

# **Appendix 9.1**

### LANDSCAPING WORKS STATUS

Landscape Works	FYE 2018 Budget	Detailed Design	City of Wanneroo Approval	Proposed Construction Commencement	Proposed Completion	Comments
Catalina Beach Landscaping Works (A) Linear Park (B) Greenlink/Entry (E) Streetscapes	\$2,655,357.00	Complete	Issued	August 2017	Completed March 2018	Landscape works commenced in late August. Practical Completion of the Linear POS (including play tower), Green Link and Streetscapes was achieved in March 2018.
Catalina Beach Landscaping Works (C) Entry Statements		Under review	Issued	August 2018	October 2018	The design of the Entry Statement is being finalised. Works anticipated to commence in August 2018.
Catalina Beach Landscaping Works (D) Marmion Ave Verges - West		Complete	Issued	February 2018	Completed May 2018	Landscape works commenced in March. Practical completion was achieved on 24 May 2018.
Catalina Beach Landscaping Works (F) Sales Office Car Park		Complete	Issued	August 2018	October 2018	Landscape works for the Sales Office car park are required to be coordinated with the construction of the Sales Office and car parking facilities. Works are anticipated to commence in August 2018.
Neerabup Road Verges (Phase 2)	\$1,260,015	Complete	Issued	July 2018	October 2018	Phase 1 of the works were completed in August 2017. Phase 2 works <b>are anticipated to commence in July 2018.</b>
Aviator Boulevard Entry Statement	\$116,667.00	Complete	Issued	February 2018	Completed May 2018	Landscape works included the installation of ground cover at the entry of the Central Precinct (Aviator Boulevard). Works commenced in February 2018 and were completed in May 2018.
Biodiversity Conservation Area (South)	\$331,325.00	Complete	Issued	July 2018	August 2018	Southern BCA works to include path construction, minor revegetation works and installation of interpretive signage. Works anticipated to commence in July 2018
Biodiversity Conservation Area (North)	\$116,147.00	Complete	Issued	August 2018	September 2018	Norther BCA works to include minor revegetation works and the installation of interpretive signage. Works anticipated to commence in August 2018
Stage 11 POS (Phase 2) Temporary Sales Office Car Park	\$750,000	Complete	Issued	September 2018	December 2018	Phase 2 includes landscaping the temporary Sales Office Car Park. As part of the Mid-Year Budget Review the works have been programmed to commence in FYE 2019.



## Catalina Beach Landscape Works – POS 25



## Aviator Boulevard Entrance Upgrades

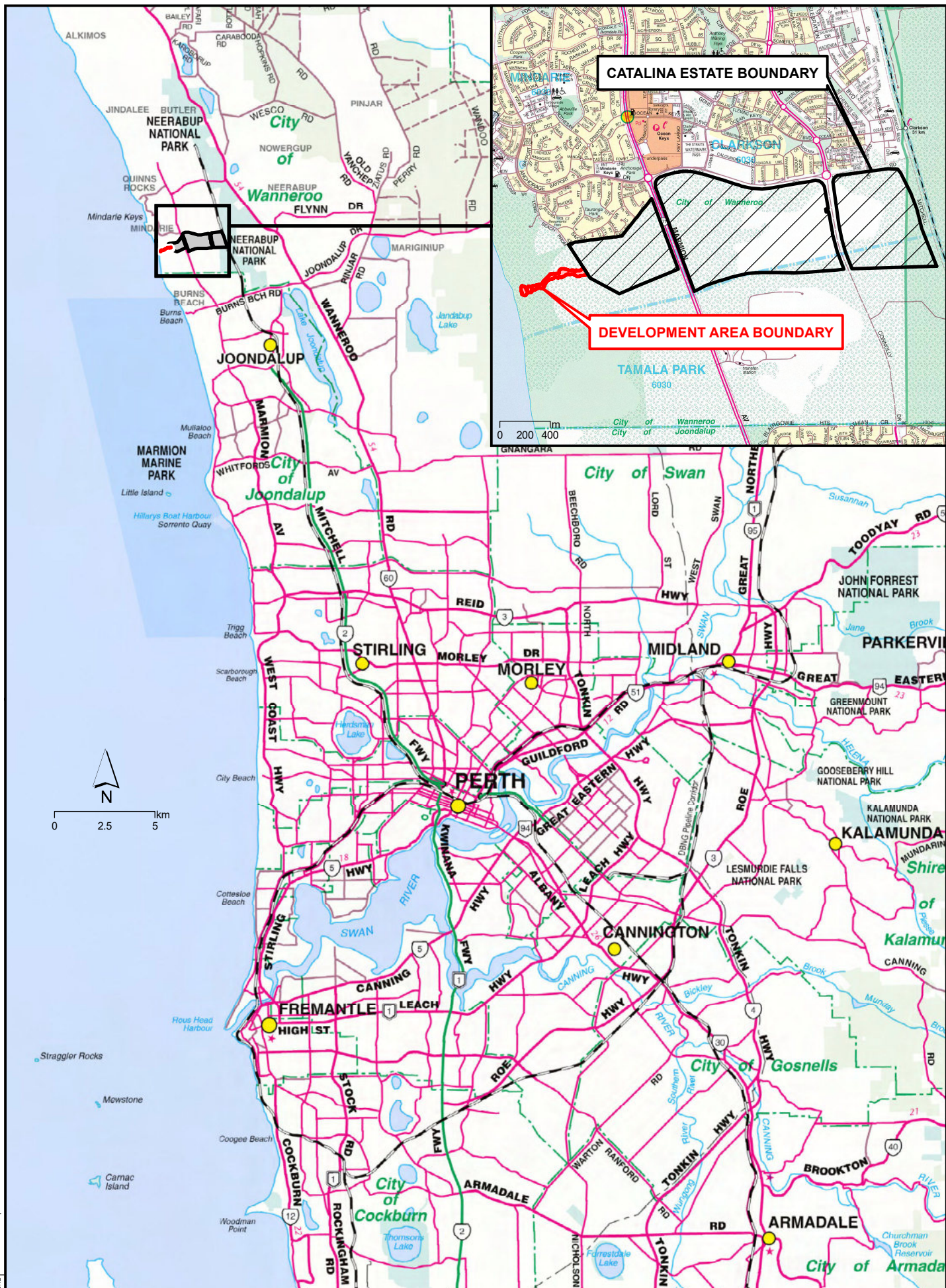




## Neerabup Phase 1







**COTERRA**  
ENVIRONMENT

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Tamala Park Regional Council  
FORESHORE MANAGEMENT PLAN  
LOT 15448 & 3050 TAMALA PARK

**SITE LOCATION**

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**Figure 1**



This plan has been prepared for general information purposes only and uses potentially uncontrolled data from external sources. CLE does not guarantee the accuracy of this plan and it should not be used for any detailed site design. This plan remains the property of CLE.

#### CARPARK

- 24 STANDARD BAYS (2.5m X 5.5m)
- 1 DISABLED BAY (2.5m X 5.5m)
- 1 DISABLED SHARED SPACE (2.5m X 5.5m)
- 6.0m WIDE AISLE

#### POSSIBLE LOCATION FOR PUBLIC AMENITIES. (BY OTHERS)

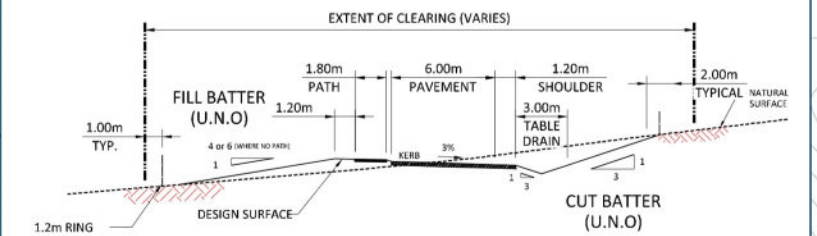
- approx 15m X 5m

#### POSSIBLE LOCATION FOR SURF LIFE SAVERS EQUIPMENT AND STORAGE. (BY OTHERS)

- approx 10m X 5m

#### LEGEND

- EXTENT OF CLEARING FOR ROAD, CARPARK AND ABLUTIONS.
- ROAD 'RESERVE' (13.2m approx.)
- PROPOSED PATH



All engineering detail shown on this plan by Cossill and Webley Consulting Engineers (6037-CB-SK02\_A).

**COTERRA**  
ENVIRONMENT

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FORESHORE MANAGEMENT PLAN  
LOT 15448 & 3050 TAMALA PARK

**BEACH ACCESS INFRASTRUCTURE**  
**CONCEPT PLAN**

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Figure 2



## **Appendix 9.2**

**TAMALA PARK REGIONAL COUNCIL**  
**MONTHLY STATEMENT OF FINANCIAL ACTIVITY**  
**FOR THE PERIOD 1 JULY 2017 TO 30 APRIL 2018**

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**TAMALA PARK REGIONAL COUNCIL  
STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD 1 JULY 2017 TO 30 APRIL 2018**

	NOTE	30 April 2018 Actual \$	30 April 2018 Y-T-D Budget \$	2017/18 Amended Budget \$	Variances Budget to Actual Y-T-D %
<b><u>Operating</u></b>					
<b>Revenues</b>	1,2				
Interest Earnings		866,849	697,242	900,000	24.33%
Other Revenue		2,030	0	2,318	0.00%
		868,879	697,242	902,318	24.62%
<b>Expenses</b>	1,2				
Employee Costs		(452,221)	(545,007)	(751,838)	(17.02%)
Materials and Contracts Other		(106,284)	(337,066)	(440,916)	(68.47%)
Depreciation		0	0	(21,212)	0.00%
Utilities		0	(4,300)	(6,450)	0.00%
Insurance		(10,894)	(10,894)	(10,894)	0.00%
Other Expenditure		(127,161)	(135,952)	(181,955)	(6.47%)
		(696,560)	(1,033,219)	(1,413,265)	(32.58%)
<b><u>Adjustments for Non-Cash (Revenue) and Expenditure</u></b>					
Depreciation on Assets		0	0	21,212	0.00%
<b><u>Capital Revenue and (Expenditure)</u></b>					
Plant and Equipment	3	0	0	(26,250)	0.00%
<b>LESS MEMBERS EQUITY</b>					
<b>Development of Land for Resale</b>					
Income Sale of Lots - Subdivision		20,472,996	29,491,638	25,844,383	(30.58%)
Income other - Subdivision		0	1,841,500	2,161,500	100.00%
Development Costs - Subdivision		(11,447,759)	(47,954,852)	(30,839,499)	(76.13%)
Contribution Refund		(78,501)	0	(268,725)	0.00%
Profit Distributions		(2,000,001)	0	(4,000,000)	0.00%
<b>Change in Contributed Equity</b>	6	6,946,735	(16,621,714)	(7,102,341)	(141.79%)
<b>Net Current Assets July 1 B/Fwd</b>	7	39,246,179	39,246,178	39,246,178	0.00%
<b>Net Current Assets Year to Date</b>	7	46,365,233	22,288,487	31,627,852	

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



**TAMALA PARK REGIONAL COUNCIL**  
**NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY**  
**FOR THE PERIOD 1 JULY 2017 TO 30 APRIL 2018**

**1. SIGNIFICANT ACCOUNTING POLICIES**

**(a) Basis of Accounting**

This statement comprises a special purpose financial report, prepared in accordance with applicable Australian Accounting Standards (as they apply to local governments and not-for-profit entities), Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board, the local Government Act 1995 and accompanying regulations. Material accounting policies which have been adopted in the preparation of this statement presented below and have been consistently applied unless stated otherwise. They been prepared on on the accrual basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and liabilities.

**Critical Accounting Estimates**

The preparation of the financial report in conformity with Australian Accounting Standards require management to make judgements, estimates and assumptions that effect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances; the results of which form the basis of making judgements about the carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

**(b) The Local Government Reporting Entity**

All Funds through which the Council controls resources to carry on its functions have been included in this statement. In the process of reporting on the local government as a single unit, all transactions and balances between those funds (for example, loans and transfers between Funds) have been eliminated. The Council does not hold any monies in trust.

**(c) Rounding Off Figures**

All figures shown in this statement, other than a rate in the dollar, are rounded to the nearest dollar.

**(d) Rates, Grants, Donations and Other Contributions**

Rates, grants, donations and other contributions are recognised as revenues when the local government obtains control over the assets comprising the contributions. Control over assets acquired from rates is obtained at the commencement of the rating period or, where earlier, upon receipt of the rates.

**(e) Goods and Services Tax**

Revenues, expenses and assets are recognised net of the amount of GST, except for where the amount of GST incurred is not receivable from the Australian Taxation Office (ATO). Receivables and payables are stated inclusive of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with receivable or payables in the statement of financial position. Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows.

**(f) Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand, cash at bank, deposits available on demand with banks and other short term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts. Bank overdrafts are reported as short term borrowings in current liabilities in the statement of financial position.



**TAMALA PARK REGIONAL COUNCIL**  
**NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY**  
**FOR THE PERIOD 1 JULY 2017 TO 30 APRIL 2018**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(g) Trade and Other Receivables**

Trade Receivables, which generally have 30-90 day terms, are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method, less any allowance for uncollectible amounts.

Collectibility of trade receivables is viewed on an ongoing basis. Debts that are known to be uncollectible are written off when identified. An allowance for doubtful debts is raised when there is object evidence that they will not be collectible.

**(h) Inventories**

***General***

Inventories are measured at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

***Land Held for Resale***

Land purchased for development and/or resale is valued at the lower of cost and net realisable value. Cost includes the cost of acquisition, development, borrowing costs and holding costs until completion of development. Finance costs and holding charges incurred after development is completed are expensed. Gains and losses are recognised in profit or loss at the time of signing an unconditional contract of sale if significant risks and rewards, and effective control over the land, are passed to the buyer at this point. Land held for resale is classified as current except where it is held as non-current based on the Council's intentions to release for sale.

**(i) Fixed Assets**

All assets are initially recognised at cost. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition. For assets acquired at no cost or for nominal consideration, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by the local government includes the cost of all materials used in the construction, direct labour on the project and an appropriate proportion of variable and fixed overhead.

Certain asset classes may be revalued on a regular basis such that the carrying values are not materially different from fair value. Assets carried at fair value are to be revalued with sufficient regularity to ensure the carrying amount does not differ materially from that determined using fair value at reporting date.



**TAMALA PARK REGIONAL COUNCIL**  
**NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY**  
**FOR THE PERIOD 1 JULY 2017 TO 30 APRIL 2018**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(j) Depreciation of Non-Current Assets**

All non-current assets having a limited useful life are systematically depreciated over their useful lives in a manner which reflects the consumption of the future economic benefits embodied in those assets.

Depreciation is recognised on a straight-line basis, using rates which are reviewed each reporting period. Major depreciation periods are:

Computer Equipment	4 years
Printers, Photocopiers and Scanners	5 years
Furniture and Equipment	4 to 10 years
Floor coverings	8 years
Phones and Faxes	6 to 7 years
Plant and Equipment	5 to 15 years
Infrastructure	30 to 50 years

**(k) Trade and Other Payables**

Trade and other payables represent liabilities for goods and services provided to the Council prior to the end of the financial year that are unpaid and arise when the Council becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 30 days of recognition.

**(l) Employee Benefits**

The provisions for employee benefits relates to amounts expected to be paid for long service leave, annual leave, wages and salaries and are calculated as follows:

**(i) Wages, Salaries, Annual Leave and Long Service Leave (Short-term Benefits)**

The provision for employees' benefits to wages, salaries, annual leave and long service leave expected to be settled within 12 months represents the amount the Council has a present obligation to pay resulting from employees services provided to balance date. The provision has been calculated at nominal amounts based on remuneration rates the Council expects to pay and includes related on-costs.

**(ii) Annual Leave and Long Service Leave (Long-term Benefits)**

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match as closely as possible, the estimated future cash outflows. Where Council does not have the unconditional right to defer settlement beyond 12 months, the liability is recognised as a current liability.

**TAMALA PARK REGIONAL COUNCIL**  
**NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY**  
**FOR THE PERIOD 1 JULY 2017 TO 30 APRIL 2018**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(m) Interest-bearing Loans and Borrowings**

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Fees paid on the establishment of loan facilities that are yield related are included as part of the carrying amount of the loans and borrowings.

Borrowings are classified as current liabilities unless the Council has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

***Borrowing Costs***

Borrowing costs are recognised as an expense when incurred except where they are directly attributable to the acquisition, construction or production of a qualifying asset. Where this is the case, they are capitalised as part of the cost of the particular asset.

**(n) Provisions**

Provisions are recognised when: The council has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

**(o) Current and Non-Current Classification**

In the determination of whether an asset or liability is current or non-current, consideration is given to the time when each asset or liability is expected to be settled. The asset or liability is classified as current if it is expected to be settled within the next 12 months, being the Council's operational cycle. In the case of liabilities where Council does not have the unconditional right to defer settlement beyond 12 months, such as vested long service leave, the liability is classified as current even if not expected to be settled within the next 12 months. Inventories held for trading are classified as current even if not expected to be realised in the next 12 months except for land held for resale where it is held as non-current based on Council's intentions to release for sale.



**TAMALA PARK REGIONAL COUNCIL**  
**NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY**  
**FOR THE PERIOD 1 JULY 2017 TO 30 APRIL 2018**

**2. STATEMENT OF OBJECTIVE**

The Regional Council has a specific regional purpose which is:

- a) To undertake, in accordance with the objectives, the rezoning, subdivision, development marketing and sale of land comprising the developable portion of Lot 118 Mindarie (now Lot 9504); and
- b) To carry out and do all other acts and things which are reasonably necessary for the bringing into effect of the matters referred to in paragraph a).

The objectives of the Regional Council are:

- 1. To develop and improve the value of the land;
- 2. To maximise, and with prudent risk parameters, the financial return to the Participants;
- 3. To balance economic, social and environmental issues; and
- 4. To produce a quality development demonstrating the best urban design and development practice.

**3. ACQUISITION OF ASSETS**

The following assets are budgeted to be acquired during the year:

	<b>30 April 2018 Actual \$</b>	<b>Amended 2017/18 Budget \$</b>
<b><u>By Program</u></b>		
<b>Other Property and Services</b>		
Motor Vehicle	0	26,250
	<b>0</b>	<b>26,250</b>
<b><u>By Class</u></b>		
Plant and Equipment	0	26,250
	<b>0</b>	<b>26,250</b>

**4. DISPOSALS OF ASSETS**

There are no assets budgeted to be disposed during the financial year ended 30 June 2018.

**TAMALA PARK REGIONAL COUNCIL**  
**NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY**  
**FOR THE PERIOD 1 JULY 2017 TO 30 APRIL 2018**

**5. INFORMATION ON BORROWINGS**

No borrowings have been undertaken in the period under review. No borrowings are budgeted during the 2017-18 financial year.

**6. CONTRIBUTED EQUITY**

	<b>30 April 2018 Actual \$</b>	<b>30 June 2017 Actual \$</b>
Town of Victoria Park	4,026,043	3,432,788
City of Perth	4,026,043	3,432,788
Town of Cambridge	4,026,043	3,432,788
City of Joondalup	8,052,086	6,865,577
City of Wanneroo	8,052,086	6,865,577
Town of Vincent	4,026,043	3,432,788
City of Stirling	16,104,172	13,731,154
<b>TOTAL</b>	<b>48,312,514</b>	<b>41,193,460</b>
<b>Total Movement in equity</b>	<b>7,119,054</b>	

Movement in Contributed Equity Represented by:

	<b>Development Expenses 30 April 2018 \$</b>	<b>Land Sales 30 April 2018 \$</b>	<b>Return of Contribution 30 April 2018 \$</b>	<b>Rates Equivalent 30 April 2018 \$</b>
Town of Victoria Park	(953,980)	1,706,083	(166,667)	0
City of Perth	(953,980)	1,706,083	(166,667)	(26,167)
Town of Cambridge	(953,980)	1,706,083	(166,667)	0
City of Joondalup	(1,907,960)	3,412,166	(333,333)	(52,334)
City of Wanneroo	(1,907,960)	3,412,166	(333,333)	0
Town of Vincent	(953,980)	1,706,083	(166,667)	0
City of Stirling	(3,815,919)	6,824,332	(666,667)	0
	<b>(11,447,759)</b>	<b>20,472,996</b>	<b>(2,000,001)</b>	<b>(78,501)</b>
Members Contributed Equity Movements	6,946,735			
TPRC Net Result	172,319			
<b>Total Movement in equity</b>	<b>7,119,054</b>			



**TAMALA PARK REGIONAL COUNCIL**  
**NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY**  
**FOR THE PERIOD 1 JULY 2017 TO 30 APRIL 2018**

**7. NET CURRENT ASSETS**

Composition of Estimated Net Current Asset Position	30 April 2018 Actual \$	Brought Forward 1-Jul \$
<b>CURRENT ASSETS</b>		
Cash - Unrestricted	46,378,764	39,213,368
Receivables	261,432	306,092
Settlement Bonds	0	4,800
	46,640,196	39,524,260
<b>LESS: CURRENT LIABILITIES</b>		
Payables and Provisions	(274,963)	(278,081)
<b>NET CURRENT ASSET POSITION</b>	46,365,233	39,246,179

**8. RATING INFORMATION**

The Regional Council does not levy rates on property.

**9. TRUST FUNDS**

The Regional Council does not hold any funds in trust on behalf of third parties.

**TAMALA PARK REGIONAL COUNCIL**  
**MONTHLY STATEMENT OF FINANCIAL ACTIVITY**  
**FOR THE PERIOD 1 JULY 2017 TO 31 MARCH 2018**

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	NOTE	31 March 2018 Actual \$	31 March 2018 Y-T-D Budget \$	2017/18 Amended Budget \$	Variances Budget to Actual Y-T-D %
<b><u>Operating</u></b>					
<b>Revenues</b>	1,2				
Interest Earnings		772,702	697,242	900,000	10.82%
Other Revenue		2,030	0	2,318	0.00%
		774,732	697,242	902,318	11.11%
<b>Expenses</b>	1,2				
Employee Costs		(412,148)	(545,007)	(751,838)	(24.38%)
Materials and Contracts Other		(98,990)	(337,066)	(440,916)	(70.63%)
Depreciation		0	0	(21,212)	0.00%
Utilities		0	(4,300)	(6,450)	0.00%
Insurance		(10,894)	(10,894)	(10,894)	0.00%
Other Expenditure		(127,004)	(135,952)	(181,955)	(6.58%)
		(649,036)	(1,033,219)	(1,413,265)	(37.18%)
<b><u>Adjustments for Non-Cash (Revenue) and Expenditure</u></b>					
Depreciation on Assets		0	0	21,212	0.00%
<b><u>Capital Revenue and (Expenditure)</u></b>					
Plant and Equipment	3	0	0	(26,250)	0.00%
<b>LESS MEMBERS EQUITY</b>					
<b>Development of Land for Resale</b>					
Income Sale of Lots - Subdivision		19,641,551	25,959,762	25,844,383	(24.34%)
Income other - Subdivision		0	1,841,500	2,161,500	100.00%
Development Costs - Subdivision		(10,503,468)	(33,333,590)	(30,839,499)	(68.49%)
Contribution Refund		(78,501)	0	(268,725)	0.00%
Profit Distributions		(2,000,001)	0	(4,000,000)	0.00%
<b>Change in Contributed Equity</b>	6	7,059,581	(5,532,328)	(7,102,341)	(227.61%)
Net Current Assets July 1 B/Fwd	7	39,246,178	39,246,178	39,246,178	0.00%
Net Current Assets Year to Date	7	46,431,455	33,377,873	31,627,852	

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**(c) Rounding Off Figures**

All figures shown in this statement, other than a rate in the dollar, are rounded to the nearest dollar.

