

TAMALA PARK
REGIONAL COUNCIL

Meeting of Council

AGENDA

Thursday 11 October 2007
Town of Victoria Park, 5.30pm

TAMALA PARK
REGIONAL COUNCIL
(TPRC)
COMPRISES THE
FOLLOWING
COUNCILS:

Town of Cambridge
City of Joondalup
City of Perth
City of Stirling
Town of Victoria Park
Town of Vincent
City of Wanneroo

TABLE OF CONTENTS

MEMBERSHIP	3
PRELIMINARIES	4
1. OFFICIAL OPENING	4
DISCLOSURE OF INTERESTS	4
2. PUBLIC STATEMENT/QUESTION TIME	4
3. APOLOGIES AND LEAVE OF ABSENCE	4
4. PETITIONS	4
5. CONFIRMATION OF MINUTES	4
6. ANNOUNCEMENTS BY CHAIRMAN (WITHOUT DISCUSSION)	4
7. MATTERS FOR WHICH MEETING MAY BE CLOSED	4
8. REPORTS OF COMMITTEES	4
9. ADMINISTRATION REPORTS	15
9.1 BUSINESS REPORT – PERIOD ENDING 30 SEPTEMBER 2007	16
9.2 STATEMENTS OF FINANCIAL ACTIVITY FOR THE MONTHS AUGUST 2007 AND SEPTEMBER 2007	18
9.3 LIST OF MONTHLY ACCOUNTS SUBMITTED FOR THE MONTHS AUGUST 2007 AND SEPTEMBER 2007	40
9.4 FLORA SURVEY	47
9.5 LOT 9504 ON PLAN 52070 – TAMALA PARK, NOTICE OF A CLASSIFICATION OF A KNOWN OR SUSPECTED CONTAMINATED SITE UNDER SECTION 15 OF THE <i>CONTAMINATED SITES ACT 2003</i>	51
9.6 ELECTION OF MEMBERS, CHAIRMAN AND DEPUTY CHAIRMAN OF THE TPRC COUNCIL	53
9.7 GST RULING	55
9.8 LOCAL GOVERNMENT ACT (OFFICIAL CONDUCT) AMENDMENT 2007 – DESIGNATION OF COMPLAINTS OFFICER	74
9.9 TPRC ADMINISTRATIVE OFFICE RELOCATION	119
10. ELECTED MEMBERS MOTIONS OF WHICH NOTICE HAS BEEN GIVEN..	122
11. QUESTIONS BY ELECTED MEMBERS OF WHICH DUE NOTICE HAS BEEN GIVEN	122
12. URGENT BUSINESS APPROVED BY THE CHAIRMAN	122
12.1 COUNCILLOR QUESTIONS APPROVED BY THE CHAIRMAN	122
13. MATTERS BEHIND CLOSED DOORS	122
14. FORMAL CLOSURE OF MEETING	122

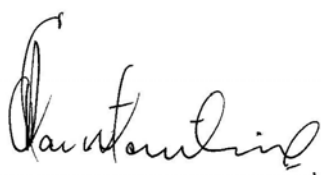
TAMALA PARK REGIONAL COUNCIL

Councillors of the Tamala Park Regional Council are respectfully advised that the ordinary meeting of Council will be held in the Council Chambers of the Town of Victoria Park, 99 Shepperton Road, Victoria Park at 5.30pm on Thursday 11 October 2007.

The business papers pertaining to the meeting follow.

Your attendance is requested.

Yours faithfully



R A CONSTANTINE
Chief Executive Officer

MEMBERSHIP

OWNER COUNCIL	MEMBER	ALTERNATE MEMBER
Town of Cambridge	Acting Mayor O'Connor	Cr Barlow
City of Joondalup	Mayor Pickard Cr John	Cr Fishwick Cr Jacob *
City of Perth	Cr Evangel	Cr Sutherland
City of Stirling	Mayor Tyzack Cr Boothman Cr Clarey Cr Stewart	Cr Ham Cr Rose
Town of Victoria Park	Cr Nairn	Cr Skinner
Town of Vincent	Mayor Catania	Deputy Mayor Farrell
City of Wanneroo	Mayor Kelly Deputy Mayor Salpietro	Cr Treby Cr Roberts

*** Declaration of office to be completed**

PRELIMINARIES

1. OFFICIAL OPENING

DISCLOSURE OF INTERESTS

2. PUBLIC STATEMENT/QUESTION TIME

3. APOLOGIES AND LEAVE OF ABSENCE

4. PETITIONS

5. CONFIRMATION OF MINUTES

- Council Meeting Minutes - 9 August 2007

6. ANNOUNCEMENTS BY CHAIRMAN (WITHOUT DISCUSSION)

7. MATTERS FOR WHICH MEETING MAY BE CLOSED

8. REPORTS OF COMMITTEES

- Audit Committee Meeting Minutes – 11 October 2007
- Audit Committee Meeting Minutes – 21 September 2007

Audit Committee Item 8.1

Audit Committee Audit Charter & Annual Audit Plan

Moved Cr Tyzack, Seconded Cr Pickard

The Committee recommends to Council:

- 1. That the TPRC Audit Charter, amended to record the Council resolution to increase membership from 3 to 5, be AFFIRMED as the Audit Charter of the TPRC as at September 2007.**
- 2. That the Audit Plan as submitted be ADOPTED.**

The Motion was put and declared CARRIED.

Voting Requirements

Simple Majority

Report Purpose

To review the TPRC audit charter and annual audit plan.

Relevant Documents

Attachments: Audit Charter (adopted 27 April 2006); Proposed Audit Plan
Available for viewing at the meeting: Nil

Previous Minutes

- Council Minutes 9 March 2006 (Item 9.7 Appointment of Audit Committee)
- Council Minutes 27 April 2006 (Item 8.2 Adoption Audit Committee Charter)
- Council Minutes 30 November 2006 (Item 9.4 Adoption of annual Audit Plan)
- Council Minutes 9 August 2007 (Item 9.6 Audit Committee Membership and Charter and Reports)

Policy Reference

- Audit Charter Generally: Available Web Site and viewing at meeting
- Audit Charter Item 3: The Audit Committee to comprise 3 members
- Audit Charter Item 4: The Audit Committee to meet at least 3 times per year

Local Government Act/Regulation

- Local Government Act: Sect 7.1
- Regs - Local Government (Audit) 1996
- Local Government (Audit) Regs 1996: Reg 14 Compliance Audit Item
- Local Government Guideline 9 - Audit Committees

Background

Local governments are required to appoint an Audit Committee. The Audit Committee is to comprise at least 3 members and a majority of members who are Council members.

The Committee has specific obligations prescribed by the Act and audit regulations. The Committee also has obligations and responsibilities set out in the adopted Audit Charter.

The principal activities of the Audit Committee over a 12-month period are:

- Review of the draft budget and review of the formal budget review to be undertaken between 1 January – 31 March;
- Review of the format of financial statements;
- The review of the annual financial statements for submission for audit;
- Delegations to the CEO;
- Review of the annual compliance return for the local government;
- Review of the TPRC annual report and recommendation for adoption of the annual report to the Council.

In addition to the above the Audit Committee is required to approve the process for appointment of the Council's external auditor and to recommend the appointment of an auditor to the Council.

Comment

Since the adoption of the Audit Charter on 27 April 2006, there has been a change in membership of the Audit Committee resolved by the Council on 9 August 2007.

The Audit Committee Charter has been adjusted to reflect the change. The quorum for committee meetings will now be 3 members.

The balance of the Audit Charter is unchanged in the submission with this report.

The annual Audit Plan has been altered to bring forward Audit Committee previously scheduled between the months of October and December to September/October to ensure that statutory items required of the Council are addressed prior to ordinary Council elections which have now been rescheduled for October. This assumes that the annual financial report and audit will be completed by September each year.

Audit Committee Item 8.2 TPRC Annual Report for the Year 1 July 2006 to 30 June 2007

Moved Cr Pickard, Seconded Cr Tyzack

The Committee recommends to Council:

That the annual report for the TPRC for the year ended 30 June 2007 be ADOPTED.

The Motion was put and declared CARRIED.

Voting Requirements

Absolute Majority

Report Purpose

Review of the draft annual report for the TPRC for the year ended 30 June 2007.

Relevant Documents

Attachment: Draft Annual Report
Available for viewing at the meeting: Nil

Previous Minutes

Council Meeting 9 August 2007 (Item 9.8 TPRC Annual Report for the Year 1 July 2006 to 30 June 2007)

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.

Background

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

- Report by the Chairman of the Council
- Report by the CEO
- Detail of completion of statutory requirements
- Detail of expenses paid to members
- An outline of the Council Future Plan
- 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 TPRC annual report for the year ending 30 June 2007 will be the first annual report produced by the Council. For public information, the report contains a large volume of data relative to the Council formation and operation and the entire Future Plan is included to provide maximum exposure of the Council's vision and proposals for public information.

The 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 for the Executive Director of the Department of Local Government.

The current report contains the complete TPRC Future Plan as many people will have limited knowledge of the work and objectives of the TPRC and the annual report is an ideal vehicle to assist promotion of the Council and the proposed urban development of Tamala Park.

The annual report contains the audit report and the annual financial report both of which have been completed. The current agenda contains a separate item in relation to the annual financial report (refer item 8.3).

The report has been reviewed in draft form by the Council on 9 August 2007 and is submitted for Audit Committee review particularly in relation to the financial information contained in the report.

Upon acceptance by the Audit Committee the annual audit report will be submitted to the Council on 11 October 2007 for final adoption.

<p>Audit Committee Item 8.3 TPRC Annual Financial Report for the Year 1 July 2006 to 30 June 2007</p>

Moved Cr Pickard, Seconded Cr Tyzack

The Committee recommends to Council:

That the annual financial report for the year 1 July 2006 to 30 June 2007 be ADOPTED.

The Motion was put and declared CARRIED.

Voting Requirements

Simple Majority

Report Purpose

To provide for review the draft financial report of the TPRC for the year ended 30 June 2007.

Relevant Documents

Attachments: Financial report and Auditor's Report for the year ended 30 June 2007- **(Note: These items are contained in the attachment to Item 8.2 – TPRC Annual Report pages 54-75 on this agenda)**

Available for viewing at the meeting: Nil

Previous Minutes

Council Meeting 9 August 2007 (Item 9.10 TPRC annual financial report for the year 1 July 2006 to 30 June 2007)

Policy Reference

TPRC Audit Charter: Scope includes review of annual financial report and recommendation of adoption by the Council

Local Government Act/Regulation

- Local Government Act 1995: S6.4 - Requires Local Government to prepare annual Financial Report in prescribed form; balanced accounts and Financial report for preceding year to be submitted to Auditor by 30 September.
- Local Government Act 1995: S7.2 - Requires accounts and financial report to be audited by an auditor appointed [according to prescribed procedures] by the Local Government.
- Local Government Act 1995: S7.9 - Requires Auditor to provide report on accounts and financial report to Chairman, CEO and Minister by 31 December.
- Regs - Local Government (Audit) 1996 R 9 Sets out Criteria for Conduct of Audit.
- Guideline 18 - Financial Ratios - Describes Financial Ratios required in financial reports.
- Regs - Local Government (Financial Management) 1996: R36-49 prescribes report inclusions.

- Regs - Local Government (Financial Management) 1996: R50 - CEO to forward copy of Financial Report to Executive Director within 30 Days of Audit.
- Local Government (Audit) Regs 1996: Reg 14 Compliance Audit Item.

Background

A financial report is required to provide a comprehensive outline of financial activities of the TPRC for the public record and public inspection.

A series of legislative requirements must be observed in preparing the annual financial report.

The Council Audit Charter requires review of the report by the Audit Committee.

The report must be completed by 30 September, submitted for audit and included in the Council annual report for adoption no later than 31 December.

Comment

The accounts for the financial year have been balanced, the financial report and audit report prepared and the draft financial report submitted to the Council. The Council has referred the financial report for review by the Audit Committee.

There are no adverse audit comments on the financial report.

The financial report indicates that revenue from investment income in the year under review covered all operating expenses and the net operating surplus for the year was \$331,674.

From the operating surplus the Council has resolved to repay to the participant Councils an aggregate amount of \$120,000 which was contributed as equity capital to fund Council operations prior to receipt of compensation for land acquisition by the West Australian Planning Commission pursuant to a Negotiated Planning Solution arising from MRS zoning and Bush Forever policy.

The form of the annual financial report is prescribed by the Act and Regulations. The Audit Committee may wish to examine the detail of income and expenditure and related policies.

Audit Committee Item 8.4 Appointment of External Auditor

Moved Cr Tyzack, Seconded Cr Pickard

The Committee recommends to Council:

1. **That the audit specification and contractual requirements as submitted be APPROVED for application to the Audit contract for services to the TPRC for the period 2007 – 2010.**

2. That action taken requesting quotations for audit services be **ENDORSED**.
3. That the process and timetable for appointment of the External Auditor to the Council be endorsed as follows:
 - a. Call for quotations from auditors servicing participant Councils (27 August 2007);
 - b. Closure – receipt of quotations (17 September 2007);
 - c. Consideration of responses and recommendations by the Audit Committee 21 September 2007;
 - d. Adoption of recommendation to appoint auditor by the TPRC Council (11 October 2007).
4. That Mr A. Macri of Macri and Partners be **APPOINTED** Auditor to the TPRC for the 3 financial years ending 30 June 2008; 2009 and 2010 respectively.
5. That audit fees be **APPROVED** as submitted:

REQUIREMENT EXTERNAL AUDITING SERVICES	YEAR 1	YEAR 2	YEAR 3
Fixed Lump Sum Fee Per Annum (Including GST)	\$6,050	\$6,600	\$7,150
Estimated Number of Hours	57	60	60
HOURLY RATE FOR ADDITIONAL PROFESSIONAL WORK	YEAR 1	YEAR 2	YEAR 3
Partner	\$176	\$176	\$176
Manager	\$143	\$143	\$143
Senior	\$110	\$110	\$110
Assistant	\$99	\$99	\$99

The Motion was put and declared **CARRIED**.

Voting Requirements

Simple Majority

Report Purpose

To progress the appointment of an Auditor to the TPRC.

Relevant Documents

Attachment: Tender Document 1/2007 (Part 2) – The Brief
 Available for viewing at the meeting: Complete tender document 1/2007 (4 parts);
 Complete Tender Submission

Previous Minutes

- Council Meeting Minutes - 9 August 2007 (Item 9.7 Appointment of External Auditor)
- Council Meeting Minutes - 5 October 2006 (Item 8.1 Appointment of External Auditor)

Policy Reference

TPRC Audit Charter requires the Audit Committee to recommend the appointment of an auditor to the Council.

Local Government Act/Regulation

Local Government Act Section 7.3 (1) requires the recommendation for appointment of an auditor to be made to the Council by the Audit Committee

Local Government Act Section 7.9 requires appointment of an auditor by 30 November 2007.

Background

The TPRC has adopted an Audit Charter which recognises the TPRC obligations under the Local Government Act and Local Government (Audit) Regulations 1996.

The Council is obliged to appoint an external auditor. The Audit Committee is charged with the responsibility for defining the process of appointment and making a recommendation for appointment to the Council.

The Council, on 9 August 2007, approved issuing invitations to auditors to provide external audit services.

Comment

The value of services to be provided under contract for the financial years ending 2008 - 2010 is unlikely to be more than \$50,000 which is the figure prescribed for tenders by the TPRC.

Invitations to provide services have been issued to auditors servicing participant local governments of TPRC.

The audit firms in question are:

- Macri Partners – (Auditors for the Town of Cambridge, Town of Victoria Park & Town of Vincent)
- Deloitte Touche Tomatsu
- Bentleys MRI - (Auditors for the City of Perth)

NB: Haines Norton provide services to City of Wanneroo, but have been excluded as they are accounting consultants to TPRC.

At the closing time specified (COB 17 September 2007) 2 responses had been received from Macri Partners and Bentleys MRI.

The fees proposed for the audit are as follows:

REQUIREMENT EXTERNAL AUDITING SERVICES	MACRI	BENTLEYS
Fixed Lump Sum Fee Per Annum (Including GST)	\$6050 (Year 1) \$6600 (Year 2) \$7150 (Year 3)	\$7600 (Year 1) \$8360 (Year 2) \$9196 (Year 3)
Estimated Number of Hours	57 (Year 1) 60 (Year 2) 60 (Year 3)	48 (Year 1) 48 (Year 1) 48 (Year 1)
HOURLY RATE FOR ADDITIONAL PROFESSIONAL WORK		
Partner	\$176	\$300
Manager	\$143	\$250
Senior	\$110	\$110
Assistant	\$99	

Macri Partners currently provide audit services to the following local governments:

- City of Armadale
- City of Bayswater
- City of Belmont
- City of Cockburn
- City of Rockingham
- City of Swan
- City of Melville
- City of Nedlands
- City of South Perth
- Shire of Kalamunda
- Shire of Mundaring
- Shire of York
- Town of Bassendean
- Town of East Fremantle
- Town of Mosman Park
- Town of Cambridge
- Town of Victoria Park
- Town of Vincent
- Western Metropolitan Regional Council
- Eastern Metropolitan Regional Council
- Southern Metropolitan Regional Council

Bentleys MRI currently provide audit services to the following local governments:

- City of Perth
- City of Gosnells
- Shire of Broome
- Shire of Halls Creek
- Pilbara Regional Council
- City of Joondalup
- City of Fremantle
- City of Stirling

Bentleys have undertaken audits for other local governments.

An evaluation of responses has been conducted using the evaluation criteria set out on page 5 of part 2 of the specification and audit contract document.

The evaluation matrix resulting from the review of submissions is as follows:

Description of Evaluation Criteria	Points Available	Weighting	Bentleys	Macri
a) Price	10	50%	(6) = 9	(8) = 12
b) Demonstrated experience in completing similar assignments	10	10%	(8) = 8.8	(8) = 8.8
c) Methodology for audit and communication	10	10%	(8) = 8.8	(8) = 8.8
d) Conformity with tender documents and specifications	10	10%	(8) = 8.8	(8) = 8.8
e) Skills and experience of key personnel	10	10%	(8) = 8.8	(8) = 8.8
f) Technical expertise	10	10%	(8) = 8.8	(8) = 8.8
Total		100%	53	56

NB: Figures in brackets represent raw scores.

Rate	Description
0	Inadequate or non appropriate offer, many deficiencies, does not meet criterion
2	Marginal offer, some deficiencies, partly meets criterion
4	Fair offer, few deficiencies, almost meets criterion
6	Good offer, no deficiencies, meets criterion
8	Very good offer, exceeds criterion
10	Outstanding offer, greatly exceeds criterion

Based upon the results of the evaluation matrix, Macri Partners are recommended for appointment for the 3-year period covering the financial years of 2008, 2009 and 2010.

<p>Audit Committee Item 8.5 Review of the Auditor's Report for the Financial Year Ended 30 June 2007</p>

Moved Cr Tyzack, Seconded Cr Pickard

The Committee recommends to Council:

That the Auditor's report for the financial year ended 30 June 2007 be RECEIVED.

That it be noted that the Audit report does not note or make recommendations on any matter requiring attention arising from the

annual Audit for the year ended 30 June 2007 and the auditor has not deemed necessary the provision of a separate management report.

The Motion was put and declared CARRIED.

Voting Requirements

Simple Majority

NB: When the annual report for the year ended 30 June 2007, containing the annual financial report and the auditor's report, is adopted by the Council, voting must be by absolute majority.

Report Purpose

To facilitate review of the auditor's report and a meeting with the external auditor as required by Regulation.

Relevant Documents

Attachment: Audit Report for Financial Year ended 30 June 2007

(Note: This item is contained in the attachment to Item 8.2 – TPRC Annual Report page 76 on this agenda)

Available for viewing at the meeting: Nil

Previous Minutes

N/A

Policy Reference

TPRC Audit Charter 6(f) and (h)

Local Government Act/Regulation

LG Act Sect 7.9(3) – Auditor is to provide a copy of the audit report within 30 days of completion to the Chairman, the CEO and the Minister.

LG Act S 7.12 (3) _L Govt required to take action on matters raised in Audit Report

LG (Audit) Reg 10.4 – Auditor may prepare a Management Report in addition to the Audit Report and copy to Chairman, the CEO and the Minister

Background

The Audit Committee is charged with the review of the Auditor's report.

For the financial year ending 30 June 2007 there are no adverse comments raised by the external auditor. Nevertheless the review should be undertaken. The Auditor has indicated that he will attend upon the committee to discuss any issue of concern, if required.

Comment

The statutory obligation for the auditor to meet with the Local Government at least once per annum has been discharge through meetings of the audit partner and senior audit manager with the CEO. These meetings addressed

Strategic and management issues and were conducted independently from the meetings of TPRC staff with the team conducting the annual audit.

The auditor has had no matters to note in the audit report and has indicated that there is deemed to be no requirement for a separate management report.

9. ADMINISTRATION REPORTS

9.1 BUSINESS REPORT – PERIOD ENDING 30 SEPTEMBER 2007

Report Information

Location: Not Applicable
Applicant: Not Applicable
Reporting Officer: Chief Executive Officer File Reference: N/A

Recommendation

That the Business Report to 30 September 2007 be RECEIVED.

Voting Requirements

Simple Majority

Report Purpose

To advise Council of matters of interest not requiring formal resolutions.

