL6 - Councillor Agenda and Concept Forums
- GL7 - Acting Chief Executive Officer
- GL8 - End of Term Acknowledgement Function
- GL9 - Council Delegates
- GL10 - Women in Local Government
- GL11 - Financial Viability
- GL12 - Reimbursement of Expenses
- GL13 - Legal Representation
- GL14 - Recognition for Departing Councillors
- GL15 - Councillor Requests for Information
- GL16 - Privacy Policy

- GL17 - Use of Shire Logo
- GL18 - Councillor Email Policy
- GL19 - Correspondence Addressed to Councillors
- GL20 - Donations and Community Grants
- GL21 - Aboriginal Reconciliation
- GL22 - Social Justice
- GL23 - Cultural Diversity
- GL24 - Business Excellence Framework
- GL25 - Recording of Councillor Attendance at Meetings
- GL26 - Caravan Parks and Camping
- GL 27 - Economic Development
- GL28 - Tourism
- GL28 - Icon Events Sponsorship
- 2.4.6 - Community Engagement and Stakeholder Management Policy
- 2.4.7 - Homelessness Policy
- LPP1 - Outbuildings and Farm Buildings
- LPP6 - Planning Compliance Policy
- LPP7 - Holiday Houses
- LPP11 - Jetties
- LPP17 - Exemptions from Development Approval
- LPP19 - Small House Policy
- LPP20 - Sustainable Design Policy
- 5.1.2 - Risk Management
- 5.2.6 - Credit Card Policy

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. Over 2016-17, two process improvements occurred:

- Shire website and generic email included on rates notice and invoices
- Improved efficiency of mail distribution for Library, Depot and Recreation Centre.



Goal 5: Effective leadership and governance

7. Measure and report on success and sustainability

Finance auditing

A review of internal controls, legislative compliance and risk management to comply with regulation 17 of the Local Government (Audit) Regulations 1996, was conducted by consultant accountants in October 2016 with the final report received on 2 December 2016.

The report was reviewed and considered by the Audit and Risk Management Committee on 14 December 2016. The deadline of completing this review by 31 December 2016 was achieved.

An external audit field visit occurred from 10 to 12 August 2016. Audit adjustments actioned as required. An interim audit was conducted from 22 to 24 March 2017 as scheduled.

Local Government performance improvement group

The Shire participated in the Price Waterhouse Coopers Local Government Operational and Management Effectiveness Self Assessment Program in August 2016. 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 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 2015-16 was endorsed by Council at the General Electors Meeting of 14 December 2016.

Quarterly updates on the Community Strategic Plan were prepared and published on the Shire's website throughout each quarter of 2016-17, to communicate completed projects to the community.

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 2016-17, 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 to a diverse community, including people with disability, their families and carers. The Shire strives to continually improve access and inclusion for all its community members. The Shire of Augusta Margaret River commits to:

- All events and services provided by the Shire or on behalf of the Shire being accessible and inclusive of all community members, as far as is practicable
- Ensuring all future buildings and assets meet the Building Code of Australia which includes compliance with the Access to Premises – Building Standards (2010) under the *Commonwealth Disability Discrimination Act (1992)*
- Upgrading existing assets, buildings and facilities to meet the Access to Premises standard as they undergo significant refurbishment, renovation or replacement
- Providing information in alternative formats and to provide access to public information to all members of the community upon request
- Ensuring all staff, including those contracted, volunteers or agents working on behalf of the Shire provide the same high quality

level of service to people with disability as experienced by other community members

- Providing the same opportunities for people with disability to participate in public consultation and the opportunity to make complaints as received by other members of the community
- The *Equal Opportunities Act 1984*, as well as identifying and removing barriers to employment so that people with disability can obtain and maintain employment with the Shire.

The Shire is committed to achieving the desired outcomes of its Disability Access and Inclusion Plan 2014-2016 by taking all practical measure to ensure the implementation of the Plan by its Councillors, staff, agents and contractors. View the full list of Disability Access and Inclusion Plan key outcomes for 2016-17 on pages 59 of this report.

Financial summary

According to the Statement of Comprehensive Income, the Shire recorded a net result of a surplus of \$9,475,210 for the 2016-17 financial year. This result was a 20% increase on the previous year. This improved result was primarily due to the recognition of the non-cash value of infrastructure assets constructed by developers in subdivisions of \$5,410,775 as well as the advance payment of half of the 2017-18 Financial Assistance Grants allocation of \$677,329. After the inclusion of the non-cash revenue from the fair value revaluation of fixed assets, the statement shows a result for the year of \$16,335,621.

The net result should not be confused with the Shire's budget position represented in the Rate Setting Statement which shows a budget surplus of \$4,331,506 being recorded at 30 June 2017. This surplus is a result of capital and operating projects being delayed or deferred to the following year, over budget revenues and under budget expenditures for 2016-17 as well as the advance payment of the financial assistance grants payment. Therefore, this surplus will fund projects and expenditure budgeted for 2017-18. The amount of this surplus is \$290,277 higher than that included in the 2017-18 Budget. This financial benefit will offset the negative impact of items announced or identified after budget adoption, such as the State Government's decision to reduce Main Roads Western Australia direct grants by 42% or \$98,877.

Total revenue received for 2016-17 was \$43,049,517 and was 7% higher than last year. The majority of the Shire's revenue is obtained from rates (45%) with fees and charges providing 22% of revenue. Grants received for capital items and projects totalled \$9,819,155 or 23% of total revenue and were inflated by the recognition of the non-cash value of infrastructure assets in subdivisions. The Shire's high proportion of own source revenue from rates and fees and charges means it is not reliant upon operating grants from the federal or state governments which provided 7% of total revenue and was inflated by the advance payment received in June 2017 of 50% of the Shire's 2017-18 Financial Assistance Grants allocation.

Total operating expenditure for the year was \$33,574,307 and was 4% higher than last year

due primarily to the increased allocation of depreciation resulting from the mandatory revaluation of the Shire's assets at fair value. Depreciation increased by 9% from \$8,107,587 to \$8,805,609. Employee costs continue to be the Shire's largest expenditure item and constitutes 41% of total operating expenditure (42% last year). Depreciation is 26% (25% last year) and expenditure on materials and contracts of 21% (23% last year) are the next largest items of expenditure. Interest on loan borrowings totalled \$504,213 for the year or only 2% of total operating expenditure, which is the same percentage as last year.

The charts on the following page provide a diagrammatic representation of revenue and expenditure.