**(d) Rates, Grants, Donations and Other Contributions**

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**TAMALA PARK REGIONAL COUNCIL**  
**NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY**  
**FOR THE PERIOD 1 JULY 2017 TO 31 MARCH 2018**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(g) Trade and Other Receivables**

Trade Receivables, which generally have 30-90 day terms, are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method, less any allowance for uncollectible amounts.

Collectibility of trade receivables is viewed on an ongoing basis. Debts that are known to be uncollectible are written off when identified. An allowance for doubtful debts is raised when there is object evidence that they will not be collectible.

**(h) Inventories**

***General***

Inventories are measured at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

***Land Held for Resale***

Land purchased for development and/or resale is valued at the lower of cost and net realisable value. Cost includes the cost of acquisition, development, borrowing costs and holding costs until completion of development. Finance costs and holding charges incurred after development is completed are expensed. Gains and losses are recognised in profit or loss at the time of signing an unconditional contract of sale if significant risks and rewards, and effective control over the land, are passed to the buyer at this point. Land held for resale is classified as current except where it is held as non-current based on the Council's intentions to release for sale.

**(i) Fixed Assets**

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

**TAMALA PARK REGIONAL COUNCIL**  
**NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY**  
**FOR THE PERIOD 1 JULY 2017 TO 31 MARCH 2018**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(j) Depreciation of Non-Current Assets**

All non-current assets having a limited useful life are systematically depreciated over their useful lives in a manner which reflects the consumption of the future economic benefits embodied in those assets.

Depreciation is recognised on a straight-line basis, using rates which are reviewed each reporting period. Major depreciation periods are:

Computer Equipment	4 years
Printers, Photocopiers and Scanners	5 years
Furniture and Equipment	4 to 10 years
Floor coverings	8 years
Phones and Faxes	6 to 7 years
Plant and Equipment	5 to 15 years
Infrastructure	30 to 50 years

**(k) Trade and Other Payables**

Trade and other payables represent liabilities for goods and services provided to the Council prior to the end of the financial year that are unpaid and arise when the Council becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 30 days of recognition.

**(l) Employee Benefits**

The provisions for employee benefits relates to amounts expected to be paid for long service leave, annual leave, wages and salaries and are calculated as follows:

**(i) Wages, Salaries, Annual Leave and Long Service Leave (Short-term Benefits)**

The provision for employees' benefits to wages, salaries, annual leave and long service leave expected to be settled within 12 months represents the amount the Council has a present obligation to pay resulting from employees services provided to balance date. The provision has been calculated at nominal amounts based on remuneration rates the Council expects to pay and includes related on-costs.

**(ii) Annual Leave and Long Service Leave (Long-term Benefits)**

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match as closely as possible, the estimated future cash outflows. Where Council does not have the unconditional right to defer settlement beyond 12 months, the liability is recognised as a current liability.



**TAMALA PARK REGIONAL COUNCIL**  
**NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY**  
**FOR THE PERIOD 1 JULY 2017 TO 31 MARCH 2018**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(m) Interest-bearing Loans and Borrowings**

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Fees paid on the establishment of loan facilities that are yield related are included as part of the carrying amount of the loans and borrowings.

Borrowings are classified as current liabilities unless the Council has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

***Borrowing Costs***

Borrowing costs are recognised as an expense when incurred except where they are directly attributable to the acquisition, construction or production of a qualifying asset. Where this is the case, they are capitalised as part of the cost of the particular asset.

**(n) Provisions**

Provisions are recognised when: The council has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

**(o) Current and Non-Current Classification**

In the determination of whether an asset or liability is current or non-current, consideration is given to the time when each asset or liability is expected to be settled. The asset or liability is classified as current if it is expected to be settled within the next 12 months, being the Council's operational cycle. In the case of liabilities where Council does not have the unconditional right to defer settlement beyond 12 months, such as vested long service leave, the liability is classified as current even if not expected to be settled within the next 12 months. Inventories held for trading are classified as current even if not expected to be realised in the next 12 months except for land held for resale where it is held as non-current based on Council's intentions to release for sale.

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD 1 JULY 2017 TO 31 MARCH 2018**

**2. STATEMENT OF OBJECTIVE**

The Regional Council has a specific regional purpose which is:

- a) To undertake, in accordance with the objectives, the rezoning, subdivision, development marketing and sale of land comprising the developable portion of Lot 118 Mindarie (now Lot 9504); and
- b) To carry out and do all other acts and things which are reasonably necessary for the bringing into effect of the matters referred to in paragraph a).

The objectives of the Regional Council are:

- 1. To develop and improve the value of the land;
- 2. To maximise, and with prudent risk parameters, the financial return to the Participants;
- 3. To balance economic, social and environmental issues; and
- 4. To produce a quality development demonstrating the best urban design and development practice.

**3. ACQUISITION OF ASSETS**

The following assets are budgeted to be acquired during the year:

	<b>31 March 2018 Actual \$</b>	<b>Amended 2017/18 Budget \$</b>
<b><u>By Program</u></b>		
<b>Other Property and Services</b>		
Motor Vehicle	0	26,250
	<b>0</b>	<b>26,250</b>
<b><u>By Class</u></b>		
Plant and Equipment	0	26,250
	<b>0</b>	<b>26,250</b>

**4. DISPOSALS OF ASSETS**

There are no assets budgeted to be disposed during the financial year ended 30 June 2018.

**TAMALA PARK REGIONAL COUNCIL**  
**NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY**  
**FOR THE PERIOD 1 JULY 2017 TO 31 MARCH 2018**

**5. INFORMATION ON BORROWINGS**

No borrowings have been undertaken in the period under review. No borrowings are budgeted during the 2017-18 financial year.

**6. CONTRIBUTED EQUITY**

	<b>31 March 2018 Actual \$</b>	<b>30 June 2017 Actual \$</b>
Town of Victoria Park	4,031,561	3,432,788
City of Perth	4,031,561	3,432,788
Town of Cambridge	4,031,561	3,432,788
City of Joondalup	8,063,123	6,865,577
City of Wanneroo	8,063,123	6,865,577
Town of Vincent	4,031,561	3,432,788
City of Stirling	16,126,246	13,731,154
<b>TOTAL</b>	<b>48,378,737</b>	<b>41,193,460</b>
<b>Total Movement in equity</b>	<b>7,185,277</b>	

Movement in Contributed Equity Represented by:

	<b>Development Expenses 31 March 2018 \$</b>	<b>Land Sales 31 March 2018 \$</b>	<b>Return of Contribution 31 March 2018 \$</b>	<b>Rates Equivalent 31 March 2018 \$</b>
Town of Victoria Park	(875,289)	1,636,796	(166,667)	
City of Perth	(875,289)	1,636,796	(166,667)	(26,167)
Town of Cambridge	(875,289)	1,636,796	(166,667)	
City of Joondalup	(1,750,578)	3,273,592	(333,333)	(52,334)
City of Wanneroo	(1,750,578)	3,273,592	(333,333)	
Town of Vincent	(875,289)	1,636,796	(166,667)	
City of Stirling	(3,501,156)	6,547,183	(666,667)	0
	<b>(10,503,468)</b>	<b>19,641,551</b>	<b>(2,000,001)</b>	<b>(78,501)</b>
Members Contributed Equity Movements	7,059,581			
TPRC Net Result	125,696			
<b>Total Movement in equity</b>	<b>7,185,277</b>			



**TAMALA PARK REGIONAL COUNCIL**  
**NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY**  
**FOR THE PERIOD 1 JULY 2017 TO 31 MARCH 2018**

**7. NET CURRENT ASSETS**

Composition of Estimated Net Current Asset Position	31 March 2018 Actual \$	Brought Forward 1-Jul \$
<b>CURRENT ASSETS</b>		
Cash - Unrestricted	46,349,597	39,213,368
Receivables	347,847	306,092
Settlement Bonds	0	4,800
	46,697,444	39,524,260
<b>LESS: CURRENT LIABILITIES</b>		
Payables and Provisions	(265,989)	(278,082)
<b>NET CURRENT ASSET POSITION</b>	46,431,455	39,246,178

**8. RATING INFORMATION**

The Regional Council does not levy rates on property.

**9. TRUST FUNDS**

The Regional Council does not hold any funds in trust on behalf of third parties.

## **Appendix 9.3**

**TAMALA PARK REGIONAL COUNCIL  
SUMMARY PAYMENT LIST  
APRIL 2018**

Date	Num	Name	Description	Amount
10/04/2018	ET-4429	National Australia Bank	Bank charges NAB At-Call AC (Jan 2018)	-10.25
12/04/2018	ET-4415	Employee costs	Wages for period 29/03/18 - 11/04/18	-11,137.67
12/04/2018	ET-4418	Australian Super	Superannuation for period 29/03/18 - 11/04/18	-591.18
12/04/2018	ET-4419	National Australia Bank	Superannuation for period 29/03/18 - 11/04/18	-1,141.77
12/04/2018		Buckby Contracting	WWPS West (Cert 5)	-208,419.61
12/04/2018		Burgess Rawson	GST Valuations (March 2018)	-110.00
12/04/2018		City of Stirling	TPRC office rent (May 2018)	-3,573.74
12/04/2018		City of Vincent	GST owing February 2018	-1,848.78
12/04/2018		Cossill & Webley	Engineering services	-16,977.33
12/04/2018		Docushred	Security bin	-51.70
12/04/2018		Dominic Carbone & Associates	GST Consultancy Services (February & March 2018)	-1,122.00
12/04/2018		Homebuyers Centre	Waste Rebate (Lot 875)	-660.00
12/04/2018		Imagesource	Yoga in the Park Banners	-654.50
12/04/2018		J-Corp Pty Ltd	Sales Office 3 (Slab Down)	-125,477.00
12/04/2018		Kyocera Mita	Printing (March 2018)	-41.29
12/04/2018		LD Total	Landscaping services	-118,738.18
12/04/2018		Market Creations	Website Copywriting - Instalment 1	-572.00
12/04/2018		Marketforce	Statutory advertising	-444.20
12/04/2018		McLeods Barristers & Solicitors	Legal advice re contaminated MRC site	-1,802.74
12/04/2018		McMullen Nolan Group	Stage 17B Basic items (March 2018)	-11,170.50
12/04/2018		Moore Stephens	Statement of Financial Activity (February 2018)	-2,062.50
12/04/2018		New Great Cleaning Service	Cleaning of TPRC offices (March 2018)	-143.00
12/04/2018		New Living Cleaning	Sales Office Cleaning	-990.00
12/04/2018		Officeworks	Office supplies	-148.32
12/04/2018		R J Vincent & Co	Stage 17B Civil Works (Cert 4)	-355,441.92
12/04/2018		Shekar, R. & Sharma, S.	Solar Panel Rebate (Lot 541)	-2,000.00
12/04/2018		The Local Farmers Market	Beach Park Opening - coordination of food alley	-344.00
12/04/2018		Treacy Fencing	Fencing services	-16,905.13
12/04/2018	ET-4421	Synergy	Stage 25 POS power charges for period 24/01/18 -	-1,399.50
13/04/2018	ET-4420	Westpac Bank	Payment of credit card charges (CEO & EA) - April	-894.46
23/04/2018	CON-119	Town of Cambridge	GST Jan - March 2018	-5,739.71
26/04/2018	ET-4422	Luke Aitken	LA wages for period 12/04/18 - 25/04/18	-11,137.67
26/04/2018		Arora, Gagandeep	Solar Panel Rebate (Lot 950)	-2,000.00
26/04/2018		Bowen, Tim	Beach Park Opening (DJ Services)	-450.00
26/04/2018		Buckby Contracting	WWPS West (Cert 6)	-105,125.88
26/04/2018		Burgess Rawson	Stage 18B Valuation Fees (10 lots)	-550.00
26/04/2018		Clean City Group	Graffiti removal (March 2018)	-330.00
26/04/2018		Cooper, Heather Jean	Solar Panel Rebate (Lot 821)	-2,000.00
26/04/2018		Coterra Environment	Environmental consulting services (February 2018)	-306.63
26/04/2018		Eco Logical Australia	EPBC Compliance Report	-2,200.00
26/04/2018		EventPro Perth	Park opening event management & lighting tower	-8,215.19
26/04/2018		Imagesource	Community flyers & flags	-1,193.50
26/04/2018		Karamzov, Dejan	Weed removal (March 2018)	-1,480.00
26/04/2018		McLeods Barristers & Solicitors	Subdivisional documentation (November 2017 - Ma	-1,115.61
26/04/2018		Moore Stephens	Preparation of FBT Return 2018	-935.00
26/04/2018		Plan E	Marmion Ave Verge Works for period 01/02/18 - 31/	-3,206.50
26/04/2018		Stantons International	Probity audit services (February & March 2018)	-545.60
26/04/2018		Swann Rubbish Removal	Rubbish removal	-1,600.00
26/04/2018		Treby, Brett	Reimbursement of parking & taxi fees (UDIA Congr	-172.20
26/04/2018	CH-200562	Quinns Men's Shed Inc.	Volunteer vouchers x 27	-135.00
26/04/2018	ET-4425	Telstra	Mobile phone charges for period 14/04/18 - 13/05/1	-110.00
26/04/2018	ET-4426	Synergy	Power charges x 5	-3,828.30
26/04/2018	ET-4427	Australian Super	Superannuation for period 12/04/18 - 25/04/18	-591.18
26/04/2018	ET-4428	National Australia Bank	Superannuation for period 12/04/18 - 25/04/18	-1,022.83
27/04/2018	ET-4430	National Australia Bank	Bank charges NAB At-Call AC (Feb 2018)	-10.00
30/04/2018	CON-120	City of Joondalup	GST Feb - March 2018	-4,815.91
30/04/2018	CON-121	City of Wanneroo	GST owing March 2018	-1,118.35
<b>TOTAL</b>				<b>-1,044,808.33</b>



**TAMALA PARK REGIONAL COUNCIL  
SUMMARY PAYMENT LIST  
MARCH 2018**

Date	Num	Name	Description	Amount
1/03/2018	ET-4385	Employee costs	Wages for period 15/02/18 - 28/02/18	-11,137.67
1/03/2018	ET-4388	Australian Super	Superannuation for period 15/02/18 - 28/02/18	-591.18
1/03/2018	ET-4389	National Australia Bank	Superannuation for period 15/02/18 - 28/02/18	-1,141.77
1/03/2018	ET-4390	Synergy	Stage 8 POS electricity charges for period 29/11/17 - 05/02/18	-1,172.05
1/03/2018	ET-4391	Telstra	Mobile Phones (CEO & PC) for period 14/02/18 - 13/03/18	-110.00
1/03/2018		Arias, T	Reimbursement for petrol (19/01/18)	-93.05
1/03/2018		Buckby Contracting	WWPS West (Cert 4)	-350,243.19
1/03/2018		City of Perth	Rates equivalent payment for 2017/18 financial year	-26,167.23
1/03/2018		City of Stirling	GST owing January 2018	-13,327.00
1/03/2018		City of Wanneroo	Interim rate notices	-56,165.65
1/03/2018		Coterra Environment	Environmental consulting services (16 - 31 January 2018)	-3,098.98
1/03/2018		Digital Meal	Beach POS Launch Campaign Setup	-3,685.00
1/03/2018		Eco Logical Australia	WWPS Clearing Advice	-3,899.50
1/03/2018		Emerge Associates	Landscape architect services	-2,263.32
1/03/2018		Kyocera Mita	Printing (February 2018)	-38.80
1/03/2018		LD Total	Landscaping services	-197,851.12
1/03/2018		Market Creations	Printing of letterhead & business cards x 3	-528.00
1/03/2018		McLeods Barristers & Solicitors	Local Centre Contract of Sale	-1,396.34
1/03/2018		Neverfail	Bottled water x 1	-14.75
1/03/2018		R J Vincent & Co	Stage 17B Civil Works (Cert 3)	-391,212.75
1/03/2018		Satterley Property Group	Community development services (January 2018)	-660.00
1/03/2018		Signs & Lines	Beach Bannermesh & Shadecloth	-25,106.14
1/03/2018		Strategen	Environmental consulting services	-3,861.00
1/03/2018		Supreme Settlements	Rates adjustment - Lot 2131	-25.74
1/03/2018		Treacy Fencing	Fencing (Lot 933)	-2,005.19
1/03/2018		Urban Tours	Bus hire for Councillor site inspection	-350.00
1/03/2018	CON-117	City of Wanneroo	GST owing January 2018	-6,663.52
1/03/2018	ET-4401	Grant, Aaron & Nicole	Lot 171 (20th instalment over a 5 year period)	-2,887.50
7/03/2018	ET-4400	Swan, Jeremy & Courtney	Lot 174 (20th instalment over a 5 year period)	-3,850.00
13/03/2018	ET-4412	Westpac Bank	Payment of credit card charges (CEO & EA) - March 2018	-428.73
14/03/2018	ET-4337	National Australia Bank	Bank charges NAB At-Call AC (December 2017)	-10.25
15/03/2018	ET-4394	Australian Taxation Office	IAS (February 2018)	-14,208.00
15/03/2018	ET-4395	Employee costs	Wages for period 01/03/18 - 14/03/18	-11,137.67
15/03/2018	ET-4398	Australian Super	Superannuation for period 01/03/18 - 14/03/18	-591.18
15/03/2018	ET-4399	National Australia Bank	Superannuation for period 01/03/18 - 14/03/18	-1,141.77
15/03/2018		Action Couriers	Courier charges for period 26/02/18 - 04/03/18	-47.36
15/03/2018		Burgess Rawson	Valuation services	-715.00
15/03/2018		Chappell Lambert Everett	Agreed Planning Fee (Nov 2017 - Jan 2018)	-57,750.00
15/03/2018		City of Stirling	Rent of TPRC office (April 2018)	-3,573.74
15/03/2018		City of Vincent	GST owing January 2018	-3,331.76
15/03/2018		Content Living	Waste Rebate (Lots 821 & 918)	-1,650.00
15/03/2018		Cossill & Webley	Engineering services	-22,872.21
15/03/2018		Coterra Environment	Environmental consulting services (February 2018)	-751.03
15/03/2018		Emerge Associates	Landscape architect services	-8,230.20
15/03/2018		Green House Studios	Beach park event promo design	-698.50
15/03/2018		Imagesource	Printing services	-704.00
15/03/2018		LD Total	Landscaping services	-88,392.70
15/03/2018		Marketforce	Statutory advertising	-822.24
15/03/2018		McLeods Barristers & Solicitors	Legal advice re MRC contaminated site	-3,030.25
15/03/2018		McMullen Nolan Group	Surveying services	-4,504.50
15/03/2018		Moore Stephens	Accounting services (January 2018)	-2,062.50
15/03/2018		New Great Cleaning Service	Cleaning of TPRC office (February 2018)	-143.00
15/03/2018		New Living Cleaning	Sales Office Cleaning (February 2018)	-495.00
15/03/2018		Plan E	Landscaping architect monthly retainer (February 2018)	-7,315.00
15/03/2018		Rare Pty Ltd	Stage 25 POS launch concepts	-4,666.21

15/03/2018		Taylor, Kristal & Baker, Scott	Solar Panel Rebate (Lot 983)	-2,000.00
15/03/2018		The Event Mill	Stage 25 POS event equipment hire	-3,135.00
15/03/2018		Town of Victoria Park	GST Jan 2018	-3,332.00
15/03/2018		Treacy Fencing	Fencing services	-11,648.89
15/03/2018		Urban Indigenous	Stage 25 POS event entertainment	-550.00
15/03/2018		Wojtajinski, D. & McGrath, E.	Solar Panel Rebate (Lot 768)	-2,000.00
15/03/2018		Young, Rhys & Chiles, Kelsey	Solar Panel Rebate (Lot 920)	-2,000.00
20/03/2018	CH-2005	City of Wanneroo	Stage 17B Street Lighting	-1,823.81
28/03/2018	CH-2005	Comet Care School	Community Sponsorship - Comet Care School	-1,000.00
29/03/2018	ET-4403	Employee costs	Wages for period 15/03/18 - 28/03/18	-11,137.67
29/03/2018	ET-4406	Australian Super	Superannuation for period 15/03/18 - 28/03/18	-591.18
29/03/2018	ET-4407	National Australia Bank	Superannuation for period 15/03/18 - 28/03/18	-1,141.77
29/03/2018		Aitken, L.	Refreshments for Councillor site visit	-147.03
29/03/2018		Bright Light Signs	VMB sign hire 02/03/18 - 11/03/18	-1,100.00
29/03/2018		City of Wanneroo	Central Landscape Upgrades TMP Assessment Fee	-201.44
29/03/2018		Emerge Associates	Landscape Architect Services	-3,812.55
29/03/2018		Jones, C. & MacLeod, G.	Solar Panel Rebate (Lot 861)	-2,000.00
29/03/2018		Nature Calls	Beach Park Opening Toilet Hire - Payment bounced (repaid 04/04/18)	-585.00
29/03/2018		Neverfail	Bottled water x 2 + Annual Cooler Rental	-182.25
29/03/2018		NJ Carpentry	Sales Office storm repair - laying of new flooring	-4,561.15
29/03/2018		Paul Robinson Painting Services	Sales Office storm repairs - painting ceiling	-828.85
29/03/2018		Pearcey, Susan	Solar Panel Rebate (Lot 933)	-2,000.00
29/03/2018		Satterley Property Group	Community Development Services (Feb 2018)	-2,640.00
29/03/2018		Signs & Lines	Signage (Project & TPRC Offices)	-2,083.64
29/03/2018		St John Ambulance WA Ltd	Beach Park Opening First Aid Services	-277.20
29/03/2018		Target Sports	Beach Park Opening Kids' Sports	-385.00
29/03/2018		Van Rensburg, A. & J.	Solar Panel Rebate (Lot 908) - Bounced due to incorrect a/c details (repaid 05/04/18)	-2,000.00
29/03/2018	ET-4408	Alinta Energy	Sales Office gas charges for period 04/12/17 - 12/03/18	-30.80
29/03/2018	ET-4409	Telstra	Mobile Phones (CEO & PC) for period 14/03/18 - 13/04/18	-110.50
29/03/2018	ET-4410	Water Corporation	Sales Office water charges for period 18/01/18 - 21/03/18	-688.10
29/03/2018	CH-2005	Quinns Men's Shed Inc.	Beach Park Opening BBQ	-618.00
29/03/2018	ET-4411	City of Stirling	GST owing February 2018	-7,395.09
29/03/2018	ET-4413	City of Perth	GST owing February 2018	-1,848.78
29/03/2018	ET-4414	City of Wanneroo	GST owing February 2018	-3,697.56
<b>TOTAL</b>				<b><u>-1,426,372.50</u></b>

## **Appendix 9.4**



22 May 2018

Mr Tony Arias  
Chief Executive Officer  
Tamala Park Regional Council  
PO Box 655  
INNALOO WA 6918

Dear Tony

**Catalina Financial Report for April 2018**

Please find attached the Catalina Financial Report for April 2018. This report has been prepared on a cash basis and compares actual income and expenditure to the August 2017 approved budget for the period 1 April 2018 to 30 April 2018.

