SHIRE OF CUBALLING

A progressive, diverse and caring community,
with access to modern services and infrastructure,
in a unique part of the world

AGENDA

for the

Ordinary Meeting of Council

to be held

2PM, THURSDAY 15th FEBRUARY 2018

Shire of Cuballing
Council Chambers
Campbell Street, Cuballing

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1. DECLARATION OF OPENING:

2. ATTENDANCE/APOLOGIES/LEAVE OF ABSENCE:

2.1.1 Attendance

Cr Mark Conley	President
Cr Eliza Dowling	Deputy President
Cr Scott Ballantyne	
Cr Roger Newman	
Cr Tim Haslam	
Cr Dawson Bradford	
Mr Gary Sherry	Chief Executive Officer
Ms Tonya Williams	Deputy Chief Executive Officer
Mr Bruce Brennan	Manager of Works & Services

2.1.2 Apologies

Nil at this time.

2.1.3 Leave of Absence

Nil.

3. STANDING ORDERS:

OFFICER'S RECOMMENDATION:

That Standing Orders be suspended for the duration of the meeting to allow for greater debate on items.

4. PUBLIC QUESTION TIME:

4.1 RESPONSE TO PREVIOUS QUESTIONS TAKEN ON NOTICE:

Nil

4.2 WRITTEN QUESTIONS PROVIDED IN ADVANCE:

Nil

4.3 PUBLIC QUESTIONS FROM THE GALLERY:

Nil at this time.

5. APPLICATIONS FOR LEAVE OF ABSENCE:

Nil at this time.

6. CONFIRMATION OF MINUTES:

6.1.1	Ordinary Meeting of Council held on Thursday 21st December 2017

OFFICER'S RECOMMENDATION:

That the minutes of the Ordinary Meeting of Council held on Thursday 21st December 2017 be confirmed as a true record of proceedings.

7. PETITIONS/DEPUTATIONS/PRESENTATIONS/ SUBMISSIONS:

Nil

8. DISCLOSURE OF FINANCIAL INTEREST:

DISCLOSURE OF FINANCIAL INTEREST AND PROXIMITY INTEREST

Members must disclose the nature of their interest in matters to be discussed at the meeting.

Employees must disclose the nature of their interest in reports or advice when giving the report or advice to the meeting.

DISCLOSURE OF INTEREST AFFECTING IMPARTIALITY

Members and staff must disclose their interest in matters to be discussed at the meeting in respect of which the Member or employee has given or will give advice.

Nil at this time.

9. REPORTS OF OFFICERS AND COMMITTEES:

9.1 DEPUTY CHIEF EXECUTIVE OFFICER:

9.1.1	List of Accounts Submitted for Council Approval and Payment – December 2017 & January 2018

File Ref. No:	NA
Disclosure of Interest:	Nil
Date:	7th February 2018
Author:	Nichole Gould
Attachments:	9.1.1A List of December 2017 Trust Accounts 9.1.1B List of December 2017 Municipal Accounts 9.1.1C List of January 2018 Trust Accounts 9.1.1D List of January 2018 Municipal Accounts

Summary

Council is to consider the December 2017 and January 2018 List of Accounts.

Background – Nil

Comment

Council is provided at Attachments 9.1.1A, 9.1.1B, 9.1.1C and 9.1.1D with a list of payments made from each of Council's bank accounts during the months of December 2017 and January 2018.

Strategic Implications – Nil
Statutory Environment – Nil
Policy Implications – Nil
Financial Implications – Nil
Economic Implication – Nil
Environmental Considerations – Nil
Consultation – Nil

Options

Council may resolve:
1. the Officer's Recommendation; or
2. to not note the list of accounts.

Voting Requirements – Simple Majority

OFFICER'S RECOMMENDATION:

That Council receives the List Of Accounts for December 2017 and January 2018 paid under delegated authority in accordance with Regulation 13(1) of the Local Government (Financial Management) Regulations 1996 payments including payments from Council's:

1. **Trust Fund in December 2017 totalling $15,910.60 included at Attachment 9.1.1A;**

2. **Municipal Fund in December 2017 totalling $254,902.72 included at Attachment 9.1.1B;**

3. **Trust Fund in January 2018 totalling $24,177.50 included at Attachment 9.1.1C; and**

4. **Municipal Fund in January 2018 totalling $38,369.07 included at Attachment 9.1.1D**

LIST OF TRUST FUND ACCOUNTS DUE AND SUBMITTED TO COUNCIL DECEMBER 2017

Chq/EFT	Name	Description	Amount
01122017	Licensing Payments	Police Licensing Payments	1081.70
14122017	Licensing Payments	Police Licensing Payments	71.40
15122017	Licensing Payments	Police Licensing Payments	363.55
18122017	Licensing Payments	Police Licensing Payments	762.20
19122017	Licensing Payments	Police Licensing Payments	465.45
20122017	Licensing Payments	Police Licensing Payments	43.85
21122017	Licensing Payments	Police Licensing Payments	1957.30
22122017	Licensing Payments	Police Licensing Payments	264.05
27122017	Licensing Payments	Police Licensing Payments	916.40
28122017	Licensing Payments	Police Licensing Payments	827.75
04122017	Licensing Payments	Police Licensing Payments	771.35
05122017	Licensing Payments	Police Licensing Payments	1395.35
06122017	Licensing Payments	Police Licensing Payments	1903.10
07122017	Licensing Payments	Police Licensing Payments	248.50
08122017	Licensing Payments	Police Licensing Payments	415.00
11122017	Licensing Payments	Police Licensing Payments	4290.75
12122017	Licensing Payments	Police Licensing Payments	78.20
13122017	Licensing Payments	Police Licensing Payments	54.70
		Total	**15,910.60**

LIST OF MUNCIPAL FUND ACCOUNTS DUE AND SUBMITTED TO COUNCIL DECEMBER 2017

Chq/EFT	Creditor No	Description	Amount
25122017	GJ14	Rent On Forrest Street	600.00
27122017	GJ15	Rent For Grader Driver House	360.00
21122017	GJ13	Ato Clearing Account Bas	8375.00
07122017	GJ11	Interest On Graders	633.74
07122017	GJ12	Loan Repayment No. 63 Graders	3080.54
11122017	GJ14	Rent On Forrest Street	600.00
13122017	GJ15	Rent For Grader Driver House	360.00
EFT3242	530	Supply & Fit New Water Pump	1349.49
EFT3243	28	Punture Repair	122.47
EFT3244	31	50 Dinner Rolls & 100 Hot Dog Rolls - Volunteer Day Event Popanyinnng 5/12/17	113.40
EFT3245	341	Install Battery Enclosure and Wire New Upgrade Software to Cuballing & Popo Standpipes & Complete Rewire Controllers with New Relays	2613.73
EFT3246	37	November 2017 Building Forms	850.80
EFT3247	548	Children Crossing Signs, School Bus Signs, Ring Brackets with Bolts & Washer	661.10
EFT3248	55	Postage & Freight	779.31
EFT3249	187	Formulate Policy for Grave Digging Cuballing Cemetery	550.00
EFT3250	63	75,000kms Service	320.95
EFT3251	337	Interim Invoice November 2017	481.25
EFT3252	64	Cartage of Pipes, Headwalls from RCPA to Depot	1119.69
EFT3253	66	Hydraulic Filter	96.80
EFT3254	74	November 17 Account - Bulk Diesel	8721.10
EFT3255	75	Rubbish Service 31/10/17 to 28/11/17 - Household Service x 256	6550.14
EFT3256	574	Reimbursement of Donation to Hotham Cruiser Motorcycle Club Inc Refer to Receipt No 4427 25/09/13	267.50
EFT3257	282	Supply & Install 450 Metres of Chainmesh Fencing	32974.15
EFT3258	563	LG Professionals Annual State Conference 2017 - G Sherry	1700.00
EFT3259	103	Tap Washer	109.00
EFT3260	369	Mirrors & Backing Plate	313.81
EFT3261	396	Backup in the Cloud November 17	558.02

Chq/EFT	Creditor No	Description	Amount
EFT3262	428	Public Notices - Advert - Narrogin Observer - Thursday 23/11/17 - Imposition of Fees & Charges	142.60
EFT3263	222	Repair Pipe Cuballing Standpipe	1179.20
EFT3264	113	Repairs to Air Conditioner	3446.53
EFT3265	115	Kinchrome 17pce Slide Hammer & Puller Kit	373.59
EFT3266	118	Stabilized Sand	1471.80
EFT3267	256	Meat - 30 x BBQ Steak & 150 x BBQ Sausages for Thank A Volunteer Event 5/12/2017	199.33
EFT3268	427	Embroidery - Logo - Black Shirts x 7 & Logo Names to Hi Vis Work Shirts x 26	504.00
EFT3269	123	Pineaway, Boxes Urinal Pads & Nova Oven / Gill Cleaner	243.50
EFT3270	443	Multi Tool Engine & Attachments	1782.00
EFT3271	537	Supply 2,216 Cubic Metres of Gravel from Shaddick Rd Pit	2437.60
EFT3272	147	Multiple Events License 1/01/18 - 31/12/2018	167.30
EFT3273	440	Sketch Reserve 2556 for Conservation Offset	220.00
EFT3274	142	Panic Bolts 16mm Offset	329.08
EFT3275	145	RCPA Headwalls size 300, 375, 450, Pipes size 300, 375, 450 & Rubber Rings size 300	6994.57
EFT3276	161	Ranger Services - 29/11/17 2hrs @ $82.50 & 83kms @ $1	813.25
EFT3277	211	1,500 Rate Notice Paper as per Quote including Artwork Alterations - 50% Deposit Payment	282.50
EFT3278	284	Photocopier Meter Reading DCVC4475 - 24/10/17 to 30/11/2017	559.41
EFT3279	425	Environmental Health Alert Online Food Safety Training Programme - Tim Jurmann	110.00
EFT3280	159	Freight Charges - Corsign Pty Ltd	52.01
EFT3281	281	Repair Wheel Bearings & Seals	12582.91
EFT3282	177	4,200Litres Oil Waste Disposal	16.50
EFT3283	154	Chair Mat, Carpet, Staples, Post-it Notes	1145.09
EFT3284	437	Commodine Tennis Club Award - Narrogin Senior High School Donation - Gift Voucher	100.00
EFT3285	8	Cylinder Fee Size G & E	293.64

Chq/EFT	Creditor No	Description	Amount
EFT3286	9	Service Airconditioner CEO House	118.56
EFT3287	28	Tyre Puncture Repair	89.47
EFT3288	33	1x Bug Screen	269.50
EFT3289	242	Dawson Bradford Councillor Sitting Fee July to December 17	750.00
EFT3290	63	15000 KM Service	255.55
EFT3291	262	Eliza Dowling Deputy Presidential Allowance July to December 17	1837.50
EFT3292	279	1 x Mirror Assembly	141.14
EFT3293	575	Yoga Session for Seniors Week Event 1/11/17 Held at Cuballing Ag Hall	80.00
EFT3294	219	Mark Conley Presidential Allowance July to December	4950.00
EFT3295	567	Face Painting - Cuballing Christmas Tree 17/12/2017	200.00
EFT3296	112	3x Set of blades for ride on mower	150.00
EFT3297	113	Investigate Electrical Fault in Truck Computer System & Travel	146.00
EFT3298	122	5 x I- 25 Sprinklers	527.50
EFT3299	245	Scott Ballantyne Councillor Sitting Fee July to December 17	900.00
EFT3300	217	Roger Newman Coucillor Sitting Fee July to December 17	900.00
EFT3301	333	Water Consumption - 1 Forrest St Cuballing 17/10/17 to 14/12/17	26.90
EFT3302	218	Tim Haslam Councillor Sitting Fee July to December 17	600.00
EFT3303	159	Freight Charges - Department of Water & Environment (Der Brick - Noise Monitor)	49.56
EFT3304	170	Standpipe Controller Upgrades 50% Final Payment for Cuballing & Popanyinning	3764.20
DD1457.1	HOSTPLUS	Superannuation contributions	216.77
DD1457.2	LGSP	Payroll deductions	5413.34
DD1457.3	292	Superannuation contributions	422.01
DD1457.4	WESTSCHEME	Superannuation contributions	216.56
DD1457.5	192	Superannuation contributions	70.95
DD1457.6	502	Superannuation contributions	186.47
DD1458.1	524	NBN Wireless Limitless Boost Internet Inc LNM Calls	91.79
DD1458.2	551	Internet Service	138.27
14599	36	BCITF Forms November 2017	44.95

Chq/EFT	Creditor No	Description	Amount
14600	158	Electricity Charge - Street Lighting 25/09/17 to 24/11/17	589.70
14601	197	Building Services November 17 - 29.25hrs Labour @ $110 & 170kms Travel @ $0.95	3379.00
14602	182	Service Charges - Shire Office	515.34
14603	169	Water Charges - Toilets Francis St Popanyinning	184.29
14604	54	3 x Salads Council Meeting 16/11/17 & 1 x Carton Calton Dry, 1 x Carton Calton Dry	308.00
14605	197	Building Services - Labour 7.25hrs @ $110 & Travel 34kms @ $0.95	1327.00
14606	182	Mobile Service - Building Surveyor Mobile	366.35
14607	576	Return Of Standpipe Card Avea0010712485 14/12/2017 - In 2013 Bonds Were Paid For Standpipe Cards	15.00
DD1471.1	HOSTPLUS	Superannuation contributions	216.77
DD1471.2	LGSP	Payroll deductions	5324.31
DD1471.3	560	Superannuation contributions	422.01
DD1471.4	292	Superannuation contributions	422.01
DD1471.5	WESTSCHEME	Superannuation contributions	216.56
DD1471.6	192	Superannuation contributions	67.57
DD1471.7	502	Superannuation contributions	186.47
DD1482.1	47	MWS Credit Card - Tree Clearing Permit	869.99
			$254,902.72

LIST OF TRUST FUND ACCOUNTS DUE AND SUBMITTED TO COUNCIL JANUARY 2018

Chq/EFT	Name	Description	Amount
04012018	Licensing Payments	Police Licensing Payments	523.20
17012018	Licensing Payments	Police Licensing Payments	627.05
18012018	Licensing Payments	Police Licensing Payments	1642.50
19012018	Licensing Payments	Police Licensing Payments	421.50
22012018	Licensing Payments	Police Licensing Payments	4930.60
24012018	Licensing Payments	Police Licensing Payments	333.95
25012018	Licensing Payments	Police Licensing Payments	5419.05
29012018	Licensing Payments	Police Licensing Payments	982.45
30012018	Licensing Payments	Police Licensing Payments	3984.25
31012018	Licensing Payments	Police Licensing Payments	812.80
05012018	Licensing Payments	Police Licensing Payments	33.30
08012018	Licensing Payments	Police Licensing Payments	25.70
09012018	Licensing Payments	Police Licensing Payments	776.00
10012018	Licensing Payments	Police Licensing Payments	456.35
11012018	Licensing Payments	Police Licensing Payments	724.80
12012018	Licensing Payments	Police Licensing Payments	858.10
15012018	Licensing Payments	Police Licensing Payments	95.65
16012018	Licensing Payments	Police Licensing Payments	1530.25
		Total	**$24,177.50**

LIST OF MUNCIPAL FUND ACCOUNTS DUE AND SUBMITTED TO COUNCIL JANUARY 2018

Chq/EFT	Creditor No.	Description	Amount
22012018	GJ14	Rent On Forrest Street	600.00
23012018	GJ13	ATO Clearing Account BAS	18876.00
24012018	GJ15	Rent For Grader Driver House	360.00
08012018	GJ14	Rent On Forrest Street	600.00
08012018	GJ11	Interest On Graders	622.42
08012018	GJ12	Loan Repayment No. 63 Graders	3091.86
10012018	GJ15	Rent For Grader Driver House	360.00
DD1475.1	HOSTPLUS	Superannuation contributions	216.77
DD1475.2	LGSP	Payroll deductions	5478.58
DD1475.3	560	Superannuation contributions	32.18
DD1475.4	292	Superannuation contributions	422.01
DD1475.5	WESTSCHEME	Superannuation contributions	275.43
DD1475.6	192	Superannuation contributions	67.57
DD1475.7	502	Superannuation contributions	186.47
DD1481.1	524	Monthly NBN Wireless Limitless Boost Internet Inc LNM Calls	89.99
DD1481.2	551	Monthly Internet Service	139.35
DD1486.1	HOSTPLUS	Superannuation contributions	216.77
DD1486.2	LGSP	Payroll deductions	4668.02
DD1486.3	292	Superannuation contributions	422.01
DD1486.4	WESTSCHEME	Superannuation contributions	448.35
DD1486.5	192	Superannuation contributions	126.13
DD1486.6	502	Superannuation contributions	186.47
DD1486.7	579	Superannuation contributions	230.19
DD1499.1	47	CEO Credit Card - Accommodation -4th April - 6th April (2018 Wheatbelt Conference)	652.50
		Total	**$38,369.07**

9.1.2 Statement of Financial Activity

Applicant:	N/A
File Ref. No:	ADM214
Disclosure of Interest:	Nil
Date:	31st January 2018
Author:	Rick Pares, Deputy Chief Executive Officer
Attachments:	9.1.2A Statement of Financial Activity 9.1.2A

Summary

Council is to consider the Statement of Financial Activity for December 2017.

Background

As per the Financial Management Regulation 34 each Local Government is to prepare each month a statement of financial activity reporting on the sources and applications of funds, as set out in the annual budget under regulation 22(1) (d), for that month with the following detail

- The annual budget estimates,
- The operating revenue, operating income, and all other income and expenses,
- Any significant variations between year to date income and expenditure and the relevant budget provisions to the end of the relevant reporting period,
- Identify any significant areas where activities are not in accordance with budget estimates for the relevant reporting period,
- Provide likely financial projections to 30 June for those highlighted significant variations and their effect on the end of year result,
- Include an operating statement, and
- Any other required supporting notes.

Comment

Governance
Permanent difference due to an incorrectly paid account that was reimbursed for $2,659.80 and Regional Resource Sharing funds not budgeted for of $2,962.59. Profit on asset disposal has gone here for a DFES Trade that will have no net impact.
Computer upgrades were budgeted for are to be expended in February. Council Election costs will be permanently under budget (no election run) as advised last month.

Law, Order & Public Safety
An advance was paid in June for the Quarter 1 payment of the Emergency Services Levy Grant ($6,875).
Vehicle maintenance and insurance costs are still under budget.

Community Amenities
Local Planning Strategy has no expenditure recorded against it, though it was budgeted to have spent some. Tip maintenance costs are slightly under budget.

Recreation and Culture
Recreation complex income is slightly under budget.
Halls, Parks and Oval maintenance are all over budget.

Transport
Permanent difference due to changes in Main Roads Direct Grant from budgeted $99,902 to $57,535. Permanent difference as FAGS Road Grant will be under budget.

Road maintenance is over budget due to delays in the Capital Works program. Road depreciation is higher than budgeted.

Economic Services
Building expenses less than budgeted. Tourism expenses less than budgeted as Event signs have not yet gone ahead. Community Functions slightly over budget due to un budgeted events that were grant funded. Standpipe expenses slightly under budget, with expenses expected in coming months.

Other Property and Services
Private Works income is under budget, balanced by expenditure also coming in under budget for both Building and Works. Workers compensation claims are also higher than budgeted, balanced by reimbursement by LGIS.

Capital Expenditure
Capital Roads Program has been delayed due to road clearing permit difficulties. Work has commenced and is expected to be completed on time.
Permanent difference on roller changeover as it came in under budget.

Detailed breakdown of all variances provided in Note 2 of the Statement of Financial Activity.

Administration Allocations done to December 2017.

Depreciation expenses calculated to December 2017.

Strategic Implications – Nil
Statutory Environment – Nil
Policy Implications – Nil
Financial Implications – Nil
Economic Implication – Nil
Environmental Considerations – Nil
Consultation – Nil

Options

Council may resolve:
1. the Officer's Recommendation; or
2. not to receive the Statement of Financial Activity

Voting Requirements – Simple Majority

OFFICER'S RECOMMENDATION:

That the Statement of Financial Activity, as included at Attachment 9.1.2A for the Shire of Cuballing for period ending 31st December 2017 be received.

SHIRE OF CUBALLING

MONTHLY FINANCIAL REPORT
(Containing the Statement of Financial Activity)
For the Period Ended 31 December 2017

LOCAL GOVERNMENT ACT 1995

LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) REGULATIONS 1996

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Shire of Cuballing
Information Summary
For the Period Ended 31 December 2017

Key Information

Report Purpose

This report is prepared to meet the requirements of *Local Government (Financial Management) Regulations 1996, Regulation 34 .*

Overview

Summary reports and graphical progressive graphs are provided on pages 2 - 3.

Statement of Financial Activity by reporting program

Is presented on page 6 and shows a surplus as at 31 December 2017 of $1,117,605.

Items of Significance

The material variance adopted by the Shire of Cuballing for the 2016/17 year is $5,000 or 10% whichever is the greater. The following selected items have been highlighted due to the amount of the variance to the budget or due to the nature of the revenue/expenditure. A full listing and explanation of all items considered of material variance is disclosed in Note 2.

Capital Expenditue			
Land and Buildings		$ 2,896	Expenditure on the Cuballing
Infrastructure - Roads	▲	$ 158,120	Capital works program has
Plant and Equipment		$ 10,000	Saving in total cost of Roller
Capital Revenue			
Grants, Subsidies and Contributions	▼	($207,358)	Roads to Recovery expected
Proceeds from Disposal of Assets	▲	$35,000	No material variance.

	Collected / Complete	Annual Budget	YTD Budget	YTD Actual
Significant Projects				
DREC Weather Shelter	106%	$ 21,182	$ 21,182	$ 22,384
Cuballing Transfer Station	86%	$ 28,711	$ 28,711	$ 24,613
RRG - Wandering Narrogin Road 16/17	13%	$ 140,072	$ 60,031	$ 18,265
Grants, Subsidies and Contributions				
Operating Grants, Subsidies and Contributions	47%	$ 588,375	$ 249,475	$ 278,896
Non-operating Grants, Subsidies and Contributions	22%	$ 686,271	$ 378,820	$ 152,644
	34%	$ 1,274,646	$ 628,295	$ 431,540
Rates Levied	100%	$ 1,070,995	$ 1,070,994	$ 1,073,321

% Compares current ytd actuals to annual budget

Financial Position		Prior Year	Current Year
Adjusted Net Current Assets	84%	$ 1,331,299	$ 1,117,605
Cash and Equivalent - Unrestricted	91%	$ 1,027,203	$ 932,237
Cash and Equivalent - Restricted	100%	$ 1,308,821	$ 1,303,870
Receivables - Rates	40%	$ 339,581	$ 134,700
Receivables - Other	166%	$ 14,784	$ 24,496
Payables	-51%	$ 36,751	-$ 18,911

% Compares current ytd actuals to prior year actuals at the same time

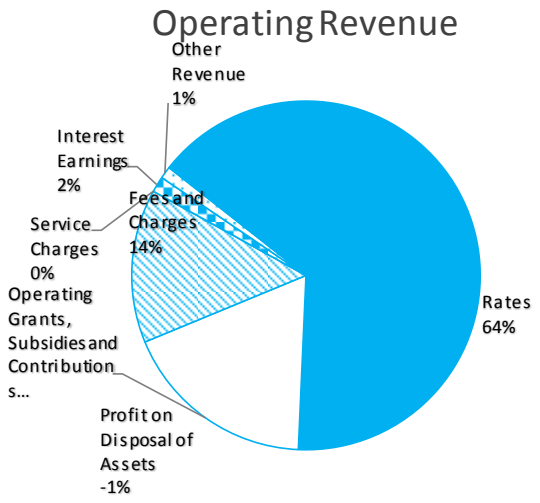
Note: The Statements and accompanying notes are prepared based on all transactions recorded at the time of preparation and may vary due to transactions being processed for the reporting period after the date of

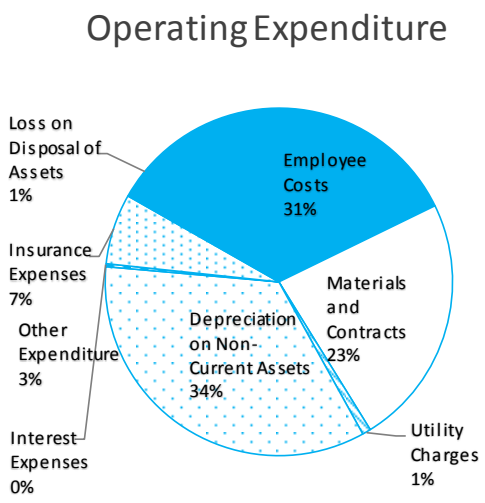
Preparation

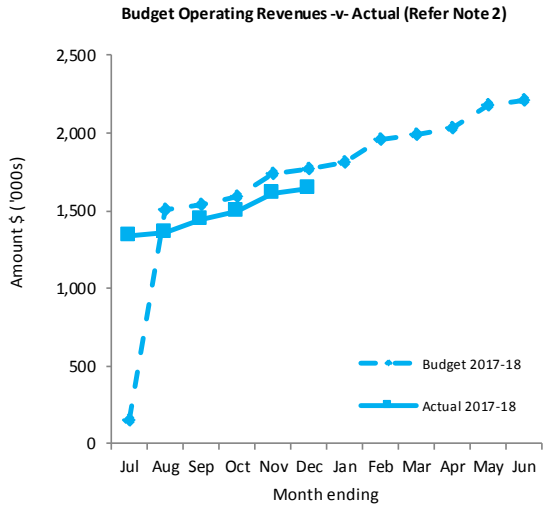
Prepared by: Tonya Williams, DCEO

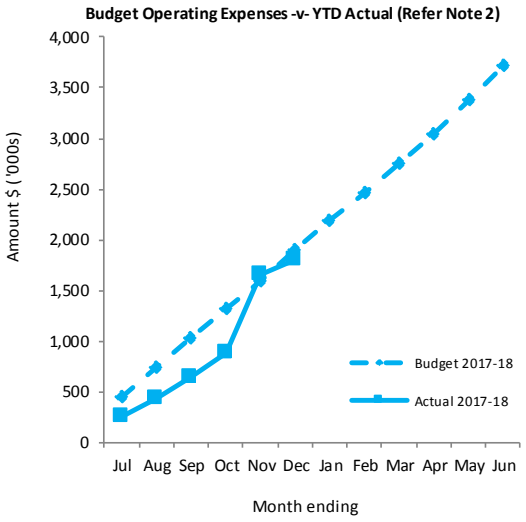
Reviewed by: Gary Sherry, CEO

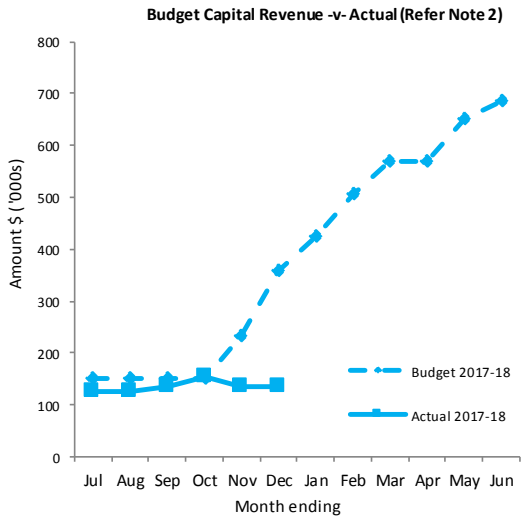
Shire of Cuballing
Information Summary
For the Period Ended 31 December 2017

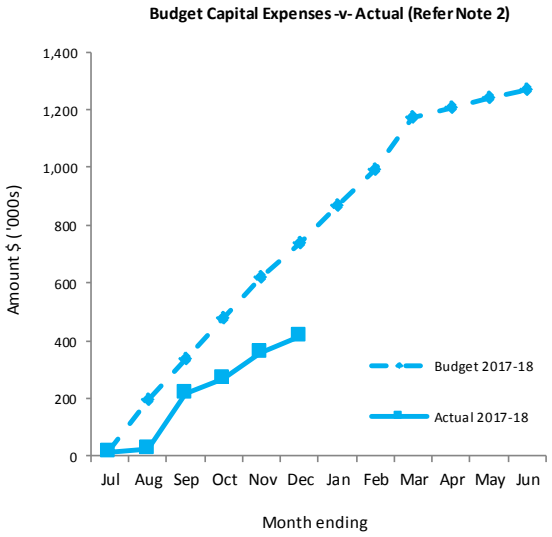












This information is to be read in conjunction with the accompanying Financial Statements and Notes.

SHIRE OF CUBALLING
STATEMENT OF FINANCIAL ACTIVITY
(Statutory Reporting Program)
For the Period Ended 31 December 2017

	Note	Annual Budget	YTD Budget (a)	YTD Actual (b)	Var. $ (b)-(a)	Var. % (b)-(a)/(a)	Var.
		$	$	$	$	%	
Opening Funding Surplus(Deficit)	3	916,109	916,109	**907,867**	(8,242)	(1%)	
Revenue from operating activities							
Governance		1,845	1,720	**(11,674)**	(13,394)	(779%)	▼
General Purpose Funding	9	1,397,106	1,235,261	**1,232,083**	(3,178)	(0%)	
Law, Order and Public Safety		35,000	21,250	**19,978**	(1,272)	(6%)	
Health		1,200	600	**576**	(24)	(4%)	
Education and Welfare		0	0	**0**	0		
Housing		4,680	2,340	**2,340**	0	0%	
Community Amenities		59,100	59,025	**60,960**	1,935	3%	
Recreation and Culture		8,795	8,795	**7,451**	(1,345)	(15%)	
Transport		282,561	191,231	**135,903**	(55,328)	(29%)	▼
Economic Services		47,500	23,750	**23,167**	(583)	(2%)	
Other Property and Services		309,757	148,947	**159,502**	10,555	7%	
		2,147,545	**1,692,919**	**1,630,286**			
Expenditure from operating activities							
Governance		(134,068)	(74,104)	**(81,453)**	(7,349)	(10%)	
General Purpose Funding		(70,759)	(32,204)	**(25,481)**	6,723	21%	▲
Law, Order and Public Safety		(128,909)	(73,111)	**(61,646)**	11,465	16%	▲
Health		(48,935)	(24,717)	**(18,805)**	5,912	24%	▲
Education and Welfare		(53,073)	(6,786)	**(6,136)**	650	10%	
Housing		(55,115)	(27,558)	**(24,362)**	3,196	12%	▲
Community Amenities		(316,955)	(155,978)	**(148,115)**	7,863	5%	
Recreation and Culture		(278,481)	(136,741)	**(132,552)**	4,189	3%	
Transport		(2,219,575)	(1,109,538)	**(1,140,618)**	(31,080)	(3%)	
Economic Services		(167,639)	(83,876)	**(70,946)**	12,930	15%	▲
Other Property and Services		(251,711)	(156,205)	**(82,761)**	73,444	47%	▲
		(3,725,220)	**(1,880,818)**	**(1,792,875)**			
Operating activities excluded from budget							
Add back Depreciation		1,429,950	714,975	**621,588**	(93,386)	(13%)	▼
Adjust (Profit)/Loss on Asset Disposal	8	(11,863)	(11,863)	**25,652**	37,515	(316%)	
Adjust Provisions and Accruals		0	0	**0**	0		
Amount attributable to operating activities		**(159,587)**	**515,213**	**484,652**			
Investing Activities							
Non-operating Grants, Subsidies and Contributions	11	686,271	360,002	**152,644**	(207,358)	(58%)	▼
Proceeds from Disposal of Assets	8	32,000	0	**35,000**	35,000		▲
Land Held for Resale		0	0	**0**	0		
Land and Buildings	13	(241,131)	(49,893)	**(46,997)**	2,896	6%	
Infrastructure Assets	13	(864,211)	(367,224)	**(209,103)**	158,120	43%	▲
Plant and Equipment	13	(170,000)	(170,000)	**(160,000)**	10,000	6%	
Furniture and Equipment	13	0	0	**0**	0		
Amount attributable to investing activities		**(557,071)**	**(227,114)**	**(228,456)**			
Financing Actvities							
Proceeds from New Debentures		0	0	**0**	0		
Proceeds from Advances		0	0	**0**	0		
Self-Supporting Loan Principal		0	0	**0**	0		
Transfer from Reserves	7	152,210	152,210	**0**	(152,210)	(100%)	▼
Advances to Community Groups		0	0	**0**	0		
Repayment of Debentures	10	(71,146)	(35,087)	**(35,087)**	0	0%	
Transfer to Reserves	7	(280,515)	(11,370)	**(11,370)**	0	0%	
Amount attributable to financing activities		**(199,451)**	**105,753**	**(46,457)**			
Closing Funding Surplus(Deficit)	3	**0**	**1,309,960**	**1,117,605**			

Indicates a variance between Year to Date (YTD) Budget and YTD Actual data as per the adopted materiality threshold.
Refer to Note 2 for an explanation of the reasons for the variance.

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

SHIRE OF CUBALLING
STATEMENT OF FINANCIAL ACTIVITY
(By Nature or Type)
For the Period Ended 31 December 2017

	Note	Annual Budget	YTD Budget (a)	YTD Actual (b)	Var. $ (b)-(a)	Var. % (b)-(a)/(a)	Var.
		$	$	$	$	%	
Opening Funding Surplus (Deficit)	3	916,109	916,109	**907,867**	(8,242)	(1%)	
Revenue from operating activities							
Rates	9	1,070,995	1,070,994	**1,073,321**	2,327	0%	
Operating Grants, Subsidies and Contributions	11	611,525	358,511	**301,527**	(56,984)	(16%)	▼
Fees and Charges		394,161	232,914	**237,814**	4,900	2%	
Service Charges		0	0	**0**	0		
Interest Earnings		31,000	16,000	**24,479**	8,479	53%	▲
Other Revenue		28,000	14,500	**18,797**	4,297	30%	
Profit on Disposal of Assets	8	11,863	11,863	**(12,970)**			
		2,147,544	**1,704,782**	**1,642,969**			
Expenditure from operating activities							
Employee Costs		(902,102)	(448,603)	**(566,821)**	(118,219)	(26%)	▼
Materials and Contracts		(1,150,360)	(558,980)	**(422,473)**	136,508	24%	▲
Utility Charges		(40,508)	(20,254)	**(14,319)**	5,935	29%	▲
Depreciation on Non-Current Assets		(1,429,950)	(714,975)	**(621,588)**	93,386	13%	▲
Interest Expenses		(8,968)	(4,484)	**(4,981)**	(497)	(11%)	
Insurance Expenses		(118,762)	(107,544)	**(118,384)**	(10,840)	(10%)	▼
Other Expenditure		(74,570)	(37,841)	**(44,309)**	(6,468)	(17%)	▼
Loss on Disposal of Assets	8	0	0	**(12,683)**			
		(3,725,219)	**(1,892,681)**	**(1,805,558)**			
Operating activities excluded from budget							
Add back Depreciation		1,429,950	714,975	**621,588**	(93,386)	(13%)	▼
Adjust (Profit)/Loss on Asset Disposal	8	(11,863)	(11,863)	**25,652**	37,515	(316%)	
Amount attributable to operating activities		**(159,588)**	**515,213**	**484,652**			
Investing activities							
Grants, Subsidies and Contributions	11	686,271	360,002	**152,644**	(207,358)	(58%)	▼
Proceeds from Disposal of Assets	8	32,000	0	**35,000**	35,000		▲
Land Held for Resale		0	0	**0**	0		
Land and Buildings	13	(241,131)	(49,893)	**(46,997)**	2,896	6%	
Infrastructure Assets	13	(864,211)	(367,224)	**(209,103)**	158,120	43%	▲
Plant and Equipment	13	(170,000)	(170,000)	**(160,000)**	10,000	6%	
Furniture and Equipment	13	0	0	**0**	0		
Amount attributable to investing activities		**(557,071)**	**(227,114)**	**(228,456)**			
Financing Activities							
Proceeds from New Debentures		0	0	**0**	0		
Proceeds from Advances		0	0	**0**	0		
Self-Supporting Loan Principal		0	0	**0**	0		
Transfer from Reserves	7	152,210	152,210	**0**	(152,210)	(100%)	▼
Advances to Community Groups		0	0	**0**	0		
Repayment of Debentures	10	(71,146)	(35,087)	**(35,087)**	0	0%	
Transfer to Reserves	7	(280,515)	(11,370)	**(11,370)**	0	0%	
Amount attributable to financing activities		**(199,451)**	**105,753**	**(46,457)**			
Closing Funding Surplus (Deficit)	3	(0)	1,309,960	**1,117,605**	**(192,355)**	(15%)	▼

Indicates a variance between Year to Date (YTD) Budget and YTD Actual data as per the adopted materiality threshold.
Refer to Note 2 for an explanation of the reasons for the variance.

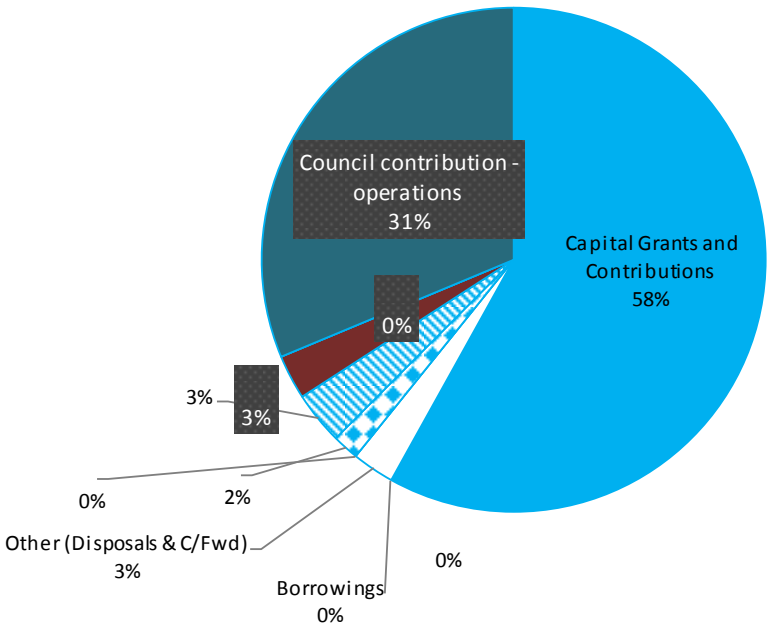
This statement is to be read in conjunction with the accompanying Financial Statements and notes.

SHIRE OF CUBALLING
STATEMENT OF CAPITAL ACQUSITIONS AND CAPITAL FUNDING
For the Period Ended 31 December 2017

Capital Acquisitions

	Note	YTD Actual New /Upgrade (a)	YTD Actual (Renewal Expenditure) (b)	YTD Budget (d)	Annual Budget	YTD Actual Total (c) = (a)+(b)	Variance (d) - (c)
		$	$	$	$	$	$
Land and Buildings	13	0	0	49,893	241,131	**46,997**	(2,896)
Infrastructure Assets	13	0	0	367,224	864,211	**209,103**	(158,120)
Plant and Equipment	13	0	0	170,000	170,000	**160,000**	(10,000)
Capital Expenditure Totals		0	0	587,117	1,275,342	**416,100**	**(171,016)**
Capital acquisitions funded by:							
Capital Grants and Contributions				**378,820**	**686,271**	**152,644**	
Borrowings				**0**	**0**	**0**	
Other (Disposals & C/Fwd)				**0**	**32,000**	**35,000**	
Council contribution - Cash Backed Reserves				**0**	**93,695**	**0**	
Plant and Equipment Reserve				0	0	0	
Administration Building and Office Equipment Reserve				0	19,985	0	
Housing Reserve				0	40,000	0	
Recreation and Community Facility Reserve				0	0	0	
Refuse Site Reserve				0	33,710	0	
Grain Freight Reserve				0	0	0	
Equestrian Reserve				0	0	0	
Council contribution - operations				**208,297**	**369,681**	**228,456**	
Capital Funding Total				**587,117**	**1,181,647**	**416,100**	

Budgeted Capital Acquistions Funding



SHIRE OF CUBALLING
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 December 2017

Note 1: Significant Accounting Policies

(a) Basis of Accounting
This statement comprises a special purpose financial report which has 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 statement are presented below and have been consistently applied unless stated otherwise. Except for cash flow and rate setting information, the report has also been prepared on the accrual basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected

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.