Financial summary

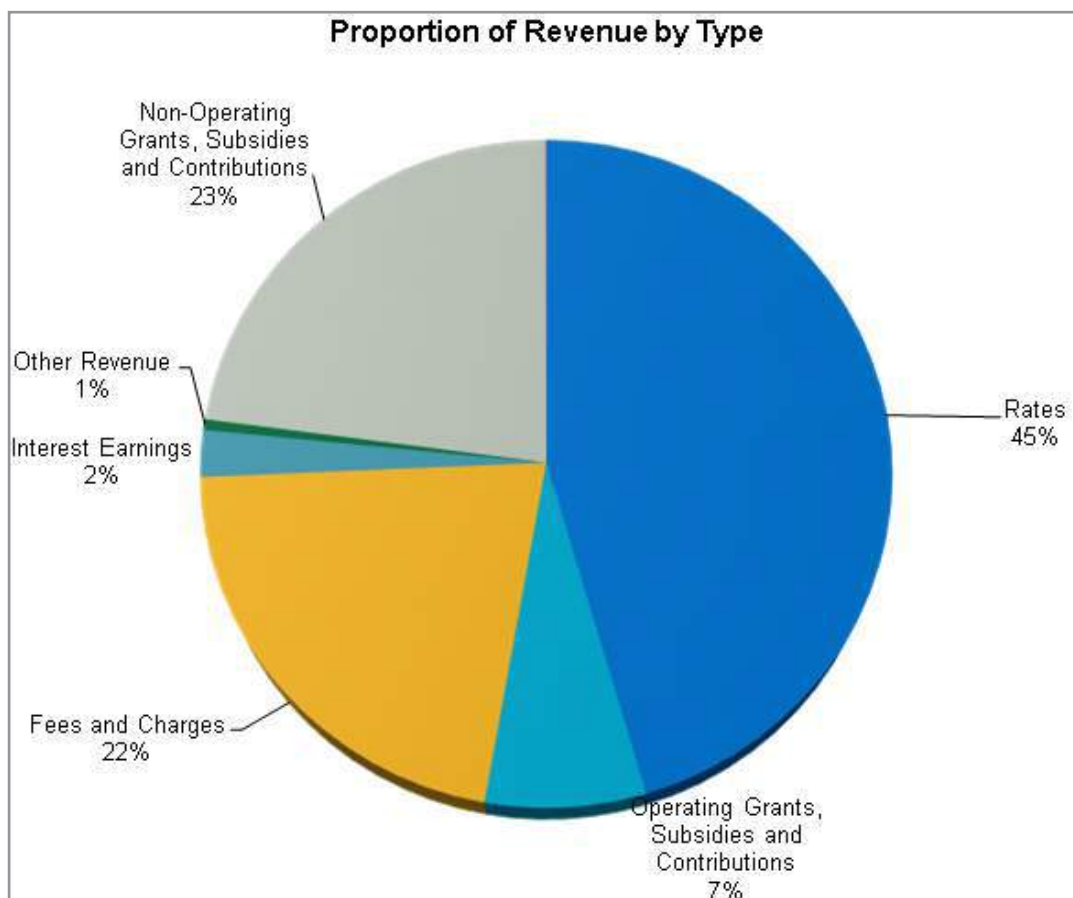


Figure 33: Diagrammatic representation of Revenue by Type

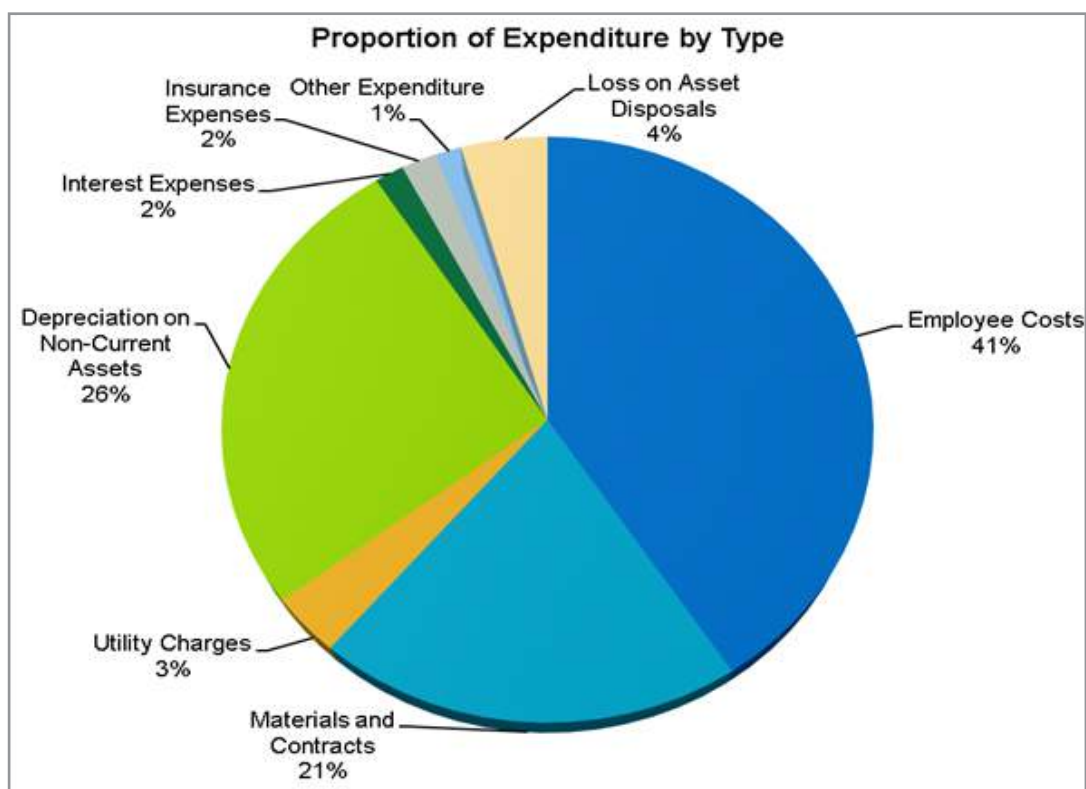


Figure 34: Diagrammatic representation of Expenditure by Type

Financial summary

Total capital expenditure for 2016-17 was \$14,170,415 and was 80% higher than expenditure for the previous year. The main reason was the inclusion of infrastructure assets in subdivisions of \$5,410,775. Removing this amount reduces capital expenditure to \$8,759,640 and is a more reasonable 11% higher than last year.

Projects for the year included:

- The reconstruction of Leeuwin Road, Rosa Brook Road, Treeton Road and Wallcliffe Road
- Renewal of the Blackwood Avenue and Wallcliffe Road paths
- Commencement of the construction of 3 chalets at the Turner Caravan Park
- Replacement of hot water systems at Turner Caravan Park
- Formalisation of sites and related works at Alexandra Bridge Campground
- Construction of the second waste cell at the Davis Road landfill site
- Upgrade of toilets at Gracetown swimmers beach and the Margaret River Youth Precinct
- Various improvements to parks and public open space including fencing and equipment
- Works to replace the bulkhead and grandstand at the Aquatic Centre
- Asphalt overlays, reseals, gravel resheets and gravel reshouldering to renew the Shire's extensive sealed and gravel road network
- The programed replacement of light fleet and mobile plant.

The following chart compares capital expenditure for the current and past four financial years and shows a continued emphasis on transport related projects including roads, drainage and paths.

