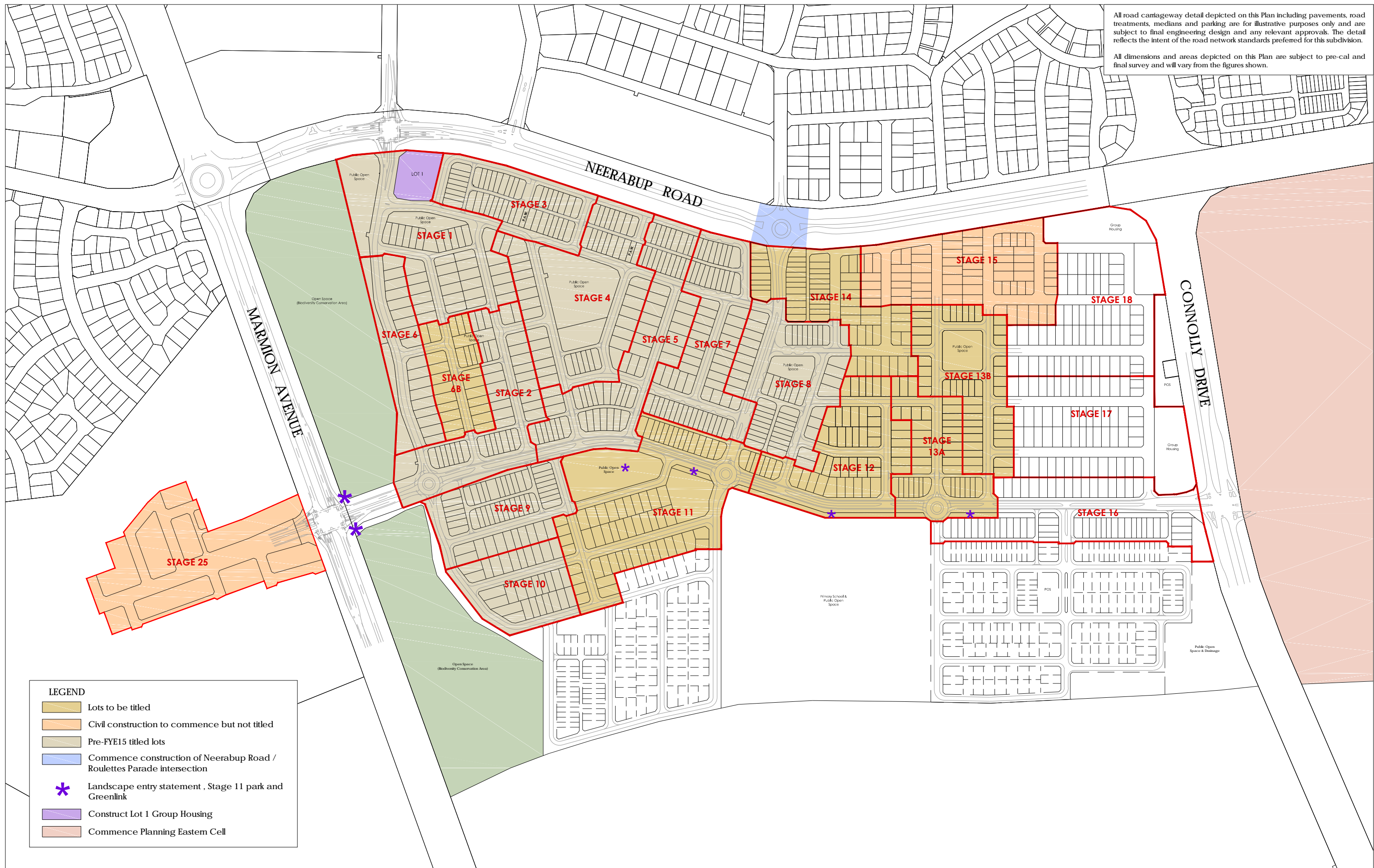


# **Appendix 9.1**

All road carriageway detail depicted on this Plan including pavements, road treatments, medians and parking are for illustrative purposes only and are subject to final engineering design and any relevant approvals. The detail reflects the intent of the road network standards preferred for this subdivision.

All dimensions and areas depicted on this Plan are subject to pre-cal and final survey and will vary from the figures shown.



#### LEGEND

- Lots to be titled
- Civil construction to commence but not titled
- Pre-FYE15 titled lots
- Commence construction of Neerabup Road / Roulettes Parade intersection
- Landscape entry statement, Stage 11 park and Greenlink
- Construct Lot 1 Group Housing
- Commence Planning Eastern Cell

## **Appendix 9.2**

**TAMALA PARK REGIONAL COUNCIL**  
**MONTHLY STATEMENT OF FINANCIAL ACTIVITY**  
**FOR THE PERIOD 1 JULY 2015 TO 31 JULY 2015**

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**TAMALA PARK REGIONAL COUNCIL  
STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD 1 JULY 2015 TO 31 JULY 2015**

	NOTE	31 July 2015 Actual \$	31 July 2015 Y-T-D Budget \$	2015/16 Adopted Budget \$	Variances Budget to Actual Y-T-D %
<b><u>Operating</u></b>					
<b>Revenues</b>	1,2				
Interest Earnings		113,210	95,861	958,606	18.10%
Other Revenue		0	0	1,937	0.00%
		<u>113,210</u>	<u>95,861</u>	<u>960,543</u>	18.10%
<b>Expenses</b>	1,2				
Employee Costs		(41,111)	(50,927)	(727,610)	(19.27%)
Materials and Contracts Other		(2,534)	(31,063)	(443,516)	(91.84%)
Depreciation		0	(1,246)	(17,797)	(100.00%)
Utilities		(457)	(429)	(6,150)	6.53%
Insurance		(6,565)	(1,210)	(17,323)	442.56%
Other Expenditure		(33)	(735)	(175,970)	(95.51%)
		<u>(50,700)</u>	<u>(85,610)</u>	<u>(1,388,366)</u>	(40.78%)
<b><u>Adjustments for Non-Cash (Revenue) and Expenditure</u></b>					
Depreciation on Assets		0	1,246	17,797	(100.00%)
<b><u>Capital Revenue and (Expenditure)</u></b>					
Plant and Equipment	3	0	0	(25,000)	0.00%
<b>LESS MEMBERS EQUITY</b>					
<b>Payment for Rates Equivalent</b>		0	0	0	0.00%
<b>Development of Land for Resale</b>					
Income Sale of Lots - Subdivision		3,768,913	4,497,873	40,743,130	(16.21%)
Income Other Subdivisions		0	0	1,659,807	100.00%
Development Costs		(498,039)	(3,663,897)	(47,630,553)	(86.41%)
Contribution Refund		0	0	(350,650)	0.00%
Profit Distributions		0	0	(18,000,000)	0.00%
Contribution Returned		0	0	0	0.00%
<b>Change in Contributed Equity</b>	6	<u>3,270,874</u>	<u>833,976</u>	<u>(23,578,266)</u>	292.20%
<b>ADD Net Current Assets July 1 B/Fwd</b>	7	46,155,070	46,155,070	46,155,070	0.00%
<b>Net Current Assets Year to Date</b>	7	<u><u>49,488,454</u></u>	<u><u>47,000,543</u></u>	<u><u>22,141,778</u></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 2015 TO 31 JULY 2015**

**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 is a special purpose financial report, 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.

The Council does not hold any monies in trust.

**(c) Rounding Off Figures**

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

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

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

**(e) Goods and Services Tax**

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) Cash and Cash Equivalents**

Cash and cash equivalents comprise cash at bank and in hand and short-term deposits that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purposes of the Cash Flow Statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts. Bank overdrafts are included as short-term borrowings in current liabilities.

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD 1 JULY 2015 TO 31 JULY 2015**

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

**(g) Trade and Other Receivables**

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

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

**(h) Inventories**

***General***

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

Inventories held from trading are classified as current even if not expected to be realised in the next 12 months.

***Land Held for Resale***

Land purchased for development and/or resale is valued at the lower of cost and net realisable value. Cost includes the cost of acquisition, development and interest incurred on the financing of that land during its development. Interest and holding charges incurred after development is complete are recognised as expenses.

Revenue arising from the sale of property is recognised in the operating statement as at the time of signing a binding contract of sale.

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

**(i) Fixed Assets**

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

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

Effective from 1 July 2012, the Local Government (Financial Management) regulations were amended and the measurement of non-current assets at Fair Value became mandatory.

The regulations allow for the phasing in of fair value in relation to fixed assets over three years as follows:

Plant and Equipment by June 30 2013

Plant and Equipment, Land and Buildings and Infrastructure by 30 June 2014, and

All Assets by 30 June 2015.

**TAMALA PARK REGIONAL COUNCIL**  
**NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY**  
**FOR THE PERIOD 1 JULY 2015 TO 31 JULY 2015**

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

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

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

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

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

**(k) Impairment**

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

Where such an indication exists, an estimate of the recoverable amount of the asset is made in accordance with AASB 136 "Impairment of Assets" and appropriate adjustments made.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the Income Statement.

For non-cash generating assets such as roads, drains, public buildings and the like, value in use is represented by the depreciated replacement cost of the asset.

At the time of preparing this report, it is not possible to estimate the amount of impairment losses (if any) as at 30 June 2014.

In any event, an impairment loss is a non-cash transaction and consequently, has no impact on the Monthly Statement of Financial Position from a budgetary perspective.

**(l) Trade and Other Payables**

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

**TAMALA PARK REGIONAL COUNCIL**  
**NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY**  
**FOR THE PERIOD 1 JULY 2015 TO 31 JULY 2015**

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

**(m) Employee Benefits**

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

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

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

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

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

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

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Fees paid on the establishment of loan facilities that are yield related are included as part of the carrying amount of the loans and borrowings.

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

***Borrowing Costs***

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

**TAMALA PARK REGIONAL COUNCIL**  
**NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY**  
**FOR THE PERIOD 1 JULY 2015 TO 31 JULY 2015**

**(o) Provisions**

Provisions are recognised when: The council has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

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

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

**TAMALA PARK REGIONAL COUNCIL**  
**NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY**  
**FOR THE PERIOD 1 JULY 2015 TO 31 JULY 2015**

**2. STATEMENT OF OBJECTIVE**

The Regional Council has a specific regional purpose which is:

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

The objectives of the Regional Council are:

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

**3. ACQUISITION OF ASSETS**

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

**By Program**

**Other Property and Services**

	<b>31 July 2015 Actual \$</b>	<b>Adopted 2015/16 Budget \$</b>
Motor Vehicle	0	25,000
	<b>0</b>	<b>25,000</b>

**By Class**

	<b>31 July 2015 Actual \$</b>	<b>Adopted 2015/16 Budget \$</b>
Plant and Equipment	0	25,000
	<b>0</b>	<b>25,000</b>

**4. DISPOSALS OF ASSETS**

There are no assets budgeted to be disposed of during the 2015/16 year.



**TAMALA PARK REGIONAL COUNCIL**  
**NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY**  
**FOR THE PERIOD 1 JULY 2015 TO 31 JULY 2015**

**5. INFORMATION ON BORROWINGS**

No borrowings have been undertaken in the period under review. No borrowings are budgeted during the 2015-16 financial year.

**6. CONTRIBUTED EQUITY**

	<b>31 July 2015 Actual \$</b>	<b>30 June 2015 Actual \$</b>
Town of Victoria Park	4,285,637	4,007,855
City of Perth	4,285,637	4,007,855
Town of Cambridge	4,285,637	4,007,855
City of Joondalup	8,571,275	8,015,711
City of Wanneroo	8,571,275	8,015,711
Town of Vincent	4,285,637	4,007,855
City of Stirling	17,142,550	16,031,422
<b>TOTAL</b>	<b>51,427,648</b>	<b>48,094,264</b>
<b>Total Movement in equity</b>	<b>3,333,384</b>	

Movement in Contributed Equity Represented by:

	<b>Development Expenses 31 July 2015 \$</b>	<b>Land Sales 31 July 2015 \$</b>	<b>Return of Contribution 31 July 2015 \$</b>	<b>Rates Equivalent 31 July 2015 \$</b>
Town of Victoria Park	(41,503)	314,076	0	0
City of Perth	(41,503)	314,076	0	0
Town of Cambridge	(41,503)	314,076	0	0
City of Joondalup	(83,007)	628,152	0	0
City of Wanneroo	(83,007)	628,152	0	0
Town of Vincent	(41,503)	314,076	0	0
City of Stirling	(166,013)	1,256,305	0	0
	<b>(498,039)</b>	<b>3,768,913</b>	<b>0</b>	<b>0</b>
Members Contributed Equity Movements	3,270,874			
TPRC Net Result	62,510			
<b>Total Movement in equity</b>	<b>3,333,384</b>			

**TAMALA PARK REGIONAL COUNCIL**  
**NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY**  
**FOR THE PERIOD 1 JULY 2015 TO 31 JULY 2015**

**7. NET CURRENT ASSETS**

Composition of Estimated Net Current Asset Position	31 July 2015 Actual \$	Brought Forward 1-Jul \$
<b>CURRENT ASSETS</b>		
Cash - Unrestricted	49,384,786	46,060,590
Receivables	309,078	359,724
Settlement Bonds	14,700	29,400
	<u>49,708,564</u>	<u>46,449,714</u>
<b>LESS: CURRENT LIABILITIES</b>		
Payables and Provisions	<u>(220,110)</u>	<u>(294,644)</u>
<b>NET CURRENT ASSET POSITION</b>	49,488,454	46,155,070
<b>NET CURRENT ASSET POSITION</b>	<u><u>49,488,454</u></u>	<u><u>46,155,070</u></u>

**8. RATING INFORMATION**

The Regional Council does not levy rates on property.

**9. TRUST FUNDS**

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

**TAMALA PARK REGIONAL COUNCIL**  
**MONTHLY STATEMENT OF FINANCIAL ACTIVITY**  
**FOR THE PERIOD 1 JULY 2015 TO 31 AUGUST 2015**

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**TAMALA PARK REGIONAL COUNCIL  
STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD 1 JULY 2015 TO 31 AUGUST 2015**

	NOTE	31 August 2015 Actual \$	31 August 2015 Y-T-D Budget \$	2015/16 Adopted Budget \$	Variances Budget to Actual Y-T-D %
<b><u>Operating</u></b>					
<b>Revenues</b>	1,2				
Interest Earnings		233,177	191,722	958,606	21.62%
Other Revenue		0	0	1,937	0.00%
		<u>233,177</u>	<u>191,722</u>	<u>960,543</u>	21.62%
<b>Expenses</b>	1,2				
Employee Costs		(80,622)	(109,134)	(727,610)	(26.13%)
Materials and Contracts Other		(24,447)	(66,503)	(443,516)	(63.24%)
Depreciation		0	(2,667)	(17,797)	(100.00%)
Utilities		0	(921)	(6,150)	(100.00%)
Insurance		(6,566)	(2,596)	(17,323)	152.93%
Other Expenditure		<u>(38,480)</u>	<u>(1,579)</u>	<u>(175,970)</u>	2336.99%
		<u>(150,115)</u>	<u>(183,400)</u>	<u>(1,388,366)</u>	(18.15%)
<b><u>Adjustments for Non-Cash (Revenue) and Expenditure</u></b>					
Depreciation on Assets		0	2,667	17,797	(100.00%)
<b><u>Capital Revenue and (Expenditure)</u></b>					
Plant and Equipment	3	(1,317)	0	(25,000)	0.00%
<b>LESS MEMBERS EQUITY</b>					
<b>Payment for Rates Equivalent</b>		0	0	0	0.00%
<b>Development of Land for Resale</b>					
Income Sale of Lots - Subdivision		6,372,143	8,695,993	40,743,130	(26.72%)
Income Other Subdivisions		0	0	1,659,807	100.00%
Development Costs		(2,128,984)	(6,236,133)	(47,630,553)	(65.86%)
Contribution Refund		0	0	(350,650)	0.00%
Profit Distributions		0	0	(18,000,000)	0.00%
Contribution Returned		0	0	0	0.00%
<b>Change in Contributed Equity</b>	6	<u>4,243,159</u>	<u>2,459,860</u>	<u>(23,578,266)</u>	72.50%
ADD Net Current Assets July 1 B/Fwd	7	46,155,070	46,155,070	46,155,070	0.00%
Net Current Assets Year to Date	7	<u><u>50,479,974</u></u>	<u><u>48,625,919</u></u>	<u><u>22,141,778</u></u>	

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

**TAMALA PARK REGIONAL COUNCIL  
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FOR THE PERIOD 1 JULY 2015 TO 31 AUGUST 2015**

**1. SIGNIFICANT ACCOUNTING POLICIES**

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

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

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

The Council does not hold any monies in trust.

**(c) Rounding Off Figures**

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

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

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

**(e) Goods and Services Tax**

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) Cash and Cash Equivalents**

Cash and cash equivalents comprise cash at bank and in hand and short-term deposits that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purposes of the Cash Flow Statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts. Bank overdrafts are included as short-term borrowings in current liabilities.

**TAMALA PARK REGIONAL COUNCIL**  
**NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY**  
**FOR THE PERIOD 1 JULY 2015 TO 31 AUGUST 2015**

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

**(g) Trade and Other Receivables**

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

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

**(h) Inventories**

***General***

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

Inventories held from trading are classified as current even if not expected to be realised in the next 12 months.

***Land Held for Resale***

Land purchased for development and/or resale is valued at the lower of cost and net realisable value. Cost includes the cost of acquisition, development and interest incurred on the financing of that land during its development. Interest and holding charges incurred after development is complete are recognised as expenses.

Revenue arising from the sale of property is recognised in the operating statement as at the time of signing a binding contract of sale.

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

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

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Effective from 1 July 2012, the Local Government (Financial Management) regulations were amended and the measurement of non-current assets at Fair Value became mandatory.

The regulations allow for the phasing in of fair value in relation to fixed assets over three years as follows:

Plant and Equipment by June 30 2013

Plant and Equipment, Land and Buildings and Infrastructure by 30 June 2014, and

All Assets by 30 June 2015.

**TAMALA PARK REGIONAL COUNCIL**  
**NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY**  
**FOR THE PERIOD 1 JULY 2015 TO 31 AUGUST 2015**

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

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

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

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

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

**(k) Impairment**

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

Where such an indication exists, an estimate of the recoverable amount of the asset is made in accordance with AASB 136 "Impairment of Assets" and appropriate adjustments made.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the Income Statement.

For non-cash generating assets such as roads, drains, public buildings and the like, value in use is represented by the depreciated replacement cost of the asset.

At the time of preparing this report, it is not possible to estimate the amount of impairment losses (if any) as at 30 June 2014.

In any event, an impairment loss is a non-cash transaction and consequently, has no impact on the Monthly Statement of Financial Position from a budgetary perspective.

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



**TAMALA PARK REGIONAL COUNCIL**  
**NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY**  
**FOR THE PERIOD 1 JULY 2015 TO 31 AUGUST 2015**

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

**(m) Employee Benefits**

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

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

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

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

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

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

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Fees paid on the establishment of loan facilities that are yield related are included as part of the carrying amount of the loans and borrowings.

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

***Borrowing Costs***

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

**TAMALA PARK REGIONAL COUNCIL**  
**NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY**  
**FOR THE PERIOD 1 JULY 2015 TO 31 AUGUST 2015**

**(o) Provisions**

Provisions are recognised when: The council has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

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

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

**TAMALA PARK REGIONAL COUNCIL**  
**NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY**  
**FOR THE PERIOD 1 JULY 2015 TO 31 AUGUST 2015**

**2. STATEMENT OF OBJECTIVE**

The Regional Council has a specific regional purpose which is:

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

The objectives of the Regional Council are:

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

**3. ACQUISITION OF ASSETS**

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

**By Program**

**Other Property and Services**

	<b>31 August 2015 Actual \$</b>	<b>Adopted 2015/16 Budget \$</b>
Computer Equipment	1,317	0
Motor Vehicle	0	25,000
	<u><b>1,317</b></u>	<u><b>25,000</b></u>

**By Class**

	<b>31 August 2015 Actual \$</b>	<b>Adopted 2015/16 Budget \$</b>
Furniture and Equipment	1317	0
Plant and Equipment	0	25,000
	<u><b>1,317</b></u>	<u><b>25,000</b></u>

**4. DISPOSALS OF ASSETS**

There are no assets budgeted to be disposed of during the 2015/16 year.

**TAMALA PARK REGIONAL COUNCIL**  
**NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY**  
**FOR THE PERIOD 1 JULY 2015 TO 31 AUGUST 2015**

**5. INFORMATION ON BORROWINGS**

No borrowings have been undertaken in the period under review. No borrowings are budgeted during the 2015-16 financial year.

**6. CONTRIBUTED EQUITY**

	<b>31 August 2015 Actual \$</b>	<b>30 June 2015 Actual \$</b>
Town of Victoria Park	4,368,373	4,007,855
City of Perth	4,368,373	4,007,855
Town of Cambridge	4,368,373	4,007,855
City of Joondalup	8,736,748	8,015,711
City of Wanneroo	8,736,748	8,015,711
Town of Vincent	4,368,373	4,007,855
City of Stirling	17,473,496	16,031,422
<b>TOTAL</b>	<b>52,420,485</b>	<b>48,094,264</b>
<b>Total Movement in equity</b>	<b>4,326,221</b>	

Movement in Contributed Equity Represented by:

	<b>Development Expenses 31 August 2015 \$</b>	<b>Land Sales 31 August 2015 \$</b>	<b>Return of Contribution 31 August 2015 \$</b>	<b>Rates Equivalent 31 August 2015 \$</b>
Town of Victoria Park	(177,415)	531,012	0	0
City of Perth	(177,415)	531,012	0	0
Town of Cambridge	(177,415)	531,012	0	0
City of Joondalup	(354,831)	1,062,024	0	0
City of Wanneroo	(354,831)	1,062,024	0	0
Town of Vincent	(177,415)	531,012	0	0
City of Stirling	(709,662)	2,124,047	0	0
	<b>(2,128,984)</b>	<b>6,372,143</b>	<b>0</b>	<b>0</b>
Members Contributed Equity Movements	4,243,159			
TPRC Net Result	83,062			
<b>Total Movement in equity</b>	<b>4,326,221</b>			

**TAMALA PARK REGIONAL COUNCIL**  
**NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY**  
**FOR THE PERIOD 1 JULY 2015 TO 31 AUGUST 2015**

**7. NET CURRENT ASSETS**

Composition of Estimated Net Current Asset Position	31 August 2015 Actual \$	Brought Forward 1-Jul \$
<b>CURRENT ASSETS</b>		
Cash - Unrestricted	50,249,784	46,060,590
Receivables	431,448	359,724
Settlement Bonds	8,700	29,400
	<u>50,689,932</u>	<u>46,449,714</u>
<b>LESS: CURRENT LIABILITIES</b>		
Payables and Provisions	<u>(209,958)</u>	<u>(294,644)</u>
<b>NET CURRENT ASSET POSITION</b>	50,479,974	46,155,070
<b>NET CURRENT ASSET POSITION</b>	<u><u>50,479,974</u></u>	<u><u>46,155,070</u></u>

**8. RATING INFORMATION**

The Regional Council does not levy rates on property.

**9. TRUST FUNDS**

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

## **Appendix 9.3**

**Tamala Park Regional Council**  
**Summary Payment List**  
**July 2015**

	Date	Num	Name	Description	Amount
Jul 15					
	02/07/2015	ET-3583	Westpac Bank	Advance payment of credit card charges (CEO) - July 2015	-1,000.00
	02/07/2015	ET-3584	Westpac Bank	VOID: Bank charges Cheque AC - July 2015 (refunded by Westpac)	0.00
	09/07/2015	ET-3585	Employee Costs	Wages for period 25/05/15 - 08/07/15	-10,741.83
	09/07/2015	ET-3588	National Australia Bank	Superannuation for period 25/05/15 - 08/07/15	-1,208.91
	09/07/2015	ET-3593	Alinta Energy	Gas charges for Sales Office for period 13/03/15 - 16/06/15	-39.90
	09/07/2015	ET-3594	Burgess Rawson	Stages 10 - 12 Revaluation of 8 lots	-440.00
	09/07/2015	ET-3595	Chappell Lambert Everett	Agreed fee (April 2015)	-16,500.00
	09/07/2015	ET-3596	Clean City Group	Stage 4 graffiti removal (playground & signage)	-440.00
	09/07/2015	ET-3597	Cossill & Webley	Inv 16380 & 16382	-9,036.06
	09/07/2015	ET-3598	Dreamstart Homes	Inv D1486, D1419 & D1436	-2,970.00
	09/07/2015	ET-3599	Homebuyers Centre	Inv 56507-56511, 56518-56522	-14,950.00
	09/07/2015	ET-3600	LD Total	Inv 68223, 59365, 64183, 67572, 67601 & 67658	-20,033.12
	09/07/2015	ET-3601	LGIS Insurance Broking	Inv 186409, 186428, 186577, 186711 & 186931	-4,239.94
	09/07/2015	ET-3602	LGIS Liability	Liability insurance for period 30/06/15 - 30/06/16	-1,384.24
	09/07/2015	ET-3603	LGIS Property	Property insurance for period 30/06/15 - 30/06/16 (1st instalment)	-2,560.38
	09/07/2015	ET-3604	LGIS Workcare	Workers compensation insurance for period 30/06/15 - 30/06/16 (1st instalment)	-8,650.82
	09/07/2015	ET-3605	McMullen Nolan Group	Inv 78438, 77386 & 78000	-4,653.00
	09/07/2015	ET-3606	New Great Cleaning Service	Cleaning of TPRC offices (June 2015)	-143.00
	09/07/2015	ET-3607	Nobre, Alexis & Deborah	Solar Panel Rebate (Lot 450)	-2,000.00
	09/07/2015	ET-3608	Prime Projects Construction	Inv 5485 & 5442	-4,000.00
	09/07/2015	ET-3609	Replants	Inv 1600, 1607 & 1609	-14,025.00
	09/07/2015	ET-3610	Sargeant, Adam & Ward, Stacey	Solar Panel Rebate (Lot 588)	-2,000.00
	09/07/2015	ET-3611	Signs & Lines	Flagpoles x 8	-8,748.96
	09/07/2015	ET-3612	Treacy Fencing	Inv 644775-77, 644781, 644792, 644796, 644859-63, 644929-33	-36,113.66
	09/07/2015	ET-3613	Urbis Pty Ltd	In 100945 & 101311	-31,727.03
	09/07/2015	ET-3615	Town of Victoria Park - Supplier	GST May 2015	-2,333.00
	14/07/2015	ET-3614	Bladon WA Pty Ltd	Welcome gift merchandise	-11,447.70
	15/07/2015	ET-3652	Westpac Bank	Bank charges - Audit Certificate Fee	-50.00
	16/07/2015	Stage 13B Refund	City of Wanneroo - Supplier	Refund of Stage 13B Early Clearance Bond (WAPC No. 148698)	418,696.29
	16/07/2015	ET-3591	Transperth	SmartRider reload	-30.00
	16/07/2015	ET-3592	Westpac Bank	Payment of credit card charges (CEO & EA) - July 2015	-2,613.68
	23/07/2015	ET-3617	Employee Costs	Wages for period 09/07/15 - 22/07/15	-10,741.83
	23/07/2015	ET-3620	Australian Super	Superannuation (July 2015)	-1,140.08
	23/07/2015	ET-3621	National Australia Bank	Superannuation for period 09/07/15 - 22/07/15	-1,208.91
	23/07/2015	ET-3622	Australian Taxation Office	BAS for quarter April - June 2015	-12,811.00
	23/07/2015	ET-3623	Action Couriers	Courier charges for period 02/07/15 - 12/07/15	-33.40
	23/07/2015	ET-3624	Burgess Rawson	Stage 15 Valuations (17 Lots)	-935.00
	23/07/2015	ET-3625	Carat Australia Media Services	Inv 396895, 393707, 393723, 399861, 399908 & 399934	-16,302.29
	23/07/2015	ET-3626	Chappell Lambert Everett	Inv 6370, 6371, 6395 & 6396	-33,440.84
	23/07/2015	ET-3627	City of Stirling	GST for May & June 2015	-54,173.82
	23/07/2015	ET-3628	City of Vincent - Supplier	GST April 2015	-9,386.00
	23/07/2015	ET-3629	Cossill & Webley	Inv 16381 & 16383	-22,089.44
	23/07/2015	ET-3630	Coterra Environment	Environmental consulting services (June 2015)	-6,116.67
	23/07/2015	ET-3631	Creating Communities	Inv 1503, 1505 & 1506	-19,569.58
	23/07/2015	ET-3632	Emerge Associates	Inv 13449, 13585, 13587, 13620, 13586 & 13588	-22,745.80
	23/07/2015	ET-3633	Haines Norton	Inv 2015-033349	-1,974.50
	23/07/2015	ET-3634	LD Total	Inv 65905, 68222, 68487, 68484	-18,131.23
	23/07/2015	ET-3635	Loaded Communications	Website retainer (June 2015)	-195.67
	23/07/2015	ET-3636	Mallon, John & Georgina	Solar Rebate Lot 425	-2,000.00



**Tamala Park Regional Council**  
**Summary Payment List**  
**July 2015**

Date	Num	Name	Description	Amount
23/07/2015	ET-3637	Marketforce	Presentation folder reprint	-2,373.80
23/07/2015	ET-3638	McMullen Nolan Group	Inv 78394, 78577, 78578 & 78851	-25,297.80
23/07/2015	ET-3639	Muir, Garth & Turner, Susan	Solar Rebate Lot 611	-2,000.00
23/07/2015	ET-3640	R J Vincent & Co	Inv 4487, 4488, 4543 & 4544	-336,876.81
23/07/2015	ET-3641	Realestate.com.au	Inv 142676 & 1146534B	-7,381.36
23/07/2015	ET-3642	Replants	Stages 9-11 Grasstrees x 16	-2,640.00
			Mobile phones (CEO & PC) - charges to 13 July	-111.90
23/07/2015	ET-3643	Telstra		
23/07/2015	ET-3644	Town of Victoria Park - Supplier	GST June 2015	-11,211.00
23/07/2015	ET-3645	Treacy Fencing	Inv 645009, 645010, 645067-645071	-17,592.52
23/07/2015	ET-3646	Turnbull, Richard Jonathan	Solar Rebate Lot 482	-2,000.00
23/07/2015	ET-3647	Urbis Pty Ltd	Catalina Grove Urban Design	-41,485.05
23/07/2015	ET-3648	WALGA	Inv I3053784 - I3053788	-1,529.66
27/07/2015	ET-3649	City of Vincent - Supplier	GST for May & June 2015	-13,544.00
27/07/2015	ET-3650	Metrix Consulting Pty Ltd	Market Research - Buyer Survey	-14,696.00
27/07/2015	ET-3651	Creating Communities	Community Development Plan (May 2015)	-70.00
31/07/2015	CON-30	City of Perth - Supplier		-13,543.43
<b>Jul 15</b>				<b><u>-520,733.33</u></b>

**Tamala Park Regional Council**  
**Summary Payment List**  
**August 2015**

	Date	Num	Name	Description	Amount
<b>Aug 15</b>					
	03/08/2015	ET-3720	B Bhabra Investment Trust	Lot 173 (10th instalment over a 3 year period)	-2,887.50
	03/08/2015	ET-3721	Paxman, James & Melissa Wieloch	Lot 168 (10th instalment over a 3 year period)	-3,281.25
	03/08/2015	ET-3722	Steel Test Pty Ltd	Lot 169 (10th instalment over a 3 year period)	-2,887.50
	04/08/2015	CON-32	City of Wanneroo - Supplier	GST owing June 2015	-22,421.71
	06/08/2015	ET-3653	Employee Costs	Wages for period 23/07/15 - 05/08/15	-10,741.83
	06/08/2015	ET-3656	National Australia Bank	Superannuation for period 23/07/15 - 05/08/15	-1,208.91
	06/08/2015	ET-3662	Action Couriers	Courier charges for period 13/07/15 - 26/07/15	-62.94
	06/08/2015	ET-3663	City of Wanneroo - Supplier	2015/16 Rates for 48 Roulettes Parade	-5,368.50
	06/08/2015	ET-3664	Cossill & Webley	Stage 14 Civil Works (May 2015)	-14,116.17
	06/08/2015	ET-3665	Darren Long Consulting	GST and accounting services (June 2015)	-2,244.00
	06/08/2015	ET-3666	Docushred	Security bin (July 2015)	-51.70
	06/08/2015	ET-3667	Dominic Carbone & Associates	Consultancy services for July 2015 including preparation of 2015/16 budget	-3,630.00
	06/08/2015	ET-3668	Kyocera Mita	Printing for period 29/06/15 - 14/07/15	-38.98
	06/08/2015	ET-3669	Moore Stephens (formerly Haines Norton)	Accounting service fee for June 2015 & preparation of BAS	-2,453.00
	06/08/2015	ET-3670	Neverfail	Bottled water x 3	-38.40
	06/08/2015	ET-3671	Officeworks	Office supplies	-113.10
	06/08/2015	ET-3672	WALGA	Associate Membership from 01/07/15 - 30/06/16	-2,994.24
	06/08/2015	ET-3673	Water Corporation	Water charges for Sales Office for period 18/05/15 - 21/07/15	-275.27
	11/08/2015	CH-200461	City of Wanneroo - Supplier	Application for Approval to Commence Development (Marmion Ave signage)	-147.00
	11/08/2015	ET-3674	Data #3	Microsoft Surface Pro 3 i5 128GB Tablet	-1,448.52
	13/08/2015	ET-3713	Westpac Bank	Payment of credit card charges (CEO & EA) - August 2015	-1,255.96
	20/08/2015	ET-3657	Employee Costs	Wages for period 06/08/15 - 19/08/15	-10,741.84
	20/08/2015	ET-3660	Australian Super	Superannuation (August 2015)	-1,140.08
	20/08/2015	ET-3661	National Australia Bank	Superannuation for period 06/08/15 - 19/08/15	-1,208.91
	20/08/2015	ET-3675	Action Couriers	Courier charges for period 28/07/15 - 09/08/15	-62.94
	20/08/2015	ET-3676	Burgess Rawson	Valuation Fee for June 2015 (14 lots)	-770.00
	20/08/2015	ET-3677	Carat Australia Media Services	Inv 400879 & 400880	-5,959.33
	20/08/2015	ET-3678	Carey, John	Elected member attendance fee 20 April 2015 - 19 July 2015	-2,575.00
	20/08/2015	ET-3679	Carr, Louis	Elected member attendance fee 20 April 2015 - 19 July 2015	-2,575.00
	20/08/2015	ET-3680	Chester, John	Elected member attendance fee 20 April 2015 - 19 July 2015	-2,575.00
	20/08/2015	ET-3681	City of Stirling	Inv 5642, 3523-3525	-12,047.79
	20/08/2015	ET-3682	City of Wanneroo - Supplier	Rates Lots 1, 174, 288, 289, 295, 296, 305, 537, 609, 612 & Sales Office	-12,432.47
	20/08/2015	ET-3683	Cossill & Webley	Inv 16430 - 16432	-15,234.57
	20/08/2015	ET-3684	Coterra Environment	Environmental consulting services (July 2015)	-2,821.64
	20/08/2015	ET-3685	Driving Force Cleaning Services	Cleaning of Sales Office (June 2015)	-606.00
	20/08/2015	ET-3686	Grasstrees Australia	Quarterly nursery holding charge (April 2015 - June 2015)	-132.00
	20/08/2015	ET-3687	Guisse, Dianne	Elected member attendance fee 20 April 2015 - 19 July 2015	-2,575.00
	20/08/2015	ET-3688	Italiano, Giovanni	Chairman allowance 20 April 2015 - 19 July 2015	-8,755.00
	20/08/2015	ET-3689	LD Total	Inv 68168, 68169, 68486, 68761-3, 68833-4, 68912-4	-1,198,844.59
	20/08/2015	ET-3690	Linardopoulos, Sophie	Solar Panel Rebate (Lot 267)	-2,000.00
	20/08/2015	ET-3691	Marketforce	Photography talent rollover usage (June 2015 - May 2016)	-6,340.15
	20/08/2015	ET-3692	McLean, Tom	Elected member attendance fee 20 April 2015 - 19 July 2015	-2,575.00
	20/08/2015	ET-3693	McMullen Nolan Group	Stage 14 Survey completion	-2,409.00
	20/08/2015	ET-3694	Michael, David	Elected member attendance fee 20 April 2015 - 19 July 2015	-2,575.00
	20/08/2015	ET-3695	New Great Cleaning Service	Cleaning of TPRC offices (July 2015)	-143.00
	20/08/2015	ET-3696	Prime Projects Construction	Inv 5725 & 5726	-4,000.00
	20/08/2015	ET-3697	Prime, Steven	Solar Panel Rebate (Lot 658)	-2,000.00

**Tamala Park Regional Council**  
**Summary Payment List**  
**August 2015**

Date	Num	Name	Description	Amount
20/08/2015	ET-3698	Pujara, Nimit	Solar Panel Rebate (Lot 554)	-2,000.00
20/08/2015	ET-3699	R J Vincent & Co	Stage 14A Civil Works - Cert 5	-326,300.33
20/08/2015	ET-3700	Roberts, Thomas & Sharon	Solar Panel Rebate (Lot 574)	-2,000.00
20/08/2015	ET-3701	Signs & Lines	Reprint map table	-1,088.34
20/08/2015	ET-3702	Stantons International	Probity Advisory Services (July 2015)	-306.90
20/08/2015	ET-3703	Treacy Fencing	Inv 645132, 645200, 645216, 64310-15, 645375, 645454-56	-41,320.73
20/08/2015	ET-3704	Treby, Brett	Elected member attendance fee 20 April 2015 - 19 July 2015	-2,575.00
20/08/2015	ET-3705	Tyzack, Terry	Elected member attendance fee 20 April 2015 - 19 July 2015	-2,575.00
20/08/2015	ET-3706	Vaughan, Trevor	Deputy Chairman allowance 20 April 2015 - 19 July 2015	-3,798.00
20/08/2015	ET-3707	WALGA	CouncilsConnect Subscription for TPRC website for 2015/16	-3,850.00
20/08/2015	ET-3708	Whitbread, Kim	Solar Panel Rebate (Lot 556)	-2,000.00
20/08/2015	ET-3709	Willox, Rod	Elected member attendance fee 20 April 2015 - 19 July 2015	-2,575.00
20/08/2015	CH-200462	Davidson, Janet	Elected member attendance fee 20 April 2015 - 19 July 2015	-2,575.00
20/08/2015	ET-3712	Australian Taxation Office	IAS (July 2015)	-13,972.00
24/08/2015	ET-3710	Department of Transport	Registration for CEO vehicle for period August 2015 to August 2016	-305.10
24/08/2015	ET-3711	Telstra	Mobile phones (CEO & PC) - charges to 13 August 2015	-107.86
26/08/2015	CON-31	Town of Cambridge - supplier		-14,701.27
28/08/2015	ET-3718	Yang, Shan-Hao & Xiuying Chen	Lot 172 (10th instalment over a 3 year period)	-2,887.50
31/08/2015	ET-3719	Re, Elizabeth	Alternate member attendance fee 20 April 2015 - 19 July 2015 (1 x meeting)	-140.00
<b>Aug 15</b>				<b>-1,805,843.82</b>

**Tamala Park Regional Council**  
**Cheque Detail**  
August 2015

Type	Num	Date	Name	Description	Amount
Bill Pmt -Cheque	CH-200461	11/08/2015	City of Wanneroo - Supplier	Application for Approval to Commence Development (Marmion Ave signage)	-147.00
Bill Pmt -Cheque	CH-200462	20/08/2015	Davidson, Janet	Elected member attendance fee 20 April 2015 - 19 July 2015	-2,575.00
					<hr/> -2,722.00 <hr/>

## **Appendix 9.4**

23 September 2015

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

Dear Tony

**Catalina Financial Report for August 2015**

Please find attached the Catalina Financial Report for August 2015. This report has been prepared on a cash basis and compares actual income and expenditure to the August 2015 approved budget for the period 1 August 2015 to 31 August 2015.

Residential settlement revenue for the financial year to 31 August 2015 is \$6.4m which is \$2.3m behind the approved 'August 2015' budget with 10 less residential settlements for the year.

Sales for FYE2016 are \$0.5m favourable to budget due to 1 more residential lot sale for the year.

Overall FYE2016 expenditure is \$3.6m under budget per the approved 'August 2015' budget, with \$1.7m spent compared to a budget of \$5.3m. The main areas of variance are summarised below:

- Landscaping \$1.6m under budget
  - Stage 11 Landscaping \$0.3m under budget due to deferred payments
  - Stage 13 Landscaping \$0.2m under budget due to deferred works
  - Aviator Blvd Entry Statement \$0.2m under budget due to deferred works
- Lot Production \$1.3m under budget
  - Stage 13B - \$0.1m under budget due to deferred payments and full provisional sums not being used
  - Movement in Clearance bonds \$1.0m under budget due to timing of returns
- P&L expenditure - \$0.4m under budget
  - Contingency \$0.2m not required to date.

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

Yours faithfully

A blue ink signature, appearing to read 'Tony Aleksovski', written over a horizontal line.

**Tony Aleksovski**  
Project Director

**CATALINA  
FINANCE REPORT  
AUGUST 2015**

**1.0 Management Accounts**

**1.1 KEY STATISTICS**

**1.1.1 RESIDENTIAL LOTS & DISTRIBUTIONS**

	<u>Lots Produced (titles)</u>		<u>Sales</u>		<u>Settlements</u>		<u>Distributions</u>	
	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>
Prior Years	724	724	678	678	634	634	41,000,000	41,000,000
Jul-2015	-	-	6	5	14	17	-	-
Aug-2015	-	-	9	9	9	16	-	-
Sep-2015	-	-	-	15	-	13	-	-
<b>Sep-12 Qtr</b>	-	-	<b>15</b>	<b>29</b>	<b>23</b>	<b>46</b>	-	-
Oct-2015	-	-	-	16	-	7	-	-
Nov-2015	-	-	-	15	-	9	-	-
Dec-2015	-	55	-	18	-	5	-	8,000,000
<b>Dec-12 Qtr</b>	-	<b>55</b>	-	<b>49</b>	-	<b>21</b>	-	<b>8,000,000</b>
Jan-2016	-	-	-	19	-	29	-	-
Feb-2016	-	-	-	14	-	16	-	-
Mar-2016	-	-	-	17	-	8	-	-
<b>Mar-13 Qtr</b>	-	-	-	<b>50</b>	-	<b>53</b>	-	-
Apr-2016	-	-	-	15	-	8	-	-
May-2016	-	89	-	19	-	4	-	-
Jun-2016	-	-	-	18	-	19	-	10,000,000
<b>Jun-13 Qtr</b>	-	<b>89</b>	-	<b>52</b>	-	<b>31</b>	-	<b>10,000,000</b>
<b>PTD</b>	<b>724</b>	<b>724</b>	<b>693</b>	<b>692</b>	<b>657</b>	<b>667</b>	<b>41,000,000</b>	<b>41,000,000</b>
<b>Full 2015/16 Year</b>	-	<b>144</b>	<b>15</b>	<b>180</b>	<b>23</b>	<b>151</b>	-	<b>18,000,000</b>
<b>2016/17</b>		<b>156</b>		<b>200</b>		<b>193</b>		<b>31,000,000</b>
<b>2017/18</b>		<b>217</b>		<b>200</b>		<b>193</b>		<b>10,000,000</b>

- 9 residential lots settled in August comprising:

	<u>Lots</u>
Stage 12	1
Stage 13B	5
Stage 14A	3

**1.2 Sales & Settlements**

	<u>MTH Act</u>	<u>MTH Bgt</u>	<u>YTD Act</u>	<u>YTD Bgt</u>	<u>PTD Act</u>	<u>PTD Bgt</u>
<u>Residential</u>						
- Sales #	9	9	15	14	693	692
- Sales \$	2,683,000	2,409,272	4,179,000	3,688,544	172,485,500	171,995,044
- Sales \$/lot	298,111	267,697	278,600	263,467	248,897	248,548
- Settlements #	9	16	23	33	657	667
- Settlements \$	2,610,000	4,198,120	6,414,000	8,695,992	162,828,500	165,110,492
- Settlements \$/lot	290,000	262,382	278,870	263,515	247,836	247,542
<u>Special Sites</u>						
- Sales #	-	-	-	-	2	2
- Sales \$	-	-	-	-	1,895,000	1,895,000
- Sales \$/lot	-	-	-	-	947,500	947,500
- Settlements #	-	-	-	-	2	2
- Settlements \$	-	-	-	-	1,895,000	1,895,000
- Settlements \$/lot	-	-	-	-	947,500	947,500
<u>Lots Under Contract</u>						
- Unsettled sales #	36		{ Unconditional 4 }		Titled	
- Unsettled sales \$	9,657,000		{ Conditional 32 }		727 incl. Spec sites	
- Unsettled sales \$/lot	268,250					



**CATALINA  
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**1.3 Cashflow - MTD Actuals to budget**

	<u>MTD Act</u>	<u>MTD Bgt</u>	<u>Variance</u>
Revenue	2,610,000	4,198,120	(1,588,120 )
Margin GST	(29,499 )	(72,909 )	43,410
Direct selling costs	(116,693 )	(189,018 )	72,325
Interest Income	-	-	-
Forfeited Deposits	-	-	-
Other Income	-	-	-
Rebate Allowance	(88,301 )	(160,350 )	72,049
	<u>2,375,507</u>	<u>3,775,842</u>	<u>(1,400,335 )</u>
<i>Development costs</i>			
Lot production	323,408	394,440	71,032
Landscaping	1,037,320	1,445,998	408,678
Consultants	2,565	149,956	147,390
Infrastructure	2,248	50,177	47,928
Sales office building	-	-	-
Sales & marketing	12,171	70,208	58,038
Administration	48,120	59,006	10,885
Finance	-	101,687	101,687
	<u>1,425,833</u>	<u>2,271,472</u>	<u>845,639</u>
Cashflow	<u>949,674</u>	<u>1,504,371</u>	<u>(554,696 )</u>

- Actual & Budget margin scheme GST has been calculated under the concessional Item 4 basis for settlements.

**1.4 Cashflow - YTD Actuals to budget**

	<u>YTD Act</u>	<u>YTD Bgt</u>	<u>Variance</u>
Revenue	6,414,000	8,695,992	(2,281,992 )
Margin GST	(71,384 )	(150,279 )	78,894
Direct selling costs	(287,080 )	(391,476 )	104,396
Interest Income	6,799	-	6,799
Forfeited Deposits	-	-	-
Other Income	-	-	-
Rebate Allowance	(185,252 )	(263,046 )	77,794
	<u>5,877,083</u>	<u>7,891,192</u>	<u>(2,014,109 )</u>
<i>Development costs</i>			
Lot production	292,929	1,617,249	1,324,321
Landscaping	1,078,061	2,651,497	1,573,436
Consultants	122,658	316,450	193,793
Infrastructure	6,745	110,291	103,545
Sales office building	-	49,720	49,720
Sales & marketing	91,553	172,277	80,724
Administration	63,854	127,950	64,096
Finance	-	209,565	209,565
	<u>1,655,799</u>	<u>5,254,999</u>	<u>3,599,199</u>
Cashflow	<u>4,221,284</u>	<u>2,636,193</u>	<u>1,585,091</u>

The YTD revenue variance comprises:

- Settlement revenue is \$2.3m unfavourable to budget on 10 less residential settlements than the budget for FY2016.

**1.5 Bonds**

	<u>Last Year</u>	<u>Last Month</u>	<u>This Month</u>
City of Wanneroo	817,950	437,317	437,317
	<u>817,950</u>	<u>437,317</u>	<u>437,317</u>

Bonds relate to early clearances for stages 14A and a Landscaping bond for stage 13.

**CATALINA  
FINANCE REPORT  
AUGUST 2015**

**2.0 PROFIT & LOSS**

	<b>MTH Act</b>	<b>MTH Bgt</b>	<b>Var</b>	<b>YTD Act</b>	<b>YTD Bgt</b>	<b>Var</b>	<b>PTD Act</b>	<b>PTD Bgt</b>
- Revenue \$ (Stlmts)	2,610,000	4,198,120	(1,588,120)	6,414,000	8,695,993	(2,281,993)	162,828,500	165,110,493
- Revenue \$/lot	290,000	262,383		278,870	263,515		247,836	247,542
- Selling & GST \$	247,466	441,933	194,467	639,901	912,776	272,875	17,130,434	17,403,310
- Selling & GST \$/lot	27,496	27,621		27,822	27,660		26,074	26,092
- Cost of sales \$	752,861	1,288,709	535,848	1,883,861	2,656,282	772,421	63,460,964	64,233,385
- Cost of sales \$/lot	83,651	80,544		81,907	80,493		96,592	96,302
- Gross profit \$	<u>1,609,673</u>	<u>2,467,478</u>	<u>(857,805)</u>	<u>3,890,238</u>	<u>5,126,935</u>	<u>(1,236,697)</u>	<u>82,237,102</u>	<u>83,473,798</u>
- Gross profit \$/lot	178,853	154,217		169,141	155,362		125,171	125,148
- Gross profit Mgn %	61.67%	58.78%		60.65%	58.96%		50.51%	50.56%
- Special Sites \$	-	-	-	-	-	-	1,284,073	1,284,073
- Other income \$	-	-	-	6,799	-	6,799	73,509	66,710
- Sales & Marketing \$	26,447	70,269	43,822	75,010	172,419	97,409	970,621	1,068,030
- Administration \$	58,973	59,049	76	70,821	129,933	59,112	1,407,768	1,466,879
- Finance \$	-	-	-	-	-	-	-	-
- Contingency \$	-	101,725	101,725	-	209,630	209,630	20,364	229,994
- <b>Net profit \$</b>	<b><u>1,524,252</u></b>	<b><u>2,236,435</u></b>	<b><u>(712,183)</u></b>	<b><u>3,751,206</u></b>	<b><u>4,614,953</u></b>	<b><u>(863,747)</u></b>	<b><u>81,195,932</u></b>	<b><u>82,059,678</u></b>
- Net profit \$/lot	169,361	139,777		163,096	139,847		123,586	123,028

- FY16 YTD Gross profit is \$1.2m behind budget due to unfavourable YTD settlements of 10 lots.
- FY16 YTD net profit is unfavourable against budget by \$0.9m, due to the unfavourable gross profit variance \$1.2m partially offset by unused contingency \$0.2m, and favourable marketing and admin costs of \$0.2m.

**YEAR TO DATE VERSUS FULL YEAR BUDGET**

	<b>YTD Act</b>	<b>FY16 Full Year Bgt</b>	<b>Var</b>
- Revenue \$ (Stlmts)	6,414,000	40,743,130	(34,329,130)
- Revenue \$/lot	278,870	269,822	
- Selling & GST \$	639,901	5,129,272	4,489,371
- Selling & GST \$/lot	27,822	33,969	
- Cost of sales \$	1,883,861	13,635,063	11,751,202
- Cost of sales \$/lot	81,907	90,298	
- Gross profit \$	<u>3,890,238</u>	<u>21,978,795</u>	<u>(18,088,557)</u>
- Gross profit \$/lot	169,141	145,555	
- Gross profit Mgn %	60.65%	53.94%	
- Special Sites \$	-	573,597	(573,597)
- Other income \$	6,799	-	6,799
- Sales & Marketing \$	75,010	1,005,110	930,100
- Administration \$	70,821	1,086,064	1,015,243
- Finance \$	-	-	-
- Contingency \$	-	2,054,964	2,054,964
- <b>Net profit \$</b>	<b><u>3,751,206</u></b>	<b><u>18,406,254</u></b>	<b><u>(14,655,048)</u></b>
- Net profit \$/lot	163,096	121,896	

**CATALINA  
FINANCE REPORT  
AUGUST 2015**

**2.1 GROSS PROFIT ANALYSIS**

**Actual**

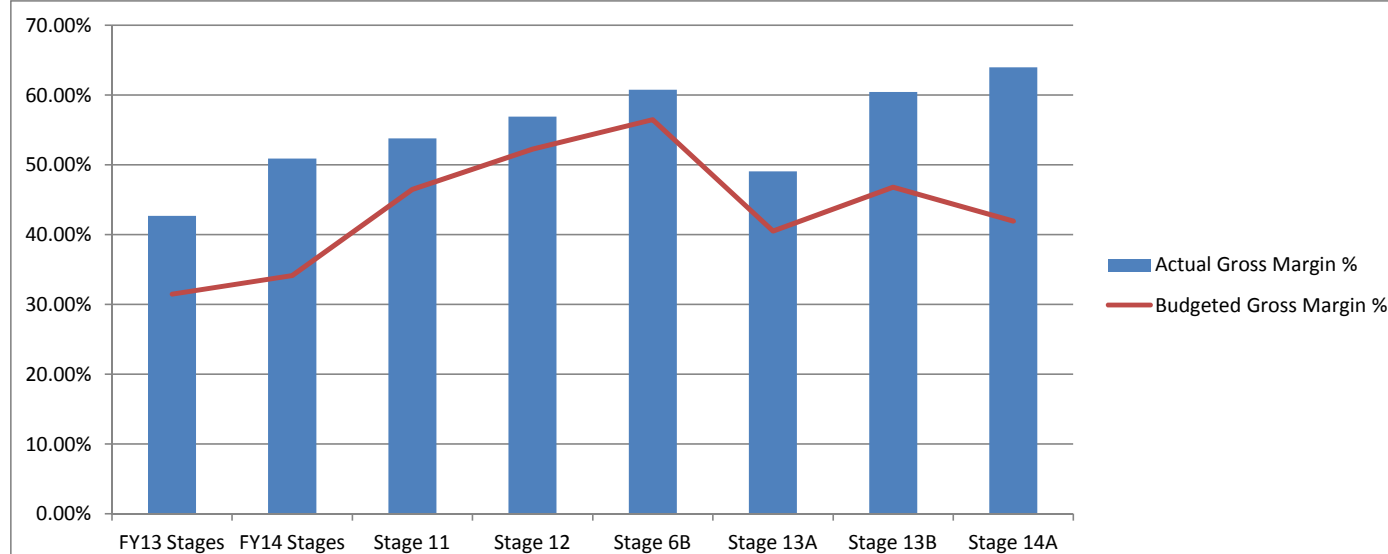
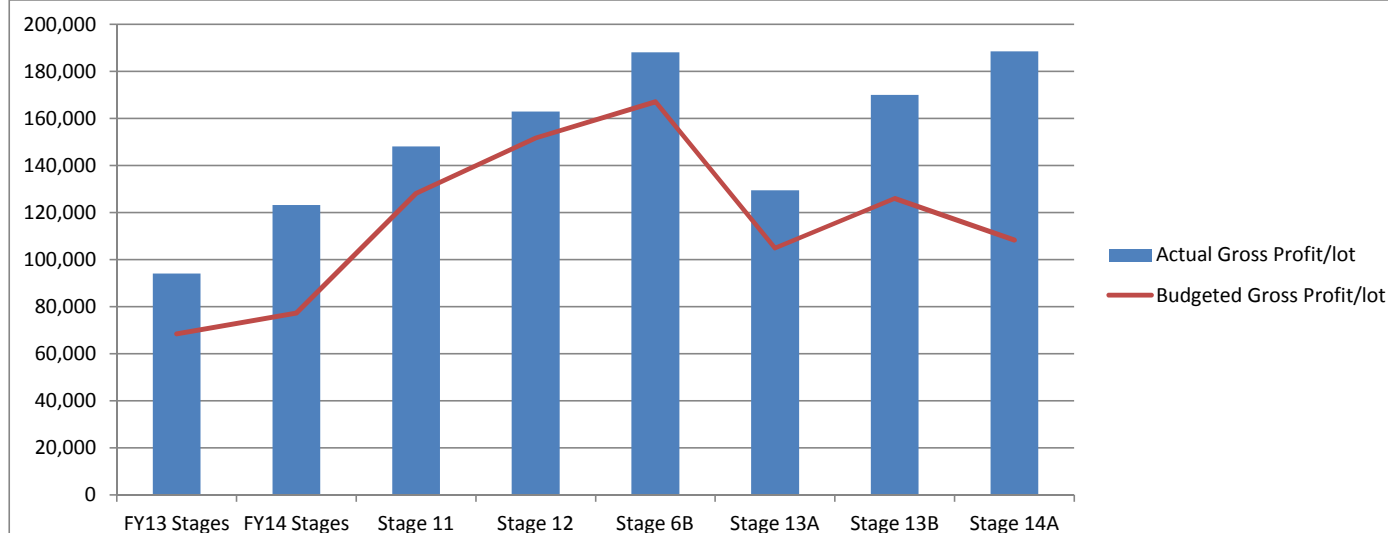
Stages	Title Issue Date	Revenue	Revenue/lot	Direct Selling & COGS (incl. GST)		Direct Costs/lot	Actual Gross	Actual Gross	Actual Gross
							Profit	Profit/lot	Margin %
FY13 Stages	2012 / 2013	51,375,500	220,496	29,448,888		126,390	21,926,612	94,106	42.68%
FY14 Stages	2013 / 2014	49,640,000	242,146	24,366,667		118,862	25,273,333	123,285	50.91%
Stage 11	1-Oct-14	16,790,000	275,246	7,756,061		127,149	9,033,939	148,097	53.81%
Stage 12	3-Dec-14	12,600,000	286,364	5,427,003		123,341	7,172,997	163,023	56.93%
Stage 6B	19-Jan-15	7,122,000	309,652	2,794,441		121,497	4,327,559	188,155	60.76%
Stage 13A	30-Mar-15	8,967,000	263,735	4,565,581		134,282	4,401,419	129,454	49.08%
Stage 13B	11-May-15	9,851,000	281,457	3,897,279		111,351	5,953,721	170,106	60.44%
Stage 14A	4-Jun-15	6,483,000	294,682	2,335,479		106,158	4,147,521	188,524	63.98%
		<u>162,828,500</u>		<u>80,591,398</u>			<u>82,237,102</u>		

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

**Budget**

Stages	Budget Version	Revenue	Revenue/lot	Direct Selling & COGS (incl. GST)		Direct Costs/lot	Budgeted Gross	Budgeted Gross	Budgeted Gross
							Profit	Profit/lot	Margin %
FY13 Stages	May-12	51,358,953	217,623	35,200,675		149,155	16,158,278	68,467	31.46%
FY 14 Stages	Jun-13	46,931,935	226,724	30,917,421		149,360	16,014,514	77,365	34.12%
Stage 11	Aug-14	17,645,281	275,708	9,444,658		147,573	8,200,623	128,135	46.47%
Stage 12	Aug-14	14,221,581	290,236	6,787,551		138,521	7,434,030	151,715	52.27%
Stage 6B	Aug-14	7,098,672	295,778	3,089,032		128,710	4,009,640	167,068	56.48%
Stage 13A	Aug-14	9,585,882	259,078	5,703,355		154,145	3,882,527	104,933	40.50%
Stage 13B	Aug-14	12,111,408	269,142	6,443,000		143,178	5,668,408	125,965	46.80%
Stage 14A	Aug-14	15,504,265	258,404	9,001,574		150,026	6,502,690	108,378	41.94%
		<u>174,457,977</u>		<u>106,587,266</u>			<u>67,870,711</u>		

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



## **Appendix 9.6**

**TAMALA PARK REGIONAL COUNCIL**  
**FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2015**

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Principal place of business: Tamala Park Regional Council PO Box 655 INNALOO WA 6918	

**TAMALA PARK REGIONAL COUNCIL  
FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2015**

**LOCAL GOVERNMENT ACT 1995  
LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) REGULATIONS 1996**

**STATEMENT BY CHIEF EXECUTIVE OFFICER**

The attached financial report of the Regional Council being the annual financial report and other information for the financial year ended 30 June 2015 are in my opinion properly drawn up to present fairly the financial position of the Regional Council at 30th June 2015 and the results of the operations for the financial year then ended in accordance with the Australian Accounting Standards and comply with the provisions of the Local Government Act 1995 and the regulations under that Act.

Signed as authorisation of issue on the 24th day of August 2015



---

Tony Arias  
Chief Executive Officer

**TAMALA PARK REGIONAL COUNCIL  
STATEMENT OF COMPREHENSIVE INCOME  
BY NATURE OR TYPE  
FOR THE YEAR ENDED 30TH JUNE 2015**

	NOTE	2015 \$	2015 Budget \$	2014 \$
<b>Revenue</b>				
Interest earnings	2(a)	1,459,506	951,446	1,004,865
Other revenue		<u>12,926</u>	<u>10,480</u>	<u>8,395</u>
		1,472,432	961,926	1,013,260
<b>Expenses</b>				
Employee costs		(598,053)	(713,586)	(520,305)
Materials and contracts		(140,286)	(439,650)	(48,827)
Utility charges		(457)	(6,000)	(2,806)
Depreciation on non-current assets	2(a)	(16,250)	(17,983)	(13,626)
Insurance expenses		(12,967)	(16,900)	(10,592)
Other expenditure		<u>(199,701)</u>	<u>(175,738)</u>	<u>(249,282)</u>
		<u>(967,714)</u>	<u>(1,369,857)</u>	<u>(845,438)</u>
		504,718	(407,931)	167,822
Profit on asset disposals	19	<u>956</u>	<u>6,869</u>	<u>0</u>
<b>Net result</b>		<b>505,674</b>	<b>(401,062)</b>	<b>167,822</b>
<b>Other comprehensive income</b>				
Changes on revaluation of non-current assets	11	0	0	1,164
<b>Total other comprehensive income</b>		<u>0</u>	<u>0</u>	<u>1,164</u>
<b>Total comprehensive income</b>		<u><b>505,674</b></u>	<u><b>(401,062)</b></u>	<u><b>168,986</b></u>

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

**TAMALA PARK REGIONAL COUNCIL  
STATEMENT OF COMPREHENSIVE INCOME  
BY PROGRAM  
FOR THE YEAR ENDED 30TH JUNE 2015**

	NOTE	2015 \$	2015 Budget \$	2014 \$
<b>Revenue</b>	2(a)			
General purpose funding		1,459,506	951,446	1,004,865
Other property and services		<u>12,926</u>	<u>10,480</u>	<u>8,395</u>
		1,472,432	961,926	1,013,260
<b>Expenses</b>	2(a)			
Governance		(161,533)	(175,438)	(140,987)
Other property and services		<u>(806,181)</u>	<u>(1,194,419)</u>	<u>(704,451)</u>
		(967,714)	(1,369,857)	(845,438)
<b>Profit/(Loss) on disposal of assets</b>				
Other property and services	19	<u>956</u>	<u>6,869</u>	<u>0</u>
<b>Net result</b>		<b>505,674</b>	<b>(401,062)</b>	<b>167,822</b>
<b>Other comprehensive income</b>				
Changes on revaluation of non-current assets	11	<u>0</u>	<u>0</u>	<u>1,164</u>
<b>Total other comprehensive income</b>		<b>0</b>	<b>0</b>	<b>1,164</b>
<b>Total comprehensive income</b>		<b><u>505,674</u></b>	<b><u>(401,062)</u></b>	<b><u>168,986</u></b>

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



**TAMALA PARK REGIONAL COUNCIL  
STATEMENT OF FINANCIAL POSITION  
AS AT 30TH JUNE 2015**

	NOTE	2015 \$	2014 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	3	46,060,590	40,413,398
Trade and other receivables	4	<u>389,124</u>	<u>735,068</u>
<b>TOTAL CURRENT ASSETS</b>		<u>46,449,714</u>	<u>41,148,466</u>
<b>NON-CURRENT ASSETS</b>			
Inventories	5	1,818,182	1,818,182
Property, plant and equipment	6	<u>151,943</u>	<u>140,116</u>
<b>TOTAL NON-CURRENT ASSETS</b>		<u>1,970,125</u>	<u>1,958,298</u>
<b>TOTAL ASSETS</b>		<u>48,419,839</u>	<u>43,106,764</u>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	7	191,738	587,695
Provisions	9	<u>102,906</u>	<u>76,228</u>
<b>TOTAL CURRENT LIABILITIES</b>		<u>294,644</u>	<u>663,923</u>
<b>NON-CURRENT LIABILITIES</b>			
Provisions	9	<u>30,931</u>	<u>16,261</u>
<b>TOTAL NON-CURRENT LIABILITIES</b>		<u>30,931</u>	<u>16,261</u>
<b>TOTAL LIABILITIES</b>		<u>325,575</u>	<u>680,184</u>
<b>NET ASSETS</b>		<u>48,094,264</u>	<u>42,426,580</u>
<b>EQUITY</b>			
Retained surplus		856,753	351,079
Members contributions	10	47,229,994	42,067,984
Revaluation surplus	11	<u>7,517</u>	<u>7,517</u>
<b>TOTAL EQUITY</b>		<u>48,094,264</u>	<u>42,426,580</u>

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

**TAMALA PARK REGIONAL COUNCIL  
STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30TH JUNE 2015**

	NOTE	RETAINED SURPLUS \$	CONTRIBUTED EQUITY \$	REVALUATION SURPLUS \$	TOTAL EQUITY \$
<b>Balance as at 1 July 2013</b>		<b>183,257</b>	<b>27,823,938</b>	<b>6,353</b>	<b>28,013,548</b>
Comprehensive income					
Net result		167,822	(168,986)	0	(1,164)
Changes on revaluation of non-current assets	11	0	0	1,164	1,164
Total comprehensive income		167,822	(168,986)	1,164	0
Members Contributions		0	24,413,020	0	24,413,020
Return of Capital		0	(9,999,988)	0	(9,999,988)
<b>Balance as at 30 June 2014</b>		<b>351,079</b>	<b>42,067,984</b>	<b>7,517</b>	<b>42,426,580</b>
Comprehensive income					
Net result		505,674	(505,674)	0	0
Total comprehensive income		505,674	(505,674)	0	0
Members Contributions		0	36,667,684	0	36,667,684
Return of Capital		0	(31,000,000)	0	(31,000,000)
<b>Balance as at 30 June 2015</b>		<b>856,753</b>	<b>47,229,994</b>	<b>7,517</b>	<b>48,094,264</b>

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

**TAMALA PARK REGIONAL COUNCIL  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30TH JUNE 2015**

	NOTE	2015 \$	2015 Budget \$	2014 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Receipts</b>				
Interest earnings		1,459,506	986,514	926,748
Goods and services tax		142,676	20,000	3,508
Other revenue		353,545	10,480	8,395
		<u>1,955,727</u>	<u>1,016,994</u>	<u>938,651</u>
<b>Payments</b>				
Employee costs		(553,558)	(713,586)	(553,618)
Materials and contracts		(530,790)	(529,075)	189,200
Utility charges		(457)	(6,000)	(2,806)
Insurance expenses		(12,967)	(16,900)	(10,592)
Goods and services tax		(145,951)	(20,000)	(119,572)
Other expenditure		(199,701)	(175,738)	(250,545)
		<u>(1,443,424)</u>	<u>(1,461,299)</u>	<u>(747,933)</u>
<b>Net cash provided by (used in) operating activities</b>	12(b)	<u>512,303</u>	<u>(444,305)</u>	<u>190,718</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Payments for purchase of property, plant & equipment		(65,303)	(69,000)	(6,968)
Proceeds from sale of fixed assets		38,182	41,000	0
<b>Net cash provided by (used in) investment activities</b>		<u>(27,121)</u>	<u>(28,000)</u>	<u>(6,968)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Proceeds from members contributions		36,584,572	13,435,010	24,798,685
Repayment of members contributions		(31,422,562)	(31,422,562)	(10,554,639)
<b>Net cash provided by (used in) financing activities</b>		<u>5,162,010</u>	<u>(17,987,552)</u>	<u>14,244,046</u>
<b>Net increase (decrease) in cash held</b>		5,647,192	(18,459,857)	14,427,796
Cash at beginning of year		40,413,398	40,413,398	25,985,602
<b>Cash and cash equivalents at the end of the year</b>	12(a)	<u><u>46,060,590</u></u>	<u><u>21,953,541</u></u>	<u><u>40,413,398</u></u>

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

**TAMALA PARK REGIONAL COUNCIL  
RATE SETTING STATEMENT  
FOR THE YEAR ENDED 30TH JUNE 2015**

	NOTE	2015 Actual \$	2015 Budget \$	2014 Actual \$
<b>Revenue</b>				
General purpose funding		1,459,506	951,446	1,004,865
Other property and services		13,882	17,349	8,395
		<u>1,473,388</u>	<u>968,795</u>	<u>1,013,260</u>
<b>Expenses</b>				
Governance		(161,533)	(175,438)	(140,987)
Other property and services		(806,181)	(1,194,419)	(704,451)
		<u>(967,714)</u>	<u>(1,369,857)</u>	<u>(845,438)</u>
<b>Net result excluding rates</b>		505,674	(401,062)	167,822
<b>Adjustments for cash budget requirements:</b>				
<b>Non-cash expenditure and revenue</b>				
Initial recognition of assets due to change to regulations				
(Profit)/Loss on asset disposals	19	(956)	(6,869)	0
Movement in employee benefit provisions (non-current)		14,670	0	(2,398)
Depreciation and amortisation on assets	2(a)	16,250	17,983	13,626
<b>Capital Expenditure and Revenue</b>				
Purchase of furniture and equipment		0	(3,000)	(6,968)
Purchase plant and equipment	6(b)	(65,303)	(66,000)	0
Proceeds from disposal of fixed assets	19	38,182	41,000	0
Repayment of members contributions	10	5,162,010	(17,987,552)	14,244,046
ADD Estimated surplus/(deficit) July 1 b/fwd	21(b)	40,484,543	40,484,543	26,068,415
LESS Estimated surplus/(deficit) June 30 c/fwd	21(b)	46,155,070	22,079,043	40,484,543
<b>Total amount raised from general rate</b>	21(a)	<u>0</u>	<u>0</u>	<u>0</u>

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

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2015**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**(a) Basis of Preparation**

The financial report comprises general purpose financial statements which have been prepared in accordance with Australian Accounting Standards (as they apply to local governments and not-for-profit entities), Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board, the Local Government Act 1995 and accompanying regulations. Material accounting policies which have been adopted in the preparation of this financial report are presented below and have been consistently applied unless stated otherwise. All amounts are stated in Australian Dollars.