(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. All monies held in the Trust Fund are excluded from the statement, but a separate statement of those monies appears at Note 12.

(c) Rounding Off Figures
All figures shown in this statement are rounded to the nearest dollar.

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

(e) Goods and Services Tax
Revenues, expenses and assets are recognised net of the amount of GST, except 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

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

(g) 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.

(h) Inventories
General
Inventories are measured at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs
Land Held for Resale
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 Council's intentions to release for sale.

(i) Fixed Assets

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

(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 rates and periods are:

Asset	**Years**
Buildings	30 to 50 years
Furniture and Equipment	4 to 10 years
Plant and Equipment	5 to 15 years
Sealed roads and streets	
formation	not depreciated
pavement	50 years
seal	
bituminous seals	20 years
asphalt surfaces	25 years
Gravel Roads	
formation	not depreciated
pavement	50 years
gravel sheet	12 years
Formed roads	
formation	not depreciated
pavement	50 years
Footpaths - slab	20 years

(k) Trade and Other Payables

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

(l) Employee Benefits

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

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

The provision for employees' benefits to wages, salaries, annual leave and long service leave expected to be settled within 12 months represents the amount the Shire 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 Shire 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 project 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 the Shire does not have the unconditional right to defer settlement beyond 12 months, the liability is recognised as a current liability.

(m) Interest-bearing Loans and Borrowings

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

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

Borrowing Costs

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

(n) Provisions

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

(o) Current and Non-Current Classification

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

(p) Nature or Type Classifications

Rates

All rates levied under the Local Government Act 1995. Includes general, differential, specific area rates, minimum rates, interim rates, back rates, ex-gratia rates, less discounts offered. Exclude administration fees, interest on

Operating Grants, Subsidies and Contributions

Refer to all amounts received as grants, subsidies and contributions that are not non-operating grants.

Non-Operating Grants, Subsidies and Contributions

Amounts received specifically for the acquisition, construction of new or the upgrading of non-current assets paid to a local government, irrespective of whether these amounts are received as capital grants, subsidies,

Profit on Asset Disposal

Profit on the disposal of assets including gains on the disposal of long term investments. Losses are disclosed under

Fees and Charges

Revenues (other than service charges) from the use of facilities and charges made for local government services, sewerage rates, rentals, hire charges, fee for service, photocopying charges, licences, sale of goods or information, fines, penalties and administration fees. Local governments may wish to disclose more detail such as rubbish collection fees, rental of property, fines and penalties, other fees and charges.

Service Charges

Service charges imposed under Division 6 of Part 6 of the Local Government Act 1995. Regulation 54 of the Local Government (Financial Management) Regulations 1996 identifies these as television and radio broadcasting, underground electricity and neighbourhood surveillance services. Exclude rubbish removal charges. Interest and other items of a similar nature received from bank and investment accounts, interest on rate instalments, interest

Interest Earnings

Interest and other items of a similar nature received from bank and investment accounts, interest on rate instalments, interest on rate arrears and interest on debtors.

Other Revenue / Income

Other revenue, which can not be classified under the above headings, includes dividends, discounts, rebates etc.

Employee Costs

All costs associate with the employment of person such as salaries, wages, allowances, benefits such as vehicle and housing, superannuation, employment expenses, removal expenses, relocation expenses, worker's compensation insurance, training costs, conferences, safety expenses, medical examinations, fringe benefit tax,

Materials and Contracts

All expenditures on materials, supplies and contracts not classified under other headings. These include supply of goods and materials, legal expenses, consultancy, maintenance agreements, communication expenses, advertising expenses, membership, periodicals, publications, hire expenses, rental, leases, postage and freight etc. Local governments may wish to disclose more detail such as contract services, consultancy, information

Utilities (Gas, Electricity, Water, etc.)

Expenditures made to the respective agencies for the provision of power, gas or water. Exclude expenditures incurred for the reinstatement of roadwork on behalf of these agencies.

Insurance

All insurance other than worker's compensation and health benefit insurance included as a cost of employment.

Loss on asset disposal

Loss on the disposal of fixed assets.

Depreciation on non-current assets

Depreciation expense raised on all classes of assets.

Interest expenses

Interest and other costs of finance paid, including costs of finance for loan debentures, overdraft accommodation and refinancing expenses.

Other expenditure

Statutory fees, taxes, provision for bad debts, member's fees or State taxes. Donations and subsidies made to community groups.

(r) Program Classifications (Function/Activity)

City/Town/Shire operations as disclosed in these financial statements encompass the following service orientated activities/programs.

GOVERNANCE

Objective:

To provide a decision making process for the efficient allocation of scarce resources.

Activities:

Includes the activities of members of council and the administrative support available to the council for the provision of governance of the district. Other costs relate to the task of assisting elected members and ratepayers on matters which do not concern specific council services.

GENERAL PURPOSE FUNDING

Objective:

To collect revenue to allow for the provision of services.

Activities:

Rates, general purpose government grants and interest revenue.

LAW, ORDER, PUBLIC SAFETY

Objective:

To provide services to help ensure a safer and environmentally conscious community.

Activities:

Supervision and enforcement of various local laws relating to fire prevention, animal control and other aspects of public safety including emergency services.

HEALTH

Objective:

To provide an operational framework for environmental and community health.

Activities:

Inspection of food outlets and their control, provision of meat inspection services, noise control and waste disposal

EDUCATION AND WELFARE

Objective:

To provide services to disadvantaged persons, the elderly, children and youth.

Activities:

Maintenance of child minding centre, playgroup centre, senior citizen centre and aged care centre. Provision and maintenance of home and community care programs and youth services.

HOUSING

Objective:

To provide and maintain elderly residents housing.

Activities:

Provision and maintenance of elderly residents housing.

COMMUNITY AMENITIES

Objective:

To provide services required by the community.

Activities:

Rubbish collection services, operation of rubbish disposal sites, litter control, construction and maintenance of urban storm water drains, protection of the environment and administration of town planning schemes, cemetery

RECREATION AND CULTURE

Objective:

To establish and effectively manage infrastructure and resource which will help the social well being of the

Activities:

Maintenance of public halls, civic centres, aquatic centre, beaches, recreation centres and various sporting facilities. Provision and maintenance of parks, gardens and playgrounds. Operation of library, museum and other

TRANSPORT

Objective:

To provide safe, effective and efficient transport services to the community.

Activities:

Construction and maintenance of roads, streets, footpaths, depots, cycle ways, parking facilities and traffic control. Cleaning of streets and maintenance of street trees, street lighting etc.

ECONOMIC SERVICES

Objective:

To help promote the shire and its economic wellbeing.

Activities:

Tourism and area promotion including the maintenance and operation of a caravan park. Provision of rural services including weed control, vermin control and standpipes. Building Control.

OTHER PROPERTY AND SERVICES

Objective:

To monitor and control City/Town/Shire overheads operating accounts.

Activities:

Private works operation, plant repair and operation costs and engineering operation costs.

SHIRE OF CUBALLING
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 December 2017

Note 2: Explanation of Material Variances

The material variance thresholds are adopted annually by Council as an indicator of whether the actual expenditure or revenue varies from the year to date budget materially.
The material variance adopted by Council for the 2017/18 year is $5,000 or 10% whichever is the greater.

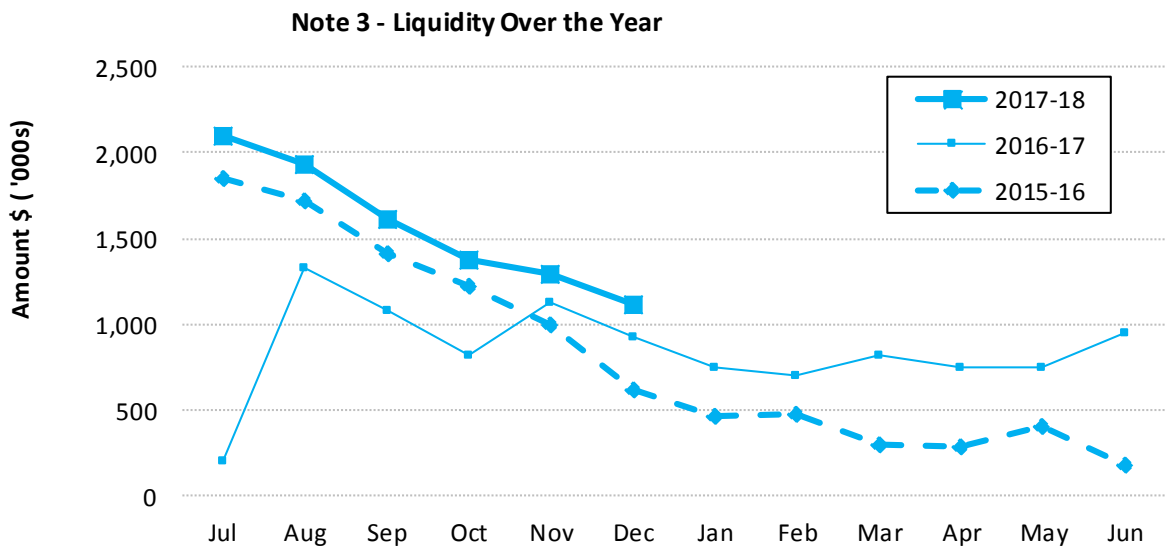
Reporting Program	Var. $	Var. %	V	Timing/ Permane	Explanation of Variance
Operating Revenues	$	%			
General Purpose Funding	(3,178)	(0%)			No material variance.
Governance	(13,394)	(779%)	▼	Timing	Profit on asset disposal runs through this account, there is a current impact from a DFES Trade that will be moved ($18,000). Permanent difference due to an incorrectly paid account that was reimbursed for $2,659.80 and Regional Resource Sharing funds not budgeted for of $2,962.59.
Law, Order and Public Safety	(1,272)	(6%)		Timing	Advance on ESL Grant for Quarter 1 was paid in June ($6,8
Health	(24)	(4%)			Additional septic tank licences received.
Housing	0	0%			No material variance.
Community Amenities	1,935	3%			No material variance.
Recreation and Culture	(1,345)	(15%)			Recreation complex income slightly under budget.
Transport	(55,328)	(29%)	▼		Permanent difference due to changes in Main Roads Direct Grant from budgetd $99,902 to $57,535 (variance of $42,367). Permanent difference as FAGS Road Grant allocation will be less than budgeted in financial year.
Economic Services	(583)	(2%)		Permanent	LGIS Broking refund paid, not budgeted.
Other Property and Services	10,555	7%		Timing	Private Works income slightly over Budget for Building. Workers compensation claims over budget, net off by expense.
Operating Expense					
General Purpose Funding	6,723	21%	▲	Timing	Legal Fees invoice posted, not yet allocated out to Rates accounts.
Governance	(7,349)	(10%)	▲	Timing	Computer upgrades budgeted and not yet completed ($3,382). Council Election cost permanently under budget.
Law, Order and Public Safety	11,465	16%	▲	Timing	Vehicle maintenance and insurance costs under budget.
Health	5,912	24%	▲		EHO Salary under budget.
Education & Welfare	650	10%			No material variance.
Housing	3,196	12%	▲	Timing	Maintenance work at CEO & DCEO house under budget. Depreciation slightly under budget.
Community Amenities	7,863	5%		Timing	Local Planning strategy has not yet had any expenses against it ($3,375 expected). Tip Maintenance costs slightly under budget.
Recreation and Culture	4,189	3%		Timing	Hall Maintenance slightly over budget, Parks Maintenance and Recreation Oval maintenance slightly over budget.
Transport	(31,080)	(3%)		Timing	Road Maintenance is over budget ($163,504.01), due to delays in Capital Works program. Road depreciation is slightly higher than budgeted.
Economic Services	12,930	15%	▲	Timing	Building expenses less than budgeted. Tourism expenses less than budgeted as Event signs have not yet gone ahead. Community Functions slightly over budget due to un budgeted events that were grant funded. Standpipe expenses slightly under budget, with expenses expected in coming months.
Other Property and Services	73,444	47%	▲	Timing	Private Works expenditure (Works and Building) slightly under budget, plant costs under budget with further expenditure expected as vehicle licences are corrected in the coming months.
Capital Revenues					
Grants, Subsidies and Contributions	(207,358)	(58%)	▼	Timing	Roads to Recovery expected to recevie funds, this has been delayed ($81,084).
Proceeds from Disposal of Assets	35,000		▲		No material variance.
Capital Expenses					
Land and Buildings	2,896	6%		Timing	Expenditure on the Cuballing Transfer Station for the Fence and Waste Oil Facility were expected to be completed. Fence is completed. Waste Oil Facility has been delayed, possibly for this financial year.
Infrastructure - Roads	158,120	43%	▲		Capital works program has been delayed by the road clearing permits. Work is expected to be completed in coming months. Please see Note 13.
Plant and Equipment	10,000	6%		Permanent	Saving in total cost of Roller replacement.
Furniture and Equipment	0				No material variance
Financing					
Loan Principal	0	0%			No material variance

SHIRE OF CUBALLING
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 December 2017

Note 3: Net Current Funding Position

Positive=Surplus (Negative=Deficit)

	Note	Last Years Closing 30 June 2017	This Time Last Year 30 Dec 2016	Current 31 Dec 2017
		$	$	$
Current Assets				
Cash Unrestricted	4	814,001	1,027,203	932,237
Cash Restricted	11	0	0	0
Cash Reserves	4	1,292,509	1,308,821	1,303,870
Receivables - Rates	6	65,448	339,581	134,700
Receivables - Other	6	57,907	14,784	24,496
Interest / ATO Receivable/Trust		0	23,112	0
Inventories		7,262	3,619	7,262
		2,237,126	2,717,120	2,402,564
Less: Current Liabilities				
Payables and Provisions		(36,751)	(77,000)	18,911
		(36,751)	(77,000)	18,911
Less: Cash Reserves	7	(1,292,509)	(1,308,821)	(1,303,870)
Net Current Funding Position		**907,867**	**1,331,299**	**1,117,605**



Comments - Net Current Funding Position

FAGS Allocation in 16/17 is paid in quarterly installments, in 15/16 there was an advance.
FAGS Allocation in 16/17 there was a 50% Advance of 17/18 payments in June 2017

SHIRE OF CUBALLING
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 December 2017

Note 4: Cash and Investments

		Unrestricted	Restricted	Trust	Total Amount	Institution	Interest Rate	Maturity Date
		$	$	$	$			
(a)	**Cash Deposits**							
0.005	Municipal Bank Account	44,207			44,207	CBA	0.00%	At Call
402	Investment Account	887,330			887,330	CBA	1.25%	At Call
0.002	Trust Bank Account			20,698	20,698	CBA	0.00%	At Call
	Cash On Hand	700			700	N/A	Nil	On Hand
499	Reserves Account		2,904		2,904	CBA	0.00%	At Call
(b)	**Term Deposits**							
506	Reserves Term Deposit 1		433,791		433,791	CBA	1.77%	01-Dec-17
506	Reserves Term Deposit 2		433,591		433,591	CBA	2.01%	02-Feb-18
506	Reserves Term Deposit 3		433,584		433,584	CBA	2.01%	02-Feb-18
	Total	**932,237**	**1,303,870**	**20,698**	**2,256,804**			

Comments/Notes - Investments
Reserve Funds are on a rolling maturity schedule to maximise interest, linked to a Reserve transaction account.

SHIRE OF CUBALLING
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 December 2017

Note 5: Budget Amendments

Amendments to original budget since budget adoption. Surplus/(Deficit)

GL Code	Description	Council Resolution	Classification	Non Cash Adjustment	Increase in Available Cash	Decrease in Available Cash	Amended Budget Running Balance
				$	$	$	$
	Budget Adoption						0
	Permanent Changes						
							0
							0
							0
	Changes Due to Timing						0
							0
				0	0	0	

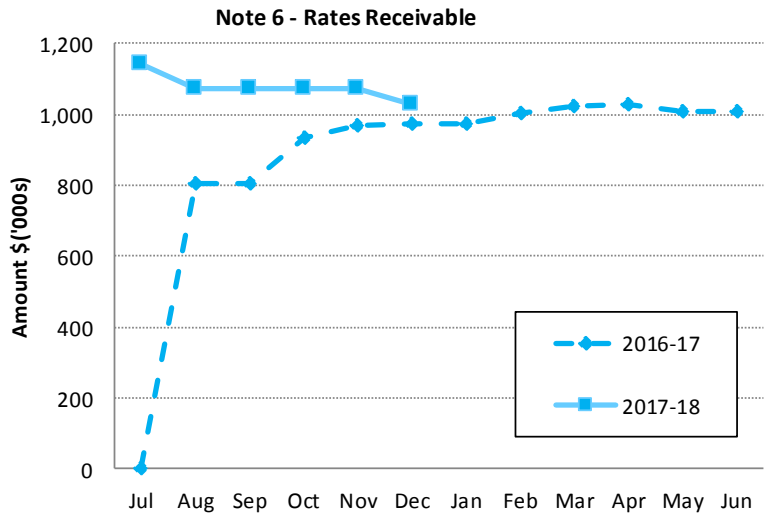
SHIRE OF CUBALLING
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 December 2017

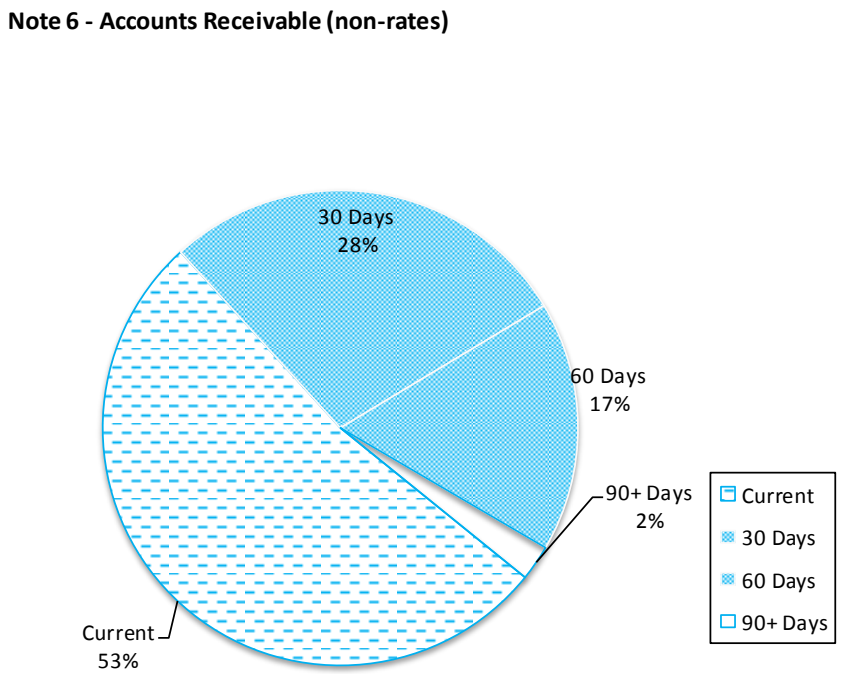
Note 6: Receivables

Receivables - Rates Receivable	31 Dec 2017	30 June 2017
	$	$
Opening Arrears Previous Years	70,590	47,139
Levied this year	1,084,446	1,031,115
Less Collections to date	(1,026,025)	(1,007,664)
Equals Current Outstanding	**129,011**	**70,590**
Net Rates Collectable	**129,011**	**70,590**
% Collected	88.83%	93.45%

Receivables - General	Current	30 Days	60 Days	90+ Days	Total
	$	$	$	$	$
Receivables - General	12,844	6,891	4,168	593	24,496
Balance per Trial Balance					
Sundry Debtors					24,496
Receivables - Other					0
Total Receivables General Outstanding					**24,496**

Amounts shown above include GST (where applicable)





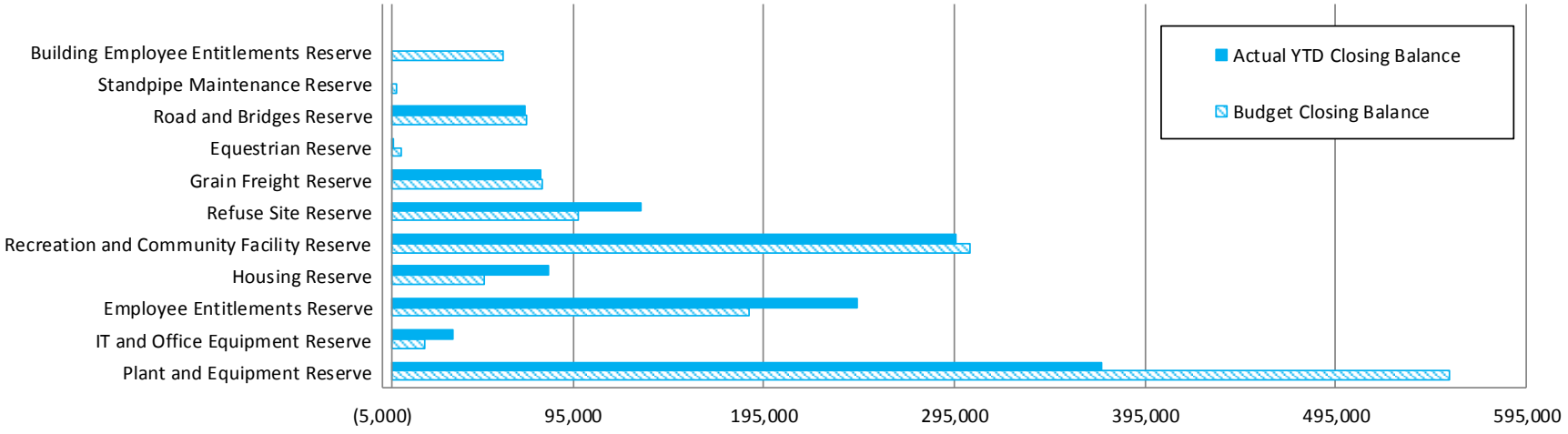
Comments/Notes - Receivables Rates
Rates Issue Date - 4 August 2016
Discount Period Ends - 25 August 2016
Rates Due - 8 September 2016

SHIRE OF CUBALLING
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 December 2017

Note 7: Cash Backed Reserve

Name	Opening Balance	Budget Interest Earned	Actual Interest Earned	Budget Transfers In (+)	Actual Transfers In (+)	Budget Transfers Out (-)	Transfers Out (-)	Budget Closing Balance	Actual YTD Closing Balance
	$	$	$	$	$	$	$	$	$
Plant and Equipment Reserve	368,717	5,719	3,244	180,000	0	0	0	554,436	371,961
IT and Office Equipment Reserve	31,339	486	276	5,000	0	(19,985)	0	16,840	31,615
Employee Entitlements Reserve	241,665	3,750	2,126	0	0	(58,515)	0	186,900	243,791
Housing Reserve	81,720	1,267	719	5,000	0	(40,000)	0	47,987	82,439
Recreation and Community Facility Reserve	293,306	4,548	2,580	5,000	0	0	0	302,854	295,886
Refuse Site Reserve	129,255	1,952	1,137	0	0	(33,710)	0	97,497	130,392
Grain Freight Reserve	77,219	1,196	679	0	0	0	0	78,415	77,898
Equestrian Reserve	26	8	0	5,000	0	0	0	5,034	26
Road and Bridges Reserve	69,261	1,074	609	0	0	0	0	70,335	69,870
Standpipe Maintenance Reserve	0	0	0	2,000	0	0	0	2,000	0
Building Employee Entitlements Reserve	0	0	0	58,515	0	0	0	58,515	0
	1,292,509	**20,000**	**11,370**	**260,515**	**0**	**(152,210)**	**0**	**1,420,814**	**1,303,879**

Note 7 - Year To Date Reserve Balance to End of Year Estimate



SHIRE OF CUBALLING
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 December 2017

Note 8: Disposal of Assets

		YTD Actual				Amended Budget			
Asset Number	Asset Description	Net Book Value	Proceeds	Profit	(Loss)	Net Book Value	Proceeds	Profit	(Loss)
		$	$	$	$	$	$	$	$
	Plant and Equipment								
10,054	CN151 Multipac Mutli Tyre Roller	47,254	35,000		(12,254)	20,137	32,000	11,863	
11007	1CFP607 Isuzu Fire Truck	0	0						
11001	1DPW118 Toyota Landcruiser Fire	0	0						
		47,254	**35,000**	**0**	**(12,254)**	**20,137**	**32,000**	**11,863**	**0**

SHIRE OF CUBALLING
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 December 2017

Note 9: Rating Information		Number		YTD Acutal				Amended Budget			
	Rate in	of Properties	Rateable Value	Rate Revenue	Interim Rates	Back Rates	Total Revenue	Rate Revenue	Interim Rate	Back Rate	Total Revenue
RATE TYPE	$		$	$	$	$	$	$	$	$	$
Differential General Rate											
GRV	7.0866	166	2,138,942	151,578	0	0	151,578	151,578	0	0	151,578
UV	0.7142	186	103,070,000	736,126	12,116	0	748,242	736,126	0	0	736,126
Sub-Totals		**352**	**105,208,942**	**887,704**	**12,116**	**0**	**899,820**	**887,704**	**0**	**0**	**887,704**
	Minimum										
Minimum Payment	**$**										
GRV	690.00	161	805,991	111,090	0	0	111,090	111,090	0	0	111,090
UV	900.00	158	14,017,700	142,200	0	0	142,200	142,200	0	0	142,200
Sub-Totals		**319**	**14,823,691**	**253,290**	**0**	**0**	**253,290**	**253,290**	**0**	**0**	**253,290**
		671	**120,032,633**	**1,140,994**	**12,116**	**0**	**1,153,110**	**1,140,994**	**0**	**0**	**1,140,994**
Discount							(69,001)				(70,000)
Write Off							(88)				0
Amount from General Rates							**1,084,020**				**1,070,994**
Ex-Gratia Rates							425				0
Specified Area Rates							0				0
Totals							**1,084,446**				**1,070,994**

Comments - Rating Information

All land except exempt land in the Shire of Cuballing is rated according to its Gross Rental Value (GRV) in townsites or Unimproved Value (UV) in the remainder of the Shire.

The general rates detailed above for the 2017/18 financial year have been determined by Council on the basis of raising the revenue required to meet the deficiency between the total estimated expenditure proposed in the budget and the estimated revenue to be received from all sources other than rates and also bearing considering the extent of any increase in rating over the level adopted in the previous year.

The minimum rates have been determined by Council on the basis that all ratepayers must make a reasonable contribution to the cost of the Local Government services/facilities.

SHIRE OF CUBALLING
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 December 2017

Note 10: Information on Borrowings

(a) Debenture Repayments

					Principal Repayments		Principal Outstanding		Interest Repayments	
Particulars	**Loan Date**	**Years**	**Principal at 1/07/2017**	**New Loans**	**Actual**	**Amended Budget**	**Actual**	**Amended Budget**	**Actual**	**Amended Budget**
					$	$	$	$	$	$
Transport										
Loan 62 - Loader	11/08/2008	10	34,109		16,772	34,109	17,337	0	999	1,434
Loan 63 - Graders	7/02/2014	8	187,681		18,315	37,037	169,366	150,644	3,971	7,534
			221,790	0	35,087	71,146	186,703	150,644	4,970	8,968

All debenture repayments were financed by general purpose revenue.

(b) New Debentures

No new debentures were raised during the reporting period.

SHIRE OF CUBALLING
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 December 2017

Note 11: Grants and Contributions

	Grant Provider	Type	Opening Balance (a)	Budget Operating	Budget Capital	YTD Budget	Annual Budget (d)	Post Variations (e)	Expected (d)+(e)	YTD Actual Revenue
				$	$	$				$
General Purpose Funding										
Grants Commission - General	WALGGC	Operating	0	292,191	0	146,096	292,191		292,191	130,018
Grants Commission - Roads	WALGGC	Operating	0	174,657	0	81,084	174,657		174,657	73,830
Law, Order and Public Safety										
DFES Grant - Operating Bush Fire Brigade	Dept. of Fire & Emergency Serv.	Operating	0	20,625	0	17,750	20,625		20,625	16,513
Recreation and Culture										
Grants - Kidsport	Dept. of Communities	Operating	0	0	0	0	0		0	0
DREC Weather Shelter	R4R, Lotterywest, Contributions	Non-operating	0	0	26,369	26,369	26,369		26,369	26,369
Yornaning Dam Upgrades		Non-operating	0	0	34,723	0	34,723		34,723	0
Transport										
Direct Grant - Main Roads	Main Roads WA	Operating	0	99,902	0	4,545	99,902		99,902	57,535
Roads To Recovery Grant - Cap	Roads to Recovery	Non-operating	0	0	243,253	252,549	243,253		243,253	0
RRG Grants - Capital Projects	Regional Road Group	Non-operating	0	0	381,926	99,902	381,926		381,926	126,275
Economic Services										
Youth Day Grant	Dept. of Communities	Operating	0	1,000	0	0	1,000		1,000	0
Volunteer Day Grant	Dept. of Communities	Operating	0	1,000	0	1,000	1,000		1,000	1,000
Kid's Day Go for 2&5	Healthways	Operating	0	0	0	0	0		0	2,500
Seniors Day Grant	Dept. of Communities	Operating	0	0	0	0	0		0	1,000
TOTALS			**0**	**589,375**	**686,271**	**629,295**	**1,275,646**	**0**	**1,275,646**	**431,540**
SUMMARY										
Operating	Operating Grants, Subsidies and Contributions		0	588,375	0	249,475	588,375	0	588,375	278,896
Operating - Tied	Tied - Operating Grants, Subsidies and Contributioı		0	0	0	0	0	0	0	0
Non-operating	Non-operating Grants, Subsidies and Contributions		0	0	686,271	378,820	686,271	0	686,271	152,644
TOTALS			**0**	**588,375**	**686,271**	**628,295**	**1,274,646**	**0**	**1,274,646**	**431,540**

SHIRE OF CUBALLING
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 December 2017

Note 12: Trust Fund

Funds held at balance date over which the Shire has no control and which are not included in this statement are as follows:

Description	Opening Balance 01 Jul 2017	Amount Received	Amount Paid	Closing Balance 31 Dec 2017
	$	$	$	$
Bonds - Building	6,889	0	0	**6,889**
Bonds - Hall Hire	1,150	0	0	**1,150**
Badmington Club	20	0	0	**20**
Commodine Tennis Club	2,990	0	0	**2,990**
Cuballing Country Festival	1,099	0	0	**1,099**
Cuballing Cricket Club	200	0	0	**200**
Yornaning Dam	0	0	0	**0**
Cuballing Football Association	566	0	0	**566**
Environment and Townscape Trust Fund	6,362	0	(592)	**5,770**
Police Licensing	1,573	110,716	(112,200)	**88**
Swipe Cards	1,605	0	0	**1,605**
Reimbursements	320	240	(240)	**320**
	22,774	**110,956**	**(113,032)**	**20,698**

SHIRE OF CUBALLING
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 December 2017

Note 13: Capital Acquisitions

Assets	Account	YTD Actual New/Upgrade	YTD Actual Renewal	YTD Actual Total YTD	Budget Annual Budget	Budget YTD Budget	Budget YTD Variance	Strategic Reference / Comment
		$	$	$	$	$	$	
Level of completion indicator, please see table at the end of this note for further detail.								
Land & Buildings								
Recreation And Culture								
Building Renewal - Cuballing Town Hall	11048	0	0	0	(10,190)	0	0	C162
Building Renewal - Cuballing CWA Hall	11048	0	0	0	(6,090)	0	0	C164
Building Renewal - Cuballing Memorial Park	11230	0	0	0	(52,948)	0	0	C176
Building Renewal - Cuballing Recreation Centre	11230	0	0	0	(9,985)	0	0	C165
Building Renewal - Yornaning Dam	11230	0	0	0	(80,951)	0	0	C187
DREC Weather Shelter	11310	(22,384)	0	(22,384)	(21,182)	(21,182)	(1,202)	Final works from 2016/17
Recreation And Culture Total		**(22,384)**	**0**	**(22,384)**	**(181,346)**	**(21,182)**	**(1,202)**	
Community Amenities								
Cuballing Transfer Station	10742	(28,711)	0	(24,613)	(28,711)	(28,711)	4,098	J601 - Fence
Cuballing Transfer Station	10742	(31,074)	0	0	(31,074)	(31,074)	31,074	C158 - Waste Oil Facility
Community Amenities Total		**(28,711)**	**0**	**(24,613)**	**(59,785)**	**(28,711)**	**4,098**	
Land & Buildings Total		**(51,095)**	**0**	**(46,997)**	**(241,131)**	**(49,893)**	**2,896**	
Other Infrastructure								
Economic Services								
Standpipe Upgrades	13605	0	0	(8,453)	(7,356)	0	(8,453)	
Economic Services Total		**0**	**0**	**(8,453)**	**(7,356)**	**0**	**(8,453)**	
Other Infrastructure Total		**0**	**0**	**(8,453)**	**(7,356)**	**0**	**(8,453)**	
Plant , Equip. & Vehicles								
Transport								
Multipac Roller	12405	(170,000)	0	(160,000)	(170,000)	(170,000)	10,000	Budget - purchase Aug
Transport Total		**(170,000)**	**0**	**(160,000)**	**(170,000)**	**(170,000)**	**10,000**	
Plant , Equip. & Vehicles Total		**(170,000)**	**0**	**(160,000)**	**(170,000)**	**(170,000)**	**10,000**	

Roads

Transport

RRG - Wandering Narrogin Road 16/17	12115	(60,031)	0	(18,265)	(140,072)	(60,031)	41,766	J600
RRG - Wandering Narrogin Road	12115	(139,228)	0	(105,237)	(324,865)	(139,228)	33,991	R129
RRG - Stratherne Road	12115	(63,713)	0	(53,447)	(148,664)	(63,713)	10,267	R001
R2R - Popanyinning West Road Widening	12120	(72,738)	0	(19,576)	(169,721)	(72,738)	53,162	R002
R2R - Popanyinning West Road Reseal	12120	0	(17,322)	(3,569)	(40,418)	(17,322)	13,753	R002C
R2R - Yornaning West Road Reseal	12120	0	(6,531)	0	(15,239)	(6,531)	6,531	R005A
R2R - Cuballing East Road Reseals	12120	0	(2,177)	0	(5,080)	(2,177)	2,177	R006
R2R - Victoria Road Reseal	12120	0	(5,484)	(557)	(12,796)	(5,484)	4,927	R122
Transport Total		**(335,710)**	**(31,514)**	**(200,651)**	**(856,855)**	**(367,224)**	**166,573**	
Roads Total		**(335,710)**	**(31,514)**	**(200,651)**	**(856,855)**	**(367,224)**	**166,573**	
Capital Expenditure Total		**(556,805)**	**(31,514)**	**(416,100)**	**(1,267,986)**	**(587,117)**	**179,469**	

Level of Completion Indicators

0%
20%
40%
60%
80%
100%
Over 100%

Percentage YTD Actual to Annual Budget
Expenditure over budget highlighted in red.

9.1.3 Statement of Financial Activity

Applicant:	N/A
File Ref. No:	ADM214
Disclosure of Interest:	Nil
Date:	8th February 2017
Author:	Rick Pares, Deputy Chief Executive Officer
Attachments:	9.1.3A Statement of Financial Activity

Summary
Council is to consider the Statement of Financial Activity for January 2018.

Background

As per the Financial Management Regulation 34 each Local Government is to prepare each month a statement of financial activity reporting on the sources and applications of funds, as set out in the annual budget under regulation 22(1) (d), for that month with the following detail

- The annual budget estimates,
- The operating revenue, operating income, and all other income and expenses,
- Any significant variations between year to date income and expenditure and the relevant budget provisions to the end of the relevant reporting period,
- Identify any significant areas where activities are not in accordance with budget estimates for the relevant reporting period,
- Provide likely financial projections to 30 June for those highlighted significant variations and their effect on the end of year result,
- Include an operating statement, and
- Any other required supporting notes.

Comment

Governance
Permanent difference due to an incorrectly paid account that was reimbursed for $2,659.80 and Regional Resource Sharing funds not budgeted for of $2,962.59. Profit on asset disposal has gone here for a DFES Trade that will have no net impact.
Computer upgrades were budgeted for are to be expended in February. Council Election costs will be permanently under budget (no election run) as advised previously.

Law, Order & Public Safety
An advance was paid in June for the Quarter 1 payment of the Emergency Services Levy Grant ($6,875).
Vehicle maintenance and insurance costs are still under budget.

Community Amenities
Local Planning Strategy has incurred minimal expenditure recorded against it, though it was budgeted to have spent some.
Tip maintenance costs are slightly under budget.

Recreation and Culture
Recreation complex income is slightly under budget.
Halls, Parks and Oval maintenance are all over budget.

Transport
Permanent difference due to changes in Main Roads Direct Grant from budgeted $99,902 to $57,535. Permanent difference as FAGS Road Grant will be under budget.

Road maintenance is over budget due to delays in the Capital Works program. Road depreciation is higher than budgeted.

Economic Services
Building expenses less than budgeted. Tourism expenses less than budgeted as Event signs have not yet gone ahead.
Standpipe expenses slightly under budget, with expenses expected in coming months.

Other Property and Services
Private Works income is under budget, balanced by expenditure also coming in under budget for both Building and Works.
Workers compensation claims are also higher than budgeted, balanced by reimbursement by LGIS.

Capital Expenditure
Capital Roads Program has been delayed due to road clearing permit difficulties. Work has commenced and is expected to be completed on time.
Permanent difference on roller changeover as it came in under budget.

Detailed breakdown of all variances provided in Note 2 of the Statement of Financial Activity.

Administration Allocations done to January 2018.

Depreciation expenses calculated to January 2018.

Strategic Implications - Nil
Statutory Environment – Nil
Policy Implications – Nil
Financial Implications – Nil
Economic Implication - Nil
Environmental Considerations - Nil
Consultation - Nil

Options

Council may resolve:
1. the Officer's Recommendation; or
2. not to receive the Statement of Financial Activity

Voting Requirements – Simple Majority

OFFICER'S RECOMMENDATION:

That the Statement of Financial Activity, as included at Attachment 9.1.3A for the Shire of Cuballing for period ending 31st January 2018 be received.

SHIRE OF CUBALLING

MONTHLY FINANCIAL REPORT
(Containing the Statement of Financial Activity)
For the Period Ended 31 January 2018

LOCAL GOVERNMENT ACT 1995

LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) REGULATIONS 1996

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Shire of Cuballing
Information Summary
For the Period Ended 31 January 2018

Key Information

Report Purpose
This report is prepared to meet the requirements of *Local Government (Financial Management) Regulations 1996, Regulation 34 .*

Overview
Summary reports and graphical progressive graphs are provided on pages 2 - 3.