Relevant Documents

Attachments: Nil
Available for viewing at the meeting: Nil

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 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. Detailed work has continued on the following items since the last Council meeting:
 - Location and multi-use of school facilities including school recreation reserves;
 - Hydrology issues to be included in the structure plan brief including research into the impact of water management issues relating to the MRC landfill operation;
 - Energy management opportunities including energy generation potential; and
 - The legal framework for the structure plan brief.
2. In context of the potential change in Council member representation following the ordinary Council elections in October 2007, it has been suggested that the

Council meeting scheduled to be held 6 December 2007 take the form of a strategic directions meeting. Following this suggestion, a summary of progress to date, strategic issues to be considered and a project plan for 2007/08 is being prepared for the 6 December 2007 meeting.

The current project schedule and plan will be available for discussion at the meeting.

9.2 STATEMENTS OF FINANCIAL ACTIVITY FOR THE MONTHS AUGUST 2007 AND SEPTEMBER 2007

Report Information

Location: Not Applicable
Applicant: Not Applicable
Reporting Officer: Chief Executive Officer File Reference: 12.66.401.0

Recommendation

That the Council RECEIVE and NOTE the Statement(s) of Financial Activity for the months ending 31 August 2007 and 30 September 2007.

Voting Requirements

Simple Majority

Report Purpose

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

Relevant Documents

Attachments: Monthly Statement of Financial Activity for the month ending 31 August 2007; Income & Expenditure Statement by Program for month ending 31 August 2007; Income & Expenditure Statement by Nature & Type for month ending 31 August 2007; Balance Sheet for month ending 31 August 2007; Monthly Statement of Financial Activity for the month ending 30 September 2007; Income & Expenditure Statement by Program for month ending 30 September 2007; Income & Expenditure Statement by Nature & Type for month ending 30 September 2007; Balance Sheet for month ending 30 September 2007.

Available for viewing at the meeting: Nil

Local Government Act/Regulation

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

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 Statements reflect the budget proposals and direction adopted by the Council.

A budget review is due to be completed prior to 31 January 2008.

**ATTACHMENT: Monthly Statement of Financial Activity for the month ending
31 August 2007**

**TAMALA PARK REGIONAL COUNCIL
MONTHLY STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY 2007 TO 31 AUGUST 2007**

TABLE OF CONTENTS

Statement of Financial Activity	2
Notes to and Forming Part of the Statement	3 to 6
Supplementary Information	
- Detailed Income Statement	9 to 11
- Balance Sheet	7 to 8

**TAMALA PARK REGIONAL COUNCIL
STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY 2007 TO 31 AUGUST 2007**

	NOTE	31 August 2007 Actual \$	31 August 2007 Y-T-D Budget \$	2007/08 Revised Budget \$	Variances Budget to Actual Y-T-D %
<u>Operating</u>					
Revenues/Sources	1,2				
Interest Earnings		17,727	175,447	1,055,089	(89.90%)
Other Revenue		155	0	0	155.00%
		<u>17,882</u>	<u>175,447</u>	<u>1,055,089</u>	
(Expenses)/(Applications)	1,2				
Employee Costs		-36,906	-41,558	-215,350	(11.19%)
Professional/Consulting Fees		0	-10,100	-357,000	(100.00%)
Materials & Contracts		-572	-6,100	-75,750	(90.62%)
Depreciation		0	0	-2,000	0.00%
Insurance		-910	-1,600	-3,700	(43.13%)
Other Expenditure		<u>-12,158</u>	<u>-26,500</u>	<u>-117,300</u>	<u>(54.12%)</u>
		<u>-50,546</u>	<u>-85,858</u>	<u>-771,100</u>	
<u>Adjustments for Non-Cash (Revenue) and Expenditure</u>					
Depreciation on Assets		0	2,000	2,000	(2000.00%)
<u>Capital Revenue and (Expenditure)</u>					
Purchase Furniture and Equipment	3	0	-26,000	-26,000	0.00%
Contributed Equity	6	-120,000	-120,000	-120,000	0.00%
ADD Net Current Assets July 1 B/Fwd	7	16,670,465	16,676,987	16,676,987	(0.04%)
Net Current Assets Year to Date	7	<u>16,517,801</u>	<u>16,622,576</u>	<u>16,816,976</u>	

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

TAMALA PARK REGIONAL COUNCIL

NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2007 TO 31 AUGUST 2007

1. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies which have been adopted in the preparation of this statement of financial activity are:

(a) Basis of Accounting

This statement has been prepared in accordance with applicable Australian Accounting Standards, other mandatory professional reporting requirements and the Local Government Act 1995 (as amended) and accompanying regulations (as amended).

(b) The Local Government Reporting Entity

All Funds through which the Council controls resources to carry on its functions have been included in this statement.

In the process of reporting on the local government as a single unit, all transactions and balances between those funds (for example, loans and transfers between Funds) have been eliminated.

(c) Rounding Off Figures

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

(d) Rates, Grants, Donations and Other Contributions

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

(e) Goods and Services Tax

In accordance with recommended practice, revenues, expenses and assets capitalised are stated net of any GST recoverable. Receivables and payables are stated inclusive of applicable GST.

(f) Fixed Assets

Property, plant and equipment and infrastructure assets are brought to account at cost or fair value less, where applicable, any accumulated depreciation or amortisation and any accumulated impairment balances.

TAMALA PARK REGIONAL COUNCIL

NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2007 TO 31 AUGUST 2007

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(g) Depreciation of Non-Current Assets

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

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

Furniture and Equipment	4 to 10 years
Plant and Equipment	5 to 15 years
Infrastructure	30 to 50 years

TAMALA PARK REGIONAL COUNCIL

NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2007 TO 31 AUGUST 2007

2. STATEMENT OF OBJECTIVE

The Regional Council has a specific regional purpose which is:

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

The objectives of the Regional Council are:

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

3. ACQUISITION OF ASSETS

The following assets have been acquired during the period under review.

By Program

	31 August 2007 Actual \$	2007/08 Revised Budget \$
Furniture and Equipment	0	26,000
	<u>0</u>	<u>26,000</u>

By Class

Furniture and Equipment	0	26,000
	<u>0</u>	<u>26,000</u>

4. DISPOSALS OF ASSETS

There has been no disposal of assets in the period under review. No assets have been budgeted for disposal in this financial year.

TAMALA PARK REGIONAL COUNCIL

NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2007 TO 31 AUGUST 2007

5. INFORMATION ON BORROWINGS

No borrowings have been made in the period under review. No borrowings are budgeted for the 2006-07 financial year.

6. CONTRIBUTED EQUITY

The amount of Contributed Equity is \$16,221,439 at 31 August 2007.

	31 August 2007 Actual \$	Brought Forward 1-Jul \$
7. NET CURRENT ASSETS		
Composition of Estimated Net Current Asset Position		
CURRENT ASSETS		
Cash - Unrestricted	16,520,650	16,676,988
Receivables	3,330	4,663
Inventories	0	0
	<u>16,523,980</u>	<u>16,681,651</u>
LESS: CURRENT LIABILITIES		
Payables and Provisions	<u>-6,179</u>	<u>-11,186</u>
	16,517,801	16,670,465
Less: Cash - Restricted/Committed	<u>0</u>	<u>0</u>
NET CURRENT ASSET POSITION	<u><u>16,517,801</u></u>	<u><u>16,670,465</u></u>

ATTACHMENT: Income & Expenditure Statement by Nature and Type for the month ending 31 August 2007

	<u>Jul - Aug 2007</u>	<u>YTD Budget</u>	<u>Annual Budget</u>
Expenses			
Depreciation	0.00		-2,000.00
Employee Costs	-36,906.38	-41,558.00	-215,350.00
Insurance	-910.00	-1,600.00	-3,700.00
Materials & Contracts MTC	0.00		-5,800.00
Materials & Contracts Other	-571.41	-6,100.00	-101,750.00
Other	-12,157.98	-26,500.00	-111,500.00
Professional/Consultant Fees	0.00	-10,100.00	-357,000.00
Total Expenses	-50,545.77	-85,858.00	-797,100.00
Revenue			
Interest Earnings	17,727.09	175,447.00	1,055,090.00
Other Revenue	155.06		
Total Revenue	17,882.15	175,447.00	1,055,090.00
TOTAL	-32,663.62	89,589.00	257,990.00

ATTACHMENT: Income & Expenditure Statement by Program for the month ending 31 August 2007

	<u>Jul - Aug 2007</u>	<u>YTD Budget</u>	<u>Annual Budget</u>
Income			
I03 - GENERAL PURPOSE FUNDING			
I032 - Other GPF			
I032030 - Interest on Investment	17,727.09	175,447.00	1,055,090.00
Total I032 - Other GPF	17,727.09	175,447.00	1,055,090.00
Total I03 - GENERAL PURPOSE FUNDING	17,727.09	175,447.00	1,055,090.00
I14 - OTHER PROPERTY & SERVICES			
I145 - Administration			
I145010 - Reimbursements	155.06		
Total I145 - Administration	155.06		
Total I14 - OTHER PROPERTY & SERVICES	155.06		
Total Income	17,882.15	175,447.00	1,055,090.00
Gross Profit	17,882.15	175,447.00	1,055,090.00
Expense			
E04 - GOVERNANCE.			
E041 - Membership			
E041005 - Chairman Allowance	0.00	3,000.00	12,000.00
E041010 - Deputy Chairman Allowance	0.00	750.00	3,000.00
E041015 - Elected Members Remuneration			
E041017 - Attendance Fees	0.00	22,750.00	91,000.00
E041018 - Composite Allowance	10,291.50		
Total E041015 - Elected Members Remuneration	10,291.50	22,750.00	91,000.00
E041020 - Conference Expenses	0.00		4,500.00
E041030 - Other Costs	0.00		1,000.00
Total E041 - Membership	10,291.50	26,500.00	111,500.00
Total E04 - GOVERNANCE.	10,291.50	26,500.00	111,500.00
E14 - OTHER PROPERTY & SERVICES.			
E145 - Administration			
E145005 - Salaries - Basic Costs	31,054.93	35,929.00	190,299.00
E145007 - Salaries Occ. Superannuation	3,207.30	3,233.00	17,089.00
E145009 - Salaries WALGS Superannuation	596.15	596.00	3,162.00
E145015 - Insurance W/comp.	2,048.00	1,800.00	3,600.00
E145019 - Staff Training & Dev.	0.00		1,200.00
E145025 - Other Accom & Property Costs	0.00		28,000.00
E145027 - Advertising General	0.00	1,700.00	3,700.00
E145029 - Advertising Public/Statutory	1,466.48	1,500.00	5,600.00
E145031 - Graphics Consumables	0.00		2,000.00
E145037 - Postage, Courier & Freight	0.00		1,000.00
E145041 - Signage/Decals	0.00		1,500.00
E145043 - Stationery	0.00	100.00	600.00
E145045 - Other Admin Expenses	0.00	1,000.00	6,000.00
E145053 - Bank Charges	90.50	50.00	300.00
E145055 - Credit Charges	0.00		100.00
E145057 - Audit Fees	0.00		5,500.00
E145059 - Membership Fees	0.00		2,400.00
E145061 - Legal Expenses	0.00		10,000.00
E145063 - Conveyancing Expenses	0.00		500.00
E145069 - Valuation Fees	0.00		24,000.00
E145071 - Other Professional Fees	400.00	100.00	1,000.00
E145075 - Promotions	0.00		4,000.00
E145077 - Business Hospitality Expenses	0.00	1,000.00	3,000.00
E145079 - Consultancy	0.00	10,000.00	325,000.00

Agenda TPRC Meeting of Council – 11 October 2007

	<u>Jul - Aug 2007</u>	<u>YTD Budget</u>	<u>Annual Budget</u>
E145081 · Professional Retainer	0.00		1,500.00
E145083 · Research	0.00		3,000.00
E145087 · Computer Software Mtce	480.91	600.00	750.00
E145089 · Computer Software Purchase	0.00		1,600.00
E145091 · Computer Sundries	0.00		200.00
E145093 · Internet Provider Costs	0.00		300.00
E145094 · Plant & Equipment Purchase Non-	0.00		300.00
E145095 · Furniture & Equipment Purchase	0.00		26,000.00
E145101 · Consumable Stores	0.00		200.00
E145105 · Publications & Brochures	0.00	50.00	200.00
E145107 · Subscriptions	0.00	100.00	100.00
E145111 · Plans	0.00		400.00
E145113 · Emergency Services	0.00		800.00
E145115 · Misc Services Expenses	0.00		2,000.00
E145121 · Insurance - Public Liability	910.00	1,500.00	2,500.00
E145123 · Insurance - Property (ISR)	0.00	100.00	200.00
E145127 · Insurance - Other	0.00		1,000.00
E145204 · Fences/Walls (Sumps in Road Res	0.00		1,000.00
E145205 · Recreation Reserves Mtce	0.00		2,000.00
E145222 · Depreciation Furniture	0.00		2,000.00
Total E145 · Administration	<u>40,254.27</u>	<u>59,358.00</u>	<u>685,600.00</u>
Total E14 · OTHER PROPERTY & SERVICES.	<u>40,254.27</u>	<u>59,358.00</u>	<u>685,600.00</u>
Total Expense	<u>50,545.77</u>	<u>85,858.00</u>	<u>797,100.00</u>
Net Income	<u><u>-32,663.62</u></u>	<u><u>89,589.00</u></u>	<u><u>257,990.00</u></u>

ATTACHMENT: Balance Sheet for the month ending 31 August 2007

10:21 AM
05/09/07

Tamala Park Regional Council
Balance Sheet Prev Year Comparison
As of August 31, 2007

	Aug 31, 2007	Jun 30, 2007	\$ Change
ASSETS			
Current Assets			
Current/Savings			
A01100 - Cash at Bank			
A01101 - Unrestricted Municipal Bank	3,850.47	2,417.32	1,433.15
A01102 - Unrestricted Short Term Investm	66,799.83	132,289.67	-65,489.84
A01106 - Fixed Term Deposit_BankWest	16,450,000.00	16,542,280.67	-92,280.67
Total A01100 - Cash at Bank	16,520,650.30	16,676,987.66	-156,337.36
Total Current/Savings	16,520,650.30	16,676,987.66	-156,337.36
Accounts Receivable			
A01120 - ACCOUNTS RECEIVABLE			
A011201 - Accrued Interest	2,969.34	2,969.34	0.00
Total A01120 - ACCOUNTS RECEIVABLE	2,969.34	2,969.34	0.00
Total Accounts Receivable	2,969.34	2,969.34	0.00
Total Current Assets	16,523,619.64	16,679,957.00	-156,337.36
Fixed Assets			
A0154 - Furniture & Equipment			
A01541 - Accumulated Depn - F&E	-83.00	-83.00	0.00
A01542 - At Cost			
E168200 - Additions - 2006-07			
E168203 - Computer Equipment	3,190.27	3,190.27	0.00
Total E168200 - Additions - 2006-07	3,190.27	3,190.27	0.00
Total A01542 - At Cost	3,190.27	3,190.27	0.00
Total A0154 - Furniture & Equipment	3,107.27	3,107.27	0.00
Total Fixed Assets	3,107.27	3,107.27	0.00
TOTAL ASSETS	16,526,726.91	16,683,064.27	-156,337.36
LIABILITIES			
Current Liabilities			
Accounts Payable			
L01215 - SUNDRY CREDITORS	0.00	440.00	-440.00
Total Accounts Payable	0.00	440.00	-440.00
Other Current Liabilities			
2100 - Payroll Liabilities			
L2001 - PAYG Deductions	970.00	1,164.00	-194.00
L2002 - Superannuation Contributions	209.86	0.00	209.86
Total 2100 - Payroll Liabilities	1,179.86	1,164.00	15.86
2200 - Tax Payable	-361.41	-1,693.68	1,332.27
L0122 - Employee Entitlements			
L01227 - Accrued Wages	0.00	4,581.87	-4,581.87
Total L0122 - Employee Entitlements	0.00	4,581.87	-4,581.87

10:21 AM
05/09/07

**Tamala Park Regional Council
Balance Sheet Prev Year Comparison
As of August 31, 2007**

	<u>Aug 31, 2007</u>	<u>Jun 30, 2007</u>	<u>\$ Change</u>
L01229 · Prov for Audit Fees	5,000.00	5,000.00	0.00
L2300 · Distrib Due to Participants			
L2301 · TVP Equity/Surplus Dist	0.00	10,000.00	-10,000.00
L2302 · CP Equity/Surplus Dist	0.00	10,000.00	-10,000.00
L2303 · TC Equity/Surplus Dist	0.00	10,000.00	-10,000.00
L2304 · CJ Equity/Surplus Dist	0.00	20,000.00	-20,000.00
L2305 · CW Equity/Surplus Dist	0.00	20,000.00	-20,000.00
L2306 · TV Equity/Surplus Dist	0.00	10,000.00	-10,000.00
L2307 · CS Equity/Surplus Dist	0.00	40,000.00	-40,000.00
Total L2300 · Distrib Due to Participants	<u>0.00</u>	<u>120,000.00</u>	<u>-120,000.00</u>
 Total Other Current Liabilities	<u>5,818.45</u>	<u>129,052.19</u>	<u>-123,233.74</u>
 Total Current Liabilities	<u>5,818.45</u>	<u>129,492.19</u>	<u>-123,673.74</u>
 TOTAL LIABILITIES	<u>5,818.45</u>	<u>129,492.19</u>	<u>-123,673.74</u>
 NET ASSETS	<u>16,520,908.46</u>	<u>16,553,572.08</u>	<u>-32,663.62</u>
 EQUITY			
3900 · *Retained Earnings	332,132.91	0.00	332,132.91
L019001 · TVP Contributed Equity	1,351,786.60	1,351,786.60	0.00
L019002 · CP Contributed Equity	1,351,786.60	1,351,786.60	0.00
L019003 · TC Contributed Equity	1,351,786.60	1,351,786.60	0.00
L019004 · CJ Contributed Equity	2,703,573.19	2,703,573.19	0.00
L019005 · CW Contributed Equity	2,703,573.19	2,703,573.19	0.00
L019006 · TV Contributed Equity	1,351,786.60	1,351,786.60	0.00
L019007 · CS Contributed Equity	5,407,146.39	5,407,146.39	0.00
Net Income	-32,663.62	332,132.91	-364,796.53
TOTAL EQUITY	<u>16,520,908.46</u>	<u>16,553,572.08</u>	<u>-32,663.62</u>

TAMALA PARK REGIONAL COUNCIL
MONTHLY STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY 2007 TO 30 SEPTEMBER 2007

TABLE OF CONTENTS

Statement of Financial Activity	2
Notes to and Forming Part of the Statement	3 to 6
Supplementary Information	
- Balance Sheet	7 to 8
- Detailed Income Statement	9 to 11

Agenda TPRC Meeting of Council – 11 October 2007

TAMALA PARK REGIONAL COUNCIL STATEMENT OF FINANCIAL ACTIVITY FOR THE PERIOD 1 JULY 2007 TO 30 SEPTEMBER 2007

	NOTE	30 Sept 2007 Actual \$	30 Sept 2007 Y-T-D Budget \$	2007/08 Revised Budget \$	Variances Budget to Actual Y-T-D %
<u>Operating</u>					
Revenues/Sources	1,2				
Interest Earnings		258,038	175,447	1,055,089	47.07%
Other Revenue		155	0	0	155.00%
		<u>258,193</u>	<u>175,447</u>	<u>1,055,089</u>	
(Expenses)/(Applications)	1,2				
Employee Costs		-53,913	-58,061	-215,350	(7.14%)
Professional/Consulting Fees		-5,000	-50,100	-357,000	(90.02%)
Materials & Contracts		-595	-6,895	-75,750	(91.37%)
Depreciation		0	0	-2,000	0.00%
Insurance		-910	-1,600	-3,700	(43.13%)
Other Expenditure		<u>-9,158</u>	<u>-26,500</u>	<u>-117,300</u>	<u>(65.44%)</u>
		<u>-69,576</u>	<u>-143,156</u>	<u>-771,100</u>	
<u>Adjustments for Non-Cash (Revenue) and Expenditure</u>					
Depreciation on Assets		0	2,000	2,000	(2000.00%)
<u>Capital Revenue and (Expenditure)</u>					
Purchase Furniture and Equipment	3	-3,108	-26,000	-26,000	0.00%
Contributed Equity	6	-120,000	-120,000	-120,000	0.00%
ADD Net Current Assets July 1 B/Fwd	7	16,670,465	16,676,987	16,676,987	(0.04%)
Net Current Assets Year to Date	7	<u>16,735,974</u>	<u>16,565,278</u>	<u>16,816,976</u>	

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

TAMALA PARK REGIONAL COUNCIL

NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2007 TO 30 SEPTEMBER 2007

1. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies which have been adopted in the preparation of this statement of financial activity are:

(a) Basis of Accounting

This statement has been prepared in accordance with applicable Australian Accounting Standards, other mandatory professional reporting requirements and the Local Government Act 1995 (as amended) and accompanying regulations (as amended).

(b) The Local Government Reporting Entity

All Funds through which the Council controls resources to carry on its functions have been included in this statement.

In the process of reporting on the local government as a single unit, all transactions and balances between those funds (for example, loans and transfers between Funds) have been eliminated.

(c) Rounding Off Figures

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

(d) Rates, Grants, Donations and Other Contributions

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

(e) Goods and Services Tax

In accordance with recommended practice, revenues, expenses and assets capitalised are stated net of any GST recoverable. Receivables and payables are stated inclusive of applicable GST.

(f) Fixed Assets

Property, plant and equipment and infrastructure assets are brought to account at cost or fair value less, where applicable, any accumulated depreciation or amortisation and any accumulated impairment balances.