Except for cash flow and rate setting information, the report has been prepared on the accrual basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and liabilities.

**Critical accounting estimates**

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

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

**The local government reporting entity**

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

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.

All monies held in the Trust Fund are excluded from the financial statements. A separate statement of those monies appears at Note 18 to these financial statements.

**(b) Goods and Services Tax (GST)**

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

Receivables and payables are stated inclusive of GST receivable or payable.

The net amount of GST recoverable from, or payable to, the ATO is included with receivables or payables in the statement of financial position.

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

**(c) Cash and Cash Equivalents**

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

Bank overdrafts are reported as short term borrowings in current liabilities in the statement of financial position.

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2015**

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

**(d) Trade and Other Receivables**

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

Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

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

**(e) Inventories**

***General***

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

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

***Land held for sale***

Land held for development and sale is valued at the lower of cost and net realisable value. Cost includes the cost of acquisition, development, borrowing costs and holding costs until completion of development. Finance costs and holding charges incurred after development is completed are expensed.

Gains and losses are recognised in profit or loss at the time of signing an unconditional contract of sale if significant risks and rewards, and effective control over the land, are passed on to the buyer at this point.

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

**(f) Fixed Assets**

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

***Mandatory requirement to revalue non-current assets***

Effective from 1 July 2012, the Local Government (Financial Management) Regulations were amended and the measurement of non-current assets at Fair Value became mandatory.

The amendments allow for a phasing in of fair value in relation to fixed assets over three years as follows:

- (a) for the financial year ending on 30 June 2013, the fair value of all of the assets of the local government that are plant and equipment; and
- (b) for the financial year ending on 30 June 2014, the fair value of all of the assets of the local government -
  - (i) that are plant and equipment; and
  - (ii) that are -
    - (I) land and buildings; or-
    - (II) Infrastructure;

and

- (c) for a financial year ending on or after 30 June 2015, the fair value of all of the assets of the local government.

Thereafter, in accordance with the regulations, each asset class must be revalued at least every 3 years.

In 2013, the Regional Council commenced the process of adopting Fair Value in accordance with the Regulations.

Relevant disclosures, in accordance with the requirements of Australian Accounting Standards, have been made in the financial report as necessary.

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2015**

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

**(f) Fixed Assets (Continued)**

***Initial recognition and measurement between mandatory revaluation dates***

All assets are initially recognised at cost and subsequently revalued in accordance with the mandatory measurement framework detailed above.

In relation to this initial measurement, cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition. For assets acquired at no cost or for nominal consideration, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by the Regional Council includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overheads.

Individual assets acquired between initial recognition and the next revaluation of the asset class in accordance with the mandatory measurement framework detailed above, are carried at cost less accumulated depreciation as management believes this approximates fair value. They will be subject to subsequent revaluation at the next anniversary date in accordance with the mandatory measurement framework detailed above.

***Revaluation***

Increases in the carrying amount arising on revaluation of assets are credited to a revaluation surplus in equity. Decreases that offset previous increases of the same asset are recognised against revaluation surplus directly in equity. All other decreases are recognised in profit or loss.

***Depreciation***

The depreciable amount of all fixed assets including buildings but excluding freehold land, are depreciated on a straight-line basis over the individual asset's useful life from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful life of the improvements.

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

Eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset.

Major depreciation periods used for each class of depreciable asset are:

Computer equipment	4 years
Furniture and equipment	4 to 10 years
Printers, photocopiers and scanners	5 years
Floorcoverings	8 years
Phones and faxes	6 to 7 years
Plant and equipment	5 to 12 years

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

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

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

***Capitalisation threshold***

Expenditure on items of equipment under \$1,000 is not capitalised. Rather, it is recorded on an asset inventory listing.

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2015**

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

**(g) Fair Value of Assets and Liabilities**

When performing a revaluation, the Regional Council uses a mix of both independent and management valuations using the following as a guide:

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

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

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

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

***Fair value hierarchy***

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

**Level 1**

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

**Level 2**

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

**Level 3**

Measurements based on unobservable inputs for the asset or liability.

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

***Valuation techniques***

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

**Market approach**

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



**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2015**

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

**(g) Fair Value of Assets and Liabilities (Continued)**

**Income approach**

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

**Cost approach**

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

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

As detailed above, the mandatory measurement framework imposed by the Local Government (Financial Management) Regulations requires, as a minimum, all assets carried at a revalued amount to be revalued at least every 3 years.

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2015**

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

**(h) Impairment of Assets**

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

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

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

For non-cash generating assets such as roads, drains, public buildings and the like, value in use is represented by the depreciated replacement cost of the asset.

**(i) Trade and Other Payables**

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

**(j) Employee Benefits**

**Short-term employee benefits**

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

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

**Other long-term employee benefits**

Provision is made for employees' long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Any remeasurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the changes occur.

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

**(k) Borrowing Costs**

Borrowing costs are recognised as an expense when incurred except where they are directly attributable to the acquisition, construction or production of a qualifying asset. Where this is the case, they are capitalised as part of the cost of the particular asset until such time as the asset is substantially ready for its intended use or sale.

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2015**

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

**(l) Provisions**

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

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

**(m) Interests in Joint Arrangements**

Joint arrangements represent the contractual sharing of control between parties in a business venture where unanimous decisions about relevant activities are required.

Separate joint venture entities providing joint venturers with an interest to net assets are classified as a joint venture and accounted for using the equity method. Refer to note 1(o) for a description of the equity method of accounting.

Joint venture operations represent arrangements whereby joint operators maintain direct interests in each asset and exposure to each liability of the arrangement. The Regional Council's interests in the assets, liabilities, revenue and expenses of joint operations are included in the respective line items of the financial statements. Information about the joint ventures is set out in Note 15.

**(n) 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.

Where contributions recognised as revenues during the reporting period were obtained on the condition that they be expended in a particular manner or used over a particular period, and those conditions were undischarged as at the reporting date, the nature of and amounts pertaining to those undischarged conditions are disclosed in Note 2(c). That note also discloses the amount of contributions recognised as revenues in a previous reporting period which were obtained in respect of the local government's operations for the current reporting period.

**(o) Superannuation**

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

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

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

**(q) Rounding Off Figures**

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

**(r) Comparative Figures**

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

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

**(s) Budget Comparative Figures**

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

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2015**

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

**(t) New Accounting Standards and Interpretations for Application in Future Periods**

The AASB has issued a number of new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods, some of which are relevant to the Regional Council.

Management's assessment of the new and amended pronouncements that are relevant to the Regional Council, applicable to future reporting periods and which have not yet been adopted are set out as follows:

Title	Issued / Compiled	Applicable <sup>(1)</sup>	Impact
(i) AASB 9 Financial Instruments (incorporating AASB 2014-7 and AASB 2014-8)	December 2014	1 January 2018	Nil – The objective of this Standard is to improve and simplify the approach for classification and measurement of financial assets compared with the requirements of AASB 139. Given the nature of the financial assets of the Regional Council, it is not anticipated the Standard will have any material effect.
(ii) AASB 2010-7 Amendments to Australian Accounting Standards arising from AASB 9  (December 2010)  [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 & 1038 and Interpretations 2, 5, 10, 12, 19 & 127]	September 2012	1 January 2018	Nil - The revisions embodied in this Standard give effect to the consequential changes arising from the issuance of AASB 9 which is not anticipated to have any material effect on the Regional Council (refer (i) above).
(iii) AASB 15 Revenue from Contracts with Customers	December 2014	1 January 2017	This Standard establishes principles for entities to apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer.  The effect of this Standard will depend upon the nature of future transactions the Regional Council has with those third parties it has with. It may or may not be significant.

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2015**

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

**(t) New Accounting Standards and Interpretations for Application in Future Periods (Continued)**

	<b>Title</b>	<b>Issued / Compiled</b>	<b>Applicable <sup>(1)</sup></b>	<b>Impact</b>
(iv)	AASB 2013-9 Amendments to Australian Accounting Standards - Conceptual Framework, Materiality and Financial Instruments  [Operative date: Part C Financial Instruments - 1 January 2015]	December 2013	Refer title column	Part C of this Standard makes consequential amendments to AASB 9 and numerous other Standards and amends the permissions around certain applications relating to financial liabilities reissued at fair value.  As the bulk of changes relate either to editorial or reference changes it is not expected to have a significant impact on the Regional Council.
(v)	AASB 2014-3 Amendments to Australian Accounting Standards - Accounting for Acquisitions of Interests in Joint Operations  [AASB 1 & AASB 11]	August 2014	1 January 2016	This Standard amends AASB 11: <i>Joint Arrangements</i> to require the acquirer of an interest (both initial and additional) in a joint operation in which the activity constitutes a business, as defined in AASB 3: <i>Business Combinations</i> , to apply all of the principles on business combinations accounting in AASB 3 and other Australian Accounting Standards except for those principles that conflict with the guidance in AASB 11; and disclose the information required by AASB 3 and other Australian Accounting Standards for business combinations.  Since adoption of this Standard would impact only acquisitions of interests in joint operations on or after 1 January 2016, management believes it is impracticable at this stage to provide a reasonable estimate of such impact on the Regional Council's financial statements.
(vi)	AASB 2014-4 Amendments to Australian Accounting Standards - Clarification of Acceptable Methods of Depreciation and Amortisation  [AASB 116 & 138]	August 2014	1 January 2016	This Standard amends AASB 116 and AASB 138 to establish the principle for the basis of depreciation and amortisation as being the expected pattern of consumption of the future economic benefits of an asset. It also clarifies the use of revenue-based methods to calculate the depreciation of an asset is not appropriate nor is revenue generally an appropriate basis for measuring the consumption of the economic benefits embodied in an intangible asset.  Given the Regional Council currently uses the expected pattern of consumption of the future economic benefits of an asset as the basis of calculation of depreciation, it is not expected to have a significant impact.

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2015**

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

**(t) New Accounting Standards and Interpretations for Application in Future Periods (Continued)**

<b>Title</b>	<b>Issued / Compiled</b>	<b>Applicable <sup>(1)</sup></b>	<b>Impact</b>
(vii) AASB 2014-5 Amendments to Australian Accounting Standards arising from AASB 15	December 2014	1 January 2017	Consequential changes to various Standards arising from the issuance of AASB 15.  It will require changes to reflect the impact of AASB 15.
(viii) AASB 2015-2 Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 101  [AASB 7, 101, 134 & 1049]	January 2015	1 January 2016	This Standard amends AASB 101 to provide clarification regarding the disclosure requirements in AASB 101. Specifically, the Standard proposes narrow-focus amendments to address some of the concerns expressed about existing presentation and disclosure requirements and to ensure entities are able to use judgement when applying a Standard in determining what information to disclose in their financial statements.  This Standard also makes editorial and consequential amendments as a result of amendments to the Standards listed in the title column.  It is not anticipated it will have any significant impact on disclosures.
(ix) AASB 2015-3 Amendments to Australian Accounting Standards arising from the withdrawal of AASB 1031 Materiality	January 2015	1 July 2015	This Standard completes the withdrawal of references to AASB 1031 in all Australian Accounting Standards and Interpretations, allowing it to be completely withdrawn.  It is not anticipated it will have a significant impact as the principles of materiality remain largely unchanged.

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2015**

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

**(t) New Accounting Standards and Interpretations for Application in Future Periods (Continued)**

	<b>Title</b>	<b>Issued / Compiled</b>	<b>Applicable <sup>(1)</sup></b>	<b>Impact</b>
(x)	AASB 2015-6 Amendments to Australian Accounting Standards - Extending Related Party Disclosures to Not-for-Profit Public Sector Entities  [AASB 10, 124 & 1049]	March 2015	1 July 2016	The objective of this Standard is to extend the scope of AASB 124 <i>Related Party Disclosures</i> to include not-for-profit sector entities.  The Standard is expected to have a significant disclosure impact on the financial report of the Regional Council as both Elected Members and Senior Management will be deemed to be Key Management Personnel and resultant disclosures will be necessary.

Notes:

<sup>(1)</sup> Applicable to reporting periods commencing on or after the given date.

**(u) Adoption of New and Revised Accounting Standards**

During the current year, the Regional Council adopted all of the new and revised Australian Accounting Standards and Interpretations which were compiled, became mandatory and which were applicable to its operations.

These new and revised Standards were:

AASB 2011-7  
AASB 2012-3  
AASB 2013-3  
AASB 2013-8  
AASB 2013-9 Parts A & B

Most of the Standards adopted had a minimal effect on the accounting and reporting practices of the Regional Council as they did not have a significant impact on the or reporting practices or were either not applicable, largely editorial in nature, were revisions to help ensure consistency with presentation, recognition and measurement criteria of IFRSs or related to topics not relevant to operations.

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2015**

**2. REVENUE AND EXPENSES**

**2015**  
**\$**

**2014**  
**\$**

**(a) Net Result**

The Net result includes:

(i) Charging as an expense:

**Auditors remuneration**

- Audit of the annual financial report	7,000	9,680
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**Depreciation**

Improvements to leasehold property	5,539	5,539
Furniture and equipment	1,618	1,554
Plant and equipment	9,093	6,533
	16,250	13,626

**Other revenue**

Reimbursements and recoveries	0	0
Other	12,926	8,395
	12,926	8,395

**2015**  
**Actual**  
**\$**

**2015**  
**Budget**  
**\$**

**2014**  
**Actual**  
**\$**

**Interest earnings**

- Other funds	1,459,506	951,446	1,004,865
	1,459,506	951,446	1,004,865

**(b) Statement of Objective**

The Tamala Park Regional Council is dedicated to providing high quality services to the community through the various service orientated programs which it has established.

**COMMUNITY VISION**

The Tamala Park Regional Council will endeavour to provide high quality services to the community through the various service orientated programs which it has established. Council operations as disclosed in these financial statements encompass the following service orientated activities/programs.

**GENERAL PURPOSE FUNDING**

**Objective:**

To collect interest on investments

**Activities:**

Interest revenue.

**OTHER PROPERTY AND SERVICES**

**Objective:**

To monitor and control council's overheads operating accounts.

**Activities:**

Other unclassified Activities.

**(c) Conditions over Grants/Contributions**

The Tamala Park Regional Council does not hold any grants/contributions over which there are conditions.



**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2015**

	Note	2015 \$	2014 \$
<b>3. CASH AND CASH EQUIVALENTS</b>			
Unrestricted		46,060,590	40,413,398
		<u>46,060,590</u>	<u>40,413,398</u>
<b>4. TRADE AND OTHER RECEIVABLES</b>			
<b>Current</b>			
Sundry debtors		180,487	542,087
GST receivable		3,846	4,417
Accrued Interest		175,391	150,564
Settlement bonds		29,400	38,000
		<u>389,124</u>	<u>735,068</u>
<b>5. INVENTORIES</b>			
<b>Non-current</b>			
Land held for resale - cost			
Cost of acquisition		1,818,182	1,818,182
		<u>1,818,182</u>	<u>1,818,182</u>
		<b>2015 \$</b>	<b>2014 \$</b>
<b>6 (a). PROPERTY, PLANT AND EQUIPMENT</b>			
Improvements to leasehold property at:			
- Management valuation 2013 - level 3		101,260	101,260
Less accumulated depreciation		<u>(11,078)</u>	<u>(5,539)</u>
		90,182	95,721
Furniture and equipment at:			
- Management valuation 2014 - level 3		800	800
- Additions after valuation - cost		6,968	6,968
Less accumulated depreciation		<u>(3,172)</u>	<u>(1,554)</u>
		4,596	6,214
Plant and equipment at:			
- Management valuation 2014 - level 3		38,181	38,181
- Disposals		(38,181)	0
- Additions after valuation - cost		65,303	0
- User defined		0	0
Less accumulated depreciation		<u>(8,138)</u>	<u>0</u>
		57,165	38,181
		<u>151,943</u>	<u>140,116</u>

The fair value of property, plant and equipment is determined at least every three years in accordance with legislative requirements. Additions since the date of valuation are shown as cost, given they were acquired at arms length and any accumulated depreciation reflects the usage of service potential, it is considered the recorded written down value approximates fair value. At the end of each intervening period the valuation is reviewed and where appropriate the fair value is updated to reflect current market conditions. This process is considered to be in accordance with *Local Government (Financial Management) Regulation 17A (2)* which requires property, plant and equipment to be shown at fair value.

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2015**

**6. PROPERTY, PLANT AND EQUIPMENT (Continued)**

**(b) Movements in Carrying Amounts**

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

	<b>Balance at the Beginning of the Year \$</b>	<b>Additions \$</b>	<b>(Disposals) \$</b>	<b>Revaluation Increments/ (Decrements) \$</b>	<b>Impairment (Losses)/ Reversals \$</b>	<b>Depreciation (Expense) \$</b>	<b>Transfers \$</b>	<b>Carrying Amount at the End of Year \$</b>
Improvements to leasehold property	95,721	0	0	0	0	(5,539)	0	90,182
Furniture and equipment	6,214	0	0	0	0	(1,618)	0	4,596
Plant and equipment	38,181	65,303	(37,226)	0	0	(9,093)	0	57,165
<b>Total property, plant and equipment</b>	<b>140,116</b>	<b>65,303</b>	<b>(37,226)</b>	<b>0</b>	<b>0</b>	<b>(16,250)</b>	<b>0</b>	<b>151,943</b>

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2015**

**6. PROPERTY, PLANT AND EQUIPMENT (Continued)**

**(c) Fair Value Measurements**

<b>Asset Class</b>	<b>Fair Value Hierarchy</b>	<b>Valuation Technique</b>	<b>Basis of valuation</b>	<b>Date of last Valuation</b>	<b>Inputs used</b>
<b>Improvements to leasehold property</b>	Level 3	Management	Depreciated replacement Cost	June 2013	Level 3 inputs in the fair value hierarchy
<b>Furniture and equipment</b>	Level 3	Management	Observable open market value	June 2013	Level 3 inputs in the fair value hierarchy
<b>Plant and equipment</b>	Level 3	Management	Observable open market value	June 2014	Level 3 inputs in the fair value hierarchy

Level 3 inputs are based on assumptions with regards to future values and patterns of consumption utilising current information. If the basis of these assumptions were varied, they have the potential to result in a significantly higher or lower fair value measurement.

During the period there were no changes in the valuation techniques used by the local government to determine the fair value of property, plant and equipment using either level 2 or level 3 inputs.

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2015**

	<b>2015</b>	<b>2014</b>
	<b>\$</b>	<b>\$</b>
<b>7. TRADE AND OTHER PAYABLES</b>		
<b>Current</b>		
Sundry creditors	163,501	561,027
Accrued salaries and wages	7,080	5,510
ATO liabilities	14,965	13,388
FBT Liabilities	1,692	770
Accrued expenses	4,500	7,000
	<u>191,738</u>	<u>587,695</u>

**8. LONG-TERM BORROWINGS**

The Regional Council did not have any long term borrowings at the reporting date.

**9. PROVISIONS**

	<b>Provision for Annual Leave \$</b>	<b>Provision for Long Service Leave \$</b>	<b>Total \$</b>
<b>Opening balance at 1 July 2014</b>			
Current provisions	68,128	8,100	76,228
Non-current provisions	<u>0</u>	<u>16,261</u>	<u>16,261</u>
	68,128	24,361	92,489
 Additional provision	 31,052	 14,080	 45,132
Amounts used	0	(8,100)	(8,100)
Increase in the discounted amount arising because of time and the effect of any change in the discounted rate	<u>3,726</u>	<u>590</u>	<u>4,316</u>
<b>Balance at 30 June 2015</b>	<u>102,906</u>	<u>30,931</u>	<u>133,837</u>
 <b>Comprises</b>			
Current	102,906	0	102,906
Non-current	<u>0</u>	<u>30,931</u>	<u>30,931</u>
	<u>102,906</u>	<u>30,931</u>	<u>133,837</u>

**TAMALA PARK REGIONAL COUNCIL**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2015**

	2015 \$	2015 Budget \$	2014 \$
<b>10. MEMBERS CONTRIBUTIONS</b>			
<b>(a) Town of Victoria Park</b>			
Opening balance	3,535,548	3,535,548	2,334,462
Land development expenses	(1,957,706)	(4,037,987)	(2,382,974)
Proceeds of sale of member land	5,006,422	5,157,571	4,449,297
Return of Contribution	(2,583,334)	(2,583,333)	(833,332)
Rates equivalent	(35,214)	(35,214)	(46,221)
TPRC Nett Result	42,140	(33,422)	14,316
	<u>4,007,855</u>	<u>2,003,163</u>	<u>3,535,548</u>
<b>(b) City of Perth</b>			
Opening balance	3,535,548	3,535,548	2,334,462
Land development expenses	(1,957,706)	(4,037,987)	(2,382,974)
Proceeds of sale of member land	5,006,422	5,157,571	4,449,297
Return of Contribution	(2,583,334)	(2,583,333)	(833,332)
Rates equivalent	(35,214)	(35,214)	(46,221)
TPRC Nett Result	42,140	(33,422)	14,316
	<u>4,007,855</u>	<u>2,003,163</u>	<u>3,535,548</u>
<b>(c) Town of Cambridge</b>			
Opening balance	3,535,548	3,535,548	2,334,462
Land development expenses	(1,957,706)	(4,037,987)	(2,382,974)
Proceeds of sale of member land	5,006,422	5,157,571	4,449,297
Return of Contribution	(2,583,334)	(2,583,333)	(833,332)
Rates equivalent	(35,214)	(35,214)	(46,221)
TPRC Nett Result	42,140	(33,422)	14,316
	<u>4,007,855</u>	<u>2,003,163</u>	<u>3,535,548</u>
<b>(d) City of Joondalup</b>			
Opening balance	7,071,097	7,071,097	4,668,925
Land development expenses	(3,915,418)	(8,075,973)	(4,765,948)
Proceeds of sale of member land	10,012,845	10,315,141	8,898,594
Return of Contribution	(5,166,666)	(5,166,667)	(1,666,665)
Rates equivalent	(70,426)	(70,426)	(92,442)
TPRC Nett Result	84,279	(66,844)	28,633
	<u>8,015,711</u>	<u>4,006,328</u>	<u>7,071,097</u>
<b>(e) City of Wanneroo</b>			
Opening balance	7,071,097	7,071,097	4,668,925
Land development expenses	(3,915,418)	(8,075,973)	(4,765,948)
Proceeds of sale of member land	10,012,845	10,315,141	8,898,594
Return of Contribution	(5,166,666)	(5,166,667)	(1,666,665)
Rates equivalent	(70,426)	(70,426)	(92,442)
TPRC Nett Result	84,279	(66,844)	28,633
	<u>8,015,711</u>	<u>4,006,328</u>	<u>7,071,097</u>
<b>(f) City of Vincent</b>			
Opening balance	3,535,548	3,535,548	2,334,462
Land development expenses	(1,957,706)	(4,037,987)	(2,382,974)
Proceeds of sale of member land	5,006,422	5,157,571	4,449,297
Return of Contribution	(2,583,334)	(2,583,333)	(833,332)
Rates equivalent	(35,214)	(35,214)	(46,221)
TPRC Nett Result	42,140	(33,422)	14,316
	<u>4,007,855</u>	<u>2,003,163</u>	<u>3,535,548</u>

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2015**

	2015 \$	2015 Budget \$	2014 \$
<b>(g) City of Stirling</b>			
Opening balance	14,142,194	14,142,194	9,337,850
Land development expenses	(7,830,834)	(16,151,945)	(9,527,684)
Proceeds of sale of member land	20,025,689	20,630,283	17,795,785
Return of Contribution	(10,333,332)	(10,333,334)	(3,333,330)
Rates equivalent	(140,854)	(140,854)	(184,883)
TPRC Nett Result	168,558	(133,687)	54,456
	<u>16,031,421</u>	<u>8,012,657</u>	<u>14,142,194</u>
 TOTAL MEMBERS CONTRIBUTIONS	 <u>48,094,264</u>	 <u>24,037,966</u>	 <u>42,426,580</u>
 Total Opening balance	 42,426,580	 42,426,580	 28,013,548
Land development expenses	(23,492,495)	(48,455,839)	(28,591,476)
Proceeds of sale of member land	60,077,067	61,890,849	53,390,161
Return of Contribution	(31,000,000)	(31,000,000)	(9,999,988)
Rates equivalent	(422,562)	(422,562)	(554,651)
TPRC Nett Result	505,674	(401,062)	168,986
TOTAL EQUITY	<u>48,094,264</u>	<u>24,037,966</u>	<u>42,426,580</u>

**11. REVALUATION SURPLUS**

Revaluation surpluses have arisen on revaluation of the following classes of non-current assets:

**(a) Improvements to leasehold property**

Opening balance	6,353	6,353
Revaluation increment	<u>0</u>	<u>0</u>
	<u>6,353</u>	<u>6,353</u>

**(b) Plant and equipment**

Opening balance	1,164	0
Revaluation increment	<u>0</u>	<u>1,164</u>
	<u>1,164</u>	<u>1,164</u>

TOTAL ASSET REVALUATION SURPLUS	<u>7,517</u>	<u>7,517</u>
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**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2015**

**12. NOTES TO THE STATEMENT OF CASH FLOWS**

**(a) Reconciliation of Cash**

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

	2015 \$	2015 Budget \$	2014 \$
Cash and cash equivalents	<u>46,060,590</u>	<u>21,953,541</u>	<u>40,413,398</u>

**(b) Reconciliation of Net Cash Provided By Operating Activities to Net Result**

Net result	505,674	(401,062)	167,822
Non-cash flows in Net result:			
Depreciation	16,250	17,983	13,626
(Profit)/Loss on sale of asset	(956)	(6,869)	0
Changes in assets and liabilities:			
(Increase)/Decrease in receivables	345,944	(257,697)	(219,369)
Increase/(Decrease) in payables	(395,957)	179,840	264,227
Increase/(Decrease) in provisions	41,348	23,500	(35,588)
Net cash from operating activities	<u>512,303</u>	<u>(444,305)</u>	<u>190,718</u>

**(c) Undrawn Borrowing Facilities  
Credit Standby Arrangements**

The Regional Council does not have any undrawn borrowing facilities at 30 June 2015

**13. CONTINGENT LIABILITIES**

There were no known contingent liabilities at 30 June 2015.

**14. CAPITAL AND LEASING COMMITMENTS**

The Regional Council did not have any future operating lease commitments at the reporting date.

**(b) Capital Expenditure Commitments**

The Regional Council did not have any future capital expenditure commitments at the reporting date.

**15. JOINT VENTURE ARRANGEMENTS**

The Regional Council is not involved in any joint venture arrangements.

## 16. TOTAL ASSETS CLASSIFIED BY FUNCTION AND ACTIVITY

	2015 \$	2014 \$
Governance	4,596	6,214
Other property and services	176,747	171,901
Unallocated	48,238,496	42,928,649
	<u>48,419,839</u>	<u>43,106,764</u>

### TAMALA PARK REGIONAL COUNCIL NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE YEAR ENDED 30TH JUNE 2015

	2015	2014	2013
<b>17. FINANCIAL RATIOS</b>			
Current ratio	157.65	61.98	61.22
Asset sustainability ratio	4.02	0.51	0.00
Debt service cover ratio	0.00	0.00	0.00
Operating surplus ratio	0.35	0.17	(1.13)
Own source revenue coverage ratio	1.51	1.20	0.47

The above ratios are calculated as follows:

Current ratio	$\frac{\text{current assets minus restricted assets}}{\text{current liabilities minus liabilities associated with restricted assets}}$
Asset sustainability ratio	$\frac{\text{capital renewal and replacement expenditure}}{\text{Depreciation expenses}}$
Debt service cover ratio	$\frac{\text{annual operating surplus before interest and depreciation}}{\text{principal and interest}}$
Operating surplus ratio	$\frac{\text{operating revenue minus operating expenses}}{\text{own source operating revenue}}$
Own source revenue coverage ratio	$\frac{\text{own source operating revenue}}{\text{operating expenses}}$

#### Notes:

Information relating to the **asset consumption ratio** and the **asset renewal funding ratio** can be found at Supplementary Ratio Information on Page 39 of this document.



**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2015**

**18. TRUST FUNDS**

The Regional Council holds no funds in trust for other entities.

**19. DISPOSALS OF ASSETS - 2014/15 FINANCIAL YEAR**

The following assets were disposed of during the year.

	Net Book Value		Sale Price		Profit (Loss)	
	Actual \$	Budget \$	Actual \$	Budget \$	Actual \$	Budget \$
<b>Plant and Equipment</b>						
Other property and services						
Audi Q5	37,226	34,131	38,182	41,000	956	6,869
	37,226	34,131	38,182	41,000	956	6,869

Profit	956	6,869
Loss	0	0
	<u>956</u>	<u>6,869</u>

**20. INFORMATION ON BORROWINGS**

(b) New Debentures - 2014/15

The Regional Council did not take up any new debentures during the year ended 30 June 2015.

(c) Unspent Debentures

The Regional Council did not have any unspent debentures as at 30 June 2015.

(d) Overdraft

The Regional Council does not have an overdraft facility.

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2015**

**21. RATING INFORMATION - 2014/15 FINANCIAL YEAR**

**(a) Rates**

<b>RATE TYPE</b>	<b>Rate in \$</b>	<b>Number of Properties</b>	<b>Rateable Value \$</b>	<b>Rate Revenue \$</b>	<b>Interim Rates \$</b>	<b>Back Rates \$</b>	<b>Total Revenue \$</b>	<b>Budget Rate Revenue \$</b>	<b>Budget Interim Rate \$</b>	<b>Budget Back Rate \$</b>	<b>Budget Total Revenue \$</b>
Differential general rate											
Gross rental value valuations											
Unimproved value valuations											
Sub-Totals		0	0	0	0	0	0	0	0	0	0
Minimum payment	Minimum \$										
Gross rental value valuations											
Unimproved value valuations											
Sub-Totals		0	0	0	0	0	0	0	0	0	0
Ex-gratia rates							0				0
Discounts/concessions (refer note 24)							0				0
<b>Total amount raised from general rate</b>							<b>0</b>				<b>0</b>
Specified Area Rate (refer note 22)							0				0
<b>Totals</b>							<b>0</b>				<b>0</b>

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2015**

**21. RATING INFORMATION - 2014/15 FINANCIAL YEAR (Continued)**

**(b) Information on Surplus/(Deficit) Brought Forward**

	<b>2015 (30 June 2015 Carried Forward) \$</b>	<b>2015 (1 July 2014 Brought Forward) \$</b>	<b>2014 (30 June 2014 Carried Forward) \$</b>
<b>Surplus/(Deficit) 1 July 14 brought forward</b>	<u>46,155,070</u>	<u>40,484,543</u>	<u>40,484,543</u>
<b><u>Comprises:</u></b>			
Cash and cash equivalents			
Unrestricted	46,060,590	40,413,398	40,413,398
Sundry debtors	180,487	542,087	542,087
GST receivable	3,846	4,417	4,417
Accrued Interest	175,391	150,564	150,564
Settlement bonds	29,400	38,000	38,000
<b><u>Less:</u></b>			
Trade and other payables			
Sundry creditors	(163,501)	(561,027)	(561,027)
Accrued salaries and wages	(7,080)	(5,510)	(5,510)
ATO liabilities	(14,965)	(13,388)	(13,388)
FBT Liabilities	(1,692)	(770)	(770)
Accrued expenses	(4,500)	(7,000)	(7,000)
Provisions			
Provision for annual leave	(102,906)	(68,128)	(68,128)
Provision for long service leave	0	(8,100)	(8,100)
<b>Net current assets</b>	<u>46,155,070</u>	<u>40,484,543</u>	<u>40,484,543</u>
<b>Surplus/(deficit)</b>	<u>46,155,070</u>	<u>40,484,543</u>	<u>40,484,543</u>

**Difference**

There was no difference between the surplus/(deficit) 1 July 2014 brought forward position used in the 2015 audited financial report and the surplus/(deficit) carried forward position as disclosed in the 2014 audited financial report.

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2015**

**22. SPECIFIED AREA RATE - 2014/15 FINANCIAL YEAR**

The Regional Council did not impose any Specified Area Rates.

**23. SERVICE CHARGES - 2014/15 FINANCIAL YEAR**

The Regional Council did not impose any service charges.

**24. DISCOUNTS, INCENTIVES, CONCESSIONS, & WRITE-OFFS  
- 2014/15 FINANCIAL YEAR**

The Regional Council did not offer any discounts, provide any concessions or allow any write offs.

**25. INTEREST CHARGES AND INSTALMENTS - 2014/15 FINANCIAL YEAR**

The Regional Council did not impose interest charges.

**26. FEES & CHARGES**

There were no fees and charges applied in the financial year

**27. GRANT REVENUE**

The Regional Council did not receive any Grant Revenue in the financial year.

**28. EMPLOYEE NUMBERS**

**2015**

**2014**

The number of full-time equivalent  
employees at balance date

3

3

**29. ELECTED MEMBERS REMUNERATION**

**2015**

**2015  
Budget**

**2014**

**\$**

**\$**

**\$**

The following fees, expenses and allowances were  
paid to council members and/or the president.

Elected Members Remuneration	131,708	128,750	114,837
Alternate Elected Members Remuneration	420	2,000	0
Chairman's Allowance	15,338	19,750	15,418
Deputy Chairman's allowance	4,857	4,938	4,129
	<u>152,323</u>	<u>155,438</u>	<u>134,384</u>

**30. MAJOR LAND TRANSACTIONS**

The Regional Council did not participate in any major land transactions during the 2014/15.

**31. TRADING UNDERTAKINGS AND MAJOR TRADING UNDERTAKINGS**

The Regional Council did not participate in any trading undertakings or major trading undertakings during the 2014/15 financial year.

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2015**

**32. FINANCIAL RISK MANAGEMENT**

The Regional Council's activities expose it to a variety of financial risks including price risk, credit risk, liquidity risk interest rate risk. The Regional Council's overall risk management focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Regional Council.

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

Financial risk management is carried out by the finance area under policies approved by the Council.

*The Regional Council held the following financial instruments at balance date:*

	<b>Carrying Value</b>		<b>Fair Value</b>	
	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Financial assets</b>				
Cash and cash equivalents	46,060,590	40,413,398	46,060,590	40,413,398
Receivables	389,124	735,068	389,124	735,068
	<u>46,449,714</u>	<u>41,148,466</u>	<u>46,449,714</u>	<u>41,148,466</u>
<b>Financial liabilities</b>				
Payables	191,738	587,695	191,738	587,695
	<u>191,738</u>	<u>587,695</u>	<u>191,738</u>	<u>587,695</u>

Fair value is determined as follows:

- Cash and cash equivalents, receivables, payables - estimated to the carrying value which approximates net market value.

**(a) Cash and Cash Equivalents**

The Regional Council's objective is to maximise its return on cash and investments whilst maintaining an level of liquidity and preserving capital. The finance area manages the cash and investments portfolio with the assistance of independent advisers (where applicable). Council has an investment policy and the policy is subject to review by Council. An Investment Report is provided to Council on a monthly basis setting out the make-up and performance of the portfolio.

The major risk associated with investments is price risk - the risk that the capital value of investments may fluctuate due to changes in market prices, whether these changes are caused by factors specific to individual financial instruments of their issuers or factors affecting similar instruments traded in a market.

Cash and investments are also subject to interest rate risk - the risk that movements in interest rates could affect returns.

Another risk associated with cash is credit risk – the risk that a contracting entity will not complete its obligations under a financial instrument resulting in a financial loss to the Regional Council.

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2015**

**32. FINANCIAL RISK MANAGEMENT (continued)**

The Regional Council manages these risks by diversifying its portfolio and only investing in investments authorised by *Local Government (Financial Management) Regulation 19C*. Council also seeks advice from independent advisers (where considered necessary) before placing any cash and investments.

	<b>2015</b>	<b>2014</b>
	<b>\$</b>	<b>\$</b>
Impact of a 1% <sup>(1)</sup> movement in interest rates on cash		
- Equity	462,469	300,559
- Statement of Comprehensive Income	462,468	300,559

*Notes:*

<sup>(1)</sup> Sensitivity percentages based on management's expectation of future possible market movements.

**(b) Receivables**

The Regional Council's major receivables comprise rates and annual charges and user charges and fees. risk associated with these receivables is credit risk – the risk that the debts may not be repaid. The Regional Council manages this risk by monitoring outstanding debt and employing debt recovery policies. It encourages ratepayers to pay rates by the due date through incentives.

Credit risk on rates and annual charges is minimised by the ability of the Regional Council to recover these a secured charge over the land – that is, the land can be sold to recover the debt. The Regional Council is to charge interest on overdue rates and annual charges at higher than market rates, which further encourages payment.

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

The Regional Council makes suitable provision for doubtful receivables as required and carries out credit most non-rate debtors.

There are no material receivables that have been subject to a re-negotiation of repayment terms.

The profile of the Regional Council's credit risk at balance date was:

	<b>2015</b>	<b>2014</b>
Percentage of other receivables		
- Current	53%	90%
- Overdue	2%	10%

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2015**

**32. FINANCIAL RISK MANAGEMENT (Continued)**

**(c) Payables**

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

The contractual undiscounted cash flows of the Regional Council's Payables and Borrowings are set out in the Liquidity Sensitivity Table below:

	Due within 1 year \$	Due between 1 & 5 years \$	Due after 5 years \$	Total contractual cash flows \$	Carrying values \$
<b><u>2015</u></b>					
Payables	191,738	0	0	191,738	191,738
	<u>191,738</u>	<u>0</u>	<u>0</u>	<u>191,738</u>	<u>191,738</u>
<b><u>2014</u></b>					
Payables	587,695	0	0	587,695	587,695
	<u>587,695</u>	<u>0</u>	<u>0</u>	<u>587,695</u>	<u>587,695</u>

**TAMALA PARK REGIONAL COUNCIL  
SUPPLEMENTARY RATIO INFORMATION  
FOR THE YEAR ENDED 30TH JUNE 2015**

**RATIO INFORMATION**

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

	<b>2015</b>	<b>2014</b>	<b>2013</b>
Asset consumption ratio	0.80	0.81	0.78
Asset renewal funding ratio	1.963	N/A	1.17

The above ratios are calculated as follows:

Asset consumption ratio	$\frac{\text{depreciated replacement costs of assets}}{\text{current replacement cost of depreciable assets}}$
Asset renewal funding ratio	$\frac{\text{NPV of planning capital renewal over 10 years}}{\text{NPV of required capital expenditure over 10 years}}$



## **Appendix 9.7**

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TAMALA PARK REGIONAL COUNCIL

### Report on the Financial Report

We have audited the accompanying financial report of Tamala Park Regional Council which comprises the statement of financial position as at 30 June 2015 and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the statement by chief executive officer.

### Management's Responsibility for the Financial Report

Management is responsible for the preparation of the financial report which gives a true and fair view in accordance with Australian Accounting Standards, the Local Government Act 1995 (as amended), the Local Government (Financial Management) Regulations 1996 and for such internal control as management determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Council's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Independence

In conducting our audit, we have complied with the independence requirements of the Australian professional accounting bodies.

## **Auditor's Opinion**

In our opinion, the financial report of Tamala Park Regional Council is in accordance with the underlying records of management including:

- a) giving a true and fair view of the financial position of Tamala Park Regional Council as at 30 June 2015 and of its performance for the year ended on that date; and
- b) complies with the Local Government Act 1995 (as amended) and the Local Government (Financial Management) Regulations 1996 (as amended) and the Australian Accounting Standards.

## **Reporting on Other Legal and Regulatory Requirements**

We did not, during the course of our audit, become aware of any instances where the Council did not comply with the statutory requirements of the Local Government Act (1995) (as amended) and the Local Government (Financial Management) Regulations 1996 (as amended).

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

- a) There are no material matters that in our opinion indicate significant adverse trends in the financial position or the financial management practices of the Council.
- b) There are no matters indicating non-compliance with Part 6 of the Local Government Act 1995 (as amended), the Local Government (Financial Management) Regulations 1996 (as amended) or applicable financial controls of any other written law were noted during the course of our audit.
- c) The asset consumption ratio and the asset renewal funding ratio, included in the supplementary ratio information at the back of the financial report, are supported by verifiable information and reasonable assumptions.
- d) All necessary information and explanations required were obtained by us.
- e) All audit procedures were satisfactorily completed in conducting our audit.

BUTLER SETTINERI (AUDIT) PTY LTD  
Registered Auditor number 289109



MARIUS VAN DER MERWE  
Director

Perth  
Date: 24 August 2015



MVDM : MZN  
TAMA01

25 August 2015

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

Dear Tony

## **TAMALA PARK REGIONAL COUNCIL**

We wish to advise that we have recently completed the audit of the above mentioned Council for the year ended 30 June 2015.

The Australian Auditing and Assurance Standards Board encourages auditors to issue a management letter on completion of each audit as a means of advising the Council of any matters noted during the course of the audit.

Our audit involves the review of only those systems and controls adopted by the Council upon which we wish to rely for the purposes of determining our audit procedures. Furthermore, our audit should not be relied upon to disclose defalcations or other similar irregularities, although their disclosure, if they exist, may well result from the procedures we undertake. While we have considered the control environment in accordance with Australian Auditing Standards, we have not tested controls and hence do not comment on whether systems and controls are operating effectively.

We advise that we have not encountered any other matters during the course of our audit that we believe should be brought to your attention other than the following:

### **Segregation of duties**

We appreciate that due to the nature and size of the entity, the management overseas all the functions within the entity, however there is an inherent risk of lack of segregation of duties within the general financial administrative process and we recommend that this should be continually considered by the management in designing compensating controls.

We acknowledge that management have implemented compensating controls in the form of independent accountants performing the monthly accounting

function and preparing the annual financial report. Further, the monthly reconciliations of major revenue, GST and investment transactions are reviewed by an external consultant.

#### **Provisions for Annual leave**

We noted that the CEO has accrued more than four weeks of leave. We recommend that employees are encouraged to utilise their leave entitlements.

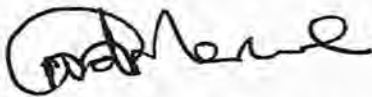
We wish to thank the staff of Tamala Park Regional Council for their assistance during the audit.

Should you have any questions please do not hesitate to contact me.

Yours sincerely

BUTLER SETTINERI (AUDIT) PTY LTD

Registered auditor number 289109

A handwritten signature in black ink, appearing to read 'Marius Van der Merwe', with a stylized, cursive script.

MARIUS VAN DER MERWE CA

Director

## **Appendix 9.8**



## TAMALA PARK – CATALINA

### LAND SALES OFFICE BUSINESS CASE

September 2015

#### Introduction

The land sales office was constructed in 2013 on Lot 170 by National Homes and consists of a double storey dwelling which was opened in May 2014. The land sales office adjoins Lots 171 – 174 which were developed as a temporary car park and fronts Aviator Boulevard, the main entry into the Estate and is currently owned by the TPRC.

The recently approved Catalina Lot Sale and Release Strategy (April 2015) proposes that the land sales office will be sold to the market as a private sale in accordance with the Public Release method and settled in FYE2016 with a lease back arrangement in place to allow the use of the land sales office until a new land sales office is built, which is expected in FYE2019.

#### Status

The original design of the building was for a 3x2 plus study; however two walls were removed to suit the sales office layout. Additionally, a playground with play equipment was constructed and installed for children.

National Homes have provided some plans (Annexure A) indicating the works required to complete the land sales office to reflect a completed home that could be sold to the market, essentially converting the sales area into a third bedroom and a home theatre and will result in the land sales office being converted into a 3 bedroom, 2 bathroom home with a study and a home theatre.

National Homes will also need to consult its suppliers & contractors to adjust existing items such as smart wiring, electrical, lighting and flooring.

The costs to undertake the works required to complete the home are currently being estimated by National Homes but are estimated to be within the allowance in the FYE16 Budget and are subject to final estimates. The approximate timeframe to complete the works is 6 weeks.

The existing landscaping and playground area surrounding the land sales office sits across the boundary of both Lot 170 and Lot 169. This would also need to be rectified in order to accommodate the installation of boundary fencing between the lots. The costs to complete these works are approximately \$15,000.

The current market yield for a leaseback on a land sales office or a builder display home is 7% as per advice from builders within the Catalina display village who have recently transacted their display homes and recent examples of land sales offices sold to the market by other developers, with all outgoings paid by the owner. The lease back period is anticipated to be 3 years, although this may require an extension depending on the life of the display villages within Catalina Central and the sale of remaining lots within Catalina Central given the significant slowdown occurring in the market.

## Options

The options available to the TPRC are as follows:

1. Sell the land sales office as is in its current state without any make good or improvements to the land sales office itself with a lease back arrangement in place for the period which the sales office will be required. The current market rate for a lease back on a land sales office is 7%, with all outgoings to be paid by the purchaser.

The lease back period is anticipated to be 3 years commencing April 2016 although this may be extended by another 2 years via 2 x 1 year options depending on the life of display village (DV2) and the sale of remaining lots within Catalina Central given the significant slowdown in sales activity currently occurring in the market.

Make good of the existing landscaping and playground area along with the installation of boundary fencing by the TPRC would be incorporated in the lease back agreement as a make good provision and would only be undertaken upon the expiry of the lease back period.

2. Sell the land sales office as is in its current state with a lease back arrangement in place for the period which the sales office will be required and undertake the required improvements to complete the land sales office as per the original tender design upon the expiry of the lease back period. The current market rate for a lease back on a land sales office is 7%, with all outgoings to be paid by the purchaser.

The lease back period is anticipated to be 3 years commencing April 2016 although this may be extended by another 2 years via 2 x 1 year options depending on the life of display village (DV2) and the sale of remaining lots within Catalina Central given the significant slowdown occurring in the market.

Undertaking of the required improvements to complete the land sales office as per the original tender design and make good of the existing landscaping and playground area along with the installation of boundary fencing by the TPRC would be incorporated in the lease back agreement as a make good provision and would only be undertaken upon the expiry of the lease back period.

3. Holding the land sales office asset until a new land sales office is commissioned and is no longer required, then placing it on the market for sale as is.
4. Holding the land sales office asset until a new land sales office is commissioned, is no longer required and undertaking the required improvements to complete the home as per the original tender design, then placing it on the market for sale.



## **Budget**

The FYE2016 budget assumes revenue of \$640,000 for the sales office. The FYE2016 budget does also assume costs associated with a lease back arrangement. The cost of leasing back the sales office over a 3 year period is \$134,400. If the lease back period is extended by a further year (initial 3 years plus a 1 year option – 4 years) the total cost will be \$179,200. If the lease back period was extended by a further 2 years (initial 3 years plus 2 x 1 year options – 5 years) the total cost will be \$224,000.

The FYE2016 budget does also assume costs associated to undertake the required improvements to complete the land sales office as per the original tender, retrofit and make good the surrounding landscaping and playground area. The cost of undertaking the required improvement to complete the home as per the original tender, retrofit and make good of the surrounding landscaping and playground is assumed to be \$100,000 in the budget, however this can be deferred and is dependent on the direction the TPRC wish to take with the land sales office.

## **Recommendation**

Given the current softening state of the market with regards to both vacant land and established homes within the immediate catchment, SPG recommends that the land sales office not be sold in FYE16 and that either Option 3 or Option 4 be adopted by the TPRC with a view to reviewing the business case in 12 months' time.

Please contact me should you have any queries.

Regards



**TONY ALEKSOVSKI**  
PROJECT DIRECTOR

## **Appendix 9.9**

17 September 2015

Luke Aitken  
Project Coordinator  
Tamala Park Regional Council  
Unit 2, 369 Scarborough Beach Road  
INNALOO WA 6018

Dear Luke,

**Catalina – Repricing of Balance Titled Lots at Catalina (Stages 10, 13A, 13B, 14A, 14B, 14C & 14D)  
Below the FYE16 Approved Budget Price**

Please see below recommended prices for lots in Stages 10, 13A, 13B, 14A, 14B, 14C and 14D that have been previously released to the market and have had recent valuations ordered.

The repricing of these lots is **below the FYE16 Approved Budget Price**.

Lot	Stage	Size	Release Date	Current List Price	FYE 2016 Approved Budget Price	Recommended Reprice by SPG	Comment
609	10	396	Jul-14	\$328,000	\$328,000	\$299,000	Bal Requirement and Package A noise requirement. No interest to date.
612	10	562	Jul-14	\$400,000	\$400,000	\$379,000	Bal Requirement and Package A noise requirement.
306	13A	315	Aug-14	\$258,000	\$245,000	\$239,000	Mandatory 2 storey lot. Irregular shaped corner Lot facing Aviator Blvd. No interest to date.
312	13A	290	Aug-14	\$239,000	\$245,000	\$225,000	Irregular shaped corner Lot facing Aviator Blvd. No interest to date.
317	13A	288	Aug-14	\$238,000	\$245,000	\$225,000	Irregular shaped corner Lot facing Aviator Blvd. No interest to date.
726	13B	225	Oct-14	\$228,000	\$245,636	\$219,000	Mandatory 2 storey lot. Non standard frontage (9m) opposite Stage 13B POS. No interest to date. Requires bespoke design.
727	13B	225	Oct-14	\$228,000	\$245,636	\$219,000	Mandatory 2 storey lot. Non standard frontage (9m) opposite Stage 13B POS. No interest to date. Requires bespoke design.
728	13B	225	Oct-14	\$228,000	\$245,636	\$219,000	Mandatory 2 storey lot. Non standard frontage (9m) opposite Stage 13B POS. No interest to date. Requires bespoke design.
729	13B	225	Oct-14	\$228,000	\$245,636	\$219,000	Mandatory 2 storey lot. Non standard frontage (9m) opposite Stage 13B POS. No interest to date. Requires bespoke design.
755	13B	225	Oct-14	\$228,000	\$245,636	\$219,000	Mandatory 2 storey lot. Non standard frontage (9m) opposite Stage 13B POS. No interest to date. Requires bespoke design.
757	13B	225	Oct-14	\$228,000	\$245,636	\$219,000	Mandatory 2 storey lot. Non standard frontage (9m) opposite Stage 13B POS. No interest to date. Requires bespoke design.
758	13B	225	Oct-14	\$228,000	\$245,636	\$219,000	Mandatory 2 storey lot. Non standard frontage (9m) opposite Stage 13B POS. No interest to date. Requires bespoke design.

Lot	Stage	Size	Release Date	Current List Price	FYE 2016 Approved Budget Price	Recommended Reprice by SPG	Comment
798	14B	304	Feb-15	\$269,000	\$257,500	\$249,000	Rear loaded corner lot fronting Neerabup Road interface. Package B noise requirement.
800	14B	274	Feb-15	\$242,000	\$257,500	\$235,000	Lot fronting Neerabup Road interface. Package B noise requirement.
484	14D	225	Jun-15	\$215,000	\$257,500	\$215,000	Standard 7.5m frontage lot product. Rear Loaded. Fronting Roulettes Parade.
781	14D	225	Jun-15	\$215,000	\$257,500	\$215,000	Standard 7.5m frontage lot product. Rear Loaded. Fronting Roulettes Parade.
782	14D	225	Jun-15	\$215,000	\$257,500	\$215,000	Standard 7.5m frontage lot product. Rear Loaded. Fronting Roulettes Parade.
788	14D	225	Jun-15	\$217,000	\$257,500	\$217,000	Standard 7.5m frontage lot product. Rear Loaded.
789	14D	225	Jun-15	\$217,000	\$257,500	\$217,000	Standard 7.5m frontage lot product. Rear Loaded.
790	14D	225	Jun-15	\$214,000	\$257,500	\$205,000	Standard 7.5m frontage lot product. Rear Loaded. Package B noise requirement.
791	14D	300	Jun-15	\$258,000	\$257,500	\$249,000	Standard 7.5m frontage lot product. Rear Loaded. Package B noise requirement.
<b>Total</b>		<b>21</b>		<b>\$5,121,000</b>	<b>\$5,499,952</b>	<b>\$4,917,000</b>	

\*Please Note that Average Selling Price per lot was adopted in FYE 2016 Budget.

Given the softening of market conditions over the last 8 months and the price reduction and discounting of lots by competitors along with the introduction of significant rebates and incentives by other competing estates within the North West corridor, SPG recommend that the recommended pricing be adopted in order to be able to achieve the sales and settlements targets set for FYE16.

SPG wish to highlight that 12 of these lots were released to the market between July 2014 and October 2014 with the balance released to the market between February 2015 and June 2015.

The majority (16 out of 21) of the lots are significantly constrained by elements and requirements such as mandatory 2 storey building, located on main roads or fronting main roads both within and interfacing the estate, irregular frontage and awkward shaped lots, corner located lots, retaining wall heights, bespoke house design due to frontage and irregular lot shape, noise requirements and bushfire requirements.

Can you please advise SPG if you are agreeable to the pricing of these lots and accept the recommendation provided above.

Please contact me if you have any queries.

Yours sincerely,



**Tony Aleksovski**  
PROJECT DIRECTOR

## Appendix 9.9 — Comparison of Proposed SPG Repricing

Lot	Stage	Release Date	Current List Price	FYE 2016 Approved Budget Price	Recommended Reprice by SPG	Valuation	Comment
609	10	Jul-14	\$328,000	\$328,000	\$299,000	\$305,000	Bal Requirement and Package A noise requirement. No interest to date.
612	10	Jul-14	\$400,000	\$400,000	\$379,000	\$380,000	Bal Requirement and Package A noise requirement.
306	13A	Aug-14	\$258,000	\$245,000	\$239,000	\$235,000	Mandatory 2 storey lot. Irregular shaped corner Lot facing Aviator Blvd. No interest to date.
312	13A	Aug-14	\$239,000	\$245,000	\$225,000	\$185,000	Irregular shaped corner Lot facing Aviator Blvd. No interest to date.
317	13A	Aug-14	\$238,000	\$245,000	\$225,000	\$185,000	Irregular shaped corner Lot facing Aviator Blvd. No interest to date.
726	13B	Oct-14	\$228,000	\$245,636	\$219,000	\$215,000	Mandatory 2 storey lot. Non standard frontage (9m) opposite Stage 13B POS. No interest to date. Requires bespoke design.
727	13B	Oct-14	\$228,000	\$245,636	\$219,000	\$215,000	Mandatory 2 storey lot. Non standard frontage (9m) opposite Stage 13B POS. No interest to date. Requires bespoke design.
728	13B	Oct-14	\$228,000	\$245,636	\$219,000	\$215,000	Mandatory 2 storey lot. Non standard frontage (9m) opposite Stage 13B POS. No interest to date. Requires bespoke design.
729	13B	Oct-14	\$228,000	\$245,636	\$219,000	\$215,000	Mandatory 2 storey lot. Non standard frontage (9m) opposite Stage 13B POS. No interest to date. Requires bespoke design.
755	13B	Oct-14	\$228,000	\$245,636	\$219,000	\$215,000	Mandatory 2 storey lot. Non standard frontage (9m) opposite Stage 13B POS. No interest to date. Requires bespoke design.
757	13B	Oct-14	\$228,000	\$245,636	\$219,000	\$215,000	Mandatory 2 storey lot. Non standard frontage (9m) opposite Stage 13B POS. No interest to date. Requires bespoke design.
758	13B	Oct-14	\$228,000	\$245,636	\$219,000	\$215,000	Mandatory 2 storey lot. Non standard frontage (9m) opposite Stage 13B POS. No interest to date. Requires bespoke design.
798	14B	Feb-15	\$269,000	\$257,500	\$249,000	\$249,000	Rear loaded corner lot fronting Neerabup Road interface. Package B noise requirement.
800	14B	Feb-15	\$242,000	\$257,500	\$235,000	\$235,000	Lot fronting Neerabup Road interface. Package B noise requirement.
484	14D	Jun-15	\$215,000	\$257,500	\$215,000	\$200,000	Standard 7.5m frontage lot product. Rear Loaded. Fronting Roulettes Parade.
781	14D	Jun-15	\$215,000	\$257,500	\$215,000	\$200,000	Standard 7.5m frontage lot product. Rear Loaded. Fronting Roulettes Parade.
782	14D	Jun-15	\$215,000	\$257,500	\$215,000	\$200,000	Standard 7.5m frontage lot product. Rear Loaded. Fronting Roulettes Parade.
788	14D	Jun-15	\$217,000	\$257,500	\$217,000	\$202,000	Standard 7.5m frontage lot product. Rear Loaded.
789	14D	Jun-15	\$217,000	\$257,500	\$217,000	\$202,000	Standard 7.5m frontage lot product. Rear Loaded.
790	14D	Jun-15	\$214,000	\$257,500	\$205,000	\$197,000	Standard 7.5m frontage lot product. Rear Loaded. Package B noise requirement.
791	14D	Jun-15	\$258,000	\$257,500	\$249,000	\$248,000	Standard 7.5m frontage lot product. Rear Loaded. Package B noise requirement.
<b>Total</b>			<b>\$5,121,000</b>	<b>\$5,499,952</b>	<b>\$4,917,000</b>	<b>\$4,728,000</b>	

# **Appendix 9.10**



## TAMALA PARK – CATALINA

### Project & Lot Sales Strategy

September 2015

### Purpose

The TPRC requested Satterley Property Group (SPG) prepare an FYE16 Project & Lot Sales Strategy at the 13<sup>th</sup> August 2015 TPRC Council meeting whereby SPG provided commentary with regard to the changing residential property market conditions that has seen softening in market sentiment and consumer confidence over the last 6 months as evidenced by increased levels of stock in both the established and new housing markets. Currently the Catalina project has 34 titled and available lots for sale, comprising the following breakdown:

Release Time Frame	No of Lots
Less than 6 Months	11
6 – 12 Months	14
Larger than 12 Months	9

### Objective

The intent of this strategy is to provide recommendations to the TPRC to mitigate project and budget risk through the sale of aged titled stock and to ensure current and future stage releases of the project can be marketed and successfully sold in a strongly competitive market environment.

The recommendations provided by this strategy will form a basis of discussion for the TPRC with respect to the direction it determines appropriate for setting and achieving annual lot sales targets for the Catalina project based on market conditions.

If adopted by the TPRC, the recommendations provided by SPG will provide clear project direction in accordance with the Development Management Services Agreement.

## Market Overview

Significant lot price increases across product ranges have been achieved at Catalina since the project launch in March 2012. The following table is the historically budgeted price escalation for the project.

	FYE12	FYE13	FYE14	FYE15
<b>Budgeted Price Escalation</b>	5%	5%	6%	6%

The table below provides analysis of annualised price growth achieved for the previous financial years both in monetary and percentage terms.

Product Type	225sqm(R)	280sqm(F)	300sqm(F)	300sqm(R)	375sqm(F)	450sqm(F)	510sqm(F)	630sqm(F)
Calendar Year 2012		\$183,200	\$201,000		\$227,846	\$260,958	\$285,800	\$330,000
Calendar Year 2013	\$170,401	\$220,875	\$199,194	\$210,708	\$244,333	\$278,125	\$310,167	\$330,000
<b>Actual Annualised Growth FY12 - FY13</b>	<b>0.0%</b>	<b>20.6%</b>	<b>-0.9%</b>	<b>0.0%</b>	<b>7.2%</b>	<b>6.6%</b>	<b>8.5%</b>	<b>0.0%</b>
Calendar Year 2014	\$197,678	\$250,750	\$242,857	\$251,324	\$285,310	\$326,769	\$369,733	
<b>Actual Annualised Growth FY13 - FY14</b>	<b>16.0%</b>	<b>13.5%</b>	<b>21.9%</b>	<b>19.3%</b>	<b>16.8%</b>	<b>17.5%</b>	<b>19.2%</b>	<b>0.0%</b>
Calendar Year 2015	\$210,655	\$268,500	\$252,449	\$265,111	\$299,016	\$342,524	\$364,333	
<b>Actual Annualised Growth FY14 - FY15</b>	<b>6.6%</b>	<b>7.1%</b>	<b>3.9%</b>	<b>5.5%</b>	<b>4.8%</b>	<b>4.8%</b>	<b>-1.5%</b>	<b>0.0%</b>

Annualised price growth has been achieved at Catalina since project commencement, in particular for FYE13/14 when annualised growth of 13.5% to 21.9% was achieved for lots ranging from 225sqm to 510sqm. FYE14/15 delivered only moderate annualised growth ranging from 3.9% to 7.1% for lots ranging from 225sqm to 450sqm with a 1.5% decline in pricing for 510sqm lots. The most significant annualised price growth has been achieved for lots in the 225sqm – 300sqm range which are regarded as an “affordable” lot type and offering to the market.

The decline in the annualised growth for FYE14/15 is attributed to the deterioration of market conditions and sentiment. With the further deterioration in market sentiment; it is SPG’s view price increases previously achieved will not be repeated in FYE16 as reflected in the current annual budget highlighting 0% annualised growth in FYE16.

The deterioration in market conditions is reflected in a fall in prospective buyer enquiries and traffic figures by approximately 40% and sales contracts by 35% across the entire SPG portfolio of projects over the past 6 months when compared to the preceding period.

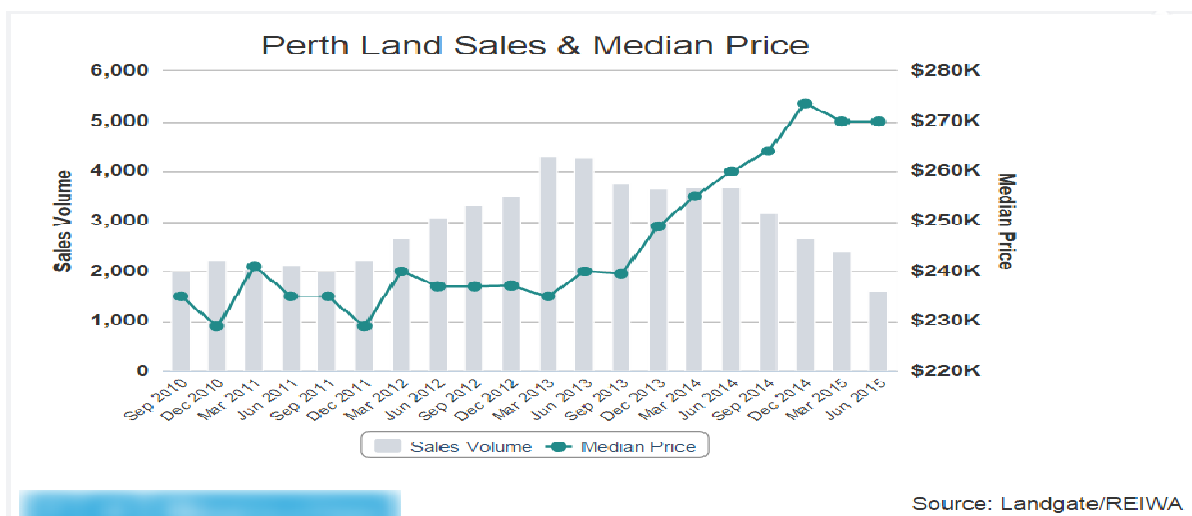
This fall in enquiry and sales is a lead indicator reflecting the deterioration in market conditions and sentiment.

SPG currently account for 25% market share of new residential lots sales within the Perth metropolitan area with current exposure in the different segments of the market ranging from the premium end right through to the first home buyer end of the market.



SPG's assessment of the market is supported by the Real Estate Institute of Western Australia (REIWA) which recently released its Quarterly Median Price Data for the June 2015 Quarter. The graph below indicates the quarterly sales volume of lots and median price for lots and highlights that the quarterly sales volume of lots has dramatically declined by more than 50% since June 2014. A total of 3,693 lots were sold for the quarter in comparison to June 2015 where 1,625 lots were sold for the quarter. Furthermore it is noted that the sales volume of lots for the June 2015 quarter is the lowest since September 2010.

