



Ordinary Meeting of Council

Thursday 7 December 2023

AGENDA

Notice of Meeting

Councillors of the Catalina Regional Council are advised that a meeting will be held on Thursday 7 December 2023 at 6:00pm at the City of Stirling, 25 Cedric Street, Stirling.

A handwritten signature in black ink, appearing to read 'Chris Adams', is positioned above the printed name and title.

CHRIS ADAMS

Chief Executive Officer

Constituent Members:

*Cities of Perth, Joondalup, Stirling, Vincent, and Wanneroo
Towns of Cambridge and Victoria Park*

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MEMBERSHIP

OWNER COUNCIL	MEMBER	ALTERNATE MEMBER
Town of Cambridge	Cr Jane Cutler	Cr Michael Le Page
City of Joondalup	Cr John Chester Cr Lewis Hutton	Cr Russ Fishwick Cr Phillip Vinciullo
City of Perth	Cr Brent Fleeton	Cr Viktor Ko
City of Stirling	Cr Tony Krsticevic Cr David Lagan Cr Suzanne Migdale Cr Karlo Perkovic	Cr Teresa Onlow Cr Rob Paparde
Town of Victoria Park	Cr Claire Anderson	Cr Bronwyn Ife
City of Vincent	Cr Ashley Wallace	Cr Suzanne Worner
City of Wanneroo	Cr Helen Berry Cr Sonet Coetzee	Cr Phil Budworth Cr Vinh Nguyen

Representatives from the Satterley Property Group will be in attendance at the meeting.

PRELIMINARIES

1. OFFICIAL OPENING

On behalf of Councillors, we would like to acknowledge the traditional custodians of this land, the Wadjak people of the Nyoongar nation, on which this meeting is taking place and show our respect for Elders past, present and emerging.

2. APOLOGIES AND LEAVE OF ABSENCE

3. DISCLOSURE OF INTERESTS

4. PUBLIC STATEMENT/QUESTION TIME

5. ANNOUNCEMENTS BY CHAIR (WITHOUT DISCUSSION)

6. PETITIONS

7. CONFIRMATION OF MINUTES

That the minutes of the Ordinary Meeting of Council of 19 October 2023 and the Special Meeting of Council of 16 November 2023 be CONFIRMED as true and accurate records of proceedings.

7A BUSINESS ARISING FROM MINUTES

8. ADMINISTRATION REPORTS AS PRESENTED

8.1 BUSINESS REPORT – PERIOD ENDING 31 OCTOBER 2023

Responsible Officer: Manager Project Coordination

Attachments: Nil

Voting Requirements: Simple Majority

RECOMMENDATION

That the Council RECEIVES the Business Report for the period ending 31 October 2023.

PURPOSE

The report provides information to the Council on key activities, programs, and milestones.

POLICY REFERENCE

N/A

LOCAL GOVERNMENT ACT/REGULATION

N/A

PREVIOUS MINUTES

N/A

FINANCIAL/BUDGET IMPLICATIONS

N/A

RISK MANAGEMENT IMPLICATIONS

Risk Ref: 2	Risk Rating:
Strategic - Stable and effective governance environment.	Moderate
Action:	
SPG and CRC provide reports/information to Council Meetings.	

The report provides information to ensure the Council is well informed on the progress of key components of the Catalina Project.

BACKGROUND

The business of the Council requires adherence to many legislative provisions, policies and procedures that aim at best practice. There are also many activities that do not need to be reported formally to the Council but will be of general interest to Council members and will also be of interest to the public who may, from time to time, refer to Council minutes.

In the context of the above, a Business Report provides the opportunity to advise on activities that have taken place between meetings. The report will sometimes anticipate questions that may arise out of good governance concerns by Council members.

COMMENT

1. Civil Design and Construction - Status

Engineering design has been prepared and submitted for City of Wanneroo for the Stage 41-43 bulk earthworks in Catalina Green. It is intended that the earthworks commence in late November 2023.

Engineering design is currently in progress for:

- Stage 32 civil works in Catalina Beach;
- Connecting roads in the north-east corner of Catalina Green to the future bus underpass to be constructed under Neerabup Road, which will provide a direct connection to Clarkson train station; and
- Stage 41 civil works in Catalina Green.

Design drawings are expected to be completed by the end of November and submitted soon after to the City of Wanneroo.

In respect to the bus underpass, the Perth Transport Authority recently advised that it is proposing to allocate funds for its construction in the FYE 2025 budget. If funding is approved, completion of the underpass should occur in mid to late 2025, enabling the commencement of bus services through Catalina Green and the rest of Catalina in 2026.

The following tables detail the status of all current civil construction works to 31 October 2023. Key points to note are as follows:

- Stage 31 in Catalina Beach was scheduled to achieve practical completion on 14 October 2023, however a delay of approximately two weeks was experienced with the final phase of works, in particular with the laying asphalt, kerbing, and footpaths. Unfortunately, the quality of the asphalt did not meet City standards and required rectification. To mitigate the timing of rectification works impacting on titling timeframes, bonding arrangements are to be made with the City.
- Good progress has been made with Stage 38 in Catalina Green, however a delay is expected with the timing of delivery of limestone blocks required for retaining walls. This will be the result of a current shortage in the supply of oxide used to achieve the desired colour of the earth-tone walls. This is likely to extend the timeframe for practical completion by approximately seven weeks to 12 February 2024. Bonding arrangements to be made with the City for outstanding works will mitigate some of the delayed impact to the timeframe for obtaining titles.
- Earthworks for Stage 39 in Catalina Green have commenced.

Stage 31			66 lots
Contractor Possession of Site			9 January 2023
Original Practical Completion Date			26 July 2023
Revised Practical Completion Date			31 October 2023
Construction Status			
Item	% Complete	Change since last report	Comments
Earthworks	100	0	
Sewer	100	0	
Drainage	100	0	
Water/Gas	100	0	

Power/Comms	100	10	
Walls	100	20	
Roads	99	24	Asphalt defects to be rectified.



Stage 31 Civil Works

Stage 38			37 lots
Contractor Possession of Site			24 May 2023
Original Practical Completion Date			21 December 2023
Revised Practical Completion Date			12 February 2024
Construction Status			
Item	% Complete	Change since last report	Comments
Earthworks	100	10	
Sewer	95	0	
Drainage	100	50	
Water/Gas	60	60	In Progress
Power/Comms	0	0	Commencing early November 2023.
Walls	50	50	Block supply constraint looming.
Roads	0	0	



Stage 38 Civil Works in progress

Stage 39			60 lots
Contractor Possession of Site			2 October 2023
Original Practical Completion Date			5 April 2024
Revised Practical Completion Date			N/A
Construction Status			
Item	% Complete	Change since last report	Comments
Earthworks	20	20	Clearing completed. Earthworks commenced.
Sewer	0	0	Commencing November 2023.
Drainage	0	0	
Water/Gas	0	0	
Power/Comms	0	0	
Walls	0	0	
Roads	0	0	

It is expected that a contract for bulk earthworks in Stages 41-43 in Catalina Green will be awarded in November 2023. This will provide the ability to construct additional lots to cater for strong demand.

2. Landscaping Design Works - Status

Landscape design is well-progressed for a new park in the centre of Catalina Green. The 1.69ha space is to feature a playground, events space, existing tree retention and substantial tree and other vegetation planting. Earthworks for the park will be completed as part of the Stage 39 civil works. It is anticipated that park construction and landscaping will commence

May 2024.

The following tables detail the status of all current landscape construction works to 31 October 2023. The highlights of the past months include:

- Practical completion of the winter offset revegetation works in the coastal reserve to the west of Catalina - these works are intended to satisfy offset revegetation obligations of the clearing permit granted for the removal of vegetation that enabled construction of the Beach Access Road and Carpark.
- Commencement of construction of the Catalina Beach Foreshore Park.

Foreshore Park - Catalina Beach			
Project Budget			\$4,651,903
Design and Approval			Status
Detailed Design			Complete
City of Wanneroo Works Approval			Issued – 5 September 2023
CRC Works Award Approval			Issued – 27 September 2023
Construction			
Contract Sum			\$4,472,234
Contractor Possession of Site			23 October 2023
Original Practical Completion Date			2 August 2024
Revised Practical Completion Date			N/A
Item	% Complete	Change since last report	Comments
Preliminaries	100	new	
Hardscape	5	new	
Softscape	0	new	
Consolidation	0	new	



Foreshore Park Construction

Offset Revegetation Works – west of Catalina Beach	
Project Budget	\$948,279
Design and Approval	Status
Detailed Design	Complete
City of Wanneroo Works Approval	Issued – 1 March 2022
CRC Works Award Approval	Issued – 21 April 2023 (Tender 01/2023)

Construction			
Contract Sum		\$805,489 (includes 5 years maintenance)	
Contractor Possession of Site		12 June 2023	
Original Practical Completion Date		25 August 2023	
Revised Practical Completion Date		22 September 2023	
Item	% Complete	Change since last report	Comments
Preliminaries	100	0	
Hardscape	N/A	N/A	No hardscape works involved.
Softscape	100	0	
Consolidation	N/A	N/A	Contract includes 5-year maintenance period of revegetated areas.



Completed Offset revegetation works at Catalina Foreshore

3. Titles

The next titles to issue in the Project will be in Stage 31 (66 lots) in Catalina Beach, which are anticipated in mid-December 2023.

4. Housing Construction

The following table provides an overview of the current progress of housing construction in Catalina to 31 October 2023. Substantial building activity continued during October 2023, with construction commencing on 31 homes and 10 homes being completed.

Stage	Residential Lots	Homes Completed	Homes Under Construction	Lots Vacant
Stages 1, 3-15, 17A, 18A	807	852*	0	0
Stage 2	38	36	0	2
Stage 16A	17	16	1	0
Stage 17B	36	35	1	0
Stage 17C	1	0	0	1
Stage 18B	31	30	0	1
Stage 18C	28	0	22	6
25A & B	55	54	1	0
Stage 25C	4	2	2	0
Stage 26	38	35	2	1
Stage 27A	20	11	8	1
Stage 27B	23	8	13	2
Stage 28	34	24	8	2
Stage 29	43	0	5	38
Stage 30	35	10	17	8
Stage 36	57	0	33	24
Stage 37	48	0	9	36
Total	1,315	1,113	122	125
Change since 30/09/23	0	+10	+21	-31
<i>*The number of Homes Completed exceed the number of Residential Lots due to grouped housing developments on 11 lots.</i>				

5. Planning

Subdivision applications were approved during October 2023 by the Western Australian Planning Commission for the following future development stages:

- Stages 33-34 located in the north-western corner of Catalina Beach – comprised of 116 single residential lots ranging in area from 180m² to 675m² and two grouped housing sites of 1054m² and 1423m².
- Stages 41-44 located in the south-western corner of Catalina Green – comprised of 160 single residential lots ranging in area from 313m² to 526m², a 4484m² grouped housing site and three reserves for public open space and drainage.

Approval of the applications provides the option to develop additional stock when required.

6. Special Development Sites

Connolly Drive, Catalina Green

The Stage 36 civil works in Catalina Green included a 2ha commercial centre site located at the intersection of Connolly Drive and Expedition Drive. A tender for the sale of the site was awarded by the Council at its meeting of 17 February 2022 to Lightpoint Nominees Pty Ltd. Settlement of the sale of the site to Lightpoint was executed on 6 April 2023.

Lightpoint has obtained City of Wanneroo approval of a Local Development Plan, which sets parameters for development of the site, and is now preparing a development application. It has advised of its intention to commence construction in 2024.

Aviator Boulevard/Roulettes Parade Local Centre, Catalina Central

Stage 1 of the development of the Catalina Central commercial site comprised of a childcare centre was completed in May 2022. Stage 2 will include several shop tenancies (300m² nett lettable area) and a 170m² café. The Council at its meeting of 20 April 2023 agreed to an extension to the timeframe for completion of the development of Stage 2 by 31 May 2024, subject to the following milestones being met:

- Obtaining a building permit for the approved development by 30 June 2023; and;
- Commencing construction by 30 September 2023.

Auswide has since obtained a building permit from the City of Wanneroo and called for tenders for the Stage 2 construction, but as at 31 October 2023 works had not commenced on site.

A separate report on this matter is provided in Item 14.3.

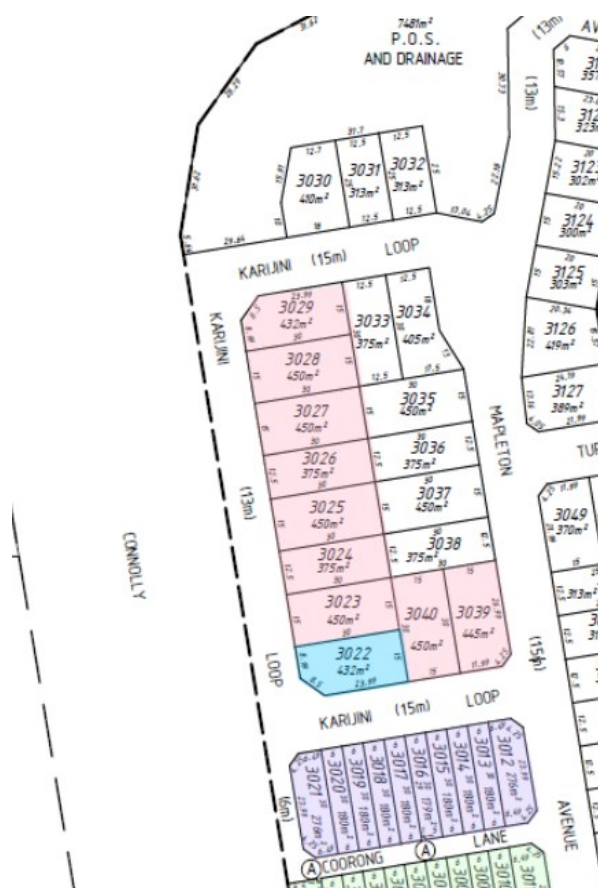
Rathmines Street, Catalina Central

A tender for the sale of proposed Lot 341 Rathmines Street, located on the corner of Aviator Boulevard and Connolly Drive in Catalina Central was awarded by the Council on 29 September 2022 to Accord Property. The contract for sale provides for Accord to undertake due diligence, including obtaining development approval and an agreement to lease, before confirming the purchase.

The due diligence period was originally due to expire on 12 July 2023, however it was extended to 12 November 2023 to allow Accord additional time to prepare and obtain approval of a development application and finalise tenancy arrangements. The due diligence period has been approved to be extended again to 12 February 2024 to allow Accord further time to obtain approval of its development application, which as at 31 October 2023 was being advertising for public comment by the City of Wanneroo. The latest extension was approved on the basis that the leasing condition is waived by Accord and an additional \$30,000 is added to the purchase price.

Catalina Green Display Village

Expressions of interest were sought from builders to secure one of nine lots in a new display village to be built in Catalina Green. At the close of expression of interest period on 29 September 2023, seven submissions from builders had been received. Interest was expressed in Lots 3023 to 3029 fronting towards Connolly Drive, as shown on the following plan.



Submissions were evaluated and ranked, which informed the order in which lots were allocated to the builders. Five of the builders received either their first or second preferred lot. The two remaining builders received their fifth and sixth preferred lot.

Satterley considers that seven display homes, coupled with a demonstration home/sales office on Lot 3022 (see following section) is a sufficient critical mass to warrant proceeding with the display village. It is intended that Lots 3039 and 3040, for which there were no expressions of interest from builders, is to be used for car parking for the display village and demonstration home/sales office. This will free up Lots 3012 to 3021 on the southern side of Karijini Loop to be sold, as these lots had previously been held back from sale as they were intended to be used for carparking.

Satterley is presently liaising with builders on the required sales contracts. It is expected that all contracts will be executed in early December 2023 and settlements will occur in January 2024.

Assuming commencement of construction in April 2024 and a nine-month construction timeframe, the display village should open in early 2025. It is expected to operate for approximately three years.

Catalina Green Sustainability Demonstration Home

As reported to the Council's meeting on 17 August 2023, CRC's Administrative team are recommending that a 'sustainability demonstration home' be built on Lot 3022 as part of the proposed Catalina Green display village. This sustainability home would showcase possible sustainability inclusions in a new home-builds and aligns with the CRC vision of developing a sustainable, environmentally friendly estate. Additionally, once complete, it would be used as a future sales office and the existing sales office in Catalina Beach would be sold.

Preliminary scoping of the procurement process for the building design and construction of the demonstration home has been completed. It is expected that an expression of interest process will be undertaken in December 2023 to source a potential building partner with the expertise and approach to construct a suitable building, followed by a request for tender process in the first quarter of 2024 to establish the building design and construction cost.

7. Acquisition of WAPC Land – Portion of Lot 711

A 10.2209 ha area in the north-eastern corner of the Catalina Estate (known as portion of Lot 711) is owned by the State Government and has long been identified for inclusion in the Catalina Project area.



The required land is currently part of the Neerabup National Park and needs to be excised from the Park to enable its transfer from the Western Australian Planning Commission to the member Councils. The *Land Administration Act (1997)* classifies Neerabup National Park as an A Class Reserve and requires an excision of this extent to be included in a Reserve Bill that needs to progress through both Houses of Parliament.

A Reserve Bill proposing excision of portion of Lot 711 progressed through the Legislative Assembly during October 2023 and is due to go before the Legislative Council in November 2023. If passed, commencement of negotiations with the State Government for its acquisition should commence in December 2024.

8.2 PROJECT FINANCIAL REPORT – SEPTEMBER 2023

Responsible Officer: Chief Executive Officer

Attachments: Letter from Satterley Property Group dated 31 October 2023 with Financial Report

Voting Requirements: Simple Majority

RECOMMENDATION

That the Council RECEIVES the Project Financial Report (September 2023) submitted by the Satterley Property Group.

PURPOSE

To consider the Project Financial Report for September 2023 submitted by the Satterley Property Group.

POLICY REFERENCE

N/A

LOCAL GOVERNMENT ACT/REGULATION

N/A

PREVIOUS MINUTES

N/A

FINANCIAL/BUDGET IMPLICATIONS

Review of Project Financial Report for September 2023.

RISK MANAGEMENT IMPLICATIONS

Risk Ref: 2	Risk Rating:
Strategic - Stable and effective governance environment.	Moderate
Action:	
SPG and CRC provide reports/information to Council Meetings.	

The report provides information to the Council on Catalina Project financial outcomes in particular, revenue, expenditure, and variances to ensure transparency and governance of financial activity.

BACKGROUND

At its meeting of 22 June 2023, the Council approved the Project Budget FYE 2024, submitted by the Satterley Property Group (Satterley).

The Development Manager's Key Performance Indicators (August 2023) - Governance, requires the preparation of monthly progress reports.

COMMENT

Satterley has prepared a Catalina Financial Report for September 2023 for the Project. The report has been prepared on a cash basis and compares actual income and expenditure to approved budget for the period 1 September 2023 to 30 September 2023 and is attached at Appendix 8.2.

The Financial Report identifies the following main areas of variance:

As tabled below, the overall nett financial position exceeds the June budget projections.

	Budget (July-June)	Budget YTD (July – September)	Actual YTD (July- September)	Variance \$	Variance %
Revenue	\$36,306,053	\$6,599,592	\$12,284,958	\$5,685,366	86.15%
Expenditure	\$20,742,246	\$9,935,288	\$4,807,565	-\$5,127,723	-51.61%
Nett	\$15,563,807	-\$3,335,696	\$7,477,393	\$10,813,089	324.16%

Expenditure

- Lot Production (excluding bonds): \$2.99M under budget. While a considerable portion of this under-expenditure is due to the timing of civil construction contractor invoices, there are also some budget savings as project stages are being delivered under budget allocations. This is due to a combination of good project management and the fact that considerable contingencies were included in initial budget estimates that have not been fully utilised.
- Landscaping: \$2.37M under budget. This is primarily due to the timing of landscape construction contractor invoices, minor delays in the delivery of works programs and cost savings. The vast majority of these under-budgeted funds will be expended, just later than was initially anticipated.
- Infrastructure Spend: \$256K under budget. This is primarily due cost savings in the construction of Longbeach Promenade (which was completed in June 2023).
- Clearance Bonds: \$1.4M unfavourable. Several bonds currently being held by the City of Wanneroo are expected to be released in coming months.

Revenue

Income: \$5.69M above expectations due to 21 more settlements achieved than anticipated.

8.3 STATEMENT OF FINANCIAL ACTIVITY FOR OCTOBER 2023

Responsible Officer: Chief Executive Officer

Attachments: 1. Statement of Financial Activity for October 2023
2. Investment Report for October 2023

Voting Requirements: Simple Majority

RECOMMENDATION

That the Council RECEIVES and NOTES the Statement of Financial Activity for the month ending 31 October 2023.

PURPOSE

Submission of the Statement(s) of Financial Activity required under the *Local Government Act 1995*.

LOCAL GOVERNMENT ACT/REGULATION

- *Local Government Act 1995*: Sect 6.4(1): Financial Report Required
- *Local Government (Financial Management) Regulations 1996*: Regulation 34 Composition of Report
- *Local Government (Financial Management) Regulations 1996*: Regulation 34 (5) Material Variance Reports [10%]
- *Local Government (Audit) Regulations 1996*: Regulation 14 Compliance Audit Item

RISK MANAGEMENT IMPLICATIONS

Risk Ref: 8	Risk Rating:
CRC Operations - Financial Management of TPRC	Low
Action:	
Preparation and reporting on monthly accounts for Council approval.	

The submission of the Statement(s) of Financial Activity is required under the *Local Government Act 1995* and necessary to ensure transparency and governance of financial activity.

BACKGROUND

It is a mandatory requirement that the Council receives, reviews and records in the Regional Council's public minutes a statement of financial activity showing annual budget estimates and the figures for budget estimates, income and expenditure and variances at the end of each month. The report is also to show the composition of assets and other relevant information.

COMMENT

The detailed Statements contained in the Appendices reflect the budget proposals and direction adopted by the Council.

The information in the appendices is summarised in the tables following.

Financial Snapshot as at 31 October 2023

	2023-24 Adopted BUDGET	2023-24 Budget YTD	2023-24 Actual YTD	Variance		Variance %
				Favourable	Unfavourable	
REVENUE	\$	\$	\$	\$	\$	%
Interest Earnings	2,115,000	704,720	851,619	146,899		20.85%
Other Revenue	0	0	0			
	\$2,115,000	\$704,720	\$851,619	\$146,899	\$0	
LESS EXPENDITURE						
Depreciation	(43,932)	(11,851)	(11,851)			
Employee Costs	(727,668)	(248,770)	(220,008)	28,762		11.56%
Insurance	(23,302)	(23,302)	(21,183)	2,119		9.09%
Finance Costs	(2,691)	(997)	(998)		(1)	-0.10%
Materials and Contracts	(277,100)	(82,936)	(60,690)	22,246		26.82%
Other	(170,464)	(42,617)	(42,517)	100		0.23%
Utilities	(5,000)	0	0			
Members Equity						
Income Sale of Lots - Subdivisions	40,078,630	9,896,932	15,845,045	5,948,113		60.10%
Land Production Costs	(24,619,525)	(13,822,879)	(6,416,404)	7,406,475		53.58%
GST Withheld Member Councils	(2,863,004)	(706,984)	(1,120,455)		(413,471)	-58.48%
Profit distribution/Contributions Returned	(20,057,000)	0	(468,752)		(468,752)	-100.00%
	(\$8,711,056)	(\$5,043,404)	\$7,482,187	\$13,407,815	(\$882,224)	
Total Change in Equity	(\$6,596,056)	(\$4,338,684)	\$8,333,806	\$13,554,714	(\$882,224)	

Statement of Financial Position as at 31 October 2023

	Actual 2022-23 \$	Actual 2023-24 \$	Variance \$	Variance %
Current assets				
Cash and cash equivalents	43,645,428	51,686,394	8,040,966	18.42%
Trade and other receivables	1,221,521	1,250,832	29,311	2.40%
Total current assets	44,866,949	52,937,226	8,070,277	18.0%
Non-current assets				
Inventories	2,515,000	2,515,000	0	0.00%
Right of use assets	125,157	113,306	(11,851)	-9.47%
Property, plant and equipment	0	0	0	0.00%
Total non-current assets	2,640,157	2,628,306	(11,851)	-0.45%
Total assets	47,507,106	55,565,532	8,058,426	16.96%
Current liabilities				
Trade and other payables	490,811	227,068	263,743	53.74%
Lease Liabilities	35,214	23,577	11,637	33.05%
Provisions	27,532	27,532	0	0.00%
Total current liabilities	553,557	278,177	275,380	49.7%
Non-current liabilities				
Lease Liabilities	93,832	93,832	0	0.00%
Provisions	19,795	19,795	0	0.00%
Total non-current liabilities	113,627	113,627	0	0.00%
Total liabilities	667,184	391,804	275,380	41.27%
Net assets	46,839,922	55,173,728	8,333,806	17.79%

Investment Summary as at 31 October 2023

Cash Accounts									
	Face Value (\$)	Current Rate (%)	Institution	Credit Rating			Current Value (\$)	Deal No.	
	2,635,850.42	4.7803%	Macquarie Bank	A+			2,635,850.42	541301	
	2,635,850.42	4.7803%					2,635,850.42		

Term Deposits									
Maturity Date	Face Value (\$)	Current Rate (%)	Institution	Credit Rating	Purchase Price (\$)	Purchase Date	Current Value (\$)	Deal No.	Accrued Interest (\$)
Nov-23	1,000,000.00	4.8200%	Westpac Group	AA-	1,000,000.00	Mar-23	1,030,504.66	543933	30,504.66
Nov-23	1,000,000.00	5.2800%	National Australia Bank	AA-	1,000,000.00	Jul-23	1,014,176.44	544337	14,176.44
Dec-23	4,000,000.00	4.7200%	National Australia Bank	AA-	4,000,000.00	Mar-23	4,122,073.42	543931	122,073.42
Dec-23	2,500,000.00	5.1000%	Suncorp Bank	A+	2,500,000.00	Jun-23	2,551,698.63	544161	51,698.63
Dec-23	3,000,000.00	4.8500%	Westpac Group	AA-	3,000,000.00	Mar-23	3,095,272.60	543905	95,272.60
Dec-23	1,500,000.00	5.1600%	Westpac Group	AA-	1,500,000.00	Sep-23	1,507,633.97	544528	7,633.97
Jan-24	2,000,000.00	4.4900%	Commonwealth Bank of Australia	AA-	2,000,000.00	Jan-23	2,069,133.70	543716	69,133.70
Feb-24	1,004,763.01	4.9500%	Westpac Group	AA-	1,004,763.01	Feb-23	1,015,527.74	543888	10,764.73
Feb-24	1,009,374.25	5.0500%	Westpac Group	AA-	1,009,374.25	Feb-23	1,019,289.62	543853	9,915.37
Mar-24	2,000,000.00	4.8600%	Westpac Group	AA-	2,000,000.00	May-23	2,045,004.93	544120	45,004.93
Apr-24	2,000,000.00	5.4700%	Suncorp Bank	A+	2,000,000.00	Jul-23	2,031,770.96	544321	31,770.96
May-24	3,000,000.00	5.0500%	AMP Bank	BBB	3,000,000.00	May-23	3,075,542.47	544062	75,542.47
May-24	1,500,000.00	5.1000%	AMP Bank	BBB	1,500,000.00	May-23	1,535,420.55	544099	35,420.55
May-24	1,000,000.00	5.5500%	AMP Bank	BBB	1,000,000.00	Jul-23	1,014,901.37	544338	14,901.37
May-24	3,000,000.00	4.9900%	National Australia Bank	AA-	3,000,000.00	May-23	3,063,161.10	544137	63,161.10
Jun-24	2,500,000.00	5.4800%	Suncorp Bank	A+	2,500,000.00	Jun-23	2,552,172.60	544204	52,172.60
Jun-24	2,000,000.00	5.1400%	Westpac Group	AA-	2,000,000.00	Oct-23	2,004,506.30	544589	4,506.30
Jun-24	1,500,000.00	5.3200%	Westpac Group	AA-	1,500,000.00	Sep-23	1,508,745.21	544522	8,745.21
Jun-24	2,500,000.00	5.5900%	Westpac Group	AA-	2,500,000.00	Jun-23	2,550,539.73	544220	50,539.73
Jun-24	1,000,000.00	5.3400%	Westpac Group	AA-	1,000,000.00	Sep-23	1,005,266.85	544529	5,266.85
Jun-24	2,000,000.00	5.4000%	Commonwealth Bank of Australia	AA-	2,000,000.00	Aug-23	2,020,416.44	544422	20,416.44
Jul-24	5,000,000.00	5.5100%	Commonwealth Bank of Australia	AA-	5,000,000.00	Aug-23	5,062,647.95	544377	62,647.95
	46,014,137.26	5.1435%			46,014,137.26		46,895,407.24		881,269.98

8.4 LIST OF MONTHLY ACCOUNTS SUBMITTED FOR OCTOBER 2023

Responsible Officer: Chief Executive Officer

Attachments:

1. Summary Payment List - October 2023
2. Credit Card Report – October 2023

Voting Requirements: Simple Majority

RECOMMENDATION

That the Council:

1. **RECEIVES and NOTES** the list of accounts paid under Delegated Authority to the CEO for October 2023:
October 2023 - \$2,212,908.45
 2. **APPROVES** the Credit Card Statement for October 2023.
-

PURPOSE

Submission of payments made under the CEO's Delegated Authority for the month of October 2023.

LOCAL GOVERNMENT ACT/REGULATION

- *Local Government Act 1995*: Sect 5.42 - Delegation given for Payments
- *Local Government (Financial Management) Regulations 1996*: Regulation 13(1) - Monthly Payment list required
- *Local Government (Audit) Regulations 1996*: Regulation 13 - Compliance Audit Item

RISK MANAGEMENT IMPLICATIONS

Risk Ref: 8	Risk Rating:
CRC Operations - Financial Management of TPRC	Low
Action:	
Preparation and reporting on monthly accounts for Council approval.	

The report provides information to Council on expenditure for October 2023 to ensure transparency and governance of financial activity.

BACKGROUND

A list of accounts paid under delegation or submitted for authorisation for payment is to be submitted to the Council at each meeting. It is a specific requirement of the Regulations that the list state the month (not the period) for which the account payments or authorisation relates.

COMMENT

Payments made are in accordance with authorisations from Council, approved budget, CRC procurement and other relevant policies.

Payments are reviewed by CRC Accountants Moore Australia following completion of each month's accounts.

8.5 SALES AND SETTLEMENT REPORT – PERIOD ENDING 31 OCTOBER 2023

Responsible Officer: Project Manager

Attachments: Staging Plan

Voting Requirements: Simple Majority

RECOMMENDATION

That the Council **RECEIVES** the Sales and Settlement Report for the period ending 31 October 2023.

PURPOSE

To advise the Council of the status of sales, settlements, and sales releases.

POLICY REFERENCE

N/A

LOCAL GOVERNMENT ACT/REGULATION

Local Government Act 1995: Sect 3.58 – Disposal of Property.

PREVIOUS MINUTES

N/A

FINANCIAL/BUDGET IMPLICATIONS

Income under this matter will be posted under item I145011 (Income on Lot Sales):

Budget Amount:	\$ 40,078,630
Received to Date:	\$ 15,838,601
Balance:	\$ 24,240,029

RISK MANAGEMENT IMPLICATIONS

Risk Ref: 2	Risk Rating:
Strategic - Stable and effective governance environment.	Moderate
Action:	
SPG and CRC provide reports/information to Council Meetings.	

The report provides information on Catalina Project sales/settlements and variances to ensure the Council is well informed on sales and market trends.

BACKGROUND

The Sales and Settlement Report provides the Management Committee with a status update of sales and settlements for the Project. The Staging Plan provided under Appendix 8.5 identifies the extent of the stage boundaries referenced within the report.

COMMENT

Table 1 provides a summary of the Catalina Estate Sales and Settlement position for lots released up to 31 October 2023.

Table 1: Summary of Sales and Settlement of Lots – Catalina Estate

Stage	Precinct	Release Date	Lots Released	Lot Sizes (m²)	Sold	Stock	Settled
Completed Stages		-	1188	150 – 20,000	1188	0	1188
Stage 17 (Lot 341)	Central	Aug-21	1	6,907	1	0	0
Stage 29 (1)	Beach	May-22	14	315 - 450	13	1	11
Stage 29 (2)	Beach	Sep-22	12	315 - 470	10	2	9
Stage 29 (3)	Beach	Mar-23	17	294 - 485	16	1	10
Stage 31 (1)	Beach	Jun-23	12	375 - 450	9	3	0
Stage 31 (2)	Beach	Aug-23	6	315 - 607	5	1	0
Stage 31 (3)	Beach	Oct-23	13	315 - 464	3	10	0
Stage 36 (2)	Green	Dec-21	14	300 - 450	14	0	13
Stage 36 (3)	Green	Feb-22	7	188 - 484	6	1	6
Stage 36 (DV)	Green	Sep-23	9	375 – 450	0	9	0
Stage 37 (1)	Green	July-22	19	303 - 450	19	0	16
Stage 37 (2)	Green	Feb-23	13	313 - 475	13	0	9
Stage 37 (3)	Green	Feb-23	3	328 - 370	3	0	2
Stage 37 (4)	Green	Apr-23	13	188 - 595	12	1	7
Stage 38	Green	May-23	36	225-576	36	0	0
Stage 39 (1)	Green	Aug-23	42	191-465	31	11	0
Stage 39 (2)	Green	Oct-23	7	297-492	2	5	0
Total			1,426	150 – 20,000	1,381*	45	1,271
Change since 30 September 2023			+20		+48	-28	+8
* 'Sold' figures include 34 lots pending advertising and contract-acceptance.							

As at 31 October 2023, the Project had 100 lots under contract; 7 unconditional, 69 conditional and 34 pending advertising and acceptance.

Table 2 details sales for the year to date in FYE 2024.

Table 2: Summary of Sales for FYE 2024 against Budget – Catalina Estate

	Jul	Aug	Sept	Oct	YTD	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	FYE 2023
Budget Nett Sales	7	7	7	7	28	7	4	14	8	8	8	8	8	93
Actual Gross Sales	21	14	22	49	106									
Cancellations	0	2	4	1	7									
Actual Nett Sales	21	12	18	48	99									
Nett Sales Variance to Budget	+14	+5	+11	+41	+71									

48 nett sales were achieved in October 2023. This is substantially more than any other month in the past three years. Nett sales for FYE 2024 to date are 71 more than budget.

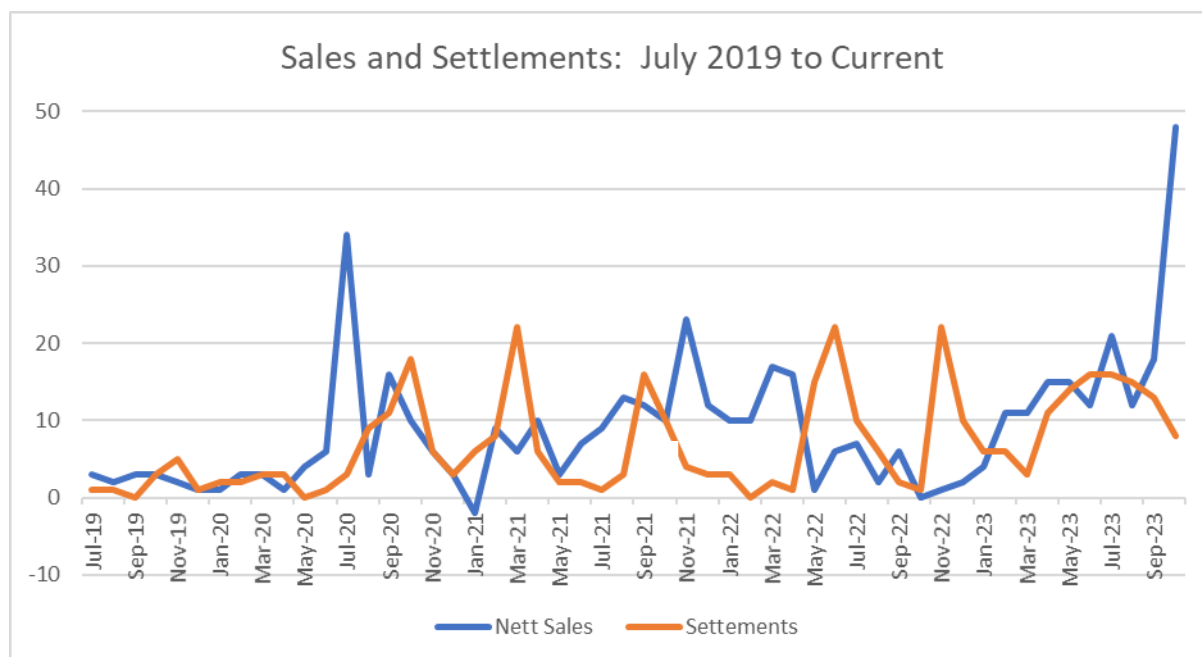
Settlements

Settlements for FYE 2024 are shown in Table 3. Eight lots settled in October 2023. Settlements for FYE 2024 to date are 21 more than budget.

Table 3: Summary of Settlements for FYE 2024 against Budget – Catalina Estate

	Jul	Aug	Sept	Oct	YTD	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	FYE 2024
Budget	10	7	6	8	31	6	8	12	17	12	9	8	11	114
Actual	16	15	13	8	52									
Variance	+6	+8	+7	0	+21									

The following chart shows monthly sales and settlements since July 2019.



Available Stock

49 gross sales were achieved in October 2023, comprised of 36 sales in Catalina Green and 13 in Catalina Beach. Additional stock was released in Stage 31 (13 lots) and Stage 39 (7 lots) in October 2023.

Available stock as at 31 October 2023 is set out in Table 4.

Additional releases are expected to be made in late November/early December 2023 in Stages 31, 36 and 41 given the recent sales rate.

Table 4: Summary of Available Stock as at 31 October 2023 – Catalina Estate

Stage	Precinct	Stock	Change since 30 September 2023	Title Status	Anticipated Title Date
Stage 29	Beach	4	-3	Titled	N/A
Stage 31	Beach	14	+3	Untitled	December 2023
Stage 36	Green	10	-1	Titled	N/A
Stage 37	Green	1	-3	Titled	N/A
Stage 39	Green	16	-19	Untitled	May 2024
Total		45	-28		

Northern Corridor Estates Analysis

Tables 5 and 6 provide a comparison summary of sales, available stock and lot pricing between Catalina and other developments in the north-west corridor.

Table 5: Summary of Sales in Northern Corridor (November 2022 to October 2023)

ESTATE	November	December	January	February	March	April	May	June	July	August	September	October	12 Month Total Sales
Alkimos Beach (Alkimos)	3	9	1	2	3	8	15	16	5	25	15	27	129
Alkimos Vista (Alkimos)	3	3	0	2	0	12	18	19	6	14	11	5	93
Allara (Eglinton)	2	3	9	7	13	10	12	11	16	6	11	27	127
Amberton (Eglinton)	14	4	5	4	23	18	18	30	30	28	38	22	234
Catalina (Clarkson Mindarie)	1	2	4	3	8	11	16	14	21	12	18	48	158
Eden Beach (Jindalee)	8	2	9	6	8	14	7	9	9	5	10	6	93
Elevale	-2	7	3	11	3	7	7	8	10	8	5	2	69
Jindowie Estate	6	6	3	10	10	5	1	1	4	0	-1	2	47
Shorehaven (Alkimos)	5	3	3	6	7	5	11	8	17	14	20	35	134
Trinity (Alkimos)	9	13	3	13	3	10	12	11	17	13	12	11	127
TOTAL	49	52	40	64	78	100	117	127	135	125	139	185	1211
CATALINA SHARE (%)	2.04%	3.85%	10.00%	4.69%	10.26%	11.00%	13.68%	11.02%	15.56%	9.60%	12.95%	25.95%	13.05%
Catalina Market Share Nov 2022 to Oct 2023									13.05%				

Note: Satterley advises that competitor sales results are indicative only, based on information obtained in the marketplace and supplied by other developers on a voluntary basis.

Table 6: Average of Price of Available Lots in Northern Corridor Estates (as at 31 October 2023)

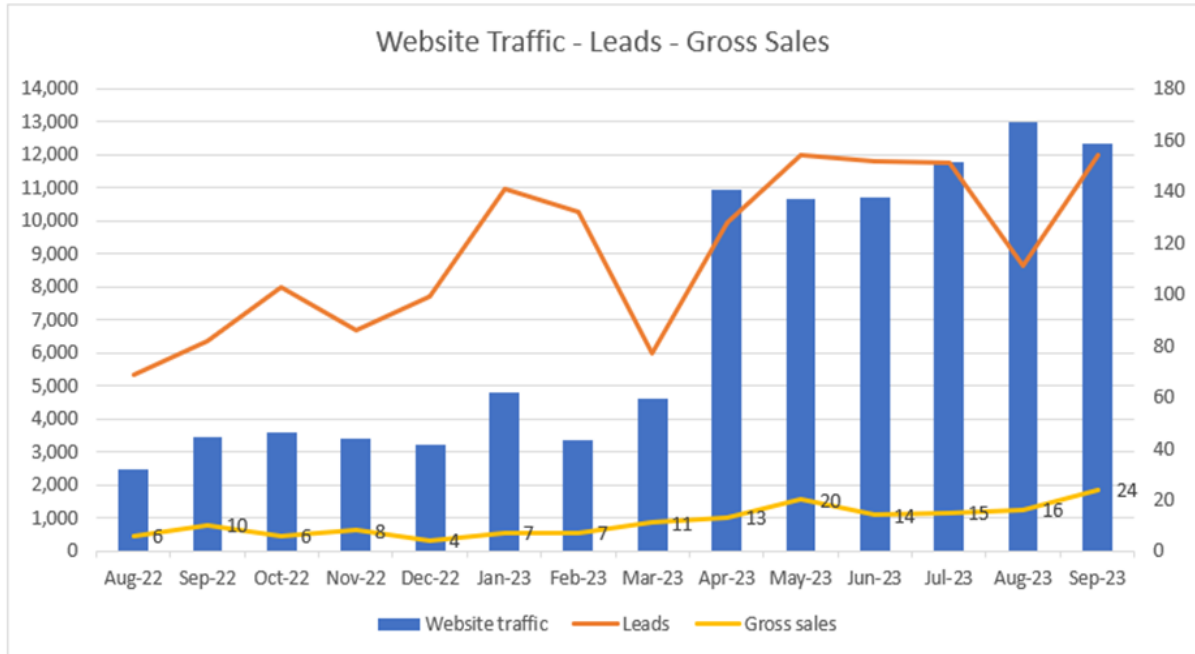
Estate	225sqm Price (\$)	300sqm Price (\$)	375sqm Price (\$)	450sqm Price (\$)	500sqm + Price (\$)	Total Dwellings	Available	Last Report
Allara	\$156,000	\$192,000	\$215,000	\$248,000	\$260,000	3,405	21	28
Alkimos Beach	\$203,000	\$248,000	\$280,000	\$329,000	\$420,000	2,413	16	9
Amberton	\$214,000	\$210,000	\$429,000	\$440,000	\$399,000	2,500	12	20
Banksia Grove	n/a	\$180,000	n/a	n/a	n/a	1,580	1	0
Catalina Beach	n/a	\$400,000	\$425,000	\$505,000	n/a	2,480	18	18
Catalina Green	\$240,000	\$240,000	\$310,000	n/a	n/a		27	55
Eden Beach	n/a	n/a	\$371,000	\$450,000	\$392,000	1,100	9	15
Elevale	n/a	\$242,000	\$255,000	\$293,000	\$318,000	197	8	9
Jindowie	n/a	\$135,000	n/a	\$224,000	\$240,000	1,800	28	2
Shorehaven	\$237,000	\$256,000	\$291,000	\$333,000	\$358,000	2,800	1	19
Trinity	n/a	n/a	\$288,000	\$304,000	n/a	2,500	8	11
Total							149	186

Catalina's market share of sales against the comparison estates has been very strong over the past 12 months at 13.05%.

Catalina's available lots decreased by 28 to 45 lots between reporting periods, while competitors' stock decreased by nine lots to 104 lots (8.0% decrease).

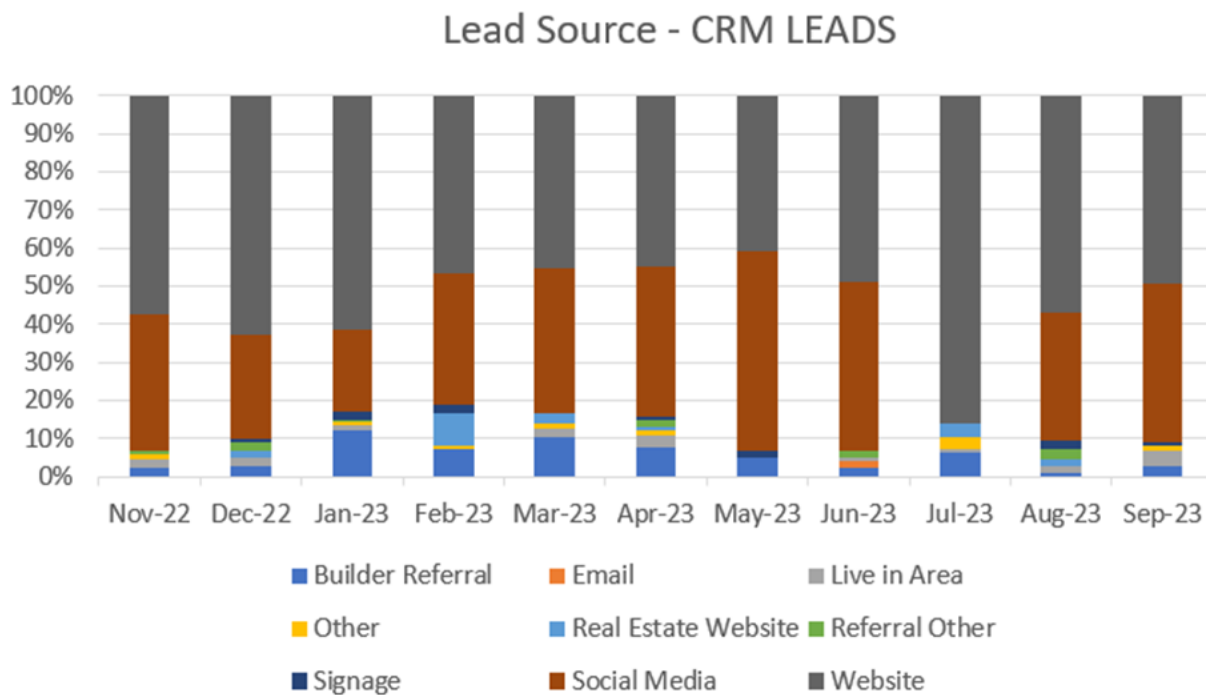
Marketing

Catalina's website traffic during August and September 2023 experienced a small increase in volume on the three previous months. An increase in leads in September 2023 was matched by an increase in gross sales.



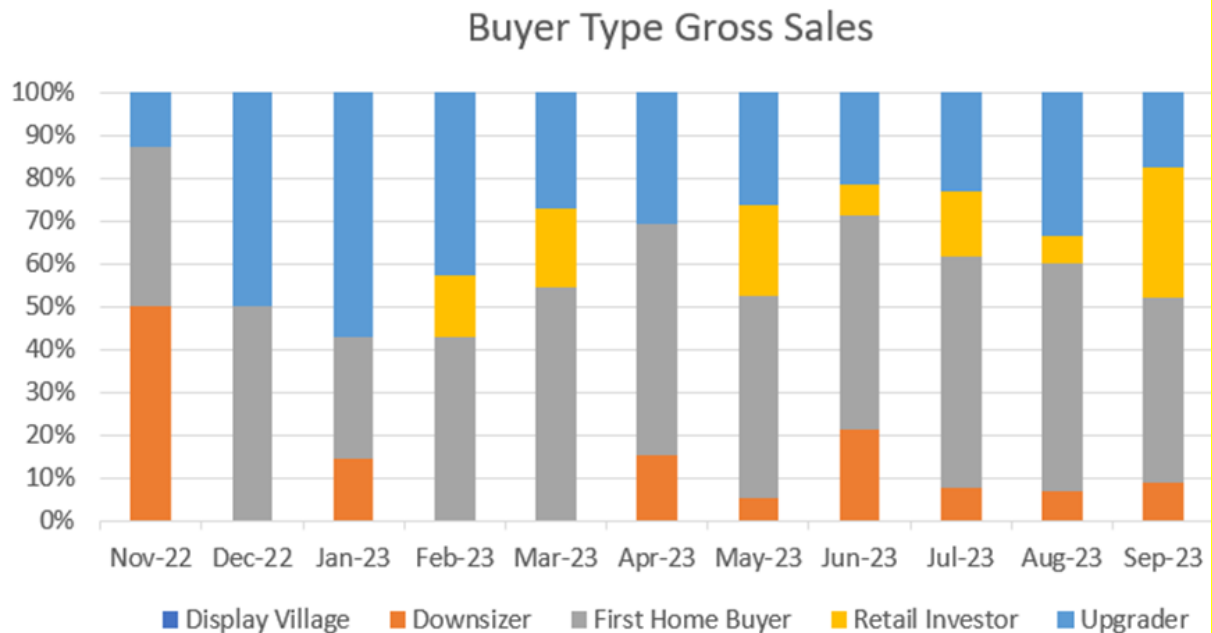
Satterley CRM Data 01/08/22 – 30/9/23

The main lead source types for August and September 2023 continued to come from the website and social media. There was a small increase in builder referrals and from those already living in the locality.



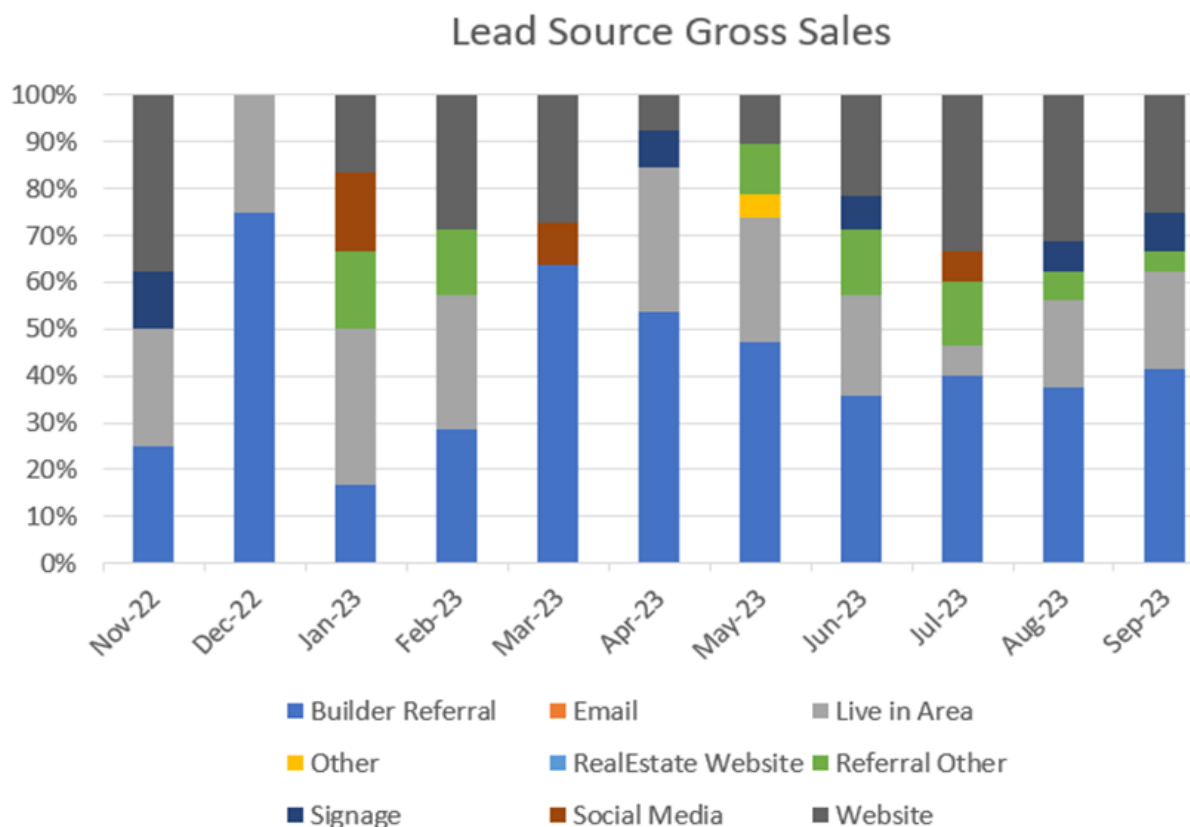
Satterley CRM Data 01/11/22 – 30/09/23

First home buyers continue to have a solid and consistent presence, reflecting the availability of land in Catalina Green and soaring demand for affordable land. The percentage of retail investors rose significantly, in line with market trends. Upgraders continue to fluctuate noting their overall decline in contribution across a longer period. Downsizees have continued their trend in being consistent across the last three months.



Satterley CRM Data 01/11/22 – 31/09/23

Lead sources for gross sales during August and September 2023 showed some variation from previous months, however builder referrals, the website and live in area remain as the main sources.



Satterley CRM Data 01/11/22 – 30/09/23

8.6 ANNUAL REPORT FOR YEAR ENDING 30 JUNE 2023

Responsible Officer:	Chief Executive Officer
Attachments:	CRC Annual Report 2022/2023
Voting Requirements:	Absolute Majority

RECOMMENDATION

That the Council ADOPTS the Annual Report of the Catalina Regional Council for the FYE 2023.

PURPOSE

To review the Annual Report for the CRC for the FYE 2023.

POLICY REFERENCE

N/A

LOCAL GOVERNMENT ACT/REGULATION

- *Local Government Act 1995*: S5.3 Requires Local Government to prepare an annual report, with prescribed inclusions, for each financial year.
- *Local Government Act 1995*: S5.4 Requires Local Government to accept the Annual Report by 31 December.
- *Local Government Act 1995*: S5.5 requires availability of report to be advertised following report adoption by Local Government.
- *Local Government (Audit) Regs 1996*: Reg 14 Compliance Audit Item.

PREVIOUS MINUTES

- Council Meeting – 8 December 2022 (Item 8.6 - Annual Report)
- Council Meeting – 9 December 2021 (Item 7.8 - Annual Report)
- Council Meeting – 10 December 2020 (Item 8.6 - Annual Report)

RISK MANAGEMENT IMPLICATIONS

Risk Ref: 7	Risk Rating:
CRC Operations – Internal Controls	Low
Action / Strategy to Manage:	
Management Policies and Procedures reviewed and approved by Council.	

BACKGROUND

The Council has a statutory obligation to provide an Annual Report of its operations including the following:

- Report by the Chair of the Council;
- Report by the CEO;

- Detail of completion of statutory requirements;
- The Audit Report and completed Financial Report of the Council for the year under review.

The Annual Report is to be made available for public inspection.

COMMENT

The CRC Annual Report for the FYE 2023 will be the seventeenth Annual Report produced by the Council. The Annual Report contains information on the Council formation and operation, the Catalina Project, and major activities of the CRC. The Annual Report is attached at Appendix 8.6.

The Annual Report is required to be adopted by the Council by 31 December in each year and a copy of the adopted report must be provided to the Executive Director of the Department of Local Government, Sport, and Cultural Industries.

The Annual Report is an opportunity to provide information on the work of the CRC and the Catalina Project.

The Annual Report contains the Audit Report and the Annual Financial Report, for the year ending 30 June 2023, both of which have been completed and were included in the agenda considered at the Council's meeting of 19 October 2023.

8.7 COUNCIL MEETING SCHEDULE 2024

Responsible Officer: Chief Executive Officer

Attachments: Nil

Voting Requirements: Simple Majority

RECOMMENDATION

That the Council:

1. ADOPT the CRC Ordinary Council Meetings for 2024 as follows:

- | | | |
|--------------------|------------------|-----------|
| • 15 February 2024 | City of Stirling | 6pm start |
| • 18 April 2024 | Zoom meeting | 6pm start |
| • 20 June 2024 | City of Stirling | 6pm start |
| • 15 August 2024 | Zoom meeting | 6pm start |
| • 17 October 2024 | City of Stirling | 6pm start |
| • 5 December 2024 | Zoom meeting | 6pm start |

2. HOST CRC Strategy and Project Advisory Meetings noting that:

- The Advisory Meetings are not formal meetings of the CRC under the provisions of S5.8 of the *Local Government Act 1995*.
- The intent/purpose of the Advisory Meetings is to:
 - Receive updates on key project matters including the development of special sites, land access and approval matters, land, and housing market conditions and/or other matters of relevance to the strategic direction of the CRC.
 - Workshop strategies/options related to land release, staging and development of the CRC land estate.
 - Review opportunities for innovation and best practice in line with the CRC's Strategic Community Plan Objectives of Built Environment, Natural Environment, Social Development, Economic Development and Governance and Corporate Accountability.
- All CRC Councillors are invited to attend Advisory Meetings.
- The CRC Strategy and Project Advisory meetings will have no Delegated Authority to make any decision/s on behalf of the CRC Council.

3. Hold CRC Strategy and Project Advisory Meetings on the following dates:

- | | | |
|---------------------|------------------|-----------|
| • 1 February 2024 | CRC Sales Office | 6pm start |
| • 21 March 2024 | City of Stirling | 6pm start |
| • 16 May 2024 | City of Stirling | 6pm start |
| • 18 July 2024 | City of Stirling | 6pm start |
| • 19 September 2024 | City of Stirling | 6pm start |
| • 21 November 2024 | City of Stirling | 6pm start |

PURPOSE

To establish the schedule of meetings for Catalina Regional Council (CRC) for 2024.

POLICY REFERENCE

N/A

LOCAL GOVERNMENT ACT/REGULATION

S5.3 and 5.4 of the Local Government Act 1995 details how Council meetings may be established and that minimum frequency of Council meetings.

S5.8 of Local Government Act 1995: A local government may establish committees of three or more persons to assist the Council and to exercise the powers and discharge the duties of the local government that can be delegated to committees.

RISK MANAGEMENT IMPLICATIONS

RISK REF: 2	RISK RATING:
Strategic - Stable and effective governance environment	Moderate
ACTION:	
SPG and CRC Executive provides reports/information to Council meetings.	

FINANCIAL AND RESOURCE IMPLICATIONS

N/A

BACKGROUND

The CRC has traditionally held six (6) ordinary Council Meetings per annum and has held five (5) Management Committee meetings. In 2023, the Management Committee meetings were disbanded in lieu of hosting Strategic Project Advisory Meetings. The Management Committee was discontinued as data demonstrated that the Management Committee was making very few delegated decisions and holding Management Committee meetings was creating a duplication of administrative workload for little real project benefits.

The CRC Strategic and Project Advisory Meetings were initiated as a way of having more informal interaction between Councillors, CRC Staff and key external agencies on strategic matters that are impacting the strategic and operational direction of the organisation. Given that feedback on the revised meeting structure has been positive, it is proposed to continue with this format throughout 2024. As there are a number of key strategic issues currently on the CRC agenda, an additional early February meeting has been proposed prior to the first Ordinary Council meeting of 2024.

During COVID-19, all Council and Committee Meeting were held online via electronic means. In the post COVID era, 50% of Council meetings have been held electronically with the remainder in person, noting that Regulations limit electronically held meetings to a maximum of 50%

DETAILS / DISCUSSION

The *Local Government Act* requires all Local Governments to hold Ordinary Meetings of Council not more than three months apart (S5.3(2)). Prior to the onset of COVID 19 and the subsequent State of Emergency declaration, CRC meetings were held every two months with the location of the meetings rotating amongst member Councils. More recently all in-person CRC meetings have been held at the City of Stirling Council Offices

In terms of locations for in-person meetings, CRC staff are recommending that in-person meetings continue to be held at the City of Stirling in lieu of rotating amongst member Councils. This is recommended due to the relative centrality of the City of Stirling amongst the members, the proximity of City of Stirling to the CRC offices and the fact that CRC has contractual arrangements with City of Stirling for IT support and Governance Support (both of which are useful/required at Council meetings).

As the Strategic Project and Advisory Meetings are more informal and collaborative in nature, it is proposed that all of these be held in-person as that mode of meeting operation has proven to be more productive for the CRC when informal, strategic discussions are being held.

CONCLUSION

It is recommended that the Council meeting schedule for 2024 aligns with the structure/format of meetings that were held in the second half of 2023. This would mean hosting six (6) Ordinary Council Meetings and five (5) Strategic and Project Advisory Meetings.

8.8 PROJECT BUDGET FYE 2024 – MID YEAR REVIEW

Responsible Officer: Chief Executive Officer

Attachments: 1. Satterley Letter dated 9 November 2023 - FYE24 Mid-Year Budget Review
2. Satterley FYE24 Mid-Year Budget Review Pack

Voting Requirements: Absolute Majority

RECOMMENDATION

That the Council ADOPTS the Mid-Year Project Budget FYE 2023 Review (as contained in the Attachments) and uses it as the basis for financial planning, including for the statutory Mid-Year CRC Budget FYE 2024 Review.

PURPOSE

To consider a report on the FYE 2024 Mid-Year Budget Review.

POLICY REFERENCE

N/A

LOCAL GOVERNMENT ACT/REGULATION

N/A

PREVIOUS MINUTES

Council Meeting – 22 June 2023 (Item 9.4 - Project Budget FYE 2024)

FINANCIAL/BUDGET IMPLICATIONS

The CRC Budget sets the framework for the delivery of the Catalina Project for the coming year. The Annual Mid-Year Budget Review is a crucial component of project management for the CRC.

The FYE 2024 Budget Review highlights significant changes proposed to the Budget with both revenues and expenditures proposed to considerably exceed previous estimates.

RISK MANAGEMENT IMPLICATIONS

Risk Ref: 7 & 8	Risk Rating:
CRC Operations – Internal Controls and Financial Management of the CRC	Low
Action:	
Annual Mid-Year Budget Reviews independently prepared and approved by the Council.	

The mid-year review of the Project Budget will assist to ensure an appropriate financial control and management environment.

BACKGROUND

At its meeting of 22 June 2023, the Council resolved to:

APPROVE the Project Budget FYE 2024 (May 2023), submitted by the Satterley Property Group, including the updated long-term Project Forecast, to be used for the purposes of project and financial planning and as the basis for preparation of the CRC Budget FYE 2024.

The adoption of the project budget was done after Council had workshopped budget assumptions (February 2023) and formally considered the budget assumptions that would frame the FYE 2024 Project Budget at the April 2023 Council Meeting.

COMMENT

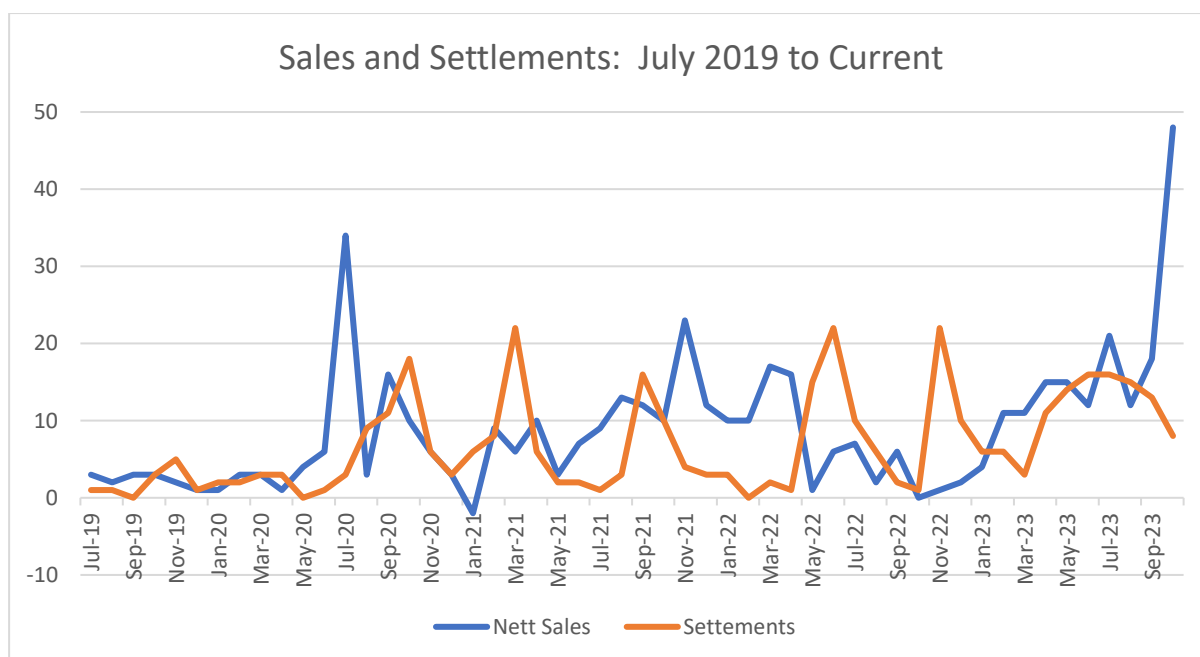
The FYE 2024 Project Budget was prepared and adopted at a time where the property market was ‘awakening’ from a somewhat subdued period. The FYE 2023 period had been mixed from a sales perspective with HY1 of that financial year obtaining an average of just three (3) sales per month and HY2 showing improvements with 11 sales per month during the period.