TAMALA PARK REGIONAL COUNCIL

NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2007 TO 30 SEPTEMBER 2007

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(g) Depreciation of Non-Current Assets

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

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

Furniture and Equipment	4 to 10 years
Plant and Equipment	5 to 15 years
Infrastructure	30 to 50 years

TAMALA PARK REGIONAL COUNCIL

NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2007 TO 30 SEPTEMBER 2007

2. STATEMENT OF OBJECTIVE

The Regional Council has a specific regional purpose which is:

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

The objectives of the Regional Council are:

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

3. ACQUISITION OF ASSETS

30 Sept 2007 Actual \$	2007/08 Revised Budget \$
---	--

The following assets have been acquired during the period under review:

By Program

Furniture and Equipment	3,108	26,000
	<u>3,108</u>	<u>26,000</u>

By Class

Furniture and Equipment	3,108	26,000
	<u>3,108</u>	<u>26,000</u>

4. DISPOSALS OF ASSETS

There has been no disposal of assets in the period under review. No assets have been budgeted for disposal in this financial year.

TAMALA PARK REGIONAL COUNCIL

NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2007 TO 30 SEPTEMBER 2007

5. INFORMATION ON BORROWINGS

No borrowings have been made in the period under review. No borrowings are budgeted for the 2006-07 financial year.

6. CONTRIBUTED EQUITY

The amount of Contributed Equity is \$16,221,439 at 30 September 2007.

	30 Sept 2007 Actual \$	Brought Forward 1-Jul \$
7. NET CURRENT ASSETS		
Composition of Estimated Net Current Asset Position		
CURRENT ASSETS		
Cash - Unrestricted	16,735,972	16,676,988
Receivables	2	4,663
Inventories	0	0
	<u>16,735,974</u>	<u>16,681,651</u>
LESS: CURRENT LIABILITIES		
Payables and Provisions	<u>0</u>	<u>-11,186</u>
	16,735,974	16,670,465
Less: Cash - Restricted/Committed	<u>0</u>	<u>0</u>
NET CURRENT ASSET POSITION	<u><u>16,735,974</u></u>	<u><u>16,670,465</u></u>

	Jul - Sep 2007	YTD Budget	Annual Budget
Expenses			
Depreciation	0.00		-2,000.00
Employee Costs	-53,913.06	-58,061.00	-215,350.00
Insurance	-910.00	-1,600.00	-3,700.00
Materials & Contracts MTC	0.00		-5,800.00
Materials & Contracts Other	-595.16	-6,895.00	-101,750.00
Other	-9,157.98	-26,500.00	-111,500.00
Professional/Consultant Fees	-5,000.00	-50,100.00	-357,000.00
Total Expenses	-69,576.20	-143,156.00	-797,100.00
Revenue			
Interest Earnings	258,038.09	175,447.00	1,055,090.00
Other Revenue	155.06		
Total Revenue	258,193.15	175,447.00	1,055,090.00
TOTAL	188,616.95	32,291.00	257,990.00

ATTACHMENT: Income & Expenditure Statement by Nature and Type for the month ending 30 September 2007

	<u>Jul - Sep 2007</u>	<u>YTD Budget</u>	<u>Annual Budget</u>
Income			
I03 · GENERAL PURPOSE FUNDING			
I032 · Other GPF			
I032030 · Interest on Investment	258,038.09	175,447.00	1,055,090.00
Total I032 · Other GPF	<u>258,038.09</u>	<u>175,447.00</u>	<u>1,055,090.00</u>
Total I03 · GENERAL PURPOSE FUNDING	258,038.09	175,447.00	1,055,090.00
I14 · OTHER PROPERTY & SERVICES			
I145 · Administration			
I145010 · Reimbursements	155.06		
Total I145 · Administration	<u>155.06</u>		
Total I14 · OTHER PROPERTY & SERVICES	<u>155.06</u>		
Total Income	<u>258,193.15</u>	<u>175,447.00</u>	<u>1,055,090.00</u>
Gross Profit	258,193.15	175,447.00	1,055,090.00
Expense			
E04 · GOVERNANCE.			
E041 · Membership			
E041005 · Mayoral Allowance	0.00	3,000.00	12,000.00
E041010 · Deputy Mayor Allowance	0.00	750.00	3,000.00
E041015 · Elected Members Remuneration			
E041017 · Attendance Fees	0.00	22,750.00	91,000.00
E041018 · Composite Allowance	10,291.50		
Total E041015 · Elected Members Remuneration	<u>10,291.50</u>	<u>22,750.00</u>	<u>91,000.00</u>
E041020 · Conference Expenses	0.00		4,500.00
E041030 · Other Costs	0.00		1,000.00
Total E041 · Membership	<u>10,291.50</u>	<u>26,500.00</u>	<u>111,500.00</u>
Total E04 · GOVERNANCE.	10,291.50	26,500.00	111,500.00
E14 · OTHER PROPERTY & SERVICES.			
E145 · Administration			
E145005 · Salaries - Basic Costs	46,038.29	50,301.00	190,299.00
E145007 · Salaries Occ. Superannuation	4,555.80	4,526.00	17,089.00
E145009 · Salaries WALGS Superannuation	834.61	834.00	3,162.00
E145015 · Insurance W/comp.	2,048.00	1,800.00	3,600.00
E145019 · Staff Training & Dev.	436.36	600.00	1,200.00
E145025 · Other Accom & Property Costs	0.00		28,000.00
E145027 · Advertising General	0.00	1,700.00	3,700.00
E145029 · Advertising Public/Statutory	1,466.48	1,500.00	5,600.00
E145031 · Graphics Consumables	0.00		2,000.00
E145037 · Postage, Courier & Freight	0.00	100.00	1,000.00
E145041 · Signage/Decals	0.00		1,500.00
E145043 · Stationery	0.00	150.00	600.00
E145045 · Other Admin Expenses	0.00	1,500.00	6,000.00
E145053 · Bank Charges	114.25	75.00	300.00
E145055 · Credit Charges	0.00		100.00
E145057 · Audit Fees	0.00		5,500.00
E145059 · Membership Fees	0.00		2,400.00
E145061 · Legal Expenses	0.00		10,000.00
E145063 · Conveyancing Expenses	0.00		500.00
E145069 · Valuation Fees	0.00		24,000.00
E145071 · Other Professional Fees	2,400.00	100.00	1,000.00
E145075 · Promotions	0.00		4,000.00
E145077 · Business Hospitality Expenses	0.00	1,000.00	3,000.00

Agenda TPRC Meeting of Council – 11 October 2007

	<u>Jul - Sep 2007</u>	<u>YTD Budget</u>	<u>Annual Budget</u>
E145079 · Consultancy	0.00	50,000.00	325,000.00
E145081 · Professional Retainer	0.00		1,500.00
E145083 · Research	0.00		3,000.00
E145087 · Computer Software Mtce	480.91	600.00	750.00
E145089 · Computer Software Purchase	0.00		1,600.00
E145091 · Computer Sundries	0.00		200.00
E145093 · Internet Provider Costs	0.00	70.00	300.00
E145094 · Plant & Equipment Purchase Non-	0.00		300.00
E145095 · Furniture & Equipment Purchase	0.00		26,000.00
E145101 · Consumable Stores	0.00	50.00	200.00
E145105 · Publications & Brochures	0.00	50.00	200.00
E145107 · Subscriptions	0.00	100.00	100.00
E145111 · Plans	0.00		400.00
E145113 · Emergency Services	0.00		800.00
E145115 · Misc Services Expenses	0.00		2,000.00
E145121 · Insurance - Public Liability	910.00	1,500.00	2,500.00
E145123 · Insurance - Property (ISR)	0.00	100.00	200.00
E145127 · Insurance - Other	0.00		1,000.00
E145204 · Fences/Walls (Sumps in Road Res	0.00		1,000.00
E145205 · Recreation Reserves Mtce	0.00		2,000.00
E145222 · Depreciation Furniture	0.00		2,000.00
Total E145 · Administration	59,284.70	116,656.00	685,600.00
Total E14 · OTHER PROPERTY & SERVICES.	59,284.70	116,656.00	685,600.00
Total Expense	69,576.20	143,156.00	797,100.00
Net Income	188,616.95	32,291.00	257,990.00

ATTACHMENT: Balance Sheet for the month ending 30 September 2007

3:29 PM
02/10/07

**Tamala Park Regional Council
Balance Sheet Prev Year Comparison
As of September 30, 2007**

	Sep 30, 2007	Jun 30, 2007	\$ Change
ASSETS			
Current Assets			
Current/Savings			
A01100 · Cash at Bank			
A01101 · Unrestricted Municipal Bank	1,391.71	2,417.32	-1,025.61
A01102 · Unrestricted Short Term Investm	161,580.14	132,289.67	29,290.47
A01106 · Fixed Term Deposit_BankWest	16,573,000.00	16,542,280.67	30,719.33
Total A01100 · Cash at Bank	16,735,971.85	16,676,987.66	58,984.19
Total Current/Savings	16,735,971.85	16,676,987.66	58,984.19
Accounts Receivable			
A01120 · ACCOUNTS RECEIVABLE			
A011201 · Accrued Interest	0.00	2,969.34	-2,969.34
A01120 · ACCOUNTS RECEIVABLE - Other	2.00	0.00	2.00
Total A01120 · ACCOUNTS RECEIVABLE	2.00	2,969.34	-2,967.34
Total Accounts Receivable	2.00	2,969.34	-2,967.34
Total Current Assets	16,735,973.85	16,679,957.00	56,016.85
Fixed Assets			
A0154 · Furniture & Equipment			
A01541 · Accumulated Depn - F&E	-83.00	-83.00	0.00
A01542 · At Cost			
E168200 · Additions - 2006-07			
E168203 · Computer Equipment	3,108.05	3,190.27	-82.22
Total E168200 · Additions - 2006-07	3,108.05	3,190.27	-82.22
A01542 · At Cost - Other	3,190.27	0.00	3,190.27
Total A01542 · At Cost	6,298.32	3,190.27	3,108.05
Total A0154 · Furniture & Equipment	6,215.32	3,107.27	3,108.05
Total Fixed Assets	6,215.32	3,107.27	3,108.05
TOTAL ASSETS	16,742,189.17	16,683,064.27	59,124.90
LIABILITIES			
Current Liabilities			
Accounts Payable			
L01215 · SUNDRY CREDITORS	0.00	440.00	-440.00
Total Accounts Payable	0.00	440.00	-440.00
Other Current Liabilities			
2100 · Payroll Liabilities			
L2001 · PAYG Deductions	0.00	1,164.00	-1,164.00
Total 2100 · Payroll Liabilities	0.00	1,164.00	-1,164.00
2200 · Tax Payable	0.14	-1,693.68	1,693.82
L0122 · Employee Entitlements			
L01227 · Accrued Wages	0.00	4,581.87	-4,581.87
Total L0122 · Employee Entitlements	0.00	4,581.87	-4,581.87

3:29 PM
02/10/07

**Tamala Park Regional Council
Balance Sheet Prev Year Comparison
As of September 30, 2007**

	Sep 30, 2007	Jun 30, 2007	\$ Change
L01229 · Prov for Audit Fees	0.00	5,000.00	-5,000.00
L2300 · Distrib Due to Participants			
L2301 · TVP Equity/Surplus Dist	0.00	10,000.00	-10,000.00
L2302 · CP Equity/Surplus Dist	0.00	10,000.00	-10,000.00
L2303 · TC Equity/Surplus Dist	0.00	10,000.00	-10,000.00
L2304 · CJ Equity/Surplus Dist	0.00	20,000.00	-20,000.00
L2305 · CW Equity/Surplus Dist	0.00	20,000.00	-20,000.00
L2306 · TV Equity/Surplus Dist	0.00	10,000.00	-10,000.00
L2307 · CS Equity/Surplus Dist	0.00	40,000.00	-40,000.00
Total L2300 · Distrib Due to Participants	0.00	120,000.00	-120,000.00
 Total Other Current Liabilities	0.14	129,052.19	-129,052.05
 Total Current Liabilities	0.14	129,492.19	-129,492.05
 TOTAL LIABILITIES	0.14	129,492.19	-129,492.05
 NET ASSETS	16,742,189.03	16,553,572.08	188,616.95
 EQUITY			
3900 · *Retained Earnings	332,132.91	0.00	332,132.91
L019001 · TVP Contributed Equity	1,351,786.60	1,351,786.60	0.00
L019002 · CP Contributed Equity	1,351,786.60	1,351,786.60	0.00
L019003 · TC Contributed Equity	1,351,786.60	1,351,786.60	0.00
L019004 · CJ Contributed Equity	2,703,573.19	2,703,573.19	0.00
L019005 · CW Contributed Equity	2,703,573.19	2,703,573.19	0.00
L019006 · TV Contributed Equity	1,351,786.60	1,351,786.60	0.00
L019007 · CS Contributed Equity	5,407,146.39	5,407,146.39	0.00
Net Income	188,616.95	332,132.91	-143,515.96
 TOTAL EQUITY	16,742,189.03	16,553,572.08	188,616.95

9.3 LIST OF MONTHLY ACCOUNTS SUBMITTED FOR THE MONTHS AUGUST 2007 AND SEPTEMBER 2007

Report Information

Location: Not Applicable
Applicant: Not Applicable
Reporting Officer: Chief Executive Officer File Reference: 12.66.401.0

Recommendation

That the Council RECEIVE and NOTE the list of accounts paid under Delegated Authority to the CEO for each of the months August 2007 and September 2007:

- **Month ending 31 August 2007 (Total \$159,016.17); and**
- **Month ending 30 September 2007 (Total \$27,958.79)**
- **Total Paid \$186,974.96**

Voting Requirements

Simple Majority

Report Purpose

Submission of the list of payments made under the CEO's Delegated Authority for the months ending 31 August 2007 and 30 September 2007.

Relevant Documents

Attachments: Cheque Detail for Months Ending 31 August 2007 and 30 September 2007

Available for viewing at the meeting: Nil

Local Government Act/Regulation

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

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 Regulations that list state the month (not the period) for which the account payments or authorisation relates.

Comment

Payments made are in accordance with authorisations by Council, budget procurement and other Policies.

Payments are subject of review by TPRC Accountants Haines Norton following

completion of each months accounts.

There have been no unusual payment in the periods under review that warrant specific comment.

ATTACHMENT: Cheque Detail for Month Ending 31 August 2007

1:55 PM
29/03/07

**Tamala Park Regional Council
Cheque Detail
August 2007**

Type	Num	Date	Name	Account	Paid Amount	Original Amount
Pay Cheque	41	02/08/2007	Kylie Brock	A01101 - Unrestricted Municipal Bank		-971.92
				E145005 - Salaries - Basic Costs	-1,165.92	1,165.92
				L2002 - Superannuation Contributions	104.93	-104.93
				L2001 - PAYG Deductions	194.00	-194.00
Liability Cheque	EFT	16/08/2007	WALGSP	L2002 - Superannuation Contributions	-104.93	641.46
TOTAL					-971.92	1,508.45
Pay Cheque	41	02/08/2007	Rod A Constantine	A01101 - Unrestricted Municipal Bank		0.00
				E145005 - Salaries - Basic Costs	-5,961.44	5,961.44
				L2002 - Superannuation Contributions	536.53	-536.53
				L2002 - Superannuation Contributions	5,961.44	-5,961.44
				2100 - Payroll Liabilities	119.23	-119.23
Liability Cheque	EFT	16/08/2007	WALGSP	2100 - Payroll Liabilities	-119.23	119.23
			WALGSP	L2002 - Superannuation Contributions	-536.53	641.46
TOTAL					0.00	104.93
Liability Cheque		02/08/2007	WALGSP	A01101 - Unrestricted Municipal Bank		-6,722.13
			WALGSP	L2002 - Superannuation Contributions	-5,961.44	5,961.44
Pay Cheque	40	19/07/2007		E145009 - Salaries WALGS Superannuation	-119.23	119.23
Pay Cheque	40	19/07/2007		E145007 - Salaries Occ. Superannuation	-104.93	104.93
Pay Cheque	40	19/07/2007		E145007 - Salaries Occ. Superannuation	-536.53	536.53
TOTAL					-6,722.13	6,722.13
Bill Pmt -Cheque	Debit	02/08/2007	WALGA	A01101 - Unrestricted Municipal Bank		-347.45
				E145029 - Advertising Public/Statutory	-315.86	315.86
Bill	47453	19/07/2007		2200 - Tax Payable	-31.59	31.59
TOTAL					-347.45	347.45
Cheque	direct	02/08/2007	Westpac Bank	A01101 - Unrestricted Municipal Bank		-19.75
			Westpac	E145053 - Bank Charges	-13.00	13.00
			Westpac	E145053 - Bank Charges	-1.25	1.25
			Westpac	E145053 - Bank Charges	-5.50	5.50
TOTAL					-19.75	19.75
Bill Pmt -Cheque	41	09/08/2007	Quicken	A01101 - Unrestricted Municipal Bank		-529.00
				E145087 - Computer Software Mtce	-480.91	480.91
Bill	Invoice SUB17797	09/08/2007		2200 - Tax Payable	-48.09	48.09
TOTAL					-529.00	529.00
Bill Pmt -Cheque	Debit	14/08/2007	LGIS Workcare	A01101 - Unrestricted Municipal Bank		-2,249.50
				E145015 - Insurance W/comp.	-2,015.00	2,015.00
Bill	Invoice: 105474	14/08/2007		E145015 - Insurance W/comp.	-33.00	33.00
				2200 - Tax Payable	-201.50	201.50
TOTAL					-2,249.50	2,249.50
Bill Pmt -Cheque	Debit	14/08/2007	LGIS Liability	A01101 - Unrestricted Municipal Bank		-1,001.00
				E145121 - Insurance - Public Liability	-910.00	910.00
Bill	Invoice: 104796	14/08/2007		2200 - Tax Payable	-91.00	91.00
TOTAL					-1,001.00	1,001.00
Pay Cheque	direct	16/08/2007	Kylie Brock	A01101 - Unrestricted Municipal Bank		-971.92
				E145005 - Salaries - Basic Costs	-1,165.92	1,165.92
				L2002 - Superannuation Contributions	104.93	-104.93
				L2001 - PAYG Deductions	194.00	-194.00

Agenda TPRC Meeting of Council – 11 October 2007

1:56 PM
29/03/07

Tamala Park Regional Council Cheque Detail August 2007

Type	Num	Date	Name	Account	Paid Amount	Original Amount
Liability Cheque		30/08/2007	WALGSP	L2002 - Superannuation Contributions	-104.93	641.46
TOTAL					-971.92	1,508.45
Pay Cheque	direct	16/08/2007	Rod A Constantine	A01101 - Unrestricted Municipal Bank		0.00
				E145005 - Salaries - Basic Costs	-5,961.44	5,961.44
				L2002 - Superannuation Contributions	536.53	-536.53
				L2002 - Superannuation Contributions	5,961.44	-5,961.44
				2100 - Payroll Liabilities	119.23	-119.23
Liability Cheque		30/08/2007	WALGSP	2100 - Payroll Liabilities	-119.23	119.23
			WALGSP	L2002 - Superannuation Contributions	-536.53	641.46
TOTAL					0.00	104.93
Liability Cheque	EFT	16/08/2007	WALGSP	A01101 - Unrestricted Municipal Bank		-6,617.20
				L2002 - Superannuation Contributions	104.93	-104.93
			WALGSP	L2002 - Superannuation Contributions	-5,961.44	5,961.44
Pay Cheque	41	02/08/2007		E145009 - Salaries WALGS Superannuation	-119.23	119.23
Pay Cheque	41	02/08/2007		E145007 - Salaries Occ. Superannuation	-104.93	104.93
Pay Cheque	41	02/08/2007		E145007 - Salaries Occ. Superannuation	-536.53	536.53
TOTAL					-6,617.20	6,617.20
Bill Pmt -Cheque	Debit	24/08/2007	WALGA	A01101 - Unrestricted Municipal Bank		-1,265.68
Bill	Inv. 48036	24/08/2007		E145029 - Advertising Public/Statutory	-1,150.62	1,150.62
				2200 - Tax Payable	-115.06	115.06
TOTAL					-1,265.68	1,265.68
Bill Pmt -Cheque	Debit	24/08/2007	Haines Norton	A01101 - Unrestricted Municipal Bank		-440.00
Bill	Inv. 2008-031074	24/08/2007		E145071 - Other Professional Fees	-400.00	400.00
				2200 - Tax Payable	-40.00	40.00
TOTAL					-440.00	440.00
Pay Cheque	direct	30/08/2007	Kylie Brock	A01101 - Unrestricted Municipal Bank		-971.92
				E145005 - Salaries - Basic Costs	-1,165.92	1,165.92
				L2002 - Superannuation Contributions	104.93	-104.93
				L2001 - PAYG Deductions	194.00	-194.00
Liability Cheque	45	13/09/2007	WALGSP	L2002 - Superannuation Contributions	-104.93	696.11
TOTAL					-971.92	1,563.10
Pay Cheque	43	30/08/2007	Rod A Constantine	A01101 - Unrestricted Municipal Bank		0.00
				E145005 - Salaries - Basic Costs	-5,961.44	5,961.44
				L2002 - Superannuation Contributions	536.53	-536.53
				L2002 - Superannuation Contributions	5,961.44	-5,961.44
				2100 - Payroll Liabilities	119.23	-119.23
Liability Cheque	45	13/09/2007	WALGSP	2100 - Payroll Liabilities	-119.23	119.23
			WALGSP	L2002 - Superannuation Contributions	-536.53	696.11
TOTAL					0.00	159.58
Liability Cheque		30/08/2007	WALGSP	A01101 - Unrestricted Municipal Bank		-6,617.20
				L2002 - Superannuation Contributions	104.93	-104.93
			WALGSP	L2002 - Superannuation Contributions	-5,961.44	5,961.44
Pay Cheque	direct	16/08/2007		E145009 - Salaries WALGS Superannuation	-119.23	119.23
Pay Cheque	direct	16/08/2007		E145007 - Salaries Occ. Superannuation	-104.93	104.93
Pay Cheque	direct	16/08/2007		E145007 - Salaries Occ. Superannuation	-536.53	536.53
TOTAL					-6,617.20	6,617.20
Bill Pmt -Cheque	Debit	30/08/2007	Boothman, David	A01101 - Unrestricted Municipal Bank		-850.00
Bill		30/08/2007		E041018 - Composite Allowance	-850.00	850.00