The median price for lots has now declined since the market peaked in the December 2014 Quarter and has remained static now for two consecutive quarters after six consecutive quarters of growth.



The Urban Development Index Residential Land Activity Report March Quarter 2015 released in May 2015 by the Urban Development Institute of Australia WA UDIA(WA) indicates that lot sales figures within the north west corridor, which predominantly consists of the City of Wanneroo and the City of Joondalup, dominated the lot sales figures across the Perth metropolitan area for 2014. Quality lot product in desirable areas led to fierce competition within the corridor which saw stock shortages in 2014 and the price of lots peaking in December 2014.

This however is not the case today with the north west corridor experiencing a decline of some 14% of its market share, trending down from nearly 1 in every 3 developer lots sold to 1 in every 4 developer lots sold across metropolitan Perth for the first 6 months of 2015 according to UDIA(WA).

The number of lots on the market in the corridor has also more than doubled since June 2014 from 390 lots to 900 lots in March 2015, reflecting the change in market sentiment. This has led to increased competition between developers with the introduction of additional rebates and incentives to maintain or increase market share.

Key points of interest in the recently released Urban Intelligence Property Market Statistics report for July 2015 by the UDIA(WA) highlights the current state of the market and the softening experienced for the first 6 months of 2015:

- First Home Buyers (FHB) finance down 21.9% year on year (May 2014 to May 2015)
- Non First Home Buyers (NFHB) finance down 21% year on year (May 2014 – May 2015)

To further compound the effect of current market conditions, recently released Australian Bureau of Statistics (ABS) data from March 2015 highlights the north west corridor experienced the largest fall in the number of people employed month on month, down by 4,056 to 306,200 (1.3% fall) within the Perth metropolitan area.

## **Catalina Overview**

Current market sentiment and the sales measures adopted by competing estates for the first half of 2015 have led to a decline not only in sales volumes for the Catalina project but also a significant decline in the percentage of market share of lot sales within the north west corridor.

Sales figures for the past three months at Catalina (June, July August 2015) are as follows:

Gross Sales	26
Cancellations	9
<b>Net Sales</b>	<b>17</b>

This equates to an average of 8.5 gross sales per month and 5.5 net sales per month, well below the 20 gross sales per month and the 16 net sales per month achieved on average in FYE15. More concerning are the gross and net sales achieved for the corresponding period in FYE14 at 64 gross sales and 40 net sales, which provided a solid platform to meet the FYE15 budget sales target.

The FYE16 Annual Plan and FYE16 Budget set a sales target of 180 lots (15 lots per month). Based on the net sales rate achieved to date for the past 3 months, the Catalina project is forecast to achieve a lower sales rate for FYE16 than accounted for in the budget sales target.

In terms of market share, Catalina achieved 16% market share of lot sales in the north west corridor in FYE15. Sales to date now reflect a market share decline of some 50% for the project. Market share achieved for the last three months were 6% for June, 8% for July and 8% for August. The decline in Catalina's market share in the north west corridor is attributable to a number of contributing factors detailed in the following section of this report.

## **Latest Market Release**

Stage 15 consists of 55 lots and is currently under construction with titles forecast for December 2015. Stage 15A was released to the market in the last week of July, consisting of 16 lots. Pricing of these lots remained consistent with pricing of Stage 14 and no price increase. To date 8, lots have sold at an average of 1 sale per week, with the take up of new stock below expectation. The release contained a number of larger 450sqm lots which have not been available to the market for quite some time and have been received well by the market, comprising five of the eight sales achieved to date. The 375sqm lots are proving more difficult to contract. Feedback from buyers is that the pricing for these lots are not in line with current market conditions and the proximity to Neerabup Road as the main factors for not buying.

SPG anticipate the remaining lots in Stage 15 will be released to the market in late September (Stage 15B) and mid October (Stage 15C), some two months later than previously forecast and due to slower than expected take up of lots in Stage 15A.

## **Aged Stock**

Stock that has been released to the market for 6 months or longer is considered to be aged stock and currently comprises 23 lots.

Feedback from prospective buyers, builder representatives and onsite observations has identified the following key elements impacting the sale of these lots:

- mandatory two storey building;
- located on main roads or fronting main roads within and interfacing the estate;
- irregular frontage and awkward shaped lots;
- corner located lots;
- retaining wall heights;
- bespoke house design requirements due to irregular frontage and irregular lot shape;
- noise and fire BAL requirements.

## **Factors in the Decline in Project Sales**

### **Current Lot Pricing**

Burgess Rawson prepared re-valuations in August 2015 for the balance of the existing stock at the request of the TPRC. The re-valuation process involves a licensed Valuer reviewing sales data of settled lots, providing advice and commentary on the market and subsequently pricing of the lots, based on current sales evidence available as at the date of valuation of August 2015. Burgess Rawson provided the following commentary pertaining to the market:

*“Sales rates of newly developed vacant lots in the Perth Metropolitan region have declined during the first half of 2015 and there has been subdued interest in the market over recent months which is in line with the general residential real estate market over the Perth metropolitan area.*

*We have made enquiries to selling agents in competing estates in the northern coastal corridor which have disclosed significant incentives are now being offered to encourage further sales. A significant proportion of the lots being re-valued in the Catalina Estate are impeded by restrictions such as noise requirements, Fire BAL Ratings, mandatory two storey development or irregular awkward shaped lots which are difficult to develop. In a subdued market, these lots are not attractive to purchasers and significant incentives or realistic property values are required to achieve sales.*

*The reduced buyer enquiry, soft real estate market and increased buyer incentives at competing estate have been taken into account in assessing our values”.*

In light of the re-valuations, a pricing recommendation from SPG was provided to the TPRC in August 2015 for price reductions ranging from \$1,000 to \$29,000 for released lots requiring a re-valuation, equating to an average price reduction of \$8,100 per lot. The current pricing for these lots are above valuation and therefore pricing is recommended to be adjusted to reflect current market conditions if the sales target for FYE16 is to be met.

Based on the re-valuations, SPG propose to review the pricing of all lots as part of the midyear review of the FYE16 budget and also the forecast of the balance project budget to reflect the current market outlook.

## **Marketing**

Historically, the marketing spend on a per lot basis for the Catalina project has been low in comparison to other SPG projects, however, given the state of the market at the time, the decision taken by the TPRC to not fully expense the approved marketing budget was justified and delivered cost savings to the project at a time when sales rates exceeded budget forecast.

As highlighted, given the state of the market today, the importance of proactive marketing for Catalina is necessary to achieving the FYE16 sales target. In competitive market conditions such as today, the impact of underspend of marketing budgets has consequences resulting in the deterioration of the projects awareness, branding, messaging and overall positioning and standing within the market. Buyers will dismiss the project as being inferior in comparison to competing estates as their awareness of the project is diminished. This leads to lower project enquires, lower sales and lower market share for the project.

For FYE16 the TPRC has approved a marketing budget of \$812,000 based on a sales budget of 180 lots. SPG forecast this budget will be fully expensed to maintain market share in light of changed market conditions.

## **Display Village & Builder Feedback**

The Catalina project includes a builder display village comprising 24 home builders and is a major driver of traffic and enquiries for the Catalina project. Approximately 50% of all SPG sales are generated by builder referrals of SPG estates. SPG devotes considerable focus to developing and maintaining strategic relationships with key builders due to the importance of the builder sales.

Feedback has been received from the builder sales representatives indicate the following:

- *“Additional and higher quality marketing signage along the main traffic routes”,*
- *“Landscaping could be upgraded, particularly to the entry statement off Marmion Avenue and along Aviator Boulevard”,*
- *“Overall estate appearance is good but can be improved at key estate entry points and along primary roads”,*
- *“A builder involved incentive would work well I believe, reference: Stockland 7500k or LWP 10k rebate as builders have their own promotions running it is hard to contribute to these, we could simply add our promotion too yours and it starts to look pretty compelling for the buyer”,*
- *“With earthworks having begun on the ocean side of Catalina, works to the Median strips on Marmion Avenue would go a long way! More trees, it has a very bland feeling”,*

### **Estate Maintenance & Presentation**

Site visits of competing estates in the north west corridor was undertaken by SPG to review landscaping presentation and estate maintenance as a positive first impression is a significant influencer to the buyer experience when visiting an estate and a key role in determining their intention to purchase when compared to competitor projects. SPG recommends estate landscaping and maintenance budget costs should be enhanced to reflect Catalina’s position in the market place.

### **Landscaping**

SPG has reviewed Catalina’s estate landscaping to established and competing estates in the north west corridor. SPG are of the opinion the quality of landscaping installed to date requires upgrading in terms of plant size, maturity, stock variety and intensity of planting to enhance Catalina’s market position.

Specific areas identified for landscaping improvement are:

- Marmion Avenue entry statement,
- Aviator Boulevard between Marmion Avenue and Roulettes Parade
- Stage 11 public open space
- Stage 2 public access way (Display Village)

### **Competitors Overview**

The highly competitive nature of the north west corridor and softer market conditions has resulted in developers introducing new buyer rebates and incentives to increase enquiry and convert sales. These rebates and incentives are offered in addition to the standard fencing, landscaping, solar and communications rebates offered as a condition of sales to buyers.

Catalina does not currently provide additional rebates and incentives to buyers.

The table below summarises the current offering of incentives and rebates by competing estates within the north west corridor:

<b>Estate</b>	<b>Buyer Rebates/Incentives</b>	<b>Builder Referral/Incentives</b>
Alkimos Beach (Lendlease)	\$8,164 Grocery Rebate paid out as cash upon provision of signed building contract prior to settlement or slab down within 6 months after settlement.	Nil
Allara (Satterley)	\$8,000 early construction rebate upon provision of signed building contract prior to settlement or slab down within 9 months after settlement.	Nil
Amberton (Stockland)	\$7,500 rebate on selected lots.	Nil
Capricorn Yanchep (Acumen)		\$3,500 Referral fee on selected lots
Eden Beach (Satterley)	\$8,000 early construction rebate paid within 30 days of slab down or builder upgrade package incentive or Harvey Norman voucher incentive. Entirely at the purchaser's discretion.	Nil
Jindowie (Australand)	\$2,000 Prepaid Visa Debit Card	\$4,000 + GST Referral Fee
Shorehaven (Peet)	Open to negotiation on lot prices and Hot Lots with \$10,000 reductions.	\$1,500 Prepaid Visa Card
Trinity (LWP)	\$10,000 off your build subject to signing up with a builder within their display village.	LWP points - which convert to prepaid credit cards
Yanchep Golf Estate (Peet)	Open to negotiation on lot prices and Hot Lots with \$10,000 reductions.	\$5,000 Prepaid Visa Card
Vertex Yanchep (LWP)	\$5,000 gift card to purchaser	LWP points - which convert to prepaid credit cards

SPG are currently promoting a "Satterley Surprise" campaign as a part of its annual Spring marketing campaign across selected Satterley estates. This offering entails a range of incentives available to buyers of a choice of an early construction rebate, a builder upgrade package, a Freedom voucher, a Harvey Norman voucher, a Flight Centre voucher or a Coles Myer voucher ranging in value from \$5,000 to \$8,000. Catalina is not part of this promotion.

To date, the majority of buyers, some 80% who qualify under the terms of this campaign, have chosen to take the rebate/incentive as a cash payment upon settlement as buyers are focused on obtaining a cash rebate to achieve a better value for money proposition.

A majority of buyers select their preferred home design before choosing their preferred estate to achieve a price to fit within their budget. Buyers will sacrifice location, lot size and lot price to build their preferred home within their budget.

Adding to this equation, builder representatives will preference their clients to estates offering rebates/incentives to buyers along with a high standard of landscaping and presentation.

In light of the above, SPG propose the TPRC introduce a rebate offering for buyers of lots at Catalina. SPG propose this offering takes the form of a Builder Upgrade or Early Construction Rebate to the value of \$8,000 per lot on all available lots from 1 October 2015 until 31 January 2016. A review of the proposed rebate will be undertaken as part of the mid-year budget review to be considered by Council in February 2016.

The \$8,000 Builder Upgrade or Early Construction Rebate will form part of the buyer's contract to be paid to the buyer's nominated builder on receipt of an executed building contract within 9 months from lot settlement.

SPG recommends this form of rebate is offered to buyers as the \$8,000 payment is invested into the buyer's property provides a strong incentive to purchase in Catalina and benefits future stages of the Catalina through the flow on effect of higher quality homes in the community.

## **FYE16 Stock Levels**

The FYE16 Budget and FYE16 Annual Plan approved the following sales and settlements targets:

- Sales – 180 lots
- Titles – 144 lots
- Settlements – 151 lots

To date the TPRC has adopted a stock level trigger of 35 titled lots before approval to commence the next stage of civil works in Catalina Central, although it is noted Stage 18 has a higher stock trigger level of 55 lots. As highlighted in this report, the large number of titled aged stock together with the deterioration in market conditions constrains the opportunity to proceed with the development of future stages, which would enable the project to respond with product mix appropriate to current market demand. Accordingly, SPG proposes the aged stock is considered separately to the stock level trigger to ensure continuity to project delivery program.

Catalina Beach (Stage 25) has separate sales trigger of 20 lots as the first stage of development west of Marmion Avenue. Lots can be released to the market upon the commencement of subdivision works.

## **Recommendations**

SPG provide the following recommendations for consideration by the TPRC to achieve project outcomes aligned to the approved FYE16 sales budget and current market conditions:

1. The TPRC adopt the SPG recommended repricing of the re-valued titled lots to meet market conditions and achieve the FYE16 sales budget.
2. In light of the current market conditions as outlined in this report the TPRC support expenditure of the approved FYE16 marketing budget of \$812,000 to ensure the promotion, positioning and branding of Catalina is recognised in the highly competitive north west market corridor. SPG will prepare an updated Sales and Marketing Strategy for approval by the TPRC in accordance with the approved FYE16 marketing budget to be presented to the Management Committee meeting on 19 November 2015.

3. The TPRC introduce a Builder Upgrade or Early Construction Rebate to the value of \$8,000 per lot for all lots offered for sale from 1 October 2015 until 31 January 2016.
4. The TPRC agree in principle to participate in future SPG marketing campaigns to ensure Catalina and its current project offerings are well positioned to capitalise on market demand.
5. The TPRC agree to upgrade specific areas identified for landscaping improvement to improve the project amenity for current residents and enhance the product offering for prospective buyers within the approved budget and authorise the CEO to implement the landscaping upgrade.
6. The TPRC initiate a Spring cleaning campaign to remove the build-up of building debris, sand and general rubbish around the estate that has unfortunately built up over recent weeks. Furthermore, SPG requests the TPRC support the implementation of a regular cleaning program to present the estate in a professional standard and manner to the market and authorise the CEO to implement this program in accordance with the approved budget.

## Conclusion

The SPG recommends the TPRC supports the recommendations provided in this report to deliver the FYE16 financial outcomes for the Catalina project. SPG look forward to continue working with the TPRC to ensure Catalina maintains its position as a highly desirable and successful community.

Regards



Tony Aleksovski

**PROJECT DIRECTOR**



# **Appendix 9.11**

14 September 2015

Luke Aitken  
Project Coordinator  
Tamala Park Regional Council  
Unit 2, 369 Scarborough Beach Road  
INNALOO WA 6018

Dear Luke,

## **Catalina Grove LSP Review & Urbis Precinct Plan**

### **Brief**

Urbis were engaged to undertake a review of the existing Catalina Grove Local Structure Plan Area with a view to then prepare and provide the TPRC a Precinct Plan for the Catalina Grove Local Structure Plan Area, integrating the disciplines of Urban Design, Landscape and Economics in order to facilitate alignment with the TPRC's objectives that relate to value, risk, sustainability and best practice.

The purpose of the review was to provide the TPRC design guidance over the longer term for Catalina Grove, focussing on key elements within Catalina Grove being; linkages to the Clarkson Train Station, the EPBC Bushland and other remnant vegetation onsite, future retail and commercial/mixed use land and the extension of the existing Catalina Central Green Link into Catalina Grove.

The Urbis review took into account the project vision and principles, economic and market analysis both from a retail/commercial and residential perspective, best practice urban design, place making and landscaping and scope for further investigation and testing/implementation.

### **Existing LSP**

It is acknowledged that the existing Catalina LSP was prepared some time ago and may not reflect current market conditions and sentiment. Parameters set in the existing LSP were based on research and metrics at a point in time whereby initiatives incorporated within the current LSP were feasible, however given the evolution of the Catalina project to date, are either now simply not feasible or in fact now redundant.

The market dynamics have changed and the existing LSP is not reflective of them as such.

### **Mixed Use**

The existing Catalina LSP consists of a rather large amount of "Mixed Use" which given the current state of the market, does not provide the highest and best use for the site given the complexities with delivering mixed use in an urban setting.

Furthermore, given the close proximity of the site to the Clarkson Town Centre, it is the view that the optimal location for further mixed use is in fact both within the existing and the surrounding Clarkson Town Centre.

### **Retail**

The location of the Retail area in existing LSP is considered to not be the optimal location based on research and discussions with retailers to date. SPG held discussions with both Woolworths & Aldi.

Discussions held indicated that the size and location of the retail area within the existing LSP was not sufficient and optimal from their perspective. The retailers indicated that the retail site should be at least double in size than what the existing LSP shows and located on the corner of Connolly Drive and Aviator Boulevard for maximum exposure and convenience for customers.

It was rather surprising the level of data and research that both retailers had undertaken with regards to this particular site and both expressed a desire to further explore potential future opportunities with the TPRC.

### **Green Link & Public Open Space**

The existing LSP does not take into consideration the highly vegetated nature of the site and does not allow for the delivery of high amenity to the market.

The current alignment of the Green Link does not take into consideration and capture to the full extent the key elements of the site such as mature trees, landform and vegetation and does not allow for the retention of those key elements.

## **Urbis Precinct Plan**

### **Urban Design & Best Practice**

The review illustrates that the key design influences upon the site are Public Transport, Private Transport, Retail/Commercial and Green Space and were subsequently interrogated (and responses developed to the same) via collaborative Design Review Sessions that combined skill sets and view-points in the areas of planning, urban design, landscape and economics.

The purpose of the Design Review sessions was to develop a central vision for Catalina Grove. A series of assumptions that informed the development of the Catalina Grove Precinct Plan is as follows:

- The relocation of the Local Centre to Connolly Drive;
- The opportunity for mixed use and commercial land use is limited, however it is best placed on Neerabup Road;
- Higher residential densities will rely on direct and effective connections/pathways to Clarkson Train Station. There is opportunity to extend density southwards to capitalise on local assets such the planned Green Link, and parkland;
- The highly vegetated nature of the site is unique in the area and presents an opportunity for amenity and identity creation;
- There is potential for the Green Link to be less urban in nature, and to be realigned to capture key elements of the Precinct, including retained vegetation;
- There is potential to celebrate the EPBC vegetated area;
- Catalina Grove has great potential to establish a distinct sense of place and character.

SPG have reviewed the Catalina Grove Precinct Plan prepared by Urbis and are of the opinion that that Precinct Plan prepared by Urbis has delivered on the principles and elements set out in the brief and Design Review sessions outlined above.

### **Mixed Use**

The Catalina Grove Precinct Plan by Urbis rationalises the existing LSP with regards to the location and amount of mixed use area that could be sustained and supported in Catalina Grove on the back of recent economic data which forms the critical base in determining the levels that can be supported.

The extent of mixed use proposed has been significantly reduced in line with the recommendations of the Urbis Economics and Market Research Retail Analysis. Where retained, mixed use has been limited to the optimal location of Neerabup Road at its intersection with Connolly Drive.

Design controls will ensure an appropriate built form, however, equally important, a robust street block layout allows for a variety of land uses (commercial, residential, mixed use) and change in these land uses over time.

There is also the potential for this area to be held back by the TPRC until such time as demand for mixed use and/or high density residential has been established.

### **Commercial/Retail**

The Catalina Grove Precinct Plan by Urbis rationalises the existing LSP with regards to the location and amount of commercial/retail area that could be sustained and supported in Catalina Grove on the back of recent economic data which forms the critical base in determining the levels that can be supported.

The Precinct Plan identifies that the optimal position for commercial activity is along Neerabup Road, with Connolly Drive presenting the next best opportunity. The extension of the freeway and subsequent extension of Neerabup Road provide the ideal opportunity for the location of a commercial centre.

During the review, a number of retailers expressed an interest in the location of a retail site on Connolly Drive, between Aviator Boulevard (Green Link) and Neerabup Road and has been taken into consideration in the Precinct Plan.

The Precinct Plan highlights a site adjacent to Aviator Boulevard as the optimal location for a retail centre. This would frame the western entry to Catalina Grove, assisting in way finding, allowing for main street opportunities and assisting in the creation of a Village 'hub' with a close relationship to the Green Link and nearby environmentally significant vegetation. Design controls will be necessary to ensure appropriate built form outcomes that balance commercial need with public benefit, including an appropriate interface to the street.

### **Green Link & Public Open Space**

It also rationalises the environmental elements of the LSP with regards to the conditions set in the Commonwealth environmental approvals and incorporates landscaping into those conditions that provide a superior outcome for the long term usability, maintenance and management of those spaces. The Catalina Grove Precinct Plan seeks to retain vegetation as far as practicable in a re-aligned Green Link, parkland, within private open space and in road reserves (wherever possible). This will provide a unique and desirable setting within Grove.

The Green Link within the Catalina Grove Precinct Plan has a pedestrian/cycle focus and has been re-aligned to connect with environmentally significant vegetation, the Village Heart and the proposed Neerabup Road tunnel. It provides for high density and appropriately oriented residential development along the edges.

The orientation and width of the Green Link captures view-sheds between key elements of the Precinct, including the central parkland and the northern gateway area on Neerabup Road. It also includes retained vegetation and improvements that will express a common Catalina theme, but will also capture the unique attributes of the Precinct.

The Catalina Grove Precinct Plan delivers an opportunity to provide a greater level of highly specified amenity in Catalina Grove through both landscaping and built form outcomes that should deliver higher pricing for lots and product that would be either adjoining or surrounding the amenity.

The location of lots and product around landscaped areas generally does sell for a premium to the traditional standard product with no amenity and SPG's view is that the greater amount of Green Link and POS provides the opportunity to capitalise on.

#### **Other Design Responses & Elements**

The creation of a Village Heart centrally within Catalina Grove maximises its reach and benefit. It provides a distinct entry point at the western end of Catalina Grove, and a stepping stone in terms of connectivity from Catalina Central. The orientation and design of this area will maximise and celebrate public realm activity including an interrelationship to the Green Link and Catalina Grove's public open spaces.

The design responses will combine to create a sense of place and character that may be summarised as urbanism in a bushland setting over much of Catalina Grove, transitioning to a higher density Transit Oriented Design setting in areas closer to the Clarkson Train Station.

The character of Catalina Grove will be compatible with the wider Catalina Estate, and easily recognisable as part of the same. However, it will also exhibit its own key, unique attributes that will afford future residents a keen sense of place and identity.

#### **Developable Area**

From a developable area perspective the following table highlights the comparison of developable area between the existing LSP and the Urbis Precinct Plan:

	<b>Urbis Precinct Plan</b>	<b>Existing LSP</b>
<b>Land Use</b>	<b>Area (Ha)</b>	<b>Area (Ha)</b>
<b>Residential (R30/R40)</b>	21.27	23.89
<b>Medium Density (R60)</b>	1.10	
<b>High Density (R100)</b>	3.34	
<b>Mixed Use</b>	1.07	5.71
<b>Retail/Commercial</b>	1.93	0.91
<b>POS/Green Link</b>	5.33	4.23
<b>Conservation</b>	3.5	3.5

The main point of difference between the two is the amount of "mixed use" in each plan. The Urbis Precinct Plan rationalises the "mixed use" into more medium and high density residential which enables the ability for the TPRC to deliver a greater amount of density through both low rise

and high rise apartments and take advantage of the location of Catalina Grove in relation to its close proximity to the existing Clarkson Train station and deliver a more traditional transit oriented development (TOD).

### **Density & Connection**

The Precinct Plan states that the implementation of high density living relies on effective connections to the Clarkson Train Station – it cannot merely rely on proximity to public transport. The Catalina Grove Precinct Plan makes use of a proposed tunnel beneath Neerabup Road to cater for public transport, pedestrian, cycle and private vehicle movement as the most direct connection to the Clarkson Train Station. Maximising traffic is in the best interests of surveillance and pedestrian safety.

Elements such as public art and signage, effective lighting and dense/appropriately oriented development at the tunnel entrance will ensure this element of the plan is celebrated and highly utilised. A second, at grade, crossing is provided at the midway point of Catalina Grove's northern boundary on Neerabup Road. Rather than limit density to the walkable catchment of the Clarkson Train Station, it has been redistributed southwards to include high amenity areas – land parcels en-route to the Clarkson Train Station and opposite environmentally significant vegetation, which will underpin iconic open space and a 'Village Heart' within Catalina Grove.

### **Process Moving Forward**

It is envisaged that the next step of Catalina Grove Precinct Plan will entail consultation with the City of Wanneroo, the entire project team and relevant State Agencies to further investigate in detail and test the differences between the existing LSP and the Catalina Grove Precinct Plan.

This process would ensure that a staging strategy is devised that ensures a strong market presence across the development including the development of innovative product for the market and ultimately will allow for the financial testing of the Catalina Grove Precinct Plan.

It is acknowledged that adoption of the Catalina Grove Precinct Plan will trigger an amendment to the existing LSP which could take some 9 to 12 months to complete, based on advice from Urbis and the CLE. This must also be taken into consideration when testing the Catalina Grove Precinct Plan.

### **Recommendation**

SPG are of the opinion that the Catalina Grove Precinct Plan provides the TPRC with strong design guidance for the project and future built form outcomes and as such forms the basis for the TPRC to further investigate the merits highlighted in the Catalina Grove Precinct Plan.

SPG therefore recommend that the TPRC proceed with the above mentioned consultation, investigation and testing of the Catalina Grove Precinct Plan in order to determine the merits of the Catalina Grove Precinct Plan and provide the TPRC with the requisite information to determine if in fact it should proceed with an amendment to the existing LSP to reflect the findings of the Catalina Grove Precinct Plan.

Regards



**Tony Aleksovski**  
Project Director





# CATALINA GROVE PRECINCT PLAN





# EXECUTIVE SUMMARY

The Catalina Grove Precinct Plan was informed by the following:

- An Opportunities and Constraints Analysis incorporating a site visit and literature review;
- A Context Analysis;
- Residential Market Analysis; and
- Retail Market Analysis.

The above analyses illustrated that the key design influences upon the site are Public Transport, Private Transport, Retail/Commercial and Green Space.

These influences were interrogated (and responses developed to the same) via collaborative Design Review Sessions that combined skill sets and view-points in the areas of planning, urban design, landscape and economics. The purpose of these sessions was to develop a central vision for Catalina Grove and a series of assumptions to inform the development of the Catalina Grove Precinct Plan.

Broadly, these assumptions were framed around the following:

- The relocation of the Local Centre to Connolly Drive would respond to expressed demand from a supermarket operator and produce the greatest community benefit;
- The opportunity for mixed use and commercial land use is limited, however it is best placed on Neerabup Road;

- Higher residential densities will rely on direct and effective connections/pathways to Clarkson Train Station. There is opportunity to extend density southwards to capitalise on local assets such the planned Green Link, and parkland;
- The highly vegetated nature of the site is unique in the area and presents an opportunity for amenity and identity creation;
- There is potential for the Green Link to be less urban in nature, and to be realigned to capture key elements of the Precinct, including retained vegetation;
- There is potential to celebrate the EPBC vegetated area;
- Catalina Grove has great potential to establish a distinct sense of place and character.

In response, the Catalina Grove Precinct Plan is premised on the following key design responses:

**Connolly Drive Commercial Centre:** The optimal position for commercial activity is along Neerabup Road, with Connolly Drive presenting the next best opportunity. A major supermarket has expressed interest in a site on Connolly Drive, between Aviator Boulevard (Green Link) and Neerabup Road. A site adjacent to Aviator Boulevard would frame the western entry to Catalina Grove, assisting in way finding, allowing for main street opportunities and assisting in the creation of a Village ‘hub’ with a close relationship to the Green Link and nearby environmentally significant vegetation. Design controls will be necessary to ensure appropriate built form outcomes that balance commercial need with public benefit, including an appropriate interface to the street.

**Mixed Use:** The extent of mixed use proposed has been significantly reduced in line with the recommendations of the Urbis Economics and Market Research Retail Analysis. Where retained, mixed use has been limited to the optimal location of Neerabup Road at its intersection with Connolly Drive. Here, design controls will ensure an appropriate built form. However, equally important, a robust street block layout allows for a variety of land uses (commercial, residential, mixed use) and change in these land uses over time. Indeed, there is potential for this area to be held back by the TPRC until such time as demand for mixed use and/or high density residential has been established.

**Connections:** The successful implementation of high density living relies on effective connections to the Clarkson Train Station – it cannot merely rely on proximity to public transport. The Catalina Grove Precinct Plan makes use of a proposed tunnel beneath Neerabup Road to cater for public transport, pedestrian, cycle and private vehicle movement as the most direct connection to the Clarkson Train Station. Maximising traffic is in the best interests of surveillance and pedestrian safety. In addition, way finding elements such as public art and signage, effective lighting and dense/appropriately oriented development at the tunnel entrance will ensure this element of the plan is celebrated and highly utilised. A second, at grade, crossing is provided at the midway point of Catalina Grove’s northern boundary on Neerabup Road.

**Reconfiguration of Density:** Rather than limit density to the walkable catchment of the Clarkson Train Station, it has been redistributed southwards to include high amenity areas – land parcels en-route to the Clarkson Train Station and opposite environmentally significant vegetation, which will underpin iconic open space and a ‘Village Heart’ within Catalina Grove.

**Vegetation Protection:** The site contains significant areas of mature vegetation, which is unique in the area, creates sense of place and has strong physical/visual connections to surrounding green areas such as Bush Forever/the Neerabup National Park. The Catalina Grove Precinct Plan seeks to retain vegetation as far as practicable in a re-aligned Green Link, parkland, within private open space and in road reserves (wherever possible). This will provide a unique and desirable setting within Grove.

**Style of Green Link:** The Green Link within the Catalina Grove Precinct Plan has a pedestrian/cycle focus. It has been re-aligned to connect with environmentally significant vegetation, the Village Heart and the proposed Neerabup Road tunnel. It provides for high density and appropriately oriented residential development along the edges. The orientation and width of the Green Link captures view-sheds between key elements of the Precinct, including the central parkland and the northern gateway area on Neerabup Road. It also includes retained vegetation and improvements that will express a common Catalina theme, but will also capture the unique attributes of the Precinct.

**Precinct Focus:** The creation of a Village Heart centrally within Catalina Grove maximises its reach and benefit. It provides a distinct entry point at the western end of Catalina Grove, and a stepping stone in terms of connectivity from Catalina Central. The orientation and design of this area will maximise and celebrate public realm activity including an interrelationship to the Green Link and Catalina Grove’s public open spaces.

**Catalina Grove’s Character:** The above design responses will combine to create a sense of place and character that may be summarised as urbanism in a bushland setting over much of Catalina Grove, transitioning to a higher density Transit Oriented Design setting in areas closer to the Clarkson Train Station. The character of Catalina Grove will be compatible with the wider Catalina Estate, and easily recognisable as part of the same. However, it will also exhibit its own key, unique attributes that will afford future residents a keen sense of place and identity.

Subsequent reporting in this document outlines the process and reasoning for the creation of the Catalina Grove Precinct Plan.





# CATALIANA GROVE PRECINCT PLAN



## LEGEND:

- 1** Neerabup Gateway
- 2** Tunnel
- 3** Green Link (Retained Vegetation)
- 4** Village Heart
- 5** Local Centre
- 6** Community Centre
- 7** Conservation Open Space
- 8** Principal Shared Path







*View along The Green Walk*

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# 1 INTRODUCTION

## 1.1 OUR BRIEF

Urbis has been engaged to prepare a Precinct Plan for Catalina Grove Local Structure Plan Area. The review is to integrate Planning with Urban Design, Landscape and Economics, to facilitate alignment with the Tamala Park Regional Council's (TPRC's) objectives that relate to value, risk, sustainability and best practice.

The purpose of the review is to provide design guidance over the longer term, for Catalina Grove. In this regard, Urbis' deliverables focus on key areas or 'elements' within Catalina Grove, being; linkages to the train station located to the north; the EPBC Bushland; other remnant vegetation on site; retail and commercial/mixed use land; and a proposed Green Link to extend through the site.

Broader consideration of the wider Catalina Grove (a street block layout, for example) has occurred only to demonstrate a workable urban structure, capable of further testing and refinement.

The primary outcome is the Catalina Grove Precinct Plan, which has been premised upon a review of the following:

- Project vision, objectives and principles;
- Economic/market analysis, both retail/commercial and residential;
- Best practice urban design;
- Place making and landscaping; and
- Scope for further testing/implementation.

Implementation principles have been paramount in informing the design process. Compliance with these principles is identified in the following table:

Facilitate a high standard of mixed use development and high quality aesthetics.	☑
Buildings designed to respond to environmental conditions.	☑
Precinct character and differentiation.	☑
The public realm is vibrant, useable, pedestrian friendly and safe.	☑
A cohesive system of landscaped streets and public spaces that encourage walking and cycling.	☑
Provide linkages and recreational facilities that will encourage pedestrian and cyclist movement to the west.	☑
High level of safety of public spaces through positive passive surveillance.	☑
Development with a medium to high-density urban character.	☑
Provide a range of multiple dwelling residential living opportunities, offering affordable choices which allow for a range of incomes.	☑
Buildings address the street and/or public realm and promote visual interest and safety.	☑

Develop retail, office, commercial, mixed use and home business activity to maximise viability.	☑
Provide the framework for a wide variety of business opportunities that will activate the area.	☑
Integrate art into public spaces and buildings to foster a sense of character and identity.	☑
Buildings provide surveillance of the public realm through the location of balconies, major openings and active street frontages also taking into consideration solar access and overshadowing.	☑
Landscape has shading, climate protection and high amenity.	☑
A town square (activity node) in conjunction with development and landscape areas.	☑
Buildings, streets and open space designed to maximise access for pedestrians and cyclists.	☑
Opportunities to retain existing significant trees within private land, streetscape and open space.	☑
Building corners/iconic development sites: identify and reinforce where appropriate to prioritise and support intersections.	☑





## 1.2 PROCESS

Consistent with the agreed methodology, this report has been informed by:

- A summary of background reports and information (literature review);
- A site visit;
- Review of project vision, objectives and principles;
- An Opportunities and Constraints Report including a site/context analysis;
- A Market Analysis with particular emphasis on the amount of higher density living that might be supported on the land;
- A Retail Assessment with a particular focus on the location, and quantum of retail floorspace that Catalina Grove can support;
- Discussion of the above at a collaborative Design Review Session;
- Conversion of discussion points into a Draft Concept Plan tested at a further Design Review Session attended by Satterley, TPRC and the City of Wanneroo;
- Final consideration and direction at a follow up session with Satterley and the TPRC;
- Crafting of a Preferred Concept Plan and associated themes;
- Design testing, refinement and reporting;
- Meeting with the City of Wanneroo; and
- Preparation of the Catalina Grove Precinct Plan and supporting imagery.

## 1.3 APPROACH

Our approach has been one of integration and collaboration across disciplines. This has been most visibly expressed in the Design Review Sessions at which views and feedback were delivered directly and in real time, in an open environment.

Through these sessions, Urbis has sought to critically test the underpinning vision and associated assumptions for the project – for example, in relation to site context, linkages and vegetation retention.

This testing has allowed for a series of parameters to be agreed, to underpin the preparation of the Catalina Grove Precinct Plan.



*Exemplary Development: Edith Cowan University Redevelopment*



# 2 CONTEXT

## 2.1 WIDER CONTEXT

Catalina Grove forms the eastern parcel of the larger Catalina development. It is located approximately 35km north of the Perth CBD, 250m south of the Clarkson train station and approximately 5km northwest of Joondalup. The site is located between Connolly Drive and the Mitchell Freeway reservation, refer Figure 1.

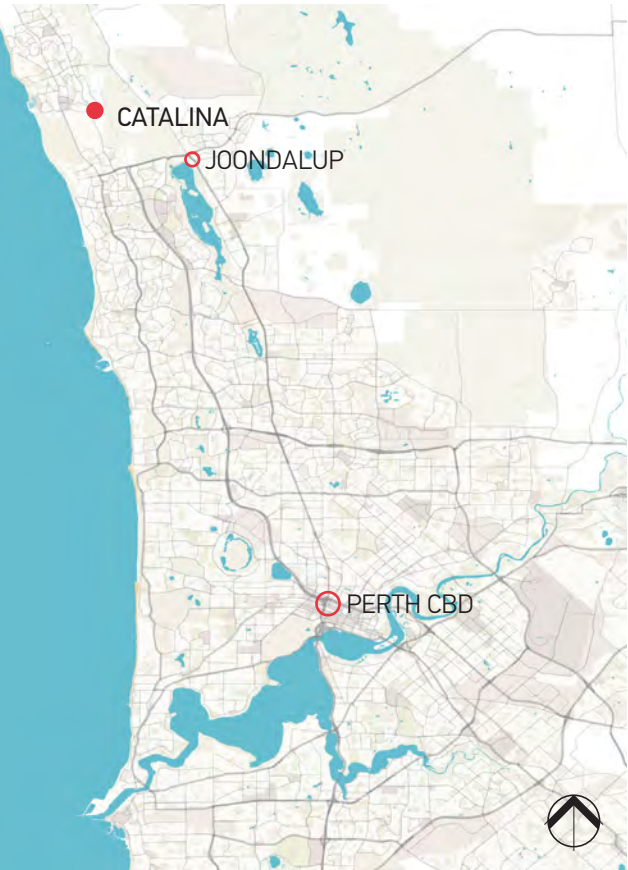


Figure 1. Regional Context

## 2.2 LOCAL CONTEXT

Urbis undertook an analysis of the site relative to the key features and elements of the locality. A number of these features and elements will have a more direct/significant impact on design outcomes than others. The following elements and their influences were investigated:

- Public Transport;
- Schools;
- Private Transport;
- Retail/Commercial;
- Green Space;
- Waste Facility;
- Prevailing Breezes;
- Relationship to Catalina West and Central;
- Road Interface.

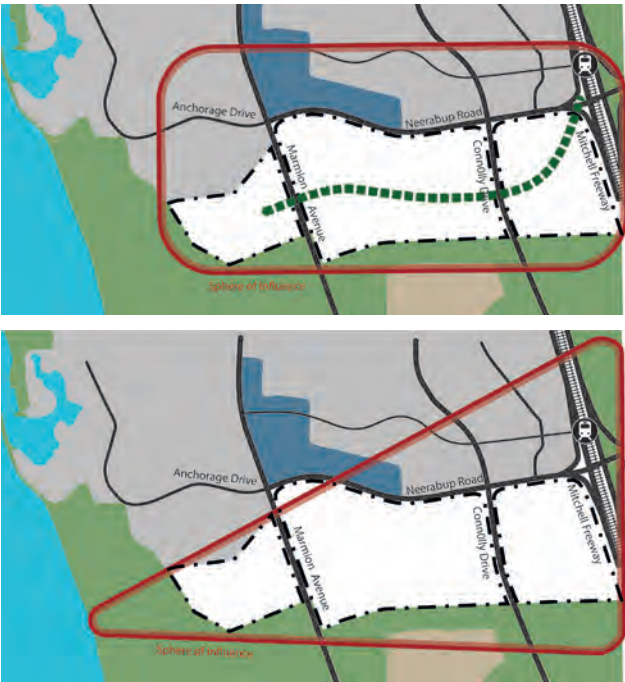


Figure 2. Sphere of Influence

This analysis revealed the following division of contextual characteristics, from a design influence perspective:

STRONG OR DIRECT DESIGN INFLUENCE	LESSER DESIGN INFLUENCE
Public Transport	Schools
Private Transport	Waste facility
Retail/Commercial	Prevailing Breezes
Green Space	Catalina Estate (other Precincts)
	Road Interface

Our analysis illustrated that assuming a public transport route that utilises Aviator Boulevard through Catalina, the main sphere of influence that impacts on the land is at its widest point, at the eastern end of the land taking into account green space and the Clarkson train station. Influence tapers westwards, taking in the Ocean Keys Shopping Centre and following Aviator Boulevard to the coast, refer Figure 2.

A key ‘take out’ from the Context Analysis Plan (refer Figure 3) was that the green space and feel within, and surrounding the site is unique within the locality. In addition, the site enjoys a potentially close connection to the Clarkson train station and, westwards, to the coast though the effectiveness of such connection will rely on the quality of the linkage, through Catalina Grove, between them.

As described in the retail analysis at section 3.4, the presence of mixed use, retail and commercial at Ocean Keys Shopping Centre and along Ocean Keys Boulevard will have an influence on how much of this type of use can occur within Catalina Grove.

Detailed information regarding the findings of this analysis is found in **Appendix A**.





Figure 3. Local Context - Context Analysis



# 3 UNDERSTANDING THE SITE

As part of our investigations into the site, Urbis undertook a detailed site analysis, identifying the existing site conditions and identifying those elements that have intrinsic value, and relevance to Catalina Grove. These elements informed the development of the key design principles described in latter sections of this report. A full copy of the Opportunities and Constraints Analysis is at **Appendix A**.

## 3.1 OPPORTUNITIES AND CONSTRAINTS

The Opportunities and Constraints Plan (refer Figure 4) illustrates the various opportunities and constraints that impact on the site and its place. These opportunities and constraints are summarised as follows:

- Bushland Character and Setting;
- Topography;
- Views;
- Bushfire;
- Clarkson train station and other public transport;
- Tamala Park Buffer;
- Relationship to surrounding urban;
- Mitchell Freeway/Rail Line;
- Neerabup Road;
- Connections;
- Bush Forever;
- Existing Vegetation.

Detailed commentary on these elements is contained in **Appendix A**.

## 3.2 CASE STUDIES

As part of Urbis' opportunities and constraints investigations, a review of relevant projects that could inform the design response was undertaken. The case studies selected were identified as having a similar context to Catalina Grove, being Transit Oriented Development (TOD) and/or mixed use, and were analysed in terms of how they respond to that context.

The key case study responses relating to effective TOD and mixed use developments are set out below:

### TRANSIT ORIENTED DESIGN

- A range of residential typologies;
- Incorporation of high-quality/amenity areas including community facilities;
- High level of walkability – shaded streets and safety;
- Comprehensive design guidelines to ensure consistency, amenity and high quality design/built form;
- Main Street “bookended” by transit/quality public space;
- Retention and incorporation of high quality mature vegetation into design and development;
- High quality, affordable living in areas of higher density;
- Higher densities around town centre and high amenity areas;
- Graduation of heights from town centre;
- Density outside of 800m transit catchment relies on high quality design/built form;
- Two to four storey development is most prevalent;
- Use of built form controls to create distinct character neighbourhoods.

### MIXED USE

- Build out of residential and civic components whilst future proofing opportunities for mixed use development once this can be sustained;
- Effective public realm (town square) to sustain retail areas, act as an incubator and provide residential amenity;
- Built form that can support residential in short term and convert to commercial/mixed use at a later date;
- Built form controls to provide high quality development (not always successful in the case of adaptable built form);
- Two to six storeys in height;
- Focus on services/businesses that service the local population;
- Importance of quality pedestrian experiences;
- Main Street format.

Detailed analysis of the identified case studies are contained in **Appendix A**.

Note: Photos included on pages 10, 11 and 12 are cross-referenced with Figure 4.



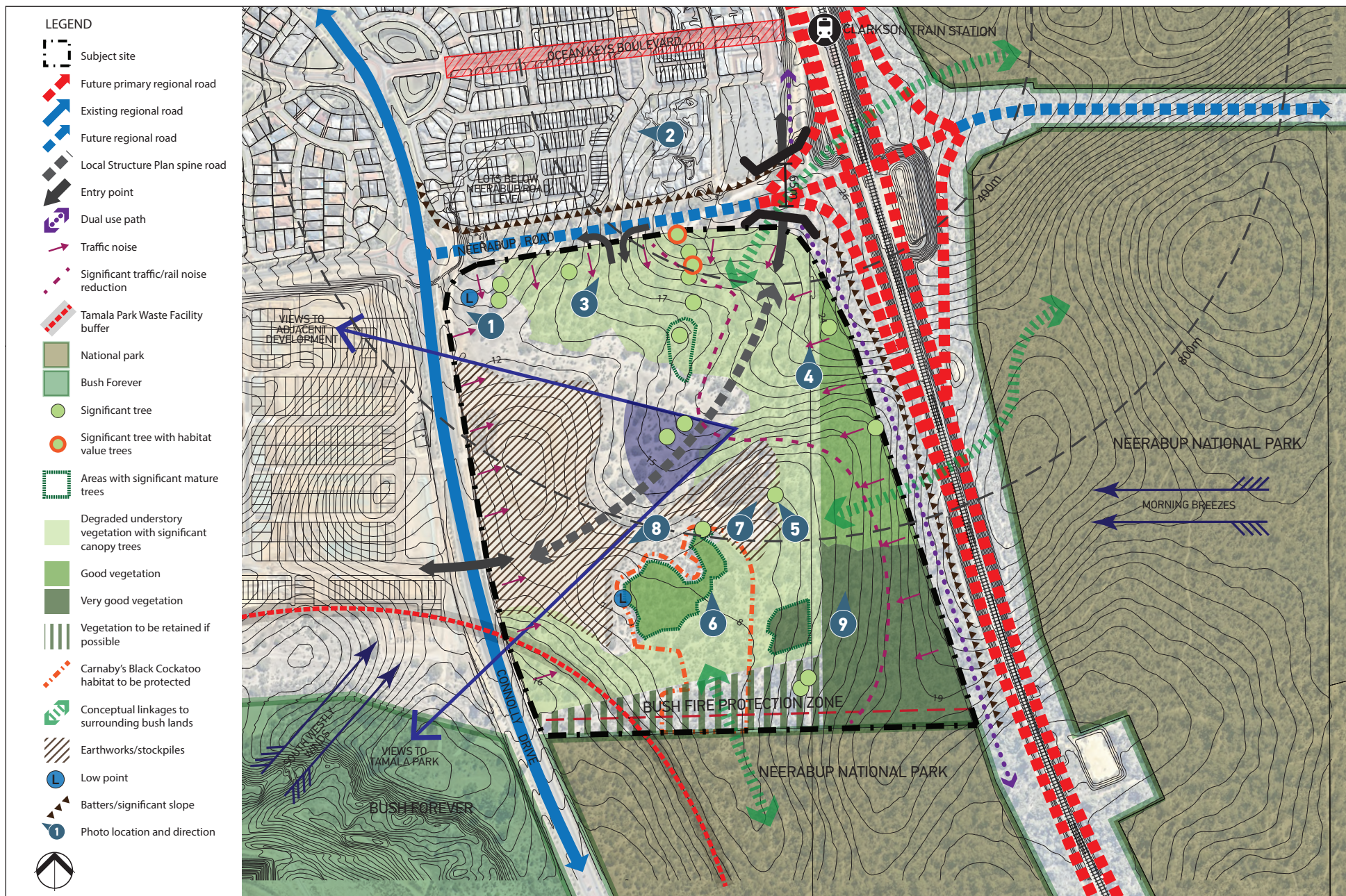


Figure 4. Site Analysis / Opportunities and Constraints





# 3 UNDERSTANDING THE SITE

## 3.3 HOUSING MARKET ANALYSIS

The Market Analysis is attached at **Appendix A**. Its key findings (that influenced concept planning) are as follows:

- The key target market for the Catalina Grove will be families on above average incomes (household income of over \$130,000). The majority of people will move from coastal suburbs to the north or south looking to move to a newer home and people in the suburbs to the east looking to upgrade to a better area. They will generally be 40-50 year old parents and older age children who are still living at home. They will be looking for a four bedroom house and have two or more cars;
- Commercial development along the Aviator Boulevard is not recommended as this road does not have enough exposure and this location would not attract tenants;
- For the low density product at Catalina Grove couples with children will be an important part of the market as they are at above average levels in the catchment suburbs. Relatively affordable housing on smaller lots for couples and families will be an important focus for this part of the estate;
- Whilst smaller lots of under 250m<sup>2</sup> could make up a relatively high proportion of the high density part of the site close to the train station, once outside of the 800-1,200m distance from the train station it will be important that a mix of lot sizes is provided;
- For medium and high density product on the site it will be important that people from Joondalup and other inner catchment suburbs are attracted to Catalina Grove as these areas have a higher level of couples with no children and older people;
- The site ranks well against drivers for apartments and the local demographics are likely to be supportive if people from Joondalup and the surrounding area can be attracted to Catalina Grove;
- The connection to the train station will be important and it will be critical for higher density residential that an attractive and secure walk to the train station is provided;
- Whilst the site does offer close proximity to the train station, the separation from the train station along with the lack of immediate retail amenity and distance from major employment centres means that it will be crucial that apartments have high quality parks and landscaped areas surrounding them to provide a point of difference;
- The focus for apartment development should be one and two bedroom apartments priced at low \$300k's to low \$400k's. The majority of this is likely to be in two to four storey buildings.
- Based on analysis of varying town centres an average sales rate of 20-40 apartments per annum could be reasonable to expect;
- The journey to the Clarkson train station will be critical in the success of higher density development on the site. It will be critical that this is addressed and that there is an attractive secure and short (400-600m walk) walk to the train station. If this cannot be achieved the focus should be on medium density single residential dwellings rather than apartments.





### 3.4 RETAIL ANALYSIS

The Retail Analysis has been attached at **Appendix A**. Its key findings are as follows:

#### LOCAL CENTRE

With an expected yield of 10,500 residents (and negligible local worker base), nearby competition in the Clarkson Secondary Centre (Ocean Keys Shopping Centre) and geographical constraints to the east and south of Catalina Grove, there is market potential to support a small local centre within the Catalina Grove providing around 1,300m<sup>2</sup> (with a 500-800m<sup>2</sup> supermarket) or 2,500m<sup>2</sup> (with a 1,500m<sup>2</sup> ALDI supermarket). Either of these forms of retail development would provide a point-of-difference offer to that provided at Ocean Keys Shopping Centre.

This scale of centre is considered appropriate for Catalina Grove after 2021, when required minimum market thresholds are attained.

The success of an offer of this size would be dependent on providing main road frontage and access to the site. The optimal location for retail at Catalina Grove would be to the frontage to Neerabup Road at the Connolly Drive intersection which would provide sufficient exposure to the retailers and reduce the reliance on the relatively small local catchment. Consequently, the Aviator Boulevard is not an appropriate location.

#### OTHER USES

Neerabup Road and to a lesser extent Connolly Drive as well as exposure to commuters using Clarkson Train Station present further retail development opportunities within Catalina Grove. To complement and provide further market support for a local centre, there is market potential to accommodate other uses such as large format retailers, a medical centre, a tavern, fast food operators and other pad sites.

The success of such uses is dependent on significant exposure to vehicle traffic; therefore main road frontage to Neerabup Road presents the best market opportunity and should be leveraged.

More localised but destination large format retailers, such as Spudshed and Pet Barn, can capitalise on the good volumes of traffic expected along Neerabup Road, address a market need and help create a stronger activity hub to complement a local centre. As these types of operators are frequented by locals and have synergies with retailers serving everyday shopping needs it is therefore advantageous to integrate these uses with a local centre. In addition to Neerabup Road, Connolly Drive (north of Aviator Boulevard) presents an alternative location for these uses.

Given there is a Bunnings Warehouse and a range of other bulky goods retailers located next to Clarkson Secondary Centre, additional bulky goods retailers could potentially be supported and leverage off this existing offer and the exposure provided by Neerabup Road. Depending on the operator, bulky goods uses can be from 500m<sup>2</sup> to 2,000m<sup>2</sup> and would be best located with Neerabup Road frontage.

Along Aviator Boulevard there is considered potential to support non-retail uses such as a community centre, recreational facilities and/or a child care centre. These types of uses do not require main road exposure and work off purpose driven visits of the local community. As Aviator Boulevard will directly connect with Connolly Drive, these uses could be located in close proximity to/integrated with a local centre and/or localised large format retail uses (if provided along Neerabup Road/Connolly Drive). Furthermore, given the future school proposed along Aviator Boulevard, community/recreation or child care facilities would be suitably placed in proximity to a school.



# 3 UNDERSTANDING THE SITE

## 3.5 TRANSIT ORIENTED DEVELOPMENT PRINCIPLES

Catalina Grove is located within a short walking distance of the Clarkson train station. In such a case, it would normally be associated with TOD. This form of development, which both sustains transit and is supported by the same is a key strategic goal of State planning agencies.

While Catalina Grove's proximity to Clarkson train station lends itself to a TOD, barriers exist which compromise linkages to the train station. If not addressed, these barriers would not only compromise Catalina Grove's performance as a TOD, Urbis' Economics and Market Research team advises that without proper linkages to the train station, the ability to support higher forms of residential density would be compromised.

These barriers are as follows:

- A 65m pedestrian underpass (the 'Tunnel') which connects the Clarkson train station to the site. This Tunnel could potentially foster an undesirable, unsafe environment for pedestrians; particularly after-hours;
- The Mitchell Freeway interface to the east of the site creates a car-dominant, hostile environment for pedestrians and cyclists;
- Catalina Grove's relative isolation within a suburban context.

In response, the design process has included consideration of the outcomes within the following table. These responses will be further discussed in sections 5, 6 and 7 of this report but are fundamentally aimed at achieving the attributes normally associated with a TOD as summarised overleaf.

PUBLIC TRANSIT NODE	
▪ Catalina Grove is located within a 400m walkable catchment of the Clarkson train station, a high-frequency, high-capacity public transit node.	✓
WALKABILITY AND CYCLING	
▪ The Catalina Grove Precinct Plan has been informed by a 'street grid' pattern to promote connectivity and permeability.	✓
▪ The provision of pedestrian linkages and recreational facilities, which encourage pedestrian and cyclist movement to and from the Clarkson train station.	✓
▪ A Principal Shared Path (PSP) located adjacent to the eastern boundary of Catalina Grove promotes cycling as an alternative means of transport.	✓
LAND USE TO SUPPORT TRANSIT	
▪ Single Office / Home Office development proposed to the Neerabup Road interface encourages a moderate mix of residential, commercial and employment uses.	✓
▪ Commercial / Retail development fronting Connolly Drive generates pedestrian traffic and provides amenity to residents of Catalina Grove and wider Catalina Precinct.	✓
DENSITY AND BUILT FORM	
▪ The mixed-use precinct adjacent to the Neerabup Road interface has medium-high density urban character.	✓
▪ Housing diversity is provided for through a variety of subdivided lots. These include townhouses, walk-up apartments and single-detached, residential small lots.	✓
HIGH QUALITY PUBLIC REALM	
▪ Well-connected open space and natural bush / parkland promote walkability and an active lifestyle for residents and the wider community.	✓
▪ Buildings which address the street and/or public realm promotes visual interest and safety.	✓





## ATTRIBUTES OF A TOD:

## PUBLIC TRANSIT NODE



- **High-frequency, high-capacity public transit node**  
A transit station, such as a train station, which is part of a transportation network allows residents and visitors easy access to employment and recreation opportunities.
- **Pedestrian-oriented design**  
Convenient, comfortable, direct and safe pedestrian linkages to and from all Transit Stations to promote the use of transit.
- **Benefits of public transport**  
Decreased reliance on private vehicle usage through use of public transportation means economic, social and environmental benefits through reduced fuel consumption.

## WALKABILITY AND CYCLING



- **Pedestrian-oriented design**  
High-quality walking environments and streetscapes which include the following features:
  - A street 'grid' pattern to promote connectivity and permeability;
  - Continuous footpaths;
  - Adequate shading and shelter along walkways; and
  - Safe, well-lit pedestrian paths.
- **Cycling as an alternative means of transport**
  - Access to cycle paths and bike infrastructure.
  - 'Cycle-friendly' street pattern.

## LAND USE TO SUPPORT TRANSIT



- **Mixed Use Development with street-front retail**  
Provides a variety of uses within a compact, walkable station area, creating synergy between the varying types of development, characterised by:
  - High employee and/or residential densities;
  - Promoting travel time outside the peak periods;
  - Encouraging extended hours of activity throughout the day and week;
  - Attracting and generating pedestrian traffic.
- **Land Use and Density**
  - Moderate to high density mix of residential, commercial, employment, civic and cultural development.

## HIGH-QUALITY PUBLIC REALM



- **High quality public space within comfortable walking distance**
- **Public space to accommodate a variety of functions, including active and passive**
- **Public space to promote elements of personal safety and comfort for users**

## DENSITY AND BUILT FORM



- **Higher density residential development**
  - Density should be increased around Transit Stations while relating to the surrounding context and particular station type;
  - Densities should be increased through a subdivision pattern, which allows for activities to be progressively intensified.
- **Housing diversity**
  - Allows for diversity in housing product, creating a range of housing opportunities and choices;
  - Examples of medium-high density residential development includes small lot single detached, townhouses, walk-up apartments and high-rise apartments;
  - Variety in subdivided lots provides flexibility in development options.

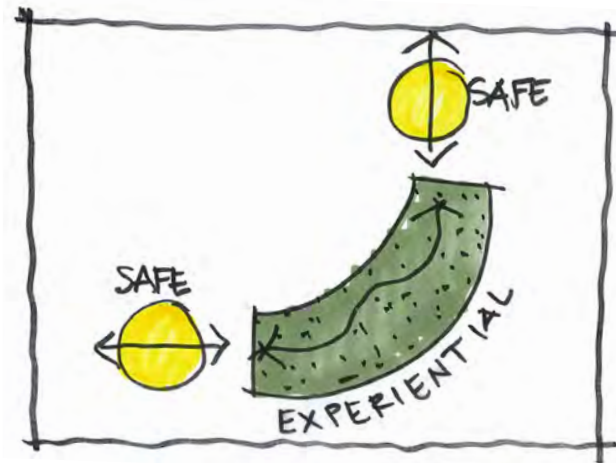
Source: Development Control Policy 1.6: Planning to Support Transit Use and Transit Oriented Development (WAPC, 2006)

Does Density Matter?: The Role of Density in Creating Walkable Neighbourhoods (Discussion Paper) (Heart Foundation, 2014)



# 4 PRINCIPLES

This section describes the over-arching design principles that inform the Catalina Grove Precinct Plan. These have been derived from and respond to the specific site characteristics, project aspirations and influences that were identified during the Phase 1: Catalina Grove Integrated Urban Design Review. These principles informed the subsequent Design Review Sessions, scenario development and the Catalina Grove Precinct Plan, inclusive of elements and strategies.



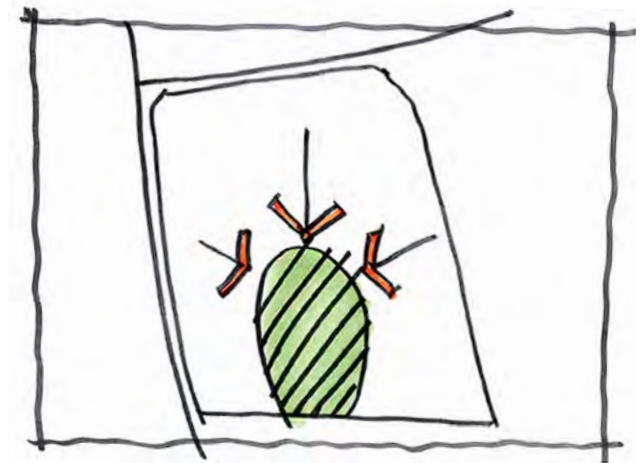
## 4.1 PRINCIPLE 1: THE PEDESTRIAN JOURNEY

THE JOURNEY IS AS INTERESTING AS  
THE DESTINATION

Within Catalina Grove, the establishment of the Green Link has strategically been determined as the central connecting linear space and focus of recreational movement, forming the “backbone” of the development. Within Catalina Grove, this is further reinforced as the primary connector in support of best practice TOD principles.

In encouraging a healthy and active community it is understood that the journeys people take when they leave their homes are as important as the destination. A permeable urban fabric that provides an interesting, shady and pleasant journey for residents and visitors, with multiple opportunities for choice in journey and destinations encourages walking and cycling.

Ensuring that true spatial and experiential connectivity is achieved between Catalina Grove and the Clarkson train station, and Catalina Grove and Catalina Central, are key design principles.

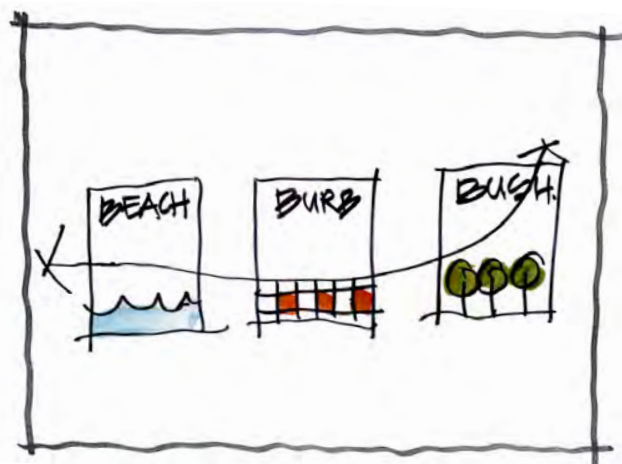


## 4.2 PRINCIPLE 2: CELEBRATE THE ENVIRONMENT

CREATING A PLACE WHERE THE  
EXISTING ENVIRONMENT IS VALUED

A rare opportunity exists to build on a sense of place through the existing site ecology. Although it is not feasible, practical or desirable to retain all mature trees on the site, there are key groupings and corridors that with careful design may be incorporated within the Catalina Grove Precinct Plan. The existing landscape character of the site is highly regarded for its aesthetic and ecological values. By incorporating and celebrating this existing asset through retention, interpretation in artwork and the public realm, new residents will have an immediate sense of belonging, something that is lacking in many new developments.



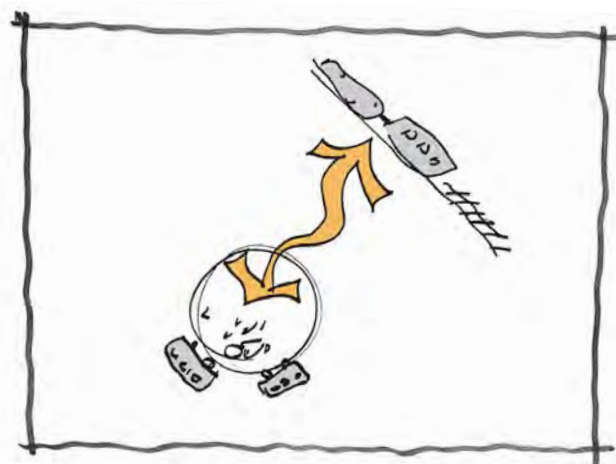


### 4.3 PRINCIPLE 3: IDENTITY

CREATING A PLACE WHERE THE LOCAL  
COMMUNITY IS ENGAGED

Catalina Grove is a unique development site in that it is wholly bound by either significant infrastructure corridors or bushland reserve. In order for the development to be successful and deliver on the targets set in the Local Structure Plan, its focus should be internalised around a place that provides opportunities for community, culture and belonging.

The existing site provides significant opportunities to create a clear identity for Catalina Grove. This can be further enhanced to create a point of difference through considered design and delivery strategies.



### 4.4 PRINCIPLE 4: CONNECTING PEOPLE

CONNECTING PEOPLE BEYOND  
THE GROVE

The development of the site is about more than just good public transport. It is about providing connections to jobs, connections to activity and connections to the neighbourhood. The development of the site will be more than simply the creation of a high density urban form near the Clarkson train station: it will be delivering a place that connects people sustainably to employment centres, retail, entertainment and schools.

Access to excellent transport options, both public and private combined with the increased local amenity in the locality, will make Catalina Grove a location of choice for both lifestyle and housing opportunities.



### 4.5 PRINCIPLE 5: LOCAL OPPORTUNITIES

DELIVERING EMPLOYMENT, GROWTH  
AND DIVERSITY

This principle is concerned with maximising the social, economic and environmental benefits of the development for current and future generations. It is concerned with delivering solutions that are robust, flexible and economically realistic, underpinned by a concern and care for the future (legacy).

Opportunities peripheral to the site that can be leveraged to deliver additional benefits include: Neerabup Road, Clarkson train station and proposed underpass connection, Catalina Central and Neerabup National Park.

Opportunities present on the site include leveraging off the proximity to the Clarkson train station to promote mixed use development, together with a Neighbourhood Shopping Centre to create local employment. The Neighbourhood Shopping Centre will also take advantage of the EPBC vegetation area with respect to placemaking and amenity.



# 5 DESIGN INVESTIGATIONS

The following section provides an overview of the investigations undertaken as part of the Design Review Sessions for the project.

The initial Design Review Session focused on interrogating the primary drivers and constraints of the site and reviewing the aspirations of the development brief as embedded in the Local Structure Plan.

Through the Design Review process, the Urbis team presented information – cameos, cross-sections and spatial plans – by way of testing the critical design elements of the site. The key items for discussion included the treatment and use of the Neerabup Road underpass, other means to cross Neerabup Road and Connolly Drive, the expression of residential density, the location and extent of commercial land use, the attributes of the Green Link, and the interface to Neerabup Road (inclusive of mixed use). After detailed discussion, the direction provided by the client in relation to each element was utilised to inform a preferred concept plan and associated illustrations as follows:

- A 2ha commercial site on the corner of Connolly Drive and Aviator Boulevard;
- A tunnel will link Catalina Grove under Neerabup Road, to the Clarkson train station – the tunnel is to support buses, cars, pedestrians and cyclists;
- Other access over Neerabup Road (and Connolly Drive) to be at grade only;
- Density can be expressed flexibly in terms of location (around high amenity areas such as parks as well as in proximity to rail) and form (townhouses, apartments etc.);
- Maximum four to six storeys in walkable catchment to the Clarkson train station;
- Flexible structure and zoning on Neerabup Road to support robust built form capable of supporting conversion to mixed use;
- Any retirement living site would be low-medium density/low rise in nature;
- The 'experience' along the Aviator Boulevard will be critical for its performance as a linkage and catalyst for density.



Figure 5. Revised Concept Sketch (with initial sketch inset)





The Initial Concept and Revised Concept sketches are illustrated at Figure 5. The evolution of Catalina Grove Precinct Plan elements are illustrated at Figure 6.