Statement of Financial Activity by reporting program
Is presented on page 6 and shows a surplus as at 31 January 2018 of $890,868.

Items of Significance
The material variance adopted by the Shire of Cuballing for the 2016/17 year is $5,000 or 10% whichever is the greater. The following selected items have been highlighted due to the amount of the variance to the budget or due to the nature of the revenue/expenditure. A full listing and explanation of all items considered of material variance is disclosed in Note 2.

Capital Expenditue			
Land and Buildings		$ 1,354	Expenditure on the Cuballing
Infrastructure - Roads		$ 6,112	Capital works program has
Plant and Equipment		$ 10,000	Saving in total cost of Roller
Capital Revenue			
Grants, Subsidies and Contributions	▼	($273,598)	Roads to Recovery expected
Proceeds from Disposal of Assets	▲	$35,000	No material variance.

	Collected / Complete	Annual Budget	YTD Budget	YTD Actual
Significant Projects				
DREC Weather Shelter	106%	$ 21,182	$ 21,182	$ 22,384
Cuballing Transfer Station	86%	$ 28,711	$ 28,711	$ 24,613
RRG - Wandering Narrogin Road 16/17	13%	$ 140,072	$ 60,031	$ 18,815
Grants, Subsidies and Contributions				
Operating Grants, Subsidies and Contributions	49%	$ 588,375	$ 515,878	$ 286,271
Non-operating Grants, Subsidies and Contributions	22%	$ 686,271	$ 130,816	$ 152,644
	34%	$ 1,274,646	$ 646,695	$ 438,915
Rates Levied	100%	$ 1,070,995	$ 1,070,994	$ 1,073,302

% Compares current ytd actuals to annual budget

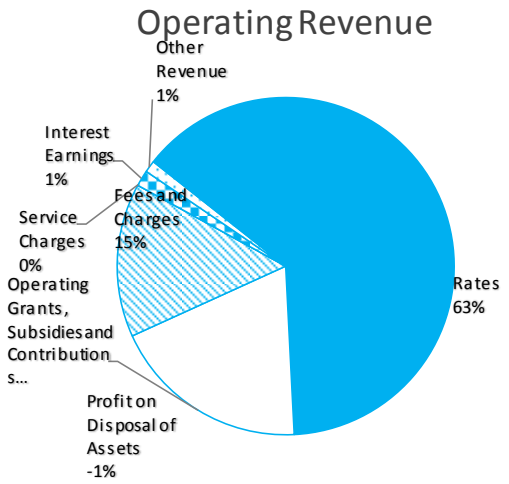
Financial Position		Prior Year	Current Year
Adjusted Net Current Assets	67%	$ 1,331,299	$ 890,868
Cash and Equivalent - Unrestricted	87%	$ 1,027,203	$ 889,135
Cash and Equivalent - Restricted	100%	$ 1,308,821	$ 1,303,870
Receivables - Rates	35%	$ 339,581	$ 118,720
Receivables - Other	140%	$ 14,784	$ 20,747
Payables	437%	$ 36,751	$ 160,600

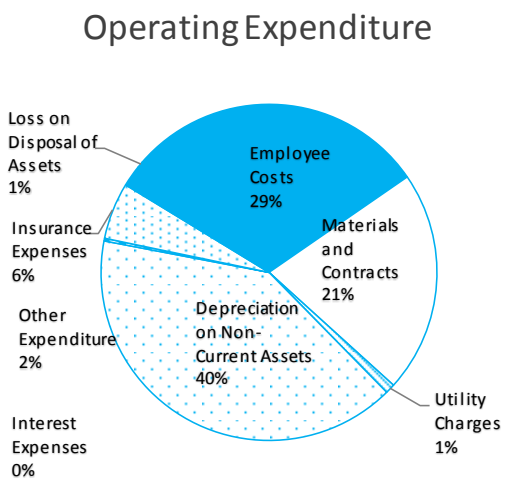
% Compares current ytd actuals to prior year actuals at the same time
Note: The Statements and accompanying notes are prepared based on all transactions recorded at the time of preparation and may vary due to transactions being processed for the reporting period after the date of

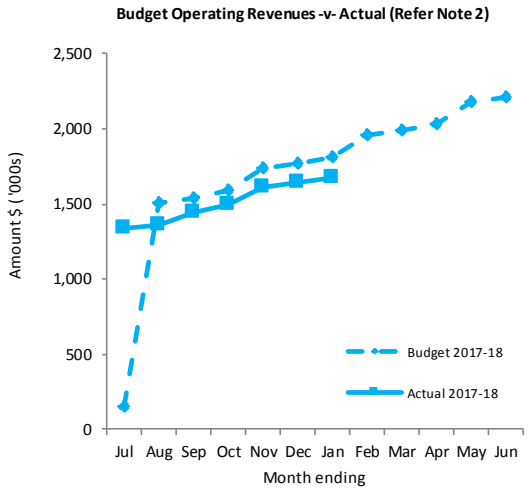
Preparation

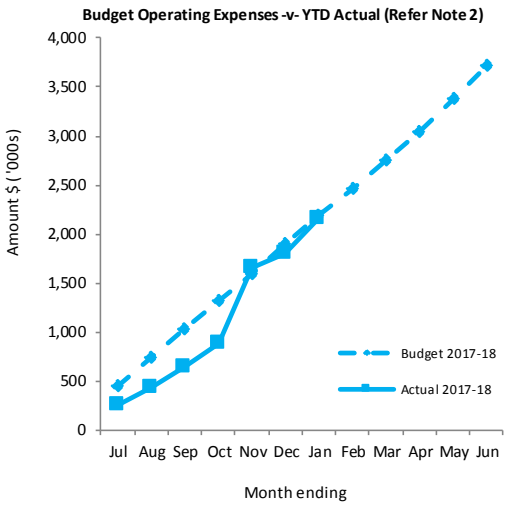
Prepared by: Richard Pares, DCEO
Reviewed by: Gary Sherry, CEO

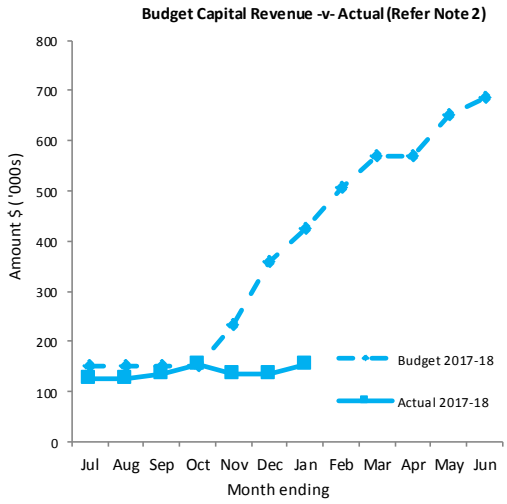
Shire of Cuballing
Information Summary
For the Period Ended 31 January 2018

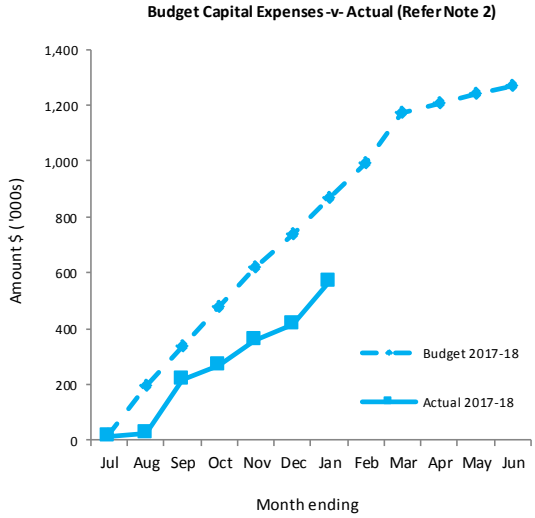












This information is to be read in conjunction with the accompanying Financial Statements and Notes.

SHIRE OF CUBALLING
STATEMENT OF FINANCIAL ACTIVITY
(Statutory Reporting Program)
For the Period Ended 31 January 2018

	Note	Annual Budget	YTD Budget (a)	YTD Actual (b)	Var. $ (b)-(a)	Var. % (b)-(a)/(a)	Var.
		$	$	$	$	%	
Opening Funding Surplus(Deficit)	3	916,109	916,109	**907,867**	(8,242)	(1%)	
Revenue from operating activities							
Governance		1,845	1,741	**(11,670)**	(13,411)	(770%)	▼
General Purpose Funding	9	1,397,106	1,237,761	**1,234,114**	(3,646)	(0%)	
Law, Order and Public Safety		35,000	28,125	**27,058**	(1,067)	(4%)	
Health		1,200	600	**812**	212	35%	
Education and Welfare		0	0	**1,164**	1,164		
Housing		4,680	2,730	**2,700**	(30)	(1%)	
Community Amenities		59,100	59,025	**60,960**	1,935	3%	
Recreation and Culture		8,795	8,795	**7,451**	(1,345)	(15%)	
Transport		282,561	191,897	**136,511**	(55,386)	(29%)	▼
Economic Services		47,500	26,292	**26,132**	(159)	(1%)	
Other Property and Services		309,757	173,771	**185,116**	11,344	7%	
		2,147,545	**1,730,738**	**1,670,348**			
Expenditure from operating activities							
Governance		(134,068)	(90,873)	**(85,154)**	5,719	6%	
General Purpose Funding		(70,759)	(36,739)	**(30,501)**	6,238	17%	▲
Law, Order and Public Safety		(128,909)	(83,739)	**(78,527)**	5,212	6%	
Health		(48,935)	(28,712)	**(21,505)**	7,207	25%	▲
Education and Welfare		(53,073)	(7,834)	**(6,841)**	993	13%	▲
Housing		(55,115)	(32,151)	**(28,580)**	3,571	11%	▲
Community Amenities		(316,955)	(184,224)	**(172,108)**	12,116	7%	
Recreation and Culture		(278,481)	(159,487)	**(162,227)**	(2,740)	(2%)	
Transport		(2,219,575)	(1,294,461)	**(1,364,889)**	(70,428)	(5%)	
Economic Services		(167,639)	(97,837)	**(78,774)**	19,063	19%	▲
Other Property and Services		(251,711)	(165,457)	**(128,027)**	37,430	23%	▲
		(3,725,220)	**(2,181,513)**	**(2,157,131)**			
Operating activities excluded from budget							
Add back Depreciation		1,429,950	834,137	**875,678**	41,541	5%	
Adjust (Profit)/Loss on Asset Disposal	8	(11,863)	(11,863)	**25,652**	37,515	(316%)	
Adjust Provisions and Accruals		0	0	**0**	0		
Amount attributable to operating activities		**(159,587)**	**371,499**	**414,548**			
Investing Activities							
Non-operating Grants, Subsidies and Contributions	11	686,271	426,242	**152,644**	(273,598)	(64%)	▼
Proceeds from Disposal of Assets	8	32,000	0	**35,000**	35,000		▲
Land Held for Resale		0	0	**0**	0		
Land and Buildings	13	(241,131)	(49,893)	**(48,539)**	1,354	3%	
Infrastructure Assets	13	(864,211)	(367,224)	**(361,111)**	6,112	2%	
Plant and Equipment	13	(170,000)	(170,000)	**(160,000)**	10,000	6%	
Furniture and Equipment	13	0	0	**0**	0		
Amount attributable to investing activities		**(557,071)**	**(160,874)**	**(382,006)**			
Financing Actvities							
Proceeds from New Debentures		0	0	**0**	0		
Proceeds from Advances		0	0	**0**	0		
Self-Supporting Loan Principal		0	0	**0**	0		
Transfer from Reserves	7	152,210	152,210	**0**	(152,210)	(100%)	▼
Advances to Community Groups		0	0	**0**	0		
Repayment of Debentures	10	(71,146)	(38,179)	**(38,179)**	0	0%	
Transfer to Reserves	7	(280,515)	(11,361)	**(11,361)**	0	0%	
Amount attributable to financing activities		**(199,451)**	**102,670**	**(49,540)**			
Closing Funding Surplus(Deficit)	3	**0**	**1,229,404**	**890,868**			

Indicates a variance between Year to Date (YTD) Budget and YTD Actual data as per the adopted materiality threshold.
Refer to Note 2 for an explanation of the reasons for the variance.

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

SHIRE OF CUBALLING
STATEMENT OF FINANCIAL ACTIVITY
(By Nature or Type)
For the Period Ended 31 January 2018

	Note	Annual Budget	YTD Budget (a)	YTD Actual (b)	Var. $ (b)-(a)	Var. % (b)-(a)/(a)	Var.
		$	$	$	$	%	
Opening Funding Surplus (Deficit)	3	916,109	916,109	**907,867**	(8,242)	(1%)	
Revenue from operating activities							
Rates	9	1,070,995	1,070,994	**1,073,302**	2,308	0%	
Operating Grants, Subsidies and Contributions	11	611,525	366,193	**325,033**	(41,160)	(11%)	▼
Fees and Charges		394,161	258,301	**252,032**	(6,269)	(2%)	
Service Charges		0	0	**0**	0		
Interest Earnings		31,000	18,500	**26,229**	7,729	42%	▲
Other Revenue		28,000	16,750	**19,406**	2,656	16%	
Profit on Disposal of Assets	8	11,863	11,863	**(12,970)**			
		2,147,544	**1,742,600**	**1,683,031**			
Expenditure from operating activities							
Employee Costs		(902,102)	(520,418)	**(629,141)**	(108,723)	(21%)	▼
Materials and Contracts		(1,150,360)	(661,207)	**(462,809)**	198,399	30%	▲
Utility Charges		(40,508)	(23,663)	**(20,211)**	3,452	15%	▲
Depreciation on Non-Current Assets		(1,429,950)	(834,137)	**(875,678)**	(41,541)	(5%)	
Interest Expenses		(8,968)	(5,112)	**(5,603)**	(492)	(10%)	
Insurance Expenses		(118,762)	(109,414)	**(118,384)**	(8,970)	(8%)	
Other Expenditure		(74,570)	(39,424)	**(45,305)**	(5,880)	(15%)	▼
Loss on Disposal of Assets	8	0	0	**(12,683)**			
		(3,725,219)	**(2,193,376)**	**(2,169,814)**			
Operating activities excluded from budget							
Add back Depreciation		1,429,950	834,137	**875,678**	41,541	5%	
Adjust (Profit)/Loss on Asset Disposal	8	(11,863)	(11,863)	**25,652**	37,515	(316%)	
Amount attributable to operating activities		**(159,588)**	**371,499**	**414,548**			
Investing activities							
Grants, Subsidies and Contributions	11	686,271	426,242	**152,644**	(273,598)	(64%)	▼
Proceeds from Disposal of Assets	8	32,000	0	**35,000**	35,000		▲
Land Held for Resale		0	0	**0**	0		
Land and Buildings	13	(241,131)	(49,893)	**(48,539)**	1,354	3%	
Infrastructure Assets	13	(864,211)	(367,224)	**(361,111)**	6,112	2%	
Plant and Equipment	13	(170,000)	(170,000)	**(160,000)**	10,000	6%	
Furniture and Equipment	13	0	0	**0**	0		
Amount attributable to investing activities		**(557,071)**	**(160,874)**	**(382,006)**			
Financing Activities							
Proceeds from New Debentures		0	0	**0**	0		
Proceeds from Advances		0	0	**0**	0		
Self-Supporting Loan Principal		0	0	**0**	0		
Transfer from Reserves	7	152,210	152,210	**0**	(152,210)	(100%)	▼
Advances to Community Groups		0	0	**0**	0		
Repayment of Debentures	10	(71,146)	(38,179)	**(38,179)**	0	0%	
Transfer to Reserves	7	(280,515)	(11,361)	**(11,361)**	0	0%	
Amount attributable to financing activities		**(199,451)**	**102,670**	**(49,540)**			
Closing Funding Surplus (Deficit)	3	(0)	1,229,404	**890,868**	**(338,536)**	(28%)	▼

Indicates a variance between Year to Date (YTD) Budget and YTD Actual data as per the adopted materiality threshold.
Refer to Note 2 for an explanation of the reasons for the variance.

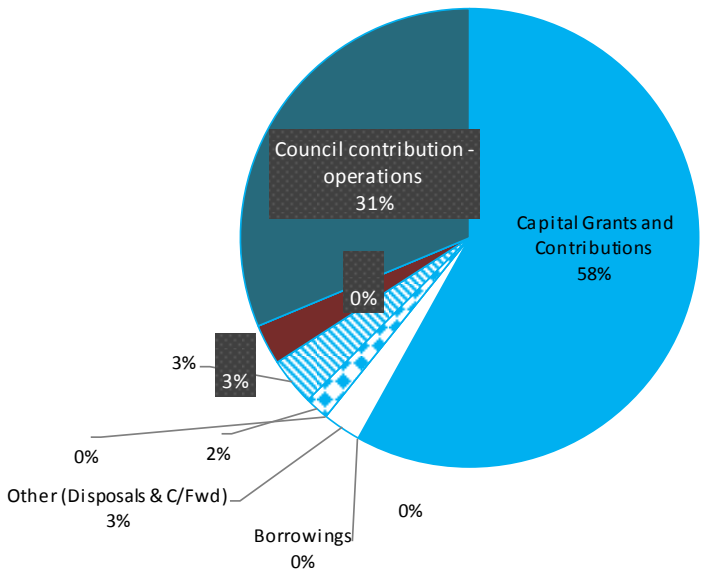
This statement is to be read in conjunction with the accompanying Financial Statements and notes.

SHIRE OF CUBALLING
STATEMENT OF CAPITAL ACQUSITIONS AND CAPITAL FUNDING
For the Period Ended 31 January 2018

Capital Acquisitions

	Note	YTD Actual New /Upgrade (a)	YTD Actual (Renewal Expenditure) (b)	YTD Budget (d)	Annual Budget	YTD Actual Total (c) = (a)+(b)	Variance (d) - (c)
		$	$	$	$	$	$
Land and Buildings	13	0	0	49,893	241,131	**48,539**	(1,354)
Infrastructure Assets	13	0	0	367,224	864,211	**361,111**	(6,112)
Plant and Equipment	13	0	0	170,000	170,000	**160,000**	(10,000)
Capital Expenditure Totals		0	0	587,117	1,275,342	**569,650**	**(17,466)**
Capital acquisitions funded by:							
Capital Grants and Contributions				**130,816**	**686,271**	**152,644**	
Borrowings				**0**	**0**	**0**	
Other (Disposals & C/Fwd)				**0**	**32,000**	**35,000**	
Council contribution - Cash Backed Reserves				**0**	**93,695**	**0**	
Plant and Equipment Reserve				0	0	0	
Administration Building and Office Equipment Reserve				0	19,985	0	
Housing Reserve				0	40,000	0	
Recreation and Community Facility Reserve				0	0	0	
Refuse Site Reserve				0	33,710	0	
Grain Freight Reserve				0	0	0	
Equestrian Reserve				0	0	0	
Council contribution - operations				**456,300**	**369,681**	**382,006**	
Capital Funding Total				**587,117**	**1,181,647**	**569,650**	

Budgeted Capital Acquistions Funding



SHIRE OF CUBALLING
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 January 2018

Note 1: Significant Accounting Policies

(a) Basis of Accounting
This statement comprises a special purpose financial report which has 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 statement are presented below and have been consistently applied unless stated otherwise. Except for cash flow and rate setting information, the report has also been prepared on the accrual basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected

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.

(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. All monies held in the Trust Fund are excluded from the statement, but a separate statement of those monies appears at Note 12.

(c) Rounding Off Figures
All figures shown in this statement are rounded to the nearest dollar.

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

(e) Goods and Services Tax
Revenues, expenses and assets are recognised net of the amount of GST, except 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

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

(g) 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.

(h) Inventories
General
Inventories are measured at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs
Land Held for Resale
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 Council's intentions to release for sale.

(i) Fixed Assets

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

(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 rates and periods are:

Asset	**Years**
Buildings	30 to 50 years
Furniture and Equipment	4 to 10 years
Plant and Equipment	5 to 15 years
Sealed roads and streets	
formation	not depreciated
pavement	50 years
seal	
bituminous seals	20 years
asphalt surfaces	25 years
Gravel Roads	
formation	not depreciated
pavement	50 years
gravel sheet	12 years
Formed roads	
formation	not depreciated
pavement	50 years
Footpaths - slab	20 years

(k) Trade and Other Payables

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

(l) Employee Benefits

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

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

The provision for employees' benefits to wages, salaries, annual leave and long service leave expected to be settled within 12 months represents the amount the Shire 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 Shire 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 project 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 the Shire does not have the unconditional right to defer settlement beyond 12 months, the liability is recognised as a current liability.

(m) Interest-bearing Loans and Borrowings

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

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

Borrowing Costs

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

(n) Provisions

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

(o) Current and Non-Current Classification

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

(p) Nature or Type Classifications

Rates

All rates levied under the Local Government Act 1995. Includes general, differential, specific area rates, minimum rates, interim rates, back rates, ex-gratia rates, less discounts offered. Exclude administration fees, interest on

Operating Grants, Subsidies and Contributions

Refer to all amounts received as grants, subsidies and contributions that are not non-operating grants.

Non-Operating Grants, Subsidies and Contributions

Amounts received specifically for the acquisition, construction of new or the upgrading of non-current assets paid to a local government, irrespective of whether these amounts are received as capital grants, subsidies,

Profit on Asset Disposal

Profit on the disposal of assets including gains on the disposal of long term investments. Losses are disclosed under

Fees and Charges

Revenues (other than service charges) from the use of facilities and charges made for local government services, sewerage rates, rentals, hire charges, fee for service, photocopying charges, licences, sale of goods or information, fines, penalties and administration fees. Local governments may wish to disclose more detail such as rubbish collection fees, rental of property, fines and penalties, other fees and charges.

Service Charges

Service charges imposed under Division 6 of Part 6 of the Local Government Act 1995. Regulation 54 of the Local Government (Financial Management) Regulations 1996 identifies these as television and radio broadcasting, underground electricity and neighbourhood surveillance services. Exclude rubbish removal charges. Interest and other items of a similar nature received from bank and investment accounts, interest on rate instalments, interest

Interest Earnings

Interest and other items of a similar nature received from bank and investment accounts, interest on rate instalments, interest on rate arrears and interest on debtors.

Other Revenue / Income

Other revenue, which can not be classified under the above headings, includes dividends, discounts, rebates etc.

Employee Costs

All costs associate with the employment of person such as salaries, wages, allowances, benefits such as vehicle and housing, superannuation, employment expenses, removal expenses, relocation expenses, worker's compensation insurance, training costs, conferences, safety expenses, medical examinations, fringe benefit tax,

Materials and Contracts

All expenditures on materials, supplies and contracts not classified under other headings. These include supply of goods and materials, legal expenses, consultancy, maintenance agreements, communication expenses, advertising expenses, membership, periodicals, publications, hire expenses, rental, leases, postage and freight etc. Local governments may wish to disclose more detail such as contract services, consultancy, information

Utilities (Gas, Electricity, Water, etc.)

Expenditures made to the respective agencies for the provision of power, gas or water. Exclude expenditures incurred for the reinstatement of roadwork on behalf of these agencies.

Insurance

All insurance other than worker's compensation and health benefit insurance included as a cost of employment.

Loss on asset disposal

Loss on the disposal of fixed assets.

Depreciation on non-current assets

Depreciation expense raised on all classes of assets.

Interest expenses

Interest and other costs of finance paid, including costs of finance for loan debentures, overdraft accommodation and refinancing expenses.

Other expenditure

Statutory fees, taxes, provision for bad debts, member's fees or State taxes. Donations and subsidies made to community groups.

(r) Program Classifications (Function/Activity)

City/Town/Shire operations as disclosed in these financial statements encompass the following service orientated activities/programs.

GOVERNANCE

Objective:

To provide a decision making process for the efficient allocation of scarce resources.

Activities:

Includes the activities of members of council and the administrative support available to the council for the provision of governance of the district. Other costs relate to the task of assisting elected members and ratepayers on matters which do not concern specific council services.

GENERAL PURPOSE FUNDING

Objective:

To collect revenue to allow for the provision of services.

Activities:

Rates, general purpose government grants and interest revenue.

LAW, ORDER, PUBLIC SAFETY

Objective:

To provide services to help ensure a safer and environmentally conscious community.

Activities:

Supervision and enforcement of various local laws relating to fire prevention, animal control and other aspects of public safety including emergency services.

HEALTH

Objective:

To provide an operational framework for environmental and community health.

Activities:

Inspection of food outlets and their control, provision of meat inspection services, noise control and waste disposal

EDUCATION AND WELFARE

Objective:

To provide services to disadvantaged persons, the elderly, children and youth.

Activities:

Maintenance of child minding centre, playgroup centre, senior citizen centre and aged care centre. Provision and maintenance of home and community care programs and youth services.

HOUSING

Objective:

To provide and maintain elderly residents housing.

Activities:

Provision and maintenance of elderly residents housing.

COMMUNITY AMENITIES

Objective:

To provide services required by the community.

Activities:

Rubbish collection services, operation of rubbish disposal sites, litter control, construction and maintenance of urban storm water drains, protection of the environment and administration of town planning schemes, cemetery

RECREATION AND CULTURE

Objective:

To establish and effectively manage infrastructure and resource which will help the social well being of the

Activities:

Maintenance of public halls, civic centres, aquatic centre, beaches, recreation centres and various sporting facilities. Provision and maintenance of parks, gardens and playgrounds. Operation of library, museum and other

TRANSPORT

Objective:

To provide safe, effective and efficient transport services to the community.

Activities:

Construction and maintenance of roads, streets, footpaths, depots, cycle ways, parking facilities and traffic control. Cleaning of streets and maintenance of street trees, street lighting etc.

ECONOMIC SERVICES

Objective:

To help promote the shire and its economic wellbeing.

Activities:

Tourism and area promotion including the maintenance and operation of a caravan park. Provision of rural services including weed control, vermin control and standpipes. Building Control.

OTHER PROPERTY AND SERVICES

Objective:

To monitor and control City/Town/Shire overheads operating accounts.

Activities:

Private works operation, plant repair and operation costs and engineering operation costs.

SHIRE OF CUBALLING
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 January 2018

Note 2: Explanation of Material Variances

The material variance thresholds are adopted annually by Council as an indicator of whether the actual expenditure or revenue varies from the year to date budget materially.
The material variance adopted by Council for the 2017/18 year is $5,000 or 10% whichever is the greater.

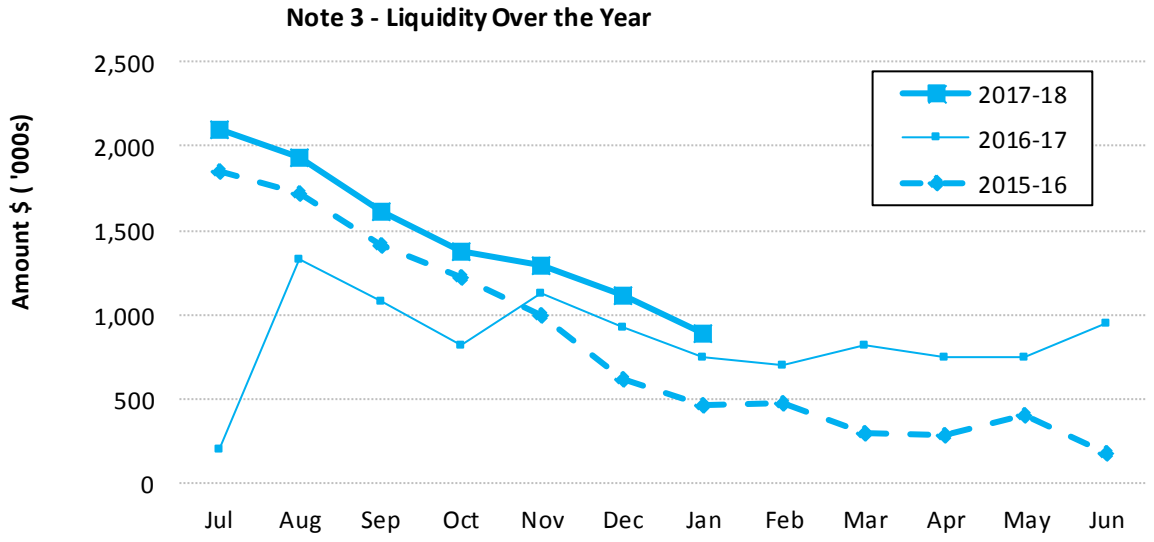
Reporting Program	Var. $	Var. %	V	Timing/ Permane	Explanation of Variance
Operating Revenues	$	%			
General Purpose Funding	(3,646)	(0%)			No material variance.
Governance	(13,411)	(770%)	▼	Timing	Profit on asset disposal runs through this account, there is a current impact from a DFES Trade that will be moved ($18,000). Permanent difference due to an incorrectly paid account that was reimbursed for $2,659.80 and Regional Resource Sharing funds not budgeted for of $2,962.59.
Law, Order and Public Safety	(1,067)	(4%)		Timing	Advance on ESL Grant for Quarter 1 was paid in June ($6,8
Health	212	35%			Additional septic tank licences received.
Housing	(30)	(1%)			No material variance.
Community Amenities	1,935	3%			No material variance.
Recreation and Culture	(1,345)	(15%)			Recreation complex income slightly under budget.
Transport	(55,386)	(29%)	▼		Permanent difference due to changes in Main Roads Direct Grant from budgetd $99,902 to $57,535 (variance of $42,367). Permanent difference as FAGS Road Grant allocation will be less than budgeted in financial year.
Economic Services	(159)	(1%)		Permanent	LGIS Broking refund paid, not budgeted.
Other Property and Services	11,344	7%		Timing	Private Works income slightly over Budget for Building. Workers compensation claims over budget, net off by expense.
Operating Expense					
General Purpose Funding	6,238	17%	▲	Timing	Legal Fees invoice posted, not yet allocated out to Rates accounts.
Governance	5,719	6%		Timing	Computer upgrades budgeted and not yet completed ($3,382) Work conducted in February. Council Election cost permanently under budget.
Law, Order and Public Safety	5,212	6%		Timing	Vehicle maintenance and insurance costs under budget.
Health	7,207	25%	▲		EHO Salary under budget.
Education & Welfare	993	13%	▲		No material variance.
Housing	3,571	11%	▲	Timing	Maintenance work at CEO & DCEO house under budget. Depreciation slightly under budget.
Community Amenities	12,116	7%		Timing	Tip Maintenance costs slightly under budget.
Recreation and Culture	(2,740)	(2%)		Timing	Hall Maintenance slightly over budget, Parks Maintenance and Recreation Oval maintenance slightly over budget.
Transport	(70,428)	(5%)		Timing	Road Maintenance is over budget , due to delays in Capital Works program. Road depreciation is slightly higher than budgeted.
Economic Services	19,063	19%	▲	Timing	Building expenses less than budgeted. Tourism expenses less than budgeted as Event signs have not yet gone ahead. Community Functions slightly over budget due to un budgeted events that were grant funded. Standpipe expenses slightly under budget, with expenses expected in coming months.
Other Property and Services	37,430	23%	▲	Timing	Private Works expenditure (Works and Building) slightly under budget, plant costs under budget with further expenditure expected as vehicle licences are corrected in the coming months.
Capital Revenues					
Grants, Subsidies and Contributions	(273,598)	(64%)	▼	Timing	Roads to Recovery expected to recevie funds, this has been delayed - Please see Note 11.
Proceeds from Disposal of Assets	35,000		▲		No material variance.
Capital Expenses					
Land and Buildings	1,354	3%		Timing	Expenditure on the Cuballing Transfer Station for the Fence and Waste Oil Facility were expected to be completed. Fence is completed. Waste Oil Facility has been delayed, possibly for this financial year.
Infrastructure - Roads	6,112	2%			Capital works program has been delayed by the road clearing permits. Work is expected to be completed in coming months. Please see Note 13.
Plant and Equipment	10,000	6%		Permanent	Saving in total cost of Roller replacement.
Furniture and Equipment	0				No material variance
Financing					
Loan Principal	0	0%			No material variance

SHIRE OF CUBALLING
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 January 2018

Note 3: Net Current Funding Position

Positive=Surplus (Negative=Deficit)

	Note	Last Years Closing 30 June 2018	This Time Last Year 30 Jan 2017	Current 31 Jan 2018
		$	$	$
Current Assets				
Cash Unrestricted	4	814,001	1,027,203	889,135
Cash Restricted	11	0	0	0
Cash Reserves	4	1,292,509	1,308,821	1,303,870
Receivables - Rates	6	65,448	339,581	118,720
Receivables - Other	6	57,907	14,784	20,747
Interest / ATO Receivable/Trust		0	23,112	15,605
Inventories		7,262	3,619	7,262
		2,237,126	2,717,120	2,355,338
Less: Current Liabilities				
Payables and Provisions		(36,751)	(77,000)	(160,600)
		(36,751)	(77,000)	(160,600)
Less: Cash Reserves	7	(1,292,509)	(1,308,821)	(1,303,870)
Net Current Funding Position		**907,867**	**1,331,299**	**890,868**



Comments - Net Current Funding Position

FAGS Allocation in 16/17 is paid in quarterly installments, in 15/16 there was an advance.
FAGS Allocation in 16/17 there was a 50% Advance of 17/18 payments in June 2017

SHIRE OF CUBALLING
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 January 2018

Note 4: Cash and Investments

		Unrestricted	Restricted	Trust	Total Amount	Institution	Interest Rate	Maturity Date
		$	$	$	$			
(a)	**Cash Deposits**							
	Municipal Bank Account	41,108			41,108	CBA	0.00%	At Call
	Investment Account	847,328			847,328	CBA	1.25%	At Call
	Trust Bank Account			40,155	40,155	CBA	0.00%	At Call
	Cash On Hand	700			700	N/A	Nil	On Hand
	Reserves Account		2,904		2,904	CBA	0.00%	At Call
(b)	**Term Deposits**							
	Reserves Term Deposit 1		433,791		433,791	CBA	1.77%	01-Dec-17
	Reserves Term Deposit 2		433,591		433,591	CBA	2.01%	02-Feb-18
	Reserves Term Deposit 3		433,584		433,584	CBA	2.01%	02-Feb-18
	Total	**889,135**	**1,303,870**	**40,155**	**2,233,160**			

Comments/Notes - Investments
Reserve Funds are on a rolling maturity schedule to maximise interest, linked to a Reserve transaction account.