Agenda TPRC Meeting of Council – 11 October 2007

1:55 PM
29/03/07

Tamala Park Regional Council Cheque Detail August 2007

	Type	Num	Date	Name	Account	Paid Amount	Original Amount
TOTAL						-850.00	850.00
	Bill Pmt -Cheque	Debit	30/08/2007	John, Michele	A01101 - Unrestricted Municipal Bank		-850.00
	Bill		30/08/2007		E041018 - Composite Allowance	-850.00	850.00
TOTAL						-850.00	850.00
	Bill Pmt -Cheque	Debit	30/08/2007	Pickard, Troy	A01101 - Unrestricted Municipal Bank		-850.00
	Bill		30/08/2007		E041018 - Composite Allowance	-850.00	850.00
TOTAL						-850.00	850.00
	Bill Pmt -Cheque	Debit	30/08/2007	Tyzack, Terry	A01101 - Unrestricted Municipal Bank		-850.00
	Bill		30/08/2007		E041018 - Composite Allowance	-850.00	850.00
TOTAL						-850.00	850.00
	Bill Pmt -Cheque	42	30/08/2007	Pauline O'Connor	A01101 - Unrestricted Municipal Bank		-850.00
	Bill	Cheque No 42	30/08/2007		E041018 - Composite Allowance	-850.00	850.00
TOTAL						-850.00	850.00
	Bill Pmt -Cheque	43	30/08/2007	Evangel, Eleni	A01101 - Unrestricted Municipal Bank		-850.00
	Bill	Cheque No 43	30/08/2007		E041018 - Composite Allowance	-850.00	850.00
TOTAL						-850.00	850.00
	Bill Pmt -Cheque	44	30/08/2007	Clarey, Trevor	A01101 - Unrestricted Municipal Bank		-850.00
	Bill	Cheque No 44	30/08/2007		E041018 - Composite Allowance	-850.00	850.00
TOTAL						-850.00	850.00
	Bill Pmt -Cheque	45	30/08/2007	Stewart, Bill	A01101 - Unrestricted Municipal Bank		-850.00
	Bill	Cheque No 45	30/08/2007		E041018 - Composite Allowance	-850.00	850.00
TOTAL						-850.00	850.00
	Bill Pmt -Cheque	46	30/08/2007	Catania, Nick	A01101 - Unrestricted Municipal Bank		-850.00
	Bill	Cheque No 46	30/08/2007		E041018 - Composite Allowance	-850.00	850.00
TOTAL						-850.00	850.00
	Bill Pmt -Cheque	47	30/08/2007	Kelly, Jon	A01101 - Unrestricted Municipal Bank		-850.00
	Bill	Cheque No 47	30/08/2007		E041018 - Composite Allowance	-850.00	850.00
TOTAL						-850.00	850.00
	Bill Pmt -Cheque	48	30/08/2007	Nairn, Vin	A01101 - Unrestricted Municipal Bank		-1,791.50
	Bill	Cheque No 48	30/08/2007		E041018 - Composite Allowance	-1,791.50	1,791.50
TOTAL						-1,791.50	1,791.50
	Cheque		30/08/2007	City of Stirling	A01101 - Unrestricted Municipal Bank		-40,000.00
					L2307 - CS Equity/Surplus Dist	-40,000.00	40,000.00
TOTAL						-40,000.00	40,000.00
	Cheque		30/08/2007	City of Perth - Supplier	A01101 - Unrestricted Municipal Bank		-10,000.00
					L2302 - CP Equity/Surplus Dist	-10,000.00	10,000.00

Agenda TPRC Meeting of Council – 11 October 2007

1:55 PM
29/03/07

Tamala Park Regional Council Cheque Detail August 2007

	Type	Num	Date	Name	Account	Paid Amount	Original Amount
TOTAL						-10,000.00	10,000.00
	Cheque		30/08/2007	City of Wanneroo - Supplier	A01101 - Unrestricted Municipal Bank		-20,000.00
					L2305 - CW Equity/Surplus Dist	-20,000.00	20,000.00
TOTAL						-20,000.00	20,000.00
	Cheque		30/08/2007	Town of Victoria Park - Supplier	A01101 - Unrestricted Municipal Bank		-10,000.00
					L2301 - TVP Equity/Surplus Dist	-10,000.00	10,000.00
TOTAL						-10,000.00	10,000.00
	Cheque		30/08/2007	City of Joondalup - Supplier	A01101 - Unrestricted Municipal Bank		-20,000.00
					L2304 - CJ Equity/Surplus Dist	-20,000.00	20,000.00
TOTAL						-20,000.00	20,000.00
	Cheque		30/08/2007	Town of Cambridge - supplier	A01101 - Unrestricted Municipal Bank		-10,000.00
					L2303 - TC Equity/Surplus Dist	-10,000.00	10,000.00
TOTAL						-10,000.00	10,000.00
	Cheque		30/08/2007	Town of Vincent - supplier	A01101 - Unrestricted Municipal Bank		-10,000.00
					L2306 - TV Equity/Surplus Dist	-10,000.00	10,000.00
TOTAL						-10,000.00	10,000.00

ATTACHMENT: Cheque Detail for Month Ending 30 September 2007

1:55 PM
29/03/07

**Tamala Park Regional Council
Cheque Detail
September 2007**

Type	Num	Date	Name	Account	Paid Amount	Original Amount
Cheque	49	04/09/2007	Westpac Bank	A01101 - Unrestricted Municipal Bank		-23.75
			Westpac	E145053 - Bank Charges	-13.00	13.00
			Westpac	E145053 - Bank Charges	-5.25	5.25
			Westpac	E145053 - Bank Charges	-5.50	5.50
TOTAL					-23.75	23.75
Pay Cheque		13/09/2007	Kylie Brock	A01101 - Unrestricted Municipal Bank		-445.76
				E145005 - Salaries - Basic Costs	-485.76	485.76
				L2002 - Superannuation Contributions	43.72	-43.72
				L2001 - PAYG Deductions	40.00	-40.00
Liability Cheque		27/09/2007	WALGSP	L2002 - Superannuation Contributions	-43.72	652.39
TOTAL					-445.76	1,054.43
Pay Cheque		13/09/2007	Kylie Brock	A01101 - Unrestricted Municipal Bank		-1,085.36
				E145005 - Salaries - Basic Costs	-1,287.36	1,287.36
				L2002 - Superannuation Contributions	115.86	-115.86
				L2001 - PAYG Deductions	202.00	-202.00
Liability Cheque		27/09/2007	WALGSP	L2002 - Superannuation Contributions	-115.86	652.39
TOTAL					-1,085.36	1,621.89
Pay Cheque		13/09/2007	Rod A Constantine	A01101 - Unrestricted Municipal Bank		0.00
				E145005 - Salaries - Basic Costs	-5,961.44	5,961.44
				L2002 - Superannuation Contributions	536.53	-536.53
				L2002 - Superannuation Contributions	5,961.44	-5,961.44
				2100 - Payroll Liabilities	119.23	-119.23
Liability Cheque		27/09/2007	WALGSP	2100 - Payroll Liabilities	-119.23	119.23
			WALGSP	L2002 - Superannuation Contributions	-536.53	652.39
TOTAL					0.00	115.86
Liability Cheque	45	13/09/2007	WALGSP	A01101 - Unrestricted Municipal Bank		-6,986.64
				L2002 - Superannuation Contributions	-209.86	209.86
			WALGSP	L2002 - Superannuation Contributions	-5,961.44	5,961.44
Pay Cheque	43	30/08/2007		E145009 - Salaries WALGS Superannuation	-119.23	119.23
Pay Cheque	direct	30/08/2007		E145007 - Salaries Occ. Superannuation	-104.93	104.93
Pay Cheque	43	30/08/2007		E145007 - Salaries Occ. Superannuation	-536.53	536.53
TOTAL					-6,931.99	6,931.99
Bill Pmt -Cheque	Debit	13/09/2007	Macri Partners	A01101 - Unrestricted Municipal Bank		-5,500.00
Bill	Invoice 18714	13/09/2007		E145057 - Audit Fees	-5,000.00	5,000.00
				2200 - Tax Payable	-500.00	500.00
TOTAL					-5,500.00	5,500.00
Bill Pmt -Cheque	Debit	13/09/2007	Seminars Australia	A01101 - Unrestricted Municipal Bank		-480.00
Bill	REF: RN54377	13/09/2007		E145019 - Staff Training & Dev.	-436.36	436.36
				2200 - Tax Payable	-43.64	43.64
TOTAL					-480.00	480.00
Bill Pmt -Cheque	Debit	20/09/2007	Dell	A01101 - Unrestricted Municipal Bank		-2,999.70
Bill	18558550	20/09/2007		E145095 - Furniture & Equipment Purchase	-2,727.00	2,727.00
				2200 - Tax Payable	-272.70	272.70
TOTAL					-2,999.70	2,999.70
Pay Cheque		27/09/2007	Kylie Brock	A01101 - Unrestricted Municipal Bank		-1,085.36
				E145005 - Salaries - Basic Costs	-1,287.36	1,287.36

Agenda TPRC Meeting of Council – 11 October 2007

1:55 PM
29/03/07

Tamala Park Regional Council Cheque Detail September 2007

Type	Num	Date	Name	Account	Paid Amount	Original Amount
				E145007 - Salaries Occ. Superannuation	-115.86	115.86
				L2002 - Superannuation Contributions	115.86	-115.86
				L2001 - PAYG Deductions	202.00	-202.00
TOTAL					-1,085.36	1,085.36
Pay Cheque		27/09/2007	Rod A Constantine	A01101 - Unrestricted Municipal Bank		0.00
				E145005 - Salaries - Basic Costs	-5,961.44	5,961.44
				E145007 - Salaries Occ. Superannuation	-536.53	536.53
				L2002 - Superannuation Contributions	536.53	-536.53
				L2002 - Superannuation Contributions	5,961.44	-5,961.44
				E145009 - Salaries WALGS Superannuation	-119.23	119.23
				2100 - Payroll Liabilities	119.23	-119.23
TOTAL					0.00	0.00
Liability Cheque		27/09/2007	WALGSP	A01101 - Unrestricted Municipal Bank		-6,733.06
			WALGSP	L2002 - Superannuation Contributions	-5,961.44	5,961.44
Pay Cheque		13/09/2007		E145009 - Salaries WALGS Superannuation	-119.23	119.23
Pay Cheque		13/09/2007		E145007 - Salaries Occ. Superannuation	-43.72	43.72
Pay Cheque		13/09/2007		E145007 - Salaries Occ. Superannuation	-115.86	115.86
Pay Cheque		13/09/2007		E145007 - Salaries Occ. Superannuation	-536.53	536.53
TOTAL					-6,776.78	6,776.78
Bill Pmt -Cheque	Debit	27/09/2007	Haines Norton	A01101 - Unrestricted Municipal Bank		-2,200.00
Bill	Ref: 2006-032000	27/09/2007		E145071 - Other Professional Fees	-2,000.00	2,000.00
				2200 - Tax Payable	-200.00	200.00
TOTAL					-2,200.00	2,200.00
Bill Pmt -Cheque	Debit	27/09/2007	City of Stirling	A01101 - Unrestricted Municipal Bank		-419.16
Bill	Invoice: 5226	27/09/2007		E145095 - Furniture & Equipment Purchase	-381.05	381.05
				2200 - Tax Payable	-38.11	38.11
TOTAL					-419.16	419.16

9.4 FLORA SURVEY

Report Information

Location: Tamala Park Urban Development Land
Applicant: Not Applicable
Reporting Officer: Chief Executive Officer File Reference: 11.108.673.0

Recommendation

- 1. That the brief for the flora survey of the Tamala Park urban development land be APPROVED.**
- 2. That the brief be ADVERTISED as an invitation for public tender responses.**
- 3. That the TIMETABLE for advertising, consideration of responses and award of a contract be as follows:**
 - Advertising – Saturday 20 October 2007 to 9 November 2007**
 - Council consideration of responses - 6 December 2007**
 - Award of commission – 11 December 2007**

Voting Requirements

Simple Majority

Report Purpose

To secure authorisation to conduct a flora survey of the TPD land.

Relevant Documents

Attachments: Nil

Available for viewing at the meeting: MRS Amendment 992/33; Minister (for Environment) Statement Number 000629 dated 8 July 2003; City of Wanneroo District Planning Scheme No 2 Schedule 12; Draft Brief for Flora and Fauna Studies

Previous Minutes

N/A

Local Government Act/Regulation

- Local Government Act Tender
- Local Government Tender Requirements Regulations

Background

The TPD land comprises a 30-hectare parcel west of Marmion Avenue, which is zoned Residential.

Land east of Marmion Avenue was rezoned from Rural to Urban Deferred under the Metropolitan Region Planning scheme by MRS Amendment 992/33.

Approval of the zoning to Urban Deferred included conditions imposed by the Minister for the Environment, which were adopted by the WAPC. These conditions required that before the urban deferred zoning was converted to residential zoning there would need to be:

- a) A flora survey undertaken over all of the urban deferred land;
- b) A stygofauna and Troglobitic fauna survey conducted over all of the urban deferred land;
- c) The results of the surveys considered in conjunction with any conditions of approval for rezoning of the land to residential; and
- d) The flora survey to be conducted during the spring – early summer period.

Comment

The environmental survey undertaken to support MRS Amendment 992/33 did not reveal any locally significant flora or karst foundations that may indicate stygofauna and Troglobitic fauna.

The survey was undertaken by Alan Tingay & Associates who have a good knowledge of the flora and geology in the area.

Separate discussions with Coffey Geosciences has also suggested that it is unlikely that the subject land will contain any karst foundations.

It will be advantageous if the flora and fauna studies can be undertaken over the current summer months. If the surveys are not completed in 2007, it may be necessary to wait for an approval pursuant to the conditions outlined above until spring-summer 2008.

The aboriginal ethnographic and archaeological studies on the land have commenced. It was hoped that these studies would be completed prior to the flora and fauna studies as the aboriginal studies work could indicate areas which may need to be subject of specific attention. On current programming it is likely that the ethnographic and archaeological work would be completed by end November 2007 and should therefore inform the flora and fauna research.

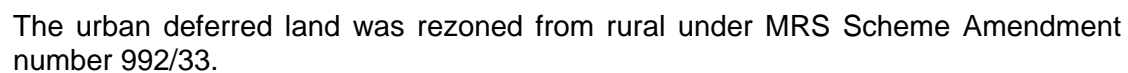
Consultants appointed for the work will need to liaise with the Department of Environment & Conservation and the WAPC and reference to this requirement appears in the briefing document.

It is expected the cost for the studies will be in the order of \$30,000 if no areas requiring significant analysis are found. In the event that areas of significance are evident and require detailed research, the cost could be in the order of \$50,000.

The Council's Procurement Policy requires work that is valued at more than \$50,000 to be advertised for public tender and the proposed commission be subject of an invitation to the public to tender for the work. The Council's Procurement Policy also requires Council approval to all briefs for consultancy work.

The nucleus of the brief is shown below. This will be supplemented by the standard TPRC conditions for tender and draft contract for consultancy work.

Brief for Environmental Management Plan – TPD Urban Deferred Zone



A condition attaching to the Amendment was that the lifting of the urban deferred zone on any part of the Amendment area required prior approval of an environmental management plan.

The Minister for the Environment has issued Statement number 000629 in respect of the MRS condition.

The City of Wanneroo District Planning Scheme No 2, Schedule 12, refers specifically to the urban deferred land and contains a complimentary condition requiring the completion of an environmental management plan to be considered in conjunction with the lifting of the urban deferred zone.

The management plan is required to ensure the protection and management of biodiversity in Tamala Park and Neerabup National Park, that may be affected directly or indirectly by development within the amendment area, to the requirements of the Responsible Authority with the concurrence of the Environmental Protection Authority on advice of the Department of Environmental Protection and the Department of Conservation & Land Management.

The Plan shall include:

1. Retention of good quality remnant vegetation giving consideration to the reservation status of the vegetation communities in the amendment area and the aim to strengthen the east-west linkage from Neerabup National Park to the coast;
2. Management of remnant vegetation, including public access, recreation, weeds, feral animals, fire, drainage, fencing and signage;
3. Management of the interface between urban development and the adjacent conservation reserves in terms of 'edge effects' and fauna movement;
4. Control of off-road vehicle use and dumping of rubbish;
5. A spring flora survey of the area to determine the presence of Declared Rare and Priority Flora, with particular searches for *Hibbertia spicata* and *Jacksonia sericea*, and provision of appropriate management measures, to the satisfaction of the Department of Conservation & Land Management;
6. Management of Specially Protected (Threatened) Fauna;
7. Nature and compatibility of land development adjacent to the conservation reserves;
8. Proposal for revegetation;
9. Promotion of community awareness of bushland protection; and
10. Allocation of responsibilities and timing for implementation.

The Environmental Management Plan is required to be implemented in accordance of the provisions of the Plan to the requirements of the responsible authority on advice of the Department of Environmental Protection and the Department of Conservation & Land Management.

Stygofauna and Troglobitic Fauna Management Plan

In the event that karst formations are discovered within the proposed urban deferred zoning Clarkson which indicate the likelihood of significant stygofauna and/or troglobitic fauna assemblages being present in or immediately adjacent to the amendment area, the landowner (with assistance from relevant scientific experts) shall undertake a survey to assess the nature and extent of any population(s), and if population(s) are identified, a Management Plan shall be prepared to address the potential impacts on this/these population(s).

The survey and Management Plan shall be undertaken and prepared, respectively, to the requirements of the Responsible Authority with the concurrence of the Environmental Protection Authority on advice of the Department of Conservation & Land Management, the Western Australian Museum and the University of Western Australia (Department of Zoology).

The Management Plan referred to in the above paragraph will be required to be implemented to the requirements of the Responsible Authority on advice of the Department of Conservation & Land Management.

The approved consultant for this project will be required to liaise with the Department of environmental Protection, the Department of Conservation & Land Management, the City of Wanneroo and the WAPC to ascertain and compile a detailed list of requirements for the Environmental Management Plan prior to commencement at work. The resultant list of requirements will need to be reassessed in relation to cost for the consultancy commission and approved by the Tamala Park Regional Council before detailed on site survey work is commenced.

9.5 LOT 9504 ON PLAN 52070 – TAMALA PARK, NOTICE OF A CLASSIFICATION OF A KNOWN OR SUSPECTED CONTAMINATED SITE UNDER SECTION 15 OF THE *CONTAMINATED SITES ACT 2003*

Report Information

Location: Lot 9504 on Plan 52070 – Tamala Park
Applicant: Not Applicable
Reporting Officer: Chief Executive Officer File Reference: 11.108.243.0

Recommendation

That the report be RECEIVED and NOTED.

Voting Requirements

Simple Majority

Report Purpose

To advise the current status of negotiations to remove the classification of the TPD site as a known or suspected contaminated site.

Relevant Documents

Attachments: Nil
Available for viewing at the meeting: Nil

Previous Minutes

- Council Meeting - 9 August 2007 (Item 9.11)

Policy Reference

N/A

Local Government Act/Regulation

- Contaminated Sites Act 2003 (proclaimed 1 December 2006) – Section 15

Background

The Council was advised on 9 August 2007 that the TPD land had been classified as a potentially contaminated site under Section 15 of the Contaminated Sites Act.

There is an extensive process for clearance of contaminated sites where development is proposed under recently enacted legislation.

The TPD land and the refuse disposal site operated by the MRC are contained within one land parcel. The Minister for Environment was required to identify a legal parcel of land when classifying sites. The TPD land has been classified coincidentally with the MRC land because it is contained within the same Certificate of Title.

Comment

The classification must be removed from the TPD land before any development can occur. In order to ensure no waste of resources or time in the planning process, it is preferred that the classification be removed as soon as possible.

Following the last report to the Council, there has been an exchange of correspondence with the Department of Environment leading to advice from the Department that the classification may be revised on the basis of a survey line provided by the Tamala Park Regional Council if a substantive case can be developed to indicate that the TPD land outside of the survey line does not warrant classification under the Contaminated Sites Act.

Action to date is as follows:

1. A survey has been completed which is coincident with the northern boundary of the MRC lease area.
2. Discussions have ensued with the MRC leading to a request to open monitoring bores on the northern boundary of the MRC lease site and on the western boundary of the site adjacent to Marmion Avenue.
3. Discussions have been undertaken with the CSIRO personnel currently working on projections of the underground hydrology movements covering the whole of the land leased to the MRC (and some adjacent land). It has been understood from these discussions that a CSIRO substantive report will be produced prior to the completion of the current calendar year and the report will support a case to the Department of Environment for removal of the contaminated site classification over the TPD land.

The Department of Environment has been advised of items 1-3 above and requested to note a potential adjustment to the classification covering the TPD land.

This report is provided for information only. When the CSIRO report is available it will be referred to the Department of Environment with a formal request to remove the contaminated sites classification from the TPD land.