Capital Expenditure Comparison

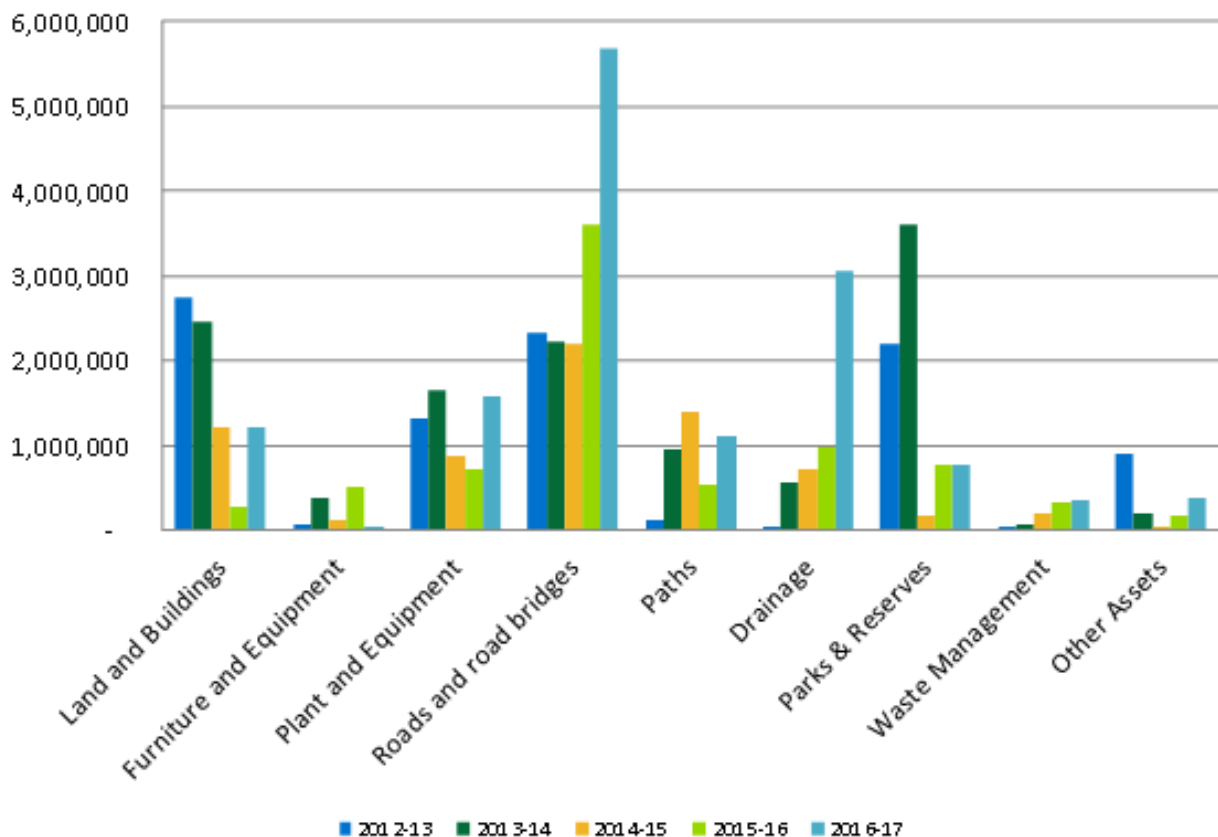


Figure 35: Capital expenditure comparison over the last five financial years showing the emphasis on transport related projects

Financial summary

A comparison of the balance of loan principal outstanding, cash backed reserves and loan repayments (principal and interest) for the current and past six years are shown in the following chart. Loan principal outstanding is steadily declining and is attributable to no new loans being drawn down in recent years. Total loan principal and interest repayments have remained relatively steady for the past few years.

The balance of reserves for future works continues to increase as any proceeds from property sales, unbudgeted windfall revenue, under budget expenditures and grants for future year's expenditure are transferred to reserves. Over \$4 million was transferred to reserves with the major transfers being to the Waste Management, Community Facilities, Margaret River CBD Redevelopment, Developer Contributions and Plant Replacement reserves. At the end of the year, the reserves with the largest balances were the Waste Management reserve (\$7,133,988 for future works including converting the Davis Road landfill site to a transfer station) and the Margaret River CBD Redevelopment reserve (\$6,697,946 allocated for the Main Street Redevelopment Project).

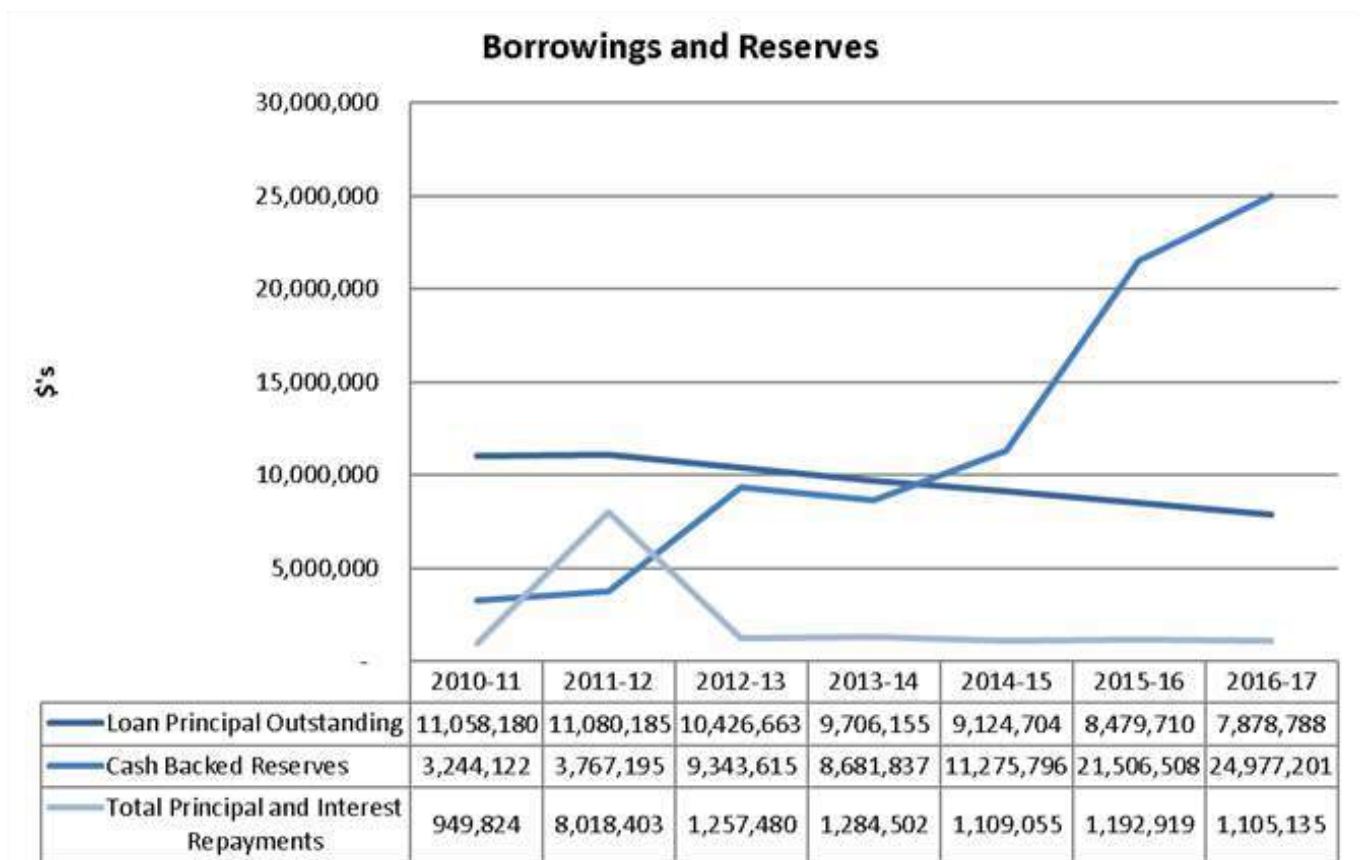


Figure 36: Shire borrowing and reserves from the last seven financial years shows a gradual increase of cash balance reserves

The Shire's Statement of Financial Position (Balance Sheet) at 30 June 2017 shows that net assets have increased by over \$16 million compared to the previous year. The Shire is now responsible for the management of net assets valued at over \$404 million. Of this total over \$384 million represents the value of fixed or capital assets.

Legislative changes that came into effect in 2012-13 mandated the valuation of local government fixed assets on the basis of their fair value. Plant and equipment assets, land and building assets and infrastructure assets are revalued over a three year cycle. This year land and building assets were independently revalued for the second time, resulting in their value increasing by \$6,860,411. This revaluation adjustment was included in the Statement of Comprehensive Income and resulted in total comprehensive income of \$16,335,621 being reported for the year.

Financial summary

Key Financial Indicators are shown in the following table:

Key Financial Indicator	2016-17	2015-16	2014-15	2013-14
Operating Surplus Ratio Industry benchmark is between 0% and 15%	-1%	-6%	4%	-5%
Own Source Revenue Coverage Ratio Industry benchmark is greater than 60%	89%	89%	91%	91%
Current Ratio Industry benchmark is greater than 100%	134%	105%	121%	107%
Debt Service Cover Ratio Industry benchmark is greater than 5	8.11	5.81	7.81	4.92
Asset Sustainability Ratio Industry benchmark is between 90% and 110%	81%	73%	57%	110%
Asset Consumption Ratio Industry benchmark is between 50% and 75%	97%	99%	75%	79%
Asset Renewal Funding Ratio Industry benchmark is between 75% and 105%	136%	128%	118%	57%

The improvement in some of the ratios reported for 2016-17 is attributable to a number of factors including the advance payment received in June 2017 of half of the 2017-18 Financial Assistance Grant. If the advance payment had not been received in 2016-17 the Operating Surplus Ratio would have been -3%, the Current Ratio 119% and the Debt Service Cover Ratio 7.50. The receipt of increased grant revenue has clearly improved the results of three of the financial ratios.