Given the variable market conditions, increasing interest rates, uncertain times in the building industry and the history of the CRC ‘over-promising’ on both sales levels and construction activity, a decision was made to take a relatively conservative approach to project budgeting for the FYE 2024 period.

Key assumptions used in the preparation of the adopted budget included:

- Sales: Total of 93 for year (Average of 7.75/month);
- Lot Development: Largely focussed on delivery of Project Stages that were under construction (Stages 29, 31, 37 and 38) with works on new stages largely limited to planning, design and approvals;
- Landscape Construction: Significant works proposed;
- Distributions: Proposed to be \$20M.

As the graph below indicates, sales activity has grown well beyond expectations and is currently at record levels. Through the first four months of FYE 2024, 99 sales had been achieved (average of 24.75/month). Additionally, at the time of writing (13 November 2023), 21 new sales contracts had been received for the month of November with more than half of the month left to sell more land.



This rapid and unexpected rise in sales activity has led to a significant review of the CRC Project Budget. CRC staff and Satterley representatives have undertaken a Mid-Year Review of the approved Project Budget FYE 2023, which is set out in its correspondence dated 10 November 2023 and contained in Appendix 8.8.

While the Mid-Year Project Budget FYE 2024 Review process primarily focussed on the FYE 2024, staff did consider/update the longer-term Project Forecast to take into account information that materially changed the overall financial result to Council. This included items such as:

- Potential acquisition of land from WAPC in an earlier timeframe than previously anticipated.
- Likely extended delays in the development of the Catalina Central area due to restrictions associated with the MRC's Tamala Park Tip facility. Assumption made that this land will not be developed within the next 5-6 years and land development costs and sales revenue have been removed from the modelling to reflect the very high level of uncertainty surrounding the development of this land.
- Recent changes to Council's Distributions Policy that result in larger distributions being payable to members in both FYE 2024 and future financial years.
- Increased expected sales activity in the short/medium term.
- Settlement activity to be substantially behind sales activity as sales are occurring on land that is under construction and still some way off from lots being titled.

The table below identifies the key proposed shifts in Budget Assumptions for FYE 2024.

	June Adopted Budget	Nov Budget Review Proposed
Sales	93	209 (116 increase)
Settlements	114	172 (58 increase)
Lot Production	Stages 29, 31, 37 and 38.	As per June plus Stages 39 and 41 and bulk earthworks for Stage 42 and 43
Distributions	\$20M	\$30M (\$10 increase)

The financial impact of these significant changes to the FY24 budget is shown in the table below:

	Approved Budget (\$M)	Mid-Year Review (\$M)	Variance (\$M)
Gross Income	36.31	54,08	17,77
Development Costs	20,74	32,63	-11,89
Subtotal	15.57	21.45	5.88

Greater detail regarding where budget changes have been recommended in FYE 2024 are contained in the Attachments to this report.

The longer-term forecast for the Catalina Project (based on new/revised assumptions) indicates:

- 304 fewer lots being delivered due to the removal of Catalina Central buffer area as a result of the uncertainty regarding development timeframes.
- Escalated sales rates being anticipated with 509 lots expected to be sold in the FYE 2024-FYE 2026 period as opposed to the previous budget of 366 lots.
- Reduced project length, down from May 2034 to December 2028 due to higher sales rates and removal of the Catalina Central buffer land.
- Reductions in development costs to reflect the removal of the Catalina Central land, shorter project timeline and less conservative/contingency being placed on development and administrative items.
- Removal of project escalation costs for the July-December 2023 period (5%) as these costs did not materialise due to the CRC previously 'locking in' contract rates.
- Increased revenues per lot and profits per lot to reflect current valuations and market conditions.
- Distributions to Members increase to reflect Council's new Distributions Policy that seeks to ensure that the CRC has no less than \$25M in reserves but also no greater than, \$30M in reserves.
- An anticipated overall **\$3.5M improvement** in project cashflows over the life of the Project.

CONCLUSION

The Mid-Year Project Budget FYE 2024 Review is based on current property market conditions and the latest sales/settlement information, construction program and expenditure estimates.

It indicates significant revision to assumptions and predictions in the approved Project Budget FYE 2024 and beyond. The assumptions in the Mid-Year Project Budget FYE 2024 Review are considered to represent the current expectations for the property market outlook and revisions to the titles, sales and settlements targets and forecast expenditure are considered appropriate.

The review indicates that the CRC can meet all cashflow obligations without the need to call upon member local government funds to meet any operating or capital expenditure and is considered to provide an appropriate basis for financial planning for the CRC Mid-Year Budget FYE 2024 Review.

The Mid-Year Project Budget FYE 2024 Review includes an updated Project Forecast to provide a general guide to the long term cashflow direction. The latest iteration follows a period

during which there has been considerable revision of key Project assumptions in a time when the market and construction environment has been dynamic.

The key objective of the Economic pillar of the Strategic Community Plan (2020), adopted by the Council at its February 2020 meeting, is to maximise returns for member Councils while delivering environmental, social, and economic objectives.

Despite the inherent uncertainties associated with forecasting over the lengthy timeframe of the Project's lifecycle, it is considered that the updated Project Forecast (December 2023) is a reasonable basis for Project and financial planning and that the forecasted Project profit and distributions can be relied upon by the member local governments.

8.9 LIVE STREAMING OF COUNCIL MEETINGS

Responsible Officer: Chief Executive Officer

Attachments: Nil

Voting Requirements: Simple Majority

RECOMMENDATION

That the Council DEFERS the live streaming of its meetings until January 2025.

PURPOSE

To consider the requirements for Catalina Regional Council, as a Band 2 local government classification, to live stream its Council Meetings.

POLICY REFERENCE

N/A

LOCAL GOVERNMENT ACT/REGULATION

- Local Government Regulations Amendment Regulations (No. 3) 2023 – Part 2
- Local Government (Administration) Regulations 1996 – Part 2A

PREVIOUS MINUTES

N/A

FINANCIAL/BUDGET IMPLICATIONS

Potential serious financial and budget implications for administration costs.

RISK MANAGEMENT IMPLICATIONS

Risk Ref: 11	Risk Rating:
<i>Local Government Act 1995 reform</i>	Significant
Action:	
CRC to continue dialogue with Minister's office and make representations to the Minister where necessary.	

BACKGROUND

On 18 October 2023, the Minister for Local Government published the Local Government Regulations Amendment Regulations (No. 3) 2023. Part 2 of these Regulations requires that as of 1 January 2025 class 1 and 2 local governments must live broadcast their Council meetings online.

Catalina Regional Council, as a class 2 local government, will be subject to these regulations. CRC does not currently live stream its Council meetings online, nor does it record video of

meetings for publishing at a later time. Governance officers, where possible, will audio record meetings for minute taking purposes.

The requirement for online live streaming of meetings does not take effect until 1 January 2025. It would be prudent for CRC to now consider the implications of the Regulations on its administration costs and explore options for responding to these new requirements.

COMMENT

The requirements under the Regulations will have a significant potential impact on CRC's administration costs. CRC does not have its own Council chambers and in the past has hosted its meetings in the Council chambers of one of its member Councils. CRC officers attending a host Council's premises do not have access to their systems and equipment. In order to facilitate the live broadcast of meetings online, CRC would have to explore options available to it to source the required technological infrastructure to enable live online broadcasting.

While CRC is classified as a Band 2 local government, its budget and staffing levels are that of a Band 4 local government. CRC is designed as a profit-making vehicle for its Member Councils, and any additional administration costs will impact its bottom line and the distribution amounts it pays to its members.

The publication of the Regulations by the Department in October this year is intended to give the Local Government sector time to prepare and acquire the necessary equipment to comply with the requirements of the Regulations. The intervening period before the regulations take force present an opportunity for CRC to assess the options available to it in responding to these new requirements.

CRC should therefore consider the following two options in response to the Regulations.

Option 1 – Defer and Write to the Minister (Officer Recommendation)

CRC officers recommend that The Council supports the deferral of introducing live streaming for Council meetings. CRC is presently not required to live stream its meetings until 1 January 2025. Deferral would allow meetings to continue to be held in the current manner and allow staff to focus on other priorities throughout 2024.

Deferral of introducing live streaming is preferable for the following reasons:

- The level of public interest in CRC's meetings is limited. CRC has never had a member of the public attend one of its meetings, nor has it ever had a public question, petition, statement etc. It is questionable whether introducing live streaming of meetings would provide any benefit to the wider community.
- CRC does not have its own Council chambers and hosts meetings at its Member Council's facilities. CRC would be reliant on using infrastructure that it does not own. CRC has a small staff and are not currently resourced for staff to operate live streaming for meetings. The present situation makes the prospect of live streaming highly impractical at present.
- A potential solution to the above would be for CRC to explore acquiring its own portable live streaming equipment. Exploring this solution would be extremely costly, with sourcing the required infrastructure likely to cause CRC's administration costs to double. The purchase of equipment and oversight of this project would be financially costly and onerous on officer time.

- In addition to the above, CRC is a project which has a limited lifespan. It is unlikely that investment in live streaming infrastructure for a limited number of future Council meetings would represent good use of funds held by CRC. The current projected lifespan of the project suggests that a lot of expense would be outlaid for infrastructure that will only be used a number of times.

If the Council is agreeable to Option 1, it is proposed that the CRC administration would enter into discussions with the Minister for Local Government's office seeking an exemption from the requirements of the Regulations. The administration feels that the above reasons are sufficiently compelling for the Minister to be receptive in working with CRC to find a mutually agreeable compromise.

Option 2 – CRC Explores Live Streaming Options

Should the Council wish to explore introducing live streaming, the administration will investigate some potential solutions and report back to The Council by mid-2024. If the Council is agreeable to this option, it should adopt the Alternative Recommendation at the end of this report.

CONCLUSION

It is recommended that supports the deferral of the live streaming of Council meetings until January 2025 as outlined in Option 1. This would provide time for CRC to enter into discussions with the Minister's office to reach a compromise.

Should the Council wish to proceed with live streaming of Council meetings under Option 2, it should resolve the below Alternative Recommendation.

Alternative Recommendation

That the Council EXPLORES the introduction of live streaming for meetings of Council, with a report providing potential options to be PRESENTED to the Council by mid-2024.

8.10 SCOPING STUDY – CRC AND MRC COLLABORATION OPPORTUNITIES

Responsible Officer: Chief Executive Officer

Attachments: Learning Horizons: Scoping Study Report

Voting Requirements: Simple Majority

RECOMMENDATION

That the Council:

1. **NOTE** the findings of the Scoping Study Report (Oct 2023) prepared by Learning Horizons Pty Ltd on collaboration opportunities that may exist between the Catalina Regional Council and the Mindarie Regional Council.
 2. **HOLD** a joint strategic planning session with the Mindarie Regional Council in January/February 2024 to explore potential collaboration opportunities/actions that are recommended in the report.
-

PURPOSE

For Council to consider the findings of the Scoping Study into collaboration opportunities between the Catalina Regional Council (CRC) and Mindarie Regional Council (MRC) and determine what action/s it would like to take next to progress this matter.

POLICY REFERENCE

N/A

LOCAL GOVERNMENT/REGULATION

The TPRC (now CRC) was established under the *Local Government Act 1995 - Division 4: Regional local governments and regional subsidiaries* on 24 January 2006.

The MRC was established under *Section 697 of the Local Government Act 1960* on 22 December 1987.

PREVIOUS MINUTES

- CRC Ordinary Meeting - 22 June 2023 (Item 8.9 – Scoping Study – CRC/MRC Collaboration Opportunities)
- MRC Ordinary Meeting - 13 July 2023 (Item 11.3 - Scoping Study – CRC/MRC Collaboration Opportunities)

FINANCIAL/BUDGET IMPLICATIONS

A total of \$50,000 was allocated for the development of the CRC/MRC Collaboration Scoping Study with an agreement to split the costs of the work 50/50 between the two organisations. The actual total cost of the work was \$16,000.

RISK MANAGEMENT IMPLICATIONS

Risk Ref: 1	Risk Rating:
Strategic – Common Vision	Moderate
Action:	
Establishment Agreement sets regional purpose and CRC objectives.	

BACKGROUND

At its June 2023 Ordinary Council Meeting, the Council considered a report on the potential to explore collaboration opportunities between the CRC and the MRC. At that meeting the Council resolved to:

APPROVE co-funding a Scoping Study with the Mindarie Regional Council that explores options, opportunities, risks, costs and impediments into potential greater collaboration and/or resource sharing between the two Local Government authorities.

At its meeting on 13 July 2023 the MRC considered a similar report and resolved to support undertaking the scoping study.

Subsequent to these resolutions, quotes were sought from three management consultancy firms which had experience in local government matters. Two quotes were received with the third consultancy firm electing not to quote on the project as they did not have the resources available to meet the project timelines.

An assessment of the quotes was undertaken by CRC and MRC staff and Learning Horizons (Helen Hardcastle) was selected to undertake the work on behalf of the two organisations.

DETAILS / DISCUSSION

The Scoping Study indicated that the consultant was to consider:

- Options for future collaboration and/or resource sharing between CRC and MRC;
- Pros and Cons (risks) of each option;
- Process and timeframes that would be required (including legal, financial, etc.) to implement preferred/recommended option/s.

The methodology used by Learning Horizons included:

- Reviewing relevant documentation provided by the CRC and MRC;
- Exploring options for future collaboration between the CRC and MRC;
- Extensive consultation with key stakeholders including interviews and discussions with:
 - CRC CEO;
 - MRC CEO;
 - Council Chairs (both);
 - Deputy Chairs (both);
 - Selected Councillors;
 - Selection of Mayors and CEOs of member councils;
 - Staff of both Catalina and Mindarie.

The options that were explored by Learning Horizons included:

1. Merge into one regional Council.
2. Sell remaining land, except the landfill site buffer and gift the buffer to MRC.
3. Remain as is - conduct all business within a member Council utilising that Council's workforce.
4. Remain as is. Share some resources between CRC and MRC.
5. Maintain existing organisations.

For each Option, high level consideration was given to the issues of:

- Benefits;
- Risks;
- Efficiency/Effectiveness/Gains;
- Process/Timelines.

Learning Horizons noted that:

“Whilst each member Council holds differing views, all appreciated that the current governance structures were overly complex which could not be addressed given the current legislation and structures of the regional council model”.

The consultant has advised that Option 2 (Sell remaining CRC land and gift buffer to MRC) is currently the preferred option. Should that Option not proceed Learning Horizons has recommended Option 1, Merger, be explored.

While some direction has been obtained from the Scoping Study, the Study is not definitive as to what steps and processes should be undertaken to progress this matter. The CRC Council has several options to consider in relation to this matter including:

- Option 1: Note the Report -
Given the rapidly advancing progress of the Catalina Project, the CRC could elect to simply note the report and take no further action at this time.
- Option 2: Further Discussions -
CRC and MRC could hold further discussions regarding the progression of collaboration opportunities. This could include developing an agreed framework for progression of this matter including proposed milestone dates and timeframes.
- Option 3: Progress Sale Action -
The CRC could actively pursue the CRC sales proposal (Option 2) identified by Learning Horizons. This would require Council to consider how it wishes to 'package up' the CRC land and market the potential sale of the land.

Given that there are a range of views and complexities from a legislative and process perspective, if CRC and MRC wish to pursue this matter further it is recommended that the next step in this process should be to hold further discussions between the CRC and MRC Councils.

CONCLUSION

Given that the CRC and MRC manage land that is directly adjacent to each other and owned by the same Member Councils, have planning and approval matters that directly impact on each other and are increasingly impacting on each other's operations, there is sense in considering options for closer alignment between the LGAs.

The Learning Horizons Scoping Study Report identifies that there is general consensus that the current governance model is overly bureaucratic and recommends that actions be taken to simplify governance of the land that is owned by the seven (7) member Councils.

8.11 REVIEW OF CODE OF CONDUCT FOR ELECTED MEMBERS, COMMITTEE MEMBERS AND CANDIDATES

Responsible Officer: Chief Executive Officer

Attachments:

1. Code of Conduct for Elected Members, Committee Members and Candidates;
2. Complaint about Alleged Breach Form;
3. Model Code of Conduct Guidelines.

Voting Requirements: Absolute Majority

RECOMMENDATION

That the Council **APPROVES:**

1. **The Code of Conduct for Elected Members, Committee Members and Candidates 2023; and**
 2. **The Complaint about Alleged Breach Form; Code of Conduct for Elected Members, Committee Members and Candidates.**
-

PURPOSE

To consider the review of the Code of Conduct for Elected Members, Committee Members and Candidates and the Complaint about Alleged Breach form; Code of Conduct for Elected Members, Committee Members and Candidates.

POLICY REFERENCE

N/A

LOCAL GOVERNMENT ACT/REGULATION

- *Local Government Legislation Amendment Act 2019* (Amendment Act)
- *Local Government (Model Code of Conduct) Regulations 2021* (Model Code)

PREVIOUS MINUTES

Council Meeting - 15 April 2021 (Item 7.6 – Code of Conduct for Elected Members, Committee Members and Candidates)

FINANCIAL/BUDGET IMPLICATIONS

N/A

RISK MANAGEMENT IMPLICATIONS

Risk Ref: 2	Risk Rating:
Strategic - Stable and effective governance environment.	Moderate
Action:	

Council Members provided with relevant information.

The Code of Conduct for Elected Members, Committee Members and Candidates is intended to provide framework for a more effective governance environment.

BACKGROUND

In October 2019, the *Local Government Legislation Amendment Act 2019* (Amendment Act) amended the LGA to introduce the requirement for a mandatory Code of Conduct for Elected Members, Committee Members and Candidates, and model standards for CEO selection and recruitment, performance, and termination.

On 3 February 2021, the following regulations took effect implementing the remaining provisions of the *Local Government Legislation Amendment Act 2019*:

- *Local Government (Model Code of Conduct) Regulations 2021* (Model Code);
- *Local Government Regulations Amendment (Employee Code of Conduct) Regulations 2021* (Employee Code Regulations); and
- *Local Government (Administration) Amendment Regulations 2021* (Model Standards)

In accordance with the Amendment Act, a model Code of Conduct for Elected Members was presented to and approved by the Council for adoption at its meeting of 15 April 2021.

COMMENT

In accordance with the Amendment Act, the mandatory model Code of Conduct for Elected Members, Committee Members and Candidates is presented to Council for adoption.

The Model Code Regulations provide for:

- Overarching principles to guide behaviour;
- Behaviours which are managed by local governments; and
- Rules of conduct breaches which are considered by the Standards Panel.

The stated purpose of the Model Code is to guide the decisions, actions, and behaviours of members, both in Council and on Council Committees, and of Candidates running for election as a council member.

In accordance with section 5.104(4), the Model Code applies until the local government adopts it as their Code. This means that the principles, behaviour requirements and rules of conduct of the Regulations apply to Council Members, Committee Members and Candidates even if their local government has not yet adopted the Model Code.

The Model Code states that local governments must authorise at least one person to receive complaints regarding members and candidates (refer Clause 11). The Regulations do not include specific requirements and indicate that the local government may decide that the Complaints Officer (currently the CEO) is appropriate. Other options could include:

- Chair or Deputy Chair;
- Chief Executive Officer; or
- External consultant.

It is proposed that the CRC Complaints Officer (currently the CEO) is authorised by Council pursuant to Clause 11 of the Model Code.

The Regulations also provide that, complaints be made in writing in a form approved by the local government. Attached to the Code of Conduct for Elected Members, Committee Members and Candidates is the proposed Complaint about Alleged Breach Form.

The Guidelines on the Model Code of Conduct states local governments may not amend Division 2 (Principles) or Division 4 (Rules of Conduct), additional behaviour requirements can be included in Division 3 (Behaviours) if deemed appropriate by the local government. However, any additions must be consistent with the Model Code of Conduct (section 5.104(3) of the Act).

There are no proposals to amend Division 3 (Behaviours) of the Code of Conduct for Elected Members, Committee Members and Candidates.

In accordance with the provisions of the *Local Government Legislation Amendment Act 2019* and the *Local Government (Model Code of Conduct) Regulations 2021* (Model Code) it is recommended that Council adopt the Code of Conduct for Elected Members, Committee Members and Candidates 2023.

The Employee and Contractor Code of Conduct is approved and implemented by the CEO.

8.12 POTENTIAL ENVIRONMENTAL, SOCIAL AND GOVERNANCE INITIATIVES IN CATALINA GREEN

Responsible Officer:	Project Manager
Attachments:	Potential ESG Initiatives Assessment Matrix
Voting Requirements:	Simple Majority

RECOMMENDATION

That the Council **SUPPORTS** further investigation and potential implementation of the following ESG initiatives that have been identified as having high ESG outcome and relatively low effort (time and resources) in Catalina Green:

1. Alternate pavement methods
 2. Energy management devices with solar PV
 3. Communal battery
 4. Recycling of construction waste
 5. Recycling materials in roadworks
 6. Public EV charging systems
 7. Use of cleared vegetation for landscaping
 8. 'Green' site offices
-

PURPOSE

For the Council to consider a review of potential Environmental, Social and Governance (ESG) initiatives that could be pursued in the Catalina Project.

POLICY REFERENCE

N/A

LOCAL GOVERNMENT ACT/REGULATION

N/A

PREVIOUS MINUTES

N/A

RISK MANAGEMENT IMPLICATIONS

Risk Ref: 1	Risk Rating:
Strategic – Common Vision	Low
Action / Strategy to Manage:	
Establishment Agreement sets regional purpose and CRC objectives.	

This report relates to implementation of the Council's objectives related to sustainable development practices.

BACKGROUND

Catalina Regional Council's (CRC) Establishment Agreement lists *"Producing a quality development that demonstrates best urban design and development practice"* as an objective of the organisation.

The Built Environment Strategy approved as part of the Project Annual Plan FYE 2024 identifies the opportunity to demonstrate best practice and innovation and the specific action of reviewing construction methodologies and materials in Stage 39 and beyond in Catalina Green.

To this end, CRC staff, Satterley, and the project's engineering consultants (Cossill & Webley) have investigated and reviewed various ESG initiatives that potentially could be applied to future development in Catalina Green with the aim of introducing a higher level of environmental performance into the project.

COMMENT

The review process identified considered a range of ESG initiatives that were being pursued by other developers and/or had been touted as 'best practice' environmental outcomes for residential developments. The review found that the Catalina Project is already performing above industry standard with numerous ESG initiatives already well established.

The following potential ESG initiatives were identified/reviewed:

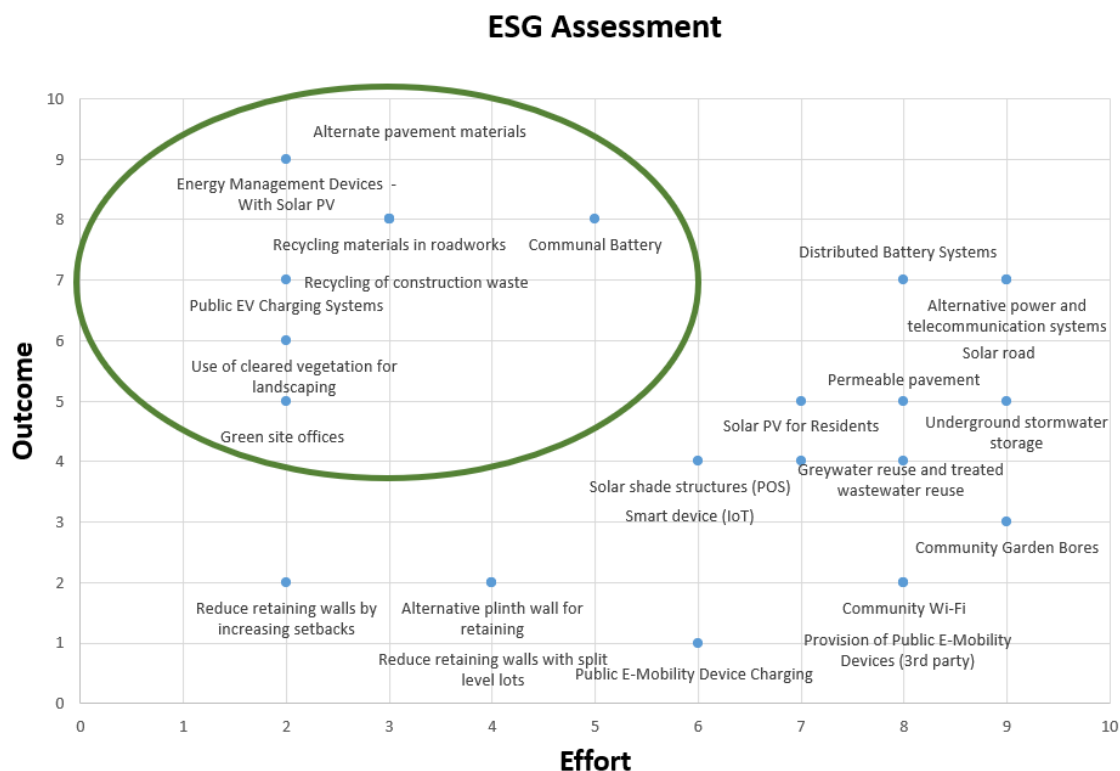
- Solar PV for residents
- Solar shade structures (POS)
- Community wi-fi to promote estate social interaction
- Communal battery
- Distributed battery systems (household level)
- Public EV charging systems
- Energy management devices (household level) - with Solar PV
- Alternative power and telecommunication systems
- Implementation of smart device (IoT) such as ground moisture condition monitoring and automated irrigation system
- Solar road - dual-purpose roads that generate solar power
- Public e-mobility device charging
- Provision of public e-mobility devices
- Community garden bores
- Recycling materials in roadworks construction
- Use of alternate pavement materials such as green concrete and warm asphalt
- Permeable pavement
- Underground stormwater storage and maximising POS usability
- Greywater reuse and treated wastewater reuse opportunities
- Recycling of construction waste
- Use of cleared vegetation for landscape purposes
- Alternative plinth wall for retaining wall height less than 300mm
- Reduce retaining walls by increasing setbacks
- Reduce retaining walls by implementing split level lots
- Green site offices

An assessment of each potential ESG initiative, including potential benefits, considerations, and risks, is set out in the table contained in Appendix 8.12. Each potential ESG initiative has

been given a score based on the anticipated effort (time and resources) and the outcome (ESG impact) from implementation the initiative. This rating has assisted in informing which projects should potentially be further pursued with each initiative being placed into one of the following categories:

1. No immediate further action as initiative not viable.
2. For further later review or has only moderate viability.
3. Worthy of further investigation with intent to implement.

The outcome of the assessment is summarised in the following chart, with eight potential initiatives assessed as being worthy of further immediate investigation with intent to implement circled in green. It is recommended that the Council supports further investigation of these initiatives.



Five potential initiatives have been assessed as having moderate viability and some scope for further investigation in future (solar pv for residents, shade structures in open space, distributed battery systems, smart devices, and public e-mobility charging). The remaining eleven potential initiatives assessed as unviable and are not recommended to be pursued at this time.

CONCLUSION

Implementation of potential ESG initiatives would be consistent with the Council's strategic objectives.

Eight potential ESG initiatives have been assessed as worthy of further investigation with an intent to implement.

Five potential ESG initiatives have been assessed as having moderate viability and some scope for further investigation in future. The remaining eleven potential ESG initiatives are not considered viable at this point in time and, are not recommended to be pursued in the short/medium term.

Reports on implementation of ESG initiatives will be provided to future Council meetings through the Business Report.

8.13 DEPOSIT REQUIREMENTS FOR THE SALE OF LAND IN CATALINA GREEN

Responsible Officer: Project Manager

Attachments: Nil

Voting Requirements: Simple Majority

RECOMMENDATION

That the Council:

- 1. APPROVES** an amendment to the approved Purchaser Terms and Conditions for the sale of lots in Catalina Green to increase the deposit requirement to \$5,000/lot.
 - 2. REQUIRES** the Satterley Property Group to review the deposit requirement for the sale of lots in Catalina Green as part of the required review of Purchaser Terms, Conditions, and Incentives for Catalina to be presented to the Council for consideration in August 2024.
-

PURPOSE

To consider an amendment to the approved purchaser terms and conditions for the sale of lots in Catalina Green in respect to deposit requirements.

POLICY REFERENCE

N/A

LOCAL GOVERNMENT ACT/REGULATION

Local Government Act 1995: Sect 3.58 – Disposal of Property

PREVIOUS MINUTES

- Council Meeting – 17 August 2023 (Item 8.7 Review of Purchaser Terms, Conditions, and Incentives).
- Council Meeting – 18 August 2022 (Item 9.1 Review of Purchaser Terms, Conditions, and Incentives).

FINANCIAL/BUDGET IMPLICATIONS

An increased deposit requirement for the sale of lots in Catalina Green is intended to better qualify prospective purchasers and their capacity to execute a purchase in order to minimise instances where lots are bought on a speculative basis and then cancelled, which can have a negative financial impact for the Council through additional selling and marketing costs and delayed receipt of settlement receipt.

RISK MANAGEMENT IMPLICATIONS

Risk Ref: 7	Risk Rating:
Development Project – Development Manager ability to deliver	Moderate
Action / Strategy to Manage:	
Development Manager to prepare for approval strategies and plans.	

Approval of the purchaser terms and conditions by the Council establishes requirements for the sale of lots.

BACKGROUND

The Council regularly reviews the terms, conditions and incentives that apply to the sale of Catalina lots. The last review occurred at the Council's meeting of 17 August 2023, where it approved sale terms, conditions, and incentives to apply for the next twelve months.

Among the approved sale terms was a requirement for sales contracts in Catalina Green to be secured by payment of a \$2,000 deposit by the purchaser, whereas in Catalina Beach the deposit requirement is set at \$5,000.

COMMENT

The \$2,000 deposit requirement in Catalina Green has previously been set on the expectation that the majority of sales are sourced through builder contracts, which usually involves the purchaser obtaining finance for a house and land package. A reduced deposit requirement and a longer period provided to prepare house plans and complete finance applications has assisted to finalise sales.

The requirement for a \$5,000 deposit in Catalina Beach aims to ensure the commitment and qualification of purchasers of the more expensive product on offer in this precinct to mitigate the risk of prospective purchasers with insufficient borrowing capacity contracting to purchase and subsequently being unable to obtain finance approval.

The Project has experienced increased sales in recent months, fueled in part by an increase in the number of investors active in the market. A concern with investor sales, particularly where there is a long lead-time between contracting to purchase and lot construction, titling, and settlement, is that some may purchase on a speculative basis and then cancel the contract if unable to on-sell the lot at a higher price. This has a financial implication for the Council in having to resell the lot, incurring additional advertising costs, and potentially delaying the receipt of sales revenue. If an investor settles on the purchase and then re-sells, this can have a negative impact on the appearance, presentation, and environmental credentials of the estate, as the subsequent lot purchaser is not eligible for sales incentives such as fencing, landscaping and sustainable home inclusions that are only redeemable by the original purchaser.

Satterley was requested to review the potential of increasing the deposit requirement for Catalina Green from \$2,000 to \$5,000. It advises that most of its other estates generally have a deposit requirement of \$2,000, though the requirement is \$5,000 for premium releases in its beachside estates and its Seven Hills estate in Dianella (former Channel 7 studios site). Satterley also advises that most competitor estates have requirements of between \$1,000 to \$2,000.

It considers that there could be merit in increasing the deposit requirement in Catalina Green

from \$2,000 to \$5,000 to assist to deter speculative purchasers by creating a heightened emotional attachment and financial risk for the purchaser.

CONCLUSION

The recent high rate of sales achieved in Catalina Green provides the Council the opportunity to put measures in place to better qualify prospective purchasers.

The intent of an increased deposit requirement for the sale of lots in Catalina Green aims to minimise instances where lots are bought on a speculative basis and then on-sold, which can have a negative financial implication for the Council and impact on the presentation of the estate.

While an increased deposit requirement from \$2,000 to \$5,000 in Catalina Green risks creating a barrier for some purchaser to access Catalina's lots, it should be noted that price growth that Catalina has experienced over the past 12 months of between 10 and 15% has reduced the percentage that a \$2,000 deposit bears to the total purchase price.

It is recommended that the Council approves an amendment to the approved deposit requirement for lots in Catalina Green to \$5,000/lot and requires Satterley to review this requirement as part of the next required review of Purchaser Terms, Conditions, and Incentives for Catalina to be presented to the Council for consideration in August 2024.

8.14 REVISED RESIDENTIAL DESIGN GUIDELINES – CATALINA BEACH & CATALINA GREEN

Responsible Officer: Chief Executive Officer

Attachments: 1. Revised Catalina Beach Design Guidelines (November 2023)
2. Catalina Green Stage 36 Cottage Lot Design Guidelines (November 2023)

Voting Requirements: Simple Majority

RECOMMENDATION

That the Council APPROVES:

1. The revised Catalina Beach (West) Design Guidelines (November 2023); and
 2. The Catalina Green Stage 36 Cottage Lot Design Guidelines (November 2023);
-

PURPOSE

To consider proposed revisions to design guidelines provided by Satterley Property Group (Satterley) to better articulate the desired form of development for small residential lot development in Catalina.

POLICY REFERENCE

N/A

LOCAL GOVERNMENT ACT/REGULATION

N/A

PREVIOUS MINUTES

- Council Meeting – 17 August 2023 (Item 8.9 – Catalina Beach (West) Design Guidelines)
- Council Meeting – 15 April 2021 (Item 8.5 – Catalina Green Design Guidelines)

RISK MANAGEMENT IMPLICATIONS

Risk Ref: 2	Risk Rating:
CRC Operations – Internal Controls	Moderate
Action / Strategy to Manage:	
SPG and CRC Executive provides reports/information to Council Meeting.	

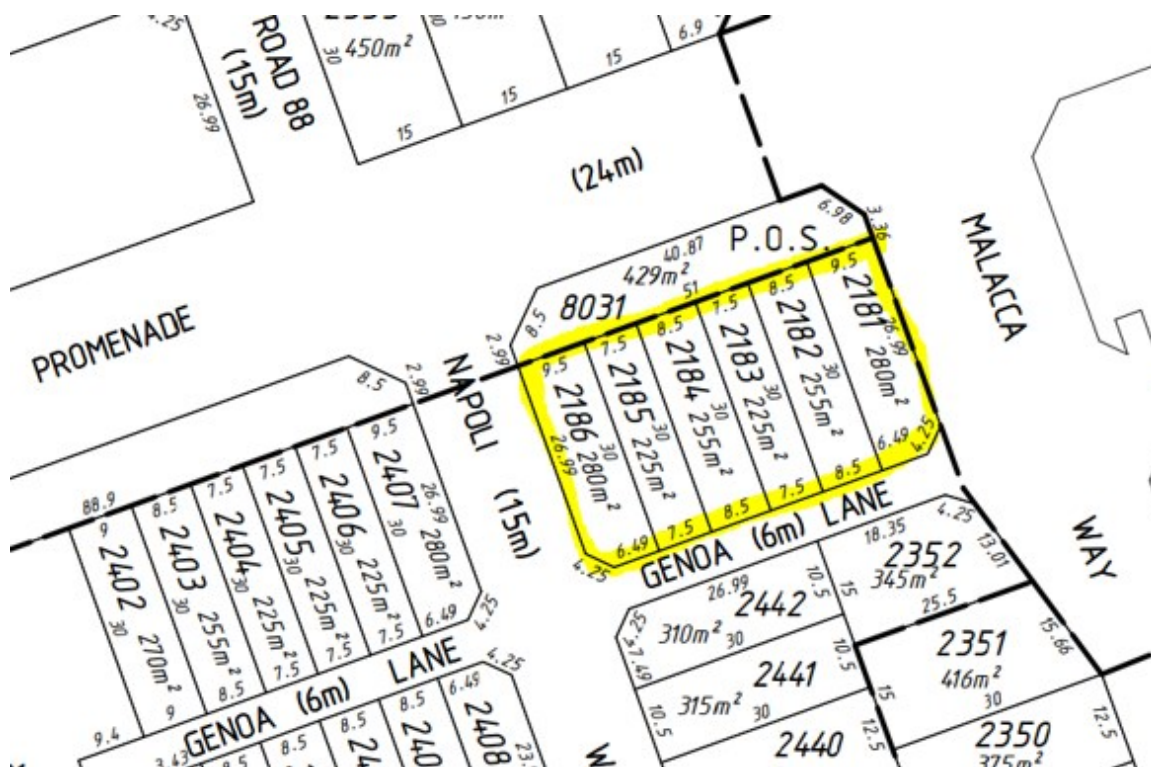
The report provides recommendations relating to guidelines for the desired form of residential development in Catalina.

BACKGROUND

Satterley advises that recent strong sales in Catalina necessitate bringing forward the release of additional lots to cater for purchaser demand. Among future releases proposed by Satterley

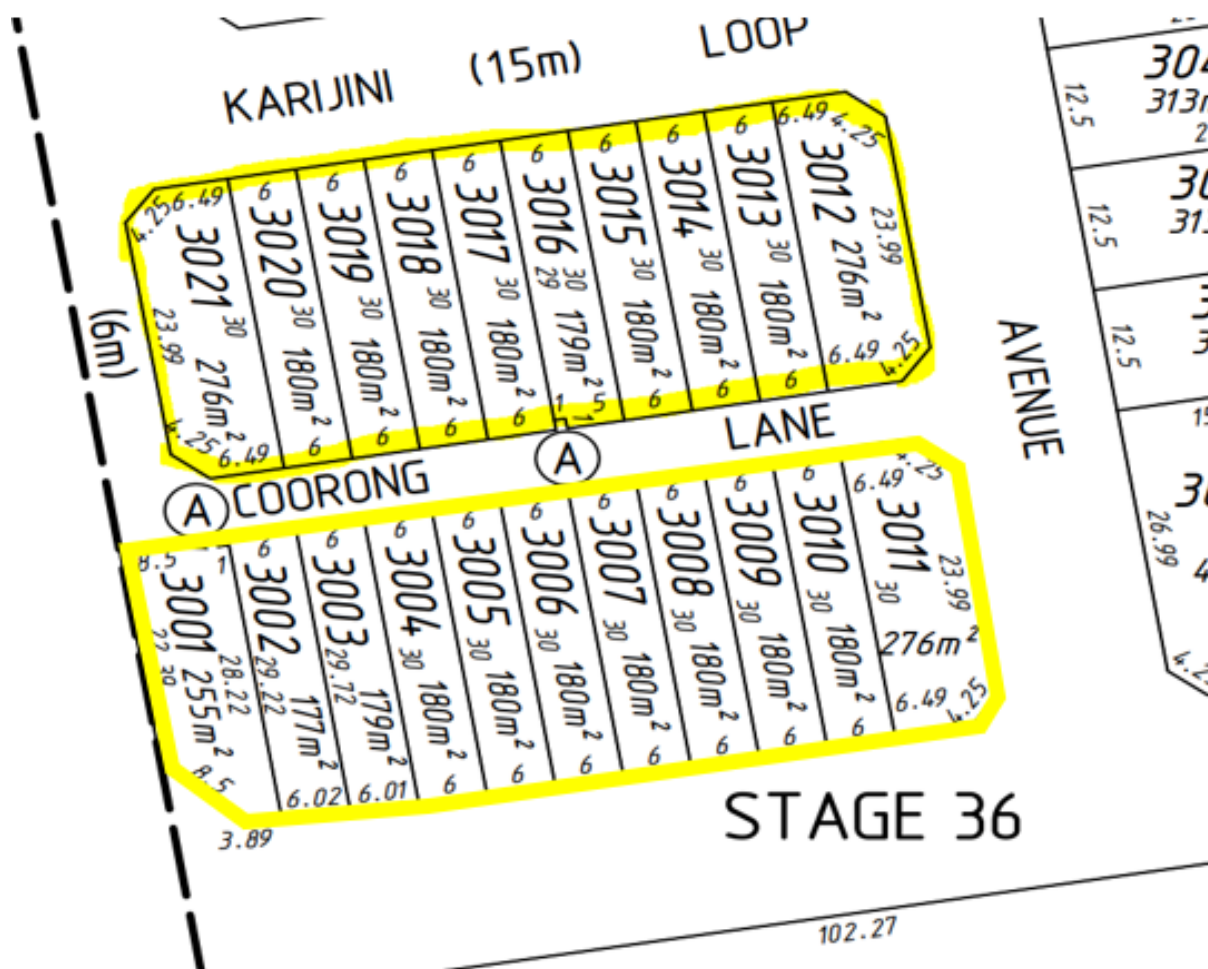
are:

- Stage 32 (Catalina Beach) – the first release in this stage is proposed to comprise of six lots that will front Portofino Promenade and be serviced by a rear laneway. These lots will range in area from 225m² to 280m². Consistent with previously established development requirements approved by the Council, these lots are proposed to be sold on the basis of having a mandatory two-storey construction requirement, which will be stipulated on the applicable Local Development Plan.



- Stage 36 (Catalina Green) – 21 laneway lots ranging in area from 177m² to 276m² were constructed in 2022 but were not titled and have been held back from sale, as this land area was initially intended to be used as carparking for the Catalina Green Display Village. Alternative parking arrangements are now to be made, freeing up the 21 lots for sale. The first release is proposed to comprise of Lot 3013 to 3020 fronting Karijini Loop.

No mandatory two-storey construction requirement is proposed to apply to the lots that front Karijini Loop, however a mandatory two-storey requirement will apply to the lots that front southwards towards the commercial centre to be constructed on Lot 3128. This approach is intended to strike a balance between achieving good estate presentation, providing diversity of housing types and creating a saleable product, noting that two-storey construction costs have sharply escalated in recent times impacting on the viability of purchasing lots that have a mandatory two-storey development requirement.



The Council has previously approved design guidelines for residential lots in Catalina Beach and Catalina Green, however amended versions of the guidelines have been prepared to better address the unique requirements applicable to small lots that are to be serviced by a rear laneway. The proposed revised design guidelines are contained in Appendix 8.14.

COMMENT

Catalina Beach (West)

It is proposed to amend the approved design guidelines for Catalina Beach (West) to incorporate the following additional or revised provisions:

- Requirement added for a habitable room to be included on the upper floors of two-storey dwellings. This room is not allowed to be located entirely within the roof space and must have at least one major opening, or balcony, addressing each public street (subject to compliance with design element 5.4.1 (Visual Privacy) of the Residential Design Codes.
- Requirement revised for a minimum of two architectural features to be incorporated into the dwelling frontage for rear-laneway serviced lots that have a frontage of less than 10m – this will provide a concession on the usual requirement for three architectural features that will continue to apply to all other lots in Catalina Beach (West), as this is difficult to achieve on narrow lots.

Catalina Green

It is proposed to establish a set of design guidelines specifically for the Stage 36 cottage lots, which incorporate the following revisions to the approved Catalina Green design guidelines:

- Similar to the change proposed for the Catalina Beach (West) guidelines, a requirement is proposed for a habitable room to be included on the upper floors of two-storey dwellings. This room is not allowed to be located entirely within the roof space and must have at least one major opening, or balcony, addressing each public street (subject to compliance with design element 5.4.1 (Visual Privacy) of the Residential Design Codes.
- Provision added for single-storey, rear laneway-serviced lots with a frontage of less 10m frontage to have a minimum dwelling wall height to the front elevation of 2.7 metres above the floor level excluding the garage.
- Similar to the change proposed for the Catalina Beach (West) guidelines, the requirement is to be revised for a minimum of two architectural features to be incorporated into the dwelling frontage for rear-laneway serviced lots that have a frontage of less than 10m – this will provide a concession on the usual requirement for three architectural features that will continue to apply to all other lots in Catalina Green, as this is difficult to achieve on narrow lots.

CONCLUSION

Amended versions of the design guidelines have been prepared to better address the unique requirements applicable to small lots that are to be serviced by a rear laneway. These are intended to strike a balance between achieving good estate presentation, providing diversity of housing types and creating a saleable product, consistent with Council objectives.

Approved design guidelines are included in all lot sales contracts. Compliance is achieved through a combination of the estate restrictive covenant placed on titles and redemption of sales incentives such as provided fencing and landscaping packages and rebates for solar panel systems, water efficient appliances and fittings and other sustainability inclusions where applicable only being approved where homes have been built in accordance with the applicable guidelines' provisions.

AUDIT AND RISK COMMITTEE (7 DECEMBER 2023)

9.1 REVIEW OF DELEGATION OF AUTHORITY REGISTER

Responsible Officer: Chief Executive Officer

Attachment:

1. Existing Delegation of Authority Register Review Summary
2. Delegation of Authority Register November 2023 (with Tracked Changes)

Voting Requirements: Absolute Majority

AUDIT and RISK COMMITTEE RECOMMENDATION

Moved Cr, Seconded Cr.

That the Council APPROVES the amended Delegation of Authority Register (November 2023).

The Motion was put and declared CARRIED (?/0) by absolute majority.

PURPOSE

For Council to consider and approve the review of the Delegation Register November 2023. The register sets out the delegated authority arrangements for the Chief Executive Officer (CEO) and sub-delegates.

POLICY REFERENCE

N/A

LOCAL GOVERNMENT ACT/REGULATION

Local Government Act 1995

- Section 5.42(1) – A local government may delegate to the CEO the exercise of any of its powers or the discharge of any of its duties under this Act other than those referred to in section 5.43.
- Section 5.44(1) – A CEO may delegate to any employee of the local government the exercise of any of the CEO's powers or the discharge of any of the CEO's duties under this Act other than this power of delegation.
- Section 5.46 –
 - The CEO is to keep a register of the delegations made under this Division to the CEO and to employees.
 - At least once every financial year, delegations made under this Division are to be reviewed by the delegator.
 - A person to whom a power or duty is delegated under this Act is to keep records in accordance with regulations in relation to the exercise of power or the discharge of a duty.

PREVIOUS MINUTES

- Council Meeting – 29 September 2022 (Item 7.2 Delegation of Authority Register – September 2022)
- Council Meeting – 10 December 2020 (Item 8.7 Delegation Authority 2020)
- Council Meeting – 16 April 2020 (Item 9.1 Management Committee – Terms of Reference/Delegations).

RISK MANAGEMENT IMPLICATIONS

Risk Ref: 6	Risk Rating:
CRC Operations – Internal Controls	Moderate
Action:	
Management policies and procedures reviewed annually and approved by the Council.	

This report relates to arrangements for the delegation of the Council's authority to the CEO.

BACKGROUND

At its meeting of 29 September 2022, the Council approved a revised Delegation of Authority Register (September 2022), which sets out various authorities delegated to the CEO and Management Committee.

COMMENT

The Delegation of Authority Register (September 2022) has been reviewed. Review details are contained in the summary document contained in Appendix 9.1. A series of changes are recommended, as set out in the summary document and reflected in a draft revised Delegation of Authority (with Tracked Changes), also as is contained in Appendix 9.1.

Recommended changes include:

- Amendment of the reference to Tamala Park Regional Council to Catalina Regional Council to reflect the Council's new name that took effect on 1 August 2023.
- Deletion of all delegations to the Management Committee. This reflects the resolution of Council in, 19 August 2023 to discontinue the Management Committee in favour of holding informal Strategic Project sessions for the remainder of 2023, and the recommendation contained in Item 8.7 of this Agenda for continuation of this arrangement in 2024.
- Inclusion of a sub-delegations from the CEO to the position of Project Support Officer for Delegation 7.1.2, which concerns purchase orders. This position was established subsequent to the last adoption of the Delegations Register. The delegation has been updated to include the Project Support Officer in order to allow the Project Support Officer to raise purchase orders to a certain value, which is part of their role at CRC.
- Other minor updates relating to statutory references, where the Local Government Act 1995 and its Regulations have been amended through recent Act reforms. A number of CRC Policy references have also been updated, to tie the exercise of that delegated authority to the procedure outlined in the Policy document.

Fundamental purposes of the revised register and the extent of authority it provides will remain unchanged.

CONCLUSION

The Delegation of Authority Register (November 2022) reflects the unique nature of the CRC as a regional council overseeing the development of a landholding. The delegations provide the authority to officers to conduct the day-to-day operations of the Project, ensuring that the objectives outlined in the Establishment Agreement are met.

It is recommended that Council approves the Delegation of Authority Register (November 2023).

9.2 REVIEW OF PAYMENT OF ACCOUNTS POLICY

Responsible Officer:	Chief Executive Officer
Attachments:	Payment of Accounts Policy (November 2023)
Voting Requirements:	Simple Majority

AUDIT and RISK COMMITTEE RECOMMENDATION

Moved Cr , Seconded Cr .

That the Council APPROVES the Payment of Accounts Policy (November 2023).

The Motion was put and declared CARRIED (?/0).

PURPOSE

To review the Payment of Accounts Policy consistent with Local Government Regulations.

LEGISLATION REFERENCE

Local Government (Functions & General) Regs 1996, Part 4, Division 1 (Purchasing Policies)

PREVIOUS MINUTES

- Council Meeting – 9 December 2021 (Item 8.5 – Payment of Accounts & Security of Payment Instruments Policy Review)
- Council Meeting – 20 August 2020 (Item 9.2 - Payment of Accounts & Security of Payment Instruments Policy Review)

RISK MANAGEMENT IMPLICATIONS

Risk Ref: 7	Risk Rating:
CRC Operations – Internal Controls	Low
Action / Strategy to Manage:	
Management Policies and Procedures reviewed and approved by Council.	

The review and endorsement of the Payment of Accounts & Security of Payment Instruments Policy is necessary to comply with *Local Government (Functions & General) Regulations* and to achieve good governance oversight.

FINANCIAL AND RESOURCE IMPLICATIONS

Nil

BACKGROUND

At its meeting of 9 December 2021, the Council approved the Payment of Accounts Policy (November 2021) consistent with the *Local Government Regulations*.

DETAILS / DISCUSSION

The Payment of Accounts Policy has operated satisfactorily, and the Council's Auditors have raised no issues in relation to it.

Only minor administrative changes are proposed to bring the Policy in line with legislative requirements, as follows:

- Update of references to the TPRC to the CRC;
- Deletion of the reference to petty cash - at its meeting held on 20 April 2023, the Council resolved to delete its Petty Cash Policy as it does not, and never has, used petty cash; and
- Remove references to elected members having access to CRC banking passwords and tokens - in practice elected members have never had access to these passwords and tokens, and it is not CRC practice that elected members will ever be given this kind of access in any circumstances.

CONCLUSION

The Payment of Accounts Policy (November 2023) is recommended for adoption.

9.3 REVIEW OF FRAUD AND CORRUPTION POLICY

Responsible Officer: Chief Executive Officer

Attachments: 1. Fraud and Corruption Policy (2021)
2. Fraud and Corruption Policy (2023)

Voting Requirements: Simple Majority

AUDIT and RISK COMMITTEE RECOMMENDATION

Moved Cr , Seconded Cr .

That the Council DELETES the Fraud and Corruption Policy (November 2023).

The Motion was put and declared CARRIED (?/0).

PURPOSE

For the Council to reconsider the Fraud and Corruption Prevention Policy.

POLICY REFERENCE

Fraud and Corruption Prevention Policy (February 2021)

PREVIOUS MINUTES

- Council Meeting – 18 February 2021 (Item 8.4 Fraud Prevention Plan and Fraud and Corruption Policy 2021)
- Council Meeting – 22 June 2023 (Item 9.3 Review of Fraud and Corruption Policy)

FINANCIAL AND RESOURCE IMPLICATIONS

Nil.

RISK MANAGEMENT IMPLICATIONS

Risk Ref: 7	Risk Rating:
CRC Operations – Internal Controls	Low
Action / Strategy to Manage:	
Management Policies and Procedures reviewed and approved by Council.	

BACKGROUND

At its meeting of 18 February 2021, the Council adopted a Fraud Prevention Plan (the Plan) and a Fraud and Corruption Prevention Policy (the Policy). The report presented to Council at this time indicated that the adoption of the Fraud Plan was necessary in response to the findings of the Office of the Auditor-General's *Report 5: 2019-2020 – Fraud Prevention in Local Government* which was tabled in State Parliament on 15 August 2019. The OAG Report recommended that, in order to best protect against the risk of fraud, local governments should have a robust Fraud Prevention Plan in place. Council adopted a Plan, as well as a Fraud and

Corruption Prevention Policy at this meeting. This Policy specified that it should be reviewed in 2022.

The Policy was reviewed in early 2023, with the CRC office forming the view that the Policy should be deleted for the following reasons:

- The Policy in its current form is not an actual policy according to a broad definition. Instead, it is a document containing replication of some of the information in the Fraud Prevention Plan, along with a series of general motherhood statements about fraud and corruption. It does not detail any CRC practices or procedures that should be followed to mitigate risk. These are contained in the Plan. Therefore, the Policy serves no purpose.
- The recommendations of the Auditor-General's *Report 5: 2019-2020 – Fraud Prevention in Local Government* directed local governments to consider the objectives and principles in Appendix 2 of that report. The CRC's Plan effectively addresses the recommendations of the Auditor-General's Report. The Report does not make recommendation for local governments to have a standalone Policy. There is presently no large local government in WA which has such a policy.
- The mitigation of the risk of fraud and corruption is reliant on a broad framework of regulation, contained in legislation, practices documented in other policies (such as the Credit Card Policy), and Codes of Conduct. To attempt to distil this broad framework into a standalone document is inherent with risk. To suggest that CRC employees and Councillors refer to one document to understand their obligations in this space is poor governance and fraught with risk.

The above reasoning was presented in a report to an Audit and Risk Committee meeting held on 18 June 2023, where the Committee resolved to delete the Policy. The report was subsequently considered at the Ordinary Council Meeting held 22 June 2023, where the Council resolved that the Policy be further reviewed.

COMMENT

The CRC office has further reviewed the Policy and is still firmly of the view that it should be deleted. This is due to the reasoning given above. This is therefore the officer recommendation given in this report.

The administration does however understand that there may be an alternative view from the Council that such a Policy should not be deleted. Accordingly, a new draft Fraud and Corruption Prevention Policy has been prepared and is contained in Attachment 2. Should the Council wish to, it is open to resolve to adopt this new policy to replace the existing one. This would be achieved by moving the alternative recommendation in the conclusion section of this report.

While this is open for Council to decide, it should be noted that choosing to adopt a new policy is anticipated to do little to address the issues already identified in this report.

CONCLUSION

It is recommended that the Fraud and Corruption Prevention Policy be deleted.

Should the Council wish to, it is open for it to adopt the new policy contained in Appendix 8.4, by resolving the following Alternative Recommendation.

Alternative Recommendation

That the Council ADOPTS the Fraud and Corruption Prevention Policy (December 2023) as contained in Appendix 9.3.

10. ELECTED MEMBERS MOTIONS OF WHICH NOTICE HAS BEEN GIVEN
11. QUESTIONS BY ELECTED MEMBERS OF WHICH DUE NOTICE HAS BEEN GIVEN
12. URGENT BUSINESS APPROVED BY THE CHAIR
13. GENERAL BUSINESS
14. DECISION TO MOVE TO CONFIDENTIAL SESSION

That the Council:

Moves into Closed Session and excludes members of the press and public from the meeting of the Closed Session and access to the correspondence and reports relating to the items considered during the course of the Closed Session be withheld. This action is taken in accordance with Section 5.23 of the *Local Government Act 1995*, as item:

14.1 - MINDARIE REGIONAL COUNCIL LANDFILL SITE MONITORING UPDATE comes within the following provision:

- d) *legal advice obtained, or which may be obtained, by the local government and which relates to a matter to be discussed at the meeting; and*
- e) *a matter if disclosed would reveal –*
 - (i) *a trade secret:*

14.2 - REVIEW OF CRC RISK MANAGEMENT FRAMEWORK comes within the following provision:

- c) *A contract entered into, or which may be entered into, by the CRC and which relates to a matter to be discussed at a meeting (section 5.23(2)(c)); and*
- e) *A matter that if disclosed, would reveal –*
 - i) *Information that has a commercial value to a person; or*
 - ii) *Information about the business, professional, commercial, or financial affairs of a person.**where the information is held by, or is about, a person other than the CRC (section 5.23(2)(e)).*

14.3 - CATALINA CENTRAL COMMERCIAL SITE comes within the following provision:

- c) *A contract entered into, or which may be entered into, by the CRC and which relates to a matter to be discussed at a meeting (section 5.23(2)(c)); and*
- e) *A matter that if disclosed, would reveal –*
 - i) *Information that has a commercial value to a person; or*
 - ii) *Information about the business, professional, commercial, or financial affairs of a person.**where the information is held by, or is about, a person other than the CRC (section 5.23(2)(e)).*

15. FORMAL CLOSURE OF MEETING

APPENDICES

Appendix 8.2

31 October 2023

Mr Chris Adams
Chief Executive Officer
Catalina Regional Council
PO Box 655
INNALOO WA 6918

Dear Chris

Catalina Financial Report for September 2023

Please find attached the Catalina Financial Report for September 2023. This report has been prepared on a cash basis and compares actual income and expenditure to the June 2023 approved budget for the period ending 31 September 2023, with construction spend reviewed on a period to date basis.

Sales & Settlements

- YTD residential settlement revenue for FY2024 was \$13.1m which is \$5.92m favourable to the approved 'June 2023' budget due to 21 more settlements. (PTD settlements: 30 ahead of budget)
- Year to date Sales for FY2024 was \$15.3m and \$7.7m favourable to budget due to 26 more residential sales. (PTD sales 35 ahead of budget)

Expenditure

Overall period to date cashflow for 30 September 2023 is \$17.1m below budget per the approved 'June 2023' budget. The main areas of expenditure variances are summarised below:

- Lot Production (excl. Bonds) is \$3.97m under budget PTD (\$2.99m under budget YTD). Timing of works programs on all stages are largely in line with budget, with most of the variance relating to August civils payments of \$1.0m not completed at 30 September and the flow of works/payments differences between actuals and budget. The following PTD variances are noted:
 - Stage 27B - \$167k under budget due to timing variances and estimated savings of \$100k;
 - Stage 29 - \$121k under budget due to timing variance and estimated savings of \$100k;
 - Stage 31 - \$796k under budget due to timing variances on civils payments;
 - Stage 36 - \$1.35m under budget due to timing variances on civils payments & savings from Western Power Refund;
 - Stage 37 - \$457k under budget due to timing variances and estimated savings of \$300k;
 - Stage 38 - \$891k under budget due to timing variances;
 - Other stages - \$192k under budget due to timing variances.
- Landscaping is \$3.07m under budget PTD (\$2.37m under budget YTD). Lower spend for Landscaping has resulted from some work delays, timing of payments and some savings. The following PTD variances are noted:
 - Preliminary Landscaping Consultancy - \$434k under budget due to delayed designs and constructions (primarily foreshore POS). This is an outcome of delayed works;
 - Beach Park 2 \$103k under budget due to savings;

- Beach Foreshore POS \$1.94m under budget due to delays (approvals, construction delays and internal reviews of project);
- Green Streetscapes Phase 1 - \$286k under budget – works have been deferred to commence in December;
- Beach Portofino Verge(South) -\$130k under budget due to savings;
- Other landscaping activities - \$178k under budget due to a mixture of timing variances and savings.
- Infrastructure Spend is \$339k under budget PTD (\$256k under budget YTD), noting the following variance:
 - Longreach Prom Extension \$336k under budget due to minor timing variances and estimated savings of \$250k.
- Clearance bonds are \$1.40m unfavourable to budget – timing. Stage 29 and 36 bond returns are in progress to offset this variance.
- Indirect Consultants are \$92k under budget PTD - timing.
- P&L expenditure is \$187k under budget YTD, noting the following variances:
 - Sales & Marketing is \$39k over budget due to timing of spend;
 - Community and Development \$3k over budget due timing of spend;
 - Maintenance \$199k under budget due to timing of spend;
 - Legal Fees \$12k under budget – minimal spend required at present;
 - Contingency \$79k under budget – not required
 - Rates & Taxes \$105k over budget due to timing of spend and \$119k over full year budget;
 - Training \$6k under budget due to timing of spend;
 - \$38k under budget - combined minor variances for other Overheads.