SHIRE OF CUBALLING
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 January 2018

Note 5: Budget Amendments

Amendments to original budget since budget adoption. Surplus/(Deficit)

GL Code	Description	Council Resolution	Classification	Non Cash Adjustment	Increase in Available Cash	Decrease in Available Cash	Amended Budget Running Balance
				$	$	$	$
	Budget Adoption						0
	Permanent Changes						
							0
							0
							0
	Changes Due to Timing						0
							0
				0	0	0	

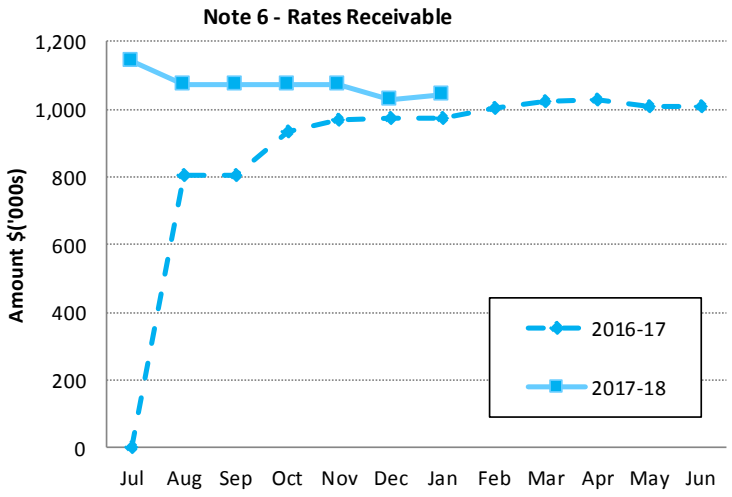
SHIRE OF CUBALLING
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 January 2018

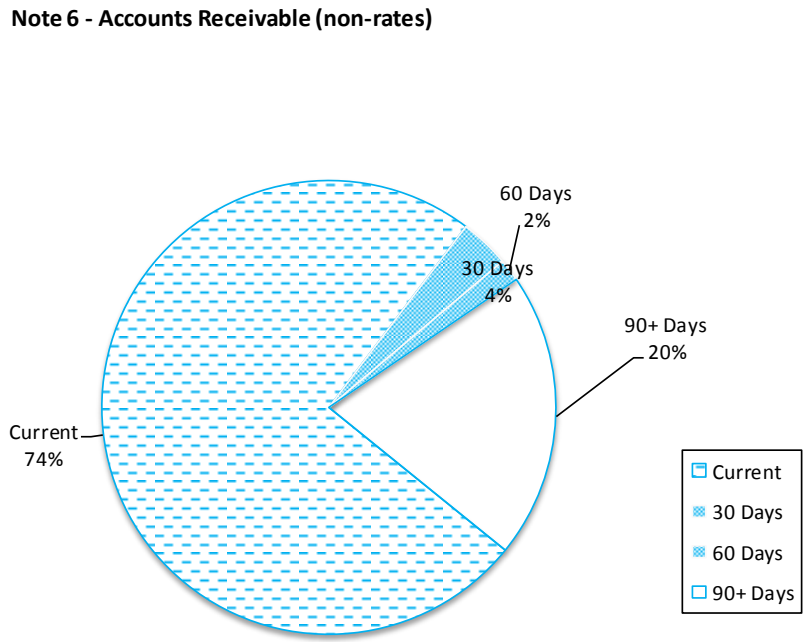
Note 6: Receivables

Receivables - Rates Receivable	31 Jan 2018	30 June 2017
	$	$
Opening Arrears Previous Years	70,590	47,139
Levied this year	1,073,302	1,031,115
Less Collections to date	(1,030,373)	(1,007,664)
Equals Current Outstanding	**113,520**	**70,590**
Net Rates Collectable	**113,520**	**70,590**
% Collected	90.08%	93.45%

Receivables - General	Current	30 Days	60 Days	90+ Days	Total
	$	$	$	$	$
Receivables - General	15,453	737	330	4,227	20,747
Balance per Trial Balance					
Sundry Debtors					20,747
Receivables - Other					15,605
Total Receivables General Outstanding					**36,351**

Amounts shown above include GST (where applicable)





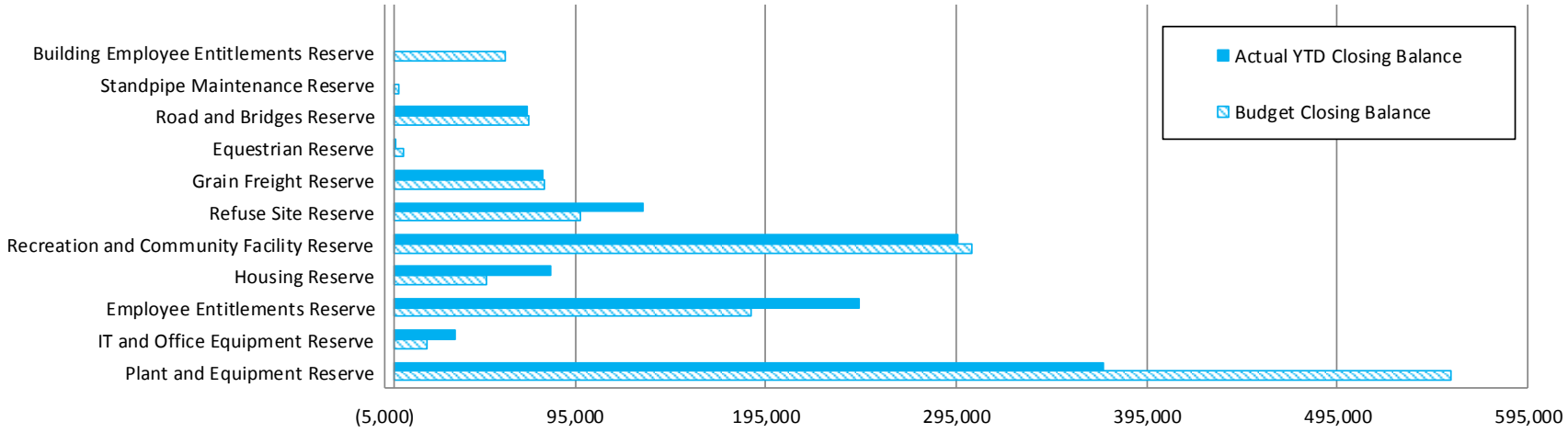
Comments/Notes - Receivables Rates
Rates Issue Date - 4 August 2016
Discount Period Ends - 25 August 2016
Rates Due - 8 September 2016

SHIRE OF CUBALLING
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 January 2018

Note 7: Cash Backed Reserve

Name	Opening Balance	Budget Interest Earned	Actual Interest Earned	Budget Transfers In (+)	Actual Transfers In (+)	Budget Transfers Out (-)	Transfers Out (-)	Budget Closing Balance	Actual YTD Closing Balance
	$	$	$	$	$	$	$	$	$
Plant and Equipment Reserve	368,717	5,719	3,244	180,000	0	0	0	554,436	371,961
IT and Office Equipment Reserve	31,339	486	276	5,000	0	(19,985)	0	16,840	31,615
Employee Entitlements Reserve	241,665	3,750	2,126	0	0	(58,515)	0	186,900	243,791
Housing Reserve	81,720	1,267	719	5,000	0	(40,000)	0	47,987	82,439
Recreation and Community Facility Reserve	293,306	4,548	2,571	5,000	0	0	0	302,854	295,877
Refuse Site Reserve	129,255	1,952	1,137	0	0	(33,710)	0	97,497	130,392
Grain Freight Reserve	77,219	1,196	679	0	0	0	0	78,415	77,898
Equestrian Reserve	26	8	0	5,000	0	0	0	5,034	26
Road and Bridges Reserve	69,261	1,074	609	0	0	0	0	70,335	69,870
Standpipe Maintenance Reserve	0	0	0	2,000	0	0	0	2,000	0
Building Employee Entitlements Reserve	0	0	0	58,515	0	0	0	58,515	0
	1,292,509	**20,000**	**11,361**	**260,515**	**0**	**(152,210)**	**0**	**1,420,814**	**1,303,870**

Note 7 - Year To Date Reserve Balance to End of Year Estimate



SHIRE OF CUBALLING
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 January 2018

Note 8: Disposal of Assets

		YTD Actual				Amended Budget			
Asset Number	Asset Description	Net Book Value	Proceeds	Profit	(Loss)	Net Book Value	Proceeds	Profit	(Loss)
		$	$	$	$	$	$	$	$
	Plant and Equipment								
10,054	CN151 Multipac Mutli Tyre Roller	47,254	35,000		(12,254)	20,137	32,000	11,863	
11007	1CFP607 Isuzu Fire Truck	0	0						
11001	1DPW118 Toyota Landcruiser Fire	0	0						
		47,254	**35,000**	**0**	**(12,254)**	**20,137**	**32,000**	**11,863**	**0**

SHIRE OF CUBALLING
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 January 2018

Note 9: Rating Information		Number		YTD Acutal				Amended Budget			
	Rate in	of Properties	Rateable Value	Rate Revenue	Interim Rates	Back Rates	Total Revenue	Rate Revenue	Interim Rate	Back Rate	Total Revenue
RATE TYPE	$		$	$	$	$	$	$	$	$	$
Differential General Rate											
GRV	7.0866	166	2,138,942	151,578	0	0	151,578	151,578	0	0	151,578
UV	0.7142	186	103,070,000	736,126	992	0	737,118	736,126	0	0	736,126
Sub-Totals		**352**	**105,208,942**	**887,704**	**992**	**0**	**888,696**	**887,704**	**0**	**0**	**887,704**
	Minimum										
Minimum Payment	**$**										
GRV	690.00	161	805,991	111,090	0	0	111,090	111,090	0	0	111,090
UV	900.00	158	14,017,700	142,200	0	0	142,200	142,200	0	0	142,200
Sub-Totals		**319**	**14,823,691**	**253,290**	**0**	**0**	**253,290**	**253,290**	**0**	**0**	**253,290**
		671	**120,032,633**	**1,140,994**	**992**	**0**	**1,141,986**	**1,140,994**	**0**	**0**	**1,140,994**
Discount							(69,001)				(70,000)
Write Off							(108)				0
Amount from General Rates							**1,072,877**				**1,070,994**
Ex-Gratia Rates							425				0
Specified Area Rates							0				0
Totals							**1,073,302**				**1,070,994**

Comments - Rating Information

All land except exempt land in the Shire of Cuballing is rated according to its Gross Rental Value (GRV) in townsites or Unimproved Value (UV) in the remainder of the Shire.

The general rates detailed above for the 2017/18 financial year have been determined by Council on the basis of raising the revenue required to meet the deficiency between the total estimated expenditure proposed in the budget and the estimated revenue to be received from all sources other than rates and also bearing considering the extent of any increase in rating over the level adopted in the previous year.

The minimum rates have been determined by Council on the basis that all ratepayers must make a reasonable contribution to the cost of the Local Government services/facilities.

SHIRE OF CUBALLING
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 January 2018

Note 10: Information on Borrowings

(a) Debenture Repayments

Particulars	Loan Date	Years	Principal at 1/07/2017	New Loans	Principal Repayments		Principal Outstanding		Interest Repayments	
					Actual	Amended Budget	Actual	Amended Budget	Actual	Amended Budget
					$	$	$	$	$	$
Transport										
Loan 62 - Loader	11/08/2008	10	34,109		16,772	34,109	17,337	0	999	1,434
Loan 63 - Graders	7/02/2014	8	187,681		21,407	37,037	166,274	150,644	4,593	7,534
			221,790	0	38,179	71,146	183,611	150,644	5,592	8,968

All debenture repayments were financed by general purpose revenue.

(b) New Debentures

No new debentures were raised during the reporting period.

SHIRE OF CUBALLING
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 January 2018

ote 11: Grants and Contributions

	Grant Provider	Type	Opening Balance (a)	Budget Operating	Budget Capital	YTD Budget	Annual Budget (d)	Post Variations (e)	Expected (d)+(e)	YTD Actual Revenue
				$	$	$				$
General Purpose Funding										
Grants Commission - General	WALGGC	Operating	0	292,191	0	146,096	292,191		292,191	130,018
Grants Commission - Roads	WALGGC	Operating	0	174,657	0	318,789	174,657		174,657	73,830
Law, Order and Public Safety										
DFES Grant - Operating Bush Fire Brigade	Dept. of Fire & Emergency Serv.	Operating	0	20,625	0	24,625	20,625		20,625	22,388
Recreation and Culture										
Grants - Kidsport	Dept. of Communities	Operating	0	0	0	0	0		0	0
DREC Weather Shelter	R4R, Lotterywest, Contributions	Non-operating	0	0	26,369	26,369	26,369		26,369	26,369
Yornaning Dam Upgrades		Non-operating	0	0	34,723	0	34,723		34,723	0
Transport										
Direct Grant - Main Roads	Main Roads WA	Operating	0	99,902	0	26,369	99,902		99,902	57,535
Roads To Recovery Grant - Cap	Roads to Recovery	Non-operating	0	0	243,253	99,902	243,253		243,253	0
RRG Grants - Capital Projects	Regional Road Group	Non-operating	0	0	381,926	4,545	381,926		381,926	126,275
Economic Services										
Youth Day Grant	Dept. of Communities	Operating	0	1,000	0	0	1,000		1,000	1,500
Volunteer Day Grant	Dept. of Communities	Operating	0	1,000	0	1,000	1,000		1,000	1,000
Kid's Day Go for 2&5	Healthways	Operating	0	0	0	0	0		0	2,500
Seniors Day Grant	Dept. of Communities	Operating	0	0	0	0	0		0	1,000
TOTALS			**0**	**589,375**	**686,271**	**647,695**	**1,275,646**	**0**	**1,275,646**	**438,915**
SUMMARY										
Operating	Operating Grants, Subsidies and Contributions		0	588,375	0	515,878	588,375	0	588,375	286,271
Operating - Tied	Tied - Operating Grants, Subsidies and Contributioı		0	0	0	0	0	0	0	0
Non-operating	Non-operating Grants, Subsidies and Contributions		0	0	686,271	130,816	686,271	0	686,271	152,644
TOTALS			**0**	**588,375**	**686,271**	**646,695**	**1,274,646**	**0**	**1,274,646**	**438,915**

SHIRE OF CUBALLING
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 January 2018

Note 12: Trust Fund

Funds held at balance date over which the Shire has no control and which are not included in this statement are as follows:

Description	Opening Balance 01 Jul 2017	Amount Received	Amount Paid	Closing Balance 31 Jan 2018
	$	$	$	$
Bonds - Building	6,889	7,500	0	**14,389**
Bonds - Hall Hire	1,150	0	0	**1,150**
Badmington Club	20	0	0	**20**
Commodine Tennis Club	2,990	0	0	**2,990**
Cuballing Country Festival	1,099	0	0	**1,099**
Cuballing Cricket Club	200	0	0	**200**
Yornaning Dam	0	0	0	**0**
Cuballing Football Association	566	0	0	**566**
Environment and Townscape Trust Fund	6,362	0	(592)	**5,770**
Police Licensing	1,573	122,673	(112,200)	**12,046**
Swipe Cards	1,605	0	0	**1,605**
Reimbursements	320	240	(240)	**320**
	22,774	**130,413**	**(113,032)**	**40,155**

SHIRE OF CUBALLING
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 January 2018

Note 13: Capital Acquisitions

Assets	Account	YTD Actual New/Upgrade	YTD Actual Renewal	YTD Actual Total YTD	Budget Annual Budget	Budget YTD Budget	Budget YTD Variance	Strategic Reference / Comment
		$	$	$	$	$	$	
Level of completion indicator, please see table at the end of this note for further detail.								
Land & Buildings								
Recreation And Culture								
Building Renewal - Cuballing Town Hall	11048	0	0	0	(10,190)	0	0	C162
Building Renewal - Cuballing CWA Hall	11048	0	0	0	(6,090)	0	0	C164
Building Renewal - Cuballing Memorial Park	11230	0	0	0	(52,948)	0	0	C176
Building Renewal - Cuballing Recreation Centre	11230	0	0	(310)	(9,985)	0	(310)	C165
Building Renewal - Yornaning Dam	11230	0	0	(1,232)	(80,951)	0	(1,232)	C187
DREC Weather Shelter	11310	(22,384)	0	(22,384)	(21,182)	(21,182)	(1,202)	Final works from 2016/17
Recreation And Culture Total		**(22,384)**	**0**	**(23,926)**	**(181,346)**	**(21,182)**	**(2,744)**	
Community Amenities								
Cuballing Transfer Station	10742	(28,711)	0	(24,613)	(28,711)	(28,711)	4,098	J601 - Fence
Cuballing Transfer Station	10742	(31,074)	0	0	(31,074)	(31,074)	31,074	C158 - Waste Oil Facility
Community Amenities Total		**(28,711)**	**0**	**(24,613)**	**(59,785)**	**(28,711)**	**4,098**	
Land & Buildings Total		**(51,095)**	**0**	**(48,539)**	**(241,131)**	**(49,893)**	**1,354**	
Other Infrastructure								
Economic Services								
Standpipe Upgrades	13605	0	0	(8,453)	(7,356)	0	(8,453)	
Economic Services Total		**0**	**0**	**(8,453)**	**(7,356)**	**0**	**(8,453)**	
Other Infrastructure Total		**0**	**0**	**(8,453)**	**(7,356)**	**0**	**(8,453)**	
Plant , Equip. & Vehicles								
Transport								
Multipac Roller	12405	(170,000)	0	(160,000)	(170,000)	(170,000)	10,000	Budget - purchase Aug
Transport Total		**(170,000)**	**0**	**(160,000)**	**(170,000)**	**(170,000)**	**10,000**	
Plant , Equip. & Vehicles Total		**(170,000)**	**0**	**(160,000)**	**(170,000)**	**(170,000)**	**10,000**	

Roads

Transport

RRG - Wandering Narrogin Road 16/17	12115	(60,031)	0	(18,815)	(140,072)	(60,031)	41,216	J600
RRG - Wandering Narrogin Road	12115	(139,228)	0	(149,855)	(324,865)	(139,228)	(10,628)	R129
RRG - Stratherne Road	12115	(63,713)	0	(89,794)	(148,664)	(63,713)	(26,081)	R001
RRG - Grain Freight	12115			(15)	0			J149
R2R - Popanyinning West Road Widening	12120	(72,738)	0	(19,576)	(169,721)	(72,738)	53,162	R002
R2R - Popanyinning West Road Reseal	12120	0	(17,322)	(39,772)	(40,418)	(17,322)	(22,450)	R002C
R2R - Yornaning West Road Reseal	12120	0	(6,531)	(14,291)	(15,239)	(6,531)	(7,760)	R005A
R2R - Popanyinning East - Cement Stabilising	12120			(6,043)	0			R004A
R2R - Popantinning East - Gravel Sheeting	12120			0	0			R004B
R2R - Cuballing East Road Reseals	12120	0	(2,177)	(3,245)	(5,080)	(2,177)	(1,068)	R006
R2R - Victoria Road Reseal	12120	0	(5,484)	(11,252)	(12,796)	(5,484)	(5,768)	R122
Transport Total		**(335,710)**	**(31,514)**	**(352,659)**	**(856,855)**	**(367,224)**	**20,623**	
Roads Total		**(335,710)**	**(31,514)**	**(352,659)**	**(856,855)**	**(367,224)**	**20,623**	
Capital Expenditure Total		**(556,805)**	**(31,514)**	**(569,650)**	**(1,267,986)**	**(587,117)**	**31,977**	

Level of Completion Indicators

0%
20%
40%
60%
80%
100%
Over 100%

Percentage YTD Actual to Annual Budget
Expenditure over budget highlighted in red.

9.2 CHIEF EXECUTIVE OFFICER:

9.2.1	Application for Retrospective Development Approval of Piggery and Associated Expansion: Lot 9081 (No. 290) Gaths Road, Commodine

Location:	Lot 9081 (No. 290) Gaths Road, Commodine
Applicant:	Furphy & Co
File Ref. No:	A2528
Disclosure of Interest:	Nil
Date:	29th January 2018
Author:	Gary Sherry
Attachments	9.2.1A Information from applicant 9.2.1B Location plan 9.2.1C Submissions 9.2.1D *Planning and Development (Local Planning Schemes) Regulations 2015* extract

Summary

Retrospective development approval is recommended for a piggery along with associated expansion of the piggery at Lot 9081 (No. 290) Gaths Road, Commodine.

Background

1. The application

The applicant seeks retrospective development approval for a piggery which was established 20 years ago. Additionally, the applicant seeks development approval to expand the piggery through eight additional strawbased eco shelters, relocating the waste area and mortalities (shallow burial) area and increasing the number of pigs from 5,000 to 7,000.

Details submitted by the applicant are set out in Attachment 9.2.1A. These details include information relating to the property, existing infrastructure, proposed piggery operation, piggery management, environmental impact assessment, community amenity and various plans. The information provided by the applicant provides background information which is generally not repeated in this report.

2. Application site

The site's location is outlined in Attachment 9.2.1B which is approximately 12km east of Yornaning.

The Furphy & Co farm consists of multiple titles which have a combined area of around 1100 hectares. The piggery facilities are located on Lot 9081 in the central southern portion of the farm highlighted in red on Attachment 9.2.1B.

Further details relating to the application site are set out in Attachment 9.2.1A

3. Public consultation

The Shire administration sent letters to 15 stakeholders including adjoining/nearby landowners and relevant State Government authorities seeking comment on the application for 42 days. Additionally, the Shire invited comments through a notice in the Narrogin Observer, on a notice on the property entrance and a notice on the notice board at the Shire office.

The Shire received 2 submissions which are outlined in Attachment 9.2.1C. The submissions raise no objection but provide advice on various matters and suggest associated development conditions.

The Department of Water and Environmental Regulation (DWER) in part advise that this piggery meets the definition of prescribed premises Category 2 – Intensive Piggery as per Schedule 1 of the Environmental Protection Regulations 1987. As such the Environmental Protection Act 1986 requires a works approval and a licence (for operation) to be obtained for the premises. The applicant has been advised by DWER that a works approval and licence are necessary for the existing and proposed intensive piggery premises.

4. Planning and environmental context

There are a range of planning and environmental legislation, strategies, policies and guidelines relevant to the application. Some of these are outlined below with others listed under Statutory Environment.

4A) Shire of Cuballing Town Planning Scheme No. 2

The site is zoned 'General Agriculture' in the *Shire of Cuballing Town Planning Scheme No. 2* (TPS2).

The piggery use is defined in TPS2 as 'animal husbandryintensive' which means **'**premises used for keeping, rearing or fattening of pigs, poultry (for either egg or meat production), rabbits (for either meat of fur production) and other livestock feedlots'.

Animal husbandryintensive is an 'A' use in the General Agriculture Zone. This means that the use is not permitted unless the local government has exercised its discretion by granting development approval after giving special notice (seeking comment) in accordance with the *Planning and Development (Local Planning Schemes) Regulations 2015.*

The aims of TPS2 (clause 1.6) include:

- to promote the sustainable management of natural resources including energy, water, land, minerals and basic raw materials by preventing land degradation and integrating land and catchment management with land use planning; and
- to encourage economic growth in rural areas by facilitating the more intensive and diversified use of rural land in appropriate areas for high value products which are compatible with surrounding farm practices and encouraging processing and value adding industries to be located within the Shire.

Clause 4.2(b) sets out objectives for the General Agriculture Zone. The objectives include:

- to encourage intensive agriculture where soil conditions and location are appropriate and it can be demonstrated that offsite impacts (if any) will not adversely affect existing agricultural activities; and
- to ensure that natural drainage patterns/catchments throughout the Shire are recognised in land management practices.

Clause 5.11.2 states 'Council will support more intensive forms of agricultural production in the General Agriculture zone subject to:

- identification of soil types, availability and adequacy of water supply, and any areas of salt affected land and/or land degradation;

- evidence from suitably qualified consultants and/or the Department of Agriculture on the suitability of the proposed lots and lot size for the intended land use;
- evidence of suitable land care management issues addressing retention of remnant vegetation, revegetation areas, land degradation and salinity management;
- evidence that the proposed activity is compatible with broadacre agriculture or that adverse impacts can be contained within the site; and
- such other matters as may be determined by Council.'

The Development Table – General, which sets out standards for setbacks and related matters, outlines that setbacks for piggeries are to be determined by Council.

Attachment 9.2.1D sets out an extract from the *Planning and Development (Local Planning Schemes) Regulations 2015* relating to matters to be considered by the local government in determining Development Application and options in determining applications. The Regulations include deemed provisions for local planning schemes which replace relevant clauses in local planning schemes in Western Australia including TPS2.

4B) Shire of Cuballing Local Planning Strategy

The Local Planning Strategy seeks to protect prime agricultural land, support agriculture valueadding industries, broaden the local economy, reduce nutrient export into waterways and promote best practice land management. One of the aims for rural land is 'To encourage intensive agricultural activities where it can be demonstrated that there are no adverse offsite impacts to broadscale agriculture' (page 18).

4C) Guidance Statement No. 3 Separation Distances between Industrial and Sensitive Land Uses

This Environmental Protection Authority document provides generic buffer (separation) distances for a range of activities. In relation to piggeries, it sets out a buffer of 2000 metres for piggeryintensive (premises on which pigs are fed, watered and housed in indoor pens) for piggeries with 50 – 500 pigs. For piggery – extensive, premises on which pigs are fed, watered and housed in outside paddocks or enclosures, the buffer is 1000 metres.

4D) National Environmental Guidelines for Piggeries

This document completed by Australian Pork Limited is an industry prepared guideline that provides a nationally agreed approach to management of pig production in Australia to achieve environmental goals. This document considers the separation distances from areas of byproduct use to relevant receptors and features. The following categories describe the method employed for the spent bedding created at a deep litter piggery, with the specified distances for each category listed.

Category 1
- Spent bedding is spread immediately (i.e. is not stockpiled/composted) and remains on the soil surface for more than 24 hours (i.e. is not immediately ploughed in).

Category 2
- Spent bedding is stockpiled before spreading.

Category 3
- Spent bedding/solids are composted.
- Application of effluent/spent bedding/solids in combination with immediate incorporation of material into the soil.

Where more than one category is used, the more (or most) stringent category controls apply.

The following is from Table A.10 Separation distances surrounding byproduct reuse areas:

Feature/Category	1	2	3
Town	1,000	750	300
Rural Residential	600	400	150
Rural Dwelling	300	200	100
Public Road carrying > 50 vehicles per day	50	25	
Public Road carrying < 50 vehicles per day	25	15	
Property boundary	25	20	

4E) Bush Fire Prone Area

Portions of the application site and the piggery are classified as a Bush Fire Prone Area as set out at https://maps.slip.wa.gov.au/landgate/bushfireprone/.

Comment

A) Overview

It is recommended that Council conditionally approve the retrospective Development Application for a piggery (animal husbandryintensive) along with the associated expansion of the piggery. This follows assessment against TPS2, the Local Planning Strategy, other relevant planning and environmental documents, information provided by the applicant, considering the views of the submitters and site characteristics.

Conditional approval is recommended for reasons including:

- it formalises a long established use which has operated for 20 years without creating concerns to neighbours;
- the application is overall consistent with the planning framework including that there are generally extensive buffers to offsite dwellings and there are no adverse offsite impacts to broadscale agriculture;
- the area will remain rural for the longterm (there are no proposals for the area to be changed to rural residential or rural smallholding);
- no clearing of native vegetation is proposed;
- there are limited traffic impact or landscape impact implications;
- it supports a local business to grow, supports diversifying the local economy and it promotes employment opportunities;
- development (planning) conditions along with Health Local Laws registration, industry certification and possible DWER works approval and licencing can assist to minimise impacts and enhance amenity;
- no objections were received on the Development Application. Accordingly, it can only be assumed that adjoining/surrounding landowners and other stakeholders have no objections; and
- there are not considered to be strong planning grounds to refuse the Development Application.

While noting the above, there are various issues associated with the piggery which should be considered by the Council in determining the Development Application including matters outlined in Attachment 9.2.1D.

B) Key issues

The key issues with the application are summarised below:

- setbacks/buffers – including the landowner continuing to own buffer land and possibly securing remaining buffer land;
- managing waste and controlling nutrient runoff – the existing and proposed expanded piggery is close to a waterway. There is a need to obtain additional information from the applicant to ensure that offsite impacts are prevented or minimised from the operation including vehicle washdown. This may require interceptor drains, earth bunds and settling pit/s;
- ongoing management the responsibility for appropriate ongoing management rests with the operator. This includes ensuring that the piggery does not create inappropriate impacts such as odour, noise and dust to adjoining/nearby properties. Additionally, that the operator appropriately addresses matters such as biosecurity and mortalities management. It is suggested that these matters can be appropriated addressed through quality assurance undertaken by the operator and be enforced through the *Shire of Cuballing Health Local Laws 2007.* There may be an additional requirement for the applicant to gain a Works Approval and licence from the DWER; and
- fire management including reducing fire risk.

C) Buffers/setbacks

Piggeries by their nature of operations have the potential to create emissions including odour, noise and dust. Better planning practice requires a suitable buffer between piggeries and 'sensitive' uses such as dwellings. Accordingly, piggeries should be sited and operated to prevent unreasonable interference with the health, welfare, convenience, comfort or the amenity of neighbours.

It is noted that the established piggery is generally well setback from property boundaries and dwellings not forming part of the applicant's farm. The nearest neighbour's residence is approximately 1,800 metres to the southeast.

Some of the adjoining and nearby lots, not owned by the applicant/operator, do not currently contain a dwelling. This includes adjoining Lot 28 Walsh Road. There is a statutory right for a landowner to apply and gain approval for a dwelling on these lots.

Part of the piggery's buffer extends into land not owned by the applicant/operator. To manage future land use compatibility, the applicant/operator may wish to pursue securing necessary land so the buffer is owned by the piggery operator. Importantly, it is suggested that the piggery should not adversely affect the ability of adjoining/nearby landowners to construct a dwelling in a location which complies with TPS2 setback requirements.

Odour, noise and dust are unlikely to have a detrimental impact on existing offsite dwellings provided the piggery is managed appropriately in accordance with the relevant guidelines. The operator's extensive track record, where no concerns have been raised with the Shire, provides greater assurances that odour, noise and dust can be effectively managed.

D) Registration and licencing

Should the Council grant development approval, there is a separate requirement for the landowner/operator to make an Application for Registration of Premises for Offensive Trade to the Shire. This is to address the *Health Act 1911* and the *Shire of Cuballing Health Local*

Laws 2007. Amongst matters, the Health Local Laws requires the operator to prevent nuisances impacting human health and to ensure there is appropriate land management.

Given the proposed scale of the piggery, DWER have advised that there is a requirement for the operator to obtain a Works Approval, licence or registration from the DWER. DWER have separately advised the applicant of this requirement. A DWER Works Approval and DWER licence, will address technical and operational matters in greater detail.

E) Quality assurance

It is understood there has been a change in quality assurance requirements for the major buyers of pork produce and proof of local government approval is now required.

The Australian Pork Industry Quality Assurance Program (APIQ) provides the framework and standards by which Australian pig producers can demonstrate they are responsible farmers who care for their animals and the environment by following safe and sustainable practices contained in their publications. It is expected that the operator may need to separately prepare an Environmental Management Plan in accordance with the Australian Pork Limited *National Environmental Guidelines for Piggeries* (2nd edition revised 2010). These guidelines outline best practice management for Australian piggeries.

APIQ accreditation provides an additional level of compliance to ensure that the piggery is managed and operated at an industry standard. Accreditation reduces the risk of piggeries creating negative impacts on the amenity of adjoining areas.

Strategic Implications

There are a number of industries within the Shire of Cuballing which are all strongly based around the agricultural industry. The main employers in the Shire of Cuballing are Birds Silos and Shelters, McDougall Weldments, as well as the more intensive agricultural enterprises, cattle feedlots and piggeries.

Statutory Environment

There is a range of legislation and regulations relevant to the application including:

- *Planning and Development Act 2005* and TPS2;
- *Planning and Development (Local Planning Schemes) Regulations 2015;*
- *Environmental Protection Act 1986* and the *Environmental Protection Regulations 1987;*
- *Health (Miscellaneous Provisions) Act 1911* a piggery is defined as an offensive trade and must be registered with the local government on an annual basis;
- *Shire of Cuballing Health Local Laws 2007;*
- *Soil and Land Conservation Act 1945*; and
- *Biosecurity and Agriculture Management Act 2007* and *Biosecurity and Agriculture Management Regulations 2013*.

There are also a range of policies, strategies and publications including:

- EPA *Guidance for the Assessment of Environmental Factors – Separation Distances between Industrial and Sensitive Land Uses*;
- EPA *Guidance Statement No. 33 Environmental Guidance for Planning and Development;*
- *State Planning Policy 2 Environment and Natural Resources Policy;*

- *State Planning Policy 2.5 Land Use Planning in Rural Areas* – objectives include to promote regional development through the provision of ongoing economic opportunities on rural land, to protect and improve environmental and landscape assets and to minimise land use conflicts;
- *State Planning Policy 2*.9 Water Resources;
- *National Environmental Guidelines for Piggeries* (May 2010); and
- DWER *Guidance Statement: Separation Distances* (draft) – August 2015 – sets a generic buffer of 1000 metres for noise impacts, with odour buffers determined through the criteria set out in the *National Environmental Guidelines for Piggeries.*

Policy Implications

It is suggested that Council clarify its approach to animal husbandryintensive uses and possibly also for rural industries through the review of the Local Planning Strategy and through preparing an associated Local Planning Policy. Having a town planning policy will assist to outline:

- the Council's overall support for these uses, possibly other than adjoining the townsites or in identified rural living areas, if relevant matters are appropriately addressed;
- that the applicant is required to appropriately address issues (and outline what issues the Shire is not considering);
- that applicants/operators need to be good neighbours, control their impacts and ideally own the buffer;
- minimum requirements from applicants in preparing the DA plans, letter and information;
- the relationship with industry guidelines, local laws and DWER works approvals/licencing; and
- the approach to consultation including whether additional considerations need to occur near the Dryandra Woodland.

Financial Implications

All costs associated with the development will be borne by the applicant/operator.

Should the applicant be aggrieved by Council's decision, the applicant may seek a review of that decision or conditions through the State Administrative Tribunal.

Economic Implications

Approval of this application will formalise the existing use and assist to support the operation to expand. This will assist to increase monies spent locally and assist with job creation.

Social Implications

No objections were received from adjoining/nearby landowners. Provided the landowner effectively manages the operation, the piggery should have manageable offsite impacts.

Environmental Considerations

It is suggested that the operator can suitably manage environmental impacts. There is a separate requirement for the operator to be registered for an offensive trade and to maintain APIQ accreditation.

Consultation

Adjoining/nearby landowners and relevant State Government agencies were invited to make comment on the Development Application.

Options

The Council can:
1. approve the Development Application with no conditions;
2. approve the Development Application with conditions;
3. refuse the Development Application (providing reasons); or
4. defer and seek additional information.

Voting Requirements Simple Majority

OFFICER'S RECOMMENDATION:

That the Council approve the retrospective Development Application for a piggery and associated expansion of the piggery (animal husbandry – intensive) including eight additional strawbased eco shelters, relocating the waste area and mortalities (shallow burial) area and increasing the number of pigs from 5,000 to 7,000 at Lot 9081 on Plan 135464 (No. 290) Gaths Road, Commodine, subject to the following conditions:

1. The development hereby approved must be carried out in accordance with the plans and specifications submitted with the application (addressing all conditions) or otherwise amended by the local government and shown on the approved plans and these shall not be altered and/or modified without the prior knowledge and written consent of the local government.

2. The applicant shall prepare and submit a Drainage Management Plan to the specification and satisfaction of the local government, prior to the local government registering the piggery under the *Shire of Cuballing Health Local Laws 2007*, which sets out:

(a) attenuation measures such as earth bunds, interceptor drains and effluent ponds to limit offsite impacts;
(b) that waste water runoff and byproducts from piggery operations including machinery, plant and equipment washdown will drain into a suitable treatment system/s;
(c) how the design addresses relevant Water Quality Protection Notes prepared by the Department of Water; and
(d) how wastewater will not contaminate groundwater or surface waters.

3. The approved Drainage Management Plan is to be suitably implemented to the satisfaction of the local government prior to the piggery being expanded.

4. The operator to implement dust control measures for the piggery to the satisfaction of local government on an ongoing basis.

5. A Fire Management Plan to be prepared and implemented to the satisfaction of the local government prior to the local government registering the piggery under the *Shire of Cuballing Health Local Laws 2007*. Thereafter, the approved Fire Management Plan shall be subsequently maintained to the satisfaction of the local government.

6. The vehicular crossover onto Gaths Road is to be designed and constructed to the satisfaction of the local government prior to the piggery being expanded.

Advice

A) The applicant is advised that the piggery must comply with other statutory requirements including the *Health Act (Miscellaneous Provisions) 1911* and the *Shire of Cuballing Health Local Laws 2007*. The piggery shall be registered with the local government as an offensive trade under the *Shire of Cuballing Health Local Laws 2007*.

B) The piggery will be required to gain a Works Approval and an operating licence from the Department of Water and Environmental Regulation. The applicant/operator is encouraged to contact the Department of Water and Environmental Regulation to confirm regulatory requirements under the *Environment Protection Act 1986* and the *Environmental Protection Regulations 1987.*

C) The applicant is advised that this development approval is not a Building Permit. A Building Permit may be required for site and/or development works and must be formally applied for and obtained before commencement.

D) The local government encourages the applicant/operator to:

- **(a) comply with the *National Environmental Guidelines for Piggeries* (May 2010) or any updates;**
- **(b) be registered and operated in accordance with the *Australian Pork Industry Quality Assurance Program*;**
- **(c) undertake appropriate mortalities management practices to prevent groundwater and surface water contamination, odour nuisance, spread of infectious diseases and vermin breeding;**
- **(d) ensure that any gates on the Gaths Road frontage are offset to ensure heavy haulage vehicles do not block the road when entering the site;**
- **(e) undertake appropriate replanting to the south of the piggery on Lot 9081; and**
- **(f) explore opportunities to acquire buffer land not currently owned by the applicant/operator including adjoining Lot 28 Walsh Road.**

E) It is the responsibility of the applicant/operator to advise the local government when all conditions relating to the development have been satisfied.

F) If the applicant is aggrieved by this determination there is a right of review by the State Administrative Tribunal in accordance with the *Planning and Development Act 2005* Part 14. An application must be made within 28 days of the determination.

07 DEC

A25

APPLICATION FOR DEVELOPMENT APPROVAL

Owner Details		
Name: MARK FURPHY FURPHY & CO		
ABN (if applicable):		
Address: 290 GATH ROAD PO BOX 3 CUBALLING Postcode: 6311		
Phone: Work: Home: 9888 4018 Mobile: 0427 818 004	Fax: 9888 4018	Email: furphy01@bigpond.com
Contact person for correspondence: MARK FURPHY.		
Signature:	Date: 6/12/17	
Signature:	Date:	

The signature of the owner(s) is required on all applications. This application will not proceed without that signature.For the purposes of signing this application an owner includes the persons referred to in the Planning and Development (Local Planning Schemes) Regulations 2015 Schedule 2 clause 62(2).

Applicant Details (if different from owner)		
Name: FURPHY & CO		
Address: 290 GATH ROAD CUBALLING Postcode: 6311		
Phone: Work: Home: 9888 4018 Mobile: 0427 818 004	Fax:	Email: furphy01@bigpond.com
Contact person for correspondence: MARK FURPHY		
The information and plans provided with this application may be made available by the local government for public viewing in connection with the application. ☑ Yes ☐ No		
Signature:	Date: 6/12/17	

Property Details		
Lot No:	House/Street No:	Location No: 9081
Diagram or Plan No: P135464	Certificate of Title Vol. No:	Folio:
Title encumbrances (e.g. easements, restrictive covenants):		
Street name: GATH ROAD	Suburb: CUBALLING	
Nearest street intersection: GATH & WALSH ROAD		

Proposed Development

Nature of development:
- ❑ Works
- ❑ Use
- ❑ Works and use

Is an exemption from development claimed for part of the development? ❑ Yes ☑ No

If yes, is the exemption for:
- ❑ Works
- ❑ Use

Description of proposed works and/or land use:

4 x 9 x 16 m eco-shelters
8 x 9 x 22 m eco-shelters
6 x 10 x 22 m eco-shelters
8 x 12 x 28 m eco-shelters (expansion)

Description of exemption claimed (if relevant):

Nature of any existing buildings and/or land use:

ECO SHELTERS, Straw based piggery growout

Approximate cost of proposed development:

Existing, plus $320,000 for expansion of 8 shelters

Estimated time of completion: May 2018.

OFFICE USE ONLY

Acceptance Officer's initials: Date received:

Local government reference No:

Furphy & Co

PIGGERY PLANNING APPLICATION TO THE SHIRE OF CUBALLING

Furphy & Co is a family partnership which owns and operates a mixed enterprise farming property in Cuballing. The pig, cropping and sheep enterprise is managed by Mark Furphy.

SITE DESCRIPTION

The 1100 hectare property is located at 290 Gaths Road, Cuballing, with the piggery being located on Loc 9081 (Appendix 1: Location & Farm Map)

Cropping and sheep production are the main enterprise of the property with pig production being an additional income.

The piggery was originally built in 1998 containing 12 shelters; 4 weaner, 7 growers and 1 weigh shelter, office/lunchroom and grain storage facilities. Since then a further 6 shelters have been erected allowing the site to hold 3000 weaner/grower bacon pigs. (Appendix 2: Infrastructure)

Access to the piggery is from Gaths Road, Cuballing, approximately 15km from the Cuballing town site. Both Gaths Road and the access roads are good quality gravel surfaces. The piggery is not visible from council roads.

The piggery does not have an electricity connection, nor does it use petrol generators. Surface water is collected in large dams and pumped to holding tanks, as is good quality groundwater from 2 bores. (Appendix 3: Farm Plan – services)

The piggery does not have any effect on the use and development of surrounding land and buildings.

PIGGERY OPERATION

There are currently 3000 pigs within the shelters. Expansion of the piggery is currently under debate with Westpork Pty Ltd and Furphy & Co would like these probable plans discussed and included in this application.

The expansion will comprise of an additional 8 shelters allowing a further 2000 grower and finisher pigs to be grown out in the facility. The new shelters will be erected west of the current piggery and built at the same eco shelter design. (Appendix 4: Expansion)

Class	Weight	Age (weeks)	SPU Factor	Current no. of pigs	Current SPUs
Weaner					
Grower	25-55kg	11-15	1.0	2000	2000
Finisher	55-100kg	16-22	1.6	2000	3200
Heavy Finisher	100-130kg	24-30	1.8	1000	1800
			Total	**5000**	**7000**

Replacement weaner stock is sourced from Westpork Pty Ltd, near Kojonup. Bacon weight stock is slaughtered at Linley Valley Pork in Wooroloo.

Piggery Management
Feed is sourced off farm by Wesfeeds and brought in once a week. Straw for bedding is provided on-farm.

Weaner pigs arrive on farm at 10 weeks and remain in the shelters for approximately 12 weeks. Sale weight pigs are sorted in the weigh shed before being loaded for transport to the abattoir.

Waste & Mortalities
Shelter waste is stockpiled on a clay-based site adjacent to the shelters and spread on cropping paddocks during February and March each year.

Mortalities are disposed of by shallow burial within combined straw/pig waste, composted and spread on paddocks. (Appendix 2)

We understand that an increase in pig numbers may impact on odour and noise, however believe that an expansion of this size will not have a large effect on neighbouring properties. It is also expected that the farm will be able to manage and dispose of the increase in waste and mortalities in the same manner as noted previously in this application.

Staff Numbers & Vehicle Movements
The piggery is currently leased to and operated by Ferdinand F. David of Narrogin with Mark Furphy providing assistance when required.

Vehicle movements are highest at harvest time, along with a weekly feed delivery, delivery of replacement breeding stock and removal of sale pigs.

Gath Road is a good quality gravel road; with main access to the piggery also via a good quality road, occasionally graded by the Shire Council to maintain safety.

ENVIRONMENTAL IMPACT ASSESSMENT

Community Amenity
The piggery is not visible from main roads. The nearest towns are Cuballing, Popanyinning and Wickepin all in excess of 15km away.