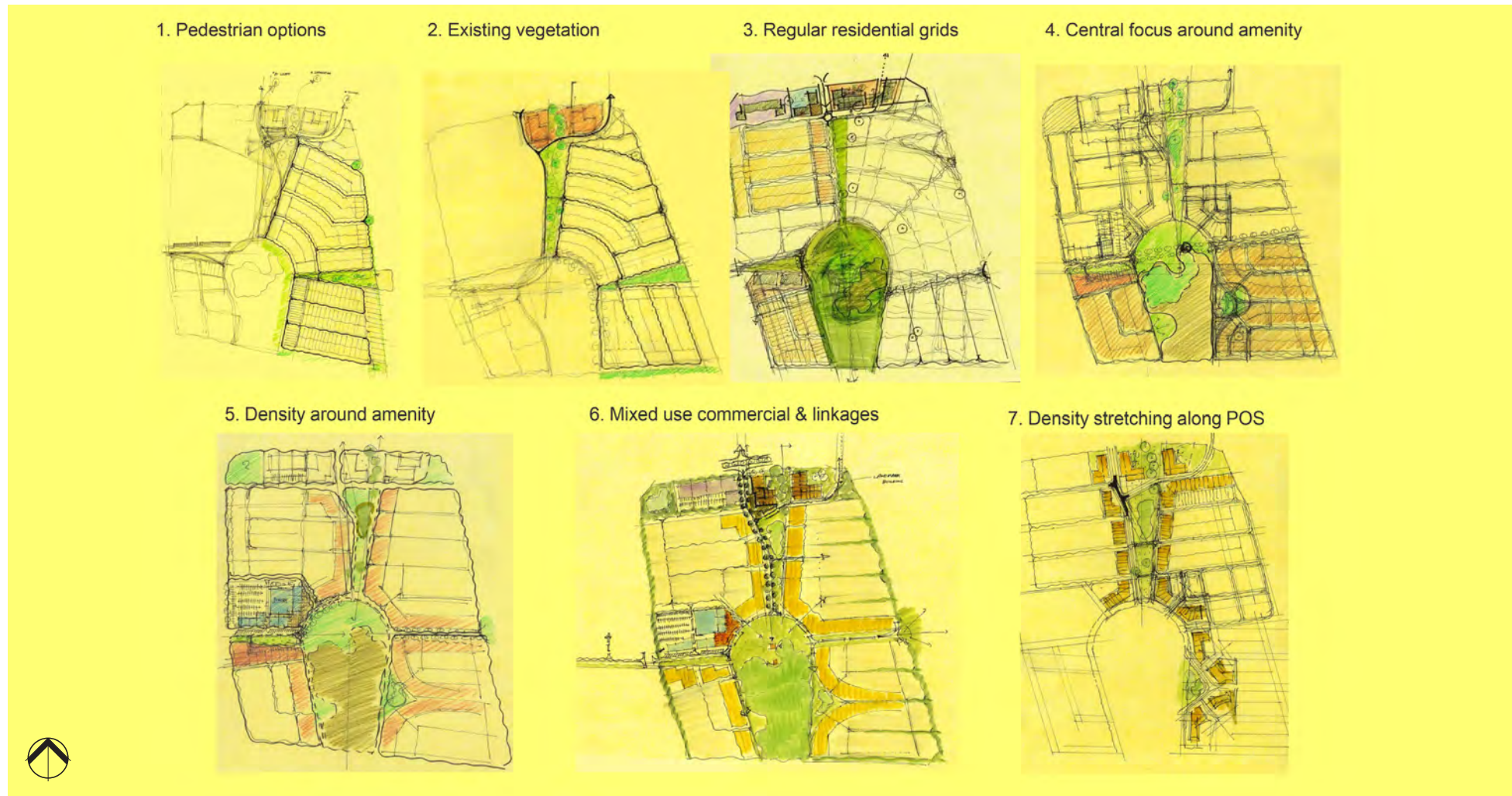


Figure 6. Evolution of Catalina Precinct Plan Elements



# 6 PRECINCT PLAN

In response to preceding sections, the project team has established the following design vision which balances the characteristics of the site with client aims and objectives and the applicable planning framework.

*“Catalina Grove will articulate a new form of urban living, providing density without compromising on the quality of life of the occupants.”*

*Fresh air and sunshine, engagement with nature and an active community place are all integral to the development.”*

This vision is expressed in the Catalina Grove Precinct Plan which is described in this section. Specific strategies to implement the Catalina Grove Precinct Plan are outlined in the following sections of this report.

## ELEMENTS

To enunciate the above-mentioned vision, the Catalina Grove Precinct Plan is divided to four specific elements as follows and as shown in Figure 7, and which are described in detail within this section.

**Element 1: The Green Link** – Refined alignment of Aviator Boulevard to better allow for tree retention and to support pedestrian choice. The reserve width has also been rationalised to deliver a changing movement experience throughout the site.

**Element 2: The Village Heart** – Consolidated Village Centre leveraging significant site assets, aspect and connectivity, and frontage to Connolly Drive and the established community east of the site, while delivering significant amenity for new residents.

**Element 3: Neerabup Gateway** – Urban Gateway to provide a buffer to Neerabup Road, and leverage proximity to Clarkson train station, Neerabup Road and Mitchell Freeway. This is a highly urban, high density and potential mixed use environment.

**Element 4: Conservation Open Space** – Leveraging the existing conservation area within the site to deliver increased amenity and lifestyle options to residents.

The degree to which each element and strategy outlined in this document responds to the underlying principles, as outlined in section 4, is indicated by the icons at top right and appear at the end of each section heading.



Figure 7. Precinct Element Plan





**LEGEND:**

- 1 Neerabup Gateway
- 2 Tunnel
- 3 Green Link (Retained Vegetation)
- 4 Village Heart
- 5 Local Centre
- 6 Community Centre
- 7 Conservation Open Space
- 8 Principal Shared Path



Figure 8. Catalina Grove Precinct Plan





# 6 PRECINCT PLAN



## 6.1 ELEMENT 1: THE GREEN LINK

*The key to delivering successful transit oriented developments is to enable both a comfortable and safe pedestrian environment and (by ensuring excellent permeability) to remove barriers to accessing key destinations by foot and bike.*

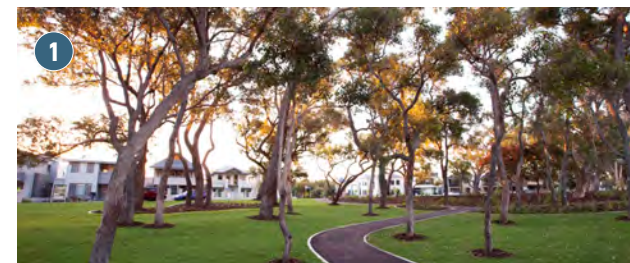
The Green Link forms the eastern end of the central linear connector – Aviator Boulevard, linking Catalina West, through Catalina Central to the Clarkson train station to the north east, via Catalina Grove. The strategy for the Green Link has been defined as “a corridor of space that accommodates road, cycle, pedestrian movement throughout the community.” (2012: Catalina Greenlink Strategy).

The following pages seek to demonstrate the spatial experience for pedestrians while moving through the various journeys offered by the proposed Green Link.

In pursuit of a pedestrianised development that has a strong identity and supports TOD principles, the following changes are proposed:

- **rationalised** road reserve to deliver efficiencies across the precinct to support a greater diversity of public open space and built form;
- **realignment** of the Green Link to enable retention of mature trees;
- **prioritisation** of pedestrian movement networks over vehicular; and
- **diversification** of the Green Link route into alternative routes (Urban Walk, Green Link, Green Spine, Tunnel Walk and PSP) to enable pedestrian choice and permeability.

It is envisioned that the Green Link will provide a variety of spatial and activity experiences in keeping with the strategy. The plan creates a series of key destinations within comfortable walking distance. These ‘jewels’ on the pedestrian journey act as wayfinding elements and also reduce perceived journey times, encouraging walking and cycling over car based transit. They also act as activity hubs, increasing pedestrian safety.



The Green Link



Neerabup Gateway



Conservation Open Space



The Tunnel

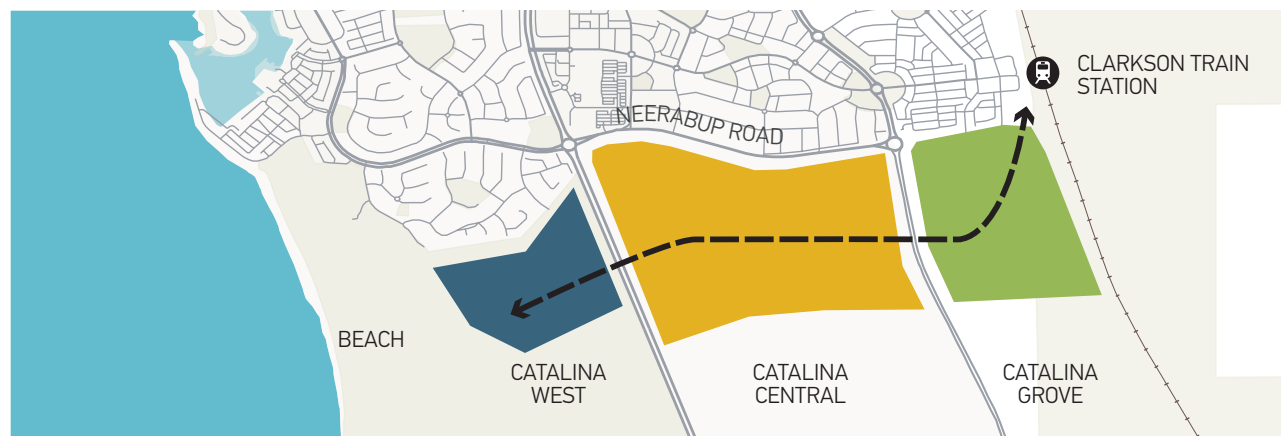


Figure 9. Catalina Spine Road / Green Link



The photos at page 20 provide an illustration of the intended look and feel of each Green Link experience. These are identified at Figure 10. Similarly, cross-sections have been prepared for various locations along the Green Link, the locations of these cross-sections are shown at Figure 10.



Figure 10. Catalina Grove Green Link Cross-Sections





# 6 PRECINCT PLAN



## JOURNEYS

A key feature of the Catalina Grove Precinct Plan is journey choice. Importantly, whilst a combination of built form, landscaping and way-finding tools (lighting and public art) emphasise and activate the primary pedestrian route as being via the tunnel to the Clarkson train station, such route may not be desirable for all users at all times of the day and night. As such, it is important to offer alternatives via a legible network of pathways. These are identified in Figures 11 to 14, with the locations for journey choice highlighted.



Figure 11. Green Link A - Bicycle Focus



Figure 12. Green Link B - Parkland Focus



Figure 13. Green Link C - Urban Focus



Figure 14. Green Link Journeys





## CROSS-SECTIONS

This section illustrates the attributes of the Green Link in various locations via cross-sections and example imagery. Reference should be made to Figure 10 with respect to location of the cross-sections.



Figure 15. Section A-A Aviator Boulevard West

### Section A-A Aviator Boulevard West

The pedestrian experience along this route is informed by choice. Users can choose to progress along a retail shopfront environment on generous footpaths, or particularly for commuters and those wanting a greener experience, the southern edge provides a dedicated cycle path and a separate pedestrian path broken by incidental play opportunities.

Views into the Village Heart and back into Catalina Central are also provided along this connection.



Commercial Edge



Frontage Lot Interface to Green Spine Option



Frontage Lot Interface to Green Spine Option



Frontage Lot Interface to Green Spine Option





# 6 PRECINCT PLAN



Cycleway Options



Cycleway Options



Cycleway Options





Figure 17. Section C-C The Urban Walk And Green Walk

### Section C-C Urban Walk and Green Link

Pedestrians along this route have the option to walk through a Green Link that is comfortable, contains play equipment and provides opportunities for exploration. Alternately they may utilise the Urban Walk with its direct surveillance, excellent lighting and perceived greater activity. This provides pedestrians with choice based on the time of day, preferred experience and ultimate destination.



Green Link



Urban Walk





A perspective view of a modern urban street. On the left, a multi-story building with a mix of brick, wood, and glass facades houses ground-floor retail spaces. A silver sedan is parked in front of one of the shops. The street is lined with mature trees and modern streetlights. On the right, a taller, more uniform multi-story building is visible. The road is paved with asphalt and has a dashed white line down the center. The sky is overcast.

Figure 18. Section D-D Neerabup Gateway

### Section D-D Neerabup Gateway

The pedestrian experience in this area is defined by the adjacent built form and its interface with the road. While opportunity exists for ground floor activation, current economics advice indicates this is not a likely outcome. As such, delivery of ground floor residential apartments that are grade separated to provide privacy for residents, while still interfacing with the street environment is extremely important to create a pedestrian experience that is safe and comfortable. Excellent lighting and planting is also important.



*View Towards Neerabup Gateway Along The Green Link*





# 6 PRECINCT PLAN



## 6.2 ELEMENT 2: THE VILLAGE HEART

*A vibrant urban community embedded in nature and providing opportunities to live, work and play within a healthy, transit oriented place. A place to belong.*

The Village Heart is the focal point of the development and is about creating a place where the local community is engaged in the ownership and development of culture, and a sense of place. This is key to providing an internal focus for the development, embedding a sense of identity as the development matures and in providing the amenity necessary to support density within the broader Precinct. The location of the Village Heart in the south will improve the connection to the existing residential development in Catalina Central, increase the viability of a retail holding in this locale and leverage existing site assets to generate a high level of amenity and deliver immediate benefit to the community.

Locating the Village Heart in an area with numerous valued landscape assets such as connectivity, aspect, significant vegetation and shelter enables the TPRC to strategically invest in the design and amenity of the area by leveraging these assets as opposed to trying to create them. This will enable the Village Heart to reach its potential in a far shorter timeframe, ensuring the project vision and objectives for Catalina Grove are achieved.

Ensuring that the Village Heart is located at the edge of the 800m walkable catchment to Clarkson train station will assist in encouraging pedestrianisation further south within Catalina Grove and provide additional benefits to Catalina Central not previously envisioned through the delivery of a vibrant, people friendly destination providing retail, community and open space opportunities.

Key aspects of the Village Heart include: highly activated street edges, buildings oriented towards iconic open space, alfresco dining and multi-fuctional open space to support a variety of community activities



Figure 19. Village Heart





Examples of Activities and Land Uses Anticipated within the Village Heart





# 6 PRECINCT PLAN



## 6.3 ELEMENT 3: NEERABUP GATEWAY

*While site attributes suggest an opportunity for a development in a bushland setting across the wider Precinct, the presence of Neerabup Road on Catalina Grove's northern edge also allows for a highly urbanised land use/built form outcome that provides density, employment, landmark built form and innovative approaches to way finding.*

Neerabup Road abuts Catalina Grove's northern boundary. The wide road reserve is presently unconstructed but, upon realisation, has the potential to create a 'hostile' setting for pedestrians/cyclists – with respect to conflict with vehicular traffic, climactic conditions and highly compromised visual amenity (we note that development to the north essentially turns its back to Neerabup Road). This is significant in terms of the desire to maximise pedestrian/cycle access to the nearby Clarkson train station.

In terms of the land use/built form this area of the site might accommodate, it does have the ability to frame the journey to the train station as well as act as a transition area from Neerabup Road to the greener, lower density setting further south.

In addition, advice from Urbis' Economic and Market Research team indicates that this area of Catalina Grove is more capable of supporting taller residential built form than elsewhere, by virtue of its location relative to the train station. Similarly, retail analysis indicates that adjacent to Neerabup Road is the most viable location for commercial/retail land use. This is significant as it allows this area of the site to present a very different (highly urban) offer from the remainder of Catalina. A highly urban outcome would assist in the activation, legibility, landmarking and surveillance of pathways from Catalina Grove, to the Clarkson train station.



Figure 20. Neerabup Gateway Precinct

In terms of a design response, following sections of the report will illustrate how comparative to the remainder of the site, the Neerabup Gateway will accommodate higher residential densities (up to R100) and a more intense built form (up to six storeys). The area will act as Catalina Grove's 'urban' gateway compared to the Connolly Drive entrance (Aviator Boulevard), which will act as the Green Link into the Catalina Grove.

Iconic built form at appropriate sites (such as street corners) will combine with public art and landscaping to frame the pedestrian journey to Neerabup Road where users will be met with an at-grade crossing of the road (recommended for a degree of formalisation and a high level of landscaping to maximise comfort and safety).

The design response provides for left-in/left-out access to the site, supplemented by a deceleration of traffic in the vicinity of the intersection to better provide for safety and pedestrianisation.

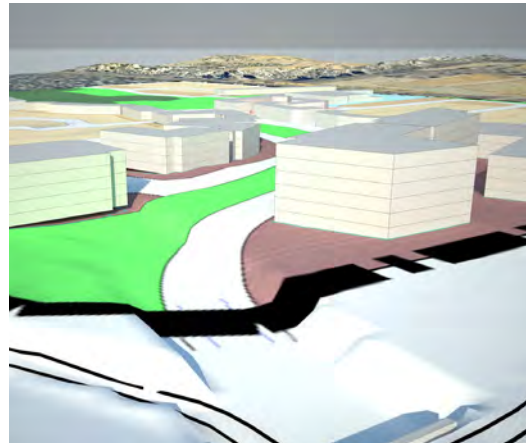
A flexible approach to layout and zoning is proposed for a mixed use site on Neerabup Road, which might alternately be made available for high density living if retail/commercial is unfeasible. Figure 20 illustrates how the land might be subdivided and or developed for a range of alternate typologies and lot layouts depending on whether single residential, multiple residential, mixed use or commercial is pursued. This flexibility is supported by the road and street block configuration which supports a variety of outcomes. This is recommended for reflection in a zoning outcome that will support such diversity including changeover time.

This overall land use, built form and access scenario will – importantly – frame and activate the journey to the nearby tunnel under Neerabup Road, which is the most direct route to the Clarkson train station.





Figure 21. Neerabup Gateway Cross-Section looking south from Neerabup Road



View from Mitchell Freeway / Neerabup Road Intersection looking south west



Employment Development



Ground Floor Residential



Ground Floor Residential



Figure 22. View from Neerabup Road looking South





# 6 PRECINCT PLAN



## 6.4 ELEMENT 4: CONSERVATION PUBLIC OPEN SPACE

*The identity of Catalina Grove is embedded in a strong essence of 'the place', its climate, landscape and all the components which form its ecology. Celebrating the surrounding natural environment and importantly, ensuring a sense of ownership and value of the natural areas within the development are entrenched in the design and ultimately become part of new community as a key building block of creating a vibrant, sustainable place.*

It is generally difficult to realise conservation areas to their full potential within subdivision developments due to difficulties with access, bushfire and conservation efforts. By co-locating small pockets of public open space within the conservation area and delivering boardwalk and pedestrian connections through the area, opportunities can be created to make this conservation area a key focus of the amenity and lifestyle opportunities available to residents of Catalina Grove.

Exposure to the outdoors and the lessons learned in nature can shape our understanding and even our intelligence. The Catalina Grove community will enjoy plentiful opportunities to immerse themselves in the natural world and continue to grow and learn with the lessons nature provides us.

Bushwalks on a warm autumn day through the Tuart groves, walking through the Neerabup National Park or taking time to meander through the neighbourhood network of shady green paths will bring the community closer to nature and all it has to offer.

A concern and care for the environment is typically sparked as we experience the beauty and wonder found in nature. As a result the connection to nature that Catalina Grove residents experience within the conservation open space will ultimately embed a sense of ownership, belonging and value of their environment.



Figure 23. Conservation Public Open Space





Potential Character for Conservation Public Open Space





# 7 STRATEGIES



## 7.1 STRATEGY 1: BUILT FORM

This section outlines the more specific measures recommended to achieve successful implementation of the Catalina Grove Precinct Plan.

*Catalina Grove has the ability to support innovative forms of urban living and land use within a diverse range of building typologies and formats that reflect the characteristics of the site and market demands.*

The built form suggested for Catalina Grove reflects the TPRC's objectives relating to diversity, the contextual and physical attributes of the site, and the minimum yield target as expressed by the current Local Structure Plan.

Achieving the required yields and responding to site characteristics lends an opportunity to explore a range of built form typologies within Catalina Grove. This not only supports the development of single residential lots over the majority of the area, it also reflects the capacity for multiple residential living in areas closer to the Clarkson train station, and opposite key areas of open space in line with advice from Urbis' Economic and Market Research team.

Reflecting the above, the Catalina Grove Precinct Plan proposes the following residential built form typologies across Catalina Grove:

- **Green Title Single Residential:** Located across the majority of Catalina Grove, this typology is relatively homogenous at either one or two storeys (generally one), front loaded with a double garage;
- **Green Title Town Houses:** This typology would incorporate front and rear loaded product, single and double garages, one or two storeys. Innovative building types are proposed along the eastern edge of Aviator Boulevard (narrow frontage of less than 10m, front loaded, two storey with double garage) in order to create a sense of place, reinforce the Green Link and to respond to density requirements (Refer Typology B

image over page);

- **Maisonette Sites:** two storey (with at-grade parking) located adjacent to, and in close proximity to amenity (i.e. public open space, natural parkland and/or retail / convenience);
- **Walk-up Apartments:** maximum three storeys with at grade parking at the rear. Predominantly located east of Aviator Boulevard to frame the road, provide surveillance and take benefit of amenity and accessibility (Refer Typology C image over page);
- **Lift Apartment:** Up to 6 storeys (as permitted for the site under the R-Codes), to take advantage of the proximity of Clarkson train station & to provide a landmark entry to site. Opportunities for limited small scale ground floor commercial are available and formats can be sufficiently flexible to facilitate the same (Refer Typology D image over page).

The purpose of Figure 25 is to illustrate how the uniform grid-like blocks proposed would support a diversity of lot product and flexibility of built form, for example: double storey terraces, single storey detached and multiple residential. The avoidance of laneways reduces development costs but this reinforces the need for design guidelines to achieve appropriate interfaces to the street.

In addition to residential built form, the Precinct Plan provides for the following mixed use and commercial built form typologies across Catalina Grove:

- **Mixed Use:** Up to two storeys with shared parking. Limited areas of mixed use have been provided on Neerabup Road to take advantage of the exposure and ensure a transition to the surrounding residential environment. A flexible approach to zoning is required to provide for mixed use development over time if demand permits, but does not mandate such outcome. The associated built form would include elements such as greater floor heights to facilitate conversion between residential and commercial use. Alternatively, this area may be utilised for high density residential development.

- **Commercial:** A commercial site has been incorporated on the northeast corner of Aviator Boulevard and Connolly Drive. The site will accommodate a single-storey supermarket and associated specialties. There may be potential to sleeve the development with main street typology (awnings, zero lot lines, high level of glazing) to Aviator Boulevard, providing open space pedestrian linkages.
- **Bulky Goods / Office:** An employment precinct (Neerabup Gateway) is proposed along Neerabup Road and will be zoned and designed to maximize flexibility and commercial exposure. Urbis' retail analysis identified limited demand for this type of use within Catalina Grove, but acknowledges the proposed location along the Neerabup Road would be preferred. It is important that any development fronting the proposed residential road to the south is sensitive to local residents and locates any loading docks to the rear and accommodates all car parking on site.
- **Home Office Based Development:** Another alternative use that would be permitted within Neerabup Gateway is two to three storey home office-based development and would allow for a suitable transition to the proposed residential lots to the south. This will maximise exposure along the primary distributor road (Neerabup Road) for small office / home office use on the ground floor. It is anticipated that the home office-based development will attract professional consultants / sole practitioners in small and medium-sized practices with 1-10 workers.

As with Catalina West, consideration should be given to the extent of built form control and guidance across Catalina Grove. Standard dwellings on standard lots might even benefit from controls that promote particular built form outcomes – materials and colours, for example – that reflect the locality's unique green setting. Built Form Design Guidelines for higher density precincts may assist the attractiveness of these areas to market. Design guidelines would also ensure high quality outcomes on interface sites such as on Neerabup Road and adjacent to the commercial land.



Some sites may be built as demonstration projects that illustrate how built form could incorporate vegetation and/ or maisonettes, for example. Such approach would help to establish Catalina Grove as a sought after precinct, which offers more than just access to the Clarkson train station.



Figure 24. Section G-G Location

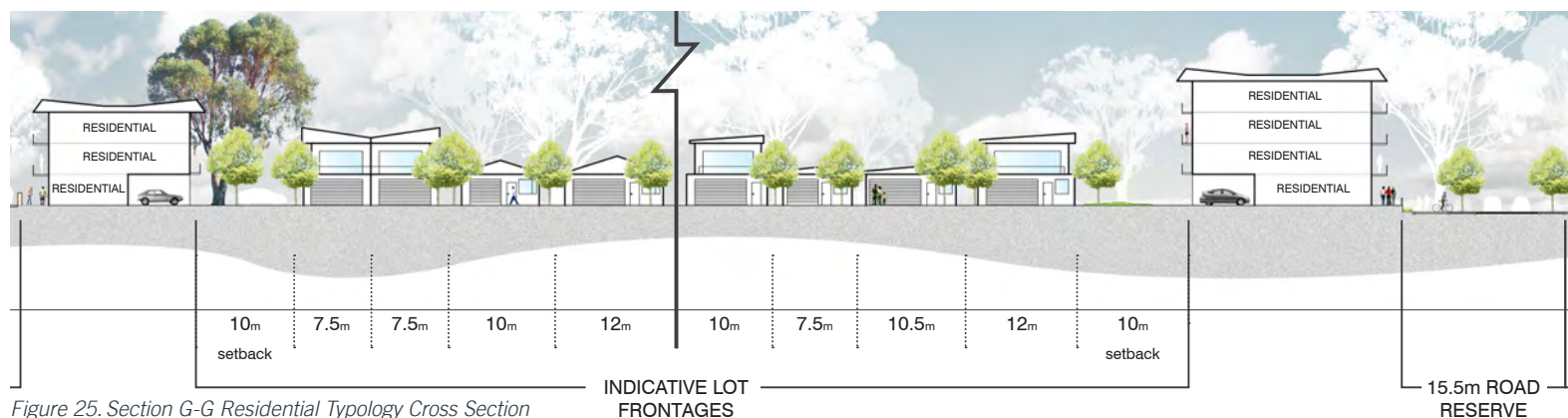


Figure 25. Section G-G Residential Typology Cross Section



Green Title Town Houses - Typology B



Walk-up Apartments - - Typology C



Lift Apartments - Typology D





# 7 STRATEGIES

## BUILT FORM INTERFACE

In some conditions it is appropriate to achieve a high level of interaction between the private built form environment and the public (streets and public open space) environment. Means to achieve this include retail/commercial activity on the ground floor (as appropriate), a high level of glazing, permeable fencing, appropriate location of habitable rooms overlooking the street and building orientation.

This is particularly important in the context of Catalina Grove where its success as a TOD precinct and its ability to support high density living is reliant on high quality, direct pedestrian/cycle linkages to the Clarkson train station. Design guidelines or a similar mechanism would be required to ensure such outcomes in those locations where the built form interface is particularly important as highlighted on Figure 26.



*Built Form Interface - permeable fencing, active edge, surveillance*



*Figure 26. Built Form Interface*





## 7.2 STRATEGY 2: DENSITY

*The location and range of densities proposed for Catalina Grove are reflective of the scale of the site, key market drivers and the capacity to develop higher density residential forms around areas of high amenity and in proximity to transit.*

There is a very strong relationship between built form and density with built form typologies reflecting the density codes provided, as well as being facilitated by the same.

The majority of the site is located within 800m of the Clarkson train station, a context which would normally be associated with a high level of residential density, consistent with TOD principles. To this end, Urbis' Economic and Market Research team highlights the importance of strong and direct linkages to the station to support density, even close to transit.

There also exists potential to inject density southwards through Catalina Grove to take advantage of the high amenity locations of the Village Heart and adjacent conservation areas. This would have the effect of celebrating a local, natural asset to achieve density and diversity albeit not to the same extent of the TOD-supported multiple residential developments further north.

There may be additional opportunity for density beyond single residential to be developed within and nearby to the proposed mixed use and commercial areas – these are areas of transition between the highly urban environments of Neerabup Road and a Local Centre, and lower density residential areas more centrally within Catalina Grove.

There is an expectation of State planning agencies for density within a walkable catchment of train stations to be maximised, and this is respected by the Catalina Grove Precinct Plan. The location of density also provides for an Urban gateway to the northern extent of the Precinct, and frames the pedestrian

journey to the Neerabup Road tunnel through landmarking, activation and surveillance.

Further from the Clarkson train station, the Catalina Grove Precinct Plan exhibits a high level of flexibility with respect to density and its location. The spatial layout can accommodate a wide range of lot sizes as well as building typologies by virtue of a road layout and superblock design which can be subdivided in multiple ways. This is facilitated by the broad application of a R30-R60 density code, which provides for a variety residential development outcomes.

At DRS2 there was some discussion with respect to a retirement village within Catalina Grove. It was subsequently determined that the minimum requirement for such a site would be 5-10ha in a low density format. It has been assumed that this is unfeasible for an area the size of Catalina Grove, however, indicative locations have been proposed in close proximity to the Local Centre. These locations have been suggested by reason of their proximity to the Local Centre as well as the relatively flat terrain. Refer Figure 27 Residential Density Diagram.

With regard to the above, the approach to density within the Catalina Grove Precinct Plan can be summarised as follows:

- 1 Density clustered around Aviator Boulevard, which provides a high degree of local amenity and a direct link to the Clarkson train station;
- 2 Highest density in the northeast extent of the site, closest to the Clarkson train station – a different residential 'offer' compared to the rest of Catalina Grove;
- 3 Medium density situated around the Village Heart and Village Green (EPBC parkland);
- 4 Flexible zoning to provide for medium density development as part of the mixed use site on Neerabup Road, subject to demand (the site may convert to a purely residential use);
- 5 Remainder of the area as a flexible medium density code for, predominantly, a single residential outcome.

The above has been expressed as follows on the Catalina Grove Precinct Plan and should be considered in conjunction with the preceding report section on Built Form:

DWELLING TYPOLOGY	PROPOSED ASSOCIATED DENSITY
Single Residential	R30
Green Title Town houses	R40
Maisonette Sites	R40
Walk Up Apartments	R60
Lift Apartments	R100

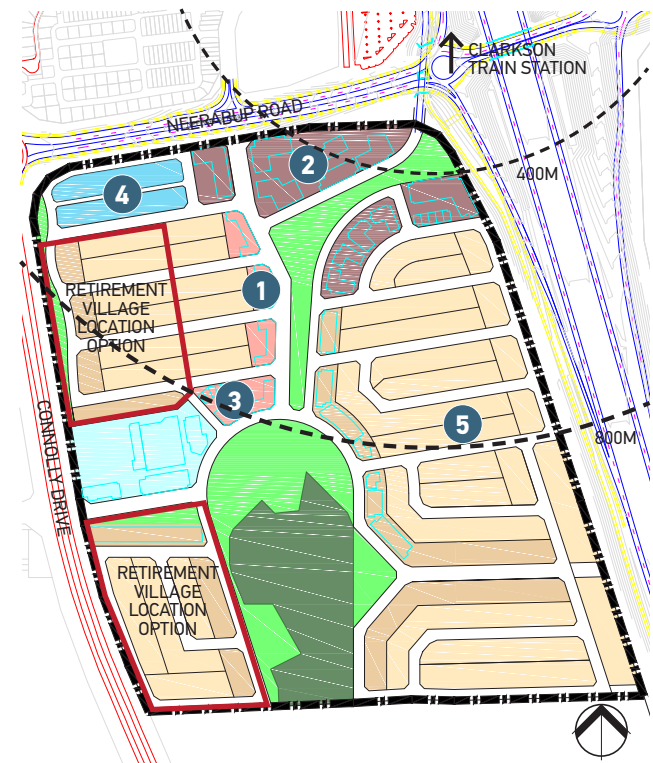


Figure 27. Residential Density Diagram



# 7 STRATEGIES



## 7.3 STRATEGY 3: THE TUNNEL

*Without clear and direct access to the Clarkson train station, the status of Catalina Grove as a Transit Oriented Design Precinct would be compromised such that it would unlikely support target, transit supporting residential densities. A key response is the provision of direct access to the Clarkson train station via a tunnel under Neerabup Road. Careful design responses are required to ensure an appropriate level of safety and surveillance for users of the tunnel.*

As noted at section 7.2 of this report: *'The majority of the site is located within 800m of Clarkson train station, a context which would normally be associated with a high level of residential density, consistent with TOD principles. To this end, Urbis' Economic and Market Research team highlights the importance of strong and direct linkages to the station to support density, even close to transit.'*

In consideration of the above, it was noted that the Public Transport Authority (PTA) proposes a tunnel under Neerabup Road to accommodate bus movements and a cycleway. While the tunnel is proposed to be approximately 60m long, it offers the quickest and most direct access to the Clarkson train station (from Catalina Grove).

At the same time, an at-grade crossing of Neerabup Road was considered important in terms of a suite of access options to the station. However, it would unlikely form the primary access to the Clarkson train station by reason of its westerly position (in comparison to the tunnel), and the potential for conflict between pedestrians and vehicular traffic.

An overpass across Neerabup Road was discounted by virtue of the associated cost and the difficulties presented to the elderly and disabled in terms of scaling stairs/steep slopes.

The reliance on the tunnel for access presents obvious challenges and concerns with respect to safety and surveillance (crime prevention). In response, the Catalina Grove Precinct Plan proposes to celebrate the tunnel – to maximise its usage and prominence within Catalina Grove through the creation of a highly urban 'Neerabup Gateway' to Catalina Grove and in contrast to the proposed westerly Green Link within Aviator Boulevard.

The Neerabup Gateway/tunnel area is premised by a dense but robust urban structure. Consistent with WAPC policy relating to TODs, the area may remain undeveloped or be developed at a relatively low residential density, then convert to a higher residential density over time by virtue of the uniform street blocks, which support effective land assembly and super-lot creation.

As mentioned, safety is a primary issue when it comes to tunnel usage. Outside of the tunnel, safety will be enhanced by the highly activated urban spaces leading to the tunnel entry (the north eastern extent of the Green Link).

By way of example, residential development oriented towards the Green Link with reduced setbacks will ensure eyes on the public realm. The Green Link will support seating, shade trees and lighting will ensure a high level of usage of the park land area. This will further enhance the safety of this area. Lighting and way finding features including public art and signage, will enhance pathways/legibility to further maximise usage and eyes on the street, refer to images overleaf.

Inside the tunnel, usage will be maximised by providing for bus, pedestrian, vehicle and bike movements. Lighting will also be important in ensuring public safety.

As noted previously, an at-grade crossing will be provided over Neerabup Road where high quality trees worthy of retention are present in the northern extent of Catalina Grove. While this crossing adds to the overall access offer of Catalina Grove, it will be designed such that it is not the primary crossing point. Instead, the design aims to direct the significant majority to the tunnel, for the purpose of navigating across Neerabup Road.

The ability to maximise urbanisation to the south of the tunnel is compromised by the battering needed in this location. Reliance on the landscaping and pathway features outlined previously will facilitate the desired level of access, usage and overlooking. However, high density living oriented to the tunnel and supporting Green Link will be implemented above the batter, which will practically enhance the surveillance of this area.

Design guidelines or similar built form controls are recommended to ensure appropriate outcomes with respect to land use, building orientation, open style fencing, window location and weather protection.





*Pedestrian Footpath*



*Open Space adjacent to tunnel entrance and overlooked by residential*



*Tunnel Lighting*



*Conceptual Tunnel Entrance inclusive of surveillance and way-finding*





# 7 STRATEGIES

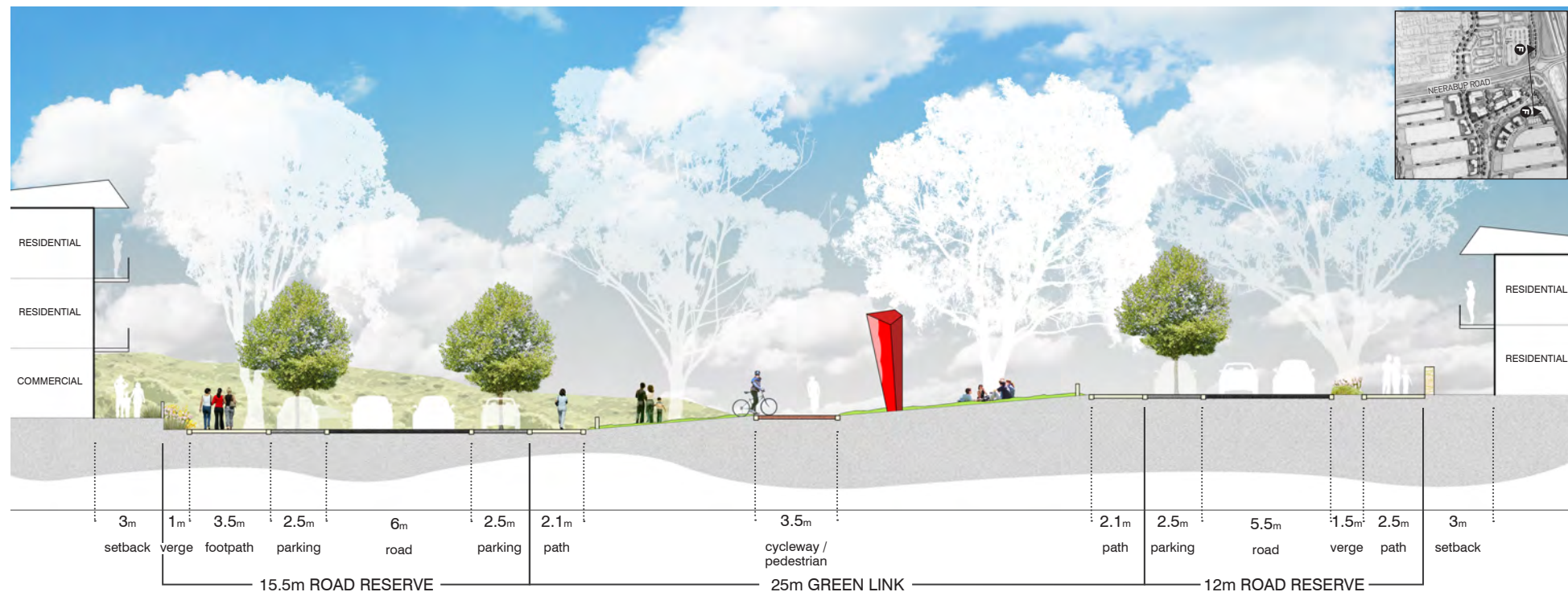
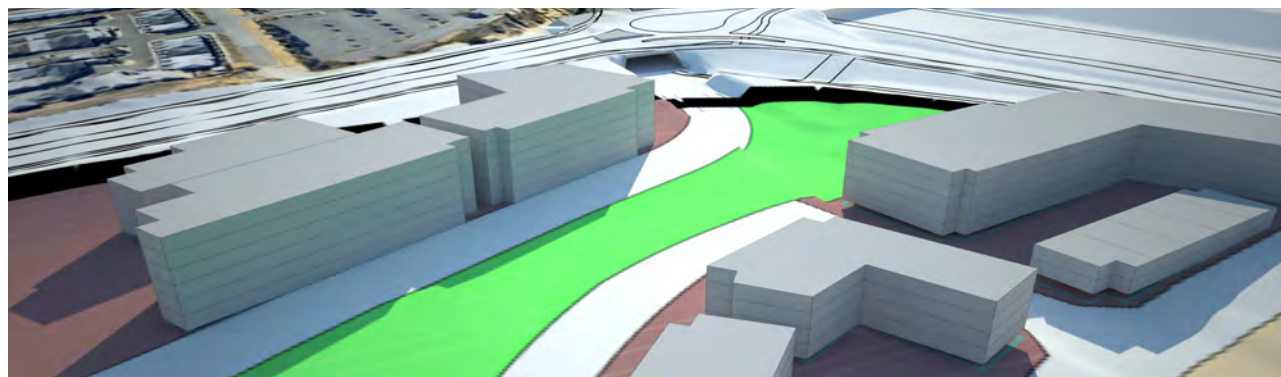


Figure 28. Section E-E Tunnel Walk



Indicative Tunnel Entry and Built Form



Casual Surveillance to Tunnel Entrance through sensitively designed adjacent residential development

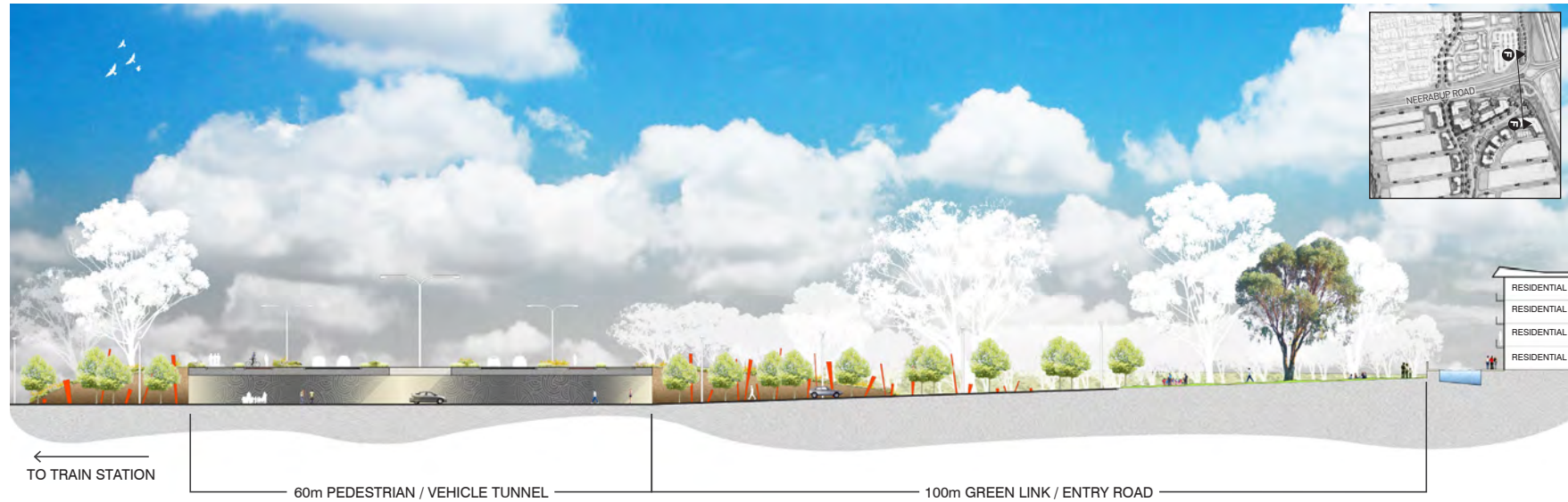


Figure 29. Section F-F Tunnel Walk - Day



Figure 30. Section F-F Tunnel Walk - Night





# 7 STRATEGIES



## 7.4 STRATEGY 4: EMPLOYMENT

The retail analysis undertaken in support of the initial context/site analysis indicated there was limited demand for retail and commercial (including mixed use) land use within Catalina Grove. In part this is due to the alternate commercial/retail offers nearby – on Ocean Keys Boulevard and at the Ocean Keys Shopping Centre.

However, the design process has also taken into account the following factors:

- The retail assessment identified the potential for limited retail/commercial on Neerabup Road as the most viable location for such land use;
- Any development of this kind should be supported by a flexible planning framework that allows for land use change over time and flexibility of timing (with respect to development implementation);
- While the most desirable location for retail is on the corner of Connolly Drive and Neerabup Road, a major supermarket has expressed interest in locating on Connolly Drive anywhere between its intersection with Aviator Boulevard and Neerabup Road;
- The Design Review Sessions indicated that the intersection of Aviator Boulevard/Connolly Drive would be the most desirable location from the perspective of benefit – with respect to creation of a linkage across Catalina Central and Grove, and maximisation of access for Catalina Grove residents, for example;
- Similarly the City of Wanneroo has expressed a desire for a high quality interface between any commercial development and its surrounds.

In response, the employment offer enabled by the Catalina Grove Precinct Plan is a pragmatic outcome that reflects the limited demand for retail/commercial activity on the land, while respecting the aspirations of the TPRC and City with respect to employment self-sufficiency. It does so through a blend of commercial and mixed use destinations with a flexible zoning approach. These are comprised of two areas, being:

### MIXED USE WITHIN NEERABUP GATEWAY

Single Office / Home Office (SOHO);

- Flexibility to live in close proximity to workplace with provision for residential use on the upper levels;
- Targeted towards sole practitioners / professionals in small to medium businesses with 1-10 workers. Example businesses may include legal, real estate or surveying consultancies.

### CONNOLLY DRIVE LOCAL CENTRE

Supermarket / Retail

- Supermarket / Retail located on Connolly Drive will draw from the Catalina Grove catchment and wider Catalina and Ocean Keys catchments;
- Convenient access for pedestrians and vehicles from Connolly Drive.



Local Centre

### Café/restaurant

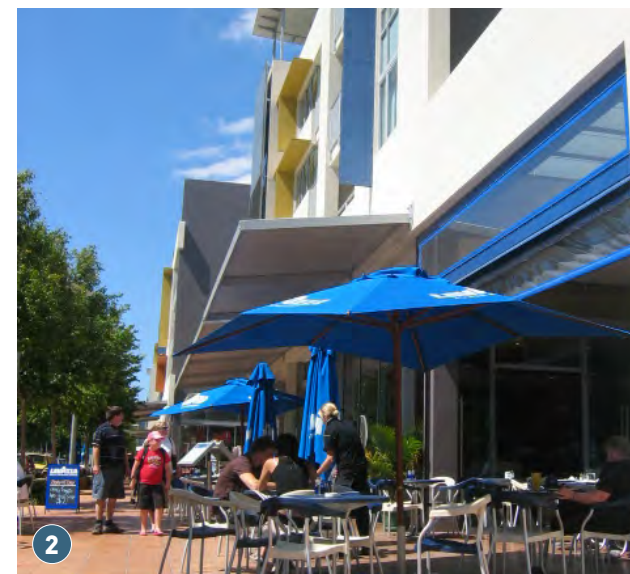
- Located at street level;
- Activation of the ground floor enhances surveillance and vibrancy along the street to create a safe pedestrian environment;
- Encourages extended hours of activity throughout the day and week.

### Commercial

- Provide additional commercial land uses adjacent to the proposed supermarket with frontage to Connolly Drive to maximise exposure and access for residents (i.e. 24hr gym).

### Retail

- Sleaved retail opportunities provide choice and variety for consumers around anchor supermarket;
- High frequency retail options for shopping centre patrons.



Local Centre



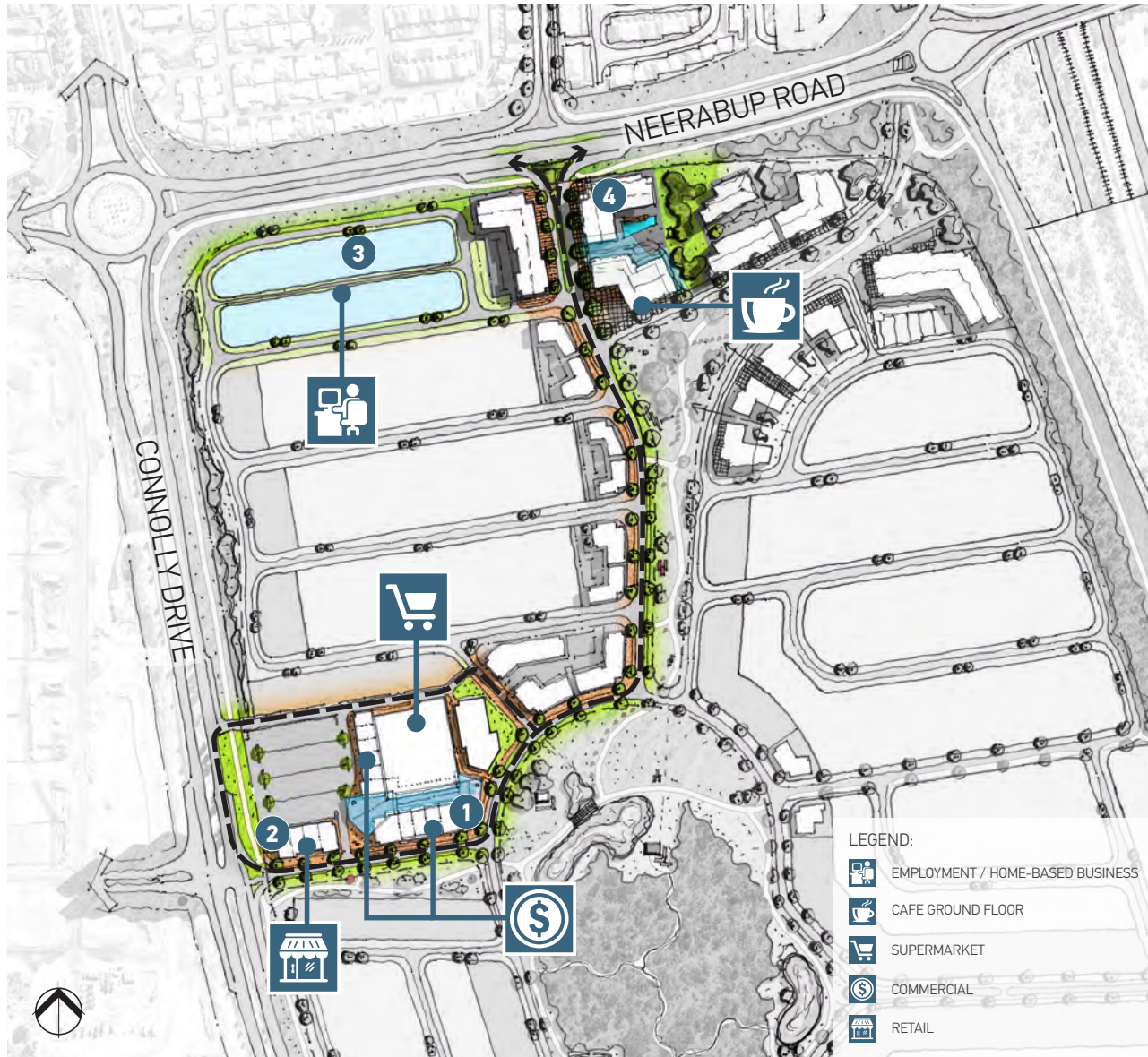


Figure 31. Employment Opportunities (depicted in corresponding photos on pages 42 and 43)



Neerabup SOHO



Neerabup Gateway





# 7 STRATEGIES



## 7.5 STRATEGY 5: PUBLIC REALM

*The thoughts behind the following strategies are based on sound best practice design. Communities that are connected, vibrant, and full of amenity create happy, thriving and popular places that further build on the history of the place, site and culture and those elements that make the place unique.*

The Catalina Grove Precinct Plan has realised the development of three key public realm elements that provide the character and impetus to deliver a truly unique and innovative precinct in keeping with the aspirations and commitments of the TPRC. The development of the site provides the opportunity to create new forms of urban living with a diverse range of densities and uses, leveraged from the scale of the site. For this to be successful, the public realm must be designed and delivered to provide sufficient amenity and activity.

### CHARACTER AREAS

Although the development will possess consistent landscape design principles throughout, the following strategy provides details as to how various aspects of the public realm can be further articulated to ensure that movement throughout the site has a sense of progression and an individual sense of place, providing a richer experience for the residents of Catalina Grove. To support this fine grain detail, the Catalina Grove Precinct Plan can be broken into three distinct character areas, each delivering different levels of amenity, use and experience. These character areas are described in Figure 32 and are defined as:

- 1 The Green Link
- 2 The Village Heart
- 3 Conservation Open Space



Figure 32. Public Realm Diagram





## USE

### The Green Link

Incidental Uses/Local Activation – the Green Link should provide a variety of smaller scale uses for individuals and small groups. This is a transitional landscape and while primarily concerned with way-finding and journey elements, should provide areas of respite, incidental play and fitness to provide incremental activity along the journey. As well as connecting (physically and conceptually) the three precincts of Catalina Estate, the Green Link through Catalina Grove has a primary role in channeling pedestrians and cyclists to the Clarkson train station in a safe, attractive and activated environment.



Green Link

### The Village Heart

Focus primary activity into Village Heart area - this promotes the area as the nexus of community and use and builds social cohesion through contact. Opportunities include multifunctional open space area, infrastructure to support weekend markets and community events, public art, dog exercise area, nature play, picnic area and bbq's, waterplay and youth recreation areas like basketball or skate opportunities.



Village Heart

### Conservation Open Space

Nature based activity – should be focused around and within the conservation public open space. Opportunities for small scale nature play, habitat creation, interpretative signage and landcare will be the focus of this area.



Conservation Open Space

## COLOUR PALETTE

The vision of Catalina Grove as a new community providing contemporary urban living within a natural setting is a powerful and readily achievable aspiration, provided integrated design and delivery is undertaken. To further reinforce the natural aesthetic, use of a colour palette that reflects the local bushland colours within the public realm is encouraged. Olive based greens and browns broken by splashes of colour taken from the ephemeral and vibrant colours found in the seasonal wildflowers in the conservation reserve will serve to contribute to a harmonious, integrated and sophisticated public realm interest in keeping with the built form that surrounds it.







# 7 STRATEGIES



## MATERIALS

There are consistent elements and materials that will link the three Catalina Precincts throughout, however it is also important to deliver local variation reflective of the place and use to ensure that movement throughout the site has a sense of progression and a clear identity.

### The Green Link

Materials used along the Green Link will be graduated in their appearance, acting as a transitional space between the Village Heart and Clarkson train station. The graduation will be expressed through changes in finishes rather than introducing new materials, reflecting the evolution from a natural to urban environment within the development. For example, concrete will subtly shift from rougher shotblast finishes at the Village Heart to smoother more refined finishes closer to the northern end timber elements will evolve from solid, large elements to refined, discrete uses further north.

### The Village Heart

Materials used within the Village Heart will be more solid and permanent in their appearance, while also featuring highlights of timbers and other lighter forms. Timber cast concrete will provide the permanence that the Village Heart represents, while referencing the important trees of its namesake. This area is to be the vibrant heart of the community and manufactured finishes will provide colour and movement, with inspiration taken from the adjacent bushland areas. This area is the heart of the community and will utilise materials that are robust, hard wearing and readily available to support high use.

### Conservation Open Space

The conservation open space will feature materials that harmonise with the environment they exist in. Materials such as gabion structures will be used for their built strength as well as their somewhat transparent quality and ability to be overplanted. Timber profiles will have robust dimensions and opportunities for selective use of mesh profiles will be explored.



Green Link



Village Heart



Conservation Open Space

## LIGHT AND SHADE

The canopies of mature trees within Catalina Grove provide plentiful dappled shade and shelter from the sun and coastal breezes. The proposed built form in the precinct will also provide a sheltering effect of being 'nestled' within the environment.

Where additional shelter is required in public spaces, the naturally occurring feelings of enclosure and safety will be recreated in essence through provision of lightweight structures that give the shade required, yet also propagate the dappled light typical of this environment.



Shelter Examples





## SUSTAINABILITY

It is important to acknowledge that all constructed elements within the public realm will have an embodied energy (the fuels/power, materials, human resources etc) that was used to produce and install them. Along with this, all built items will ultimately be removed or degrade naturally.

Factoring this into the choices of materials and the sources of those materials will be essential at Catalina Grove to ensure that the development is as sustainable as possible, not just in regards to the immediate environment but also globally.

There is opportunity to implement native seed collection and propagation to provide provenance specific species suitable for revegetation works and landscape plantings. Other opportunities exist to capture and re-use materials from the site, such as timber from areas to be cleared, limestone rock and boulders, transplants of suitable trees and shrub and site mulch.



Material Re-Use

## PLANTING DESIGN

The overall planting structure should be consistent throughout all the precincts with local species prioritised within the public realm. Local differences will be expressed in the understorey planting, in the provision of species suitable to support passive solar principles around built form and in the Village Centre.

### The Green Link

The Green Links primary function as a green connector and transitional landscape, coupled with the need for shaded pedestrian movement, incidental interest and the opportunity to retain significant trees lends itself to a progressive evolution of tree planting, from formalised signature trees at the entry, to robust local species to feature species marking the Village Centre. Planting layouts along the Green Link will take on a semi-formal approach with ribbons of species forming amorphous shapes.

The Green Link connecting through the site will act to provide vegetation corridors that will provide an interface between major vegetation areas that occur within and peripheral to the site. This will allow for greater biodiversity as often fauna, particularly the Carnaby's Black Cockatoo, are not solely reliant on one habitat type.

### The Village Heart

The Village Heart takes its typology from the idea of the clearing: "an open space in the bush, especially one cleared for cultivation." Vegetation in this character area should be reflective of the adjacent bushland, but sit as a fringe to the space. This fringing woodland can be supplementary planted with exotic or fruit bearing species as necessary to support the proposed activities.

### Conservation Open Space

The area is a retained pocket of vegetation for conservation. Planting in this area will be restricted to provenance species to support rehabilitation efforts and to address altered microclimate conditions as a result of clearing and adjacent built form.



Green Link



Village Heart



Conservation Open Space





# 7 STRATEGIES



## 7.6 TREE RETENTION

Catalina Grove presents a rare opportunity to deliver streetscapes and open space that integrates existing groupings of mature specimen trees currently located throughout the area.

The contextual and site analysis sections of this report identified that there are many trees that remain on site and this is unique in the context of the area, especially when considered in the context of adjacent national parks.

In addition to being an environmentally sensitive approach to design, there are a significant number of benefits associated with the retention of mature trees. Although difficult to quantify, providing a semi-established streetscape / subdivision offers psychological benefits due the instant effects of being within an established 'green streetscape', correspondingly there is an associated value in terms of both marketing and sales.

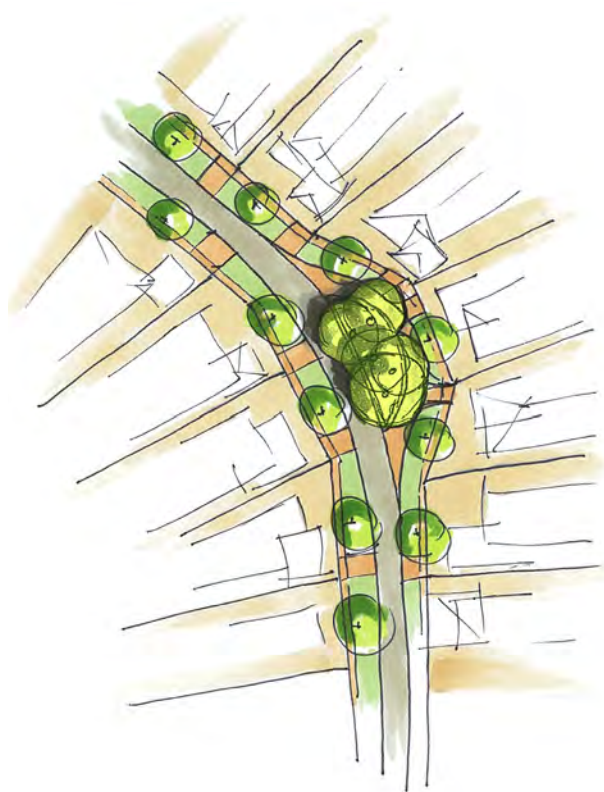
The retention of existing mature tree canopy and understorey vegetation (where possible) within Catalina Grove is central to merging the surrounding natural environment back into the site and providing a key building block to establishing a clear identity. While the level changes can present a challenge, clever design responses will enable these important trees to become a focal point of the Green Link and Village Heart. The retention of additional trees within the streetscape significantly extends the benefits.

Figure 33 and the images overleaf provide a conceptual indication of how existing trees might be retained in public open space, conservation area, within road reserves and private open space.

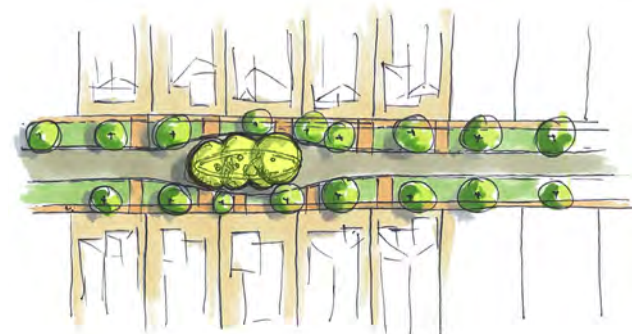


Figure 33. Tree Retention Diagram





Method for Tree Retention within Expanded Road Verge



Method for Tree Retention within a Central Median



Tree Retention in Public Open Space



Tree Retention in Central Median



Tree Retention in Lot



Possible Trees for Retention



Possible Trees for Retention



## 8 NEXT STEPS

The Catalina Grove Precinct Plan is intended to be used to provide strong design guidance for the project and future built form outcomes. The plan and report may be used for feasibility purposes to interrogate and consider the relative merits of the plan proposed. Whilst Urbis recommends implementing the design recommendations in their entirety, as a team we also recognise that this is a project where significant design work has already advanced. The plan is therefore, sufficiently flexible and robust to enable the implementation in its entirety or selected key elements may be woven into the existing detailed planning and engineering design.

Post-feasibility, whether implemented in its entirety or key elements, we recommend further testing and refinement of the Catalina Grove Precinct Plan to enable greater certainty.

This would include work with the City, other State Agencies, and Cossill & Webley, to test the differences between the Catalina Grove Precinct Plan and the existing LSP.

Matters to be recommended for further action include:

- Review of Bushfire mitigation requirements;
- Arborist assessment of post construction viability of trees for retention;
- Co-ordination of services alignments to enable tree retention;
- Design of levels, drainage and road alignments to support tree retention;
- Review of employment targets within Local Structure Plan;
- Yields and Feasibility;
- Public open space calculations;
- Co-ordination with the Public Transport Authority (PTA), Main Roads Western Australia (MRWA) and City of Wanneroo regarding tunnel link;
- Liaison with City of Wanneroo and PTA regarding improvement of pedestrian link from tunnel to Clarkson train station; and
- Liaison with MRWA and City of Wanneroo regarding pedestrian crossing light on Neerabup Road and Connolly Drive.

Urbis recommends close discussion with all disciplines particularly with economic/marketing experts to devise a staging strategy that ensures a strong market presence and tests/facilitates market interest across the development, including for innovative product.

Ultimately, if after testing the TPRC wishes to adopt a refined and tested Catalina Grove Precinct Plan, it is our view that the changes would require a modified Local Structure Plan.

It is essential that this is supported with rigorous public realm and built form design guidelines.







# 9 APPENDICES

## APPENDIX A - OPPORTUNITIES & CONSTRAINTS REPORT INCLUDING MARKET AND RETAIL ANALYSIS



# CATALINA GROVE

OPPORTUNITIES, CONSTRAINTS AND CONTEXT ANALYSIS

# CATALINA GROVE

OPPORTUNITIES, CONSTRAINTS AND CONTEXT ANALYSIS





## INTRODUCTION

The purpose of this document is to detail the outcomes of Phase 1 of the Catalina Grove Integrated Urban Design review, being a literature review and a site, and context analysis.

This report has been preceded by a detailed site visit, a collaborative session attended by Urbis, Satterley and Tamala Park Regional Council (TPRC), and a review of relevant documentation. Urbis also met with the Project Engineer, Cossill & Webley, and reviewed their earthworking plans. Best practice examples with similarities to Catalina Grove have been collated.

Through the above, we were able to review and confirm the applicability of the objectives and principles underpinning the project as enunciated in the initial Request for Proposal and (in more detail) a marketing strategy provided by the client.

We have also been able to identify a range of factors that will influence further design and testing phases in the form of context, opportunities and constraints. Per our response to the Request for Proposal, we aim for our design responses to be ‘inspirational’ (i.e. to underpin implementable and achievable outcomes to which all Project Team members buy into) rather than merely ‘aspirational’, which infers a less tangible outcome that is desirable but not necessarily achievable or accountable.

In a concise and easy to understand manner (diagram based), this report summaries the literature review and includes a Site Context Plan, and Opportunities and Constraints Plan (as well as brief summaries of the same). The report describes best practice examples and how they relate to the land, particularly with respect to positive learnings for future design outcomes. A Market Analysis is contained within this document to provide robust ‘science’ to future design outcomes, provides guidance with respect to testing the assumed market for Catalina West as enunciated in the Marketing Strategy, (both current and forecasted) as well as the density that the site might support.

Similarly, retail commentary provides guidance on the floorspace that the Precinct might support – both as part of a dedicated retail site and via mixed use land. The extent and location of such floor space will influence the built form to be provided across Catalina Grove, and the location of various typologies.

Public Open Space and and public realm opportunities for integration with urban are expressed in the Opportunities and Constraints Analysis, and will be further examined as part of the next (design) phase.

### Where to from here

As mentioned, this report will directly inform the next phases of the project, which are design based.

Urbis will now proceed directly to the development of preliminary design concepts, per the brief as well as develop a specific and collaborative program for the same, within the designated period for delivery. In particular we will work closely with Satterley and TPRC to establish a timetable for the design sessions.

The next project phase will deliver preliminary design parameters and the preparation of a draft Precinct Plan for testing.





## LITERATURE REVIEW

Key documents reviewed are summarised below:

### Catalina Strategic Marketing Plan, December 2013 (Satterley and Marketforce)

- Catalina Vision: To create an Urban Centre for choice, sustainability, community and opportunity from the land.
- Benchmark in design, presentation and sustainability, diverse yet cohesive built form aesthetic.
- **A balance of life and living:** *Catalina enables its residents to maintain the balance of scales; to have access to all things necessary for a busy life whilst not neglecting the time and space necessary for building families and communities.*
- **Qualities:** Classic, timeless.
- More specific visions for Catalina Grove:
  - A leafy, modern and trendy place to live that is on the doorstep of the train station and Freeway.
  - Feels close to the beach and the green link access takes one directly to the foreshore.
  - An affordable option for singles, couples and downsizers who aspire to a quality home that is set amongst a 'real' community.
  - Similar to an affordable Subi Centro (streetscapes) and Joondalup City North.
- A classy, connected coastal community.
- 'Classy' equates to:
  - High quality house designs.
  - Pristine landscaping and a useable foreshore that makes Catalina a destination beach.
  - Public art.
  - Timeless / sophisticated look and feel.
- Multiple award winning estate that sets the benchmark for metro beachside coastal communities.
- 'Connected' includes:
  - The 'green' link taking a pedestrian or cyclist from the train station or their home directly to the beach.
  - Train station and arterial roads are very close, bus link through Catalina from the train station through to Mindarie and Ocean Keys Shopping Centre.
  - Shopping at the Town Centre and employment through (for example) the Neerabup Business Centre
- 'Coastal' equates to:
  - Connectivity to the beach with an enjoyable walk (meandering boardwalks / shade etc.) similar to Bunker Bay.
  - Access to one of Perth's best beaches.
- 'Community' includes:
  - A regular community event schedule.
- Innovations:
  - Built form: diverse product, standard of architecture, innovative product offers, landmark buildings.
  - Landscaping: public art in the 'green' link and in public spaces, interconnection from the freeway to the beach, the walk to the beach to be enjoyable i.e. through interpretive signage and landscaped boardwalks decked with tall coastal landscape.
  - Widest product range in the area.
  - A central 'green' link as a significant public transport, cycle, pedestrian and social corridor.
  - 'Green' link as a corridor between the main activity areas and providing an attractive pedestrian-friendly and cycling connection between the railway station and the beach.
- Design and style of beach access, roads and pathways to be innovative.
- Public art and sculpture unfolding with various Catalina brand associations.
- Attributes:
  - Contemporary, electric/funky, young and hip
  - Household income: \$125-150k.
  - Land price: \$185k-\$310k.
  - House and land price: \$375k-\$575k.
  - Apartment price: \$290k-\$370k.
- Attributes:
  - High quality of streetscape, street furniture and paving.
  - Brighton medium density standard of landscaping.
  - Some 2 storey product.
  - Marketing campaign to reinforce proximity to amenities, in particular Clarkson train station.
- Primary target audience:
  - Middle income, 23-55 year old couples with young and adolescent families.
  - Asset rich and entering the market to purchase their second home through public releases.
  - Low to medium density most popular product.
  - Attracted to beach and outdoor lifestyle.
  - Work full time.
  - Mainly health and professional services.
  - Prefer a large family home with 3-4 bedrooms.
- 'Lifestyle uncompromised'.