Residential settlement revenue for the financial year to 30 April 2018 is \$20.7m which is \$11.7m behind the approved 'August 2017' budget with 38 less residential settlements for the year to date.

Sales for FYE2018 are \$18.5m unfavourable to budget due to 57 less residential lot sales for the year to date.

Overall FYE2018 expenditure is \$23.7m (71%) under budget per the approved 'August 2017' budget, with \$9.8m spent against a budget of \$33.6m. The main areas of variances are summarised below:

- Lot Production is \$8.5m under budget, noting the following variances:
  - Stage 36-40 Earthworks \$0.8m under budget as work not yet commenced (mid-year budget review shows works commencing June 2018)
  - Stage 15 \$0.3m under budget due to savings;
  - Stage 17B \$1.1m behind budget due to timing of receiving invoices for payment;
  - Stage 18A \$0.5m under budget due to savings;
  - Stage 18B \$0.7m behind budget due to minor works still to be completed;
  - Stage 25 (\$0.6m) over budget due to timing of receiving invoices for payment (works budgeted and completed last financial year, paid in current year; in line with total project to date budget);
  - Stage 26 \$2.8m behind budget as work not yet commenced (mid-year budget review shows works commencing April 2018);
  - Timing of bond payments \$1.2m under budget.
- Landscaping is \$6.1m under budget, noting the following variances:
  - Stage 18 Landscaping \$1.0m under budget (phase 1 complete, phase 2 & 3 currently under review);
  - Stage 25 Greenlink Landscaping \$1.8m under budget (due to timing of payments and a further 2 packages yet to be awarded);
  - Stage 11 Landscaping Phase 2 \$0.8m under budget (deferred to FYE2019);
- Infrastructure is \$5.4m under budget, noting the following variances:
  - Connolly Drive Greenlink Intersection \$1.4m under budget (due to timing of payments);

Satterley Property Group Pty Ltd  
Level 3, 27-31 Troode Street, West Perth WA 6005  
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Licensee: Satterley Property Group Pty Ltd. (Inc in WA). Licensed Real Estate Agent trading as Satterley Real Estate.

Appendix Page 31 **SATTERLEY.COM.AU**



- Aviator Boulevard Extension \$1.4m under budget (Aviator/Connolly Round-a-bout not yet commenced, delayed due to Water Corporation requirement to commence works in August).
- Stage 20-24 Primary School \$1.5m under budget due to delay in commencement of earthworks within the Primary School Site. Reimbursement for earthworks is linked with title creation (and not completion of earthworks), which is now planned for 2020.
- Waste Water Pump Station \$0.3m under budget due to timing of receiving invoices for payments
- P&L expenditure is \$3.1m under budget, noting the following variances:
  - Marketing \$481k (73%) under budget with \$181k spent against YTD budget of \$663k;
  - Rates and Taxes \$203k under budget as full provisional amount not yet required;
  - Contingency \$2.1m not required.

Please refer to the attached Cashflow Analysis for a more detailed analysis of actual to budget variances. Should you have any queries on this report, please do not hesitate to contact me.

Yours faithfully

A handwritten signature in dark ink, appearing to read 'Ross Carmichael', written in a cursive style.

**Ross Carmichael**  
General Manager - Finance

**CATALINA**
**FINANCE REPORT  
APRIL 2018**
**1.0 Management Accounts**
**1.1 KEY STATISTICS**
**1.1.1 RESIDENTIAL LOTS & DISTRIBUTIONS**

	<u>Lots Produced (titles)</u>		<u>Sales</u>		<u>Settlements</u>		<u>Distributions</u>	
	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>
Prior Years	872	872	848	848	815	815	67,000,000	67,000,000
Jul-2017	-	57	8	13	7	6	-	-
Aug-2017	58	-	-	22	4	17	-	-
Sep-2017	-	-	14	13	8	9	-	-
<b>Sep-17 Qtr</b>	<b>58</b>	<b>57</b>	<b>22</b>	<b>48</b>	<b>19</b>	<b>32</b>	<b>-</b>	<b>-</b>
Oct-2017	-	-	6	6	14	9	-	-
Nov-2017	-	-	9	8	6	12	-	-
Dec-2017	-	-	2	5	2	18	2,000,000	-
<b>Dec-17 Qtr</b>	<b>-</b>	<b>-</b>	<b>17</b>	<b>19</b>	<b>22</b>	<b>39</b>	<b>2,000,000</b>	<b>-</b>
Jan-2018	-	-	2	8	12	11	-	-
Feb-2018	-	-	2	9	7	4	-	-
Mar-2018	-	38	1	8	2	7	-	-
<b>Mar-18 Qtr</b>	<b>-</b>	<b>38</b>	<b>5</b>	<b>25</b>	<b>21</b>	<b>22</b>	<b>-</b>	<b>-</b>
Apr-2018	-	36	-	9	3	10	-	-
May-2018	-	-	-	8	-	10	-	-
Jun-2018	-	-	-	9	-	14	-	4,000,000
<b>Jun-18 Qtr</b>	<b>-</b>	<b>36</b>	<b>-</b>	<b>26</b>	<b>3</b>	<b>34</b>	<b>-</b>	<b>4,000,000</b>
<b>PTD</b>	<b>930</b>	<b>967</b>	<b>892</b>	<b>940</b>	<b>880</b>	<b>908</b>	<b>69,000,000</b>	<b>67,000,000</b>
<b>Full 2017/18 Year</b>	<b>58</b>	<b>131</b>	<b>44</b>	<b>118</b>	<b>65</b>	<b>127</b>	<b>2,000,000</b>	<b>4,000,000</b>
<b>2018/19</b>		<b>105</b>		<b>152</b>		<b>96</b>		<b>2,000,000</b>
<b>2019/20</b>		<b>136</b>		<b>171</b>		<b>176</b>		<b>27,000,000</b>

- A \$2m distribution was paid in December, with the next distribution forecast for June 18.
- 3 residential lots settled in April comprising:

	<u>Lots</u>
Stage 15	1
Stage 17	1
Stage 18B	1

**1.2 Sales & Settlements**

	<u>MTH Act</u>	<u>MTH Bgt</u>	<u>YTD Act</u>	<u>YTD Bgt</u>	<u>PTD Act</u>	<u>PTD Bgt</u>
<b>Residential</b>						
- Sales #	-	9	44	101	892	949
- Sales \$	(256,000 )	3,035,945	14,397,000	32,923,390	230,555,500	249,081,890
- Sales \$/lot	-	337,327	327,205	325,974	258,470	262,468
- Settlements #	3	10	65	103	880	918
- Settlements \$	838,000	3,531,876	20,693,000	32,397,210	226,970,500	238,674,710
- Settlements \$/lot	279,333	353,188	318,354	314,536	257,921	259,994
<b>Special Sites</b>						
- Sales #	1	-	1	2	3	4
- Sales \$	1,400,000	-	1,400,000	1,761,500	3,295,000	3,656,500
- Sales \$/lot	1,400,000	-	1,400,000	880,750	1,098,333	914,125
- Settlements #	-	-	-	2	2	4
- Settlements \$	-	-	-	1,761,500	1,895,000	3,656,500
- Settlements \$/lot	-	-	-	880,750	947,500	914,125
<b>Lots Under Contract</b>						
- Unsettled sales #	14		{ Unconditional		2	Titled 934 incl. Spec sites
- Unsettled sales \$	4,985,000		{ Conditional		12	
- Unsettled sales \$/lot	356,071					

- The month of April achieved 2 residential sales totalling \$469k, but also had 2 cancellations totalling \$725k.
- The month of April also included the sale of the Stage 11 local centre for \$1.4m.

## 1.3 Cashflow - MTD Actuals to budget

	MTD Act	MTD Bgt	Variance
<b>Income</b>			
Settlement Revenue	838,000	3,531,876	(2,693,876)
Margin GST	(8,371)	(45,455)	37,083
Direct selling costs	(37,649)	(157,637)	119,987
Interest Income	-	-	-
Forfeited Deposits	1,818	-	1,818
Other Income	-	-	-
Rebate Allowance	(105,468)	(74,700)	(30,768)
	<u>688,329</u>	<u>3,254,085</u>	<u>(2,565,755)</u>
<b>Development costs</b>			
Lot production	340,613	1,567,376	1,226,762
Landscaping	9,848	667,234	657,386
Consultants	4,998	56,029	51,031
Infrastructure	294,746	952,853	658,108
Sales office building	114,070	50,000	(64,070)
	<u>764,276</u>	<u>3,293,493</u>	<u>2,529,217</u>
<b>Overheads</b>			
Sales & marketing	404	66,250	65,846
Community Develop.	10,077	16,042	5,964
Administration	27,060	62,550	35,490
Finance/Contingency	-	691,938	691,938
	<u>37,541</u>	<u>836,779</u>	<u>799,238</u>
<b>Net Cashflow</b>	<b><u>(113,487)</u></b>	<b><u>(876,187)</u></b>	<b><u>762,700</u></b>

## 1.4 Cashflow - YTD Actuals to budget

	YTD Act	YTD Bgt	Variance
<b>Income</b>			
Settlement Revenue	20,693,000	32,397,213	(11,704,213)
Margin GST	(231,822)	(468,182)	236,360
Direct selling costs	(923,994)	(1,527,904)	603,910
Interest Income	-	-	-
Forfeited Deposits	10,000	-	10,000
Other Income	-	1,543,318	(1,543,318)
Rebate Allowance	(654,182)	(1,923,014)	1,268,832
	<u>18,893,002</u>	<u>30,021,431</u>	<u>(11,128,429)</u>
<b>Development costs</b>			
Lot production	2,612,256	11,089,882	8,477,626
Landscaping	4,349,767	10,473,766	6,123,999
Consultants	328,428	722,888	394,460
Infrastructure	1,743,194	7,109,905	5,366,712
Sales office building	114,070	349,657	235,587
	<u>9,147,715</u>	<u>29,746,098</u>	<u>20,598,384</u>
<b>Overheads</b>			
Sales & marketing	181,330	662,500	481,170
Community Develop.	69,278	160,417	91,138
Administration	450,410	950,305	499,895
Finance/Contingency	-	2,051,455	2,051,455
	<u>701,019</u>	<u>3,824,676</u>	<u>3,123,658</u>
<b>Net Cashflow</b>	<b><u>9,044,269</u></b>	<b><u>(3,549,344)</u></b>	<b><u>12,593,612</u></b>

The YTD revenue variance comprises:

- Settlement revenue is \$11.7m unfavourable to budget on 38 less residential settlements than the budget for FY2018.

## 1.5 Bonds

	Last Year	Last Month	This Month
City of Wanneroo	539,029	263,132	263,132
	<u>539,029</u>	<u>263,132</u>	<u>263,132</u>

Bonds relate to stages 18B & 25 early clearances and are all expected to be returned within 12 months.



**CATALINA**
**FINANCE REPORT  
APRIL 2018**
**2.0 PROFIT & LOSS**

	<b>MTH Act</b>	<b>MTH Bgt</b>	<b>Var</b>	<b>YTD Act</b>	<b>YTD Bgt</b>	<b>Var</b>	<b>PTD Act</b>	<b>PTD Bgt</b>
- Revenue \$ (Stlmnts)	838,000	3,531,876	(2,693,876)	20,693,000	32,397,210	(11,704,210)	226,970,500	238,674,710
- Revenue \$/lot	279,333	353,188		318,354	314,536		257,921	259,994
- Selling & GST \$	79,521	313,363	233,843	2,240,088	3,055,263	815,175	23,684,756	24,499,931
- Selling & GST \$/lot	26,507	31,336		34,463	29,663		26,914	26,688
- Cost of sales \$	226,910	1,380,936	1,154,026	7,007,072	11,707,292	4,700,220	83,232,713	87,932,933
- Cost of sales \$/lot	75,637	138,094		107,801	113,663		94,583	95,788
- Gross profit \$	531,569	1,837,577	(1,306,008)	11,445,839	17,634,655	(6,188,815)	120,053,031	126,241,846
- Gross profit \$/lot	177,190	183,758		176,090	171,210		136,424	137,518
- Gross profit Mgn %	63.43%	52.03%		55.31%	54.43%		52.89%	52.89%
- Special Sites \$	-	-	-	-	651,463	(651,463)	1,284,073	1,935,536
- Other income \$	1,818	-	1,818	10,000	-	10,000	240,717	230,717
- Sales & Marketing \$	27,929	86,019	58,090	146,159	860,190	714,031	1,671,442	2,385,474
- Administration \$	27,233	86,537	59,304	478,609	901,544	422,935	2,916,826	3,315,307
- Finance \$	-	-	-	-	-	-	-	-
- Contingency \$	-	692,220	692,220	-	2,115,632	2,115,632	-	2,135,996
<b>- Net profit \$</b>	<b>478,226</b>	<b>972,801</b>	<b>(494,575)</b>	<b>10,831,072</b>	<b>14,408,752</b>	<b>(3,577,680)</b>	<b>116,989,551</b>	<b>120,571,322</b>
<b>- Net profit \$/lot</b>	<b>159,409</b>	<b>97,280</b>		<b>166,632</b>	<b>139,891</b>		<b>132,943</b>	<b>131,341</b>

- YTD Gross profit is \$6.2m unfavourable to budget due to 38 fewer lot settlements to budget.
- Special sites gross profit is \$651k unfavourable due to timing of stg 11 local centre and GHS lot 995 (stg 18B) - deferred with no interest at tender.
- YTD Marketing costs are \$714k below budget due to Signage \$167k below budget (\$82k of expenditure reclassified as Capital, Strategy & authority approval delays), Community Development \$125k under budget (\$70k reduction in approved FY18 work plan) and lower general marketing activity and advertising \$422k (program approval delays).
- YTD administration costs are \$441k below budget due to full provisional sums for rates and taxes, R&M and training not yet required.
- YTD net profit is unfavourable against budget by \$3.6m, due to the unfavourable gross profit variance \$6.2m and special sites \$0.6m, partly offset by unused contingency unused \$2.1m and favourable marketing and admin costs of \$1.1m.

**YEAR TO DATE VERSUS FULL YEAR BUDGET**

	<b>YTD Act</b>	<b>FY18 Full Year Bgt</b>	<b>Var</b>
- Revenue \$ (Stlmnts)	20,693,000	40,372,249	(19,679,249)
- Revenue \$/lot	318,354	317,892	
- Selling & GST \$	2,240,088	3,785,523	1,545,434
- Selling & GST \$/lot	34,463	29,807	
- Cost of sales \$	7,007,072	14,887,619	7,880,547
- Cost of sales \$/lot	107,801	117,225	
- Gross profit \$	11,445,839	21,699,107	(10,253,268)
- Gross profit \$/lot	176,090	170,859	
- Gross profit Mgn %	55.31%	53.75%	
- Special Sites \$	-	651,463	(651,463)
- Other income \$	10,000	-	10,000
- Sales & Marketing \$	146,159	1,032,228	886,069
- Administration \$	478,609	1,074,618	596,009
- Finance \$	-	-	-
- Contingency \$	-	2,461,148	2,461,148
<b>- Net profit \$</b>	<b>10,831,072</b>	<b>17,782,576</b>	<b>(6,951,505)</b>
<b>- Net profit \$/lot</b>	<b>166,632</b>	<b>140,020</b>	

## 2.1 GROSS PROFIT ANALYSIS

## Actual

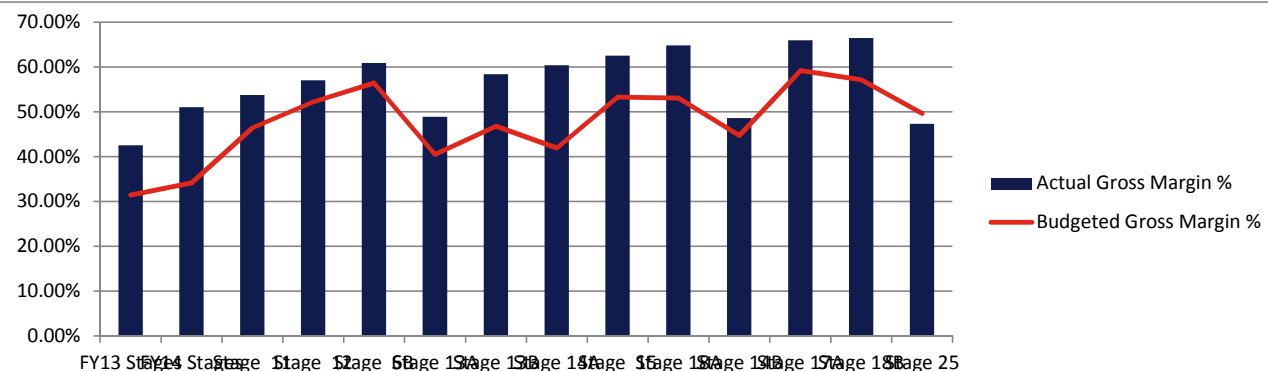
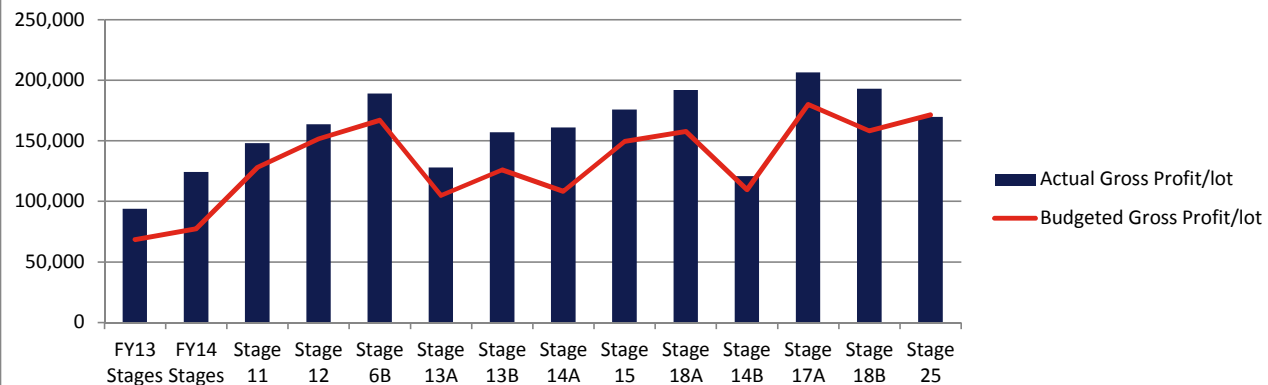
Stages	Title Issue Date	Revenue	Revenue/lot	Direct Selling & COGS (incl. GST)		Direct Costs/lot	Actual Gross	Actual Gross	Actual Gross
							Profit	Profit/lot	Margin %
FY13 Stages	2012 / 2013	51,375,500	220,496	29,530,933		126,742	21,844,567	93,754	42.52%
FY14 Stages	2013 / 2014	50,325,000	243,116	24,635,745		119,013	25,689,255	124,103	51.05%
Stage 11	1-Oct-14	17,611,000	275,172	8,143,826		127,247	9,467,174	147,925	53.76%
Stage 12	3-Dec-14	14,063,000	287,000	6,046,428		123,396	8,016,572	163,604	57.00%
Stage 6B	19-Jan-15	7,452,000	310,500	2,916,524		121,522	4,535,476	188,978	60.86%
Stage 13A	30-Mar-15	9,675,000	261,486	4,947,835		133,725	4,727,165	127,761	48.86%
Stage 13B	11-May-15	12,103,000	268,956	5,037,016		111,934	7,065,984	157,022	58.38%
Stage 14A	4-Jun-15	16,784,000	266,413	6,647,554		105,517	10,136,446	160,896	60.39%
Stage 15	15-Dec-15	15,444,000	280,800	5,784,294		105,169	9,659,706	175,631	62.55%
Stage 18A	27-May-16	8,291,000	296,107	2,916,047		104,145	5,374,953	191,963	64.83%
Stage 14B	28-Oct-16	1,985,000	248,125	1,020,249		127,531	964,751	120,594	48.60%
Stage 17A	20-Feb-17	6,878,000	312,636	2,338,963		106,317	4,539,037	206,320	65.99%
Stage 18B	13-Jun-17	4,936,000	290,353	1,654,674		97,334	3,281,326	193,019	66.48%
Stage 25	8-Aug-17	10,048,000	358,857	5,297,380		189,192	4,750,620	169,665	47.28%
		226,970,500		106,917,469			120,053,031		

- Values for actuals are based on 'settled lots only' for the relevant stages.

## Budget

Stages	Budget Version	Revenue	Revenue/lot	Direct Selling & COGS (incl. GST)		Direct Costs/lot	Budgeted Gross	Budgeted Gross	Budgeted Gross
							Profit	Profit/lot	Margin %
FY13 Stages	May-12	51,358,953	217,623	35,200,675		149,155	16,158,278	68,467	31.46%
FY 14 Stages	Jun-13	46,931,935	226,724	30,917,421		149,360	16,014,514	77,365	34.12%
Stage 11	Aug-14	17,645,281	275,708	9,444,658		147,573	8,200,623	128,135	46.47%
Stage 12	Aug-14	14,221,581	290,236	6,787,551		138,521	7,434,030	151,715	52.27%
Stage 6B	Aug-14	7,098,672	295,778	3,089,032		128,710	4,009,640	167,068	56.48%
Stage 13A	Aug-14	9,585,882	259,078	5,703,355		154,145	3,882,527	104,933	40.50%
Stage 13B	Aug-14	12,111,408	269,142	6,443,000		143,178	5,668,408	125,965	46.80%
Stage 14A	Aug-14	15,504,265	258,404	9,001,574		150,026	6,502,690	108,378	41.94%
Stage 15	Aug-15	15,433,000	280,600	7,203,599		130,975	8,229,401	149,625	53.32%
Stage 18A	Jun-16	8,626,000	297,448	4,048,854		139,616	4,577,146	157,833	53.06%
Stage 14B	Jun-16	2,448,087	244,809	1,352,232		135,223	1,095,855	109,585	44.76%
Stage 17A	Jun-16	9,427,756	304,121	3,845,430		124,046	5,582,326	180,075	59.21%
Stage 18B	Jun-16	8,584,690	276,925	3,677,414		118,626	4,907,276	158,299	57.16%
Stage 25	Aug-17	19,696,448	345,552	9,915,141		173,950	9,781,307	171,602	49.66%
		238,673,958		136,629,937			102,044,021		

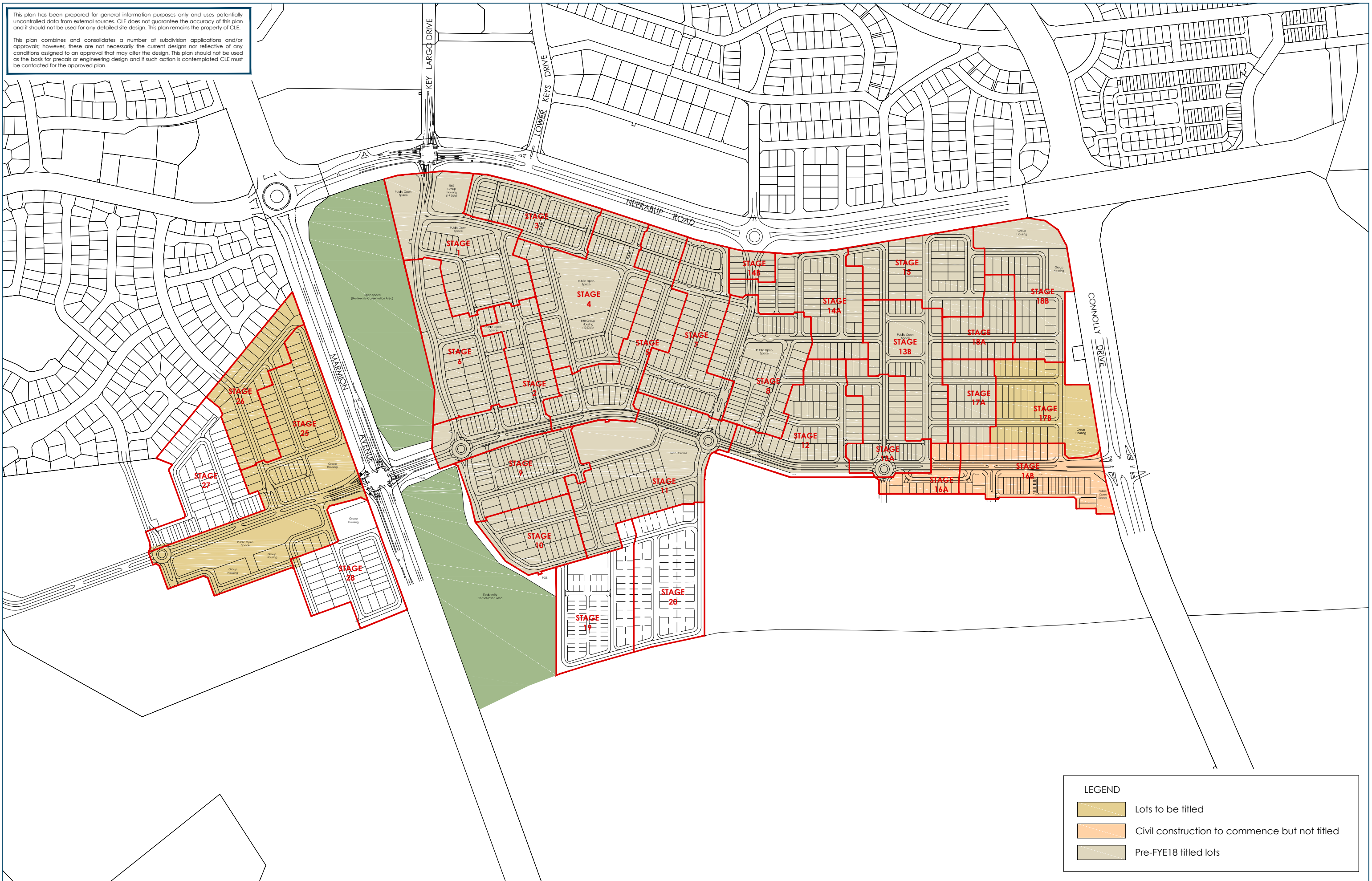
- Values for budget are based on 'total lots' for the relevant stages.