There are 7 residences within an 8km radius of the piggery. The nearest resident belongs to Mark Furphy with the second closest being Simon Newman, residing on Walsh Road. (Appendix 5: Residential Housing)

No complaints have been received from neighbours in relation to odour, dust or noise since the piggery has been located at the site.

Shelter cleaning is the event causing the highest odour risk. Noise is minimal except during loading times; however this is a weekly event and short in duration.

Water, Soil & Vegetation

Rainfall drainage runs into a natural waterway which travels a kilometre before leaving the farm. There are no drainage banks to prevent water flow through the piggery. (Appendix 6: Water Drainage)

Waste piles are located on higher ground, resulting in water flowing away and not through the storage site.

There are no impacts on soils and remnant vegetation.

INDUSTRY GUIDELINES

The piggery is currently accredited under the Australian Pork Industry Quality Assurance Program, APIQ. (Appendix 7)

290 Gaths Road

Appendix 1.

Imagery ©2017 CNES / Airbus, Map data ©2017 Google 500 m

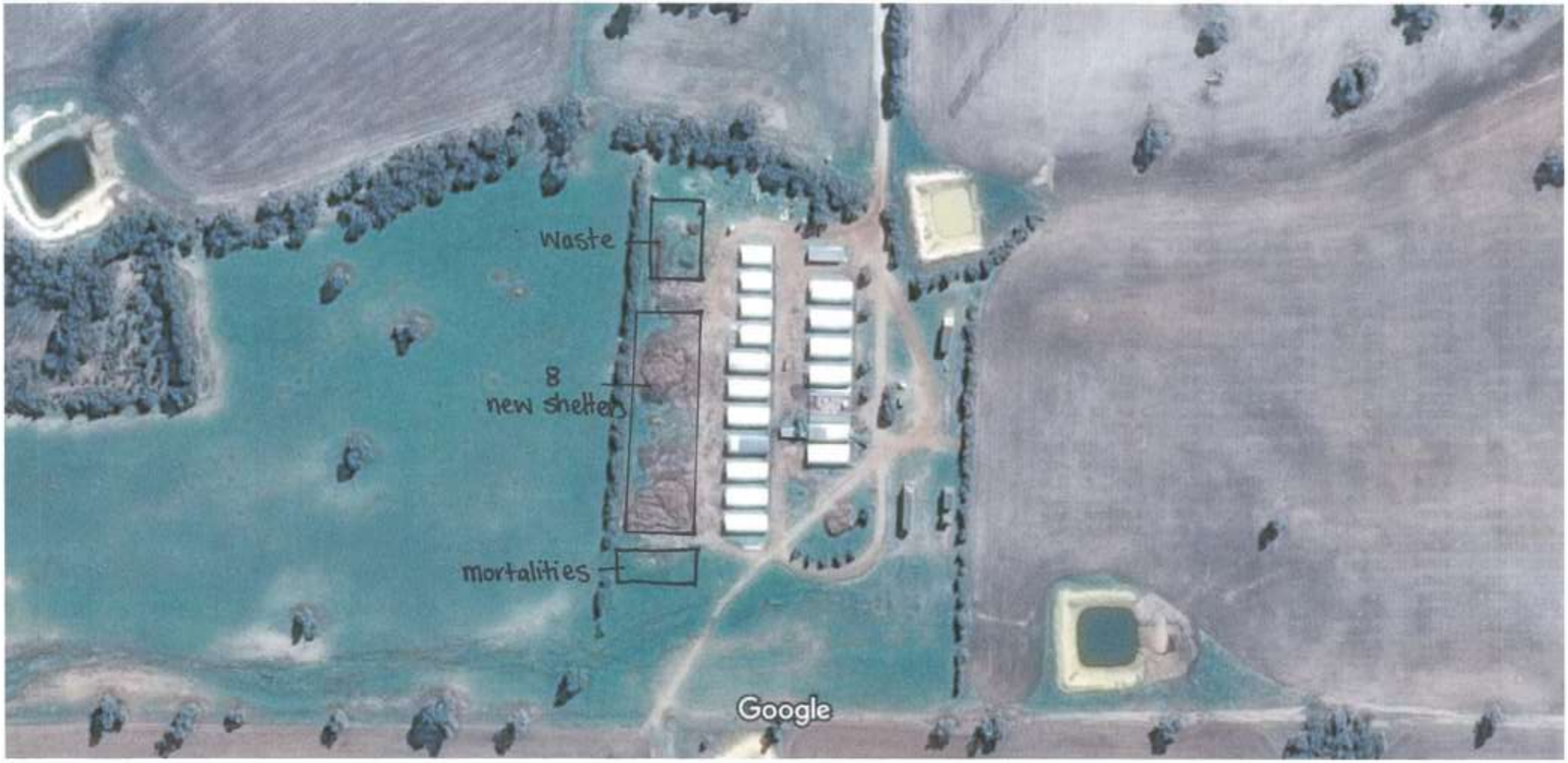
Google Maps Appendix 2. Infrastructure

Google Maps

Appendix 3.

Google Maps

Appendix 4 : Expansion.



Imagery ©2017 CNES / Airbus, Map data ©2017 Google 50 m

Appendix 5.

Dixon
N. Fabricius
O. Gath
BILLEROY
m. Furphy
Piggery.
Commodine
Newman
m. Burges.
Google
Imagery ©2017 CNES / Airbus, Map data ©2017 Google 500 m

Appendix 6 : water Drainage

Imagery ©2017 CNES / Airbus, Map data ©2017 Google 100 m

Appendix 7.

APIQ✓®
AUSTRALIAN PORK INDUSTRY
QUALITY ASSURANCE PROGRAM

CERTIFICATE

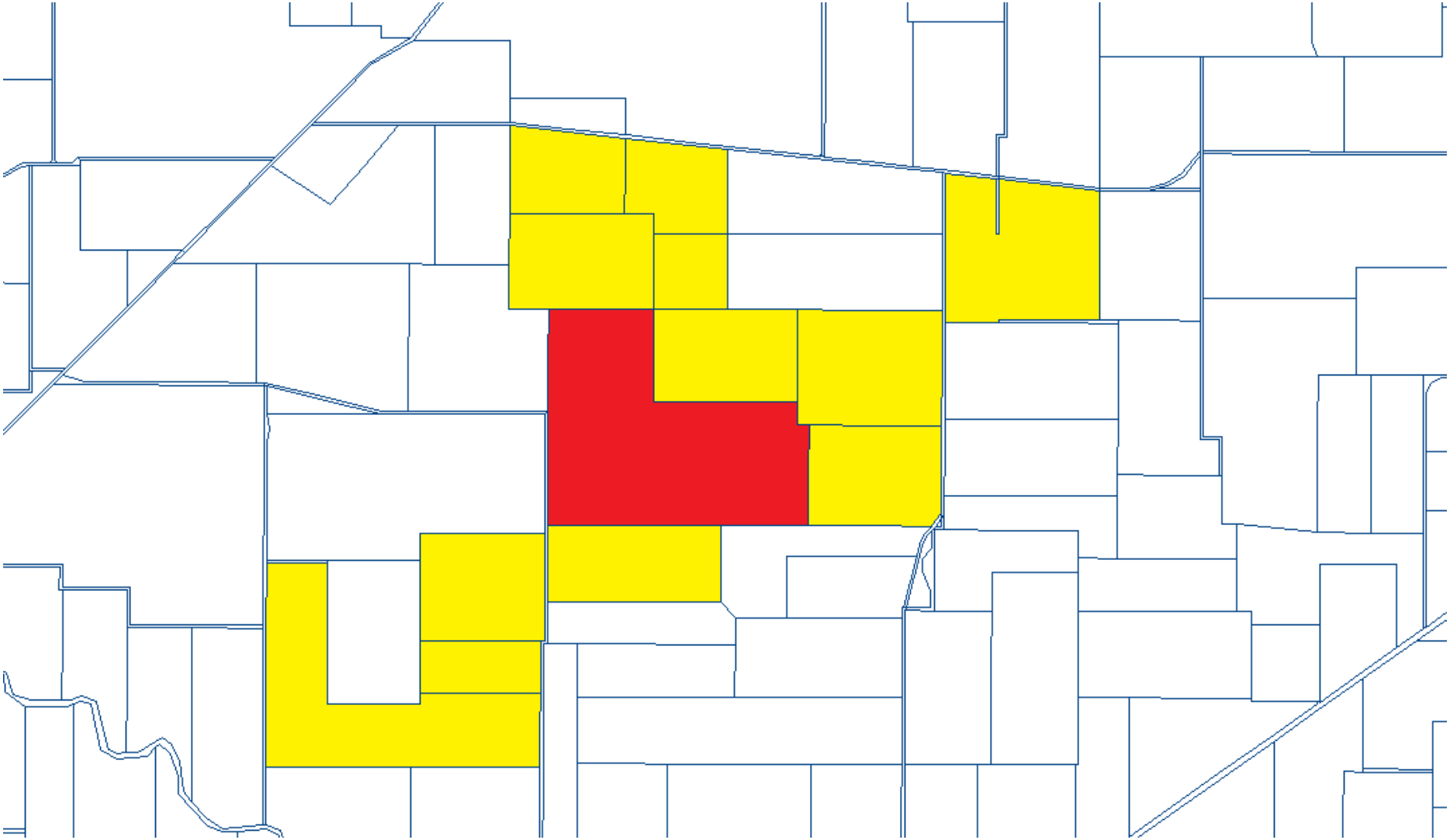
Westpork Pty Ltd - Furphy

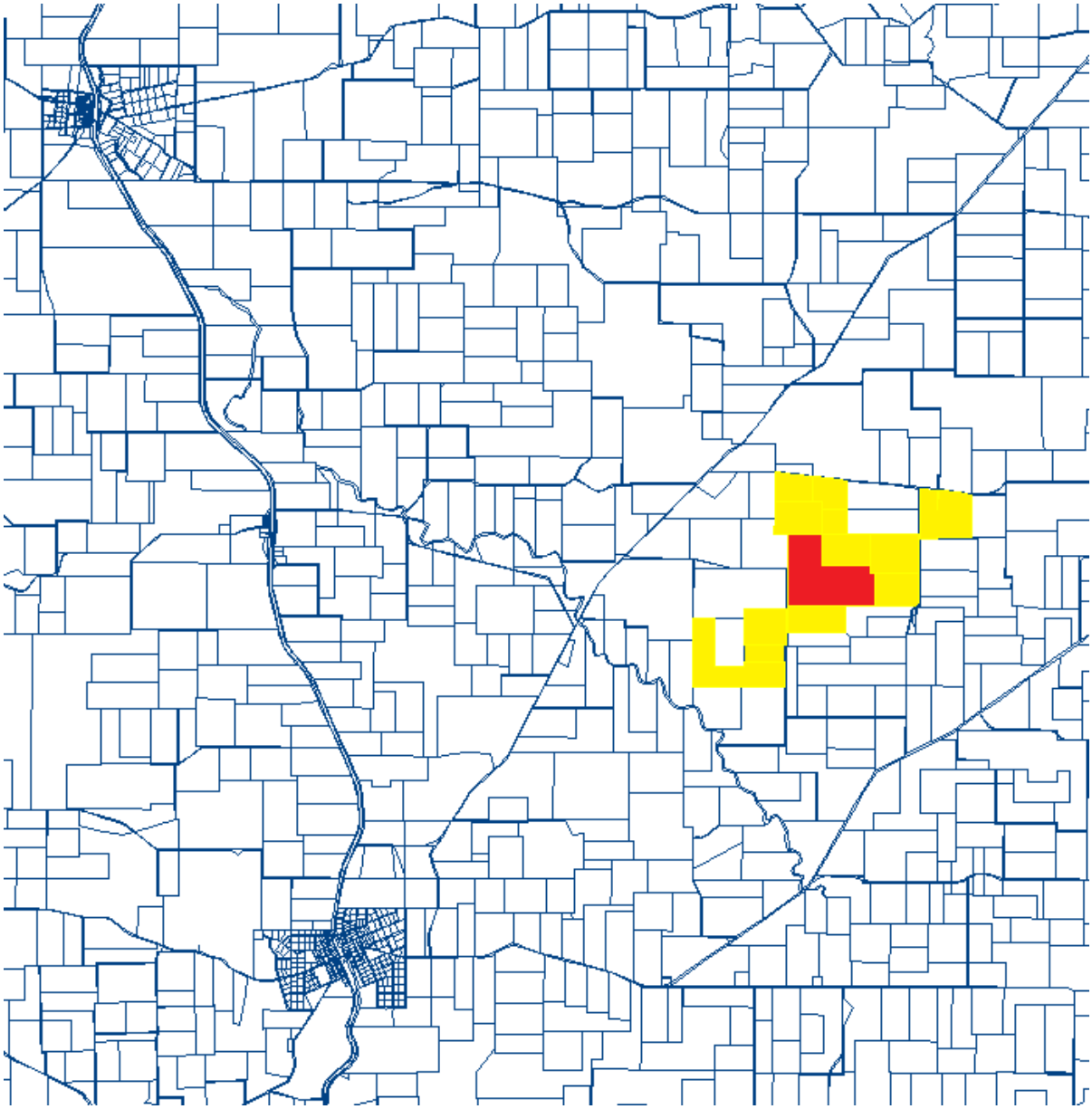
PIC: WDCU0056 Brand: 22067
has achieved

APIQ✓® Certification

PigPass Registration Number:	**10072609**
APIQ✓® Certificate Number:	**17'APIQ.0853**
APIQ✓® Expiry Date:	**29/11/2018**

Anthony Abel
APIQ✓® Business Manager
Australian Pork Limited





GOVERNMENT OF WESTERN AUSTRALIA

Department of **Biodiversity, Conservation and Attractions**

15 DEC 2017

PARKS AND WILDLIFE SERVICE

Your ref: A2528
Our ref: 2015/002893
Enquiries: Mike Fitzgerald
Phone: 9881 9223
Email: mike.fitzgerald@dbca.wa.gov.au

Garry Sherry
Chief Executive Officer
Shire of Cuballing
PO Box 13,
Cuballing WA 6311

Dear Sir

PLANNING APPLICATION: PIGGERY – 290 GATH ROAD (Loc 9081) CUBALLING

The Parks and Wildlife Service of the Department of Biodiversity, Conservation and Attractriuons advises that, based on currently available information, this application is unlikely to cause any impact to known significant biodiversity values.

Please contact Mike Fitzgerald on (08) 9881 9223 (mike.fitzgerald@dbca.wa.gov.au) if you require clarification or further information.

Yours sincerely

Mike Fitzgerald
Land Use Planning Officer

13 December 2017

Wheatbelt Regional Office
PO Box 100/Wald St Narrogin, Western Australia 6312
Phone: (08) 9881 9200 Fax (08) 9881 1645 Email: Narrogin@dbca.wa.gov.au
www.dbca.wa.gov.au

Government of **Western Australia**
Department of **Water and Environmental Regulation**

Your ref: A2528
Our ref: CEO3067/17
Enquiries: Teresa Gepp
Phone: 6364 6989
Email: teresa.gepp@dwer.wa.gov.au

Mr Gary Sherry
Chief Executive Officer
Shire of Cuballing
PO Box 13
CUBALLING WA 6311

Dear Mr Sherry

PLANNING APPLICATION – PIGGERY – 290 GATH ROAD CUBALLING

I refer to your letter dated 8 December 2017, inviting comment from the Department of Water and Environmental Regulation (DWER) on the above application for planning approval and expansion of an existing piggery.

On 1 July 2017 the Department of Environment Regulation (DER) merged with the Department of Water and the Office of the Environmental Protection Authority to create the Department of Water and Environmental Regulation (DWER). The former agencies are in the process of amalgamating their functions. Note that the advice in this correspondence relates only to matters previously dealt with by the DER. You may receive additional advice from other areas within DWER.

Your referral relates to a facility that meets the definition of prescribed premises Category 2 – Intensive piggery, as per Schedule 1 of the *Environmental Protection Regulations 1987*. As such, the *Environmental Protection Act 1986* requires a works approval and a licence (for operation) to be obtained for the premises.

The purpose of a works approval is to allow the Department to assess the environmental acceptability of potential emissions and discharges of a proposal against standards and policies. Works approvals also contain conditions to ensure the premises can operate in an environmentally acceptable manner and that the works themselves do not cause unacceptable environmental impacts. Odour, groundwater protection and solid waste management are the key environmental risks relating to an intensive piggery premises.

While the Department has no comment on the planning approval, I can advise that the applicant has been advised that a works approval and licence are necessary for the existing and the proposed expanded piggery. To date no applications have been received.

168 St Georges Terrace Western Australia 6000
Locked Bag 33 Cloisters Square Perth WA 6850
Telephone: 08 6364 7000 Facsimile: 08 6364 7001
www.dwer.wa.gov.au

Should you require further information, please contact Teresa Gepp, Planning and Advice Coordinator on 6364 6989.

Yours sincerely

Kelly Faulkner
EXECUTIVE DIRECTOR
REGULATORY SERVICES (ENVIRONMENT)

9 January 2018

Planning and Development (Local Planning Schemes) Regulations 2015

Schedule 2 Deemed provisions for local planning schemes
Part 9 Procedure for dealing with applications for development approval

67. Matters to be considered by local government

In considering an application for development approval the local government is to have due regard to the following matters to the extent that, in the opinion of the local government, those matters are relevant to the development the subject of the application —

(a) the aims and provisions of this Scheme and any other local planning scheme operating within the Scheme area;

(b) the requirements of orderly and proper planning including any proposed local planning scheme or amendment to this Scheme that has been advertised under the *Planning and Development (Local Planning Schemes) Regulations 2015* or any other proposed planning instrument that the local government is seriously considering adopting or approving;

(c) any approved State planning policy;

(d) any environmental protection policy approved under the *Environmental Protection Act 1986* section 31(d);

(e) any policy of the Commission;

(f) any policy of the State;

(g) any local planning policy for the Scheme area;

(h) any structure plan, activity centre plan or local development plan that relates to the development;

(i) any report of the review of the local planning scheme that has been published under the *Planning and Development (Local Planning Schemes) Regulations 2015*;

(j) in the case of land reserved under this Scheme, the objectives for the reserve and the additional and permitted uses identified in this Scheme for the reserve;

(k) the built heritage conservation of any place that is of cultural significance;

(l) the effect of the proposal on the cultural heritage significance of the area in which the development is located;

(m) the compatibility of the development with its setting including the relationship of the development to development on adjoining land or on other land in the locality including, but not limited to, the likely effect of the height, bulk, scale, orientation and appearance of the development;

(n) the amenity of the locality including the following —
  (i) environmental impacts of the development;
  (ii) the character of the locality;
  (iii) social impacts of the development;

(o) the likely effect of the development on the natural environment or water resources and any means that are proposed to protect or to mitigate impacts on the natural environment or the water resource;

(p) whether adequate provision has been made for the landscaping of the land to which the application relates and whether any trees or other vegetation on the land should be preserved;

(q) the suitability of the land for the development taking into account the possible risk of flooding, tidal inundation, subsidence, landslip, bush fire, soil erosion, land degradation or any other risk;

(r) the suitability of the land for the development taking into account the possible risk to human health or safety;

(s) the adequacy of —
  (i) the proposed means of access to and egress from the site; and
  (ii) arrangements for the loading, unloading, manoeuvring and parking of vehicles;

(t) the amount of traffic likely to be generated by the development, particularly in relation to the capacity of the road system in the locality and the probable effect on traffic flow and safety;

(u) the availability and adequacy for the development of the following —
  (i) public transport services;
  (ii) public utility services;
  (iii) storage, management and collection of waste;

(iv) access for pedestrians and cyclists (including end of trip storage, toilet and shower facilities);

(v) access by older people and people with disability;

(v) the potential loss of any community service or benefit resulting from the development other than potential loss that may result from economic competition between new and existing businesses;

(w) the history of the site where the development is to be located;

(x) the impact of the development on the community as a whole notwithstanding the impact of the development on particular individuals;

(y) any submissions received on the application;

(za) the comments or submissions received from any authority consulted under clause 66;

(zb) any other planning consideration the local government considers appropriate.

9.2.2	Writeoff of Waste & Recycling Collection Charges – 104 Alexandra Street Popanyinning

Applicant:	N/A
File Ref. No:	A506
Disclosure of Interest:	Nil
Date:	31st January 2017
Author:	Gary Sherry
Attachments:	

Summary

Council is to consider writing off a sundry debt for Waste and Recycling Collection Charges was raised in error.

Background

Council introduced a waste and recycling collection service in 2016 and under provisions of the Waste Avoidance and Resource Recovery Act 2007 required all residences within the townsites of Cuballing, Popanyinning and Yornaning receive the service.

As part of Council's annual rates notice all properties with a residence receiving the waste and recycling collection service were charged $250 for this service.

Comment

Council charged the owner of Rates Assessment A506 at 104 Alexandra Street Popanyinning a Waste and Recycling Collection Charge in 2016/17 and in 2017/18.

Just prior to the commencement of this service, the property owner intended to construct a residence on this property and had structures present on the property. The structures have since been removed.

Because there was not an approved residence on this property, Council charged for a service that the owner was not obligated to pay for.

The Officer Recommendation seeks to have Council write off this charge.

Strategic Implications - Nil

Statutory Environment

Council's Delegation Register provides limited delegated authority for the Chief Executive Officer

F1: Outstanding Debtors

The Chief Executive Officer is delegated the authority to write off uncollectable, economically uncollectable or erroneously created debts, in the following manner:

1. Where a Sundry Debtor invoice has:
   a. a value of less than two hundred and fifty dollars;
   b. has been outstanding for at least 90 days; and
   c. in the Chief Executive Officer's opinion, will not be economically practical to pursue payment of the account through the court system;

   the Chief Executive Officer may approve that the invoice be written off.

2. Where a Sundry Debtor invoice, less than two hundred and fifty dollars in value, has been raised in error, the Chief Executive Officer may approve that the invoice be written off.

3. Where Rates Debtor accounts have a balance less than ten dollars and, in the Chief Executive Officer's opinion, it will not be economically practical to pursue payment of the account through the court system, the Chief Executive Officer may approve that the amount be written off.

4. Where a Rates debtor amount, less than ten dollars, was raised in error, the Chief Executive Officer may approve that the amount be written off.

Policy Implications – Nil

Financial Implications

The Officer's Recommendation suggests writing off income of $500.00.

Economic Implication - Nil
Environmental Considerations - Nil
Consultation - Nil

Options

The Council can resolve:
1. the Officer's Recommendation;
2. an amended Officer's Recommendation; or
3. to not write off any charge.

Voting Requirements – Simple Majority

OFFICER'S RECOMMENDATION:

That, because there was not an approved residence present on Rates Assessment A506 at 104 Alexandra Street Popanyinning during 2016/17 and 2017/18, Council write off Waste and Recycling Collection charges imposed on Rates Assessment A506 for 2016/17 and 2017/18 totalling $500.00.

9.2.3 Scheme Amendment No. 4 to the Shire of Cuballing Town Planning Scheme No. 2

Location:	Applies throughout the district
Applicant:	Edge Planning & Property for the Shire of Cuballing
File Ref. No:	ADM273
Disclosure of Interest:	Nil
Date:	5th February 2018
Author:	Gary Sherry
Attachments	9.2.3A – Proposed amending provisions – with modifications in track changes 9.2.3B – Submissions 9.2.3C – Schedule of Submissions

<u>Summary</u>

Following a review of the submissions, it is recommended that Council support Scheme Amendment No. 4 and advise the Minister for Planning to approve Amendment No. 4.

<u>Background</u>

As Councillors are aware, the *Shire of Cuballing Town Planning Scheme No. 2* (TPS2) provides the statutory basis for Council regulating development and land use proposals.

The purpose of Amendment No. 4 is to modify the TPS2 text to:

- ensure consistency with the 'deemed provisions' in Schedule 2 of the *Planning and Development (Local Planning Schemes) Regulations 2015* (the 'Regulations');
- delete superfluous definitions and land uses;
- introduce new definitions and land uses to reflect realistic types of development anticipated in the district including repurposed dwelling and secondhand dwelling. Where new definitions are introduced, they are based on the Model provisions for local planning schemes from Schedule 1 of the Regulations or refer to the *Residential Design Codes*;
- introduce Schedule A – Supplemental Provisions to extensively reduce the requirement for a development application for a range of lowkey and lowrisk development/uses;
- update the Zoning Table to reflect expected permissibility for development in small country towns and in a rural district;
- modify Development Table – General to address standards appropriate for a rural district; and
- undertake minor administrative changes.

The scheme amendment number was previously incorrectly classified when the matter was reported to Council on 20th July 2017 and during the public advertising. The correct scheme amendment number is No. 4.

At the Council Meeting on 20th July 2017, the Council passed the following motion, at Minute No. 2017/71:

"That Council:

1. Agrees to adopt an amendment to the *Shire of Cuballing Town Planning Scheme No. 2*, pursuant to section 75 of the *Planning and Development Act 2005*, through modifying the Scheme text as outlined in Attachment 9.2.5A.
2. Determines that Amendment No. 1 is standard under part (f) and (g) of the standard amendment definition contained in Regulation 34 of the *Planning and Development (Local Planning Schemes) Regulations 2015*.
3. Authorises the Shire President and the Chief Executive Officer to execute the Scheme Amendment No. 1 documents as outlined in Attachment 9.2.5A.

4. Notes the Shire will refer Scheme Amendment No. 1 to the Environmental Protection Authority for assessment pursuant to section 81 of the *Planning and Development Act 2005.* Should the Environmental Protection Authority advise that the amendment does not require assessment, advertise the amendment in accordance with the *Planning and Development (Local Planning Schemes) Regulations 2015."*

Following the Council resolution, the Environmental Protection Authority (EPA) determined that the scheme amendment should not be assessed via an environmental impact assessment. The EPA decision effectively gave its "environmental clearance" to Amendment No. 4.

The Shire has met the requirements of the Regulations through seeking public comment on Scheme Amendment No. 4 for a period of 42 days through:

- writing to relevant State Government and servicing agencies;
- placing public notices in local papers;
- details being on the Shire's website; and
- having information available at the Shire office.

The Shire received two submissions on Scheme Amendment No. 4 both raising no objections (see Attachment 9.2.3B). The Department of Primary Industries and Regional Development highlight that the revised scheme provisions do not however address development issues in relation to offensive/noxious rural industries e.g. piggeries and intensive rural industry requiring consideration for environmental management e.g. feedlots.

The associated Schedule of Submissions is set out in Attachment 9.2.3C. This includes the local government response and the local government recommendation on the Department of Primary Industries and Regional Development submission.

By way of background, the Regulations were gazetted on 25 August 2015. The Regulations, made under the *Planning and Development Act 2005* (the 'Act'), govern the way in which local planning strategies, local planning schemes and structure plans are prepared and amended.

Schedule 2 of the Regulations titled 'Deemed provisions for local planning schemes' apply to all planning schemes and prevail over schemes including TPS2. The deemed provisions are 'read into' schemes automatically under Section 257B of the Act. Provisions in TPS2, which are inconsistent with the deemed provisions, ceased to apply as of gazettal of the Regulations.

The deemed provisions address a range of matters including uniform processes and procedures to schemes, such as structure plan preparation and the development assessment. The deemed provisions apply automatically to all schemes when the Regulations come into operation and cannot be altered, varied or excluded.

Section 73(2A) of the Act allows for a scheme to include supplemental provisions, provided those supplemental provisions are consistent with or not already covered by the Regulations.

Amendment No. 4 proposes to remove provisions which have been replaced by the deemed provisions. The amendment is a standard amendment in accordance with part (g) of the standard amendment definition contained in Regulation 34 of the Regulations as it seeks to add special provisions to the TPS2 scheme text.

Comment

It is recommended that Council resolves to support Scheme Amendment No. 4 with minor modifications to the version considered by the Council on 20th July 2017 and which was subject to community and stakeholder advertising. The modifications are provided in track changes in Attachment 9.2.3.A. The changes are addressing minor administrative errors and now requiring a Development Application for 'agriculture intensive' uses in the General Agriculture Zone. The modification relating to agriculture intensive uses reverts the approach to what is currently in TPS2.

TPS2 defines agriculture – intensive as follows:

"agriculture intensive" means premises used for trade or commercial purposes, including outbuildings and earthworks, associated with the following –

(a) the production of grapes, vegetables, flowers, exotic or native plants, or fruit or nuts;
(b) the establishment and operation of plant or fruit nurseries;
(c) the development of land for irrigated fodder production or irrigated pasture (including turf farms); or
(d) aquaculture;".

Currently, agriculture intensive uses are a 'P' use (permitted use) in the General Agriculture Zone which means that a Development Application is required. The advertised draft version of Amendment 4 proposed that intensive agriculture be modified to a 'permitted development' in the General Agriculture Zone (where no Development Application is required). On closer reflection, in considering the economic base of the district and possible future land use compatibility issues, it is suggested to retain the current TPS2 requirement of landowners/proponents being required to submit a Development Application for intensive agriculture uses in the General Agriculture Zone.

Subject to the Council's decision, copies of the submissions, the Schedule of Submissions and the amendment documentation will be forwarded to the Western Australian Planning Commission who will assess the scheme amendment request with the final decision made by the Minister for Planning.

Strategic Implications

Approval of Scheme Amendment No. 4 will assist in improving the efficiency and effectiveness of the planning system.

Statutory Environment

Planning and Development Act 2005, *Planning and Development (Local Planning Schemes) Regulations 2015* and TPS2.

Policy Implications

The Council may wish to consider preparing an associated Local Planning Policy on animal husbandryintensive uses.

Financial Implications

This has already been budgeted for.

Economic Implications - Nil
Social Implications - Nil
Environmental Considerations - Nil

Consultation

Amendment No. 4 was publicly advertised in accordance with the Regulations.

Options

Based on Regulation 50(3) of the *Planning and Development (Local Planning Schemes) Regulations 2015*, the Council has a number of options available to it which are summarised below:

1. support the amendment without modification;
2. support the amendment with proposed modifications to address issues raised in the submissions; or
3. not to support the amendment (giving reasons).

Voting Requirements - Simple Majority

OFFICER'S RECOMMENDATION

That Council:

1. **agrees to support a standard amendment to the *Shire of Cuballing Town Planning Scheme No. 2,* pursuant to Part 5 of the *Planning and Development Act 2005*, incorporating the minor modifications, in tracked changes, to the previously prepared Scheme text amendment as outlined in Attachment 9.2.3A. This includes that 'agricultureintensive' is removed from Schedule A – Supplemental Provisions in clause 61(1)(za) in the General Agriculture zone;**

2. **endorses the 'Local Government Recommendation' in the Schedule of Submissions as shown in Attachment 9.2.3C;**

3. **advises agencies who lodged a submission that their comments were noted;**

4. **authorises the Shire President and the Chief Executive Officer to execute the Scheme Amendment No. 4 documents; and**

5. **forwards a copy of all submissions as shown in Attachment 9.2.3B and the Schedule of Submissions as shown in Attachment 9.2.3C to the Western Australian Planning Commission for assessment and final approval by the Minister for Planning.**

Planning and Development Act 2005

SHIRE OF CUBALLING

TOWN PLANNING SCHEME No. 2

AMENDMENT No. 4

That the Shire of Cuballing, under and by virtue of the powers conferred upon it in that behalf by the *Planning and Development Act 2005*, hereby amends the above Town Planning Scheme by:

1. Deleting the following Parts and Schedules from the Scheme Text, as they have been superseded by the deemed provisions set out in Schedule 2 of the *Planning and Development (Local Planning Scheme) Regulations 2015*:

    - Part 2 in its entirety;
    - Part 7 in its entirety;
    - Part 8 in its entirety;
    - Part 9 in its entirety;
    - Part 10 in its entirety;
    - Part 11 in its entirety; and
    - Schedules 5, 6, 7, 8 and 9 in their entirety.

2. Deleting the following definitions from Schedule 1, Dictionary of Defined Words and Expressions, as they have been superseded by the definitions in the deemed provisions set out in Schedule 2 of the *Planning and Development (Local Planning Scheme) Regulations 2015*:

    - advertisement;
    - amenity;
    - cultural heritage significance;
    - local government;
    - Local Planning Strategy;
    - owner;
    - premises;
    - region scheme;
    - Residential Design Codes;
    - substantially commenced; and
    - zone.

3. Deleting the current definitions of 'plot ratio' and 'Town Planning Act' from Schedule 1 Dictionary of Defined Words and Expressions and replacing with the following definitions:

    - ***"plot ratio"*** means the ratio of the floor area of a building to an area of land within the boundaries of the lot or lots on which the building is located;
    - **"Planning Act"** means the *Planning and Development Act 2005;*

4. Deleting the following definitions from Schedule 1 Land Use Definitions:

    - abattoir;
    - agroforestry;
    - amusement parlour;

- animal husbandryintensive;
- aquaculture;
- bed and breakfast;
- betting agency;
- child care premises;
- cinema/theatre;
- consulting rooms;
- corrective institution;
- family day centre;
- funeral parlour;
- home business;
- home occupation;
- home office;
- hospital;
- hotel;
- industry;
- marine filling station;
- motor vehicle wash;
- night club;
- plantation;
- rural home business;
- shop; and
- telecommunications infrastructure.

5. Adding the following definitions to Schedule 1 Land Use Definitions:

- ***"abattoir"*** means premises used commercially for the slaughtering of animals for the purposes of consumption as food products;
- **"ancillary dwelling"** has the same meaning as in the Residential Design Codes;
- ***"animal husbandry — intensive"*** means premises used for keeping, rearing or fattening of pigs, poultry (for either egg or meat production), rabbits (for either meat or fur production) or other livestock in feedlots, sheds or rotational pens;
- ***"bed and breakfast"*** means a dwelling
  (a)used by a resident of the dwelling to provide shortterm accommodation, including breakfast, on a commercial basis for not more than 4 adult persons or one family; and
  (b)containing not more than 2 guest bedrooms;
- ***"child care premises"*** means premises where —
  (a) an education and care service as defined in the *Education and Care Services National Law (Western Australia)* section 5(1), other than a family day care service as defined in that section, is provided; or
  (b) a child care service as defined in the *Child Care Services Act 2007* section 4 is provided;
- ***"consulting rooms"*** means premises used by no more than 2 health practitioners at the same time for the investigation or treatment of human injuries or ailments and for general outpatient care;
- ***"family day care"*** means premises where a family day care service as defined in the *Education and Care Services National Law (Western Australia)* is provided;
- **"grouped dwelling"** has the same meaning as in the Residential Design Codes;
- ***"holiday accommodation"*** means 2 or more dwellings on one lot used to provide short term accommodation for persons other than the owner of the lot;
- *"**holiday house"*** means a single dwelling on one lot used to provide shortterm accommodation but does not include a bed and breakfast;

- ***"home business"*** means a dwelling or land around a dwelling used by an occupier of the dwelling to carry out a business, service or profession if the carrying out of the business, service or profession —
  (a)does not involve employing more than 2 people who are not members of the occupier's household; and
  (b)will not cause injury to or adversely affect the amenity of the neighbourhood; and
  (c)does not occupy an area greater than 50 m^2; and
  (d)does not involve the retail sale, display or hire of any goods unless the sale, display or hire is done only by means of the Internet; and
  (e)does not result in traffic difficulties as a result of the inadequacy of parking or an increase in traffic volumes in the neighbourhood; and
  (f)does not involve the presence, use or calling of a vehicle of more than 4.5 tonnes tare weight; and
  (g)does not involve the use of an essential service that is greater than the use normally required in the zone in which the dwelling is located;
- ***"home occupation"*** means a dwelling or land around a dwelling used by an occupier of the dwelling to carry out an occupation if the carrying out of the occupation that —
  (a)does not involve employing a person who is not a member of the occupier's household; and
  (b)will not cause injury to or adversely affect the amenity of the neighbourhood; and
  (c)does not occupy an area greater than 20 m^2; and
  (d)does not involve the display on the premises of a sign with an area exceeding 0.2 m^2; and
  (e)does not involve the retail sale, display or hire of any goods unless the sale, display or hire is done only by means of the Internet; and
  (f)does not —
    (i) require a greater number of parking spaces than normally required for a single dwelling; or
    (ii) result in an increase in traffic volume in the neighbourhood; and
  (g)does not involve the presence, use or calling of a vehicle of more than 4.5 tonnes tare weight; and
  (h)does not include provision for the fuelling, repair or maintenance of motor vehicles; and
  (i) does not involve the use of an essential service that is greater than the use normally required in the zone in which the dwelling is located;
- ***"home office"*** means a dwelling used by an occupier of the dwelling to carry out a home occupation if the carrying out of the occupation —
  (a)is solely within the dwelling; and
  (b)does not entail clients or customers travelling to and from the dwelling; and
  (c)does not involve the display of a sign on the premises; and
  (d)does not require any change to the external appearance of the dwelling;
- "***hotel"*** means premises the subject of a hotel licence other than a small bar or tavern licence granted under the *Liquor Control Act 1988* including any betting agency on the premises;
- ***"industry"*** means premises used for the manufacture, dismantling, processing, assembly, treating, testing, servicing, maintenance or repairing of goods, products, articles, materials or substances and includes facilities on the premises for any of the following purposes —
  (a)the storage of goods;
  (b)the work of administration or accounting;
  (c)the selling of goods by wholesale or retail;
  (d)the provision of amenities for employees;
  (e)incidental purposes;

- **"repurposed dwelling"** – a building or structure not previously used as a single house, which has been repurposed for use as a dwelling;
- ***"road house"*** means premises that has direct access to a State road other than a freeway and which provides the services or facilities provided by a freeway service centre and may provide any of the following facilities or services —
  (a)a full range of automotive repair services;
  (b)wrecking, panel beating and spray painting services;
  (c)transport depot facilities;
  (d)shortterm accommodation for guests;
  (e)facilities for being a muster point in response to accidents, natural disasters and other emergencies;
- ***"rural home business"*** means a dwelling or land around a dwelling used by an occupier of the dwelling to carry out a business, service or occupation if the carrying out of the business, service or occupation —
  (a)does not involve employing more than 2 people who are not members of the occupier's household; and
  (b)will not cause injury to or adversely affect the amenity of the neighbourhood; and
  (c)does not occupy an area greater than 200 m^2; and
  (d)does not involve the retail sale, display or hire of any goods unless the sale, display or hire is done only be means of the Internet; and
  (e)does not result in traffic difficulties as a result of the inadequacy of parking or an increase in traffic volumes in the neighbourhood; and
  (f) does not involve the presence, use or calling of more than 3 vehicles at any one time or of a vehicle of more than 30 tonnes gross weight;
- **"secondhand dwelling"** a dwelling that has been in a different location, and has been dismantled and transported to another location, but does not include a new modular or transportable dwelling;
- ***"shop"*** means premises other than a bulky goods showroom, a liquor store — large or a liquor store — small used to sell goods by retail, to hire goods, or to provide services of a personal nature, including hairdressing or beauty therapy services;
- **"single house"** has the same meaning as in the Residential Design Codes;
- ***"telecommunications infrastructure"*** means premises used to accommodate the infrastructure used by or in connection with a telecommunications network including any line, equipment, apparatus, tower, antenna, tunnel, duct, hole, pit or other structure related to the network;
- *"***t*ransport depot"*** means premises used primarily for the parking or garaging of 3 or more commercial vehicles including —
  (a) any ancillary maintenance or refuelling of those vehicles; and
  (b) any ancillary storage of goods brought to the premises by those vehicles; and
  (c) the transfer of goods or persons from one vehicle to another;
- ***tree farm"*** means land used commercially for tree production where trees are planted in blocks of more than one hectare, including land in respect of which a carbon right is registered under the *Carbon Rights Act 2003* section 5;
- ***"workforce accommodation"*** means premises, which may include modular or relocatable buildings, used —
  (a)primarily for the accommodation of workers engaged in construction, resource, agricultural or other industries on a temporary basis; and
  (b)for any associated catering, sporting and recreation facilities for the occupants and authorised visitors.