**Catalina Housing and Built Form Strategy,  
September 2013 (TPRC)**

The Strategy looks at the preferred location and type of residential development to meet the project vision whilst delivering a commercial return.

- Objectives include:
  - Housing choice.
  - Affordable housing opportunities.
  - Provision for mixed use development.
  - Sustainable housing delivery.
  - Achieve quality, contemporary, place-responsive built form.
- Notes that the Local Structure Plan targets 67% separate housing, 21% semi-detached/townhouse and 12% flats/apartments.
- Higher residential densities in strategic locations to activate future activity centres.
- The 12% apartments/flats is over-optimistic and is more likely to be expressed as townhouse/semi-detached.
- The eastern precinct (Grove) will be attractive to the first homebuyer market, providing more opportunities for affordable medium and higher density development, attracted by the close proximity to shopping, services and public transport. The eastern precinct will have a much more diverse urban character with a focus on the neighbourhood centre and linkages to the Clarkson station and other amenities.
- Diversity and Choice
  - Retain current base density of R30/R60.
  - Medium and high density development (retain R80/R100) in Catalina Grove.
  - Investigate sites for integrated affordable medium density apartment and townhouse development in the eastern precinct in

proximity to the neighbourhood centre and Clarkson train station.

- Affordable Housing
  - A target of at least 10% of housing in precinct concept plans for Grove to be affordable, using medium density 7.5m rear laneway terraced housing and cheaper products (\$360,000 for house/land and \$190,000 for land only).
- Mixed Use Development
  - Priority location is Grove, adjacent to Neerabup Road and along the central spine leading to Clarkson Station and Neerabup Road.
  - Accommodate shops, cafes, offices and commercial at ground floor/residential on upper levels in above locations.
- Sustainability
  - Incorporate recommendations of Sustainability Initiatives Plan.
- Built Form
  - Built form to reflect desired future character.
  - Visually prominent sites and other locations may require special treatment.





## Tamala Park Local Structure Plan No. 79 Part 1 Statutory Report, May 2014

- Minimum target of 2,600 dwellings.
- Medium densities of R40-R60 *shall* be provided in areas of high amenity including within 800m of train stations and centres (activity and community), around public open space and adjacent to major public transport or neighbourhood connector routes.
- Higher densities of between R80 to R100 *shall* be provided within 400m of a train station or adjacent to arterial roads and major public transport routes.
- Iconic development sites (intersection of green spine and Connolly Drive, and corner Connolly Drive and Neerabup Road). Any building developed on an iconic development site as shown on Plan 1 shall have a special building elevation and window treatments that draw attention to the location, including distinctive roof forms, balconies, articulation of corner wall elements, entry forecourts, materials and colour. Details of the requirements for iconic development sites should be included in the Mixed Use Zone detailed area plans.
- No subdivision and/or development is permitted on land zoned "Urban Deferred" under the Metropolitan Region Scheme and within 500 metres of the active face of any existing or proposed putrescible wastes filling area of the Tamala Park Refuse Facility, as determined by the Western Australian Planning Commission in consultation with the City of Wanneroo and the Department of Environment and Conservation.

## Catalina Estate Sustainability Initiatives Phase 1 – Review and Recommendations Report (TPRC, Satterley and Active Sustainability)

- Mandate climate responsiveness passive solar design, such as living area orientation and cross flow ventilation.
- Ensure open space and street planting is predominantly native and drought resistant.
- Ensure inclusion of pedestrian and cycle options such as dedicated and connected paths, secure bicycle facilities and public transport options.
- Average density of 14.5 dwellings/ha over entire project.
- Landscaping and urban design to optimise at-source direct storm water infiltration for groundwater recharge, achieving a net water balance across the development area.
- Best practice water sensitive urban design such as minimising hardstand and permeable paving in open areas, bio-filtration swales etc.
- Waterwise garden and Waterwise controlled irrigation scheme.
- Development must consider solar orientation of lots and solar access to buildings.
- Mandate climate responsive passive solar design, such as living area orientation and cross-flow ventilation.

## Catalina Estate Sustainability Initiatives Phase 1 – Review and Recommendations Report (TPRC, Satterley and Active Sustainability)

- Lack of community facilities in locality (community halls/centres, active reserves, sporting clubrooms, primary schools and child care centres).
- District level facilities required include:
  - Recreation Centre with 2 x indoor sports courts, a fitness gymnasium, multi-purpose activity room and meeting rooms
  - Two active open spaces with 4-6 senior sporting fields in each
  - Infant health clinic
  - Youth Centre
- Further discussion with the City recommended with respect to delivery and funding.

## The Catalina Greenlink Strategy, (EPCAD)

- Design principles and images for green link according to context.
- Local Centre - Urban: Narrow the perceived vehicle environment reducing the median to 2m and bringing the two sides of the road closer together. The southern verge predominantly paved still carrying through the canopy of trees but accommodating potential alfresco from a local store. Paving will include public art elements within the paving. This section is also likely to include an adjacent local park that will balance the more urban nature with a broader green space that will open up off the green link.
- Coastal Green Link Promenade: Coastal species dominate, path alignment to be more informal with subtle meandering. Tree groups located to retain key views.

- Dunal Park: termination of green link at the coastal node. Broad open spaces with coastal heath and dunal plant species. Informal recreation in areas incorporating grass as well as integrated play structures. Drainage integration with open space.
- Greenlink elements: varying width based on context, 40kph vehicle environment, 4m median, 3.5 vehicle lane, 1.5m cycle lane, 16m verge/POS.
- Parallel parking, multi-use paths, community facilities, integrated play, linear fitness trail, public art.
- Identifies materials i.e. limited use of lawn grass and use of indigenous trees.

## Tamala Park Place Activation Paper, March 2009 (Pracsys)

- Clarkson Train Station should be integrated into the Precinct through a line-of-site traffic solution incorporating busses, bikes and pedestrians at Neerabup Road, as well as an entry statement.
- The four corners of the site are major access points to the Estate.
- Create a Town Centre Precinct: activate beyond retail hours, minimise car trips, activate secondary business opportunities and sense of place. Activity should be provided at street level in mixed use areas.
- Create a Neerabup Road Precinct: continuous frontage to the Clarkson District Centre. Likely to develop later in project.





**Economic and Employment Strategy and Neerabup Road Benchmarking Report, May 2009 (Pracsys) and Draft Catalina Job Creation Strategy, January 2015 (TPRC)**

- Estimated viable retail floorspace of 3,939m<sup>2</sup> NLA by 2018 – 3,950m<sup>2</sup> is proposed across entire development.
- Importance of linking residents, workers and visitors to a core activity precinct – maximise transport modes while channelling traffic past shops.
- Core Precinct (Neighbourhood Centre) allocated majority (3,300m<sup>2</sup>) of retail floorspace and 700-1,300m<sup>2</sup> of non-retail floorspace.
- Neerabup Road – 4,704m<sup>2</sup> of non-retail commercial floorspace.
- Other Mixed Use zone – undefined non-retail floorspace over 8.2ha of land.

**Local Planning Policy 3.2 Activity Centres, (CoW)**

- Provides guidance for preparation/inclusions of / for Centre Structure Plans:
  - Main Street with a robust, grid road pattern is sought. Maximum street block length of 200m.
  - Cycle lanes, bike storage and traffic calming to be incorporated.
  - Town square on a corner, main street or intersection that is of an appropriate size and famed by buildings/landscaping.
  - Sleeved/reciprocal parking or on-street parking.
  - Residential density target (per LSP) to be achieved.

- Pedestrian based land uses in centre core – preferred land uses in centre identified by the Policy.
- Active Facades.
- Landscaping to encourage pedestrian activity and improve visual amenity.
- Variation in materials, heights, elevations and features.
- Multifunctional buildings.

**Local Planning Policy 4.3 Public Open Space, (CoW)**

- Establishes POS hierarchy and criteria for provision, at Schedule 4.

**Local Planning Policy 4.5 Subdivisional Retaining Walls, (CoW)**

- At Table 1: identifies acceptable heights for retaining walls (maximum), maximum height subject to variation criteria and unacceptable criteria other than in exceptional circumstances.
- The above is addressed according to different contexts i.e. abutting lots, abutting POS and abutting roads.

**Other Documents Reviewed:**

- Catalina Estate – Sustainability Strategies: Next Steps – Options for Implementation Briefing Paper
- Planning and Development Policy: Establishing Building Pad Levels, Excavation, Fill and Retaining Associated with Building Residential Development, CoW 2005
- Catalina Landscape Masterplan 2012
- Tamala Park Local Structure Plan Appendix 12 Servicing Infrastructure, TABEC, 2009
- Catalina Annual Marketing Plan, Satterley, March 2014
- Local Planning Policy 2.1: Residential Development, CoW 2009
- Local Planning Policy 4.2: Structure Planning, CoW
- Local Planning Policy 4.4: Urban Water Management, CoW 2013
- Local Planning Policy: Smart Growth, CoW 2005
- Planning and Development Policy: Pedestrian Access Ways, CoW 2000
- Local Planning Policy 4.13: Caves and Karstic Features, CoW 2012
- Tamala Park Local Structure Plan, TPG 2009



# CATALINA GROVE

OPPORTUNITIES, CONSTRAINTS AND CONTEXT ANALYSIS

## CONTEXT ANALYSIS

Urbis undertook an analysis of the site relative to the key features and elements of the locality (refer Context Analysis Plan). A number of these features and elements will have a more direct/significant impact on design outcomes than others, as summarised below:

**Public Transport:** The land is a very short walk from Clarkson Rail Station, which provides for an approximately 6 minute journey to Joondalup and approximately 32 minute journey to the Perth Central Area. Indeed, the majority of site is within 800m from the Station and on a largely gentle slope. The station will catalyse density within Catalina Grove and, potentially, built form capable of supporting (or at least converting) to mixed use. The manner in which to maximise density while taking advantage of/retaining the site's natural attributes (like vegetation) is an important consideration.

Similarly, to capitalise fully on the station it will be important to create effective pathways through Grove, to the station. In this regard the barriers potentially stemming from the surrounding road network is discussed at 'Private Transport' below and Neerabup Road is a particular factor here. Any connection to the Rail Station should be legible, safe and preferably sheltered.

A regular bus service linking Catalina Grove to Catalina West will be provided to allow access to the beach and help tie the three Precincts of Catalina together.

**Schools:** There are a number of school sites located nearby, including private schools of different denominations, public primary schools and public high schools. Catalina Grove falls into the catchments for the future Catalina Primary School (in Catalina Grove), Mindarie Senior College and Clarkson District High School. It will be important to provide for effective linkages, especially legible and useable pedestrian linkages, to schools.

**Private Transport:** The land is well serviced by District and Regional Roads inclusive of Connolly Drive to the immediate west, Neerabup Road (to be constructed) to

the immediate north and the future Mitchell Freeway directly abutting the immediate east of the land. Each of these roads combine to ensure the site will have exceptional road access. However they also have the potential to act as barriers to pedestrians and cyclists, as well as being a conceptual barrier that separates the Precinct from its surroundings.

In this regard, Connolly Drive physically separates Grove from Central but does not appear to create a barrier in the same way that Marmion Avenue does with respect to West and Central – at least from a conceptual perspective. This is likely due to the high degree of visual connection between the cells – the absence of separating open space and rising terrain in each cell, either side of Connolly Drive. An effective linkage between the two cells is important to ensure the conceptual linkage is converted to physical linkage, and to ensure an effective function of the proposed green spine.

Neerabup Road, once constructed, has the potential to be a major barrier to the north. This is significant given the desire to effectively maximise pedestrian/cycle access to the Clarkson Rail station situated to the north west. Effective crossings will be important and landscaping could be utilised to improve the road as a pathway. A proposed underpass may accommodate pedestrian access but must be carefully considered from a traffic safety, lighting and surveillance perspective – particularly at night.

No access is available to the Mitchell Freeway reserve. This wide reserve sits predominantly below the Catalina Grove land holding. As well as a potential visual impact, the Freeway has potential noise impacts.

**Retail/Commercial:** The north western extent of the site is located a relatively short distance (some 1.2km) from the Ocean Keys Shopping Centre. The southeastern extent of the site is some 2km from the shopping centre. Lower order retail and services are available in a shopping complex located on Anchorage Drive adjacent to Anchorage Park (service station, medical, chemist, restaurants, liquor store etc.). This complex







is some 1.75km from Catalina West and will most likely be accessed via car. There is also limited mixed use less than 300m to the north, on Ocean Keys Boulevard. It is expected that as this mixed use area develops over time, Catalina Grove residents will most likely gravitate to the north for mixed use services (than to Anchorage Drive). The presence of significant retail/mixed use in (and planned for) the area necessitates the question of how much additional floor space might be supported within Grove.

**Green Space:** As well as significant (in terms of extent and in some cases condition/size of specimens) stands of vegetation within the site, the land is bound by areas of green space to the southwest (Tamala Park Refuse Facility Buffer), south and east across Mitchell Freeway (Neerabup National Park). These green areas combine to create a sense of the site being in a highly natural setting (relative to other urban areas nearby). When looking into the site from Catalina Central this setting is distinct and appears as a green bridge that links the site across the rail line to eastern bushland. The tall vegetation on site is a distinguishing characteristic of the site relative to other Catalina Precincts, and urban development to the north.

**Waste Facility:** Tamala Park Waste Disposal Facility is located to the south. A buffer is associated with this facility and per the Local Structure Plan, impacts on Catalina Grove but moves progressively south as does activity within the Facility over time. While no longer term restriction on the use and development of the land for urban purposes is anticipated, it is important that design allows for a staging capable of gradual implementation.

**Prevailing Breezes:** Catalina Grove will experience cooling afternoon westerlies, being less than 3 km from the coast. However the cooling effect may not be as pronounced as more westerly areas within Catalina by virtue of its inland position and the high terrain in Catalina Central. That said, the land would experience less hostile winds in winter, than Catalina West. In summer, Catalina Grove will be impacted by hot easterlies.

**Relationship to Catalina Central and West:** A direct bus route to the beach adjacent to Catalina West has been noted. Also noted is the physical separation via Connolly Drive but that, notwithstanding, there is a strong conceptual sense that Catalina West is part of a wider estate due to high level of visual connectivity across Grove and Central. This is emphasised by the terrain of this extent of land with Grove and Central rising from a valley on the Connolly Drive alignment. This connection could be emphasised through a strong green link (visual and movement impact) reflecting there is likely to be a significant pull of people through Grove to access the Clarkson Rail Station.

**Road Interface:** The potential for adjoining roads to act as barriers and have a negative impact on amenity has been previously noted. The WA Planning Commission does not favour development that ‘turns its back’ to major routes, through fencing for example. As such, the interface with adjacent major roads must be cleverly addressed – with regard to noise and visual impact, for example. There may be a requirement for noise walls on the eastern (Freeway/ rail) interface and retained vegetation may also be helpful as a buffer. On other edges, slip roads and vegetation may positively contribute. On all road edges, the built form attributes of housing can assist in the amelioration of road impact.

The above analysis infers the following division of contextual characteristics, from a design influence perspective:

Strong or Direct Design Influence	Lesser Design Influence
Public Transport	Schools
Private Transport	Waste Facility
Retail/Commercial	Prevailing Breezes
Green Space	Catalina Estate (other precincts)
	Road Interface

It is noted that the above analysis does not seek to infer that ‘lesser’ means no or even an insignificant influence when considered in isolation. Rather, it merely indicates a lesser influence relative to other factors. The lesser design influences must still be considered in the unfolding of more detailed design phases.

The above infers a triangular sphere of influence over Catalina Grove with the base located at the eastern end of the site and capturing green space in and around the site, Clarkson Rail Station, nearby retail and mixed use. Influence tapers westwards, extended by the Green Link and bus route to an apex located at the Catalina West beaches. This linkage and the Catalina West ‘offer’ will need to be strong to ensure that the field of influence is not lost to other beaches such as Mindarie.

The most significant influence is the presence of the rail station, which as mentioned will drive density and land use type. We note that much of the land’s vegetation is located in the walkable catchment to the station. The State Government has minimum standards applicable to density within what is a Transit Oriented Design location. In addition, there are is a target of minimum 12% of housing in Catalina being provided as apartments. This infers that much of the vegetation will be lost to cater for the higher density development, or that an innovative outcome might be available to maximise vegetation retention in an urban setting.

As mentioned, the bushland setting of Grove potentially sets it apart from other Catalina Precincts and, more broadly, other urban areas in the locality. It offers the Precinct a distinct sense of place and setting. Where possible, existing tree specimens may be included in road reserves as well as parkland, and apartment forecourts. The trees might also be incorporated into the green link to provide an immediate, authentic impact and to soften the urban landscaping.





# CATALINA GROVE

OPPORTUNITIES, CONSTRAINTS AND CONTEXT ANALYSIS



Figure 1. Local Context - Context Analysis





**SITE ANALYSIS - OPPORTUNITIES AND CONSTRAINTS**

This section of the report deals with the attributes of the site as contained within the lot boundaries and immediately adjacent to the same.

The outcome of the previous Context Analysis section emphasised the significance of the land’s ‘green’ setting and the influence of public transport. The relationship to surrounding roads and the extent of retail/mixed use in the locality is also significant.

To this end, the Opportunities and Constraints Plan illustrates the various opportunities and constraints that impact on the land and its place. These opportunities and constraints may be summarised as follows:

**Bushland Character and Setting:** The vegetation on site combines with adjacent bushland and the land’s topography to create a bushland setting. This sense is further enhanced by the mature trees on site, many of which have a sculptural aesthetic . The notion of bush setting not only occurs within the site but is also the main feature when looking into Grove from Central. This is unique in the area when compared to Central and Clarkson to the north. It offers the opportunity for refuge and relief in an otherwise highly urban locality.

As mentioned, there is a potential conflict between retaining the bushland setting and the desire/need to maximise density in proximity to the rail station. However there is also potential to explore means to retain vegetation within the development as a distinguishing feature and marketing asset. We also note that the highest quality vegetation is located outside of the 800m catchment – it may be possible to incorporate lower density development in this area to incorporate trees into residential allotments and road reserves. The EPBC has required a significant stand of vegetation to be retained in the southern section of the site though public access and interface to the same may be limited.

**Topography:** The lowest part of the site is its western extent adjacent to Connolly Drive. The land rises gently to the Freeway reserve. This provides for a high level of visual connection between Grove and Central. It also suggests that drainage is best located in the western portions of the site, though there may be potential too, for incremental/staggered storage along the green spine as it runs down the slope. Topography has been altered to some degree through the addition of fill to the western/ central extent of the land. Discussion is required as to the degree of earthworks desired, or whether the natural fall of the land is to be retained as far as practical. A high degree of landform modification will likely impact negatively on tree retention.

**Views:** There is a relatively pleasant view eastwards from higher land over the railway, to the Neerabup National Park. However, this view is likely to be highly compromised once the Mitchell Freeway is constructed. Noise and vibration impacts are also a factor in this area. Views over bushland to the south will be available in perpetuity due to the presence of Bushforever and other conservation area. Once Neerabup Dive is constructed, the view northwards will be to a relatively dense but low rise urban context. There will be uninterrupted views to the west, and the Central Precinct. Once landscaping has matured, this has the potential to be a very attractive vista, particularly at dusk.

**Bushfire:** No Fire Management Plan is in place at present. However, we note the presence of a 20m wide Building Protection Zone on the southern edge of the property, to Bushforever. This may be taken up by roads and building setbacks. Within 100m of the Bushforever site, higher built form standards for fire protection are likely to apply. For continuous pockets of vegetation retained in parkland on site, pockets of more than 1ha will necessitate a Management Plan and a likely buffer of 100m. Vegetated parcels of less than 0.25ha separated by a minimum of 20m are deemed to be low risk. Importantly, the southern Bushforever site and the designated bushland per the EPBC approval, is presently treated as a single entity. If these elements can be separated then there is potential for fire protection impacts to be minimised.





# CATALINA GROVE

## OPPORTUNITIES, CONSTRAINTS AND CONTEXT ANALYSIS

**Clarkson Station and Other Public Transport:** The northeast corner of the site is within 400m of the Clarkson Rail Station while the northernmost 2/3 is within 800m of the same. As noted, this will supported higher residential densities and potential mixed use. Much of this area is associated with gently sloping land, which promotes walkability. The Literature Review identifies the WA Planning Commission's minimum density target of 25 dwellings per ha – and that a substantially higher density is preferred. Effective pathways and linkages across potential road barriers will be important in maximising access through the site, to the station – again consistent with WA Planning Commission Policy.

**Tamala Park Buffer:** The southwest portion of the site is affected by a buffer to the Tamala Park Refuse Facility. However, by end 2016 the land will be unencumbered.

**Relationship to Surrounding Urban:** The land abuts urban land use/associated development (including transport) on three sides. Retail and mixed use is located to the north and at Ocean Keys Shopping Centre to the northwest. Higher density and mixed use built form extends northwards to Clarkson Rail Station. This provides a context for similar typologies across Grove. Lower density residential is located to the west (Central) and northwest. The need for physical and conceptual access to surrounding urban has been previously discussed, as has the unique nature of the bushland setting in the context of the locality.

**Mitchell Freeway/Rail Line:** The Freeway has potential noise, vibration and visual impact on Grove, which sits above the Freeway reserve. That the Freeway is below the land may have an amplifying impact or widen the impact of noise spill. Means to soften the impact of the Freeway and railway within the same reserve requires exploration with noise walls, vegetation retention and bunding being examples.

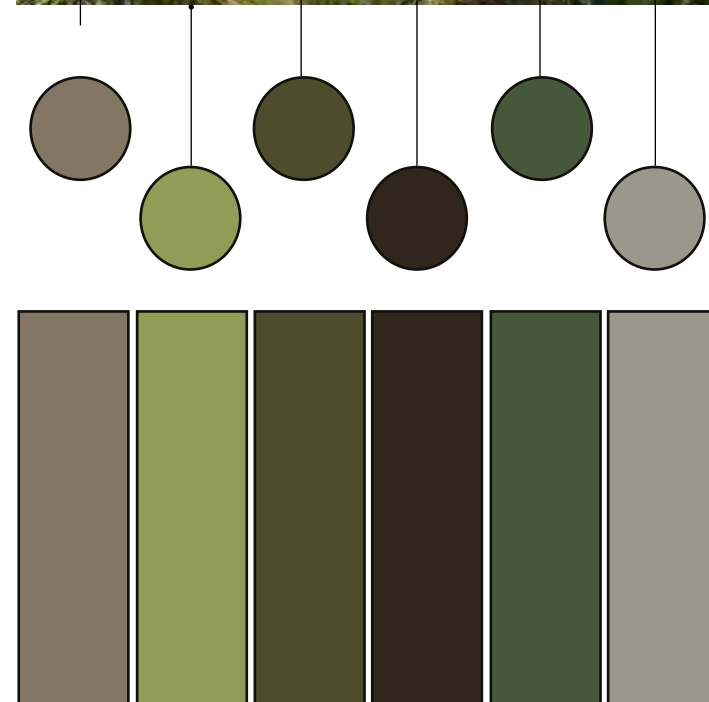
**Neerabup Road:** A design response (access and landscaping for example) is required to ensure this future road becomes a conduit rather than a barrier to access through to the rail station. An underpass is planned at the Freeway intersection but it is important the associated

environment is useable and safe. The Road may support a built form that facilitates density and an edge that promotes walkability, while addressing noise and vibration impacts.

**Connections:** Connections across (and under) major roads has been discussed. We note that a Dual Use Path is earmarked to run north-south along the eastern edge of the land, in the Freeway reserve. No road access is available to the east or south, and access north to Neerabup Road is limited to a single, left in/left out connection. Access to Connolly Drive incorporates a green link which extends in a southwest-northeast direction through the site (indicatively). This would benefit from a controlled intersection for safety and legibility reasons. As noted, connection points need to ensure good access through Grove, to the rail station including via walking and cycling. Neerabup Road and Connolly Drive are 'Other Regional Roads' under the Metropolitan Region Scheme while the Mitchell Freeway and its intersection with Neerabup Road are Primary Regional Road Reserves under the care and control of Main Roads WA.

**Bush Forever:** The impact of Bush Forever in terms of contributing to a bushland setting as well as its impact from a fire perspective has been previously noted.

**Existing Vegetation:** The majority of significant trees (including a small number of habitat trees) are located in the Neerabup Road Reserve, extending south through the site (which might align with a Green Link) and along the site perimeter. A number of these trees are visually distinct. Most of the 'good' to 'very good' vegetation is in the eastern extent of the land though there are some portions in pockets, in the central southern extent of Grove. A large number of grass trees are present on the otherwise cleared western extent of the site and may be capable of relocation. The relationship to existing vegetation on site with surrounding bushland has been noted previously as has the potential to create a unique urban environment in a bushland setting. How this is reconciled with the need for density in Grove, requires exploration. The requirements of the EPBC approval have been previously noted.





# LEGEND

-  Subject site
-  Future primary regional road
-  Existing regional road
-  Future regional road
-  Local Structure Plan spine road
-  Entry point
-  Dual use path
-  Traffic noise
-  Significant traffic/rail noise reduction
-  Tamala Park Waste Facility buffer
-  National park
-  Bush forever
-  Significant tree
-  Significant tree with habitat value trees
-  Areas with significant mature trees
-  Degraded understory vegetation with significant canopy trees
-  Good vegetation
-  Very good vegetation
-  Vegetation to be retained if possible
-  Carnaby's Black Cockatoo habitat to be protected
-  Conceptual linkages to surrounding bush lands
-  Earthworks/stockpiles
-  Low point
-  Batters/significant slope

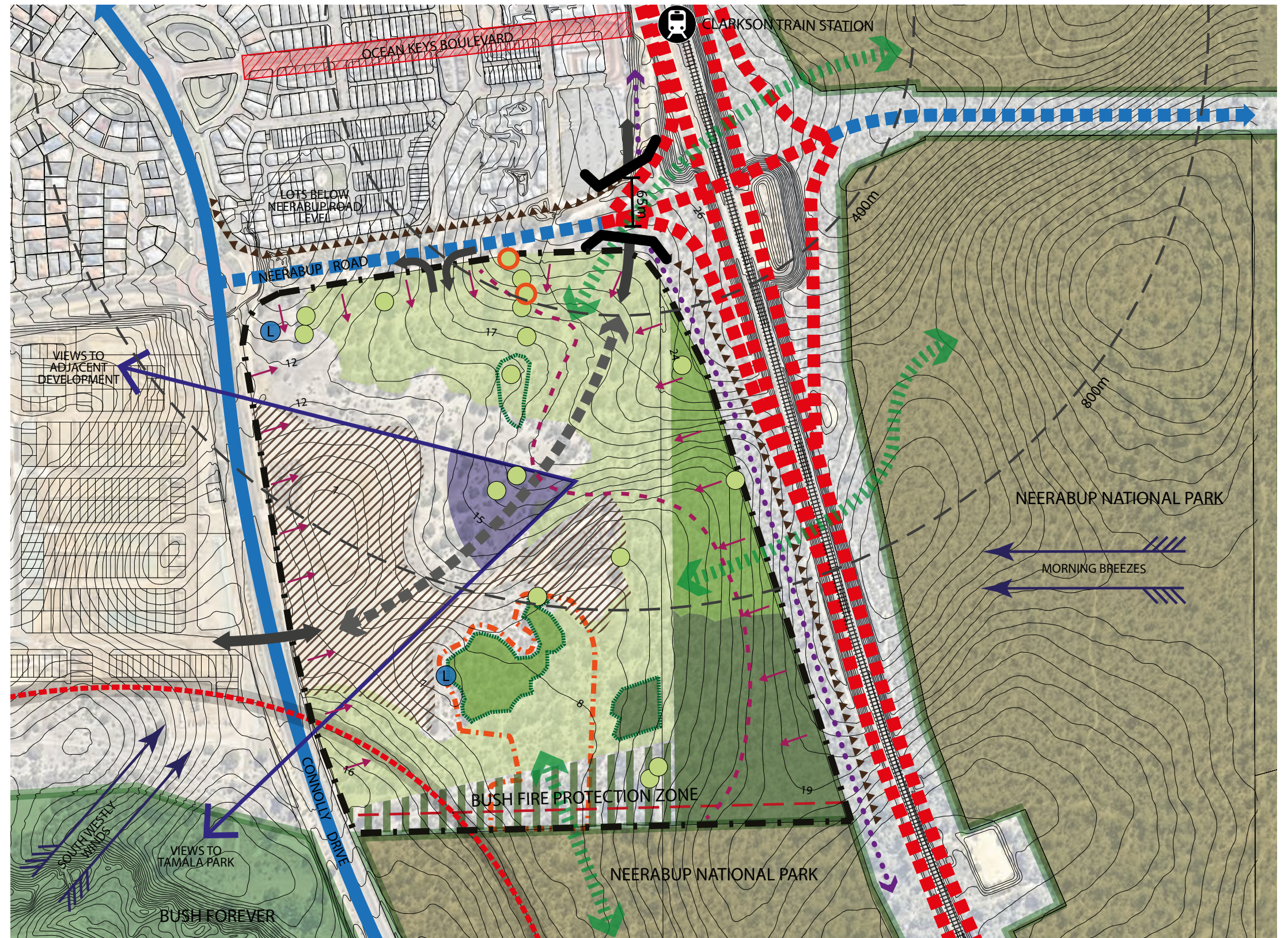


Figure 2. Site Analysis / Opportunities and Constraints



## BEST PRACTICE INVESTIGATIONS

In responding to the opportunities, constraints and potential challenges to be addressed at Catalina Grove, Urbis reviewed best practise examples to inform the design process.

Examples of Transit Oriented Development are considered highly relevant given Catalina Grove's proximity to the Clarkson Train Station. Of particular interest are connections/pathways to the station, incorporation of mixed use, the distribution and range of density, and associated built form.

Additional examples of mixed use were reviewed, with particular attention afforded to its relationship to built form, spatial layout, and adaptability in design.

### Transit Oriented Design

The Village at Wellard	
Location:	Wellard, Southern Corridor, WA
Developer:	Peet Ltd and WA Department of Housing
Project Type:	Transit oriented development including commercial, residential and mixed use
Project Size:	Approx. 7,500 residents over 320Ha

The Village at Wellard is a masterplanned estate featuring the Wellard Train Station, Wellard Square, commercial and mixed use development, a range of residential housing typologies (apartments, townhouses and single residential dwellings ranging from R10-R80), and significant amounts of public open space and conservation land.

A Transit Oriented Development, The Village at Wellard provides direct, high speed, convenient access to Perth (28mins), Rockingham (4mins) and Mandurah (22mins). Key design features include a main street Village Centre and a critical mass of residential and community services (such as schools).

Thirteen years since project inception and 8 years from the opening of the train station, the development has reached a stage where the residential mass is sufficiently progressed to trigger the development of the Village Centre and main street mixed use/commercial precinct. The wider development maintains walkability through extensive green networks, which link to the adjacent Bush Forever site (Leda Nature Reserve), and through to significant areas of parks, bushland and wetlands within the development, providing public spaces for both active and passive recreation.

The successes of The Village at Wellard include:

- A 'main street' Village Centre, bookended by a public piazza (Pimlico Gardens) and the Wellard train station. A community centre is situated part way along the strip;
- Retention and incorporation of high quality mature vegetation into the design and development – this is seen in public spaces, on

lots and within road reserves, including in areas of higher density.

- A significant focus and sensitive approach to public open space across the development;
- A range of housing typologies and affordability across the development;
- The establishment of high quality, affordable apartments within the Village core;
- Mixed use development within the Village Core (proposed);
- Walkability through the entire development to the Village Centre and train station.

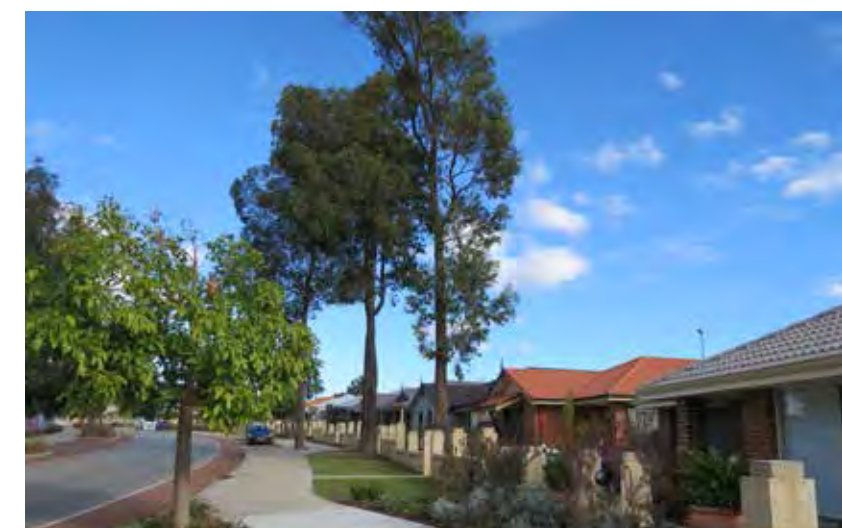
### Relevance to Catalina Grove

In terms of physical distance and transit times, Wellard is located a comparable distance to the Perth CBD and key strategic employment areas as Catalina Grove.

Variations in the built form densities and typologies are noted across the site with higher densities located primarily within the town centre or immediately adjacent, or in proximity to high amenity locations such as the adjacent bushland. Generally, both heights and density graduate from higher within the town centre environment to lower on the outskirts of the estate.

The walkability of the estate in relation to the town centre and in particular, the train station has been a key in the success in the rollout of Wellard. The ease of journey, through the legibility of the streets and public open spaces, and convenient routes to the train station and a safe, comfortable (e.g flat and generally shaded) walk, demonstrate that neighbourhoods which are in excess of the traditional 800m catchment can still contribute to a TOD context.

The incorporation of existing mature vegetation into public spaces such as parks adjacent to apartment buildings and road reserves has allowed for key vegetation to remain and to create the point of difference and character for the estate, increasing amenity and a providing a general feeling of establishment, and a high quality place to live.







Transit Oriented Design

Williams Landing	
Location:	Williams Landing, City of Wyndham, Melbourne Vic
Developer:	Cedar Woods
Project Type:	New town including transit oriented development, residential, mixed use and significant commercial floor space.
Project Size:	Approx 2,500 dwellings over 275Ha

Williams Landing was established in 2008 after the rezoning of the former RAAF Williams Airbase, and identification of the site as a priority development zone with a major activity centre, by the Victorian State Government.

The development features five distinct neighbourhoods, a town centre and a shopping centre focused around the transit hub of the train station. Located 19kms from the Melbourne CBD (29mins by train), the development has seen an influx of young families looking for proximity to the CBD, affordable housing options and the recreation opportunities presented through the extensive open space network and conservation reserves.

The vision for Williams Landing is to create a contemporary development in which residents can live, work and play, with a large variety of housing typologies provided, active and passive public open space opportunities and estimated employment opportunities for 5,000 persons.

- The successes attributed to Williams Landing include:
- Provision of high quality community facilities including a recreation centre within the first neighbourhood developed;
  - Establishment of a significant onsite employment base of approximately 5,000 people;
  - Comprehensive design guidelines outlining aspects such as architectural character, materials and colours to ensure consistency, amenity and high quality design and built form outcomes;
  - Extensive public open space and conservation

- reserves onsite;
- Establishment of the Williams Landing train station, linking to Melbourne.

Relevance to Catalina Grove

A TOD by nature, Williams Landing demonstrates that through appropriate design and incorporation of walkability principles, a development can achieve successes in the positioning of residential neighbourhoods in excess of the traditional 800m catchment.

The provision of a safe, efficient and pleasant journey to the train station, through high quality, ledgible streetscapes and easily walkable routes, has ensured that the TOD principles can be appropriately applied even in a suburban setting.

Utilising design and walkability principles along with diversity in built form Williams Landing has achieved higher densities in areas generally consigned to a lower density development.

Residentail densities vary across the estate, with the location of higher densities being directly related to provision of additional amenity such as public open space and proximity to the town centre. In locations of higher densities multiple story buildings are prevalent, with height of the currently constructed dwellings capping out at 2 storeys. Indications from avaliable marketing material notes additional height (approximately 3-4 storeys)being provided within apartments which are to be located within the town centre and adjacent neighbourhoods.

Highly prescriptive design guidelines, developed for each neighbourhood have contributed to the establishment of high quality built form outcomes and streetscape interactions, adding to the success of the estate.





# CATALINA GROVE

## OPPORTUNITIES, CONSTRAINTS AND CONTEXT ANALYSIS

### Mixed Use Examples

Cockburn Central and Ocean Keys Boulevard demonstrate examples of mixed use development within Perth. These examples provide key learnings and principles that can be translated to Catalina Grove, to guide the provision of mixed use.

#### Cockburn Central

Cockburn Central is an example of a large scale mixed use area which has recognised that the market does not currently have sufficient demand for the full extent of retail / service commercial. As such, It has incorporated mechanisms to allow for the build out of the residential and civic components whilst future proofing the opportunities for mixed use development once this can be sustained. The mechanisms used by Cockburn Central can provide guidance for the development of mixed use within Catalina.

#### Principles and Learnings:

- Cockburn Central boasts an effective public realm (train station / town square) which draws people to retail areas, and provides additional amenity to residential developments in the precinct.
- Opportunities for spatial and built form staging and conversion are found across estate. In particular, this relates to the ground floor plates of buildings providing setbacks, ceiling heights and internal dimensions which can be readily converted to retail or commercial once future residential densities and market demand create a feasible environment for non-residential uses in these areas.
- Town square acts as incubator (as opposed to main street) bringing the initial mixed use developments around the square.
- Cockburn Central primarily incorporates double height ground floor units with a range of 3-6 stories of apartments above.
- The development within Cockburn Central demonstrates the ability for mixed use development to be sustained in close proximity to a major shopping centre through provision of uses which directly service the local population.

### Ocean Keys Boulevard

Ocean Keys Boulevard is a local example of the provision of mixed use within a main street environment directly accessed by a train station. The way in which Ocean Keys Boulevard has been developed provides examples which can be incorporated into Catalina, however it also demonstrates a number of aspects which have not been optimal and will require further consideration as part of the design process to ensure optimal outcomes are achieved within Catalina.

#### Principles and Learnings:

- Ocean Keys Boulevard, Clarkson has been developed around Main Street principles, aiming to activate the street and public realm through mixed use fronting the street.
- Suburban built form incorporating variations in setbacks allows for adaptability and conversion between residential and retail or commercial uses.
- Importance of built form controls/ compliance is highlighted as a key issue in ensuring that the high quality of development and use is achieved, in particular when ground floors are utilised for residential purposes.
- Key urban design principles have failed to be reflected within Ocean Keys Boulevard. In particular is the interaction with the street in that much of the development has shut out the street, and in some areas developments have completely turned their back on the street. This highlights the importance of a holistic consideration of the main street, adjacent streets and the requirements for development in these environments.
- The pedestrian environment within Ocean Keys Boulevard lacks in achieving an environment which encourages people to walk within the area. The lack of shelter/shade and limited opportunities to safely navigate roads does not equate to a successful pedestrian environment at present.







## RETAIL ANALYSIS

The Retail Analysis has been attached at Appendix A. Its key findings (that will influence the future concept planning stage) are as follows:

### Local Centre:

With an expected yield of 10,500 residents (and negligible local worker base), nearby competition in the Clarkson Secondary Centre (Ocean Keys Shopping Centre) and geographical constraints to the east and south of the Catalina development, there is market potential to support a small local centre within the Catalina Grove precinct providing around 1,300 sqm (with a 500-800 sqm supermarket) or 2,500 sqm (with a 1,500 sqm Aldi supermarket). Either of these forms of retail development would provide a point-of-difference offer to that provided at Ocean Keys Shopping Centre.

This scale of centre is considered appropriate for the Catalina development after 2021, when required minimum market thresholds are attained.

The success of an offer of this size would be dependent on providing main road frontage and access to the site. The optimal location for retail at Catalina Grove would be to the frontage to Neerabup Road at the Connolly Drive intersection which would provide sufficient exposure to the retailers and reduce the reliance on the relatively small local catchment. Consequently, the Green Link is not an appropriate location.

### Other Uses:

Neerabup Road and to a lesser extent Connolly Drive as well as exposure to commuters using Clarkson station present further retail development opportunities in the Catalina Grove precinct. To complement and provide further market support for a local centre, there is market potential to accommodate other uses such as large format retailers, a medical centre, a tavern, fast food operators and other pad sites.

The success of such uses is dependent on significant exposure to vehicle traffic, therefore main road frontage to Neerabup Road presents the best market opportunity and should be leveraged.

More localised but destinational large format retailers, such as Spudshed and Pet Barn, can capitalise on the good volumes of traffic expected along Neerabup Road, address a market need and help create a stronger activity hub to complement a local centre. As these types of operators are frequented by locals and have synergies with retailers serving everyday shopping needs it is therefore advantageous to integrate these uses with a local centre. In addition to Neerabup Road, Connolly Drive (north of the 'spine' Green Link road) presents an alternative location for these uses.

Given there is a Bunnings Warehouse and a range of other bulky goods retailers located next to Clarkson Secondary Centre, additional bulky goods retailers could potentially be supported and leverage off this existing offer and the exposure provided by Neerabup Road. Depending on the operator, bulky goods uses can be from 500 sq.m to 2,000 sq.m and would be best located with Neerabup Road frontage.

Along the proposed 'spine' Green Link road there is considered potential to support non-retail uses such as a community centre, recreational facilities and/or a child care centre. These types of uses do not require main road exposure and work off purpose driven visits of the local community. As the 'spine' Green Link road will directly connect with Connolly Drive, these uses could be located in close proximity to/integrated with a local centre and/or localised large format retail uses (if provided along Neerabup Road/Connolly Drive). Furthermore, given the future school proposed along the 'spine' Green Link road, community/recreation or child care facilities would be suitably placed in proximity to a school.







## HOUSING MARKET ANALYSIS

The Market Analysis has been attached at Appendix B. Its key findings (that will influence the future concept planning stage) are as follows:

The key target market for Catalina will be families on above average incomes (household income of over \$130,000). The majority of people will move from coastal suburbs to the north or south looking to move to a newer home and people in the suburbs to the east looking to upgrade to a better area. They will generally be 40-50 year old parents and older age children who are still living at home. They will be looking for a four bedroom house and have two or more cars.

- Commercial development along the spine road is not recommended as this road does not have enough exposure and this location would not attract tenants.
- For the low density product at Catalina Grove couples with children will be an important part of the market as they are at above average levels in the catchment suburbs. Relatively affordable housing on smaller lots for couples and families will be an important focus for this part of the estate.
- Whilst smaller lots of under 250 sqm could make up a relatively high proportion of the low density part of the site close to the train station once outside of the 800-1,200 m distance from the train station it will be important that a mix of lot sizes is provided.
- For medium and high density product on the site it will be important that people from the Joondalup and other inner catchment suburbs are attracted to Catalina Grove as these areas have a higher level of couples with no children and older people.
- The site the site ranks well against drivers for apartments and the local demographics are like to be supportive if people from the Joondalup and surrounding area can be attracted to Catalina.
- The connection to the train station will be important and it will be critical for higher density residential that an attractive and secure walk to the train station is provided.
- Whilst the site does offer close proximity to the train station the separation to the train station, lack of immediate retail amenity and distance from major employment centres means that it will be crucial that apartments have high quality parts and landscaped areas surrounding them to provide a point of difference.
- The focus for apartment development should be one and two bedroom apartments prices at low \$300k's to low \$400k's. The majority of this is likely to be in two to four storey buildings.
- Based on analysis of varying town centres an average sales rate of 20-40 apartments per annum could be reasonable to expect.
- The journey to the train station will be critical in the success of higher density development on the site. It will be critical that this is addressed and that that there is an attractive secure and short (400-600m walk) walk to the train station. If this cannot be achieved the focus should be on medium density rather than apartments.





## CONCLUSION

This report demonstrates our thorough understanding of the site and its setting. It has been an invaluable tool in the design process as it has reinforced the unique nature of the site.

Key influences include the availability of public transport (rail and bus), which enables Transit Oriented Design. Further, existing and future roads provide a very high level of connectivity but also have the potential to act as barriers – effective pathways and linkages to and through the site will be critical.

The site’s ability to support retail and mixed use is limited bearing in mind the availability of other such opportunities nearby (Ocean Keys Shopping centre, for example). Limited retail and compatible mixed use would be best located on Neerabup Drive to maximise passing trade, through sites that might better benefit the site should also remain under consideration.

The site has a unique setting and sense of place, characterised by the significant green space in and around the site. This ‘sense’ is both internal and external. It is contributed to by stands of mature vegetation in the more eastern margins of the land.

The best practice examples included in this report, along with the retail and market analysis, give some guidance as to show how a response to the above might unfold in the next project phase.





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## Catalina Grove – Retail Capacity

June 2015

# Background

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## Introduction

- The purpose of this report is to outline the market potential for retail and ancillary uses within the Catalina Grove precinct, which forms the eastern area of the master planned Catalina development.
- The advice includes recommendations on the supportable scale and mix of retail and ancillary uses and appropriate location for the recommended range of uses. The advice will be used to inform the design process for the Catalina Grove precinct.
- The analysis draws upon the following information:
  - Tamala Park Regional Structure Plan
  - Australian Bureau of Statistics (ABS):
    - Estimated resident population
    - Census 2011, socio-economic characteristics of residents
  - Retail spending market (MDS, *MarketInfo*)



# Key Findings

## The main findings and conclusions of the market potential of retail and ancillary uses

### Local Centre:

- With an expected yield of 10,500 residents (and negligible local worker base), nearby competition in the Clarkson Secondary Centre (Ocean Keys Shopping Centre) and geographical constraints to the east and south of the Catalina development, there is market potential to support a **small local centre within the Catalina Grove** precinct providing around 1,300 sq.m (with a 500-800 sq.m supermarket) or 2,500 sq.m (with a 1,500 sq.m Aldi supermarket). Either of these forms of retail development would provide a point-of-difference offer to that provided at Ocean Keys Shopping Centre.
- This scale of centre is considered appropriate for the Catalina development after 2021, when required minimum market thresholds are attained.
- The success of an offer of this size would be dependent on providing main road frontage and access to the site. The **optimal location** for retail at Catalina Grove would be to the frontage to **Neerabup Road at the Connolly Drive intersection** which would provide sufficient exposure to the retailers and reduce the reliance on the relatively small local catchment. Consequently, the Green Link is not an appropriate location.

### Other Uses:

- Neerabup Road and to a lesser extent Connolly Drive as well as exposure to commuters using Clarkson station present further retail development opportunities in the Catalina Grove precinct. To complement and provide further market support for a local centre, there is market potential to accommodate other uses such as large format retailers, a medical centre, a tavern, fast food operators and other pad sites.
- The success of such uses is dependent on significant exposure to vehicle traffic, therefore main road frontage to Neerabup Road presents the best market opportunity and should be leveraged.
- More localised but destination **large format retailers**, such as spudshed and Pet Barn, can capitalise on the good volumes of traffic expected along Neerabup Road, address a market need and help create a stronger activity hub to complement a local centre. As these types of operators are frequented by locals and have synergies with retailers serving everyday shopping needs it is therefore advantageous to integrate these uses with a local centre. In addition to Neerabup Road, Connolly Drive (north of the 'spine' Green Link road) presents an alternative location for these uses.
- Given there is a Bunnings Warehouse and a range of other bulky goods retailers located next to Clarkson Secondary Centre, additional **bulky goods retailers** could potentially be supported and leverage off this existing offer and the exposure provided by Neerabup Road. Depending on the operator, bulky goods uses can be from 500 sq.m to 2,000 sq.m and would be best located with Neerabup Road frontage.
- Along the proposed 'spine' Green Link road there is considered potential to support non-retail uses such as a **community centre, recreational facilities and/or a child care centre**. These types of uses do not require main road exposure and work off purpose driven visits of the local community. As the 'spine' Green Link road will directly connect with Connolly Drive, these uses could be located in close proximity to/integrated with a local centre and/or localised large format retail uses (if provided along Neerabup Road/Connolly Drive). Furthermore, given the future school proposed along the 'spine' Green Link road, community/recreation or child care facilities would be suitably placed in proximity to a school.

### Summary:

- Overall, the layout and design which provides a high level of convenience, an agglomeration of uses and good level of exposure with the passing traffic in the area are integral to the success of any retail and non-retail uses to be incorporated into Catalina Grove. Although, Ocean Keys Shopping Centre provides a larger daily and higher order retail offer for residents, there is potential to provide a more convenience based offer which supports residents within and immediately surrounding Catalina Grove and also capture custom from vehicles/commuters passing along the main arterials through the area.
- As there is no definitive market potential for any one use, the ultimate provision of retail and ancillary uses will be dependent on tenant interest (in the context of suitable sites on offer). Nevertheless, the masterplan for Catalina Grove should set aside land on Connolly Drive between the 'spine' Green Link Road and Neerabup Road and Neerabup Road through almost to the 'busway' underpass. A local centre will be best suited at the Neerabup Road and Connolly Drive intersection but complementary/independent retail and ancillary uses extending from this site. The 'spine' Green Link road is suitable for local community facilities such as childcare and/or a recreation/sports complex.

# Catalina Grove – Development Context

- Located in the developing outer north coast corridor in the suburbs of Mindarie and Clarkson, Catalina is a master planned urban development being undertaken by the Tamala Park Regional Council.
- The site spans an area of approx. **170 hectares**, with the key development outcomes to include:
  - There are three precincts which form the overall Catalina development, namely **Catalina Beach** (west of Marmion Ave.) **Catalina Central** and **Catalina Grove** (east of Connolly Drive, bordered by the railway line).
  - **2,600 dwellings** across the three precincts.
  - Catalina Central has released the initial stages of land with around **500 lots sold to date**. Catalina Beach is understood to be the next precinct to release housing lots to the market.
  - A **spine road (Green Link)** will link the three precincts and connect to the **future extension of Neerabup Road** to the east. These future roads will connect this development to Clarkson Station which is serviced by the Joondalup line. This road will be predominantly used by residents and visitors of the Catalina community.
  - A **bus link is proposed** to connect Catalina Beach to **Clarkson station** along the Green Link and via Catalina Grove. In the longer term this could also include an underpass beneath Neerabup Road.
- **Neerabup Road** is a key east-west road in the area which will eventually connect with a new freeway interchange. This will provide a high level of exposure for retail and commercial facilities fronting this road. Traffic estimates forecast circa 21,000 vehicles per day along this road.
- **Connolly Drive** is one of two north-south road arterials in the region. This road will carry good volumes of traffic but less than the higher order Marmion Avenue. Traffic estimates forecast circa 11,000 vehicles per day between the Green Link and Neerabup Road.

## Overview of Catalina development





# Trade Area Definition

- The definition of the trade area for a local retail centre in the Catalina Grove precinct has regard to a number of factors including; the strength and attraction of the centre's offer, the proximity and quality of competitive retail facilities, accessibility of the subject centre in terms of road and public transport networks, topography and other physical barriers such as rivers, railways and freeways and proximity.
- A local centre would serve a relatively small and contained geographic area reflecting:
  - Large undeveloped urban breaks to the east and south of the Catalina development area (i.e. Tamala and Neerabup National parks).
  - Proximity of Clarkson Secondary Centre, including Ocean Keys shopping centre.
- On this basis the trade area would extend around 1-2 km:
  - **Primary** trade area comprises the entire Catalina Grove estate and an area just north of Neerabup Road.
  - **Secondary north** trade area extends Somerly Drive in the north and is bounded by Connolly Drive in the west.
  - **Secondary north west** trade area is located east of Connolly Drive and bounded by Victorsen Parade in the north and west.
  - **Secondary west** trade area comprises the Catalina Central precinct. A good proportion of the shopping patterns of residents in this sector (closest to Marmion Avenue) will be strongly aligned to Ocean Keys shopping centre. A good collection of local community facilities will help to retain a reasonable share of this market for a local centre in the Catalina Grove precinct.

Trade Area Map





# Trade Area Resident Population

- The trade area population is based on the Tamala Park Regional Council dwelling target of 2,600 dwellings (or almost 8,000 residents) for the Catalina precinct.
- Specifically when assessing the forecast population we have considered:
  - The development of a maximum of 300 dwellings per annum in the Catalina area. On this basis, the completion of the residential development would be approximately 15 years.
  - The primary trade area contains the **Catalina Grove**, subject precinct. It is understood that this is to yield around 1,080 lots on completion. Applying an average household size of 2.8 persons, considered appropriate for this area, this equates to a potential resident population of around 3,020.
  - The estimated timing for Catalina Grove for the initial land release is 2017. The intention is for development of approx. 150 lots per year.
  - The secondary west trade area sector comprises the **Catalina Central precinct** which is estimated to deliver 1,320 dwellings or 3,700 residents based on an average household size of 2.8.
- Currently (2014), there are 4,280 residents in the trade area.
- The resident population is forecast to reach 8,300 by 2021 and **10,500 residents** by 2026 when the area is at full development capacity.

## Population growth 2014-2026

	Population (no.)				
	2014	2016	2021	2026	2031
<b>Primary:</b>					
Primary	774	770	2,360	3,800	3,800
<b>Secondary:</b>					
North	1,627	1,640	1,650	1,650	1,610
North West	1,581	1,580	1,580	1,580	1,540
West	300	870	2,750	3,510	3,510
<b>Total Secondary</b>	<b>3,508</b>	<b>4,090</b>	<b>5,980</b>	<b>6,740</b>	<b>6,660</b>
<b>Total Trade Area</b>	<b>4,282</b>	<b>4,860</b>	<b>8,340</b>	<b>10,540</b>	<b>10,460</b>

	Annual Population Growth (no.)			
	2014-16	2016-21	2021-26	2026-31
<b>Primary:</b>				
Primary	-2	318	288	0
<b>Secondary:</b>				
North	6	-	0	-8
North West	0	0	0	-8
West	285	376	152	0
<b>Total Secondary</b>	<b>291</b>	<b>378</b>		
<b>Total Trade Area</b>	<b>289</b>	<b>696</b>	<b>440</b>	<b>-16</b>

	Annual Population Growth (%)			
	2014-16	2016-21	2021-26	2026-31
<b>Primary:</b>				
Primary	-0.2%	25.1%	10.0%	0.0%
<b>Secondary:</b>				
North	0.4%	0.1%	0.0%	-0.5%
North West	0.0%	0.0%	0.0%	-0.5%
West	70.3%	25.9%	5.0%	0.0%
<b>Total Secondary</b>	<b>8.0%</b>	<b>7.9%</b>	<b>2.4%</b>	<b>-0.2%</b>
<b>Total Trade Area</b>	<b>6.5%</b>	<b>11.4%</b>	<b>4.8%</b>	<b>-0.2%</b>

Source: ABS; Urbis

# Trade Area Demographics

- The trade area has similar characteristics to the Perth metropolitan average.
  - Residents have an average household income in line with the Perth average.
  - 31% of households are in the \$78k-\$130k income bracket.
  - More than half of the trade area residents are in the 25-49 year age bracket, higher than the share for Perth as a whole.
  - The average age for trade area residents is 29.7 which is well below the Perth average of 36.9.
  - 49% of residents are families, with the majority (35%) being young families with children under the age of 15.
  - Group and lone person households account for 23% of trade area residents compared to 28% for Perth.
  - Blue collar occupations account for 36% of trade area residents compared to 32% for the Perth average.
  - 54% of residents are overseas born, the majority of which are of European descent.

## Trade area demographics compared to Perth average

	Total Trade Area	Perth		Total Trade Area	Perth
<b>Household Income</b>			<b>Household Composition (%)</b>		
\$Nil	1%	1%	Couples with no children	27%	27%
\$1-\$20,800	7%	10%	Family with children <15	35%	28%
\$20,800-\$52,000	20%	24%	Family with children >15	<u>14%</u>	<u>15%</u>
\$52,000-\$78,000	18%	16%	<i>Total Family (with children)</i>	<i>49%</i>	<i>43%</i>
\$78,000 - \$130,000	31%	22%	Group Household	4%	4%
\$130,000+	23%	26%	Lone Person	19%	24%
Average Household Income	\$93,094	\$93,009	Other	2%	1%
<i>Var'n from Perth Avg.</i>	<i>+0.1%</i>	<i>0.0%</i>	<b>Housing Tenure<sup>1</sup></b>		
Average Household Size	2.6	2.5	Owner	9%	30%
<b>Age Distribution</b>			Purchaser	46%	41%
Aged 0-14	22%	19%	Renter	45%	28%
Aged 15-19	7%	7%	<b>Birthplace</b>		
Aged 20-34	33%	22%	Australian Born	46%	63%
Aged 35-49	24%	22%	Overseas Born	54%	37%
Aged 50-64	10%	18%	<b>Labour Force</b>		
Aged 65+	4%	13%	% Managers and Professionals	26%	34%
Average Age	29.7	36.9	% Other White Collar	37%	34%
			% Blue Collar Occupations	36%	32%

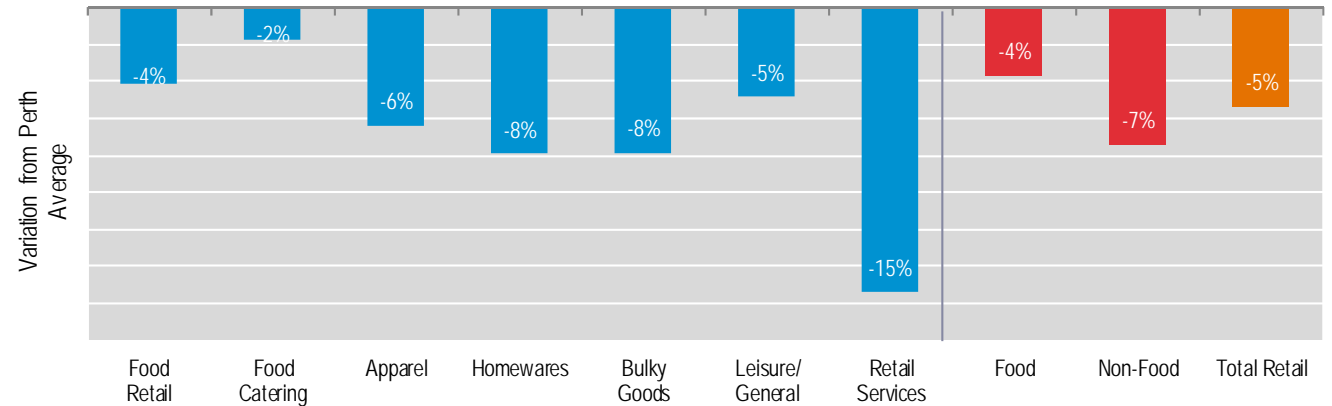
<sup>1</sup> 'Other' Tenure Types have not been included.

Source : ABS; Urbis

# Trade Area Retail Spending

- Trade area residents have a lower spending patterns compared to the Perth average. Specifically of note:
  - Expenditure on food and beverages at cafes, restaurants and foodcourts is only slightly below (-2%) the Perth average.
  - Discretionary retail categories, such as apparel and homewares, are below the Perth average.
  - Services, including expenditure at hairdressers, beauty salons and optometrists, represent the largest spend variation at 15% below the Perth average.
- Trade area residents currently (year to December 2014) spend \$61.9 million on retail goods and services. Of this, spending on food accounted for 56% of total retail expenditure.
- As further stages of the Catalina development complete this will generate population growth, translating into growth in retail expenditure. By 2026, the total trade area is forecast to reach \$186 million, made up of \$71 million from the primary trade area and \$115 million from the secondary trade area.
- This represents total retail growth for the trade area of 12% and 6% per annum between 2014-21 and 2021-26, respectively.
- These figures are expressed in constant \$2014 terms including GST.

## Trade area resident annual retail spend per capita (variation from Perth average), 2014



Source : ABS; MarketInfo 2012; Urbis

## Size of retail spending market (\$2014M)

Year	Total Food (\$2014M, incl. GST)			Total Non-Food (\$2014M, incl. GST)			Total Retail (\$2014M, incl. GST)		
	Primary	Secondary	Total Trade Area	Primary	Secondary	Total Trade Area	Primary	Secondary	Total Trade Area
2014	6.7	28.1	34.8	5.5	21.7	27.1	12.1	49.8	61.9
2021	21.9	52.0	73.9	19.1	43.0	62.0	41.0	94.9	135.9
2026	37.2	61.8	98.9	33.8	53.4	87.2	71.0	115.2	186.2
Average Annual Growth <sup>1</sup>									
2014-21	18%	9%	11%	20%	10%	13%	19%	10%	12%
2021-26	11%	4%	6%	12%	4%	7%	12%	4%	6%

1. Assumes different per capita growth rates for each product group.

2. Current year is year ; Forecast years are financial years.

Source : ABS; MarketInfo 2012; Urbis



# Retail Supply

- The main centre of competitive relevance to the potential range of retail uses in Catalina Grove precinct is **Ocean Keys Shopping Centre**.
- Ocean Keys Shopping Centre is a sub regional centre located less than 2 km from Catalina Grove and serves as the major facility within the Clarkson Secondary Centre.
- The shopping centre was recently expanded and is a sizeable discount department store anchored centre including Kmart, Target, Coles and Woolworths. Given the size and offer, the centre draws from a wider catchment and is used for daily shopping needs in addition to higher order shopping trips by local residents.
- Given the proximity of Ocean Keys centre, it would have a significant impact on the potential for supermarket and associated retail floorspace in Catalina Grove.
- The Clarkson Secondary Centre also provides a broader offer and mix of uses including car showrooms (fronting Marmion Avenue), fast food pad sites and some bulky goods retail including Super Cheap Auto, The Good Guys and Bunnings with frontage to Neerabup Road.
- There are also a number of **local centres** further north of the Clarkson centre which provide a more convenience based offer to residents within 1-2 km of each centre. Many of these local centres adjoin or are in close proximity to local schools which creates activity hubs within these areas.

## Existing retail supply



# Market Potential - Supermarket

- The general area is well supplied with major chain supermarkets with Coles (3,900 sq.m) and Woolworths (3,600 sq.m) stores at Ocean Keys Shopping Centre.
- Ocean Keys Shopping Centre is conveniently accessible for Catalina residents and with its broader retail and services offer would be expected to capture the vast majority of supermarket based shopping trips by Catalina's trade area residents.
- With a projected yield of 10,500 residents the Catalina trade area is not large enough to sustain a major chain supermarket, especially given the proximity of the Ocean Keys centre.
- Based on reasonable retention rates particularly in the context of the draw of Ocean Keys shopping centre, ultimately the Catalina Grove development area could support a **small sized supermarket between 500-1,000 sq.m.** A store of this size is not supportable until after 2021, when required market thresholds are almost attained.
- **A supermarket of this size however could only be supported if the centre is located on a site providing direct main road frontage and access (e.g. Neerabup Road).** A supermarket, as part of a local centre, would not be supportable on an internalised site along the planned Green Link road.
- An Aldi store is another option for a centre at Catalina Grove. Aldi stores typically require a resident catchment of 25,000-30,000. Although the Catalina trade area is less than half the required catchment size, a site along Neerabup Road (with its link to the freeway interchange) would substantially extend the catchment for a point-of-difference (hard discounter) supermarket offer such as Aldi. The size of an Aldi store would be around 1,500 sq.m

## Supermarket Capacity Assessment

	Unit	2014	2021	2026	2031
<b>Total Available F&amp;G Spending</b>	\$2014M	<b>23.8</b>	<b>49.8</b>	<b>66.0</b>	<b>68.5</b>
Primary	\$2014M	4.4	14.4	24.3	25.4
Secondary North	\$2014M	9.1	9.8	10.3	10.5
Secondary North West	\$2014M	8.6	9.2	9.6	9.8
Secondary West	\$2014M	1.7	16.4	21.9	22.9
<b>TA Spending Available to Smkts</b>	\$2014M	<b>16.7</b>	<b>34.8</b>	<b>46.2</b>	<b>48.0</b>
Primary (@ 70%)	\$2014M	3.1	10.1	17.0	17.8
Secondary North (@ 70%)	\$2014M	6.4	6.9	7.2	7.3
Secondary North West (@ 70%)	\$2014M	6.0	6.4	6.7	6.9
Secondary West (@ 70%)	\$2014M	1.2	11.5	15.3	16.0
<b>Spending Retained by TA Smkts</b>	\$2014M	<b>1.8</b>	<b>4.5</b>	<b>6.4</b>	<b>6.7</b>
Primary (@ 20%)	\$2014M	0.6	2.0	3.4	3.6
Secondary North (@ 12%)	\$2014M	0.8	0.8	0.9	0.9
Secondary North West (@ 5%)	\$2014M	0.3	0.3	0.3	0.3
Secondary West (@ 12%)	\$2014M	0.1	1.4	1.8	1.9
Plus Turnover from Beyond TA (@ 15%)	\$2014M	0.3	0.8	1.1	1.2
<b>Available to TA Smkts (F&amp;G)</b>	\$2014M	<b>2.2</b>	<b>5.3</b>	<b>7.6</b>	<b>7.9</b>
Plus Take Home Liquor Turnover (@ 5%)	\$2014M	0.1	0.3	0.4	0.4
<b>Available to TA Smkts (FLG)</b>	\$2014M	<b>2.3</b>	<b>5.6</b>	<b>8.0</b>	<b>8.3</b>
Plus Gen. Merch. Turnover (@ 5%)	\$2014M	0.1	0.3	0.4	0.4
<b>Turnover Available to TA Smkts</b>	\$2014M	<b>2.4</b>	<b>5.9</b>	<b>8.4</b>	<b>8.7</b>
Target Average Trading Level	\$2014psm	10,000	10,355	10,617	10,885
<b>Supportable Supermarket Floorspace</b>	<b>Sq.m</b>	<b>238</b>	<b>571</b>	<b>790</b>	<b>802</b>

Source: Urbis

## Market Potential - Local Centre

- A local centre anchored by a small supermarket of 500 to 800 sq.m in size typically includes in the order of five specialty shops (e.g. approximately 500 sq.m). Depending on the offer at other centres the tenant mix could include a café/restaurant, take-away food outlet, pharmacy, especially if co-located with a medical centre, hairdresser/beauty salon and/or non-retail services such as a real estate agent.
- If Aldi was secured as the anchor tenant then the supportable provision of specialty shops would be around ten tenants (e.g. 1,000 sq.m).
- With the relatively small size of the local market and constraints on drawing trade from outside the local market due to competition from Ocean Keys Shopping Centre and lack of adjoining markets to the south and east, a local centre would not be supportable on a position along the Green Link.
- A small sized supermarket or Aldi type operator with between 500 and 1,000 sq.m specialty shops is only supportable if the local centre is located with frontage to Neerabup Road (optimal) or Connolly Drive (between the Green Link and ideally near Neerabup Road).
- The co-location of other uses such as a recreational complex/sports centre, community centre or child care centre are uses which could be supported along the Green Link road and do not require co-location in the local centre to be supported. The location along the 'spine' Green Link road could integrate well with the future school earmarked for development along this road.