# **Appendix 9.5**

This plan has been prepared for general information purposes only and uses potentially uncontrolled data from external sources. CLE does not guarantee the accuracy of this plan and it should not be used for any detailed site design. This plan remains the property of CLE.

This plan combines and consolidates a number of subdivision applications and/or approvals; however, these are not necessarily the current designs nor reflective of any conditions assigned to an approval that may alter the design. This plan should not be used as the basis for precasts or engineering design and if such action is contemplated CLE must be contacted for the approved plan.



**LEGEND**

- Lots to be titled
- Civil construction to commence but not titled
- Pre-FYE18 titled lots

## “AGED STOCK” – PERIOD ENDING 14 JUNE 2018

The following table provides a summary of lot sizing and commentary of current “Aged Stock” on hand. Aged Stock refers to lots that have been on the market for longer than 6 months in the Central Precinct and 12 months in the Beach Precinct.

Stage	Lot Number	Release Date	Price	M <sup>2</sup>	Comment
17A	951	Oct-2016	335,000	450	Regular lot, 15m frontage
17A	979	Oct-2016	335,000	450	Regular lot, 15m frontage
18B	869	Mar-2017	348,000	474	Opposite group housing site, Regular lot, 15m frontage
18B	873	Mar-2017	308,000	395	Opposite group housing site, 15m frontage
18B	876	Mar-2017	274,000	338	Opposite group housing site, 12.5m frontage
18B	895	Mar-2017	298,000	375	Regular lot, 12.5m frontage
18B	897	Mar-2017	308,000	393	Regular lot, 13.1m frontage
18B	898	Mar-2017	335,000	447	Regular lot, 15m frontage
18B	899	Mar-2017	260,000	291	Corner rear loader lot, opposite Connolly Drive, Quiet house design
18B	903	Mar-2017	335,000	447	Regular lot, 15m frontage
25	2098	May-2017	390,000	375	Regular lot, 12.5m frontage
25	2100	May-2017	390,000	375	Regular lot, 12.5m frontage
25	2102	May-2017	390,000	375	Regular lot, 12.5m frontage
25	2111	May-2017	425,000	450	Regular lot, 15m frontage
25	2112	May-2017	425,000	450	Regular lot, 15m frontage
25	2113	May-2017	425,000	450	Regular lot, 15m frontage
25	2115	May-2017	425,000	450	Regular lot, 15m frontage
25	2117	May-2017	380,000	375	Regular lot, 12.5m frontage
25	2118	May-2017	425,000	450	Regular lot, 15m frontage
25	2119	May-2017	425,000	450	Regular lot, 15m frontage
25	2120	May-2017	380,000	375	Regular lot, 12.5m frontage
17B	965	Nov-2017	279,000	338	Opposite group housing site, regular lot, 15m frontage
17B	966	Nov-2017	278,000	333	Opposite group housing site, corner lot, 15m frontage
17B	967	Nov-2017	335,000	450	Regular lot, 15m frontage
17B	968	Nov-2017	298,000	375	Regular lot, 12.5m frontage
17B	972	Nov-2017	257,000	300	Regular lot, 10m frontage
17B	973	Nov-2017	298,000	375	Regular lot, 12.5m frontage
17B	986	Nov-2017	298,000	375	Regular lot, 12.5m frontage
17B	988	Nov-2017	298,000	375	Regular lot, 12.5m frontage
17B	989	Nov-2017	298,000	375	Regular lot, 12.5m frontage
17B	991	Nov-2017	298,000	375	Regular lot, 12.5m frontage
17B	992	Nov-2017	298,000	375	Regular lot, 12.5m frontage
17B	993	Nov-2017	298,000	375	Regular lot, 12.5m frontage
17B	994	Nov-2017	329,000	445	Opposite group housing site, corner lot, 15m frontage



# **Appendix 9.6**



ANNUAL MARKETING PLAN  
FYE2019

## INTRODUCTION

This Annual Marketing Plan for Catalina Estate outlines the key marketing and communication activities for 1 July 2018 – 30 June 2019 period. The purpose of the Annual Marketing Plan is to provide an overview of the market conditions and a strategic overview and timeline for key marketing activities planned for the above-mentioned period.

The key objectives for the overarching Catalina Estate brand, as well as the Central and Beach sub-brands, vastly remain the same as in previous years, where the focus is placed on increasing brand equity. Additionally, FYE19 will see early stages of the Catalina Grove brand introduced to the market.

With the annual sales target set at 75 sales across Catalina Central and Catalina Beach on-going lead generation and lead nurture activities will have to be put in place to enable the possibility of meeting the goal. The economic conditions will remain similar to those in FYE18, which is reflected in the marketing strategy and budget allocation.

This Annual Marketing Plan is subject to approval by the Tamala Park Regional Council (TPRC) and the achievement of the key project milestones.

The Annual Marketing Plan for July 2018 – June 2019 includes:

1. Market Conditions Overview
2. Sales Summary – Catchment Area
3. Key Marketing Objectives
4. Key Marketing Strategies
5. FYE19 Marketing Budget

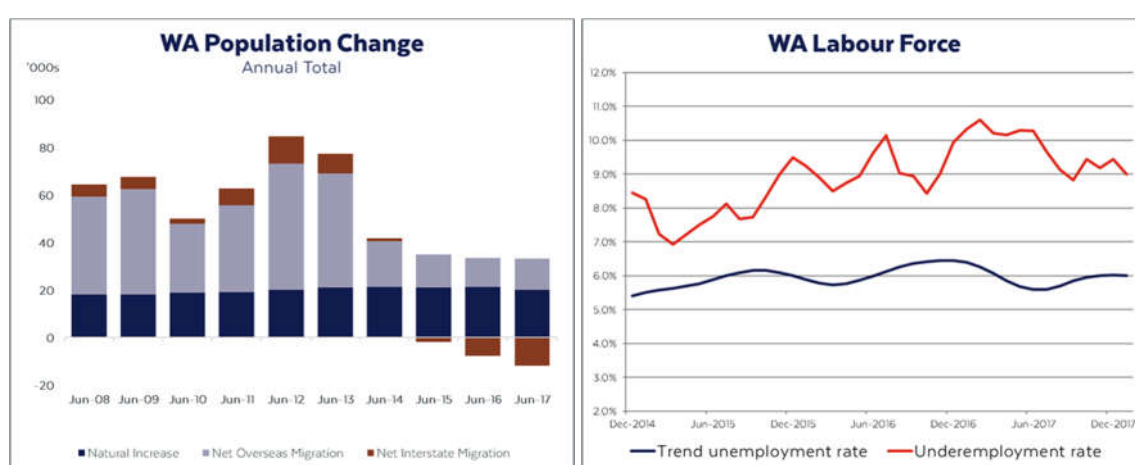
### Appendices

1. Swot Analysis
2. Additional Market Conditions
3. Competitor Report FYTD18
4. Lot Sales & Release Strategy Map
5. Catalina Marketing Activity Plan FYE19

## 1. MARKET CONDITIONS OVERVIEW

Despite interest rates remaining at historically low levels, the WA property market remains affected by concerns over job security as the transition of the economy from the mining construction boom continues. With the unemployment rate trending upwards, albeit with a slight reduction in recent months, people remain cautious about making large financial purchases including new homes.

As workers keep relocating to find jobs, population growth in WA has slowed considerably with high negative net interstate migration. Whilst the exodus to other states helps mitigate a rise in the unemployment rate that might be otherwise expected, high underemployment ensures people remain concerned about job security and are cautious about making large financial purchases including new homes.



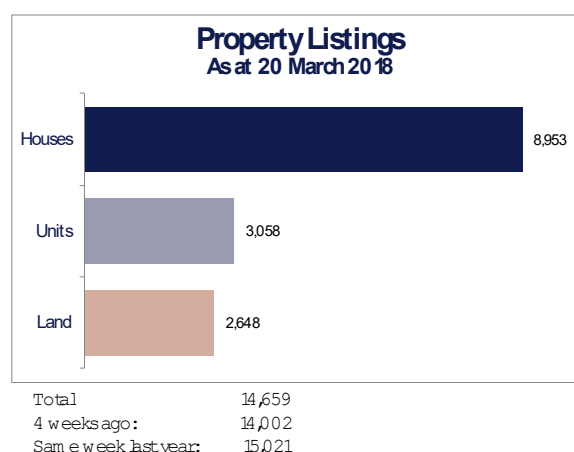
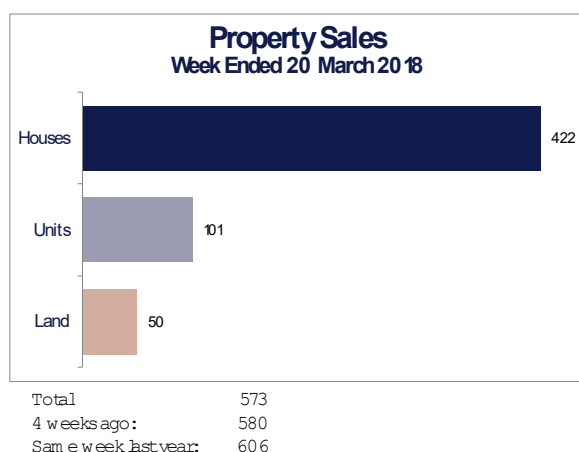
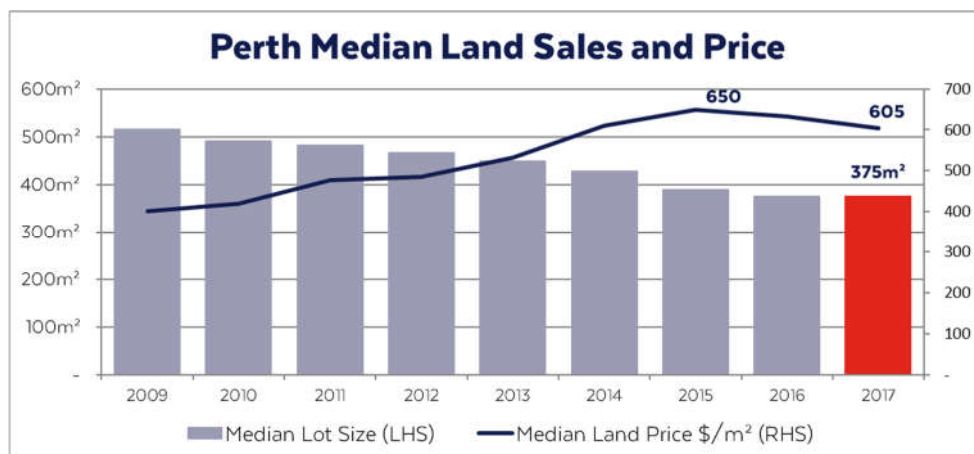
Source: ABS

With net interstate migration recording negative values for the past three financial years, the trend unemployment rate remains high at approximately 9% at Dec-17. These factors are having an impact on land sales across Perth.



Source: 2018 UDIA State of the Land Report (March 2018)

In tackling affordability, the broader market trend for smaller lot sizes continues, with the Perth median new lot size for 2017 standing at 375m<sup>2</sup>. Despite the reduction in lot sizes which ordinarily would attract higher revenue per square metre, lower sales and increased competition has led to a decrease in the median price from \$650/m<sup>2</sup> in 2015 to \$605/m<sup>2</sup> in 2017.



Source: REIWA

Whilst it is encouraging current listings as at 20 March 2018 are slightly lower than the same time last year, the total number of property listings (14,659) far exceeds the equilibrium level of 12,000. At current sales rates, without factoring new stock entering the market, there appears to be 21 weeks' worth of existing housing stock, 30 weeks' unit stock and 53 weeks' land stock. The North-West metro corridor is not immune from this.



North-West Metropolitan Corridor Snapshot					
DESCRIPTION	THIS QTR (SEP-17)	LAST QTR (JUN-17)	% CHANGE FROM LAST QTR	YOY	% CHANGE YOY
Share of sales	26.6%	21.4%	24%	22.8%	17%
Lots sold (# of lots)	363	359	1%	375	(3%)
Lots sold (\$ millions)	\$89.9	\$90.2	(0%)	\$83.7	7%
Avg. size of lots sold (sqm)	398	395	1%	393	1%
Avg. price of lots sold	\$247,607	\$251,213	(1%)	\$223,204	11%
Avg. rate per sqm of lots sold	\$622	\$637	(2%)	\$567	10%
Lots on the market	917	968	(5%)	1050	(13%)
Stock on the market (months)	7.6	8.1	(6%)	8.4	(10%)
Avg. price of lots on the market	\$237,311	\$223,691	6%	\$222,595	7%
Avg. size of lots on the market (sqm)	386	381	1%	369	5%
Lots NOT on the market	524	531	(1%)	376	39%
Lots under construction (release within 12 mths)	845	862	(2%)	949	(11%)
Avg. size of lots under construction (sqm)	344	376	(9%)	378	(9%)

Source: UDIA WA

The Urban Development Institute of Australia WA (UDIA WA, Sept-17 quarter) suggests there is over seven months' stock on the market for land in the North-West corridor, which despite the welcome reduction from the previous quarter, still provides plenty of choice for prospective purchasers and ensures strong competition between developers. Sales volumes for the Sep-17 quarter grew by a modest 1% from the previous quarter but is down 3% in year-on-year terms. Reflecting an increase in the share of sales from more expensive coastal lots in the City of Joondalup over inland lots in the City of Wanneroo, both the average price of lots sold and price per square metre rose in the September 2017 quarter. Additional market commentary can be reviewed in **Appendix 2**.

## 2. Sales Summary – Catchment Area

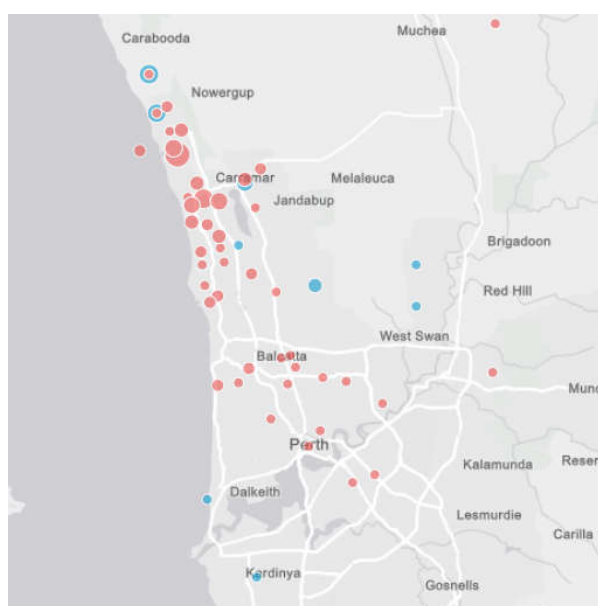
The map below shows the geographical location of key sales clusters (red dots) and sales enquiries (leads), shown in blue colour. Looking at Perth metropolitan area, sales clusters remain very similar to FYE17, albeit less dispersed. Note that the *sales* clusters in FYTD18 follow from the previous financial year *lead* clusters.

The majority of the Catalina purchasers continue to come from Perth metropolitan northern suburbs, stretching from Perth CBD to Yanchep along the northern corridor. This trend is likely to continue into FYE19.

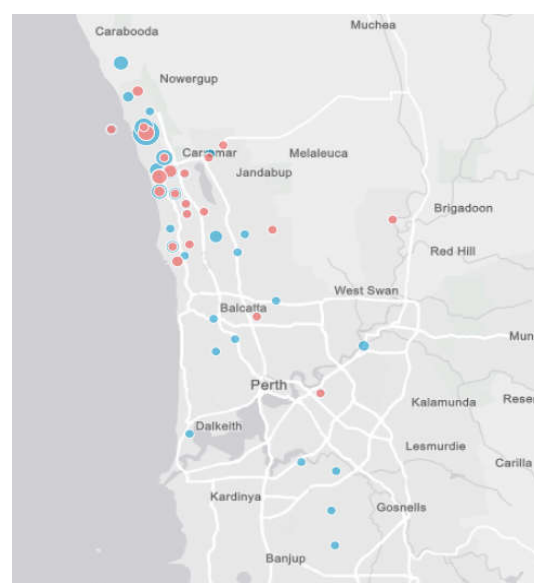
The top five suburbs in FYE17 purchasing into the Catalina Estate in order of relative sales share are Clarkson, Mindarie, Alkimos, Currambine and Iluka. The order changed slightly in FYTD18 with the introduction of Kinross and Ocean Reef, summarised in the table below.

Place	Sales share by suburb, FYE17	Sales share by suburb, FYTD18
1	Clarkson	Clarkson
2	Mindarie	Iluka
3	Alkimos	Mindarie
4	Currambine	Currambine
5	Iluka	Kinross and Ocean Reef

ROI vs Purchase FYE17

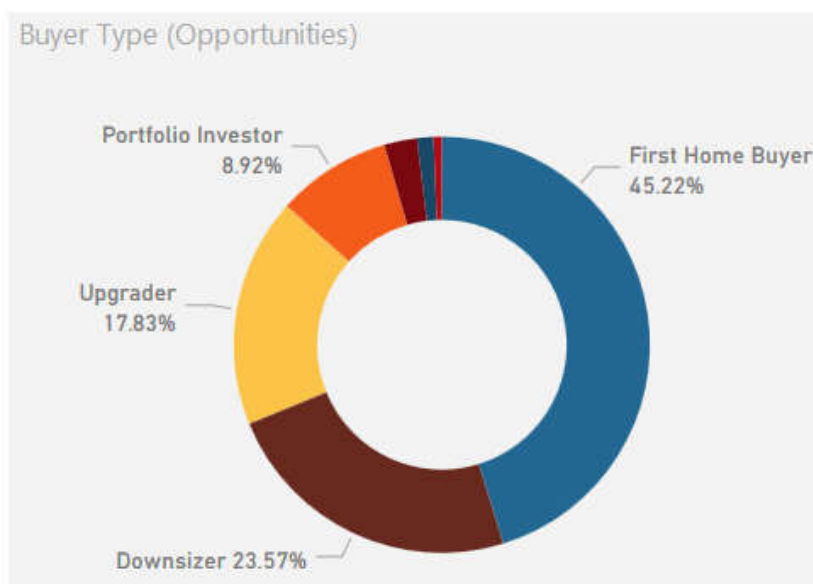


ROI vs Purchase FYTD18



Source: Catalina Estate sales data, customer relationship management system (CRM)

In the current financial year Catalina Estate acquired leads from a broader geographical spectrum south of the river, compared to FYE17. This is likely the result of the current economic conditions, in which the customers are searching for a suitable property option within their budget weighing down the importance of location familiarity.



Source: Catalina Estate sales data, customer relationship management system (CRM)

The buyer type for FYTD18 comprises vastly of the first home buyers (45%), closely followed by the downsizers (nearly 24%) and upgraders (nearly 18%). Interest is high amongst the international first home buyers arriving from overseas, mainly UK, South Africa, India and Asia.

### 3. Key Marketing Objectives

1<sup>st</sup> July 2018 – 30<sup>th</sup> June 2019

The primary marketing objectives for the Catalina project and its precincts for the 1<sup>st</sup> July 2018 – 30<sup>th</sup> June 2019 period are outlined in detail below. When developing marketing objectives for this project the following factors were taken into consideration:

- the state of the WA property market and a highly competitive sales environment predominantly driven by the product discounting and various incentives available to purchasers and builders' representatives that are traditionally referring business to land developers;
- the current status of our point of sale environment and project signage in comparison to other developments in the Northern corridor;
- FYE19 sales targets; and
- the current level of lead enquiries generated directly by the project's marketing activities.

The Marketing objectives for Catalina's overarching brand and Catalina's individual precincts were developed in line with the brand essence presented in the earlier strategic documents (Bi-annual Strategic Marketing Plan 2018). On-going marketing activities are required to maintain brand positioning and reinforce points of difference to the target market to enable future sales.



The Catalina Estate holds a strong position of the infill development in the Northern Corridor with established infrastructure. Each brand communication and advertising marketing activity for a specific precinct will contribute to the “Land Without Compromise” brand positioning while highlighting points of difference of the given sub-brand (Beach, Central or Grove).