Despite the increased allocation of depreciation the Own Source Revenue Coverage, Debt Service Cover and Operating Surplus ratios have improved or remained stable compared to last year. These results reflect the continued effort to increase revenue and restrain operating expenditure. Overall, the results for five of the seven ratios exceed industry benchmarks.

An emphasis on asset renewal projects has contributed to an increase in the Asset Sustainability Ratio, however, it is still lower than the industry benchmark. The result for the Operating Surplus Ratio also does not achieve the industry benchmark as operating revenue is not sufficient to meet operating expenditure demands and a net operating deficit was recorded. However, it is positive to note this deficit has reduced compared to previous years.

Details of the Shire's financial performance for the year are included in the Concise Financial Report. This report is an extract from the Annual Financial Report and includes the major financial statements and the three year comparison of financial ratios. The full Annual Financial Report is available on the Shire's website: www.amrshire.wa.gov.au



SHIRE OF AUGUSTA MARGARET RIVER

CONCISE FINANCIAL REPORT

FOR THE YEAR ENDED 30TH JUNE 2017

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Audited concise financial report

SHIRE OF AUGUSTA MARGARET RIVER

CONCISE FINANCIAL REPORT

FOR THE YEAR ENDED 30TH JUNE 2017

STATEMENT BY CHIEF EXECUTIVE OFFICER

The attached financial report of the Shire of Augusta Margaret River being the concise financial report and other information for the financial year ended 30th June 2017 are in my opinion properly drawn up to present fairly the financial position of the Shire of Augusta Margaret River at 30th June 2017 and the results of the operations for the financial year then ended in accordance with the Australian Accounting Standards.

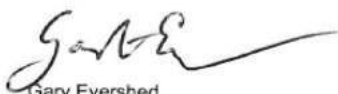
Relationship of the Concise Financial Report to the complete Annual Financial Report

The concise financial report is an extract from the complete annual financial report for the year ended 30 June 2017. The financial statements and specific disclosures included in the concise financial report have been derived from the complete annual financial report.

The concise financial report cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the Shire of Augusta Margaret River as the complete annual financial report.

Further financial information can be obtained from the complete annual financial report and that annual financial report is available, free of charge, by contacting Council's Administration Office on 9780 5255 or by downloading it from our website www.amrshire.wa.gov.au

Signed on the 26th day of September 2017.



Gary Evershed
Chief Executive Officer

MOORE STEPHENS

Level 15, Exchange Tower,
2 The Esplanade, Perth, WA 6000

PO Box 5785, St Georges Terrace, WA 6831

T +61 (0)8 9225 5355
F +61 (0)8 9225 6181

www.moorestephenswa.com.au

INDEPENDENT AUDITOR'S REPORT TO THE ELECTORS OF THE SHIRE OF AUGUSTA MARGARET RIVER

Opinion on the Audit of the Concise Financial Report

We have audited the accompanying concise financial report of the Shire of Augusta Margaret River (the Shire), which comprises the statement of financial position as at 30 June 2017, 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, and related notes derived from the financial report of the Shire for the year ended 30 June 2017 and the statement by Chief Executive Officer. The concise financial report does not contain all disclosures required by Australian Accounting Standards and accordingly, reading the concise financial report is not a substitute for reading the audited financial report.

In our opinion, the concise financial report of the Shire of Augusta Margaret River for the year ended 30 June 2017 complies with Accounting Standard AASB 1039: Concise Financial Reports.

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 Concise 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.

Report on Other Legal and Regulatory Requirements

In accordance with the Local Government (Audit) Regulations 1996, we also report that:

- a) There are no matters that in our opinion indicate significant adverse trends in the financial position or the financial management practices of the Shire.
- b) No matters indicating non-compliance with Part 6 of the Local Government Act 1995 (as amended), the Local Government (Financial Management) Regulations 1996 (as amended) or applicable financial controls of any other written law were noted during the course of our audit.
- c) In relation to the Supplementary Ratio Information presented at page 60 of this report, we have reviewed the calculations as presented and nothing has come to our attention to suggest it is not:
 - i) reasonably calculated; and
 - ii) based on verifiable information.
- d) All necessary information and explanations were obtained by us.
- e) All audit procedures were satisfactorily completed in conducting our audit.

Concise Financial Report

The concise financial report does not contain all the disclosures required by the Australian Accounting Standards in the preparation of the financial report. Reading the concise financial report and the auditor's report thereon, therefore, is not a substitute for reading the financial report and the auditor's report thereon.

Responsibilities of Management and Council for the Financial Report

Management is responsible for the preparation of the concise financial report in accordance with Standard AASB 1039: Concise Financial Reports, and for such internal control as management determines is necessary to enable the preparation of the concise financial report.

page 3

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Audited concise financial report

MOORE STEPHENS

**INDEPENDENT AUDITOR'S REPORT
TO THE ELECTORS OF THE SHIRE OF AUGUSTA MARGARET RIVER (CONTINUED)**

Auditor's Responsibilities for the Audit of the Concise Financial Report

Our responsibility is to express an opinion on whether the concise financial report, in all material respects, complies with AASB 1039 Concise Financial Reports and based on our procedures, which were conducted in accordance with Auditing Standard ASA 810 Engagements to Report on Summary Financial Statements.

MOORE STEPHENS
CHARTERED ACCOUNTANTS



WEN-SHIEN CHAI
PARTNER

Date: 27 September 2017
Perth, WA

Audited concise financial report

**SHIRE OF AUGUSTA MARGARET RIVER
STATEMENT OF COMPREHENSIVE INCOME
BY NATURE OR TYPE
FOR THE YEAR ENDED 30TH JUNE 2017**

	2017 \$	2017 Budget \$	2016 \$
Revenue			
Rates	19,582,298	19,342,075	18,668,300
Operating grants, subsidies and contributions	3,135,966	2,028,505	1,569,932
Fees and charges	9,274,105	9,035,549	9,246,727
Service charges	4,333	4,333	4,333
Interest earnings	968,544	810,705	779,131
Other revenue	222,299	16,500	262,417
	<u>33,187,545</u>	<u>31,237,667</u>	<u>30,530,840</u>
Expenses	(13,672,157)	(14,100,468)	(13,510,877)
Employee costs	(6,894,724)	(9,064,244)	(7,452,535)
Materials and contracts	(1,150,145)	(1,180,543)	(1,173,270)
Utility charges	(8,805,609)	(8,209,428)	(8,107,587)
Depreciation on non-current assets	(504,213)	(502,557)	(547,925)
Interest expenses	(605,141)	(620,743)	(599,771)
Insurance expenses	(456,760)	(456,354)	(393,675)
Other expenditure	<u>(32,088,749)</u>	<u>(34,134,337)</u>	<u>(31,785,640)</u>
	1,098,796	(2,896,670)	(1,254,800)
Non-operating grants, subsidies and contributions	9,819,155	9,556,764	9,601,817
Profit on asset disposals	42,817	40,498	22,409
(Loss) on asset disposals	<u>(1,485,558)</u>	<u>(208,968)</u>	<u>(495,832)</u>
Net result	<u>9,475,210</u>	<u>6,491,624</u>	<u>7,873,594</u>
Other comprehensive income			
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Changes on revaluation of non-current asset	6,860,411	0	896,693
Total other comprehensive income	<u>6,860,411</u>	<u>0</u>	<u>896,693</u>
Total comprehensive income	<u><u>16,335,621</u></u>	<u><u>6,491,624</u></u>	<u><u>8,770,287</u></u>