6. Deleting reference to the terms 'planning approval' and 'single dwelling' throughout the Scheme and replacing them with the corresponding terms 'development approval' and 'single house' throughout the Scheme.

7. Deleting the preamble.

8. Inserting the following provisions into Schedule A – Supplemental Provisions:

‘These provisions are to be read in conjunction with the deemed provisions (Schedule 2) contained in the *Planning and Development (Local Planning Schemes) Regulations 2015*.

Clause 61 (1) (k) the erection or extension of a single house on a lot if a single house is a permitted (‘P’) use in the zone where the RCodes do not apply except where the proposal:

(i) requires the exercise of a discretion by the local government under the scheme to vary the setback provisions of a specific zone;
(ii) is outside an approved building envelope or within a building exclusion area;
(iii) is located on land which is zoned Rural Residential and where a building envelope has not been formally identified for the lot;
(iv) is located in a local policy area declared by Council; or
(v) is on a lot or location which does not have access to a dedicated and/or constructed road.

Clause 61 (1) (l) the erection or extension of an outbuilding, in a zone where the RCodes do not apply except where the proposal:
(i) requires the exercise of a discretion by the local government under the scheme to vary the setback provisions of a specific zone;
(ii) is outside an approved building envelope or within a building exclusion area;
(iii) is located on land which is zoned Rural Residential and where a building envelope has not been formally identified for the lot;
(iv) is located in a local policy area declared by Council;
(v) is on a lot or location which does not have a single house;
(vi) is on a lot or location which does not have access to a dedicated and/or constructed road; or
(vii) is inconsistent with an adopted Outbuildings Local Planning Policy.

Clause 61 (1) (m) the construction, replacement, maintenance or repair by a Government agency or statutory undertaking, of any equipment necessary to provide and maintain a public service.

Clause 61 (1) (n) the development on land within any zone by the local government or Government agency for the purposes of roads, stormwater drainage, recreation areas, landscaping, gardening, bushfire hazard reduction, parking, amenities building or river bank stabilisation. This includes the carrying out of development for the purpose of roads includes a reference to the winning of extractive material by the local government for the purpose of public road construction.

Clause 61 (1) (o) the carrying out of any development by the local government in connection with the construction, reconstruction, improvement, maintenance, repair or widening (where the local government has acquired the land) of any road except the realignment or relocation of the road.

Clause 61 (1) (p) incidental structures which include:
(i) a dog house, domestic animal enclosure, bird enclosure or a cubby house which does not exceed 3.0 metres in height above natural ground level and does not have any part of its structure located within 1.0 metre of the boundary with an adjacent lot;

(ii) a tree house which as a structure that does not exceed 3.0 metres in height, does not have a floor area greater than 4.0m^2 and is constructed in a tree on a lot used for residential purposes;
(iii) a flag pole which does not exceed 6.0 metres in height above natural ground level;
(iv) any pole, tower or device used solely for the purpose of providing outdoor lighting which is constructed on a lot used for residential purposes and no more than 6.0 metres in height above natural ground level;
(v) swimming pools;
(vi) landscaping;
(viii) letter boxes;
(ix) clothes lines;
(ix) unless the building is within a Heritage Area or included within the Heritage List of the Scheme, the installation of solar panels where such structures do not protrude above the surface of the roof by more than 500mm or above the ridge of the roof of any building.

Clause 61 (1) (q) the erection of a boundary fence except where otherwise required by the Scheme and where the fence is consistent with Local Planning Policies.

Clause 61 (1) (r) the carrying out of works urgently required for public safety or for the safety or security of plant or equipment used in the provision of essential services.

Clause 61 (1) (s) the use of land in a reserve, where such land is vested in the local government or vested in a Public Authority:
(i) for the purpose for which the land is reserved under the Scheme; or
(ii) in the case of land vested in a public authority, for any purpose for which land may be lawfully used by that authority.

Clause 61 (1) (t) except for development to which the Residential Design Codes apply, the minor filling, excavation or recontouring of land provided there is no more than 0.9 metres change to the natural ground level, it is not within flood risk land or except where otherwise required by the Scheme.

Clause 61 (1) (u) except for development to which the Residential Design Codes apply, retaining walls less than 0.9 metres in height unless the site is located in or referred to in a Local Planning Policy which specifically addresses requirements for retaining walls.

Clause 61 (1) (v) rainwater tanks.

Clause 61 (1) (w) aquaculture proposals involving the use of existing dams where no structural works are proposed.

Clause 61 (1) (x) effluent disposal systems where they comply with Scheme requirements and relevant legislation, air conditioning systems and LPG gas tanks for domestic purposes where they comply with relevant legislation.

Clause 61 (1) (y) satellite dishes and other domestic telecommunication installation unless it does not comply with any relevant adopted standards outlined in a Local Planning Policy or is located within a Heritage Area.

Clause 61 (1) (z) telecommunication infrastructure which is listed as low impact in the *Telecommunications Low Impact Facilities Determination 1997* and subsequent amendments to that Determination.

Clause 61 (1) (za) “agriculture – extensive” in the General Agriculture zone.

Clause 61 (1) (zb) "rural pursuit" in the Rural Residential and General Agriculture zones.

Clause 61 (1) (zc) the construction of a dam.

Clause 61 (1) (zd) the erection of placement of a temporary sea container where the structure is consistent with the provisions of a Local Planning Policy.'

9. Amending the following clauses by removing the cross reference to the clause deleted by the amendment and replacing them with cross reference to deemed provisions set out in Schedule 2 of the *Planning and Development (Local Planning Scheme) Regulations 2015* in Clauses 3.4.1(b), 3.4.2(a), 4.3.2, 4.3.3(d) Note 3, 4.4.2(b), 4.8(c), 4.9.2, 5.4.2, 5.6.2, 5.6.3 and 5.12.7 of the Scheme text.

10. Replacing 'planning application' with 'development application' in Clause 1.5(e).

11. Deleting 'First Schedule to the Town' in Clause 1.5(g).

12. Deleting the 'Note' in Clauses 4.8 and 4.11.

13. Changing references of 'Town' Planning Scheme to 'Local' Planning Scheme throughout the Scheme Text.

14. Removing the following Use Classes and associated permissibility levels from the Zoning Table in Clause 4.3:

    - Agroforestry;
    - Amusement parlour;
    - Aquaculture;
    - Betting agency;
    - Cinema/theatre;
    - Corrective institution;
    - Dwelling;
    - Funeral parlour;
    - Hospital;
    - Marine filling station;
    - Motor vehicle wash;
    - Nightclub; and
    - Plantation.

15. Adding the following uses to the Zoning Table:

    - Ancillary dwelling;
    - Grouped dwelling;
    - Holiday accommodation;
    - Holiday house;
    - Motor vehicle repair;
    - Repurposed dwelling;
    - Roadhouse;
    - Secondhand dwelling;
    - Single house;
    - Transport depot;
    - Tree farm; and

- Workforce accommodation.

16. Deleting the Zoning Table and replacing it with the Zoning Table as set out below including modified permissibility levels and adding permissibility levels to new uses:

LAND USE	**Rural Townsite**	**Rural Residential**	**General Agriculture**
Abattoir	X	X	A
Agriculture – extensive	X	X	P
Agriculture – intensive	X	A	P
Ancillary dwelling	D	D	D
Animal establishment	X	A	D
Animal husbandry – intensive	X	X	A
Bed and breakfast	P	P	P
Caravan park	A	A	A
Caretaker's dwelling	D	X	D
Carpark	A	A	X
Childcare premises	D	A	X
Civic use	P	P	P
Club premises	D	D	D
Community purpose	D	D	D
Consulting rooms	D	A	A
Convenience store	D	X	X
Educational establishment	A	A	A
Exhibition centre	D	D	D
Family day care	D	D	A
Fast food outlet	A	X	X
Fuel depot	D	X	D
Grouped dwelling	D	D	X
Holiday accommodation	A	A	A
Holiday house	A	A	A
Home business	D	D	P
Home occupation	P	P	P
Home office	P	P	P
Home store	D	X	X
Hotel	A	X	X
Industry – cottage	D	D	D
Industry – extractive	X	X	A
Industry – general	A	X	A
Industry – light	D	X	A
Industry – mining	X	X	A
Industry – rural	X	X	D
Industry – service	D	X	A
Lunch bar	D	X	X
Market	A	X	A
Medical centre	D	X	X
Motel	D	X	X
Motor vehicle, boat or caravan sales	D	X	X
Motor vehicle repair	A	A	D

Office	D	X	X
Park home park	A	X	A
Place of worship	D	A	A
Public Utility	A	A	A
Reception centre	D	A	A
Recreation – private	D	D	D
Repurposed dwelling	D	D	D
Residential building	P	P	P
Restaurant	D	A	A
Restricted premises	A	X	X
Roadhouse	D	A	A
Rural Home Business	X	D	D
Rural pursuit	D	P	P
Secondhand dwelling	D	D	D
Service station	D	A	X
Shop	P	X	X
Showroom	D	X	A
Single house	P	P	P
Storage	D	X	D
Tavern	D	X	X
Telecommunications infrastructure	D	D	D
Trade display	D	X	X
Transport depot	X	A	A
Tree farm	X	X	A
Veterinary centre	D	A	A
Warehouse	D	X	A
Winery	A	A	A
Workforce accommodation	A	X	A

17. Modifying Development Table General as follows:

- in the Rural Townsite zone, for the commercial, shop, office and place of public worship uses, change the side setback from ‘2m’ to ‘3m’;
- in the Rural Townsite zone, for the commercial and office uses, change the minimum car parking spaces from ‘20’ to ‘30’m^2 of gross leasable floor area;
- in the Rural Townsite zone, for the shop use, change the minimum car parking spaces from ‘10’ to ‘20’m^2 of gross leasable floor area;
- in the Rural Townsite zone, delete the ‘Eating House’ row;
- in the Rural Townsite zone, for the service station use, delete ‘1500 (Roadhouse 2000’ and replace ‘25’ with ‘40’ for the minimum effective frontage;
- in the Rural Townsite zone, add the following row:

Roadhouse	4000	75	20	7.5	5	30	As determined by Council	Boundary setbacks apply to Pumps, Canopy, Buildings

- in the Rural Townsite zone, for the light/service industry use, change the minimum front setback from ‘11’ metres to ’10’ metres;
- delete the ‘Rural Residential’ row and replace with the following:

All other Permitted Uses	1ha	50	15	10	10	As determined by Council	As determined by Council	As determined by Council

18. Modifying the heading in subclause 5.10.1 through deleting 'Relocated Second hand buildings' and replacing with 'Repurposed dwelling and secondhand dwelling'.

19. Deleting 'transported' in subclause 5.10.1 and replacing with 'repurposed dwelling or secondhand'.

20. Replacing 'an Outline Development' to 'a Structure' in subclause 5.12.3, replacing 'An Outline Development' to 'A Structure' in subclause 5.12.4 and replacing 'Outline Development' to 'Structure' in subclause 5.12.5.

21. Renumbering the remaining scheme provisions and schedules sequentially and update any cross referencing to the new clause numbers as required.

22. Updating the Table of Contents and the List of Schedules.

2 6 OCT 2017

mainroads
WESTERN AUSTRALIA

Our Ref: 04/9767
Your Ref: ADM273

23 October 2017

Chief Executive Officer
Shire of Cuballing
PO Box 13,
Cuballing WA 6311

Dear Sir/Madam

TOWN PLANNING SCHEME NO. 2 – AMENDMENT NO. 3
SHIRE OF CUBALLING

In reference to your correspondence of the 15 September 2017, Main Roads WA (MRWA) has determined from the information provided that the proposed scheme amendment will not have an adverse impact on the MRWA network and therefore advises no objection to the plan.

Yours sincerely

Hartley West

Janet Hartley-West
NETWORK MANAGER

Main Roads Western Australia
Northam Office: PO Box 333, Northam WA 6401
Narrogin Office: PO Box 194, Narrogin WA 6312

mainroads.wa.gov.au
wheatbelt@mainroads.wa.gov.au
Northam: 08 9622 4777 | Narrogin: 08 9881 0503

Department of
Primary Industries and Regional Development
GOVERNMENT OF WESTERN AUSTRALIA

19 OCT 2017

Mr. Garry Sherry
Shire of Cuballing
Chief Executive Officer
PO Box 13
CUBALLING WA 6311

Your ref: ADM273
Our ref: LUP 235
Enquiries: T. Overheu
Date: 16-Oct-17

Dear Garry,

RE: TOWN PLANNING SCHEME No.2, OMNIBUS SCHEME AMENDMENT No. 3, SHIRE OF CUBALLING

Thank you for presenting the Department of Primary Industries and Regional Development (Agriculture and Food) with the opportunity to comment on the proposed amendments to Town Planning Scheme No.2, Shire of Cuballing, in particular to;

(a) Align the Scheme with the 'deemed provisions' in Schedule 2 of the Planning and Development (Local Planning Schemes) Regulations, gazetted in 2015; and

(b) Update and improve the definitions and permissible uses in the Scheme's Zoning Table in relation to rural land and other uses that may impact adjacent rural enterprises.

While the Department of Primary Industries and Regional Development (DPIRD) in principle has no objection to the proposed scheme amendments, the revised Scheme text does not address development issues in relation to offensive / noxious rural industries (e.g. piggeries), and intensive rural industry requiring consideration for environmental management and acknowledgment of the BAM Act (e.g. feedlots).

If you have any questions in relation to this response, please contact Tim Overheu on 9892 8444 or by email to: landuse.planning@dprid.wa.gov.au.

Yours sincerely

Pamela I'Anson
Regional Director
Central Region

Important disclaimer
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Agriculture and Food
75 York Road (PO Box 483) NORTHAM WA 6401
Telephone: +61 (0)8 9690 2200 Fax: +61 (0)8 9622 1902
Website: **dpird.wa.gov.au**
ABN: 18 951 343 745

Shire of Cuballing Town Planning Scheme No. 2 Scheme Amendment No. 4 – Schedule of Submissions				
No.	**Name and Address of Submitter**	**Summary of Submissions**	**Local Government Comments**	**Local Government Recommendation**
1	Janet HartleyWest Network Manager Main Roads Western Australia PO Box 194 Narrogin WA 6312	No objection to the amendment.	That the submission be noted.	No modification to the amendment is required.
2	Pamela I'Anson Regional Director Central Region Department of Primary Industries and Regional Development PO Box 483 Northam WA 6401	In principle, no objection to the amendment. The revised scheme provisions do not however address development issues in relation to offensive/noxious rural industries e.g. piggeries and intensive rural industry requiring consideration for environmental management e.g. feedlots.	That the submission be noted. The amendment proposes to modify the current definition of 'animal husbandry – intensive' in the *Shire of Cuballing Town Planning Scheme No. 2* (TPS2) and modify it to the definition provided in the *Planning and Development (Local Planning Schemes) Regulations 2015*. The definition in the Regulation's is outlined below: **'animal husbandry — intensive"** means premises used for keeping, rearing or fattening of pigs, poultry (for either egg or meat production), rabbits (for either meat or fur production) or other livestock in feedlots, sheds or rotational pens; The amendment does not propose to change the permissibility of animal husbandry – intensive in the different zones. Animal husbandry – intensive uses will continue to not be permitted in the Rural Townsite Zone and not be permitted in the Rural Residential Zone.	No modification to the amendment is required.

			Animal husbandry intensive will remain an 'A' use (advertising required) in the General Agriculture Zone. This means the only zone in which piggeries and feedlots can be considered is in the General Agriculture zone via a Development Application which is subject to advertising (including neighbours and relevant State Government agencies etc.). It is proposed that development issues relating to animal husbandryintensive uses, including piggeries and feedlots, are initially addressed through: A) the review of the Local Planning Strategy especially through the receipt of community and stakeholder comments; and B) the Shire preparing an associated Local Planning Policy on animal husbandryintensive uses this is required be also be subject to community and stakeholder comment. Subject to the outcomes of these planning processes, consideration will later be made as to whether or not there is a need to amend the TPS2 text to provide statutory backing to addressing these development issues.	

9.2.4 Cuballing LCDC – Proposed Winding Up

Applicant:	N/A
File Ref. No:	ADM
Disclosure of Interest:	Nil
Date:	7th February 2018
Author:	Gary Sherry
Attachments:	

Summary

Council is to consider supporting delaying the proposed winding up of the Cuballing LCDC.

Background

The Cuballing Land Conservation District Committee (LCDC) is a statutory committee established under Sections 22 and 23 of the Soil and Land Conservation Act 1945 to manage activities in the Cuballing Land Conservation District that was proclaimed by the Governor in 1990.

When the members' term of appointment expired 31st July 2004, the Cuballing LCDC ceased to exist. Since that time the Cuballing LCDC has had no authority to operate. As it is apparent that there is now a lack of interest in continuing the Cuballing LCDC, the Commissioner of Soil and Land Conservation has moved to wind it up.

Before presenting the recommendation to the Minister, the Commissioner needs to obtain support for the proposal from the local governments within a district. As the Cuballing Land Conservation District is within the Shire of Cuballing, the Commissioner requested Council support for the proposal in 2017.

At the June 2015 Ordinary Meeting, Council resolved the following:

> COUNCIL DECISION:
> That Council support the recommendation of the Commissioner of Soil and Land Conversation to wind up the Cuballing Land Conservation District Committee.
> Moved: Cr Bradford Seconded: Cr Haslam
> Carried 6/0

Comment

The Commissioner of Soil and Land Conservation gave a notice to the Shire of Cuballing that was subsequently included in the December 2017 edition of *The Cuballing News*: advising that the Cuballing LCDC was proposed to be abolished because of lack of interest. The notice gave an opportunity to comment to the Minister for Agriculture and Food before the LCDC is formally wound-up.

Ms Libby Newman has sought to delay the winding up of the Cuballing LCDC and contacted the Commissioner of Soil and Land Conservation to do that.

The Commissioner has advised Ms Newman with the following response:

> The Commissioner has considered your request and advised that he will cease plans to abolish the LCDC, to allow you time to gauge community support for its continuance and enable you to start the process of re-establishing the committee.

Each LCDC has an Establishment Order, published in the Government Gazette, which sets out its constitution, in accordance with the Soil and Land Conservation Act 1945. The Cuballing LCDC membership currently comprises of the following members -

1 Commissioner or his nominee (sourced by us)
1 Shire of Cuballing nominee
3 Nominees representing WA Farmers
14 persons actively engaged in or affected by or associated with land use in the district
19 TOTAL

You will need to seek nominations for the 'landuser' category via an advertisement in the local paper. Each nominee will need to complete a nomination form (see attached) and all nominations will need to be presented at a public meeting. I have also enclosed a fact sheet to assist in this process.

Once nominations have been received and you have had an opportunity to consider them, you are able to approach the Commissioner and seek to have the numbers in the landuser category amended if required. The total membership is currently 19 with a quorum of 10.

The Shire of Cuballing has previously advised the Commissioner that they have no objection to the abolition of the LCDC, so you will need to seek their support and their nomination for the Committee if you decide to move forward.

It would also be useful if you could establish if there are any members of WA Farmers who are interested in nominating for the LCDC.

While Ms Newman was not involved with the previous committee she would like to gauge interest from the newly formed Cuballing Women In Farming Enterprise (WIFE) group. Ms Newman would like to investigate:

1. the ongoing need for the Cuballing LCDC
2. support for the Committee including the Cuballing WIFE group, Peel Harvey Catchment Council, local farmers and the wider community;
3. Workshops/Guest speakers etc available to the Community via LCDC
4. Funding/Grants which are now available to the community via the LCDC.

Ms Newman has advised that the Cuballing WIFE branch meets in February and she will be available to update Council on the level of support available.

Whilst the Cuballing LCDC has completed valuable work in the past, the Council decision of June 2015 was strongly based on the committee having not met for seven years and a lack of community interest in re-establishing the committee. If community residents including Ms Newman, wish to restart the Cuballing LCDC then Council should look to support that.

Under the Cuballing LCDC Establishment Order the Shire of Cuballing is required to provide a nominee to the committee. Council may wish to consider a nominee to a revitalised Cuballing LCDC who could monitor the current efforts to re-establish the committee at this time.

<u>Strategic Implications</u> - Nil

Statutory Environment

Land conservation district committees are statutory bodies formed under section 23 of the Soil and Land Conservation Act 1945 (the Act) and appointed by the Commissioner of Soil and Land Conservation to administer Land Conservation Districts.

The Act lists a range of activities that Land conservation district committee can complete. Activities outside that list need the authority of the Commissioner of Soil and Land Conservation.

Policy Implications – Nil
Financial Implications – Nil
Economic Implication - Nil
Social Implication - Nil

Environmental Considerations

Whilst the Cuballing LCDC has completed valuable environmental work in the past, local land owners are now completing soil conservation of their properties via other methods.

Consultation

Ms Libby Newman

Options

Council may resolve:
1. the Officer's Recommendation;
2. to not support a delay in winding up the Cuballing LCDC because there is no public interest in supporting this group.

Voting Requirements – Simple Majority

OFFICER'S RECOMMENDATION:

That Council:

1. **support a delay in the wind up the Cuballing Land Conservation District Committee while community members gauge public interest in re-establishing the committee; and**

2. **nominate Cr _____ as Council's representative to the Cuballing Land Conservation District Committee.**

9.2.5 Writeoff of Waste & Recycling Collection Charges – 26 Lord Street Popanyinning

Applicant:	N/A
File Ref. No:	A215
Disclosure of Interest:	Nil
Date:	31st January 2017
Author:	Gary Sherry
Attachments:	Nil

Summary

Council is to consider refunding charges incorrectly levied for Waste and Recycling Collection Charges at 26 Lord Street Popanyinning.

Background

Council introduced a waste and recycling collection service in 2016 and under provisions of the Waste Avoidance and Resource Recovery Act 2007 required all residences within the townsites of Cuballing, Popanyinning and Yornaning receive the service.

As part of Council's annual rates notice all properties with a residence receiving the waste and recycling collection service were charged $250 each year for this service.

The owner of 26 Lord Street Popanyinning resides outside the Shire of Cuballing and visits this Popanyinning property from time to time. From time to time the owner visits Popanyinning and stays in the residence on the property. The minimal waste from these visits has either been delivered to the Popanyinning Transfer Station or taken back to Perth for disposal with the owner's Perth residence collection service.

Comment

Council has charged the owner of Rates Assessment A215 at 26 Lord Street Popanyinning a Waste and Recycling Collection Charge in 2016/17 and in 2017/18. The owner has paid this charge by the due dates required.

However, because of an oversight by the Shire staff at the time of delivery, waste and recycling bins were provided to at 26 Lord Street Popanyinning. The residence on this property is not visible from Lord Street and the access road is slightly over grown because it is not regularly used. The owner did not raise this matter with Council until December 2017.

Council's waste and recycling collection contractor has now delivered bins to 26 Lord Street Popanyinning in January 2018.

The Officer Recommendation seeks Council refund the owner of Rates Assessment A215 at 26 Lord Street Popanyinning in the following manner

Financial Year of Charge	Amount	Refund Proposed	Reasoning
2016/17	250.00	250.00	Entire year refunded
2017/18	250.00	145.83	7 Months
TOTALS	500.00	395.83	

Strategic Implications - Nil

Statutory Environment

Council's Delegation Register provides limited delegated authority for the Chief Executive Officer

F1: Outstanding Debtors

The Chief Executive Officer is delegated the authority to write off uncollectable, economically uncollectable or erroneously created debts, in the following manner:

1. Where a Sundry Debtor invoice has:
   a. a value of less than two hundred and fifty dollars;
   b. has been outstanding for at least 90 days; and
   c. in the Chief Executive Officer's opinion, will not be economically practical to pursue payment of the account through the court system;

   the Chief Executive Officer may approve that the invoice be written off.

2. Where a Sundry Debtor invoice, less than two hundred and fifty dollars in value, has been raised in error, the Chief Executive Officer may approve that the invoice be written off.

3. Where Rates Debtor accounts have a balance less than ten dollars and, in the Chief Executive Officer's opinion, it will not be economically practical to pursue payment of the account through the court system, the Chief Executive Officer may approve that the amount be written off.

4. Where a Rates debtor amount, less than ten dollars, was raised in error, the Chief Executive Officer may approve that the amount be written off.

Policy Implications – Nil

Financial Implications

The Officer's Recommendation suggests refunding income previously received of $395.83.

Economic Implication - Nil
Environmental Considerations - Nil
Consultation - Nil

Options

The Council can resolve:
1. the Officer's Recommendation;
2. an amended Officer's Recommendation; or
3. to not write off any charge.

Voting Requirements – Simple Majority

OFFICER'S RECOMMENDATION:

That because a waste and recycling service was not provided to Rates Assessment A215 at 104 Alexandra Street Popanyinning during 2016/17 and for 7 months of 2017/18, Council refund the unused portion of Waste and Recycling Collection charges imposed on Rates Assessment A506 for 2016/17 and 2017/18 totalling $395.83.

9.2.6 Peel Harvey Catchment Council – Memorandum of Understanding

Applicant:	N/A
File Ref. No:	ADM81
Disclosure of Interest:	Nil
Date:	26th May 2017
Author:	Gary Sherry
Attachments:	9.2.6A Draft MOU

Summary

Council is to consider entering a Memorandum of Understanding with the Peel Harvey Catchment Council (PHCC) and 3 other local governments to establish principles of local government support of PHCC activities in the Hotham Williams Catchment area.

Background

The PHCC, through funding from the Australian Government and State NRM Program have been providing onground support to landowners across the HothamWilliams catchment for a number of years. This support has been able to be increased in the last four years, thanks to funding received through the Australian Government via the "Rivers 2 Ramsar" project, and more recently through the National Landcare Programme. Approximately $700,000 has been invested in the Hotham Williams Catchment through the PHCC since 2013 for onground projects such as fencing of rivers and bushland, revegetation, feral animal control support, weed removal and investment in community groups.

Comment

The PHCC is looking to apply for Federal Government funding through the National Landcare Program. This program is the PHCC's main source of funding and the PHCC are looking to demonstrate local government support and contribution in their application process.

To demonstrate this commitment the PHCC has prepared a draft MOU, included at Attachment 9.2.6, that formalises and demonstrate the partnership between the PeelHarvey Catchment Council (PHCC) and the Shires of Boddington, Williams, Wandering and Cuballing in providing natural resource management/landcare support to the HothamWilliams catchment. The footprint of the works/support will extend to include those portions of the Shires of Pingelly, Collie, Narrogin and Wickepin, within the surface water catchment of the PeelHarvey.

Under the MOU the PHCC will be responsible for providing a NRM Officer/s (based in Boddington) to provide the knowledge, skills and resources to landowners to facilitate on ground and engagement activities. Funding will be directed by the PHCC to the HothamWilliams catchment to ensure onground activities can be undertaken.

The Shires commit to providing funding to help cover the cost of the gap that exists in the NRM services costs to enable the NRM officer/s to effectively provide NRM support in HothamWilliams as outlined in the table below. The Shire will also commit to providing a Senior Staff member or Councillor to attend at least one Steering Committee meeting each year to provide the Shire's input into the prioritisation of activities as per the HothamWilliams NRM Plan.

In discussions with other local governments it is expected that the Shires of Boddington, Williams and Wandering will enter into the MOU with differing levels of financial contribution.

The levels of commitment by local Governments include:

- the Shire of Boddington have committed to $25,000 in year 1 and to review further commitment levels upon commencement of the program;
- the Shire of Williams are expected to commit to $10,000 and to commit to consideration of a $5,000 ongoing annual commitment; and
- the Shire of Wandering are expected to commit to inkind support over the term of the MOU.

The Officer's recommendation includes an out of budget contribution in 2017/18 and a commitment for consideration of a $5,000 ongoing annual commitment.

Strategic Implications

Protection of the environment and preserving the natural assets of the Shire of Cuballing is one of the key strategies identified in the Strategic Community Plan.

Statutory Environment - Nil
Policy Implications – Nil

Financial Implications

Funds have been allocated in this year's budget. Out of budget approval for a contribution of $2,500 is part of the Officer's Recommendation.

Economic Implication

The PHCC have supported local landowners in the 2016/17 through a grant round to assist them with protection of remnant vegetation on their properties and address threats such as feral animals and weeds

Social Implication

The PHCC have supported local community groups to assist with addressing threats such as feral animals and weeds in public and private spaces in the Shire of Cuballing.

Environmental Considerations - Nil

Consultation

PHCC
Shires of Williams, Wandering and Boddington.

Options

Council may resolve:

1. the Officer's Recommendation;
2. to support and amended contribution level or amended MOU;
3. to not support entering into a MOU with the PHCC and the Shires of Wandering, Williams and Boddington.

Voting Requirements – Absolute Majority

OFFICER'S RECOMMENDATION:

That Council:

1. **Enter into the negotiated 5 year Memorandum of Understanding with the Peel Harvey Catchment Council and Shires of Wandering, Williams and Boddington included at Attachment 9.2.4;**

2. **authorise the Chief Executive Officer to make minor amendments to the Memorandum of Understanding in negotiations with the Peel Harvey Catchment Council and Shires of Wandering, Williams and Boddington if required;**

3. **allocate $2,500 financial support in 2017/18; and**

4. **agree to consider a financial commitment to subsequent years of $5,000 per annum.**

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding (MOU) is entered into between:
PeelHarvey Catchment Council Inc.
and
The Shires of Boddington, Williams, Wandering and Cuballing
August, 2018 to August, 2023 (5 years)
(funding commencing 2017/18)

Purpose of the MOU

The purpose of the MOU is to formalise the partnership between the PeelHarvey Catchment Council (PHCC) and the Shires of Boddington, Williams, Wandering and Cuballing to provide natural resource management/landcare support to the landowners and community of the HothamWilliams catchment, as defined within the HothamWilliams NRM Plan 20152025. The footprint of the works/support will extend to include those portions of the Shires of Pingelly, Collie, Narrogin and Wickepin, within the surface water catchment of the PeelHarvey.

The PHCC, through funding from the Australian Government and State NRM Program have been providing onground support to landowners across the HothamWilliams catchment for a number of years. This support has been able to be increased in the last four years, thanks to funding received through the Australian Government via the "Rivers 2 Ramsar" project, and more recently through the National Landcare Programme. Via the PHCC approximately $700,000 has been invested in the Hotham Williams since 2013 for onground projects such as fencing of rivers and bushland, revegetation, feral animal control support, weed removal and investment in community groups. It has also enabled the development of the HothamWilliams NRM Plan, with the community, to provide a framework to implement community priorities.

A collaborative arrangement is required to continue to build the capacity of the HothamWilliams community for ongoing natural resource management/landcare activities. The uptake and involvement of the community currently relies on the support provided by the PHCC via a locally placed NRM Officer, supported by the governance and supporting frameworks of the PHCC. Approximately $145,000 is required per annum to continue this and this MOU defines the contributions of each organisation.

The Shires of Boddington, Williams, Wandering and Cuballing are important delivery partners and their collaborative roles with the PHCC in reinvigorating NRM in the HothamWilliams since 2013 is acknowledged.

This MoU has two primary purposes, the first is to solidify and define the relationships between the Shires and the PHCC, and secondly to demonstrate a commitment to continue to work together to deliver these important community services (as defined in the NRM Plan) through cash funding and/or other support. The PHCC will continue to provide funding as is available to ensuring there are NRM human resources available in HothamWilliams, as well as funding to deliver onground outcomes, wherever possible.

Roles and Responsibilities

The PHCC will be responsible for providing a NRM Officer/s (based in Boddington) to provide the knowledge, skills and resources to landowners to facilitate on ground and engagement activities. Funding will also be directed to the HothamWilliams catchment to ensure onground activities can be undertaken. The PHCC will facilitate regular meetings of a steering committee, made up of community representatives from the PHCC Board, including representatives from both within and outside of the HothamWilliams. Community representatives will also be invited, where and when appropriate, to help

provide community input into the direction of NRM activities that are undertaken and ensure projects are consistent with the HothamWilliams NRM Plan. The PHCC will ensure regular communication to the Shires on proposed activities as well as any achievements that are completed via this MoU and ongoing partnership, on a minimum of an annual basis.

The Shires commit to providing funding to help cover the cost of the gap that exists in the NRM services costs to enable the NRM officer/s to effectively provide NRM support in HothamWilliams as outlined in the table below. The Shire will also commit to providing a Senior Staff member, or Councillor to attend at least one Steering Committee meeting each year, to provide the Shire's input into the prioritisation of activities as per the HothamWilliams NRM Plan.

Funding

The below table outlines the financial needs of the position to effectively provide NRM support to the HothamWilliams Community, and defines the agreed financial contributions of each. This funding will provide for 1 x full time equivalent officer (over 1 or more persons); Supervision and Administration; Vehicle lease and running costs; Governance, supervision and Steering Committee support.

	2017/18	**2018/19**	**2019/20**	**2020/21**	**2021/22**
Total cost of NRM Support	**$145,000**	**$145,000**	**$148,000**	**$148,000**	**$150,000**
PHCC Contribution	$105,000	$105,000	$108,000	$108,000	$110,000
Funding Gap	$40,000	$40,000	$40,000	$40,000	$40,000
Shire of Boddington Contribution					
Shire of Williams Contribution					
Shire of Cuballing Contribution					
Shire of Wandering Contribution					
Total Funding					
Remaining Gap					

Timeframe

This MOU will be effective from 1 August 2018 and will be expire no later than 1 August 2023.

This Memorandum of Understanding is the complete agreement between PeelHarvey Catchment Council and the Shires of Boddington, Williams, Wandering and Cuballing, and may only be amended by written agreement signed by each of the parties involved. The memorandum of understanding can be cancelled by either party at any time by writing to the other party and conveying their desire to exit the agreement.

The MOU to be executed by the PHCC and Shires of Boddington, Williams, Wandering and Cuballing.

PHCC

Authorised Signature: _____

Name and Title (Printed): _____

Date: _____ _____

Phone: _____ Email: _____

Shire of Boddington

Authorised Signature: _____

Name (Printed): _____

Date: _____ _____

Phone: _____ Email: _____ _

Shire of Williams

Authorised Signature: _____

Name (Printed): _____

Date: _____ _____

Phone: _____ Email: _____ _

Shire of Wandering

Authorised Signature: _____

Name (Printed): _____

Date: _____ _____

Phone: _____ Email: _____ _

Shire of Cuballing

Authorised Signature: _____

Name (Printed): _____

Date: _____ _____

Phone: _____ Email: _____ _

9.2.7 Provision of Online Licensing Services – Renewal of Agreement

Applicant:	N/A	
File Ref. No:	ADM81	
Disclosure of Interest:	Nil	
Date:	4th February 2018	
Author:	Gary Sherry	
Attachments:	9.2.7A	DOT964017 Agreement for the Provision of Licensing Services In Shire of Cuballing In Terms of Section 11 of the Road Traffic (Administration) Act 2008
	9.2.7B	5DOT964017 Agreement for the Provision of Non Road Law Functions in Shire of Cuballing.

Summary

Council is to consider renewing the agreement with the Department of Transport for the Shire of Cuballing to continue to provide online licencing services.

Background

The current agreement for the provision of online licencing services for the Shire of Cuballing expired on the 31st December 2017.

On 15th November 2017 the Department of Transport Regional Director contacted the Shire of Cuballing by telephone and advised that the Shire of Cuballing will be offered a 3 year agency agreement with a CPI increase of fees.

In general the Department of Transport are looking to save costs in the provision of licencing services and make online services more attractive. The cost of services provided from the Department's "face to face" operations are in the region of $40 per transaction.

As part of the push to reduce costs the Department of Transport appears to have a preference to reduce the number of agents in the rural area. The Department of Transport verbally advised that if 50 rural agencies were to be closed this would save $500,000.

The Shire of Cuballing complete some 1,056 transactions a year. Of these transactions 60% could be completed more easily on line.

Comment

Council received the draft agreements on Friday 22nd December 2018 with a request to have the executed agreements returned by 1st February 2018. This date has been extended to 31st March 2018 to allow consideration by Council.

The draft documents are in two parts:

1. DOT964017 Agreement for the Provision of Licensing Services in Shire of Cuballing in Terms of Section 11 of the Road Traffic (Administration) Act 2008 included at Attachment 9.2.7A. This relates to all vehicle licencing transactions.

2. DOT962117 agreement for the provision of non–road law functions in Shire of Cuballing included at Attachment 9.2.7B. This agreement relates to all other transactions that may include photo card applications and off road vehicle registrations.

The Shire of Cuballing has provided this valuable service to the Shire of Cuballing community for many years and it is recommended that the agreement be renewed for a further three year term.

Strategic Implications – Nil
Statutory Environment – Nil at this time
Policy Implications – Nil

Financial Implications

Council has budgeted in 2017/18 to receive $8,000 in income from commission paid by the Department of Transport for providing licencing services. In 2016/17 Council received $10263.79. This income does not reimburse all of Council's cost in providing this service, but does provide income to support the provision of administration resources. If Council was not complete this service, the amount of administration services could not be reduced.

Department of Transport meet the higher costs of providing this service such as training and IT expenses.

Council should not expect to see an increase in the commission paid to Council over the life of this agreement.

Economic Implication

The experienced Shire staff are able to provide complex vehicle licencing services to local industry who rely on access to this service.

Social Implication

The Shire staff are able to provide vehicle licencing services that support local access to licensing services such as local authority number plates that build and support community spirit.

Environmental Considerations – Nil

Consultation

Shire staff have discussed these agreements with Council's of the Central Country Zone of WALGA, WALGA staff and the Department of Transport.

Options

Council may resolve:
1. the Officer's Recommendation;
2. to not undertake online licencing services in the Shire of Cuballing.

Voting Requirements – Simple Majority

OFFICER'S RECOMMENDATION:

That Council:

1. **approve DOT964017 Agreement for the Provision of Licensing Services in Shire of Cuballing in Terms of Section 11 of the Road Traffic (Administration) Act 2008 included at Attachment 9.2.7A;**

2. **approve DOT962117 agreement for the provision of non–road law functions in Shire of Cuballing included at Attachment 9.2.7B and**

3. **authorise the Shire President and the Chief Executive Officer to affix the Common Seal and to sign/witness the documents**

Government of Western Australia
Department of Transport

DOT964017 AGREEMENT FOR THE PROVISION OF LICENSING SERVICES IN SHIRE OF CUBALLING IN TERMS OF SECTION 11 OF THE ROAD TRAFFIC (ADMINISTRATION) ACT 2008

BETWEEN:

The Chief Executive Officer of the Department of Transport of 140 William St, Perth, Western Australia 6000 (**"the CEO"**)

AND:

The Shire of Cuballing a body corporate with perpetual succession under the Local Government Act 1995 (**"the Agent"**)

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THIS AGREEMENT is made the _____ day of _____ 201_.