<b>Marketing Objectives – Catalina Central and Master Brand</b>	
<b>1. Brand Development</b>	Strengthen brand equity for Catalina master brand, build brand equity for Catalina in the northern corridor through on-going digital brand campaign, up-to-date signage and consistency across all advertising campaigns and marketing materials. Increase brand awareness and share of voice in the primary, secondary and tertiary catchment areas.
<b>2. Lead Generation</b>	Generate sales leads and traffic to the estate sales office and website keeping the quality of leads at 4% conversation rate or above through traditional and digital advertising and builder relationships. Optimise campaign performance to achieve campaign goals while making effective use of advertising funds with appropriate measurements in place.
<b>3. Project Signage</b>	Implement Phase 2 of the signage strategy addressing the new directional signage and the possibility of erecting a sign visible from the Mitchell Freeway. Create strong brand presence with the bannermesh, which will contribute to brand equity and promote the estate's key points of difference. The internal estate signage will mark the key project amenities, as well as improve the customer journey through the estate.
<b>4. Market Research</b>	Initiate market research to gather primary data regarding market expectations for the product, amenities and price in Catalina Grove. Determine key drivers and obstacles.
<b>5. Point of Sale (Sales Office)</b>	Maintain strong Catalina master brand and Catalina Beach precinct presence at Catalina Sales Office. Provide a functional space for a community development component.
<b>6. Project Website and Search Engine Optimisation (SEO)</b>	With the new website developed and search engine optimised (SEO) in FYE17, the objective for FYE19 is to utilise this media channel as a key driving tool for value proposition communications, in conjunction with lead generation and remarketing through search engine marketing (SEM) and social media.
<b>7. Sales Collateral</b>	Maintain available stock of vision brochures, price lists and sales plans to support the sales force in their daily operations. To ensure collateral is compliant with the section 18(1) of the Australian Consumer Law.
<b>8. Community Development</b>	Support the Community Development function from a marketing support and brand guidance perspective to deliver greater added value, build brand equity and advocacy amongst existing and future residents.



### Marketing Objectives – Catalina Beach

#### 1. Brand Development

Strengthen the Catalina Beach brand position as a premium beach precinct throughout FYE19 through on-going digital campaigns, signage brand presence and two advertising campaigns (summer and spring periods). Increase awareness of the Catalina Beach precinct in the catchment area. Increase the return on investment from the Beach precinct by driving the value proposition for the Beach precinct.

Enable Catalina Beach to compete successfully with the next best options in consumer consideration set.

#### 2. Lead Generation

Lead generation campaign will run concurrently to the brand campaign to ensure most effective synergies and share of voice. This is focused on generating new sales enquiries (leads) and traffic to the estate sales office and website. Convert a maximum number of existing database leads into sales. Optimise campaign performance to achieve campaign

#### 3. Project Signage

Deliver Phase 2 of the signage strategy within the Beach precinct. Develop, deliver and implement display village and new sales office signage strategies in FYE19.

#### 4. Point of Sale (Sales Office)

Develop concept for the new Beach Precinct Sales Office, which will communicate the premium status of the precinct, highlight its points of difference and reasons to believe why the Beach precinct is 'land without compromise'.

#### 5. Sales Collateral

Develop precinct specific print collateral to demonstrate the key aspects of the Beach precinct.

#### 6. Advertising

Enable Catalina Beach to compete successfully with the next best options in the consumer's consideration set. Ensure effective use of allocated funds to promote brand and retail components of the Beach precinct to generate quality traffic which converts into leads at the rate of equal to or greater than 4%.

### Marketing Objectives – Catalina Grove

#### 1. Brand Development

The primary purpose of our brand strategy for this precinct is the launch of the precinct in line with the overarching brand strategy and the brand essence outlined in this section. Communicate and apply the Catalina Grove brand throughout the signage strategy.

Gain the first-mover advantage in that market segment and enable Catalina Grove to compete successfully with the next best options in the consumer's consideration set.

#### 2. Initial expression of interest

Generate new sales enquiries by targeting specific market segment and traffic to the estate sales office and website through an advertising campaign. Nurture created leads until such time as they are ready to buy. Optimise campaign performance to achieve campaign goals while making effective use of the advertising funds.

#### 3. Precinct Signage

Communicate and apply the Catalina Grove brand throughout the signage strategy. This will be done through banner/mesh artwork design and installation.

#### 4. Website

Develop and publish content for the Catalina Grove on-line page on Catalina Estate website. This will strengthen overall SEO for Catalina Estate website and give Catalina Grove digital space, increasing on-line discoverability.

## 4. Key Marketing Strategy

The following section outlines the specific marketing strategies that are designed to meet FYE19 sales targets and the key marketing objectives. Supporting marketing documentation is listed in the Appendices section of this document.

Item	Strategy
<b>Branding</b>	<p><b><u>Brand, market research and advertising strategy</u></b></p> <p><b>Strategic Branding Direction</b> Capitalise on the refreshed brand and value proposition launched in the previous financial year. Ensure brand awareness and brand engagement at each stage of the customer journey, starting with problem identification (the need to purchase land/house), through solution search, evaluation and consideration, down to purchasing and post-purchasing behaviour.</p> <p>Introduction and implementation of the content strategy to support key point of differences of the estate to become the ideal partner for the land and home buying journey.</p> <p><b>Catalina Central</b> Catalina Central is an established brand that will evolve in line with the new strategic brand direction in FYE19. Adjustment of the brand will be consistent with the previous year and include the following steps:</p> <ul style="list-style-type: none"> <li>▪ clearly communicate key points of difference (PODs) creating favourable associations;</li> <li>▪ post-purchase information and communication;</li> <li>▪ change in marketing communication with the general public; and</li> <li>▪ communication with builders.</li> </ul>
On-going	<p><b>Catalina Beach</b> The primary purpose of our brand strategy for this precinct is to continue the process of establishing the Catalina Beach brand as highly desirable through key visual and content brand elements.</p> <p>Followed by the content strategy rollout to the website, point of sale environment, marketing collateral, advertising and database communication.</p>
December 2018	<p><b>Catalina Grove</b> The primary purpose of our brand strategy for this precinct is the launch of the precinct in line with the brand essence. Communicate and apply the Catalina Grove brand throughout the signage strategy.</p> <p>Followed by the content strategy rollout to the website, point of sale environment, marketing collateral, advertising and database communication</p>
<b>Research</b>	<p><b><u>Market Research</u></b> The following market research tools are recommended to be put in place to better understand Catalina consumers:</p> <ul style="list-style-type: none"> <li>• Product and/or build-form research, related to the Catalina Beach and Catalina Grove product;</li> </ul>
November 2018	

<p><b>Advertising</b></p> <p>On-going</p> <p>September 2018 and January 2019</p>	<ul style="list-style-type: none"> <li>• Ongoing Customer Tracker Buyers Research;</li> <li>• Geomapping Update and Analysis; and</li> <li>• Perceptual study to determine the market perception of the Catalina brand and its sub-brands.</li> </ul> <p>Additional market research around the Catalina Beach apartment product should be considered to better understand the market demand and expectation for this type of product. Provision for this activity is included under the “Brand and Product Development” section in FYE19 marketing budget.</p> <p><b>Brand Advertising</b></p> <p>Brand Advertising should account for approximately 40% of the advertising spend. It is recommended to invest the majority of this share into digital and emerging advertising channels which will increase the brand awareness in our primary and secondary catchment areas to deliver on set objectives.</p> <p>The media channels will be selected based on the goal of an advertising campaign, with the main goal to increase the project’s brand awareness in the secondary and tertiary catchment. This in turn, will foster traffic to lead conversion from these target audiences. This approach to advertising would also be designed to better communicate the project’s value proposition and build positive brand perception that is aligned with its vision, positioning in the market place, product offering and pricing.</p> <p>When executed in line with the proposed brand advertising allocation, we would expect consistent growth of the market share and brand equity, passing the benefits on to the project owners (TPRC).</p> <p><b>Lead Generation Performance Advertising</b></p> <p>The remaining 60% of the advertising spend should be allocated to lead performance advertising designed to drive traffic to the sales office, web/phone enquiries or referral traffic to the Catalina display village.</p> <p>The media channel strategy would include profiling our target market segments from a demographic and sociographic perspective and using 2<sup>nd</sup> and 3<sup>rd</sup> party media consumption behavioural data from big data platforms.</p> <p>The media plans to deliver the above results will be briefed in closer to the time when a confirmed launch date has been agreed and/or project milestones are accomplished and will include a consistent share of digital advertising.</p> <p>In view of high cost effectiveness and measurability, backed up by consumer behaviour, Search Engine Marketing (SEM) is highly recommended in the performance advertising media mix to target audience searching for our product, as well as re-marketing to this audience once they visit the Catalina website.</p> <p><u>KPIs Catalina Central</u>  Land Sales (estimate): 43  Lead per sales ratio: 15 :1  Leads required: 645</p>
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KPIs Catalina Beach

Land Sales (estimate): 32

Lead per sales ratio: 20 :1

Leads required: 640

**Built-form Cross-Promotion**

Special built-form product (6m and 4.5m frontage) in Catalina Central (Stage 16A and 16B) will require cross-promotional activity. Promotion will be orchestrated between the Estate (Satterley/TPRC) and a respective builder. Provision of \$50,000 for this activity is included under “Advertising & Direct Marketing” section in FYE19 marketing budget, inclusive of \$10,000 for webpage development and \$30,000 dedicated to co-branded bannermesh and collateral.

**Key Milestones** for Catalina Central, Beach and Grove Precincts are as follows:

- 2 Public Land Releases (timeframe in the table below)
- Opening of the new Display Village in Catalina Beach (Oct/Nov 2018)
- Opening of the new Sales Office in Catalina Beach (Oct/Nov 2018)
- Catalina Grove work commencement (Feb 2019)
- Possible beach access approval in Catalina Beach (June 2019)
- Possible award of the six EnviroDevelopment leaves (Oct 2018)

Broad estimate of proposed stage releases within the 12-month period July 2018 to June 2019 for Central and Beach is as follows:

Stage	Date	No of Lots
Stage 17B	October 2018	18
Stage 16A	July 2018	45
<b>TOTAL</b>		<b>63</b>

*Note: These will vary dependent on sales rate and market conditions.*

**Marketing Communication Strategy** to promote each of the project milestones, where applicable, will follow the principles of the below framework.

Phase 1 – Registration of interest/awareness

Overall Timing: 1 - 2 months prior to the milestone.

Strategy:

- Generate sales enquiries from the primary and secondary catchment areas via highly effective communication channels;
- Consequently, engage with leads and drive them through the lead nurturing process as follows: prequalification (interests, purchase timeframe, budget, product type) and useful content and project updates (keeping prospect interested)

Signage	<p><b><u>Phase 2 – Release/Launch Campaign</u></b></p> <p>Overall Timing: 1 – 3 weeks prior to release/launch date or simultaneously with the project milestone.</p> <p>Strategy:</p> <ul style="list-style-type: none"> <li>- Release/Launch the milestone of the overarching brand or its sub-brands, and/or its product offering in the Northern Corridor and generate sales enquiries from the potential purchasers;</li> <li>- Finalise the lead nurturing process commenced in Phase 1 to separate leads from longer term database contacts through the following process: explain sales process; provide full product and pricing information; re-confirmation of intent to buy (conversion stage).</li> </ul> <p><b><u>Phase 3 – Post-Purchase/ Post-Event Nurturing</u></b></p> <p>Overall Timing: 3 - 6 weeks past release/milestone.</p> <p>Strategy:</p> <ul style="list-style-type: none"> <li>- Post-purchasing consumer behaviour focuses on re-assuring a buyer that the decision to purchase into the Catalina Estate was the right choice.</li> </ul> <p>This will happen through:</p> <ul style="list-style-type: none"> <li>- community events designed to build a stronger community and provide point of difference in comparison to the majority of other estates in Northern Corridor;</li> <li>- delivering on what was promised within the given time frame, i.e. rebates, and communicating this clearly;</li> <li>- on-going communication and updates, re-assuring superiority and exclusivity of the estate (i.e. additional enviro leaf, grand landscaping, new park attractions, etc.);</li> <li>- on-going brand advertising through sponsorship of the local events and geo-targeted SEM (search engine marketing); and</li> <li>- managing publicity through anticipating and mitigating any possible negative coverage and fostering positive, feel-good stories.</li> </ul> <p><b><u>Signage, point of sale, website and marketing collateral strategy</u></b></p> <p>Finalise, production and installation of the new and upgraded signage.</p> <p>Delivery of the new and upgraded internal and external signage will support brand awareness, communication of retail messaging and way-finding through the estate.</p> <p>Key initiatives as follows:</p> <p><b><u>External Signage</u></b> To increase the opportunity to communicate brand and retail messages to traffic passing through Marmion Ave, Connolly Drive and Neerabup Rd.</p> <p><b><u>Internal Signage</u></b> To improve the navigation through the development, we propose to install way-finding signage directing traffic to the sales office/display village area. This is related to the Signage Strategy – Phase 2 (July/Sept 2018).</p>
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	<p><b><u>Banner Mesh</u></b> We recommend placing branding bannermesh along Marmion Avenue to define the Beach precinct, as well as the construction site of the Catalina Grove precinct and future school site at Catalina Central.</p> <p>Banner mesh will not only mark the project boundary areas and form a part of the sand/dust management strategy but will also create an opportunity to communicate high-level brand messages to passing traffic in high traffic areas.</p>
<b>Sales Office</b>	<p><b><u>Sales Office (Catalina Central) Signage</u></b> Maintain presentation of the sales office through updating internal signage when required.</p>
August 2018	<p><b><u>Sales Office (Catalina Beach) Signage - New</u></b> Develop internal and external signage strategy for the new sales office at Catalina Beach to enhance the customer journey and drive traffic through the sales office. Provision for retro-fit of the office falls outside of the marketing budget FYE19.</p>
<b>Website</b> On-going	<p>Website improvement work continues into FYE19 to fine-tune the user experience at the front end and added functionality at the developer end, ensuring integration with Satterley's customer relationship management (CRM) system.</p> <p>The Catalina website clearly distinguishes the Central and Beach Precinct and offers quality content and imagery to the incoming traffic. Visual aspects of the website are now aligned with the new strategic brand model.</p> <p>Specific campaign landing pages for Catalina Central and Catalina Beach will be developed to ensure improved lead capture and campaign results monitoring. This can be done within and outside of the Satterley/Catalina website platform.</p> <p>Develop and publish content for the Catalina Grove on-line page on the Catalina Estate website. This will strengthen overall SEO for the Catalina Estate website and give Catalina Grove digital space, increasing on-line discoverability.</p>
<b>Project Collateral</b>	<p>The following sales and marketing collateral needs to be maintained and updated on as needed basis:</p>
As required	<p><b>Vision brochure</b> Purpose: Communicate project vision, structure, amenities and lifestyle offering.</p> <p><b>Precinct Collateral</b> (Beach and Central Precincts) Purpose: Communicate specific aspects of the precinct, key amenities, precinct plan and key precinct's brand messages.</p> <p><b>Sales plan and Price list</b> (Precinct specific) Purpose: Showcase product for sale, pricing and incentives.</p>

## 5. FYE19 Marketing Budget – July 2018 to June 2019

The following marketing budget for FYE19 combines marketing expenditure required for delivery of brand, promotional and advertising activities needed for generating sufficient sales leads in line with our sales targets of 75 lots, as well as an upgrade of long term marketing assets such as signage and sales office. Marketing asset costs form part of the project infrastructure and do not relate specifically to the lot sales targets for FYE19.

Category	Budget Plan FYE19	Description	Budget
<b>Brand &amp; Product Development</b>	Market Research	Product and Market Research	\$120,000
	Photography	Estate Photography & Stock Imagery	\$10,000
	Brand	Additional brand / identity requirements, including provision for motion assets production (video, fly-over, animated banners))	\$20,000
<b>Sales Office</b>	Sales Office Internal Signage	Catalina Beach Sales Office concept development, fit out and branding in line with new branding creative and photography.	\$40,000
<b>Collateral</b>	Sales Brochures and Folders	Re-print and update on as needed basis of the new Vision Brochure for Catalina.	\$10,000
	Display Village Guide	New guide for the Catalina Beach Display Village, including re-print.	\$6,000
	Map & Amenities Flyers	Updates and reprinting as required.	\$6,000
	Sales Maps	Development of sales maps.	\$12,000
<b>Advertising and Direct Marketing</b>	Estate Advertising	Brand campaigns and retail campaigns (i.e. stage release campaigns and similar) in Beach and/or Central precincts.	\$70,000
	Advertising Production	Production of all advertising including the release periods, retail campaigns, special features, builder release advertisements.	\$40,000

	Sponsorship	Provision for productive cooperation with Mindarie Marina festival, which will ensure strong brand positioning for Catalina Beach, as well as access to the festival database.	\$20,000
	Cross-Promotion	Cross-promotion of the narrow lots (6m and 4.5m frontage) in Stage 16A and 16B in Catalina Central.	\$50,000
	Merchandise	Welcome gifts, tangible interpretation of the overarching Catalina brand and its sub-brands	\$15,000
	Public Relations	Managing, creating content and monitoring of public relations for Catalina estate.	\$5,000
<b>Signage</b>	Estate Signage	New signage, banner mesh and reskins in line with the overall signage strategy and new brand creative for both Catalina Central, Beach and Grove.	\$100,000
	Maintenance	Signage maintenance after implementation of signage strategy in FYE19 - includes allowance for storm damage, vandalism and general wear and tear to signs and banner mesh requiring repairs, re-skinning or reattaching to fence; flag rotation quarterly	\$10,000
<b>Website</b>	Special Projects	Allowance for landing and release page/s, platform enhancement (infrastructure).	\$30,000
<b>Total</b>			<b>\$564,000 ex gst</b>

# Appendices

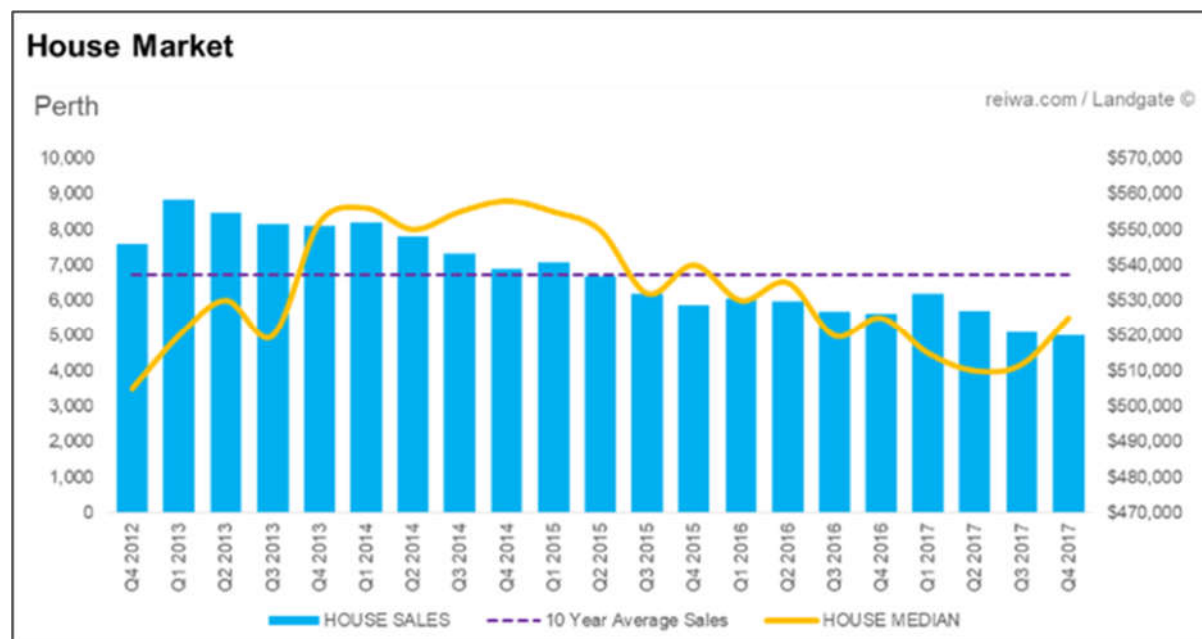
## Appendix 1 - SWOT Analysis

Weaknesses	Threats
<ul style="list-style-type: none"> <li>• No beach access yet</li> <li>• Difficulty acquiring approval for the beach access development</li> <li>• Convenient <i>local</i> public transport is limited (i.e. bus)</li> <li>• Landfill site in close proximity</li> </ul>	<ul style="list-style-type: none"> <li>• Established real estate market – main competitor</li> <li>• Threat of loss in market share in Northern Corridor due to many other competing estates offering rebates &amp; price cuts that cannot be matched</li> <li>• Negative perception of Clarkson area transferred to Catalina</li> <li>• Perception of environmental impacts from Tamala Park landfill</li> <li>• Historically “price only” proposition marketing /advertising has meant lack of brand communication &amp; awareness of Catalina's offering in market</li> </ul>
Strengths	Opportunities
<ul style="list-style-type: none"> <li>• Urban infill development</li> <li>• Proximity to the beach</li> <li>• Mitchell Freeway &amp; Neerabup Road extension</li> <li>• Access to surrounding established amenities such as Mindarie Marina, Ocean Keys shopping centre and local schools</li> <li>• Accessibility to Clarkson Train Station</li> <li>• Proximity to Perth CBD (compared to other northern corridor competitors)</li> <li>• Close proximity to key employment centres including Neerabup Business Park and Joondalup City Centre</li> <li>• Future planned amenities – school, local and neighbourhood centre</li> <li>• Satterley brand association with the development</li> <li>• Community Development activities (Satterley)</li> <li>• Different housing options, including FHB product</li> <li>• Sought after ‘Mindarie’ address for Beach precinct</li> <li>• Strong Builder relationships including Display Village strong source of direct referrals</li> <li>• New Display Village in Beach precinct</li> <li>• Currently Private Estate - No public housing</li> <li>• High traffic area with main roads providing good opportunity for exposure</li> </ul>	<ul style="list-style-type: none"> <li>• Breadth of project creates diversity – 2.4km</li> <li>• Capitalise on the existing amenities in surrounding suburbs</li> <li>• Beach access and development of pathway</li> <li>• Further development of Greenlink into Beach and Grove precincts will provide a key selling point</li> <li>• Improve brand awareness and equity through brand communication strategy and improved signage strategy</li> <li>• Better diversity of housing options including opportunities for built form and medium &amp; high-density options</li> <li>• “Bush Forever” to the south of the development 450ha</li> <li>• New sales office located near Marmion Ave</li> <li>• Baby boomers moving into retirement</li> <li>• Gateway location with more projects being developed north of Catalina, leading to an increase in both traffic and attention to area</li> <li>• Establishment of neighbourhood activity centre, childcare site along with other community services</li> <li>• Improvement of estate presentation</li> <li>• Brand positioning and lead generation through Social Media</li> </ul>



## Appendix 2 – Additional Market Conditions and Commentary

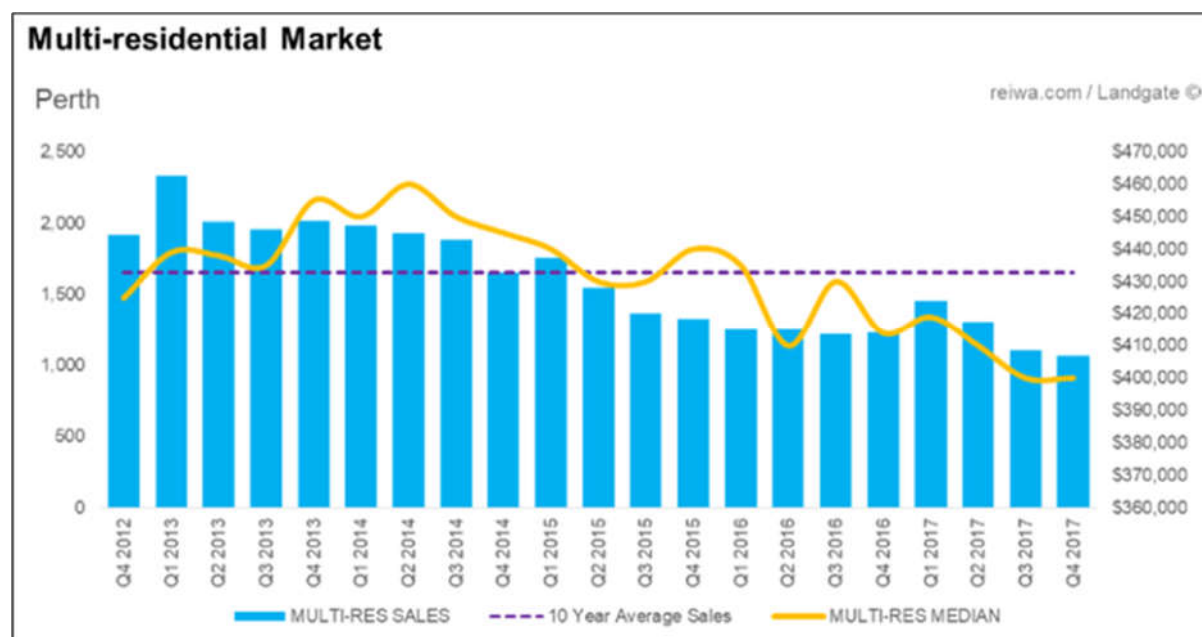
### Construction



Source: REIWA

- While the media house price is trending slightly up, dwelling completions continued to decline over the five-year period, coming off record high volumes of approvals and commencements back in 2013 and 2014.