Audited concise financial report

SHIRE OF AUGUSTA MARGARET RIVER
STATEMENT OF COMPREHENSIVE INCOME
BY PROGRAM
FOR THE YEAR ENDED 30TH JUNE 2017

	2017 \$	2017 Budget \$	2016 \$
Revenue			
Governance	603,829	357,668	423,587
General purpose funding	22,935,496	21,717,207	20,516,608
Law, order, public safety	832,785	626,357	679,659
Health	110,417	104,788	112,292
Education and welfare	325,641	283,379	291,124
Community amenities	4,960,650	4,714,198	4,759,866
Recreation and culture	1,054,298	1,051,250	1,141,403
Transport	147,451	124,200	277,131
Economic services	2,206,743	2,218,620	2,275,705
Other property and services	10,235	40,000	53,465
	<u>33,187,545</u>	<u>31,237,667</u>	<u>30,530,840</u>
Expenses			
Governance	(6,234,254)	(6,647,929)	(6,241,247)
General purpose funding	(905,840)	(892,977)	(1,008,663)
Law, order, public safety	(1,816,965)	(1,694,733)	(1,488,484)
Health	(534,046)	(549,426)	(518,235)
Education and welfare	(399,709)	(306,864)	(339,706)
Community amenities	(3,110,725)	(4,254,066)	(2,994,239)
Recreation and culture	(7,992,389)	(8,256,247)	(8,036,159)
Transport	(9,259,431)	(9,434,869)	(9,223,707)
Economic services	(1,286,420)	(1,500,336)	(1,357,534)
Other property and services	(44,757)	(94,333)	(29,741)
	<u>(31,584,536)</u>	<u>(33,631,780)</u>	<u>(31,237,715)</u>
Finance costs			
Governance	(362,600)	(358,887)	(378,022)
Community amenities	(7,961)	(8,086)	(10,513)
Recreation and culture	(82,775)	(84,249)	(97,499)
Transport	0	0	(1,872)
Economic services	(50,877)	(51,335)	(60,019)
	<u>(504,213)</u>	<u>(502,557)</u>	<u>(547,925)</u>
	1,098,796	(2,896,670)	(1,254,800)
Non-operating grants, subsidies and contributions	9,819,155	9,556,764	9,601,817
Profit on disposal of assets	42,817	40,498	22,409
(Loss) on disposal of assets	(1,485,558)	(208,968)	(495,832)
Net result	<u>9,475,210</u>	<u>6,491,624</u>	<u>7,873,594</u>
Other comprehensive income			
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Changes on revaluation of non-current assets	6,860,411	0	896,693
Total other comprehensive income	<u>6,860,411</u>	<u>0</u>	<u>896,693</u>
Total comprehensive income	<u>16,335,621</u>	<u>6,491,624</u>	<u>8,770,287</u>

Audited concise financial report

SHIRE OF AUGUSTA MARGARET RIVER STATEMENT OF FINANCIAL POSITION AS AT 30TH JUNE 2017

	2017 \$	2016 \$
CURRENT ASSETS		
Cash and Cash Equivalents	29,992,450	24,790,348
Trade and Other Receivables	1,727,333	978,966
Inventories	91,789	318,934
TOTAL CURRENT ASSETS	31,811,572	26,088,248
NON-CURRENT ASSETS		
Other Receivables	83,457	119,220
Inventories	586,000	585,000
Property, Plant and Equipment	83,856,717	78,790,642
Infrastructure	300,317,755	295,073,738
TOTAL NON-CURRENT ASSETS	384,843,929	374,568,600
TOTAL ASSETS	416,655,501	400,656,848
CURRENT LIABILITIES		
Trade and Other Payables	2,490,479	2,145,366
Current Portion of Long Term Borrowings	636,806	600,922
Provisions	1,661,012	1,775,192
TOTAL CURRENT LIABILITIES	4,788,297	4,521,480
NON-CURRENT LIABILITIES		
Long Term Borrowings	7,241,982	7,878,788
Provisions	459,166	426,145
TOTAL NON-CURRENT LIABILITIES	7,701,148	8,304,933
TOTAL LIABILITIES	12,489,445	12,826,413
NET ASSETS	404,166,056	387,830,435
EQUITY		
Retained Surplus	198,014,443	192,009,926
Reserves - Cash Backed	24,977,201	21,506,508
Revaluation Surplus	181,174,412	174,314,001
TOTAL EQUITY	404,166,056	387,830,435

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SHIRE OF AUGUSTA MARGARET RIVER STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30TH JUNE 2017

	RETAINED SURPLUS \$	RESERVES CASH/INVESTMENT BACKED \$	REVALUATION SURPLUS \$	TOTAL EQUITY \$
Balance as at 1 July 2015	194,367,044	11,275,796	173,417,308	379,060,148
Comprehensive income				
Net result	7,873,594	0	0	7,873,594
Changes on revaluation of assets	0	0	896,693	896,693
Total comprehensive income	7,873,594	0	896,693	8,770,287
Transfers from/(to) reserves	(10,230,712)	10,230,712	0	0
Balance as at 30 June 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	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

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SHIRE OF AUGUSTA MARGARET RIVER STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30TH JUNE 2017

	2017 Actual \$	2017 Budget \$	2016 Actual \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Rates	19,355,582	19,242,075	18,567,720
Operating grants, subsidies and contributions	3,050,933	2,008,505	1,692,242
Fees and charges	9,274,105	9,035,549	9,246,727
Service charges	4,333	4,333	4,333
Interest earnings	968,544	810,705	779,131
Goods and services tax	1,256,730	0	801,795
Other revenue	222,299	16,500	262,417
	<u>34,132,526</u>	<u>31,117,667</u>	<u>31,354,365</u>
Payments			
Employee costs	(14,116,578)	(14,460,468)	(12,833,589)
Materials and contracts	(6,038,832)	(8,788,515)	(6,878,521)
Utility charges	(1,150,145)	(1,180,543)	(1,173,270)
Interest expenses	(506,334)	(472,557)	(550,992)
Insurance expenses	(605,141)	(620,743)	(599,771)
Goods and services tax	(1,598,221)	0	(683,289)
Other expenditure	(456,760)	(456,354)	(393,675)
	<u>(24,472,011)</u>	<u>(25,979,180)</u>	<u>(23,113,107)</u>
Net cash provided by (used in) operating activities	9,660,515	5,138,487	8,241,258
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for purchase of property, plant & equipment	(2,837,379)	(9,678,223)	(1,482,340)
Payments for construction of infrastructure	(11,333,036)	(10,807,336)	(6,386,424)
Advances to community groups	0	0	(50,000)
Non-operating grants, subsidies and contributions	9,819,155	9,556,764	9,601,817
Proceeds from sale of fixed assets	472,384	644,153	1,126,783
Net cash provided by (used in) investment activities	(3,878,876)	(10,284,642)	2,809,836
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of debentures	(600,922)	(600,922)	(644,994)
Proceeds from self supporting and interest free loans	21,385	15,386	46,528
Proceeds from new debentures	0	1,450,000	0
Net cash provided by (used in) financing activities	(579,537)	864,464	(598,466)
Net increase (decrease) in cash held	5,202,102	(4,281,691)	10,452,628
Cash at beginning of year	24,790,348	24,648,736	14,337,720
Cash and cash equivalents at the end of the year	<u>29,992,450</u>	<u>20,367,045</u>	<u>24,790,348</u>

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SHIRE OF AUGUSTA MARGARET RIVER RATE SETTING STATEMENT FOR THE YEAR ENDED 30TH JUNE 2017