### Potential supermarket and specialty shop tenant mix

	Local Centre	
	(incl. 500-800 sq.m supermarket) sq.m	(incl. Aldi supermarket) sq.m
Local Centre:		
Supermarket	800	1,500
Specialty Shops	500	1,000
<b>Total Local Centre</b>	<b>1,300</b>	<b>2,500</b>
Other Uses <sup>1</sup> :		
Large Format Retailers	1,000-3,000	1,000-3,000
Fast Food Restaurants/Tavern	300-800	300-800
Medical Centre	300-500	300-500
Bulky Goods Retailers	3,000-5,000	3,000-5,000
Spine Road - Other Uses		
Recreational facility/Community centre	1,000-1,500	1,000-1,500
Child care centre	200-400	200-400

<sup>1</sup> Floorspace estimates are not cumulative across different uses

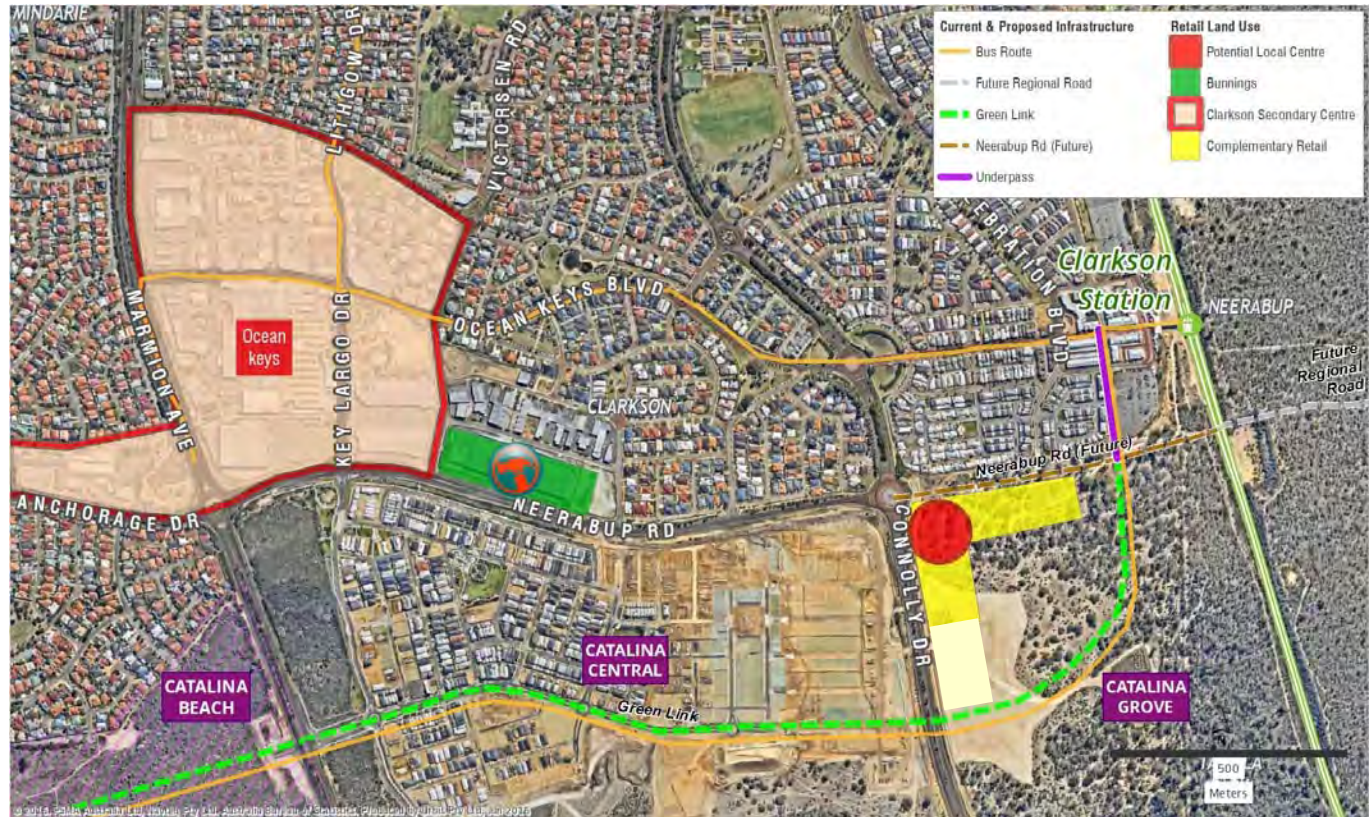
Source: Urbis



## Market Potential – Other Uses

- In addition to a local centre, with high volumes of vehicle traffic expected to be carried along Neerabup Road, sites along this road and within the Catalina Grove precinct provide opportunities for other forms of retail/services some of which are complementary to the role of a local centre or independent of the usual activities of a local centre.
- **Complementary uses**, which could also capitalise on exposure to commuters using Clarkson station, include:
  - Larger format retailers that are destinations in their own right) and meet the daily and weekly shopping needs of local residents and wider markets, such as a pet store (e.g. Pet Barn) and fruit & vegetable retailer (e.g. spudshed).
  - Medical centre, tavern, fast food restaurants, etc.
  - Typically a site area twice the building area (300-2,000 sq.m per tenancy) is required for these uses.
  - Ideally located on Neerabup Road. Uses could also be successful on Connolly Drive north of the 'spine' Green Link road intersection, but with reduced capacity for retail uses given less exposure to passing traffic and potential to capitalise on commuters.
- **Independent uses** include:
  - Bulky goods retailers, such as furniture stores, electrical stores, pool supplies, floor coverings, etc. These uses could leverage off visitation to the nearby Bunnings store/other bulky goods retailers along Neerabup Road.
  - Typically a site area 2-2.5 times the size of the building area (500 to 2,000 sq.m per tenancy) is required for these uses.
  - Require Neerabup Road frontage.

### Optimal retail sites and other uses







# Catalina Grove Region

Market Research and Analysis

Urbis staff responsible for this report were:

Director	David Cresp
Date	February 2014
Job Code	PA1118
Report Number	Report 1



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# Executive Summary

## Executive Summary

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- The key target market for Catalina will be families on above average incomes (household income of over \$130,000). The majority of people will move from coastal suburbs to the north or south looking to move to a newer home and people in the suburbs to the east looking to upgrade to a better area. They will generally be 40-50 year old parents and older age children who are still living at home. They will be looking for a four bedroom house and have two or more cars.
- Whilst the site is located on the coast, the lack of easy coastal access is a challenge for the estate and will mean that the positioning should be at a lower level than Burns Beach. Average housing prices on the site would be expected to be around \$700,000 (similar level to Mindarie).
- Whilst Catalina Central and the competing estates have had a large focus on lots smaller than 300 sqm, Burns Beach and other coastal estates have had a higher focus on larger lots. There is the potential to increase the lot size on the Catalina coastal to have a higher focus on lots of over 450 sqm (25% to a maximum of 50%).
- Whilst the local structure plan has a relatively large area of higher density (R80) on the site the site does not rank well against drivers for apartments and the local demographics are unlikely to be supportive. It is recommended that apartment development is minimised or not included and that medium density is focused on cottage lots or town houses around the public open space and local shop. The mix of lots of under 300 sqm should only be around 10%.
- Higher density product should be focused on Catalina east where the proximity to public transport and the Ocean Keys town centre can be best leveraged.
- The retail offering will struggle to be viable. Most likely use would be a café. Passing traffic and proximity to the beach front carpark will be vital. Activation from a very popular park would also assist.



## Retail Trade Area Population

- In 2014, the total trade area comprised **4,200 residents**, made up of 770 residents in the primary trade area and 3,500 residents in the combined secondary trade area sectors.
- By 2026, when the development is at full capacity, the total trade area is forecast to grow to **10,500 residents**, comprising 3,800 in the primary trade area and 6,700 in the total secondary trade area.



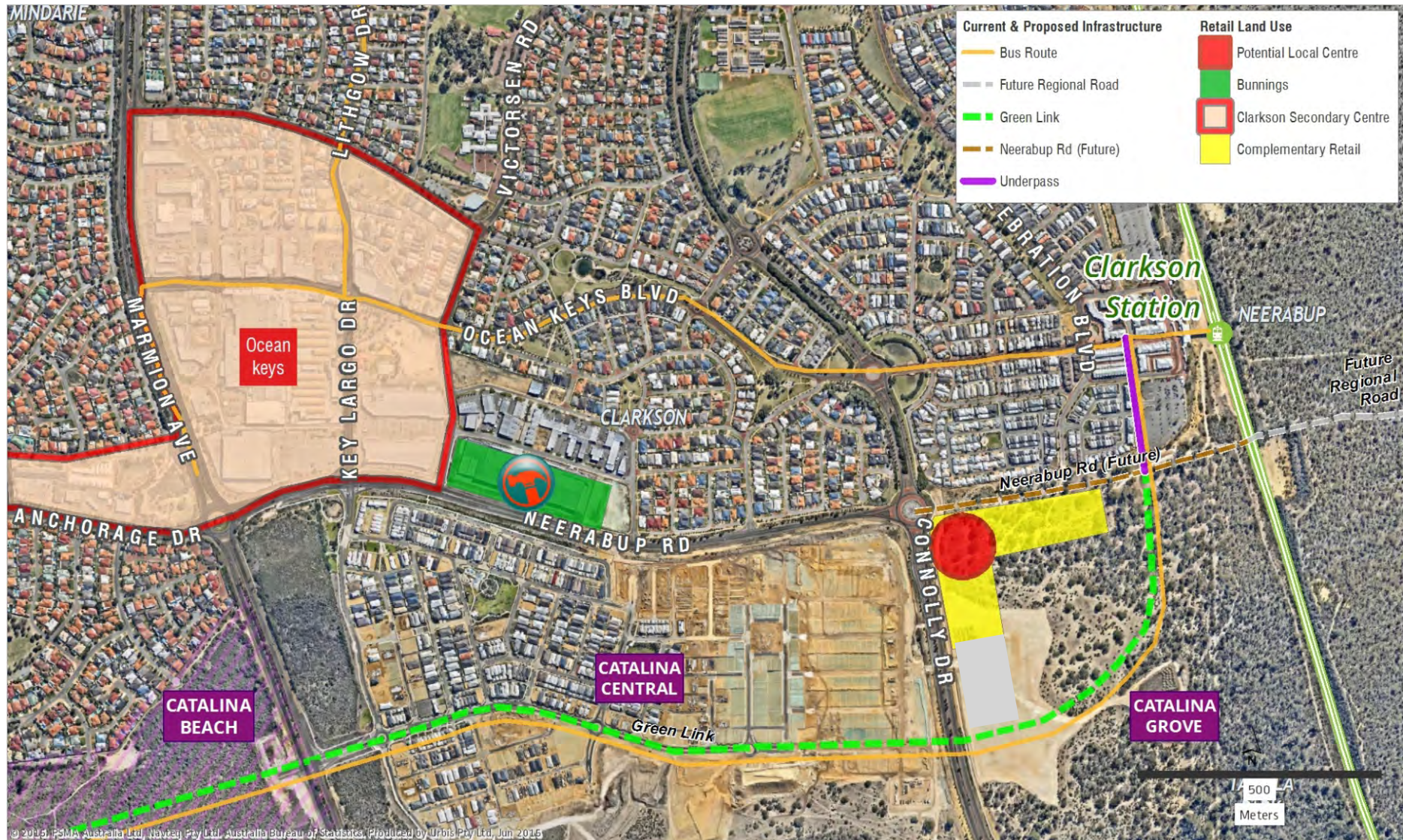
## Market Potential - Local Centre

- Based on the forecast population, existing competition and geographical constraints, the trade area could support a **small local centre**, including:
  - Local Centre:** Potential to support 1,300 sq.m (with 500-800 sq.m supermarket) or 2,500 sq.m (with 1,500 sq.m Aldi supermarket).
  - Large format/fast food/medical centre:** More localised but destination large format retailers, such as Spudshed and Pet Barn, these uses can capitalise on the good volumes of traffic.
  - Bulky goods retailers:** Potential to support and leverage off the existing offer in the Clarkson Secondary Centre.
  - Other uses along Green Link:** support for non-retail uses (e.g. community/recreational centre, child care centre). Given access from the Green Link to Connolly Drive there is potential to integrate with the local centre.
- The optimal location for retail at Catalina Grove would be to the Neerabup Road frontage at the Connolly Drive

	(incl. 500-800 sq.m supermarket) sq.m	(incl. Aldi supermarket) sq.m
<b>Local Centre:</b>		
Supermarket	800	1,500
Specialty Shops	500	1,000
<b>Total Local Centre</b>	<b>1,300</b>	<b>2,500</b>
<b>Other Uses<sup>1</sup>:</b>		
Large Format Retailers	1,000-3,000	1,000-3,000
Fast Food Restaurants/Tavern	300-800	300-800
Medical Centre	300-500	300-500
Bulky Goods Retailers	3,000-5,000	3,000-5,000
<b>Green Link- Other Uses</b>		
Recreational facility/Community centre	1,000-1,500	1,000-1,500
Child care centre	200-400	200-400



## Optimal Retail Location





## Mixed Use Commercial Assessment Along The Spine Road

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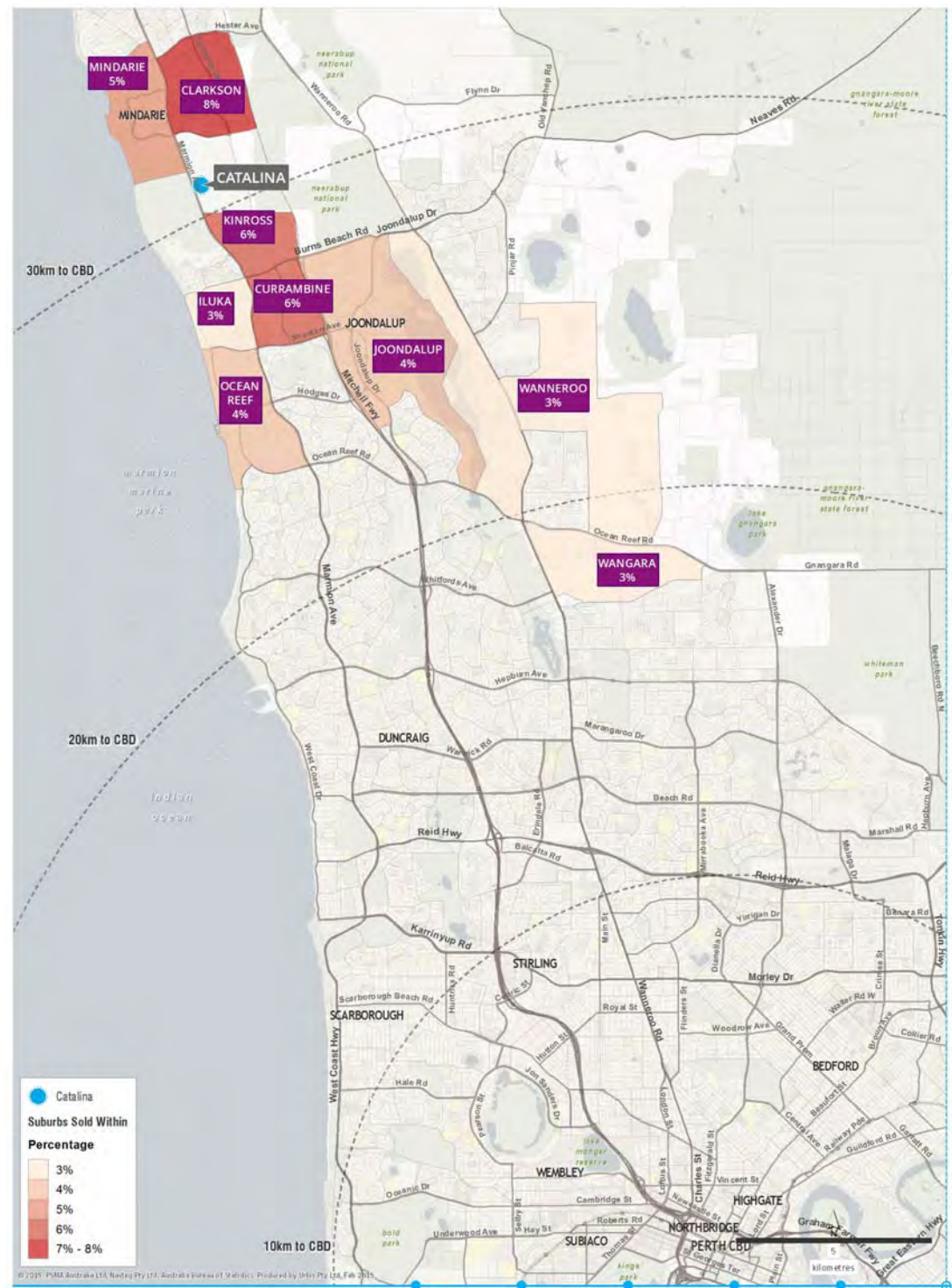
- Under the Optimistic High Commercial Development Scenario there is potential for 13,890 sqm of mixed use commercial along the spine Road. The conservative scenario allows for 3,580 sqm.
- Given that any large format retail uses would be best placed along Neerabup Road this leaves the main use for the mixed use commercial on the spine road as office based businesses. To give some context to the amount of office space being proposed the WAPC 2007 Commercial Land Use Survey shows that there was 14,480 sqm of office space along Main Street (north of Hector Street). This is a well established commercial precinct that services the industrial/retail precinct of Osborne Park and has exposure to approximately 20,000 vehicles per day.
- Attracting office based business uses to the spine road will be very difficult given that the level of retail amenity offered along this road is now envisaged to be minimal if anything.
- Office based businesses and non-retail services such as a real estate agent, accountant are far more likely to want to be located in close proximity to the Ocean Keys Shopping Centre town centre or possibly along side the neighbourhood centre. These locations will offer amenity and exposure which the spine road will not provide.
- Based on this even the conservative scenario of 3,580 sqm of mixed use is optimistic.
- The best land use for the spine road will be residential with the residential closest to Neerabup Road having the provision that the street fronting residential could be converted to residential.

# 1. Catchment Market Analysis

## Catchment Area for Catalina Central

- The location that purchasers are moving from is highlighted here.
- This is based on Satterley sales records and has had builder sales removed.
- The table below represents the top 9 suburbs and accounts for 41% of sales.
- Wangara is the furthest suburb and has not been included in the detailed catchment analysis.
- The catchment can be broken up into three areas as shown below. For stage 1 the greatest proportion of buyers has come from the middle catchment. For Catalina Grove the catchment would be expected to be similar with the focus largely on the middle catchment and some down seizers from the coastal catchment.

	Number of Purchasers % of Buyers	
Mindarie (WA)	32	5%
Iluka (WA)	22	3%
Ocean Reef	30	4%
<b>Coastal Catchment</b>		<b>12%</b>
Clarkson	53	8%
Kinross	43	6%
Currambine	40	6%
<b>Middle Catchment</b>		<b>19%</b>
Joondalup	30	4%
Wanneroo	18	3%
Connolly	16	2%
Wangara	21	3%
<b>Inner Catchment</b>		<b>12%</b>





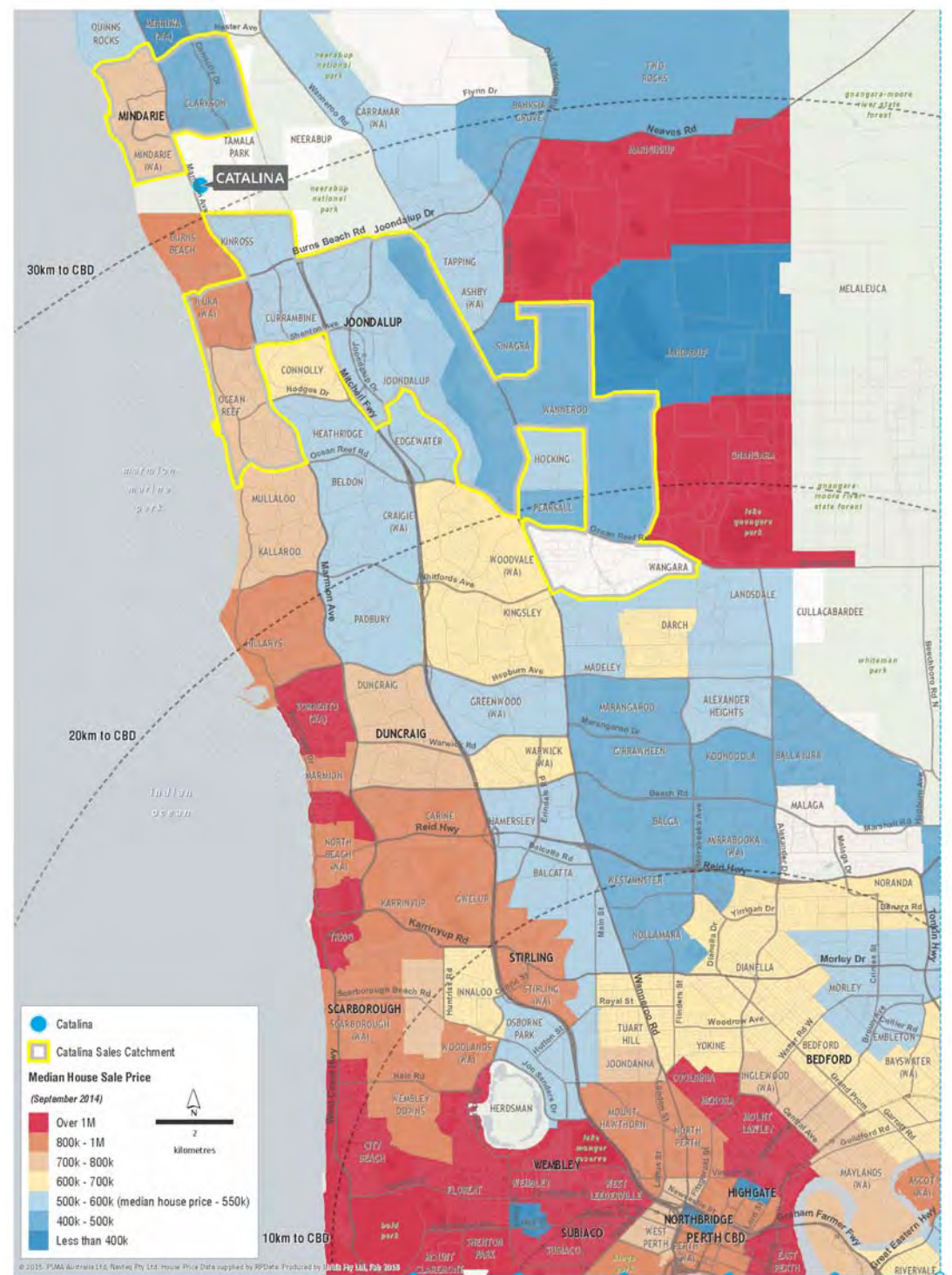
## Property Prices for the Catchment

- For middle Catchment suburbs the median house price is \$435,000 (Clarkson) to \$574,500 (Currumbine).
- Unit sales prices range from \$385,000 in Currumbine through to \$397,000 in Clarkson.
- Land Sales are mainly in Clarkson which offers more affordable prices product at a median price of \$312,000 (median size 300 sqm).

	Median Price			No. Sales for last 12 months			Change in Prices for last 12 months			Change in Prices for last 3 years			Average Land Area
	Land	Unit	House	Land	Unit	House	Land	Unit	House	Land	Unit	House	
Mindarie (WA)	\$440,000	\$647,500	\$705,000	50	10	145	4.4%	n.a.	2.9%	4.4%	n.a.	2.9%	397
Iluka (WA)	\$490,000		\$880,000	79		85	-1.4%		2.9%	-1.4%		2.9%	536
Ocean Reef	n.a.	n.a.	\$788,500	3	3	129	n.a.	n.a.	4.1%	n.a.	n.a.	4.1%	809
Currumbine		\$385,000	\$574,750		28	116		2.1%	4.5%		2.1%	4.5%	
Kinross		n.a.	\$545,000		3	145		n.a.	5.3%		n.a.	5.3%	
Clarkson	\$312,500	\$397,000	\$435,000	68	30	319	n.a.	4.7%	3.6%	n.a.	4.7%	3.6%	300
Joondalup	\$806,000	\$415,500	\$557,250	13	111	122	-16.0%	1.3%	7.2%	-16.0%	1.3%	7.2%	1,366
Wanneroo	\$700,000	n.a.	\$475,000	14	2	259	n.a.	n.a.	3.6%	n.a.	n.a.	3.6%	5,348

## Median House Prices for the Catchment Area

- The following map graphically shows the price increase for the coastal estates and the way that prices fall away further from the CBD and the coast.
- The suburbs in the middle and inner catchment are all at below median house prices whilst the coastal catchment is above the median house price.
- The median house price for houses in the Catalina West estate would be likely to be in the order of \$700,000.



## 2. Catchment Demographic Analysis



## Catchment Market Summary

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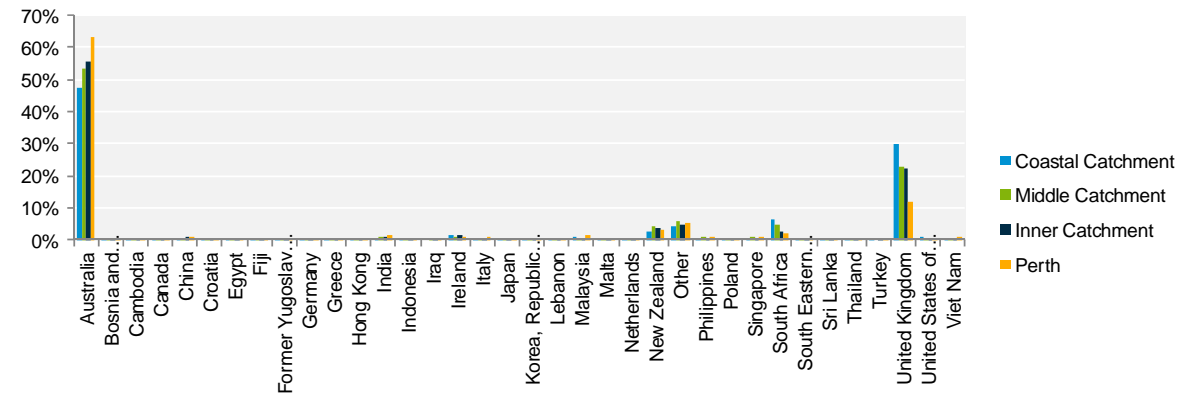
- The three catchment areas all have quite different demographics and the level of affluence falls away quickly from west to east.
- As the middle and inner catchment is the type of demographic that Catalina Grove will be likely to be the most similar to.
- A typical household for the middle catchment would be the following:
  - Australian or English born family of with parents of 40 to 50 years old. Household income of \$78,000 - \$104,000 and purchasing a home with an average mortgage repayment of \$2,087.
  - They will be looking for a four bedroom house but a higher proportion looking for medium or high density options.

## Key Demographics for the Catchment Areas

- Key features of the catchment area population are:

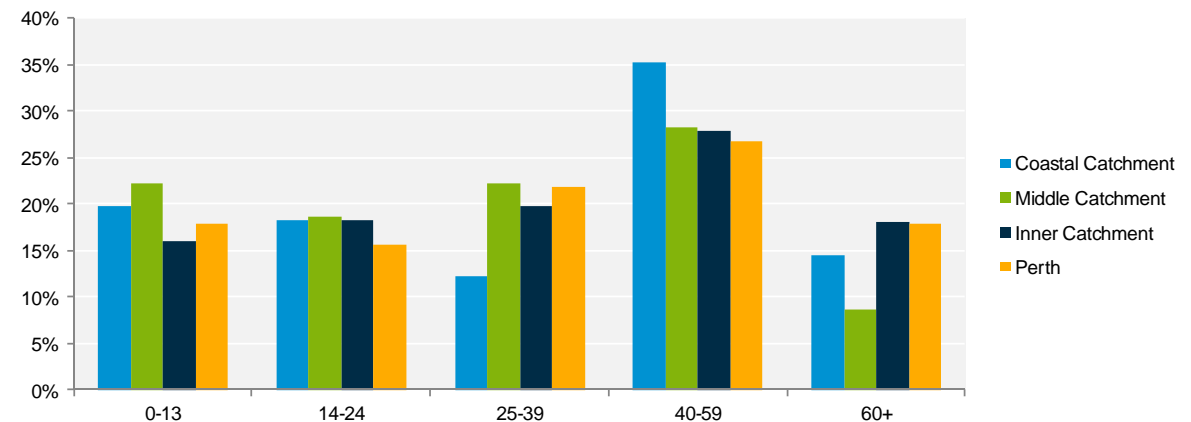
### Place of Birth

- Much higher proportion of people born in the United Kingdom than the average for Perth.
- This is particularly true for the coastal catchment.



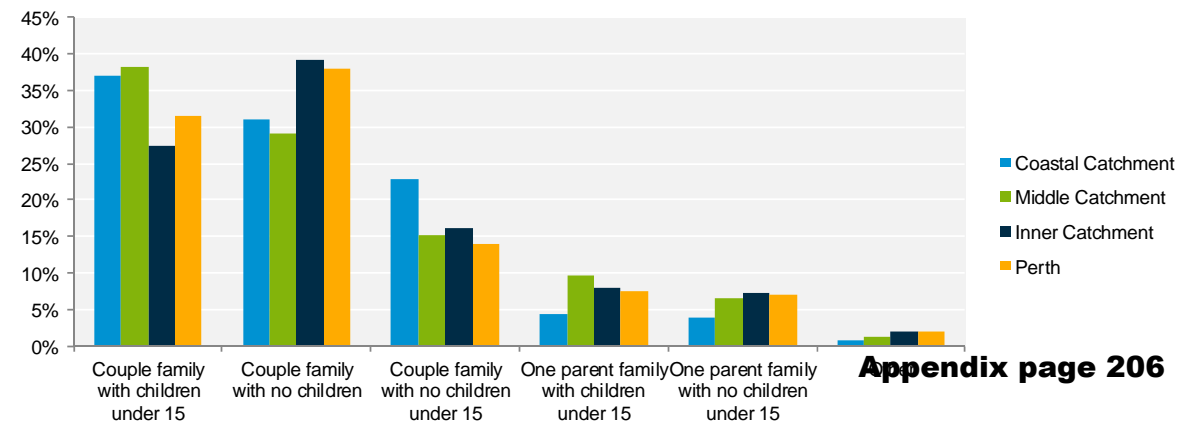
### Age

- The coastal catchment has a very high proportion of people aged 40-59, many of these people have older children.
- The inner catchment has a high proportion of people aged 60+ but these are not expected to be a target market for Catalina West.



### Family Type

- The coastal and middle catchments have a high proportion of couples with children and this will be the key target market.



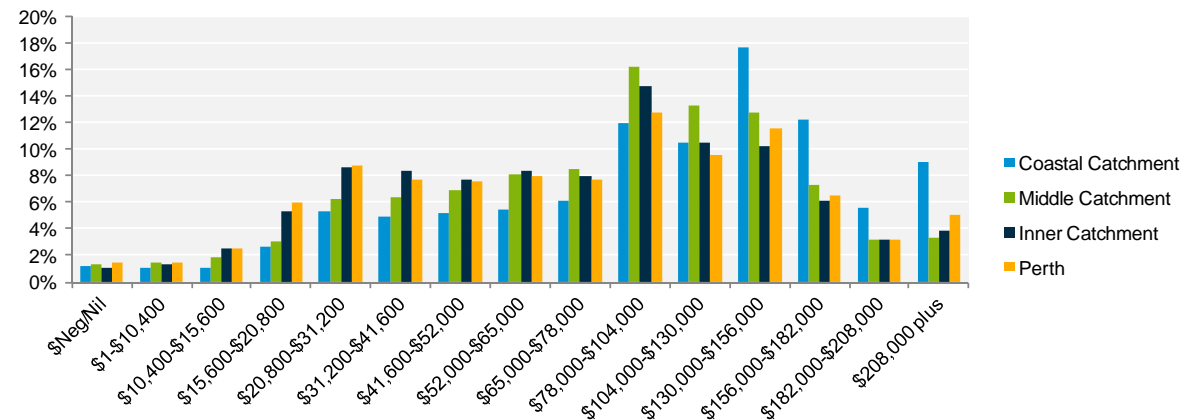
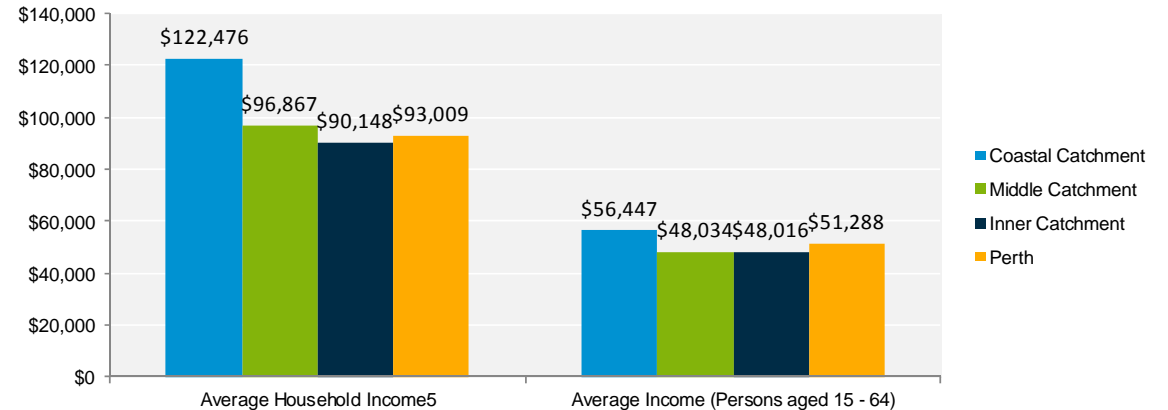
## Key Demographics for the Catchment Areas - Incomes

### Income Levels

- The coastal catchment area has household income levels which on average are 30% higher than the average for Perth. Income levels in middle catchment are slightly above average and for the inner catchment slightly below.

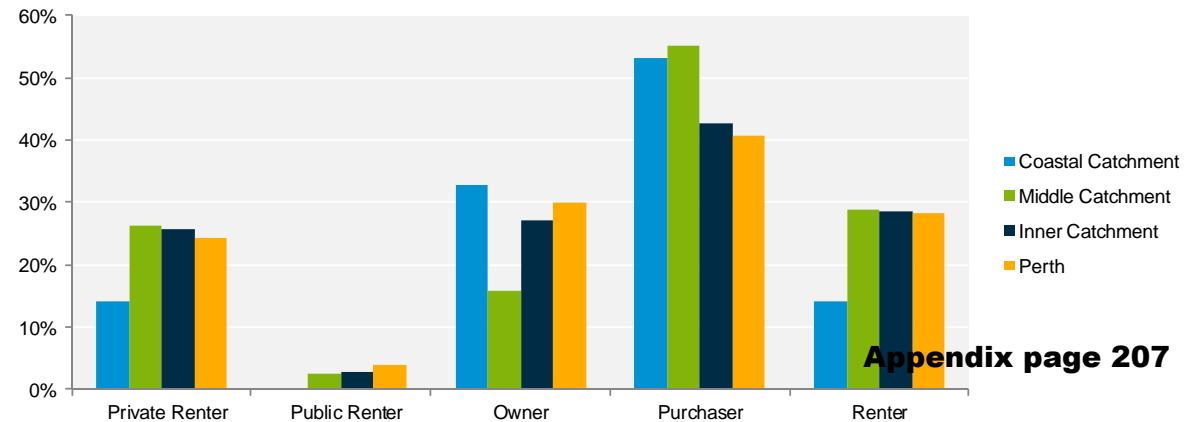
### Household Income

- For the coastal catchment 41% of household have an income of \$104-182k and households of incomes of over \$130k are over represented compared to levels for Perth.
- In the middle catchment the income levels are more in line with the average for Perth but over represented in the \$78k-156k range.
- The inner catchment has income levels very close to the average for Perth but is under weight for household with incomes of over \$130k.



### Housing Tenure

- In all catchments there is a high proportion of people purchasing their property.
- In the coastal catchment there is a low proportion of renters and slightly over weight in home owners.



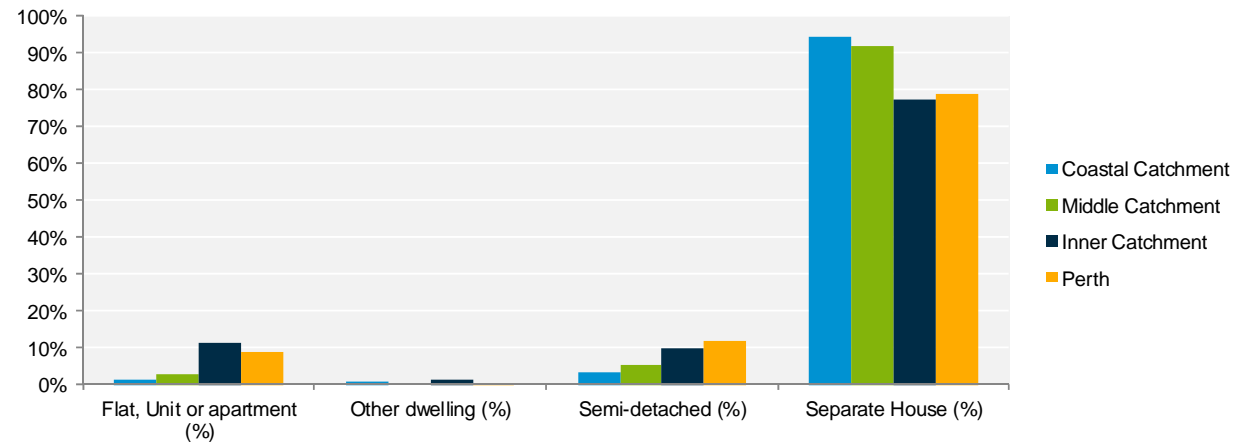


## Key Demographics for the Catchment Areas Incomes

Typically a separate house with four bedrooms and two to four cars.

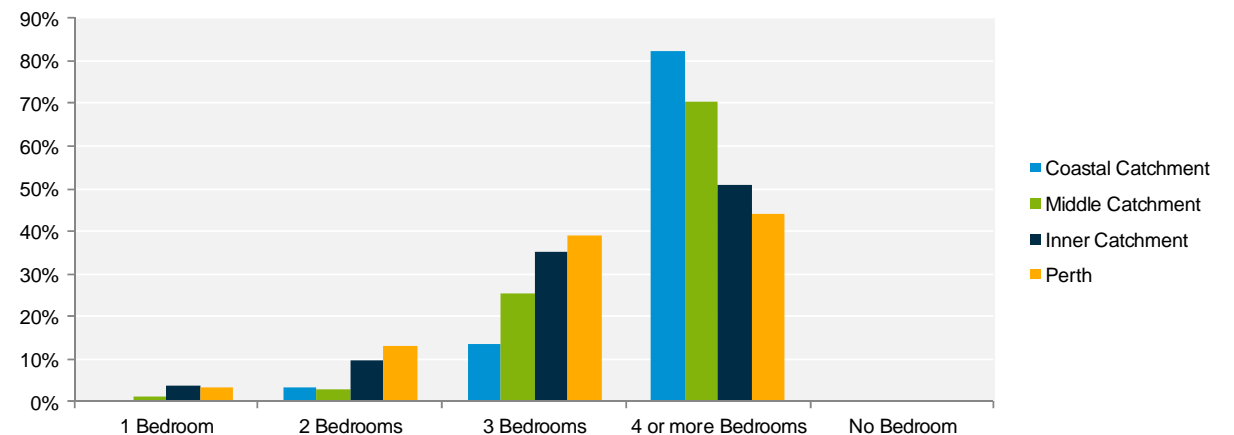
### Dwelling Types

- The majority of housing in all of the catchments is separate housing and this is particularly true in the coastal and middle catchment.



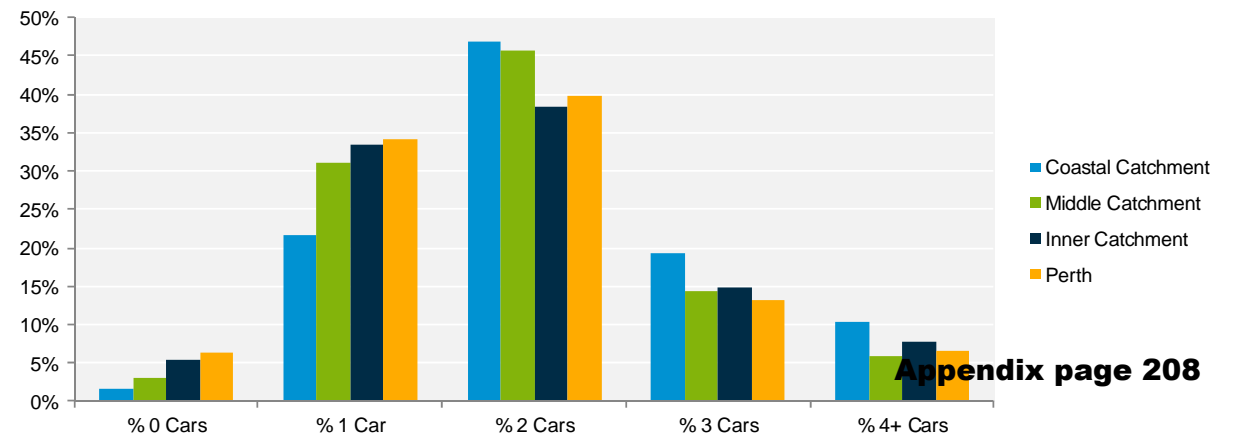
### Bedrooms

- In the coastal catchment the majority of houses are four or more bedroom houses.
- The middle and inner catchment have more or a mix between three and four+ bedroom houses.



### Number of Cars

- In the coastal catchment there is a high proportion of houses with two or more car bays.



## Catchment Area Key Demographics

	Coastal Catchment		Middle Catchment		Inner Catchment		Perth	
	2011	2006	2011	2006	2011	2006	2011	2006
<b>General</b>								
Estimated Resident Population	21,445	19,332	27,090	21,974	26,173	24,526	1,832,114	1,589,686
Population 2011 Census	20,073	18,457	25,639	20,973	24,753	23,448	1,728,694	1,511,971
Population Density (Persons per Sq.km)	1,593	1,331	2,343	2,219	601	561	269	235
Average Per Capita Income	41,787	30,118	35,098	24,670	36,875	27,201	38,469	28,239
Per Capita Income Variation	9%	7%	-9%	-13%	-4%	-4%	0%	0%
Average Household Size	3.1	3.1	2.9	3.1	2.6	2.6	2.5	2.5
Average Age	36.1	33.8	31.6	30.3	37.4	36.4	36.9	36.9
Dependency Ratio <sup>1</sup>	31%	31%	29%	33%	30%	30%	32%	32%
<b>Average Income</b>								
Average Household Income <sup>5</sup>	122,476	88,852	96,867	70,986	90,148	68,190	93,009	66,529
Household Income Variation	32%	34%	4%	7%	-3%	2%	0%	0%
Average Income (Persons aged 15 - 64)	56,447	41,392	48,034	35,517	48,016	35,756	51,288	37,604
Average Income (Persons aged 65 and over)	29,624	22,256	20,806	16,590	24,199	18,097	26,894	20,605
<b>Dwelling Structure (no.)</b>								
Separate House (No.)	5,835	5,286	7,636	6,415	6,849	6,564	492,843	438,951
Semi-detached (No.)	206	175	441	81	850	937	74,558	64,391
Flat, Unit or apartment (No.)	90	108	256	28	994	592	56,804	46,545
Other dwelling (No.)	67	78			139	158	2,603	3,199
<b>Housing Costs</b>								
Households in Mortgage Stress (% Households)	1%		2%		3%		2%	
Loan Mortgage Repayments (monthly \$)	2,581		2,087		2,144		2,173	
Households in Rental Stress (% Households)	0%		8%		9%		6%	
Rent Payments (weekly \$)	557		353		346		332	
<b>Family Composition</b>								
Couple family with no children	31%	30%	29%	27%	39%	37%	38%	38%
Couple family with children under 15	37%	43%	38%	44%	27%	30%	31%	31%
Couple family with no children under 15	23%	19%	15%	13%	16%	16%	14%	14%
One parent family with children under 15	4%	5%	10%	10%	8%	8%	8%	8%
One parent family with no children under 15	4%	3%	6%	5%	7%	7%	7%	7%
Other	1%	1%	1%	1%	2%	1%	2%	2%

Source: ABS ; Urbis

### 3. Migrant Profiles Surrounding Beachside Areas



## Migration Movement Summary

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- Looking at the demographics of people who were at a different address five years ago provides us with a profile of people moving into the area. We have looked at where people who have moved into Iluka – Burns Beach have moved from and some key demographics for Burns Beach and where people who have moved into Mindarie – Jindalee and Quinn's Rock have moved from and key demographics for people who have moved to Mindarie. Key take outs of this are:
- Burns Beach - Illuka Migrants
  - This area has a slightly lower than average level of people who had a different address in 2006.
  - The highest proportion of people moving to Burns Beach have moved from Currambine – Kinross (one suburb to the east) and Ocean Reef (one suburb to the south).
  - There are also a significant level of people who moved from the United Kingdom and South Africa.
- The vast majority of people who moved to Burns Beach were families who were borrowing to purchase a house and were on above average incomes.
- Mindarie – Quinns Rock – Jindalee Migrants
  - Also moved from one suburb to the east or slightly to the south (Ocean Reef).
- For people who moved to Mindarie there was less dominance of purchasers (only 50% were purchasers) and more renters and owners.

## Catchment Area Migration Flows

- Being New established areas the catchment areas do have a higher % of new residents over the 5 years to 2011.
- The Mindarie – Quinns Rock – Jindalee area has a particularly high mobility level with not only a high level of new residents but for the five years 8% of the 2011 population size moved within the area and 21% moved out. This movement will make this area a key target market for Catalina West.

## Immigration Statistics

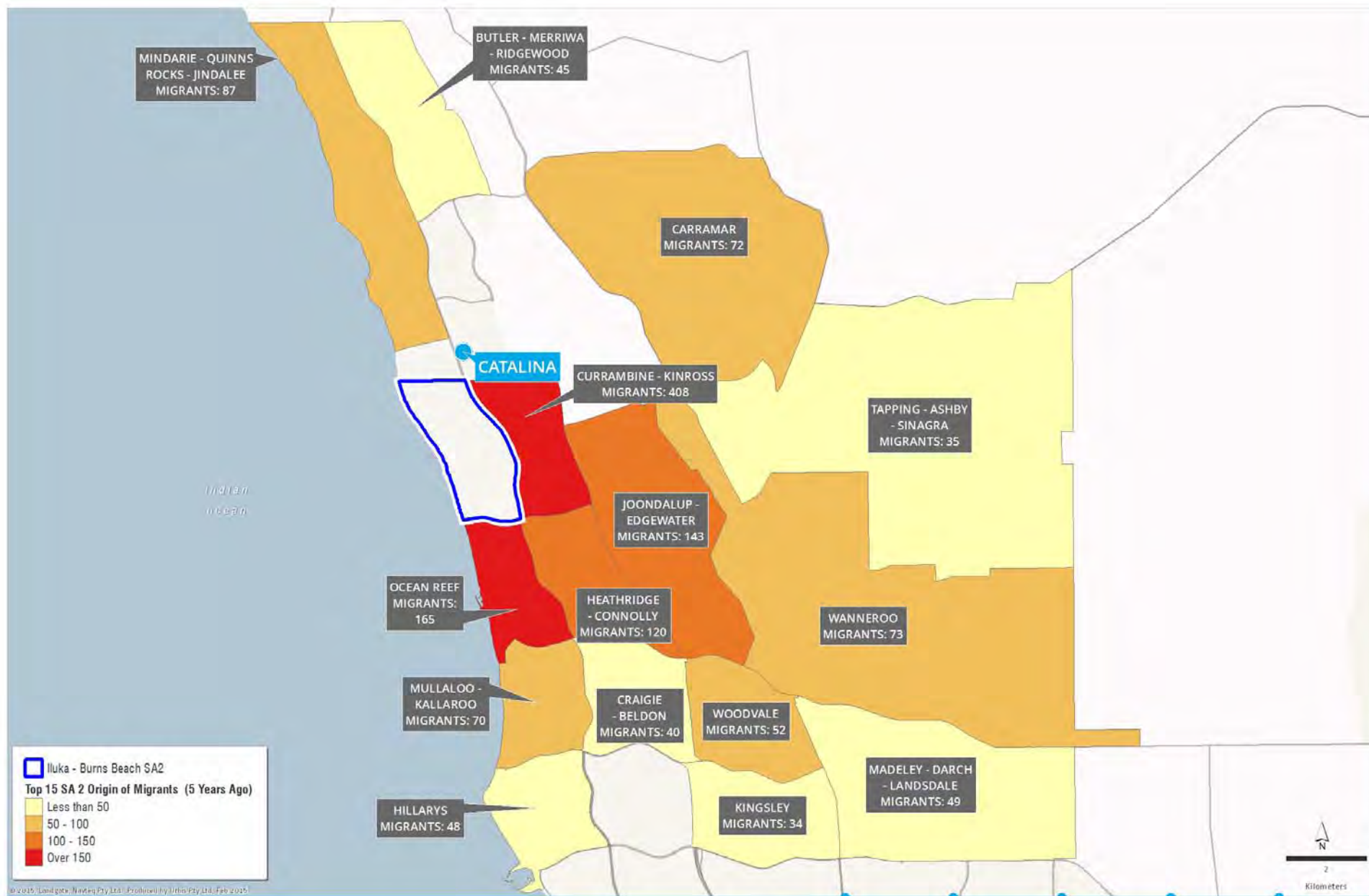
Mindarie/Mindarie/Clarkson SA2 Catchment\*, 2011

SA2	1 Year Change				5 Year Change			
	Iluka - Burns Beach	Mindarie - Quinns Rocks - Jindalee	Clarkson	Total	Iluka - Burns Beach	Mindarie - Quinns Rocks - Jindalee	Clarkson	Total
Moved In	1,185	3,344	2,970	<b>7,499</b>	3,256	8,705	7,565	<b>19,526</b>
Moved within the area	145	712	380	<b>1,237</b>	325	1,436	543	<b>2,304</b>
Moved out	448	1,563	1,412	<b>3,423</b>	889	3,669	2,243	<b>6,801</b>
Non-movers	4,835	13,452	8,338	<b>26,625</b>	2,583	7,367	3,580	<b>13,530</b>
<b>Net migration</b>	<b>737</b>	<b>1,781</b>	<b>1,558</b>	<b>4,076</b>	<b>2,367</b>	<b>5,036</b>	<b>5,322</b>	<b>12,725</b>
<b>Total Population (2011)</b>	<b>6,165</b>	<b>17,508</b>	<b>11,688</b>	<b>35,361</b>	<b>6,164</b>	<b>17,508</b>	<b>11,688</b>	<b>35,360</b>
% New residents	19%	19%	25%	<b>21%</b>	53%	50%	65%	<b>55%</b>
WA SA2 Average % New Residents				<b>21%</b>				<b>46%</b>

Note: Based on SA2 not Suburb boundaries

Source : ABS Census 2011; Urbis

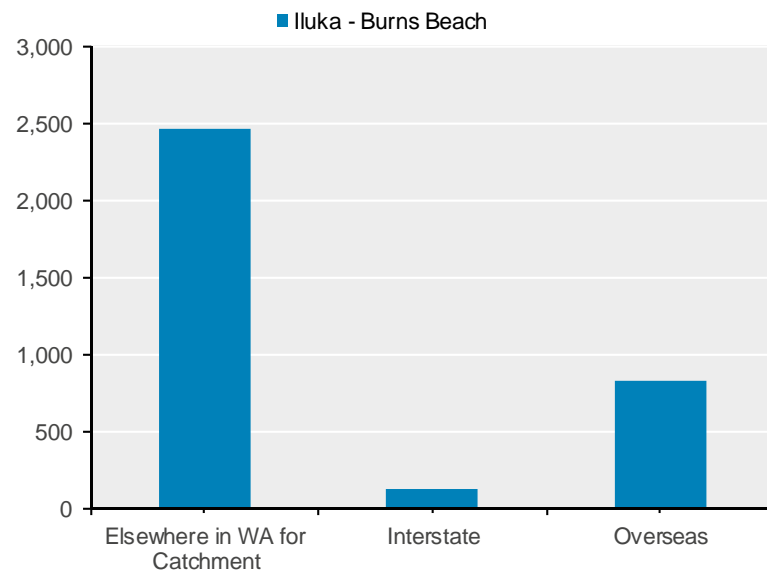
## Iluka – Burns Beach – Migrating Flows for People at Different Address in 2006



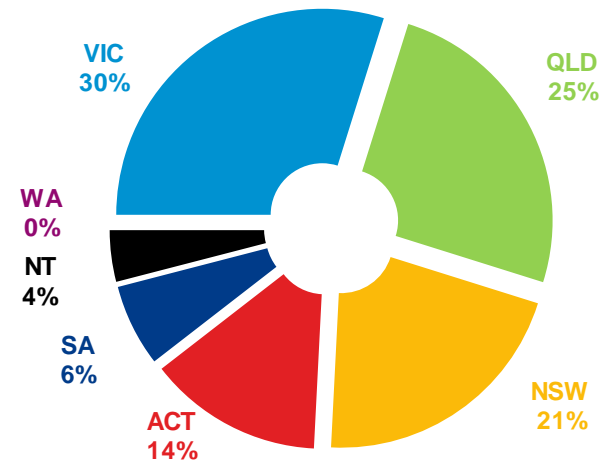


# ORIGIN OF MIGRANTS (FROM OUTSIDE THE AREA) OVER THE LAST 5 YEARS

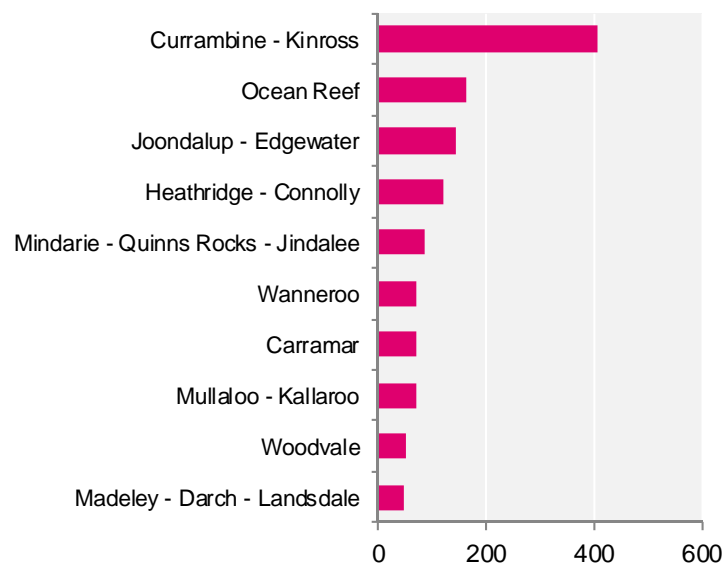
Elsew here in 2006 (%) for Burns Beach \* SA2 Catchment, 2011



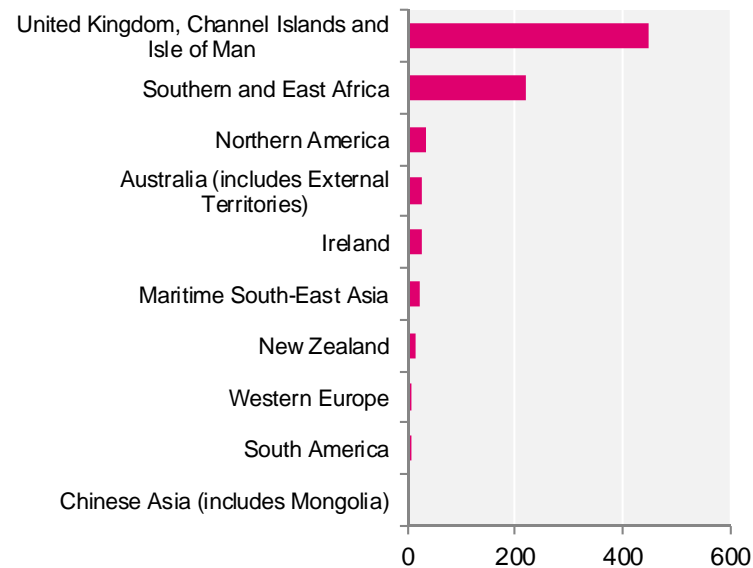
Interstate (%) for Burns Beach Catchment\*



Elsewhere in 2006 (%) for Burns Beach \*



Country of Birth of People Living Overseas in 2006 Burns Beach Catchment\*



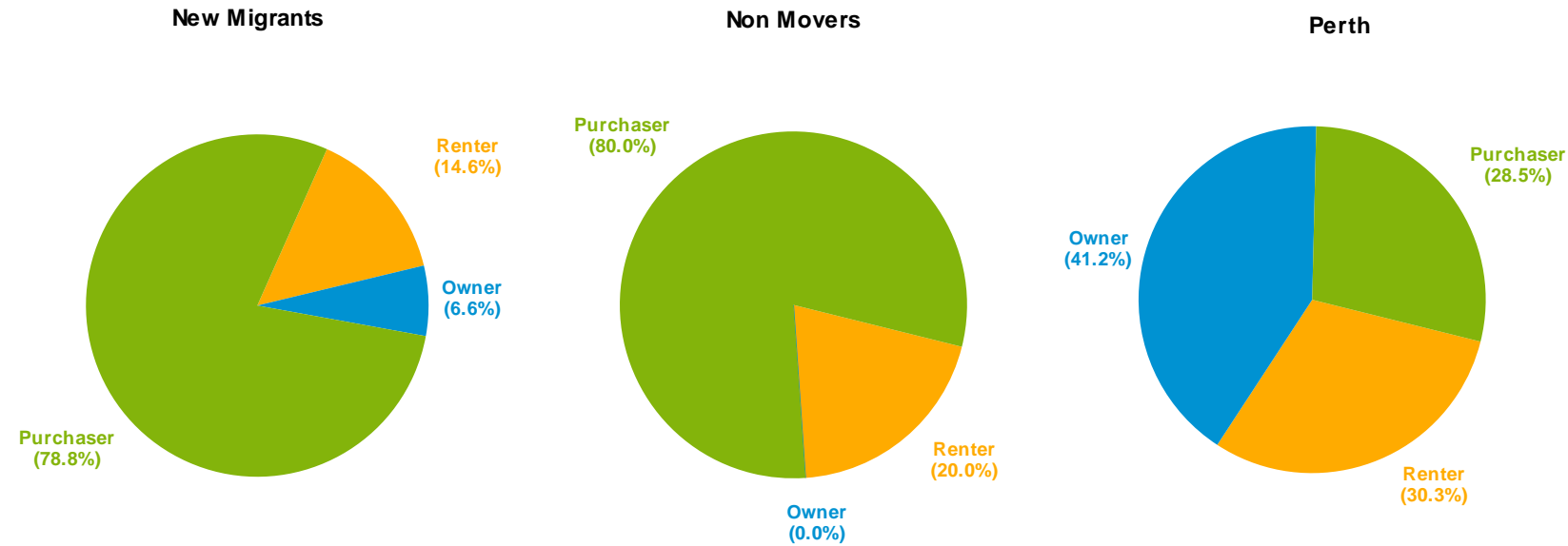
1. Excludes those who moved within the area

\* Top ABS SA2's/Countries

Source : ABS Census 2011; Urbis

# New Migrants Housing Tenure<sup>1</sup>

Burns Beach, 2011

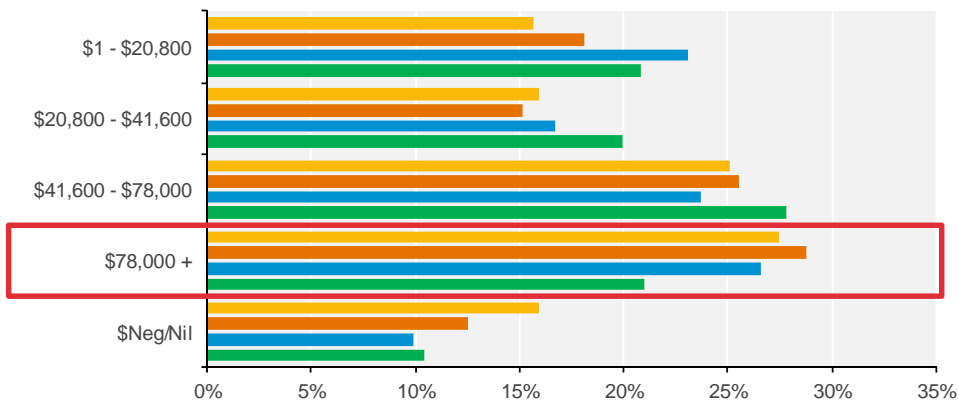


<sup>1</sup> Defined as dwellings where entire household was at a different address 1 years ago  
Source : ABS Census 2011; Urbis

## Personal Income Distribution of Migrants<sup>1</sup>

Burns Beach Catchment, Different Address in 2010

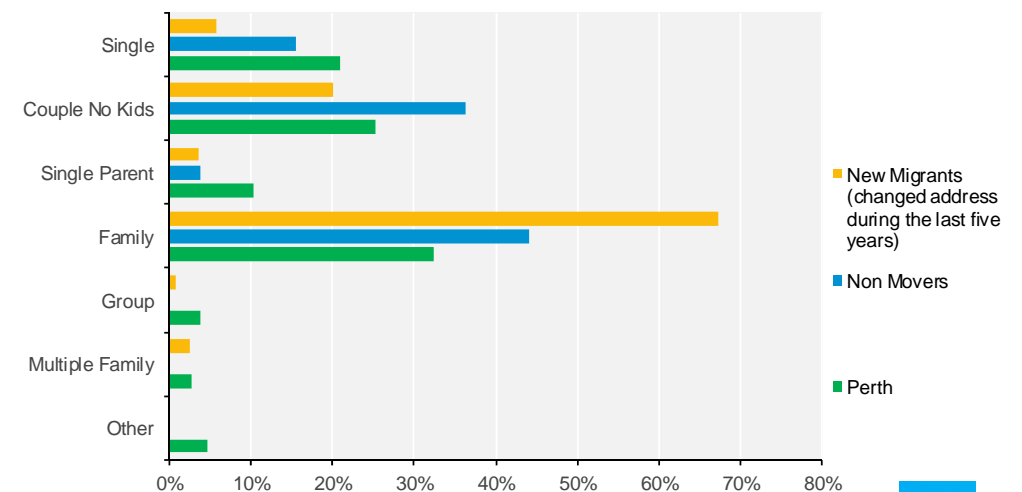
■ New Migrants (different address in 2010) ■ New Migrants (different address in 2006) ■ Non Movers ■ Perth



<sup>1</sup> Includes those who moved within the area  
Source : ABS Census 2011; Urbis

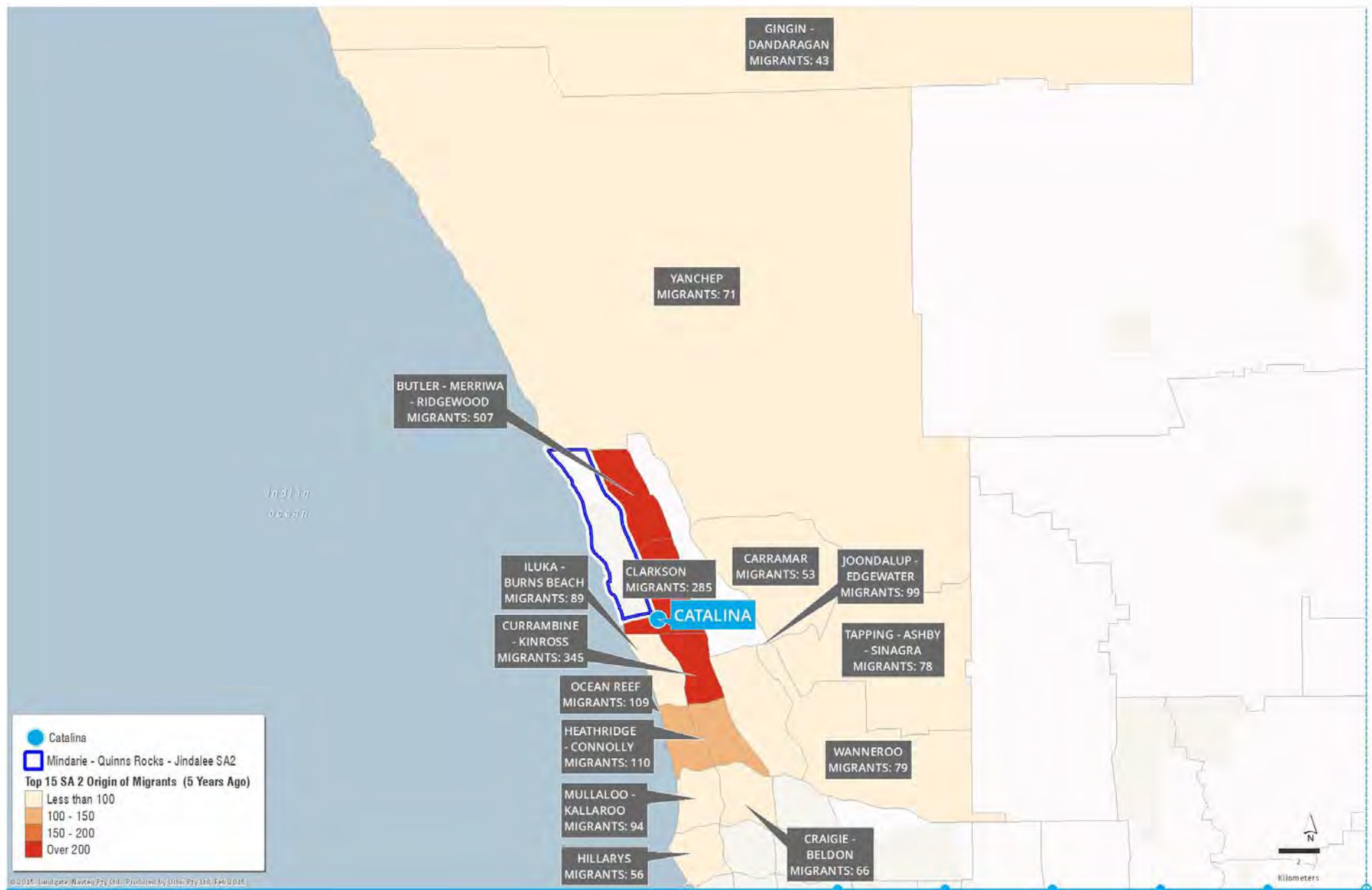
## Family Type of Migrants<sup>1</sup>

Burns Beach Catchment, 2011



<sup>1</sup> Defined as dwellings where entire household was at a different address 5 years ago  
Source : ABS Census 2011; Urbis