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



Ross Carmichael
General Manager Finance

Catalina Actual vs Budget Analysis

Tamala Park Cashflow FY2023		YEAR TO DATE - September 2023			PROJECT TO DATE - September 2023			Bud Comparison: Jun 23 Approved
Job Description	Account Description	YTD ACT Sep 2023	YTD BUD Sep 2023	Variance	PTD ACT Sep 2023	PTD BUD Sep 2023	Variance	Comments regarding variance
REVENUE								
Settlements	Settlement revenue	13,127,000	7,209,159	5,917,841	350,384,500	341,235,825	9,148,675	Settlements tracking above budget - 21 ahead of budget
Margin GST	Margin GST	(140,766)	(105,343)	(35,423)	(4,839,373)	(4,820,333)	(19,040)	GST Margin Scheme applied (Burgess Rawson valuations)
Direct Selling Costs		(592,016)	(331,999)	(260,017)	(16,213,646)	(15,806,452)	(407,195)	Includes Commission and Management Fees, tracking higher in line with increased settlements
Interest Income		1,899	0	1,899	110,063	105,934	4,129	Penalty interest income on settlements
Forfeited Deposits		0	0	0	35,455	35,455	0	
Other Income	Special sites revenue	0	0	0	10,228,594	10,228,594	0	
Rebate Allowance		(111,158)	(172,225)	61,067	(6,858,097)	(8,130,917)	1,272,820	Construction Recycling, Fencing, Landscape, Shared Bore, Solar, and Display Builder Rebates
		12,284,958	6,599,592	5,685,366	332,847,495	322,848,106	9,999,389	
LOT PRODUCTION								
Completed Earthworks		0	0	0	13,502,429	13,502,429	-0	
Earthworks Stage 20-24	Direct Consultants	0	0	0	27,113	27,113	0	
Total Earthworks Stage 20-24		0	0	0	27,113	27,113	0	
Earthworks Stages 25-27	Siteworks / Earthworks	0	0	0	3,603,087	3,603,087	(0)	
	Direct Consultants	0	0	0	186,216	189,523	3,307	
Total Earthworks Stage 25-27		0	0	0	3,789,303	3,792,610	3,307	
Earthworks Stages 36-37	Siteworks / Earthworks	6,764	0	(6,764)	1,067,885	1,088,432	20,547	
	Authorities Fees	0	0	0	0	0	0	
	Direct Consultants	0	0	0	0	0	0	
Total Earthworks Stage 36-37		6,764	0	(6,764)	1,067,885	1,088,432	20,547	
Completed Stages		0	0	0	50,620,302	50,620,302	1	
Stage 14B	Siteworks / Earthworks	0	0	0	482,855	500,850	17,995	
	Authorities Fees	0	0	0	110,991	110,991	0	
	Direct Consultants	0	0	0	17,639	17,639	0	
Total Stage 14B		0	0	0	611,485	629,480	17,995	
Stage 16B	Direct Consultants	0	0	0	26,000	26,000	0	
Total Stage 16B		0	0	0	26,000	26,000	0	
Stage 17B	Siteworks / Earthworks	0	0	0	1,273,015	1,273,015	0	
	Authorities Fees	0	0	0	198,958	197,958	(1,000)	
	Direct Consultants	0	0	0	180,869	180,869	0	
Total Stage 17B		0	0	0	1,652,842	1,651,842	(1,000)	
Stage 18C	Siteworks / Earthworks	6,425	6,425	0	1,694,029	1,700,000	5,971	
	Authorities Fees	0	0	0	233,167	233,167	0	
	Direct Consultants	0	9,958	9,958	114,393	138,041	23,648	
Total Stage 18C		6,425	16,383	9,958	2,041,590	2,071,209	29,619	
Stage 25	Siteworks / Earthworks	0	0	0	5,523,981	5,523,981	0	
	Authorities Fees	0	0	0	212,929	212,929	0	
	Direct Consultants	0	0	0	280,279	276,971	(3,307)	
Total Stage 25		0	0	0	6,017,188	6,013,881	(3,307)	
Stage 26	Siteworks / Earthworks	0	0	0	1,273,228	1,263,410	(9,818)	
	Authorities Fees	0	0	0	239,777	239,777	0	
	Direct Consultants	0	0	0	145,718	145,718	0	
Total Stage 26		0	0	0	1,658,723	1,648,905	(9,818)	
Stage 27A	Siteworks / Earthworks	0	0	0	719,840	728,022	8,182	
Total Stage 27A		0	0	0	932,599	940,781	8,182	
Stage 27B	Siteworks / Earthworks	0	0	0	958,961	960,144	1,183	
	Authorities Fees	0	66,982	66,982	145,269	278,955	133,686	
Stage 27B	Direct Consultants	400	13,985	13,585	116,766	148,411	31,645	
Total Stage 27B		400	80,966	80,566	1,220,996	1,387,510	166,515	Cashflow under budget as result of: ~\$100k savings from authority fees (WP) to be reflected in next update.
Stage 28	Siteworks / Earthworks	0	0	0	2,196,566	2,198,203	1,636	
	Authorities Fees	0	0	0	269,413	269,413	0	
	Direct Consultants	0	0	0	148,382	148,382	0	
Total Stage 28		0	0	0	2,614,361	2,615,998	1,636	

Catalina Actual vs Budget Analysis

Tamala Park Cashflow FY2023		YEAR TO DATE - September 2023			PROJECT TO DATE - September 2023			Bud Comparison: Jun 23 Approved
Job Description	Account Description	YTD ACT Sep 2023	YTD BUD Sep 2023	Variance	PTD ACT Sep 2023	PTD BUD Sep 2023	Variance	Comments regarding variance
Stage 29	Siteworks / Earthworks	78,001	244,938	166,937	3,900,113	3,866,360	(33,753)	
	Authorities Fees	1,320	0	(1,320)	319,683	428,043	108,360	
	Direct Consultants	4,171	12,700	8,529	164,390	211,053	46,663	
Total Stage 29		83,493	257,638	174,146	4,384,186	4,505,456	121,270	Cashflow under budget as result of: ~\$100k savings from authority fees (WP) to be reflected in next update.
Stage 30	Siteworks / Earthworks	0	0	0	1,150,269	1,155,179	4,910	
	Authorities Fees	0	0	0	267,882	284,196	16,314	
	Direct Consultants	0	0	0	139,088	179,450	40,362	
Total Stage 30		0	0	0	1,557,239	1,618,824	61,586	Cashflow under budget: minor savings in consultants and authority fees.
Stage 31	Siteworks / Earthworks	1,590,061	1,893,894	303,833	2,705,594	3,237,404	531,810	
	Authorities Fees	393,938	617,944	224,006	406,148	630,154	224,006	
	Direct Consultants	44,354	61,954	17,600	239,327	279,891	40,564	
Total Stage 31		2,028,353	2,573,792	545,438	3,351,070	4,147,449	796,379	Cashflow under budget as result of minor delays with contractor and timing of payments.
Stage 32	Siteworks / Earthworks	0	0	0	0	0	0	
	Authorities Fees	(16,447)	0	16,447	-16,447	0	16,447	*Refund from W/Power
	Direct Consultants	0	0	0	0	(0)	(0)	
Total Stage 32		(16,447)	0	16,447	-16,447	(0)	16,447	
Stage 33	Siteworks / Earthworks	0	0	0	0	0	0	
	Authorities Fees	(22,950)	0	22,950	-22,950	0	22,950	*Refund from W/Power
	Direct Consultants	0	0	0	0	0	0	
Total Stage 33		(22,950)	0	22,950	-22,950	0	22,950	
Stage 34	Siteworks / Earthworks	0	0	0	0	0	0	
	Authorities Fees	(20,655)	0	20,655	-20,655	0	20,655	*Refund from W/Power
	Direct Consultants	0	0	0	0	0	0	
Total Stage 34		(20,655)	0	20,655	-20,655	0	20,655	
Stage 36	Siteworks / Earthworks	0	351,126	351,126	5,362,233	6,215,422	853,189	
	Authorities Fees	(146,708)	0	146,708	238,810	716,382	477,572	
	Direct Consultants	0	3,638	3,638	435,575	454,905	19,331	
Total Stage 36		(146,708)	354,764	501,473	6,036,617	7,386,709	1,350,092	Cashflow under budget due to: Timing variance on civils payments (works on schedule); unforecast credit for WP refund; Headworks and civils below forecast due to fencing and headworks deferred on cottage lots. Portion of unused budget expenditure anticipated to be taken up as savings in next update.
Stage 37	Siteworks / Earthworks	202,202	812,543	610,340	1,841,563	2,238,773	397,210	
	Authorities Fees	0	0	0	369,831	401,300	31,469	
	Direct Consultants	23,567	18,467	(5,100)	207,333	235,277	27,944	
Total Stage 37		225,769	831,009	605,240	2,418,726	2,875,350	456,624	Cashflow under budget: estimated savings on stage costs ~\$300k - will be reflected in next budget update.
Stage 38	Siteworks / Earthworks	270,653	1,247,063	976,409	375,106	1,247,063	871,957	
	Authorities Fees	11,044	0	(11,044)	11,439	0	(11,439)	
	Direct Consultants	8,588	28,839	20,251	114,855	145,805	30,950	
Total Stage 38		290,285	1,275,902	985,616	501,400	1,392,868	891,468	Cashflow under budget: Timing variance on civils payments (works on schedule).
Stage 39	Siteworks / Earthworks	0	0	0	0	0	0	
	Authorities Fees	0	0	0	0	0	0	
	Direct Consultants	97,020	159,320	62,300	129,870	159,320	29,450	
Total Stage 39		97,020	159,320	62,300	129,870	159,320	29,450	
Stage 41	Siteworks / Earthworks	0	0	0	0	0	0	
	Authorities Fees	0	0	0	0	0	0	
	Direct Consultants	6,669	0	(6,669)	6,669	0	(6,669)	
Total Stage 41		6,669	0	(6,669)	6,669	0	(6,669)	
Stage 42	Siteworks / Earthworks	0	0	0	0	0	0	
	Authorities Fees	0	0	0	0	0	0	
	Direct Consultants	8,775	0	(8,775)	8,775	0	(8,775)	
Total Stage 42		8,775	0	(8,775)	8,775	0	(8,775)	

Catalina Actual vs Budget Analysis

Tamala Park Cashflow FY2023		YEAR TO DATE - September 2023			PROJECT TO DATE - September 2023			Bud Comparison: Jun 23 Approved
Job Description	Account Description	YTD ACT Sep 2023	YTD BUD Sep 2023	Variance	PTD ACT Sep 2023	PTD BUD Sep 2023	Variance	Comments regarding variance
Stage 43	Siteworks / Earthworks	0	0	0	0	0	0	
	Authorities Fees	0	0	0	0	0	0	
	Direct Consultants	9,799	0	(9,799)	9,799	0	(9,799)	
Total Stage 43		9,799	0	(9,799)	9,799	0	(9,799)	
Various Stages	Clearance Bonds	(329,283)	(1,010,141)	(680,858)	3,170,320	1,777,879	(1,392,441)	Timing variances - delay in return of several bonds.
TOTAL LOT PRODUCTION		2,227,709	4,539,634	2,311,925	107,297,433	109,880,345	2,582,913	Summary Note: (Civil payments are budgeted to be the month after works. Budget also averages civil costs equally over the budget period).
LANDSCAPING								
Completed Landscaping		0	0	0	15,769,346	15,769,346	0	
Stage 11 Landscape Consultancy	Landscape Construction	0	0	0	1,332,634	1,328,968	(3,666)	
Stage 14A Landscaping	Landscape Consulting	0	0	0	12,013	8,430	(3,583)	
Seed Collection	Landscape Construction	0	0	0	22,797	0	(22,797)	
Catalina Beach Foreshore Node / Beach Connect	Landscape Construction	0	0	0	889	0	(889)	
Catalina Beach Portofino Medians	Landscape Construction	0	0	0	506	0	(506)	
Catalina Beach Greenlink Stage 25	Landscape Consulting	0	0	0	120,249	118,508	(1,741)	
Preliminary Landscaping Consultancy	Landscape Consulting	83,054	381,618	298,565	1,111,087	1,544,935	433,848	Under budget as direct result of delays in construction, particularly foreshore POS, consultancy payments a % fee tied directly to construction works.
Environmental Landscaping	Landscape Construction	0	0	0	448,925	514,842	65,917	Under budget as a result of savings.
Public Art	Landscape Construction	0	67,497	67,497	189,497	256,994	67,497	Under budget as a result of savings.
Fauna Relocation	Landscape Construction	0	0	0	37,080	(0)	(37,080)	
Central Connolly Drive	Landscape Construction	0	13,035	13,035	1,068,207	1,107,364	39,157	Under budget as a result of savings.
Central Green Link	Landscape Construction	0	0	0	2,061,523	2,092,209	30,686	Under budget as a result of savings.
Beach Display Village Verge	Landscape Construction	0	120	120	302,082	298,805	(3,277)	
Beach Portofino Verge - South	Landscape Construction	14,061	59,427	45,366	712,969	842,908	129,939	Under budget as a result of savings.
Beach Park 2	Landscape Construction	230,080	211,558	(18,521)	471,145	573,704	102,559	Under budget as a result of savings.
Beach Foreshore POS Area 1	Landscape Construction	0	1,939,618	1,939,618	88,800	2,028,418	1,939,618	Under budget as result of ongoing delays (delayed approvals, value management exercise and construction delays), with costs to normalise over coming months. Works commenced in October 2023.
Beach Foreshore Access Area 1	Landscape Construction	4,661	0	(4,661)	511,834	502,338	(9,496)	
Beach Mallaca Way Medians	Landscape Construction	0	10,042	10,042	0	20,042	20,042	
Beach Long Beach Promenade Verge	Landscape Construction	52,763	17,247	(35,516)	53,021	17,247	(35,773)	
Green POS 1 Phase 1	Landscape Construction	1,249,548	1,056,520	(193,028)	2,178,096	2,188,614	10,517	
Green Streetscapes Phase 1	Landscape Construction	0	215,261	215,261	0	286,420	286,420	Under budget due to delays in commencement for works which are currently going through approvals and pricing, anticipated to commence in December
Green Central Bore, Pump & Filtration Unit	Landscape Construction	0	43,960	43,960	62,932	113,174	50,242	Under budget as result of unused budget line.
Beach offset Area Revegetation Initial	Landscape Construction	145,171	163,858	18,687	154,162	163,858	9,696	
Beach Stage 29 Landscaping	Landscape Construction	50,806	18,042	(32,764)	50,806	53,975	3,169	
TOTAL LANDSCAPING		1,830,142	4,197,802	2,367,660	26,760,600	29,831,099	3,070,499	In general under budget due to delays in works (\$2.3m PTD, \$3.0m YTD), timing of payments and minor savings

Catalina Actual vs Budget Analysis

Tamala Park Cashflow FY2023		YEAR TO DATE - September 2023			PROJECT TO DATE - September 2023			Bud Comparison: Jun 23 Approved
Job Description	Account Description	YTD ACT Sep 2023	YTD BUD Sep 2023	Variance	PTD ACT Sep 2023	PTD BUD Sep 2023	Variance	Comments regarding variance
INDIRECT CONSULTANTS								
Planning - Indirect	Planning	56,569	46,447	(10,122)	3,048,674	3,142,877	94,203	
	Architect	5,340	19,789	14,449	36,895	57,940	21,045	
	Environmental	18,079	10,084	(7,995)	489,087	462,814	(26,273)	
	Geotechnical	0	1,925	1,925	12,300	21,859	9,559	
	Title - Survey & Legal fees	15,502	8,823	(6,679)	274,224	255,153	(19,071)	
	Engineering fees	9,611	12,536	2,925	411,137	397,234	(13,903)	
	Traffic planning	0	0	0	94,181	94,181	0	
	Landscaping consultancy	0	0	0	9,936	0	(9,936)	
	Miscellaneous Consultants	0	7,403	7,403	47,762	54,565	6,803	
	Planning - fire & safety	0	0	0	32,280	32,280	0	
	Planning - Hydrology	8,945	6,576	(2,369)	166,138	179,264	13,126	
	Planning - Sustainability	0	3,293	3,293	37,305	50,161	12,855	
	Acoustic & Noise Consult	0	247	247	8,265	9,489	1,224	
	Tree Mapping	0	1,891	1,891	7,971	9,862	1,891	
TOTAL INDIRECT CONSULTANTS		114,046	119,013	4,967	4,676,156	4,767,680	91,524	Overall consultancy costs within budget, minor variances across disciplines as result of timing of works being required.
INFRASTRUCTURE								
Completed Infrastructure		0	0	0	16,709,172	16,709,172	-0	
Neerabup Rd Maroochydore Way Intersection		0	0	0	1,498,274	1,480,279	(17,995)	
Asbestos and rubbish removal - Gen Allowance		0	0	0	25,801	46,987	21,186	under budget - savings
Longreach Prom Extension		140,585	390,578	249,993	884,429	1,204,429	320,000	under budget as result of contract savings approx. \$250k
Longreach Prom Extension		0	6,494	6,494	45,606	61,779	16,174	under budget as result of civil contract being lower than forecast (is % fee based)
INFRASTRUCTURE		140,585	397,072	256,487	19,163,282	19,502,646	339,364	
INFRASTRUCTURE REFUNDS								
Neerabup Road Reimbursement		0	0	0	(432,548)	(432,548)	0	
Waste Water Pump Station (West)		0	0	0	(1,397,613)	(1,397,613)	0	
INFRASTRUCTURE REFUNDS		0	0	0	(1,830,161)	(1,830,161)	0	
TOTAL INFRASTRUCTURE		140,585	397,072	256,487	17,333,121	17,672,485	339,364	within budget
SPECIAL SITES & FIXED ASSETS								
Completed Special Sites & Fixed Assets		0	0	0	561,114	561,114	0	
Sales Office Building		0	0	0	573,050	573,981	932	
Sales Office Retrofit		0	0	0	11,186	3,440	(7,746)	
Sales Office Construction Western		0	0	0	624,762	624,776	14	
TOTAL SPECIAL SITES & FIXED ASSETS		0	0	0	1,770,111	1,763,311	(6,800)	Within budget
TOTAL CONSTRUCTION		4,312,483	9,253,522	4,941,039	157,837,420	163,914,920	6,077,500	Within budget

Catalina Actual vs Budget Analysis

Tamala Park Cashflow FY2023		YEAR TO DATE - September 2023			PROJECT TO DATE - September 2023			Bud Comparison: Jun 23 Approved
Job Description	Account Description	YTD ACT Sep 2023	YTD BUD Sep 2023	Variance	PTD ACT Sep 2023	PTD BUD Sep 2023	Variance	Comments regarding variance
LAND		0	0	0	0	0	0	
PROFIT & LOSS EXPENDITURE								
Sales & Marketing	Brand Development	2,500	1,500	(1,000)	293,938	301,713	7,775	
	Sales Office & Builder Rel.	0	7,250	7,250	126,081	140,568	14,486	
	Brochures	16,446	4,000	(12,446)	202,253	193,900	(8,353)	
	Advertising	18,007	21,250	3,243	1,202,447	1,153,190	(49,257)	
	Signage	30,135	14,500	(15,635)	606,999	606,514	(485)	
	Website	18,411	1,500	(16,911)	45,990	34,649	(11,341)	
	Promotions	3,431	0	(3,431)	23,056	28,978	5,922	
	Public Relations	0	0	0	7,424	13,498	6,075	
Total Sales and Marketing		88,930	50,000	(38,930)	2,508,188	2,473,010	(35,178)	Timing variance
Total Community Development	Comm Dev - Resident Dev	25,885	22,500	(3,385)	638,347	687,860	49,513	Within budget
Administration	Audit and Tax	3,543	20,251	16,708	295,212	298,550	3,338	
	Cleaning	1,386	3,025	1,639	66,428	69,537	3,108	
	Computer Costs	0	1,513	1,513	0	5,979	5,979	
	Couriers	0	908	908	1,338	12,423	11,085	
	Electricity & Gas	838	3,025	2,187	161,691	161,243	(448)	
	Insurance	0	1,513	1,513	3,184	6,196	3,013	
	Legal fees	630	12,604	11,974	202,197	226,681	24,483	
	Licenses & Fees	0	1,513	1,513	5,609	9,434	3,825	
	Postage, Print & Stationery	6	1,513	1,506	3,504	33,258	29,754	
	Rent - Sales Office & Cprk	0	0	0	467,350	467,350	0	
	Sundry Office Expenses	94	4,538	4,444	1,544	25,393	23,849	
	Telephone	0	0	0	0	0	0	
	Training	0	6,302	6,302	0	12,552	12,552	
	Travel & Accommodation	0	0	0	0	0	0	
	Valuations	7,330	10,084	2,754	234,643	241,997	7,354	
	Rates & Taxes	316,418	210,874	(105,544)	1,511,285	1,707,344	196,060	
	Maintenance	50,022	249,568	199,546	3,727,667	4,025,750	298,083	
	Maint- Carpark Makegood	0	0	0	53,798	53,798	0	
	Security	0	3,025	3,025	28,877	35,322	6,446	
Total Administration		380,267	530,254	149,987	6,764,327	7,392,807	628,481	
Finance	Bank Charges - Comm Bills	0	0	0	400	0	(400)	
Finance	Contingency	45,988	125,000	79,012	3,031,398	353,506	(2,677,892)	
	Contingency Offset Transfer	(45,988)	(45,988)	0	(3,031,398)	0	3,031,398	
Total Finance		0	79,012	79,012	400	353,506	353,106	
Total P&L Expenditure		495,082	681,766	186,684	9,911,261	10,907,183	995,922	
Grand Expense Total		4,807,565	9,935,288	5,127,723	167,748,681	174,822,103	7,073,422	Within budget
NET CASHFLOW		7,477,393	(12,400,494)	(10,813,089)	165,098,818	148,026,003	17,072,815	

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> (Jun-23)	<u>Actual</u>	<u>Budget</u> (Jun-23)	<u>Actual</u>	<u>Budget</u> (Jun-23)	<u>Actual</u>	<u>Budget</u> (Jun-23)
Prior Years	1,314	1,314	1,274	1,265	1,218	1,209	117,000,000	117,000,000
Jul-2023	-	-	15	7	16	10	-	-
Aug-2023	-	-	13	7	15	7	-	-
Sep-2023	-	66	19	7	13	6	-	-
Sep Qtr	-	66	47	21	44	23	-	-
Oct-2023	-	-	-	7	-	8	-	-
Nov-2023	-	37	-	7	-	6	-	-
Dec-2023	-	-	-	4	-	8	-	10,000,000
Dec Qtr	-	37	-	18	-	22	-	10,000,000
Jan-2024	-	-	-	14	-	12	-	-
Feb-2024	-	-	-	8	-	17	-	-
Mar-2024	-	-	-	8	-	12	-	-
Mar Qtr	-	-	-	30	-	41	-	-
Apr-2024	-	-	-	8	-	9	-	-
May-2024	-	-	-	8	-	8	-	-
Jun-2024	-	-	-	8	-	11	-	10,000,000
Jun Qtr	-	-	-	24	-	28	-	10,000,000
PTD	1,314	1,380	1,321	1,286	1,262	1,232	117,000,000	117,000,000
Full 2023/24 Year	-	103	47	93	44	114	-	20,000,000
2024/25	-	64	-	127	-	97	-	17,000,000
2025/26	-	141	-	146	-	145	-	15,000,000

- There were 19 sales and 13 settlements for September.

1.2 Sales & Settlements

	<u>MTH Act</u>	<u>MTH Bgt</u> (Jun-23)	<u>YTD Act</u>	<u>YTD Bgt</u> (Jun-23)	<u>PTD Act</u>	<u>PTD Bgt</u> (Jun-23)
Residential						
- Sales #	19	7	47	21	1,321	1,286
- Sales \$	6,107,000	2,589,661	15,286,000	7,610,054	369,309,000	358,914,713
- Sales \$/lot	321,421	369,952	325,234	362,384	279,568	279,094
- Settlements #	13	6	44	23	1,262	1,232
- Settlements \$	3,785,000	1,851,254	13,127,000	7,209,157	350,384,500	341,235,823
- Settlements \$/lot	291,154	308,542	298,341	313,442	277,642	276,977
Special Sites						
- Sales #	-	-	-	-	6	6
- Sales \$	-	-	-	-	13,902,500	13,902,500
- Sales \$/lot	-	-	-	-	2,317,083	2,317,083
- Settlements #	-	-	-	-	5	5
- Settlements \$	-	-	-	-	10,922,000	10,922,000
- Settlements \$/lot	-	-	-	-	2,184,400	2,184,400
Lots Under Contract						
- Sales #	59		<div> Unconditional Conditional </div>	6	<div> Titled 1,318 incl. Spec sites </div>	
- Sales \$	18,924,500			53		
- Sales \$/lot	320,754					

Special sites under contract:

		<u>Bud</u>
		<u>Settlement</u>
Lot 341 (Stg 17B)	2,750,000	Mar-24
	2,750,000	

1.3 Cashflow - YTD Actuals to budget

	<u>YTD Act</u>	<u>YTD Bgt</u> (Jun-23)	<u>Variance</u>
<u>Income</u>			
Settlement Revenue	13,127,000	7,209,159	5,917,841
Margin GST	(140,766)	(105,343)	(35,423)
Direct selling costs	(592,016)	(331,999)	(260,017)
Interest Income	1,899	-	1,899
Forfeited Deposits	-	-	-
Other Income	-	-	-
Rebate Allowance	(111,158)	(172,225)	61,067
	<u>12,284,958</u>	<u>6,599,592</u>	<u>5,685,366</u>
<u>Development costs</u>			
WAPC Land Acq.	-	-	-
Lot production	2,556,992	5,549,775	2,992,783
Clearance Bonds	(329,283)	(1,010,141)	(680,858)
Landscaping	1,830,142	4,197,802	2,367,660
Consultants	114,046	119,013	4,967
Infrastructure	140,585	397,072	256,487
Special Sites	-	-	-
	<u>4,312,483</u>	<u>9,253,522</u>	<u>4,941,039</u>
<u>Overheads</u>			
Sales & marketing	88,930	50,000	(38,930)
Community Develop.	25,885	22,500	(3,385)
Administration	380,267	530,254	149,987
Finance/Contingency	-	79,012	79,012
	<u>495,082</u>	<u>681,766</u>	<u>186,684</u>
Net Cashflow	<u>7,477,393</u>	<u>(3,335,696)</u>	<u>10,813,089</u>

1.4 Cashflow - PTD Actuals to budget

	<u>PTD Act</u>	<u>PTD Bgt</u> (Jun-23)	<u>Variance</u>
<u>Income</u>			
Settlement Revenue	350,384,500	341,235,825	9,148,675
Margin GST	(4,839,373)	(4,820,333)	(19,040)
Direct selling costs	(16,213,646)	(15,806,452)	(407,195)
Interest Income	110,063	105,934	4,129
Forfeited Deposits	35,455	35,455	-
Other Income	10,228,594	10,228,594	-
Rebate Allowance	(6,858,097)	(8,130,917)	1,272,820
	<u>332,847,495</u>	<u>322,848,106</u>	<u>9,999,389</u>
<u>Development costs</u>			
WAPC Land Acq.	-	-	-
Lot production	104,127,112	108,102,466	3,975,354
Clearance Bonds	3,170,320	1,777,879	(1,392,441)
Landscaping	26,760,600	29,831,099	3,070,499
Consultants	4,676,156	4,767,680	91,524
Infrastructure	17,333,121	17,672,485	339,364
Special Sites	1,770,111	1,763,311	(6,800)
	<u>157,837,420</u>	<u>163,914,920</u>	<u>6,077,500</u>
<u>Overheads</u>			
Sales & marketing	2,508,188	2,473,010	(35,178)
Community Develop.	638,347	687,860	49,513
Administration	6,764,327	7,392,807	628,481
Finance/Contingency	400	353,506	353,106
	<u>9,911,261</u>	<u>10,907,183</u>	<u>995,922</u>
Net Cashflow	<u>165,098,814</u>	<u>148,026,003</u>	<u>17,072,811</u>

1.5 Bonds

	<u>Last Year</u>	<u>Last Month</u>	<u>This Month</u>
City of Wanneroo	3,499,603	3,170,320	3,170,320
	<u>3,499,603</u>	<u>3,170,320</u>	<u>3,170,320</u>

Bonds relate to stages 29, 36, 37 & Connolly Drive early clearances.

2.0 PROFIT & LOSS

	<u>MTH Act</u>	<u>MTH Bgt</u> (Jun-23)	<u>Var</u>	<u>YTD Act</u>	<u>YTD Bgt</u> (Jun-23)	<u>Var</u>	<u>PTD Act</u>	<u>PTD Bgt</u> (Jun-23)
- Revenue \$ (Stlmnts)	3,785,000	1,851,254	1,933,746	13,127,000	7,209,157	5,917,843	350,384,500	341,235,823
- Revenue \$/lot	291,154	308,542		298,341	313,442		277,642	276,977
- Selling & GST \$	364,548	183,341	(181,208)	1,238,783	705,882	(532,901)	30,581,956	30,152,781
- Selling & GST \$/lot	28,042	30,557		28,154	30,691		24,233	24,475
- Cost of sales \$	1,388,999	856,566	(532,433)	5,011,345	3,306,593	(1,704,752)	125,041,283	122,632,913
- Cost of sales \$/lot	106,846	142,761		113,894	143,765		99,082	99,540
- Gross profit \$	2,031,452	811,347	1,220,105	6,876,872	3,196,682	3,680,190	194,761,261	188,450,129
- Gross profit \$/lot	156,266	135,225		156,293	138,986		154,327	152,963
- Gross profit Mgn %	53.67%	43.83%		52.39%	44.34%		55.59%	55.23%
- Special Sites \$	-	-	-	-	-	-	6,731,808	6,639,738
- Other income \$	1,079	-	1,079	1,899	-	1,899	293,088	288,959
- Sales & Marketing \$	22,017	25,164	3,147	93,388	75,492	(17,897)	3,133,599	3,076,915
- Administration \$	36,820	137,221	100,400	159,919	370,091	210,172	7,189,083	7,466,543
- Finance/Other \$	1,842	-	(1,842)	5,648	-	(5,648)	235,712	224,478
- Contingency \$	(45,988)	41,667	87,655	-	125,001	125,001	4,091	357,598
- Net profit \$	2,017,840	607,296	1,410,545	6,619,817	2,626,098	3,993,718	191,223,671	184,253,292
- Net profit \$/lot	155,218	101,216		150,450	114,178		151,524	149,556

- Year to date Gross profit is \$3.68m favourable on 21 more settlements than budget.
- Year to date Overheads are \$312k below budget due to:
 Marketing 18k unfavourable - timing;
 Admin \$210k favourable - timing;
 Unused Contingency \$125k (Aug \$45k expense reversed from P&L as it was inventory spend)

YEAR TO DATE VERSUS FULL YEAR BUDGET

	<u>YTD Act</u>	<u>Full Year Bgt</u>	<u>Var</u>
- Revenue \$ (Stlmnts)	13,127,000	37,328,635	(24,201,635)
- Revenue \$/lot	298,341	327,444	
- Selling & GST \$	1,238,783	3,608,879	2,370,096
- Selling & GST \$/lot	28,154	31,657	
- Cost of sales \$	5,011,345	16,575,122	11,563,777
- Cost of sales \$/lot	113,894	145,396	
- Gross profit \$	6,876,872	17,144,634	(10,267,762)
- Gross profit \$/lot	156,293	150,392	
- Gross profit Mgn %	52.39%	45.93%	
- Special Sites \$	-	1,242,494	(1,242,494)
- Other income \$	1,899	-	1,899
- Sales & Marketing \$	93,388	301,966	208,578
- Administration \$	159,919	1,440,648	1,280,730
- Finance \$	5,648	-	(5,648)
- Contingency \$	-	500,004	500,004
- Net profit \$	6,619,817	16,144,510	(9,524,693)
- Net profit \$/lot	150,450	141,619	

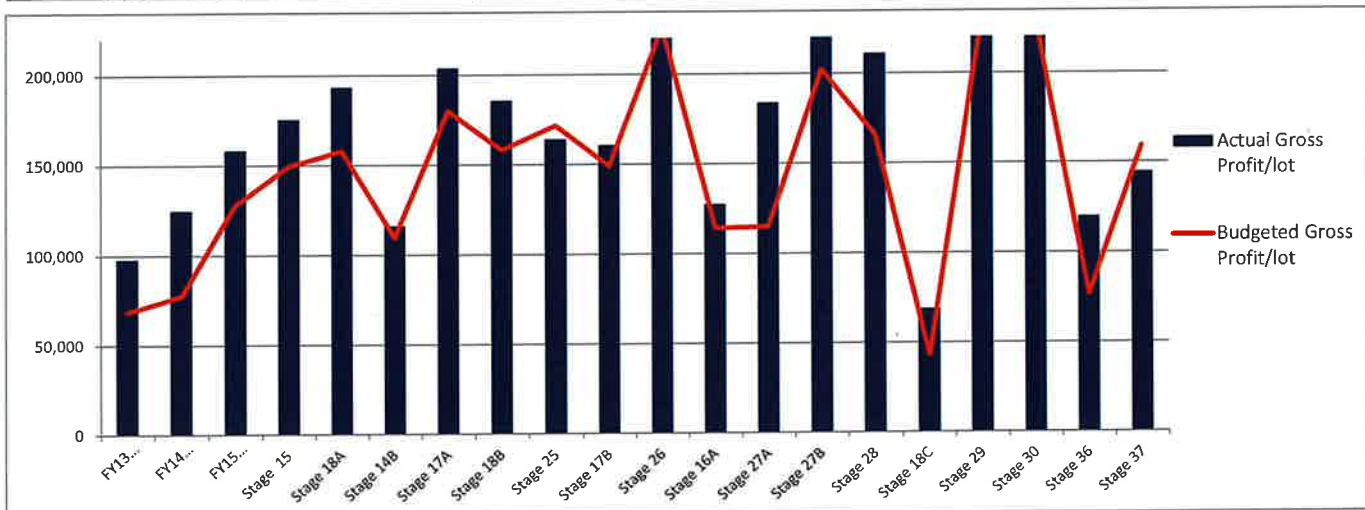
2.1 GROSS PROFIT ANALYSIS

Actual								
Stages	Title Issue Date	Revenue	Revenue/lot	Direct Selling & COGS (incl. GST)	Direct Costs/lot	Actual Gross Profit	Actual Gross Profit/lot	Actual Gross Margin %
Incentives Writeback				-5,599,217		5,599,217		
FY13 Stages	2012 / 2013	51,375,500	220,496	28,570,159	122,619	22,805,341	97,877	44.39%
FY14 Stages	2013 / 2014	50,325,000	243,116	24,477,309	118,248	25,847,691	124,868	51.36%
FY15 Stages	2014 / 2015	77,688,000	275,489	32,963,408	116,892	44,724,592	158,598	57.57%
Stage 15	15-Dec-15	15,444,000	280,800	5,791,567	105,301	9,652,433	175,499	62.50%
Stage 18A	27-May-16	8,626,000	297,448	3,015,429	103,980	5,610,571	193,468	65.04%
Stage 14B	28-Oct-16	2,444,000	244,400	1,281,011	128,101	1,162,989	116,299	47.59%
Stage 17A	20-Feb-17	7,774,000	310,960	2,674,295	106,972	5,099,705	203,988	65.60%
Stage 18B	13-Jun-17	8,792,000	283,613	3,035,185	97,909	5,756,815	185,704	65.48%
Stage 25	8-Aug-17	20,323,000	350,397	10,802,146	186,244	9,520,854	164,153	46.85%
Stage 17B	22-May-18	9,827,500	272,986	4,038,425	112,178	5,789,075	160,808	58.91%
Stage 26	26-Sep-19	14,125,500	371,724	5,669,441	149,196	8,456,059	222,528	59.86%
Stage 16A	25-Jan-21	4,514,000	265,529	2,344,352	137,903	2,169,648	127,626	48.06%
Stage 27A	24-Feb-21	6,341,000	317,050	2,661,467	133,073	3,679,533	183,977	58.03%
Stage 27B	20-Apr-22	9,355,000	406,739	4,018,069	174,699	5,336,931	232,040	57.05%
Stage 28	1-Sep-21	12,770,000	375,588	5,591,783	164,464	7,178,217	211,124	56.21%
Stage 18C	26-Oct-22	5,623,000	200,821	3,697,494	132,053	1,925,506	68,768	34.24%
Stage 29	21-Apr-23	11,550,000	427,778	5,417,707	200,656	6,132,293	227,122	53.09%
Stage 30	25-May-22	13,595,000	388,429	4,881,002	139,457	8,713,998	248,971	64.10%
Stage 36	2-Nov-22	11,975,000	266,111	6,575,032	146,112	5,399,968	119,999	45.09%
Stage 37	22-Jun-23	7,917,000	273,000	3,717,176	128,178	4,199,824	144,822	53.05%
		350,384,500		155,623,240		194,761,260		

- 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 Profit	Budgeted Gross Profit/lot	Budgeted Gross 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%
FY 15 Stages	Aug-14	76,167,089	273,000	40,469,170	145,051	35,697,919	127,950	46.87%
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 18C	Oct-22	5,563,000	198,679	4,363,541	155,841	1,199,459	42,838	21.56%
Stage 25	Aug-17	19,696,448	345,552	9,915,141	173,950	9,781,307	171,602	49.66%
Stage 17B	Dec-17	10,496,494	291,569	5,131,807	142,550	5,364,687	149,019	51.11%
Stage 26	Jun-19	14,347,000	377,553	5,766,060	151,738	8,580,940	225,814	59.81%
Stage 16A	Dec-20	4,498,002	264,588	2,555,841	150,344	1,942,161	114,245	43.18%
Stage 27A	Dec-20	6,251,840	312,592	3,951,378	197,569	2,300,462	115,023	36.80%
Stage 27B	Feb-22	9,345,000	406,304	4,698,534	204,284	4,646,466	202,020	49.72%
Stage 28	Jul-21	12,669,500	372,632	7,027,024	206,677	5,642,476	165,955	44.54%
Stage 18C	Oct-22	5,563,000	198,679	4,363,541	155,841	1,199,459	42,838	21.56%
Stage 29	Apr-23	19,190,000	446,279	9,365,867	217,811	9,824,133	228,468	51.19%
Stage 30	Dec-21	13,520,000	386,286	5,434,179	155,262	8,085,821	231,023	59.81%
Stage 36	Oct-22	18,086,000	231,872	12,110,457	155,262	5,975,543	76,610	33.04%
Stage 37	Jun-23	13,117,500	273,281	5,478,256	114,130	7,639,244	159,151	58.24%
		371,321,294		206,876,422		164,444,873		

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



Finished Lots & Cost of Lots Sold calculations to 30 Sep 2023

Title date:	Completed	Completed	7-Nov-12	8-Aug-17	8-Aug-17	25-Jan-21	24-Feb-21	20-Apr-22	1-Sep-23	25-May-22	26-Oct-22	2-Nov-22	27-Feb-23	21-Apr-23	22-Jun-23	22-Jun-23	TOTAL
	Spec Sites	Res Stages	Central Cell Sales Office	Stage 25 Sales Office	Stage 25 GHS Lot 2179	Stage 15A	Stage 27A	Stage 27B	Stage 28	Stage 30	Stage 18C	Stage 36	Stage 36 Lot 3128	Stage 29	Stage 37	Stage 17B Lot 341	
Direct costs																	
Civil Construction			89,540	83,260	253,163	932,193	707,388	901,496	2,223,532	792,261	1,769,211	3,773,787	-	3,997,295	1,916,924	356,322	
Silveworks				75,529	245,432	926,000	652,600	838,353	2,165,633	706,851	1,701,800	3,633,649	-	3,823,355	1,816,124	356,322	
URP Power				7,731	7,731	2,433	27,152	40,145	57,899	63,410	43,411	61,359	-	146,416	59,650		
Third Floor				-	-	-	-	-	-	-	-	-	-	-	-	-	
General				-	-	4,739	20,000	25,652	-	65,170	84,513	69,289	-	25,000	25,000		
MATV						7,036	7,036								28,800		
Sewer headwks			5,680	4,514	4,514	101,201	113,955	138,339	196,552	213,570	171,524	249,566	7,463	259,143	288,910	7,463	
Local authority fees			4,363	615	615	28,623	17,424	6,930	14,962	9,466	18,412	31,691		22,895	20,550	1,196	
Local authority scheme costs			2,705	-	-	-	-	8,954	-	14,405	10,426	21,225		15,490	17,291		
Survey & legal fees			1,003	945	945	16,150	21,000	25,428	31,487	39,574	35,227	65,579	1,196	41,074	44,260	917	
Engineering fees			5,557	2,750	12,341	77,057	58,349	88,238	116,545	98,586	87,167	271,035		140,105	162,800		
Sales Office Build Cost			330,780														
Finished Goods Adjustments	-	31,206	-	1,281,787	-	28,239		14,482	60,165	32,920	440,245						
	420,826	57,554,106	411,370	92,084	271,578	1,155,224	932,598	1,229,550	2,615,998	1,608,107	2,091,967	4,412,883	8,659	4,476,002	2,451,735	365,898	
Earthworks Allocation	260,179	14,495,542	12,091	18,574	66,681	112,605	303,183	542,975	642,426	-	131,588	539,279	569,141	-	528,899	108,452	
Indirect Costs																	
Land	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Infrastructure	84,898	8,359,526	7,165	7,879	31,674	176,806	245,746	511,942	381,466	731,652	201,965	477,101	255,846	686,670	469,380	98,402	
Landscape	116,628	13,546,018	9,006	16,613	66,785	409,039	568,530	975,581	725,814	1,394,271	587,095	1,386,889	752,534	2,019,738	1,380,610	289,436	
TOTAL COST	884,530	93,955,192	439,633	135,150	436,718	1,853,674	2,050,057	3,260,048	4,365,704	3,734,030	3,012,615	6,816,152	1,586,180	7,182,410	4,830,624	862,188	
Lots	3	1,004	1	1	1	17	20	23	34	35	28	57	1	43	48	1	
COST PER LOT	294,843	93,581	439,633	135,150	436,718	109,040	102,503	141,741	128,403	106,687	107,593	119,582	1,586,180	167,033	100,638	862,188	
Lots settled	3	1,004	1	-	-	17	20	23	34	35	28	45	1	27	29	-	1,267
COST OF LOTS SETTLED	884,530	93,955,192	439,633	-	-	1,853,674	2,050,057	3,260,048	4,365,704	3,734,030	3,012,615	5,381,173	1,586,180	4,509,885	2,918,502	-	127,951,224
Stage Area (m2)	10,900	332,827	320	255	1,795	6,632	6,615	9,933	13,721	13,416	8,396	21,808	20,012	17,349	18,597	6,921	
Cost per m2	81	282	1,374	530	243	280	310	328	318	278	359	313	79	414	260	125	
Avg lot size	3,633	332	320	255	1,795	390	331	432	404	383	300	383	20,012	403	387	6,921	
Other cash expenditure																	
Direct Selling & Proj Mgt Costs																	31,881,805
Marketing costs																	3,133,600
Administration																	7,189,083
Finance																	235,712
Contingency																	4,091
TOTAL COSTS																	170,375,514
PERIODIC ANALYSIS						Month		YTD			PTD						PY Jun-23
Lots settled						13		44			1,267						1,223
Cost of lots settled						1,388,999		5,011,345			127,951,627						122,940,282
Direct selling costs						364,548		1,238,783			31,881,805						30,623,022
Marketing costs						22,017		93,388			3,133,600						3,040,211
Administration						36,820		159,919			7,189,083						7,029,164
Finance						1,842		5,648			235,712						230,064
Contingency						(45,989)		-			4,091						4,091
TOTAL COSTS						1,768,239		6,509,082			170,375,917						163,866,834

Catalina COGS Calc

30-Sep-23

Job	Titled Date	Direct Cost	Indirect Cost	COGS Total	Lot #	Titled	Untitled	COGS/Lot	Settled Lots	PTD COGS	Per Accounts	Variance	Finished Goods	FG/Lot
140-01-001	17-Oct-2012	4,004,839	637,443	4,642,282	35	35	-	132,637	35	4,642,282	4,642,282	-	-	-
140-01-002	7-Nov-2012	3,429,204	598,332	4,027,537	37	37	-	108,852	37	4,027,537	4,027,537	-	-	-
140-01-003	14-Jan-2013	3,002,658	554,241	3,556,899	43	43	-	82,719	43	3,556,899	3,556,899	-	-	-
140-01-004	20-Mar-2013	3,371,482	800,585	4,172,067	47	47	-	88,767	47	4,172,067	4,172,067	-	-	-
140-01-005	20-May-2013	4,894,899	968,068	5,862,967	63	63	-	93,063	63	5,862,967	5,862,967	-	-	-
140-01-06A	18-Jan-2013	483,435	179,725	663,160	8	8	-	82,895	8	663,160	663,160	-	-	-
140-01-06B	19-Jan-2015	1,100,352	510,130	1,610,482	24	24	-	67,103	24	1,610,482	1,610,482	-	-	-
140-01-06C	3-Apr-2014	671,286	211,296	882,581	10	10	-	88,258	10	882,581	882,581	-	-	-
140-01-007	31-Oct-2013	4,146,749	938,488	5,085,238	63	63	-	80,718	63	5,085,238	5,085,238	-	-	-
140-01-008	16-Jan-2014	4,389,068	881,805	5,270,874	53	53	-	99,450	53	5,270,874	5,270,874	-	-	-
140-01-009	8-May-2014	4,640,905	814,395	5,455,300	51	51	-	106,967	51	5,455,300	5,455,300	-	-	-
140-01-010	8-May-2014	2,460,031	595,126	3,055,157	30	30	-	101,839	30	3,055,157	3,055,157	-	-	-
140-01-011	1-Oct-2014	4,797,823	1,320,873	6,118,696	64	64	-	95,605	64	6,118,696	6,118,696	-	-	-
140-01-012	3-Dec-2014	3,225,081	1,064,585	4,289,666	49	49	-	87,544	49	4,289,666	4,289,666	-	-	-
140-01-13A	30-Mar-2015	2,965,498	717,571	3,683,069	37	37	-	99,542	37	3,683,069	3,683,069	-	-	-
140-01-13B	11-May-2015	2,739,324	986,155	3,725,479	45	45	-	82,788	45	3,725,479	3,725,479	-	-	-
140-01-014	4-Jun-2015	3,619,629	1,347,229	4,966,858	63	63	-	78,839	63	4,966,858	4,966,858	-	-	-
140-01-015	15-Dec-2015	3,073,171	1,243,145	4,316,316	55	55	-	78,478	55	4,316,316	4,316,316	-	-	-
140-01-18A	27-May-2016	1,453,614	760,239	2,213,853	29	29	-	76,340	29	2,213,853	2,213,853	-	-	-
140-01-14B	28-Oct-2016	784,420	224,347	1,008,767	10	10	-	100,877	10	1,008,767	1,008,767	-	-	-
140-01-017	2-Feb-2017	1,194,140	730,941	1,925,081	25	25	-	77,003	25	1,925,081	1,925,081	-	-	-
140-01-18B	13-Jun-2017	1,266,620	876,513	2,143,133	31	31	-	69,133	31	2,143,133	2,143,133	-	-	-
140-01-18C	26-Oct-2022	2,223,554	789,060	3,012,614	28	28	-	107,593	28	3,012,614	3,012,615	- 1	-	-
140-02-025	8-Aug-2017	6,444,321	1,929,606	8,373,927	58	58	-	144,378	58	8,373,927	8,373,927	-	-	-
140-01-17B	22-May-2018	1,556,232	1,222,995	2,779,227	36	36	-	77,201	36	2,779,227	2,779,227	-	-	-
140-02-026	26-Sep-2019	2,334,871	1,791,711	4,126,582	38	38	-	108,594	38	4,126,582	4,126,582	-	-	-
140-01-16A	25-Jan-2021	1,267,829	585,845	1,853,674	17	17	-	109,040	17	1,853,674	1,853,674	-	-	-
140-02-27A	24-Feb-2021	1,235,782	814,276	2,050,058	20	20	-	102,503	20	2,050,058	2,050,058	-	-	-
140-02-27B	20-Apr-2022	1,772,925	1,487,523	3,260,448	23	23	-	141,759	23	3,260,448	3,260,448	-	-	-
140-02-028	1-Sep-2021	3,258,423	1,107,280	4,365,703	34	34	-	128,403	34	4,365,703	4,365,703	-	-	-
140-02-029	21-Apr-2023	4,476,001	2,706,408	7,182,409	43	43	-	167,033	27	4,509,885	4,509,885	-	2,672,524	167,033
140-02-030	25-May-2022	1,608,107	2,125,923	3,734,030	35	35	-	106,687	35	3,734,030	3,734,030	-	-	-
140-03-036	2-Nov-2022	3,351,070	1,863,990	6,816,153	78	57	21.00	119,582	45	5,381,173	5,381,173	0	1,434,980	119,582
140-03-037	22-Jun-2023	6,589,016	1,849,990	4,830,624	48	48	-	100,638	29	2,918,502	2,918,502	0	1,912,122	100,638
140-70-001	7-Nov-2012	423,461	16,171	439,633	1	1	-	439,633	1	439,633	439,633	-	-	-
140-70-004	12-Dec-2013	20,322	41,798	62,119	1	1	-	62,119	1	62,119	62,119	-	-	-
140-70-005	8-Aug-2017	110,657	24,492	135,149	1	1	-	135,149	-	-	-	-	135,149	135,149
140-70-007	17-Oct-2012	222,150	87,611	309,761	1	1	-	309,761	1	309,761	309,761	-	-	-
140-70-008	1-Oct-2014	438,532	74,117	512,649	1	1	-	512,649	1	512,649	512,649	-	-	-
140-70-009	27/2/23	577,801	1,008,380	1,586,181	1	1	-	1,586,181	1	1,586,181	1,586,181	-	-	-
140-70-021	22-Jun-2023	474,351	387,838	862,189	1	-	1.00	-	-	-	-	-	862,189	-
140-70-028	8-Aug-2017	338,259	98,459	436,718	1	1	-	436,718	-	-	-	-	436,718	436,718
		100,437,892	36,974,705	135,405,308	1,338	1,316	22.00		1,267	127,951,626	127,951,626	-1	7,453,682	

Appendix 8.3

10 November 2023

Mr Chris Adams
Chief Executive Officer
Catalina Regional Council
PO Box 655
INNALOO WA 6918

Dear Chris

COMPILATION REPORT TO CATALINA REGIONAL COUNCIL

We have compiled the accompanying special purpose financial report of Catalina Regional Council which comprise the statement of financial position as at 31 October 2023, the statement of financial activity, notes providing statement of financial activity supporting information, explanation of material variances for the year then ended and a summary of material accounting policy information. These have been prepared in accordance with *Local Government Act 1995* and associated regulations as described in Note 1 to the financial report. The specific purpose for which the special purpose financial statements have been prepared is also set out in Note 1 of the financial report. We have provided the supplementary information of Catalina Regional Council as at 31 October 2023 and for the period then ended based on the records of the Catalina Regional Council.

THE RESPONSIBILITY OF CATALINA REGIONAL COUNCIL

The CEO of Catalina Regional Council is solely responsible for information contained in the special purpose financial report and supplementary information, the reliability, accuracy and completeness of the information and for the determination that the basis of accounting used is appropriate to meet their needs and for the purpose that the financial report was prepared.

OUR RESPONSIBILITY

On the basis of information provided by Catalina Regional Council we have compiled the accompanying special purpose financial report in accordance with the requirements of *APES 315 Compilation of Financial Information* and the *Local Government Act 1995*, associated regulations and to the extent that they are not inconsistent with the *Local Government Act 1995*, the Australian Accounting Standards.

We have applied our expertise in accounting and financial reporting to compile these financial statements in accordance with the basis of accounting described in Note 1 to the financial report except for the matters of non-compliance with the basis of preparation identified with Note 1 of the financial report. We have complied with the relevant ethical requirements of *APES 110 Code of Ethics for Professional Accountants*.

Supplementary information attached to the financial report has been extracted from the records of Catalina Regional Council and information presented in the special purpose financial report.

ASSURANCE DISCLAIMER

Since a compilation engagement is not an assurance engagement, we are not required to verify the reliability, accuracy or completeness of the information provided to us by management to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion on these financial statements.

The special purpose financial report was compiled exclusively for the benefit of Catalina Regional Council who are responsible for the reliability, accuracy and completeness of the information used to compile them. Accordingly, the special purpose financial report may not be suitable for other purposes. We do not accept responsibility for the contents of the special purpose financial report.



Russell Barnes
Director

Moore Australia (WA) Pty Ltd

CATALINA REGIONAL COUNCIL

MONTHLY FINANCIAL REPORT

(Containing the required statement of financial activity and statement of financial position)
For the period ended 31 October 2023

LOCAL GOVERNMENT ACT 1995

LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) REGULATIONS 1996

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CATALINA REGIONAL COUNCIL
STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 OCTOBER 2023

		Adopted Budget Estimates	YTD Budget Estimates	YTD Actual	Variance* \$ (c) - (b)	Variance* % ((c) - (b))/(b)	Var.
Note		(a) \$	(b) \$	(c) \$			
OPERATING ACTIVITIES							
Revenue from operating activities							
	Interest revenue	2,115,000	704,720	851,619	146,899	20.85%	▲
		2,115,000	704,720	851,619	146,899	20.85%	
Expenditure from operating activities							
	Employee costs	(727,668)	(248,770)	(220,008)	28,762	11.56%	▲
	Materials and contracts	(277,100)	(82,936)	(60,690)	22,246	26.82%	▲
	Utility charges	(5,000)	0	0	0	0.00%	
	Depreciation	(43,932)	(11,851)	(11,851)	0	0.00%	
	Finance costs	(2,691)	(997)	(998)	(1)	(0.10%)	
	Insurance	(23,302)	(23,302)	(21,183)	2,119	9.09%	
	Other expenditure	(170,464)	(42,617)	(42,517)	100	0.23%	
		(1,250,157)	(410,473)	(357,247)	53,226	12.97%	
	Non-cash amounts excluded from operating activities	43,932	11,851	11,851	0	0.00%	
	Amount attributable to operating activities	908,775	306,098	506,223	200,125	65.38%	
FINANCING ACTIVITIES							
Inflows from financing activities							
	Proceeds from member contributions	40,078,630	9,896,932	15,845,045	5,948,113	60.10%	▲
		40,078,630	9,896,932	15,845,045	5,948,113	60.10%	
Outflows from financing activities							
	Payments for principal portion of lease liabilities	(34,966)	(11,655)	(11,637)	18	0.15%	
	Payments of member contributions	(24,619,525)	(13,822,879)	(6,416,404)	7,406,475	53.58%	▲
	Payments of GST withheld	(2,863,004)	(706,984)	(1,120,455)	(413,471)	(58.48%)	▼
	Payments return of contribution	(57,000)	0	0	0	0.00%	
	Payments return of equity	(20,000,000)	0	(437,824)	(437,824)	0.00%	▼
	Payments from rates equivalent	0	0	(30,928)	(30,928)	0.00%	▼
		(47,574,495)	(14,541,518)	(8,017,248)	6,524,270	44.87%	
	Amount attributable to financing activities	(7,495,865)	(4,644,586)	7,827,797	12,472,383	268.54%	
MOVEMENT IN SURPLUS OR DEFICIT							
	Surplus or deficit at the start of the financial year	44,366,996	44,366,996	44,348,606	(18,390)	(0.04%)	▼
	Amount attributable to operating activities	908,775	306,098	506,223	200,125	65.38%	▲
	Amount attributable to financing activities	(7,495,865)	(4,644,586)	7,827,797	12,472,383	268.54%	▲
	Surplus or deficit after imposition of general rates	37,779,906	40,028,508	52,682,626	12,654,118	31.61%	▲

KEY INFORMATION

▲ ▼ Indicates a variance between Year to Date (YTD) Budget and YTD Actual data as per the adopted materiality threshold.

* Refer to Note 4 for an explanation of the reasons for the variance.

This statement is to be read in conjunction with the accompanying Financial Statements and Notes.

CATALINA REGIONAL COUNCIL
STATEMENT OF FINANCIAL POSITION
FOR THE PERIOD ENDED 31 OCTOBER 2023

	30 June 2023	31 October 2023
	\$	\$
CURRENT ASSETS		
Cash and cash equivalents	43,645,428	51,686,394
Trade and other receivables	1,210,721	1,225,532
Other assets	10,800	25,300
TOTAL CURRENT ASSETS	44,866,949	52,937,226
NON-CURRENT ASSETS		
Right-of-use assets	125,157	113,306
Investment property	2,515,000	2,515,000
TOTAL NON-CURRENT ASSETS	2,640,157	2,628,306
TOTAL ASSETS	47,507,106	55,565,532
CURRENT LIABILITIES		
Trade and other payables	490,811	227,068
Lease liabilities	35,214	23,577
Employee related provisions	27,532	27,532
TOTAL CURRENT LIABILITIES	553,557	278,177
NON-CURRENT LIABILITIES		
Lease liabilities	93,832	93,832
Employee related provisions	19,795	19,795
TOTAL NON-CURRENT LIABILITIES	113,627	113,627
TOTAL LIABILITIES	667,184	391,804
NET ASSETS	46,839,922	55,173,728
EQUITY		
Retained surplus	1,390,886	1,885,258
Contributed equity	45,449,036	53,288,470
TOTAL EQUITY	46,839,922	55,173,728

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

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 OCTOBER 2023

1 BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

BASIS OF PREPARATION

This prescribed financial report has been prepared in accordance with the *Local Government Act 1995* and accompanying regulations.

Local Government Act 1995 requirements

Section 6.4(2) of the *Local Government Act 1995* read with the *Local Government (Financial Management) Regulations 1996*, prescribe that the financial report be prepared in accordance with the *Local Government Act 1995* and, to the extent that they are not inconsistent with the *Local Government Act 1995*, the Australian Accounting Standards. The Australian Accounting Standards (as they apply to local governments and not-for-profit entities) and Interpretations of the Australian Accounting Standards Board were applied where no inconsistencies exist.

The *Local Government (Financial Management) Regulations 1996* specify that vested land is a right-of-use asset to be measured at cost, and is considered a zero cost concessionary lease. All right-of-use assets under zero cost concessionary leases are measured at zero cost rather than at fair value, except for vested improvements on concessionary land leases such as roads, buildings or other infrastructure which continue to be reported at fair value, as opposed to the vested land which is measured at zero cost. The measurement of vested improvements at fair value is a departure from AASB 16 *Leases* which would have required the Regional Council to measure any vested improvements at zero cost.

Local Government (Financial Management) Regulations 1996, regulation 34 prescribes contents of the financial report. Supporting information does not form part of the financial report.

Accounting policies which have been adopted in the preparation of this financial report have been consistently applied unless stated otherwise. Except for cash flow and rate setting information, the financial report has been prepared on the accrual basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and liabilities.

THE LOCAL GOVERNMENT REPORTING ENTITY

All funds through which the Regional Council controls resources to carry on its functions have been included in the financial statements forming part of this financial report.

All monies held in the Trust Fund are excluded from the financial statements.

Judgements and estimates

The preparation of a financial report in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that effect the application of policies and reported amounts of assets and liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and various other factors believed to be reasonable under the circumstances; the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The balances, transactions and disclosures impacted by accounting estimates are as follows:

- estimated fair value of certain financial assets
- impairment of financial assets
- estimation of fair values of land and buildings and infrastructure
- estimation uncertainties made in relation to lease accounting
- estimated fair value of provisions

SIGNIFICANT ACCOUNTING POLICES

Significant accounting policies utilised in the preparation of these statements are as described within the 2023-24 Annual Budget. Please refer to the adopted budget document for details of these policies.

PREPARATION TIMING AND REVIEW

Date prepared: All known transactions up to 09 November 2023

CATALINA REGIONAL COUNCIL
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 OCTOBER 2023

2 CONTRIBUTED EQUITY

Movement in Financing Activities as Represented by:

	Land Sales Year to Date	Development Expenses Year to Date	Return of Contribution Year to Date	Return of Equity Year to Date	Rates Equivalent Year to Date	GST Withheld Year to Date	Total Movement Year to Date
	31 October 2023	31 October 2023	31 October 2023	31 October 2023	31 October 2023	31 October 2023	31 October 2023
	\$	\$	\$	\$	\$	\$	\$
Town of Victoria Park	1,320,420	(534,700)	0	(36,485)	(2,577)	(93,371)	653,287
City of Perth	1,320,420	(534,700)	0	(36,485)	(2,577)	(93,371)	653,287
Town of Cambridge	1,320,420	(534,700)	0	(36,485)	(2,577)	(93,371)	653,287
City of Joondalup	2,640,841	(1,069,401)	0	(72,971)	(5,155)	(186,743)	1,306,571
City of Wanneroo	2,640,841	(1,069,401)	0	(72,971)	(5,155)	(186,743)	1,306,571
Town of Vincent	1,320,420	(534,700)	0	(36,485)	(2,577)	(93,371)	653,287
City of Stirling	5,281,683	(2,138,802)	0	(145,942)	(10,310)	(373,485)	2,613,144
	15,845,045	(6,416,404)	0	(437,824)	(30,928)	(1,120,455)	7,839,434

Land Sales Adopted	Development Expenses Adopted	Return of Contribution Adopted	Return of Equity Adopted	Rates Equivalent Adopted	GST Withheld Adopted	Total Movement Adopted
Budget	Budget	Budget	Budget	Budget	Budget	Budget
\$	\$	\$	\$	\$	\$	\$
3,339,886	(2,051,627)	(4,750)	(1,666,667)	0	(238,584)	(621,742)
3,339,886	(2,051,627)	(4,750)	(1,666,667)	0	(238,584)	(621,742)
3,339,886	(2,051,627)	(4,750)	(1,666,667)	0	(238,584)	(621,742)
6,679,772	(4,103,254)	(9,500)	(3,333,333)	0	(477,167)	(1,243,482)
6,679,772	(4,103,254)	(9,500)	(3,333,333)	0	(477,167)	(1,243,482)
3,339,886	(2,051,627)	(4,750)	(1,666,667)	0	(238,584)	(621,742)
13,359,542	(8,206,509)	(19,000)	(6,666,666)	0	(954,334)	(2,486,967)
40,078,630	(24,619,525)	(57,000)	(20,000,000)	0	(2,863,004)	(7,460,899)

Movement in Total Equity Represented by:

	Contributed Equity 30 Jun 2023	Movement in Contributed Equity	Contributed Equity 31 Oct 2023	Retained Surplus 30 Jun 2023	Net Result 31 Oct 2023	Retained Surplus 31 Oct 2023
	\$	\$	\$	\$	\$	\$
Town of Victoria Park	3,787,185	653,287	4,440,472	115,907	41,198	157,105
City of Perth	3,787,185	653,287	4,440,472	115,907	41,198	157,105
Town of Cambridge	3,787,185	653,287	4,440,472	115,907	41,198	157,105
City of Joondalup	7,574,370	1,306,571	8,880,941	231,814	82,395	314,209
City of Wanneroo	7,574,370	1,306,571	8,880,941	231,814	82,395	314,209
Town of Vincent	3,787,185	653,287	4,440,472	115,907	41,198	157,105
City of Stirling	15,151,556	2,613,144	17,764,700	463,630	164,790	628,420
Total	45,449,036	7,839,434	53,288,470	1,390,886	494,372	1,885,258

CATALINA REGIONAL COUNCIL
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 OCTOBER 2023

3 STATEMENT OF FINANCIAL ACTIVITY INFORMATION

(a) Net current assets used in the Statement of Financial Activity

	Adopted Budget Opening 30 June 2023	Last Year Closing 30 June 2023	Year to Date 31 October 2023
Note			
Current assets	\$	\$	\$
Cash and cash equivalents	1,612,598	43,645,428	51,686,394
Trade and other receivables	1,217,086	1,210,721	1,225,532
Other financial assets	42,032,830	0	0
Other assets	10,800	10,800	25,300
	44,873,314	44,866,949	52,937,226
Less: current liabilities			
Trade and other payables	(478,786)	(490,811)	(227,068)
Lease liabilities	(34,966)	(35,214)	(23,577)
Employee related provisions	(27,532)	(27,532)	(27,532)
	(541,284)	(553,557)	(278,177)
Net current assets	44,332,030	44,313,392	52,659,049
Less: Total adjustments to net current assets	3(c) 34,966	35,214	23,577
Closing funding surplus / (deficit)	44,366,996	44,348,606	52,682,626

(b) Non-cash amounts excluded from operating activities

The following non-cash revenue and expenditure has been excluded from operating activities within the Statement of Financial Activity in accordance with *Financial Management Regulation 32*.

	Adopted Budget	YTD Budget (a)	YTD Actual (b)
	\$	\$	\$
Non-cash amounts excluded from operating activities			
Adjustments to operating activities			
Add: Depreciation	43,932	11,851	11,851
Total non-cash amounts excluded from operating activities	43,932	11,851	11,851

(c) Current assets and liabilities excluded from budgeted deficiency

The following current assets and liabilities have been excluded from the net current assets used in the Statement of Financial Activity in accordance with *Financial Management Regulation 32* to agree to the surplus/(deficit) after imposition of general rates.

	Adopted Budget Opening 30 June 2023	Last Year Closing 30 June 2023	Year to Date 31 October 2023
	\$	\$	\$
Adjustments to net current assets			
Add: Current liabilities not expected to be cleared at the end of the year:			
- Current portion of lease liabilities	34,966	35,214	23,577
Total adjustments to net current assets	3(a) 34,966	35,214	23,577

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. Unless otherwise stated assets or liabilities are classified as current if expected to be settled within the next 12 months, being the Council's operational cycle.

CATALINA REGIONAL COUNCIL
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 OCTOBER 2023

4 EXPLANATION OF MATERIAL VARIANCES

The material variance thresholds are adopted annually by Council as an indicator of whether the actual expenditure or revenue varies from the year to date actual materially.

The material variance adopted by Council for the 2023-24 year is \$5,000 or 10.00% whichever is the greater.

Description	Var. \$	Var. %	
	\$	%	
Revenue from operating activities			
Interest revenue	146,899	20.85%	▲
Interest earned on investments is higher than expected for the YTD.			
Expenditure from operating activities			
Employee costs	28,762	11.56%	▲
Employee costs are profiled as 4/12th of the annual budget.			
The actual exceeds the budget due to back pays made in July 2023.			
Materials and contracts	22,246	26.82%	▲
Computer software maintenance, accounting management, audit fees.			
Materials and contracts are profiled as 4/12th of the annual budget.			
Inflows from financing activities			
Proceeds from member contributions	5,948,113	60.10%	▲
Proceeds from land sales yet to be received.			
Outflows from financing activities			
Payments of member contributions	7,406,475	53.58%	▲
Repayment of member contributions not made.			
Payments of GST withheld	(413,471)	(58.48%)	▼
GST withheld on land sales.			
Payments return of equity	(437,824)	0.00%	▼
Repayment of member equity.			
Payments from rates equivalent	(30,928)	0.00%	▼
City of Joondalup rates equivalent for the 2023/24 financial year.			
Surplus or deficit at the start of the financial year	(18,390)	(0.04%)	▼
Will be adjusted at budget review.			
Surplus or deficit after imposition of general rates	12,654,118	31.61%	▲
Due to variances described above			

CATALINA REGIONAL COUNCIL
SUPPLEMENTARY INFORMATION

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**CATALINA REGIONAL COUNCIL
SUPPLEMENTARY INFORMATION
FOR THE PERIOD ENDED 31 OCTOBER 2023**

1 CASH AND FINANCIAL ASSETS

Description	Classification	Unrestricted	Restricted	Total Cash and Financial Assets	Trust	Institution	Interest Rate	Maturity Date
		\$	\$	\$	\$			
Municipal bank	Cash and cash equivalents	720,215	0	720,215	0	Westpac	Nil	Nil
Settlement Proceeds	Cash and cash equivalents	2,316,192	0	2,316,192	0	Westpac	0.34%	Nil
Cash Management	Cash and cash equivalents	312	0	312	0	Macquarie	0.25%	Nil
Accelerator	Cash and cash equivalents	2,635,538	0	2,635,538	0	Macquarie	1.85%	Nil
Term Deposit	Financial assets at amortised cost	1,000,000	0	1,000,000	0	Westpac	4.82%	11/2023
Term Deposit	Financial assets at amortised cost	1,000,000	0	1,000,000	0	NAB	5.28%	11/2023
Term Deposit	Financial assets at amortised cost	3,000,000	0	3,000,000	0	Westpac	4.85%	12/2023
Term Deposit	Financial assets at amortised cost	4,000,000	0	4,000,000	0	NAB	4.72%	12/2023
Term Deposit 6177	Financial assets at amortised cost	2,500,000	0	2,500,000	0	Suncorp	5.10%	12/2023
Term Deposit	Financial assets at amortised cost	2,000,000	0	2,000,000	0	CBA	4.49%	01/2024
Term Deposit 2949	Financial assets at amortised cost	1,004,763	0	1,004,763	0	Westpac	4.95%	02/2024
Term Deposit	Financial assets at amortised cost	1,009,374	0	1,009,374	0	Westpac	5.05%	02/2024
Term Deposit	Financial assets at amortised cost	2,000,000	0	2,000,000	0	Westpac	4.86%	03/2024
Term Deposit	Financial assets at amortised cost	1,500,000	0	1,500,000	0	AMP	5.10%	04/2024
Term Deposit 6485	Financial assets at amortised cost	2,000,000	0	2,000,000	0	Suncorp	5.47%	04/2024
Term Deposit 2537	Financial assets at amortised cost	1,000,000	0	1,000,000	0	AMP	5.55%	05/2024
Term Deposit	Financial assets at amortised cost	3,000,000	0	3,000,000	0	AMP	5.05%	05/2024
Term Deposit	Financial assets at amortised cost	3,000,000	0	3,000,000	0	NAB	4.99%	05/2024
Term Deposit 6256	Financial assets at amortised cost	2,500,000	0	2,500,000	0	Suncorp	5.48%	06/2024
Term Deposit 1023	Financial assets at amortised cost	2,500,000	0	2,500,000	0	Westpac	5.59%	06/2024
Term Deposit	Financial assets at amortised cost	5,000,000	0	5,000,000	0	CBA	5.10%	06/2024
Term Deposit	Financial assets at amortised cost	2,000,000	0	2,000,000	0	CBA	5.40%	06/2024
Term Deposit 8183	Financial assets at amortised cost	1,500,000	0	1,500,000	0	Westpac	5.32%	06/2024
Term Deposit 3644	Financial assets at amortised cost	1,500,000	0	1,500,000	0	Westpac	5.16%	12/2023
Term Deposit 3660	Financial assets at amortised cost	1,000,000	0	1,000,000	0	Westpac	5.34%	06/2024
Term Deposit	Financial assets at amortised cost	2,000,000	0	2,000,000	0	Westpac	5.14%	06/2024
Total		51,686,394	0	51,686,394	0			
Comprising								
Cash and cash equivalents		5,672,257	0	5,672,257	0			
Financial assets at amortised cost		46,014,137	0	46,014,137	0			
		51,686,394	0	51,686,394	0			

KEY INFORMATION

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

The local government classifies financial assets at amortised cost if both of the following criteria are met:

- the asset is held within a business model whose objective is to collect the contractual cashflows, and
- the contractual terms give rise to cash flows that are solely payments of principal and interest.