	2017 Actual \$	2017 Budget \$	2016 Actual \$
Net current assets at July 1 b/fwd - surplus/(deficit)	2,420,988	2,187,703	3,430,813
	2,420,988	2,187,703	3,430,813
Revenue from operating activities (excluding			
Governance	603,829	357,668	423,587
General purpose funding	3,353,198	2,375,132	1,848,308
Law, order, public safety	832,785	626,357	679,659
Health	110,417	104,788	112,292
Education and welfare	325,641	283,379	291,124
Community amenities	4,960,650	4,714,198	4,759,866
Recreation and culture	1,078,772	1,051,250	1,141,403
Transport	165,794	164,698	299,540
Economic services	2,206,743	2,218,620	2,275,705
Other property and services	10,235	40,000	53,465
	13,648,064	11,936,090	11,884,949
Expenditure from operating activities			
Governance	(6,596,854)	(7,006,816)	(6,621,989)
General purpose funding	(905,840)	(892,977)	(1,008,663)
Law, order, public safety	(2,872,551)	(1,694,733)	(1,629,080)
Health	(534,046)	(549,426)	(518,235)
Education and welfare	(399,709)	(306,864)	(339,706)
Community amenities	(3,118,686)	(4,262,152)	(3,004,752)
Recreation and culture	(8,252,291)	(8,340,496)	(8,150,081)
Transport	(9,332,276)	(9,463,837)	(9,275,551)
Economic services	(1,337,297)	(1,551,671)	(1,417,553)
Other property and services	(224,757)	(274,333)	(315,862)
	(33,574,307)	(34,343,305)	(32,281,472)
Operating activities excluded from budget			
(Profit) on disposal of assets	(42,817)	(40,498)	(22,409)
Loss on disposal of assets	1,485,558	208,968	495,832
Movement in deferred pensioner rates (non-current)	17,378	0	(4,888)
Movement in employee benefit provisions (non-current)	(81,159)	0	172,618
Depreciation and amortisation on assets	8,805,609	8,209,428	8,107,587
Gain on revaluation of land held for resale	(1,000)	0	(11,000)
Amount attributable to operating activities	(7,321,686)	(11,841,614)	(8,227,970)
INVESTING ACTIVITIES			
Non-operating grants, subsidies and contributions	9,819,155	9,556,764	9,601,817
Proceeds from disposal of assets	472,384	644,153	1,126,783
Purchase of property, plant and equipment	(2,837,379)	(9,678,223)	(1,482,340)
Purchase and construction of infrastructure	(11,333,036)	(10,807,336)	(6,386,424)
Amount attributable to investing activities	(3,878,876)	(10,284,642)	2,859,836
FINANCING ACTIVITIES			
Advances to community groups (interest free loans)	0	0	(50,000)
Proceeds from self supporting and interest free loans	21,385	15,386	46,528
Repayment of debentures	(600,922)	(600,922)	(644,994)
Proceeds from new debentures	0	1,450,000	0
Transfers to reserves (restricted assets)	(4,399,431)	(1,041,129)	(10,404,106)
Transfers from reserves (restricted assets)	928,738	2,960,846	173,394
Amount attributable to financing activities	(4,050,230)	2,784,181	(10,879,178)
Surplus(deficiency) before general rates	(15,250,792)	(19,342,075)	(16,247,312)
Total amount raised from general rates	19,582,298	19,342,075	18,668,300
Net current assets at June 30 c/fwd - surplus/(deficit)	4,331,506	0	2,420,988

Audited concise financial report

SHIRE OF AUGUSTA MARGARET RIVER NOTES TO AND FORMING PART OF THE CONCISE FINANCIAL REPORT FOR THE YEAR ENDED 30TH JUNE 2017

1. BASIS OF PREPARATION OF THE CONCISE FINANCIAL REPORT

The concise financial report has been prepared in accordance with AASB 1039 "Concise Financial Reports". A full description of the accounting policies adopted by the Shire is provided in the 2017 financial statements which form part of the complete annual financial report. The accounting policies of the Shire are consistent with those of the previous financial year.

2. FINANCIAL RATIOS

	2017	2016	2015
Current ratio	1.34	1.05	1.21
Asset sustainability ratio	0.81	0.73	0.57
Debt service cover ratio	8.11	5.81	7.81
Operating surplus ratio	(0.01)	(0.06)	0.04
Own source revenue coverage ratio	0.89	0.89	0.91

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 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 2017 ratios disclosed above were distorted by the early receipt of half of the allocation of the 2017-18 Financial Assistance Grant in June 2017.

The early payment of the grant increased operating revenue in 2017 by \$677,329.

Two of the 2016 and three of the 2015 ratios disclosed above were distorted by the early receipt of half of the allocation of the 2015-16 Financial Assistance Grant on 30 June 2015.

The early payment of the grant increased operating revenue in 2015 and decreased operating revenue in 2016 by \$651,156.

If recognised in the year to which the allocation related, the calculations in the 2017, 2016 and 2015 columns above would be as follows:

	2017	2016	2015
Current ratio	1.19	1.05	1.01
Debt service cover ratio	7.50	6.35	7.23
Operating surplus ratio	(0.03)	(0.04)	0.02

SUPPLEMENTARY RATIO INFORMATION

The following information relates to those ratios which only require attestation they have been checked and are supported by verifiable information. It does not form part of the audited financial report.

	2017	2016	2015
Asset Consumption Ratio	0.97	0.99	0.75
Asset Renewal Funding Ratio	1.36	1.28	1.18

The above ratios are calculated as follows:

Asset Consumption Ratio	$\frac{\text{depreciated replacement cost of assets}}{\text{current replacement cost of depreciable assets}}$
Asset Renewal Funding Ratio	$\frac{\text{NPV of planned capital renewal over 10 years}}{\text{NPV of required capital expenditure over 10 years}}$

Audited concise financial report

SHIRE OF AUGUSTA MARGARET RIVER NOTES TO AND FORMING PART OF THE CONCISE FINANCIAL REPORT FOR THE YEAR ENDED 30TH JUNE 2016

2. PRIOR PERIOD CORRECTIONS - Continued

<u>Changes to Notes of the Financial Report</u>	<u>Original Balance \$</u>	<u>Amount of Adjustment \$</u>	<u>Adjusted Balance \$</u>
Note 3 - Financial Ratios			
Debt Service Cover Ratio	8.01	(0.20)	7.81
Operating Surplus Ratio	0.05	(0.01)	0.04
Own Source Revenue Coverage Ratio	0.92	(0.01)	0.91
Adjusted Debt Service Cover Ratio	7.42	(0.19)	7.23
Adjusted Operating Surplus Ratio	0.03	(0.01)	0.02

3. FINANCIAL RATIOS	2016	2015	2014
Current ratio	1.05	1.21	1.07
Asset sustainability ratio	0.73	0.57	1.10
Debt service cover ratio	5.81	7.81	4.92
Operating surplus ratio	(0.06)	0.04	(0.05)
Own source revenue coverage ratio	0.89	0.91	0.91

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 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:

- (a) For 2016 and 2015, the Debt Service Cover and Operating Surplus ratios as disclosed above were distorted by the early receipt of half of the allocation of the 2015-16 Financial Assistance Grant on 30 June 2015. The early payment of the grant increased operating revenue in 2015 and decreased operating revenue in 2016 by \$651,156.
- (b) For 2015, the Current ratio as disclosed above was also distorted by the early receipt of the 2015-16 Financial Assistance Grant prior to year end.
- (c) For 2014, the Current, Debt Service Cover and Operating Surplus ratios as disclosed above were distorted by the change to the payment of Financial Assistance Grants during the year ended 30 June 2014 which saw the advance payment for the first quarter of the following year cease. This created a timing difference which resulted in an amount of \$662,601 less revenue for the year.

Items (a) to (c) mentioned above are considered "one-off" timing/non-cash in nature and, if they are ignored, the calculations disclosed in the columns above would be as follows:

	2016	2015	2014
Current ratio	1.05	1.01	1.24
Debt service cover ratio	6.35	7.23	5.43
Operating surplus ratio	(0.04)	0.02	(0.02)

SUPPLEMENTARY RATIO INFORMATION

The following information relates to those ratios which only require attestation they have been

	2016	2015	2014
Asset Consumption Ratio	0.99	0.75	0.79
Asset Renewal Funding Ratio	1.28	1.18	0.57

The above ratios are calculated as follows:

Asset Consumption Ratio	$\frac{\text{depreciated replacement cost of assets}}{\text{current replacement cost of depreciable assets}}$
Asset Renewal Funding Ratio	$\frac{\text{NPV of planned capital renewal over 10 years}}{\text{NPV of required capital expenditure over 10 years}}$

Future directions



The Future Directions of the Shire are clearly articulated in Corporate Plan 2017-21 and the Annual Budget 2017-18 which are summarised in the following dot points and paragraphs.