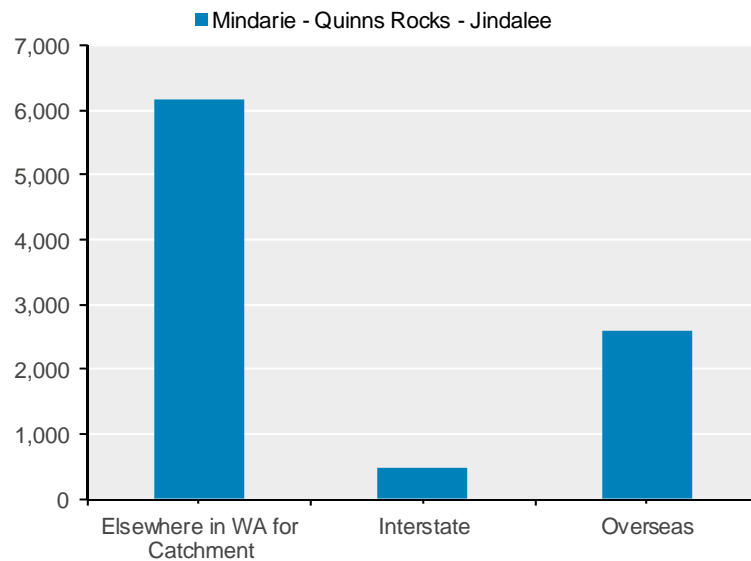
## Mindarie – Quinn's Rock – Jindalee – Migrating Flows for People at Different Address in 2006



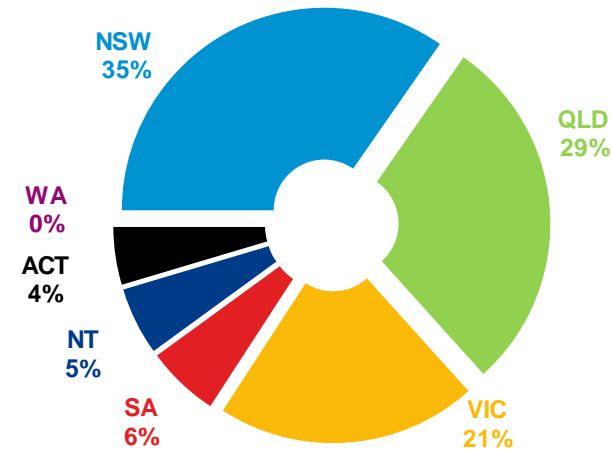


# ORIGIN OF MIGRANTS (FROM OUTSIDE THE AREA) OVER THE LAST 5 YEARS

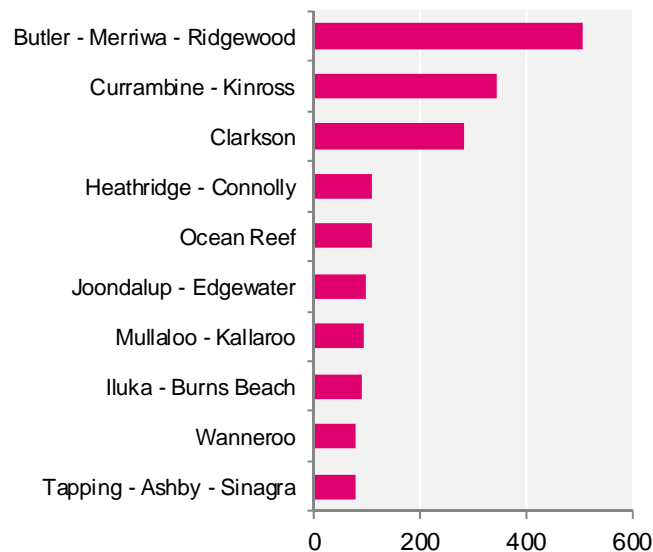
Elsewhere here in 2006 (%) for Mindarie \* SA2 Catchment, 2011



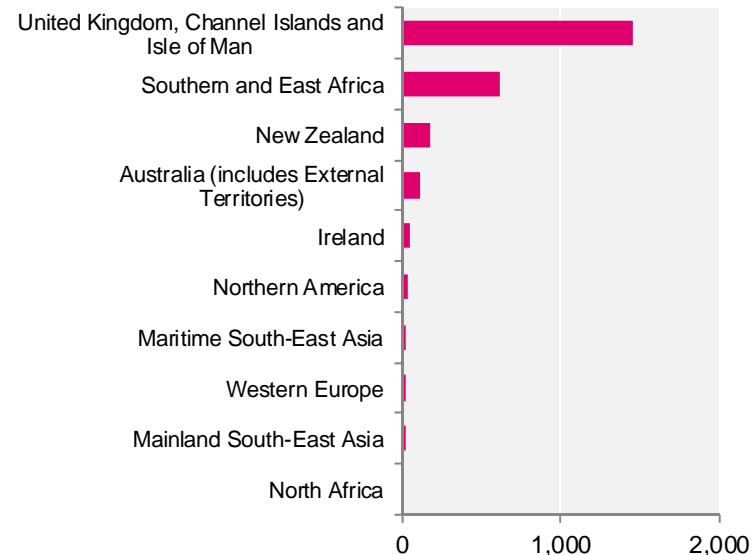
Interstate (%) for Mindarie Catchment\*



Elsewhere in 2006 (%) for Mindarie \*



Country of Birth of People Living Overseas in 2006 Mindarie Catchment\*



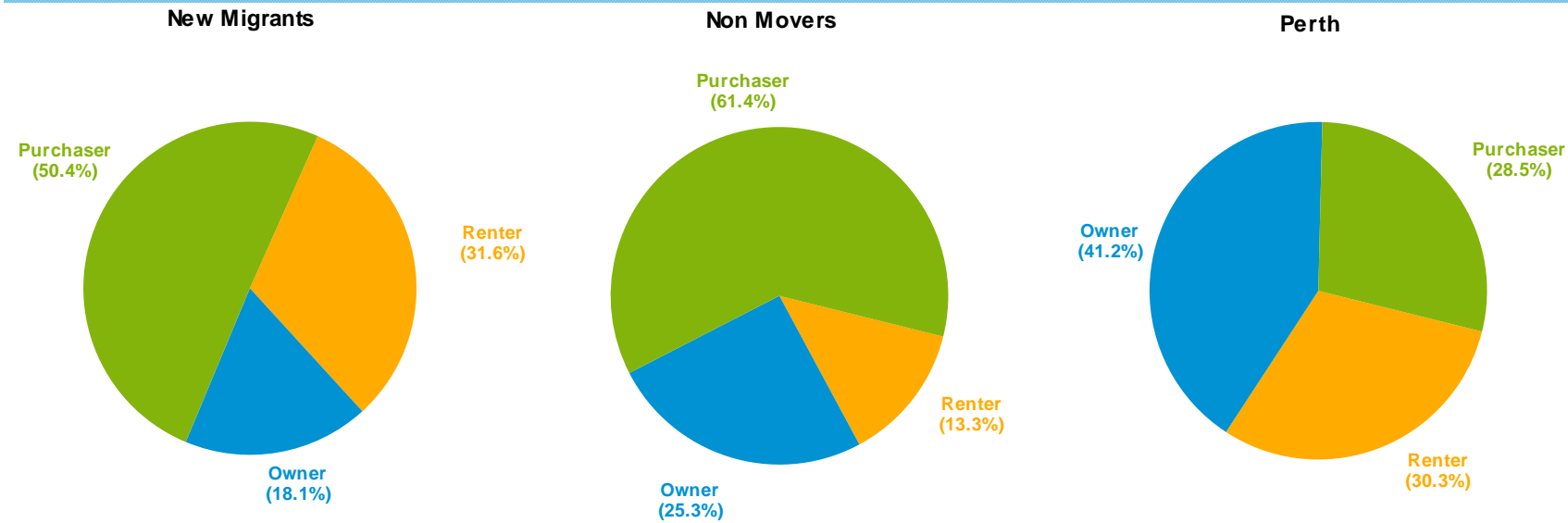
1. Excludes those who moved within the area

\* Top ABS SA2's/Countries

Source : ABS Census 2011; Urbis

# New Migrants Housing Tenure<sup>1</sup>

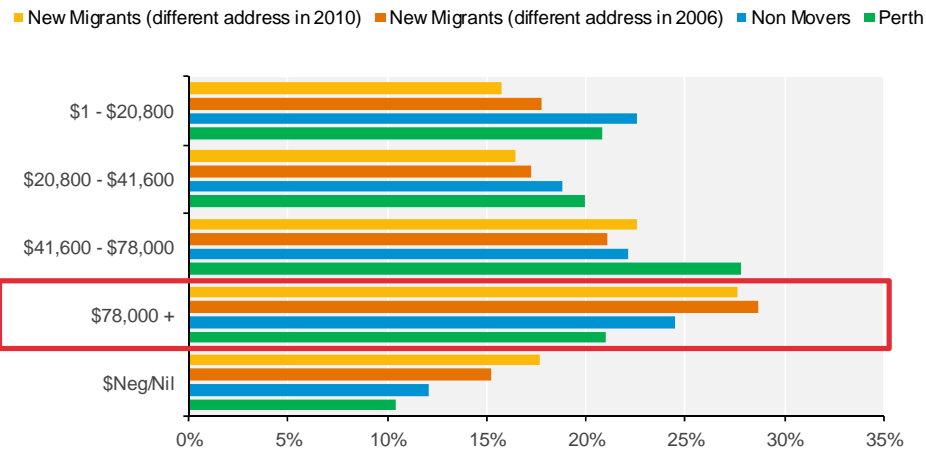
Mindarie, 2011



<sup>1</sup> Defined as dwellings where entire household was at a different address 5 years ago  
Source : ABS Census 2011; Urbis

## Personal Income Distribution of Migrants<sup>1</sup>

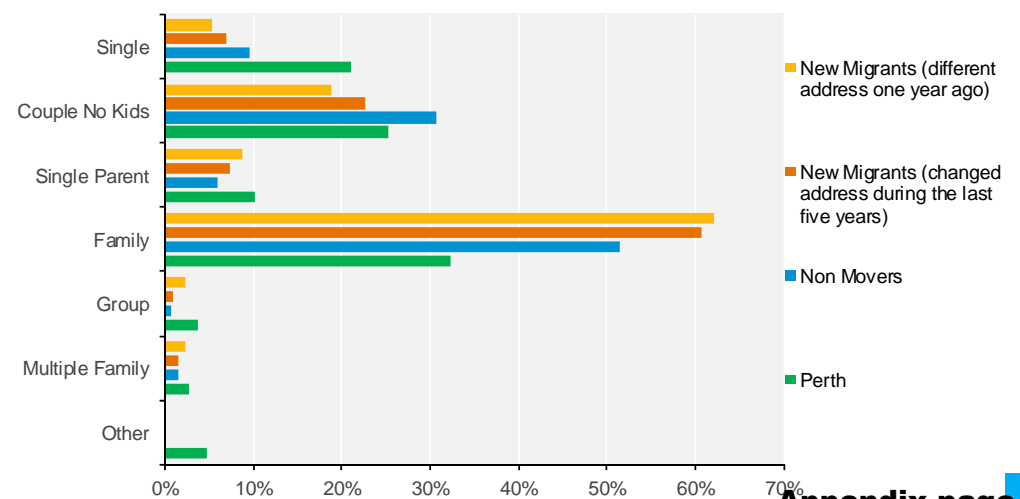
Mindarie Catchment, Different Address in 2010



<sup>1</sup> Includes those who moved within the area  
Source : ABS Census 2011; Urbis

## Family Type of Migrants<sup>1</sup>

Mindarie Catchment, 2011



<sup>1</sup> Defined as dwellings where entire household was at a different address 5 years ago  
Source : ABS Census 2011; Urbis

## 4. Competing and Comparable Land Estates

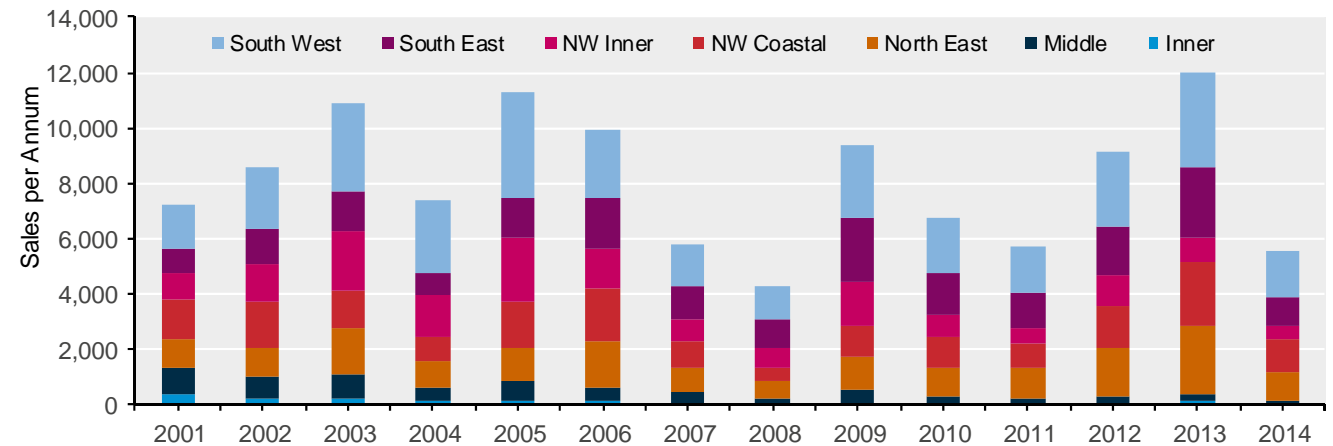


## Land Sales

- The land sales market peaked in 2013 and has seen a softening in 2014. Whilst the recorded sales volumes for 2014 will increase as all the sales settle there will certainly be a fall from the levels seen in 2013.
- It is estimated that lot sales for 2014 will be in the order of 33% lower than in 2013.
- The level of activity and pulling power of the Alkimos estates can be seen with the increase in market share that the North West Coastal Corridor has seen. It fell to only 12% of sales during the GFC and has now increased to over 20% of all sales.

## Developer Residential Land Sales

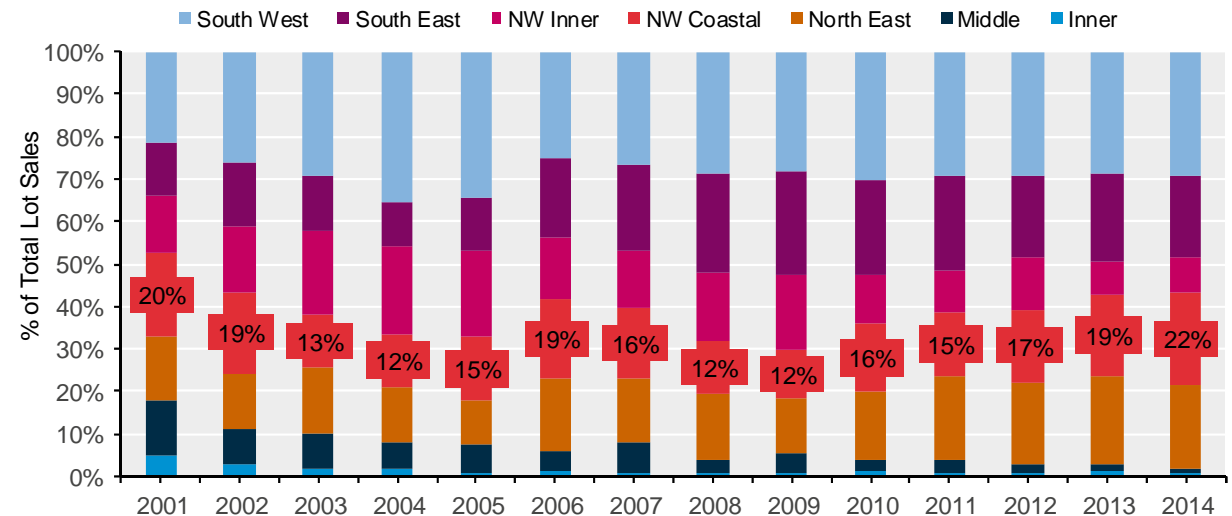
SETTLED SALES OF VACANT RESIDENTIAL LAND BY DEVELOPERS BY CORRIDOR



Source : Urbis Analysis of RP Data/LandGrage Data

## Corridor Breakdown

SETTLED SALES OF VACANT RESIDENTIAL LAND BY DEVELOPERS BY CORRIDOR



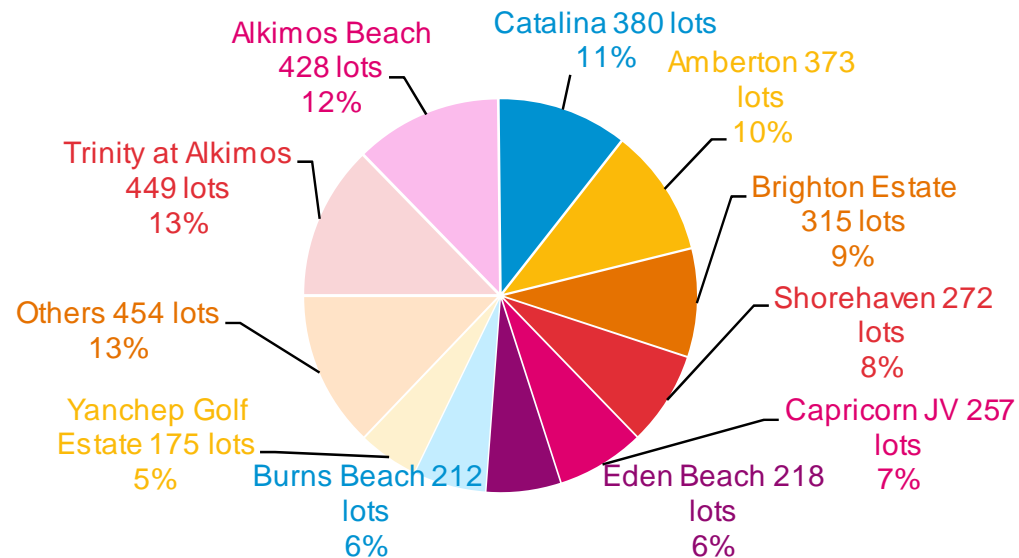
Source : Urbis Analysis of RP Data/LandGrage Data

## North West Coastal Corridor Developer Land Sales

- The North West Coastal Corridor has seen sales at 13 estates with sales of 50 or more lots in 2013 and 2014. The highest proportion of sales have been at the Alkimos Estates and the five estates in this area have accounted for 50% of sales.
- Catalina has had the second highest market share for 2013 and 2014 and this highlights the benefits of its more southern location and relatively affordable prices compared to other estates in the corridor. For sales recorded to date in 2014 Catalina has had the most lot sales.
- Pricing for Catalina is generally above the Alkimos estates with the exception of Eden Beach and Shorehaven which has been selling land closer to the beach.
- The estates that are considered key competitors to Catalina are in bold and more details are provided on the next page tables.
- Burns Beach is not considered competition for the Catalina Central lots but will be competing with the Catalina West releases.

## North West Coastal Market Share

2013 and 2014 SETTLED SALES OF VACANT RESIDENTIAL LAND BY DEVELOPERS



Source : Urbis Analysis of RP Data/LandGrage Data

## North West Coastal Market Share

2014 SETTLED SALES DEVELOPERS

	Lot Sales	Average Sale Price	Average Lot Size	Average \$ per sqm
<b>Catalina</b>	151	\$271,331	340	\$811
<b>Amberton</b>	138	\$233,730	368	\$648
<b>Eden Beach</b>	127	\$285,390	388	\$751
<b>Brighton Estate</b>	125	\$189,356	258	\$742
<b>Alkimos Beach</b>	118	\$225,001	383	\$613
<b>Trinity at Alkimos</b>	101	\$229,188	404	\$599
<b>Shorehaven</b>	84	\$272,478	313	\$935
Capricorn JV	75	\$247,440	512	\$504
Yanchep Golf Estate	70	\$239,629	528	\$468
Burns Beach	60	\$480,350	491	\$1,007
Beaumaris Beach	42	\$484,524	486	\$1,020
The Vibe	41	\$336,585	408	\$841

## Lot Size and Price Comparison – Settled Sales from 2013

- Small lots are becoming a more important part of estates lot mix. This is particularly true around town centres and public transport.
- Pricing is very similar in most areas.

	Catalina				Alkimos Beach				Brighton Estate			
	Lots Sold	% of Sales	Avg. Price	Avg \$ per sqm	Lots Sold	% of Sales	Avg. Price	Avg \$ per sqm	Lots Sold	% of Sales	Avg. Price	Avg \$ per sqm
150-199	1	0.2%	\$178,000	\$1,023	5	1.0%	\$125,000	\$781	20	6.3%	\$116,200	\$720
200-249	140	33.2%	\$183,089	\$794	66	13.1%	\$167,691	\$709	165	51.6%	\$165,261	\$734
250-299	26	6.2%	\$219,038	\$779	25	5.0%	\$176,735	\$630	17	5.3%	\$184,041	\$662
300-349	80	19.0%	\$232,544	\$745	62	12.3%	\$193,437	\$628	45	14.1%	\$187,622	\$601
350-399	98	23.2%	\$274,806	\$733	162	32.1%	\$223,991	\$598	35	10.9%	\$221,016	\$596
400-449	13	3.1%	\$313,077	\$719	104	20.6%	\$241,865	\$574	11	3.4%	\$240,636	\$575
450-499	48	11.4%	\$316,250	\$686	31	6.2%	\$265,435	\$560	8	2.5%	\$277,875	\$597
500-549	15	3.6%	\$331,667	\$641	30	6.0%	\$280,862	\$543	3	0.9%	\$381,667	\$724
550-599	1	0.2%	\$392,000	\$710	6	1.2%	\$297,833	\$514	6	1.9%	\$259,500	\$449
600-649		0.0%			5	1.0%	\$292,000	\$466	2	0.6%	\$367,500	\$595
650-699		0.0%			4	0.8%	\$297,500	\$439		0.0%		
700-749		0.0%			2	0.4%	\$347,500	\$487	2	0.6%	\$292,500	\$408
750-799		0.0%			1	0.2%	\$320,000	\$417	1	0.3%	\$320,000	\$403
Grand Total	422	100.0%	\$240,893	\$750	504	100.0%	\$222,641	\$604	320	100.0%	\$189,882	\$670

	Ellenbrook				The Village at Wellard				Lakelands			
	Lots Sold	% of Sales	Avg. Price	Avg \$ per sqm	Lots Sold	% of Sales	Avg. Price	Avg \$ per sqm	Lots Sold	% of Sales	Avg. Price	Avg \$ per sqm
150-199	35	4.3%	\$123,343	\$737	13	2.8%	\$139,423	\$853		0.0%		
200-249	93	11.4%	\$166,376	\$711	81	17.2%	\$174,168	\$767	60	19.6%	\$128,083	\$593
250-299	34	4.2%	\$183,485	\$646	16	3.4%	\$186,844	\$664	59	19.3%	\$138,966	\$494
300-349	88	10.7%	\$192,307	\$619	43	9.1%	\$189,722	\$585	52	17.0%	\$147,731	\$469
350-399	135	16.5%	\$217,070	\$573	38	8.1%	\$185,987	\$508	50	16.3%	\$153,740	\$413
400-449	103	12.6%	\$222,684	\$532	18	3.8%	\$213,647	\$502	18	5.9%	\$159,667	\$381
450-499	103	12.6%	\$237,835	\$512	110	23.3%	\$221,036	\$476	33	10.8%	\$176,818	\$374
500-549	91	11.1%	\$260,588	\$501	66	14.0%	\$208,195	\$396	14	4.6%	\$184,000	\$353
550-599	37	4.5%	\$269,392	\$472	38	8.1%	\$220,289	\$387	8	2.6%	\$194,250	\$344
600-649	30	3.7%	\$271,750	\$439	15	3.2%	\$232,133	\$380	4	1.3%	\$194,250	\$313
650-699	22	2.7%	\$291,682	\$434	6	1.3%	\$224,583	\$331	5	1.6%	\$209,400	\$314
700-749	13	1.6%	\$297,077	\$415	3	0.6%	\$239,167	\$328	1	0.3%	\$247,000	\$334
750-799	8	1.0%	\$289,500	\$378	2	0.4%	\$247,750	\$322		0.0%		
Grand Total	819	100.0%	\$226,296	\$559	472	100.0%	\$207,728	\$519	306	100.0%	\$152,544	\$358

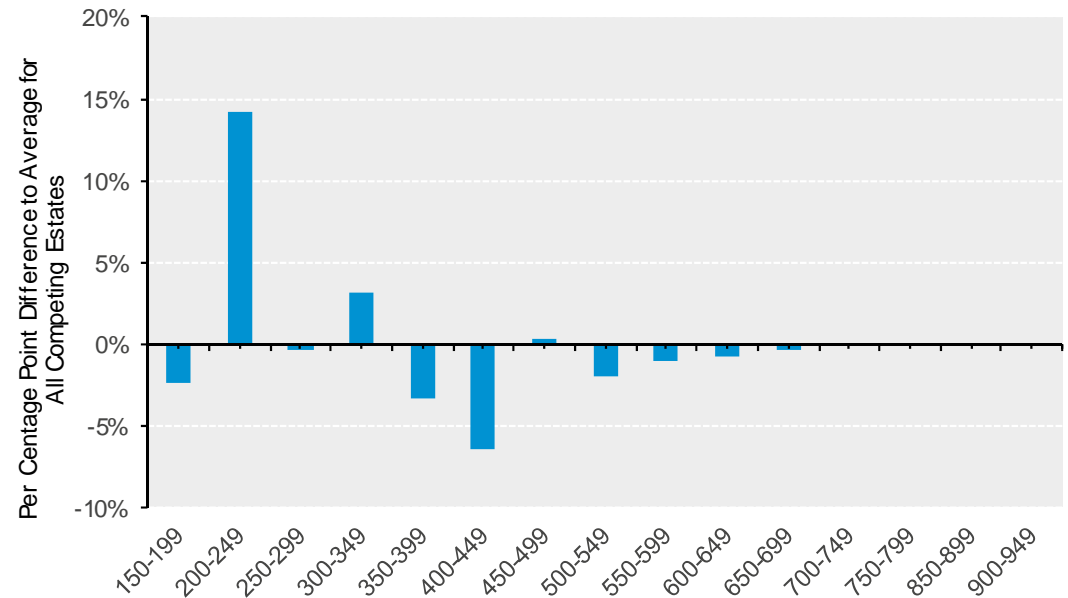


## Catalina Comparison

- The key difference between the lot mix for Catalina and the competing estates to the north (based on all lot sales shown on the previous page) has been a higher proportion of lots of 200 to 249 sqm and lower proportion of 350 to 499 sqm lots. A key reason for this has been the focused on medium density cottage lots close to the amenity provided by the well established town centre of Ocean Keys. Catalina West will not have this amenity at such close proximity and the opportunity to provide such a high proportion of sub 250 sqm lots will be less.
- The other competing estates with a high proportion of 200 to 249 sqm lots are:
  - Shorehaven (31%) the small lots are surrounding a future coastal village.
  - Brighton (52%) the small lots are around the train station and town centre.
- Whilst being set back from the coast being west of Marmion Avenue does mean that Catalina West has the ability to be positioned as an aspirational estates and hence focus on a higher proportion of larger lots. Although likely to be positioned at a higher level the lot mix of Burns Beach and Jindalee Beachside offer examples in the area estates with a far higher focus on larger lots.
- Catalina West is likely to be positioned somewhere between these beachside estates with large lots and the smaller lot focus of the Catalina Central and its competing estates.

## Catalina Lot Mix Comparison

Percentate Point Difference Between Catalina and All Competing Estates Lot Mix



Note: 2013 and 2014 Settled Sales to Date

Source: Urbis Analysis of RP Data / LandGate Sales Data

## 5. Comparable Land Estates Case Studies

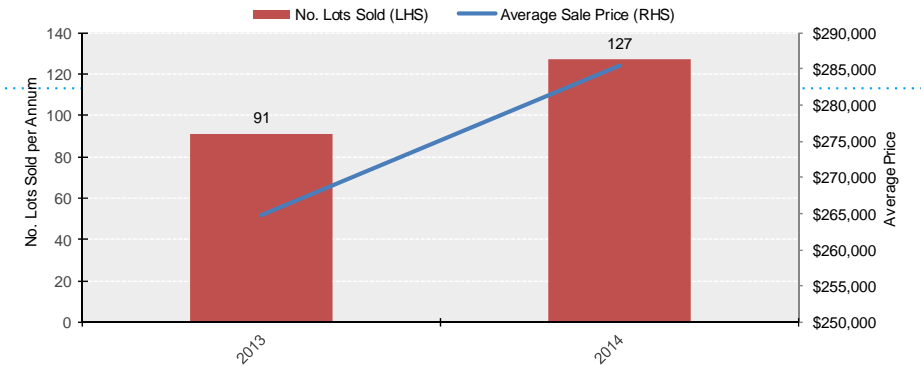
## Eden Beach

- Provides a more recently designed example of a beachside estate.
- Selling 90 to 127 lots per 2014 sales numbers will be higher than this).
- Lots over 450 sqm accounted for 28% of lots in 2014.

	No. Lots Sold	Average Sale Price	Average of Rate per Sqm
<b>2013</b>	91	\$264,890	\$706
<b>2014</b>	127	\$285,390	\$751
<b>Grand Total</b>	<b>218</b>	<b>\$276,833</b>	<b>\$732</b>

## Eden Beach Lot Sales and Average Prices

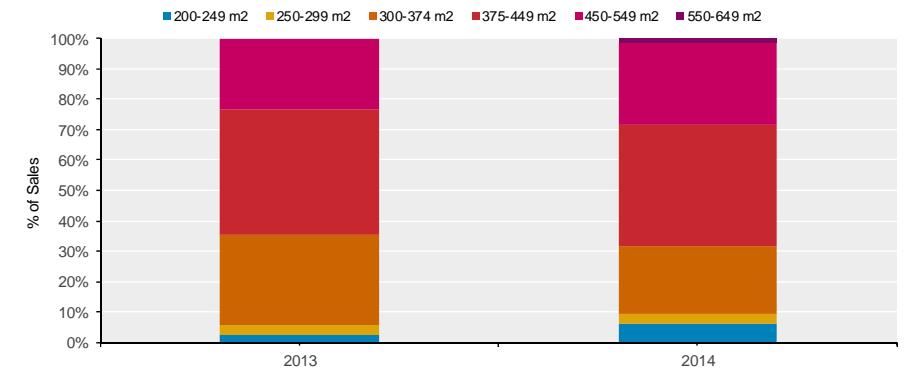
NUMBER OF SALES PER ANNUM AND ANNUAL AVERAGE PRICE



Source : Urbis analysis of RP Data/LandGate Settled Sales Records

## Eden Beach Lot Size Mix

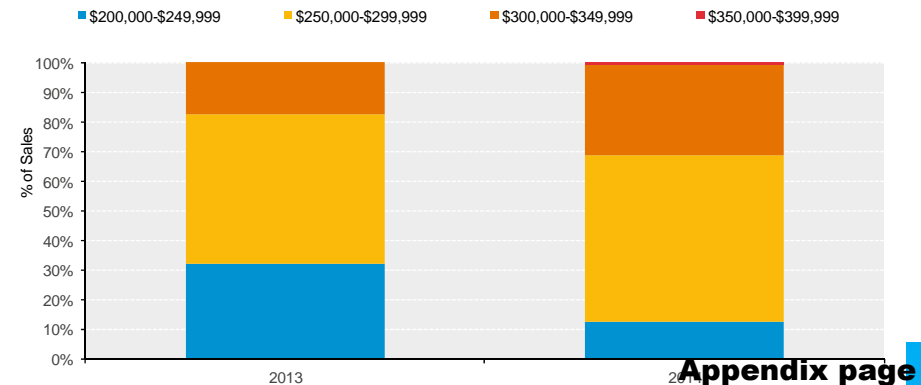
SETTLES SALES FOR LOTS OF UP TO 1,000 SQUARE METRES



Source : Urbis analysis of RP Data/LandGate Settled Sales Records

## Eden Beach Lot Price Mix

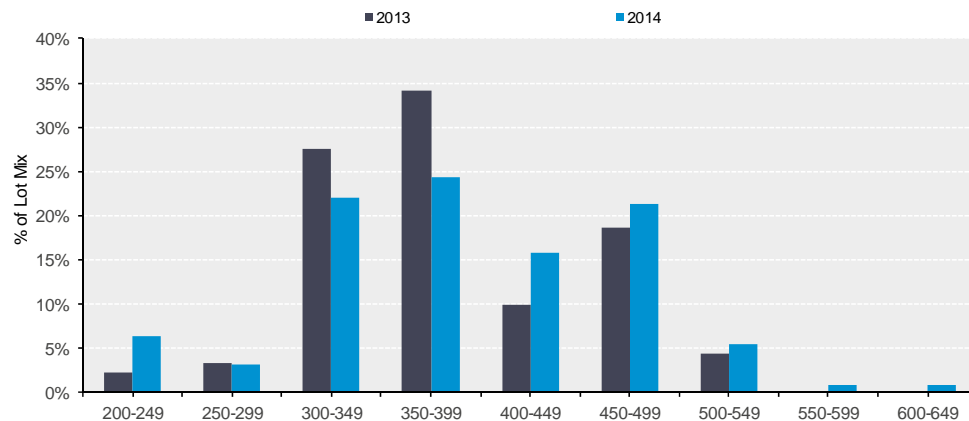
SETTLES SALES FOR LOTS OF UP TO 1,000 SQUARE METRES



Source : Urbis analysis of RP Data/LandGate Settled Sales Records

## Eden Beach Lot Size Mix

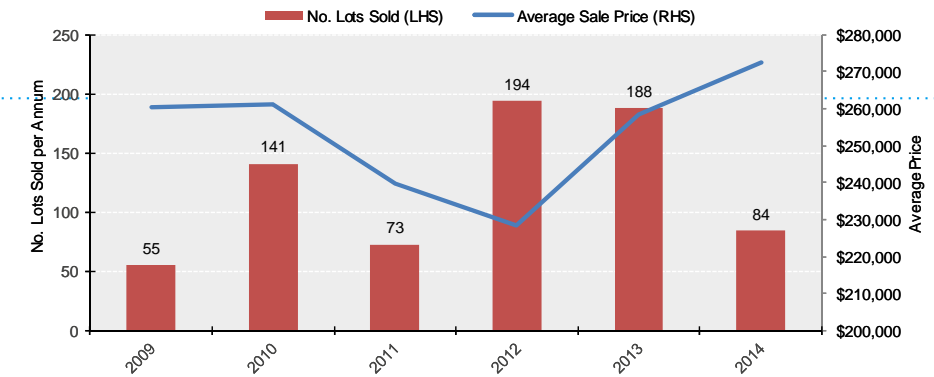
SETTLES SALES FOR LOTS OF UP TO 1,000 SQUARE METRES



Source : Urbis analysis of RP Data/LandGate Settled Sales Records

### Shorehaven

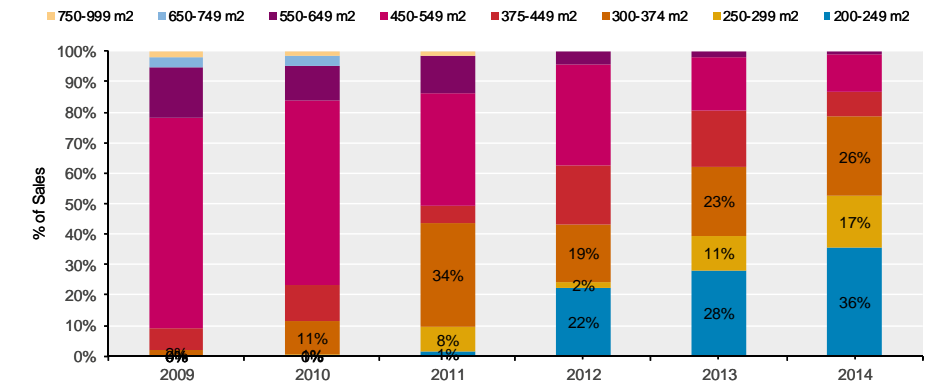
- Selling 80 to 190 lots per annum (average 136 between 2010 and 2014 settled sales to date).
- The proportion of smaller lots has increased with 38% of lots less than 449 sqm. Still 52% of lots in 2014 that were 300 sqm.
- Prices have increased and in 2014 were \$272,000. The increase in small lot product saw an increase in the rate per sqm to over \$935 per sqm. The smaller lot sizes are meaning that the rates per sqm are not much lower than the far higher priced land at Burns Beach.



Source: Urbis analysis of RP Data/LandGate Settled Sales Records

### Shorehaven Lot Size Mix

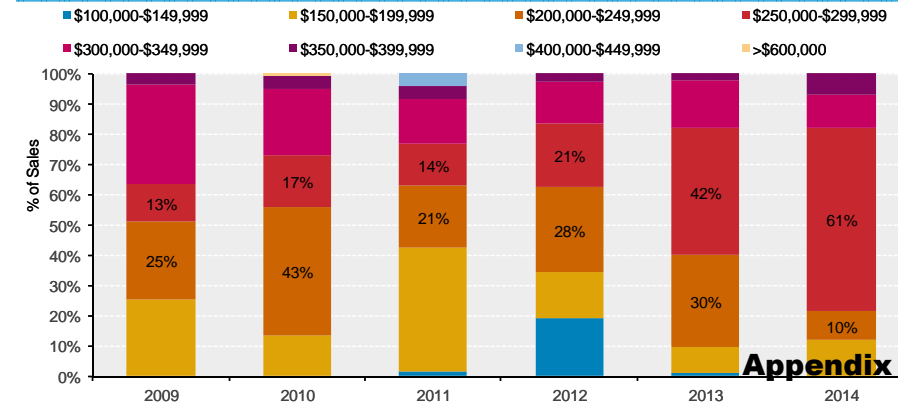
SETTLES SALES FOR LOTS OF UP TO 1,000 SQUARE METRES



Source: Urbis analysis of RP Data/LandGate Settled Sales Records

### Shorehaven Lot Price Mix

SETTLES SALES FOR LOTS OF UP TO 1,000 SQUARE METRES



Source: Urbis analysis of RP Data/LandGate Settled Sales Records



## Alkimos Beach

- 310 lots were sold in 2013 when the estate was first released and the market was strong. Sales have slowed in 2014 due to the market's downturn and increased competition.
- The estate has had a high focus on small lots with 34% of all lots being under 375 sqm and 50% of lots being between 375 and 449 sqm.
- Although volumes fell in 2014 prices increased both at a total and rate per sqm level..
- Alkimos initially had a strategy of now benching lots. Whilst it is recognised that this resulted in good design outcome it was costing the developers significantly in volume and market share. For a lot with a fall of around ½ m fall the cost increase for building was \$10-15k, for lots with a 2 metre fall the cost increase in the order of \$40-50k. Whilst many second tier builders were prepared to work with the slope major builders including ABN were not and this caused a drop in volumes. A major issues for the developers has also been managing the sloping lots and issues of detail such as fence levels and lines have created major issues.
- The Alkimos estate has now moved to a hybrid model where lots are benched but the focus is that the retailing walls should not be visible from the street.

	No. Lots Sold	Average Sale Price	Average of Rate per Sqm
2013	310	\$217,383	\$586
2014	118	\$225,001	\$613
Grand Total	428	\$219,483	\$593



## Alkimos Beach Lot Sales and Average Prices

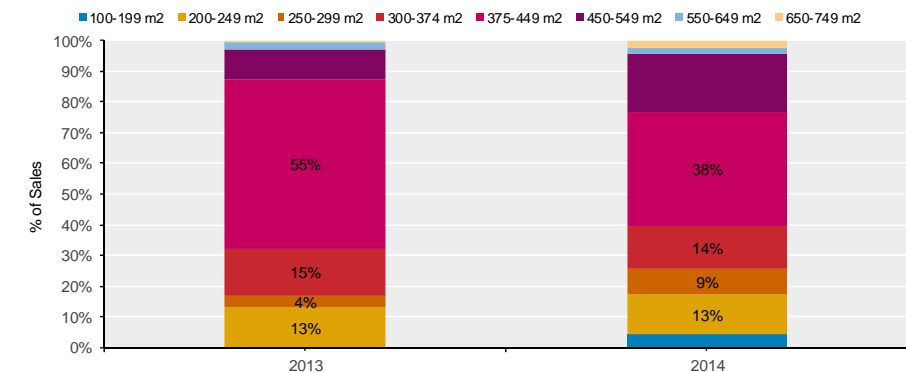
NUMBER OF SALES PER ANNUM AND ANNUAL AVERAGE PRICE



Source : Urbis analysis of RP Data/LandGate Settled Sales Records

## Alkimos Beach Lot Size Mix

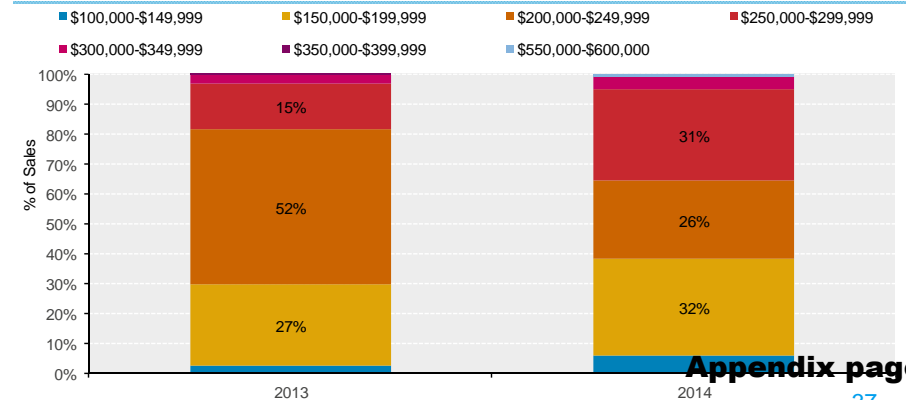
SETTLES SALES FOR LOTS OF UP TO 1,000 SQUARE METRES



Source : Urbis analysis of RP Data/LandGate Settled Sales Records

## Alkimos Beach Lot Price Mix

SETTLES SALES FOR LOTS OF UP TO 1,000 SQUARE METRES

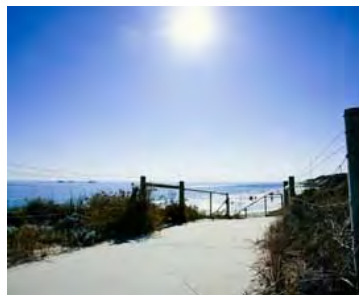


Source : Urbis analysis of RP Data/LandGate Settled Sales Records

## Burns Beach

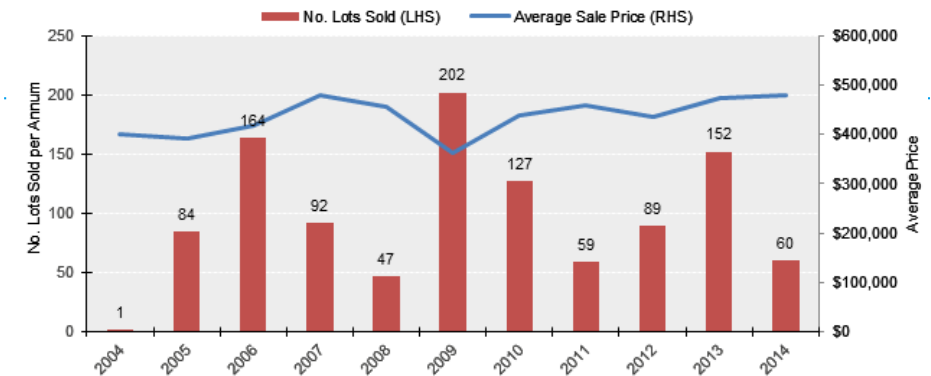
- Selling 50 to 150 lots per annum (108 lots per annum 2005 to 2014).
- The proportion of smaller lots has increased with 38% of lots less than 449 sqm. Still 32% of lots in 2014 that were 550-649 sqm and generally the proportion of smaller lots has been relatively low.
- Prices have increased and in 2014 were \$480,000. The increase in small lot product saw an increase in the rate per sqm to over \$1,000 per sqm.
- The focus at Burns Beach has been higher income buyers and an aspirational estate. The estate has a much better connection to the beach and offers more true beachside living compared to the Catalina land.

	No. Lots Sold	Average Sale Price	Average of Rate per Sqm
2004	1	\$400,000	\$218
2005	84	\$390,554	\$657
2006	164	\$417,247	\$724
2007	92	\$478,609	\$832
2008	47	\$455,872	\$773
2009	202	\$363,550	\$748
2010	127	\$437,000	\$848
2011	59	\$458,034	\$864
2012	89	\$433,787	\$768
2013	152	\$473,658	\$854
2014	60	\$480,350	\$1,007



## Burns Beach Lot Sales and Average Prices

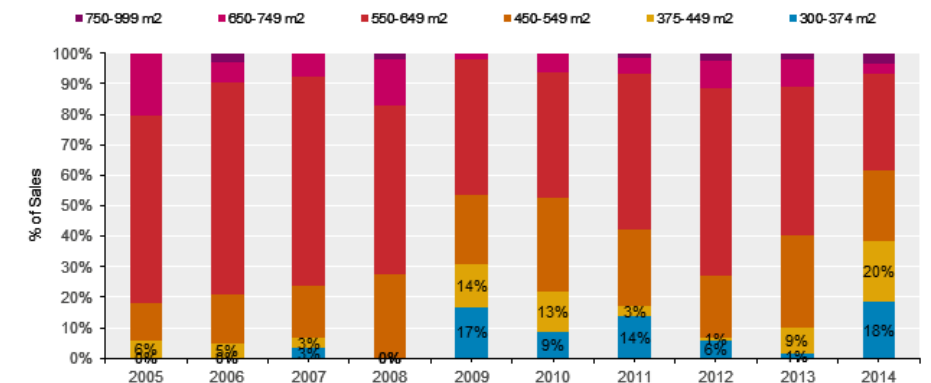
NUMBER OF SALES PER ANNUM AND ANNUAL AVERAGE PRICE



Source: Urbis analysis of FIP Data and Gate Settled Sales Records

## Burns Beach Lot Size Mix

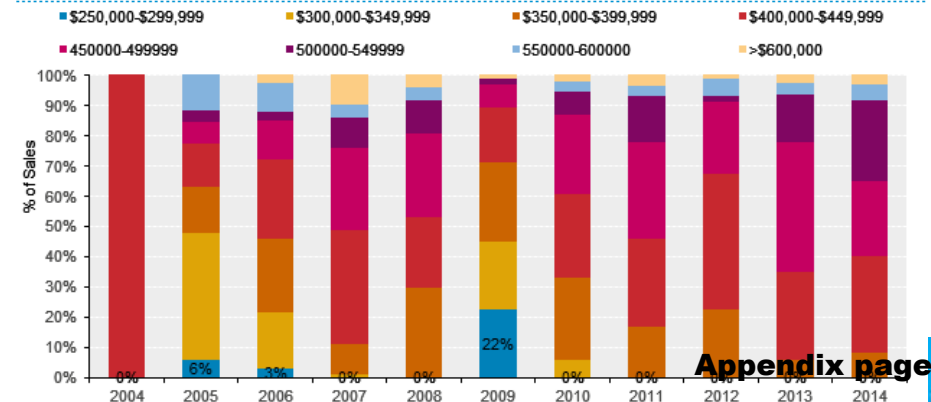
SETTLED SALES FOR LOTS OF UP TO 1,000 SQUARE METRES



Source: Urbis analysis of FIP Data and Gate Settled Sales Records

## Burns Beach Lot Price Mix

SETTLED SALES FOR LOTS OF UP TO 1,000 SQUARE METRES



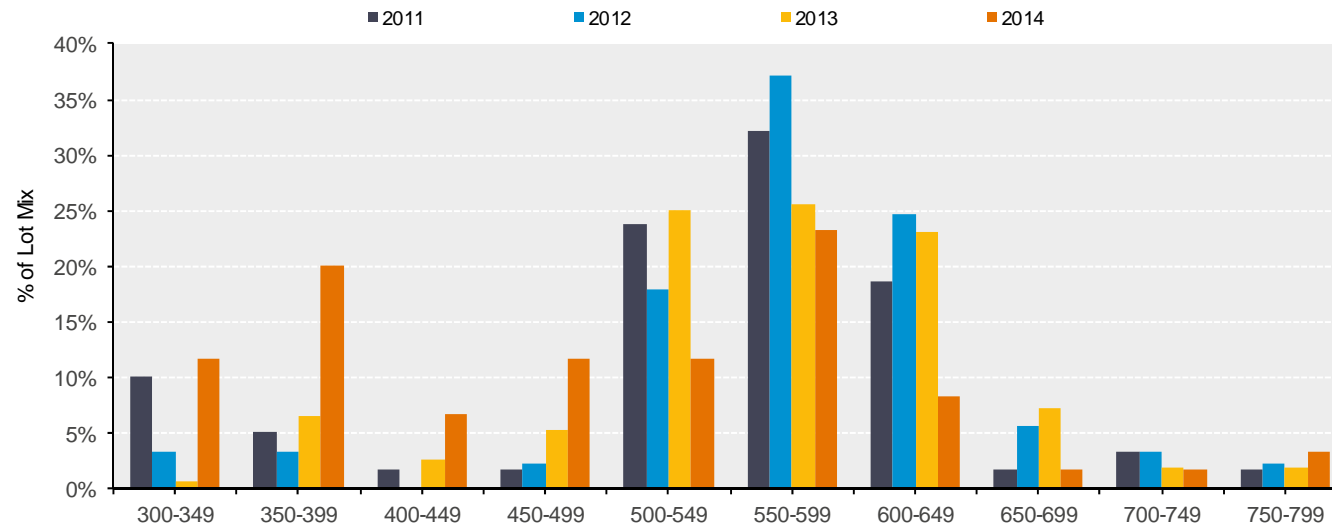
Source: Urbis analysis of FIP Data and Gate Settled Sales Records

## Burns Beach Lot Mix Analysis

- The lot mix at Burns Beach is far more focused on larger lots and up until 2014 the focus has been on lots of 500 to 649 sqm.
- Settled lot sales in 2014 were focused around and has a far larger focus on 300 to 399 sqm.

## Burns Beach Lot Price Mix

SETTLED SALES FOR LOTS OF UP TO 1,000 SQUARE METRES



Source : Urbis analysis of RP Data/LandGate Settled Sales Records



# Estate Plan



Burns Beach is a premium beachfront community delivering a first class coastal lifestyle. You will find large expanses of public open space including the magnificent Fuschione Park, protected bushland reserves, a network of cycling and walking paths, stunning streetscapes and unbeatable beach access. Burns Beach is truly unsurpassed by any location in the area.



## LEGEND

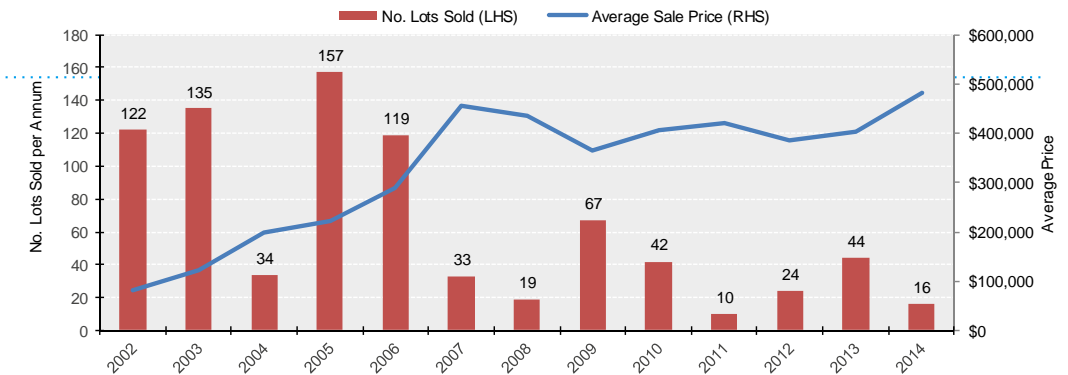
- Land Sales Centre
- Display Village
- Upcoming Release
- Previous Release
- Future Release
- Existing Residential
- Temporary Car Park Sites
- Zoned for Commercial
- Zoned for Kiosk / Café





## Jindalee Beachside

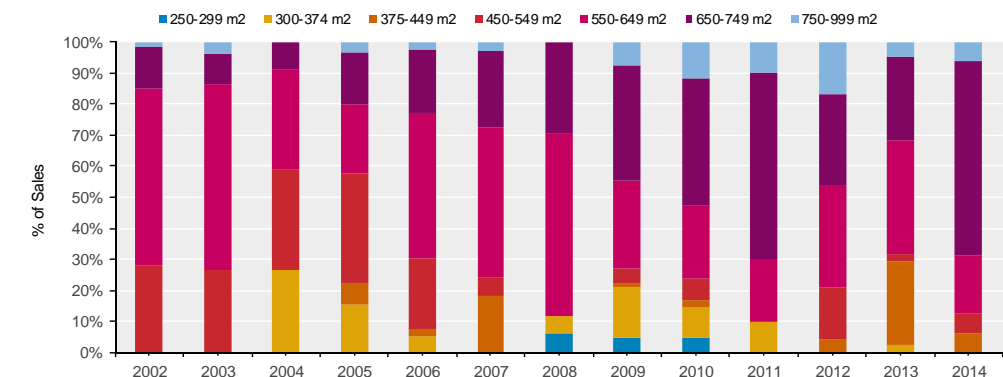
- Another example of a premium beachside estate is Jindalee Beachside (previously called Brighton Beachside). Whilst Brighton has been focused on the affordable end of the market and has had most of the lots under 400 sqm the Beachside estate has had lots of 600 to 750 sqm priced at a premium level.
- While, this estate can not be compared directly with Catalina though as it has a strong connection to the beach and a coastal village. It does highlight the trend towards larger lots to the west of Marmion Avenue.
- The premium price has meant that in more recent years this has been a low volume high margin estate.



Source: Urbis analysis of RP Data/LandGate Settled Sales Records

## Brighton Beachside Lot Size Mix

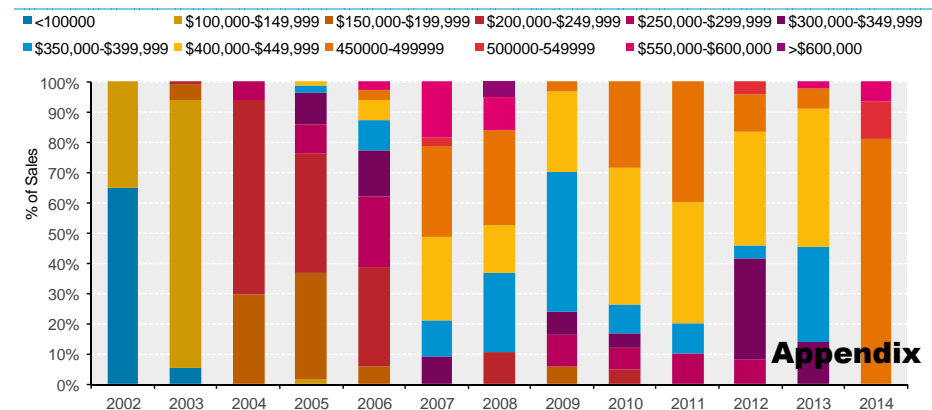
SETTLES SALES FOR LOTS OF UP TO 1,000 SQUARE METRES



Source: Urbis analysis of RP Data/LandGate Settled Sales Records

## Brighton Beachside Lot Price Mix

SETTLES SALES FOR LOTS OF UP TO 1,000 SQUARE METRES



	No. Lots Sold	Average Sale Price	Average of Rate per Sqm
2002	122	\$80,255	\$135
2003	135	\$123,555	\$210
2004	34	\$199,265	\$402
2005	157	\$221,691	\$415
2006	119	\$290,437	\$497
2007	33	\$454,545	\$776
2008	19	\$436,316	\$669
2009	67	\$366,343	\$635
2010	42	\$405,952	\$675
2011	10	\$421,750	\$672
2012	24	\$384,583	\$615
2013	44	\$404,250	\$734
2014	16	\$482,500	\$770










## 6. Apartment Market Drivers

## Apartment Market Summary







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- The Catalina Grove site rates reasonably well against apartment market drivers or current demographics in the catchment area that would be supportive of apartments.
- Medium density product should be more focused on cottage lots and town house development. This would be best placed surrounding the public open space and local retail and should be developed in conjunction with or after the completion of these aspects.
- Whilst there may be some scope for a small amount of apartment development it is hard to see the scale of higher density development anticipated in the local structure plan being accepted by the market currently.
- The apartments that have been developed on the Catalina central land offer a small affordable product which is supported by the close proximity to the Ocean Keys town centre.
- The density on the site should be more focused on the eastern portion of the site which has better proximity to the Ocean Keys town centre and public transport.

## The Site Rated by Apartment Market Success Factors

CRITERIA	DESCRIPTION	ASSESSMENT
Proximity to CBD or other Employment Centre	A key factor in determining demand for apartments is the distance from the CBD or other key employment centres. People seeking to live close to the city with its attendant amenities such as employment, entertainment and retail are typically willing to trade off dwelling size for higher amenity living. This particularly applies to young professionals without children and lone person households.	7 kms from the Joondalup CBD 
Proximity to Public Transport	Apartments located within close proximity to a train station or bus route support more intensive forms of development. Being within walking distance of a train station is particularly attractive to workers commuting into the CBD or other places of employment. Minimal commuting times and ease of access are key considerations in the decision to move to higher density developments.	Within an easy walk of the train station (400m). The journey to the train station needs to be as attractive as possible.    
Retail / Entertainment Amenity	One benefit of apartment living is often improved access to a wide variety of entertainment, recreation, retail and service facilities. This is due to the critical mass of the denser population being able to support a wider range of facilities that may not be viable in a low-density area. This benefit generally extends to the ability to access these amenities without having to get into a car – which is generally captured within a 400 metre walking distance. It is also important to offer a range of activities, such as a variety of retail as well as entertainment facilities including cinemas, cafés and restaurants.	Walking distance to potential neighbourhood centre on Neerabup Road and potential for a café on the spine road. 
Access to Freeways	Good freeway access is beneficial for all types of residential development (but more so for outer suburban locations).	The Freeway is easily accessible..   



Proximity to Employment	Often an advantage of apartment living is that it allows residents to live closer to their place of employment, at a more affordable price. Consequently, apartment developments that are close to significant employment areas tend to be more successful.	Joondalup and northern industrial areas are reasonably close. 
Views/Aspect	Apartments are often successful when they can provide water, park or CBD views. Well elevated sites or sites that have significant views such as beach, river, golf courses or scenic vistas are often attractive for high density living. These views are expected to be available in perpetuity and not likely to be built out or obscured. A favourable aspect (i.e. north facing) is particularly desirable as it allows for solar access throughout the year. This is increasingly the case with environmentally sustainable development requiring passive solar design.	Limited to views. Potential for outlook onto POS. Potential for north facing apartments. 
Public Open Space	One of the attractions of apartment living is the lack of maintenance involved, mainly from the absence of a garden. To counter the lack of private outdoor space, access to public open space can be a decisive factor in the choice to move to a high density environment. The loss of backyard or courtyard can be compensated by a high quality public space that is within comfortable walking distance. The open spaces should be able to accommodate a range of functions. They should also provide a feeling of personal comfort and safety.	There is potential to create an attractive central feature POS area for the apartments to overlook. i.e Claremont on the Park, Breakfast Point, Burswood Peninsula.  
Other Investment	Apartment development benefits from improvements and investment in the broader region. These can range from improvements to open space streetscape or more significant investment around roads or infrastructure.	Joondalup will continue to be a focus for investment. 
Demographics	Apartment development is most likely to succeed in areas where the demographics of the residents have a high propensity to live in apartments. Factors include above average levels of under 34 year olds, people utilising public transport and a high level of renters. These factors and others are examined with the Urbis Apartment Friendly Suburb Score.	The demographics of the catchment area are likely to be supportive of apartments. 

## Urbis Apartment Friendly Suburb Score for the Catchment Suburbs

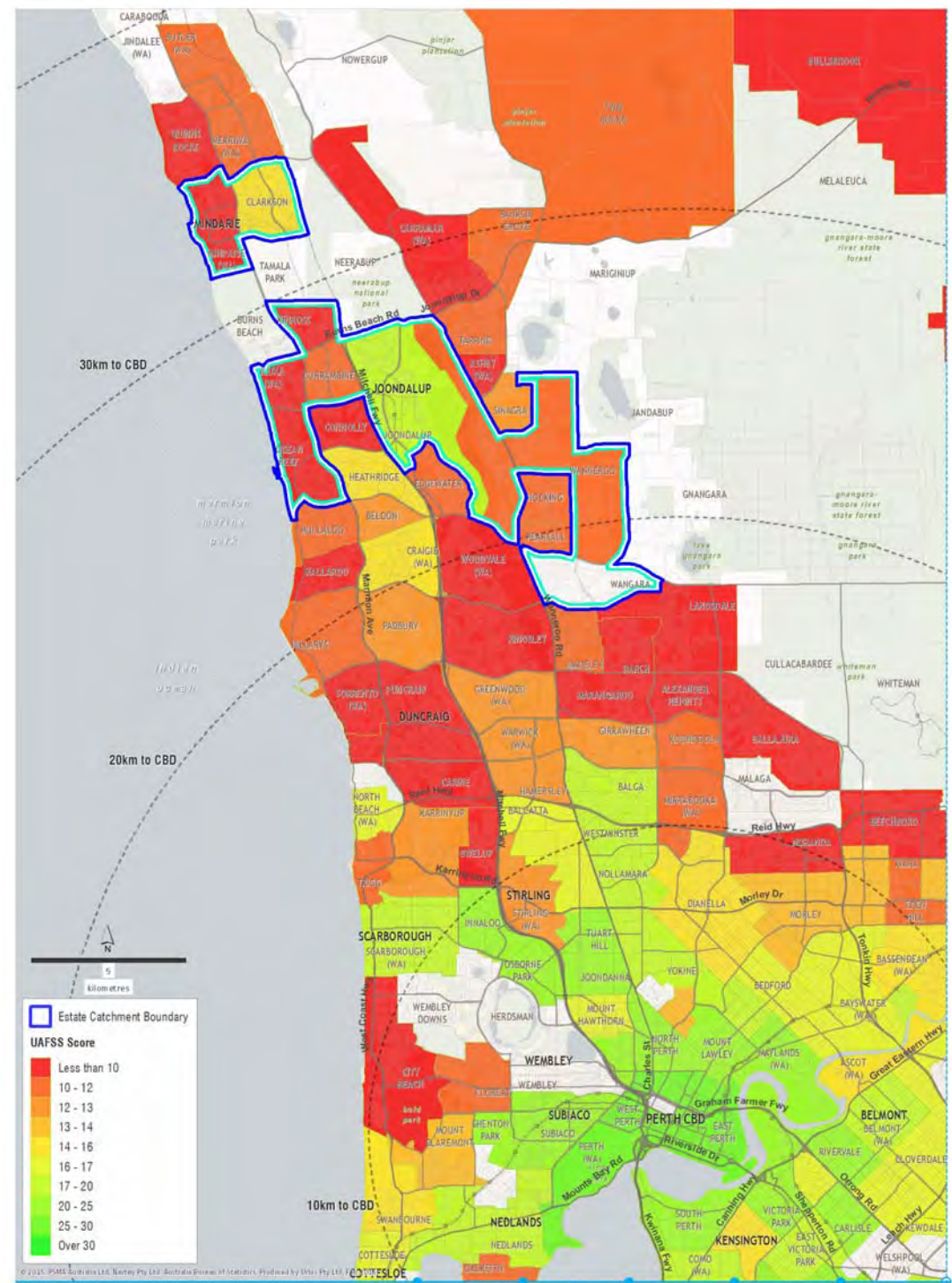
- With the exception of Joondalup and Clarkson most of the other suburbs in the catchment do not currently rank well with the sorts of demographics that would indicate people with a higher propensity to live in apartments.