Financial assets at amortised cost held with registered financial institutions are listed in this note other financial assets at amortised cost are provided in Note 4 - Other assets.

2 RECEIVABLES

Receivables - general	Credit	Current	30 Days	60 Days	90+ Days	Total
	\$	\$	\$	\$	\$	\$
Receivables - general	0	249,940	38,040	11,564	0	299,544
Percentage	0.0%	83.4%	12.7%	3.9%	0.0%	
Balance per trial balance						
Trade receivables						299,544
Accrued interest						925,988
Total receivables general outstanding						1,225,532

Amounts shown above include GST (where applicable)

KEY INFORMATION

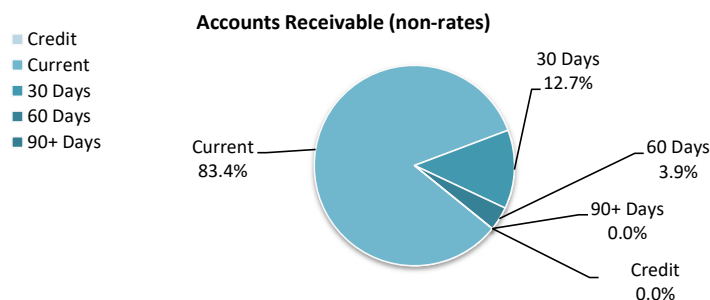
Trade and other receivables include amounts due from third parties for goods sold and services performed in the ordinary course of business.

Trade receivables are recognised at original invoice amount less any allowances for uncollectable amounts (i.e. impairment). The carrying amount of net trade receivables is equivalent to fair value as it is due for settlement within 30 days.

Classification and subsequent measurement

Receivables which are generally due for settlement within 30 days except rates receivables which are expected to be collected within 12 months are classified as current assets.

Trade and other receivables are held with the objective to collect the contractual cashflows and therefore the Regional Council measures them subsequently at amortised cost using the effective interest rate method.



3 OTHER CURRENT ASSETS

	Opening Balance 1 July 2023	Asset Increase	Asset Reduction	Closing Balance 31 October 2023
	\$	\$	\$	\$
Other current assets				
Other assets				
Funds held by Settlement agent in Trust	10,800	22,000	(7,500)	25,300
Total other current assets	10,800	22,000	(7,500)	25,300
Amounts shown above include GST (where applicable)				

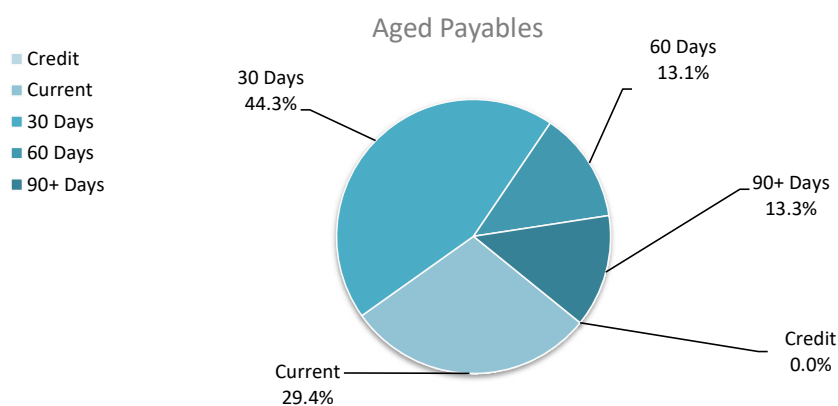
KEY INFORMATION

4 PAYABLES

Payables - general	Credit	Current	30 Days	60 Days	90+ Days	Total
	\$	\$	\$	\$	\$	\$
Payables - general	0	27,132	40,932	12,105	12,273	92,442
Percentage	0.0%	29.4%	44.3%	13.1%	13.3%	
Balance per trial balance						
Sundry creditors						92,442
ATO liabilities						13,463
Credit card						1,163
Deposits or bonds						120,000
Total payables general outstanding						227,068
Amounts shown above include GST (where applicable)						

KEY INFORMATION

Trade and other payables represent liabilities for goods and services provided to the Regional Council prior to the end of the period that are unpaid and arise when the Regional Council becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured, are recognised as a current liability and are normally paid within 30 days of recognition. The carrying amounts of trade and other payables are considered to be the same as their fair values, due to their short-term nature.



5 LEASE LIABILITIES

Movement in carrying amounts

Information on leases		Lease No.	1 July 2023	New Leases		Principal Repayments		Principal Outstanding		Interest Repayments	
Particulars				Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget
			\$	\$	\$	\$	\$	\$	\$	\$	\$
2/369 Scarborough Beach Road, Innaloo	STIRLI/210937		128,798	0	0	(11,637)	(34,966)	117,161	93,832	(998)	(2,691)
Total			128,798	0	0	(11,637)	(34,966)	117,161	93,832	(998)	(2,691)
Current lease liabilities			35,214					23,577			
Non-current lease liabilities			93,832					93,832			
			129,046					117,409			

All lease repayments were financed by general purpose revenue.

KEY INFORMATION

At inception of a contract, the Regional Council assesses if the contract contains or is a lease. A contract is or contains a lease, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. At the commencement date, a right of use asset is recognised at cost and lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Regional Council uses its incremental borrowing rate.

All contracts classified as short-term leases (i.e. a lease with a remaining term of 12 months or less) and leases of low value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

6 OTHER CURRENT LIABILITIES

Other current liabilities	Opening Balance 1 July 2023 \$	Liability transferred from/(to) non current \$	Liability Increase \$	Liability Reduction \$	Closing Balance 31 October 2023 \$
Employee Related Provisions					
Provision for annual leave	27,532	0	0	0	27,532
Total Provisions	27,532	0	0	0	27,532
Total other current liabilities	27,532	0	0	0	27,532
Amounts shown above include GST (where applicable)					

A breakdown of contract liabilities and associated movements is provided on the following pages at Note

KEY INFORMATION

Provisions

Provisions are recognised when the Regional Council has a present legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

Employee Related Provisions

Short-term employee benefits

Provision is made for the Regional Council's obligations for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The Regional Council's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of current trade and other payables in the calculation of net current assets.

Other long-term employee benefits

The Regional Council's obligations for employees' annual leave and long service leave entitlements are recognised as employee related provisions in the statement of financial position.

Long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Any remeasurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the changes occur. The Regional Council's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the Regional Council does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.



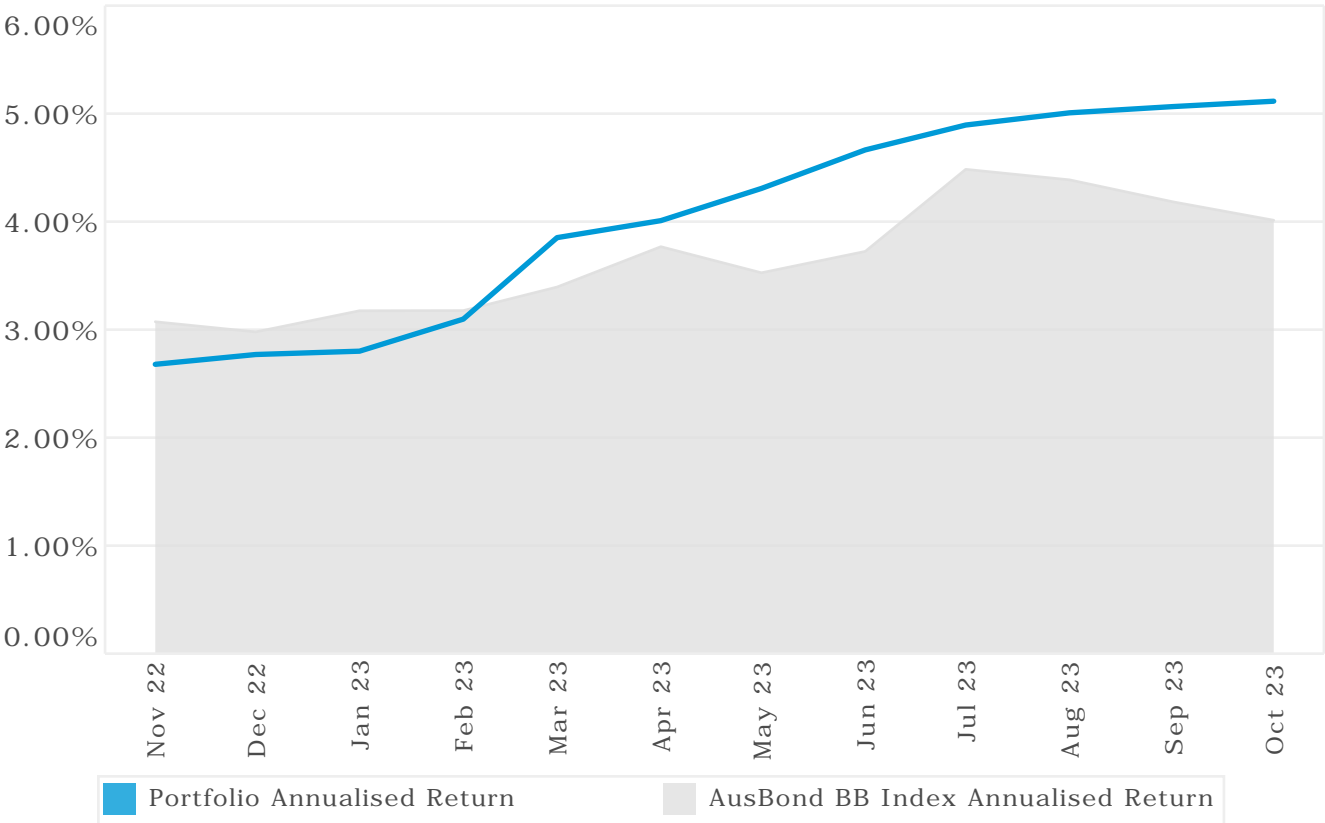
Investment Summary Report
October 2023



Investment Holdings

Investment Performance

	Face Value (\$)	Current Value (\$)	Current	Yield (%)
Cash	2,635,850	2,635,850		4.7803
Term Deposit	46,014,137	46,895,407		5.1435
	48,649,988	49,531,258		5.1239

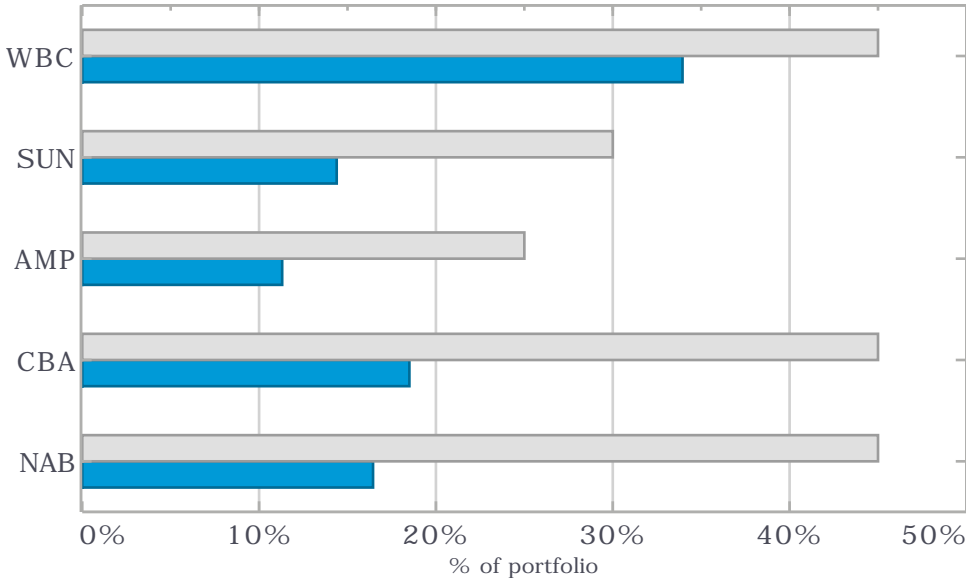
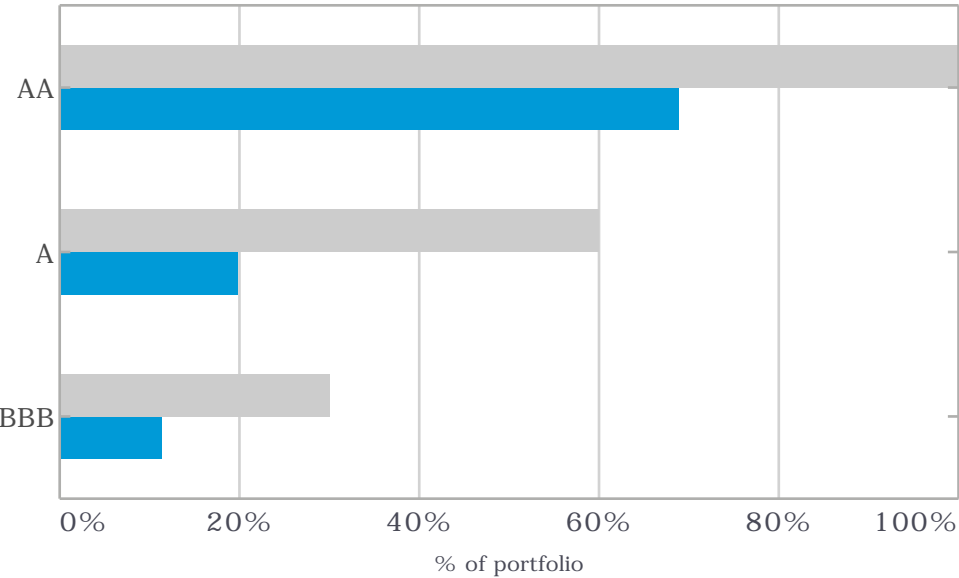


Investment Policy Compliance

Total Credit Exposure

Individual Institutional Exposures

Term to Maturities



	Face Value (\$)	Policy Max
Between 0 and 1 years	48,649,988	100%
	48,649,988	

Portfolio Exposure

Investment Policy Limit

Catalina Regional Council
Investment Holdings Report - October 2023



Cash Accounts											
	Face Value (\$)	Current Rate (%)	Institution	Credit Rating			Current Value (\$)	Deal No.			Reference
	2,635,850.42	4.7803%	Macquarie Bank	A+			2,635,850.42	541301			Accelerator
	2,635,850.42	4.7803%					2,635,850.42				

Term Deposits											
Maturity Date	Face Value (\$)	Current Rate (%)	Institution	Credit Rating	Purchase Price (\$)	Purchase Date	Current Value (\$)	Deal No.	Accrued Interest (\$)	Next Interest Date	Reference
Nov-23	1,000,000.00	4.8200%	Westpac Group	AA-	1,000,000.00	Mar-23	1,030,504.66	543933	30,504.66	At Maturity	698
Nov-23	1,000,000.00	5.2800%	National Australia Bank	AA-	1,000,000.00	Jul-23	1,014,176.44	544337	14,176.44	At Maturity	708
Dec-23	4,000,000.00	4.7200%	National Australia Bank	AA-	4,000,000.00	Mar-23	4,122,073.42	543931	122,073.42	At Maturity	697
Dec-23	2,500,000.00	5.1000%	Suncorp Bank	A+	2,500,000.00	Jun-23	2,551,698.63	544161	51,698.63	At Maturity	703
Dec-23	3,000,000.00	4.8500%	Westpac Group	AA-	3,000,000.00	Mar-23	3,095,272.60	543905	95,272.60	At Maturity	696
Dec-23	1,500,000.00	5.1600%	Westpac Group	AA-	1,500,000.00	Sep-23	1,507,633.97	544528	7,633.97	At Maturity	
Jan-24	2,000,000.00	4.4900%	Commonwealth Bank of Australia	AA-	2,000,000.00	Jan-23	2,069,133.70	543716	69,133.70	At Maturity	691
Feb-24	1,004,763.01	4.9500%	Westpac Group	AA-	1,004,763.01	Feb-23	1,015,527.74	543888	10,764.73	Semi Annually	693
Feb-24	1,009,374.25	5.0500%	Westpac Group	AA-	1,009,374.25	Feb-23	1,019,289.62	543853	9,915.37	Semi Annually	695
Mar-24	2,000,000.00	4.8600%	Westpac Group	AA-	2,000,000.00	May-23	2,045,004.93	544120	45,004.93	At Maturity	700
Apr-24	2,000,000.00	5.4700%	Suncorp Bank	A+	2,000,000.00	Jul-23	2,031,770.96	544321	31,770.96	At Maturity	706
May-24	3,000,000.00	5.0500%	AMP Bank	BBB	3,000,000.00	May-23	3,075,542.47	544062	75,542.47	At Maturity	702
May-24	1,500,000.00	5.1000%	AMP Bank	BBB	1,500,000.00	May-23	1,535,420.55	544099	35,420.55	At Maturity	699
May-24	1,000,000.00	5.5500%	AMP Bank	BBB	1,000,000.00	Jul-23	1,014,901.37	544338	14,901.37	At Maturity	707
May-24	3,000,000.00	4.9900%	National Australia Bank	AA-	3,000,000.00	May-23	3,063,161.10	544137	63,161.10	At Maturity	701
Jun-24	2,500,000.00	5.4800%	Suncorp Bank	A+	2,500,000.00	Jun-23	2,552,172.60	544204	52,172.60	At Maturity	704
Jun-24	2,000,000.00	5.1400%	Westpac Group	AA-	2,000,000.00	Oct-23	2,004,506.30	544589	4,506.30	At Maturity	
Jun-24	1,500,000.00	5.3200%	Westpac Group	AA-	1,500,000.00	Sep-23	1,508,745.21	544522	8,745.21	At Maturity	
Jun-24	2,500,000.00	5.5900%	Westpac Group	AA-	2,500,000.00	Jun-23	2,550,539.73	544220	50,539.73	Annually	705
Jun-24	1,000,000.00	5.3400%	Westpac Group	AA-	1,000,000.00	Sep-23	1,005,266.85	544529	5,266.85	At Maturity	
Jun-24	2,000,000.00	5.4000%	Commonwealth Bank of Australia	AA-	2,000,000.00	Aug-23	2,020,416.44	544422	20,416.44	At Maturity	
Jul-24	5,000,000.00	5.5100%	Commonwealth Bank of Australia	AA-	5,000,000.00	Aug-23	5,062,647.95	544377	62,647.95	At Maturity	

Catalina Regional Council

Investment Holdings Report - October 2023



Maturity Date	Face Value (\$)	Current Rate (%)	Institution	Credit Rating	Purchase Price (\$)	Purchase Date	Current Value (\$)	Deal No.	Accrued Interest (\$)	Next Interest Date	Reference
	46,014,137.26	5.1435%			46,014,137.26		46,895,407.24		881,269.98		

Catalina Regional Council
Accrued Interest Report - October 2023

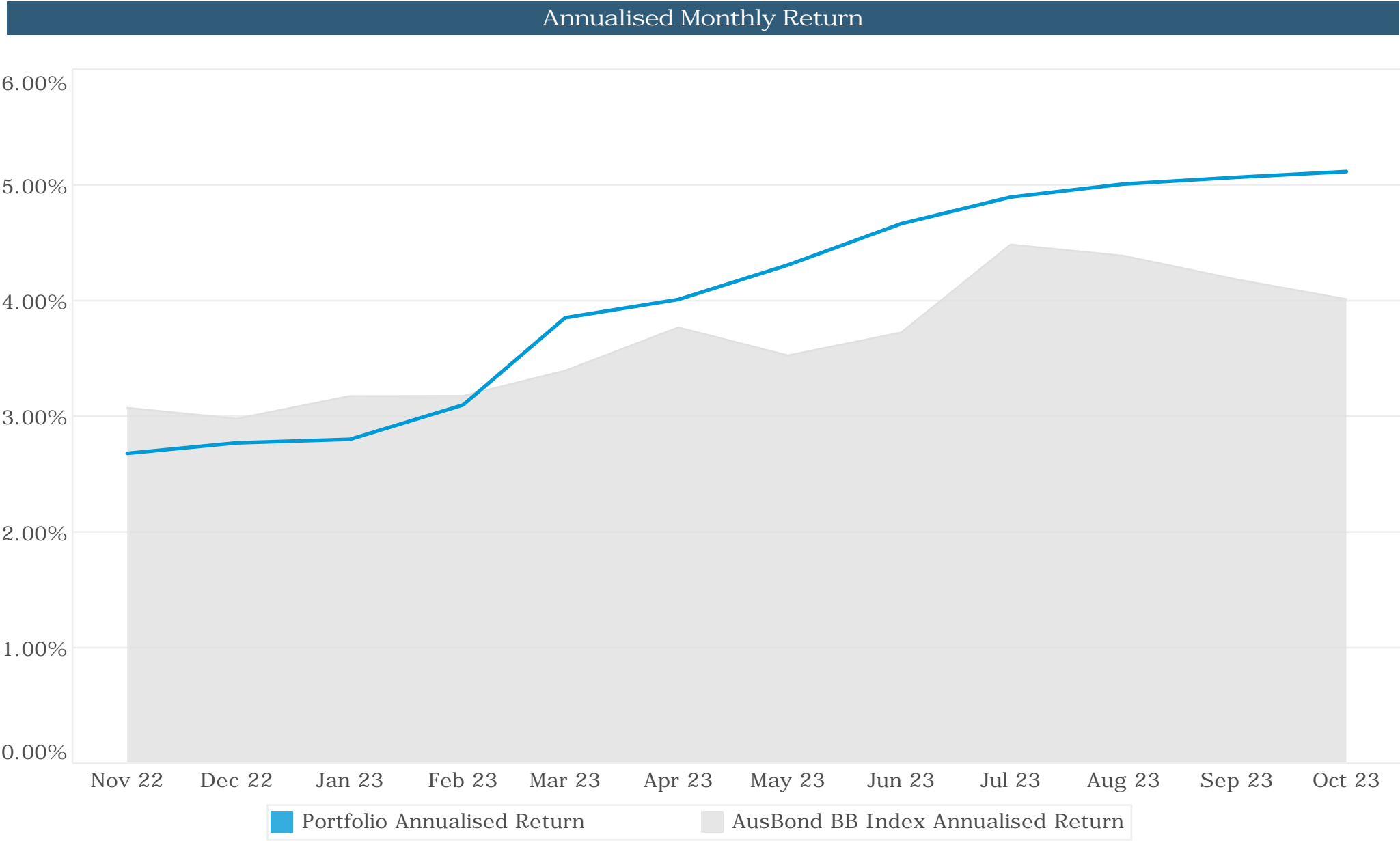


Investment	Deal No.	Comments	Face Value (\$)	Settlement Date	Maturity Date	Interest Received (\$)	Days	Interest Accrued (\$)	Yield (% pa)
<u>Cash</u>									
Macquarie Bank	541301					6,027.95	0	6,027.95	4.78%
						6,027.95		6,027.95	4.78%
<u>Term Deposits</u>									
Westpac Group	543474		3,000,000.00	Oct-22	Oct-23	138,152.88	15	5,646.58	4.58%
Westpac Group	543933		1,000,000.00	Mar-23	Nov-23	0.00	31	4,093.70	4.82%
National Australia Bank	544337		1,000,000.00	Jul-23	Nov-23	0.00	31	4,484.39	5.28%
Westpac Group	543905		3,000,000.00	Mar-23	Dec-23	0.00	31	12,357.53	4.85%
Westpac Group	544528		1,500,000.00	Sep-23	Dec-23	0.00	31	6,573.70	5.16%
National Australia Bank	543931		4,000,000.00	Mar-23	Dec-23	0.00	31	16,035.06	4.72%
Suncorp Bank	544161		2,500,000.00	Jun-23	Dec-23	0.00	31	10,828.77	5.10%
Commonwealth Bank of Australia	543716		2,000,000.00	Jan-23	Jan-24	0.00	31	7,626.85	4.49%
Westpac Group	543853		1,009,374.25	Feb-23	Feb-24	0.00	31	4,329.24	5.05%
Westpac Group	543888		1,004,763.01	Feb-23	Feb-24	0.00	31	4,224.14	4.95%
Westpac Group	544120		2,000,000.00	May-23	Mar-24	0.00	31	8,255.34	4.86%
Suncorp Bank	544321		2,000,000.00	Jul-23	Apr-24	0.00	31	9,291.51	5.47%
AMP Bank	544062		3,000,000.00	May-23	May-24	0.00	31	12,867.13	5.05%
AMP Bank	544099		1,500,000.00	May-23	May-24	0.00	31	6,497.26	5.10%
AMP Bank	544338		1,000,000.00	Jul-23	May-24	0.00	31	4,713.70	5.55%
National Australia Bank	544137		3,000,000.00	May-23	May-24	0.00	31	12,714.25	4.99%
Suncorp Bank	544204		2,500,000.00	Jun-23	Jun-24	0.00	31	11,635.61	5.48%
Westpac Group	544220		2,500,000.00	Jun-23	Jun-24	0.00	31	11,869.18	5.59%
Westpac Group	544522		1,500,000.00	Sep-23	Jun-24	0.00	31	6,777.54	5.32%
Westpac Group	544529		1,000,000.00	Sep-23	Jun-24	0.00	31	4,535.34	5.34%
Westpac Group	544589		2,000,000.00	Oct-23	Jun-24	0.00	16	4,506.30	5.14%
Commonwealth Bank of Australia	544422		2,000,000.00	Aug-23	Jun-24	0.00	31	9,172.60	5.40%
Commonwealth Bank of Australia	544377		5,000,000.00	Aug-23	Jul-24	0.00	31	23,398.63	5.51%

Catalina Regional Council
Accrued Interest Report - October 2023



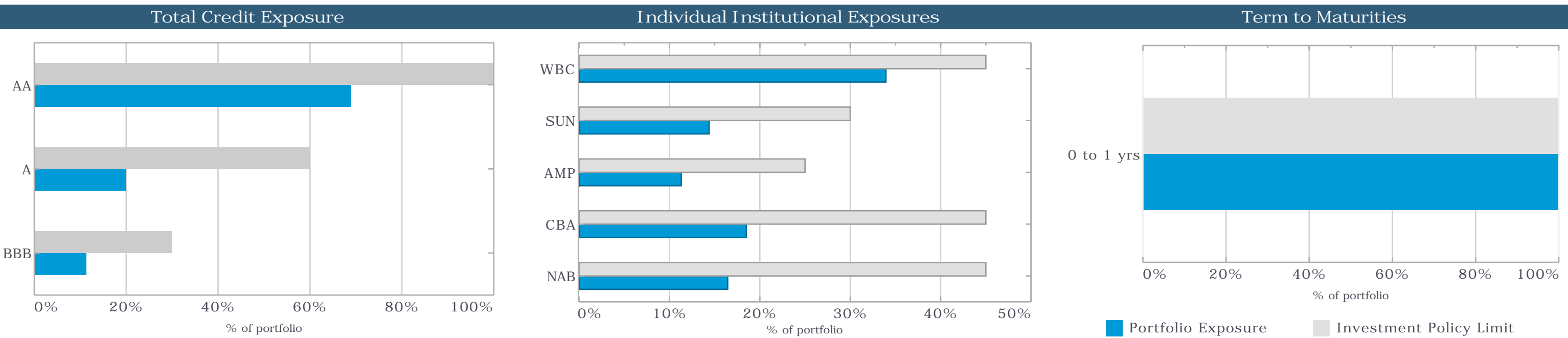
Investment	Deal No.	Comments	Face Value (\$)	Settlement Date	Maturity Date	Interest Received (\$)	Days	Interest Accrued (\$)	Yield (% pa)
						138,152.88		202,434.35	5.13%
Grand Totals						144,180.83		208,462.30	5.12%



Historical Performance Summary (% pa)			
	Portfolio	Annualised BB Index	Outperformance
Oct 2023	5.12%	4.01%	1.11%
Last 3 months	5.06%	4.19%	0.87%
Last 6 months	4.84%	4.05%	0.79%
Financial Year to Date	5.02%	4.27%	0.75%
Last 12 months	4.02%	3.66%	0.36%

Catalina Regional Council

Investment Policy Compliance Report - October 2023



Credit Rating Group	Face Value (\$)		Policy Max	
AA	33,514,137	69%	100%	a
A	9,635,850	20%	60%	a
BBB	5,500,000	11%	30%	a
	48,649,988			

Institution	% of portfolio	Investment Policy Limit	
Westpac Group (AA-)	34%	45%	a
Suncorp Bank (A+)	14%	30%	a
AMP Bank (BBB)	11%	25%	a
Commonwealth Bank of Australia (AA-)	18%	45%	a
National Australia Bank (AA-)	16%	45%	a
Macquarie Bank (A+)	5%	30%	a

	Face Value (\$)		Policy Max	
Between 0 and 1 years	48,649,988	100%	100%	a
	48,649,988			

a = compliant

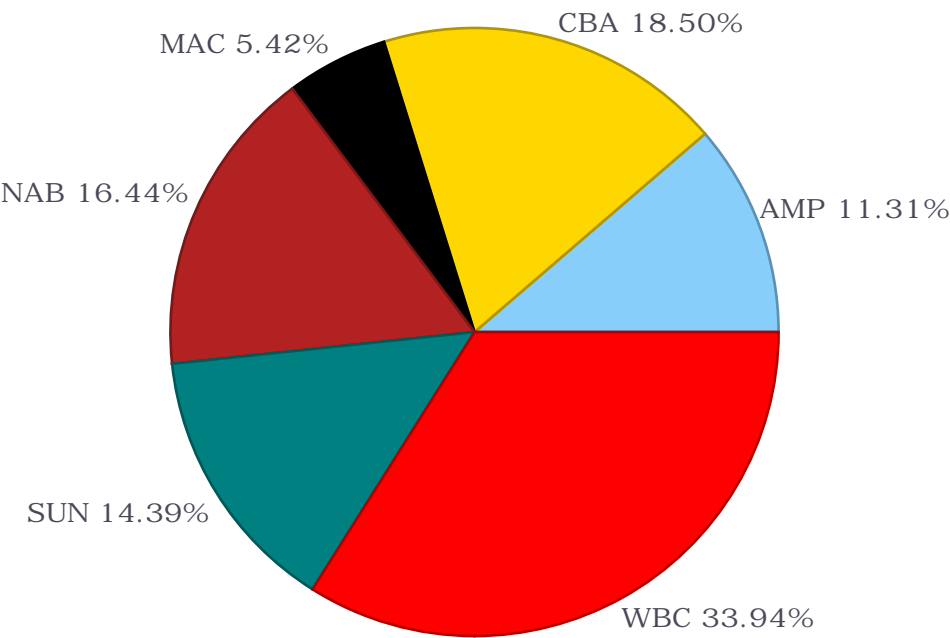
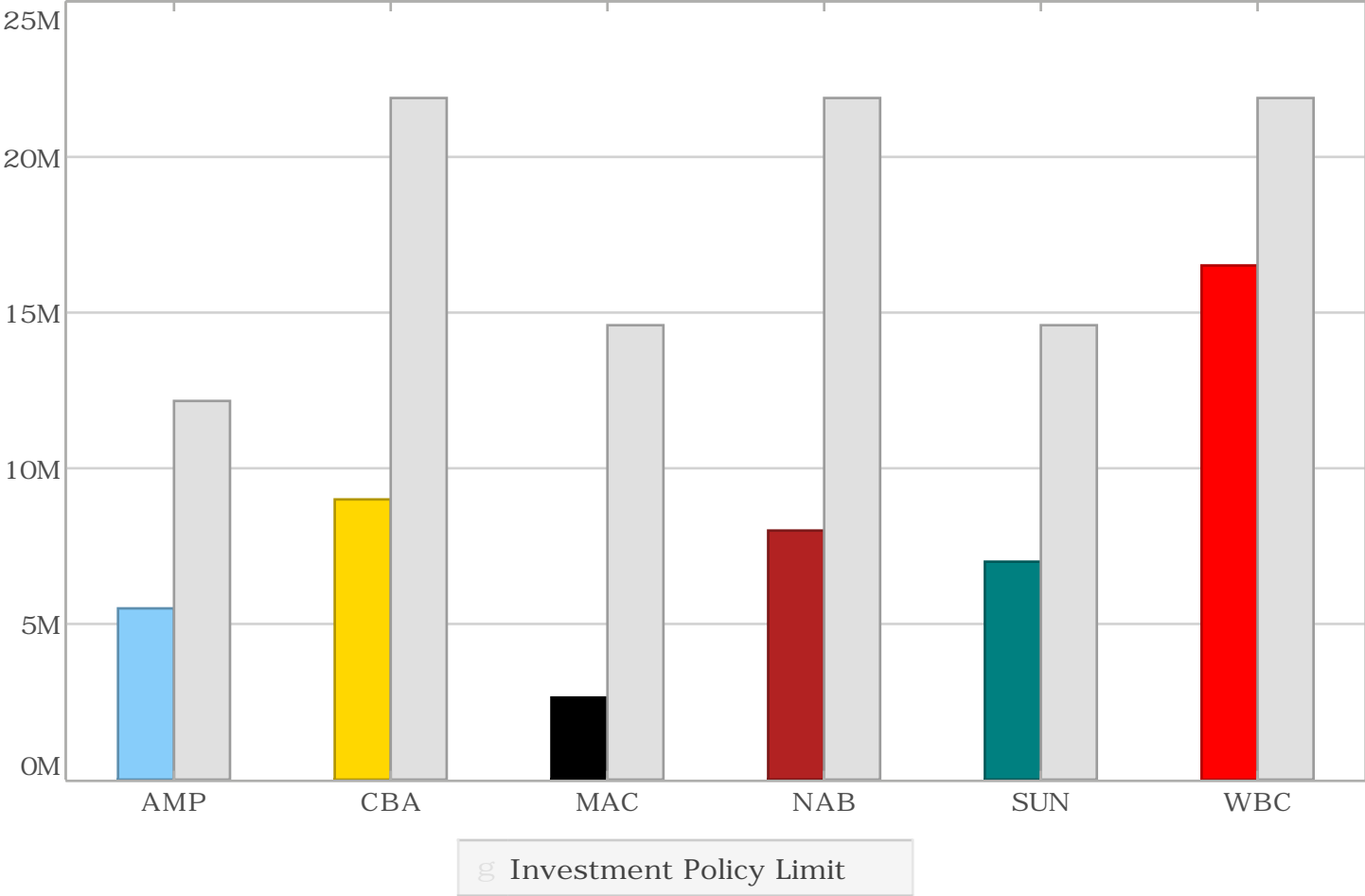
r = non-compliant



Individual Institutional Exposures

Individual Institutional Exposure Charts

	Current Exposures		Policy Limit		Capacity
AMP Bank (BBB)	5,500,000	11%	12,162,497	25%	6,662,497
Commonwealth Bank of Australia (AA-)	9,000,000	18%	21,892,494	45%	12,892,494
Macquarie Bank (A+)	2,635,850	5%	14,594,996	30%	11,959,146
National Australia Bank (AA-)	8,000,000	16%	21,892,494	45%	13,892,494
Suncorp Bank (A+)	7,000,000	14%	14,594,996	30%	7,594,996
Westpac Group (AA-)	16,514,137	34%	21,892,494	45%	5,378,357
	48,649,988				

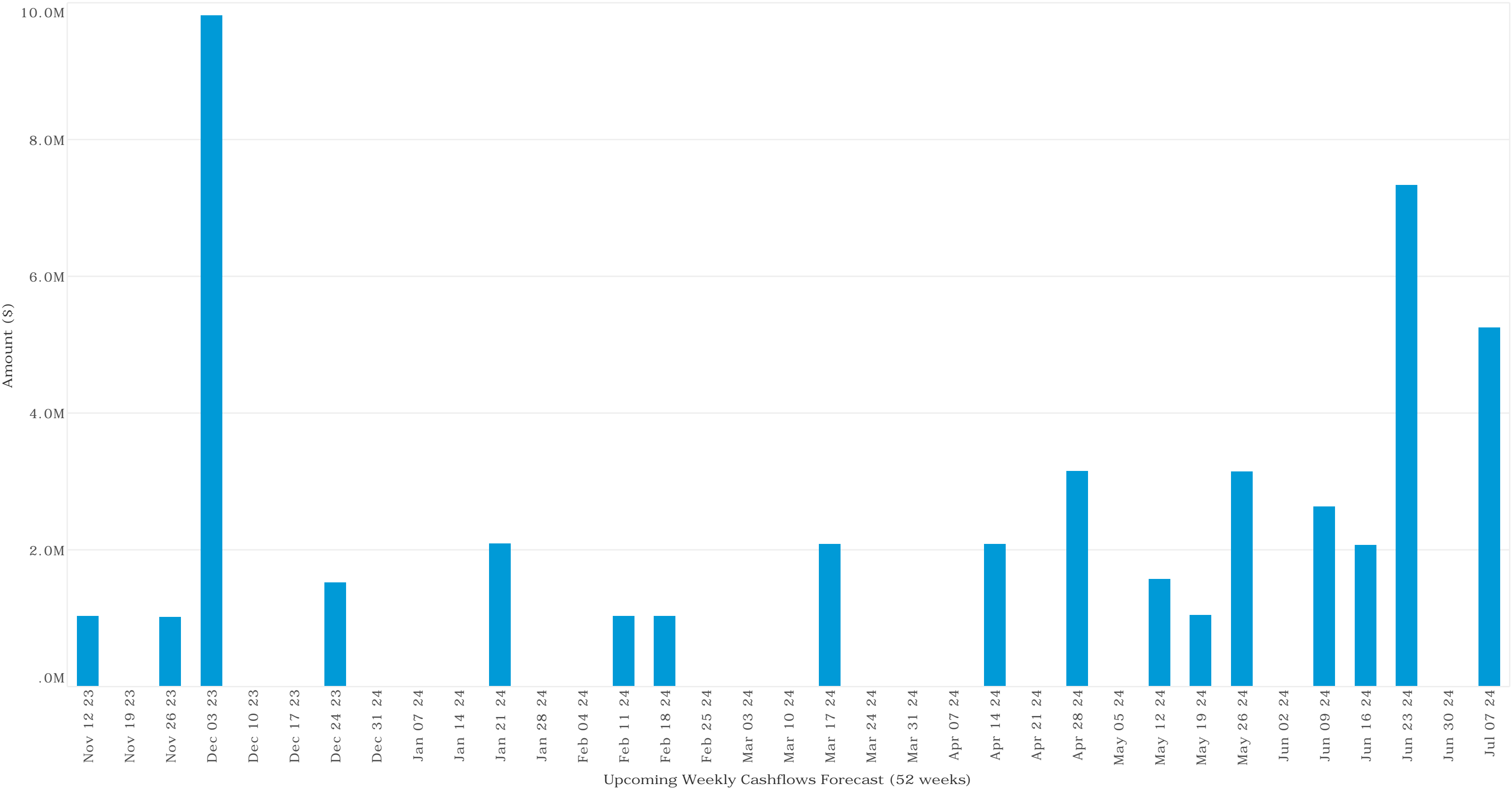


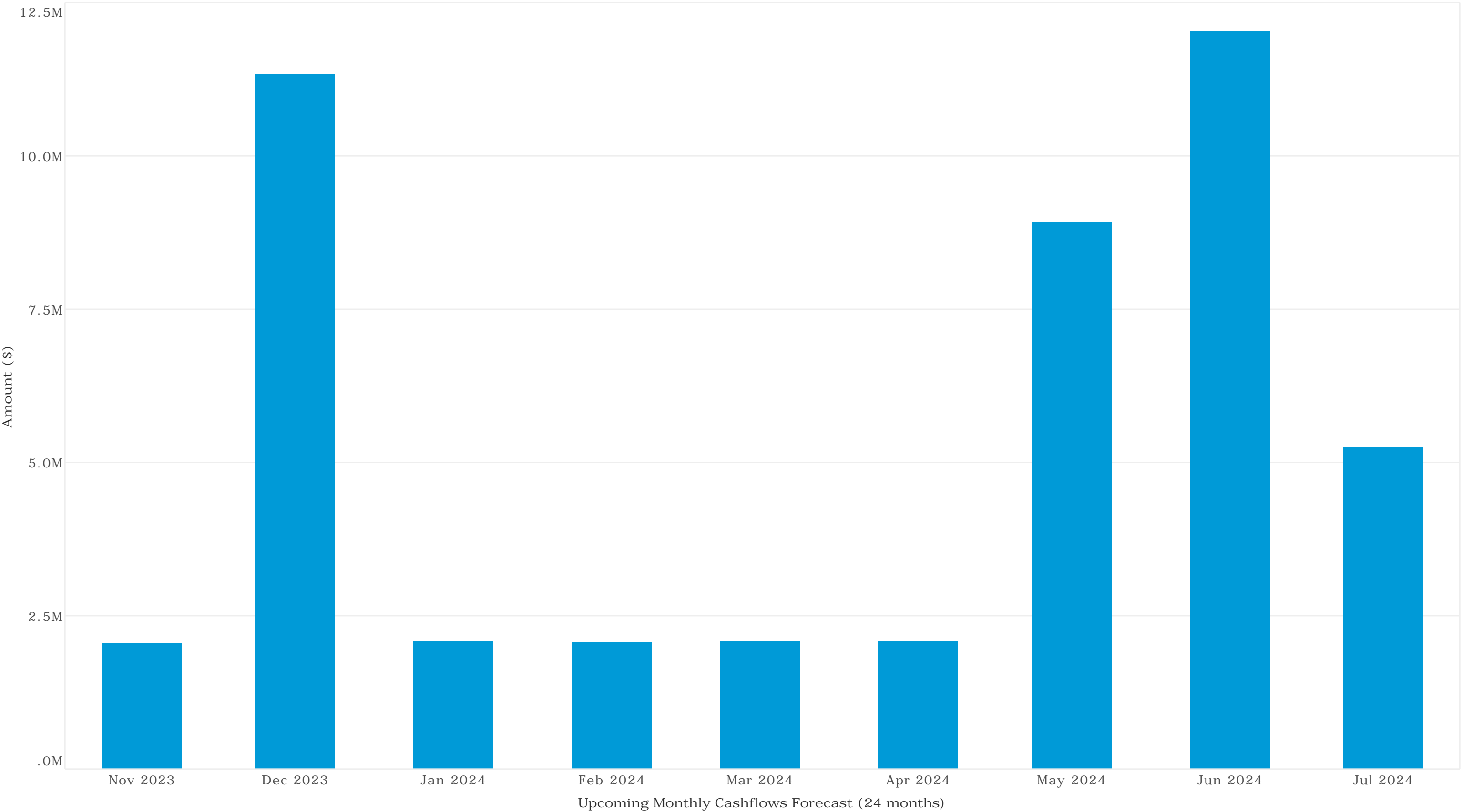
Catalina Regional Council
Cashflows Report - October 2023



Actual Cashflows for October 2023						
Date	Deal No.	Cashflow Counterparty	Asset Type	Cashflow Description	Amount	
Oct-23	543474	Westpac Group	Term Deposit	Maturity: Face Value	3,000,000.00	
		Westpac Group	Term Deposit	Maturity: Interest Received/Paid	138,152.88	
				Deal Total	3,138,152.88	
Oct-23	544589	Westpac Group	Term Deposit	Settlement: Face Value	-2,000,000.00	
					Deal Total	-2,000,000.00
Day Total					1,138,152.88	
Total for Month					1,138,152.88	

Forecast Cashflows for November 2023						
Date	Deal No.	Cashflow Counterparty	Asset Type	Cashflow Description	Amount	
Nov-23	543933	Westpac Group	Term Deposit	Maturity: Face Value	1,000,000.00	
		Westpac Group	Term Deposit	Maturity: Interest Received/Paid	32,353.42	
		Deal Total			1,032,353.42	
Day Total					1,032,353.42	
Nov-23	544337	National Australia Bank	Term Deposit	Maturity: Face Value	1,000,000.00	
		National Australia Bank	Term Deposit	Maturity: Interest Received/Paid	18,082.19	
		Deal Total			1,018,082.19	
Day Total					1,018,082.19	
Total for Month					2,050,435.62	





Appendix 8.4

Catalina Regional Council
Credit Card Report
As of October 31, 2023

Type	Date	Name	Description	Amount
A01110 · Westpac Visa Corp Credit Card				
Credit Card Charge	2/10/2023	City of Perth Parking	CEO parking (budget meeting with SPG)	4.09
Credit Card Charge	4/10/2023	Woolworths	Tissues x 2	7.20
Credit Card Charge	6/10/2023	City of Subiaco	PM parking (consultant meeting)	1.00
Credit Card Charge	10/10/2023	Secure Parking P/L	PM Parking fees (meeting with consultant)	9.64
Credit Card Charge	10/10/2023	Westpac Bank	Credit card fees (CEO, EA & MPC)	11.25
Cheque	11/10/2023	Westpac Bank	Credit card charges (EA)	-263.33
Cheque	11/10/2023	Westpac Bank	Credit card charges (CEO)	-13.39
Cheque	11/10/2023	Westpac Bank	Credit card charges (MPC)	-4.75
Bill Pmt -CCard	17/10/2023	Interflora Hampers ...	Leaving gifts (Crs Treby & Sandri)	1,023.00
Credit Card Charge	20/10/2023	Coles Supermarkets	Coffee pods (40 pack)	22.00
Bill Pmt -CCard	25/10/2023	Neverfail	Bottled water x 2	31.15
Credit Card Charge	26/10/2023	Ampol	Milk x 2	8.00
Credit Card Charge	29/10/2023	Zoom Video Comm...	Standard Pro Monthly x 3 (November 20...	69.18
Total A01110 · Westpac Visa Corp Credit Card				905.04
TOTAL				905.04

Catalina Regional Council

Summary Payment List

October 2023

Date	Name	Description	Amount
05/10/2023	Employee costs	Wages for period 21/09/23 - 04/10/23	-16,099.53
05/10/2023	Australian Super	Superannuation for period 21/09/23 - 04/10/23	-2,577.14
05/10/2023	ATL Event Management	DV Opening Staffing	-7,392.00
05/10/2023	Burgess Rawson	Valuation fees x 45 lots	-3,465.00
05/10/2023	City of Joondalup	Rates equivalent payment for 2023/24 financial yea	-30,928.15
05/10/2023	City of Wanneroo	Landscape assessment fees	-1,599.95
05/10/2023	Emerge Associates	Landscape maintenance supervision (August 2023)	-2,530.00
05/10/2023	Emerge Environmental Services P/L	Green UWMP/Surface Runoff Modelling	-2,533.85
05/10/2023	Hepcal, T & I	Solar Panel Rebate (Lot 2166)	-2,000.00
05/10/2023	Ideal Living	Building Plan Assessments (September 2023)	-1,144.00
05/10/2023	Khetani, Shail	Solar Panel Rebate (Lot 2364)	-2,000.00
05/10/2023	LD Total	Landscaping services	-10,014.03
05/10/2023	LED Sign Screen Delivered	Upcycle Event LED trailer hire	-550.00
05/10/2023	Natural Area Holdings Pty Ltd	Offset Area Revegetation Works (Stage 2)	-187,025.05
05/10/2023	New Living Cleaning	Sales Office cleaning (22/09/23)	-231.00
05/10/2023	Omnicom Media Group	Statutory advertising	-3,285.57
05/10/2023	Prudential Investment Services	Investment Portfolio Services (September 2023)	-1,815.00
05/10/2023	Satterley Property Group	Community development services (August 2023)	-2,371.60
05/10/2023	Starr, S	Parking (Foundations of Property Dev Course)	-24.23
05/10/2023	Stephen Heath Photography	DV Opening photography	-715.00
05/10/2023	Treacy Fencing	Fencing services	-9,913.04
05/10/2023	Vocus Pty Ltd	Business Internet (October 2023)	-162.80
05/10/2023	Canon Australia Pty Ltd	Photocopying (21/08/23 - 20/09/23)	-35.83
05/10/2023	Water Corporation	Sales Office water charges (18/07/23 - 15/09/23)	-228.22
11/10/2023	Westpac Bank	Payment of credit card charges - Sept/Oct 2023	-281.47
19/10/2023	ATL Event Management	Catalina Upcycle event 05/10/2023	-2,145.00
19/10/2023	Befriend Inc	Upcycle event - weaving group	-275.00
19/10/2023	Burgess Rawson	GST Valuations - September 2023	-1,001.00
19/10/2023	City of Stirling	Rent & ICT charges	-4,574.62
19/10/2023	Cossill and Webley	Engineering services	-47,065.57
19/10/2023	Emerge Associates	Landscape maintenance supervision	-29,700.00
19/10/2023	Fisher, Keith & Linda	Lot 2018 - Soalr Panel rebate	-2,000.00
19/10/2023	Kevin Smith Cleaning Services	Cleaning Office (1/9, 15/9 & 29/9)	-232.22
19/10/2023	LD Total	Landscaping	-416,677.16
19/10/2023	LGIS Insurance Broking	Insurances (30/06/2023 - 30/06/2024) - part 2	-16,319.28
19/10/2023	Match & Wood Pty Ltd	Campaign SWC006 Catalina (July-Sept 2023)	-5,500.00
19/10/2023	McMullen Nolan Group	Surveying services	-14,147.10
19/10/2023	Natural Area Holdings	Catalina Offset Area revegetation works	-71,538.14
19/10/2023	Niche Planning Studio	Stages 41-44 and 33-34 preparation of report. Sept	-10,505.00
19/10/2023	O'Sullivan, Simon	Telephone (26/07/23 - 25/08/23)	-62.21
19/10/2023	Office of the Auditor General	Fee for the Attest Audit for the year ended 30 June	-34,650.00
19/10/2023	R J Vincent and Co	Civil works	-1,128,970.65
19/10/2023	REmida Perth Inc	Festival workshop 05/10/2023	-790.00
19/10/2023	Satterley Property Group	Community events, communications, internal consu	-13,786.30
19/10/2023	Stantons International	15/09/2023 - Review updated evaluation report	-118.13
19/10/2023	Starr, S	Reimbursement	-133.02
19/10/2023	Tim Davies Landscaping P/L	Landscape architect	-27,120.56
19/10/2023	Town of Victoria Park	GST (July-Aug 2023)	-8,047.00
19/10/2023	Employee costs	Wages for period 05/10/23 - 18/10/23	-16,214.28
23/10/2023	Australian Super	Superannuation for period 05/10/23 - 18/10/23	-2,577.14
23/10/2023	Synergy	Sales Office power (05/08/23 - 14/09/23)	-38.99
23/10/2023	Moore Australia (WA) Pty Ltd	AFR & SOFA (August & September)	-27,500.00
26/10/2023	City of Wanneroo	GST owing August 2023	-8,150.20
26/10/2023	City of Perth	GST owing September 2023	-3,721.08
30/10/2023	City of Wanneroo	Stage 31 Early Clearance Bond	-30,426.34
			-2,212,908.45

Appendix 8.5

LEGEND

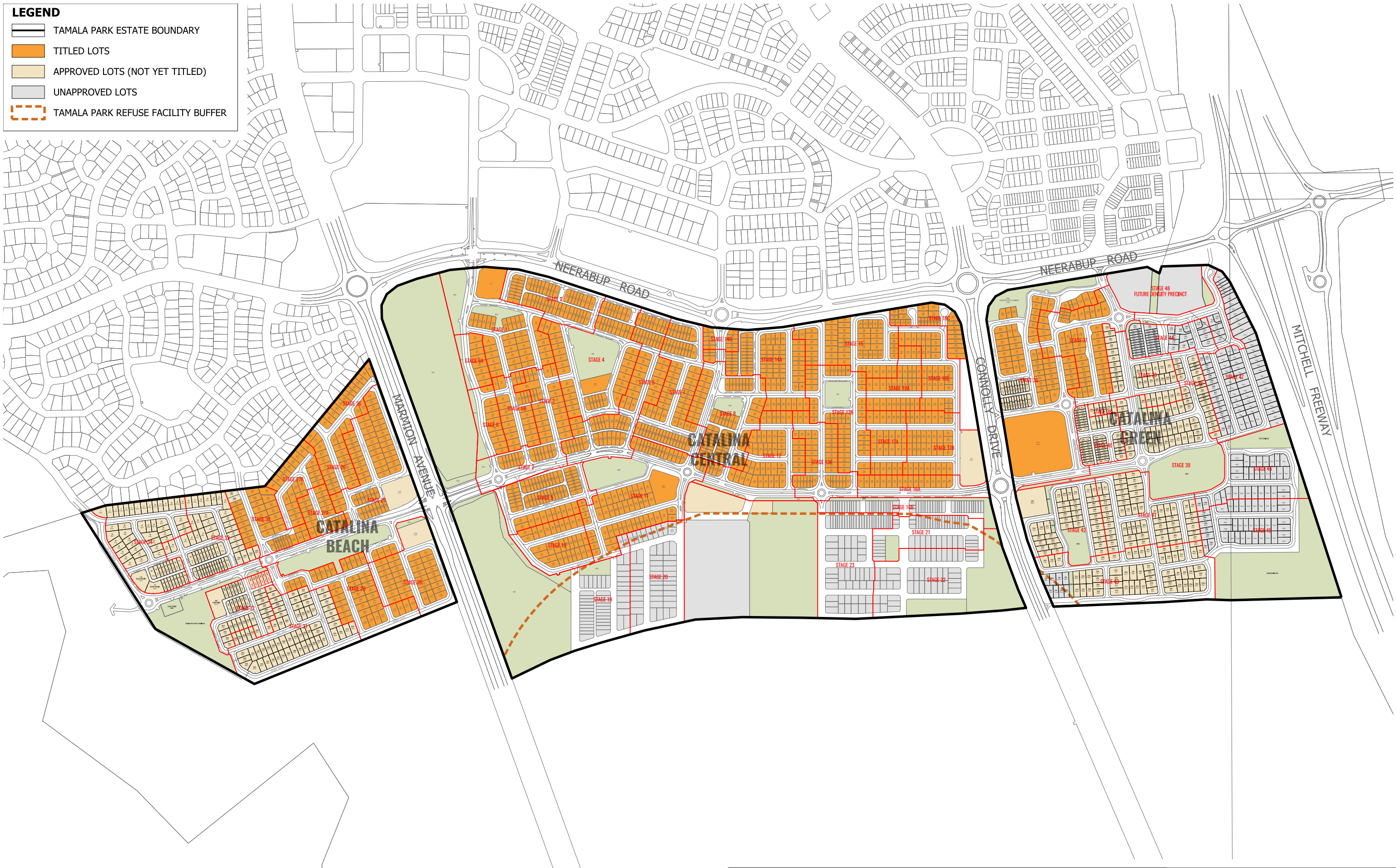
TAMALA PARK ESTATE BOUNDARY

TITLED LOTS

APPROVED LOTS (NOT YET TITLED)

UNAPPROVED LOTS

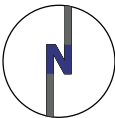
TAMALA PARK REFUSE FACILITY BUFFER



ESTATE LAYOUT & STAGING PLAN

Catalina Estate, CATALINA REGIONAL COUNCIL

Aerial supplied by:
Aerial Date Stamp:
Survey supplied by: MNG
Plan Number: NPS1059 - 023
Revision Number: D
Drawn By: JP
Client: Catalina Regional Council



Scale: 1:8000 @A3 Date Issued: 30.10.2023 ©Niche Planning Studio

DISCLAIMER:
Town Planning compliance is subject to approval from the Catalina Regional Council and a suitable town planner will need to be appointed.
All Dimensions, Areas and Calculations are subject to Detailed Survey and Design before Town Planning Permit application.
BULK Form is illustrative only and subject to Architectural Design and approval from an RMA qualified architect. This plan has been prepared for illustrative purposes only and should not be used as a means to judge any properties value or yield potential.



Appendix 8.6



Annual Report

2022/23

The logo for Catalina Regional Council features a stylized blue 'C' with a green wave-like element. To the right of the 'C' is the word 'CATALINA' in a bold, blue, sans-serif font. Below 'CATALINA' is the text 'Regional Council' in a smaller, blue, sans-serif font.**CATALINA**
Regional Council

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Background

The Catalina Regional Council (CRC), formerly known as Tamala Park Regional Council, is a local government formed in 2006 specifically to implement the urban development of 180 hectares of land situated within the City of Wanneroo. and jointly owned by the following seven local government members:



The Vision of the CRC is to create a sustainable urban community offering diverse housing choice, social connectivity, and employment opportunities.

The objectives of the CRC are to:

- To provide diverse housing options that are attractive to a wide demographic and represent best practice urban design and development.
- To demonstrate high quality stewardship in environmental management and innovation in sustainability.
- To support the development of a connected, inclusive, safe, and healthy community.
- To maximise return for member Councils whilst delivering environmental, social, and economic objectives.
- To provide strong leadership, good governance and responsive decision making.

The CRC's land development project, marketed as Catalina, is an urban development being undertaken in the suburbs of Clarkson and Mindarie and is proposed to ultimately comprise around 2,500 home sites along with quality parks and commercial and community facilities.

The Project is facilitating a range of housing types and densities and is meeting the emerging needs of the Perth Metropolitan Region with respect to lifestyle, accessibility and changing demography. The CRC is creating a community having a sense of place, which takes advantage of prevailing natural features, a well-planned built environment and existing retail, business, and community services to the North.

The life of the Catalina Estate is currently projected to extend to 2035. When the land is fully developed the CRC will have completed its Charter and will cease to exist.

Message from the Chair



This is the seventeenth annual report of the Catalina Regional Council (CRC). The CRC is a local government with responsibility to implement the urban development in Clarkson and Mindarie, known as the Tamala Park Project.

The CRC is made up of 12 members who represent the interests of seven local governments which own the landholdings: Town of Cambridge, City of Joondalup, City of Perth, City of Stirling, Town of Victoria Park, City of Vincent, and City of Wanneroo.

Throughout 2022/23 a review of the Establishment Agreement of organisation was undertaken. The purpose of the review was primarily to modernise the Agreement to meet current governance and due diligence requirements, but the changes also included a change of name for the entity from the Tamala Park Regional Council to Catalina Regional Council. The purpose of the name change was to more accurately represent the intent of the Council and to differentiate us from the Tamala Park Waste Management Facility.

In 2018 the UDIA awarded Catalina a six-leaf EnviroDevelopment Certification in recognition of the CRC's commitment to sustainability and this has been maintained into 2022/23. The six-leaf certification is the highest level of certification that can be achieved and confirms the Project's exceptional sustainability outcomes.

Since its inception in 2006, the Project has sold a total of 1,280 lots at 30 June 2023 with a value of over \$367M and achieved settlement revenue of \$348M. The 2022/23 financial year was a solid year for the Catalina Project with 86 lots sold and 107 settling.

The 2022/23 year was a challenging one for the construction industry with significant challenges being faced in obtaining materials, contractors and staff. This led to delays in the delivery of subdivision stages and infrastructure and landscaping works. Despite this, substantial progress was made throughout the year including:

- Completion of Stage 18C (28 lots) – Catalina Central.
- Completion of Stages 36 and 37 (127 lots) - Catalina Green.
- Completion of Stage 29 (43 lots) – Catalina Beach.
- Construction of the Longbeach Promenade extension in Catalina Beach.
- Landscaping of key sections of the Catalina Greenlink, including the section along Portofino Promenade between Malacca Way and Longbeach Promenade in Catalina Beach and the section along Aviator Boulevard between Connolly Drive and Roulettes Parade in Catalina Central.
- Revegetation work along the Beach Access Road and Carpark and degraded parts of the coastal conservation reserve west of Catalina Beach.



- Substantial progress with landscaping of Mapleton Park and the Neerabup Road and Connolly Drive streetscapes in Catalina Green and the extension of Portofino Park and Stage 29 southern verge in Catalina Beach.
- Approval of a revised Development Concept Plan for remaining areas to develop in Catalina Beach and Catalina Green.

During 2022/23, the Council was able to make a \$20M distribution of profit from land sales to the member local governments, bringing the total distributed over the life of the Project to \$117M.

The CRC remains focused and committed on achieving the best possible outcomes for the Catalina Estate and the local community.

I would like to thank the Council, CRC CEO and officers for their continued professionalism, energy, and valuable contribution to this project. The Project is in a very strong position and has significant opportunities to progress elements of the Project over the coming years that will ensure that the Vision for the Project is achieved.

A handwritten signature in black ink, appearing to read 'Bianca Sandri'.

Cr Bianca Sandri
CHAIR

Message from the Chief Executive Officer

The land development industry in Western Australia experienced a year in two halves in 2022/23. The June-December 2022 period experienced significant labour and material shortages and subdued market confidence as bank interest rates climbed, building costs increased and building construction times extended well beyond buyers' expectations.

While some of these challenges remained for the January-June 2023 period, market sentiment shifted significantly with market confidence returning and buyers returning to the market. The Catalina Project sales data highlights this change in sentiment with 18 sales in the first half of FYE 2023 (average of 3/month) and 68 sales in the second half of FYE 2023 (average of 11/month)

The Sales and Marketing program for 2022/23 resulted in an average residential lot sale price of \$327,277 and 107 lot settlements with a value of \$39,053,000. While challenges remain in the property development sector, CRC sales and settlement activity is expected to be strong throughout FYE 2024.

The focus over the financial year has been to consolidate Catalina Estate as a significant urban project in Perth's northern coast by continued construction, marketing, and sale of residential lots. Corporate planning and associated works scheduling has been undertaken to ensure the Vision and Objectives of the CRC can continue to be achieved. The Catalina Estate has positioned itself as a high-quality development with a range of products available. The quality of presentation coupled with the unique offering is ensuring that the Catalina Project continues to attract substantially above average market share for residential land sales in Perth's North-West corridor when compared to other land developments.

Two community programs and events took place during the year:

- Halloween Event held 30 October 2022:
- Residents' Welcome Event held 27 November 2022.



The Council also continued to implement the following important environmental programs during 2022/23:

- Rehabilitation of Biodiversity Conservation Areas;
- Subdivision design work to ensure the retention of significant trees wherever possible;
- Revegetation works alongside the Beach access road;
- Rebates to purchasers for the installation of solar panels and water-efficient fittings and appliances and the provision of water-wise front garden landscaping packages.

The Council's 2023/24 budget is relatively subdued when compared to previous years' projections with the focus being on completing and selling existing residential stages that are under construction and the development of the new parks and landscapes in Catalina Beach and Catalina Green.

I would like to take this opportunity to thank the Chair Cr Bianca Sandri for her support throughout the year. I would also like to thank the Councillors from all seven (7) Member Councils who make up the CRC. The Council has been cohesive and strategic in its approach and has given clear, consistent direction to me as CEO.

Lastly, I'd like to acknowledge the small, dedicated team of staff at the Catalina Regional Council. They are all passionate individuals who believe in the Catalina Estate Project and are committed to doing their best to make sure that we deliver a sustainable urban community that offers diverse housing choice, social connectivity, and local employment opportunities.



Mr Chris Adams
CHIEF EXECUTIVE OFFICER



Governance

Audit Committee

The Audit Committee is formally appointed by the Council and assists in ensuring that there are effective and best practice accounting, auditing, internal control, business risk management, compliance and reporting systems, processes, and practices. The Audit Committee did not identify any adverse findings for the financial year.

Auditor General Report

Under the *Local Government Amendment (Auditing) Act 2017*, the Auditor General is now responsible for the audit of the CRC 2022-2023 Annual Financial Report. The Auditor General gave an unqualified audit opinion and did not identify any significant issues when completing their review.

Local Government Compliance Audit Report

All local governments are required to carry out an annual compliance audit for the period 1 January to 31 December as required by the Department of Local Government, Sport, and Cultural Industries. The Compliance Audit Return for the year ended 31 December 2022 was approved by Council on 16 February 2023 and a certified copy of the return was submitted to the Director General of the Department of Local Government, Sport, and Cultural Industries.

Competition Policy

The CRC has met its obligations regarding competition policy. The Council has no local laws or policies that reflect anti-competitive practice. No complaints have been received by the CRC in 2022/2023 in relation to anti-competitive practices.