9.6 ELECTION OF MEMBERS, CHAIRMAN AND DEPUTY CHAIRMAN OF THE TPRC COUNCIL

Report Information

Location: Not Applicable
Applicant: Not Applicable
Reporting Officer: Chief Executive Officer File Reference: 13.55.684.0

Recommendation

That the report be RECEIVED and NOTED.

Voting Requirements

Simple Majority

Report Purpose

To advise Council of the provisions of the TPRC Establishment Agreement in respect of tenure of members of the TPRC Council.

Relevant Documents

Attachments: Nil
Available for viewing at the meeting: TPRC Establishment Agreement

Previous Minutes

- Council Meeting - 9 March 2006 (Item 9.8)

Policy Reference

N/A

Local Government Act/Regulation

- Local Government Act - Section 3.61 et seq

Background

The TPRC Establishment Agreement sets out the details of tenure of members of the TPRC Council and of Chairman and Deputy Chairman as follows:

6.2 Tenure of members of the TPRC Council

A member of the TPRC Council is to hold office until:

- a) the Friday before ordinary local government elections, currently held every 2 years in May, or at such other time as may be prescribed for the ordinary local government elections by the Act (local government elections), after the Operative Date;*
- b) the member's office, as a member of the council of the Participant, becomes vacant; or*
- c) the member's appointment is terminated by the Participant*

whichever occurs first.

6.3 Election of chairman and deputy chairman

- a) *The members of the TPRC Council are to elect a chairman and a deputy chairman;*
 - i) *at the first meeting of the TPRC Council following the Operative Date;*
 - ii) *at the first meeting of the TPRC Council following the first Saturday:*
 - a) *after the local government elections following the Operative Date; and*
 - b) *after the local government elections every 2 years after the Operative Date.*
- b)
- c)

Comment

In context of the above, all elected offices will terminate on Friday 19 October 2007.

All Councils will be required to nominate representatives to form the TPRC Council following the elections on 20 October 2007.

The Chairman and Deputy Chairman will be elected by the newly formed Council.

It will be noted that the Establishment Agreement provisions preclude the TPRC electing a Chairman or Deputy Chairman until after the first Saturday following the local government elections. This provision allows at least one week for participant Councils to nominate members to comprise the TPRC Council to operate for up to two years from October 2007.

This report is provided for information. Correspondence has been directed to all participant local governments requesting advice of appointment of members to the TPRC Council. Appropriate items will be listed for the next meeting of the Council formalising the appointment of members and the election of Chairman and Deputy Chairman. The next meeting of the Council is currently scheduled to be held on 6 December 2007.

9.7 GST RULING

Report Information

Location: Not Applicable
Applicant: Not Applicable
Reporting Officer: Chief Executive Officer File Reference: 12.172.464.0

Recommendation

1. That the ATO Ruling advising that freehold transfer of TPD land from participant Councils to the TPRC will attract GST at the margin scheme be NOTED.
2. That participant Councils be formally ADVISED of the ATO Ruling and the implications of the Ruling for the TPRC cash flow.
3. That the Council NOTE that the TPRC Establishment Agreement has countenanced the possibility of a need to delay transfer of the land from participant Councils in item 7.1 of the Establishment Agreement and that the provisions of the Establishment Agreement would not preclude transfer of the land under a trust arrangement in lieu of transfer of an unencumbered freehold title.
4. That research be undertaken to determine the nature of a trust agreement that will facilitate the objectives of the TPRC Establishment Agreement without GST being payable by TPRC in advance of sale of developed lots.

Voting Requirements

Simple Majority

Report Purpose

To advise the outcome of a private ATO (GST) ruling on tax implications for transfer of land from participant Councils to the TPRC.

Relevant Documents

Attachment: Letter and Ruling from ATO dated 3 August 2007
Available for viewing at the meeting: Nil

Previous Minutes

- Council Meeting – 30 November 2006 (Item 9.3)

Policy Reference

N/A

Local Government Act/Regulation

- A New Tax Systems (Goods and Services Tax) Act 1999 – Division 11

Background

In November 2006 the Council approved an application for an ATO Ruling on GST implications for transfer of land from participant Councils to the TPRC.

The Ruling has now been issued under date 3 August 2007.

The Ruling advises that GST will be payable on the transfer of land.

The Ruling goes on to explain that if the TPRC proposes to sell subdivided lots using the margin scheme then GST will be calculated using the margin scheme when the participant Councils transfer land to the TPRC.

When the land is in ownership of TPRC costs incurred for development of the land will attract normal GST, which will be rebateable to the TPRC.

The various aspects of GST law are dealt with in detail in the Ruling attached.

Comment

Before issuing the Ruling, the ATO has undertaken a detailed study of the TPRC Establishment Agreement and also the coordinated advice from participant Councils about how the proposed land transfer would be dealt with in each participant's books of accounts.

A preliminary calculation has been undertaken to determine the amount of GST that would be payable if the land transfer occurred in December 2007. The figures used in the calculation are based on the valuation of the TPD land as assessed for rating purposes on 1 July 2000 (the operative date for GST) and on 1 July 2006 when a new valuation was undertaken by the Valuer General following subdivision of the land to enable transfer of a portion west of Marmion Avenue to the WAPC.

The figures have also been correlated against the valuations undertaken in 2005/06 for the purpose of determining compensation payable by WAPC for part of the residential land west of Marmion Avenue. At the time that this valuation occurred, valuations were also obtained for a total of 17 separate portions of land within the total joint landholding of participant Councils. There is therefore 'strong integrity' for the information upon which the GST calculation is based.

The GST payable, based on the margin scheme, would apply to a margin value of \$43,000,000. The GST amount would therefore be \$4,300,000.

The following observations are made:

1. The TPRC Establishment Agreement (clauses 7.1 and 7.2) deal with transfer of participants' land to the TPRC and provide that the transfer will be made when called for, and at a time convenient to the TPRC.
2. The TPRC structure planning for the land can be completed without the necessity for transfer of any of the land from participant Councils.
3. The payment of \$4,300,000 to the ATO will be non-rebateable.
4. Payment of \$4,300,000 will seriously impact the Council's cash flow and the existing financial plan that is designed to ensure that initial development can proceed with cash flow obtained from land sales so that there is no need to request participants to make any further capital contribution to the TPRC.

5. Ongoing discussions with the ATO indicate that participants' land could be transferred to the TPRC under a Trust arrangement without incurring any GST liability. This would leave options open for use of either the margin scheme or normal GST which would then be payable when developed lots are transferred to urban development purchasers of the land.

Based upon items 1-3 above and the ATO Ruling it would seem that the best course of action is to continue with structure planning assuming that there will be no real need to consider transferring the TPD land to the TPRC corporation for at least 2-3 years. In the interim, the possibility of creating an appropriate trust that would enable the TPRC to deal with the subject land on an interim basis will be researched.

ATTACHMENT: Letter and Ruling from ATO dated 3 August 2007

GPO Box 9935 in your capital city

Tamala Park Regional Council
Attention: Rod Constantine
Chief Executive Officer
Level 3
City of Stirling Administration Bldg
25 Cedric Street
STIRLING WA 6021



Australian Government
Australian Taxation Office

Our reference: GST/NAT/5555280
Contact officer: Karen Grose
Telephone: 13 28 69
Facsimile: 1300 139 031
E-Mail: GSTmail@ato.gov.au

3 August 2007

Dear Mr Constantine

RE: GST and transfer of property

Authorisation Number:
75390

You wrote to us on 21 November 2006:

1. In the event that the Councils transfer land to the Tamala Park Regional Council (TPRC) will GST apply to the transfer?
2. In the event that the transfer of the land from the Councils, to TPRC, is subject to GST, is TPRC entitled to an input tax credit in relation to its acquisition of the land from the Councils?
3. How will the input tax credit be effective for TPRC?

You advised us of the following facts:

TPRC has been established as a legal entity under the *Local Council Act 1995* and was gazetted in the Government Gazette dated February 2006. The purpose of establishing TPRC was primarily to undertake the rezoning, subdivision, development, marketing and sale of land for 7 local councils (the Councils).

The land in question is part of Lot 118 Mindarie, the subject of Certificate of title 2213/697 (inc). This land has been previously used as a refuse land fill.

The developable land comprises 178 hectares.

The Councils have entered an Establishment Agreement with TPRC. The Establishment Agreement makes provision for the transfer of land owned by the 7 Councils to TPRC so that TPRC may act as the legal entity for arranging the planning, subdivision and disposal of the land. In return the Councils will receive shares in TPRC. The Councils shares in TPRC are provided for under Schedule 1 of the Establishment Agreement.

The TPRC records the land as an acquired asset at the valuation established for Unimproved Value Rating and therefore contributed equity by the participant Councils and a liability by TPRC to those Councils. The Councils record the land transfer as a disposal of land at the valuation established for Municipal ratings and establish an asset account – Capital Contribution to TPRC.

It is estimated the land will produce approximately 2,700 lots, all of which will be residential lots sold direct to the public, although there is a (remote) possibility that some of the completed lots will be retransferred to owner local governments so that they may arrange sales or retention according to their specific needs. At this stage, it is proposed that sale of lots to the public by the TPRC will occur using the margin scheme.

The land was first acquired in 1984.

Land development will occur from 2008 and will continue for a period of at least 6 years.

We have made the following decision:

1. Yes, the transfer of the land by the Councils, to TPRC, will be subject to GST.
2. The acquisition of the land by TPRC, from the Councils, will be a creditable acquisition by TPRC and pursuant to Division 11 of the *A New Tax System (Goods and Services Tax) Act 1999* (GST Act), TPRC would be entitled to an input tax credit with respect to the acquisition of the land. However, in accordance with section 75-20 of the GST Act, where the Councils agree in writing with TPRC to apply the margin scheme to the transfer of the land, the acquisition of the land by TPRC will not be a creditable acquisition and TPRC will not be entitled to claim any input tax credits.
3. Please see the reasons for the decision.

Why we have made this decision:

1. In the event that the Councils transfer land to TPRC will GST apply to the transfer?

GST is payable on taxable supplies. A supply is a taxable supply if all the conditions under section 9-5 of the GST Act are satisfied. Section 9-5 of the GST Act states:

You make a **taxable supply** if:

- (a) you make a supply for *consideration; and
- (b) the supply is made in the course or furtherance of an *enterprise that you *carry on; and
- (c) the supply is *connected with Australia; and
- (d) you are *registered or *required to be registered.

However, the supply is not a *taxable supply to the extent that it *GST-free or *input taxed.

(The asterisks in this ruling indicate terms defined under section 195-1 of the GST Act. These terms are explained where they impact on this ruling.)

A supply is a taxable supply, if, among other things, the supply is made for *consideration*. Thus, there must be some nexus or connection between a particular supply and particular consideration which is provided for that supply (paragraph 44 of GSTR 2000/11).

The meaning of supply is defined in section 9-10 of the GST Act. In particular paragraph 9-10(2)(d) includes as a supply the granting, assigning or surrendering of real property. Real property includes land, hence, the transferring of land by the Councils to TPRC will be a supply for the purposes of GST.

The meaning of consideration is defined in section 9-15 of the GST Act. In particular subsection 9-15(1) provides that consideration includes:

- (a) any payment, or any act or forbearance, in connection with a supply of anything; and
- (b) any payment, or any act or forbearance, in response to or for the inducement of a supply of anything.

A 'payment' is not limited to a payment of money. It includes a payment in a non-monetary or in an 'in kind' form, such as:

- providing goods;
- granting a right or performing a service (an act); and
- entering into an obligation, for example to refrain from selling a particular product (a forbearance).

Where the consideration for a supply is non-monetary, the GST inclusive market value of that consideration is used to work out the price and value of the supply. In most circumstances where parties are dealing at arm's length, we are of the view that the goods, services or other things exchanged are of equal GST inclusive market value (paragraph 138 of GSTR 2001/6).

As the GST inclusive market value of consideration will be shown as the price on any tax invoice that the supplier issues, the onus for determining the GST inclusive market value of the consideration rests with the supplier (paragraph 139 of GSTR 2001/6).

You may determine the GST inclusive market value of non-monetary consideration for a taxable supply by applying a method that produces a reasonable GST inclusive market value of the consideration. There will be situations where the methods used by parties differ according to their particular circumstances. Examples of reasonable methods include:

- the market value of an identical good, service or thing;
- the market value of a similar good, service or thing;
- the market value of the supply; or
- a professional appraisal (paragraph 144 of GSTR 2001/6).

By providing non-monetary consideration for a supply, you are in turn making a supply. Where this happens, you need to determine the GST consequences of the supply you make. If it is a taxable supply, you need to determine the GST inclusive market value of the consideration you receive for this supply to account for the GST

payable. You may also be entitled to claim input tax credits for the supply made to you (paragraph 16 of GSTR 2001/6).

In this instance, the Councils will receive as consideration for transferring their land to TPRC, shares in TPRC. The shares that each Council receives are listed in Schedule 1 to the Establishment Agreement.

Hence, the Councils are making a taxable supply when providing the land to TPRC. This is due to the Councils transferring the land for non-monetary consideration (being shares in TPRC), it will be in furtherance of the enterprise the Councils carry on, the transfer will be connected with Australia as the land is in Australia and the Councils are all registered for GST.

There are no provisions that would result in the transfer of the land being GST-free or input taxed.

Where the Councils transfer the land to TPRC and agree in writing to apply the margin scheme GST will only apply to the margin where the market value of the land, when the land is transferred, exceeds the valuation of the land held at 1 July 2000.

The GST payable under the margin scheme is usually lower than when the GST is worked out under the basic GST rule. Because of this, the margin scheme is used particularly if the recipient of the supply is not entitled to an input tax credit for the acquisition. The most common example is residential land or residential premises supplied to private owners for their own use.

It has been noted that TPRC intends applying the margin scheme to the sale of the developed lots. For this to happen the Councils and TPRC must agree in writing that the margin scheme will apply to the supply of the land to TPRC. In that event TPRC will not be entitled to claim input tax credits.

Where the Councils do apply the margin scheme to the supply of the land to TPRC the margin will be determined by an approved valuation of the land as at 1 July 2000 due to the operation of subsection 75-11(7) of the GST Act. This subsection states:

Margin for supply of real property acquired from associate

(7) If:

- (a) you acquired the interest, unit or lease in question from an entity who was your *associate at the time of the acquisition; and
- (b) none of the other subsections of this section apply;

the *margin* for the supply you make is the amount by which the *consideration for the supply exceeds:

- (c) if your acquisition was made before 1 July 2000 – an *approved valuation of the interest, unit or lease as at 1 July 2000; or
- (d) if your acquisition was made on or after 1 July 2000 – the *GST inclusive market value of the interest, unit or lease at the time of the acquisition.

Associate has the meaning given by section 318 of the *Income Tax Assessment Act 1936* (ITAA). The Councils are associates of TPRC as they hold the shares in TPRC and therefore hold the voting interest in TPRC. Furthermore, please refer to GSTR 2001/6 for information concerning guidance on approved valuations for determining

the value of the land. This Ruling can be accessed on the Tax Office website at www.ato.gov.au

For information on how the margin scheme applies to land supplied after 1 July 2000 please refer to GSTR 2006/8. For information on how the margin scheme applies to land supplied after 1 December 2005 please refer to GSTR 2006/7.

In summary, where the Councils transfer the land to TPRC, as the consideration will be non-monetary, it will be necessary to determine the market value of the land which will be GST inclusive. Provided the Councils and TPRC agree in writing to apply the margin scheme to the supply, the margin will be the amount where the market value exceeds the approved value. The GST the Councils will be liable to remit will be 1/11th of the margin. Furthermore, where the Councils and TPRC do not apply the margin scheme the GST liability will be worked out on the GST inclusive market value of the land and the Councils will be liable to remit 1/11th of the GST inclusive market value amount.

Further information regarding TPRC and the supply of shares

As previously mentioned by providing non-monetary consideration for a supply you are in turn making a supply. TPRC in providing non-monetary consideration in the form of a proportionate share in the ownership of TPRC to each of the Councils will be making a financial supply. Financial supplies are input taxed under section 40-5 of the GST Act and has the meaning given by the regulations. Therefore the supply of the shares by TPRC, in return for the transfer of the land from the Councils will be input taxed financial supplies and will not be subject to GST.

Item 10 of subregulation 40-5.09(3) of the *A New Tax System (Goods and Services Tax) Regulations 1999* (GST Regulations) deems the provision, acquisition or disposal of an interest in or under securities, to be a financial supply. The term 'securities' for the purposes of the GST legislation is defined under subsection 92(1) of the *Corporations Act 2001* to include the provisions of shares in a body, such as a company.

However, a supply can only be a financial supply where the requirements of subregulation 40-5.09(1) of the GST Regulations are also satisfied. Subregulation 40-5.09(1) of the GST Regulations provides that the provision, acquisition or disposal of an interest mentioned in subregulation 40-5.09(3) is a financial supply if the provision, acquisition or disposal is:

- for consideration; and
- in the course or furtherance of an enterprise; and
- connected with Australia; and
- the supplier is:
 - (i) registered for required to be registered; and
 - (ii) a financial supply provider in relation to supply of the interest.

In your case the provision of the shares is for consideration. The provision is made in the course of the enterprise carried on by TPRC, and being shares in an Australian company (a body corporate), the sale of the shares are connected with Australia. As TPRC, the supplier, is registered for GST, we need to consider whether you meet the definition of a financial supply provider in relation to the supply of the interest in the shares.

Subregulation 40-5.06(1) of the GST Regulations state that:

- (1) an entity, in relation to the supply of an interest that was:
 - (a) immediately before the supply, the property of the entity; or
 - (b) created by the entity in making the supply;
- is the *financial supply provider* of the interest.

The shares in the company will be created by you being the entity making the supply. Accordingly, TPRC is the financial supply provider of the interest in the shares, and therefore the transaction is a financial supply under section 40-5 of the GST Act.

- 2. In the event that the transfer of the land from the Councils, to TPRC, is subject to GST, is TPRC entitled to an input tax credit in relation to it's acquisition of the land from the Councils?**
- 3. How will the input tax credit be effective for TPRC?**

Where the Councils do not apply the margin scheme to the supply of the land to TPRC, TPRC will be entitled to claim input tax credits where the supply is a creditable acquisition. Section 11-5 of the GST Act provides the meaning of creditable acquisition and states:

- You make a *creditable acquisition* if:
- (a) you acquire anything solely or partly for a *creditable purpose; and
 - (b) the supply of the thing to you is a *taxable supply; and
 - (c) you provide, or are liable to provide, *consideration for the supply; and
 - (d) you are *registered, or *required to be registered.

Hence, where TPRC acquires the acquisition of land for the purpose of development it will be for use in the enterprise that TPRC carries on, the supply to them is taxable, TPRC provides consideration (in this case the shares in TPRC) and TPRC is registered for GST, they will be entitled to claim the input tax credits. This will be case provided the margin scheme is not applied.

However, you have advised us that TPRC intends to apply the margin scheme to the supply of the developed, residential lots to members of the public. Pursuant to section 75-5 of the GST Act, the acquisition of the land by TPRC from the Councils will also have to be under the margin scheme.

Subsection 75-20(1) of the GST Act states:

- (1) An acquisition of a freehold interest in land, a *stratum unit or a *long-term lease is not a *creditable acquisition if the supply of the interest, unit or lease was a *taxable supply under the *margins scheme.

Therefore, where the Councils and TPRC agree in writing to apply the margin scheme, the acquisition of the land from the Councils will not be a creditable

acquisition for TPRC and as such TPRC will not have any entitlement to claim input tax credits on the supply.

As previously stated to claim input tax credit you must make a creditable acquisition.

Under paragraph 11-5(a) of the GST Act you must acquire the land for a creditable purpose. Creditable purpose means that you acquire an acquisition in carry on your enterprise. However, you do not acquire an acquisition for a creditable purpose to the extent that the acquisition relates to making supplies that would be input taxed. This will be the case except where the acquisition relates to making financial supplies and you do not exceed the financial acquisitions threshold. For information concerning the financial acquisition threshold please refer to GSTR GSTR 2003/9. This ruling can be found on the Tax Office website at www.ato.gov.au

Hence, where paragraph 11-5(a) of the GST Act is satisfied, that is your supplies of financial supplies do not exceed the financial supply threshold and the other requirements of section 11-5 of the GST Act are satisfied TPRC will be entitled to input tax credits on the acquisitions made.

If a supply is input taxed GST is not charged on the supply, and generally neither are you entitled to input tax credits for anything acquired to make the supply.

If you wish to discuss this advice, please phone Karen Grose on 02-62162857 and quote reference number 5555280. This private ruling has been authorised by David Ingram.

Yours faithfully

Mark Jackson
Deputy Commissioner of Taxation



Per
(Karen Grose)

Encl.

Explanatory Notes

Effect

This advice is a private ruling for the purposes of section 105-60 of Schedule 1 to the *Taxation Administration Act 1953* (TAA). You (the entity to which this advice relates) can rely on this ruling unless you have misstated or suppressed a material fact.

Should a public ruling subsequently issue that conflicts with this advice, the public ruling will prevail. However, if you have relied on this advice, you will be protected in respect of what you have done up to the date of the change. This means that if you have underpaid an amount of GST, you will not be liable for the shortfall prior to the later ruling. Similarly, you will not be liable to repay an amount overpaid by the Commissioner as a refund.

Duration

You may rely on this advice until it is withdrawn, overridden by a public ruling or there is a change in the legislation affecting the treatment of the subject matter of this ruling for GST purposes.

Publication

To further improve our administration of the private binding rulings system, the Tax Office now publishes all GST private rulings which provide specific advice for public record. You can find these publications on our website, www.ato.gov.au.