Benchmark Area	Greater Perth				Urbis Apartment Friendly Suburb Score	Number of persons % aged 20-34	Number of persons % aged 50-74	Percentage of rented dwellings	Percentage of persons born in Asia, America or SE Europe	Percentage of loneperson Households	Percentage of group households	Percentage of couple households with no children	Percentage White Collar Workers	Percentage of persons with individual income above 78k	% of people who travel to work who walk or catch public (excludes car then public)
	Rank out of 267	% Apts	%Sep House	Total Dwel.	UAFSS Weighting (max score possible =34.0)	21%	2%	21%	5%	10%	10%	2%	5%	3%	21%
Joondalup	49	24%	62%	3,233	17.6	4	1	4	3	3	4	2	3	2	4
Clarkson	73	2%	90%	3,844	16.0	4	0	4	3	2	3	1	2	1	4
Wanneroo	170	5%	87%	4,371	11.3	3	3	2	2	3	2	3	2	1	2
Currambine	185	6%	92%	2,226	10.8	2	2	2	3	1	2	1	3	3	3
Kinross	215	2%	94%	2,263	9.7	2	1	2	2	1	1	0	3	2	3
Ocean Reef	240	2%	97%	2,592	7.6	1	3	1	3	1	1	3	3	3	2
Mindarie (WA)	241	2%	90%	2,245	7.4	0	2	2	2	0	0	3	3	4	3
Iluka (WA)	261	0%	96%	1,361	5.4	0	2	0	2	0	0	1	4	4	3

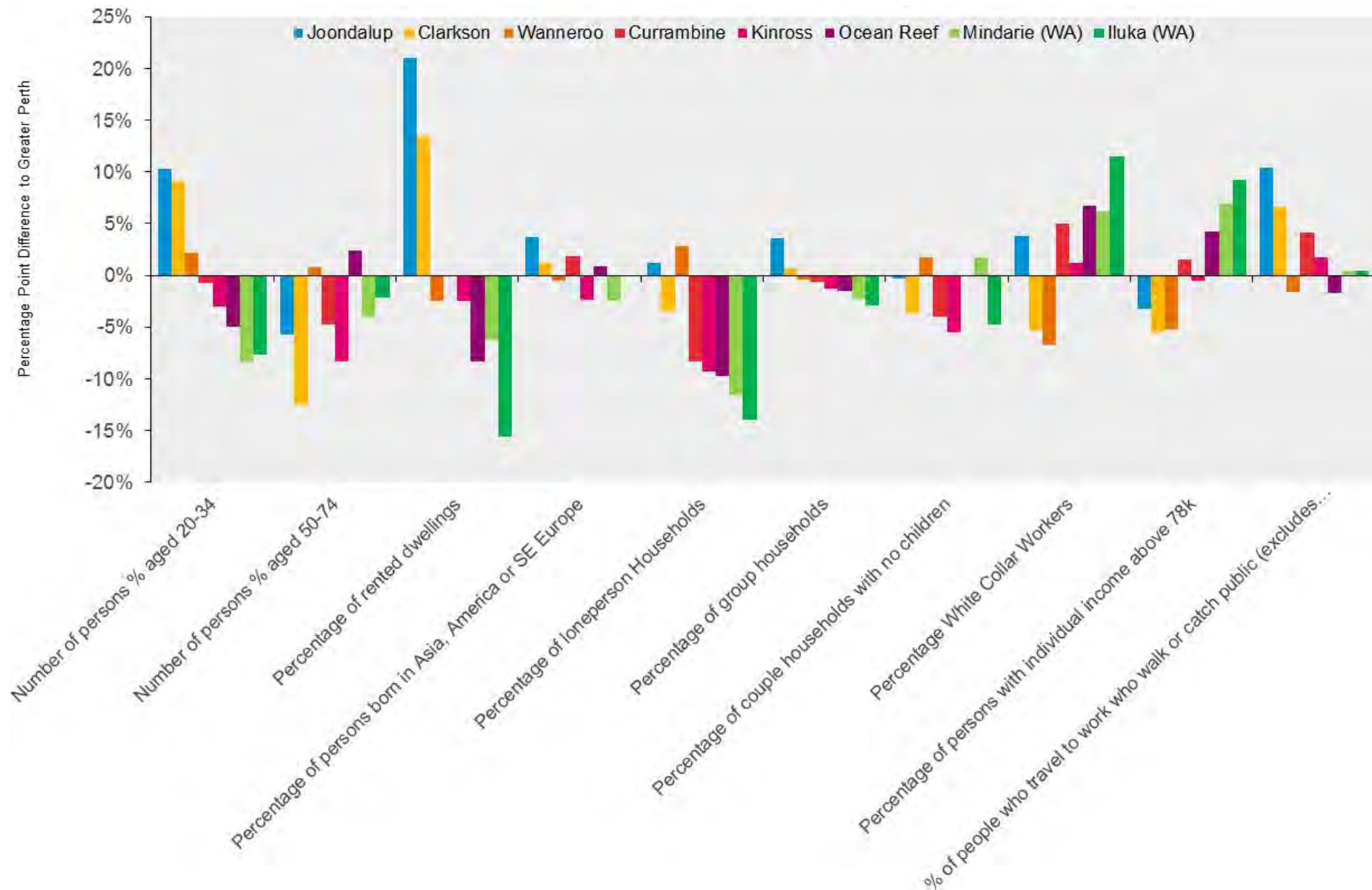
Percentile	Score
10	1.00
25	2.00
50	3.00
75	4.00
90	5.00
95	6.00
100	7.00

## Urbis Apartment Friendly Suburb Score

- The low rating for demographics which has a higher propensity to live in apartments are highlighted in this map. Areas closer to central employment areas and public transport are generally those which attract a higher proportion of people likely to live in apartments.



## UAFSS Factors Compared to Greater Perth





# THE APARTMENTS AT CATALINA

McAllister Boulevard, Clarkson

## Catalina Apartments

- These apartments have been done as part of the current stage of Catalina these are within an easy walking distance of the town centre precinct but not an easy walk to the train station.
- The apartments are small apartments and are priced at approximately 70% of house values in the area and aimed at investors and young owner occupiers.
- Whilst they have sold well the offering has been limited with only 20 apartments.

### PROJECT DETAILS

DEVELOPER	ABN Group	EST. COMPLETION	Q5/2015
NO. OF LEVELS	2	PROJECT LAUNCH DATE	Nov-13
STATUS	Construction	NO. SALES	% SOLD
TOTAL YIELD	20	SALES TO DATE	20 100%

### INTERNAL AREA RANGE

PRODUCT ANALYSIS	QUANTITY	(SQM)	PRICE MIN (\$)	PRICE MAX (\$)
ONE BEDROOM, CAR	10 - 50%	50 - 51	309,000	329,000
TWO BEDROOM, TWO BATH	10 - 50%	64 - 64	355,000	390,000

### INTERNAL

### EXTERNAL AREA RANGE

SALES ANALYSIS	(SQM)	\$ PER SQM SMALL	\$ PER SQM LARGE
ONE BEDROOM, CAR	12 - 12	6,180	6,451
TWO BEDROOM, TWO BATH	12 - 12	5,547	6,094

### COMMENTS

Property is in close location to Mindarie Marina and its surrounding beaches, characteristics that are being used as a major selling point. These apartments are located in a recently developed area of Clarkson and enjoy easy access to the nearby public transportation hub as well as freeway access. This development includes a component of affordable housing.

### PHOTOGRAPHS / IMAGES



Appendix page 239

## Suburban Apartment Examples

- Perth is seeing more examples of suburban apartment development.
- Generally two to three storey, four tops.
- Prices generally \$300,000 to low \$400s.

## Perth Suburban Comparable Projects

SUBURB MEDIAN HOUSE PRICES AND APARTMENT MIX SIZES AND PRICE POINTS

Development, Suburb (Developer)	Total Apartments	Building Height	1 Bed Apts %	2x1 Apts %	2x2 Apts %	3 Bed Apts %	1 Bed Min Price	1 Bed Max Price	2 Bed Min Price	2 Bed Max Price	3 Bed Min Price	3 Bed Max Price
Beeliar Village Apartments Stage 1, Beeliar (PRD Nationwide)	36	2	17%	56%	28%	NA	\$310,000	\$321,000	\$373,000	\$438,000	NA	NA
Beeliar Village Apartments Stage 2, Beeliar (PRD Nationwide)	36	2	78%	22%	NA	NA	\$321,000	\$349,000	\$382,000	\$396,000	NA	NA
Beeliar Village Apartments Stage 3, Beeliar (PRD Nationwide)	28	2	21%	43%	36%	NA	\$325,000	\$325,000	\$386,000	\$435,000	NA	NA
Evolve, Balga (Ionic Property)	32	2	56%	NA	44%	NA	\$299,000	\$319,000	\$369,000	\$399,000	NA	NA
Glenariff Apartments, Canning Vale (PRD Nationwide)	44	3	30%	18%	50%	2%	\$330,000	\$360,000	\$395,000	\$460,000	\$499,000	\$499,000
Invita Apartments Stage 2, Wellard (Peet Ltd)	46	3	30%	13%	57%	NA	\$290,000	\$300,000	\$320,000	\$370,000	NA	NA
Invita Apartments Stage 3, Wellard (Peet Ltd)	106	3	22%	4%	69%	6%	\$290,000	\$320,000	\$320,000	\$375,000	\$375,000	\$425,000
Kingston the Fourth, Cockburn Central (Australand)	60	5	3%	NA	97%	NA	\$399,000	\$425,000	\$472,000	\$530,000	NA	NA
Vicinity, Cockburn Central (Australand)	96	8	26%	NA	74%	NA	\$365,000	\$426,000	\$466,000	\$535,000	NA	NA
Adara - Stella Orion, Success (Gold Master)	77	6	23%	31%	45%	NA	\$335,000	\$395,000	\$415,000	\$525,000	NA	NA
Nicheliving Beckenham Apartments, Beckenham (Nicheliving)	66	3	18%	82%	NA	NA	\$349,000	\$365,000	\$369,000	\$420,000	NA	NA
The Apartments at the Playground, Coolbellup (Nicheliving)	45	3	20%	67%	13%	NA	\$349,000	\$349,000	\$395,000	\$460,000	NA	NA
The Lane, Beckenham (Fini Developments)	54	3	17%	9%	70%	4%	\$335,000	\$355,000	\$375,000	\$425,000	\$425,000	\$425,000
The Paramount Stage 1, Beeliar (Terranovis Pty Ltd)	18	3	33%	NA	33%	33%	\$292,000	\$315,000	\$365,000	\$385,000	\$395,000	\$447,000
The Whitfield, Bassendean (Willing Property)	34	4	53%	18%	29%	NA	\$315,000	\$330,000	\$445,000	\$550,000	NA	NA
<b>Average</b>	63	3	27%	37%	50%	4%	\$330,538	\$354,538	\$387,462	\$443,692	\$433,000	\$449,667

Source: Urbis' Apartment Market Essentials Survey Q12015

## 7. Town Centre and TOD Analysis

## Ocean Keys and Clarkson



Overview	<p>There have been several development precincts in the Ocean Keys area:</p> <ul style="list-style-type: none"> <li>• The Metro at Clarkson by Australand saw two stages of medium density development around Clarkson train station between 2007 and 2012 within the Somerley Estate. The typologies and sales for the strata titled product are detailed below. The product mix comprised single and double storey townhouses, apartments, terraces and villas. This was done at a density of 60 dwellings per ha and a mix of one, two and three storey buildings. The key driver for this product was the proximity to the train station (largely within 300 m). It is also supported by proximity to the shopping centre (1.5 km).</li> <li>• As part of the Catalina Estate, 20 apartments and five villas are being developed to the south of the shopping centre.</li> <li>• In line with the 14,000 sqm extension of Ocean Keys Shopping Centre (staged, from March 2014), ten apartments were built and retained by AMP on the Ocean Keys shopping centre site.</li> </ul>
Location	Ocean Keys is located in the northern Perth suburb of Clarkson: 36 kilometres north from the CBD and 10 kilometres north from Joondalup. It is accessible via the Joondalup railway line and Marmion Avenue. Ocean Keys is approximately 2 kilometres east of the Mindarie Marina and Indian Ocean.
Commencement Year	Various projects, from 2007 (Australand)
Completion Year	Through to 2016 (Catalina Apartments)
Developer	Australand, Tamala Park, AMP
Number of Dwellings	<p>AMP – 10 apartments</p> <p>Catalina – 20 apartments, 5 villas</p> <p>Australand – see below</p>
Sales Rate	<p>Australand – Metro – stage 1 apartments – 4.5 per quarter (18 annualised)</p> <p>Australand – Metro – townhouse/villas stage – 6.4 per quarter (26 annualised)</p> <p>Australand – stage 2 townhouse/villas – 6.7 per quarter (27 annualised)</p>
Apartment Sizes and Prices	<p><b>36 Ocean Keys Boulevard (AMP)</b></p> <p>2 bed, 2 bath: 84-87 sqm (internal) plus 21-27 sqm balcony</p> <p><b>Catalina Apartments (Tamala Park)</b></p> <p>1 bed, 1 bath: 50 sqm (internal) plus 12 sqm balcony – \$285,000-\$305,000</p> <p>22 bed, 2 bath: 64 sqm (internal) plus 10-12 sqm balcony – \$335,000-\$380,000</p> <p><b>Metro (Australand)</b> – see next slide</p>

Source: realestate.com.au, Peard, AMP Capital, Google Maps, Urbis



## Ocean Keys and Clarkson

### Australand Metro at Clarkson Building Mix

Sales by Bedroom Type Where Available

Typology	Number of Units	Number of Bedrooms	Average Size
Apartments	12	1	57 sqm
	70	2	85 sqm
Townhouses	9	1, 2 & 3	130 sqm
	24	1, 2 & 3	152 sqm
Terraced Homes	156	2 & 3	120 to 203 sqm
Villas	55	2 & 3	252 sqm
<b>TOTAL</b>	326	-	-
Retail Units	6	-	106 sqm

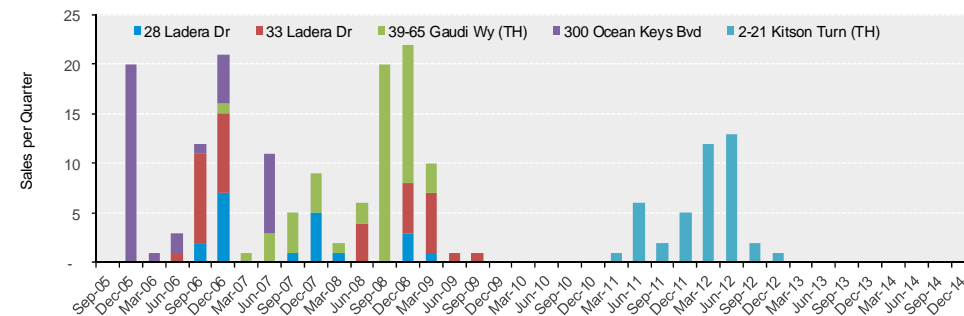
### Sales in Clarkson

Settled Sales by Year Built

	Number of Settled Sales	Year Built	Minimum Price	Maximum Price
<b>Apartment</b>				
28 Ladera Drive	20	2007	\$297,500	\$380,000
33 Ladera Drive	35	2008	\$299,000	\$485,000
300 Ocean Keys Boulevard	37	2007	\$195,000	\$340,000
<b>Townhouse/Villa</b>				
39-65 Gaudi Way	53	2009	\$330,000	\$423,000
2-21 Kitson Turn	42	2011	\$339,000	\$449,000

### Australand Metro at Clarkson Townhouse & Apartment Sales' Summary

Sales per Quarter by Building




### Metro at Clarkson

Precinct Plan



## The Village at Wellard



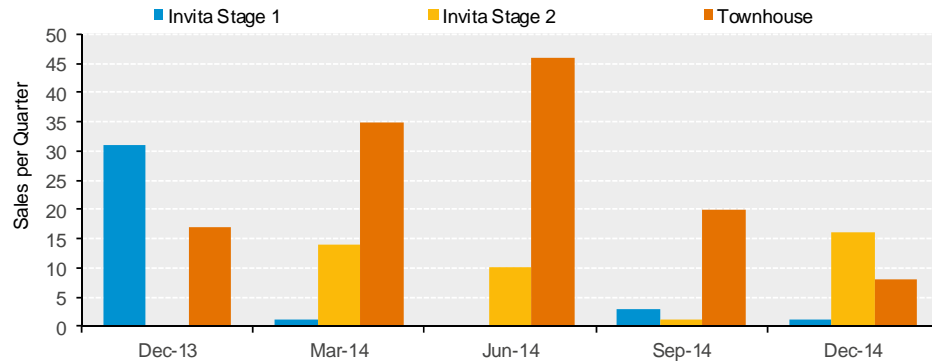
Overview	The medium density product at Wellard is focused around Wellard Square and the train station. Wellard train station opened in 2007 while Wellard Square, which includes specialty shops, cafés and a Woolworths supermarket, opened in Q3/2014.
Location	Wellard is a southern Perth suburb: 37 kilometres south from the CBD and 12 kilometres east from Rockingham and Cockburn Sound. It is accessible via the Mandurah railway line and Kwinana Freeway.
Commencement Year	Medium density 2013
Completion Year	Sales expected to finish in 2019, with all construction complete by 2021
Developer	Peet
Number of Dwellings	Upon completion of estate: Total dwellings: 2,700 Total apartments: Invita (stage one) 36 apartments, Invita (stage two) 46 apartments and Invita (stage three) 106 apartments
Sales Rate	Invita stage 1 – 7.2 per quarter (29 annualised) <i>sales rate was initially high as 15/36 apartments were sold to Defence Housing Australia</i> Invita stage 2 – 5.9 per quarter (23 annualised) <i>note that the sales rate is high as stage 2 will not be completed until October 2015 and the sales rate is based on the period until completion</i> Average for stages 1 and 2 across the life of the projects – 9.2 per quarter (37 annualised) Townhouses – 25 per quarter (101 annualised) <i>Note that the townhouses are generally flute style product which are green titled houses and are not in line with the LandGate definition for townhouses (and would not show up in the sales for other estates). This is based on sales data supplied by Peet and includes conditional sales. The sales rate is only based on 12 months of sales and does not necessarily provide a good indication of longer term sales rates.</i>
Apartment Sizes and Prices	<b>Invita Stage 1</b> 4 – 1x1: 65 sqm (internal) plus 10-21 sqm balcony - \$290,000 to \$300,000 32 – 2x2: 78-86 sqm (internal) plus 10-19 sqm balcony - \$320,000 to \$345,000 <b>Invita Stage 2</b> 14 – 1x1: 50 sqm (internal) plus 13-16 sqm balcony - \$290,000 to \$300,000 6 – 2x1: 77 sqm (internal) plus 12.5 sqm balcony - \$340,000 26 – 2x1: 71-86 sqm (internal) plus 10-19 sqm balcony - \$320,000 to \$370,000 <b>Townhouses</b> An example of the townhouse product at Wellard is the Aussie Living Giants 3x2 house on a 240 sqm 7.5 m frontage lot. This has an asking price of \$369,965.

Source: Peet, UDIA, realestate.com.au, Google Maps, Urbis

## The Village at Wellard

### Wellard Medium Density Sales Rates

Quarterly Sales for Apartments and Townhouses – Settled Sales Under Contract



Source : Urbis, Peet Sales Data

## INVITA APARTMENTS STAGE 2

10 Pimlico, Wellard

### PROJECT DETAILS

DEVELOPER	Peet Ltd	EST. COMPLETION	Q1/2016
NO. OF LEVELS	3	PROJECT LAUNCH DATE	Feb-14
STATUS	Construction	NO. SALES	% SOLD
TOTAL YIELD	46	SALES TO DATE	28
			61%

### INTERNAL AREA RANGE

PRODUCT ANALYSIS	QUANTITY	(SQM)	PRICE MIN (\$)	PRICE MAX (\$)
ONE BEDROOM, CAR	14	50 - 50	290,000	300,000
TWO BEDROOM, ONE BATH	6	77 - 77	340,000	340,000
TWO BEDROOM, TWO BATH	26	71 - 86	320,000	370,000

### INTERNAL

SALES ANALYSIS	EXTERNAL AREA RANGE	\$ PER SQM SMALL	\$ PER SQM LARGE
ONE BEDROOM, CAR	13 - 16	5,800	6,000
TWO BEDROOM, ONE BATH	12.5 - 12.5	4,416	4,416
TWO BEDROOM, TWO BATH	10 - 19	4,507	4,302

### COMMENTS

This medium density product is focused around Wellard Square and train station. Wellard train station opened in 2007 while Wellard Square, which includes, specialty shops, cafés and a Woolworths supermarket, opened in Q3/2014. This precinct is accessible via the Mandurah railway line and Kwinana Freeway. Sales are expected to finish in 2019, with all construction complete by 2021. Its accessibility has been a key selling point.

### PHOTOGRAPHS / IMAGES



Source: Urbis Q4 2014 Essentials Survey, Peet Ltd



# INVITA APARTMENTS STAGE 3

533 Lambeth Circle, Wellard

## PROJECT DETAILS

DEVELOPER	Peet Ltd	EST. COMPLETION	Q2/2016
NO. OF LEVELS	3	PROJECT LAUNCH DATE	Jan-15
STATUS	Presales	NO. SALES	% SOLD
TOTAL YIELD	106	SALES TO DATE	8
			8%

## INTERNAL AREA RANGE

PRODUCT ANALYSIS	QUANTITY	(SQM)	PRICE MIN (\$)	PRICE MAX (\$)
ONE BEDROOM, CAR	23	54 - 54	290,000	320,000
TWO BEDROOM, ONE BATH	4	70 - 80	310,000	350,000
TWO BEDROOM, TWO BATH	73	72 - 80	320,000	375,000
THREE BEDROOM	6	97 - 97	375,000	425,000

## INTERNAL

SALES ANALYSIS	EXTERNAL AREA RANGE	\$ PER SQM SMALL	\$ PER SQM LARGE
ONE BEDROOM, CAR	12 - 12	5,370	5,926
TWO BEDROOM, ONE BATH	15 - 20	4,429	4,375
TWO BEDROOM, TWO BATH	15 - 23	4,444	4,688
THREE BEDROOM	15 - 23	3,866	4,381

## COMMENTS

This medium density product is focused around Wellard Square and train station. It enjoys easy access to transport facilities, freeway entrances and the nearby Wellard Square, which includes, specialty shops, cafés and a Woolworths supermarket. This stage was only launched in QTR 1 2015 and achieved reasonably good sales in that quarter.

## PHOTOGRAPHS / IMAGES



Source: Urbis Q1 2015 Essentials Survey, Peet Ltd



## Ellenbrook



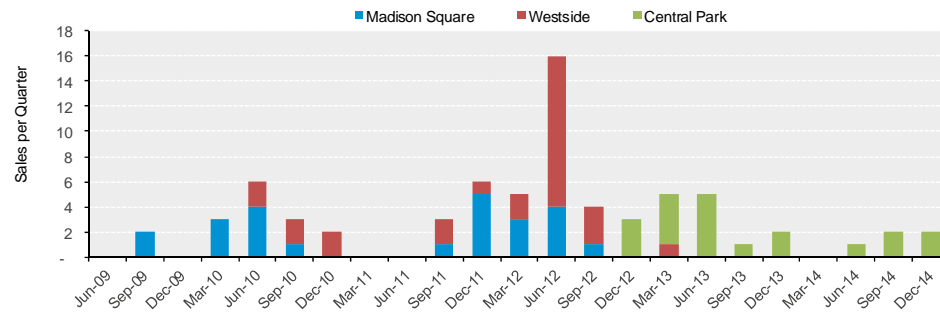
Overview	<p>Home to 11 schools, an expanding town centre (which includes Woolworths, Coles, Big W and professional services' providers) and outstanding recreational facilities (indoor and outdoor), Ellenbrook is a well-established estate. It is also in close proximity of Whiteman Park and the Swan Valley. Whilst long being talked about as having a train line to connect it with the CBD there are currently no firm plans.</p> <p>The apartments at Ellenbrook are being developed by TRG Properties via its joint venture with Prime Group, Develop Australia Corporation Pty Ltd. This consists of a number of medium density apartment sites in a village-style project adjoining the Ellenbrook civic square and retail centre.</p> <p>The total development will involve the construction of over 300 residences which will provide a central residential focus based around Ellenbrook's major shopping and commercial town centre.</p> <p>The first two stages of the Ellenbrook Apartments, Madison Square and Westside, comprised 2 buildings with 46 one and two bedroom apartments. Madison Square and Westside have sold out and construction is complete. The next stage of 47 apartments, Central Park, has also sold out and was completed in late 2014. The next stage of Ellenbrook Apartments, Broadway, is all presold and has commenced construction. Broadway comprises 40 apartments and is due for completion in August 2015.</p>
Location	Ellenbrook is located in metropolitan Perth's north-east: 27 kilometres from the CBD and 16 kilometres from Midland. Inaccessible by train and adjacent to Gngara-Moore River State Forest in the west, the suburb is accessible via a series of roads including Gngara Road and West Swan Road. The apartments are located adjacent to the shopping centre.
Commencement Year	2009
Completion Year	n/a
Developer	TRG, Prime Group
Number of Dwellings	<p>Upon completion of estate:</p> <p>Total dwellings: 10,500</p> <p>Apartments to date: Westside 27 apartments, Madison Square 24 apartments, Central Park 47 apartments and Broadway 40 apartments.</p>
Sales Rate	5.7 apartments per quarter (23 annualised), includes allowance for off plan sales
Apartment Sizes and Prices	<p><b>Broadway</b></p> <p>2 – 1x1 – 52 sqm plus 15 sqm balcony - \$330,000 to \$340,000</p> <p>28 – 2x2 – 79 sqm to 82 sqm plus 8 sqm to 86 sqm courtyard - \$399,000 to \$435,000</p>

Source: LWP Property Group, Georgiou, Prime Group, realestate.com.au, Google Maps, Urbis

## Ellenbrook

### Ellenbrook Apartment Sales

Sales per Quarter by Building



Source: RP Data, Urbis

### Ellenbrook Apartment Sales

Sales per Quarter by Building

	Number of Strata Lots	Number of Settled Sales	Year Built	Minimum Price	Maximum Price
Madison Square	24	24	2011	\$310,000	\$425,000
Westside	27	27	2012	\$389,000	\$435,000
Central Park	46	20	2014	\$340,000	\$419,000

## Trinity at Alkimos



Overview	<p>Trinity is a master planned development in Alkimos. It is primarily marketed towards families. The master plan includes around 8,000 sqm of retail and commercial floor space, two primary schools and a high school.</p> <p>The medium density product at Trinity is being marketed by LWP under the branding of Urbano and consists of house and land packages on small lots of 179 sqm to 225 sqm with frontages of 6-7.5 metres. The lots are being packaged by Aussie Living Homes, Homebuyers Centre, Affordable Living Homes and EasyStart Homes. The medium density product is focused around the village centre and train station.</p>
Location	Trinity is within the emerging northern coastal suburb of Alkimos: 44 kilometres north from the CBD and 17 kilometres north from Joondalup. It is accessible via the Joondalup railway line and Marmion Avenue.
Commencement Year	2012
Completion Year	2020
Developer	LWP Property Group
Number of Dwellings	Upon completion of estate: Total dwellings: 2,800
Sales Rate	Landgate records show that there have been 97 settled sales of lots of less than 250 sqm at Trinity since 2012. 9.7 lots per quarter (39 lots per annum)
Apartment Sizes and Prices	<p>Generally prices of \$320,000 to \$370,000 for lots of 180 to 225 sqm. Larger 3x2 on lots of 381 sqm prices around \$410,000.</p> <p>Examples of the Urbano terrace home product are:</p> <ul style="list-style-type: none"> <li>2x1 by Summit, land 180 sqm – \$329,580</li> <li>2x2 by Summit, land 179 sqm – \$346,100</li> <li>3x2 by Aussie Living, land 225 sqm – \$358,586</li> <li>3x2 by Homebuyers Centre, land 225 sqm – \$371,200</li> </ul>

Source: LWP Property Group, realestate.com.au, Google Maps, Urbis

## Cockburn Central



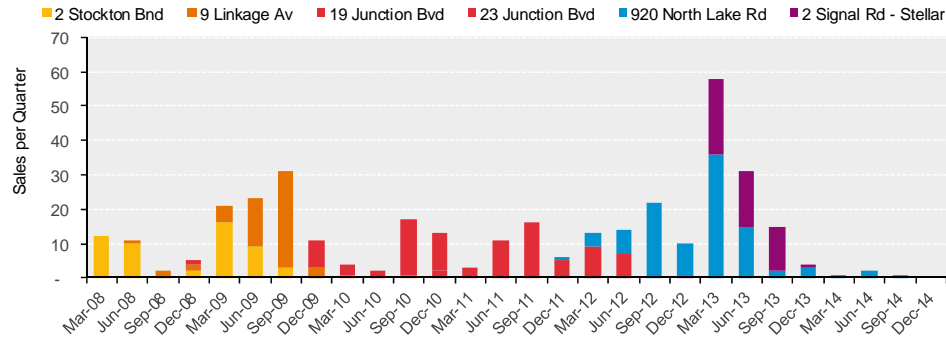
Overview	<p>A transit oriented development, Cockburn Central comprises quality apartments, landmark commercial developments and a variety of retail and food and beverage premises. The town centre around the train station has successfully established a residential and office precinct. It is supported by the regional shopping centre to the south. To date, all apartments in the town centre have been developed by Australand although more recently, some lots have been sold to other developers. Australand is currently marketing its sixth building Kingston the Fourth (60 apartments), which is the fourth and final building in its Kingston series of buildings, and Vicinity (96 apartments) which at nine storeys is the highest building yet in the town centre. Both buildings are under construction with Kingston due for completion in May 2015 and Vicinity due for completion in March 2016.</p> <p>In addition to the town centre, apartments have been developed by the Department of Housing in the Stella development to the south of the shopping centre but still within walking distance of the train station (900 metres). Stella's apartments have generally been slightly lower priced than the town centre product. Two buildings within the Stella development have been completed and settled to date. The most recent is Adara (77 apartments) which reached completion in Q1/2015 (46 apartments remain unsold as at 31 March 2015).</p>
Location	Cockburn Central is a southern Perth suburb: 21 kilometres south from the CBD and 9 kilometres east from the Indian Ocean coastline at Coogee. It is accessible via the Mandurah railway line, Kwinana Freeway, Beeliar Drive and Armadale Road.
Commencement Year	Planning commenced in the early 1990s, sites ready for development from H2/2007 (roads, street scaping in place, servicing)
Completion Year	Circa 2018
Developer	Australand, Department of Housing
Number of Dwellings	Total dwellings (all medium to high density), upon precinct's completion: 1,100 apartments excluding the Stella developments
Sales Rate	13 per quarter (53 annualised) across Australand and the Stella Precinct since 2008. For settled sales only. Note that the Department of Housing only sold 52 of the 130 apartments in the first stage of Stella.
Apartment Sizes and Prices	<p><b>Australand – Kingston on Fourth</b>            2 - 1x1 - 55-61 sqm - \$399,000-\$425,000            58 - 2x2 - 79-89 sqm - \$472,000-\$530,000</p> <p><b>Australand – Vicinity</b>            25 - 1x1 - 43-62 sqm with 4-11 sqm balcony - \$365,000-\$426,000            71 - 2 x 2</p> <p><b>Adara – Stella Orion</b>            18 - 1x1 - 51sqm with 8 sqm balcony - \$335,000 to \$395,000            24 - 2x1 - 58-70 sqm with 9 sqm balcony - \$415,000 to 495,000            35 - 2x2 - 64 to 78 sqm with 8-70 sqm balcony/terrace - \$440,000 to \$525,000</p>



## Cockburn Central

### Cockburn Central Townhouse and Apartment Sales

Sales per Quarter by Building for Australand and DoH's Stella Development



Source : Urbis, RP Data / LandGate

### Cockburn Central townhouse and Apartment Sales

Sales per Quarter by Building for Australand and DoH's Stella Development

	No Strata Lots	No. Settled Sales	Year Built	Min Price	Max Price
AUSTRALAND HOLDINGS LTD	132	507	2013	\$280,000	\$540,000
2 Stockton	53	52	2009	\$280,000	\$440,000
9 Linkage Av	57	57	2009	\$294,000	\$540,000
19 Junction Bvd	20	14	2010	\$409,500	\$525,000
23 Junction Bvd	81	81	2012	\$325,000	\$494,000
920 North Lake Rd	132	103	2013	\$339,000	\$510,000
Housing Authority	130	52	2013	\$168,700	\$514,000
2 Signal Rd	130	52	2013	\$168,700	\$514,000

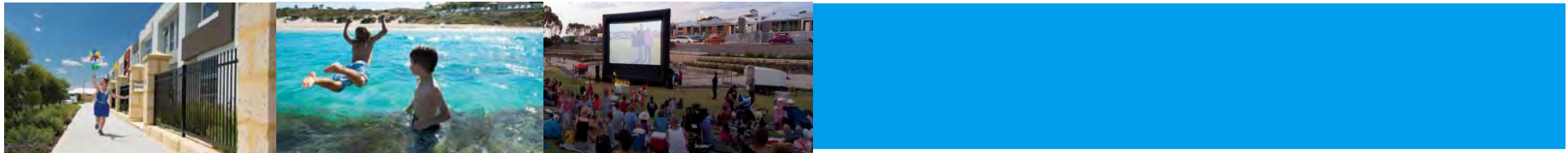
Source: RP Data, Urbis

### Australand Cockburn Central Town Centre

Precinct Plan



## Jindowie



Overview	<p>Jindowie is a coastal community in Perth's north. Bicycle and pedestrian paths contribute to pleasant streetscapes. Local facilities include an 18-hole golf course, a shopping centre, schools, beaches and bushland forever. Proposed future land uses include freeway and railway extensions, a higher education precinct (TAFE) and additional health, entertainment and recreation facilities.</p> <p>Around the town centre, townhouses are being developed by Australand and the Department of Housing. Stage 1 has now been completed and consisted of 21 townhouses/terrace homes of which 13 were sold and the rest retained by the Department of Housing. Stage 2 is a further 39 townhouses being marketed as Santorini Square.</p>
Location	Jindowie is located in the outer northern coastal suburb of Yanchep: 56 kilometres north from the Perth CBD and 31 kilometres north from Joondalup. It is accessible via Marmion Avenue and Wanneroo Road.
Commencement Year	2012
Completion Year	Unknown
Developer	Australand, Department of Housing
Number of Dwellings	<p>Upon completion of estate:</p> <p>Total dwellings: 3,500</p> <p>Stage 1: 21 terrace homes</p> <p>Santorini Square: 39 terrace homes</p>
Sales Rate	Stage 1 sales rate for settled sales indicates 1.5 sales per quarter (6 sales per annum)
Apartment Sizes and Prices	<p><b>Stage 1</b> - \$365,000 to \$390,000</p> <p>Santorini Square: 132 sqm to 167 sqm - \$369,000 to \$379,000</p>

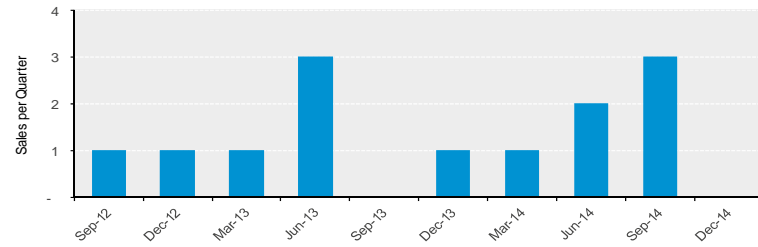
Source: Australand, realestate.com.au, Google Maps, Urbis

## Jindowie

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### Jindowie Townhouse Sales

Sales per Quarter



Source: RP Data, Urbis





This report is dated 13 February 2015 and incorporates information and events up to that date only and excludes any information arising, or event occurring, after that date which may affect the validity of Urbis Pty Ltd's (Urbis) opinion in this report. Urbis prepared this report on the instructions, and for the benefit only, of Tamala Park Regional Council (Instructing Party) for the purpose of market research (Purpose) and not for any other purpose or use. Urbis expressly disclaims any liability to the Instructing Party who relies or purports to rely on this report for any purpose other than the Purpose and to any party other than the Instructing Party who relies or purports to rely on this report for any purpose whatsoever (including the Purpose).

In preparing this report, Urbis was required to make judgements which may be affected by unforeseen future events including wars, civil unrest, economic disruption, financial market disruption, business cycles, industrial disputes, labour difficulties, political action and changes of government or law, the likelihood and effects of which are not capable of precise assessment.

All surveys, forecasts, projections and recommendations contained in or made in relation to or associated with this report are made in good faith and on the basis of information supplied to Urbis at the date of this report. Achievement of the projections and budgets set out in this report will depend, among other things, on the actions of others over which Urbis has no control.

Urbis has made all reasonable inquiries that it believes is necessary in preparing this report but it cannot be certain that all information material to the preparation of this report has been provided to it as there may be information that is not publicly available at the time of its inquiry.

In preparing this report, Urbis may rely on or refer to documents in a language other than English which Urbis will procure the translation of into English. Urbis is not responsible for the accuracy or completeness of such translations and to the extent that the inaccurate or incomplete translation of any document results in any statement or opinion made in this report being inaccurate or incomplete, Urbis expressly disclaims any liability for that inaccuracy or incompleteness.









This report has been prepared with due care and diligence by Urbis and the statements and opinions given by Urbis in this report are given in good faith and in the belief on reasonable grounds that such statements and opinions are correct and not misleading bearing in mind the necessary limitations noted in the previous paragraphs. Further, no responsibility is accepted by Urbis or any of its officers or employees for any errors, including errors in data which is either supplied by the Instructing Party, supplied by a third party to Urbis, or which Urbis is required to estimate, or omissions howsoever arising in the preparation of this report, provided that this will not absolve Urbis from liability arising from an opinion expressed recklessly or in bad faith.





# 9 APPENDICES

## APPENDIX B - INDICATIVE YIELD & PUBLIC OPEN SPACE

Total Site (ha)		49.48342655
 Retail		1.92941165
 Commercial / Bulky		1.07411756
 R100		3.34234379
 R60		1.10515023
 R40		4.76187868
 R30		16.5102789
Total Nett Development Area (NDA)		28.72318081
 Conservation (approx)		3.50067386
 Passive / Active POS		5.3311975
Total POS		8.83187136

Note:

1. Indicative yields in the form of NDA calculations together with POS calculations have been determined based on Concept Plans.
2. These plans and associated NDA are provided to facilitate high level feasibility purposes and subject to detailed design including engineering and servicing.
3. The Concept Plans are subject to achieving all necessary statutory approvals
4. These yields should not be relied on in making financial decisions.









# CATALINA GROVE

## PRECINCT PLAN

### Sydney

Level 23, Darling Park  
201 Sussex Street  
Sydney, NSW 2000  
Tel: +61 2 8233 9900  
Fax: +61 2 8233 9966

### Brisbane

Level 7, 123 Albert Street  
Brisbane, QLD 4000  
Tel: +61 7 3007 3800  
Fax: +61 7 3007 3811

### Melbourne

Level 12, 120 Collins Street  
Melbourne, VIC 3000  
Tel: +61 3 8663 4888  
Fax: +61 3 8663 4999

### Perth

Level 1, 55 St Georges Terrace  
Perth, WA 6000  
Tel: +61 8 9346 0500  
Fax: +61 8 9221 1779

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# **Appendix 9.12**



**TAMALA PARK**  
**Regional Council**

## **DELEGATION REGISTER 2013/14**

**December 2014 October 2015**

First adopted: August 2006  
First review: August 2007  
Last updated: December 2013  
Date for review: December 2015



## Explanatory Notes

### 1. General

The Local Government Act of 1995 provides that powers and duties generally vest with the 'local government' as a corporate entity.

The elected Council exercises the powers and discharges the duties of the local government through resolutions.

There are some specific powers or duties conferred by the Act upon the Chairman, and the Chief Executive Officer (CEO).

Delegations of authority to exercise the statutory powers of Council may be made to:

- Committees (as detailed in sections 5.16 and 5.17 of the Act), or
- The Chief Executive Officer (as detailed in sections 5.42 and 5.43).

The Act also allows the Chief Executive Officer to further delegate the authority to another employee. This cannot, however, be further sub-delegated.

### 2. Role of the Council

Section 2.7 of the Act sets out the role of the Council:-

2.7 (1) The Council -

- a) Directs and controls the local government's affairs; and
- b) Is responsible for the performance of the local government's functions.

(2) Without limiting subsection (1), the Council is to -

- a) Oversee the allocation of the local government's finances and resources; and
- b) Determine the local government's policies.

### 3. Role of the Chairman, Deputy Chairman and Councillors

Sections 2.8, 2.9 and 2.10 set out the roles of Chairman, Deputy Chairman and Councillors:



## **The role of the Chairman**

### **2.8 (1) the Chairman**

- a) Presides at (Council) meetings in accordance with this Act;
- b) Provides leadership and guidance to the community in the district;
- c) Carries out civic and ceremonial duties on behalf of the local government;
- d) Speaks on behalf of the local government;
- e) Performs such other functions as are given to the Chairman by this Act or any other written law; and
- f) Liaises with the CEO on the local government's affairs and the performance of its functions.

(2) Section 2.10 applies to a councillor who is also the Chairman and extends to a Chairman who is not a councillor.

## **The role of the Deputy Chairman**

2.9 The Deputy Chairman performs the functions of the Chairman when authorised to do so under section 5.34 (i.e. where the office of Chairman is vacant, or when the Chairman is unwilling, unavailable or unable to perform his or her functions).

## **The role of Councillors**

### **2.10 A Councillor -**

- a) Represents the interests of electors, ratepayers and residents of the district;
- b) Provides leadership and guidance to the community in the district;
- c) Facilitates communication between the community and the council;
- d) Participates in the local government's decision-making processes at council and committee meetings; and
- e) Performs such other functions as are given to a councillor by this Act or any other written law.

## **4. Function of the CEO**

### **5.41 The CEO's functions are to -**

- a) Advise the Council in relation to the functions of a local government under this Act and other written laws;
- b) Ensure that advice and information is available to the council so that informed decisions can be made;

- c) Cause Council decisions to be implemented;
- d) Manage the day-to-day operations of the local government;
- e) Liaise with the Chairman on the local government's affairs and the performance of the local government's functions;
- f) Speak on behalf of the local government if the Chairman agrees;
- g) Be responsible for the employment, management supervision, direction and dismissal of other employees (subject to section 5.37 (2) in relation to senior employees);
- h) Ensure that records and documents of the local government are properly kept for the purposes of this Act and any other written law; and
- i) Perform any other function specified or delegated by the local government or imposed under this Act or any other written law as a function to be performed by the CEO.

## **5. Delegations of Some Powers and Duties to CEO**

Pursuant to Sections 5.42, 5.43, 5.44, 5.45, and 5.46 of the Local Government Act 1995, a Council may delegate authority to the Chief Executive Officer some of its functions. These sections are set out below:

### **Delegation of some powers and duties to CEO**

5.42. (1) A local government may delegate\* to the CEO the exercise of any of its powers or the discharge of any of its duties under this Act other than those referred to in section 5.43.

*\*Absolute majority required.*

(2) A delegation under this section is to be in writing and may be general or as otherwise provided in the instrument of delegation.

### **Limits on delegations to CEO's**

5.43. A local government cannot delegate to a CEO any of the following powers or duties -

- a) Any power or duty that requires a decision of an absolute majority or a 75% majority of the local government;
- b) Accepting a tender which exceeds an amount determined by the local government for the purpose of this paragraph;
- c) Appointing an auditor;
- d) Acquiring or disposing of any property valued at an amount exceeding an amount determined by the local government for the purpose of this paragraph;

- e) Any of the local government's powers under section 5.98, 5.99 or 5.100; (these relate to: fees, expenses and allowances for Councillors)
- f) Borrowing money on behalf of the local government:
- g) Hearing or determining an objection of a kind referred to in section 9.5;
- h) Any power or duty that requires the approval of the Minister or the Governor; or
- i) Such other powers or duties as may be prescribed.

**CEO may delegate powers and duties to other employees**

- 5.44. (1) A CEO may delegate to any employee of the local government the exercise of any of the CEO's powers or the discharge of any of the CEO's duties under this Act other than this power of delegation.
- (2) A delegation under this section is to be in writing and may be general or as otherwise provided in the instrument of delegation.
- (3) This section extends to a power or duty the exercise or discharge of which has been delegated by a local government to the CEO under section 5.42, but in the case of such a power or duty –
- a) The CEO's power under this section to delegate the exercise of that power or the discharge of that duty; and
  - b) The exercise of that power or the discharge of that duty by the CEO-s delegate,
- Are subject to any conditions imposed by the local government on its delegation to the CEO.
- (4) Subsection (3)(b) does not limit the CEO's power to impose conditions or further conditions on a delegation under this section.
- (5) In subsection (3) and (4):
- ‘Conditions’ includes qualifications, limitations or exceptions.’

**Other matters relevant to delegations under this Division**

- 5.45. (1) Without limiting the application of sections 58 and 59 of the Interpretation Act 1984-
- a) A delegation made under this Division has effect for the period of time specified in the delegation or where no period has been specified, indefinitely; and
  - b) Any decision to amend or revoke a delegation by a local government under this Division is to be by an absolute majority.
- (2) Nothing in this Division is to be read as preventing -

- a) A local government from performing any of its functions by acting through a person other than the CEO; or
- b) A CEO from performing any of his or her functions by acting through another person.

**Register of, and records relevant to, delegations to CEO's and employees**

5.46. (1) The CEO is to keep a register of the delegations made under this Division to the CEO and to employees.

(2) At least once every financial year, delegations made under this Division are to be reviewed by the delegator.

(3) A person to whom a power or duty is delegated under this Act is to keep records in accordance with regulations in relation to the exercise of the power or the discharge of the duty."

With reference to section 5.46 (3), Regulation 19 from the Local Government (Admin.), Regulations 1996 states the following

'Records to be kept by delegates –s.5.46(3)

19. Where a power or duty has been delegated under the Act to the CEO or to any other local government employee, the person to whom the power or duty has been delegated is to keep a written record of -

- a) How the person exercised the power or discharged the duty;
- b) When the person exercised the power or discharged the duty; and
- c) The persons or classes of persons, other than council or committee members or employees of the local government, directly affected by the exercise of the power or the discharge of the duty.'

The practical workings needs to be developed over time and for the time being the pragmatic approach that the CEO will need to employ is to take advice from a Committee where previously authority to make decisions was taken by a Committee of staff members.

Also, in respect of the supervision and audit activity, it will probably be the case, to ensure effectively distributed administration, that the CEO, at the time of making a delegation of a power also make a further delegation to the Divisional Supervisor to supervise the exercise and performance measures associated with the delegated power.

Section 9.38 of the Local Government Act:

*"Evidence that a document has been given or written by or on behalf of the local government may be given by tendering what purports to be the document and purports to be signed by the Chairman or president, the CEO, or any other person authorised to sign it, without proof of the signature or proof that the person signing was a person who could sign then document."*



## 6. Numerical Listing of Delegations

NUMBER	DELEGATION	CONDITION	CEO DELEGATION
<b>CHIEF EXECUTIVE OFFICER</b>			
1	Press Statements and media comments: Authority to issue statements to the News Media and make comments on behalf of Council.	Subject to the prior approval of the Chairman.	
2	Press Statements on Policy: Authority to issue statements of Policy to the News Media on behalf of the Council.	Subject to the prior approval of the Chairman	
3	Contract Signing: Authority to sign formal contracts with the co-signature of the Chairman – upon affixation of the Common Seal to the contract documents.	Subject to budget provision or after authority for sealing by the Council.	
4	<del>Voluntary</del> Emergency Service: Authority to <u>engage and</u> deploy <del>Council</del> <u>contractors and</u> equipment <del>and manpower</del> in an emergency.		
5	Leave: Authority to grant the following leave: 1. Leave without pay 2. Study Leave	Subject to policy provisions or if no policy with Chairman's approval.	
6	1. Authority to appoint all staff with the exception of designated officers; 2. Authority to advertise vacancies	Subject budget provision.	
7	Authority to appoint consultants.	a) Subject to the value being less than <del>\$400,000</del> <u>150,000</u> . b) Subject to there being a budget allocation or subject to there being budget provision and necessary to implement Annual Plan.	
8	Authority to place and/or approve purchase orders • With formally contracted suppliers in accordance with the Procurement Policy and Local Government Act. • Non-contracted and non-accredited suppliers in accordance with Purchasing Policy and Local Government Act.	Subject to budget provision or budget allowance policy.	Executive Assistant and Project Coordinator.

9	Statutory Nominations: Chief Executive Officer and Chairman authorised to complete Ballot Paper.		
10	Authorising the submission of subdivision and development applications to the Western Australian Planning Commission on land owned by or under the care and control of the TPRC or where TPRC acts in pursuit of the objectives set out in the Establishment Agreement.		
11	Contracts – <ul style="list-style-type: none"> <li>Authority to sign contracts for maintenance support of computer and telecommunication hardware and software and general office equipment;</li> <li>Signify acceptance of contracts works as 'completed to TPRC satisfaction'.</li> </ul>		
12	Authority to make minor amendments to the Policy Manual due to changes in names or titles.		Executive Assistant
13	Authority to advertise Invitations to Tender.		
14	Authority to invite period supply tenders and tenders for the disposal of surplus Council property (except land) only.		
15	Procurement of goods and services & disposal of Council property and associated advertisements in accordance with the TPRC Procurement Policy and Local Government Act.		
16	Authority to sign grant applications, acquittals and audited statements related to grants.		Following Council CEO approval.
17	Authority to approve applications to place advertising signs from any organisation – temporary signage.	<a href="#">Subject to being consistent with TPRC objectives and policies.</a>	
18	Attendance at Conference: Authority to approve where budget allocation has been made, subject to the conference being within <del>WA</del> <a href="#">Australia</a> .	<a href="#">CEO to provide report to Council within 45 days of conference.</a>	
19	Certifying documents (section 9.31 Local Government Act).		
20	Authority to write off unrepresented stale cheques to the value of \$20,000.		
21	Authority to approve an extension to a contract.	Subject to: a) The tender specifying the	

		provisions of the option term; b) The contract providing for the extension; and c) The extension being on the same terms and conditions as the last year of the original term but does allow for price increases in line with the contract provisions (if any) for the price.	
22	Authority to make payments to elected members subject to Council policies, the Local Government Act 1995 and its Regulations.	Funds being available in the Council's annual budget and Council policies.	
23	Authority to make payments and transfers from the municipal fund or the trust fund, subject to Regulation 12(1) of the Local Government (Financial Management) Regulations 1996.	Subject to the requirements of Regulation 13 of the Local Government (Financial Management) Regulations 1996.	
24	Authority to invest money and establish investment internal control procedures, subject to Section 6.14 of the Local Government Act 1995 and Regulation 19 of the Local Government (Financial Management) Regulation 1996.	Subject to Council's 'Investment Policy'.	
25	Authority to publicly invite tenders before the Council enters into a contract for the supply of goods or services if the consideration under the contract is, or is expected to be, worth more than \$ <del>100,000</del> 150,000, subject to Regulation 11(1) of the Local Government (Functions and General) Regulations 1996 and Section 3.57(1) of the Local Government Act 1995.	Tenders can only be invited for those goods and services identified in the annual budget, or approved by Council.	
26	Authority to accept or decline any tender, subject to Regulation 18(4) and (5) of the Local Government (Functions and General) Regulations 1996.	Delegation subject to a provision in the annual budget and limited to an amount of \$ <del>100,000</del> 150,000.	
27	Authority, with the approval of the tenderer, to make a minor variation in a	That the variation is minor	

	contract for goods or services before the Council enters the contract with the successful tenderer, subject to Regulation 20(1) of the Local Government (Functions and General) Regulations 1996.	having regard to the total goods or services that tenderers were invited to supply.	
<b>28</b>	Authority to approve sponsorship requests to a maximum of \$500 in accordance with the TPRC Sponsorship Policy.		
<b>29</b>	Authority to allocate decommissioned computers to community groups and organisations, subject to Section 3.58 of the Local Government Act 1995.	Subject to conditions contained in Council policies.	
<b>30</b>	Authority to attend interstate meetings associated with Council business.	Subject to being required for Council business and consistent with TPRC objectives.	
<b>31</b>	Authority to approve and submit construction, civil, development, landscaping and servicing plans for the Tamala Project.	Subject to being required for Council business and consistent with TPRC objectives and, as appropriate, approved TPRC policies and strategies.	
<b>32</b>	Authority to approve and negotiate conditions of approval and servicing and infrastructure agreements relating to subdivision, development, landscaping applications and servicing plans for the Tamala Project and requirements and scheme costs under the City of Wanneroo Town Planning Scheme.	Subject to Budget provision and consistent with TPRC objectives and, as appropriate, approved TPRC policies and strategies.	
<b>33</b>	Authority to approve signage, marketing and advertising brochures and sales information.	Subject to being consistent with the approved Annual Marketing Plan and budget provision.	
<b>34</b>	Authority to approve minor changes to the Local Structure Plan.	Subject to being required for Council business and consistent with TPRC objectives and, as	



		appropriate, approved TPRC policies and strategies.	
<b>35</b>	Authority to make a minor variation in a contract for goods or services, subject to Regulation <del>20(1)</del> <a href="#">21.A</a> of the Local Government (Functions and General) Regulations 1996.	Subject to being required for Council business and consistent with TPRC objectives. Subject to there being a budget allocation.	
<b>36</b>	Authority to enter into a contract for the supply of goods or services if the consideration under the contract is, or is expected to be worth less than <del>\$400,000</del> <a href="#">150,000</a> , subject to Regulation 11(1) of the Local Government (Functions and General) Regulations 1996 and Section 3.57(1) of the Local Government Act 1995.	Subject to there being a budget allocation and TPRC policies.	
<b>37</b>	Authority to advertise, manage and dispose of the single residential lots by private treaty under Section 3.58(3) of the Local Government Act 1995.  For the purpose of Delegation 38, the disposal is to be considered by Council if the property value exceeds one million (\$1,000,000) dollars.		
<b>38</b>	Authority to consider submissions under Section 3.58(3)(b) of the Local Government Act 1995.		
<b>39</b>	Authority to determine the sale price for each of the single residential lots subject to the average of lot pricing for a stage being higher the approved Project Cashflow. Where there is a difference between the average of lot pricing supplied by the Development Manager and the independent valuer then the higher of the lot pricing will be determined as the sale price.  In the event that the determined average of lot pricing is less than the lot pricing for a stage in the Project Cashflow the CEO shall refer the matter back to Council before exercising this delegation.		
<b>40</b>	Authority to administer the provisions of the sales contract and proceed to dispose of the lot by private treaty subject to the requirements of Section 3.58 of the Local Government Act 1995.		

41	Authority to determine finance and settlement extensions and contract cancellations for single residential lots and dwellings.		
42	Authority to grant approval to proceed with the Display Village Lots Tender and Allocation Procedure in accordance with the Display Village Lot ranking as recommended by the Development Manager.		
43	Authority to establish the time/date for the sales releases.	Subject to all necessary documentation being completed and consistent with Project Program.	
44	Authority to grant approval to bulk earthworks, civil, infrastructure and landscape works.	Subject to rates being in accordance with Council approved rates for the relevant works and there being a budget allocation.	
45	Authority to implement and manage the Lot 1 Built Form Project in accordance with the Development Agreement dated 10 <sup>th</sup> September 2013 and the approved Project Budget and Program	Subject to compliance with the terms and conditions of the Development Agreement dated 10 <sup>th</sup> September 2013 and compliance with the approved TPRC Budget and Project Program.	

# **Appendix 9.14**

## POLICY MANUAL

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### Procurement Policy (~~July-October~~ 2014<sup>5</sup>)

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#### BACKGROUND

Part 6 of the Local Government Act together with the Financial Management Regulations and Functions and General Regulations provide an outline of specific requirements and probity guidelines in respect of purchase of goods and tendering on behalf of local governments.

The State Supply Commission has an extensive series of policies and guidelines that are available for use by local governments.

The West Australian Local Government Association purchasing service negotiates contracts for the supply of goods and services for local government.

The State Supply Commission and the Commonwealth Supply agencies also have contracts for the supply of goods and services that are accessible by local governments.

All of the accessible supply contracts and the policies of WALGA and the State Supply Commission provide a framework for best practice procurement.

The West Australian Local Government Association has produced a purchasing and tender guide ~~—last edition January 2007—~~ that refers specifically to good procurement practices in reference to the Local Government Act and Regulations.

Wherever possible and appropriate, the contracts and guidelines mentioned above will be used by the Tamala Park Regional Council following objectives for best practice and probity in all procurement activity.

#### TPRC OBJECTIVES – PROCUREMENT

To provide guidelines for adopting a value for money approach in procuring goods or services through quotes or public tender.

#### PROCUREMENT POLICY AND GUIDELINES

1. Value for money is the basis for comparing conforming bids so that the optimal offer can be selected. Achieving user requirements, quality standards and service benchmarks is considered to be more important than obtaining the lowest price.

An assessment of the best value for money outcome for any procurement should take into account:

- All relevant whole-of-life costs and benefits;
- Technical merits of the goods or services being offered in terms of



## POLICY MANUAL

### Procurement Policy (~~July-October~~ 20145)

- compliance with specifications and contractual conditions; and
- Financial viability and capacity to supply without risk of default.

In this context, the value for money principle embraces:

- Cost related factors; and
  - Non-cost factors.
2. Value for Money assessment involves the comparison and evaluation of suitable conforming offers.

Factors to be considered in making this decision include the following:

- Value for money is not necessarily about selecting the successful bidder based on price alone, although the lowest total priced, conforming offer can be used as an initial benchmark for comparing value for money. Where a higher priced conforming offer is recommended, there should be clear and demonstrable benefits over and above the lowest total priced, conforming offer;
- All offers should be evaluated in a consistent manner against the evaluation criteria for the procurement. The use of weighted matrix analysis is a recommended method for analysing and comparing bids in a detailed and consistent manner, particularly for high value purchases; and
- A due diligence investigation of the preferred or shortlisted bidders should be undertaken for all high value or complex purchases to ensure that bidders have the financial stability and technical capacity to comply with the requirements of the contract.

Value for money considerations are not only relevant to the selection of a successful supplier and the purchase of goods or services. Value for money should also be applied to the ongoing contract management over the life of the procurement.

3. The exclusion provisions contained in the functions and general regulations relating to procurement for a value greater than \$50,000 will also apply to procurement for values less than \$50,000.
4. The Local Government legislation does not require local governments to tender for purchases under the value of ~~\$100,000~~150,000.
- Purchases under ~~\$100,000~~150,000 are categorised as simple purchases but nevertheless require controls and appropriate accounting and probity support practices.
5. The following should apply to purchases of value less than ~~\$100,000~~150,000.

## POLICY MANUAL

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### Procurement Policy (~~July-October~~ 20145)

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#### 5.1. Direct Purchasing – less than or equal to \$2,000

Purchases to \$2,000 may be made on a single quotation, however, best practice will require that market testing be undertaken from time to time and that consideration be given to value for money purchasing.

#### 5.2. Non-Formalised Quotations – Over \$2,000 and less than \$10,000

At least 3 quotations should be obtained except where impractical due to availability of suppliers.

A record of quotations obtained must be maintained.

All quotations are to be obtained prior to a supply order being authorised.

Where there is a waiver of the requirement for 3 quotations the reason for the waiver must be noted and approved by the CEO.

#### 5.3. Formalised Quotations – Over \$10,000 and less than \$~~100,000~~150,000

A formalised quotation must be obtained in writing, by fax or email. Email submissions must contain an electronic signature or the image of a signature of a person authorised to provide the quotation.

Quotations must be made in reference to a specification setting out the details of supply, the pricing required, delivery requirements and other relevant matters.

#### 5.4. Special Provisions with respect to Consultancy Services - More than \$10,000 and less than \$~~100,000~~150,000

- Quotations must be made in reference to:
  - A written brief defining the services required;
  - The deliverables from the consultancy;
  - The start and end time;
  - The fee basis i.e. fixed, hourly, component completion;
  - The basis for any variation fees; and
  - Provisions for termination of services.
- Completion of a contract for consultancy services must be subject of a written agreement signed by the consultant and TPRC.
- If it is expected that the Council will enter into 2 or more contracts with one supplier which may exceed \$150,000 then Council should invite tenders in accordance with Section 6 of the Policy.

#### 6. Tendering for Goods – Value \$~~100,000~~150,000+

## POLICY MANUAL

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### Procurement Policy (~~July-October~~ 2014~~5~~)

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All supply of goods and services to a value greater than \$~~100,000~~150,000 will proceed in reference to the provisions of the Local Government Act and specifically the requirements of Part 4 of the Functions and General Regulations made pursuant to the Act.

Before tendering for the supply of goods for an amount greater than \$~~100,000~~150,000 an authorisation to proceed with the tender must be obtained from the Council.

Tenders must be subject of a tender brief setting out, in appropriate detail, at least the following:

- The goods or services required;
- The deliverables from the procurement;
- The start and end time for supply;
- The fee basis i.e. fixed, hourly, component completion;
- The basis for any variation fees; and
- Provisions for termination of services.

Evaluation criteria are to be stipulated in tender invitation documents.

The basis for contracts must be stipulated in tender invitations i.e. any Australian Standard contract proposed to be used.

Where a specifically designed contract is proposed, the details of the contract are to be provided with the tender invitation.

Where variations are proposed to Australian Standard contracts, a schedule of variations is to be included in the tender invitation.

An evaluation matrix is to be used in advising prospective tenderers of the evaluation criteria and the method for scoring tender responses.

Evaluation matrix's may consist of either:-

- A weighted cost criteria; or
- A non-weighted cost criteria.

#### a) Weighted Cost Criteria

The use of a weighted cost criteria method is suited to acquisitions where price is considered to be crucial to the outcome of the contract. Price is assessed as a selection criteria item with a predetermined weighting, together with quality criteria.

## POLICY MANUAL

### Procurement Policy (~~July-October~~ 20145)

#### b) Non-Weighted Cost Criteria

The use of a non-weighted cost criteria method is suited to acquisitions where functional considerations such as capacity or quality, are considered crucial to the outcome of the contract.

A weighted selection criteria containing items addressing the qualitative requirements of the contract are comprised and assessed prior to considerations of price within the evaluation.

Once tenders have been ranked against the qualitative items of the selection criteria, a value judgment of cost differences is able to be made, with judgment as to whether qualitative advantages of a tender justify cost differences.

The allocation of evaluation points available in conducting evaluation of tender responses must be made in accordance with criteria set prior to the issue of tender invitations. The allocation would typically be made over a range of items such as those shown in the following table:

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

The table showing the evaluation of points is not to be published with the tender invitation or to be made otherwise available to prospective or actual tenderers.

Tenders may be lodged to a secure tender box or secure email tender box.

The use of an email tender box will be decided by the CEO in each instance having regard for the nature of the tender, the size of the likely tender response and such other factors as may relate to each tender invitation. Where an email tender is permitted, the full details of how the tender should be submitted should be included in the tender invitation.



## POLICY MANUAL

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### Procurement Policy (~~July-October~~ 2014~~5~~)

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When tenders are opened there must be at least two employees of Council, or one Council employee and one person authorised by the CEO, present.

#### 7. Use of Probity Auditor

In all cases where tenders are valued at an amount greater than ~~\$100,000~~ \$150,000, consideration shall be given to the use of a probity auditor.

A proposal to engage/not engage services of a probity auditor will be included in the report to the Council under section (6) above proposing the issue of an invitation for supply of goods or services.

#### 8. Environmental Procurement Policy

The TPRC will consider the environmental impact in the procurement process when undertaking the purchase of goods and services and disposal of goods.

The governing principle for goods and services procurement is the achievement of value for money. However, when determining value for money, the environmental impact issues to be considered may include:

- Use of recycled or recovered materials;
- Product reusability;
- Product recyclability;
- Durability;
- Energy efficiency and consumption;
- Water efficiency;
- Waste prevention;
- End of life disposal method; and
- Environmental health issues.

#### 9. Environmental Purchasing

Environmental purchasing generally refers to the inclusion of relevant environmental factors in any decision to procure goods and/or services in order to maintain the quality of the environment, conserve resources, minimise waste and protect human health.

The aim of considering environmental factors in procurement is/to:

- Managing risks to the broader environment by procuring goods and services that have a reduced impact on the natural environment and human health compared with competing products or services that serve the same purpose.
- Promote the achievement of better value for money on a whole-of-life cycle

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### Procurement Policy (~~July-October~~ 20145)

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basis.

- Fostering the development of products and processes that have a positive environmental impact.
- Reducing costs for addressing the effects of environmental health impacts and pollution to the community over the long term.

The focus of environmental purchasing may vary, depending on the nature of the good or service being procured.

#### 10. Environmental Procurement and Value for Money

Value for money is the core principle governing goods and services procurement. In this context, the lowest price is not necessarily an indicator of best value for money.

The environmental impact of a good or service is also a major consideration in the Value for Money Assessment.

Environmentally friendly products will usually involve reduced risks and more efficient use of energy, water and materials leading to lower costs, particularly on a whole of life basis. Therefore, even where an environmentally friendly product or service initially costs more than a conventional product or service, consideration of value for money requires purchasers to give due regard to the benefits obtained from good environmental performance.

It is also essential that the environmental impacts and/or value-add in all procurements are considered across the lifecycle of a product.

Value for Money is assessed on a whole of life basis so that all costs and benefits across the procurement cycle can be adequately considered. For example, in the case of a good, the environmental impact should be assessed at each stage of production, use and disposal. Therefore, to ensure effective Value for Money decisions, the environmental assessment also needs to factor in the impacts and costs created when a product is used, particularly during the evaluation stage when comparing products. These costs electrical power, water, fuel and requirements for other consumables.

#### 11. Environmental Considerations in Contracting Process

The level of effort expended to minimise the environmental impact of procurement should be commensurate with the nature of the purchase and should be applied in all phases of the procurement process as follows:

Contract Planning (pre-tender)

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- Is the proposed purchase necessary.
- Identify and address environmental impact issues in all procurement plans.
- Develop specifications that give consideration to environmental standards, codes or legislation, where appropriate.
- Consider options for quotation and tender design, including selection criteria that provide positive advantage to goods, services and/or processes that minimise environmental impact.
- Consider options for quotation and tender design that provide positive advantage to innovative goods, services and/or processes that minimise environmental impact.
- Develop selection criteria that provide positive advantage to goods, services and/or processes that minimise environmental impact.
- Where appropriate consider quality assurance, environmental standards, codes or legislation for inclusion in specifications.
- Where appropriate, seek information from suppliers through the offer document on the environmental impact of goods, services and processes tendered (e.g. accreditation, practices, recycled content, durability and reuse options, hazardous material content, energy efficiency, waste prevention, water efficiency).
- Consider options for, and where appropriate specify methods for end of life disposal of product and/or packaging.

The Guidelines provided in:

- The State Sustainability Strategy; and
- The State Supply Commission Environmental Purchasing Guide may be accessed as appropriate to achieve the stated policy outcomes, operational and cost efficiency.



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### Procurement Policy ([July-October 20145](#))

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This Procurement Policy is authorised by the Chief Executive Officer on [24-15 August October 20145](#).

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Signature

\_\_\_\_\_  
Name

\_\_\_\_\_  
Date