Recordkeeping Plan Required under the State Records Act

The CRC Recordkeeping Plan was approved by the State Records Commission on 17 March 2017 and approved by Council on 17 August 2017.

The Recordkeeping Policy was most recently adopted in December 2022.

Disability Services Plan

The Disability Services Plan (2019) was advertised for consultation and comment in October 2019 and was approved by Council in February 2020. The Disability Services Plan is in accordance with prescribed standards for public access and infrastructure and has been approved by the Disability Services Commission.

Financial Budget Review

A formal review of the CRC budget is required in the manner prescribed under the *Local Government Act 1995* between 1 January and 31 March each year. The Review was undertaken in February 2023 and no adverse findings or matters of consequence were found during the Review. The Council considered and resolved to adopt the Financial Budget Review at its meeting on 16 February 2023.

Strategic Community Plan 2019-2029

The Department of Local Government's Integrated Planning and Reporting Framework requires all local governments to prepare a Strategic Community Plan. The CRC approved the Strategic Community Plan 2019-2029 in February 2020.

Corporate Business Plan 2020-2024

The Department of Local Government's Integrated Planning and Reporting Framework requires all local governments to prepare a Corporate Business Plan in consultation with its community and stakeholders. The CRC Corporate Business Plan 2020 – 2024 was adopted by Council at its December 2020 meeting.

Local Government (Rules of Conduct) Regulations 2007

These regulations require reporting various offences by Council Members. Council Members must comply with their obligations under the *Local Government Act 1995*. In 2022/2023 no complaints were received concerning Council Members.

Codes of Conduct

The Council's Codes of Conduct prescribes the standard of conduct and behaviour expected of the Council Members and employees.

The Code of Conduct for Elected Members, Committee Members and Candidates was adopted by Council in December 2022. The Employee Code of Conduct was approved by the CEO in November 2021.

Register of Financial Interests for Council Members and Senior Employees

The requirements of the *Local Government Act 1995* in reporting the financial interests of Council Members and Senior Staff were complied with. This register was implemented on 1 July 1997 in accordance with the requirements of the *Local Government Act 1995* and is available for viewing by the public.

Freedom of Information Act

The Council is subject to the provisions of the *Freedom of Information Act 1994*. The Act gives individuals and organisations a general right of access to information held by the Council. The Council received no requests under the Freedom of Information Act during 2022/2023.

Complaints Register

Section 5.121 of the *Local Government Act 1995* requires a local government to maintain a register of complaints that result in an action under Section 5.110(6)(b) or (c).

There were no complaints reported to the Local Government Standards Panel during 2022/2023.



CRC Council Membership



Chair
Cr Bianca Sandri
City of Stirling

Management Committee



Cr Alaine Haddon-Casey
Town of Cambridge



Cr Bronwyn Ife
Town of Victoria Park



Cr John Chester
City of Joondalup

Management Committee



Cr Brent Fleeton
City of Perth

Audit Committee



Cr Ashley Wallace
City of Vincent

Audit Committee



Cr Tony Krsticevic
City of Stirling

Audit Committee
Management Committee



Deputy Chair
Cr Suzanne Migdale
City of Stirling

Management Committee



Cr Karlo Perkovic
City of Stirling

Audit Committee
Management Committee



Cr Nige Jones
City of Joondalup

Management Committee



Cr Glynis Parker
City of Wanneroo



Cr Brett Treby
City of Wanneroo

Audit Committee

Attendance at Meetings by Council Members

Meeting attendances by Council members for 2022/2023 are shown in the table below:

Councillor	Council	Audit	Management
Total No. of Meetings Held	9	5	5
Cr Jane Cutler	2 (2)		2 (2)
Cr John Chester	8 (9)		4 (5)
Cr Nige Jones	7 (9)		3 (5)
Cr Brent Fleeton	6 (9)	4 (5)	
Cr Ashley Wallace	7 (9)	5 (5)	0 (1)
Cr Suzanne Migdale	8 (9)		5 (5)
Cr Bianca Sandri	8 (9)		5 (5)
Cr Karlo Perkovic	8 (9)	5 (5)	3 (5)
Cr Tony Krsticevic	9 (9)	3 (5)	5 (5)
Cr Bronwyn Ife	8 (9)		
Cr Brett Treby	7 (9)	4 (5)	
Cr Glynis Parker	8 (9)		
Cr Alaine Haddon-Casey	3 (7)		

**The total number of meetings held during each Council member's term is shown in brackets.*



NOTES

- There were no Alternate Members in attendance for 2022/2023.
- Cr Jane Cutler was replaced by Cr Alaine Haddon-Casey from 20 October 2022.

Year 2022/2023 Under Review

Council Activity

The current Council comprises 12 members who are elected by constituent local authorities following the ordinary bi-annual Council elections.

During the year the Council held six ordinary bi-monthly Council meetings, three special Council meetings and the following Committee meetings:

- Management Committee — 5 meetings
- Audit Committee — 5 meetings

Member Local Governments' Equity

The following reflects the member local governments' equity in the Catalina Project.

	2020/2021	2021/2022	2022/2023
Town of Cambridge	4,490,196	4,509,818	3,787,184
City of Perth	4,490,196	4,509,818	3,787,184
Town of Victoria Park	4,490,196	4,509,818	3,787,184
City of Vincent	4,490,196	4,509,818	3,787,184
City of Joondalup	8,980,387	9,019,634	7,574,371
City of Wanneroo	8,980,387	9,019,634	7,574,371
City of Stirling	17,963,589	18,042,083	15,151,557
TOTAL EQUITY	53,885,147	54,120,623	45,449,035

Employee Remuneration

The *Local Government Act 1995* requires that the Council provides information relating to the number of employees entitled to a salary of \$130,000 or more.

This information is presented below:

Salary Range	No.
140-150K	1
300-310K	1
Total	2

Distribution to Participating Councils

The CRC made a \$20M distribution (Return of Contribution) from land sales income to the seven participating local governments.

The CRC has not exercised its option under the Establishment Agreement to require Councils to transfer their shares in the landholding jointly held by Councils at the Catalina Estate. Individual Councils continue to pay municipal rate levies to City of Wanneroo and the CRC has

decided to reimburse the Councils for an amount equivalent to rates paid from retained earnings.

Distributions for 2021/2022 and 2022/2023 are shown below:

Participant Council	Rates Reimbursement		Return of Contribution	
	2021/2022	2022/2023	2021/2022	2022/2023
Town of Cambridge	40,384	4,700	833,333	1,666,668
City of Perth	40,384	4,700	833,333	1,666,668
Town of Victoria Park	40,384	4,700	833,333	1,666,668
City of Vincent	40,384	4,700	833,333	1,666,668
City of Joondalup	80,769	9,400	1,666,666	3,333,332
City of Wanneroo	80,769	9,400	1,666,666	3,333,332
City of Stirling	276,004	18,799	3,333,333	6,666,664
TOTAL	599,078	56,399	10,000,000	20,000,000



Market, Infrastructure & Land Use Impacts on Catalina Estate

The Western Australian residential land market experienced a high level of activity over the last 12 months with solid sales and buyers' interest. Perth's northern coastal corridor land sales market is highly competitive with a significant number of estates competing for market share. Catalina performed well in 2022/23, increasing its market share among a sample of competitor estates.

Part of Catalina's market appeal is its location near established infrastructure, with close access to Clarkson Train Station, Ocean Keys Shopping Centre and other commercial and business premises. Mitchell Freeway provides access to the Joondalup and Wanneroo City Centres and its recent extension from Hester Avenue to Romeo Drive has improved access to new suburbs being developed to the north.



Previous Freeway extension works made provision for future construction of an underpass of Neerabup Road near Clarkson Train Station, enabling safe and easy pedestrian access between Catalina and the station. The underpass will also provide for bus access and services will connect the station and the coastline through Catalina.

Most of this road connection is now in place. Further development of Catalina Green in 2023 and 2024 will complete the remaining road sections to be built, which is expected to coincide with the Perth Transport Authority's construction of the busway-component of the underpass.

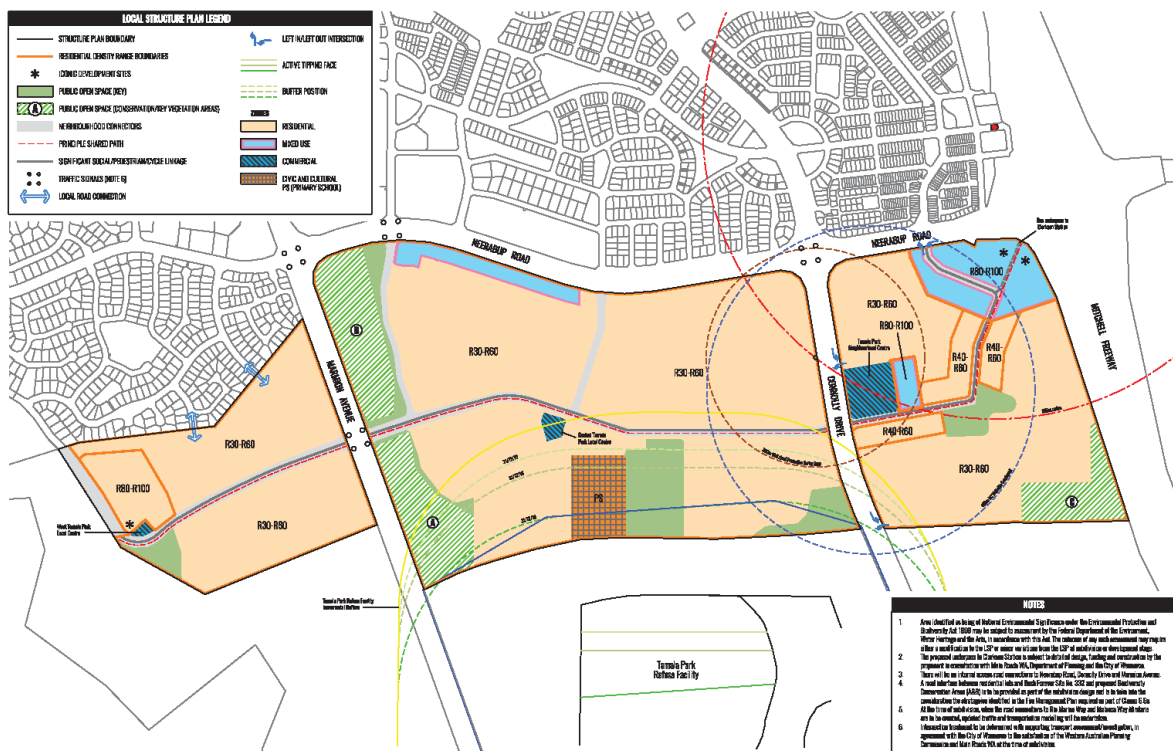


Tamala Park Local Structure Plan

In 2013 the Tamala Park Local Structure Plan was formally approved. Since 2013, five amendments to the Local Structure Plan have been approved providing more contemporary urban design to meet the vision of the CRC to “create an urban centre for choice, sustainability, community and opportunity from the land”.

Key aspects of the Local Structure Plan include:

- Providing for the orderly distribution of residential density and a range of housing types that address changing demographics and the needs of future populations within the north-west sector of the Perth Metropolitan Region.
- Providing for sustainable environmental outcomes with respect to such matters as water use, energy efficiency, conservation, and transport, while taking advantage of natural features and views.
- Providing active commercial centres and community hubs that meet the daily and weekly needs of residents and provide employment opportunities that are co-located with local recreation and community facilities.
- Providing an appropriate urban design response in recognition of adjoining public transport infrastructure.
- A high level of linkage both within and beyond the boundaries of the Tamala Park landholding to commercial centres, coastal reserves and transport nodes via cycle and pedestrian access, public transport, and private vehicle.
- Addressing the forecast demand for a variety of community services and social infrastructure.



The major land use elements of the Local Structure Plan are set out as follows:

Precincts	West	Central West	Central East	Eastern Precinct	Total	
Area	HA	HA	HA	HA	HA	%
Residential	21.03	22.33	21.03	23.89	88.28	49.54%
Mixed use			2.50	5.71	8.21	4.61%
Centre	0.16	0.70		0.90	1.76	0.99%
Business		2.08			2.08	1.17%
Active/Passive POS	1.02	0.91	3.28	3.27	8.48	4.76%
School			5.0		5.00	2.81%
Greenlink	1.38	1.2	0.61	0.92	4.11	2.31%
Conservation Reserves		11.57			11.57	6.49%
Roads	8.82	11.67	15.09	13.14	48.72	27.34%
Total (incl: Roads)	32.41	50.46	47.51	47.83	178.21	100%

A key aspect of the Local Structure Plan is a central link connecting the Clarkson Rail Station through the Catalina Estate to the beach. All residential land in the development will be within 400m of the central Greenlink which will connect to public amenities including a primary school.



Environmental Management

A Mitigation and Offset Management Plan was approved under the EPBC Act. The CRC was required to prepare a mitigation strategy outlining measures to avoid or reduce impacts to Carnaby's Black Cockatoo. The CRC has been progressively implementing the approval conditions, which include the following:

- Purchase of an Offset site for Carnaby's Black Cockatoo foraging, habitat, and breeding (fully completed):
 - Rehabilitation and fencing of Biodiversity Conservation Area;
 - Seed collection and storage from prescribed areas; and
 - Preparation of Audit and Compliance report (completed annually).

An Environmental Management Plan (EMP) has been approved by the Environmental Protection Authority which provides management and mitigation measures for impacts of the proposed Catalina Development on biodiversity assets and values of the area.

The EMP addresses the specific Ministerial Conditions set for the development. These conditions are summarized as follows:

- Management of remnant vegetation whilst strengthening links between the coast and the Neerabup National Park;
- Specially protected fauna species;
- Fire management;
- Management of public access to the areas reserved for conservation and recreation;
- Recommendations for revegetation.

Key Activities 2023/2024

Project	Timeframe
<p>Implementation of Environmental Approval Conditions - Environmental Protection & Biodiversity Conservation Act (EPBC Act)</p> <p>The EPBC approval conditions are at an advanced stage of implementation and will continue to be implemented as the Project progresses.</p>	2022-2023 and ongoing
<p>Project Marketing and Branding</p> <p>Various initiatives are to be implemented throughout the year to promote the Catalina Project, including internet search optimisation intended to draw traffic to the Catalina website, advertising through electronic direct mail, social media channels and online real estate search sites.</p>	2023-2024
<p>Civil Construction Works</p> <p>Civil construction of Stage 31 (66 lots) in Catalina Beach and Stage 38 in Catalina Green (37 lots) is to be completed.</p>	2023-2023
<p>Infrastructure</p> <p>The key infrastructure project being progressed in 2023/24 is the engineering design for the connecting roads to be built to connect the Neerabup Road underpass with the established road network in Catalina Green to facilitate commencement of bus services to commence in approximately 2025.</p>	2023-2024
<p>Landscaping Works</p> <p>Landscape works to be undertaken during 2023/24 include:</p> <ul style="list-style-type: none"> • Portofino Park extension, Foreshore Park, Longbeach Promenade streetscape and Stage 31 southern verge. • Mapleton Park and the Neerabup Road and Connolly Drive Entry Statements and streetscapes in Catalina Green • Offset Revegetation works in the coastal reserve to the west of Catalina. 	2023-2024
<p>Sale of Residential Lots</p> <p>The forecast is 93 lot sales and 114 settlements for 2023/24.</p>	2023-2024
<p>Land Acquisition</p> <p>The CRC plans to liaise with the State Government to progress the legislative changes for and acquisition of part Lot 711 in Catalina Green – the CRC has been given the right to acquire the 10.22ha site through a Negotiated Planning Solution agreed in 2004. Access to this land will allow further development of Catalina Estate.</p>	2023-24 and ongoing

Annual Financial Report (including Audit Report)

TAMALA PARK REGIONAL COUNCIL
(subsequently renamed Catalina Regional Council)

FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2023

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The Tamala Park Regional Council (subsequently renamed Catalina Regional Council) conducts the operations of a local government with the following community vision:

To create an urban centre of choice, sustainability, community and opportunity.

Principal place of business:
2/369 Scarborough Beach Road
Innaloo WA 6018

TAMALA PARK REGIONAL COUNCIL
(subsequently renamed to Catalina Regional Council)
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

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

STATEMENT BY CEO

The accompanying financial report of the Tamala Park Regional Council (subsequently renamed Catalina Regional Council) has been prepared in compliance with the provisions of the Local Government Act 1995 from proper accounts and records to present fairly the financial transactions for the reporting period ended 30 June 2023 and the financial position as at 30 June 2023.

At the date of signing this statement the particulars included in the financial report are not misleading or inaccurate.

Signed on the

4TH

day of

OCTOBER

2023



Chief Executive Officer

Chris Adams

Name of Chief Executive Officer

**TAMALA PARK REGIONAL COUNCIL
(SUBSEQUENTLY RENAMED CATALINA REGIONAL COUNCIL)
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2023**

	NOTE	2023 Actual	2023 Budget	2022 Actual
		\$	\$	\$
Revenue				
Interest revenue	2	1,249,328	890,426	304,540
Other revenue	2(a)	27,818	22,939	18,088
		1,277,146	913,365	322,628
Expenses				
Employee costs	2(b)	(671,118)	(737,937)	(532,794)
Materials and contracts		(263,554)	(380,310)	(255,957)
Utility charges		0	(6,829)	0
Depreciation		(45,082)	(43,510)	(44,821)
Finance costs	2(b)	(3,614)	(1,423)	(1,757)
Insurance		(19,596)	(21,952)	(17,090)
Other expenditure	2(b)	(166,809)	(171,255)	(157,340)
		(1,169,773)	(1,363,216)	(1,009,759)
		107,373	(449,851)	(687,131)
Loss on asset write off/disposals		(20,403)	0	(1,744)
Fair value adjustments to investment property	11	915,000	0	0
		894,597	0	(1,744)
Net result for the period	22(b)	1,001,970	(449,851)	(688,875)
Other comprehensive income for the period				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in asset revaluation surplus	14	(6,353)	0	0
Total other comprehensive loss for the period	14	(6,353)	0	0
Total comprehensive income for the period		995,617	(449,851)	(688,875)

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



**TAMALA PARK REGIONAL COUNCIL
(SUBSEQUENTLY RENAMED CATALINA REGIONAL COUNCIL)
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2023**

	NOTE	2023 \$	2022 \$
CURRENT ASSETS			
Cash and cash equivalents	3	12,294,817	16,310,346
Trade and other receivables	6	553,560	595,395
Other financial assets	4(a)	32,014,137	36,145,694
Other assets	8	10,800	27,600
TOTAL CURRENT ASSETS		44,873,314	53,079,035
NON-CURRENT ASSETS			
Inventories	7	0	1,600,000
Property, plant and equipment	9	0	36,311
Right-of-use assets	10(a)	125,157	149,716
Investment property	11	2,515,000	0
TOTAL NON-CURRENT ASSETS		2,640,157	1,786,027
TOTAL ASSETS		47,513,471	54,865,062
CURRENT LIABILITIES			
Trade and other payables	12	497,176	162,938
Lease liabilities	10(b)	35,214	31,760
Employee related provisions	13	27,532	21,788
TOTAL CURRENT LIABILITIES		559,922	216,486
NON-CURRENT LIABILITIES			
Lease liabilities	10(b)	93,832	119,156
Employee related provisions	13	19,795	13,527
TOTAL NON-CURRENT LIABILITIES		113,627	132,683
TOTAL LIABILITIES		673,549	349,169
NET ASSETS		46,839,922	54,515,893
EQUITY			
Retained surplus		1,390,887	388,917
Member contributions and equity	5	45,449,035	54,120,623
Revaluation surplus	14	0	6,353
TOTAL EQUITY		46,839,922	54,515,893

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



**TAMALA PARK REGIONAL COUNCIL
(SUBSEQUENTLY RENAMED CATALINA REGIONAL COUNCIL)
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2023**

	NOTE	RETAINED SURPLUS \$	CONTRIBUTED EQUITY \$	REVALUATION SURPLUS \$	TOTAL EQUITY \$
Balance as at 1 July 2021		1,077,792	53,885,147	6,353	54,969,292
Comprehensive income for the period					
Net result for the period		(688,875)	0	0	(688,875)
Total comprehensive income for the period		(688,875)	0	0	(688,875)
Movement in member contributions	5	0	235,476	0	235,476
Balance as at 30 June 2022		388,917	54,120,623	6,353	54,515,893
Comprehensive income for the period					
Net result for the period		1,001,970	0	0	1,001,970
Other comprehensive income for the period	14	0	0	(6,353)	(6,353)
Total comprehensive income for the period		1,001,970	0	(6,353)	995,617
Movement in member contributions	5	0	(8,671,588)	0	(8,671,588)
Balance as at 30 June 2023		1,390,887	45,449,035	0	46,839,922

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



TAMALA PARK REGIONAL COUNCIL
(SUBSEQUENTLY RENAMED CATALINA REGIONAL COUNCIL)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2023

	NOTE	2023 Actual \$	2022 Actual \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Interest revenue		1,249,328	304,540
Goods and services tax received		33,909	35,715
Other revenue		65,678	18,088
		1,348,915	358,343
Payments			
Employee costs		(646,334)	(803,505)
Materials and contracts		(114,157)	(240,915)
Finance costs		(3,499)	(1,757)
Insurance paid		(19,596)	(17,090)
Goods and services tax paid		(29,934)	(6,971)
Other expenditure		(166,809)	(157,340)
		(980,329)	(1,227,578)
Net cash provided by (used in) operating activities	15(b)	368,586	(869,235)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from financial assets at amortised cost		4,131,557	863,998
Proceeds from sale of property, plant & equipment		0	55,000
Net cash provided by investing activities		4,131,557	918,998
CASH FLOWS FROM FINANCING ACTIVITIES			
Payments for principal portion of lease liabilities	24	(32,953)	(34,830)
Payments for land development		(26,311,737)	(20,839,525)
Payments for member contributions		(20,408,107)	(9,625,879)
Proceeds from member contributions		38,237,125	30,288,673
Net cash (used in) financing activities		(8,515,672)	(211,561)
Net (decrease) in cash held		(4,015,529)	(161,798)
Cash at beginning of year		16,310,346	16,472,144
Cash and cash equivalents at the end of the year	15(a)	12,294,817	16,310,346

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



TAMALA PARK REGIONAL COUNCIL
(SUBSEQUENTLY RENAMED CATALINA REGIONAL COUNCIL)
STATEMENT OF FINANCIAL ACTIVITY
FOR THE YEAR ENDED 30 JUNE 2023

	NOTE	2023 Actual \$	2023 Budget \$	2022 Actual \$
OPERATING ACTIVITIES				
Revenue from operating activities				
General rates		0	0	0
Interest revenue		1,249,328	890,426	304,540
Other revenue		27,818	22,939	18,088
Fair value adjustments to investment property	11	915,000	0	0
		2,192,146	913,365	322,628
Expenditure from operating activities				
Employee costs		(671,118)	(737,937)	(532,794)
Materials and contracts		(263,554)	(380,310)	(255,957)
Utility charges		0	(6,829)	0
Depreciation		(45,082)	(43,510)	(44,821)
Finance costs		(3,614)	(1,423)	(1,757)
Insurance		(19,596)	(21,952)	(17,090)
Other expenditure		(166,809)	(171,255)	(157,340)
Loss on asset write off/disposals		(20,403)	0	(1,744)
		(1,190,176)	(1,363,216)	(1,011,503)
Non-cash amounts excluded from operating activities	23(a)	(843,132)	43,510	58,861
Amount attributable to operating activities		158,838	(406,341)	(630,014)
INVESTING ACTIVITIES				
Inflows from investing activities				
Proceeds from disposal of assets		0	0	55,000
		0	0	55,000
Outflows from investing activities				
Purchase of property, plant and equipment	9(a)	0	(5,000)	0
		0	(5,000)	0
Amount attributable to investing activities		0	(5,000)	55,000
FINANCING ACTIVITIES				
Outflows from financing activities				
Payments for principal portion of lease liabilities	24	(32,953)	(33,577)	(34,830)
Payments for land development as member contributions	5	(26,311,737)	(65,229,755)	(20,839,525)
Payments of member contributions and equity received	5	(20,408,107)	(20,485,533)	(9,213,672)
Proceeds from member contributions	5	38,048,256	60,156,539	30,288,673
Amount attributable to financing activities		(8,704,541)	(25,592,326)	200,646
MOVEMENT IN SURPLUS OR DEFICIT				
Surplus or deficit at the start of the financial year	23(b)	52,894,309	52,899,172	53,268,677
Amount attributable to operating activities		158,838	(406,341)	(630,014)
Amount attributable to investing activities		0	(5,000)	55,000
Amount attributable to financing activities		(8,704,541)	(25,592,326)	200,646
Surplus or deficit after imposition of general rates	23(b)	44,348,606	26,895,505	52,894,309

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

**TAMALA PARK REGIONAL COUNCIL
(SUBSEQUENTLY RENAMED CATALINA REGIONAL COUNCIL)
FOR THE YEAR ENDED 30 JUNE 2023
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**TAMALA PARK REGIONAL COUNCIL
(SUBSEQUENTLY RENAMED CATALINA REGIONAL COUNCIL)
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

1. BASIS OF PREPARATION

The financial report of the Tamala Park Regional Council which is a Class 2 local government, comprises general purpose financial statements which have been prepared in accordance with the *Local Government Act 1995* and accompanying regulations.

On 1 August 2023 Tamala Park Regional Council was renamed Catalina Regional Council. See Note 20.

Local Government Act 1995 requirements

Section 6.4(2) of the *Local Government Act 1995* read with the *Local Government (Financial Management) Regulations 1996* prescribe that the financial report be prepared in accordance with the *Local Government Act 1995* and, to the extent that they are not inconsistent with the *Local Government Act 1995*, the Australian Accounting Standards. The Australian Accounting Standards (as they apply to local governments and not-for-profit entities) and Interpretations of the Australian Accounting Standards Board were applied where no inconsistencies exist.

The *Local Government (Financial Management) Regulations 1996* specify that vested land is a right-of-use asset to be measured at cost, and is considered a zero cost concessionary lease. All right-of-use assets under zero cost concessionary leases are measured at zero cost rather than at fair value, except for vested improvements on concessionary land leases such as roads, buildings or other infrastructure which continue to be reported at fair value, as opposed to the vested land which is measured at zero cost. The measurement of vested improvements at fair value is a departure from AASB 16 *Leases* which would have required the Regional Council to measure any vested improvements at zero cost.

Accounting policies which have been adopted in the preparation of this financial report have been consistently applied unless stated otherwise. Except for cash flow the financial report has been prepared on the accrual basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets and liabilities.

The local government reporting entity

All funds through which the Regional Council controls resources to carry on its functions have been included in the financial statements forming part of this financial report.

Judgements and estimates

The preparation of a financial report in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that effect the application of policies and reported amounts of assets and liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances; the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The balances, transactions and disclosures impacted by accounting estimates are as follows:

- impairment of financial assets
- estimate of fair value of selected non-current assets and liabilities and investment property
- estimation uncertainties made in relation to lease accounting

Initial application of accounting standards

During the current year, the following new or revised Australian Accounting Standards and Interpretations were applied for the first time.

- AASB 2020-3 *Amendments to Australian Accounting Standards - Annual Improvements 2018-2020 and Other Amendments*
- AASB 2020-6 *Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-current - Deferral of Effective Date*
- AASB 2021-7a *Amendments to Australian Accounting Standards - Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections [general editorials]*
- AASB 2022-3 *Amendments to Australian Accounting Standards - Illustrative Examples for Not-for-Profit Entities accompanying AASB 15 Revenue from Contracts with Customers*

These amendments have no material impact on the current annual financial report

New accounting standards for application in future years

The following new accounting standards will have application to local government in future years:

- AASB 2014-10 *Amendments to Australian Accounting Standards - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*
- AASB 2020-1 *Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-current*
- AASB 2021-2 *Amendments to Australian Accounting Standards - Disclosure of Accounting Policies or Definition of Accounting Estimates*
This standard will result in a terminology change for significant accounting policies
- AASB 2021-7c *Amendments to Australian Accounting Standards - Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections [deferred AASB 10 and AASB 128 amendments in AASB 2014-10 apply]*
- AASB 2022-5 *Amendments to Australian Accounting Standards - Lease Liability in a Sale and Leaseback*
- AASB 2022-6 *Amendments to Australian Accounting Standards - Non-current Liabilities with Covenants*
- AASB 2022-7 *Editorial Corrections to Australian Accounting Standards and Repeal of Superseded and Redundant Standards*
- AASB 2022-10 *Amendments to Australian Accounting Standards - Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities*

Except as described above these amendments are not expected to have any material impact on the financial report on initial application.

**TAMALA PARK REGIONAL COUNCIL
(SUBSEQUENTLY RENAMED CATALINA REGIONAL COUNCIL)
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

2. REVENUE AND EXPENSES

	2023 Actual	2022 Actual
	\$	\$
(a) Revenue		
Interest revenue		
Interest on investment account funds	1,249,328	304,540
	1,249,328	304,540
Other revenue		
Reimbursements	27,818	18,088
	27,818	18,088
Tamala Park Regional Council did not have any contracts with customers during the 2023 and 2022 financial years.		
(b) Expenses		
Auditors remuneration		
- Audit of the Annual Financial Report	29,400	27,000
	29,400	27,000
Employee Costs		
Employee benefit costs	658,617	490,426
Other employee costs	12,501	42,368
	671,118	532,794
Finance costs		
Interest and financial charges paid/payable for lease liabilities through profit or loss	3,614	1,757
	3,614	1,757
Other expenditure		
Sundry expenses	166,809	157,340
	166,809	157,340

**TAMALA PARK REGIONAL COUNCIL
(SUBSEQUENTLY RENAMED CATALINA REGIONAL COUNCIL)
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

3. CASH AND CASH EQUIVALENTS

Note	2023	2022
	\$	\$
Cash at bank and on hand	2,276,124	10,227,737
Term deposits	10,018,693	6,082,609
Total cash and cash equivalents	12,294,817	16,310,346
Held as		
- Unrestricted cash and cash equivalents	1,374,919	0
- Restricted cash and cash equivalents	10,919,898	16,310,346
	12,294,817	16,310,346

SIGNIFICANT ACCOUNTING POLICIES

Cash and cash equivalents

Cash and cash equivalents include cash on hand, cash at bank, deposits available on demand with banks and other short term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Term deposits are presented as cash equivalents if they have a maturity of three months or less from the date of acquisition and are repayable with 24 hours notice with no loss of interest.

Restricted financial assets

Restricted financial asset balances are not available for general use by the Regional Council due to externally imposed restrictions. Restrictions are specified in an agreement, contract or legislation. This applies to reserve accounts, unspent grants, subsidies and contributions and unspent loans that have not been fully expended in the manner specified by the contributor, legislation or loan agreement and for which no liability has been recognised.

4. OTHER FINANCIAL ASSETS

(a) Current assets

Financial assets at amortised cost

Other financial assets at amortised cost

Term deposits
Treasury bonds

Held as

- Restricted other financial assets at amortised cost

	2023	2022
	\$	\$
	32,014,137	36,145,694
	32,014,137	36,145,694
	32,014,137	33,145,694
	0	3,000,000
	32,014,137	36,145,694
15(a)	32,014,137	36,145,694
	32,014,137	36,145,694

SIGNIFICANT ACCOUNTING POLICIES

Other financial assets at amortised cost

The Regional Council classifies financial assets at amortised cost if both of the following criteria are met:

- the asset is held within a business model whose objective is to collect the contractual cashflows, and
- the contractual terms give rise to cash flows that are solely payments of principal and interest.

Fair values of financial assets at amortised cost are not materially different to their carrying amounts, since the interest receivable on those assets is either close to current market rates or the assets are of a short term nature.

Interest received is presented under cashflows from operating activities in the Statement of Cash Flows where it is earned from financial assets that are held for cash management purposes.

Impairment and risk

Information regarding impairment and exposure to risk can be found at Note 19.

**TAMALA PARK REGIONAL COUNCIL
(SUBSEQUENTLY RENAMED CATALINA REGIONAL COUNCIL)
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

5. MEMBER CONTRIBUTIONS AND EQUITY

	2023 Actual Balance	2023 Budget Balance	2022 Actual Balance
	\$	\$	\$
(a) Town of Victoria Park			
Opening balance	4,509,818	4,509,818	4,490,196
Land development expenses	(2,192,645)	(5,435,813)	(1,736,627)
Proceeds of sale of land	3,170,688	5,013,045	2,524,056
Movement of contributed equity	(34,009)	(40,461)	65,527
Return of contribution	(1,666,668)	(1,666,667)	(833,334)
	3,787,184	2,379,922	4,509,818
(b) City of Perth			
Opening balance	4,509,818	4,509,818	4,490,196
Land development expenses	(2,192,645)	(5,435,813)	(1,736,627)
Proceeds of sale of land	3,170,688	5,013,045	2,524,056
Movement of contributed equity	(34,009)	(40,461)	65,527
Return of contribution	(1,666,668)	(1,666,667)	(833,334)
	3,787,184	2,379,922	4,509,818
(c) Town of Cambridge			
Opening balance	4,509,818	4,509,818	4,490,196
Land development expenses	(2,192,645)	(5,435,813)	(1,736,627)
Proceeds of sale of land	3,170,688	5,013,045	2,524,056
Movement of contributed equity	(34,009)	(40,461)	65,527
Return of contribution	(1,666,668)	(1,666,667)	(833,334)
	3,787,184	2,379,922	4,509,818
(d) City of Joondalup			
Opening balance	9,019,634	9,019,634	8,980,387
Land development expenses	(4,385,289)	(10,871,626)	(3,473,254)
Proceeds of sale of land	6,341,376	10,026,090	5,048,112
Movement of contributed equity	(68,018)	(80,922)	131,055
Return of contribution	(3,333,332)	(3,333,333)	(1,666,666)
	7,574,371	4,759,843	9,019,634
(e) City of Wanneroo			
Opening balance	9,019,634	9,019,634	8,980,387
Land development expenses	(4,385,289)	(10,871,626)	(3,473,254)
Proceeds of sale of land	6,341,376	10,026,090	5,048,112
Movement of contributed equity	(68,018)	(80,922)	131,055
Return of contribution	(3,333,332)	(3,333,333)	(1,666,666)
	7,574,371	4,759,843	9,019,634
(f) City of Vincent			
Opening balance	4,509,818	4,509,818	4,490,196
Land development expenses	(2,192,645)	(5,435,813)	(1,736,627)
Proceeds of sale of land	3,170,688	5,013,045	2,524,056
Movement of contributed equity	(34,009)	(40,461)	65,527
Return of contribution	(1,666,668)	(1,666,667)	(833,334)
	3,787,184	2,379,922	4,509,818
(g) City of Stirling			
Opening balance	18,042,083	18,042,083	17,963,589
Land development expenses	(8,770,579)	(21,743,251)	(6,946,509)
Proceeds of sale of land	12,682,752	20,052,179	10,096,225
Movement of contributed equity	(136,035)	(161,845)	262,110
Return of contribution	(6,666,664)	(6,666,666)	(3,333,332)
	15,151,557	9,522,500	18,042,083
Total members contribution	45,449,035	28,561,874	54,120,623
Land development expenses	(26,311,737)	(65,229,755)	(20,839,525)
Proceeds of sale of land	38,048,256	60,156,539	30,288,673
Movement of contributed equity	(408,107)	(485,533)	786,328
Return of contributions	(20,000,000)	(20,000,000)	(10,000,000)
Movement in member contributions	(8,671,588)	(25,558,749)	235,476
Opening balance	54,120,623	54,120,623	53,885,147
Movement in member contributions	(8,671,588)	(25,558,749)	235,476
	45,449,035	28,561,874	54,120,623

**TAMALA PARK REGIONAL COUNCIL
(SUBSEQUENTLY RENAMED CATALINA REGIONAL COUNCIL)
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

6. OTHER RECEIVABLES

Current

Member reimbursements receivable
GST receivable

2023	2022
\$	\$
547,195	585,055
6,365	10,340
553,560	595,395

SIGNIFICANT ACCOUNTING POLICIES

Member reimbursement receivables

Member reimbursement receivables are amounts receivable from member local governments for the reimbursement of costs incurred on their behalf for the development and sale of their land.

Measurement

Member reimbursement receivables are recognised initially at the amount of the transaction price, unless they contain a significant financing component, and are to be recognised at fair value.

Classification and subsequent measurement

Receivables which are generally due for settlement within 30 days.

Member reimbursement receivables are held with the objective to collect the member cashflows and therefore the Regional Council measures them subsequently at amortised cost using the effective interest rate method.

Due to the short term nature of current receivables, their carrying amount is considered to be the same as their fair value.

Impairment and risk exposure

Information about the impairment of other receivables and their exposure to credit risk and interest rate risk can be found in Note 19.

7. INVENTORIES

Non-current

Land held for resale

Note	2023	2022
	\$	\$
	0	1,600,000
	0	1,600,000
	1,600,000	1,600,000
11	(1,600,000)	0
	0	1,600,000

The following movements in inventories occurred during the year:

Balance at beginning of year

Inventories transferred to Investment property

Balance at end of year

SIGNIFICANT ACCOUNTING POLICIES

General

Inventories are measured at the lower of cost and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Land held for resale

Land held for development and 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.

Land held for resale (Continued)

Borrowing 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 onto the buyer at this point.

Land held for resale is classified as current except where it is held as non-current based on the Regional Council's intentions to release for sale.

**TAMALA PARK REGIONAL COUNCIL
(SUBSEQUENTLY RENAMED CATALINA REGIONAL COUNCIL)
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

8. OTHER ASSETS

Other assets - current

Settlement bonds

2023	2022
\$	\$
10,800	27,600
10,800	27,600

SIGNIFICANT ACCOUNTING POLICIES

Other current assets

Other non-financial assets include prepayments and settlement bonds which represent payments in advance of receipt of goods or services or that part of expenditure made in one accounting period covering a term extending beyond that period.

**TAMALA PARK REGIONAL COUNCIL
(SUBSEQUENTLY RENAMED CATALINA REGIONAL COUNCIL)
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

9. PROPERTY, PLANT AND EQUIPMENT

(a) Movements in Balances

Movement in the balances of each class of property, plant and equipment between the beginning and the end of the current financial year.

	Furniture and equipment	Plant and equipment	Improvements to leasehold property	Total property, plant and equipment
	\$	\$	\$	\$
Balance at 1 July 2021	0	56,744	45,866	102,610
Disposals	0	(56,744)	0	(56,744)
Depreciation	0	0	(9,555)	(9,555)
Balance at 30 June 2022	0	0	36,311	36,311
Comprises:				
Gross balance amount at 30 June 2022	6,569	0	76,442	83,011
Accumulated depreciation at 30 June 2022	(6,569)	0	(40,131)	(46,700)
Balance at 30 June 2022	0	0	36,311	36,311
Write off/Disposals	0	0	(20,403)	(20,403)
Revaluation increments / (decrements) transferred to revaluation surplus	0	0	(6,353)	(6,353)
Depreciation	0	0	(9,555)	(9,555)
Balance at 30 June 2023	0	0	0	0
Comprises:				
Gross balance amount at 30 June 2023	0	0	0	0
Accumulated depreciation at 30 June 2023	0	0	0	0
Balance at 30 June 2023	0	0	0	0

**TAMALA PARK REGIONAL COUNCIL
(SUBSEQUENTLY RENAMED CATALINA REGIONAL COUNCIL)
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

9. PROPERTY, PLANT AND EQUIPMENT (Continued)

(b) Carrying Value Measurements

The gross carrying value of the following asset classes are recognised at cost

Furniture and equipment

Plant and equipment

Improvements to leasehold property

(c) Depreciation

Depreciation rates

Typical estimated useful lives for the different asset classes for the current and prior years are included in the table below:

Asset Class	Useful life
Furniture and equipment	4 to 10 years
Plant and equipment	5 to 15 years
Improvements to leasehold property	Based on the remaining lease term

**TAMALA PARK REGIONAL COUNCIL
(SUBSEQUENTLY RENAMED CATALINA REGIONAL COUNCIL)
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

9. PROPERTY, PLANT AND EQUIPMENT (Continued)

SIGNIFICANT ACCOUNTING POLICIES

Fixed assets

Each class of fixed assets within either property, plant and equipment or infrastructure, is carried at cost or fair value (as indicated), less any accumulated depreciation and impairment losses.

Initial recognition and measurement for assets held at cost

Plant and equipment including furniture and equipment is recognised at cost on acquisition in accordance with *Financial Management Regulation 17A*. Where acquired at no cost, the asset is initially recognised at fair value. Assets held at cost are depreciated and assessed for indicators of impairment annually.

Initial recognition and measurement between mandatory revaluation dates for assets held at fair value

Assets for which the fair value as at the date of acquisition is under \$5,000 are not recognised as an asset in accordance with *Financial Management Regulation 17A (5)*. These assets are expensed immediately.

Where multiple individual low value assets are purchased together as part of a larger asset or collectively forming a larger asset exceeding the threshold, the individual assets are recognised as one asset and capitalised.

Upon initial recognition, cost is determined as the amount paid (or other consideration given) to acquire the assets, plus costs incidental to the acquisition. For assets acquired at zero cost or otherwise significantly less than fair value, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by the Regional Council includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overheads.

Individual assets that are land, buildings and infrastructure acquired between scheduled revaluation dates of the asset class in accordance with the Regional Council's revaluation policy are recognised at cost and disclosed as being at fair value as management believes cost approximates fair value. They are subject to subsequent revaluation at the next revaluation date consistent with *Financial Management Regulation 17A(4)*.

Revaluation

The fair value of land, buildings and infrastructure is determined at least every five years in accordance with the regulatory framework. This includes buildings and infrastructure items which were pre-existing improvements (i.e. vested improvements) on vested land acquired by the Regional Council.

At the end of each period, the carrying amount for each asset class is reviewed and, where appropriate, the fair value is updated to reflect current market conditions consistent with *Financial Management Regulation 17A(2)* which requires land, buildings, infrastructure, investment properties and vested improvements to be shown at fair value.

Revaluation (continued)

For land, buildings and infrastructure increases in the carrying amount arising on revaluation of asset classes are credited to a revaluation surplus in equity. Decreases that offset previous increases of the same class of asset are recognised against revaluation surplus directly in equity. All other decreases are recognised in profit or loss. Subsequent increases are then recognised in profit or loss to the extent they reverse a net revaluation decrease previously recognised in profit or loss for the same class of asset.

Depreciation

The depreciable amount of all property or infrastructure, are depreciated on a straight-line basis over the individual asset's useful life from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful life of the improvements.

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Depreciation on revaluation

When an item of property, plant and equipment and infrastructure is revalued, any accumulated depreciation at the date of the revaluation is treated in one of the following ways:

- (i) The gross carrying amount is adjusted in a manner that is consistent with the revaluation of the carrying amount of the asset.
- (ii) Eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset.

Amortisation

All intangible assets with a finite useful life, are amortised on a straight-line basis over the individual asset's useful life from the time the asset is held ready for use.

The residual value of intangible assets is considered to be zero and the useful life and amortisation method are reviewed at the end of each financial year.

Amortisation is included within depreciation in the Statement of Comprehensive Income and in Note 9(a).

Impairment

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains or losses on disposal

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the Statement of Comprehensive Income in the period in which they arise.

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10. LEASES

(a) Right-of-Use Assets

Movement in the balance of each class of right-of-use asset between the beginning and the end of the current financial year.

	Note	Right-of-use assets - land and buildings	Right-of-use assets Total
		\$	\$
Balance at 1 July 2021		20,114	20,114
Additions		164,868	164,868
Depreciation		(35,266)	(35,266)
Balance at 30 June 2022		149,716	149,716
Gross balance amount at 30 June 2022		149,716	149,716
Balance at 30 June 2022		149,716	149,716
Additions		10,968	10,968
Depreciation		(35,527)	(35,527)
Balance at 30 June 2023		125,157	125,157
Gross balance amount at 30 June 2023		175,836	175,836
Accumulated depreciation at 30 June 2023		(50,679)	(50,679)
Balance at 30 June 2023		125,157	125,157

The following amounts were recognised in the statement of comprehensive income during the period in respect of leases where the Regional Council is the lessee:

		2023 Actual	2022 Actual
		\$	\$
Depreciation on right-of-use assets		(35,527)	(35,266)
Finance charge on lease liabilities	24	(3,614)	(1,757)
Total amount recognised in the statement of comprehensive income		(39,141)	(37,023)
Total cash outflow from leases		(36,567)	(36,587)
(b) Lease Liabilities			
Current		35,214	31,760
Non-current		93,832	119,156
	24	129,046	150,916

Secured liabilities and assets pledged as security

Lease liabilities are effectively secured, as the rights to the leased assets recognised in the financial statements revert to the lessor in the event of default.

SIGNIFICANT ACCOUNTING POLICIES

Leases

At inception of a contract, the Regional Council assess if the contract contains or is a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

At the commencement date, a right-of-use asset is recognised at cost and lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the Regional Council uses its incremental borrowing rate.

All contracts that are classified as short-term leases (i.e. a lease with a term of 12 months or less) and leases of low value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

Details of individual lease liabilities required by regulations are provided at Note 24.

Right-of-use assets - measurement

Right-of-use assets are measured at cost. All right-of-use assets (other than vested improvements) under zero cost concessionary leases are measured at zero cost (i.e. not recognised in the Statement of Financial Position). The exception is vested improvements on concessionary land leases such as roads, buildings or other infrastructure which are reported at fair value.

Refer to Note 9 under revaluation for details on the significant accounting policies applying to vested improvements.

Right-of-use assets - depreciation

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset, whichever is the shorter. Where a lease transfers ownership of the underlying asset, or the cost of the right-of-use asset reflects that the Regional Council anticipates to exercise a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

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11. INVESTMENT PROPERTY

	Note	2023 Actual \$	2023 Budget \$	2022 Actual \$
Non-current assets - at fair value				
Classified as held for sale or disposal - transferred from inventory	7	1,600,000	0	0
Net gain/(loss) from fair value adjustment		915,000	0	0
Closing balance at 30 June		2,515,000	0	0

Investment property is land held with the intention to develop and sell in future years.
The land is currently vacant and is not subject to any lease arrangements.

SIGNIFICANT ACCOUNTING POLICIES

Investment property

Investment property is principally land, held for capital appreciation and is not occupied by the Regional Council. Investment property is carried at fair value in accordance with the significant accounting policies disclosed at note 9.

Fair value of investment property

A management valuation was performed to determine the fair value of investment property. The main Level 3 inputs used in the valuation are the recent selling prices of comparable lots in the same location.

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12. TRADE AND OTHER PAYABLES

Current

Sundry creditors
Accrued payroll liabilities
ATO liabilities
Bonds and deposits held
Accrued expenses

2023	2022
\$	\$
298,741	109,872
6,922	1,644
21,624	14,130
120,000	0
49,889	37,292
497,176	162,938

SIGNIFICANT ACCOUNTING POLICIES

Financial liabilities

Financial liabilities are initially recognised at fair value when the Regional Council becomes a party to the contractual provisions of the instrument.

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

Financial liabilities are derecognised where the related obligations are discharged, cancelled or expired. The difference between the carrying amount of the financial liability extinguished or transferred to another party and any consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Regional Council prior to the end of the financial year that are unpaid and arise when the Regional Council becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured, are recognised as a current liability and are usually paid within 30 days of recognition. The carrying amounts of trade and other payables are considered to be the same as their fair values, due to their short-term nature.

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13. EMPLOYEE RELATED PROVISIONS

Employee Related Provisions

	2023	2022
	\$	\$
Current provisions		
Employee benefit provisions		
Annual leave	27,532	21,788
Total current employee related provisions	27,532	21,788
Non-current provisions		
Employee benefit provisions		
Long service leave	19,795	13,527
Total non-current employee related provisions	19,795	13,527
Total employee related provisions	47,327	35,315

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave and associated on costs for services rendered up to the reporting date and recorded as an expense during the period the services are delivered.

Annual leave liabilities are classified as current, as there is no unconditional right to defer settlement for at least 12 months after the end of the reporting period. Assessments indicate that actual settlement of the liabilities is expected to occur as follows:

	Note	2023	2022
		\$	\$
Amounts are expected to be settled on the following basis:			
Less than 12 months after the reporting date		0	19,101
More than 12 months from reporting date		47,327	16,214
		47,327	35,315

SIGNIFICANT ACCOUNTING POLICIES

Employee benefits

The Regional Council's obligations for employees' annual leave, long service leave and other employee leave entitlements are recognised as employee related provisions in the Statement of Financial Position.

Short-term employee benefits

Provision is made for the Regional Council's obligations for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The Regional Council's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of current trade and other payables in the statement of financial position.

Other long-term employee benefits

Long-term employee benefits provisions are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Any remeasurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the changes occur.

The Regional Council's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the Regional Council does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

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14. REVALUATION SURPLUS

	2023 Opening Balance	Total Movement on Revaluation	2023 Closing Balance	2022 Opening Balance	2022 Closing Balance
	\$	\$	\$	\$	\$
Revaluation surplus - Improvements to leasehold property	6,353	(6,353)	0	6,353	6,353
	6,353	(6,353)	0	6,353	6,353

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15. NOTES TO THE STATEMENT OF CASH FLOWS

(a) Reconciliation of Cash

For the purposes of the Statement of Cash Flows, cash includes cash and cash equivalents, net of outstanding bank overdrafts. Cash at the end of the reporting period is reconciled to the related items in the Statement of Financial Position as follows:

	Note	2023 Actual \$	2022 Actual \$
Cash and cash equivalents	3	12,294,817	16,310,346

Restrictions

The following classes of assets have restrictions imposed by regulations or other externally imposed requirements which limit or direct the purpose for which the resources may be used:

- Cash and cash equivalents	3	10,919,898	16,310,346
- Financial assets at amortised cost	4	32,014,137	36,145,694
- Inventory	7	0	1,600,000
- Trade and other receivables		0	64,583
- Investment property	11	2,515,000	0
		45,449,035	54,120,623

The restricted assets are a result of the following specific purposes to which the assets may be used:
Restricted member contributions and equity

Total restricted financial assets	5	45,449,035	54,120,623
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**(b) Reconciliation of Net Result to Net Cash Provided
By Operating Activities**

Net result		1,001,970	(688,875)
Non-cash items:			
Adjustments to fair value of investment property		(2,515,000)	0
Depreciation		45,082	44,821
(Profit)/loss on sale of asset		20,403	1,744
CPI adjustment to lease repayments		115	0
Changes in assets and liabilities:			
(Increase)/decrease in trade and other receivables		41,835	(848)
(Increase)/decrease in other assets		16,800	(23,604)
(Increase)/decrease in inventories		1,600,000	0
Increase/(decrease) in trade and other payables		145,369	46,657
Increase/(decrease) in employee related provisions		12,012	(249,130)
Net cash provided by/(used in) operating activities		368,586	(869,235)

(c) Undrawn Borrowing Facilities

Credit Standby Arrangements

Bank overdraft limit	Not Applicable	Not Applicable
Bank overdraft at balance date	Not Applicable	Not Applicable
Credit card limit	10,000	10,000
Credit card balance at balance date	(5,081)	(1,823)
Total amount of credit unused	4,919	8,177

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16. CONTINGENT LIABILITIES

There were no contingent liabilities at the end of the reporting period (2022 : Nil).

17. CAPITAL COMMITMENTS

	2023	2022
	\$	\$
Contracted for:		
- capital expenditure projects	16,079,434	17,720,975
	16,079,434	17,720,975

The Regional Council has entered into capital commitments as agent for it's members of \$16,079,434 at 30 June 2023 relating to land development.

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18. RELATED PARTY TRANSACTIONS

(a) Council Member Remuneration

Fees, expenses and allowances to be paid or reimbursed to elected council members.

	Note	2023 Actual	2023 Budget	2022 Actual
		\$	\$	\$
Chairman's annual allowance		20,565	20,565	20,189
Chairman's meeting attendance fees		16,235	16,235	21,218
		36,800	36,800	41,407
Deputy Chairman's annual allowance		5,141	5,141	5,047
Deputy Chairman's meeting attendance fees		10,824	10,824	19,839
		15,965	15,965	24,886
All other council member's meeting attendance fees		108,240	108,240	91,767
		108,240	108,240	91,767
	18(b)	161,005	161,005	158,060

(b) Key Management Personnel (KMP) Compensation

The total of compensation paid to KMP of the Regional Council during the year are as follows:

	Note	2023 Actual	2022 Actual
		\$	\$
Short-term employee benefits		429,496	580,341
Post-employment benefits		43,777	35,790
Council member costs	18(a)	161,005	158,060
		634,278	774,191

Short-term employee benefits

These amounts include all salary and fringe benefits awarded to KMP except for details in respect to fees and benefits paid to council members which may be separately found in the table above.

Post-employment benefits

These amounts are the current-year's cost of the Regional Council's superannuation contributions made during the year.

Council member costs

These amounts represent payments of member fees, expenses, allowances and reimbursements during the year.

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18. RELATED PARTY TRANSACTIONS (Continued)

(c) Transactions with related parties

Transactions between related parties and the Regional Council are on normal commercial terms and conditions, no more favourable than those available to other parties, unless otherwise stated.

No outstanding balances or provisions for doubtful debts or guarantees exist in relation to related parties at year end.

In addition to KMP compensation above the following transactions occurred with related parties:

	2023 Actual	2022 Actual
	\$	\$
Transactions with members		
Lease payments	36,452	41,465
Land development expenses	(26,311,737)	(20,839,525)
Proceeds from sale of land	38,048,256	30,288,673
Return of contribution	(20,000,000)	(10,000,000)
Amounts outstanding from related parties:		
Trade and other receivables	547,195	585,055
Amounts payable to related parties:		
Trade and other payables	293,673	108,062

Related Parties

The Regional Council's main related parties are as follows:

i. Key management personnel

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any council member, are considered key management personnel and are detailed in Notes 18(a) and 18(b)

ii. Entities subject to significant influence by the Regional Council

There were no such entities requiring disclosure during the current or previous year.

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19. FINANCIAL RISK MANAGEMENT

This note explains the Regional Council's exposure to financial risks and how these risks could affect the Regional Council future financial performance.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, other receivables and financial assets	Aging analysis Credit analysis	Diversification of bank deposits, credit limits. Investment policy
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities

The Regional Council does not engage in transactions expressed in foreign currencies and is therefore not subject to foreign currency risk.

Financial risk management is carried out by the finance department under policies approved by the council. The finance department identifies, evaluates and manages financial risks in close co-operation with the operating divisions. Council have approved the overall risk management policy and provide policies on specific areas such as investment policy.

(a) Interest rate risk

Cash and cash equivalents

The Regional Council's main interest rate risk arises from cash and cash equivalents with variable interest rates, which exposes the Regional Council to cash flow interest rate risk. Short term overdraft facilities also have variable interest rates however these are repaid within 12 months, reducing the risk level to minimal.

Excess cash and cash equivalents are invested in fixed interest rate term deposits which do not expose the Regional Council to cash flow interest rate risk. Cash and cash equivalents required for working capital are held in variable interest rate accounts and non-interest bearing accounts. Carrying amounts of cash and cash equivalents at the 30 June and the weighted average interest rate across all cash and cash equivalents, term deposits, and Treasury bonds held disclosed as financial assets at amortised cost are reflected in the table below.

	Weighted Average Interest Rate	Carrying Amounts	Fixed Interest Rate	Variable Interest Rate	Non Interest Bearing
	%	\$	\$	\$	\$
2023					
Cash and cash equivalents	4.64%	12,294,817	10,018,693	2,160,259	115,865
Financial assets at amortised cost - term deposits	4.97%	32,014,137	32,014,137	0	0
2022					
Cash and cash equivalents	1.31%	16,310,346	6,082,609	9,425,093	802,644
Financial assets at amortised cost - term deposits	1.27%	33,145,694	33,145,694	0	0
Financial assets at amortised cost - Treasury bonds	0.70%	3,000,000	3,000,000	0	0

Sensitivity

Profit or loss is sensitive to higher/lower interest income from cash and cash equivalents as a result of changes in interest rates.

Impact of a 1% movement in interest rates on profit or loss and equity*

* Holding all other variables constant

2023	2022
\$	\$
21,603	94,251

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19. FINANCIAL RISK MANAGEMENT (Continued)

(b) Credit risk

Other Receivables

The level of outstanding receivables is reported to council monthly and benchmarks are set and monitored for acceptable collection performance.

The Regional Council applies the AASB 9 *Financial Instruments* simplified approach to measuring expected credit losses using a lifetime expected loss allowance for all trade and other receivables. To measure the expected credit losses, receivables from contributions and reimbursements are separated from other receivables due to the difference in payment terms and security.

The expected loss rates are based on the payment profiles of other receivables over a period of 36 months before 1 July 2022 or 1 July 2023 respectively and the corresponding historical losses experienced within this period. Historical credit loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors such as the ability of users to settle the receivables.

The loss allowance as at 30 June 2023 and 30 June 2022 was determined as follows for member reimbursement receivables.

	Current	More than 30 days past due	More than 60 days past due	More than 90 days past due	Total
30 June 2023					
Other receivables					
Expected credit loss	0.00%	0.00%	0.00%	0.00%	
Gross carrying amount	455,526	83,772	7,897	0	547,195
Loss allowance	0	0	0	0	0
30 June 2022					
Other receivables					
Expected credit loss	0.00%	0.00%	0.00%	0.00%	
Gross carrying amount	572,709	12,346	0	0	585,055
Loss allowance	0	0	0	0	0

There were no loss allowances provided for trade and other receivables as at 30 June.

Other receivables and contract assets are written off where there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Regional Council, and a failure to make contractual payments for a period of greater than 120 days past due.

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19. FINANCIAL RISK MANAGEMENT (Continued)

(c) Liquidity risk

Payables

Payables are subject to liquidity risk – that is the risk that insufficient funds may be on hand to meet payment obligations as and when they fall due. The Regional Council manages this risk by monitoring its cash flow requirements and liquidity levels and maintaining an adequate cash buffer. Payment terms can be extended and overdraft facilities drawn upon if required and disclosed in Note 15(c).

The contractual undiscounted cash flows of the Regional Council's Payables are set out in the liquidity table below. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

	Due within 1 year	Due between 1 & 5 years	Due after 5 years	Total contractual cash flows	Carrying values
<u>2023</u>	\$	\$	\$	\$	\$
Trade and other payables	475,552	0	0	475,552	475,552
Lease liabilities	37,905	96,800	0	134,705	129,046
	513,457	96,800	0	610,257	604,598
<u>2022</u>					
Trade and other payables	148,808	0	0	148,808	148,808
Lease liabilities	33,577	53,506	0	87,083	150,916
	182,385	53,506	0	235,891	299,724

20. EVENTS OCCURRING AFTER THE END OF THE REPORTING PERIOD

On 1 August 2023, Tamala Park Regional Council's name was changed to Catalina Regional Council pursuant to section 3.65(1) of the Local Government Act 1995 whereby the establishment agreement was amended with the approval of the Minister for Local Government. (2022 : Nil).

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21. OTHER SIGNIFICANT ACCOUNTING POLICIES

a) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows.

b) Current and non-current classification

The asset or liability is classified as current if it is expected to be settled within the next 12 months, being the Regional Council's operational cycle. In the case of liabilities where the Regional 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 or non-current based on the Regional Council's intentions to release for sale.

c) Rounding off figures

All figures shown in this annual financial report, other than a rate in the dollar, are rounded to the nearest dollar. Amounts are presented in Australian Dollars.

d) Comparative figures

Where required, comparative figures have been adjusted to conform with changes in presentation for the current financial year.

When the Regional Council applies an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in its financial statements that has a material effect on the statement of financial position, an additional (third) Statement of Financial Position as at the beginning of the preceding period in addition to the minimum comparative financial report is presented.

e) Budget comparative figures

Unless otherwise stated, the budget comparative figures shown in this annual financial report relate to the original budget estimate for the relevant item of disclosure.

f) Superannuation

The Regional Council contributes to a number of Superannuation Funds on behalf of employees. All funds to which the Regional Council contributes are defined contribution plans.

g) Fair value of assets and liabilities

Fair value is the price that the Regional Council would receive to sell the asset or would have to pay to transfer a liability, in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (i.e. the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (i.e. the market that maximises the receipts from the sale of the asset after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

h) Interest revenue

Interest revenue is calculated by applying the effective interest rate to the gross carrying amount of a financial asset measured at amortised cost except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

i) Fair value hierarchy

AASB 13 *Fair Value Measurement* requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurement into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

Level 1

Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2

Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3

Measurements based on unobservable inputs for the asset or liability.

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

Valuation techniques

The Regional Council selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the Regional Council are consistent with one or more of the following valuation approaches:

Market approach

Valuation techniques that use prices and other relevant information generated by market transactions for identical or similar assets or liabilities.

Income approach

Valuation techniques that convert estimated future cash flows or income and expenses into a single discounted present value.

Cost approach

Valuation techniques that reflect the current replacement cost of the service capacity of an asset.

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the Regional Council priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data is not available and therefore are developed using the best information available about such assumptions are considered unobservable.

j) Impairment of assets

In accordance with Australian Accounting Standards the Regional Council's assets, other than inventories, are assessed at each reporting date to determine whether there is any indication they may be impaired.

Where such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount.

Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard (e.g. AASB 116 *Property, Plant and Equipment*) whereby any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

**TAMALA PARK REGIONAL COUNCIL
(SUBSEQUENTLY RENAMED CATALINA REGIONAL COUNCIL)
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

22. FUNCTION AND ACTIVITY

(a) Service objectives and descriptions

Regional Council operations as disclosed in this financial report encompass the following service orientated functions and activities.

Objective	Description
General purpose funding	
To collect interest on investments.	Interest revenue.
Other property and services	
To monitor and control overheads on operating accounts.	Other unclassified activities.

(b) Income and expenses

	2023 Actual	2022 Actual
	\$	\$
Income excluding grants, subsidies and contributions and capital grants, subsidies and contributions		
General purpose funding	1,249,328	319,010
Other property and services	942,818	3,618
Total Income	2,192,146	322,628
Expenses		
Governance	(166,496)	(158,486)
Other property and services	(1,023,680)	(853,017)
Total expenses	(1,190,176)	(1,011,503)
Net result for the period	1,001,970	(688,875)
(c) Total Assets		
General purpose funding	44,873,314	54,828,751
Other property and services	2,640,157	36,311
	47,513,471	54,865,062

**TAMALA PARK REGIONAL COUNCIL
(SUBSEQUENTLY RENAMED CATALINA REGIONAL COUNCIL)
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

23. DETERMINATION OF SURPLUS OR DEFICIT

		2022/23 Budget	2021/22
	2022/23 (30 June 2023 Carried Forward)	(30 June 2023 Carried Forward)	(30 June 2022 Carried Forward)
Note	\$	\$	\$
(a) Non-cash amounts excluded from operating activities			
The following non-cash revenue or expenditure has been excluded from amounts attributable to operating activities within the Statement of Financial Activity in accordance with <i>Financial Management Regulation 32</i> .			
Adjustments to operating activities			
Add: Loss on write off/disposal of assets	20,403	0	1,744
Add: CPI increase on right of use lease agreement	115		
Add: Depreciation	45,082	43,510	44,821
Non-cash movements in non-current assets and liabilities:			
Financial assets at amortised cost	0	0	0
Investment property	(2,515,000)	0	0
Assets held for sale	0	0	0
Employee benefit provisions	6,268	0	12,296
Inventory	1,600,000	0	0
Non-cash amounts excluded from operating activities	(843,132)	43,510	58,861
(b) Surplus or deficit after imposition of general rates			
The following current assets and liabilities have been excluded from the net current assets used in the Statement of Financial Activity in accordance with <i>Financial Management Regulation 32</i> to agree to the surplus/(deficit) after imposition of general rates.			
Adjustments to net current assets			
Add: Current liabilities not expected to be cleared at end of year			
- Current portion of lease liabilities	35,214	33,577	31,760
Total adjustments to net current assets	35,214	33,577	31,760
Net current assets used in the Statement of Financial Activity			
Total current assets	44,873,314	27,008,937	53,079,035
Less: Total current liabilities	(559,922)	(147,009)	(216,486)
Less: Total adjustments to net current assets	35,214	33,577	31,760
Surplus or deficit after imposition of general rates	44,348,606	26,895,505	52,894,309

TAMALA PARK REGIONAL COUNCIL
(SUBSEQUENTLY RENAMED CATALINA REGIONAL COUNCIL)
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

24. BORROWING AND LEASE LIABILITIES

Lease Liabilities

Purpose	Note	Actual							Budget			
		Principal at 1 July 2021	New Leases During 2021-22	Principal Repayments During 2021-22	Principal at 30 June 2022	New Leases During 2022-23	Principal Repayments During 2022-23	Principal at 30 June 2023	Principal at 1 July 2022	New Leases During 2022-23	Principal Repayments During 2022-23	Principal at 30 June 2023
Unit 2, 369 Scarborough Beach Road, Innaloo		20,878	164,868	(34,830)	150,916	11,083	(32,953)	129,046	87,082	0	(33,577)	53,505
Total Lease Liabilities	10(b)	20,878	164,868	(34,830)	150,916	11,083	(32,953)	129,046	87,082	0	(33,577)	53,505

Lease Finance Cost Payments

Purpose	Note	Lease Number	Institution	Interest Rate	Date final payment is due	Actual for year ending 30 June 2023	Budget for year ending 30 June 2023	Actual for year ending 30 June 2022	Lease Term
Unit 2, 369 Scarborough Beach Road, Innaloo		STIRLI/210937	City of Stirling	2.50%	NA	\$ (3,614)	\$ (1,423)	\$ (1,757)	36
Total Finance Cost Payments	10(a)					(3,614)	(1,423)	(1,757)	



Auditor General

INDEPENDENT AUDITOR'S REPORT 2023 Tamala Park Regional Council

To the Council of the Tamala Park Regional Council

Opinion

I have audited the financial report of the Tamala Park Regional Council (TPRC) which comprises:

- the Statement of Financial Position at 30 June 2023, and the Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows and Statement of Financial Activity for the year then ended
- Notes comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the financial report is:

- based on proper accounts and records
- presents fairly, in all material respects, the results of the operations of TPRC for the year ended 30 June 2023 and its financial position at the end of that period
- in accordance with the *Local Government Act 1995* (the Act) and, to the extent that they are not inconsistent with the Act, the Australian Accounting Standards.