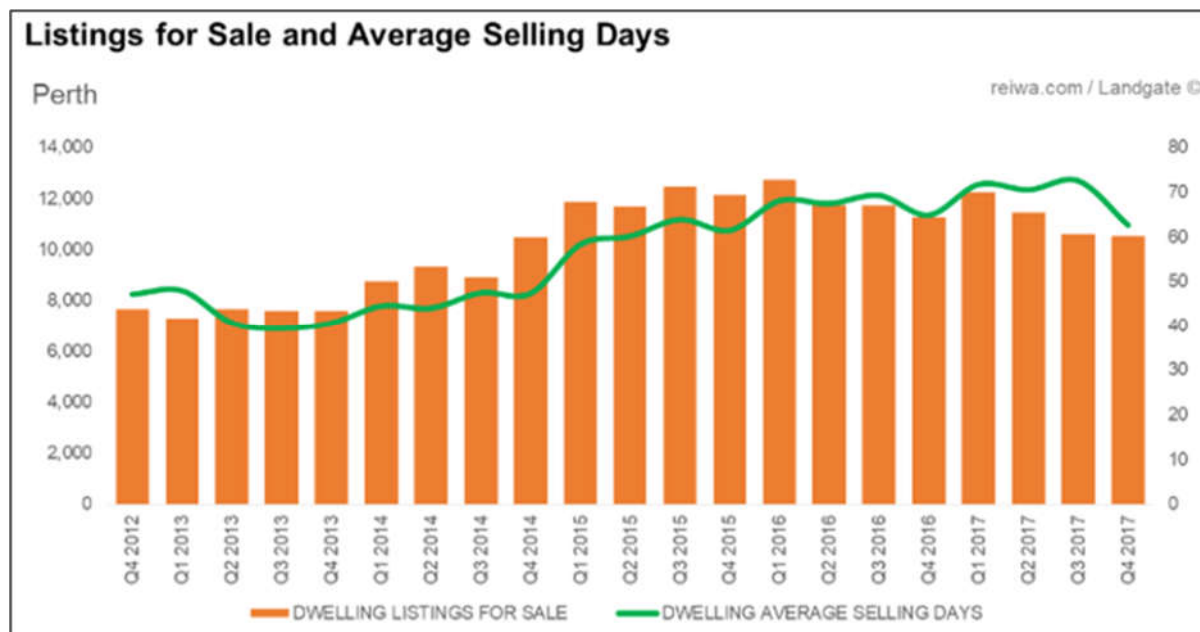
### House Prices and Sales Volumes



Source: REIWA

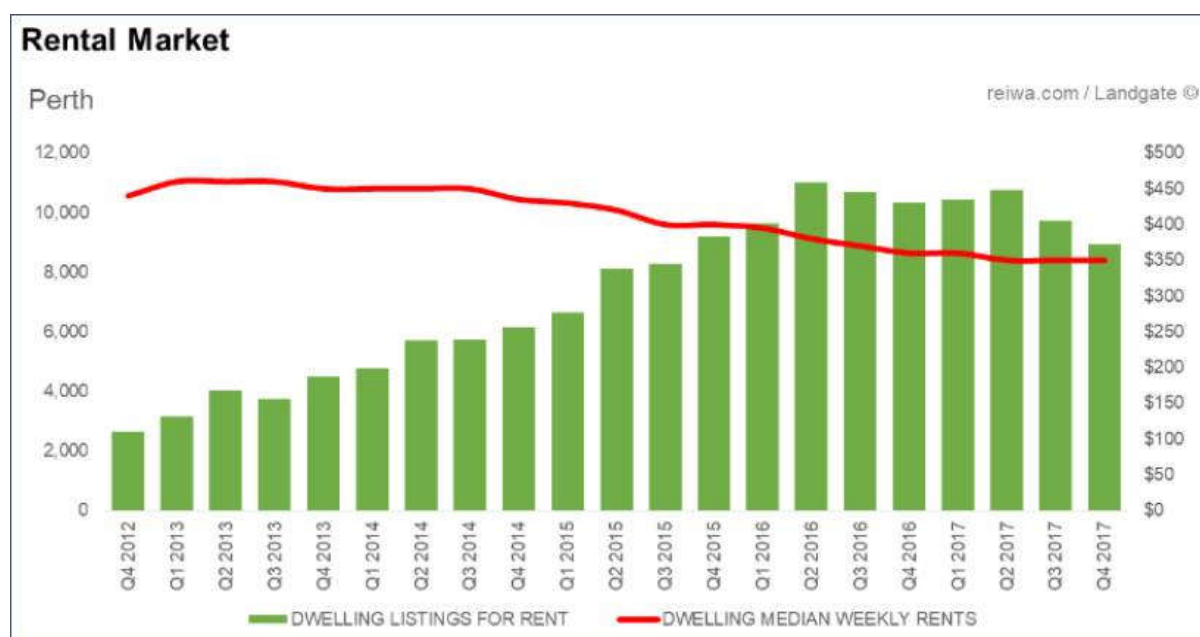
- › The median house price in Perth at Dec-17 (preliminary figures only) was reported at \$525,000. Multi-residential market remains unchanged.
- › Sales volumes have continued to trend downward since mid-2015 reflecting an overall dampening in the housing market which has been seen for some time now.

## Land



Source: REIWA

## Rental Market



Source: REIWA

- › To a backdrop of declining population growth, the rental vacancy rate is registered at 5.5%, the first upward move since the March 2016. Vacancy rates remains well above the 3.0% equilibrium, indicating median rents will remain soft.
- › Median rent prices continued dropping since 2015 and stand at \$355 per week in Mar-18.

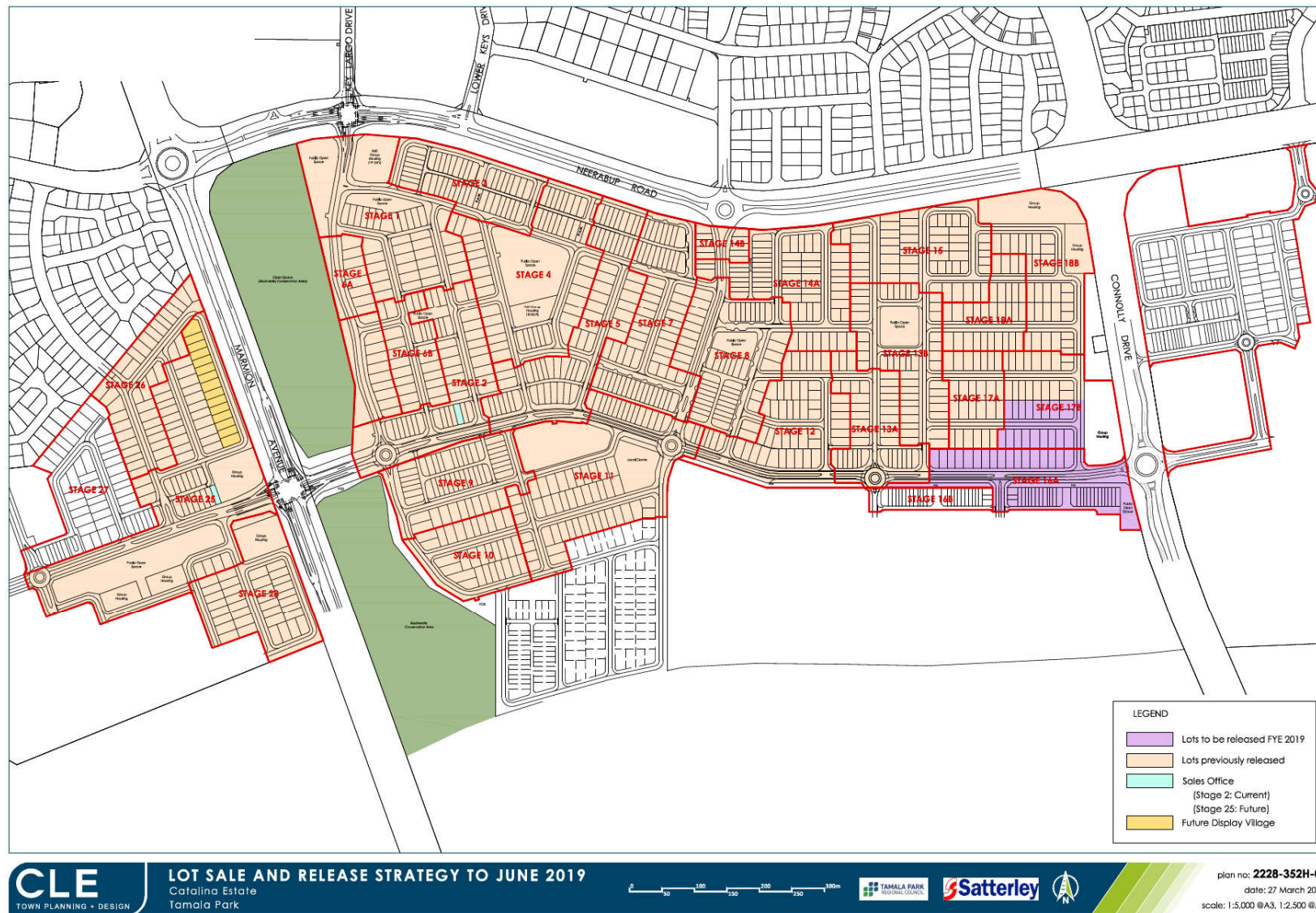
### **Other WA Market Drivers 2017**

- › The market remains underpinned by ongoing investment in mining and energy, albeit this has continued to decline.
- › Overseas migration took a turn, increasing 7.9% to 13,101 following four consecutive financial years of decline.
- › The First Home Buyer (FHB) market is predicted to fall into alignment with the broader market by the end of the calendar year 2018, as it shakes off the last remnants of distortion from the FHOG boost in previous years.
- › Expenditure on mineral exploration totalled \$294.2 million for Sept-17 quarter, up 60.6% from the March-15, although still 51% below the peak in June 2012.
- › Accompanying price rises in minerals is a positive sign for current and planned mining activities, providing optimistic outlook for the wider WA economy for the year ahead.

## Appendix 3 – Competitor Report FYTD18

(WA) COMBINE COMPETITOR REPORT FY 17/18															
Estate	Developer	Sales												YTD total	Market Share
		Sep Q Jul	Sep Q Aug	Sep Q Sep	Dec Q Oct	Dec Q Nov	Dec Q Dec	Mar Q Jan	Mar Q Feb	Mar Q Mar	Jun Q Apr	Jun Q May	Jun Q Jun		
<b>NORTH-WEST METRO</b>		Sep Q	Sep Q	Sep Q	Dec Q	Dec Q	Dec Q	Mar Q	Mar Q	Mar Q	Jun Q	Jun Q	Jun Q		
Allara	Satterley	1	8	8	6	7	5	7						42	5%
Brighton	Satterley	0	0	0	1	0	1	1						3	0%
Jindalee Beachside	Heath Development													0	0%
Eden Beach	Satterley	4	7	10	10	12	4	6						53	7%
Catalina	Satterley	8	7	16	8	9	7	2						57	7%
Beaumaris	Satterley	3	6	4	1	6	2	1						23	3%
Alkimos Beach	Lendlease	11	8	25	22	19	14	17						116	15%
Amberton	Stockland	3	10	9	8	4	0	5						39	5%
Burns Beach	Peet	2	2	4	6	2	1	1						18	2%
Capricorn Estate	Capricorn	5	6	7	6	8	4	4						40	5%
Yanchep Golf Estate	Peet	6	3	6	5	6	1	3						30	4%
Shorehaven	Peet	4	1	4	0	4	3	5						21	3%
Trinity	LWP	7	6	5	15	12	8	5						58	7%
Vertex Yanchep	LWP	0	0	3	1	4	0	1						9	1%
Jindowie	Fraser's Property	1	7	3	4	4	1	4						24	3%
The Reef	Pindan	2	2	2	3	2	0	0						11	1%
<b>NORTH-WEST METRO ESTATES TOTAL</b>		<b>57</b>	<b>73</b>	<b>106</b>	<b>96</b>	<b>99</b>	<b>51</b>	<b>62</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>544</b>	<b>70%</b>
<b>OTHER LAND SALES (UDIA / LANDGATE)</b>		<b>63</b>	<b>47</b>	<b>14</b>	<b>24</b>	<b>21</b>	<b>69</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>236</b>	<b>30%</b>
<b>NORTH-WEST METRO TOTAL</b>		<b>120</b>	<b>120</b>	<b>120</b>	<b>120</b>	<b>120</b>	<b>120</b>	<b>62</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>780</b>	
<b>SPG MARKET SHARE %</b>		<b>13%</b>	<b>23%</b>	<b>32%</b>	<b>22%</b>	<b>28%</b>	<b>16%</b>	<b>27%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>23%</b>	

## Appendix 4 – Lot Sales & Release Strategy





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 SATTERLEY

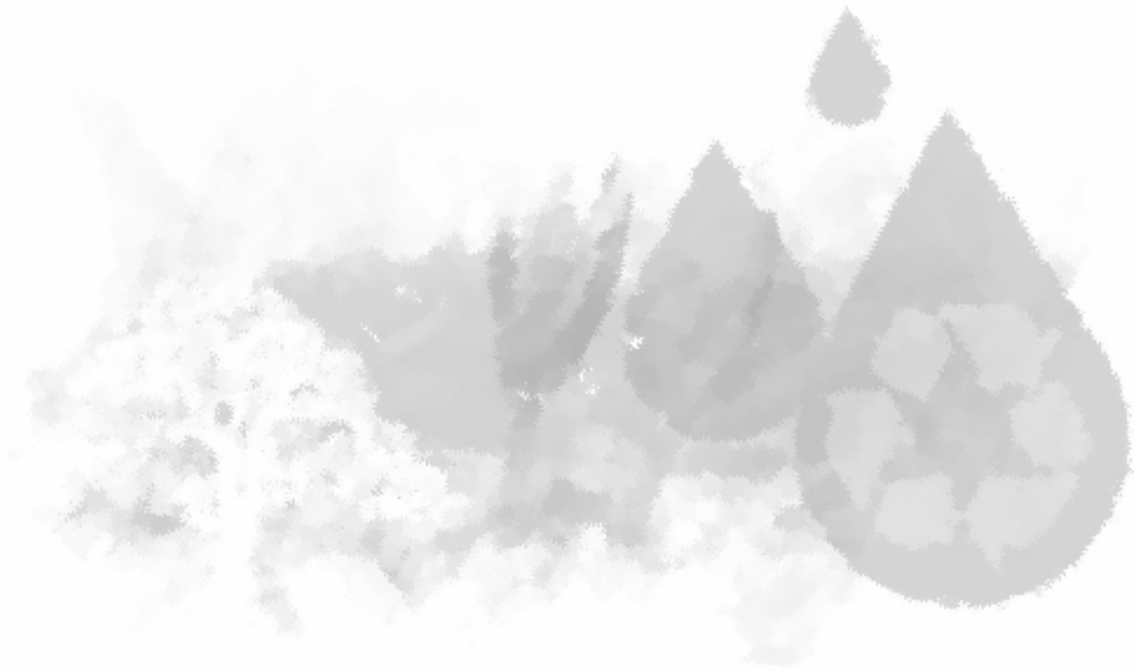


# **Appendix 9.7**



# Sustainability Initiatives Plan

## 2018 Review



April 2018 – Revision C

# Catalina Sustainability Initiatives Paper

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## Introduction

Since 2011, the Sustainability Initiative Plan (SIP) has been annually reviewed by SPG. The SIP was reviewed at the TPRC June 2017 Council meeting where it was decided the following initiatives were to be implemented:

- Solar Panel Rebate (\$2,000 per lot);
- Fibre Optic Service;
- Community Development;
- Waste Recycling (\$600 to \$900 per lot);
- WELs fixtures fittings and appliance rebate (Catalina Beach and Catalina Grove - \$1,000 per lot)
- Sustainable Housing through Design Guidelines;
- Dwelling Densities;
- Sustainable landscaping including native, lower water using plants, native seed collection and propagation and use of site mulch;
- Civil and Landscape Construction initiatives.

Each of the previously approved initiatives is currently in various stages of implementation.

In addition to the above, it was requested by the Council

- Requested that the Satterley Property Group develop strategies to increase awareness on sustainability relating to water conservation, waste recycling, housing efficiency and design, flora and fauna enhancement and energy efficiency
- Requested that SPG reviewed communications with for purchasers and builders on the Catalina rebates in order to improve participation rates
- Requested that SPG investigate SmartPole technology with the City of Wanneroo including, but not limited to, LED lighting, CCTV and battery power.

In 2017, the TPRC elected not to proceed with SPG's alternative recommendations which included:

- Providing purchasers with an electronic tablet to store all documents including, contract, building plans and contracts, community newsletter etc., promote the use of sustainability applications and to provide estate updates through communications based applications.
- Provision of a \$400 LED lighting upgrade rebate to residents
- A light globe exchange program where residents may receive up to \$150 worth of LED (energy efficient) light globes as an alternative to conventional globes.

Two of TPRC's fundamental objectives promote the balance of environmental issues and the commitment to development that demonstrates best practices. In order to facilitate the achievement of TPRC's objectives, the Satterley Property Group has undertaken a review of the SIP to determine if opportunities for improvement to current practices are now available.

The following review provides a number of recommendations regarding previously approved and implemented initiatives and new initiatives.

## Background

The Catalina Sustainability Initiatives Plan (SIP) was prepared by Satterley Property Group in March 2011 and reviewed by Active Sustainability in September 2011. The SIP provided a detailed analysis of sustainability initiatives which may be considered for implementation at Catalina to set the project's sustainability objectives. The TPRC Council received the SIP in December 2011 and approved implementation of specific elements of the SIP at the same meeting.

## Competitor Review

Catalina is implementing numerous environmental initiatives. The initiatives being implemented exceed those at the majority of competing developments. Generally sustainability initiatives at competing developments consist of community development, retention of vegetation, environmentally friendly front landscaping and a fibre optic service.

The Table included in **Annexure 1** shows the known sustainability initiatives being implemented in competing estates.

## EnviroDevelopment

The EnviroDevelopment Board of Management (UDIA) meet on 19 April 2018 to discuss the 6 leaf Application for EnviroDevelopment Certification for Catalina Beach and Catalina Grove. At this time, the Board granted certification in the 5 elements of Ecosystems, Water, Waste, Materials and Community. A decision on the Energy element was reserved to provide the applicant an opportunity to further address credit 3.1.1, solar orientation. To secure the Energy leaf, supplementary information was provided to the EnviroDevelopment Board for consideration. The Board addressed the information provided out-of-session on 24 April and supported certification in this final element. Catalina Beach and Grove precincts are the newest 6-leaf EnviroDevelopment with Perth.

The Projects that have EnviroDevelopment certification ratings range from 1 leaf to 6 leaves and average 3.4 leaves. Five (5) of Catalina's competitors in the northern corridor have EnviroDevelopment ratings.

In April 2018, the Catalina Beach and Grove Estates was awarded a six leaf EnviroDevelopment accreditation by the UDIA in recognition of the commitment to sustainability demonstrated throughout the Estate

A summary of these ratings is shown in the table below.

Project	Developer	Leaves	EcoSystem	Waste	Energy	Materials	Water	Community
Catalina Estate	TPRC / SPG	6	X	X	X	X	X	X
Alkimos Beach	LendLease / LandCorp	6	X	X	X	X	X	X
Trinity	LWP	2	X					X
Capricorn Village	Capricorn Village JV	2	X					X
Shorehaven	Peet	1					X	
Allara	LandCorp / SPG	6	X	X	X	X	X	X
Average / Total		3.4	4	2	2	2	3	4

Alkimos Beach, a joint venture between Landcorp and Lendlease, has received a 6 leaf EnviroDevelopment rating, being the market leader in both Perth and the north-west corridor. The Alkimos Beach development includes an Energy Smart Home Package which includes the following:

- A cash rebate of \$2,500 upon installation of a 1kW or greater solar panel system;
- A cash rebate of \$1,500 towards a solar hot water system (gas boosted);
- In home energy display valued at approximately \$200;
- A cash rebate of \$750 towards energy efficient television, refrigerators and washing machines
- A cash rebate of \$300 towards an LED light upgrade
- Efficient airconditioning rebate valued at approximately \$750;
- Front landscaping package to the value of \$2,500.

Allara, a joint venture between Landcorp and Satterley in Eglinton, commenced in November 2014 and was recently awarded a 6 leaf EnviroDevelopment Accreditation. The sustainability initiatives being implemented at Allara may be summarised as follows:

- Smart thermostat to provide energy efficient air conditioning value valued at \$300;
- Energy monitors and smart meters valued at \$366;
- LED lights valued at \$500;
- Photo voltaic cells to the value of \$2,600;
- Waterwise front landscaping to the value of \$3,500.
- Showerhead Exchange Program
- Centralised waste recycling and compost facilities.

## Current Initiatives

### Solar

The provision of the solar panel rebate allows purchasers of all lots within Catalina to claim a \$2,000 rebate on the basis they complete their home, install solar panels with a minimum 1.5 kw convertor and claim the rebate subject to home owners completing construction within 18 months of settlement for a single storey home or 24 months for a two storey home.

To date 390 installation have occurred throughout the estate with TPRC providing 275 rebates out of the 810 homes that have been completed indicating a take up rate of 34% for the solar rebate or 48% of all residents with solar panels. Some recently completed homes are still eligible to obtain the rebate, which could increase this take up rate.

A sample of the rebates claimed showed the size of the solar systems installed ranged from 1.5 kw to 5.0 kw with the average size being 3.0 kw. A 3.0 kw system will generally provide sufficient power for a small home compared to a 4.5kw to 6kw system for a larger home.

The size and cost of systems currently being installed is very similar in size and cost to systems being installed 12 months ago.

Based on a 1.5 kw system being installed, the estimated savings to purchasers is in the order of \$540 per annum which feeds back an estimated 341 kWh per annum into the grid. This is a significant saving providing an affordable living option for owners which also reduces greenhouse gas emissions by approximately 1.4 tonnes per annum per home. Applying this across the 390 homes with solar panels installed to date results in a total reduction in greenhouse gas emissions of 546 tonnes per annum.