BETWEEN:

The Chief Executive Officer (CEO) of the Department of Transport, under the *Road Traffic (Administration Act) 2008,* of 140 William Street, Perth Western Australia 6000 (**the Principal**)

and

Shire of Cuballing (ABN 48 249 968 875), of 22 Campbell Street CUBALLING WA 6311 (**the Agent**)

RECITALS

A. Under section 11 of the Road Traffic (Administration) Act 2008, the CEO may enter into an agreement providing for the CEO's functions under a Road Law that are described in the agreement to be performed on behalf of the CEO.

B. The CEO wishes to enter into an agreement for the performance of certain of his licensing functions under Road Laws described in this Agreement.

C. The Agent is prepared to perform the licensing functions described in the Agreement on behalf of the CEO and the CEO is prepared to remunerate the Agent accordingly.

D. The CEO and Agent have also separately entered into an agreement for the Agent to perform certain Non-Road Law Services. The Agent will be acting in accordance with the Business Rules and utilising the same information technology infrastructure, software applications and transactional arrangements for the performance of both the Road-Law and Non Road Law Services.

OPERATIVE PART

1. DEFINITIONS AND INTERPRETATION

1.1. Definitions

In this Agreement, unless the context otherwise requires:

Adjustment has the same meaning as in the *GST Act*.

Adjustment Note has the same meaning as in the *GST Act*.

Agent means the Party to this Agreement who is authorised by the CEO to perform the CEO's functions under section 11 of the Road Traffic (Administration) Act 2008 as set out in this Agreement.

Agent's Representative means the person(s) so identified in Schedule C to this Agreement, and includes any person(s) for the time being acting in the place of such a person.

Agreement means this Agreement between the Principal and the Agent for the supply of Services by the Agent and includes the schedules attached hereto.

Business Day means any day, except a Saturday, Sunday or a Gazetted public holiday in Perth, Western Australia.

Business Rules means the rules set by the CEO from time to time regarding business processes, guidelines and policies including but not limited to instructions (known as Administrative Instruction's and Licensing Information's) which deal with amongst other things document handling, financial, banking and/or electronic operating procedures, developed by the CEO to ensure the integrity of the Services provided; including but not limited to Schedule E.

Chief Executive Officer or CEO means the Chief Executive Officer as defined in the *Road Traffic (Administration) Act 2008* and is also known as the Director General.

Commission means the amount payable by the Principal to the Agent for the performance of a specified activity forming part of the Services, as set out in the *Schedule of Rates* at Schedule B to this Agreement.

Commissioner of Taxation means the person so appointed pursuant to section 4 of the *Taxation Administration Act 1953*.

Conditions means the terms and conditions set out in this Agreement.

Confidential Information means information in respect of the Agreement that:

(a) is by its nature confidential; or

(b) is specified by the Principal or the Agent to be confidential, including any information specified at Schedule D to this Agreement to be confidential; or

(c) the Principal or the Agent knows or reasonably ought to know is confidential.

Consumer Price Index means the Perth Consumer Price Index (Consumer Price Index, Australia (Cat No 6401.0)): 1 All Groups, Index Numbers – Perth) from the preceding March quarter published by the Australian Bureau of Statistics.

Copyright Act means the *Copyright Act 1968 (Cth)*.

CTT means the Computerised Theory Test that forms the part of the requirements of the Principal's Graduated Driver Training and Licensing System.

Common Use Arrangement means common use procurement arrangements establish by the Department of Finance for the use of State Government departments.

DAIP means the Disability Access and Inclusion Plan that must be prepared under the *Disability Services Act 1993*.

Database means the Principal's designated motor vehicle and driver licensing databases, including TRELIS.

Department means the Department of Transport or such other person or government agency which is responsible for assisting the Principal with:

(a) the administration of this Agreement; and / or

(b) the provision of Licensing Services.

Direction includes agreement, approval, authorisation, certificate, decision, demand, determination, explanation, instruction, notice, order, rejection, request or requirement of the Principal.

Employee means

(a) Where the Agent is a local government body, a person employed by the Agent under Section 5.36 of the Local Government Act 1995, or otherwise engaged by the Agent, and includes a chief employee, a chief executive officer, a senior executive officer, an executive officer, an employee, a public service officer, public officers or a respondent as defined under the Public Sector Management Act 1994 or a clerk or servant as defined under section 1 of the Criminal Code Act 1913; and

(b) the Agent's employees, directors, officers, nominees, agent or subcontractor.

Error Rate means the percentage of errors made when determining compliance with KPI 1 in Schedule H.

Event of Default means the occurrence of any one of the following events:

(a) the Agent breaches an obligation under the Agreement that cannot be remedied, including a breach of its confidentiality obligations; or

(b) the Agent breaches any other obligation under the Agreement and that breach is not remedied within two (2) Business Days after the Principal gives a notice to the Agent requiring the breach to be remedied, or within a later period specified by the Principal in the notice; or

(c) the Agent commits three (3) separate breaches of its obligations under the Agreement over any twelve (12) month period, whether or not the Principal has given the Agent notice of any such breaches and whether or not the Agent has rectified such breaches; or

(d) a representation or warranty made by the Agent under the Agreement is or becomes untrue or is breached; or

(e) an Insolvency Event occurs in respect of the Agent; or

(f) the Agent ceases, or, in the reasonable opinion of the Principal will likely imminently cease, to carry on business; or

(g) any of the Agent's Personnel is or has at any time been convicted of a criminal offence that is punishable by imprisonment or detention that has not been disclosed to the Principal and the Principal has given its prior written consent; or

(h) if the Agent is a body corporate, the Agent is convicted of a criminal or statutory offence that is punishable by a fine or penalty of, or exceeding, $10,000; or

(i) in the reasonable opinion of the Principal, the reputation of the Principal, the State of Western Australia or the Government of Western Australia is, or is likely to be, damaged by any act or omission of the Agent; or

(j) any of the Agent's Personnel disclose the Principal's Confidential Information under Schedule D Confidential Information; or

(k) the Agent refuses to comply with any reasonable Direction given by the Principal; or

(l) where applicable, the Agent breaches its duty under the Local Government Act 1995; or

(m) If the Agent also provides Non Road Law Services under a separate agreement to this Agreement and that agreement is terminated in accordance with the breach provisions of that agreement.

Graduated Driver Training and Licensing System means the system that allows new drivers to acquire their driver's licence by completing a number of assessments, including the

CTT and HPT, and by gaining experience by driving under supervision in a wide range of conditions.

GST has the same meaning as in the *GST Act*.

GST Act means *A New Tax System (Goods and Services Tax) Act 1999 (Cth)* and, where the context permits, includes the Commissioner of Taxation's goods and services tax rulings and determinations and any other written law dealing with GST applying for the time being in the State of Western Australia.

HPT means the Hazard Perception Test that forms part of the requirements of the Principal's Graduated Driver Training and Licensing System.

Insolvency Event means the happening of any of these events:

(a) an order is made, or an application is made to a court for an order, that a body corporate be wound up; or

(b) except to reconstruct or amalgamate while solvent, a body corporate:

  i. is wound up or dissolved; or

  ii. resolves to wind itself up, or otherwise dissolve itself, or gives notice of intention to do so; or

  iii. enters into, or resolves to enter into, any form of formal or informal arrangement for the benefit of all or any class of its creditors, including a scheme of arrangement, deed of company arrangement, compromise or composition with, or assignment for the benefit of, all or any class of its creditors; or

(c) a liquidator or provisional liquidator is appointed (whether or not under an order), or an application is made to a court for an order, or a meeting is convened or a resolution is passed, to make such an appointment, in respect of a body corporate; or

(d) a receiver, manager, receiver and manager, trustee, administrator, controller (as defined in section 9 of the Corporations Act 2001 (Cth)) or similar officer is appointed, or an application is made to a court for an order, or a meeting is convened or a resolution is passed, to make such an appointment, in respect of a body corporate or any asset or undertaking of a body corporate; or

(e) any step is taken to enforce security over, or a distress, attachment, execution or other similar process is levied, enforced or served out against any asset or undertaking of a body corporate; or

(f) the process of any court or authority is invoked against a body corporate, or any asset or undertaking of a body corporate, to enforce any judgment or order for the payment of money or the recovery of any property;

(g) a body corporate:

  i. takes any step to obtain protection, or is granted protection, from its creditors under any applicable legislation; or

  ii. stops or suspends payment of all, or a class of, its debts; or

  iii. is or is taken by any applicable legislation to be, or states that it is, or makes a statement from which it may be reasonably deduced that it is:

    a. insolvent or unable to pay its debts when they fall due; or

b. the subject of an event described in section 459C(2)(b) or section 585 of the *Corporations Act 2001 (Cth)*; or

iv. is taken to have failed to comply with a statutory demand as a result of the operation of section 459F(1) of the Corporations Act 2001 (Cth); or

v. ceases, or threatens to cease, to carry on all or a material part of its business; or

(h) anything analogous or having a substantially similar effect to any of the events specified above happens under the law of any applicable jurisdiction.

Intellectual Property Rights means:

(a) patents, copyright, rights in circuit layouts, registered designs, trade-marks and the right to have Confidential Information kept confidential; and

(b) any application or right to apply for registration of any of the rights described in (a) above,

but does not include Moral Rights.

Language Interpretation Facility means the facility established by State Government to meet the needs of people unable to communicate effectively in English.

Logbook means the Logbook that forms part of the requirements of the Principal's Graduated Driver Training and Licensing System.

Moral Right has the same meaning as in the *Copyright Act*.

Non Road Law Services means transactions related to Maritime, WA Photo Card, Off Road Vehicles, and Driving Instructor and other services as detailed in a separate agreement.

Party means a party to this Agreement and Parties means both parties to this Agreement.

PCI DSS means the Payment Card Industry Data Security Standard being a baseline of technical and operational requirements designed to protect account data.

PC means personal computer and includes a central processing unit, monitor, mouse and keyboard.

Performance Measures means the criteria specified in Schedule H against which the Agent's delivery of Services will be measured.

Personnel means all Employees engaged in relation to the supply of the Services.

Physical stock means any items provided by the Principal to the Agent for the purpose of facilitating the Agent to undertake the Services, including but not limited to:

(a) forms for completion by the Principal's Customers;

(b) printer base stock;

(c) vehicle licence plates;

(d) 'P' plates

(e) financial banking books;

(f) Logbooks;

(g) licensing publications and information material; and

(h) any other stock as detailed by the Principal in Schedule M.

Premises means any premises listed in Schedule I which are owned or occupied by the Agent on or from which the Services are to be supplied or to which the Agent has access in order to supply the Services, and includes anything on those premises.

Principal means the CEO of the Department of Transport.

Principal's Customers means those persons who use the Services supplied by the Agent under the Agreement.

Principal's Property means all Records supplied for, or created by, the provision of the Services, all physical stock and equipment provided by the Principal.

Principal's Representative means the person(s) so identified at Schedule C to this Agreement, and includes any person(s) for the time being acting in the place of such a person.

Processing Errors has the meaning assigned in the *Service Specification* at Schedule A of this Agreement.

Recipient Created Tax Invoice has the same meaning as in the *GST Act*.

Records means records and information of any kind, including originals and copies of all accounts, financial statements, books, files, reports, records, correspondence, documents and other materials created for, or relating to, or used in connection with, the supply of the Services, whether or not containing Confidential Information, and whatever format in which such records and information are held, stored or recorded.

Representative(s) means either or both the Agent's Representative or the Principal's Representative as the context requires.

Road Law means the Road Traffic Act 1974, the Road Traffic (Administration Act) 2008; the Road Traffic (Authorisation to Drive) Act 2008; the Road Traffic (Vehicles) Act 2012 and the Road Traffic (Vehicles) (Taxing) Act 2008.

Schedule of Rates means the Commission payable to the Agent for the performance of Services as detailed at Schedule B to this Agreement.

Services means the licensing functions described in the *Service Specification* at Schedule A to this Agreement, to be supplied by the Agent in accordance with this Agreement.

Specification means the specification of the Services described in the *Service Specification* at Schedule A to this Agreement.

State means the State of Western Australia.

State Records has the same meaning as in the *State Records Act 2000*.

Term means the period from the date of commencement provided in clause 2 to the date when the Agreement expires or terminates, and includes any extension agreed by the Parties in writing.

1.2. Interpretation

In the Agreement Documents, unless the context otherwise requires:

(a) the singular includes the plural and vice versa;

(b) a reference to any thing is a reference to the whole or any part of it and a reference to a group of things or persons is a reference to any one or more of them;

(c) a reference to a gender includes other genders;

(d) a reference to a person includes a public authority, a public body, a company and an incorporated or unincorporated association or body of persons;

(e) a reference to a person includes a reference to the person's executors, administrators, successors, substitutes (including, but not limited to, a person taking by novation) and permitted assigns;

(f) an agreement, representation or warranty on the part of, or in favour of, 2 or more persons binds, or is for the benefit of, them jointly and severally;

(g) a reference to the Agreement or another instrument includes all variations and replacements of any of them despite any change of, or any change in the identity of, the Principal or the Agent;

(h) a reference to a clause, schedule, attachment or appendix is a reference to a clause in, or a schedule, attachment or appendix to this Agreement;

(i) all the provisions in any schedule, attachment or appendix to this Agreement are incorporated in, and form part of, this Agreement and bind the Principal and the Agent;

(j) headings are included for convenience and do not affect the interpretation of this Agreement;

(k) a reference to a statute, ordinance, code or other law includes regulations and other instruments under it and consolidations, amendments, re-enactments or replacements of any of them;

(l) no rule of interpretation is to be applied to disadvantage the Principal or the Agent on the basis that it was responsible for preparing the Agreement;

(m) if a word or phrase is defined, other grammatical forms of that word or phrase have a corresponding meaning;

(n) if the word "including" or "includes" is used, the words "without limitation" are taken to immediately follow;

(o) a reference to writing includes all means of representing or reproducing words in visible form including by electronic means such as facsimile transmission;

(p) a reference to a liability includes all obligations to pay money and all other losses, costs and expenses of any kind;

(q) a reference to a month is to a calendar month and a reference to a year is to a calendar year;

(r) if a period of time is specified and dates from a given day or the day of an act or event, it is to be calculated inclusive of that day;

(s) if a date stipulated for payment or for doing an act is not a Business Day, the payment must be made, or the act must be done, on the next Business Day; and

(t) a reference to a monetary amount means that amount in Australian currency.

2. TERM

2.1 This Agreement will begin on the Commencement Date as specified in Item 2 of Schedule L for the term specified in Item 1 of Schedule L. The Principal may by notice in writing to the Agent extend the term at his entire discretion for a further period or periods up to the maximum period set out in Item 3 of Schedule L.

2.2 This Agreement does not create or otherwise confer upon the Agent an enforceable right to be offered an extension of this Agreement.

3. SUPPLY OF SERVICES

3.1. Supply of Services

The Agent must supply the Services on each Business Day during the Term in accordance with the Agreement.

3.2. Scope and Quality of Services

(a) The Agent must supply the Services in accordance with the Specification.

(b) The Services include any reasonable Direction given by the Principal in relation to performance of Services in this Agreement.

(c) If no standards for the Services are specified in the Agreement, then the Agent must supply the Services in accordance with the highest reasonable standards that usually apply to the supply of the Services and in any event with proper skill, care and diligence.

(d) The Agent must save and file all Business Rules, policies, guidelines, procedures Administrative Instruction's and Licensing Information's developed and distributed by the Principal so that they can be retrieved for ease of reference.

(e) The Agent must observe, perform and comply with any Business Rules, policies, guidelines, procedures, Administrative Instruction's and Licensing Information's developed by the Principal to ensure the integrity of the Services provided.

(f) The Principal does not underwrite, guarantee or accept any liability for the volume and value of the Services performed under the Agreement.

3.3. Additional Work

If, at the written request of the Principal, the Agent performs work that is additional to the Services, then the Principal must pay the Agent for the additional work:

(a) at the rate of a similar Service specified in the Schedule of Rates; or

(b) if no rate is specified in the Schedule of Rates, at a rate agreed between the Principal and the Agent; or

(c) if no rate is agreed under clause 3.3(a) or (b) within ten (10) Business Days from the date of the Principal's request, at the reasonable rate determined by the Principal.

3.4. Unsatisfactory Services

(a) If any of the Services have not been supplied in accordance with this clause 3 then, without limiting any other remedy available to the Principal, the Principal may by notice to the Agent require the Agent to re-supply those Services and the Agent must re-supply those Services at no cost to the Principal or the Principal's Customers.

(b) If, on receipt of a notice under clause 3.4(a), the Agent considers that it has supplied the Services in accordance with this clause 3, then the Parties must attempt to resolve the dispute by following the dispute resolution process set out in clause 16.

3.5. Value for Money Policy

(a) The Principal has access to State Government common use arrangements which provide for discounted rates for specified goods and services. Where it is deemed by the Principal that better value for money can be achieved through the use of such common use arrangements, the Agent must access such services. The Principal will be responsible for organising approvals for the Agent to access Common Use Arrangements (CUA).

(b) Where the Principal has access to other service contracts the Agent must access and use such contracts as advised by the Principal.

4. COLLECTION OF REVENUE

4.1. Familiarity with Treasurer's Instructions and *Financial Management Act 2006*

It is the Agent's responsibility to ensure that they are familiar with, and knowledgeable on, the *Financial Management Act 2006* and Treasurer's Instructions relating to the collection and banking of public monies.

4.2. Forms of Payment

(a) The Agent must accept from the Principal's Customers and process all forms of payment acceptable to the Principal for the processing of licensing transactions.

(b) If a customer cheque or other payment is dishonoured or is otherwise not credited to the Agent's bank account, the relevant provisions set out in the Business Rules in Schedule E will apply.

4.3. No Surcharge

The Agent must not impose a surcharge, or any other form of cost recovery, on the Principal or the Principal's Customers for Services performed pursuant to this Agreement.

5. PAYMENT

5.1. Commissions Payable

Subject to the provisions of sub-clause 5.2, the Principal must pay the Agent Commissions to the value of the Services performed under the Agreement in accordance with the Schedule of Rates, as certified by the Principal, less any overpayment in Commissions or any other payment made to the Agent as advised in writing to the Agent by the Principal.

5.2. Variations to Commissions Payable

(a) On July 1 of each year of the Term, the Principal will review the Commissions specified in the Schedule of Rates in accordance with annual changes in the Consumer Price Index and the Commission's payable to the Agent will be increased accordingly, except in the instance where there is no movement in the CPI.

(b) Where the CPI is a negative 'downward' movement, the Commission's payable to the Agent shall remain at the rate applicable for the previous year.

(c) The Principal will forward the Agent a revised Schedule of Rates in accordance with clause (a) above no later than 30 Business Days after the Commission review date.

5.3. Invoices

(a) The Principal will issue the Agent Transaction and Payment Summary reports which include, inter-alia:

(i) tabulations to show all licensing transactions processed and the corresponding Commissions payable; and

(ii) confirmation the Commissions payable have been reconciled and authorised by the Principal.

(b) The Principal will issue the Agent tax invoices, being Recipient Created Tax Invoices (RCTI), in respect of Commissions payable, on the basis of the Transaction and Payment Summary report for the corresponding period.

(c) The Principal will issue a Transaction and Payment Summary Report and RCTI to the Agent:

(i) for each calendar month; and

(ii) not more than thirty (30) Business Days after the last day of the invoice period.

(d) The Agent agrees it will not issue tax invoices in respect of the Services.

(e) The Agent acknowledges that it is registered for GST when it agrees for the Principal to issue RCTI for the Services and will notify the Principal if it ceases to be registered or if it ceases to satisfy any of the requirements imposed by the Commissioner for Taxation.

(f) The Principal acknowledges that it is registered for GST when it agrees to issue RCTI for the Services and will notify the Agent if it ceases to be registered or if it ceases to satisfy any of the requirements imposed by the Commissioner for Taxation.

5.4. Payment of Invoices

The Principal will pay the amount specified in a RCTI within thirty (30) days of the last day of the month to which it relates.

5.5. Method of Payment

The Principal will directly credit Commissions payable to the Agent's nominated bank account.

5.6. No Obligation to Pay

The Principal has no obligation to make any payment to the Agent unless and until:

(a) the Services have been supplied in accordance with clause 3; and

(b) the Principal is satisfied that no Event of Default has occurred.

5.7. Incorrect Payment

(a) If the Agent finds an amount paid based on the RCTI is incorrect and the Principal has paid, the Agent is responsible for issuing an Adjustment Note to the Principal. If the amount is:

(i) less than the amount that should have been paid, the Principal must pay the difference to the Agent within twenty (20) days after the date the Adjustment Note is received;

(ii) more than the amount that should have been paid, the Principal may:

a. debit the difference from the Agent's nominated account within twenty (20) days after the date the Adjustment Note is received; or

b. offset the difference against any amount subsequently payable by the Principal to the Agent.

(b) If the Principal finds that the amount paid based on the RCTI was incorrect and the Principal has overpaid, the Principal is entitled to take the steps outlined in sub-clause 5.7(a)(ii) a. or b., without receipt of an Adjustment Note from the Agent.

5.8. GST and other duties, taxes and charges

(a) In this clause (5.8) the expressions '**consideration**', '**recipient**', '**supply**', '**tax invoice**' and '**taxable supply**' have the meanings given to those expressions in the *GST Act*.

(b) All amounts in the Schedule of Rates are expressed exclusive of GST.

(c) If GST is imposed on any supply made under the Agreement, the Principal will pay to the Agent an amount equal to the GST payable on the taxable supply.

(d) The amount referred to in clause 5.8 (c) must be paid in addition to, and at the same time as, payment for the taxable supply is required to be made under the Agreement.

(e) If a GST-inclusive price is charged or varied under the Agreement, the Principal will provide the Agent with a valid RCTI at or before the time of payment or variation.

(f) If the amount of GST paid or payable by the Agent on any supply made under the Agreement differs from the amount of GST paid by the Principal, because the Commissioner of Taxation lawfully adjusts the value of the taxable supply for the purpose of calculating GST, then the amount of GST paid by the Principal will be adjusted accordingly by a further payment by the Principal to the Agent or the Agent to the Principal, as the case requires.

(g) The Principal indemnifies the Agent for any liability for GST and penalty that may arise from an understatement of the GST payable on any supply for which it issues a RCTI where the understatement arises from fault on the part of the Principal.

(h) All duties, taxes and charges (other than GST) imposed or levied in Australia or overseas in connection with the supply of the Services or any additional work undertaken by the Agent are payable by the Agent.

6. AGENT'S GENERAL WARRANTIES AND UNDERTAKINGS

6.1. Agent's General Warranties

Except where the Agent has otherwise disclosed in writing to the Principal, and the Principal has given prior written consent to the matter disclosed, the Agent warrants in favour of the Principal that:

(a) the Agent has no conflict of interest arising out of the Agreement;

(b) the Agent is properly authorised and has the power to enter into the Agreement and perform the Agent's obligations under the Agreement;

(c) the Agent's obligations under the Agreement are valid and binding and are enforceable against the Agent;

(d) all information provided by the Agent to the Principal in connection with the Agreement is true and correct;

(e) there is no litigation or arbitration, and there are no administrative proceedings, taking place, pending or threatened against the Agent which could have a materially adverse effect on the Agent's ability to supply the Services in accordance with the Agreement;

(f) no Personnel performing the Services have been convicted of a criminal offence that is punishable by imprisonment or detention; and

(g) there is nothing that prevents the Agent from complying with any obligation under the Agreement.

6.2. General Warranties Made Continuously

The warranties made by the Agent under clause 6.1 are taken to be made continuously throughout the Term.

6.3. Agent's Undertakings

The Agent must:

(a) properly provide for the care, safety, security and protection of:

(i) all Records (whether created by the Principal, the Agent or any other person) that are in the custody or control of the Agent; and

(ii) all property, information technology equipment and software applications supplied by the Principal to the Agent in connection with the Agreement;

(b) promptly notify the Principal if any warranty in clause 6.1 is breached or becomes untrue within two (2) business days of the identification of the breach;

(c) securely manage and destroy any waste documentation;

(d) securely manage all new and retained vehicle number plates at all times and only return or transfer those plates through the Principal's approved courier or representative;

(e) securely return by the Principal's approved courier or representative all obsolete vehicle number plates to the Principal's nominated contractor for destruction;

(f) always act ethically in connection with the Agreement and in accordance with good corporate governance practices;

(g) comply with all State and Commonwealth laws relevant to the Agreement;

(h) if the Agent obtains or has custody or control of State Records as a result of its activities under this Agreement, comply with the Principal's record keeping plan to the extent necessary under the *State Records Act 2000*;

(i) cooperate fully with the Principal in respect of the administration of the Agreement;

(j) ensure that no Personnel causes the Agent to breach the Agreement; and

(k) except as otherwise specified in the Agreement, provide everything necessary to fully comply with all of its obligations under the Agreement.

6.4. Warranties and Indemnity

(a) The Agent must give, or ensure the Principal has the benefit of, any warranties specified in the Agreement.

(b) The Agent must do everything necessary to obtain the benefit of all third party warranties and must ensure that the Principal has the benefit of those warranties.

(c) The Agent indemnifies the Principal against any loss or liability that results from the Agent not complying with sub-clauses 6.4(a) or (b).

6.5. Conflict of Interest

6.5.1. Without limiting the meaning of conflict of interest, a conflict of interest may arise in the following circumstances:

(a) when the Agent, or a person associated with the Agent, is in a position to benefit directly or indirectly from the actions of the Agent through an unfair or unintended imposition or loss on the Principal or some third party; or

(b) when, due to a personal interest or a conflicting business arrangement, an Agent's honesty, objectivity or fairness in performing the Services is open to question.

6.5.2. If a conflict of interest arises in respect of the Agent or the Agent's Personnel, in respect of the supply of the Services under the Agreement, the Agent must:

(a) promptly notify the Principal that the conflict has arisen and provide full details; and

(b) take reasonable steps in consultation with the Principal to manage or resolve the conflict.

6.5.3. Without limiting the meaning of conflict of interest, a perceived conflict of interest may arise when an Agent or the Agent's Personnel accesses the Principal's Database or undertakes a transaction on behalf of a friend or relative or the Personnel's own record, without first obtaining the Principal's approval.

6.6. Agent's Obligation for Services Directly to the Public

The Agent must:

(a) to the extent practicable, implement the Principal's 'Disability Access and Inclusion Plan' (DAIP) prepared under the Disability Services Act 1993 (available at the Principal's website:

http://www.transport.wa.gov.au/aboutus/disability-access-and-inclusion-plan.asp);

(b) provide a report to the Principal prior to 30 June in each year of the Term reporting on the extent to which the Agent has implemented the Principal's DAIP; and

(c) advise Customers that they may make use of the Language Interpretation Facility if they require such assistance.

7. INFORMATION TECHNOLOGY, EQUIPMENT AND PREMISES

7.1. Supply by Principal

The Principal will supply the Agent with the following:

(a) telecommunications hardware and software, the nature of which is subject to the availability of telecommunications technology in the Agent's locality, linking the Agent's transaction processing equipment supplied by the Principal to the Database;

(b) transaction processing hardware to the extent necessary to operate the software applications required by the Principal being:

(i) PC/s;

(ii) printer/s (excluding consumables); and

(iii) image capture unit.

(c) transaction processing software, being the Principal's software applications that enable the Agent to access the Principal's Database and any third party software applications required by the Principal;

(d) hardware and software to the extent necessary for the Agent to provide CTT/HPT and testing required by the Principal;

(e) the Physical Stock required by the Agent to perform this Agreement; and

(f) Vehicle licence plates.

7.2. Supply by Agent

(a) The Agent must supply and maintain all hardware and software, not otherwise specified in the Agreement as the Principal's responsibility, to the extent required to enable the Agent to perform the Services. The Agent shall ensure that such hardware and software is compatible in all respects with the Principal's hardware and software.

(b) Except as otherwise expressly provided in this Agreement, the Agent must provide, at its cost all office consumables.

7.3. Installation of Additional Hardware or Software (other than supplied by the Principal)

(a) The Agent must make written application to the Principal, and obtain the Principal's written approval before installing any additional hardware or software to a PC designated for transaction processing.

(b) Subject to clause (a) above:

(i) the installation of any additional hardware or software on the Principal's designated PC will be entirely at the Agents risk and the Principal will not be responsible for any hardware or software failure or resultant loss of the Agents data; and

(ii) the Agent will be responsible for and at its own cost to address any support issues, security breaches, network vulnerabilities, including increases in PCI DSS scope or loss of data resulting in the installation of the additional hardware or software.

(c) The Agent will uninstall any additional hardware or software that the Agent installs on a PC designated for transaction processing by prior agreement with the Principal, when the PC is required to be replaced or returned to the Principal.

7.4. Compliance with Principal's Requirements

All information technology, whether supplied by the Principal or the Agent, must comply with the information technology policies and specification requirements as provided by the Principal from time to time.

7.5. Maintenance of Equipment

(a) The Agent will ensure all equipment including, but not limited to, information technology hardware and software is:

(i) maintained in good, safe and proper working condition, and capable of reliably performing the Services at all times; and

(ii) housed at the Agent's customer service area where the Services are provided.

(b) All equipment provided by the Principal including, but not limited to, information technology hardware and software remains the property of the Principal and will be returned to the Principal on demand, at the Principal's cost and by the Principal's approved courier or representative.

(c) The Agent will provide any information required by the Principal relating to the audit and tracking of the Principal's equipment.

(d) In the event that equipment supplied by the Principal requires maintenance, the Agent will contact the Principal to discuss the maintenance options for the equipment as detailed in Schedule F.

(e) If any equipment supplied by the Principal requires repairs or replacement, the Principal will then organise at its cost.

(f) In the event equipment supplied by the Principal requires off-site maintenance, and that maintenance results in equipment not being available to the Agent for more than five (5) Business Days, the Principal will supply the Agent with equivalent replacement equipment for the duration of the period the equipment is unavailable to the Agent.

7.6. Premises

The Agent will:

(a) ensure all areas in which the Services are to be performed are suitable for the purpose;

(b) provide a secure and confidential environment to ensure protection of the Principal's interests against outside intrusion, improper or unauthorised use or access;

(c) ensure security complies with any reasonable Direction given by the Principal;

(d) do everything reasonably necessary to protect people and Property on the Premises, as they relate to the delivery of the Services; and

(e) ensure compliance with Requirement 9 of the PCI DSS at Schedule J.

8. EXPENSES

8.1. Bank Fees and Charges

The Principal will reimburse the Agent for specified bank fees and charges, being:

(a) charges incurred in relation to dishonoured cheques received from the Principal's Customers.

8.2. Training

The Principal will reimburse the Agent for specified expenses incurred for Personnel attending the Principal's mandatory training in the Perth metropolitan area in accordance with this clause 8.2, being:

(a) accommodation costs, to a maximum equal to the applicable accommodation allowance specified in schedule I of the current West Australian Public Service Award, Travelling, Transfer and Relieving Allowance, made under *Public Sector Management Act 1994*;

(b) meal costs, to a maximum equal to the applicable meal allowance specified in schedule I of the current West Australian Public Service Award, Travelling, Transfer and Relieving Allowance, made under *Public Sector Management Act 1994*;

(c) vehicle mileage costs only associated with travel to and from the Principal's training site, (not including personal use of the vehicle during the training course) to a maximum equal to the applicable vehicle mileage allowance specified in schedule F of the current West Australian Public Service Award, Motor Vehicle Allowance, made under *Public Sector Management Act 1994*;

(d) return economy airfares; and

(e) subject to the Principal's approval, taxi/ride sharing fees incurred to and from the training only.

8.3. Telecommunications

The Principal will reimburse the Agent for specified telecommunications expenses, being:

(a) charges incurred for one dedicated telecommunications line used solely for the purpose of providing a credit card payment facility, being:

(i) initial standard set-up costs of up to $300; but

(ii) excluding any additional telecommunications infrastructure costs unless negotiated with the Principal prior to the commencement of Services; and

(iii) line rental.

(b) charges incurred for any dedicated telecommunications line used solely for the purpose of dial-up network access to the Principal's Database on the basis of either:

(i) all STD call charges and line rental;

(ii) $1.01 for each connection to the Principal's Database and line rental, whichever is the lesser; or

(c) charges incurred for any telecommunications line used jointly for the purpose of dial-up network access to the Principal's Database and unrelated business of the Agent on the basis of either:

(i) STD call charges for each connection to the Principal's Database; or

(ii) $1.01 for each connection to the Principal's Database, whichever is the lesser.

(d) all charges incurred for the purpose of accessing the Principal's database through a specified dedicated ADSL Broadband connection.

8.4. Evidence

The Agent must submit a statement and supporting evidence to the Principal when claiming reimbursement for expenses specified in the Agreement as the responsibility of the Principal.

8.5. Reimbursement

The Principal will pay the Agent's claim for reimbursement within thirty (30) days from the date the claim in writing is received, if the amount claimed is:

(a) properly payable;

(b) correctly calculated in accordance with the Agreement; and

(c) accompanied by sufficient supporting evidence.

9. PERSONNEL

9.1. General Provisions of the Agent's Personnel

(a) All Personnel must be Employees of the Agent.

(b) All prospective Personnel must be approved by the Principal for appointment prior to supplying the Services;

(c) The Principal may direct the Agent to temporarily suspend the Personnel's access to the Principal's Database and Property and direct the Personnel to undertake immediate retraining.

(d) The Agent must, at its expense, provide the Principal with a current (not more than three months old) Australia-wide police clearance for all prospective Personnel intended by the Agent for appointment as Personnel prior to the commencement of their involvement in supplying the Services.

(e) The Principal may, at its discretion and expense, at any time and from time to time request the Agent to undertake further Australia-wide police clearance with respect to any prospective Personnel. The Agent must comply with the Principal's request within twenty (20) Business Days of such request.

(f) If police clearance evidence provided by the Agent pursuant to clause 9.1(d) or 9.1(e) reveals that a prospective Personnel, or reveals that Personnel, has committed a criminal offence punishable by imprisonment or detention, then the Principal may, without prejudice to his other rights under the Agreement:

(i) refuse approval for the person to be appointed as Personnel; or

(ii) revoke its approval and require the removal of the Personnel in question from any involvement in the supply of the Services,

as the case may be, and the Principal may do so solely in reliance on the police clearance evidence.

(g) The Agent and its Employees must not, during the Term, have any affiliations, associations, connections, or professional engagements with any companies, agencies, organisations, clubs, associations, or other business or charitable institutions which have or have been found to have or proven to have any involvement in any disreputable, criminal or illegal business dealings or transactions.

(h) The Principal will terminate this Agreement effective immediately, upon becoming aware of any such affiliations, associations, connections, or professional engagements referred to in 9.1 (g).

(i) Notwithstanding other rights and remedies or actions available to it, the Principal may require the removal from the Services of any Personnel.

(j) The Agent must immediately comply with a request under 9.1 (i).

(k) Where the Agent continues to engage or retains the engagement of Employees contrary to the provisions of this clause 9, in addition to any other rights and actions available to the Principal, the Principal may terminate this Agreement immediately without notice.

(l) In addition to the provisions of clauses 9.1(d) to (f), the Principal may withhold approval for the appointment of a prospective Employee as Personnel or require the Agent to remove any Personnel from involvement with supplying the Services if the Principal reasonably believes that the prospective Employee or Personnel, as the case may be, is unsuitable.

(m) In the event that the Principal withholds approval of a prospective Employee or requests removal of any Personnel, in accordance with clause 9.1(f) or 9.1(l), the Principal shall, at the request of the Agent, provide reasons for its decision, unless to provide reasons would, in the reasonable view of the Principal, be contrary to the public interest.

(n) In the event that any Personnel is required to be removed from supplying the Services pursuant to this clause 9.1, the Agent must at its own cost:

(i) ensure that the Personnel in question immediately ceases all involvement with the supply of the Services; and

(ii) replace the Personnel with other Personnel, approved by the Principal, of the highest skills and experience available to the Agent.

(o) In addition to the obligations set out in this Agreement, in the event that the Agent becomes aware that a criminal charge has been laid or may be laid against it or its Personnel, it will immediately notify the Principal in writing.

9.2. Qualifications

(a) The Agent must ensure that all Personnel are properly qualified and suitable for the tasks allocated to them and that Personnel conduct themselves in all circumstances and at all times, in a fit and proper manner.

(b) The Agent must ensure that all Personnel:

(i) attend mandatory training provided by the Principal, at a location determined by the Principal, prior to supplying the Services;

(ii) undertake e-learning training as directed by the Principal;

(iii) upon reasonable notice, undertake any additional training required by the Principal subsequent to any new policy or procedures adopted by the Principal; and

(iv) participate in a continuous education program relevant to the Services.

9.3. Use of Lobbyists

The Agent warrants and represents that none of its officers, employees, agents or sub-contractors has employed, engaged or has otherwise been involved, directly or indirectly, in connection with the Agreement, with a person who is acting as a Lobbyist (as that term is defined in Public Sector Commissioner's Circular 2016 "Circular 2016") unless such person is duly registered as a Lobbyist in terms of Circular 2016 and that person has complied with his or her obligations under Circular 2016 as amended from time to time.

9.4. Awards, Workplace Agreements

The Agent must ensure that the remuneration and terms of employment of all Personnel for the duration of the Agreement are consistent with the remuneration and terms of employment that reflect the industry standard as expressed in awards and agreements and any code of practice that may apply to a particular industry.

10. ACCESS AND CONFIDENTIALITY

10.1. Access and Records

(a) The Agent will allow the Principal:

(i) reasonable access to inspect any Premises and equipment used or occupied in connection with this Agreement;

(ii) reasonable access to all Records in the custody or control of the Agent; and

(iii) to examine, audit, copy and use any Records in the custody or control of the Agent.

(b) The Agent will:

(i) keep accurate, complete and current written Records in respect of the Agreement including maintaining adequate audit controls of finances and Services provided to the Principal related to the Agreement;

(ii) comply with the directions of the Principal in relation to the keeping of Records whether those directions relate to the period before or after the expiry of the Term;

(iii) keep all Records for at least seven (7) years after:

a. the expiry of the Term; or

b. termination of the Agreement, if the Agreement is terminated before the end of the Term; and

(iv) do everything necessary to obtain any third party consents which are required to enable the Principal to have access to Records under this clause 10.1.

(c) This clause 10.1 survives expiration or termination of the Agreement.

10.2. Agreement Disclosure

The Agent acknowledges that:

(a) the Agreement; and/or

(b) information held or compiled by the Principal or the State of Western Australia in relation to the Agreement or the Services supplied under the Agreement,

may be subject to the *Freedom of Information Act 1992*, Parliamentary reporting requirements, other statutory reporting requirements and examination, and/or court orders.

10.3. Use of the Principal's Systems and Database

(a) The Principal will, subject to availability, permit the Agent to access the Database for the purposes of and to the extent necessary for the Agent to meet its obligations under this Agreement.

(b) The Principal will require all of the Agent's Personnel, who are to be granted access to the Database, to sign the Confidentiality Deed Poll (Schedule G) that will be issued at the time of the Personnel undertaking the mandatory training in the use of the Database or on demand by the Principal.