Corporate Plan 2017-21 overview

The Corporate Plan 2017-21 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:

- Review and update the Local Energy Action Plan and continue implementation of actions which include the community energy education program and carbon neutral tree planting program for 2017-18
- Support community based projects aimed at assisting the Shire in sourcing 20% of its energy from renewable energy sources (windfarm or solar)
- Complete a masterplan for waste disposal for the sustainable management of domestic, commercial and industrial waste streams including resource recovery, recycling and processing (subject to funding)
- Finalise for Council adoption and commence the implementation of actions from the Environmental Sustainability Strategy
- Undertake upgrades to Margaret River Recreation Aquatic Centre including the ongoing maintenance of plant room and upgrading of dehumidifier for 2017-18
- Construct Margaret River Youth Precinct including skate and ride facility elements with approved funding
- Construct Gloucester Park Lower Western Oval including earthworks, drainage, turf, irrigation, lighting and carpark
- Participate and complete the State Risk Project (Local) in conjunction with the Office of Emergency Management
- Commence review of the Local Planning Strategy, followed by the Local Planning Scheme No 1
- Finalise the review of the Witchcliffe Village Strategy
- Based on environmental, social and aesthetic criteria, identify those areas which may and may not be suitable for extractive industries

Future directions

- Develop policy for tree preservation and land clearing offsets
- Sell Churchill Avenue property in the Margaret River town centre to raise revenue for the Main Street upgrade
- Determine Margaret River Main Street upgrade with funds secured through Royalties for Regions
- Undertake Stage 1 of the Margaret River Cultural Centre redevelopment
- Develop a masterplan for upgrades to the Margaret River Recreation Centre, including Childcare and Recreation infrastructure renewal and maintenance requirements
- Complete the \$3.6 million road reconstruction program including Leeuwin Road, Rosa Brook Road, Carters Road, Rosa Glen Road, Treeton Road, Wallcliffe Road and design for Warner Glen Road, including road preservation program and Carburnup South Road Bridge renewal over 2017-18
- Identify best alignment option, and following Councillor workshop and Council decision, complete design, obtain approvals and continue the construction of the path from Flinders Bay towards the Lighthouse utilising budgeted funds. Seek complimentary grant funding for further stages after having determined their alignment and cost
- Prepare and commence implementation of a walk and mountain bike trails strategy for Margaret River
- Collaborate with CapeROC to prepare and implement a regional trails strategy
- Complete construction and commissioning of three chalets and a service storage facility at Turner Caravan Park. Subject to the success of the initial chalets and the progression of an overall site design and funding strategy, construct a further three chalets utilising Caravan Park Reserve funds
- Improve procurement and purchasing practices to ensure uniformity and consistency
- Revise the draft Economic Development Strategy to include an analysis of inequality impacts and include the 2016 Census data and a world economic outlook statement
- Identify opportunities to collaborate with the South West Development Commission, key stakeholders, local peak industry bodies, other tiers of government and the community sector to maximise sustainable economic development
- Monitor industry efforts to establish a South West Food Alliance and respond to requests for assistance
- Host information presentation and advertising campaign for potential Councillors aimed at attracting a competitive field of high quality candidates
- Partner with Western Australian Electoral Commission to conduct the biennial election program by postal voting
- Conduct election of Shire President and Deputy President and appointment of Councillors to committees
- Conduct comprehensive Councillor induction program following elections including training in the Rules of Conduct Regulations
- Conduct Strategic Planning Days with Council in November/December 2017 and February/March 2018 and as required

Future directions

- Develop the Shire as a values based and driven organisation by hosting two Aboriginal cultural awareness sessions
- Promote and support the Women in Leadership program to foster greater participation of female Councillors and staff into leadership positions
- Conduct of review of Shire governance processes through a Councillor/ELT survey followed by an informal workshop with potential involvement from WALGA and the Department of Local Government, Sport and Cultural Industries
- Complete and submit Statutory Compliance Return and remediate any errors within timeframes
- Develop masterplans for Turner and Flinders Bay Caravan Parks and Alexandra Bridge Campground
- Assess Funding Arrangement and Framework Agreement between state government and Augusta Margaret River Library
- Continue implementation of the Integrated Planning and reporting (IPR) program, including quarterly reporting against the Operational Plan to Council
- Finalise full review of Community Strategic Plan and Community Vision for 2036 for Council adoption
- Monitor Risk Register actions and report regularly to ELT and the Audit and Risk Management Committee
- Undertake full review with ongoing desktop review of the Long Term Financial Plan
- Undertake full review of Workforce Plan
- Commence the asbestos replacement program in accordance with the Long Term Financial Plan and budget allocation
- Complete the \$2 million plant replacement program including purchase of a Zero turn mowers, skid steer loader, roller and light fleet program over 2017-18
- Implement the organisational document control system
- Develop a Corporate Marketing Plan
- Implement recommendations from the Events Strategy
- Maintain Shire leadership and best practice governance policies including Code of Conduct for Councillors and Committee Members and Governance Charter in 2017-18
- Implement findings from levels of service review and review every four years
- Review workforce performance plans.

Further information on the Corporate Plan 2017-21 is available on the Shire's website: www.amrshire.wa.gov.au

Future directions

CEO 2017-18 budget summary

A summary of the Annual Budget 2017-18 compared to the Forecast Actual result and Annual Budget for 2016-17 is provided below for reference purposes:

Description	2017-18 Budget \$'000s	2016-17 Forecast \$'000s	2016-17 Budget \$'000s
Rates	20,299	19,582	19,342
Operating revenue	11,760	13,642	11,936
Operating expenditure	34,936	33,923	34,343
Capital grants	9,646	4,408	9,557
Net results	2,725	3,709	6,492
Asset purchases	20,480	8,581	20,486
Asset sale proceeds	2,136	472	644
Borrowings repaid	708	601	601
Borrowings to be drawn	2,450	0	1,450
Transfers to Reserve	2,748	4,399	1,041
Transfers from Reserve	4,333	929	2,961
Brought forward surplus	4,041	2,242	2,188
Closing budget position	0	4,041	0

It is expected the Shire will commence the budget year with a surplus of \$4,041,229 from 2016-17. This is an improvement on the budgeted result expected for 2016-17 and is the result of a number of factors including:

- Carrying forward various operating expenditure projects totalling \$433,402
- Carrying forward various capital projects totalling \$2,930,498
- Carrying forward the advance payment for 2017-18 of Financial Assistance Grants of \$677,329 received in June 2017
- Various under and over expenditures and revenues for the year.

Expectations are that 2017-18 will end up with a balanced result.

CEO's Budget Overview

The 2017-18 balanced budget includes capital and operating expenditures of \$60 million. Compared to last year's amended budget this is an increase of \$12 million in expenditure for the benefit of the community and visitors to the Shire. Much of this expenditure is spent locally and generates a significant economic benefit within the region.

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 36% of our capital works program.

With a forecast balance of over \$23 million in cash backed reserves, we are improving our ability to meet significant future challenges including the redevelopment of the main street of Margaret River and the conversion of the Davis Road Waste Landfill site to a waste transfer station servicing a regional waste facility.

Continued responsible financial management is the key objective of the Shire's long term financial planning, corporate planning and annual budget in order to ensure the Shire's ongoing financial

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sustainability. To be sustainable our Shire 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% be applied for 2017- 18. This increase equated with the increase forecast in the Long Term Financial Plan and the increase applied last year.

Revalued property valuations provided by Landgate in 2017 resulted in an average increase of 4.1% across the sector. As this increase is an average, changes for individual properties may be either higher or lower. This means some rural property owners may receive a rate increase greater than the 3% intended and others may receive a rate decrease.

Rate increases greater than forecast inflation ensure the continued provision of services to our community and its many visitors, which on any day are estimated to represent an additional 10% of the Shire's population. Additionally, cost increases generally exceed inflation for items such as street lighting, utilities, insurance, some contract services and construction materials.

A balanced budget has been delivered for the community with operating and capital expenditure demands totalling \$60 million being 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.

The Shire also 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 pleasing to see this deficit has reduced compare to last year's budget.