Based on the take up rate of 34%, the ongoing power savings for purchasers, the cost of installation and the reduction in greenhouse gas emissions it is recommended that the solar rebate of \$2,000 per lot is maintained for future stage releases. SPG will include promoting the rebate upon approval of building design concepts and ongoing, after sales communications with purchasers to remind them of their entitlement to the rebate. The Satterley Property Group are in the process of establishing automated notifications to purchasers within the Catalina Estate including an email sent to owners five months after settlement advising them to consider applying for their rebates.

***Recommendation: It is recommended that the solar rebate of \$2,000 per lot is maintained for future stage releases with communications sent to home owners advising them of the offer available.***

### Waterwise Landscape Packages

Purchasers of lots sold within public releases of the Catalina Estate are eligible for installation of the front Waterwise Landscape Package provided they have completed construction of their home within 18 months for a single storey home or 24 months for a double storey home.

The Waterwise Landscape Package includes a number of waterwise initiatives within the front landscape package including:

- Native and water efficient plants with reduced water requirements;

- fully automated waterwise irrigation system (to turf areas and garden beds), including a hydrowise irrigation control;
- Soil preparation, fertiliser application and additives to enhance moisture retention abilities;
- Subsurface irrigation of garden beds to reduce water loss and minimise potential bore water staining.

The cost to implement the Waterwise Landscape Packages is approximately \$5,000 + GST per lot for lots contained within the public releases. There is currently an allowance within the budget for water wise landscape packages.

The waterwise landscaping packages are being progressively installed with landscaping in Stages 1 – 18A substantially completed.

The average front landscape package in Catalina has a turf to native shrubs ratio of 40:60 equating to 30-40m<sup>2</sup> native shrub planted areas per front garden. Landscaping sustainability benefits enjoyed by Catalina residents include:

- Increased habitat and foraging flora for West Australian endemic fauna;
- Decreased water consumption due to advanced sensors fitted to every controller which yield up to a 30% water saving;
- Decreased water consumption due to Hydrowise Irrigation Controllers which receive weather information from weather station and adjust sprinkler run times accordingly and yields up to a 30% water saving
- The use of sub-mulch in-line drip irrigation to shrub areas in front landscape packages allows increased watering efficiency by reducing run-off, evaporation and vandalism;

The majority of the street trees planted within Catalina are primary feeding plants for Carnaby's Cockatoos.

Water sensitive native plants have also been selected for verges in medium density areas. .

***Recommendation: SPG recommends continuing waterwise front landscaping packages.***

## Fibre Optic Services

At its December 2011 Council Meeting the TPRC resolved to proceed with entering into an agreement with NBN Co. for the supply of fibre optic services through stages 1-6 of the Catalina development. In April 2014 the TPRC resolved to continue using NBN Co for the provision of fibre optic services for stages 7-18 of the Catalina development, covering all Urban zoned land in the Catalina Central precinct. In early 2017, TPRC entered into an Agreement for NBN services to extend in to the Catalina Beach Estate.

The NBN network provides many benefits for Purchasers including:

- work-life balance with the opportunity to work from home rather than from the office saving travel time and providing flexibility;
- small business opportunities where businesses can be established from home without the expense of renting an office;
- connecting with friends and family through high quality video conferencing;
- entertainment options such as video streaming and tv / movies on demand;
- a superior service for busy households where everyone can be online at the same time on multiple devices while still enjoying a high speed service;
- opportunity to sign up with all major Internet Service Providers, which isn't the case for the fibre optic service provided in some competing developments.

NBN Co. has provided a high standard of service to residents at Catalina. Residents have been able to connect to the internet immediately and are receiving a superior service to areas still serviced by copper.

The cost to install pit and pipes for NBN Co. is approximately \$600 per lot these works are carried out by the civil contractor. As of 1 July 2015 NBN Co. revised their fees for any lots that are not subject to an existing agreement with NBN Co. These fees are as:

- a fibre deployment charge of \$600 per lot payable by the developer;
- where NBN Co does not have backhaul available to connect a new development, an additional charge will be payable by the developer with the amount dependent on the amount of backhaul required;
- a one-time connection charge of \$300 per home, which will be payable by homeowners when they initially connect to the internet.

SPG recommends building on the existing advantages of being NBN connected through the creation of WiFi hot spots in the Stage 25 POS. This will enable residents and visitors to the estate to log in to the network and browse the internet. NBN Co offer a reliable NBN connection and WiFi hotspots would enable TPRC to promote the service available at Catalina.

***Recommendation: SPG recommend continuing the contract with NBN Co and working with NBN Co's Spokit and / or the City of Wanneroo to trial WiFi in Stage 25 POS.***



## Community Development

Community development activities over the past 12 months included the Meet, Greet and Eat series, Christmas event, community garden, Stage 25 POS Launch Event, movie night planning, welcome resident function and community newsletters.

The community development work undertaken is beginning to show benefits for the Catalina community including:

- creating a community where residents get the opportunity to meet their neighbours ;
- creating a community that is aware of its environment;
- creation of a community garden where residents have an opportunity to cultivate vegetables, herbs and relationships;
- attracting media attention;
- increasing the profile of the Catalina Estate (particularly Catalina Beach)

***Recommendation: SPG to provide a Community Annual plan outlining community engagement initiatives to be undertaken over a twelve month period.***

## Housing Construction

The Catalina Waste Management Program was initially approved at the February 2013 TPRC Committee meeting.

The Program consists of Instant Waste Management providing recycling bins to participating builders. The builders place all of their waste in the bins before they are returned to Instant Waste Management's recycling plant in Bayswater where the waste is sorted into 5 different categories for recycling being timber, metal, concrete, sand and plasterboard.

The recycled material is being used for recycled bricks, concrete and asphalt with sand being tested and certified for use as clean fill in earthworks and civil works.

To date 4,009 tonnes of waste have been diverted from landfill and recycled at a rate of 96% of all materials. In order to offset the additional costs to builders, the TPRC provides a rebate of \$600 to \$900 (exc GST) per home to participating builders up until April 2018. During Council's meeting in April 2018, it was agreed that the value of the rebate would be reduced to \$300 / Lot

The Program is voluntary in public stages, however it has been mandated for builder releases from Stage 9 onwards and the 2<sup>nd</sup> and 3<sup>rd</sup> display home villages to increase the participation rate. It is receiving good feedback from builders who have participated to date and is achieving excellent recycling results.

A total of 181 homes are participating in the Program to date out of a total of 845 homes that have the opportunity to participate (completed and under construction), indicating a participation rate of 21%. SPG have provided additional communication to builders regarding the availability of the rebate with no uplift in participation. Builders have advised that they:

- Utilise the services of Instant Waste Management;
- Have existing commercial arrangements for the provision of waste services; and / or
- Utilise another 'enviro waste' provider

***Recommendation: SPG recommend that the Catalina Waste Management Program is continued until April 2020 with a rebate of \$300 available to each participating builder.***

## **Sustainable Housing through Design Guidelines**

The Catalina Design Guidelines were approved by the TPRC at the December 2011 Council meeting and modified in 2016 as part of Council's decision to provide additional recommendations regarding sustainable built form outcomes. The Design Guidelines include a number of recommendations for purchasers to reduce the consumption and cost of household energy and water. These recommendations include:

- installing high star rated electrical using appliances;
- installing a solar hot water system;
- installing an array of photovoltaic cells (rebate offered);
- Installation of high rated WELs appliances (rebate applicable to Catalina Beach where WELs ratings are mandated through Design Guidelines)
- incorporating shade devices that allow northern winter sun to living areas and prevent summer sun access;
- passive solar design by locating the dwelling's daytime living areas and their associated openings to a north facing aspect where practical;
- The recommended use of low-e glazing / double glazing
- The recommended use of roof and wall insulation
- The recommended use of shading devices including awnings and trees
- locating windows and doors in habitable rooms opposite each other to allow for ventilation through the dwelling from cooling summer breezes from the south-west.

The benefits of implementing these recommendations include a reduction in greenhouse gas production, lower power costs, cleaner air and a cooler home.

As the guidelines are only recommendations they are being incorporated into designs with mixed success. Design elements such as living and outdoor areas facing north and cross ventilation by placing windows and doors opposite each other, are being incorporated into the majority of designs. It is likely that this is due to there being little to no cost implications for these elements. Solar hot water systems and shade devices are generally not being included in building designs due to the higher cost involved with their installation.

To assist in the demonstration of the above initiatives, it was mandated that builders in the 3<sup>rd</sup> Catalina display home village proceed with at least three of these initiatives in each home.

***Recommendation: SPG Recommends that Design Guidelines for Catalina Beach and Catalina Central be reviewed annually to incorporate new sustainability requirements as they evolve.***

## **Dwelling Densities**

The Catalina development has included a diversity of lot sizes, including a high proportion of small lots with an area of 180m<sup>2</sup> to 562m<sup>2</sup>, compared to competing developments. Areas for small lot and higher density housing are detailed in the Catalina Built Form and Housing Strategy (September 2017).

Front loaded small lots with areas ranging from 200m<sup>2</sup> to 250m<sup>2</sup> have been constructed in Stage 15 providing new, affordable product to the market that can be delivered at a lower cost than rear loaded 225m<sup>2</sup> lots as there are no additional rear laneway costs.

- Small lots and medium density housing provide a number of benefits including:
- Low maintenance for residents;
- Affordable living for residents;
- Affordable homes creating a greater diversity of residents.
- Improves the viability of local and neighbourhood shops, resulting in shorter journeys to facilities and services;
- Greater opportunities for social interaction and support such as use of local parks due to smaller back yards;
- Greater opportunities for provision of social infrastructure due to a higher density of residents.

Opportunities for medium density lot with areas less than 180m<sup>2</sup> are currently being considered within Stage 16A and 16B as supported by Council during their meeting on the 12<sup>th</sup> October 2017. Further, higher density lots with areas from 120m<sup>2</sup> will be considered in the planning of Catalina Grove within a walkable catchment of the Clarkson Train Station and the subdivision of the Stage 18B Group Housing Site (refer Council resolution 19<sup>th</sup> April 2018).

***Recommendation: That TPRC continue to provide small lot and Medium Density Housing opportunities in accordance with the Catalina Housing Strategy including Narrow Lot product within Stage 16A and 16B and small lot product in place of the Stage 18B .***

## Landscape Design and Construction

Landscape contracts have included some of the following sustainability initiatives:

- Reuse of limestone boulders and logs from on site;
- Propagation of native seeds taken from site for planting in conservation and open space areas;
- Use of site mulch from trees cleared during earthworks;
- Installation of solar lights in parks;
- Rehabilitation of Biodiversity Conservation Areas through weed management, fencing and planting of native species while minimising disturbance;
- Planting of native trees along streets and in parks that are a feeding habitat for Carnabys Cockatoo;
- Reuse of pots after trees and shrubs are planted;
- Recycling of material through Instant Waste Management.

***Recommendation: SPG recommends that the existing landscape design and construction initiatives are continued***

## Fauna Relocation

Prior to the commencement of each earthworks stage at Catalina the TPRC undertakes best practice fauna relocation.

This involves trapping for Bandicoots and small marsupials, reptiles and subterranean fauna at regular intervals to maximise their performance. Trapping is augmented by significant site inspections looking for species which don't trap well and hand capturing for relocation. All native fauna is relocated to an appropriate Crown Reserve or National Park. There is strict recording of each specimen and photos taken at time of capture and release.

The program also includes the trapping / capture any introduced and non endemic species such as rabbits, foxes, feral cat, european rat and house mouse.

Trees are checked for Carnaby Black-Cockatoo nesting activity. Should nesting birds be observed, the zoologist is to provide advice on the expected duration of nesting and appropriate management responses and any active nests will be discussed with the Department of Environmental Regulation.

Opportunities exist to provide habitat for native fauna. The installation of nesting boxes and artificial hollows has been recommended by the UDIA. Satterley property group are supportive of this initiative. Further, it is recommended that dog and cat control signage be installed throughout the estate, particularly in areas with environmental significance.

***Recommendation: SPG recommends the installation of dog and cat control signage (interpretative signage) in the northern and southern BCA's.***

## Flora Relocation

Prior to the commencement of each earthworks stage grass trees are relocated from areas of the land that are to be cleared. The grass trees are removed for reuse in landscape contracts in public open space and in road verges. However due to the poor success of transplanting grass trees, they will no longer be transplanted into streetscapes (including road verges and medians).

The *Fabronia hampeana* (Priority 2 moss species) has been relocated from the Catalina Beach as part of the proposed earthworks in July 2015 and located within the Stage 10 Public Open Space.

## Flora Revegetation Programs

The majority of the landscape species are native, low water use plants. In addition over 50% of plantings of trees and shrubs in street-scaping and other public areas comprise plant species which are primary feeding plants for Carnaby's Black Cockatoo.

The TPRC has also commenced the rehabilitation program for the Biodiversity Conservation Area (BCA), which is an important conservation area adjacent Marmion Avenue. The rehabilitation has included conservation fencing and control of unauthorised tracks. The southern BCA has been fenced and re-vegetation is scheduled to be completed in 2017.

The TPRC has collected seeds from uncleared areas on site and has undertaken a propagation program. These plants have then been used for tubestock planting in conservation and open space areas within the Catalina Estate.

## Water Savings Fixtures Fitting and Appliances

In 2016, the Tamala Park Regional Council approved a \$1,000 rebate to be paid to homeowners who install high WELS rated fixtures fittings and appliances as follows:

- Installing minimum 6 Star WELS rated taps
- Installing minimum 3 Star WELS rated showerhead
- Installing minimum 4 Star WELS rated toilet
- Installing a minimum 6 Star WELS rated Dishwasher
- Installing a minimum 4 Star WELS rated washing machine

The above described requirements have been mandated in the Catalina Beach Design Guidelines forming part of the contract of sale.

Based on sales and construction timeframes, it is not anticipated that claims will be made for the rebate until 2018.

## Education

SPG and TPRC continue to promote sustainability through a variety of forums to residents within the Estate. The Community newsletter includes information regarding a different sustainability element in each issue. Examples of sustainability previously promoting include the community garden and recycling.

During a recent community event, TPRC / SPG entered into a partnership with the Mindarie Regional Council. The Mindarie Regional Council had their educational officer attend the event and provide information regarding the benefits of recycling and materials suitable for recycling. The Mindarie Regional Council education officer also facilitated the potting of seedlings in recycled pots.

It is proposed that educational material including interactive displays and signage be incorporated within the Catalina Beach Land Sales Office to demonstrate to prospective purchasers and residents the benefits of installing energy efficient appliances, fixtures and fittings throughout their home. SPG recommend the installation of smart meters to demonstrate the consumption

***Recommendation: SPG recommends ongoing promotion of sustainability initiatives and providing Catalina residents with educational tools to facilitate behavioral changes resulting in greener living. Educational materials may be distributed through post purchase communications, community newsletters, electronic platforms and at community events.***

# Proposed Initiatives

## Solar Battery Storage Rebate

The TPRC currently offer Catalina residents a \$2,000 rebate to offset costs associated with the installation of solar panels to their homes with an outlook to harvest solar energy, reduce dependence on -grid electricity and reduce residential power bills.

To complement this offer, SPG propose that the TPRC offer residents who wish to install solar battery storage to their solar panels an additional \$2,000 rebate. The use of solar battery storage promotes energy self sufficiency and provides residents with emergency power (off grid energy source). Excess solar energy charges a battery enabling solar energy to be used in the evening.

Solar battery storage works in the following way:

- Solar panels convert sunlight to DC (Direct Current) electricity.
- Any surplus DC electricity charges the Lithium Ion Battery (Telsa or similar).
- The inverter converts the DC electricity to AC (Alternating Current) for use in the home.
- The inverter (a special type is needed) can also convert AC to DC to charge the Powerwall using cheap off-peak mains power.

Residential electricity consumption from mains grid electricity may be reduced by 80% with a solar + battery system.

Solar batteries cost from \$5,000 for a smaller battery to \$10,000+ for a larger battery. This price does not include the cost of solar panel and / or inverter.

Solar Choice recently completed a study to determine the best cities within Australia for the purchase and installation of solar battery storage based on payback period (*Payback period = Total cost of solar and battery system ÷ annual savings on power bills*). Perth was considered the best overall city for solar battery storage due to cost efficient solar packages, high cost of grid electricity and hours of sunshine. The average payback of solar batteries in Perth is 7.3 years.

Perth, WA					
Battery & solar system size	Total system price (indicative - prices will vary)	Flat rate tariff		TOU tariff	
		Payback period (years)	Return on Investment (ROI)	Payback period (years)	Return on Investment (ROI)
Tesla Powerwall 2 + 7kW solar	\$19,000	7.8	13%	8.6	12%
Alpha-ESS Storion Eco + 5kW solar	\$13,800	7.6	13%	6.0	17%
LG Chem RESU3.3 + 5kW solar	\$10,500	7.8	13%	5.7	18%
Average payback period:		7.3	Average ROI:		14%



- Flat rate tariff details: 27c/kWh
- TOU (time of use) tariff details: Peak – 50c/kWh, Shoulder – 26c/kWh, Off-peak – 14c/kWh
- Assumed feed-in tariff rate: 8c/kWh

(Solar Choice)

Although SPG consider that the short term take-up of the battery storage would likely be very slow due to the financial outlay to purchase battery storage solar systems, the incentive would provide opportunities for further education regarding the benefits of solar electricity and significantly improve the payback period for residents able to incur the expense for battery storage.

***Recommendation: SPG recommends the introduction of an additional \$2,000 rebate for residents who install a battery storage facility into their solar panel package.***

## Residential Energy Consultation / Energy Audit

Industry research has found that an average household can reduce energy consumption between 20% and 50% through minor adjustment to energy use, modifying usage behavior, installing smart control systems and making better use of solar power.

An Energy Efficiency Assessment is required for all new residential and commercial buildings and alterations and additions to meet current BCA requirements to obtain building license approval. The residential energy assessment offered to residents would not replace the mandatory assessment required to be undertaken by the residential home builder rather provide additional resources to residents to manage energy consumption within their homes. The assessments undertaken by the builders relate to the thermal performance of the building and do not specifically address fixtures, fittings and appliances. The proposed audit would provide further benefit to residents by looking at consumption behaviours.

SPG propose that purchasers within Catalina Beach Estate and Catalinas Grove Estate be offered a complimentary energy audit to provide education to reduce energy consumption and advice on how to optimise the solar rebate available.

Australia Standard 3598:200 *Energy Audits* defines an energy audits and surveys as investigations of energy use in a defined area or site. They enable an identification of energy use and costs, from which energy cost and consumption control measures can be implemented and reviewed. The Australian Standard identifies three levels for energy audits (Level 1, Level 2 and Level 3)

SPG recommend providing residents with a Level 1 energy assessment. A level-1 energy audit is a lower cost, entry-level assessment for your site providing a lower level assessment of energy use and energy saving opportunities. It is useful as a first step investigation into energy saving opportunities. The outcome of the audit shall include an abbreviated report with a short list of key energy saving opportunities with rough figures on savings and costs.

It is proposed that the audits be completed up to 12 months after occupancy at which time the assessment would be based on actual consumption and identification of opportunities to reduce consumption. The proposed timing would ensure that the advice offered by the energy auditor did not conflict with the assessment for

thermal performance to be undertaken by the builder. However, to gain immediate advantage and mitigate retro-fit requirements, SPG would work with the preferred energy efficiency auditor to provide educational material to be displayed in the land sales office and distributed at contract sign up to promote the advantages of energy efficient fixtures, fittings and appliances.

Elements to be considered in the audit include:

- Lighting
- Ventilation
- Air conditioning
- Hot water
- Pools
- Solar power

***Recommendation: SPG undertake a tender to obtain services of an energy consultation professional / auditor to provide energy assessment services to residents of Catalina Beach and Catalina Grove with an outlook to provide educational material and a Level 1 Energy Audit.***

# Conclusion

To facilitate the achievement of TPRC's objectives to balance economic, social and environmental issues; and to produce a quality development demonstrating the best urban design and development practice.

The Satterley Property Group recommend the following sustainability initiatives.

- *SPG recommends continuing waterwise front landscaping packages.*
- *SPG recommend continuing the City of Wanneroo to trial WiFi and CCTV*
- *SPG to provide a Community Annual plan outlining community engagement initiatives to be undertaken over a twelve month period.*
- *SPG recommend that the Catalina Waste Management Program is continued until February 2020.*
- *SPG recommends that Design Guidelines for Catalina Beach and Catalina Central be reviewed annually to incorporate sustainability requirements.*
- *SPG recommends That TPRC continue to provide small lot and Medium Density Housing opportunities in accordance with the Catalina Housing Strategy.*
- *SPG recommends that the existing landscape design and construction initiatives are continued.*
- *SPG undertake a tender to obtain services of an energy consultation professional / auditor to provide energy assessment services to residents of Catalina Beach and Catalina Grove with an outlook to provide educational material and a Level 1 Energy Audit.*
- *SPG recommends the introduction of an additional \$2,000 rebate for residents who install a battery storage facility into their solar panel package.*

## Appendix 1 – Competitor Assessment

	Shared Bore*	Solar Panel Rebate	Fibre Optic Service	Front Landscaping	Gas Boosted HWS	Energy Display	A/C Rebate**	LED's	Community Development	Waste Management	Design Guidelines	Dwelling Densities	Fixtures and Appliances	Tablet Device	Warm Asphalt	Battery Power	Waste Recycling	Education	Tree Canopy	WELS
Allara		\$2.6	\$1.2	\$3.5		\$.36	x	\$.5	x		x	x	\$.3				x	x		x
Burns Beach			x	x				Rec.	x		x	x	Rec							
Eden Beach			\$1.2	\$4							x	x								
Catalina	\$3.5	\$2	\$1.2	\$5					x	\$.75	x	x	x							\$1
Alkimos Beach		\$2.5	x	\$2.5	\$1.5	\$.2	\$.75	\$.3	x	x	x	x	\$.75		trial ed	x	x	x		
Amberton				x							x	x								
Shorehaven	x	Rec		x				Rec	x		x	x	Rec							
Trinity			x	x					x		x	x						x	x	

\*Shared Bore was trialed and has now been discontinued at Catalina

\$ denotes value of rebate (,000)

Rec = Recommended / Encouraged

# **Appendix 9.9**



## RISK MANAGEMENT PLAN

*DATE: MAY 2018*





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## 1. Introduction

The purpose of the Risk Management Plan is to identify, assess and record risks to the Catalina development. The Plan also allows mitigation strategies to be developed, implemented and tracked to ensure risk associated with the Catalina development is well managed.

## 2. Organisational Context

The Tamala Park Regional Council (TPRC) was established in 2006 for the specific purpose of creating an urban development of 180 hectares of land in Clarkson and Mindarie, known as the Catalina Estate. The objectives of the TPRC are:

- 1) to develop and improve the value of the Land;
- 2) to maximise, within prudent risk parameters, the financial return to the Participants;
- 3) to balance economic, social and environmental issues; and
- 4) to produce a quality development demonstrating the best urban design and development practice.

The TPRC holds the financial risk and control over the Catalina project. The TPRC has appointed the Satterley Property Group (SPG) as Development Manager of Catalina. Under the Development Management Agreement the SPG is responsible for the co-ordination of all matters pertaining to the project including supervision of all project consultants and contractors, procurement of approvals, maintenance of records, sales and marketing activities, management of accounts, and contractual and legal compliance.