Basis for opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial report section below.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Other information

The Chief Executive Officer (CEO) is responsible for the preparation and the Council for overseeing the other information. The other information is the information in the entity's annual report for the year ended 30 June 2023, but not the financial report and my auditor's report.

My opinion on the financial report does not cover the other information and accordingly, I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report, or my knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I did not receive the other information prior to the date of this auditor's report. When I do receive it, I will read it and if I conclude that there is a material misstatement in this information, I am required to communicate the matter to the CEO and member Council and request them to correct the misstated information. If the misstated information is not corrected, I may need to retract this auditor's report and re-issue an amended report.

Responsibilities of the Chief Executive Officer and member Council for the financial report

The Chief Executive Officer (CEO) of the TPRC is responsible for:

- keeping proper accounts and records
- preparation and fair presentation of the financial report in accordance with the requirements of the Act and, to the extent that they are not inconsistent with the Act, the Regulations and Australian Accounting Standards
- managing internal control as required by the CEO to ensure the financial report is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the CEO is responsible for:

- assessing the TPRC's ability to continue as a going concern
- disclosing, as applicable, matters related to going concern
- using the going concern basis of accounting unless the State Government has made decisions affecting the continued existence of the TPRC.

The Council is responsible for overseeing the TPRC's financial reporting process.

Auditor's responsibilities for the audit of the financial report

As required by the *Auditor General Act 2006*, my responsibility is to express an opinion on the financial report. The objectives of my audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

A further description of my responsibilities for the audit of the financial report is located on the Auditing and Assurance Standards Board website. This description forms part of my auditor's report and can be found at https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf.

My independence and quality management relating to the report on the financial report

I have complied with the independence requirements of the *Auditor General Act 2006* and the relevant ethical requirements relating to assurance engagements. In accordance with ASQM 1 *Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information, or Other Assurance or Related Services Engagements*, the Office of the Auditor General maintains a comprehensive system of quality management including

documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Matters relating to the electronic publication of the audited financial report

This auditor's report relates to the financial report of the Tamala Park Regional Council for the year ended 30 June 2023 included in the annual report on TPRC's website. The TPRC's management is responsible for the integrity of TPRC's website. This audit does not provide assurance on the integrity of TPRC's website. The auditor's report refers only to the financial report. It does not provide an opinion on any other information which may have been hyperlinked to/from the annual report. If users of the financial report are concerned with the inherent risks arising from publication on a website, they are advised to contact TPRC to confirm the information contained in the website version.



Grant Robinson
Assistant Auditor General Financial Audit
Delegate of the Auditor General for Western Australia
Perth, Western Australia
5 October 2023



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catalina.wa.gov.au

This document is available in alternative formats upon request.



Appendix 8.8

CATALINA SUMMARY	CURRENT DEC-23	APPROVED JUN-23	VARIANCE
Total Lots	2,062	2,366	(304)
Residential Area	735,527m²	828,582m²	(93,056m²)
Special Sites Area	66,440m²	75,189m²	(8,749m²)
GROSS INCOME			
Income - Lots	616,593,643	710,570,146	(93,976,503)
Income - Special Sites	28,225,224	30,358,836	(2,133,612)
Income - Other	292,008	288,959	3,050
Direct Selling Expenses	63,440,784	72,641,522	9,200,738
GROSS INCOME	581,670,092	668,576,419	(86,906,327)
DEVELOPMENT COSTS			
Land	7,200,000	12,265,200	5,065,200
Consultants	6,201,069	9,519,639	3,318,570
Infrastructure	21,780,413	18,982,211	(2,798,202)
Special Sites/Other Development	4,733,879	6,554,965	1,821,086
Lot Production	180,081,207	237,203,756	57,122,549
Landscape	51,278,487	60,549,702	9,271,215
Marketing	4,193,164	5,414,340	1,221,176
Community Development	1,110,080	1,722,027	611,947
Administration	13,909,948	23,297,477	9,387,529
Finance/Bonds	-	-	-
Contingency	4,836,160	10,226,785	5,390,624
DEVELOPMENT COSTS	295,324,407	385,736,102	90,411,695
CASHFLOW	286,345,684	282,840,317	3,505,368
Capital IRR	11.9%	10.6%	1.3%
Project IRR	17.8%	16.9%	0.9%
Profit on Cost	97.0%	73.3%	23.6%
Profit /Lot	138,868	119,544	19,324

CURRENT DEC-23 PER LOT	APPROVED JUN-23 PER LOT	PER LOT VARIANCE
2,062	2,366	(304)
357m²	350m²	7m²
3,691m²	4,177m²	(486m²)
299,027	300,326	(1,299)
13,688	12,831	857
142	122	19
30,767	30,702	(64)
282,090	282,577	(486)
3,492	5,184	1,692
3,007	4,024	1,016
10,563	8,023	(2,540)
2,296	2,770	475
87,333	100,255	12,922
24,868	25,592	723
2,034	2,288	255
538	728	189
6,746	9,847	3,101
-	-	-
2,345	4,322	1,977
143,222	163,033	19,811
138,868	137,168	1,700

FEASIBILITY	VARIANCE
2,310	(248)
828,075m²	(92,548m²)
7,826m²	58,614m²
797,371,531	(180,777,888)
2,997,655	25,227,569
-	292,008
130,908,852	67,468,068
669,460,334	(87,790,242)
-	(7,200,000)
5,672,600	(528,469)
26,107,961	4,327,548
935,121	(3,798,758)
245,536,927	65,455,720
36,363,281	(14,915,205)
11,234,127	7,040,962
2,904,656	1,794,576
11,881,589	(2,028,359)
-	-
17,031,813	12,195,653
357,668,075	62,343,668
311,792,259	(25,446,574)
17.4%	(5.5%)
18.2%	(0.4%)
87.2%	9.8%
134,975	3,893

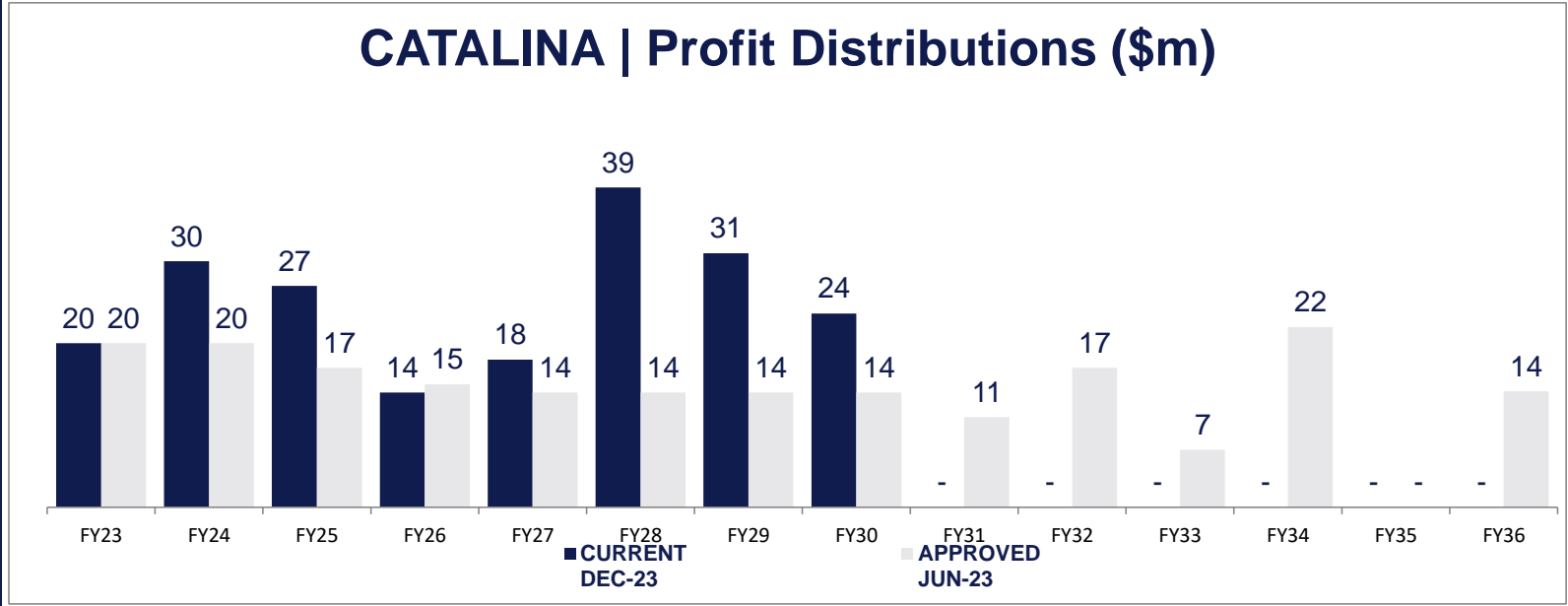
Note: All IRR calculations assume a notional land payment of \$77.4m at commencement of the project.

Note: All IRR calculations assume a notional land payment of \$77.4m at commencement of the project.

CATALINA NPV Analysis			
DISCOUNT RATE	6%	8%	10%
Current NPV of cashflows Oct-22 onwards	\$123.1m	\$115.3m	\$108.3m
Previous NPV of cashflows Oct-22 onwards	\$102.4m	\$93.1m	\$85.1m
Variance	\$20.7m	\$22.3m	\$23.2m

Given the current interest rate environment, higher discount or hurdle rates may be more appropriate for NPV analysis.

CATALINA Distributions				
FINANCIAL YEAR	CURRENT DEC-23	APPROVED JUN-23	VARIANCE	CUMULATIVE VARIANCE
PTD FY22	83,700,000	83,700,000	-	-
FY23	20,000,000	20,000,000	-	-
FY24	30,000,000	20,000,000	10,000,000	10,000,000
FY25	27,000,000	17,000,000	10,000,000	20,000,000
FY26	14,000,000	15,000,000	(1,000,000)	19,000,000
FY27	18,000,000	14,000,000	4,000,000	23,000,000
FY28	39,000,000	14,000,000	25,000,000	48,000,000
FY29	31,000,000	14,000,000	17,000,000	65,000,000
FY30	23,645,684	14,000,000	9,645,684	74,645,684
FY31	-	11,000,000	(11,000,000)	63,645,684
FY32	-	17,000,000	(17,000,000)	46,645,684
FY33	-	7,000,000	(7,000,000)	39,645,684
FY34	-	22,000,000	(22,000,000)	17,645,684
FY35	-	-	-	17,645,684
FY36	-	14,140,317	(14,140,317)	3,505,368
Total	286,345,684	282,840,317	3,505,368	3,505,368



CATALINA Escalation Rates						
INCOME						
From	Jan-11	Jan-23	Jul-23	Jan-24	Jan-25	Jan-26
To	Dec-22	Jun-23	Dec-23	Dec-24	Dec-25	End
Current	0.0%	0.0%	0.0%	5.0%	3.0%	3.0%
Previous	0.0%	0.0%	5.0%	5.0%	3.0%	3.0%
COST						
From	Jan-11	Jan-23	Jul-23	Jan-24	Jul-24	Jan-25
To	Dec-22	Jun-23	Dec-23	Jun-24	Dec-24	End
Current	0.0%	0.0%	0.0%	4.0%	2.0%	2.0%
Previous	0.0%	0.0%	5.0%	4.0%	2.0%	2.0%

CATALINA Sales Rates			
FINANCIAL YEAR	CURRENT DEC-23	APPROVED JUN-23	VARIANCE
PTD FY22	1,200	1,200	-
FY23	74	65	9
FY24	209	93	116
FY25	156	127	29
FY26	144	146	(2)
FY27	144	131	13
FY28	132	104	28
FY29	3	92	(89)
FY30	-	96	(96)
FY31	-	96	(96)
FY32	-	87	(87)
FY33	-	96	(96)
FY34	-	33	(33)
Total	2,062	2,366	(304)
Final Sale	Jul-28	Nov-33	(64) Mths
Final Settlement	Dec-28	May-34	(65) Mths

FEASIBILITY	VARIANCE
1,872	(672)
180	(106)
180	29
78	78
-	144
-	144
-	132
-	3
-	-
-	-
-	-
-	-
-	-
2,310	(248)
Dec-24	+43 Mths
Mar-25	+45 Mths

CATALINA

Annual Cashflow (December 2023)

CATEGORY	PROJECT TOTAL	PTD FY22	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31
STOCK											
Sales	2,062	1,200	74	209	156	144	144	132	3	-	-
Titles	2,062	1,133	176	161	186	155	78	173	-	-	-
Settlements	2,062	1,112	106	172	183	140	144	144	61	-	-
Closing Stock	-	22	73	104	71	62	70	3	-	-	-
Contracts on Hand	-	88	56	93	66	70	70	58	-	-	-
AVERAGE SETTLEMENT PRICE	299,027	274,599	300,972	326,832	312,888	313,842	296,569	384,972	389,882	-	-
GROSS INCOME											
Income - Lots	616,593,643	305,354,500	31,903,000	56,215,167	57,258,494	43,937,850	42,705,903	55,435,928	23,782,800	-	-
Income - Special Sites	28,225,224	4,479,500	7,150,000	2,750,000	4,759,863	-	1,159,828	5,527,871	1,166,675	1,231,486	-
Income - Other	292,008	286,887	4,302	820	-	-	-	-	-	-	-
Direct Selling Expenses	63,440,784	25,751,384	3,026,516	4,890,645	7,115,189	6,092,221	5,159,442	6,175,352	4,151,355	1,078,680	-
GROSS INCOME	581,670,092	284,369,502	36,030,786	54,075,342	54,903,169	37,845,629	38,706,289	54,788,447	20,798,120	152,806	-
DEVELOPMENT COSTS											
Land	7,200,000	-	-	-	7,200,000	-	-	-	-	-	-
Consultants	6,201,069	4,170,078	332,406	391,698	324,855	331,412	338,102	290,176	22,342	-	-
Infrastructure	21,780,413	16,572,783	565,922	1,714,534	1,327,790	-	-	1,599,384	-	-	-
Special Sites/Other Development	4,733,879	1,798,873	18,236	123,750	1,647,187	109,589	220,276	465,722	116,360	233,886	-
Lot Production	180,081,207	88,701,579	13,003,184	22,982,525	13,210,924	17,597,491	14,204,280	10,381,224	-	-	-
Landscape	51,278,487	20,702,537	4,729,448	8,732,910	11,241,917	1,460,136	4,084,661	326,878	-	-	-
Marketing	4,193,164	2,830,192	312,626	200,000	206,257	210,421	214,668	219,001	-	-	-
Community Development	1,110,080	595,360	42,064	90,000	92,816	94,689	96,601	98,550	-	-	-
Administration	13,909,948	5,529,601	1,143,500	1,481,235	1,275,432	1,266,722	1,265,399	1,101,361	492,909	353,789	-
Finance/Bonds	-	7,472,036	4,534,438	(3,233,384)	(395,624)	1,680,093	(700,000)	(350,000)	(9,007,559)	-	-
Contingency	4,836,160	-	-	150,000	1,826,359	1,053,523	1,021,199	724,115	31,581	29,384	-
DEVELOPMENT COSTS	295,324,407	148,373,038	24,681,823	32,633,269	37,957,914	23,804,076	20,745,185	14,856,410	(8,344,367)	617,059	-
CASHFLOW	286,345,684	135,996,465	11,348,963	21,442,073	16,945,254	14,041,553	17,961,104	39,932,037	29,142,488	(464,252)	-
Capital Calls	(13,300,000)	(13,300,000)	-	-	-	-	-	-	-	-	-
Capital Returns	13,300,000	13,300,000	-	-	-	-	-	-	-	-	-
PROFIT DISTRIBUTIONS	286,345,684	83,700,000	20,000,000	30,000,000	27,000,000	14,000,000	18,000,000	39,000,000	31,000,000	23,645,684	-
Cash Balance at Year End	-	52,296,465	43,645,428	35,087,501	25,032,755	25,074,308	25,035,412	25,967,449	24,109,937	-	-

CATALINA | FY24 Cashflow (December 2023)

Total Lots	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	FY24 TOTAL	APPROVED JUN-23	VARIANCE
Sales - Stage 29	1	3	1	1	3	2	2	-	-	-	-	-	13	15	(2)
Sales - Stage 31	-	3	4	3	8	4	2	4	5	5	2	2	42	33	9
Sales - Stage 32	-	-	-	-	-	-	-	-	-	-	1	1	2	-	2
Sales - Stage 36	1	-	-	-	-	-	7	1	-	-	2	2	13	12	1
Sales - Stage 37	4	2	1	-	3	1	-	-	-	-	-	-	11	17	(6)
Sales - Stage 38	9	5	11	3	6	-	-	-	-	-	-	-	34	16	18
Sales - Stage 39	-	-	2	8	25	3	6	10	6	-	-	-	60	-	60
Sales - Stage 41	-	-	-	-	-	-	-	-	4	10	10	10	34	-	34
Total Sales	15	13	19	15	45	10	17	15	15	15	15	15	209	93	116
Titles	-	-	-	-	65	-	-	36	-	-	60	-	161	103	58
Settlements	16	15	13	6	6	9	13	17	18	17	17	25	172	114	58
Contracts on hand	55	53	59	68	107	108	112	110	107	105	103	93	93	35	58
Average Settlement Price	144,375	129,000	69,375	159,089	159,606	301,185	343,428	301,269	151,253	160,266	160,324	52,682	326,832	327,444	(612)
GROSS INCOME															
Income - Stage 18C	-	135,000	455,000	-	-	-	-	-	-	-	-	-	590,000	687,333	(97,333)
Income - Stage 29	1,710,000	920,000	446,875	954,531	957,634	964,615	967,524	969,705	969,705	969,705	969,705	-	10,800,000	11,814,004	(1,014,004)
Income - Stage 31	-	-	-	-	-	1,746,050	3,497,043	2,624,945	1,752,847	1,754,813	1,755,796	1,317,054	14,448,547	8,716,591	5,731,957
Income - Stage 36	600,000	880,000	-	-	-	-	-	1,526,919	-	-	-	-	3,006,919	3,832,273	(825,354)
Income - Stage 37	2,590,000	2,507,000	2,902,292	1,122,456	1,122,456	802,589	527,427	527,427	263,714	263,714	263,714	-	13,156,500	9,564,675	3,591,825
Income - Stage 38	-	-	-	-	-	-	-	-	2,775,000	2,775,000	2,775,000	1,665,000	9,990,000	2,713,754	7,276,246
Income - Stage 39	-	-	-	-	-	-	-	-	-	-	-	4,223,200	4,223,200	-	4,223,200
Income - Lots Total	4,900,000	4,442,000	3,804,167	2,076,987	2,080,089	3,513,254	4,991,994	5,648,996	6,024,979	5,763,232	5,764,215	7,205,254	56,215,167	37,328,630	18,886,536
Income - Special Sites	-	-	-	-	-	-	-	-	2,750,000	-	-	-	2,750,000	2,750,000	-
Income - Other	820	-	-	-	-	-	-	-	-	-	-	-	820	-	820
Direct Selling Expenses	287,876	296,866	275,572	149,222	377,557	321,536	358,828	411,542	774,602	469,747	518,532	648,766	4,890,645	3,772,577	(1,118,068)
GROSS INCOME	4,612,944	4,145,134	3,528,595	1,927,765	1,702,533	3,191,718	4,633,166	5,237,454	8,000,377	5,293,485	5,245,683	6,556,487	54,075,342	36,306,053	17,769,289
DEVELOPMENT COSTS															
Land	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Consultants	37,072	56,024	29,651	29,651	29,651	29,651	29,750	29,849	29,949	30,049	30,149	30,249	391,698	484,377	92,679
Infrastructure	105,390	23,786	-	1,506,959	49,959	4,022	4,036	4,049	4,063	4,076	4,090	4,103	1,714,534	1,397,072	(317,462)
Special Sites/Other Development	-	-	-	-	-	-	-	-	-	48,750	-	75,000	123,750	388,984	265,234
Catalina Green Bulk Earthworks Stgs 36-37	6,764	-	-	-	-	-	-	-	-	-	-	-	6,764	-	(6,764)
Catalina Green Bulk Earthworks Stgs 41-43	-	-	-	-	-	-	-	892,863	895,839	898,825	901,821	904,827	4,494,175	-	(4,494,175)
Lot Production - Stage 18C	-	6,425	-	-	-	-	-	-	-	-	-	-	6,425	9,958	3,533
Lot Production - Stage 27B	-	-	400	-	-	-	-	-	-	-	-	-	400	80,966	80,566
Lot Production - Stage 29	5,491	78,001	-	-	2,168	-	-	-	-	-	-	-	85,661	218,075	132,415
Lot Production - Stage 30	2,525	-	-	-	4,909	-	-	-	-	-	-	-	7,434	-	(7,434)
Lot Production - Stage 31	917,499	682,671	130,877	743,537	884,130	445,037	420,277	210,839	-	-	-	-	4,434,867	3,877,690	(557,177)
Lot Production - Stage 32	-	(16,447)	-	-	-	38,883	39,013	39,143	39,273	39,404	39,536	193,567	412,372	228,722	(183,650)
Lot Production - Stage 33	-	(22,950)	-	-	-	-	-	-	-	-	-	-	(22,950)	-	22,950
Lot Production - Stage 34	-	(20,655)	-	-	-	-	-	-	-	-	-	-	(20,655)	-	20,655
Lot Production - Stage 36	(146,908)	200	1,549	292,545	292,545	625,552	-	-	-	-	-	-	1,065,482	354,764	(710,718)
Lot Production - Stage 37	207,698	14,032	-	42,775	15,080	15,080	8,964	5,138	-	-	-	-	308,767	831,009	522,242
Lot Production - Stage 38	70,616	215,914	-	8,999	132,743	380,233	971,674	507,343	509,034	259,925	9,150	-	3,065,632	3,694,616	628,985
Lot Production - Stage 39	39,420	36,540	34,311	34,311	34,311	171,729	448,054	1,417,897	1,110,375	1,402,373	978,066	560,758	6,268,145	320,640	(5,947,505)
Lot Production - Stage 41	-	3,335	-	-	-	-	48,639	48,801	135,787	441,495	1,025,174	794,497	2,497,729	-	(2,497,729)
Lot Production - Stage 42	-	4,388	-	-	-	-	-	-	33,400	33,511	33,623	33,735	138,656	-	(138,656)
Lot Production - Stage 43	-	4,899	-	-	-	-	37,803	37,929	38,056	38,183	38,310	38,438	233,619	-	(233,619)
Landscape	83,585	760,798	199,063	355,842	355,842	680,165	646,638	601,304	1,064,979	844,015	1,537,637	1,603,042	8,732,910	9,404,829	671,918
Marketing	12,328	38,402	14,927	14,927	14,927	14,927	14,927	14,927	14,927	14,927	14,927	14,927	200,000	200,000	-
Community Development	21,541	4,143	6,432	6,432	6,432	6,432	6,432	6,432	6,432	6,432	6,432	6,432	90,000	90,000	-
Administration	49,047	340,002	263,303	91,383	91,383	91,383	91,688	91,994	92,300	92,608	92,917	93,226	1,481,235	1,448,562	(32,673)
Finance/Bonds	26,303	(89,628)	0	-	(1,452,870)	-	(606,159)	350,000	(350,000)	-	350,000	(365,668)	(2,138,022)	(2,788,020)	(649,998)
Debtor/Creditor Movement	(1,417,086)	321,724	-	-	-	-	-	-	-	-	-	-	(1,095,362)	-	1,095,362
Contingency	-	-	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	150,000	500,000	350,000
DEVELOPMENT COSTS	21,286	2,441,603	695,513	3,142,363	476,212	2,518,096	2,176,737	4,273,509	3,639,414	4,169,573	5,076,830	4,002,133	32,633,269	20,742,246	(11,891,022)
CASHFLOW	4,591,659	1,703,531	2,833,081	(1,214,598)	1,226,321	673,623	2,456,429	963,946	4,360,963	1,123,912	168,853	2,554,354	21,442,073	15,563,807	5,878,266
Capital Calls	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital Returns	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Profit Distributions	-	-	-	-	-	15,000,000	-	-	-	-	-	15,000,000	30,000,000	20,000,000	10,000,000
Cumulative Cash Balance	48,237,086	49,940,617	52,773,698	51,559,101	52,785,422	38,459,044	40,915,473	41,879,419	46,240,382	47,364,294	47,533,147	35,087,501	35,087,501	41,801,847	(6,714,347)

CATALINA | FY25 Cashflow (December 2023)

Total Lots	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	FY24 TOTAL	APPROVED JUN-23	VARIANCE
Sales - Stage 31	3	3	3	3	3	3	3	2	-	-	-	-	23	33	(10)
Sales - Stage 32	1	1	1	1	1	1	1	1	1	4	4	4	21	23	(2)
Sales - Stage 33	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sales - Stage 36	2	2	2	2	2	2	2	2	2	-	-	-	18	-	18
Sales - Stage 38	-	-	-	-	-	-	-	-	-	-	-	-	-	21	(21)
Sales - Stage 39	-	-	-	-	-	-	-	-	-	-	-	-	-	50	(50)
Sales - Stage 41	7	7	7	2	-	-	-	-	-	-	-	-	23	-	23
Sales - Stage 42	-	-	-	-	-	-	-	-	-	-	-	5	5	-	5
Sales - Stage 43	-	-	-	7	9	5	5	9	9	9	9	4	66	-	66
Total Sales	13	13	13	15	15	11	11	14	12	13	13	13	156	127	29
Titles	21	57	42	-	-	-	-	-	66	-	-	-	186	64	122
Settlements	15	10	14	21	22	22	13	13	13	15	15	10	183	97	86
Contracts on hand	91	94	93	87	80	69	67	68	67	65	63	66	66	65	1
Average Settlement Price	87,816	87,830	88,895	75,460	92,102	92,197	156,173	156,301	156,413	135,645	135,803	159,894	312,888	341,436	(28,548)
GROSS INCOME															
Income - Stage 29	-	-	-	-	-	-	-	-	-	-	-	-	-	1,846,223	(1,846,223)
Income - Stage 31	1,317,237	878,301	878,386	878,441	1,317,716	1,317,757	1,317,787	1,317,810	1,317,823	1,317,823	1,317,823	878,549	14,055,453	18,678,409	(4,622,957)
Income - Stage 32	-	-	-	338,121	338,968	339,932	340,989	342,007	342,995	343,959	346,321	347,497	3,080,789	-	3,080,789
Income - Stage 36	-	-	366,149	368,097	369,557	370,653	371,474	372,091	372,553	372,900	372,900	372,900	3,709,272	-	3,709,272
Income - Stage 37	-	-	-	-	-	-	-	-	-	-	-	-	-	3,552,825	(3,552,825)
Income - Stage 38	-	-	-	-	-	-	-	-	-	-	-	-	-	7,327,135	(7,327,135)
Income - Stage 39	3,167,400	2,111,600	1,583,700	1,583,700	1,583,700	1,583,700	-	-	-	-	-	-	11,613,800	1,714,734	9,899,066
Income - Stage 41	-	-	1,256,756	3,148,089	3,150,519	3,150,519	2,205,364	2,205,364	2,205,364	630,104	-	-	17,952,079	-	17,952,079
Income - Stage 43	-	-	-	-	-	-	-	-	-	2,278,522	2,934,888	1,633,692	6,847,102	-	6,847,102
Income - Lots Total	4,484,637	2,989,901	4,084,991	6,316,448	6,760,461	6,762,561	4,235,614	4,237,272	4,238,735	4,943,307	4,971,931	3,232,637	57,258,494	33,119,327	24,139,168
Income - Special Sites	-	-	-	-	-	883,743	1,750,542	-	-	-	1,125,578	1,000,000	4,759,863	1,515,579	3,244,284
Income - Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Direct Selling Expenses	527,675	422,372	476,592	626,617	549,162	707,944	716,182	526,611	538,584	564,632	715,384	743,434	7,115,189	4,137,881	(2,977,308)
GROSS INCOME	3,956,962	2,567,529	3,608,399	5,689,831	6,211,299	6,938,360	5,269,975	3,710,661	3,700,151	4,378,674	5,382,126	3,489,203	54,903,169	30,497,024	24,406,145
DEVELOPMENT COSTS															
Land	-	-	-	-	-	7,200,000	-	-	-	-	-	-	7,200,000	-	(7,200,000)
Consultants	26,824	26,869	26,914	26,958	27,003	27,048	27,093	27,139	27,184	27,229	27,274	27,320	324,855	420,209	95,354
Infrastructure	4,110	4,117	218,321	218,685	219,050	219,415	219,780	220,147	4,165	-	-	-	1,327,790	1,652,447	324,657
Special Sites/Other Development	76,640	253,018	76,896	278,217	66,848	179,460	87,714	237,860	170,852	136,560	83,122	-	1,647,187	657,097	(990,089)
Catalina Green Cell Bulk Earthworks Stgs 39-40	-	-	-	-	-	-	-	-	-	-	-	-	-	1,833,750	1,833,750
Catalina Green Bulk Earthworks Stgs 41-43	-	-	-	-	-	-	-	-	-	-	-	-	-	17,725	17,725
Catalina Green Bulk Earthworks Stgs 44-47	-	-	-	-	-	-	-	-	-	-	3,463	3,469	6,933	-	(6,933)
Lot Production - Stage 32	581,668	1,744,970	778,144	779,441	390,370	-	-	-	-	-	-	-	4,274,593	3,386,746	(887,847)
Lot Production - Stage 33	-	-	-	-	-	-	-	34,806	34,864	34,922	34,981	35,039	174,612	202,111	27,498
Lot Production - Stage 39	140,423	-	-	-	-	-	-	-	-	-	-	-	140,423	7,210,267	7,069,844
Lot Production - Stage 40	-	-	-	-	-	-	-	-	-	25,541	25,583	25,626	76,750	133,607	56,857
Lot Production - Stage 41	477,680	1,130,703	206,125	-	-	-	-	-	-	-	-	-	1,814,508	-	(1,814,508)
Lot Production - Stage 42	33,791	33,847	33,904	33,960	34,017	-	-	-	-	-	-	652,229	821,749	-	(821,749)
Lot Production - Stage 43	38,502	38,566	38,630	-	862,957	864,395	865,836	1,453,575	868,724	870,172	-	-	5,901,357	-	(5,901,357)
Landscape	1,858,660	1,440,453	1,685,152	1,171,145	792,201	154,308	154,538	656,020	752,500	662,787	1,208,384	705,769	11,241,917	2,084,651	(9,157,266)
Marketing	17,031	17,060	17,088	17,116	17,145	17,174	17,202	17,231	17,260	17,288	17,317	17,346	206,257	211,468	5,210
Community Development	7,664	7,677	7,690	7,702	7,715	7,728	7,741	7,754	7,767	7,780	7,793	7,806	92,816	95,161	2,345
Administration	93,382	93,537	238,216	93,849	94,006	94,162	94,319	94,477	94,634	94,792	94,950	95,108	1,275,432	1,473,010	197,578
Finance/Bonds	-	-	(395,624)	350,000	-	(350,000)	(350,000)	-	-	-	350,000	-	(395,624)	700,000	1,095,624
Debtor/Creditor Movement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contingency	167,819	239,541	166,354	131,354	125,566	438,184	73,711	137,450	98,898	93,854	75,143	78,486	1,826,359	968,912	(857,447)
DEVELOPMENT COSTS	3,524,193	5,030,357	3,097,811	3,108,428	2,636,878	8,851,874	1,197,935	2,886,458	2,076,848	1,970,925	1,928,011	1,648,197	37,957,914	21,047,161	(16,910,753)
CASHFLOW	432,768	(2,462,828)	510,589	2,581,402	3,574,421	(1,913,515)	4,072,040	824,203	1,623,303	2,407,749	3,454,115	1,841,006	16,945,254	9,449,863	7,495,392
Capital Calls	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital Returns	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Profit Distributions	-	-	-	-	-	12,000,000	-	-	-	-	-	15,000,000	27,000,000	17,000,000	10,000,000
Cumulative Cash Balance	35,520,269	33,057,441	33,568,030	36,149,432	39,723,853	25,810,339	29,882,379	30,706,582	32,329,885	34,737,634	38,191,750	25,032,755	25,032,755	34,251,710	(9,218,955)

9 November 2023

Mr. Chris Adams
Chief Executive Officer
Catalina Regional Council
Unit 2, 369 Scarborough Beach Road
INNALOO WA 6019

Dear Chris,

Catalina FY24 Mid-Year Budget Review

Please find attached the FY24 Mid-Year Catalina Budget Review and updated Project Forecast. The review is discussed under the following headings:

1. Market Observations
2. Budget Comparisons
3. Review of Financial Year Ending 2024 (FY24)
4. Key Risks for Achieving FY24 Budget
5. Overview of Financial Year Ending 2025 (FY25)
6. Project Forecast
7. Assumptions
8. Cash Requirement, Capital Return and Profit Distribution Capacity

1. Market Observations

- Population growth for WA was 2.8% for the 12 months to 31 March 2023, an increase of 78,300 people, fuelling demand for property.
- At 5 November there were 1,085 lots for sale in the Perth Greater Metro area, 2,434 houses and 1,333 units. Overall this represents a 40% reduction from the same time last year.
- Rental prices have continued to increase with the vacancy rate remaining at near-historic lows.
- Commencing and completing new builds remains a major constraint for the property sector.
- Lot sales of 2,370 were recorded in Q3 2023, an increase of nearly 12% on the previous quarter.
- The north-west corridor remains the strongest land market in Perth.
- There has been growing investor interest for lots.

2. Budget Comparisons

Budget review and analysis in this document for all financial years compares to the FY24 Approved Budget and Project Forecast.

3. Review of Financial Year Ending 2024 (FY24)

This review forecasts a net cashflow before distributions of \$21.4m for the year to 30 June 2024, which is \$5.9m higher than the approved budget. The main areas of variance are summarised below:

- Annual sales are 116 higher at 209 lots for FY24 with a sharp increase in demand in recent months.
- Following the increase to sales and brought forward stage timings impacting titles, the FY24 settlement forecast has been revised up to 172 lots from 114 previously. The 60 titles for stage 39 forecast in May-24 contributes to 16 FY24 settlements and accounts for \$4.2m of the total \$56.2m in lot income this financial year.
- Direct selling expenses are (\$1.1m) higher driven by the increase in settlement revenue.
- FY24 infrastructure costs are (\$0.3m) higher than the approved budget due to a (\$0.5m) increase in Road Infrastructure Scheme Costs, offset by a \$0.2m saving for Long Beach Extension.
- Overall earthworks and lot production costs are (\$13.4m) higher brought about by the expedited construction program in response to the significant uplift in demand. Key movements include:
 - (\$4.5m) increase in earthworks costs for stages 41-43 brought forward, with payments expected from Feb-24.
 - (\$0.6m) higher stage 31 costs due to a (\$0.3m) increase in costs and (\$0.3m) carried over from FY23.
 - (\$0.7m) in stage 36 costs carried over from FY23.
 - Reduction of \$1.1m across stages 37 and 38 including \$0.9m of savings and \$0.2m of timing differences with costs incurred in FY23.
 - (\$8.8m) increase for stage 39 and 41 civil works brought forward, and initial planning and engineering for stages 42 and 43.
- Overall, there is a \$0.7m reduction to FY24 landscape works, including the following key variances:
 - \$1.3m reduction following the deferral of final Beach Foreshore POS costs into FY25.
 - (\$1.2m) for the stage 39 Green POS and Green Link brought forward.
 - \$0.6m deferral of stage 37-38 streetscape works.
- The marketing and community development budgets for FY24 are unchanged at \$0.2m and \$0.09m respectively.

- Movements in bonds and debtors /creditors are a net \$0.4m reduction in FY24 (timing difference only) and FY24 contingency has been reduced to \$0.15m from \$0.5m.
- FY24 distributions are budgeted to increase from \$20m to \$30m, which will result in a closing cash balance of \$35.1m.

4. Key Risks for Achieving FY24 Budget

The following are key risks to achieving the outcomes in this review:

- Achieving title dates and therefore settlement revenues is based on the following key assumptions:
 - Approvals are achieved within statutory timeframes or better.
 - Construction contracts are awarded on engineering design prior to City of Wanneroo Approval.
 - Pre-award budgets are provided to the civil contractor to commence pre-work plans (traffic, safety etc) prior to the stage being awarded.
 - No allowance has been made for further extension of construction periods caused by shortages of labour or materials.
 - Sufficient contractor capacity for stage 39, and in-turn stages 41-43.
- Deferral of stage 39 titles which places 16 settlements and \$4.2m of settlement revenue at risk.
- Significant landscaping program to be completed and invoiced - total budget of \$8.7m.
- Settlement of the Catalina Central Lot 341 special site occurs as budgeted - \$2.75m in Mar-24.

5. Overview of Financial Year Ending 2025 (FY25)

This review forecasts cashflow before distributions of \$16.9m for the year to 30 June 2025, which is \$7.5m higher than the approved budget and Project Forecast. The high-level areas of variance are summarised below:

- Gross income has increased by \$24.1m driven by higher settlement revenue flowing from higher sales rates.
- Overall development costs are (\$16.9m) higher in FY2025 than previously forecast, key items include:
 - (\$7.2m) WAPC land acquisition payment brought forward (previously 12.3m in FY28).
 - (\$1.0m) higher special site costs with brought forward timing of the Catalina Green sales office and initial group housing site construction costs.
 - Lot production costs are similar in total, although works will now be forecast for later stages due to the overall pull-forward of construction program.

- (\$9.2m) increase in landscape works including (\$1.5m) of deferred Beach Foreshore POS works and (\$5.1m) of brought forward Catalina Green POS and Greenlink works across stages 39, 41, 42 and 43.
- \$1.0m reduction in Finance/Bonds due to timings differences.
- Forecast distributions for FY25 have increased by \$10 to \$27m total, with a minimum cash balance of \$25m held throughout the year.

6. Project Forecast

The summary outcome of the updated overall project forecast is as follows:

CATALINA SUMMARY	CURRENT DEC-23	APPROVED JUN-23	VARIANCE
Total Lots	2,062	2,366	(304)
Residential Area	735,527m ²	828,582m ²	(93,056m ²)
Special Sites Area	66,440m ²	75,189m ²	(8,749m ²)
GROSS INCOME			
Income - Lots	616,593,643	710,570,146	(93,976,503)
Income - Special Sites	28,225,224	30,358,836	(2,133,612)
Income - Other	292,008	288,959	3,050
Direct Selling Expenses	63,440,784	72,641,522	9,200,738
GROSS INCOME	581,670,092	668,576,419	(86,906,327)
DEVELOPMENT COSTS			
Land	7,200,000	12,265,200	5,065,200
Consultants	6,201,069	9,519,639	3,318,570
Infrastructure	21,780,413	18,982,211	(2,798,202)
Special Sites/Other Development	4,733,879	6,554,965	1,821,086
Lot Production	180,081,207	237,203,756	57,122,549
Landscape	51,278,487	60,549,702	9,271,215
Marketing	4,193,164	5,414,340	1,221,176
Community Development	1,110,080	1,722,027	611,947
Administration	13,909,948	23,297,477	9,387,529
Finance/Bonds	-	-	-
Contingency	4,836,160	10,226,785	5,390,624
DEVELOPMENT COSTS	295,324,407	385,736,102	90,411,695
CASHFLOW	286,345,684	282,840,317	3,505,368
Capital IRR	11.9%	10.6%	1.3%
Project IRR	17.8%	16.9%	0.9%
Profit on Cost	97.0%	73.3%	23.6%
Profit /Lot	138,868	119,544	19,324

CATALINA | NPV Analysis

DISCOUNT RATE	6%	8%	10%
Current NPV of cashflows Oct-22 onwards	\$123.1m	\$115.3m	\$108.3m
Previous NPV of cashflows Oct-22 onwards	\$102.4m	\$93.1m	\$85.1m
Variance	\$20.7m	\$22.3m	\$23.2m

Overall, the project profit position has improved by \$3.5m since the Project Forecast approved in June 2024, with a significant improvement in underlying revenues and costs for remaining Beach and Green lots outweighing the removal of remaining lots of the Catalina Central precinct.

Overall, the net present value (NPV) has improved due to the expedited returns of the project with an improved sales and settlements outlook.

7. Assumptions

Yield

As advised by Catalina Regional Council, the updated forecast incorporates the removal of the balance of Catalina Central due to the uncertainty around future development timeframes. Overall, this resulted in a reduction of (301) residential lots and (\$25.7m) of project profit.

Escalation

The changes to escalation rates and timing from the approved Project Forecast are shown below:

CATALINA | Escalation Rates

INCOME						
From	Jan-11	Jan-23	Jul-23	Jan-24	Jan-25	Jan-26
To	Dec-22	Jun-23	Dec-23	Dec-24	Dec-25	End
Current	0.0%	0.0%	0.0%	5.0%	3.0%	3.0%
Previous	0.0%	0.0%	5.0%	5.0%	3.0%	3.0%
COST						
From	Jan-11	Jan-23	Jul-23	Jan-24	Jul-24	Jan-25
To	Dec-22	Jun-23	Dec-23	Jun-24	Dec-24	End
Current	0.0%	0.0%	0.0%	4.0%	2.0%	2.0%
Previous	0.0%	0.0%	5.0%	4.0%	2.0%	2.0%

Pricing

Standard base prices used in the updated project forecast are as shown below, which represents an increase of approximately 6% in Catalina Beach, and 7-8% in Catalina Green from the previous budget.

CATALINA | Standard Pricing - Future Stages

LOT TYPE	BEACH	GREEN
Rear loaded 6m x 30m 180m ²	242,500	159,000
Rear loaded 7.5m x 30m 225m ²	283,000	165,000
Front loaded 10.5m x 30m 315m ²	390,000	267,000
Front loaded 12.5m x 30m 375m ²	420,000	297,000
Front loaded 15m x 30m 450m ²	501,000	330,000

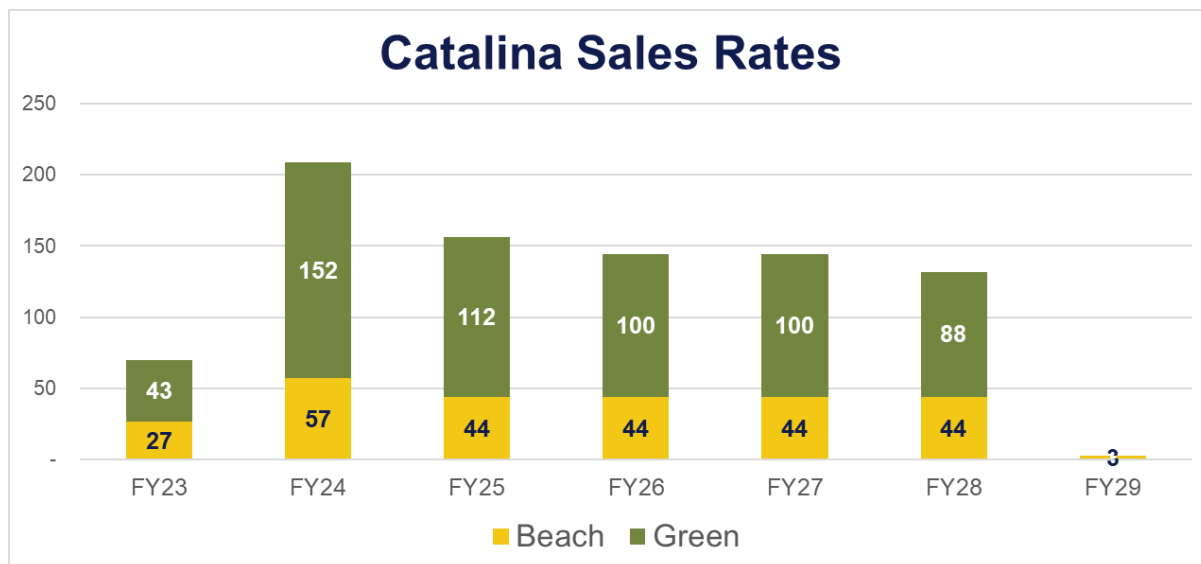
Sales Rates

Long-term fundamentals for the land market in Perth remain strong, which should see strong sales over upcoming financial years. The forecast (excluding the balance of Central) has been updated as shown below:

CATALINA | Sales Rates

FINANCIAL YEAR	CURRENT DEC-23	APPROVED JUN-23	VARIANCE
PTD FY22	1,200	1,200	-
FY23	74	65	9
FY24	209	93	116
FY25	156	127	29
FY26	144	146	(2)
FY27	144	131	13
FY28	132	104	28
FY29	3	92	(89)
FY30	-	96	(96)
FY31	-	96	(96)
FY32	-	87	(87)
FY33	-	96	(96)
FY34	-	33	(33)
Total	2,062	2,366	(304)
Final Sale	Jul-28	Nov-33	(64) Mths
Final Settlement	Dec-28	May-34	(65) Mths

With Central removed, forecast sales by precinct has been adjusted to finish Green and Beach at approximately the same time.



Other Assumptions

The following assumptions have been used in the revised project forecast:

- WAPC land acquisition assumed in Dec-24 for \$7.2m.
- To ensure adequate supply, Beach sales equate to approximately a 1/3 split over the remaining years it continues to sell.
- Marketing budgets after FY24 have been set at \$200,000 per annum plus escalation for project duration, community development at \$90,000 per annum plus escalation.
- High quality estate presentation will be key to achieving the sales rates in the Project Forecast. As such, unescalated maintenance budgets have been set at \$900,000 per annum for FY25-FY27.
- All IRR calculations assume a notional land payment based on historical valuation estimate of \$77.4m at commencement of the project, consistent with IRR methodology for other residential development projects.

8. Cash Requirement, Capital Return and Profit Distribution Capacity

This review forecasts a minimum cash balance for the project of \$35.1m in FY24, with \$15m forecast to be distributed in Dec-23 and \$15m in Jun-24.



Should you have any queries on this report, please do not hesitate to contact me.
Yours sincerely

A handwritten signature in blue ink, appearing to read 'Ross Carmichael'.

Ross Carmichael
General Manager - Finance

Appendix 8.10



Scoping Study Report

October 2023

By Helen Hardcastle AM



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Introduction

Catalina (formerly Tamala Park) Regional Council appointed Learning Horizons to undertake a scoping study and determine optimised collaboration and resource sharing opportunities for Catalina and Mindarie Regional Council. The key requirements of the study are to:

1. Identify options/opportunities for future collaboration and/or resource sharing between Catalina and Mindarie.
2. Identify the pros and cons (risks) of each Option.
3. List the process and timeframes that would be required (inc. legal, financial, etc.) to implement preferred/recommended Option/s.
4. Based on the above, recommend collaboration/resource sharing strategies that should be considered for implementation by Catalina and Mindarie.

This report is based primarily on desk top review and stakeholder feedback and has considered options at a strategic level to achieve efficiencies and maintain effectiveness.

Catalina & Mindarie Regional Councils

A joint landholding was acquired by seven local governments in 1981 which was to ultimately be known as the Tamala Park development. The **Catalina (formerly Tamala Park) Regional Council** is the corporate entity representing the interests of those seven local governments in the urban development of 180 hectares of land in Perth's northern suburbs of Clarkson and Mindarie. The Council was established by proclamation in the Government Gazette on 3 February 2006.

The Catalina Regional Council has been established for the specific purpose of creating an urban development in the Tamala Park landholding. When the land is fully developed Catalina will have completed its Charter and will cease to exist.

Catalina was established:

- (a) To undertake, in accordance with the objectives, the rezoning, subdivision, development, marketing and sale of the Land; 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) of this clause.

The Tamala Park Project is marketed as the Catalina Estate and, when complete, will comprise around 2,500 lots. The Satterley Property Group act as project managers and exclusive selling agents on Catalina's behalf.

The **Mindarie Regional Council** is one of the State's largest waste management authorities. Formed in 1981 when the Cities of Perth, Stirling and Wanneroo purchased land in Perth's

northern corridor that included a parcel of land deemed suitable for a landfill. Mindarie was constituted as a regional council in 1988.

Mindarie's primary role is to manage and dispose of waste delivered to it by its member councils. These currently being: the Cities of Perth, Stirling, Joondalup, Vincent and Wanneroo and the Towns of Cambridge and Victoria Park.

The Tamala Park landfill opened in 1991 and at one stage was WA's largest landfill operation and is still regarded in the industry as a best practice facility.

The end of life forecast for the landfill is 2028 and the lease for the Tamala Park site expires in 2032.

The Resource Recovery Facility (RRF) in Neerabup, opened in 2009, and changed the way waste was dealt with in the region with a significant portion of the household green wheelie bin waste now being processed and only the residue going to landfill. Mindarie has options to consider regarding expansion of their current business model incorporating landfill, recycling, expand to FOGO and review of a waste to energy project.

Mindarie is contracted to deliver waste to this facility until at least 2030. The Mindarie landfill closure date is dependent on member Councils' decisions (rate of infill and density).

The Vision/Mission statements for the two organisations are:

- Catalina: To create a sustainable urban community offering diverse housing choice, social connectivity, and employment opportunities.
- Mindarie: Vision: Collaborating for a regional Circular Economy. Mission: To deliver sustainable waste management options for members.

The Establishment Agreement for Mindarie needs review, Catalina Establishment Agreement has recently been reviewed.

While the purposes of the organisations vary greatly, increasingly, the futures of the two neighbouring organisations are becoming more closely linked in time.

The Catalina project has a finite lifespan as the land available for development and sale will ultimately cease. Land sales have accelerated with 450 developed blocks remaining and should be sold within 18 months. Decisions with respect to developers on remaining blocks will need to be made coinciding with decisions on lifespan of the landfill and potential wider business model of Mindarie. The operation of the Tamala Park Waste Facility as an active tip facility is finite as the landfill site will eventually be filled to its capacity, dependent on density and user decisions, the site will cease to operate, the land will be rehabilitated and used for alternate purposes. Whilst timing of sales, the proximity of the buffer, its future potential development as an urban site, and landfill life span has not been a critical issue in the past, the need for communication and collaboration is now evident. Whilst communication occurs the two separate governance structures inhibit transparent collaboration and discussion of both at a member Council level.

Current Status

Catalina and Mindarie are both independent regional Local Government authorities that have been established and approved under State legislative instruments. The organisations are governed by Councils that are made up of membership from seven (7) metropolitan Local Government Authorities. Currently both organisations run independently, and have different Elected Member representation from each member Council and differing committee structures. The regional Councils report independently to their member Councils and it appears that the member Councils discuss issues for each organisation independently.

There has been sharing of information given the shared boundary on pertinent matters such as odour, ground water monitoring, dust management and operational matters as required. Communication appears sporadic given different member representation, independence together with differing purposes, strategic imperatives and key issues to address.

Catalina has traditionally been able to develop and sell land that is outside of restricted areas/buffer zones associated with the operation of the Tamala Park Waste Facility. There are approximately **660 lots** left in Catalina Green and Catalina Beach with the council averaging selling 111 lots per annum over the life of the project. If Catalina is to achieve the development potential of its land, planning and approvals work for the development of Catalina Central (the area closest to the Tamala Park Waste Facility) will need to occur in the short/medium term.

The shared border with the buffer zone may impact on decisions of landfill and future development. Mindarie's operations impact on Catalina primarily through ground water contamination and odour. Whilst these are actively being monitored and addressed by Mindarie, as Catalina develops closer to Tamala Park Waste Facility these issues may become more pertinent as Catalina will not be able to achieve its Objectives without access to land that is currently impacted by Mindarie's operations.

Currently both Councils are at critical strategic decision points and resource intersections and as such consideration of a merger, sharing of resources, collaboration and sale of land are timely and important. The Councils share the buffer zone as a boundary and the nearby landfill with potential impacts on development, lifespan and waste options. Catalina has a limited lifespan and moving towards the next development stage, within positive housing market conditions whilst Mindarie is reviewing its business model and landfill lifespan to identify future waste options. Both decisions are interdependent and need to be made by the same 'owners' and Councils with the understanding of potential impacts, intended and unintended consequences.

The tables below provide an outline of the current costs of maintaining the Catalina and Mindarie regional councils. There are some cost savings to be made in several options considered in this study.

Catalina Regional Council

Administration

2022-2023

	Actual 2022-2023	Budget 2022-2023	Actual 2021-2022
Income	1,277,146	913,365	322,628
Expenses			
Materials & Contracts	(263,554)	(380,310)	(255,957)
Governance - Councillors	(166,809)	(171,255)	(157,340)
Employee Costs*	(671,118)	(737,937)	(532,794)
General Administration Costs	(68,292)	(73,714)	(63,668)
Total Operating Expenses	(1,169,773)	(1,363,216)	(1,009,759)

Note: * CEO and 3 FTEs.

Mindarie Regional Council

Administration

Budget 2023-2024

	FTEs	Salaries Budget 2023-2024	Projected Total Expenditure To 30/06/2024
CEO division	6	1,093,815	2,316,621
Corporate Services	8.4	1,301,980	3,314,286
Operations Services	21.4	3,140,885	31,254,517
Recycling (leased out)	0	0	607,575
Total Expenses	35.8	5,536,680	37,492,999

Note: All expenditure (excluding Operations Services which are recouped as gate fees) is a recoup/charge to Member Councils.

Methodology

Learning Horizons worked with the staff of each council to review the relevant documentation to enable the gathering of research background and context for both organisations including establishment agreements, relevant legislation, operating models, and financial summaries.

Initially a number of options were explored with stakeholders which led to feedback being sorted against the following options:

1. Merge into one regional council.
2. Sell remaining land, except the buffer, and gift buffer to Mindarie.
3. Remain as is. Conduct all business support within a member council utilising that council's workforce.
4. Remain as is. Share further resources between Catalina and Mindarie.
5. Maintain existing organisations, no change.

For each option, consideration was given to the benefits, risks, efficiency/effectiveness/gain, and process/timelines. A preferred option recommendation was based upon a majority of stakeholder feedback and the understanding of future member Council decisions.

Learning Horizons, through interviews and discussions, obtained feedback from the following stakeholders:

- Catalina CEO
- Mindarie CEO
- Council Chairs (both)
- Deputy Chairs (both)
- Selected Councillors
- Selection of Mayors and CEOs of member councils
- Staff of both Catalina and Mindarie

Options Explored

1. Merge into one regional council.
2. Sell remaining land, except CRC buffer, and gift buffer to MRC.
3. Remain as is. Conduct all business within a member council utilising that council's workforce.
4. Remain as is. Share some resources between CRC and MRC.

5. Maintain existing organisations.

STAKEHOLDER FEEDBACK				
OPTION	BENEFITS	RISKS	EFFICIENCY/EFFECTIVENESS/GAIN	PROCESS/TIMELINES
<u>Option 1</u> Merge into one regional Council	<p>One governing body on behalf of member councils making strategic decisions on shared land and boundaries.</p> <p>Both Councils are reviewing business models and decisions that are interdependent given same membership.</p> <p>Reduction of overheads and streamlined information, resource sharing, including governance, skills, licenses, equipment, water extractors.</p>	<p>Each regional council have a different purpose and skill set - merging may hinder operational decision-making and focus.</p> <p>Requires members to agree.</p> <p>Commercial work and decisions would need to be independent.</p> <p>Legislative and legal implications</p>	<p>One council and governance model representing ownership ensuring shared decisions.</p> <p>Shared land border and area alignment.</p> <p>Reduction of overheads and ability to share resources and skills rather than duplication of functions.</p> <p>Mindarie is required to develop a new establishment agreement given time and changing business model and as such could merge Catalina under Mindarie before review.</p> <p>Cost savings approx. \$1.2 million.</p>	<p>Consider closing Catalina and merge the project under Mindarie.</p> <p>Need legal advice and change in legislation and establishment agreement.</p> <p>Approximately two-to-three-year process.</p>
<u>Option 2</u> Sell remaining land, excepting the buffer of Catalina Post-sale gift buffer to Mindarie	<p>Regional Councils remain the same until closure of Catalina and transfer of buffer the same.</p> <p>Commercial sale of land at peak of land sale cycle.</p> <p>One governing body with single focus on waste and consideration of landfill impacts.</p>	<p>Requires members to agree to sale.</p> <p>Legal impediments to sale given the current agreements.</p>	<p>One Council with a single purpose.</p> <p>Cost savings approx. \$1.2 million.</p>	<p>Finalise land lots being developed, sell remaining land.</p> <p>Transfer buffer to Mindarie 2+ years.</p> <p>Review business model and establishment agreement of Mindarie.</p> <p>Consider a subsidiary model or a Commercial Enterprise to</p>

	No legislative changes			<p>continue the business of Mindarie and resource sharing with a member council.</p> <p>Dependent on sale, approximately 18-24 months.</p> <p>Would need legal advice on transferring the buffer.</p>
<p><u>Option 3</u> Remain as is. Conduct all or part of business functions within a member council utilising that council's workforce.</p>	<p>Efficient use of resources with ability to attract different level of skill set.</p> <p>Catalina seen as an efficient business model.</p>		Cost savings dependent on charge of service	<p>In effect this would also be a consideration post result of option 1 or 2 and post a review of business model of Mindarie.</p>
<p><u>Option 4</u> Remain as is. Share some resources between Catalina and Mindarie.</p>	<p>Small benefit given Catalina currently insources from member Council.</p> <p>Resource sharing to include skills, equipment, water extractors, licenses.</p>	<p>Two governing councils remain with potential impacts on decisions. Need to share information across two governing Councils.</p> <p>Commercial business would need to separated.</p>	Cost savings approx. \$0.7 million and limited.	Immediate review of resources
<p><u>Option5</u> Maintain existing organisations.</p>	No change required	<p>Overheads will remain same.</p> <p>Two governing bodies making independent</p>	No savings	No change

		<p>decisions.</p> <p>Increasing pressure for small organisations to attract skilled staff.</p> <p>Catalina seen as a good business model with the possibility of expanding the business of land and property development.</p>		
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Stakeholder Recommendations

Whilst each member Council holds differing views, all appreciated that the current governance structures were overly complex which could not be addressed given the current legislation and structures of the regional council model.

Option 2 is the preferred model from a stakeholder perspective. Option 1 next preferred.

Benefits & Gains

Merging into one regional council would be strategically beneficial given the shared ownership of member councils, land and boundaries. Removal of duplication of functions at a governance level would invariably bring about efficiencies through reduction of overheads, resource and skills sharing. However, given legal and statutory constraints this could take up to two years to realise such benefits.

Similarly, the sale of the remaining land, gifting the buffer area to Mindarie and cessation of Catalina would retain one governing body with a single focus on waste and landfill management without the need for legislative changes. Again, there are efficiencies gained through reduction of overheads, resource and skills sharing. The waste management under Mindarie council could consider developing a subsidiary or commercial enterprise model with a commercial or CEO board.

There is some benefit from continuing as separate regional councils and either having all or part of the business functions within a member council, or sharing some resources such as skills, equipment, water extractors and licenses for example. Maintaining the status quo would have the benefit of requiring no change to the existing regional councils and their business models.

Risks - Impediments to Change

There are legislative and legal implications and impediments to consider for a merger and with the transfer of the buffer and the limitations under respective establishment agreements.

There are currently seven member councils for each and it can be challenging to find consensus. For example, Mindarie's exploration of further waste options through a broadened business model, is not fully supported by all seven members.

The timeliness of any significant strategic changes would need to be considered in terms of efficiencies.

Any other options which suggest in-sourcing skill/resource requirements for Mindarie from larger member council, and possibly two councils, should consider the different objectives and need to share information.

Consideration could be for an option to close both councils, given governance and constrained decision making, and develop either a subsidiary with a commercial or CEO Board (Rivers Regional Councils are an example) or develop an alliance model of opt-in or opt-out projects run by one council. Both these would be challenging given the shared land.

Preferred Approach

Given the seven member councils having different views, considerations and capacity, the easiest option is to eliminate regional councils and develop partnerships and alliances. However, the land ownership would be challenging and hence the sale of Catalina land would be worthwhile exploring first or a merger. Then, the need for a regional council could be reviewed or a subsidiary or voluntary partnership model considered.

Given the context, timing and stakeholder views, it is appropriate to first explore Catalina sale and gifting the buffer to Mindarie. It will be important to review the business model of Mindarie, consideration of resource sharing from a member Council and review the need for a regional Council or subsidiary, commercial enterprise or alliance model.

With the review of the business model, and in line with the review of the Establishment Agreement, it will be important to consider opt in/opt out of future waste projects. Consideration of resource sharing with a member Council would further improve efficiencies given the current workforce market constraints.

Appendix 8.11

CODE OF CONDUCT FOR ELECTED MEMBERS, COMMITTEE MEMBERS & CANDIDATES 2021



Responsible Officer	Chief Executive Officer
Voting Requirements	Absolute Majority
Initial Council adoption	15 April 2021
Amendments / Review	
Last Council adoption	15 April 2021 7 December 2023
Review due	2022 2025

DIVISION 1 — PRELIMINARY PROVISIONS

1. PREAMBLE

The Code of Conduct for Catalina Regional Council's *Elected Members, Committee Members and Candidates* provides guidelines for an acceptable standard of professional conduct.

The Code addresses in a concise manner the broader issue of ethical responsibility and encourages greater transparency and accountability.

2. TERMS USED

(1) In this code —

Act means the *Local Government Act 1995*;

candidate means a candidate for election as a council member; **complaint** means a complaint made under clause 11(1); **publish** includes to publish on a social media platform.

(2) Other terms used in this code that are also used in the Act have the same meaning as they have in the Act, unless the contrary intention appears.

DIVISION 2 — GENERAL PRINCIPLES

3. OVERVIEW OF DIVISION

This Division sets out general principles to guide the behaviour of council members, committee members and candidates.

4. PERSONAL INTEGRITY

(1) A council member, committee member or candidate should —

- (a) act with reasonable care and diligence; and
- (b) act with honesty and integrity; and
- (c) act lawfully; and
- (d) identify and appropriately manage any conflict of interest; and
- (e) avoid damage to the reputation of the local government

- (2) A council member or committee member should —
 - (a) act in accordance with the trust placed in council members and committee members; and
 - (b) participate in decision-making in an honest, fair, impartial and timely manner; and
 - (c) actively seek out and engage in training and development opportunities to improve the performance of their role; and
 - (d) attend and participate in briefings, workshops and training sessions provided or arranged by the local government in relation to the performance of their role.

5. RELATIONSHIP WITH OTHERS

- (1) A council member, committee member or candidate should —
 - (a) treat others with respect, courtesy and fairness; and
 - (b) respect and value diversity in the community.
- (2) A council member or committee member should maintain and contribute to a harmonious, safe and productive work environment.

6. ACCOUNTABILITY

A council member or committee member should —

- (a) base decisions on relevant and factually correct information; and
- (b) make decisions on merit, in the public interest and in accordance with statutory obligations and principles of good governance and procedural fairness; and
- (c) read all agenda papers given to them in relation to council or committee meetings; and
- (d) be open and accountable to, and represent, the community in the district.

DIVISION 3 — BEHAVIOUR

7. OVERVIEW OF DIVISION

This Division sets out —

- (a) requirements relating to the behaviour of council members, committee members and candidates; and
- (b) the mechanism for dealing with alleged breaches of those requirements.

8. PERSONAL INTEGRITY

- (1) A council member, committee member or candidate —
 - (a) must ensure that their use of social media and other forms of communication complies with this code; and
 - (b) must only publish material that is factually correct.
- (2) A council member or committee member —
 - (a) must not be impaired by alcohol or drugs in the performance of their official duties; and
 - (b) must comply with all policies, procedures and resolutions of the local government.

9. RELATIONSHIP WITH OTHERS

A council member, committee member or candidate —

- (a) must not bully or harass another person in any way; and
- (b) must deal with the media in a positive and appropriate manner and in accordance with any relevant policy of the local government; and
- (c) must not use offensive or derogatory language when referring to another person; and
- (d) must not disparage the character of another council member, committee member or candidate or a local government employee in connection with the performance of their official duties; and
- (e) must not impute dishonest or unethical motives to another council member, committee member or candidate or a local government employee in connection with the performance of their official duties.