As we have provided you with advice which relates to your specific circumstances, we will publish your ruling in an edited form to safeguard your privacy.

Prior to publication we will provide you with the opportunity to comment on the edited version of your private ruling.

If you are dissatisfied with the edited version of the ruling, how can you have it reviewed?

The Tax Office publishes all private rulings on our website www.ato.gov.au. We edit rulings to protect your privacy and secrecy. The edited version of your ruling is due to be published in 28 days. If you are dissatisfied with any of the content of the edited version of your ruling and you feel it should not be published in its present form you will need to forward your comments to the address below within the next 28 days from the issue date of this correspondence.

Australian Taxation Office
GST Technical Practices and Assurance
PO Box 9935
In your capital city

You can also provide your comments by email or facsimile. Our email address is GSTmail@ato.gov.au and our facsimile number is 1300 139 031.

We will consider your comments and respond by sending you a revised edited version together with an explanation of any changes that we made, or of our agreement.

If you still have concerns at this stage you will be given the opportunity to request a review of the revised version again within 28 days of our advice to delay publication. The review involves a referral by the Tax Office to an independent panel called the Publication Advisory Committee for its consideration and recommendation to the Tax Office.

The Tax Office will consider the Committee's recommendation and advise you accordingly. This is the end of the Tax Office's review process and this edited version will be published within 14 days.

Review Rights

You have a right to have this advice reviewed under the taxpayers' charter. If you want to do this, you should contact the person handling your case or the Tax Office where the decision was made. The review is normally conducted by a tax officer who was not involved in making the original decision.

You can also contact the Tax Office on the numbers listed at the bottom of these Explanatory Notes.

This advice cannot, however, be reviewed under the TAA, as it is not a reviewable decision under subsection 110-50(2) of Schedule 1 to the TAA. It also cannot be reviewed under the *Administrative Decisions (Judicial Review) Act 1977*.

However, should you undertake your proposed transaction and it results in a net amount for a tax period, you can, under section 105-10 of Schedule 1 to the TAA, request us to make an assessment under section 105-5 of Schedule 1 of that Act of your net amount for that tax period. Under subsection 105-40(2) of Schedule 1 to the TAA, you may then object to the making of that assessment in the manner set out in Part IVC of that Act.

Freedom of Information

The *Freedom of Information Act 1982* (FOI Act) gives you a legal right to access certain documents relating to this decision held by the Tax Office.

Requests for access under this Act must:

- be in writing
- describe the document you want in enough detail to identify the document
- give an address in Australia for reply
- include the \$30.00 application fee, and
- be posted or delivered to the Tax Office.

The Tax Office may refuse you access to some documents, or portions of documents, that are subject to exemption provisions. There are rights of review should you disagree with this decision.

For further information about access to documents under the FOI Act, or to obtain a *Freedom of information request* form, please refer to the contact numbers listed below.

Contact Numbers

If you need help you can:

- ☐ phone **13 28 69**, or
- ☐ visit our website at **www.ato.gov.au**

If you do not speak English and need help from the Tax Office, phone the Translating and Interpreting Service on **13 14 50**.

People with a hearing or speech impairment with access to appropriate TTY or modem equipment should phone **13 36 77**.

EDITED VERSION OF GST PRIVATE RULING
Authorisation Number: 75390

SUBJECT: GST and the transfer of property

QUESTIONS AT ISSUE:

1. In the event that entity A transfers land to entity B will GST apply to the transfer?
2. In the event that the transfer of the land from entity A, to entity B, is subject to GST, is entity B entitled to an input tax credit in relation to its acquisition of the land from entity A?
3. How will the input tax credit be effective for entity B?

FACTS:

Entity B has been established as a legal entity for the purpose of land development on behalf of entity A.

Entity A has entered an agreement with entity B. The agreement makes provision for the transfer of land owned by entity A to entity B so that entity B can develop the land. In return entity A will receive shares in entity B. Entity A shares in entity B are provided for under the agreement.

At this stage, it is proposed that sale of lots to the public by entity B will occur using the margin scheme.

The land was first acquired in early 1980's.

DECISION:

1. Yes, the transfer of the land by entity A, to entity B, will be subject to GST.
2. The acquisition of the land by entity B, from entity A, will be a creditable acquisition by entity B and pursuant to Division 11 of the *A New Tax System (Goods and Services Tax) Act 1999* (GST Act), entity B would be entitled to an input tax credit with respect to the acquisition of the land. However, in accordance with section 75-20 of the GST Act, where entity A agree in writing with entity B to apply the margin scheme to the transfer of the land, the acquisition of the land by entity B will not be a creditable acquisition and entity B will not be entitled to claim any input tax credits.
3. Please see the reasons for the decision.

REASONS FOR DECISION:

1. GST is payable on taxable supplies. A supply is a taxable supply if all the conditions under section 9-5 of the GST Act are satisfied. Section 9-5 of the GST Act states:

You make a *taxable supply* if:

- (a) you make a supply for *consideration; and
- (b) the supply is made in the course or furtherance of an *enterprise that you *carry on; and
- (c) the supply is *connected with Australia; and
- (d) you are *registered or *required to be registered.

However, the supply is not a *taxable supply to the extent that it
*GST-free or *input taxed.

(The asterisks in this ruling indicate terms defined under section 195-1 of the GST Act. These terms are explained where they impact on this ruling.)

A supply is a taxable supply, if, among other things, the supply is made for *consideration*. Thus, there must be some nexus or connection between a particular supply and particular consideration which is provided for that supply (paragraph 44 of GSTR 2000/11).

The meaning of supply is defined in section 9-10 of the GST Act. In particular paragraph 9-10(2)(d) includes as a supply the granting, assigning or surrendering of real property. Real property includes land, hence, the transferring of land by entity A to entity B will be a supply for the purposes of GST.

The meaning of consideration is defined in section 9-15 of the GST Act. In particular subsection 9-15(1) provides that consideration includes:

- (a) any payment, or any act or forbearance, in connection with a supply of anything; and
- (b) any payment, or any act or forbearance, in response to or for the inducement of a supply of anything.

A 'payment' is not limited to a payment of money. It includes a payment in a non-monetary or in an 'in kind' form, such as:

- providing goods;
- granting a right or performing a service (an act); and
- entering into an obligation, for example to refrain from selling a particular product (a forbearance).

Where the consideration for a supply is non-monetary, the GST inclusive market value of that consideration is used to work out the price and value of the supply. In most circumstances where parties are dealing at arm's length, we are of the view that the goods, services or other things exchanged are of equal GST inclusive market value (paragraph 138 of GSTR 2001/6).

As the GST inclusive market value of consideration will be shown as the price on any tax invoice that the supplier issues, the onus for determining the GST inclusive market value of the consideration rests with the supplier (paragraph 139 of GSTR 2001/6).

You may determine the GST inclusive market value of non-monetary consideration for a taxable supply by applying a method that produces a reasonable GST inclusive market value of the consideration. There will be situations where the methods used by parties differ according to their particular circumstances. Examples of reasonable methods include:

- the market value of an identical good, service or thing;
- the market value of a similar good, service or thing;
- the market value of the supply; or
- a professional appraisal (paragraph 144 of GSTR 2001/6).

By providing non-monetary consideration for a supply, you are in turn making a supply. Where this happens, you need to determine the GST consequences of the supply you make. If it is a taxable supply, you need to determine the GST inclusive market value of the consideration you receive for this supply to account for the GST payable. You may also be entitled to claim input tax credits for the supply made to you (paragraph 16 of GSTR 2001/6).

In this instance, entity A will receive as consideration for transferring their land to entity B, shares in entity B. The shares that entity A receives are provided for under the agreement.

Hence, entity A is making a taxable supply when providing the land to entity B. This is due to entity A transferring the land for non-monetary consideration (being shares in entity B), it will be in furtherance of the enterprise entity A carries on, the transfer will be connected with Australia as the land is in Australia and entity A is registered for GST.

There are no provisions that would result in the transfer of the land being GST-free or input taxed.

Where entity A transfer the land to entity B and agree in writing to apply the margin scheme GST will only apply to the margin where the market value of the land, when the land is transferred, exceeds the valuation of the land held at 1 July 2000.

The GST payable under the margin scheme is usually lower than when the GST is worked out under the basic GST rule. Because of this, the margin scheme is used particularly if the recipient of the supply is not entitled to an input tax credit for the acquisition. The most common example is residential land or residential premises supplied to private owners for their own use.

It has been noted that entity B intends applying the margin scheme to the sale of the developed lots. For this to happen entity A and entity B must agree in writing that the margin scheme will apply to the supply of the land to entity B. In that event entity B will not be entitled to claim input tax credits.

Where entity A do apply the margin scheme to the supply of the land to entity B the margin will be determined by an approved valuation of the land as at 1 July 2000 due to the operation of subsection 75-11(7) of the GST Act. This subsection states:

Margin for supply of real property acquired from associate

(7) If:

- (a) you acquired the interest, unit or lease in question from an entity who was your *associate at the time of the acquisition; and
- (b) none of the other subsections of this section apply;

the *margin* for the supply you make is the amount by which the *consideration for the supply exceeds:

(c) if your acquisition was made before 1 July 2000 – an *approved valuation of the interest, unit or lease as at 1 July 2000; or

(d) if your acquisition was made on or after 1 July 2000 – the *GST inclusive market value of the interest, unit or lease at the time of the acquisition.

Associate has the meaning given by section 318 of the *Income Tax Assessment Act 1936* (ITAA). Entity A are associates of entity B as they hold the shares in entity B and therefore hold the voting interest in entity B. Furthermore, please refer to GSTR 2001/6 for information concerning guidance on approved valuations for determining the value of the land. This Ruling can be accessed on the Tax Office website at www.ato.gov.au

For information on how the margin scheme applies to land supplied after 1 July 2000 please refer to GSTR 2006/8. For information on how the margin scheme applies to land supplied after 1 December 2005 please refer to GSTR 2006/7.

In summary, where entity A transfer the land to entity B, as the consideration will be non-monetary, it will be necessary to determine the market value of the land which will be GST inclusive. Provided entity A and entity B agree in writing to apply the margin scheme to the supply, the margin will be the amount where the market value exceeds the approved value. The GST entity A will be liable to remit will be 1/11th of the margin. Furthermore, where entity A and entity B do not apply the margin scheme the GST liability will be worked out on the GST inclusive market value of the land and entity A will be liable to remit 1/11th of the GST inclusive market value amount.

Further information regarding entity B and the supply of shares

As previously mentioned by providing non-monetary consideration for a supply you are in turn making a supply. Entity B in providing non-monetary consideration in the form of a proportionate share in the ownership of entity B to each of entity A will be making a financial supply. Financial supplies are input taxed under section 40-5 of the GST Act and has the meaning given by the regulations. Therefore the supply of the shares by entity B, in return for the transfer of the land from entity A will be input taxed financial supplies and will not be subject to GST.

Item 10 of subregulation 40-5.09(3) of the *A New Tax System (Goods and Services Tax) Regulations 1999* (GST Regulations) deems the provision, acquisition or disposal of an interest in or under securities, to be a financial supply. The term 'securities' for the purposes of the GST legislation is defined under subsection 92(1) of the *Corporations Act 2001* to include the provisions of shares in a body, such as a company.

However, a supply can only be a financial supply where the requirements of subregulation 40-5.09(1) of the GST Regulations are also satisfied. Subregulation 40-5.09(1) of the GST Regulations provides that the provision, acquisition or disposal of an interest mentioned in subregulation 40-5.09(3) is a financial supply if the provision, acquisition or disposal is:

- for consideration; and
- in the course or furtherance of an enterprise; and
- connected with Australia; and

- the supplier is:
 - (i) registered for required to be registered; and
 - (ii) a financial supply provider in relation to supply of the interest.

In your case the provision of the shares is for consideration. The provision is made in the course of the enterprise carried on by entity B, and being shares in an Australian company (a body corporate), the sale of the shares are connected with Australia. As entity B, the supplier, is registered for GST, we need to consider whether you meet the definition of a financial supply provider in relation to the supply of the interest in the shares.

Subregulation 40-5.06(1) of the GST Regulations state that:

- (1) an entity, in relation to the supply of an interest that was:
 - (a) immediately before the supply, the property of the entity; or
 - (b) created by the entity in making the supply;
- is the *financial supply provider* of the interest.

The shares in the company will be created by you being the entity making the supply. Accordingly, entity B is the financial supply provider of the interest in the shares, and therefore the transaction is a financial supply under section 40-5 of the GST Act.

2 & 3. Where entity A does not apply the margin scheme to the supply of the land to entity B, entity B will be entitled to claim input tax credits where the supply is a creditable acquisition. Section 11-5 of the GST Act provides the meaning of creditable acquisition and states:

You make a *creditable acquisition* if:

- (a) you acquire anything solely or partly for a *creditable purpose; and
- (b) the supply of the thing to you is a *taxable supply; and
- (c) you provide, or are liable to provide, *consideration for the supply; and
- (d) you are *registered, or *required to be registered.

Hence, where entity B acquires the acquisition of land for the purpose of development it will be for use in the enterprise that entity B carries on, the supply to them is taxable, entity B provides consideration (in this case the shares in entity B) and entity B is registered for GST, they will be entitled to claim the input tax credits. This will be case provided the margin scheme is not applied.

However, you have advised us that entity B intends to apply the margin scheme to the supply of the developed, residential lots to members of the public. Pursuant to section 75-5 of the GST Act, the acquisition of the land by entity B from entity A will also have to be under the margin scheme.

Subsection 75-20(1) of the GST Act states:

- (1) An acquisition of a freehold interest in land, a *stratum unit or a *long-term lease is not a *creditable acquisition if the supply of the interest, unit or lease was a *taxable supply under the *margin scheme.

Therefore, where entity A and entity B agree in writing to apply the margin scheme, the acquisition of the land from entity A will not be a creditable acquisition for entity B and as such entity B will not have any entitlement to claim input tax credits on the supply.

As previously stated to claim input tax credit you must make a creditable acquisition.

Under paragraph 11-5(a) of the GST Act you must acquire the land for a creditable purpose. Creditable purpose means that you acquire an acquisition in carry on your enterprise however, you do not acquire an acquisition for a creditable purpose to the extent that the acquisition relates to making supplies that would be input taxed. This will be the case except where the acquisition relates to making financial supplies and you do not exceed the financial acquisitions threshold. For information concerning the financial acquisition threshold please refer to GSTR GSTR 2003/9. This ruling can be found on the Tax Office website at www.ato.gov.au

Hence, where paragraph 11-5(a) of the GST Act is satisfied, that is your supplies of financial supplies do not exceed the financial supply threshold and the other requirements of section 11-5 of the GST Act are satisfied entity B will be entitled to input tax credits on the acquisitions made.

If a supply is input taxed GST is not charged on the supply, and generally neither are you entitled to input tax credits for anything acquired to make the supply.

DISCLAIMER

The *Register of private binding rulings* is a historical public record of written binding advice the Tax Office has issued to specific entities.

Each record is based on the facts of a specific situation as advised to the Tax Office and reflects our view of the law in force at the time the advice was issued.

Before we place a record on the Register, we edit it to protect the applicant's privacy, so this record may not disclose all the relevant facts or circumstances on which our advice was based.

The Register is not updated to reflect changes in the law or the Tax Office's views, withdrawal of the advice, or any other change in circumstances.

Given the above, this record is not a publication approved in writing by the Commissioner. It is not intended to provide advice, nor does it set out the Tax Office's general administrative practice. Therefore this record is non-binding and provides no protection (including from any penalty or interest).

The Commissioner is required to apply the law in the way set out in the ruling *only* in respect of the entity/ies on whose behalf the ruling was sought.

Edited versions of written binding advice as published on the *Register of private binding rulings* cannot be relied upon as precedent by any other entity.

9.8 LOCAL GOVERNMENT ACT (OFFICIAL CONDUCT) AMENDMENT 2007 – DESIGNATION OF COMPLAINTS OFFICER

Report Information

Location: Not Applicable
Applicant: Not Applicable
Reporting Officer: Chief Executive Officer File Reference: 13.45.188.0

Recommendation

That Council designate the Chief Executive Officer as the Tamala Park Regional Council complaints officer pursuant to Section 5.120(1) of the Local Government Act.

Voting Requirements

Simple Majority

Report Purpose

Nomination of an officer under Section 5.120(1) of the Local Government Act.

Relevant Documents

Attachments: Minor and Serious Breaches Matrix; Local Government (Official Conduct) Amendment Act 2007 and Local Government (Rules of Conduct) Regulation 2007
Available for viewing at the meeting: Nil

Previous Minutes

N/A

Policy Reference

- Council Meeting 12 April 2007 - Item 9.10

Local Government Act/Regulation

- Local Government Act Division 9 (amendments introduced 2007)
- Local Government (Rules of Conduct) Regulations 2007

Background

The DLGRD have progressively developed a new approach to dealing with breaches of conduct by individual Council members.

The Department has issued a number of circulars relating to its work and has involved industry organisations in reviewing proposed new legislation.

Amendments to the Local Government Act were promulgated in 2007 and supporting regulations have been prepared to operate from midnight 20 October 2007.

The new provisions do not obviate requirements for reporting of serious breaches of legislative provisions to the Crime & Corruption Commission and other statutory authorities.

The matrix accompanying this report provides a brief summary of the revised reporting regime and, in respect of a new state-wide standards panel and the State Administrative Tribunal, outlines some of the matters and orders that may be dealt with through those bodies.

Participant Councils of the TPRC have already received detailed advice of the new provisions through their own reporting processes. It has therefore been deemed not necessary to develop all of the detail relating to the new legislation in this report. Notwithstanding, the full text of the 2007 Local Government (Official Conduct) Amendment Act and the new Local Government (Rules of Conduct) Regulations are provided as attachments.

Comment

Recent changes to the Local Government Act and the introduction of Official Conduct regulations have introduced mechanisms for dealing with breaches of conduct by individual council members which were previously only capable of formal redress by actions taken against the Council, often resulting in suspension of the regular Council democratic decision making process.

The new regime provides for complaints to be made and addressed through a new Standards panel and the State Administrative Tribunal and are treated as either minor or serious breaches of conduct or legislation.

Complaints must be made in a proper manner and remain confidential where appropriate. Persons subject of a complaint are able to know of and answer the complaint. A new state-wide standards panel hears complaints of minor breaches. Serious breaches are referred to the State Administrative Tribunal, the Crime & Corruption Commission or other regulatory authorities, as the case require.

Each Council must still maintain its own (additional) code of conduct, which applies to Council and staff members.

A necessary part of the new legislation requires each Council to nominate a complaints officer who is the person who receives and processes complaints. The complaints officer also has a role in reporting the status of compliance of Orders issued under the new legislation.

In the event that no party is designated as the complaints officer, the role of complaints officer is undertaken by the Chief Executive Officer.

It is desirable a complaints officer be nominated by the Council as this provides transparency of process and intent to the 'public constituency' of the Tamala Park Regional Council.

ATTACHMENT: Minor and Serious Breaches Matrix

	Local Government State Wide Standards Panels	State Administrative Tribunal (SAT)	Corruption & Crime Commission, Tribunal, Other Courts, Commissions & Police	Councils & Council Audit Committee
Prime Complaint Area Jurisdictions	Breaches of official conduct matters covered by: - The LG (Official Conduct) Amendment Act 2007 - The LG (Rules of Conduct) Regs 2007	Contraventions of the Local Government Act Review of Council, Council delegated or Decisions made on behalf of the Local Government Repeat breaches of matters covered by LG (official conduct Act & Regs provisions Failure of a party to comply with an order of a standards panel or SAT Failure to comply with order of Standards Panel or SAT	Official Corruption or misconduct as defined in sect 4 of the CCC Act 2003 Allegations of or actual breaches of the LG and other LegislationAct other Acts	Council Code of Conduct made pursuant to LG Act Sect 5.103
Complainants - Referrals	Persons (natural or legal bodies) A complaints Officer or LG CEO Executive Director DLGRD SAT	Persons (natural or legal bodies) A complaints Officer or LG CEO Executive Director DLGRD	Persons (natural or legal bodies) A complaints Officer or LG CEO Executive Director DLGRD	A complaints Officer or LG CEO
Confidentiality	Until determination for referral	No	Only during initial investigation	Only where allowed under LG Act
General Breach Classification	Minor	Serious	Serious	Council determination
Typical Matters	Principles of general behaviour Local Laws - conduct of meetings Use of Information Taking personal advantage or disadvantaging others through Council position Misuse of Council Resources Involvement in administration matters Relations with L Govt employees Interests affecting impartiality Disclosures - Interests and Gifts	Repeated minor breaches Any breach of official conduct or act considere serious by the Executive Director DLGRD Disclosures - interests and gifts		
Complainant Costs - General - Potential	Fines for frivolous complaints		Fines for frivolous complaints	
Legal Representation - Party Complained About - (Potential)	Responsibility of defendant	Responsibility of defendant unless by Award	Responsibility of defendant unless by Award	
Legal Costs to Council - (Potential)	Complaints officers legal opinion costs Cost Contribution to Panel Hearing Costs	Representation Costs Award of SAT General cost contribution to tribunal	Representation Costs Award of Court	

Agenda TPRC Meeting of Council – 11 October 2007

General Orders and Determinations	Interpretation - decision	Interpretation - decision	Specific Legislative penalties	
	Orders for: (may be conditional) Dismissal of complaint Public Censure Requiring Public apology Undertaking of training	Orders for : (may be conditional) Dismissal of complaint Public Censure Requiring public apology Undertaking of training Suspension (as council member) - up to 6 Months Disqualification from office of Council member - up to 5 years	Interpretation - decision Damages or Fines within allowable scale	
Enforcement Authority	SAT	SAT	Court Order	Council/DLGRD

ATTACHMENT: Local Government (Official Conduct) Amendment Act 2007 and Local Government (Rules of Conduct) Regulation 2007

Western Australia

**Local Government (Official Conduct)
Amendment Act 2007**

(No. 1 of 2007)

CONTENTS

1.	Short title	2
2.	Commencement	2
3.	The Act amended	2
4.	Section 2.19 amended	2
5.	Section 2.32 amended	2
6.	Section 5.53 amended	3
7.	Section 5.94 amended	3
8.	Heading to Part 5 Division 9 replaced	4
	Division 9 — Conduct of certain officials	
9.	Section 5.102A inserted	4
	5.102A. Terms used in this Division	4
10.	Section 5.103 amended	5
11.	Sections 5.104 to 5.126 inserted	5
	5.104. Other regulations about conduct of council members	5
	5.105. Breaches by council members	6
	5.106. Deciding whether breach occurred	7
	5.107. Complaining to complaints officer of minor breach	7
	5.108. Executive Director may send complaint of minor breach to complaints officer	8
	5.109. Complaint initiated by complaints officer	9
	5.110. Dealing with complaint of minor breach	10
	5.111. Dealing with a recurrent breach	11
	5.112. Allegation of recurrent breach	12
	5.113. Punishment for recurrent breach	12
	5.114. Making complaint of serious breach	13
	5.115. Complaints officer to send complaint of serious breach to Executive Director	13
	5.116. Allegation by Executive Director of serious breach	14
	5.117. Punishment for serious breach	15

No. 1 of 2007

page i

Local Government (Official Conduct) Amendment Act 2007

Contents

	5.118. Carrying out orders	17
	5.119. State Administrative Tribunal's enforcement powers	17
	5.120. Complaints officer	17
	5.121. Register of certain complaints of minor breaches	18
	5.122. Standards panels	18
	5.123. Confidentiality	18
	5.124. Giving false or misleading information	19
	5.125. Review of certain decisions	20
12.	Section 9.69A inserted	20
	9.69A. Notification under <i>Corruption and Crime Commission Act 2003</i>	20
13.	Schedule 5.1 inserted	20
	Schedule 5.1 — Provisions about standards panels	
	1. Terms used in this Schedule	20
	2. Membership of standards panel	21
	3. Deputies	21
	4. Submission of lists	21
	5. Term of office	22
	6. Vacation of office	22
	7. Dissolution of standards panel	22
	8. Meetings	23
	9. Remuneration and allowances	23
	10. Protection	24
	11. Annual report	24



Western Australia

**Local Government (Official Conduct)
Amendment Act 2007**

No. 1 of 2007

An Act to amend the *Local Government Act 1995*.