## 3. Risk Strategy

Risks have been considered, ranked and recorded on the Catalina Risk Register. Mitigation strategies are to be monitored and reviewed on an ongoing basis by the SPG. If new risks are identified these shall be recorded and an updated Risk Management Plan will be presented to the Council for approval annually.

At appropriate times during the course of the Catalina project, particularly when the Project may be moving into a new phase, it may be appropriate for the SPG, TPRC and the project consultants to review the Risk Management Plan.

## 4. Risk Register

A risk register identifying the major risk items considered relevant to the Catalina project is included in Appendix 1. Each risk item has been ranked in regard to its likelihood of occurrence (1: Rare, 5: Almost Certain) and risk consequence (1: Insignificant, 5: Catastrophic). The level of risk of each item has been determined by multiplying these two assessments, to prioritise risks and identify those that have the greatest potential to negatively impact the project. Risks with a score of 15 or above have been assessed as High Risk.

## 5. Qualitative Assessment of High Risks

### Risk 3.1 Lifting of urban deferred buffer does not meet cashflow expectations

The approved project budget is based on a development schedule that assumes the Tamala Park Landfill buffer will progressively recede to allow urban deferred zonings to be lifted and development to continue to the site's southern boundary by 2026.

Uncertainty as to the rate of filling of the landfill site means there is a risk that delays to the movement of the landfill buffer will prevent rezonings and subdivision approvals being obtained in a timely manner. Additionally

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environmental risks from the landfill following completion of filling may delay removal of the buffer beyond this date.

In order for development to proceed towards the site's southern boundary it will be necessary for the landfill buffer to be removed progressively from the Catalina site by approximately 2024. If the buffer is not removed beyond 2024 it is likely that delays to the project schedule will be incurred, which will affect the Project Forecast cashflow.

Close liaison with the MRC is recommended on the filling of the landfill site, environmental issues, projected movement of the buffer line and expedient lodgement of applications for the lifting of the Urban deferred zoning once the buffer line recedes.

**Risk 5.1 – The potential impacts from the landfill operations include contamination of the TPRC's landholding from contaminated groundwater or a gas leak which could provide a significant safety risk to the public.**

The adjacent Tamala Park Waste Management Facility is a putrescible landfill operated by the Mindarie Regional Council. There is a risk that the landfill operations could contaminate the TPRC's landholding from contaminated groundwater or a gas leak which could provide a significant safety risk to the public.

The SPG recommends that further mitigation measures are put in place including the preparation of a remediation strategy (prepared by the MRC in conjunction with the TPRC) and produce a communications strategy in the event that the public become concerned regarding MRC activities

## **6. Qualitative Assessment of Medium Risks with Major – Catastrophic Consequences**

There is one Medium rated risk that has major – catastrophic consequences. While the lower likelihood of these events occurring has resulted in a Medium risk rating we have provided a qualitative assessment of these risks due to the seriousness of the consequences.

**Risk 4.1 – Non Compliance with Work Health and Safety Requirements Leads to Death or Serious Injury**

The Catalina project includes significant earthworks, civil works and landscape works which involve high risk activities including working in trenches deeper than 1.5 metres, powered mobile plant, work near electrical services, work on busy roads and works adjacent to pressurised gas mains.

In order to manage safety the TPRC and SPG use their best intentions of checking that civil and landscape contractors satisfy WH&S legislation. This consists of:

- superintendents obtaining copies of all necessary reports from civil and landscape contractors;
- obtaining copies of any 2<sup>nd</sup> party audits conducted on the project site that have been completed;
- evidence that a project specific risk identification workshop has been undertaken including a summary of outcomes;
- regular reporting of WHS leading and lagging indicators including contractor WHS non-conformance and areas of improvement;
- WHS issues are on the agenda for discussion at all site meetings.

## **7. Review of Catalina Risk Management Plan**

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The Catalina Risk Management Plan will be monitored, reviewed and updated on an ongoing basis and an updated version will be presented to the TPRC Council for endorsement annually.

#### Appendix 1 – Catalina Risk Register

## RISK REFERENCES TABLES

TABLE 1

### QUALITATIVE MEASURES OF LIKELIHOOD

LEVEL	DESCRIPTOR
1	Rare
2	Unlikely
3	Moderate
4	Likely
5	Almost Certain

TABLE 2

### QUALITATIVE MEASURES OF CONSEQUENCE OR IMPACT

LEVEL	RANK	INJURIES TO STAFF & GENERAL PUBLIC	FINANCIAL LOSS	INTERRUPTION TO LAND SALES OR CONSULTANCY SERVICE	REPUTATION & IMAGE	PERFORMANCE
1	Insignificant	No injuries	Less than \$100,00	Less than 1 day	Unsubstantiated, low impact, low profile or no news item.	Up to 5% Variation in KPI or objective.
2	Minor	First aid treatment	Between \$100,000 to \$1m	1 day to 1 week	Substantiated, low impact, low news profile.	5% to 10% Variation in KPI or objective.
3	Moderate	Medical treatment required	Between \$1m to \$5m	1 week to 2 months	Substantiated, public embarrassment, moderate impact, moderate news profile.	10% to 25% Variation in KPI or objective.
4	Major	Death or Extensive injuries	Between \$5m to \$10m	2 months to 1 year	Substantiated, public embarrassment, high impact, high news profile, Third Party actions.	25% to 50% Variation in KPI or objective.
5	Catastrophic	Multiple deaths or severe permanent disablements	Over \$10m	More than 1 year	Substantiated, public embarrassment, very high multiple impacts, high widespread multiple news profile, Third Party actions.	More than 50% Variation in KPI or objective.

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## Appendix 2 – High Risk Treatment Plans



<b>Reference: 3.1</b>
<b>Risk identified and likely impact</b>  Lifting of urban deferred buffer does not meet cashflow expectations.
<b>Summary of recommended response</b>  Continue to liaise with Mindarie Regional Council in relation to landfill activities and the expected date for buffer removal and the management of environmental risks.  Request Buffer Removal Plan from Mindarie Regional Council once filling has progressed and environmental risks have been appropriately managed.
<b>Key Resource requirement</b>  TPRC Chief Executive Officer TPRC Project Co-ordinator SPG Project Director
<b>Timing</b>  Ongoing
<b>Reporting and monitoring required</b>  As required through the updated risk register.

<b>Reference: 5.1</b>
<b>Risk identified and likely impact</b>  Landfill operations causing contamination of the TPRC's landholding via contaminated groundwater or a gas leak, providing a significant safety risk to the public.
<b>Summary of recommended response</b>  Continue to liaise with Mindarie Regional Council and Department of Water and Environmental Regulations (DWER) in relation to landfill activities and the management of environmental risks.  Preparation of a remediation strategy (prepared by the MRC in conjunction with the TPRC) and a strategy for notifying residents and public should the contamination continue to increase.
<b>Key Resource requirement</b>  TPRC Chief Executive Officer TPRC Project Co-ordinator SPG Project Director
<b>Timing</b>  Ongoing
<b>Reporting and monitoring required</b>  As required through the updated risk register.

## CATALINA RISK REGISTER MAY 2018

### SALES AND MARKETING

	RISK	LIKELIHOOD	CONSEQUENCE	OVERALL	RANKING *	MITIGATION	TPRC COMMENT
1.1	Low interest from builders leads to lack of medium density lot sales in builder releases.	4	3	12	Medium	<p>Reduce number of lots to be sold in FYE 2019 builder release tenders.</p> <p>Work with wide range of builders to create value for money house and land packages on medium density lots.</p> <p>Continue to liaise with builders on lot configuration and commercial terms.</p>	The recommended mitigation strategy has been implemented in an ongoing manner through marketing and development actions and is considered an appropriate response to the risk.
1.2	Cashflow impacted by slower sales or delayed settlements.	3	3	9	Medium	<p>Budget for sales and settlements that reflect market conditions.</p> <p>Ensure an appropriate minimum bank balance is included in the budget.</p> <p>Maintain stock level trigger before commencing construction of future civil works.</p> <p>Monitor expenditure on future works, including the size of earthwork stages.</p> <p>Review distributions to participating Councils.</p>	<p>The recommended mitigation actions have been adopted within the Project Budget including the application of sales triggers.</p> <p>The TPRC monitors bank balances to ensure minimum cashflow is maintained.</p> <p>Weekly sales and monthly financial reporting is occurring to monitor the progress of sales/settlements and expenditure/revenue and cashflow.</p>
1.3	Negative change in market sentiment reduces sales and / or pricing.	3	3	9	Medium	<p>Careful positioning of Catalina brand to soften impact of any fall in house and land prices across the Perth market.</p> <p>On-going research to gauge market sentiment specific to Catalina</p> <p>Budget for sales and settlements that reflect market conditions.</p> <p>Ensure pricing is not too aggressive so lots are affordable when interest rates rise. (Consultation with Valuers and banks if required).</p> <p>Ensure lot mix includes opportunity for affordable housing options.</p> <p>Apply sales triggers before awarding civil works contracts to ensure there is not an oversupply of land.</p> <p>If market deteriorates then defer non-essential spending.</p> <p>Monitor cancellation rates and rationales.</p> <p>Budget for sales and settlements that reflect market conditions.</p>	<p>The recommended mitigation actions have been implemented through the approved Catalina Marketing Plan which has guided the Projects marketing activities,</p> <p>All pricing is subject to formal valuation by the TPRC appointed valuer and recommendation by the Development Manager.</p> <p>Continued implementation of the recommended mitigation action is supported.</p>

**Ranking:**

\*High Risk = 15 – over

\*Medium Risk = 7 – 14

\*Low Risk = 0 – 6

BUDGET							
	RISK	LIKELIHOOD	CONSEQUENCE	OVERALL	RANKING *	MITIGATION	TPRC COMMENT
2.1	Expenditure exceeds budget projections due to increased development costs.	2	3	6	Low	<p>Regular monitoring of works contracts and strong budget control work practices.</p> <p>Use of fixed price contracts and maximise provisional sums for rock to limit variation costs and uncertainty.</p> <p>Undertake advanced planning to facilitate accurate OPC estimates for incorporation within annual budget review and six monthly budget reviews.</p> <p>Contingency included in budget for any unforeseen items.</p>	<p>The recommended mitigation actions have been implemented in accordance with the Project Program and all budget review processes.</p> <p>All major construction contracts have been issued as lump sum contracts and all project expenditure is closely monitored to budget.</p> <p>Monthly financial reporting is occurring to monitor expenditure/revenue and cashflow.</p> <p>The continued implementation of the recommended mitigation actions and the above project processed is supported.</p>
2.2	Cashflow delays provision of early infrastructure items and release on new sales fronts.	2	3	6	Low	<p>Ensure TPRC is fully briefed on development and distribution options so they can consider the costs and benefits.</p> <p>Continue to manage the Project to achieve budget sales triggers.</p> <p>Ensure planning and engineering risks are managed so settlement program is met.</p>	<p>The recommended mitigation actions are being implemented via project planning and development processes.</p> <p>Monthly Financial reporting and bi-annual budget reviews are undertaken to monitor and manage this risk.</p>
2.3	Reduced cashflow results in lower distributions than budgeted.	3	3	9	Medium	<p>Defer non-essential expenditure to reduce impact on distributions.</p> <p>Release Catalina Beach Precinct to provide diverse product mix to assist sales rates and reduce the risk of reduced cashflow over the medium to long term.</p> <p>Revisit incentives/pricing to encourage sale and settlement of already Titled Lots, including 'Aged Stock'.</p> <p>Plan for first stage in Catalina Grove to maintain diverse product mix to assist sales rates and reduce the risk of reduced cashflow over the medium to long term.</p>	<p>The recommended mitigation actions are being implemented via project planning and budget control processes.</p> <p>Monthly Financial reporting and bi-annual budget reviews are undertaken to monitor and manage this risk.</p>

Ranking:

\*High Risk = 15 – over

\*Medium Risk = 7 – 14

\*Low Risk = 0 – 6

PLANNING AND ENVIRONMENTAL APPROVALS							
	RISK	LIKELIHOOD	CONSEQUENCE	OVERALL	RANKING *	MITIGATION	TPRC COMMENT
3.1	Lifting of urban deferred zoning does not meet cashflow expectations, currently causing delays for future staging.	3	5	15	High	<p>Close liaison with Mindarie Regional Council on shifting of landfill buffer.</p> <p>Apply for urban deferred lifting when buffer is removed and environmental risks are acceptable.</p> <p>Adopt conservative timing of development of the urban deferred land in the Project Forecast cashflow.</p> <p>Controlled releases of Catalina Beach Precinct to ensure land is available when Catalina Grove and Catalina Central Urban Zoned land are sold out.</p>	<p>Implementation of the recommended mitigation actions are occurring via liaison with the MRC and planning processes, including a projection of the movement of the landfill buffer movement sought from the MRC.</p> <p>As part of the Project Forecast review in 2017, a conservative approach to timing of the development of the urban deferred land was undertaken.</p> <p>The continued implementation of the recommended mitigation actions is supported.</p>
3.2	Non-compliance with EPBC environmental approval conditions.	2	3	6	Low	<p>Undertake ongoing monitoring and review of EPBC conditions.</p> <p>Timely approval to allow annual audit to be completed by environmental consultant.</p>	<p>Annual audits of actions/conditions relating to the EPBC conditions is undertaken and provided to SEWPAC. To date there have been no issues with compliance.</p> <p>Ongoing monitoring of SEWPAC conditions is being undertaken.</p>
3.3	Non-compliance with Environmental Management Plan requirements.	2	3	6	Low	<p>Strategy to be put in place to progressively action EMP commitments to ensure compliance with this plan.</p>	<p>The TPRC has prepared an audit of all actions required under the EMP confirming all actions are on schedule.</p> <p>Implementation of the recommended mitigation actions is ongoing.</p>
3.4	Delays achieving environmental, planning and development Approvals which impact cashflow.	2	3	6	Low	<p>Develop and maintain the Project Program to ensure sufficient approval periods are allowed.</p> <p>Close liaison with approval authorities including the City of Wanneroo and Water Corporation officers to maintain strong knowledge of approval requirements and build relationships.</p>	<p>The recommended mitigation action is being implemented in accordance with the Project Program.</p> <p>In addition to the lodgement of subdivision applications ongoing liaison with the WAPC and referral authorities is being undertaken.</p> <p>This action is considered to represent good project management practice and continued implementation is supported.</p>
3.5	Delays in commencing and undertaking Tamala Park LSP Amendment process for Catalina Grove precinct may impact sales releases.	4	3	12	Medium	<p>Develop program for approvals for first Phase 1 - the Catalina Grove Precinct consistent with Project Program.</p> <p>Submit subdivision approval for first stage in Catalina Grove, based on current approved LSP.</p> <p>Construct Connolly Drive intersection prior to LSP approval.</p> <p>Monitor and adopt revised timing of development of the first Phase 1 land in the Project Forecast cashflow in 3-year review – August 2020.</p>	<p>SPG to provide a program identifying key milestones for Council approvals for the Catalina Grove precinct, recommendations for early construction of infrastructure, which may assist with timing of Phase 1 Catalina Grove; provide advice on the impacts of delays to the Catalina Grove precinct development program on sales and cashflow as part of the Project Forecast review in 2017 and outline mitigation measures to avoid impacts on TPRC cashflow predictions.</p>
3.6	City of Wanneroo scheme contributions higher than forecast.	2	3	6	Low	<p>Continue to adequately budget for scheme contributions. Continue discussions with City of Wanneroo on key infrastructure items and administration of scheme contributions.</p>	<p>The recommended mitigation action has been implemented with discussions with the City of Wanneroo.</p> <p>The Project Budget accounts for scheme contributions requirement.</p>
3.7	Beach access road from Catalina Beach is not agreed to by Statutory Authorities.	3	3	9	Medium	<p>Foreshore Management Plan and environmental and planning applications submitted to relevant authorities.</p> <p>Continue to closely engage with WAPC and City of Wanneroo regarding approval process and mutually agreed outcomes.</p>	<p>The Foreshore Management Plan and Beach access proposal lodged with the City of Wanneroo. The location of the proposed access route and the carpark area have been carefully selected to follow existing informal tracks or areas of damaged vegetation and minimise impacts on flora in the area.</p> <p>Ongoing liaison with the City of Wanneroo and WAPC.</p>

**Ranking:**

\*High Risk = 15 – over

\*Medium Risk = 7 – 14

\*Low Risk = 0 – 6

3.8	Changes to the property development laws, including laws related to zoning & town planning, restrictions on land use, environmental controls, user restrictions, stamp duty, land tax, income taxation and capital gains tax. Changes to law in relation to civil design principles and potential restrictions on land use.	3	2	6	Low	<p>Ensure clear understanding from Town Planner &amp; Environmental Consultant in relation to the current laws and recently amended laws.</p> <p>Develop a strategy to address any issues that may arise due to changes (in the planning/environmental/civil design stage). Account for possible delays in the project feasibility analysis.</p>	<p>The recommended mitigation action has been implemented with discussions with the Water Authority, City of Wanneroo and WAPC.</p> <p>Implementation of the recommended mitigation actions is ongoing.</p>
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ENGINEERING AND CONSTRUCTION							
	RISK	LIKELIHOOD	CONSEQUENCE	OVERALL	RANKING *	MITIGATION	TPRC COMMENT
4.1	<p>Non-compliance with Work Health and Safety Requirements leads to serious injury and/or death. Potential for Worksafe investigation or claim for damages due to incident.</p> <p>WHS acts or omissions which result in, or have the potential to result in, serious personal injury and/or death that could be dealt with as:</p> <ul style="list-style-type: none"> <li>An indictable offence; or</li> <li>A breach of law that has a civil (not criminal) penalty.</li> </ul>	2	4	8	Medium	<p>SPG to provide TPRC:</p> <ul style="list-style-type: none"> <li>Evidence that SPG's WHS Management System satisfies the best intentions of the <i>Occupational Safety and Health Act (WA) 1984</i> ("Act") and <i>Occupational Safety and Health Regulations (WA) 1996</i> ("Regulations");</li> <li>Evidence of implementation of the SPG WHS Contractor Management Procedure, which includes: <ul style="list-style-type: none"> <li>WHS prequalification process (at the request of TPRC);</li> <li>Copies of any 2<sup>nd</sup> Party (Principal Contractor) audit reports conducted on the Project site (at the request of TPRC);</li> <li>Evidence that a project specific risk identification workshop has been undertaken in conjunction with the Principal Contractor (at the request of TPRC), including a summary of session outcomes; and</li> </ul> </li> <li>Reporting of contractor WHS non-conformances and incidents and hazards.</li> </ul>	<p>The TPRC's contractors are qualified in managing safe working practices.</p> <p>There are regular site meetings where site safety is discussed and safe working practices confirmed and site inspections undertaken to monitor the site and site works.</p> <p>The SPG's mitigation actions are supported and being monitored by the TPRC.</p>
4.2	Delays and increased cost of key infrastructure items including pump stations, underpasses and overpasses presents a future cashflow risk.	3	2	6	Low	Engage with the City of Wanneroo, Main Roads WA and Service Authorities early to ensure infrastructure requirements are known and adequately timed and budgeted for.	<p>Allowances for infrastructure items have been provided for within the TPRC budget in accordance with advice from relevant servicing authorities.</p> <p>Liaison with servicing authorities has been undertaken to ensure infrastructure items are included within capital works programming of relevant authorities.</p> <p>Continued implementation of the above actions is supported.</p>
4.3	Delays to clearances leads to delay in settlements.	2	3	6	Low	<p>Preparation of clearance request documentation and submission to statutory authorities in accordance with the Project Program.</p> <p>Close liaison with relevant officers of clearance authorities to ensure consensus agreement exists in regards to condition requirements.</p> <p>Deposited plans, covenant and noise &amp; fire notifications to be created and lodged early in the process.</p>	<p>The recommended mitigation action has been implemented via the preparation of clearance packages and liaison with clearance authorities.</p> <p>The clearances process is closely monitored by the SPG and the TPRC.</p>

**Ranking:**

\*High Risk = 15 – over

\*Medium Risk = 7 – 14

\*Low Risk = 0 – 6



STAKEHOLDERS							
RISK		LIKELIHOOD	CONSEQUENCE	OVERALL	RANKING *	MITIGATION	TPRC COMMENT
5.1	The potential impacts from the landfill operations include contamination of the TPRC's landholding from contaminated groundwater or a gas leak which could provide a significant safety risk to the public.	3	5	15	High	<p>SPG notes that Tamala Part Regional Council currently liaise directly with the Mindarie Regional Council (MRC) in relation to the management of their current operations. The MRC's website states their Environmental Management System is certified by NCS International as being compliant with ISO14001 Environmental Management.</p> <p>Mitigation measures consist of providing purchasers with adequate information on landfill timing and impacts on request, ensuring an adequate buffer and/or memorial on title is maintained between the landfill operations and residential development, monitoring any complaints from residents and liaising with the Mindarie Regional Council to ensure Risk Management Plans and Environmental Management Plans are in place and complied with.</p>	<p>Staging has been devised to maintain separation from the landfill site during initial phases of development.</p> <p>There is ongoing liaison with MRC regarding landfill operations and potential impacts. Remediation and communications strategies are being prepared in consultation with the MRC.</p> <p>Continued implementation of the recommended mitigation actions is supported.</p>
5.2	Delay in provision of services within Catalina including shopping and schools.	3	2	6	Low	<p>Engage with local schools in Clarkson and Mindarie and provide information to residents regarding existing local services.</p> <p>Engage with the Department of Education regarding the timing of the Catalina Primary School site.</p> <p>Provide budget for the landscaping of the local oval to commence in FYE 2022.</p>	<p>Proposed mitigation measures are included in the Annual Plan FYE 2018.</p> <p>There is on-going liaison with service agencies to ensure timely provision of necessary services.</p>
5.3	Adverse community reaction to ongoing development due to nuisance from construction activities.	2	3	6	Low	<p>Undertake pro-active community engagement through support of community groups in order to garner support from community groups which can then be enlisted to support development should adverse publicity arise.</p> <p>Implement Dust Mitigation Strategy to ensure sites are being managed by the civil contractor, and where possible complete bulk earthworks during winter months.</p>	<p>Implementation of recommended mitigation actions has commenced with appointment of the Community Development Manager, and the necessary community consultation strategies are being progressed.</p> <p>Review of scheduling earthworks adjacent to residential areas to occur in winter months to reduce dust and objections from residents. Consultation to be undertaken prior to commencement of works.</p>

MANAGEMENT							
RISK		LIKELIHOOD	CONSEQUENCE	OVERALL	RANKING *	MITIGATION	TPRC COMMENT
6.1	TPRC project objectives not being met.	2	3	6	Low	<p>Ensure TPRC approvals received for actions undertaken by project team and implementation of project are in accordance with TPRC approvals.</p> <p>Regularly review objectives of TPRC strategy documents and ensure implementation by project team.</p>	<p>Implementation of the recommended mitigation action is occurring via all project planning, development and reporting processes.</p> <p>All project documentation and planning is reviewed by the SPG and TPRC to ensure adherence to the TPRC objectives.</p> <p>The recommended mitigation action represents good project management practice and its continued implementation is supported.</p>

**Ranking:**

\*High Risk = 15 – over

\*Medium Risk = 7 – 14

\*Low Risk = 0 – 6

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## **Appendix 9.10**

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## **Appendix 9.11**