The ongoing process of revaluing the Shire's

assets to reflect their "fair value" rather than their historical cost impacts depreciation and as this process is refined depreciation allocations should better represent the consumption of assets as determined by their remaining useful life and condition assessment. Asset fair values have the benefit of providing an improved understanding of the gap between required and actual asset renewal expenditure. However, limited funds and competing priorities may require service levels to be discussed and may result in some rationalisation of assets. While the Shire recognises it has an asset renewal gap, particularly for roads, it is pleasing to note capital expenditure to renew our asset base is budgeted to exceed depreciation.

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 1.4%.

The Shire is likely to be the largest single employer in the area with over 200 employees and as the majority live within the Shire, they and their families make a major contribution to the economy and the community.

The Shire's 2017-18 Budget will continue to provide a wide range of services and activities benefiting our community such as:

- Special Projects for the Landcare area total \$284,100 and include the continuation of the \$100,000 Environmental Management Fund which commenced last year and provides tangible financial support for the Shire's strategic goal of valuing the natural environment as well as an additional \$100,000 allocated by Council
- Contributions for events include \$135,000 for major events that increase visitor numbers and expenditure in the Shire and a further \$50,500 is provided to local events such as Australia Day, Anzac Day, the Agricultural Show and the Augusta River Festival
- Over \$100,000 has been allocated as

Future directions

donations, sponsorships and contributions to support local groups across the Shire

- Our Community Planning and Development team have allocated \$129,204 to youth, community capacity building, safer communities and disability access and inclusion projects
- Bushfire brigade volunteers will receive \$876,000 of capital equipment and State Emergency Service volunteers \$70,000 of capital equipment through the Emergency Services Levy (ESL) and other contributions. Operating costs for the brigades and the SES will also continue to be funded by the Shire and the ESL
- 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, Outside School Hours Care and public toilets
- Despite significant expenditure for Waste Services, which is partly attributable to increased legislative and environmental requirements for landfill sites, no additional funding from property rates is required to supplement fees and charges and a significant reserve for future major capital works has been established
- Finalisation of the design for the upgrade of the main street of Margaret River is planned to occur in 2017-18. The Shire received \$5.490 million in funding from Royalties for Regions in June 2016 and these funds have been placed in the Margaret River CBD Redevelopment reserve. Construction works for the \$7.490 million project are expected to commence in late 2018 after the Perimeter Road project has been completed
- A \$1.1 million loan is to be drawn down to assist funding the redevelopment of the aging Cultural Centre facility and surrounding buildings into a multi-purpose hub for entertainment, arts and regional tourism. Loan repayments are funded by developer contributions
- A \$0.350 million loan has been included for

the redevelopment of the Margaret River Youth Precinct with repayments funded from developer contributions

- A \$1 million loan is to be drawn down for the removal and replacement of asbestos on community buildings
- Almost \$5.5 million of the Shire's capital works program total of \$25.48 million will be funded from general revenue and is an increase compared to last year. Other major funding sources include Shire reserves (\$4.284 million), grants (\$9.252 million) and the carryover of projects from last year (\$2.930 million)
- The construction of three chalets and the related power upgrade at Turner Caravan Park is expected to be completed early in the year and are funded by a transfer from the Caravan Park Upgrade reserve. The construction of additional chalets is budgeted to occur later in the year
- Our business unit reporting shows that excluding capital investment our Caravan Parks are our strongest performer and normally provide a contribution to the financial operation of the Shire. Building Services also provides a net surplus and 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 also 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.

Overall, the Shire's budget for 2017-18 endeavours to meet the service expectations of the community within the limitations of local and wider economic conditions.

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Capital Works Program

\$25.480 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	13,896,548	54.5%
New assets	3,819,129	15.0%
Asset upgrades	7,763,861	30.5%
Total Capital expenditure	25,479,538	
Funded by:		
General revenue	5,462,740	21.5%
Reserves	4,283,674	16.8%
Grants	9,251,626	36.3%
Loans	2,450,000	9.6%
Asset sale proceeds	1,101,000	4.3%
Previous period funding (carry overs)	2,930,498	11.5%

The table above shows the majority of expenditure will be 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 construction of chalets at Turner Caravan Park (\$920,000) which will be funded from reserves, continuation of the Flinders Bay to Cape Leeuwin Lighthouse Trail (\$470,000), extension of the Wadandi track (\$100,000) which is expected to be partly funded by a Lotterywest grant, the construction of a possible third waste cell at the Davis Road landfill site (\$300,000); and the development of the Lower Western Oval (\$1,154,000) which is funded from reserves, a Community Sporting Recreation Facilities Fund grant and Shire funds.

Major asset upgrade projects which also include an asset renewal component are the Margaret River Youth Precinct project (\$3.063 million) and the Cultural Centre redevelopment

(\$5.129 million). Both of these major projects are funded by a combination of grants, community contributions, reserves, loans and general revenue.

Other asset upgrade projects include works to the Gracetown, Cowaramup, Kudardup and Rosa Brook Bushfire Brigade sheds, the Margaret Rivermouth toilet block, the Fearn Avenue toilet block, west Cowaramup public open space, drainage and paths. \$0.150 million has been carried over from 2016-17 for the redevelopment of the Margaret River Main Street to fund the continuation of design, project planning and procurement with construction works not expected to commence until 2018-19.

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. \$4.672 million is allocated to road and infrastructure preservation works with the majority of road works funded by the federal government's Roads to Recovery program and the state government's Regional Road Group grants administered through Main Roads Western Australia. The \$0.911 million Roads to Recovery

grant is the fourth year of funding from the five year program allocation of \$4.171 million. However, there is limited funding remaining in the program as the Shire's 2016-17 grant was increased by \$0.451 million by bringing forward funds from 2018-19.

Details of each capital project and their proposed funding source are included in the supplementary information to the budget.

Grants

A total of \$11.155 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 2017-18 allocation of the Financial Assistance Grants (FAGs) distributed by the WA Local Government Grants Commission. This advance payment of \$0.677 million was received in June 2017 and is included in the brought forward amount for the 2017-18 Budget. The advance payment distorts comparison of financial results and ratios between years as it inflates operating grants for 2016-17 and understates operating grants for 2017-18.

Other operating grants include the Emergency Services Levy (ESL) operating grants of \$0.280 million for the voluntary SES and Bushfire Brigade services, contributions of \$0.097 million for the Community Emergency Services Manager and Bushfire Risk Management Coordinator, and various grants and contributions for specific projects and activities for business units.

\$9.646 million of capital grants and contributions are provided for specific purposes and include:

- \$3.200 million for the proposed Cultural Centre redevelopment project
- \$2.217 million for the Margaret River Youth Precinct project
- \$0.847 million for replacement SES and bushfire brigade vehicles including two appliances for the Kudardup brigade, as well as grants and contributions for building works for various brigades

- \$1.240 million from Main Roads Western Australia through the Regional Roads Group for road works primarily on Rosa Brook Road, Carters Road and Rosa Glen Road
- \$0.911 million from Roads to Recovery for Carters Road, Rosa Glen Road, asphalt overlays and rural reseals is the second last year of this program and as the Shire received an additional allocation in 2016-17 which in effect brought forward the 2018-19 allocation, the funding of future road works will be challenging unless the program is continued
- \$0.120 million from Lotterywest for the Wadandi track includes \$0.070 million for works completed in 2015-16
- \$0.229 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
- \$0.050 million Coastal Adaptation and Protection Grant for coastal erosion works at Gnarabup
- \$0.032 million through the pool revitalisation program for works at the Margaret River Aquatic Centre
- \$0.150 million in developer contributions to be transferred to Developer Contributions Reserve to fund future works.

Further detailed information on the 2017-18 Shire Budget can be accessed from the Shire's website: www.amrshire.wa.gov.au

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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

66 Allnutt Terrace
Augusta WA 6290

P: 08 9780 5660

F: 08 9758 0033

Office Hours: Mon to Fri, 9am – 4pm
(closes for lunch 12pm – 1pm)

Phone Enquiries: 8am – 4.30pm

www.amrshire.wa.gov.au
amrshire@amrshire.wa.gov.au

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