10. COUNCIL OR COMMITTEE MEETINGS

When attending a council or committee meeting, a council member, committee member or candidate —

- (a) must not act in an abusive or threatening manner towards another person; and
- (b) must not make a statement that the member or candidate knows, or could reasonably be expected to know, is false or misleading; and
- (c) must not repeatedly disrupt the meeting; and
- (d) must comply with any requirements of a local law of the local government relating to the procedures and conduct of council or committee meetings; and
- (e) must comply with any direction given by the person presiding at the meeting; and
- (f) must immediately cease to engage in any conduct that has been ruled out of order by the person presiding at the meeting.

11. COMPLAINT ABOUT ALLEGED BREACH

- (1) A person may make a complaint, in accordance with subclause (2), alleging a breach of a requirement set out in this Division.
- (2) A complaint must be made —
 - (a) in writing in the form approved by the local government; and
 - (b) to a person authorised under subclause (3); and
 - (c) within 1 month after the occurrence of the alleged breach.
- (3) The local government must, in writing, authorise 1 or more persons to receive complaints and withdrawals of complaints.

12. DEALING WITH COMPLAINT

- (1) After considering a complaint, the local government must, unless it dismisses the complaint under clause 13 or the complaint is withdrawn under clause 14(1), make a finding as to whether the alleged breach the subject of the complaint has occurred.

- (2) Before making a finding in relation to the complaint, the local government must give the person to whom the complaint relates a reasonable opportunity to be heard.
- (3) A finding that the alleged breach has occurred must be based on evidence from which it may be concluded that it is more likely that the breach occurred than that it did not occur.
- (4) If the local government makes a finding that the alleged breach has occurred, the local government may —
 - (a) take no further action; or
 - (b) prepare and implement a plan to address the behaviour of the person to whom the complaint relates.
- (5) When preparing a plan under subclause (4)(b), the local government must consult with the person to whom the complaint relates.
- (6) A plan under subclause (4)(b) may include a requirement for the person to whom the complaint relates to do 1 or more of the following—
 - (a) engage in mediation;
 - (b) undertake counselling;
 - (c) undertake training;
 - (d) take other action the local government considers appropriate.
- (7) If the local government makes a finding in relation to the complaint, the local government must give the complainant, and the person to whom the complaint relates, written notice of —
 - (a) its finding and the reasons for its finding; and
 - (b) if its finding is that the alleged breach has occurred — its decision under subclause (4).

13. DISMISSAL OF COMPLAINT

- (1) The local government must dismiss a complaint if it is satisfied that—
 - (a) the behaviour to which the complaint relates occurred at a council or committee meeting; and
 - (b) either —
 - (i) the behaviour was dealt with by the person presiding at the meeting; or
 - (ii) the person responsible for the behaviour has taken remedial action in accordance with a local law of the local government that deals with meeting procedures.
- (2) If the local government dismisses a complaint, the local government must give the complainant, and the person to whom the complaint relates, written notice of its decision and the reasons for its decision.

14. WITHDRAWAL OF COMPLAINT

- (1) A complainant may withdraw their complaint at any time before the local government makes a finding in relation to the complaint.

- (2) The withdrawal of a complaint must be —
 - (a) in writing; and
 - (b) given to a person authorised under clause 11(3).

15. OTHER PROVISIONS ABOUT COMPLAINTS

- (1) A complaint about an alleged breach by a candidate cannot be dealt with by the local government unless the candidate has been elected as a council member.
- (2) The procedure for dealing with complaints may be determined by the local government to the extent that it is not provided for in this Division.

DIVISION 4 — RULES OF CONDUCT

Notes for this Division:

- 1) Under section 5.105(1) of the Act a council member commits a minor breach if the council member contravenes a rule of conduct. This extends to the contravention of a rule of conduct that occurred when the council member was a candidate.
- 2) A minor breach is dealt with by a standards panel under section 5.110 of the Act.

16. OVERVIEW OF DIVISION

- (1) This Division sets out rules of conduct for council members and candidates.
- (2) A reference in this Division to a council member includes a council member when acting as a committee member.

17. MISUSE OF LOCAL GOVERNMENT RESOURCES

- (1) In this clause —
 - electoral purpose** means the purpose of persuading electors to vote in a particular way at an election, referendum or other poll held under the Act, the *Electoral Act 1907* or the *Commonwealth Electoral Act 1918*;
 - resources of a local government** includes —
 - (a) local government property; and
 - (b) services provided, or paid for, by a local government.
- (2) A council member must not, directly or indirectly, use the resources of a local government for an electoral purpose or other purpose unless authorised under the Act, or by the local government or the CEO, to use the resources for that purpose.

18. SECURING PERSONAL ADVANTAGE OR DISADVANTAGING OTHERS

- (1) A council member must not make improper use of their office—
 - (a) to gain, directly or indirectly, an advantage for the council member or any other person; or
 - (b) to cause detriment to the local government or any other person.

- (2) Subclause (1) does not apply to conduct that contravenes section 5.93 of the Act or *The Criminal Code* section 83.

19. PROHIBITION AGAINST INVOLVEMENT IN ADMINISTRATION

- (1) A council member must not undertake a task that contributes to the administration of the local government unless authorised by the local government or the CEO to undertake that task.
- (2) Subclause (1) does not apply to anything that a council member does as part of the deliberations at a council or committee meeting.

20. RELATIONSHIP WITH LOCAL GOVERNMENT EMPLOYEES

- (1) In this clause —
local government employee means a person —
- (a) employed by a local government under section 5.36(1) of the Act; or
 - (b) engaged by a local government under a contract for services.
- (2) A council member or candidate must not —
- (a) direct or attempt to direct a local government employee to do or not to do anything in their capacity as a local government employee; or
 - (b) attempt to influence, by means of a threat or the promise of a reward, the conduct of a local government employee in their capacity as a local government employee; or
 - (c) act in an abusive or threatening manner towards a local government employee.
- (3) Subclause (2)(a) does not apply to anything that a council member does as part of the deliberations at a council or committee meeting.
- (4) If a council member or candidate, in their capacity as a council member or candidate, is attending a council or committee meeting or other organised event (for example, a briefing or workshop), the council member or candidate must not orally, in writing or by any other means —
- (a) make a statement that a local government employee is incompetent or dishonest; or
 - (b) use an offensive or objectionable expression when referring to a local government employee.
- (5) Subclause (4)(a) does not apply to conduct that is unlawful under *The Criminal Code* Chapter XXXV.

21. DISCLOSURE OF INFORMATION

- (1) In this clause —
closed meeting means a council or committee meeting, or a part of a council or committee meeting, that is closed to members of the public under section 5.23(2) of the Act;

confidential document means a document marked by the CEO, or by a person authorised by the CEO, to clearly show that the information in the document is not to be disclosed;

document includes a part of a document;

non-confidential document means a document that is not a confidential document.

- (2) A council member must not disclose information that the council member—
 - (a) derived from a confidential document; or
 - (b) acquired at a closed meeting other than information derived from a non-confidential document.
- (3) Subclause (2) does not prevent a council member from disclosing information—
 - (a) at a closed meeting; or
 - (b) to the extent specified by the council and subject to such other conditions as the council determines; or
 - (c) that is already in the public domain; or
 - (d) to an officer of the Department; or
 - (e) to the Minister; or
 - (f) to a legal practitioner for the purpose of obtaining legal advice; or
 - (g) if the disclosure is required or permitted by law.

22. DISCLOSURE OF INTERESTS

- (1) In this clause —
 - interest** —
 - (a) means an interest that could, or could reasonably be perceived to, adversely affect the impartiality of the person having the interest; and
 - (b) includes an interest arising from kinship, friendship or membership of an association.
- (2) A council member who has an interest in any matter to be discussed at a council or committee meeting attended by the council member must disclose the nature of the interest —
 - (a) in a written notice given to the CEO before the meeting; or
 - (b) at the meeting immediately before the matter is discussed.
- (3) Subclause (2) does not apply to an interest referred to in section 5.60 of the Act.
- (4) Subclause (2) does not apply if a council member fails to disclose an interest because the council member did not know —
 - (a) that they had an interest in the matter; or
 - (b) that the matter in which they had an interest would be discussed at the meeting and the council member disclosed the interest as soon as possible after the discussion began.

- (5) If, under subclause (2)(a), a council member discloses an interest in a written notice given to the CEO before a meeting, then —
 - (a) before the meeting the CEO must cause the notice to be given to the person who is to preside at the meeting; and
 - (b) at the meeting the person presiding must bring the notice and its contents to the attention of the persons present immediately before any matter to which the disclosure relates is discussed.
- (6) Subclause (7) applies in relation to an interest if —
 - (a) under subclause (2)(b) or (4)(b) the interest is disclosed at a meeting; or
 - (b) under subclause (5)(b) notice of the interest is brought to the attention of the persons present at a meeting.
- (7) The nature of the interest must be recorded in the minutes of the meeting.

23. COMPLIANCE WITH PLAN REQUIREMENT

If a plan under clause 12(4)(b) in relation to a council member includes a requirement referred to in clause 12(6), the council member must comply with the requirement.

COMPLAINT ABOUT ALLEGED BREACH FORM;
Code of Conduct for Council Members, Committee
Members and Candidates



Schedule 1, Division 3 of the *Local Government (Model Code of Conduct) Regulations 2021*

NOTE: A complaint about an alleged breach must be made —
(a) in writing in the form approved by the local government;
(b) to an authorised person;
(c) within one month after the occurrence of the alleged breach.

Name of person who is making the complaint:

Name: _____
Given Name(s) Family Name

Contact details of person making the complaint:

Address: _____
Email: _____
Contact number: _____

Name of the local government (city, town, shire) concerned:

Name of council member, committee member, candidate alleged to have committed the breach:

State the full details of the alleged breach. Attach any supporting evidence to your complaint form.

COMPLAINT ABOUT ALLEGED BREACH FORM;
Code of Conduct for Council Members, Committee
Members and Candidates



Date of alleged breach:

_____ / _____ / 20____

SIGNED:

Complainant's signature:

Date of signing: _____ / _____ / 20____

Received by Authorised Officer

Authorised Officer's Name:

Authorised Officer's Signature:

Date received: _____ / _____ / 20____

NOTE TO PERSON MAKING THE COMPLAINT:

This form should be completed, dated and signed by the person making a complaint of an alleged breach of the Code of Conduct. The complaint is to be specific about the alleged breach and include the relevant section/subsection of the alleged breach.

The complaint must be made:

- For a complaint about a councillor, committee member or candidate to the Chief Executive Officer;
- For a complaint about the Chair, to the Chief Executive Officer.

Signed complaint form is to be forwarded to:

Chris Adams; Chief Executive Officer
Unit 2/369 Scarborough Beach Road,
Innaloo WA 6018
mail@catalina.wa.gov.au



Department of
Local Government, Sport
and Cultural Industries



*Local Government
Act 1995 Review*
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LOCAL GOVERNMENT ACT REVIEW ►► DELIVERING FOR THE COMMUNITY

Guidelines on the Model Code of Conduct for Council Members, Committee Members and Candidates

February 2021

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Model Code of Conduct

Introduction

Local government is vital for the delivery of key services and infrastructure in the community. Individuals who are, or seek to be, members of local councils and council committees are entrusted by their community to represent local views, make sound decisions, and utilise public funds effectively to deliver services and amenities for their community. As such, a high standard of professional and ethical conduct is expected of council members and committee members in local governments, as well as candidates in local government elections.

A review of the *Local Government Act 1995* (Act), including consultation with community and sector stakeholders, led to the implementation of priority reforms under the *Local Government Amendment Act 2019* (Amendment Act).

The Amendment Act was developed in response to stakeholder feedback that there was a need for governance reforms, including a Code of Conduct for council members, committee members and candidates that clearly reflects community expectations of behaviour and supports consistency between local governments in relation to the overall process for managing alleged breaches of that Code.

As a result, key reforms under the Amendment Act include the introduction of a Model Code of Conduct (Model Code) that must be adopted by local governments and applied to council members, committee members and candidates; as well as a separate Code of Conduct for Employees.

The Model Code replaces the previous statutory requirement for local governments to develop and implement an individual code of conduct for their council members, committee members and employees.

The *Model Code of Conduct Regulations 2021* (Regulations) have been developed to give effect to the Amendment Act, and provide for:

- overarching principles to guide behaviour;
- behaviours and complaints which are managed by local governments; and
- rules of conduct, contraventions of which are considered by the independent Local Government Standards Panel (Standards Panel) where appropriate.

Definitions

The Model Code defines key terms to aid understanding and compliance. Where a term is not defined in either the Regulations or the Act, then the generally accepted meaning of the term applies. Some additional guidance is provided as follows:

Candidate: an individual is considered a candidate when their nomination for election is accepted by a Returning Officer under section 4.49 of the Act. The Model Code applies to the individual from that point. Any alleged breach of the Model Code may only be addressed if and when the individual is elected as a council member.

Council member: references to 'council member' in the Regulations mean an individual who has been elected as a council member under the Act. The requirements of the Regulations also apply to a council member who is a committee member on a council committee.

Committee member: under the Regulations, a 'committee member' includes any council member, local government employee or unelected member of the community who has been engaged by the council to participate in a council committee.

Evidence: references to 'evidence' in the Regulations means the available facts or information indicating whether an allegation is true or valid. Local governments must use evidence provided by the complainant and by the person to whom the complaint relates, as well as other relevant information, to decide whether an alleged breach of the Model Code has occurred.

Local government(s): per the approach in the Act, references to 'local government' in the Regulations mean the body corporate that is the local governing body made up of the council, Chief Executive Officer (CEO) and administrative staff appointed and managed by the CEO.

Where a statutory function entails decision-making on governance matters, the council is responsible for making those decisions. This includes decisions on complaints regarding the conduct of council members, committee members and candidates, as set out in the Regulations.

Further guidance on certain terms in the Model Code is provided in these Guidelines.

Purpose

The purpose of the Model Code is to guide the decisions, actions and behaviours of members, both in council and on council committees, and of candidates running for election as a council member.

Members must comply with the provisions in the Model Code in fulfilling their role and responsibilities in council and on council committees, as set out in the Act.

An individual who has nominated as a candidate for election as a council member is also required to demonstrate professional and ethical behaviour during their election campaign. If elected, the individual must continue to comply with the Model Code in council and on council committees.

It is the individual responsibility of council members, committee members and candidates to become familiar with the Model Code, these Guidelines and any relevant policies of their local government, and to follow the Code at all times.

Where the behaviour of a council member, committee member or candidate does not comply with the Code, it is intended that the local council address the behaviour through education and other remedial actions that the council considers appropriate, rather than formal sanctions.

Where an individual does not comply with any action required by the council, then the council may determine that the matter is to be referred to the Standards Panel as an

alleged contravention of a rule of conduct. The Standards Panel has the authority to make binding decisions regarding allegations of minor misconduct.

Adoption

Section 5.104 of the Act requires that local governments adopt the Model Code as their Code of Conduct within three months of the Regulations coming into operation (by 3 May 2021). Note: The operational requirements of Division 3 require local governments to take certain initial actions within three weeks (by 24 February 2021).

In accordance with section 5.104(4), the Model Code applies until the local government adopts it as their Code. This means that the principles, behaviour requirements and rules of conduct of the Regulations apply to council members, committee members and candidates even if their local government has not yet adopted the Model Code.

While local governments may not amend Division 2 (Principles) or Division 4 (Rules of Conduct), additional behaviour requirements can be included in Division 3 (Behaviours) if deemed appropriate by the local government. Any additions must be consistent with the Model Code of Conduct (section 5.104(3) of the Act).

In preparing the Code for adoption, local governments are encouraged to review their existing Code and consider incorporating any additional behaviour requirements that are not represented in the Model Code. This may include specific dress standards or the appropriate use of technology.

To adopt the Code, a resolution passed by an absolute majority of the council is required. Once the Code is adopted, it must be published on the local government's official website (section 5.104(7)).

Division 2 – General Principles

This section of the Regulations set out the fundamental rules that council members, committee members and candidates are expected to adhere to, promote and support. Adhering to these rules will assist individuals to comply with the behaviours outlined in Division 3 and 4.

The principles outline the overarching approach that members and candidates should demonstrate in their role as public representatives, or potential public representatives. Individuals should consider all behaviours in light of these principles, including any behaviour and conduct that is not covered specifically in Division 3 and 4.

The principles are grouped into three key areas: Personal Integrity; Relationships with others and Accountability. Additional guidance on these areas is provided as follows:

Integrity and conflicts of interest

Members and candidates are generally active in their local area which may lead to a conflict between the public interests of the community and the personal interests of the individual, their family members and associates.

It is the individual responsibility of members and candidates to disclose any such conflicts and ensure that they are managed appropriately to comply with the Model Code and serve their community as expected by the local electors.

Individuals should also consider perceived and potential conflicts of interest. While an individual may be confident of the integrity of their actions, it is important to reflect on how their actions may appear to others, and/or how an action taken now could lead to a conflict of interest in future. If an interest is identified, the individual should disclose and manage this to avoid a conflict with the public interest.

Avoidance of reputational damage

Elected members and candidates may hold strong concerns in relation to actions, or a lack of action, by their local government on certain matters.

It is the individual responsibility of members to ensure that they comply with the Model Code by raising concerns in a respectful and constructive manner and working effectively with their colleagues for their community, as expected by the local electors.

During an election campaign, it is the individual responsibility of candidates to ensure that any concerns they raise regarding the current local government is based on accurate information and expressed in a respectful and constructive manner that demonstrates to local electors their suitability as a potential public representative.

Decision-making and accountability

Council and committee members regularly make decisions that impact on their local area. The community expects that members will make council and committee decisions based on information that is relevant and factually correct. This will vary according to the decision to be made and the information available to the council members and committee members at that time.

In general, individuals are responsible for ensuring their decisions are based on information that is accurate and pertinent to the matter at hand; and can be reasonably considered accurate and relevant by others.

As part of being accountable to their community, council members and committee members should accept responsibility for the decisions they make in the performance of their role.

Division 3 – Behaviour

This section of the Regulations sets the standards of behaviour which reflect the general principles outlined in Division 2.

It is the individual responsibility of members and candidates to demonstrate, promote and support professional and ethical behaviour as provided in the Model Code.

Complaints regarding alleged breaches of the Model Code in Division 3 are managed by the local council as the decision-making body of the local governments. The division also provides a process for responding to alleged breaches. The emphasis is on

education and development, rather than punitive sanctions, with the aim of establishing or restoring positive working relationships and avoiding further breaches.

Failure to comply with this Division may give rise to a complaint regarding the conduct of a council member, committee member or candidate, which may lead to the council making a formal finding of a breach and requiring remedial action by the individual.

A local government may wish to develop further guidance on dealing with complaints through the introduction of a complementary policy and/or procedure on complaints management to the extent it is not provided for in the Regulations. There are resources on effective complaints management available on the Ombudsman WA's website at www.ombudsman.wa.gov.au.

Complaints

Process for making a complaint

Clause 11 of the Regulations provides that a person can make a complaint alleging a breach of Division 2 within one month of the alleged breach occurring.

Local governments should ensure that making a complaint is a simple and accessible process so that any member of the local community can raise concerns about the conduct of council members, committee members and candidates.

Local governments should make it clear that it is important a complainant provides details in their complaint, with supporting information where feasible to do so, because the complaint will form part of the evidence considered by the council when deciding whether a breach of the Model Code has occurred.

Action required

Local governments must authorise at least one person to receive complaints regarding members and candidates. While the Regulations do not include specific requirements and a local government may decide that the complaints officer is appropriate, other options could include:

- President or Mayor,
- Deputy President or Mayor (especially for complaints about the President or Mayor),
- Chief Executive Officer, or
- External consultant

To account for any breaches occurring on the first day that the Regulations take effect, local governments must authorise at least one person within three weeks of the Regulations taking effect (by 24 February 2021).

The Regulations also provide that complaints are to be made in writing in a form approved by the local government.

Action required

Local governments must determine whether there will be a specific template for complaints and process for how they are to be lodged.

Local governments may choose to:

- establish a specific email address for conduct complaints
- provide a name/position to whom complaints should be addressed
- prepare a complaint form to allow the complainant.
- engaged an independent person to support the resolution of a complaint. Local governments may consider sharing the services of an independent person.

The Department has prepared a template form for complaints to assist local governments. The template is available on the department's website at www.dlgsc.wa.gov.au.

The authorised person(s) should acknowledge the receipt of every written complaint in a timely manner. As part of the acknowledgment process, the complainant should be provided information on how the complaint will be progressed and an expected timeframe for the matter to be finalised. This may include providing the complainant with a copy of the complaint policy where available.

Dealing with a complaint

The Regulations do not specify a timeframe by when complaints should be dealt with, however, a timeframe could be included in a local government's policy.

In the interests of procedural fairness, all complaints should be dealt with in a timely manner and allow all parties the opportunity to provide information regarding the alleged conduct.

Clause 12 of the Regulations outlines the process for dealing with complaints regarding the conduct of elected members and candidates. The Model Code leaves it open to local governments to determine the most appropriate and effective process for how this is undertaken. Options could include:

- The President/Mayor or Deputy consider all complaints
- Delegation of complaints to the CEO to prepare a report for the council
- Appointment of an independent/external consultant to review complaints and provide a report to the council
- Establish a committee to review complaints and report to the council. The committee may include independent members.

Local governments should consider how they are going to respond to complaints, and whether complaints are going to be addressed based on seriousness or impact of the allegation or on the order in which complaints are received.

Action required

Local governments must determine who will be considering complaints received and how complaints will be prioritised and managed.

Clause 12(2) of the Regulations require that the person to whom the complaint relates is given a reasonable opportunity to be heard. This should include providing a copy of the complaint to that person in a timely manner and allowing them an opportunity to respond to the allegations in writing. The information provided by that person will assist the local government in forming a view as to whether a breach has occurred.

Making a finding

Clause 12(1) requires the local council to consider whether the alleged matter which is the subject of a complaint, did occur and make a finding on whether the matter constituted a breach of the Code of Conduct.

The local council should use the same approach as the Standards Panel in their deliberations and decision-making; that is, based on the complaint and other evidence received by the council, the council must be satisfied that, on the balance of probabilities, it is more likely than not that a breach occurred.

Information provided by the complainant and information provided by the person to who the complaint relates will assist the council to make a finding.

Action Plans

Clause 12(4) provides that if the local council makes a finding that a breach of the Code of Conduct did occur, the council may determine that no further action is required; or that an action plan must be prepared and implemented.

An action plan should be designed to provide the member with the opportunity and support to demonstrate the professional and ethical behaviour expected of elected representatives.

The action plan does not need to be complex. The plan should outline:

- the behaviour(s) of concern;
- the actions to be taken to address the behaviour(s);
- who is responsible for the actions; and
- an agreed timeframe for the actions to be completed.

An action plan should not include measures that are intended to be a punishment, and instead should focus on mechanisms to encourage positive behaviour and prevent negative behaviour from occurring again in future.

The Code requires that in preparing the action plan, consultation must be undertaken with the elected member to whom the plan relates. This is designed to provide the member with the opportunity to be involved in matters such as the timing of meetings or training. Note: some members may not be willing to engage with the opportunity to participate in the process.

The council or a delegated person should monitor the actions and timeframes set out in the action plan. This is important because if the member does not comply with the

action/s within the agreed timeframe, then under the Regulations it is considered a contravention of a rule of conduct.

Dismissal of complaints

While local governments are required to consider all complaints, they can be dismissed if:

- the behaviour occurred at a council or committee meeting and the behaviour was dealt with at that meeting (clause 13), or
- the complaint is withdrawn (clause 14).

Clause 13 allows a complaint to be dismissed if the behaviour occurred at a council or committee meeting, and that behaviour was addressed at the time. This could have been by the presiding member, or remedial action was taken in accordance with the local government's standing orders or local law.

Where agreement cannot be reached

Circumstances may arise when a local council cannot agree on the resolution of a complaint or whether the complaint can be dismissed under clause 13.

In these situations, the local government may decide to engage an independent person to review the complaint and make recommendations on appropriate actions.

Withdrawal of a complaint

Clause 14 provides the option for a complaint to be withdrawn before it is considered by the council.

Local governments may elect to include in their complaints policy the option for mediation between the complainant and the member. Mediation may resolve any specific issues before the council is required to make a finding and may lead to the complainant withdrawing the complaint. Clause 14 requires a withdrawal to be made in writing and provided to the person(s) authorised to receive complaints.

Division 4 – Rules of Conduct

Contraventions of rules of conduct are matters that:

- negatively affect the honest or impartial performance of an elected member;
- involve a breach of trust placed in the elected member; or
- involve the misuse of information or material.

Division 4 sets out rules of conduct for elected members and candidates that relate to the principles in Division 2 and the behaviours in Division 3. This Division also introduces a new rule of conduct to address situations where an elected member does not undertake the actions required by the local council following a breach of the Model Code. A contravention of this rule of conduct is considered a minor breach, as defined in the Act.

The process for complaints under Division 4 is outlined in the Act. Complaints in the first instance are directed to the complaints officer at the local government. The Act provides that the complaints officer is the CEO or another officer with delegated responsibility.

A council may decide to refer an alleged contravention of Division 4 to the independent Standards Panel in accordance with the Act. As the Panel does not have investigative powers, decisions are made based on the information received by the Panel from the local government. The Standards Panel must be satisfied that, on the balance of probabilities, it is more likely than not that a breach has occurred for the Standards Panel to make a finding of breach.

Where the Standards Panel makes a finding against an elected member or candidate, sanctions will be imposed in accordance with the Part 5 Division 9 of the Act.

Nothing in this Division removes the obligations placed upon council members and employees (including the CEO) of the local government under the *Corruption, Crime and Misconduct Act 2003*.

Further information on the Standards Panel process is available on the Department's website.

Further information

The aim of the Model Code of Conduct is to foster a high standard of professional and ethical conduct by council members and candidates, and to support consistency across local governments in relation to their response to complaints regarding conduct.

Local governments are encouraged to seek guidance and advice on specific matters whenever necessary. For queries, please contact: actreview@dlgsc.wa.gov.au

Appendix 8.12

CATALINA REGIONAL COUNCIL
CONSIDERATION OF POTENTIAL ESG INITIATIVES

KFV•	Red: no immediate further action as initiative not viable.
	Yellow: for further review, or has moderate viability.
	Green: worthy of further immediate investigation with intent to implement.

Item	Description	Cost	Direct Benefit	ESG Benefit	Considerations & Risks	Cossill & Webley Comment	Satterley Comment	Action	Effort Score	Outcome Score
1	Solar PV for Residents (Sized appropriately)	Medium	Direct energy offset during the day for residents within the estate. Each resident will save on average about 20-30% of their energy cost through Solar PV.	Reduction in green house gas emissions at each home through the use of clean energy.	Systems are to not be sized greater than 5kW Inverter connection. Connections require the integration of Energy Solar Management control, which is standard for all new systems in WP. Adds an additional \$250 cost to each system.		Has been implemented across estate with additional allowance in stages 39 onwards in Catalina Green.	Review uptake of Stage 39 incentives and consider adoption estate wide if successful.	7	5
2	Solar shade structures (POS)	High	Ability to install greater Solar PV, when there is no access to roof space (or structurally if Solar PV wouldn't be able to be installed on a given roof).	Generation of Clean Energy to reduce carbon emissions from dirty energy sources.	Additional cost for shade structures, frame. Additional cable lengths and mounting locations for inverters.	A lot of crossover with wind trees.	Whilst feasible, question remains regarding LGA willingness to take over as an asset and what the power would be used for vs additional cost.	SPG to raise with Emerge in context of Green Central POS.	6	4
3	Community Wi-Fi to promote estate social interaction	Low	Assist community in engaging with Community organisations. Provide Estate Information to community through the use of the Public Wi-Fi Systems	Social / Community Opportunity	Equipment/Assets to be owned and operated by Local Council as generally located in public reserves		Due to prevalence of cellular data and buyer demographics, expect uptake to be minimal.	Do not recommend further action.	8	2
4	Communal Battery	High	Allow Solar energy generated by residential lots to be stored within a community battery to be used during peak times. Lead to reduced energy bills. Assist in reducing the peak demand on Western Power's network (benefit to utility). Potential reduction in network costs if network upgrade required to service development with connection capacity.	Storage of Clean Energy to be used during peak times, thus reducing carbon emissions from dirty energy sources. Reduce additional network infrastructure that would be installed and under utilised (reduce carbon emissions associated with manufacture of materials, labour to install etc.)	Will need to get Synergy/ Western Power on board if under a standard green title subdivision project.	Difficult to incorporate given progression of estate. Suggest incorporating in group sites to the north.	Should be considered for future high density sites due to come online over the next year or two. Good locations include the apartment site and higher density next to the commercial centre, especially given the space they will consume. (Should aim to be a fast follower, not market leader)	C&W to review area requirements and start conversation with WPC/ internally to determine what to design for.	5	8
5	Distributed Battery Systems (Household level).	High	Assist residents with reducing their grid reliance, and increase self consumption. Will lead to reduced energy bills. As above if we tie this in with Synergy to operate and maintain these systems.	Storage of Clean Energy to be used during peak times, thus reducing carbon emissions from dirty energy sources. Reduce additional network infrastructure that would be installed and under utilised (reduce carbon emissions associated with manufacture of materials, labour to install etc.)	Will need to get Synergy /Western Power on board if under a standard green title to take advantage of any of the network benefits.	May not be ideal in a first home buyer market like green.	Current incentives program makes \$1,000 additional allowance for home power storage.	Recommend monitoring uptake of current incentive and revisiting at next review.	8	7
6	Public EV Charging Systems	Medium	Reduce the concern public has with purchasing EV's having greater locations so that they would be able to charge vehicles, thus increasing the adoption of EV's	Result in the greater adoption of EV's, reduce the reliance on fossil fuel vehicles. Reduce carbon emissions	Ideally would need to be coupled with Solar PV to ensure additional electricity utilised is from green energy sources.	Ideally would incorporate into commercial site	Currently being reviewed with the buyers of the neighbourhood centre site as part of wind tree installation.	Recommend continuing with current process and reviewing success upon completion.	2	7
7	Energy Management Devices (Household Level) - With Solar PV	Low	Assist residents with reducing their grid reliance by effectively using Solar energy generated on site. This would be coupled with heat pumps, pool pumps controls and air conditioning controls	Reduce green house gas emissions by reducing the demand for grid energy.	Would need to either provide and/or specify the systems to purchase i.e. heat pumps, aircons, pool pumps etc.	Reduced flexibility for first home buyers	Has since been implemented in Stage 39 Green incentives package in the form of smart energy controller rebate.	Recommend proceeding with current process and reviewing uptake.	2	9
8	Alternative power and telecommunication systems	High	Have the ability to share any Solar PV (large scale) and community batteries installed within a development area.	Reduce green house gases, as energy generated can be shared by a larger group of residents	Private network operator with project, similar to Peel Business Park and Ocean Reef Marina would need an entity that has a distribution and retail licence (complicated process). There are entities that exist that could assist. Would be easier if Community Title was to be used, but again its a new type of development option for WA.	Difficult to incorporate given progression of estate.	Agreed with C&W's assessment as this is usually established by buyers at development stage.	Recommend focusing on communal batteries as per item 4.	9	7
9	Implementation of smart device (IoT) such as ground moisture condition monitoring and automated irrigation system	Low	Data gathering to help determine policies that govern the community that these systems operate within.	Governance of community to assist in making lives better for residents.	Ownership will need to fall with Local Government.		Historically an unwillingness for LGAs to take over as maintenance costs are high, but will raise with Emerge to gauge interest with future POS.	SPG to confirm LGA interest with Emerge.	7	4

10	Solar road - Dual-purpose roads that generate solar power	High	Generation of green energy for the use by the development.	Generation of Clean Energy to reduce carbon emissions from dirty energy sources.	Ownership will need to fall with Local Government.	Could potentially trial - great marketing tool. Some conflict with desire for high tree canopy.	Adoption at this stage is still prohibited by cost, regulatory adoption/ logistics and the technology is still in infancy.	Recommend not proceeding with further investigations in this review.	9	7
11	Public E-Mobility Device Charging	Low	Support the adoption of small e-mobility devices, such as scooters, one wheels and electric bikes to reduce the number of cars on the road	Reduce reliance on fossil fuel vehicles.	Ownership will need to fall with Local Government.	As per 6 - incorporate into commercial.	Low cost but comes down to LGA willingness to take over control of asset.	SPG to confirm LGA interest .	6	1
12	Provision of Public E-Mobility Devices. Through third party owned and operated.	Low	Provides residents an alternative to using their own transport to move around the local area.	Reduction of green house gases through the reduction in vehicle usage. Assist the connectivity of public to the community spaces. Cost Saving reduction, house hold expenses as reduced fuel usage for mobility.	Agreement with third party entities, will need to have Local Government involvement. Provision of space within the community/community facilities for the equipment.		Previous trials elsewhere have resulted in community pushback due to management and safety issues. LGA also unlikely to support in a relatively low activity area.	Recommend not adopting as management methodologies are still relatively new.	8	2
13	Community Garden Bores	Low	Minimise scheme water usage for irrigation purposes	Promote community engagement among residents.	Ownership will need to fall with Local Government unless easements within lots to share access to infrastructure .	Has been done in CoW in Butler - issues with CoW taking this over.	LGA unwilling to take over ownership of community bores, due to maintenance and shortage of ground water allocation. Also not suited to Green title structure of land.	Recommend not adopting as not well suited to Catalina.	9	3
14	Recycling materials in roadworks construction (e.g. Reconophalt, recycles basecourse material)	Low	Minimise waste being disposed off site.	Promote sustainable use of available material and minimise energy usage to produce new equivalent material.	Require local authority approval and maintenance requirements are not well understood. Failure observed in one of the project and recommend for use as basecourse layer instead of wearing course.	Suggest investigating further once we have a contract awarded.	Low hanging opportunity, but requires significant liaison to convince LGA as previous WA trials have garnered a poor reputation.	C&W to raise possibility with RJV and LGA.	3	8
15	Use of alternate pavement materials such as green concrete and warm asphalt	Low	Using materials which generate a lower carbon footprint	Promote use of sustainable materials.	Require local authority approval. Relative location of the site from the factory may affect suitability of this product.	Green concrete is something we can do now. Warm asphalt can be investigated with reconophalt.	Same challenges as per item 14, but ease of implementation and positive benefit mean this is worth serious consideration.	C&W to raise possibility with RJV and LGA.	3	8
16	Permeable pavement	High	Minimising stormwater storage volume / area Meeting Water Sensitive Urban Design criteria	Maximising POS usability as social gathering place.	Require local authority approval and maintenance requirement is not well understood.	Suggest trailing in car bay areas. Discuss with CoW in conjunction with green concrete / asphalt alternatives.	Water sensitive urban design principles are already adopted in all stage designs, but this initiative is roughly double the price of standard options and has received LGA pushback.	Recommend not proceeding with further investigations until costs improve and more successful cases have been delivered.	8	5
17	Underground stormwater storage and maximising POS usability	High	Minimising stormwater storage area footprint for comparable storage volume	Maximising POS usability at social gathering place.	Require local authority approval and maintenance requirements may be key resistance from LGA point of view.	Similar to community garden bores, has been done in some areas of CoW but not generally accepted. Cost is very high (approx. \$1000/m3 of storage).	Very costly and high maintenance cost for LGA.	Recommend not proceeding with further investigations until costs improve and more successful cases have been delivered.	9	5
18	Greywater reuse and treated wastewater reuse opportunities	High	Reduce scheme water usage for irrigation purposes	Promote sustainable use of groundwater source	Odour may be key. Will require Dept of Health approval	Similar to community garden bores, will be difficult to get CoW / DoH on board.	Not suited to current land tenure structure and still significant hurdles health regulation hurdles around production and use of greywater.	No further action recommended.	8	4
19	Recycling of construction waste (predominantly during home building)	Medium	Promote sustainability objective of the project	Recycling of waste material that would otherwise go to landfill	Require local authority approval and maintenance requirements are not well understood.	Potential to do this within Catalina Green for material that is suitable as deep structural fill (a lot of deep fill areas).	Potentially an easy win as the only effective change is the sorting of material and disposal site used by civil contractor.	C&W to investigate options with RJV.	3	8
20	Use of cleared vegetation for landscape purposes	Low	Minimise vegetation being removed from site and connection to the original site	Promote use of sustainable materials.	Requires approval from LGA.	We are currently doing this with both topsoil and mulch, but generally doesn't meet CoW expectations.	Already in place with significant logs being used for park landscaping and mulch being used where feasible.	Continue with this approach.	2	6
21	Alternative plinth wall for retaining wall height less than 300mm	Low	Current market do not offer costs saving over the limestone block product, however, potential time saving and material availability are key benefits in this market environment. This is subject to any change to market condition.	Colorbond plinth wall is lighter than standard limestone block walls and can be transported in a bigger bulk and thus reduce number of trips / carbon footprint.	Approval from LGA and vandalism are key risks. Does not meet the typical expectations of purchasers.	Structural implications - need larger offsets to buildings.	Current market perception of plinth walls is largely that they are cheap and don't meet aesthetic expectations. Additionally, civil treatments have been chosen for all precincts and a late change will harm consistency of the estate.	Do not recommend further action as this initiative will likely impact land value and/or sales rates.	4	2
22	Reduce retaining walls by increasing setbacks	Savings	If we can increase setbacks we can have less side retaining walls.	Reduces costs and emissions associated with block manufacture, transport and installation.	Means a larger level difference between road and lot, resulting in increased setbacks.		Whilst all engineering designs are subject to this process as far as mandated setbacks, further adoption will impact the buildable footprint of lots and therefore land values.	Do not recommend further action as this initiative will likely impact land value and/or sales rates.	2	2

23	Reduce retaining walls by implementing split level lots	Savings	Absorbing level differences within lots will reduce boundary level retaining and result in split level homes.	Reduces costs and emissions associated with block manufacture, transport and installation.	Means a level difference in lot which will need to be addressed in the buyers' house designs with split slabs or custom retaining.	Can be easily accommodated from an engineering perspective.	Split level lots have been trialed in Alkimos Beach (Lendlease) and received cold reception from market. Developer standard is to provide level lots to reduce impact on build costs.	Do not recommend further action as this initiative will likely impact land value and/or sales rates.	4	2
24	Green site offices	TBC	Contractor site offices to be fitted with PV power or other measures to reduce resource usage.	Reduced emissions and resource usage from site offices.	Ultimately a cost matter which will need to be investigated by the contractor. May require contribution from CRC.	Contractor is open to considering all sustainability initiatives.	Will likely result in long term cost savings for contractors with short term capital outlay to upgrade offices	C&W to discuss feasibility with RJV.	2	5

Appendix 8.14



Catalina



BEACH WEST

DESIGN GUIDELINES

23 NOVEMBER 2023 (REV 2)

Catalina

BEACH WEST

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1 WELCOME TO CATALINA BEACH WEST

Situated on the doorstep to the Indian Ocean, Catalina Beach West is part of the master planned community at Catalina.

Catalina is a development of three precincts that will encompass family friendly design in a parkland setting at Catalina Central; coastal living at Catalina Beach; and an urban lifestyle at Catalina Green. The three precincts will be linked by a unique pedestrian and cycle orientated 'greenlink' connecting the beach with the Clarkson Train Station.

1.1 VISION FOR CATALINA BEACH WEST

The vision for Catalina Beach West is to create a sophisticated coastal community underpinned by a relaxed seaside lifestyle.

Contemporary, innovative architecture is encouraged in the design of stylish homes responding to a coastal environment and maximising ocean vistas.

There are several key features that reflect the contemporary Australian lifestyle and are considered to be essential design elements in this oceanside precinct. They are:

- Verandahs and alfresco areas that provide quality private open space and extend upon indoor living spaces in both front and rear setbacks;
- Materials that reflect the coastal position of the precinct i.e. weatherboards and lightweight cladding, natural stone and timber elements, and steel posts, awnings, framing and balustrade elements;
- Eaves, overhangs, pergolas, awnings and external louvres to respond to the Catalina Beach West microclimate, and to shade and protect windows and external living spaces such as verandahs and courtyards in both the front and rear setbacks where possible;
- Window, doors and skylights appropriately oriented to admit direct sun and allow cross ventilation; and
- Elements that will contribute to the distinctive character of Catalina Beach West include building scale, articulated streetscapes, private open space courtyards, balconies, coastal colours and materials.



1.2 PURPOSE OF THE DESIGN GUIDELINES

The Design Guidelines apply to residential lots within Catalina Beach West (refer opposite) and will help you and your chosen builder to design a high quality home that fits in with the aesthetic of the estate.

The appearance of housing, front yards and verges contribute to community pride and property values. The Design Guidelines provide helpful information to assist you to design your new home.

The Design Guidelines are a framework for design decisions and provide for:

- A cohesive community
- Attractive streetscapes
- Quality housing design
- Appropriate architectural Styles
- Individuality
- Community safety and security
- Climate responsive design
- Confidence in your investment



■ Lots within this version of the Catalina Beach West Design Guidelines

1.3 HOW TO USE THE DESIGN GUIDELINES

To ensure your home meets the requirements of the Design Guidelines, your Contract of Sale specifies that you must submit your building plans for Satterley's approval prior to lodging plans with the City of Wanneroo. A checklist for mandatory requirements has been included at the end of this document.

The Design Guidelines include mandatory elements that must be complied with and recommended design elements that you are strongly encouraged to consider.

1.4 LOCAL DEVELOPMENT AND STRUCTURE PLANS

In addition to these Design Guidelines, a Local Structure Plan (LSP) and Local Development Plans (LDP's) have been prepared over some lots within Catalina Beach West. The LSP and LDP's set out permissible variations to the Residential Design Codes that have been adopted by the City of Wanneroo. Compliance with the LSP and LDP's is assessed by the City of Wanneroo as part of your application for Development Approval and/or Building Permit.

The LSP and LDP's identify requirements for a number of items, including but not limited to the following;

- Dwelling orientation
- Building setbacks
- Public open space interface
- Private open space and outdoor living areas
- Vehicle access and garage locations
- Boundary Walls
- Visual Privacy
- Design for Climate



1.5 COMPLIANCE

Satterley's approval ensures all home-owners meet the Design Guidelines mandatory requirements. Compliance with mandatory design measures (Design Requirements) is a contractual obligation. City of Wanneroo approval ensures compliance with statutory and policy requirements.

Individuality, architectural expression and innovation are promoted. Alternative designs will be considered where the vision of Catalina Beach West is maintained. Approval of alternative designs does not set a precedent.

The Design Guidelines must be read in conjunction with Catalina Beach Local Development Plans as approved by the City of Wanneroo, local laws and policies, Residential Design Codes of Western Australia (R Codes) and other statutory requirements. Satterley does not warrant the City of Wanneroo will approve a house plan if it satisfies these Design Guidelines.

1.6 APPROVAL APPLICATION

The Home Owner or Builder shall submit to Satterley (via plans@satterley.com.au) a 'PDF' set of the following documents:

- Site plan (showing levels; location of dwelling and garage; boundary setback dimensions; drying yard and bin store; location of all services and any solar panels and air conditioner compressor unit; all dividing fences and any front fence and side boundary fence if a corner lot; any new retaining walls and any other structures);
- Floor plan;
- Elevations (showing ceiling height of front rooms if single storey and the roof pitch);
- Exterior materials and colours schedule (walls, roof and trims); and
- Fencing plans (if applicable).

All drawings shall include a north point and annotation.



Note: The Home Owner or Builder is responsible for checking the site conditions prior to design work, particularly the location and design of any existing infrastructure such as retaining walls, fences and utilities.



2 DESIGN REQUIREMENTS

These Design Guidelines are not a substitute for other relevant documentation including but not limited to the Residential Design Codes and the Building Code of Australia (BCA).

Note: A copy of the Tamala Park Local Structure Plan (LSP 79) including the Variations to the Acceptable Development Criteria of the Residential Design Codes is available on the City of Wanneroo website.

2.1 ELEVATIONS

All dwellings must address the public street/s in a clear and attractive manner. Buildings are to be designed to promote a positive relationship to the streetscape and the front elevation is to be articulated with clearly defined architectural elements.

Facades should respond to the local climate, explore different elevational treatments related to orientation, incorporate external shading components such as verandahs and utilise high quality, durable materials and finishes suitable for coastal conditions.

Catalina Beach West's location and potential for coastal views means that a number of Home Owners will build two storey homes. In order to create greater street presence the front elevation of a single storey dwelling should have rooms with ceiling heights greater than the standard 2.4 metres. Additional ceiling height also allows for a light filled atmosphere to rooms and facilitates easier installation of ceiling fans to provide air movement on hot days.

All front elevations are to be articulated such that the mass of buildings is minimised by variations in walls, materials, openings and roof lines resulting in the creation of shadows and depth to create visual interest. Forms of articulation include feature walls, steel and natural timber posts, feature windows, entries, porticos, balconies, verandahs, pergolas, screens, awnings, and a combination of external materials.

ACCEPTABLE ELEVATIONS



Architectural feature (portico) articulating front facade.



Verandah with separate architectural roof feature.



Upper levels to two storey dwelling addressing both elevations.



Architectural features (portico & blade wall) articulating front facade



Balcony providing surveillance of adjacent public open space



Architectural features creating visual interest and reducing sense of building mass

MANDATORY REQUIREMENTS

- A **minimum of three** architectural features must be used in the primary street elevation (excludes windows and doors). These may include:
 - ◇ Feature entry statement including porch/portico with a separate roof (minimum dimension 1.5m) or entry pergola;
 - ◇ Verandah with a separate roof and supporting posts, pillars or piers (minimum of one third of the front elevation excluding the garage/carport, at least 1.2m in depth);
 - ◇ Balcony;
 - ◇ Blade wall in feature material (not within 1.0m of a side boundary and extends a minimum of 150mm above the top of the gutter and a minimum of 300mm forward of the roofline of the structure into which it is incorporated);
 - ◇ Secondary feature material for example timber cladding, limestone, weatherboard, stone, rammed earth, ornamental tiles (minimum 20% of the elevation);
 - ◇ Any other architectural feature that creates visual interest may also be acceptable to Satterley. Approval of alternate designs does not set a precedent.
- For rear-access cottage lots with less than 10m frontage only, a **minimum of two** architectural features are required.
- Where a two storey dwelling is proposed on a corner lot, the upper level elevations facing the public streets are to be of equal status to both primary and secondary streets. This principle shall also apply where a dwelling has corner frontage with a pedestrian access way or public open space.
- At a minimum, a mandatory two-storey dwelling shall contain a habitable room on the upper level. The room cannot be located entirely within the roof space and must have at least one major opening (or balcony) addressing any each public street (subject to compliance with design element 5.4.1 (Visual Privacy) of the Residential Design Codes).
- Walls that are greater than 9.0 metres in length and are visible from the secondary street of a corner lot shall be articulated or contain windows.
- No two adjacent homes are to be constructed with matching front façades, with the same materials and colours unless it is part of a grouped dwelling development.
- Where a lot directly abuts public open space the dwelling must provide surveillance of the public open space through the location of a major opening from a habitable room on the ground level facing the public open space. Where a two storey dwelling is proposed, surveillance from at least one habitable room on the upper floor is required to face the public open space in addition to the ground floor.
- Where a lot directly abuts public open space, the dwelling shall be set back a minimum distance of 1 metre from any public open space boundary including side boundaries.
- Ceiling height for the full width of the elevation is a minimum of 32 vertical courses (2.7m).

2.2 MATERIALS AND COLOURS

In keeping with the vision for Catalina Beach West, development will reflect the contemporary Australian beachside lifestyle through the application of a colour and material theme which responds to the coastal setting and environment (i.e. beach and bushland).

2.2.1 WALL MATERIALS AND COLOURS

Elevations fronting primary and secondary streets and public open spaces should, where possible, deliver an architectural façade with a combination of exterior materials and colours, that incorporates an 'Element of White' (including off-white in coastal hues) to reflect the coastal character of Catalina Beach West.

This 'Element of White' can be complimented by other accents or colours from the coastal colour palette (refer opposite), or with other materials or finishes.

Variations in colour and texture are promoted however they should be complimentary, taking cues from the local landscape and express individuality through carefully chosen accents.

MANDATORY REQUIREMENT FEATURE

- All dwellings shall provide an 'Element of White' (including off-white in coastal hues) to the front elevation visible from the public realm (street or open space). This may include window and door frames and/or gutters.
- All materials/finishes should be predominantly light or soft colours. The preferred colour palette (refer section 2.2.2 opposite) are examples only and are intended to guide purchasers as to the appropriate colour palette preferred. Colours are not limited to these specified.
- Bright, primary or darker colours (no darker than the colours highlighted in section 2.2.2 opposite) are not permitted.
- **At least three (or two for rear-access cottage lots with less than 10m frontage only)** of the following materials must be provided in the front elevation of your home (excludes roof, door and window treatments) each comprising no less than 15% of total front elevation wall:
 - ◇ Face brickwork;
 - ◇ Rendered brickwork;
 - ◇ Contrasting rendered brickwork;
 - ◇ Stone pattern render;
 - ◇ Feature tiling;
 - ◇ Stone cladding;
 - ◇ Timber garage door;
 - ◇ Timber cladding, weather boarding, or reconstituted materials;
 - ◇ Other materials to be approved on a case by case basis by Satterley.

Note: No colour repetition permitted.

ACCEPTABLE MATERIALS & COLOURS



'Element of White' offset by complimentary coastal colours



Coastal materiality and colours including stone and weatherboard finish.



Composite of materials and finishes with a combination of an 'Element of White'

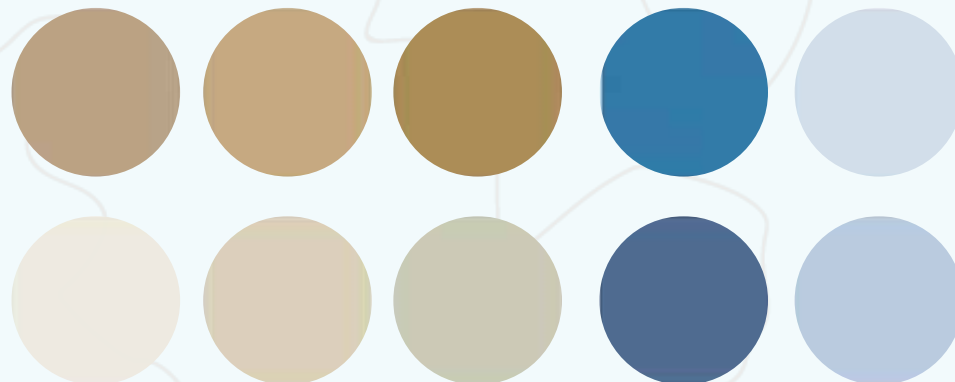


Strong 'Element of White' colour palette

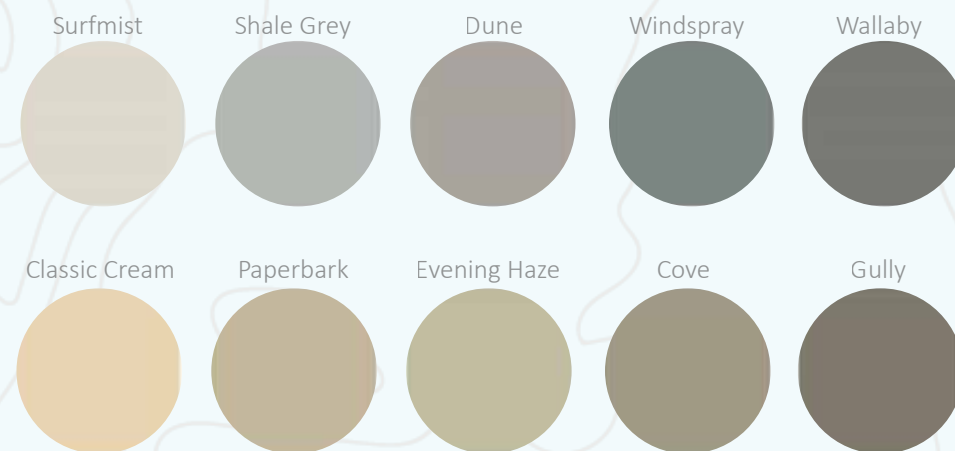
2.2.2 ROOF MATERIALS & COLOURS

In keeping with the coastal colour palette throughout Catalina Beach West, the light and soft Colorbond roof colour palette (refer opposite) is recommended. Roof colours darker than those highlighted opposite are not considered appropriate.

PREFERRED WALL COLOUR PALETTE



PREFERRED COLORBOND ROOF COLOURS



All homes at Catalina Beach West shall provide material and colour schemes at the time of application to ensure compliance with these colour palettes. Any variation to these colours will require architectural justification and approval from Satterley.

2.3 DURABILITY

Catalina Beach West encounters a high exposure to the environmental elements. In particular salt air and strong winds which can lead to the weathering and degradation of materials. Attention should be given to materials and colours selected to warrant resistance to the elements and ease of maintenance ensuring longevity.

2.4 GARAGE

Minimising the dominance of garages is an essential part of an attractive streetscape. A 5.0m setback typically provides space for a vehicle to be parked without straddling the footpath.

MANDATORY REQUIREMENTS

- The garage shall be in the same style, materials and colours as the dwelling.
- Where vehicle access is provided from a primary street, the garage is to be setback a minimum of 1.0m behind the dwelling alignment (including a porch, portico, verandah or similar).
- The width of a garage (including supporting structures) accessed from the primary street shall not exceed 50% of the frontage at the setback line as viewed from the street. This may be increased to 60% where an upper floor or balcony extends for the full width of the garage and the entrance is clearly visible from the primary street.
- Garages are to be setback a minimum distance of 4.5m from the front boundary and the setback is to be increased to 5.5m where a footpath is located within 1.0m of the front boundary.
- Garages are to be setback 1.5m from a secondary street.

ACCEPTABLE GARAGES



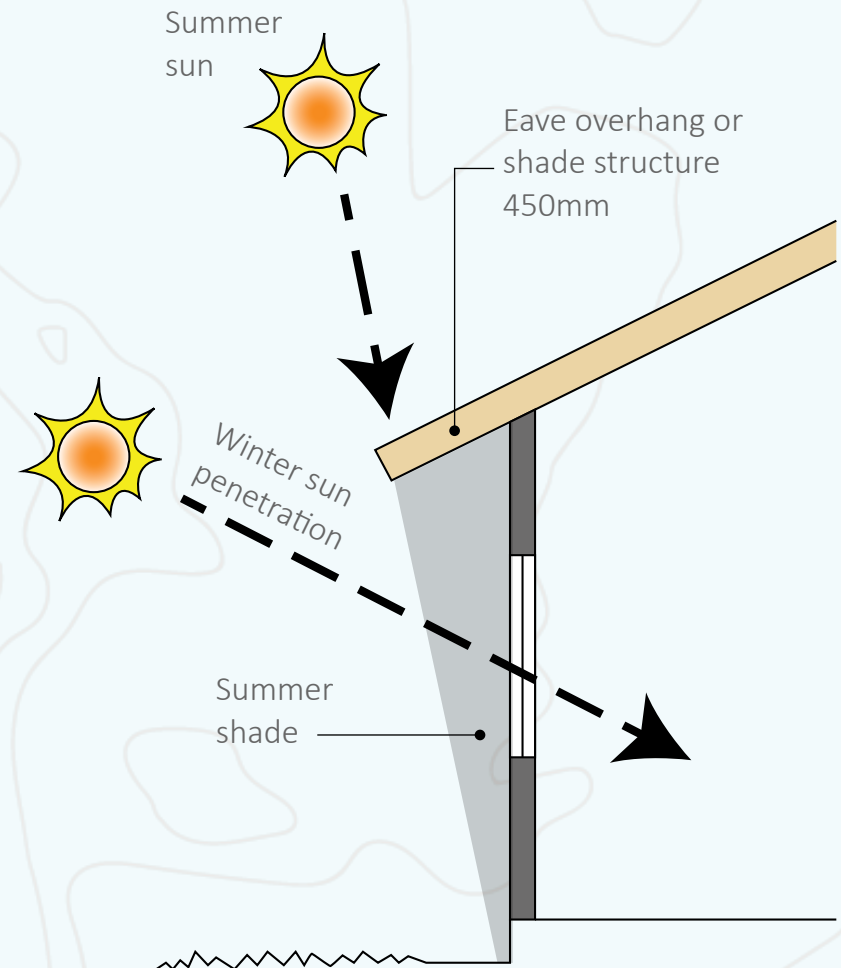
2.5 ROOF COVER

Roofing is to be of scale, form and material representative of a coastal location. Contemporary and innovative roof forms including flat, skillion and curved roofs are encouraged.

Roof forms should be articulated to provide solutions to natural light, seasonal conditions (optimising winter sun and summer shade) and ventilation. Roof terraces and balconies are encouraged and can be used to maximise views of the natural bushland and the ocean.

MANDATORY REQUIREMENTS

- A minimum eaves overhang of 450mm to front elevation (including the garage), a minimum gable overhang of 300mm to protect walls and windows from the summer sun and to improve the aesthetics.
- Metal roofs must be non-reflective (zincalume is not permitted).
- Roof colours not permitted:
 - ◇ Black
 - ◇ Red
 - ◇ Highly variegated blends
- For conventionally pitched roofs the minimum pitch shall be 24°.
- For skillion roofs the minimum pitch is 8°.



2.6 SERVICES AND AUXILLARY STRUCTURES

Elements such as aerials, solar panels, meter boxes, air conditioners, gas and water meters and storage structures are to be considered as integral parts of the design of your home. Services shall be carefully incorporated into the dwelling and site design to be screened or located in the least visually obtrusive position.

MANDATORY REQUIREMENTS

- All pipes, wired services, clotheslines, clothes drying areas, hot water systems, refuse bin areas, air-conditioning units, meter boxes and other such service items shall be screened from public view.
- TV antennas, satellite dishes and solar hot water system panels shall be in the least obtrusive location from the public view. It is preferred that they are parallel with the slope of the adjacent roof. Tanks associated with solar hot water systems are not permitted on the roof.
- Photo-voltaic panels are not to be visually obtrusive from the primary street.
- Letterboxes are to be integrated into a front fence, a masonry pier or a planter and shall match or complement the home. Metal supporting posts are not permitted.



2.7 FENCING

Walls and fences define the boundary between the home and the public domain and contribute to the quality, character and identity of the street. The composition of fences and walls should provide a balance between opacity and transparency, with materials and colours that convey the contemporary coastal character of Catalina Beach West.

It is preferred that no wall or fence is constructed between the dwelling and the primary street (with the exception of retained or cottage lots where Estate approved open rail fencing is permitted). However, a low wall or fence (up to 1.0 metre high) can be used to define the front boundary. Any such fence should return along the side boundaries to the line of the building façade.

Should fencing be provided by Satterley for a particular lot, the fence is not to be removed or modified (including painted or rendered) without prior written consent from Satterley.



MANDATORY REQUIREMENTS

- Where fencing forward of the building line is supported, the fencing is to be a maximum of 1.0 metre in height and must return along the side boundaries to the building line then slope or step up to the side boundary fence height of 1.8m. All fencing must comply with the sight lines requirements of the Residential Design Codes.
- Primary Street fencing shall be of a high standard and be constructed in materials that complement the materials and colours of the home. Satterley encourages masonry fences that can be face brick, stone, rendered or bagged, infill panelling that is timber, glass or stainless steel wire and turnbuckles.
- Driveway gates are not permitted.
- Fibre cement and sheet metal front fences are not permitted.
- Secondary street fences are to be a maximum height of 1.85m above the ground level measured from inside the lot. They are to be masonry (limestone render on both sides) with masonry piers (subject to approval by Satterley). Fibre cement and sheet metal fences are not permitted.
- Where a lot abuts public open space, visually permeable fencing (as defined in the R-Codes) shall be provided along any public open space boundary (side boundaries excluded)

Note: All primary and secondary street fencing requires approval from Satterley prior to construction. Note: A boundary fencing voucher is available from Satterley – conditions apply.

2.8 LANDSCAPING

A high standard of landscaping is encouraged at Catalina Beach West. To assist residents with their landscaping, Satterley offers a waterwise landscaping package (conditions apply). For more information visit www.satterley.com.au/catalina. Included in this package are waterwise plants, irrigation and a street tree (3 trees for corner lots). Residents are encouraged to take pride in their properties and continually maintain their gardens.

Home Owners and residents are advised that the following actions are not acceptable within Catalina Beach West:

- Hardscaping of the verge;
- Removal of the street tree;
- Preventing the street tree from being installed; and
- Installing turf to more than 50% of the total area between the building and the street.



3 SITE PLANNING

This section includes recommendations for passive solar design where dwelling living spaces and outdoor living areas can be warmed by the winter sun and natural ventilation and cooling of spaces by summer breezes. The key to successfully achieving these aims is to ensure the correct orientation of the main living spaces and associated major openings of the dwelling and main outdoor living area on the lot.

Whilst not mandatory, the Home Owner is encouraged to discuss the items below with the builder or architect when designing the home.

3.1 PASSIVE SOLAR DESIGN

The location of living spaces and outdoor living areas, as well as the provision of windows and openings on the southern interface, allows natural warming from the winter sun and ventilation and cooling by summer breezes. The orientation of the lots within the estate has been considered to provide maximum natural light, views and cooling breezes to help keep homes warmer in winter and cooler in summer, with less reliance on mechanical devices such as air conditioning.

RECOMMENDATIONS

- Internal living areas and outdoor living areas should be located on the northern side of the dwelling to capture the benefits of passive solar design.
- Glazing to the north should be maximised in order to harness the solar gain possible in winter (Note: Shade devices are required for solar protection during the summer months).
- Design the internal layout of the dwelling to create natural breezeways. Locate windows and doors of habitable rooms of the dwelling opposite each other to allow for through ventilation in the dwelling and through the main outdoor living area.
- Locate garages or parapet walls on the western boundary to block the summer sun.
- Locate back yards / outdoor living areas to capture cooling breezes in summer.
- Install bulk insulation above ceilings and insulate walls where possible (a minimum R4.1 roof insulation and R2.8 wall insulation).
- Include sun control devices such as awnings or shade devices to allow sunlight into the home during winter and to provide shade in summer.



4 ENVIRONMENTAL PERFORMANCE

Improving the performance of the home through environmentally sustainable design is a major focus for the development of Catalina Beach West. Sustainable living practices in the design of the home and outdoor areas should help to reduce the consumption and cost of household energy and water. Minimising energy consumption of households is an important contribution to reducing greenhouse emissions that contribute to climate change.

MANDATORY REQUIREMENT:

- Homeowners are required to install high WELS (Water Efficiency Labelling Scheme) rated fixtures, fittings and appliances.
 - ◇ Minimum 3 star shower head
 - ◇ Minimum 4 star toilet
 - ◇ Minimum 6 star rated taps
 - ◇ Minimum 6 star dishwasher
 - ◇ Minimum 4 star washing machine

Note: a \$1,000 rebate is available from the Tamala Park Regional Council (TPRC) for high WELS rated fixtures fittings and appliances – conditions apply.

RECOMMENDATIONS

- Incorporate additional shade devices that allow northern winter sun in to living areas and the outdoor living area and prevent summer sun access.

Shade devices include pergolas, deciduous vegetation and awnings.
- Minimise the number and size of openings to the west and east and provide additional shade devices.
- Install high energy star-rated electrical appliances (such as the fridge, freezer, television, air conditioner, etc.)
- Install fluorescent or LED lighting and ceiling sweep fans where possible.
- Where air conditioners are to be installed homes are encouraged to have an inverter type system with a minimum 6 Star energy rating.
- Install a heat pump or roof mounted solar hot water system with the storage tank installed at ground level or a 5 star energy rated instant gas hot water system.
- Install roof mounted photo voltaic cells

5 APPENDICES

5.1 CHECKLIST OF MANDATORY REQUIREMENTS

This checklist must be filled out by the builder and submitted with the plans for Satterley's approval.

MANDATORY REQUIREMENT		
1	ELEVATIONS	A minimum of three architectural features must be used in the primary street elevation, and two for rear-access cottage lots with less than 10m frontage. (excludes windows and doors)
2		Where a two storey dwelling is proposed on a corner lot, the upper level elevations facing the public streets are to be of equal status to both primary and secondary streets. The same applies where a dwelling has corner frontage with a pedestrian access way or public open space. *
3		At a minimum, a mandatory two-storey dwelling shall contain a habitable room on the upper level. The room cannot be located entirely within the roof space and must have at least one major opening (or balcony) addressing any each public street (subject to compliance with design element 5.4.1 (Visual Privacy) of the Residential Design Codes).
4		Walls that are greater than 9.0 metres in length and are visible from the secondary street of a corner lot shall be articulated or contain windows. *
5		No two adjacent homes are to be constructed with matching front façades, with the same materials and colours unless it is part of a grouped dwelling development. *
6		Where a lot directly abuts public open space the dwelling must provide surveillance of the public open space through the location of a major opening from a habitable room on the ground level facing the public open space. Where a two storey dwelling is proposed, surveillance from at least one habitable room on the upper floor is required to face the public open space in addition to the ground floor. *
7		Where a lot directly abuts public open space, the dwelling shall be set back a minimum distance of 1 metre from any public open space boundary including side boundaries. *
8		Ceiling height for the full width of the elevation is a minimum of 32 vertical courses (2.7m).