[Assented to 28 March 2007]

The Parliament of Western Australia enacts as follows:

No. 1 of 2007

page 1

Local Government (Official Conduct) Amendment Act 2007

s. 1

1. Short title

This is the *Local Government (Official Conduct) Amendment Act 2007*.

2. Commencement

This Act comes into operation on a day fixed by proclamation.

3. The Act amended

The amendments in this Act are to the *Local Government Act 1995**.

[* Reprint 3 as at 5 August 2005.]

4. Section 2.19 amended

Section 2.19(1) is amended as follows:

- (a) by deleting “and” after paragraph (c);
- (b) by deleting the full stop at the end of paragraph (d) and inserting instead —
 - “
 - ; and
 - (e) is not disqualified by an order under section 5.113, 5.117 or 5.119 from holding office as a member of a council.

”.

5. Section 2.32 amended

Section 2.32 is amended by inserting after paragraph (d) the following paragraph —

- “
- (da) is disqualified by an order under section 5.113, 5.117 or 5.119 from holding office as a member of a council;

”.

Local Government (Official Conduct) Amendment Act 2007

s. 6

6. Section 5.53 amended

Section 5.53(2) is amended by deleting “and” after paragraph (ha) and inserting instead —

“

- (hb) details of entries made under section 5.121 during the financial year in the register of complaints, including —
 - (i) the number of complaints recorded in the register of complaints;
 - (ii) how the recorded complaints were dealt with; and
 - (iii) any other details that the regulations may require;

and

”.

7. Section 5.94 amended

Section 5.94 is amended as follows:

- (a) by deleting all of the section before paragraph (a) and inserting instead —

“

A person can attend the office of a local government during office hours and, unless it would be contrary to section 5.95, inspect, free of charge, in the form or medium in which it is held by the local government and whether or not it is current at the time of inspection —

”.

- (b) in each of paragraphs (a) to (k) and (m) to (t), by inserting at the beginning of the paragraph —

“ any ”;

- (c) by deleting all of the section after “prescribed” in paragraph (u)(ii) and inserting instead a full stop;

No. 1 of 2007

page 3

Local Government (Official Conduct) Amendment Act 2007

s. 8

- (d) by inserting after paragraph (a) the following paragraphs —

“

(aa) any regulations prescribing rules of conduct of council members referred to in section 5.104;

(ab) any register of complaints referred to in section 5.121;

”.

8. Heading to Part 5 Division 9 replaced

The heading to Part 5 Division 9 is deleted and the following heading is inserted instead —

“

Division 9 — Conduct of certain officials

”.

9. Section 5.102A inserted

Before section 5.103 the following section is inserted in Part 5 Division 9 —

“

5.102A. Terms used in this Division

In this Division —

“**breach**” means a minor breach or a serious breach;

“**complaints officer**” means the person who is the complaints officer under section 5.120 for the local government concerned;

“**minor breach**” has the meaning given in section 5.105(1), and it includes a recurrent breach;

“**party**”, when used in connection with a complaint, means —

(a) the person who made the complaint; or

(b) the person against whom the complaint was made;

Local Government (Official Conduct) Amendment Act 2007

s. 10

“recurrent breach” has the meaning given in section 5.105(2);

“rules of conduct” means rules of conduct for council members referred to in section 5.104(1);

“serious breach” has the meaning given in section 5.105(3);

“standards panel” means a standards panel established under section 5.122(1) or (2);

“primary standards panel” means the standards panel established under section 5.122(1).

10. Section 5.103 amended

Section 5.103(2) is repealed.

11. Sections 5.104 to 5.126 inserted

At the end of Part 5 Division 9 the following sections are inserted —

“

5.104. Other regulations about conduct of council members

- (1) Regulations may prescribe rules, to be known as the rules of conduct for council members, that council members are required to observe.
- (2) The rules of conduct for council members apply, to the extent stated in the regulations, to a council member when acting as a committee member.
- (3) The rules of conduct may contain provisions dealing with any aspect of the conduct of council members whether or not it is otherwise dealt with in this Act.

No. 1 of 2007

page 5

Local Government (Official Conduct) Amendment Act 2007

s. 11

- (4) Regulations cannot prescribe a rule of conduct if contravention of the rule would, in addition to being a minor breach under section 5.105(1)(a), also be a serious breach under section 5.105(3).
- (5) Regulations cannot specify that contravention of a local law under this Act is a minor breach if contravention of the local law would, in addition to being a minor breach under section 5.105(1)(b), also be a serious breach under section 5.105(3).
- (6) The rules of conduct do not limit what a code of conduct under section 5.103 may contain.
- (7) The regulations may, in addition to rules of conduct, prescribe general principles to guide the behaviour of council members.

5.105. Breaches by council members

- (1) A council member commits a minor breach if he or she contravenes —
 - (a) a rule of conduct under section 5.104(1); or
 - (b) a local law under this Act, contravention of which the regulations specify to be a minor breach.
- (2) A minor breach is a recurrent breach if it occurs after the council member has been found under this Division to have committed 2 or more other minor breaches.
- (3) A council member who commits any offence under a written law, other than a local law made under this Act, of which it is an element that the offender is a council member or is a person of a description that specifically includes a council member commits a serious breach.

Local Government (Official Conduct) Amendment Act 2007

s. 11

5.106. Deciding whether breach occurred

A finding that a breach has occurred is to 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.

5.107. Complaining to complaints officer of minor breach

- (1) A person who has reason to believe that a council member has committed a minor breach may complain of the breach by sending to the complaints officer a complaint in accordance with subsection (2).
- (2) The complaint has to be made in writing, in a form approved by the Minister, giving details of —
 - (a) who is making the complaint;
 - (b) who is alleged to have committed the breach;
 - (c) the contravention that is alleged to have resulted in the breach; and
 - (d) any other information that the regulations may require.
- (3) Within 14 days after the day on which the complaints officer receives the complaint, the complaints officer is required to —
 - (a) give to the person making the complaint an acknowledgment in writing that the complaint has been received;
 - (b) give to the council member about whom the complaint is made a copy of the complaint; and
 - (c) send —
 - (i) the complaint; and

No. 1 of 2007 page 7

Local Government (Official Conduct) Amendment Act 2007

s. 11

- (ii) anything the complaints officer has that is relevant to the complaint including, where relevant, details of any 2 or more minor breaches that the council member has previously been found to have committed,

to the member of the primary standards panel who is appointed under Schedule 5.1 clause 2(a).

- (4) A person can make a complaint under this section within 2 years after the breach alleged in the complaint occurred, but not later.

5.108. Executive Director may send complaint of minor breach to complaints officer

- (1) If it appears to the Executive Director that a complaint a person seeks to make under section 5.114 discloses a minor breach, the Executive Director may send the complaint to the complaints officer of the local government concerned.
- (2) Within 14 days after the day on which the complaints officer receives the complaint, the complaints officer is required to —
 - (a) give to the person who sent the complaint to the Executive Director written notice that the complaint is to be dealt with as a complaint of a minor breach;
 - (b) give to the council member about whom the complaint is made a copy of the complaint; and
 - (c) send —
 - (i) the complaint; and
 - (ii) anything the complaints officer has that is relevant to the complaint including, where relevant, details of any 2 or more

Local Government (Official Conduct) Amendment Act 2007

s. 11

minor breaches that the council member
has previously been found to have
committed,

to the member of the primary standards panel
who is appointed under Schedule 5.1
clause 2(a).

- (3) The Executive Director can send a complaint to a complaints officer under this section within 2 years after the breach alleged in the complaint occurred, but not later.

5.109. Complaint initiated by complaints officer

- (1) A person who is a complaints officer may make a complaint of a minor breach by —
- (a) preparing the complaint in the form required under section 5.107(2);
 - (b) giving the council member about whom the complaint is made a copy of the complaint; and
 - (c) sending —
 - (i) the complaint; and
 - (ii) anything the complaints officer has that is relevant to the complaint including, where relevant, details of any 2 or more minor breaches that the council member has previously been found to have committed,
- to the member of the primary standards panel who is appointed under Schedule 5.1 clause 2(a).
- (2) A complaints officer can make a complaint under this section within 2 years after the breach alleged in the complaint occurred, but not later.

Local Government (Official Conduct) Amendment Act 2007

s. 11

5.110. Dealing with complaint of minor breach

- (1) The member of the primary standards panel who receives a complaint from a complaints officer under section 5.107(3)(c), 5.108(2)(c) or 5.109(1)(c) is to —
 - (a) allocate that complaint to a standards panel; and
 - (b) send the complaint and anything received from the complaints officer to the member of that standards panel who is appointed under Schedule 5.1 clause 2(a).
- (2) After receiving a complaint allocated to it under subsection (1), a standards panel is required to —
 - (a) make a finding as to whether the breach alleged in the complaint occurred; or
 - (b) send the complaint to the Executive Director under section 5.111.
- (3) For the purpose of helping it to deal with a complaint, a standards panel may request the complaints officer to provide anything further that the standards panel requires, and the complaints officer is required to comply with the request so far as it is practicable to do so.
- (4) A standards panel is required to give each party written notice of the reasons for any finding it makes under subsection (2).
- (5) If a standards panel finds that a council member has committed a minor breach, the standards panel is required to give the council member an opportunity to make submissions about how the breach should be dealt with under subsection (6).
- (6) The breach is to be dealt with by —
 - (a) dismissing the complaint;

Local Government (Official Conduct) Amendment Act 2007

s. 11

- (b) ordering that —
 - (i) the person against whom the complaint was made be publicly censured as specified in the order;
 - (ii) the person against whom the complaint was made apologise publicly as specified in the order; or
 - (iii) the person against whom the complaint was made undertake training as specified in the order;or
 - (c) ordering 2 or more of the sanctions described in paragraph (b).
- (7) A standards panel is required to give to each party and the complaints officer notice of how it deals with the matter under subsection (6).

5.111. Dealing with a recurrent breach

- (1) If a standards panel is allocated a complaint as described in section 5.110(1) and the breach alleged, if it were found to have been committed, would be a recurrent breach, the standards panel may send the complaint to the Executive Director or proceed under section 5.110 to make a finding and deal with the complaint.
- (2) If a standards panel sends the complaint to the Executive Director under subsection (1), the standards panel is required to notify —
 - (a) each of the parties; and
 - (b) the complaints officer.

No. 1 of 2007

page 11

Local Government (Official Conduct) Amendment Act 2007

s. 11

5.112. Allegation of recurrent breach

- (1) If a standards panel sends to the Executive Director, under section 5.111, a complaint of a minor breach that, if it were found to have been committed, would be a recurrent breach, the Executive Director has to decide whether to make an allegation under subsection (2).
- (2) If the Executive Director considers it appropriate to do so, the Executive Director may make an allegation to the State Administrative Tribunal that the council member committed the breach.
- (3) The Executive Director is required to give the complaints officer and each of the parties notice in writing of the decision.
- (4) If the Executive Director decides not to make an allegation to the State Administrative Tribunal —
 - (a) the Executive Director is required to send the complaint to the standards panel that sent the complaint to the Executive Director;
 - (b) the standards panel is required to notify each of the parties and the complaints officer that the complaint will be dealt with by the standards panel; and
 - (c) the standards panel is required to deal with the complaint under section 5.110.
- (5) The fact that the person who made the complaint does not want an allegation to be made to the State Administrative Tribunal does not prevent the Executive Director from making the allegation.

5.113. Punishment for recurrent breach

If, on an allegation under section 5.112, the State Administrative Tribunal finds that a person committed

Local Government (Official Conduct) Amendment Act 2007

s. 11

a recurrent breach, it may make any of the orders described in section 5.117.

5.114. Making complaint of serious breach

- (1) A person who has reason to believe that a council member has committed a serious breach may complain to the Executive Director as described in subsection (2).
- (2) The complaint has to be made in writing in a form approved by the Minister, giving details of —
 - (a) who is making the complaint;
 - (b) who is alleged to have committed the breach;
 - (c) the offence that is alleged to have resulted in the breach; and
 - (d) any other information that the regulations may require,

and sent to the Executive Director.

- (3) If there is a limit on the time within which proceedings may be commenced for the offence to which a complaint of a serious breach relates, the complaint cannot be made after that time has elapsed.

5.115. Complaints officer to send complaint of serious breach to Executive Director

- (1) If it appears to a complaints officer that a complaint a person seeks to make under section 5.107 discloses a serious breach, the complaints officer is required to send the complaint to the Executive Director.
- (2) If the complaints officer sends the complaint to the Executive Director, the complaints officer is required to notify each of the parties.

No. 1 of 2007

page 13

Local Government (Official Conduct) Amendment Act 2007

s. 11

5.116. Allegation by Executive Director of serious breach

- (1) If —
 - (a) a person sends to the Executive Director a complaint under section 5.114(1) that a council member has committed a serious breach; or
 - (b) a complaints officer sends to the Executive Director, under section 5.115(1), a complaint that appears to disclose a serious breach,

the Executive Director has to decide whether to make an allegation under subsection (2).
- (2) If the Executive Director considers it appropriate to do so, the Executive Director may, whether or not a complaint has been sent to the Executive Director, make an allegation to the State Administrative Tribunal that the council member committed a serious breach.
- (3) In deciding whether it would be appropriate to make an allegation to the State Administrative Tribunal, the Executive Director has to consider whether it would be more appropriate for the matter to be dealt with in another way.
- (4) The Executive Director cannot make an allegation under subsection (2) if the council member has already been tried by a court for the offence the commission of which is the serious breach.
- (5) Within 14 days after the day on which the Executive Director receives a complaint that is sent to the Executive Director under section 5.114 or 5.115, the Executive Director is required to give each party notice in writing —
 - (a) acknowledging that the complaint is in accordance with the Act; and

Local Government (Official Conduct) Amendment Act 2007

s. 11

- (b) stating that the Executive Director will decide whether to make an allegation under subsection (2).
- (6) The fact that a person who made a complaint does not want an allegation arising from the complaint to be made to the State Administrative Tribunal does not prevent the Executive Director from making the allegation.

5.117. Punishment for serious breach

- (1) If, on an allegation under section 5.116(2), the State Administrative Tribunal finds that a person committed a serious breach, it may —
 - (a) order that —
 - (i) the person against whom the allegation was made be publicly censured as specified in the order;
 - (ii) the person against whom the allegation was made apologise publicly as specified in the order;
 - (iii) the person against whom the allegation was made undertake training as specified in the order;
 - (iv) the person against whom the allegation was made is suspended for a period of not more than 6 months specified in the order; or
 - (v) the person against whom the allegation was made is, for a period of not more than 5 years specified in the order, disqualified from holding office as a member of a council;

or

Local Government (Official Conduct) Amendment Act 2007

s. 11

- (b) order 2 or more of the sanctions described in paragraph (a).
- (2) An order described in subsection (1)(a)(iv) or (v) may be expressed in such a way that the order —
 - (a) only takes effect if, on finding that the person subject to the order has not complied with a condition specified in the order, the State Administrative Tribunal directs under subsection (7) that the order take effect; and
 - (b) lapses if it has not taken effect within a period specified in the order,and an order so expressed is called a **“suspended order”**.
- (3) The period referred to in subsection (2)(b) cannot exceed 2 years.
- (4) The Executive Director may make an allegation to the State Administrative Tribunal that a person subject to a suspended order has failed to comply with a condition specified in the order.
- (5) The Executive Director must give a person notice in writing of a decision to make an allegation about the person under subsection (4).
- (6) If the State Administrative Tribunal receives an allegation under subsection (4), it must make a finding as to whether the alleged failure occurred.
- (7) If the State Administrative Tribunal finds that a person failed to comply with a condition of a suspended order, it may if it considers it appropriate to do so direct that the suspended order take effect.
- (8) When a council member is suspended under subsection (1)(a)(iv), section 8.29 applies to the member as if the council had been suspended.

Local Government (Official Conduct) Amendment Act 2007

s. 11

5.118. Carrying out orders

- (1) The CEO of the local government concerned is required to arrange the publication of any censure ordered under section 5.110(6) by a standards panel and is to refer to the State Administrative Tribunal any failure to comply with any other order made under that subsection.
- (2) The Executive Director is required to arrange the publication of any censure ordered under section 5.113 or 5.117 by the State Administrative Tribunal and is to refer to the State Administrative Tribunal any failure to comply with any other order made under either of those sections.

5.119. State Administrative Tribunal's enforcement powers

- (1) If, under section 5.118, the CEO of a local government or the Executive Director refers to the State Administrative Tribunal a failure of a person to comply with an order of a standards panel or the State Administrative Tribunal, the State Administrative Tribunal may, if satisfied that the person failed to comply with the order, make an order described in section 5.117(1)(a)(iv) or (v).
- (2) Section 5.117(2) extends to an order made under subsection (1).

5.120. Complaints officer

- (1) Each local government is to designate a senior employee, as defined under section 5.37, to be its complaints officer.
- (2) If a local government does not have any other person as its complaints officer, the person holding office as, or acting as, its CEO is its complaints officer.

No. 1 of 2007 page 17

Local Government (Official Conduct) Amendment Act 2007

s. 11

5.118. Carrying out orders

- (1) The CEO of the local government concerned is required to arrange the publication of any censure ordered under section 5.110(6) by a standards panel and is to refer to the State Administrative Tribunal any failure to comply with any other order made under that subsection.
- (2) The Executive Director is required to arrange the publication of any censure ordered under section 5.113 or 5.117 by the State Administrative Tribunal and is to refer to the State Administrative Tribunal any failure to comply with any other order made under either of those sections.

5.119. State Administrative Tribunal's enforcement powers

- (1) If, under section 5.118, the CEO of a local government or the Executive Director refers to the State Administrative Tribunal a failure of a person to comply with an order of a standards panel or the State Administrative Tribunal, the State Administrative Tribunal may, if satisfied that the person failed to comply with the order, make an order described in section 5.117(1)(a)(iv) or (v).
- (2) Section 5.117(2) extends to an order made under subsection (1).

5.120. Complaints officer

- (1) Each local government is to designate a senior employee, as defined under section 5.37, to be its complaints officer.
- (2) If a local government does not have any other person as its complaints officer, the person holding office as, or acting as, its CEO is its complaints officer.

No. 1 of 2007 page 17

Local Government (Official Conduct) Amendment Act 2007

s. 11

5.121. Register of certain complaints of minor breaches

- (1) The complaints officer for each local government is required to maintain a register of complaints which records all complaints that result in action under section 5.110(6)(b) or (c).
- (2) The register of complaints is to include, for each recorded complaint —
 - (a) the name of the council member about whom the complaint is made;
 - (b) the name of the person who makes the complaint;
 - (c) a description of the minor breach that the standards panel finds has occurred; and
 - (d) details of the action taken under section 5.110(6)(b) or (c).

5.122. Standards panels

- (1) The Minister is to establish a standards panel (the “**primary standards panel**”).
- (2) The Minister may establish other standards panels.
- (3) Schedule 5.1 applies to a standards panel.