9	MATERIALS AND COLOURS	All dwellings shall provide an 'Element of White' (including off-white in coastal hues) to the front elevation visible from the public realm (street or open space). This may include window and door frames, downpipes and/or gutters.	*
10		All materials/finishes should be predominantly light or soft colours. The preferred colour palette (opposite) are examples only and are intended to guide purchasers as to the appropriate colour palette preferred. Colours are not limited to these specified.	*
11		All materials/finishes should feature light colours (bright or primary colours are not permitted). All colours and finishes are to be included with the submission for developer approval.	*
12		Bright, primary or darker colours (no darker than charcoal) are not permitted.	
13		At least three (or two for rear-access cottage lots with less than 10m frontage only) of the alternate materials must be provided in the front elevation of your home (excludes roof, door and window treatments) each comprising no less than 15% of total front elevation wall (refer section 2.2.1 for choice of materials).	
14	GARAGE	The garage is to be in the same style, materials and colours as the dwelling.	*
15		Where vehicle access is provided from a primary street, the garage is to be setback a minimum of 1.0m behind the dwelling alignment (including a porch, portico, verandah or similar).	*
16		The width of a garage (including supporting structures) accessed from the primary street shall not exceed 50% of the frontage at the setback line as viewed from the street. This may be increased to 60% where an upper floor or balcony extends for the full width of the garage and the entrance is clearly visible from the primary street.	*
17		Garages are to be setback a minimum distance of 4.5m from the front boundary and the setback is to be increased to 5.5m where a footpath is located within 1.0m of the front boundary.	*
18		Garages are to be setback 1.5m from a secondary street.	*



19	ROOF	A minimum eaves overhang of 450mm to front elevation (including the garage), a minimum gable overhang of 300mm to protect walls and windows from the summer sun and to improve the aesthetics. Roofs without eaves are not permitted to elevations facing the public realm (street, PAW, POS).	*
20		Metal roofs must be non-reflective (zincalume is not permitted).	*
21		Roof colours not permitted: black, red, highly variegated blends	*
22		For conventionally pitched roofs the minimum pitch shall be 24°, for skillion roofs the minimum pitch is 8°.	*
23	SERVICES AND AUXILIARY STRUCTURES	All pipes, wired services, clotheslines, clothes drying areas, hot water systems, refuse bin areas, air-conditioning units, meter boxes and other such service items shall be screened from public view.	*
24		TV antenna and satellite dishes shall be in the least visually obtrusive location from the public view (a rear lane is exempt).	*
25		Solar hot water system panels shall be in the least obtrusive location from the public view. It is preferred that they are parallel with the slope of the adjacent roof. Tanks associated with solar hot water systems shall be screened from public view.	*
26		Photo-voltaic panels shall not be visible from the street and are to be located to protect the visual amenity of surrounding properties.	*
27		Letterboxes are to be integrated into a front fence, a masonry pier or a planter and shall match or complement the home. Metal supporting posts are not permitted.	*



28	FENCING	Where fencing forward of the building line is supported, the fencing is to be a maximum of 1.0 metre in height and must return along the side boundaries to the building line then slope or step up to the side boundary fence height of 1.8m (excluding Estate provided fencing).	*
29		All primary street fencing shall be of a high standard and be constructed in materials that complement the materials and colours of the home. Satterley encourages masonry fences that are face brick, stone or rendered and infill panelling that is timber, glass or stainless steel wire and turnbuckles.	*
30		Driveway gates are not permitted.	*
31		Fibre cement, Colorbond or similar solid metal front fences are not permitted.	*
32		Secondary street fences are to be a maximum height of 1.85m above the ground level measured from inside the lot. They are to be masonry (limestone render on both sides) and can include some form of infill panelling with masonry piers (subject to approval by Satterley. Colorbond is not permitted. In instances where a secondary street fence is proposed above a retaining wall, the fence is required to be articulated with the preferred method being infill panelling from 1.2m – 1.8m.	*
33	ENVIRONMENTAL PERFORMANCE	High WELS rated fixtures, fittings and appliances installed.	*

The Home Owner or Builder shall email building plans (refer to Section 1.3 Documentation) for assessment and approval by Satterley to: plans@satterley.com.au





Catalina



DESIGN GUIDELINES

Stage 36 (Cottage Lots) – 22nd Nov 2023 (Rev 1.7)



Contents

Introduction

- 1.1 Welcome to Catalina Green
- 1.2 Purpose of the Design Guidelines
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- 1.6 Approval Application

House Design and Appearance

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- 2.3 Colour and Materials
- 2.4 The Roof
- 2.5 Crossovers, Driveways and Garages
- 2.6 Laneways
- 2.7 Lot Levels and Retaining Walls
- 2.8 Fencing and Letterboxes
- 2.9 Outdoor Areas and Landscaping
- 2.10 Other Buildings and Services

Checklist

2-Storey Mandatory Dwelling Plan

1.1 Welcome to Catalina Green

Sustainability and connections are at the core of Catalina Green.

Through advanced planning and design the estate has embraced the existing landform and sought to nestle the development among the existing trees and vegetation. This unique approach allows you to build your dream home among new infrastructure with a natural backdrop.

Access to transport is easy with a vast bike and foot path network that will provide connections to Ocean Keys Shopping Centre, Clayton Beach, Mindarie Marina and Clarkson Train Station. With all this on your doorstep why would you want to be anywhere else? But should you want to venture further afield the freeway and train station are right there for you.

Catalina Green offers the perfect location that balances beach, bush, shops and city.

**WHERE URBAN LIVING
MEETS CONVENIENCE**



1.2 Purpose of the Design Guidelines

The Design Guidelines apply to residential lots within Catalina Green and will help you and your chosen builder to design a high quality home that fits in with the aesthetic of the estate.

The appearance of housing, front yards and verges contribute to community pride and property values. The Design Guidelines provide helpful information to assist you to design your new home.

The Design Guidelines are a framework for design decisions and provide for:

- A cohesive community
- Attractive streetscapes
- Quality housing design
- Appropriate architectural Styles
- Individuality
- Community safety and security
- Climate responsive design
- Confidence in your investment

1.3 How to use the Design Guidelines

To ensure your home meets the requirements of the Design Guidelines, your Contract of Sale specifies that you must submit your preliminary design for Satterley's approval prior to lodging plans with the City of Wanneroo. A checklist for mandatory requirements has been included at the end of this document.

The Design Guidelines include mandatory elements that must be complied with and design elements that you are strongly encouraged to consider.

1.4 Local Development and Structure Plans

In addition to these Design Guidelines, a Local Structure Plan (LSP) and Local Development Plans (LDP's) have been prepared over some lots within Catalina Green. The LSP and LDP's set out permissible variations to the Residential Design Codes that have been adopted by the City of Wanneroo. Compliance with the LSP and LDP's is assessed by the City of Wanneroo as part of your application for Development Approval and/or Building Licence.

The LSP and LDP's identify requirements for a number of items, including but not limited to the following;

- Dwelling orientation
- Building setbacks
- Public open space interface
- Private open space and outdoor living areas
- Vehicle access and garage locations
- Boundary Walls
- Visual Privacy
- Design for Climate

1.5 Compliance

Satterley's approval ensures all homeowners meet the Design Guidelines mandatory requirements. Compliance with mandatory design measures (Design Requirements) is a contractual obligation. City of Wanneroo approval ensures compliance with statutory and policy requirements.

Individuality, architectural expression and innovation are promoted. Alternative designs will be considered where the vision of Catalina Green is main-

tained. Approval of alternative designs does not set a precedent.

The Design Guidelines must be read in conjunction with Catalina Green Local Development Plans as approved by the City of Wanneroo, local laws and policies, Residential Design Codes of Western Australia (R Codes) and other statutory requirements. Satterley does not warrant the City of Wanneroo will approve a house plan if it satisfies these Design Guidelines.



1.6 Approval Application

Building plans must provide the following and should be lodged electronically in PDF format to plans@satterley.com.au

SITE PLAN

Include levels, location of dwelling and garage, boundary setbacks, all fences, retaining walls and other outbuildings.

FLOOR PLAN

The proposed house design and room layout, including window and door locations, alfresco areas, etc.

ELEVATIONS

Materials and colours schedule for walls, the roof and trims. Ceiling heights are to be shown as well as roof pitch.

Purchasers are responsible for checking whether any of the following items apply prior to design;

- Local Development Plans;
- Existing infrastructure such as retaining walls, fences, utilities, or similar; and
- Bushfire management plans

House Design and Appearance

These Design Guidelines set a number of mandatory and encouraged requirements that you and your chosen builder will need to meet when designing your new home. These act as a guide to ensure a high-quality home is built that is in keeping with the estate and your neighbours.

Sustainability is at the core of Catalina Green and we encourage you to continue this within your house design. A home designed to suit the lot and local conditions can enhance comfort, ease household energy and water costs and provide long term environmental benefit.

Catalina Green is proud to have been awarded the highest possible sustainability accreditation from the Urban Development Institute of Australia. Catalina Green has been awarded for its sustainability in Ecosystems, Waste, Energy, Materials, Water and Community. To find out more visit;

www.envirodevelopmentliving.com.au

We encourage you to investigate sustainable building options and climate responsive design including solar access, natural ventilation, thermal and water efficiency. Further information on this can be obtained from:

www.water.wa.gov.au

www.yourhome.gov.au/technical



Catalina Green benefits from good access to natural light and cooling breezes. Simple items to consider when planning your home include:

- Orientating important internal living areas such as the kitchen, family room or lounge to have access to northern winter sun;
- Protecting north and west facing rooms from summer sun through shading devices, deeper eaves or appropriate plantings;
- Placing window openings to increase natural airflow, particularly through key living spaces;
- Zoning internal living and sleeping areas to allow for localised heating and cooling; and
- Locating hot water systems as close as possible to the kitchen and main bathroom.

Satterley reserves the right to amend the Catalina Green Design Guidelines at any point in time.



2.1 Front Elevation

The front elevation is your home's public face and makes the greatest contribution to maintaining a consistent visual aesthetic across the estate. This can be achieved by ensuring that the following requirements are incorporated in the design of your new home.

Mandatory requirements

ADDRESSING THE STREET

- The front of your home must contain the front door and have window/s with a clear view of the street. The front door must not be accessed from the garage.
- At a minimum, a mandatory two-storey dwelling shall contain a habitable room on the upper level. The room cannot be located entirely within the roof space and must have at least one major opening (or balcony) addressing any each public street (subject to compliance with design element 5.4.1 (Visual Privacy) of the Residential Design Codes).

ENTRY FEATURE

- A veranda, portico or porch must be provided to the front of the house to create an open and welcoming entry for your home. This should be a minimum of 1.5m in covered depth.

MATERIALS

- At least three* of the following materials must be provided in the front elevation of your home (excludes roof, door and window treatments) each comprising no less than 15% of total front elevation wall:
 - * Face brickwork;
 - * Rendered brickwork;
 - * Contrasting rendered brickwork;
 - * Stone pattern render;
 - * Feature tiling;
 - * Stone cladding;
 - * Timber garage door;
 - * Timber cladding, weather boarding, or reconstituted materials;
 - * Other materials to be approved on a case by case basis by Satterley.

Note: No colour repetition permitted.

- For rear-access cottage lots with less than 10m frontage only, only two materials are required. All other guidance notes still apply.

ELEVATION FEATURE

- On the primary street elevation, at least one of the following architectural elements are to be incorporated:
 - * Gable or gambrel;
 - * Roof gable (dutch gable, gablet, gambrel);
 - * Planter box (minimum 1.5m width);
 - * Bay window;
 - * Balcony;
 - * Blade wall; or
 - * Other feature wall.
- In addition to any porch/portico the front elevation must have eaves with a minimum depth of 450mm, except the garage and where a boundary wall is proposed; and
- Excluding the garage, the front elevation must contain at least one indentation or projection in the floor plan, also mirrored in the roof plan to provide visual interest. This articulation must be at least 450mm deep.
- For single-storey rear-access cottage lots with less than 10m frontage, a minimum wall height to the front elevation of 2.7 metres above the floor level excluding the garage.

Individuality, architectural expression and innovation are promoted. Alternative designs will be considered where Catalina Green's vision is maintained. Approval of alternative designs does not set a precedent.

2.2 Corner Lots

Providing 'eyes on the street' is an important contributor to people's perception of their safety.

Mandatory requirements

The following requirements need to be incorporated into the design of your home:

- The main colour and materials used on the primary elevation must 'wrap' around the corner for the portion of the home visible from the street (two metres from the building line) with the same design qualities and character to enhance street appeal. No additional elevation features are required.
- The exposed secondary street façade must incorporate at least one window.

Encouraged requirements

- Verandas extending from the front of the home around to the secondary elevation, and windows that increase neighbourhood security are encouraged.

2.3 Colours and Materials

Variations in colour and texture are promoted. Colour tones should be complimentary, take cues from the local landscape and express individuality through carefully chosen accents.

Mandatory requirements

- Avoid the use of primary and vivid colours as well as reflective surfaces.

Encouraged requirements

- The use of lighter tones is promoted. Bold and dark colours are best used in small sections against a neutral or subdued backdrop.

2.4 The Roof

The roof is a key element of your home's architectural character. If designed effectively it will improve the environmental performance of your house, as well as providing space for solar hot water units and photovoltaic panels.

Mandatory requirements

To provide a more consistent appearance across the estate, your roof design should be simple and uncluttered. To achieve this it must meet the following criteria:

- Skillion roofs to have a minimum pitch of five degrees and a maximum pitch of 15 degrees;
- Traditional pitched hip and valley roofs:
 - * Lots with a frontage greater than 10m to the primary street - roof form pitched at an angle greater than 22 degrees; or
 - * Lots with a frontage equal to or less than 10m to the primary street - roof form pitched at an angle greater than 24 degrees.
- Must be constructed in a single material and colour.
- Highly reflective roofs such as zincalume are not permitted.

Encouraged requirements

- A light coloured roof is encouraged to reduce solar absorptency and energy usage;
- Simple forms reflecting the setting, with generous eave overhangs to shade windows are encouraged; and
- Pre-finished corrugated metal sheeting and low profile roof tiles are encouraged.

2.5 Crossovers, Driveways and Garages

Streetscape and security is enhanced through the careful design of your crossovers, driveways and garages .

Mandatory requirements

The following requirements need to be incorporated into the design of your home:

- Your driveway must be constructed from brick paving, liquid limestone or exposed aggregate concrete. Grey or painted concrete is not permitted;
- Public footpaths take priority over private vehicular access therefore driveways must not cut-through paths;
- The location of your garage must take into account where the crossover and driveway will go to avoid the removal of street trees and not conflict with service infrastructure such as power domes;
- Laying an appropriate pipe under the driveway and paved areas must be included in your plans to ensure landscape irrigation can be installed;
- Streetscape and security is enhanced when garages are to be setback a minimum of 4.5m from the primary street and are not to be forward of the dwelling alignment, unless reduced further by the LDP. Garages may be aligned with the dwelling provided they do not exceed the garage setback line. Garages are to be setback 1.5m metres from the secondary street;
- Garages may be forward of the front building line to a maximum of one metre for two storey dwellings where the garage alignment complies with the primary setback;
- All garages shall be enclosed with a door and installed prior to occupation; and
- Car ports are not permitted.

Encouraged requirements

- Internal garage storage is encouraged.



2.6 Laneways

Security is enhanced through the careful design of laneway homes.

Mandatory requirements

If your home is located on a laneway lot, you will need to consider the following requirements when designing your home:

- Vehicle access must be from the laneway;
- The garage door must not project into the laneway when opened or closed; and
- The front of your home overlooks the adjoining street or park, not the laneway.

Encouraged requirements

- The laneway elevation should complement the rest of your home, with the same design qualities and character; and
- Where possible, provide a major opening from a habitable room to overlook the laneway.

2.7 Lot Levels and Retaining Walls

Your lot levels and retaining walls have been designed, constructed and certified taking into account site classification and drainage requirements.

Mandatory requirements

- Lot levels are set as part of estate works and are not to be modified; and
- Modifications to retaining walls installed by the developer are not allowed unless for maintenance or where written approval by Satterley and City of Wanneroo has been granted;

2.8 Fencing and Letterboxes

To help create a friendly, open and welcoming street it is important for the following to comply.

Mandatory requirements

- Installing a front fence is not permitted;
- Some lots may have a fence provided by the developer. Modifications to fences installed by the developer are not permitted unless for maintenance or where approved by Satterley in writing;
- Fencing is not permitted within the front setback area of a lot (including forward extensions of side boundary fencing and fencing on corner truncations);
- Side and rear boundary fencing must be 1.8m high, estate Woodland Grey Colorbond fencing. The finish of any side or rear boundary gates should complement the fence (except where a pillar has been constructed by the developer, in which case side fencing is not permitted forward of the pillar); and
- Corner lots side fencing must be installed two metres back from the forward most point of the closest wall of your home to the boundary.

2.9 Outdoor Areas and Landscaping

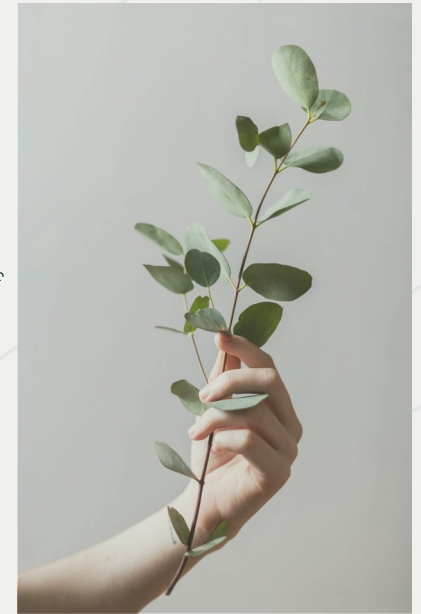
Your outdoor living area should be designed to receive northern winter sun whilst providing protection from rain, winter breezes and the hot summer sun. Well-designed front yard and verge areas can increase security, privacy, energy efficiency, water efficiency and improve the presentation of your home.

Your landscape design and plant selection should respond to local conditions and homeowners are encouraged to consider native and water-wise options. Decking and the use of aggregates can reduce turf and garden areas.

Mandatory requirements

- Provide reticulation to verge areas, complete landscaping prior to occupation and continue to maintain lawn and garden areas.

By submitting your plans and gaining Satterley's approval (and meeting the terms and conditions of your contract), will allow you to claim the Catalina Green front landscaping rebate. Once installed the front landscaping package should not be removed or significantly altered.



2.10 Other Buildings and Services

Sheds and other enclosures should be considered when planning your site to minimise the impact on outdoor living spaces and visual amenities.

Mandatory requirements

- Studios and ancillary accommodation should be constructed in complementary materials and colours to your home;
- Any shed, storeroom, outbuilding or other freestanding structure should be located in your backyard to minimise visibility from adjacent streets, laneways and parks and constructed in materials and colours that complement your home;
- For corner lots, sheds and outbuildings shall not extend 500mm above fences and shall not be greater than 10sqm in floor area;
- Building services such as air-conditioning units, satellite dishes, TV antennae, solar hot water units, photovoltaic

panels and down pipes must be screened from public view or located in the least visibly obtrusive location from adjacent streets and parks;

- Clothes drying areas must be screened from view from adjacent streets and parks. They should be well located to access sunlight and breezes; and
- Bin storage areas must be screened from view from adjacent streets and parks. It is encouraged to install a water tap adjacent to your bin storage area.

Encouraged requirements

- Photovoltaic panels and solar hot water units should be positioned to access northern and western sunlight and should be integrated with the roof profile of the home and not elevated at any angle to the roof pitch; and
- Building services should be finished in a similar colour to the roof and located to minimise potential nuisance, such as noise to neighbouring properties.

Checklist

To be submitted with building plans to Satterley for approval.

Mandatory Requirements

Addressing the Street

- The front of your home must contain the front door and have window/s with a clear view of the street. The front door must not be accessed from the garage.

Note: No colour repetition permitted.

- For rear-access cottage lots with less than 10m frontage only, only two materials are required. All other guidance notes still apply.

with less than 10m frontage, a minimum wall height to the front elevation of 2.7 metres above the floor level excluding the garage.

Entry Feature

- A veranda, portico or porch must be provided to the front of the house to create an open and welcoming entry for your home. This should be a minimum of 1.5m in covered depth.

Elevation Feature

- On the primary street elevation, at least one of the following architectural elements are to be incorporated.
 - * Gable or gambrel;
 - * Roof gable (dutch gable, gablet, gambrel);
 - * Planter box (Minimum 1.5m width);
 - * Bay window;
 - * Balcony;
 - * Blade wall; or
 - * Other feature wall.

Corner Lots

- The main colour and materials used on the primary elevation must 'wrap' around the corner for the portion of the home visible from the street (two metres from the building line) with the same design qualities and character to enhance street appeal. No additional elevation features are required.
- The exposed secondary street façade must incorporate at least one window.

Materials

- At least three of the following materials must be provided in the front elevation of your home (excludes roof, door and window treatments) each comprising no less than 15% of total front elevation wall:
 - * Face brickwork;
 - * Rendered brickwork;
 - * Contrasting rendered brickwork;
 - * Stone pattern render;
 - * Feature tiling;
 - * Stone cladding;
 - * Timber garage door;
 - * Timber cladding, weather boarding, or reconstituted materials;
 - * Material approved by Satterley.

- In addition to any porch/portico the front elevation must have eaves with a minimum depth of 450mm, except the garage and where a boundary wall is proposed; and
- Excluding the garage, the front elevation must contain at least one indentation or projection in the floor plan, also mirrored in the roof plan to provide visual interest. This articulation must be at least 450mm deep.
- For single-storey rear-access cottage lots

The Roof

- Skillion roofs to have a minimum pitch of 5 degrees and a maximum pitch of 15 degrees.
- Traditional pitched hip and valley roofs:
 - * Lots with a frontage greater than 10m to the primary street - roof form pitched at an angle greater than 22 degrees; or
 - * Lots with a frontage equal to or less than 10m to the primary street - roof form pitched at an angle greater than 24 degrees.

Checklist (Continued)

Mandatory Requirements

Roof (Continued)

- ❑ Must be constructed in a single material and colour.
- ❑ Highly reflective roof tops such as zincalume are not permitted.

Colours and Materials

- ❑ Avoid the use of primary and vivid colours and reflective surfaces.

Crossovers, Driveways and Garages

- ❑ Your driveway must be constructed from brick paving, liquid limestone or exposed aggregate concrete. Grey or painted concrete is not permitted.
- ❑ Public footpaths take priority over private vehicular access therefore driveways must not cut-through paths.
- ❑ The location of your garage has taken into account where the crossover and driveway will go to avoid the removal of street trees or conflicts with service infrastructure such as power domes.
- ❑ Laying an appropriate pipe under the driveway and paved areas has been included in your plans to ensure landscape irrigation can be installed.
- ❑ Garages are to be setback a minimum of 4.5m from the primary street and are not to be forward of the dwelling alignment. Garages may be aligned with the dwelling

provided they do not exceed the garage setback line. Garages are to be setback 1.5m from the secondary street.

- ❑ Garages may be forward of the dwelling alignment to a maximum of one metre for two storey dwellings where the garage alignment complies with the primary setback.
- ❑ All garages shall be enclosed with a door and installed prior to occupation.
- ❑ Car ports are not permitted.

Laneways

- ❑ Vehicle access must be from the laneway.
- ❑ The garage door must not project into the laneway when opened or closed.
- ❑ The front of your home overlooks the adjoining street or park, not the laneway

Lot Levels

- ❑ Lot levels have not been modified.

Front Fencing and Letterboxes

- ❑ Fencing is not permitted within the front setback area of a lot (including forward extensions of side boundary fencing and fencing on corner truncations).
- ❑ Side and rear boundary fencing must be 1.8m high, estate Woodland Grey Colorbond fencing. The finish of any side or rear boundary gates should complement

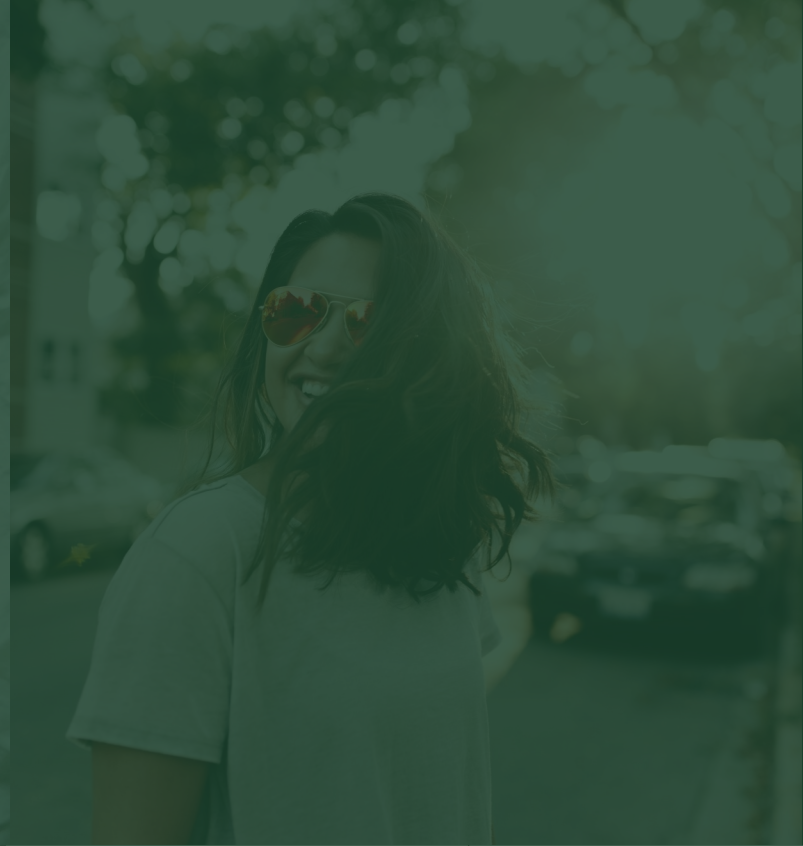
the fence (except where a pillar has been constructed by Satterley, in which case side fencing is not permitted forward of the pillar).

Other Buildings and Services

- ❑ For corner lots, sheds and outbuildings shall not extend 500mm above fences and shall not be greater than 10sqm.
- ❑ Building services such as air-conditioning units, satellite dishes, TV antennae, solar hot water units, photovoltaic panels and downpipes must be screened from public view or located in the least visibly obtrusive location from adjacent streets and parks.
- ❑ Clothes drying areas must be screened from view from adjacent streets and parks. They should be well located to access sunlight and breezes.
- ❑ Bin storage areas must be screened from view from adjacent streets and parks. It is encouraged to install a water tap adjacent to your bin storage area.

Other Important Items

- ❑ Checked for the existence of Local Development Plans, special geotechnical requirements, Bushfire management plans, BAL ratings and/or infrastructure items that may impact design.
- ❑ Site plan, floor plan and elevations included within the application for Satterley's approval.



Appendix 9.1



DELEGATION REGISTER

September ~~2022~~2023

DELEGATION OF AUTHORITY REGISTER

September 2022 November 2023



TAMALA PARK
REGIONAL COUNCIL
Building a sustainable community

Review

Reviewed By	Date Approved	Resolution Number
Council	10 December 2020	Item 8.7
Chief Executive Officer		

Amendments

Delegation	Date Approved	Resolution Number	Amendment/s
Various	18 August 2022	Item 8.6	<p>Amalgamation of Management Committee Terms of Reference and Delegated Authority arrangements with Chief Executive Officer Delegated Authority arrangements into a single register.</p> <p>Various changes to extent of delegated authority arrangements.</p> <p>Revised document format.</p>
Various	19 October 2023		<p>All references to Tamala Park replaced with Catalina</p> <p>Deletion of Management Committee information in Item 5</p> <p>Update to regulatory and policy references in delegations</p> <p>Deletion of all Management Committee delegations</p>

DELEGATION OF AUTHORITY REGISTER

September 2022 November 2023



TAMALA PARK
REGIONAL COUNCIL
Building a sustainable community

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1. DECISION TO DELEGATE

In considering whether to delegate a power or duty a local government must have consideration of the intended benefit arising from this delegation. Powers or duties should only be delegated in instances where this delegation would create an efficiency in the operations of that local government. Where the duties to be performed by the delegate are not subject to the discretion of the individual, then “acting through” arrangements may better achieve the desired efficiency.

2. GENERAL

A local government may delegate authority to exercise any of its statutory functions to Committees or the Chief Executive Officer. Any decision to delegate must be made by absolute majority. The local government is not permitted to delegate its powers to delegate. A CEO can delegate the exercise of any of their powers or duties to employees (other than the power to delegate).

Without limiting the effect of sections 58 and 59 of the *Interpretation Act 1984*, a delegation made under the *Local Government Act 1995* has effect for the period of time specified in the delegation or where no period is specified, indefinitely.

A decision to amend or revoke a delegation to a Committee or the CEO by a local government must be made by an absolute majority.

3. DELEGATIONS TO THE CEO

Delegations of authority from Council to the CEO must be in writing and can be general or specific. The limits on delegation of authority to the CEO are:

- (a) any power or duty that requires a decision of an absolute majority or a 75% majority of the local government;
- (b) accepting a tender which exceeds an amount determined by the local government;
- (c) acquiring or disposing of any property valued at an amount exceeding an amount determined by the local government for the purpose of this paragraph;
- (d) any of the local government’s powers under section 5.98, 5.98A, 5.99, 5.99A or 5.100;
- (e) borrowing money on behalf of the local government;
- (f) hearing or determining an objection of a kind referred to in section 9.5;
- (g) the power under section 9.49A(4) to authorise a person to sign documents on behalf of the local government;
- (h) any power or duty that requires the approval of the Minister or the Governor;
- (i) such other powers or duties as may be prescribed.

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4. DELEGATION BY THE CEO TO EMPLOYEES

Delegations of authority from the CEO to employees:

- (a) must be in writing;
- (b) can be general or specific; and
- (c) are subject to any conditions Council may have imposed.

5. DELEGATION TO COMMITTEES

Delegations of authority to exercise the statutory powers of Council may be made to committees (as detailed in sections 5.16 and 5.17 of the *Local Government Act*).

Section 5.17 provides limitations on what powers and duties a local government can delegate to its committees. Section 5.17(1) limits the powers and duties which can be delegated to committees, according to the types of members which constitute the committees, for example:

- Council members only;
- Council members and employees only;
- Council members, employees and other persons; or
- Employees and other persons only.

Section 5.17(2) prohibits absolutely the delegation of any powers or duties to committees comprised of only persons other than Council members or employees.

~~The Council has approved the establishment of a Management Committee in accordance with section 5.8 of the Act.~~

~~The objectives of the Management Committee are:~~

- ~~• To assist Council with the implementation of the Catalina Project.~~
- ~~• To monitor the Catalina Project for compliance with approved Budget and Program.~~
- ~~• To assist in achieving Council's objectives for the Catalina Project.~~

~~The Committee will consist of a minimum of five members.~~

~~The local government shall provide secretarial and administrative support to the Committee.~~

~~The Committee shall generally meet on a bi-monthly basis, alternative to Council meeting dates.~~

~~Additional meetings shall be convened at the discretion of the presiding person.~~

~~The Committee is a formally appointed Committee of Council and is responsible to that body. The Committee does not have executive powers or authority to implement actions in areas over which the CEO has legislative responsibility. The Committee does not have any management functions and cannot involve itself in management processes or procedures.~~

~~The Committee is to report to Council and provide appropriate advice and recommendations on matters relevant to its term of reference in order to facilitate informed decision-making by Council.~~

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~~The Council has delegated to the Committee, pursuant to sections 5.16 and 5.17 of the Act, the delegation of some powers and duties, as detailed in 7.3 below.~~

~~The Council has adopted the following as the Terms of References of the Committee:~~

- ~~1. Monitor Project Performance against the approved Project strategies, plans or concepts.~~
- ~~2. Monitor Project performance against the approved Project Budget and provide a report and recommendations to Council with respect to variances and proposed variation to the approved Project Budget.~~
- ~~3. Monitor Project Performance against the approved Project Annual Plan and report on any variations to the approved Project Annual Plan to Council.~~
- ~~4. Monitor the performance of the Development Manager against agreed KPIs and report Development Manager performance against them to Council.~~
- ~~5. Monitor performance of approved marketing and sales programmes for the Project and report progress to Council.~~
- ~~6. Make recommendations to Council with respect to the Project Annual Plan, Project Budget and Project Milestones.~~
- ~~7. Make recommendations to Council with respect to the Mid-Year Review of the Project Annual Plan, Project Budget and Project Milestones~~
- ~~8. Provide guidance, advice and assistance to Council with respect to advancing the Catalina Project.~~

~~Reports, recommendations and any decisions made under Delegated Authority by the Committee shall be presented to the next ordinary meeting of the Council.~~

6. REGISTER OF, AND RECORDS RELEVANT TO DELEGATIONS

The CEO must keep a register of all delegations made to the CEO and employees. The register records the power or duty delegated, the delegate's position, any conditions imposed on the delegation and where the power to delegate is derived from.

The register of delegations must be reviewed at least once every financial year.

A person who is delegated a power or duty is to keep records of the following in relation to the exercise of the power or discharge of the duty:

- (a) how the power was exercised, or duty discharged;
- (b) when the power was exercised, or duty discharged; and
- (c) the persons or classes of persons, other than council or committee members or employees of the local government, directly affected by the exercise of the power or discharge of the duty.

This provision does not necessarily require the keeping of a register and other efficient record keeping practices would be sufficient. However, it is recommended that such systems provide for accessible accountability of the performance of these tasks.

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7. DELEGATIONS

7.1 *Local Government Act 1995*

7.1.1 EMERGENCY RESPONSE

Function to be performed:	Authority to engage and deploy equipment in an emergency.
Conditions:	Delegated authority may only be used where there is imminent or substantial risk to public safety or property.
Statutory Reference:	<i>Local Government Act 1995</i> , s3.34
s5.42 Delegation to:	Chief Executive Officer
s5.44 Delegation to:	Manager Project Coordination
Conditions on s5.44 delegates:	Delegated authority may only be used where there is imminent or substantial risk to public safety or property.
Relevant Local Law, Policy or Management Practice:	Nil
Initial Council adoption:	3 August 2006

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7.1.2 PURCHASE ORDERS

Function to be performed:	<p>Authority to place and/or approve purchase orders:</p> <ul style="list-style-type: none"> With formally contracted suppliers in accordance with the Procurement Policy and <i>Local Government Act 1995</i>. Non-contracted and non-accredited suppliers in accordance with the Procurement Policy and <i>Local Government Act 1995</i>.
Conditions:	<p>The delegation is subject to:</p> <ul style="list-style-type: none"> Budget provision or budget allowance policy; Procurement Policy.
Statutory Reference:	<p><i>Local Government Act 1995</i>, s6.10 <i>Local Government (Financial Management) Regulations 1996</i>, r12(1)(a), r13, r13A</p>
s5.42 Delegation to:	Chief Executive Officer
s5.44 Delegation to:	<p>Manager Project Coordination Executive Assistant Project Support Officer</p>
Conditions on s5.44 delegates:	As above
Relevant Local Law, Policy or Management Practice:	TPRC Procurement Policy
Initial Council adoption:	3 August 2006

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7.1.3 TENDERS, EXPRESSIONS OF INTEREST AND OTHER PROCUREMENT PROCESSES

<p>Function to be performed:</p>	<p>Authority to undertake a procurement process:</p> <ul style="list-style-type: none"> Publicly invite tenders before entering into a contract for the supply of goods and services if the consideration under the contract is or is expected to be, worth in excess of \$250,000. Determine the criteria and weightings for evaluating a response to a procurement process. Vary tender information after public notice of invitation to tender and before the close of tenders, taking reasonable steps to ensure each person who has sought copies of the tender information is provided notice of the variation. Assess tender responses by means of a written evaluation of the extent to which each respondent satisfies the criteria. Recommend which tender respondent best maximises outcomes for TPRC. Request quotations and procure goods and services if the consideration under the contract is or is expected to be less than \$250,000. Engage with prequalified suppliers under the WALGA Preferred Supplier Program or State Government Common Use Agreement.
<p>Conditions:</p>	<ul style="list-style-type: none"> Tenders can only be invited for those goods and services identified in the approved or amended annual budget. Acceptance of the most advantageous tender is subject to Section 3.57(1) of the <i>Local Government Act 1995</i>, and Regulation 11(1) of the <i>Local Government (Functions and General) Regulations 1996</i>. Part 4, Division 2 of the <i>Local Government (Functions and General) Regulations 1996</i> must be followed. Subject to the requirements and conditions of TPRC's Procurement Policy.

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Statutory Reference:	<i>Local Government Act 1995, s3.57</i> <i>Local Government (Functions and General) Regulations 1996, Part 4, Divisions 2 and 3</i>
s5.42 Delegation to:	Chief Executive Officer
s5.44 Delegation to:	Nil
Conditions on s5.44 delegates:	N/A
Relevant Local Law, Policy or Management Practice:	TPRC-CRC Procurement Policy
Initial Council adoption:	3 August 2006

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7.1.4 AUTHORITY TO CANCEL UNPRESENTED STALE CHEQUES

Function to be performed:	Authority to cancel unpresented stale cheques to the value of \$20,000.
Conditions:	An alternative method of payment for the amount owing must be explored prior to the cheque being cancelled.
Statutory Reference:	r11, <i>Local Government (Financial Management) Regulations 1996</i>
s5.42 Delegation to:	Chief Executive Officer
s5.44 Delegation to:	Nil
Conditions on s5.44 delegates:	Nil
Relevant Local Law, Policy or Management Practice:	TPRC-CRC Financial Management Policy
Initial Council adoption:	11 February 2010

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7.1.5 EXTENSION OF CONTRACTS

Function to be performed:	Authority to approve an extension to a contract awarded through a tender or expression of interest process.
Conditions:	<p>Subject to:</p> <ul style="list-style-type: none"> • The tender specifying the provisions of the option term; • The contract providing for the extension; and • The extension being on the same terms and conditions as the last year of the original term but does allow for price increases in line with the contract provisions (if any) for the price.
Statutory Reference:	r11, <i>Local Government (Function and General) Regulations 1996</i>
s5.42 Delegation to:	Chief Executive Officer
s5.44 Delegation to:	Nil
Conditions on s5.44 delegates:	N/A
Relevant Local Law, Policy or Management Practice:	TPRC-CRC Procurement Policy
Initial Council adoption:	24 June 2010

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7.1.6 PAYMENTS FROM THE MUNICIPAL FUND OR TRUST FUND

Function to be performed:	Authority to make payments and transfers from the municipal fund or the trust fund.
Conditions:	<ul style="list-style-type: none"> • Subject to the requirements of Regulation 13 of the Local Government (Financial Management) Regulations 1996. • Each payment from the municipal fund or the trust fund is to be listed and reported to Council on a monthly basis at the next Ordinary Meeting of Council.
Statutory Reference:	r12(1), <u>r13</u> , <u>r13A</u> Local Government (Financial Management) Regulations 1996
s5.42 Delegation to:	Chief Executive Officer
s5.44 Delegation to:	Nil
Conditions on s5.44 delegates:	N/A
Relevant Local Law, Policy or Management Practice:	TPRC-CRC Payment of Accounts Policy TPRC-CRC Payment of Distributions Policy
Initial Council adoption:	3 August 2006

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7.1.7 INVESTMENT OF FUNDS AND THEIR PROCEDURES

Function to be performed:	Authority to invest surplus funds within the limits of the Investment Policy.
Conditions:	That the delegated person adheres to the provisions of the Investment Policy.
Statutory Reference:	s6.14, <i>Local Government Act 1995</i> r19 <u>and</u> <u>19C</u> , Local Government (Financial Management) Regulations 1996
s5.42 Delegation to:	Chief Executive Officer
s5.44 Delegation to:	Nil
Conditions on s5.44 delegates:	N/A
Relevant Local Law, Policy or Management Practice:	TPRC-CRC Investment Policy
Initial Council adoption:	24 June 2010

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7.1.8 VARIATIONS TO CONTRACTS FOR GOODS AND SERVICES

Function to be performed:	Vary a contract with the successful tenderer for the supply of goods and services in accordance with Regulation 4221A of the Local Government (Function and General) Regulations 1996.
Conditions:	<ul style="list-style-type: none"> The variation is necessary in order for the goods or services to be supplied and does not change the scope of the contract; or The variation is a renewal or extension of the term of the contract as described in regulation 11(2)(j).
Statutory Reference:	R21A, Local Government (Functions and General) Regulations 1996
s5.42 Delegation to:	Chief Executive Officer
s5.44 Delegation to:	Nil.
Conditions on s5.44 delegates:	N/A
Relevant Local Law, Policy or Management Practice:	TPRC-CRC Procurement Policy
Initial Council adoption:	24 June 2010

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7.1.9 DISPOSAL OF PROPERTY, LAND AND BUILDINGS (PUBLIC AUCTION, PUBLIC TENDER OR PRIVATE TREATY)

Function to be performed:	Authority to set the sale price, advertise, consider submissions and manage the disposal of all property and lots by private treaty under Section 3.58(3) of the <i>Local Government Act 1995</i> .
Conditions:	Subject to the value being less than \$1,000,000.
Statutory Reference:	s3.58, <i>Local Government Act 1995</i>
s5.42 Delegation to:	Chief Executive Officer
s5.44 Delegation to:	Nil
Conditions on s5.42 delegates:	<p>Authority to determine the sale price for single residential lots subject to the average of lot pricing for a stage being higher than the approved Project Cashflow. Where there is a difference between the average of lot pricing supplied by the Development Manager and the independent valuer, then the higher of the lot pricing will be determined as the sale price.</p> <p>In the event that the determined average of lot pricing is less than the lot pricing for a stage in the Project Cashflow the CEO shall refer the matter back to Council before exercising this delegation.</p>
Relevant Local Law, Policy or Management Practice:	NRC Lot Pricing Policy
Initial Council adoption:	13 December 2012

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7.1.10 SALES CONTRACT FINANCE AND SETTLEMENT EXTENSIONS AND CANCELLATIONS

Function to be performed:	Authority to determine finance and settlement extensions and contract cancellations for the sale of lots.
Conditions:	Nil
Statutory Reference:	<p><i>Local Government Act 1995:</i></p> <ul style="list-style-type: none"> • s3.58 Disposing of Property • s3.59 Commercial enterprises by local governments
s5.42 Delegation to:	Chief Executive Officer
s5.44 Delegation to:	Nil
Conditions on s5.44 delegates:	N/A
Relevant Local Law, Policy or Management Practice:	N/A
Initial Council adoption:	19 December 2013

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7.1.11 DISPLAY VILLAGE LOTS TENDERS

Function to be performed:	Authority to grant approval to proceed with a Display Village Lots Tender and to allocate lots to builders in accordance with the procedure outlined in the associated Tender criteria.
Conditions:	Nil
Statutory Reference:	<p><i>Local Government Act 1995:</i></p> <ul style="list-style-type: none"> • s3.58 Disposing of Property • s3.59 Commercial enterprises by local governments
s5.42 Delegation to:	Chief Executive Officer
s5.44 Delegation to:	Nil
Conditions on s5.44 delegates:	N/A
Relevant Local Law, Policy or Management Practice:	N/A
Initial Council adoption:	19 December 2013

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7.2 GENERAL

7.2.1 CONDITIONS OF APPROVAL AND SERVICING INFRASTRUCTURE AGREEMENTS

Function to be performed:	Authority to approve and negotiate conditions of approval and servicing infrastructure agreements relating to subdivision, development, landscaping applications and servicing plans for the Tamala ParkCatalina Project and requirements and scheme costs under the City of Wanneroo Town Planning Scheme.
Conditions:	Subject to Budget provision and consistent with TPRC-CRC objectives and, as appropriate, approved TPRC-CRC policies and strategies.
Statutory Reference:	Nil
s5.42 Delegation to:	Chief Executive Officer
s5.44 Delegation to:	Nil
Conditions on s5.44 delegates:	N/A
Relevant Local Law, Policy or Management Practice:	Nil
Initial Council adoption:	18 August 2011

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7.2.2 VARIATION OF THE SALE PRICE OF A SALES CONTRACT

Function to be performed:	Authority to vary the sale price of sales contracts for lots.
Conditions:	Subject to: <ul style="list-style-type: none"> • A recommendation from the Development Manager supporting the variation; • The variation not being greater than 10% of the original contract price; • Use of the delegation be reported to Council.
Statutory Reference:	Nil
s5.42 Delegation to:	Chief Executive Officer
s5.44 Delegation to:	Nil
Conditions on s5.44 delegates:	N/A
Relevant Local Law, Policy or Management Practice:	NilCRC Lot Pricing Policy
Initial Council adoption:	10 December 2020

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7.2.3 ~~SPONSORSHIP~~

Function to be performed:	Authority to approve sponsorship requests to a maximum of \$2,000.
Conditions:	Subject to determination of requests in accordance with TPRC Sponsorship Policy.
Statutory Reference:	Nil
s5.42 Delegation to:	Chief Executive Officer
s5.44 Delegation to:	Nil
Conditions on s5.44 delegates:	N/A
Relevant Local Law, Policy or Management Practice:	Nil
Initial Council adoption:	18 August 2011

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7.2.4 BULK EARTHWORKS, CIVIL, INFRASTRUCTURE AND LANDSCAPE WORKS

Function to be performed:	Authority to grant approval to bulk earthworks, civil, infrastructure and landscape works.
Conditions:	Subject to rates being in accordance with Council approved rates for the associated works and there being a budget allocation.
Statutory Reference:	Nil
s5.42 Delegation to:	Chief Executive Officer
s5.44 Delegation to:	Nil
Conditions on s5.44 delegates:	N/A
Relevant Local Law, Policy or Management Practice:	NilCRC Procurement Policy
Initial Council adoption:	18 August 2011

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7.3 DELEGATIONS TO COMMITTEES

7.3.1 ~~MODIFICATIONS TO CIVIL ENGINEERING OF STAGES~~

Function to be performed:	Approval of modifications to the civil engineering of stages, subject to Clause 4(a), Regional Purpose, Establishment Agreement Tamala Park Regional Council 2006.
Conditions:	Subject to any modifications being consistent with TPRC Objectives, Strategies, Policies, approved Annual Plan and Budget.
Statutory Reference:	s3.64 and s3.65, Local Government Act 1995
s5.16 Delegation to:	Management Committee
Relevant Local Law, Policy or Management Practice:	Establishment Agreement TPRC Procurement Policy
Initial Council adoption:	16 April 2020

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7.3.2 MODIFICATIONS OF STAGES OF THE SUBDIVISION

Function to be performed:	Approval for modifications of stages of the subdivision including the number of lots, lot sizes and configuration, mix and locations, subject to Clause 4(a), Regional Purpose, Establishment Agreement Tamala Park Regional Council 2006.
Conditions:	Subject to any modifications being consistent with TPRC Objectives, Strategies, Policies, approved Annual Plan and Budget.
Statutory Reference:	s3.64 and s3.65, <i>Local Government Act 1995</i>
s5.16 Delegation to:	Management Committee
Relevant Local Law, Policy or Management Practice:	Establishment Agreement TPRC Procurement Policy
Initial Council adoption:	16 April 2020

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7.3.3 SALES PROCEDURES

Function to be performed:	Approval to change sales procedures, subject to the requirements of Section 3.58 of the <i>Local Government Act 1995</i> .
Conditions:	Subject to any Marketing Strategies and Programmes being consistent with TPRC Objectives, Strategies, Policies, approved Annual Plan and Budget.
Statutory Reference:	s3.58, <i>Local Government Act 1995</i>
s5.16 Delegation to:	Management Committee
Relevant Local Law, Policy or Management Practice:	Establishment Agreement TPRC Procurement Policy
Initial Council adoption:	16 April 2020

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7.3.4 ~~APPOINTMENT OF PROJECT CONSULTANTS AND CONTRACTORS~~

Function to be performed:	The appointment of project consultants and contractors and to enter into a contract with a value more than \$250,000 and less than \$3,000,000, subject to Regulation 11(1) of the Local Government (Functions and General) Regulations 1996 and s3.57(1) of the Local Government Act 1995.
Conditions:	<ul style="list-style-type: none"> Tenders can only be invited for those goods and services identified in the approved or amended annual budget. Acceptance of the most advantageous tender is subject to Section 3.57(1) of the Local Government Act 1995, and Regulation 11(1) of the Local Government (Functions and General) Regulations 1996. Part 4, Division 2 of the Local Government (Functions and General) Regulations 1996 must be followed. Subject to the requirements and conditions of TPRC's Procurement Policy.
Statutory Reference:	Local Government Act 1995, s3.57 Local Government (Functions and General) Regulations 1996, Part 4, Division 2
s5.16 Delegation to:	Management Committee
Relevant Local Law, Policy or Management Practice:	TPRC Procurement Policy
Initial Council adoption:	16 April 2020

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7.3.5 ~~MARKETING STRATEGIES~~

Function to be performed:	Approval of Marketing Strategies and Programmes, subject to clause 4(a), Regional Purpose, Establishment Agreement, Tamala Park Regional Council 2006.
Conditions:	Subject to any Marketing Strategies or Programmes being consistent with TPRC Objectives, Strategies, Policies, approved Annual Plan and Budget.
Statutory Reference:	Nil
s5.16 Delegation to:	Management Committee
Relevant Local Law, Policy or Management Practice:	Nil
Initial Council adoption:	16 April 2020

REVIEW OF CATALINA REGIONAL COUNCIL DELEGATION REGISTER 2023

General Amendments

1. All references to Tamala Park to be replaced with Catalina Regional Council
2. All references to regulations to be un-italicised.
3. In Item 5, delete all words from paragraph 4 onwards.

Specific Amendments

ITEM	RETAIN ?	AMENDMENTS	COMMENT
7.1.1 – Emergency Response	Yes	Nil.	
7.1.2 – Purchase Orders	Yes	<p>Insert in <i>Statutory Reference</i>: Local Government (Financial Management) Regulations 1996, r12(1)(a), r13, r13A</p> <p>Insert in s5.44 Delegation to: Project Support Officer</p>	<p>New provisions inserted into the Regulations by Local Government Regulations Amendment Regulations 2023</p> <p>Since last adoption of Delegation Register CRC has employed a Project Support Officer who will require this delegation to perform certain tasks.</p>
7.1.3 – Tenders, Expressions of Interest and Other Procurement Procedures	Yes	Insert in <i>Statutory Reference</i> : Local Government (Functions and General) Regulations 1996, Part 4, Divisions 2 and 3.	Delegation makes reference to WALGA Preferred Supplier Program. Regulations Division 3 sets out conditions for 'Panels of Pre-qualified Suppliers' and so should be referenced in the delegation.
7.1.4 – Authority to Cancel Unpresented Stale Cheques	Yes	Nil.	
7.1.5 – Extension of Contracts	Yes	Nil.	
7.1.6 – Payments from the Municipal Fund or Trust Fund	Yes	Insert in <i>Statutory Reference</i> : Local Government (Financial Management) Regulations 1996, r12(1), r13, r13A	New provisions inserted into the Regulations by Local Government Regulations Amendment Regulations 2023
7.1.7 – Investment of Funds and Their Procedures	Yes	Insert in <i>Statutory Reference</i> : Local Government (Financial Management) Regulations 1996, r19 and 19C	Regulation 19C imposes restrictions on investment for local governments.
7.1.8 – Variations to Contracts for Goods and Services	Yes	Amend in <i>Function to be performed</i> : reference to Regulation 12A to 21A.	Amendment to the applicable statutory reference.
7.1.9 – Disposal of Property, Land and Buildings (Public Auction, Public Tender or Private Treaty)	Yes	Insert in <i>Relevant Local Law, Policy or Management Practice</i> : Lot Pricing Policy	

7.1.10 – Sales Contract Finance and Settlement Extensions and Cancellations	Yes	Nil.	
7.1.11 – Display Village Lots Tenders	Yes	Nil.	
7.2.1 – Conditions of Approval and Servicing Infrastructure Agreements	Yes	Nil.	
7.2.2 – Variation of the Sale Price of a Sales Contract	Yes	Insert in <i>Relevant Local Law, Policy or Management Practice</i> : Lot Pricing Policy	
7.2.3 – Sponsorship	No		Delete Delegation. Not used and amount is so low as to render delegation pointless.
7.2.4 – Bulk Earthworks, Civil, Infrastructure and Landscape Works	Yes	Insert in <i>Relevant Local Law, Policy or Management Practice</i> : Procurement Policy	
7.3 – Delegations to Committees			
7.3.1 – Modifications to Civil Engineering of Stages	No		Delegation to be deleted as Management Committee no longer exists.
7.3.2 – Modifications of Stages of the Subdivision	No		Delegation to be deleted as Management Committee no longer exists.
7.3.3 – Sales Procedures	No		Delegation to be deleted as Management Committee no longer exists.
7.3.4 – Appointment of Project Consultants and Contractors	No		Delegation to be deleted as Management Committee no longer exists.
7.3.5 – Marketing Strategies	No		Delegation to be deleted as Management Committee no longer exists.

Appendix 9.2

PAYMENT OF ACCOUNTS POLICY



Responsible Officer	Chief Executive Officer
Initial Council adoption	4 March 2008
Amendments	
Last Council adoption	20 August 2020 <u>9 December 2021</u>
Review due	2022 <u>2024</u>

1. OBJECTIVES

- To safeguard the funds of the Council and to provide a transparent record for authorisation of expenditures which reflect good accounting practice and the requirements of local government legislation.
- To facilitate communication to representatives of Catalina Regional Council (CRC) and to the public about probity practices associated with the payment of accounts of the Council.

2. DELEGATION OF AUTHORITY

The Council has delegated authority to the Chief Executive Officer to make payment of accounts in accordance with Regulation 13.1 of the *Financial Management Regulation*.

3. RISK PROFILE

When exercising functions relating to payment of accounts, the following matters should be considered:

- That relevant delegations are current and complete;
- That bank authorisations are current and complete;
- That chequebooks, bank tokens and passwords are adequately secured;
- That procedures in relation to the use of credit cards, chequebooks, bank tokens and passwords are documented;
- That procedures for recording obligations for expenditure and for authorising payments prior to payments being made are adequate and appropriately recorded and communicated; and
- That all accounts and expenditures are made consistent with the Council's Procurement, Purchasing & Investment Policies.

4. GUIDELINES

a) Securing CRC Cheque Instruments

- Only one chequebook will be maintained at any one time;
- A secure location will be identified for retention of the chequebook;
- Only authorised staff signatories will be advised of the location of the chequebook;
- A monthly reconciliation of cheque instruments recorded on bank statements and the balance of cheque instruments maintained in the chequebook will be made by the Executive Assistant and approved by the CEO;

PAYMENT OF ACCOUNTS POLICY



- The External Auditor will be required to verify the retention practices and check that the balance of cheque instruments reconciles to instruments recorded in the bank statement.

b) Security of Tokens and Passwords

- On an annual, or more frequent basis (if required), financial institutions will be requested to supply to external auditors details covering the number of passwords and number of tokens issued to CRC ~~elected and~~ staff representatives. The External Auditor will be asked to reconcile information provided by banks with information provided by ~~elected and~~ staff members.
- Relevant ~~elected members and~~ staff members are to be advised of the procedures for operating bank accounts with tokens and passwords and the limits of delegation from the CRC Council and in respect of tokens and passwords.
- Relevant ~~elected members and~~ staff are to be acquainted with bank requirements and CRC requirements relating to reporting of forgotten or lost passwords and tokens.
- Relevant ~~elected and~~ staff representatives are to be acquainted with procedures for reporting potential breach of security in respect of passwords or tokens.
- A compliance checklist covering the points above is to be provided to and completed by ~~elected members and~~ staff members provided with passwords and tokens to ensure current knowledge of requirements and responsibilities.

c) Purchasing and Credit Cards

Refer to the Credit Card Policy for further information.

d) Incurrence of Expenditure/Liability on Behalf of CRC

- All monetary liabilities incurred on behalf of CRC must conform to the Council Procurement Policy or otherwise be specifically resolved by the CRC Council.
- In brief, incurrence of expenditure is to be:
 - In accordance with allocations in the CRC budget;
 - If not in budget, in reference to specific Council resolutions;
 - Subject of tender or quotation as required by CRC Purchasing Policy;
 - Subject of an order issued on behalf of CRC by a person authorised under delegation and otherwise in accordance with the Council's Purchasing Policy.

e) Reporting of Payment Activity

All expenditures incurred or payments made are to be reported to the Council in reference to budget and statutory requirements including:

- Annual budget
- Statutory budget review (by 31 March)
- Financial Management Regulations, particularly relating to lists of payments for Council information (Regulation 13)
- Monthly financial statements (Regulation 14)

PAYMENT OF ACCOUNTS POLICY



~~f) Petty Cash~~

~~Should the CRC utilise petty cash it will be in accordance with the Petty Cash Policy.~~

g)f) Receipt of Goods and Services

- A delivery docket and/or account must accompany all goods purchased by CRC (except minor purchases covered by a detailed receipt).
- Goods and services will be checked to purchase orders, investment instructions, letters of commission or contracts as appropriate.
- The person checking receipt of goods will endorse the appropriate instrument with verification that goods or services have been received and note any variation in supply to requirements.
- Where there is no variation in supply, the receiving officer shall also authorise payment for goods and services.
- Where there is a variation in supply regulations, the variation will be noted together with an appropriate adjustment to the payment obligation of the CRC.
- In the event that the value of the variation exceeds 10% (plus or minus) of the initial amount, a variation docket will be prepared and attached with the original order or other instrument.

Appendix 9.3

FRAUD AND CORRUPTION PREVENTION POLICY



Responsible Officer	Chief Executive Officer
Initial Council adoption	18 February 2021
Amendments	
Last Council adoption	18 February 2021 7 December 2023
Review due	2022 2024

OBJECTIVE

To articulate the Catalina Regional Council's (CRC) commitment to the prevention, detection, response and monitoring of fraud and corrupt activities.

POLICY SCOPE

This policy applies to all employees, Elected Members and contractors. Fraud and corruption control is the responsibility of everyone in or associated with the CRC.

DEFINITIONS

Fraud is defined by Australian Standard AS8001-2008 as:

"Dishonest activity causing actual or potential financial loss to any person or entity including theft of monies or other property by employees or persons external to the entity and where deception is used at the time, immediately before or immediately following the activity."

Corruption is defined by Australian Standard AS8001-2008 as:

"Corruption is dishonest activity in which an employee or contractor of the entity acts contrary to the interests of the entity and abuses their position of trust in order to achieve some personal gain or advantage for themselves or for another person or organisation. The concept of 'corruption' can also involve corrupt conduct by the entity, or a person purporting to act on behalf of and in the interests of the entity, in order to secure some form of improper advantage for the entity."

Corruption is any deliberate or intentional wrongdoing that is improper, dishonest or fraudulent and may include:

- Conflict of interest;
- Failure to disclose acceptance of gifts or hospitality;
- Acceptance of a bribe;
- Misuse of internet or email; or
- Release of confidential or private information or intellectual property.

Corrupt conduct tends to show a deliberate intent or an improper purpose and motivation and may involve conduct such as the deliberate failure to perform the functions of office properly; the exercise of a power or duty for an improper purpose; or dishonesty.

POLICY STATEMENT

Fraud and corruption is illegal, and contrary to the organisational values of the CRC. The CRC aims to foster a culture which upholds trust and honesty as part of its core values. In doing so, the CRC

FRAUD AND CORRUPTION PREVENTION POLICY



will ensure that the effective prevention of fraud and corruption is an integral part of its operating activities.

All employees are accountable for, and have a role to play in, fraud and corruption prevention and control. The CRC encourages staff to disclose actual or suspected fraudulent or corrupt activity. When identified, any suspected fraudulent or corrupt activity will be promptly investigated, and where appropriate legal remedies available under the law will be pursued.

All alleged incidences will be investigated thoroughly. Where appropriate, the CRC will protect the anonymity of those responsible for reporting the activity.

The CRC will ensure that systems and procedures are in place to prevent, detect, report, and investigate incidents of fraudulent or corrupt behaviour or activities. It will also ensure that staff are aware of their responsibilities in respect to the prevention, detection, reporting and investigation of fraudulent or corrupt behaviour.

A Fraud and Corruption Prevention Plan ("the Plan") has been developed to assist to meet the objectives of this Policy. The Plan will ensure that the CRC has procedures in place to mitigate the risk of fraud or corruption occurring in the organisation.

FRAUD AND CORRUPTION PREVENTION POLICY

Responsible Officer	Chief Executive Officer
Voting Requirements	Absolute Majority
Initial Council adoption	
Last Council adoption	
Review due	December 2025

PURPOSE/OBJECTIVE

To provide guidance to Catalina Regional Council (CRC) employees and councillors on the potential risk fraud and corruption can pose to CRC's reputation, financial position and operations. To direct staff and councillors towards the policies and practices in place to mitigate the risk of incidents of fraud and corruption.

SCOPE

This policy applies to all CRC staff and councillors.

POLICY STATEMENT

Fraud Control Principles

1.1. The CRC recognises and will adhere to the following fraud control principles:

- **Strong leadership** – The CEO and Chair of CRC are committed to establishing a strong fraud control culture, operating with integrity and actively seeking to uncover fraud.
- **Recognises fraud as a business risk** – CRC acknowledges that like all organisations it is vulnerable to fraud. Fraud will be treated as a risk identical to any other organisational risk.
- **Adequate controls and resources** – CRC will implement systems with adequate fraud prevention controls and will dedicate appropriate resources consistent with the scale of its operations.
- **Clear accountability for fraud control** – CRC will establish clear lines of authority for fraud control consistent with the scale of its operations.
- **Implementing and maintaining an effective fraud control system** – CRC's fraud control systems will align with contemporary best practice guidance and advice, and will be reviewed and updated at regular intervals.
- **Regular assessment of fraud risks** – CRC will regularly carry out fraud risk assessments and will respond to significant changes that require its systems and practices to be reviewed.
- **Promotion of fraud awareness** – CRC will ensure employees are aware of signs of fraud through regular training and education.
- **Open reporting channels** – CRC will ensure employees are aware of their obligations to report detected or suspected instances of fraud. CRC will further ensure employees are aware of the relevant available channels through which instances can be appropriately reported. CRC will ensure that adequate and appropriate protections are in place for those that make reports or disclosures.
- **Consistent response to fraud incidents** – CRC will endeavour to respond in a robust and timely manner to suspected instances of fraud. Appropriate and effective investigation processes and procedures will be in place that promote a consistent approach to dealing with the various forms of fraud.

Fraud Risk Management Program

- 1.2. CRC has considered the risk that fraud and corruption poses to it and has implemented a number of protections. The CRC develops policies that are consistent with the following Australian Standards:
 - AS ISO 31000:2018 – *Risk Management - Guidelines* (risk standard)
 - AS 8001:2021 – *Fraud and corruption control* (fraud control standard)
- 1.3. CRC commits to comply with Regulation 17 of the Local Government (Audit) Regulations 1996, by reviewing its systems and procedures on a regular basis. CRC reviews its Risk Management strategies on an annual basis and provides updates on a six-monthly basis.
- 1.4. The CRC has developed a Fraud and Corruption Control Plan. This plan is reviewed every 2 years.
- 1.5. The CRC offers ongoing fraud awareness training for staff. This includes regular training in identifying potential online threats and assessment of the CRC's cyber safety protocols.
- 1.6. The CRC will record all disclosures from elected members and staff where there is an actual, or perceived, conflict of interest. The CRC will follow the established practices under the *Local Government Act 1995* for managing potential conflicts.
- 1.7. The CRC has in place a Code of Conduct for Elected Members, Committee Members and Candidates, which Council re-endorses after each Local Government Election.
- 1.8. CRC has in place the following policies which promote practices designed to minimise the potential for fraud and corrupt behaviours:
 - Credit Card Policy
 - Elected Member Conference Attendance Policy
 - Gifts, Benefits or Hospitality Policy
 - Information and Technology Acceptable Use Policy
 - Investment Policy
 - Legislative Compliance Policy
 - Payment of Accounts Policy
 - Procurement Policy
 - Recordkeeping Policy
- 1.9. The CRC has in place a robust Risk Management framework. This includes risk management plans and registers for both the CRC administration and the CRC's Project Manager. Risk documents are reviewed annually, and risk action updates are reported to Council on a six-monthly basis. All reports to Council contain a 'Risk Management Implications' where the subject of the report is tied to an associated risk contained in CRC's Risk Register.

DEFINITIONS

Corruption means dishonest activity in which a person associated with an entity (e.g. director, executive or employee) acts contrary to the interests of the entity and abuses their position of trust in order to achieve personal advantage or advantage for another person or entity.

Fraud means dishonest activity causing actual or potential gain or loss to any person or entity including theft of moneys or other property by persons internal and/or external to the entity and/or where deception is used at the time, immediately before or immediately following the activity.

LEGISLATION

Corruption, Crime and Misconduct Act 2003

Local Government Act 1995

Local Government (Audit) Regulations 1996