5.123. Confidentiality

- (1) A person who —
 - (a) makes a complaint during a campaign period;
 - (b) performs a function under this Act in respect of a complaint made during a campaign period; or
 - (c) as a result of anything done under this Division, becomes aware of any detail of a complaint made during a campaign period knowing it to be relevant to the complaint,

and during the campaign period discloses information that the complaint has been made, or discloses

Local Government (Official Conduct) Amendment Act 2007

s. 11

information of any detail of the complaint, commits an offence.

- (2) It is not an offence against subsection (1) to disclose information if —
- (a) the disclosure is made for the purposes of investigating or dealing with the complaint;
 - (b) the disclosure is required under a written law;
 - (c) the complaint to which the information relates is a complaint of a minor breach and a standards panel has dealt with the breach under section 5.110(6)(b) or (c); or
 - (d) the complaint to which the information relates is a complaint of a serious breach and the State Administrative Tribunal has made an order under section 5.117(1).
- (3) In this section —
- “campaign period”** means the period beginning on the first day of the period referred to in section 4.49(a) and ending on election day as that term is defined in section 4.1.

5.124. Giving false or misleading information

- (1) A person commits an offence if the person gives information, in any of the circumstances described in subsection (2), knowing the information to be false or misleading in a material particular.
- (2) The circumstances in which subsection (1) applies are —
- (a) when the information is given in a complaint under section 5.107 or 5.114;
 - (b) when the information is given to a person for the purposes of an investigation of whether or not a breach has been committed; or

No. 1 of 2007 page 19

Local Government (Official Conduct) Amendment Act 2007

s. 12

- (c) when the information is given to a standards panel.

5.125 Review of certain decisions

- (1) A party may apply to the State Administrative Tribunal for a review of a decision of a standards panel.
- (2) In subsection (1) —
- “**decision**” means a decision to dismiss a complaint or to make an order.

”.

12. Section 9.69A inserted

After section 9.69 the following section is inserted —

“

9.69A. Notification under *Corruption and Crime Commission Act 2003*

Nothing in Part 5 or Part 8 affects the duty of the Executive Director to notify as required by section 28 of the *Corruption and Crime Commission Act 2003*.

”.

13. Schedule 5.1 inserted

After Schedule 4.2 the following Schedule is inserted —

“

Schedule 5.1 — Provisions about standards panels

[Section 5.122]

1. Terms used in this Schedule

In this Schedule, unless the contrary intention appears —

“**member**” means a member of a standards panel.

Local Government (Official Conduct) Amendment Act 2007

s. 13.

2. Membership of standards panel

A standards panel consists of 3 members appointed by the Minister of whom —

- (a) one person is to be an officer of the Department;
- (b) one person is to be a person who has experience as a member of a council; and
- (c) one person is to be a person having relevant legal knowledge.

3. Deputies

- (1) The Minister may appoint a deputy for any member.
- (2) A person is not eligible to be appointed as the deputy for a member unless that person is eligible to be appointed to the office of that member.
- (3) The deputy for a member is —
 - (a) in the absence of the member from a meeting of the standards panel, entitled to attend the meeting in place of the member;
 - (b) where the member is disqualified from acting as a member on a matter arising at a meeting of a standards panel, entitled to act in the place of the member; and
 - (c) if the member vacates office before the term of office expires, entitled to attend meetings and otherwise act in place of the member,

and a deputy attending a meeting or acting in place of a member under this subclause has all the functions and protection of a member.

4. Submission of lists

- (1) Before a person is appointed as, or as the deputy for, a member under clause 2(b) the Minister is to invite WALGA to submit, within 28 days of the invitation, a list of 9 persons eligible for appointment.

Local Government (Official Conduct) Amendment Act 2007

s. 13.

- (2) The person appointed is to be one of the persons named on the list submitted under subclause (1) but if a list is not submitted in writing in accordance with the invitation of the Minister, the Minister may appoint any person who would have been eligible for inclusion on the list.

5. Term of office

- (1) The term of office of a member is the period specified in the instrument of appointment and is not to exceed 4 years.
- (2) Subclause (1) does not prevent a person who has held office as a member of a standards panel from being appointed for a subsequent term to the same or a different standards panel.

6. Vacation of office

- (1) The office of a member becomes vacant if the term for which the member is appointed expires or the member —
 - (a) dies;
 - (b) by notice in writing to the Minister, resigns; or
 - (c) is removed from office under subclause (2).
- (2) The Minister may remove a person from office as a member on the grounds of —
 - (a) incapacity to carry out satisfactorily the duties of the office;
 - (b) neglect of duty;
 - (c) misconduct;
 - (d) in the case of a person appointed under clause 2(a), the person ceasing to be an officer of the Department; or
 - (e) any other cause for which it appears to the Minister that the person should be removed from office.

7. Dissolution of standards panel

The Minister may dissolve a standards panel established under section 5.122(2) if that standards panel has finally dealt with all complaints allocated to it.

Local Government (Official Conduct) Amendment Act 2007

s. 13.

8. Meetings

- (1) The member appointed under clause 2(a) is to preside at all meetings of the standards panel at which the member is present.
- (2) If the member appointed under clause 2(a) is not present at a meeting the member appointed under clause 2(c) is to preside at the meeting.
- (3) The quorum at a meeting is 3.
- (4) Subject to subclause (7), each member present at a meeting of a standards panel is entitled to one vote.
- (5) A question arising at a meeting is to be decided by a majority of the votes.
- (6) Each member is to have regard to the general interests of local government in the State.
- (7) Subject to any order under subclause (8), a member is disqualified from acting where the matter being considered or inquired into by a standards panel is a matter relating to a local government of which the member was or is a council member, a committee member or an employee.
- (8) The Minister may, by order, declare that subclause (7) does not apply in relation to a matter or class of matters specified in the order, and that order has effect according to its terms.
- (9) An order is not to be made under subclause (8) unless the Minister considers the order to be necessary to enable a standards panel to properly function.
- (10) To the extent that it is not prescribed by regulations a standards panel may determine its own meeting procedure, and other procedure and practice.

9. Remuneration and allowances

- (1) Members are entitled to any remuneration and allowances that the Minister from time to time determines on the recommendation of the Minister for Public Sector Management.

No. 1 of 2007 page 23

Local Government (Official Conduct) Amendment Act 2007

s. 13.

- (2) Subclause (1) does not apply to a member who is an officer of the Public Service.
- (3) To the extent that a member's remuneration and allowances relate to a particular complaint, they are to be paid by the local government of the council member who is the subject of that complaint.
- (4) If the remuneration and allowances for members of a standards panel relate to 2 or more complaints dealt with by that standards panel on the same occasion, liability for payment is to be apportioned between the relevant local governments as the standards panel determines.

10. Protection

No liability attaches to a member for any act or omission by the member or on the member's part by a standards panel that occurred in good faith and in the performance of the member's or the panel's functions under this Act.

11. Annual report

- (1) By 31 August in each year, the primary standards panel is to prepare and provide to the Minister a report on the complaints dealt with by all standards panels during the previous financial year.
- (2) The annual report must not include information that identifies or enables the identification of a council member against whom a complaint was made if the complaint was not dealt with under section 5.110(6)(b) or (c).
- (3) The primary standards panel may apply to the Minister before 31 August for an extension of time in which to lodge the annual report and the Minister may grant an extension on such terms as the Minister thinks fit.
- (4) As soon as practicable after receiving the annual report, the Minister is to cause a copy of it to be laid before each House of Parliament.

”.

By Authority: JOHN A. STRIJK, Government Printer

Local Government (Official Conduct) Amendment Act 2007

s. 13.

The following Table contains the stages of passage of this Act through the Western Australian Parliament

No. 1 of 2007 page 25

Local Government (Official Conduct) Amendment Act 2007

Table of Legislative History

Legislative Assembly	Date
Introduced	16/11/2005
First Reading	16/11/2005
Second Reading	16/11/2005
Second Reading Speech (Hansard) p. 7380	
Second Reading Agreed	11/04/2006
Consideration in Detail	11/04/2006
Amendments	11/04/2006
Third Reading	11/04/2006
Legislative Council	
Introduced	03/05/2006
First Reading	03/05/2006
Second Reading	03/05/2006
Second Reading Speech (Hansard) p. 2018	
Second Reading Agreed	21/03/2007
Committee of the whole	21/03/2007
Third Reading	21/03/2007

By Authority: JOHN A. STRIJK, Government Printer

LOCAL GOVERNMENT ACT 1995

**LOCAL GOVERNMENT (RULES
OF CONDUCT)
REGULATIONS 2007**

Western Australia

Local Government (Rules of Conduct) Regulations 2007

CONTENTS

Part 1 — General

- 1 . Citation
- 2 . Commencement
- 3 . General principles to guide the behaviour of council members
- 4 . Contravention of certain local laws

Part 2 — Rules of conduct

- 5 . Rules of conduct
- 6 . Use of information
- 7 . Securing personal advantage or disadvantaging others
- 8 . Misuse of local government resources
- 9 . Prohibition against involvement in administration
- 10 . Relations with local government employees
- 11 . Disclosure of interest
- 12 . Gifts

Defined Terms

Local Government Act 1995

Local Government (Rules of Conduct) Regulations 2007

Made by the Governor in Executive Council.

Part 1 — General

1. Citation

These regulations are the *Local Government (Rules of Conduct) Regulations 2007*.

2. Commencement

These regulations come into operation as follows:

- (a) regulations 1 and 2 — on the day on which these regulations are published in the *Gazette*;
- (b) the rest of the regulations — on the day on which the *Local Government (Official Conduct) Amendment Act 2007* section 11 comes into operation.

3. General principles to guide the behaviour of council members

- (1) General principles to guide the behaviour of council members include that a person in his or her capacity as a council member should —
 - (a) act with reasonable care and diligence; and
 - (b) act with honesty and integrity; and
 - (c) act lawfully; and

Local Government (Rules of Conduct) Regulations 2007

Part 1 General

r. 4

- (d) avoid damage to the reputation of the local government; and
 - (e) be open and accountable to the public; and
 - (f) base decisions on relevant and factually correct information; and
 - (g) treat others with respect and fairness; and
 - (h) not be impaired by mind affecting substances.
 - (2) The general principles referred to in subregulation (1) are for guidance of council members but it is not a rule of conduct that the principles be observed.
- 4. Contravention of certain local laws**
- (1) In this regulation —
 “**local law as to conduct**” means a local law relating to conduct of people at council or committee meetings.
 - (2) The contravention of a local law as to conduct is a minor breach for the purposes of section 5.105(1)(b) of the Act.

Local Government (Rules of Conduct) Regulations 2007

Rules of conduct

Part 2

r. 5

Part 2 — Rules of conduct

5. Rules of conduct

- (1) This Part contains the rules of conduct referred to in section 5.104(1) of the Act.
- (2) The rules of conduct apply to a council member whether or not acting as a committee member.

6. Use of information

- (1) In this regulation —
 - “**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 to clearly show that the information in the document is not to be disclosed;
 - “**non-confidential document**” means a document that is not a confidential document.
- (2) A person who is a council member must not disclose —
 - (a) information that the council member derived from a confidential document; or
 - (b) information that the council member acquired at a closed meeting other than information derived from a non-confidential document.
- (3) Subregulation (2) does not prevent a person who is 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

Local Government (Rules of Conduct) Regulations 2007

Part 2 Rules of conduct

r. 7

- (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.

7. Securing personal advantage or disadvantaging others

- (1) A person who is a council member must not make improper use of the person's office as a council member —
 - (a) to gain directly or indirectly an advantage for the person or any other person; or
 - (b) to cause detriment to the local government or any other person.
- (2) Subregulation (1) does not apply to conduct that contravenes section 5.93 of the Act or *The Criminal Code* section 83.

8. Misuse of local government resources

A person who is a council member must not either directly or indirectly use the resources of a local government —

- (a) for 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*; or
- (b) for any other purpose,

unless authorised under the Act, or authorised by the council or the CEO, to use the resources for that purpose.

9. Prohibition against involvement in administration

- (1) A person who is a council member must not undertake a task that contributes to the administration of the local government unless authorised by the council or by the CEO to undertake that task.

Local Government (Rules of Conduct) Regulations 2007

Rules of conduct

Part 2

r. 10

- (2) Subregulation (1) does not apply to anything that a council member does as part of the deliberations at a council or committee meeting.

10. Relations with local government employees

- (1) A person who is a council member must not —
 - (a) direct or attempt to direct a person who is a local government employee to do or not to do anything in the person's 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 person who is a local government employee in the person's capacity as a local government employee.
- (2) Subregulation (1) does not apply to anything that a council member does as part of the deliberations at a council or committee meeting.
- (3) If a person, in his or her capacity as a council member, is attending a council meeting, committee meeting or other organised event and members of the public are present, the person must not, either orally, in writing or by any other means —
 - (a) make a statement that a local government employee is incompetent or dishonest; or
 - (b) use offensive or objectionable expressions in reference to a local government employee.
- (4) Subregulation (3)(a) does not apply to conduct that is unlawful under *The Criminal Code* Chapter XXXV.

11. Disclosure of interest

- (1) In this regulation —
“**interest**” means an interest that could, or could reasonably be perceived to, adversely affect the impartiality of the person

Local Government (Rules of Conduct) Regulations 2007

Part 2 Rules of conduct

r. 11

having the interest and includes an interest arising from kinship, friendship or membership of an association.

- (2) A person who is a council member and who has an interest in any matter to be discussed at a council or committee meeting attended by the 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) Subregulation (2) does not apply to an interest referred to in section 5.60 of the Act.
- (4) Subregulation (2) does not apply if —
 - (a) a person who is a council member fails to disclose an interest because the person did not know he or she had an interest in the matter; or
 - (b) a person who is a council member fails to disclose an interest because the person did not know the matter in which he or she had an interest would be discussed at the meeting and the person disclosed the interest as soon as possible after the discussion began.
- (5) If, under subregulation (2)(a), a person who is a council member discloses an interest in a written notice given to the CEO before a meeting then —
 - (a) before the meeting the CEO is to cause the notice to be given to the person who is to preside at the meeting; and
 - (b) at the meeting the person presiding is to bring the notice and its contents to the attention of the persons present immediately before a matter to which the disclosure relates is discussed.

Local Government (Rules of Conduct) Regulations 2007

Rules of conduct

Part 2

r. 12

(6) If —

- (a) under subregulation (2)(b) or (4)(b) a person's interest in a matter is disclosed at a meeting; or
- (b) under subregulation (5)(b) notice of a person's interest in a matter is brought to the attention of the persons present at a meeting,

the nature of the interest is to be recorded in the minutes of the meeting.

12. Gifts

(1) In this regulation —

“activity involving a local government discretion” means an activity —

- (a) that cannot be undertaken without an authorisation from the local government; or
- (b) by way of a commercial dealing with the local government;

“gift” has the meaning given to that term in section 5.82(4) of the Act except that it does not include —

- (a) a gift from a relative as defined in section 5.74(1) of the Act; or
- (b) a gift that must be disclosed under regulation 30B of the *Local Government (Elections) Regulations 1997*; or
- (c) a gift from a statutory authority, government instrumentality or non-profit association for professional training;

“notifiable gift”, in relation to a person who is a council member, means —

- (a) a gift worth between \$50 and \$300; or
- (b) a gift that is one of 2 or more gifts given to the council member by the same person within a period

Local Government (Rules of Conduct) Regulations 2007

Part 2 Rules of conduct

r. 12

of 6 months that are in total worth between \$50 and \$300;

“prohibited gift”, in relation to a person who is a council member, means —

- (a) a gift worth \$300 or more; or
- (b) a gift that is one of 2 or more gifts given to the council member by the same person within a period of 6 months that are in total worth \$300 or more.

(2) A person who is a council member must not accept a prohibited gift from a person —

- (a) who is undertaking or seeking to undertake; or
- (b) who it is reasonable to believe is intending to undertake,

an activity involving a local government discretion.

(3) A person who is a council member and who accepts a notifiable gift from a person —

- (a) who is undertaking or seeking to undertake; or
- (b) who it is reasonable to believe is intending to undertake,

an activity involving a local government discretion must, within 10 days of accepting the gift, notify the CEO of the acceptance in accordance with subregulation (4).

(4) Notification of the acceptance of a notifiable gift is to be in writing and is to include —

- (a) the name of the person who gave the gift; and
- (b) the date on which the gift was accepted; and
- (c) a description, and the estimated value, of the gift; and
- (d) the nature of the relationship between the person who is a council member and the person who gave the gift; and

Local Government (Rules of Conduct) Regulations 2007

Rules of conduct

Part 2

r. 12

- (e) if the gift is a notifiable gift under paragraph (b) of the definition of “notifiable gift” (whether or not it is also a notifiable gift under paragraph (a) of that definition) —
 - (i) a description; and
 - (ii) the estimated value; and
 - (iii) the date of acceptance,of each other gift accepted within the 6 month period.
- (5) The CEO must maintain a register of gifts in which details of notices received under subregulation (4) are recorded.

By Command of the Governor,

M. C. WAUCHOPE, Clerk of the Executive Council.

Local Government (Rules of Conduct) Regulations 2007

Defined Terms

Defined Terms

*[This is a list of terms defined and the provisions where they are defined.
The list is not part of the law.]*

Defined Term	Provision(s)
activity involving a local government discretion	12(1)
closed meeting	6(1)
confidential document.....	6(1)
gift.....	12(1)
interest.....	11(1)
local law as to conduct.....	4(1)
non-confidential document	6(1)
notifiable gift.....	12(1)
prohibited gift	12(1)

9.9 TPRC ADMINISTRATIVE OFFICE RELOCATION

Report Information

Location: Scarborough Community Centre, 173 Gildercliffe Street,
Scarborough
Applicant: Not Applicable
Reporting Officer: Chief Executive Officer File Reference: 13.45.701.0

Recommendation

- 1) That the report be RECEIVED.**
- 2) That the status of availability of multi-purpose space in the near vicinity of Clarkson Station be MONITORED and ADVICE of any suitable office accommodation be brought before Council for consideration for purchase as an office for the TPRC.**

Voting Requirements

Simple Majority

Report Purpose

To advise a change of location of the TPRC administrative office from level 3, 25 Cedric Street (City of Stirling administrative centre) to the Scarborough Community Centre, 173 Gildercliffe Street, Scarborough.

Relevant Documents

Attachments: Nil
Available for viewing at the meeting: Nil

Previous Minutes

- Council Meeting - 9 August 2007 (Item 9.4 - TPRC Budget)

Policy Reference

N/A

Local Government Act/Regulation

- TPRC is a legal corporation and is required to have a nominated office.

Background

City of Stirling has provided office space for the TPRC during its initial phase of operation. This office space is available until end October 2007.

The TPRC budget reported the need to relocate the TPRC administrative operations and provided sufficient funds for this purpose.

A number of premises available for lease and purchase have been inspected and

conditions relating to lease and purchase investigated.

Following the last Council meeting, it was deemed appropriate to call tenders for lease or purchase of office space and to advertise a Business Plan for a major land transaction in order to satisfy provisions of the Local Government Act and Regulations.

Tenders inviting responses for supply of office space by lease or purchase were advertised on 18 August 2007 closing on 7 September 2007. No tenders were received.

A Business Plan advising an intent to lease or purchase land was advertised on 18 August 2007. It is a requirement that Business Plans remain open for public submissions for a period of at least 7 weeks. The closing date for submissions is 5 October 2007. The Business Plan continues to be advertised on the TPRC website.

The Business Plan advised the potential range of prices for lease to \$275m² and for purchase to \$3,400m². As these figures are likely to contain all options currently available, it is doubtful there will be any submission made to the Business Plan based on prices being unrealistic.

Comment

The ideal evolution of office space provision for TPRC is as follows:

1. Modest office space conveniently located to West Perth and Perth City i.e. within easy reach of the consultant and State agency community. Periodic meeting rooms required for groups exceeding 8 persons to be provided by participant Councils – as with MRC.
2. On completion of structure planning when TPRC has a product to advertise, office space including display space and meeting room space would ideally be at a location near to the development site and adjacent to the Clarkson Rail Station i.e. demonstrating 'transit oriented design'.
3. Subsequently a purpose built multi-use building accommodating office requirements and also demonstrating use for residential purposes on one or more floors. This building would incorporate energy efficient and resource efficient use of space and materials. This building could be sold on completion of the TPD project.

TPRC is currently in Stage 1 of the evolution cycle. City of Stirling has offered accommodation at the Scarborough Community Centre, which fits this evolution point in the TPRC development.

Costs for location at the Scarborough Community Centre will include basic carpeting of the office space, connection of telephone lines and computer wiring. Base rental will be \$120 per m² and direct costs will be incurred for electricity and cleaning.

In the process of evaluating office space a number of 'potential' buildings near the Clarkson Rail Station have inspected. Price for purchase of freehold areas for areas ranging between 120m² -140m² useable office space range between \$429,000 - \$460,000.

The TPRC currently has funds invested at approximately 7% per annum. The equivalent interest on \$430,00 at 7% is \$30,100, which approximates the current per annum rate of capital appreciation of properties in the Clarkson area. As commercial

focus develops around the Clarkson Rail Station, capital appreciation will escalate considerably and there will be a likely reduction in availability of retail and commercial area available for lease or purchase.

It is proposed to continue to monitor the status of multi-purpose space in the near vicinity of Clarkson Station and bring to the Council for consideration any possibilities for consideration as an office for TPRC to satisfy stage 2 of the TPRC office evolution cycle.

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 CHAIRMAN
 - 12.1 COUNCILLOR QUESTIONS APPROVED BY THE CHAIRMAN
13. MATTERS BEHIND CLOSED DOORS
14. FORMAL CLOSURE OF MEETING