(c) The Agent will:

(i) ensure all use of the Database is solely and exclusively for the purpose of supplying the Services;

(ii) comply with all data security requirements in respect of access to and use of data relevant to the Agreement, in addition to any statutory obligation relevant to data security;

(iii) prohibit and prevent any Employee(s) who has/have not been expressly approved to do so by the Principal from gaining access to the Database or any data relevant to the Agreement;

(iv) without limiting clause 10.3(c)(iii), use reasonable endeavours to prevent any unauthorised person from gaining access to the Database or any data relevant to the Agreement;

(v) prevent unauthorised and improper use of the Database;

(vi) prevent unauthorised and improper use of the software or hardware relating to the CTT and HPT;

(vii) notify the Principal immediately and comply with all directions of the Principal if the Agent becomes aware of any contravention of this clause 10.3 or any other of the Principal's data security requirements; and

(viii) comply with any security instructions or guidelines issued by the Principal.

(d) Personnel will not:

(i) divulge their authorised user identification to any other Personnel or person; or

(ii) while logged into the Principal's Database, allow any other Personnel or person to access the Principal's Database; or

(iii) leave the Principal's database unattended while they are logged in.

(e) In the event of any occurrence described herein at clauses 10.3 (c) or (d) or any other use of the Database contrary to the provisions of the Agreement or reasonably deemed inappropriate by the Principal, the Principal will be entitled to:

(i) immediately suspend the Agent's access to the Database with or without notice, in which case the provisions in clause 18 apply; and

(ii) notify the Agent of the breach by notice in writing.

(f) The Agent must provide a written response within two (2) Business Days of receipt of the notice referred to in clause 10.3(e)(ii) stating the reasons for such breach.

(g) In the event of the commission or attempted commission of any theft or fraudulent transaction by Personnel, the Agent must provide all possible assistance to the Principal and/or its nominated Agents or Representatives.

(h) The provisions of this clause 10.3 are in addition to the Principal's other rights at law.

10.4. Confidentiality

(a) The Agent will not use or disclose to any person the Principal's Confidential Information including but not limited to Schedule D, except:

(i) where necessary for the purpose of supplying the Services; or

(ii) as authorised in writing by the Principal; or

(iii) to the extent that the Confidential Information is public knowledge (other than because of a breach of this clause 10.4 by the Agent); or

(iv) as required by any law, judicial or parliamentary body or government agency; or

(v) when required (and only to the extent required) to the Agent's professional advisers, and the Agent must ensure that such professional advisers are bound by the confidentiality obligations imposed on the Agent under this clause 10.4.

(b) The Agent will provide a secure storage environment for all Confidential Information and institute and maintain an effective form of control of access to ensure that the Confidential Information is only accessible by Personnel authorised to undertake the Services, and occurs exclusively in the context of the provisions of the Services.

(c) The Agent will restrict access to payment cardholder data by business need to know.

(d) The operation of this Clause 10.4 will survive the completion, expiry or termination of the Agreement.

10.5. Return of Confidential Information

The Agent will return all Records containing the Principal's Confidential Information immediately:

(a) at the expiration or termination of the Agreement; or

(b) as scheduled by the Principal through Business Rules; or

(c) on demand by the Principal.

10.6. Publicity

(a) Unless the Principal gives its prior written consent, the Agent will not:

(i) use the Agreement or the Principal's name or logo;

(ii) use the name or logo of any person specified in the Agreement;

(iii) refer to the Agent's association with the State of Western Australia or the Government of Western Australia which results from the Agreement; or

(iv) make any statement concerning the Agreement,

in any publication, advertisement or media release other than its annual report, annual financial statement, annual budget or other documents necessary under statutory reporting requirements.

(b) The Principal may use the Agent's name and logo for reasonable promotional or publicity purposes at the Principal's discretion, but if the Principal uses the Agent's name or logo for such purposes, then the Principal must acknowledge the role of the Agent to the extent that is reasonable in the circumstances.

11. AUDITOR GENERAL

(a) The powers and duties of the Auditor General are not limited or otherwise affected by the terms and conditions of the Agreement.

(b) The Agent will allow the Auditor General, or an authorised representative of the Auditor General, to have access to and examine the Agent's Records concerning the Agreement.

12. INTELLECTUAL PROPERTY RIGHTS

12.1. Principal Supplied Property and Intellectual Property Rights

The Principal is acknowledged to be the sole owner of all personal property and all Intellectual Property Rights in all matters, things or processes including hardware, software, logos and information concerning the Principal's Customers supplied by the Principal to the Agent to enable the Agent to supply the Services (**Principal Supplied Property**).

12.2. Agent Supplied Property and Intellectual Property Rights

The Agent is acknowledged to be the sole owner of all personal property and all Intellectual Property Rights in all matters, things or processes including hardware, software and logos, utilised by the Agent for, or in connection with, the provision of the Services under this Agreement, other than Principal Supplied Property (**Agent Supplied Property**).

12.3. Intellectual Property Rights in modifications, enhancements, adaptations and developments

Unless otherwise agreed by the parties in writing, the Principal will own all Intellectual Property Rights in any modification, enhancement, adaptation or development of any matter, thing or process utilised by the Agent (**other than Agent Supplied Property**) for, or in connection with, the provision of the Services under the Agreement, irrespective of whether such modification, enhancement, adaptation or development has arisen because of the provision of the Services to the Principal or otherwise.

12.4. Indemnity – Third Party Intellectual Property Rights

(a) A Party will indemnify the other Party and all their respective officers, employees and agents against all costs, losses, expenses, claims, damages and other liabilities including legal costs and expenses as a result of any action, suit, claim, demand or proceeding taken or made by a third party **(Third Party Claim)** alleging that any Agent Supplied Property (with respect to Third Party Claims made against the Principal) or Principal Supplied Property (with respect to Third Party Claims made against the Agent) infringes the Intellectual Property Rights or the Moral Rights of that third party.

(b) The obligations of the parties under this clause 12.4 are continuing obligations and survive expiration or termination of the Agreement.

13. INSURANCE

13.1. Insurance Requirements

(c) The Agent must take out and maintain all insurances required by law and any other insurances in relation to liabilities of the Agent under the Agreement, for the benefit of the Parties named in the Agreement, including but not limited to:

(i) public liability insurance covering any legal liability of the Agent and the Agent's Personnel that may arise from the Agreement for an amount of not less than twenty million dollars ($20,000,000) for any one occurrence and unlimited in the aggregate; and

(ii) workers compensation insurance in accordance with the provisions of the *Workers Compensation and Injury Management Act 1981 (WA),* including cover for common law liability for an amount of not less than fifty million dollars ($50 million) for any one occurrence in respect of the Agent's Personnel. The insurance policy must be extended to cover any claims or liability that may arise with respect to an indemnity under section 175(2) of the *Workers Compensation and Injury Management Act 1981*.

(d) The Principal in specifying the types and levels of insurance coverage in the Agreement, incurs no responsibility or liability for the completeness of its list of insurances, the adequacy of the sum insured, the limit of liability, the scope of coverage, the conditions or exclusions of those insurances nor the manner or extent of the Principal's response to any loss, damage or liability.

13.2. Reputable and Solvent Insurer

Any policy of insurance taken out by the Agent with respect to the Agreement must be taken out with a reputable and solvent insurer acceptable to the Principal which carries on business in Australia and is authorised in Australia to operate as an insurance company.

13.3. Maintenance of Insurance

The Agent will:

(a) punctually pay all premiums and amounts necessary for effecting and keeping current the insurance required under clause 13.1;

(b) not vary or cancel any insurance required under clause 13.1 or as otherwise required under the Agreement or allow it to lapse during the Term or otherwise do or allow to be done anything which may vitiate, invalidate, prejudice or render ineffective the insurance or entitle the insurer to refuse a claim; and

(c) without limiting clause 13.3(b), promptly reinstate any insurance required under clause 13.1 if it lapses or if cover is exhausted or is or becomes ineffectual for any reason.

13.4. Evidence of Insurance

The Agent will give to the Principal sufficient evidence of the insurance required under clause 13.1 (including, if requested, a copy of any policy) and provide a certificate of currency of insurance as requested by the Principal at any time.

13.5. Failure to Prove Insurance

If the Agent does not comply with clauses 13.1, 13.2, 13.3 and 13.4, then without limiting any other remedy available to the Principal, the Principal may suspend or terminate the Agreement under clause 18.

13.6. Incidents and claims

(a) If either Party becomes aware of any event or incident occurring which gives rise or is likely to give rise to a claim under any insurance required under clause 13.1, it must as soon as reasonably practicable notify the other Party in writing of that event or incident.

(b) Failure to comply with this clause 13.6 shall not invalidate or otherwise affect the rights of the Principal, or the obligations of the Agent, under clause 14.

13.7. Continuing obligation

(a) The Agent must maintain the insurances required under clause 13.1 throughout the Term.

(b) The obligations of the Agent under this clause 13 are continuing obligations and survive suspension, expiration or termination of the Agreement for so long as the obligations of the Agent under this clause 13.7 continue.

13.8. No Limitation of Other Liabilities

It is exclusively the Agent's responsibility to assess and consider the risks, types, extent and scope of insurance cover to accommodate all potential risks under this Agreement. Nothing in this clause 13, contained or implied, will relieve, release, reduce or limit the Agent's liabilities under the Agreement or restrict the Agent from insuring for sums or risks greater than those required under the Agreement.

14. INDEMNITY

(a) The Agent indemnifies the Principal, the State of Western Australia and all their respective officers, employees and agents against all costs, losses, expenses, claims, damages and other liabilities (including, legal costs and expenses) as a result of any action, suit, claim, demand or proceeding taken or made by any third party arising from or in connection with:

(i) any breach of an obligation under the Agreement by the Agent or any Employee; or

(ii) any wilful, tortious or unlawful act or omission of the Agent or any Employee; or

(iii) any breach of a State or Commonwealth law relevant to the Agreement by the Agent or any Employee.

(b) The Agent's liability under the indemnity in clause 14 (a) shall be reduced proportionally to the extent that any costs, losses, expenses, claims, damages or other liabilities result from the negligence of the Principal, the State of Western Australia or their respective officers, employees or agents.

(c) The Principal agrees to use its best endeavours to cooperate with the Agent, at the Agent's cost, in respect of the conduct of any defence, or the agreement of any settlement, of any third party action, suit, claim, demand or proceeding the subject of the indemnity under clause 14 (a).

15. PERFORMANCE and COMPLIANCE MANAGEMENT

15.1. Audit and Review

(a) The Principal will conduct regular auditing, performance review and compliance activities, including, but not limited to:

(i) a daily electronic audit of all licensing transactions performed on the Database by the Agent;

(ii) a daily audit of all transaction supporting documentation received and processed by the Agent;

(iii) a monthly audit and review of the Agent's performance and compliance in key Agreement areas including but not limited to:

a. the Processing Errors;

b. compliance with the Business Rules;

c. timeliness of transactions;

d. daily receipt by the Principal of transaction supporting documents;

e. Reconciliation of revenue collection against the Department of Transport TRELIS bank account; and

f. the Agent's performance generally.

(b) The Principal may engage an independent qualified auditor to conduct a quality audit of the Services.

(c) The Agent must:

(i) assist in the conduct of any audit, performance and compliance reviews undertaken in accordance with this Clause 15.1; and

(ii) provide all and any information, including documentation, at the request of the Principal or the Principal's appointed auditor within fifteen (15) days of the request.

(d) The Principal shall be entitled to rely on the results of audits, performance and compliance reviews in the event of any breach and or default by the Agent and when considering any extension of the Agreement.

(e) Notwithstanding the preceding provisions of this Clause 15.1, auditing, performance and compliance reviews will be undertaken at the Principal's sole and absolute discretion.

15.2. Performance and Compliance Review Meetings

(a) Performance and/or compliance review meetings may be held between the Agent and the Principal as determined by the Principal in consultation with the Agent to discuss performance, compliance and other issues associated with the Services which may be identified through auditing, performance or compliance review, or any other means of performance monitoring undertaken by the Principal.

(b) Performance and compliance review meetings will be held at a location agreeable to the Parties.

(c) The following Personnel are required to attend the performance and compliance reviews, as a minimum:

(i) the Principal's Representative; and

(ii) the Agent's Representative; or

(iii) the proxies that may be delegated or sent by the Parties.

(d) The Principal will, prior to the performance or compliance review meeting, provide the Agent with a written statement setting out all of the matters which the Principal has reviewed pursuant to Clause 15.1 and which the Principal considers are not being carried out by the Agent to the Principal's satisfaction or in accordance with the Agreement.

(e) The Representatives will attempt to reach agreement as to what action the Agent is required to take to remedy those matters raised pursuant to clause 15.2(d) herein. If agreement is reached, the Parties will produce a statement in writing setting out the agreed remedial action the Agent is required to take and the Agent will comply therewith.

16. DISPUTES

(a) The Parties agree to use reasonable efforts to resolve by negotiation any problem relating to Services that arise between them under the Agreement

(b) If a problem relating to Services arises, including a breach or an alleged breach, under the Agreement which is not resolved at an operational level or which is sufficiently serious that it cannot be resolved at an operational level, the Agent's Representative and the Principal's Representative will then arrange to meet and endeavour in good faith to agree upon a resolution.

(c) Both Parties will continue to perform their obligations under the Agreement while negotiations under subclauses 16 (a) or (b) are exercised.

17. DEFAULT

Notwithstanding any other provisions of this Agreement, if an Event of Default occurs, the Principal will be entitled to:

(a) suspend payment of all sums due or becoming due to the Agent under the Agreement until such failure is rectified; and

(b) rectify such failure itself whether by use of the Principal's employees or other agents and the Principal shall be entitled to deduct the cost of such rectification from all sums due to the Agent under the Agreement.

18. SUSPENSION AND TERMINATION

18.1. Suspension and Termination

Notwithstanding any other provisions of this Agreement the Principal may at any time after an Event of Default occurs, by notice to the Agent:

(a) suspend the Agent's access to the Database for a period not exceeding 3 months, in which case and during which period the Agent shall not be entitled to perform the Services or be remunerated accordingly; or

(b) terminate the Agreement, either immediately or after the period of suspension referred to in sub-clause 18.1(a).

18.2. Ending of Suspension

(a) The Principal may end the suspension at any time by written notice to the Agent.

(b) At the end of the suspension, the Agent's access to the Database will be restored and therefore all rights and obligations of the Principal and the Agent under the Agreement recommence.

18.3. Consequences of Expiration or Termination

(a) The expiration or termination of the Agreement does not affect any rights, liabilities or obligations of the Principal or the Agent as a result of anything occurring before the expiration or termination.

(b) On expiration or termination of the Agreement, the Agent must as soon as practicable:

(i) deliver to the Principal all Records as required by the Principal;

(ii) cease all access by the Agent and the Agent's Personnel to the Database;

(iii) cease to provide the Services;

(iv) return all the Principal's Property including information technology hardware (excluding printers); and

(v) in every other respect cooperate with the Principal as reasonably required by the Principal in order to minimise any loss, damage or inconvenience to the Principal resulting from the expiration or termination of the Agreement.

18.4. Termination by Mutual Agreement

If the Agreement is terminated by mutual agreement, and on the initiation of the Agent, the Agent agrees to continue to perform the Services for a period agreed by the Agent and the Principal to enable the Principal to establish alternative arrangements for the performance of the Services.

18.5. Limited Liability

Other than where the Principal has repudiated the Agreement or damages are not an appropriate remedy, if the Principal breaches the Agreement, then the remedies of the Agent are limited to damages.

19. REPRESENTATIVES OF THE PARTIES

(a) Any person described in the Agreement as the Principal's Representative or the Agent's Representative may act as the Representative of the respective Party in relation to the Agreement.

(b) The Representatives of the Parties must:

(i) be available at all reasonable times for consultation in connection with any matter arising under the Agreement; and

(ii) have the necessary authority to deal with those matters.

(c) Either Party may at any time, by notice in writing to the other Party:

(i) vary or terminate the appointment of its Representative; or

(ii) appoint any other person to act as its Representative in relation to the Agreement.

20. NOTICE

Each notice or other communication given under the Agreement:

(a) must be in writing;

(b) may be given by either Party's Representative, a person authorised by the Party's Representative, or solicitor of the Principal or the Agent (as applicable);

(c) must be:

(i) hand delivered; or

(ii) sent by prepaid post; or

(iii) sent by facsimile; or

(iv) sent by email;

to the Representative of the respective Party specified in this Agreement.

(d) subject to clause 20(e), is taken to be received:

(i) in the case of hand delivery, on the date of delivery;

(ii) in the case of post, on the fifth Business Day after posting;

(iii) in the case of facsimile, on the date on which the sender's facsimile machine records that the facsimile was successfully transmitted;

(iv) in the case of email, on the date on which the receiver's email server records that the email was received; and

(e) if received after 5.00 pm or on a day other than a Business Day, is taken to be received on the next Business Day.

21. MISCELLANEOUS

21.1. Consent

Whenever the consent of the Principal is required under the Agreement:

(a) that consent may be given or withheld by the Principal in the Principal's absolute discretion and may be given subject to such conditions as the Principal may determine;

(b) the Principal is not required to provide a reason or reasons for giving or refusing its consent; and

(c) the Agent agrees that any failure by it to comply with or perform a condition imposed under clause 21.1(a) shall constitute a breach of a term of this Agreement.

21.2. No Dealing or Subcontracting

The Agent must not:

(a) sell, transfer, assign, novate, mortgage, charge or otherwise dispose of or deal with any of its rights or obligations under the Agreement; or

(b) subcontract any of its rights or obligations under the Agreement.

21.3. Further Assurance

The Principal and the Agent must do everything reasonably necessary, including signing further documents if appropriate, to give full effect to the Agreement.

21.4. Relationships – No Partnership

(a) The Agent is an independent Contractor, and nothing in the Agreement may be construed to make the Agent a partner, representative, employee or joint venturer of the Principal.

(b) The Agent must not represent that the Agent or any of its Personnel are the employees, partners or joint venturers of the Principal.

(c) The Principal shall have no responsibility to the Agent or Agent's Personnel in respect of remuneration for annual leave, sick leave, long service leave, public holidays, redundancy payments, superannuation contributions or any other benefits for Personnel providing the Services.

21.5. Rights and Remedies

The rights, powers and remedies in the Agreement are in addition to, and not exclusive of, the rights, powers and remedies existing at law or in equity.

21.6. Right of Set Off

The Principal may set off or deduct any amount claimed by the Principal, including any amount claimed under the indemnity in clause 14, from any amount owing by the Principal to the Agent on any account under the Agreement.

21.7. Entire Agreement

The Agreement supersedes all prior negotiations, understandings and agreements between the Principal and the Agent relating to the matters covered by the Agreement and constitutes the full and complete agreement between the Principal and the Agent relating to the matters covered by the Agreement.

21.8. Variations

(a) Subject to 21.8(b) below, the Agreement may only be varied in writing by mutual agreement of the Parties.

(b) The Schedules B, C, E, F, I, J and M may be varied at the sole discretion of the Principal by the issuing of a Notice of Variation to Schedule in the format in Schedule K.

21.9. Waiver

(a) Any waiver by the Principal or the Agent must be in writing and signed by the Party waiving the right.

(b) Any waiver by the Principal or the Agent does not affect its rights in respect of any other breach of the Agreement by another party.

(c) Subject to clause 21.9(a), any failure by the Principal or the Agent to enforce any right under the Agreement must not be construed as a waiver of their respective rights under the Agreement.

21.10. Costs

(a) Unless otherwise stated, the Agent must comply with all obligations of the Agent at the Agent's cost.

(b) Unless otherwise stated, the Principal must comply with all obligations of the Principal at the Principal's cost.

(c) The Principal and the Agent must pay their own costs including legal and other costs in connection with the preparation, negotiation, and signing of the Agreement.

21.11. Governing Law

The Agreement is governed by the laws of the State of Western Australia. The Principal and the Agent irrevocably submit to the non-exclusive jurisdiction of the courts of Western Australia.

21.12. Government Policy

If any obligations relating to State government procurement policies are specified in the Agreement, then those obligations form part of the Agreement and the Agent must comply with them.

21.13. Authority to complete blanks etc.

The Principal may date the Agreement and complete any blanks left by the Agent, provided that the obligations of the Agent are not thereby materially increased.

21.14. Severability

Each clause and sub-clause of the Agreement is severable from each other clause or sub-clause, and the invalidity or unenforceability of any clause or sub-clause will not prejudice or affect the validity or enforceability of any other clause or sub-clause.

Executed as an Agreement on the date written at the beginning of this document:

THE CEO, **DEPARTMENT OF TRANSPORT**, (ABN 27 285 643 255) PURSUANT TO THE POWERS OF THE CEO UNDER SECTION 11 OF THE *ROAD TRAFFIC (ADMINISTRATION) ACT 2008*

Name of Delegate (please print)	Name of Witness (please print)
Signature	Signature

Executed for and on behalf of the Shire of Cuballing, a body corporate under section 2.5 of the *Local Government Act 1995* by

Shire Mayor (Please Print)	Name of Chief Executive Officer (Please Print)
Signature	Signature

Or

The COMMON SEAL of the) Shire of Cuballing) Was hereunto affixed by) Authority of a resolution of the) Council in the presence of)	Affix Common Seal
Shire Mayor (Please Print)	
Chief Executive Officer (Please Print)	
Signature	

SCHEDULE A: SERVICE SPECIFICATION

1. DEFINITIONS

In this service specification, the following definitions apply:

Online means the telecommunications link and associated computer hardware and software that enables the Agent to access the Principal's Database and process licensing transactions directly onto the Database.

Processing Errors means the errors which occur in the course of performing the Services, including but not limited to, errors in:

(a) information entered onto the Database;

(b) providing receipts;

(c) providing the correct Vehicle Number Plate;

(d) payment processing accuracy, including as to amounts levied and records made; and

(e) customer identification verification and management.

Transport Service Centre means any of the Department's regional and metropolitan locations which are responsible for provision of auditing and support for their designated Agents.

2. SCOPE OF SERVICES

The Agent will undertake Road Law licensing functions of the Principal by processing licensing transactions Online for the Principal's Customers.

3. TRANSACTION PROCESSING REQUIREMENTS

(a) The Agent will perform the following functions as part of the Service:

(i) perform all of the Services listed under 'Transaction Type' in the Schedule of Rates at Schedule B to this Agreement;

(ii) create and update records for the Principal's Customers on the Database as required;

(iii) collect the Principal's revenue;

(iv) produce receipts for every payment accepted by the Agent;

(v) provide assistance to the Principal's Customers to facilitate transactions; and

(vi) perform any other necessary and reasonable activities required to undertake the Services.

(b) The Agent will accept from the Principal's Customers and process all forms of payment acceptable to the Principal for the processing of licensing transactions, being cash, EFTPOS, credit cards (except Diners Club and American Express), debit cards, cheque and money order.

4. DIRECT DEBIT

The Agent will:

(a) use its own EFTPOS terminal and funds will be banked directly into the Agents nominated bank account.

(b) bank on a daily basis revenue collected (cash/cheques/money orders) into the Agents nominated bank account.

(c) prior to the commencement of Service provide the Principal with a Direct Debit Request and the Principal will debit the Agents bank account two business days after collection to the value of transactions processed on the TRELIS database. Note: the Agent will ensure that sufficient funds are available at the time of the direct debit.

(d) comply with the Payment Card Industry Data Security Standards (PCI DSS) as set out in Schedule J. No annual reporting is required by the Agent.

5. PHYSICAL STOCK REQUIREMENTS

The Agent will:

(a) issue to the customer the Physical Stock that meets the information, process, policy and legislative requirements of specific customer transactions;

(b) implement inventory controls and ordering processes to ensure sufficient stocks of all categories of Physical Stock are maintained to fulfil the Agent's requirements to the Principal's satisfaction; and

(c) ensure and account for the physical security of Physical Stock.

6. FINANCIAL RECONCILIATION AND REPORTING REQUIREMENTS

The Agent must:

(a) balance remittance collections daily;

(b) reconcile licensing transactions on the Database no later than 5.30 pm on the day of the transaction, or as otherwise directed by the Principal;

(c) produce daily transaction audit reports;

(d) record the corresponding vehicle licence number or driver's licence number, where payment is made by cheque, on the cheque;

(e) dispatch transaction supporting documentation and daily transaction audit reports to the Agent's designated Transport Service Centre, on a daily basis; and

(f) maintain a full audit trail to ensure that all transactions processed are easily traceable and identifiable.

7. TIMELINESS OF SERVICE

(a) The Agent must:

(i) process all in-person monetary and non-monetary transactions onto the Database at the point of transaction;

(ii) process all monetary and non-monetary transactions, required by documentation and other information received in the mail, onto the Database no later than the next Business Day; and

(iii) forward all required documentation and receipts as scheduled by the Principal to the designated Transport Service Centre or as directed by the Principal.

(b) In the event of the Agent's computer equipment failing or non-availability of the telecommunication link with the Database, the Agent must:

(i) manually process all transactions and receipts as instructed by the Principal; and

(ii) dispatch all documentation for manually processed transactions to the Agent's designated Transport Service Centre for re-processing onto the Database daily; or

(iii) if unable to process transactions manually, the Principal shall provide written instruction to the Agent who will then provide advice to the Principal's Customers of the nearest available Transport Services Centre or alternate Agent of the Principal and any other specified information as required to minimise inconvenience to the Principal's Customers.

(c) For the purposes of clause 7(b) in this Schedule A, non-availability of the telecommunication link, unless such non-availability was occasioned by the Agent, will not prejudice the Principal's assessment of timeliness.

(d) In the event any transaction cannot be processed on the day it is received, the Agent must immediately notify the Principal.

8. QUALITY OF SERVICE

In addition to the provisions of clause 3.2 of this Agreement, the Agent must:

(a) perform all transactions in accordance with the Business Rules; and

(b) perform the Services while adhering to the Performance Measures set by the Principal in a manner that will not cause increased costs, delay or undue impact to the Principal or the Principal's Customers.

9. AUDITING BY TRANSPORT SERVICE CENTRES

The Principal may alter the designated Transport Service Centre for an Agent or specify an alternate location by notice to the Agent of no less than ten (10) Business Days.

10. PRACTICAL DRIVING ASSESSMENTS

(a) The Agent agrees to provide a meeting point for the provision of practical driving assessments by the Principal's staff or contractors and agrees to the Agents staff conducting a proof of identity verification (POI) upon the arrival of applicants for a Practical Driving Assessment (PDA).

(b) The Principal's staff as a part of the proof of identity process are to endorse the PDA scoresheet that the applicants POI has been verified prior to the PDA taking place. The PDA scoresheet is to be endorsed 'POI sighted' and the signature of the Principals' staff member sighting the documents is also to be made on the scoresheet.

(c) The meeting point may be the Agent's Premises or a point agreed by the Parties.

(d) The provision of a meeting point may include:

(i) A driving assessor parking on the Premises;

(ii) The Principal's clients, who will undergo a driving assessment, parking on the Agent's Premises; and

(iii) Minimal use of the Agent's office facilities.

The Agent agrees to use the Practical Driving Assessment booking system as contained within the Principal's Database.

11. HAZARD PERCEPTION TEST (HPT) AND COMPUTER THEORY TEST (CTT)

The Agent agrees to make available a suitable area for computer testing that provides the following:

(a) visibility to staff to deter cheating and is situated away from main public areas to allow protection from distractions; or

(b) other appropriate arrangement as agreed by the Principal.

SCHEDULE B: SCHEDULE OF RATES

SOUTHERN REGION COMMISSION SCHEDULE 1: 1 JANUARY 2018

This Schedule 1 relates to Commission payment category rates for processing licensing cash receipts and non-cash information data input (includes non-transaction allowance and credit card merchant fees).

Commission Payment Category Rates

Scale of Fees for On-line Processing - Monetary Transactions:

Category	Average Transaction Time	Commission (Volume ≤ 19,300)	Commission (Volume ≥ 19,301)
Category 1	0 – 3.5 minutes	$9.71	$7.01
Category 2	3.6 – 5.5 minutes	$12.54	$8.86
Category 3	5.6 – 8.5 minutes	$15.72	$10.93
Category 4	8.6 – 10.5 minutes	$18.88	$13.03
Category 5	10.6 – 14.5 minutes	$22.68	$15.51
Category 6	14.6 – 20.5 minutes	$29.03	$19.64
Category 7	20.6 – 29.5 minutes	$38.48	$25.89
Category 8	29.6 – 35.5 minutes	$48.01	$32.10

Scale of Fees for On-line Processing - Non Monetary Transactions:

Category	Average Transaction Time	Commission (Volume ≤ 19,300)	Commission (Volume ≥ 19,301)
Category – updates		$3.26	$3.26
Category 9	0 - 3.5 minutes	$6.49	$4.90
Category 10	3.6 - 5.5 minutes	$9.36	$6.74
Category 11	5.6 - 8.5 minutes	$12.45	$8.80
Category 12	8.6 - 10.5 minutes	$15.60	$10.86
Category 13	10.6 - 14.5 minutes	$19.40	$13.33
Category 14	14.6 - 20.5 minutes	$25.67	$17.48
Category 15	20.6 - 29.5 minutes	$35.10	$23.68
Category 16	29.6 - 35.5 minutes	$44.52	$29.87
Category 17	45.0 - 50.0 minutes	TBD	TBD
Category 18	120.0 - 125.0 minutes	TBD	TBD

SOUTHERN REGION COMMISSION SCHEDULE 2: 1 JANUARY 2018

Southern Commission Payment Rates for Individual Licensing Transactions

This Schedule 2 relates to Commission payment rates for individual licensing transactions processed including cash receipts and non-cash information data input (includes non-transaction allowance and credit card merchant fees).

Classification of Transactions

Transaction Type	Time (min)	Monetary/ Non Monetary (M/ NM)	Cat.	Commission (Volume < 19,300) (Includes 1.00% Increase)	Commission (Volume > 19,300) (Includes 1.00% Increase)
Vehicle Renewals					
Straight Renewal	2	M	1	9.71	7.01
Renewal - with concession update	3	M	1	9.71	7.01
Renewal - with change of address	2.5	M	1	9.71	7.01
Renewal - with change of name	2.5	M	1	9.71	7.01
Renewal - with inspection form (details to be checked)	3	M	1	9.71	7.01
Renewal - with change of plate	3	M	1	9.71	7.01
Renewal - to uniform date	2	M	1	9.71	7.01
Renewal - with transfer infringement	2.5	M	1	9.71	7.01
Renewal - with plate infringement	2.5	M	1	9.71	7.01
Renewal - with variation (change of colour, engine number, body type, make, horsepower, tare, insurance)	3	M	1	9.71	7.01
Renewal - with multiple updates	3	M	1	9.71	7.01
Heavy vehicles - renewal	2	M	1	9.71	7.01
Heavy vehicles - change of nominated use	2	M	1	9.71	7.01
Heavy vehicles - change of concession	2	M	1	9.71	7.01
Heavy vehicles - fixed nominated use advice	2	NM	update	3.26	3.26
Duplicate copy of licence papers	2	M	1	9.71	7.01
Renewal and change of address with no payment	1.75	NM	9	6.49	4.90
Change of Plates					
Straight change of plate	2	M	1	9.71	7.01
Lost or stolen plate change (statutory declaration)	2	M	1	9.71	7.01
Retained plate (to be issued at a later date)	2	M	1	9.71	7.01
Change plate for original issue of personalised, special series or remake	2	M	1	9.71	7.01
Variation to Vehicle Details					
Change of colour, model, engine number (no fee adjustment)	2	NM	9	6.49	4.90
Change of insurance class (fee adjustment - up or down)	2	M or NM	1 or 9	$9.71 or $6.49	$7.01 or $4.90
Change of horse power or tare (possible fee adjustment - up or down)	2	M or NM	1 or 9	$9.71 or $6.49	$7.01 or $4.90
Change of fee type (possible fee adjustment - up or down)	2	M or NM	1 or 9	$9.71 or $6.49	$7.01 or $4.90
Change in nominated use (possible fee adjustment - up or down)	2	M or NM	1 or 9	$9.71 or $6.49	$7.01 or $4.90
Vehicle Updates					
Add condition	2	NM	9	6.49	4.90
Delete condition	2	NM	9	6.49	4.90
Add concession	2	NM	9	6.49	4.90
Delete concession	2	NM	9	6.49	4.90
New Registration					
Basic new registration	5	M	2	12.54	8.86

Transaction Type	Time (min)	Monetary/ Non Monetary (M/ NM)	Cat.	Commission (Volume < 19,300) (Includes 1.00% Increase)	Commission (Volume > 19,300) (Includes 1.00% Increase)
New registration with concession/condition update	5	M	2	12.54	8.86
New registration for heavy vehicle	6	M	3	15.72	10.93
Plate Receipts					
Eastern State plate return	2	NM	9	6.49	4.90
Western Australian plate return - no refund	2	NM	9	6.49	4.90
Western Australian plate return - refund	2.5	NM	9	6.49	4.90
Plate infringements	2	NM	9	6.49	4.90
Transfers					
Transfer details update (multi notification)	0.75	NM	update	3.26	3.26
Transfer update and payment	2.5	M	1	9.71	7.01
Transfer update, transfer payment and adjustment payment	3	M	1	9.71	7.01
Transfer update, transfer, adjustment and renewal payment	4	M	2	12.54	8.86
Transfer update, transfer, payment and infringement payment	3	M	1	9.71	7.01
Transfer update, concession update and transfer payment	2.5	M	1	9.71	7.01
Transfer update, transfer and renewal payment	3	M	1	9.71	7.01
Deceased estate transfer update and payment	2.5	M	1	9.71	7.01
Divorce settlement transfer update and payment	2.5	M	1	9.71	7.01
First and Final demand letter payment	1.5	M	1	9.71	7.01
Transfer infringement payment	1.5	M	1	9.71	7.01
Eastern States Registration with no inspection required	5	NM	11	12.45	8.80
Dealer Acquisitions					
One to five in one transaction	2	M	1	9.71	7.01
Adjustment Payment					
System generated notification	2	M	1	9.71	7.01
Created by update or variation plus update time	2	M	1	9.71	7.01
Driver Renewal					
Renewal with photograph	2	M	1	9.71	7.01
Renewal without photograph (data card still requires photographing)	2	M	1	9.71	7.01
Renewal with concession application	2	M	1	9.71	7.01
Renewal with concession deleted	2.5	M	1	9.71	7.01
Renewal with change of address	2.5	M	1	9.71	7.01
Change of name or date of birth	2.5	M	1	9.71	7.01
Renewal without payment	1.5	NM	9	6.49	4.90
Renewal and change of address without payment	2	NM	9	6.49	4.90
Duplicate copy of licence	2	M	1	9.71	7.01
Certified copy of licence	2	NM	9	6.49	4.90
Change of Address (multi advice)					
Motor driver licence	0.5	NM	update	3.26	3.26
Motor vehicle registration	0.5	NM	update	3.26	3.26
Special Plate Applications					
Personalised plates	2	M	1	9.71	7.01
Sporting plates	2.5	M	1	9.71	7.01

Transaction Type	Time (min)	Monetary/ Non Monetary (M/ NM)	Cat.	Commission (Volume < 19,300) (Includes 1.00% Increase)	Commission (Volume > 19,300) (Includes 1.00% Increase)
Local Authority	2.5	M	1	9.71	7.01
Special Series	2.5	M	1	9.71	7.01
Plate Remake Applications	2	M	1	9.71	7.01
Special Plate Transfers	2	M	1	9.71	7.01
Temporary Permits	3	M	1	9.71	7.01
Suspense Receipts	2	M	1	9.71	7.01
Vehicle Modification Permit	2	M	1	9.71	7.01
Dishonoured cheque payments	2	M	1	9.71	7.01
Instructors Fees	2	M	1	9.71	7.01
Original Driver Licence					
New application and application fee payment	5	M	2	12.54	8.86
Issue of Learners Permit	1.5	M	1	9.71	7.01
Update to practical driving assessment incorporating booking the practical driving assessment and provision of meeting point for driving assessment	14	NM	13	19.40	13.33
Practical test update and renewal or duplicate	2	M	1	9.71	7.01
Transfer application, application fee and renewal payment	6	M	3	15.72	10.93
Additional class updates and application fee payment	4	M	2	12.54	8.86
Additional class learner permit	1.5	NM	9	6.49	4.90
Extra practical test payment	2	M	1	9.71	7.01
Extraordinary licence - original application	7	M	3	15.72	10.93
Extraordinary licence - renewal	2	M	1	9.71	7.01
Reissue of lapsed licence and payment of renewal	4	M	2	12.54	8.86
Issue of Medical Assessment	3	NM	9	6.49	4.90
Conducting Computerised Theory Test (CTT) - General	15	M	MDL	24.26	No volume rate is applicable and the four transactions will be processed as separate MDL Commission payment
Conducting Computerised Theory Test (CTT) - Heavy	15	M	MDL	16.72	
Conducting Computerised Theory Test (CTT) - Rider	15	M	MDL	16.72	
Practical test - light vehicle	50	NM	17	TBD	TBD
Practical test - heavy vehicle	125	NM	18	TBD	TBD
Conducting Hazard Perception Test (HPT)	17	M	6	29.03	19.64
Practical Test update pass - issue Phase II permit and Log Book	3	M	1	9.71	7.01
Phase II application fee payment	3	M	1	9.71	7.01
Supplementary Phase II application fee payment	3	M	1	9.71	7.01
Verify Log Book details and update Licence record	5	NM	10	9.36	6.74
Issue replacement Log Book	3	NM	9	6.49	4.90
Service of Demerit Point Suspension	5	NM	10	9.36	6.74
Processing of good behaviour period elections	5	NM	10	9.36	6.74
Service of breach notices for good behaviour period	5	NM	10	9.36	6.74

SCHEDULE C: AGREEMENT REPRESENTATIVES AND ADDRESSES FOR NOTICES

1. PRINCIPAL'S REPRESENTATIVE

(a) The Principal's Representatives are:

(i) Director Commercial and Partnerships; or

(ii) Assistant Director Commercial Management, or

(iii) Manager Statutory Agency Agreements; or

(iv) the person/s who for the time being, for all intents and purposes, occupies those offices; or

(v) the person acting in the office that substitutes for any of the above-described offices; or

(vi) any officer of the Department of Transport exercising powers under an appropriate Instrument of Delegation.

(b) The Principal will not be bound by any representations made to the Agent other than those made by the Principal's Representative.

(c) The Principal's address for notices:

Manager, Statutory Agency Agreements,

Commercial and Partnerships

Department of Transport

GPO Box R1290

Perth WA 6844

Telephone: 08 6551 6378

Facsimile: 08 6551 7022

Email: SAA@transport.wa.gov.au

2. AGENT'S REPRESENTATIVES

(a) The Agent's Representatives are:

(i) CEO.

(ii) or the person/s who for the time being, for all intents and purposes, occupy those offices.

(b) The Agent's address for notices is the Agent's postal box address or, where the Agent does not maintain a postal box, the Agent's street address.

3. PERSONNEL AUTHORISED TO ISSUE NOTICES

The Principal and Agent's respective Representatives listed at clauses 1 and 2 of this Schedule C are authorised to issue notices under the Agreement.

SCHEDULE D: CONFIDENTIAL INFORMATION

1. PRINCIPAL'S CONFIDENTIAL INFORMATION

Subject to any change(s) effected by notice in writing from the Principal to the Agent, the Principal's Confidential Information includes:

(a) all information provided to the Agent from and relating to the Database or which can be accessed or extracted from the Database or other similar system, including information relating to the Principal's Customers or data provided to the Agent for the purposes of supplying the Services under this Agreement;

(b) any other data or information which is provided to the Agent by the Principal or by the Principal's Customers or potential customers in the course of performing this Agreement;

(c) any internal Department of Transport (Transport) information (including Departmental procedures, policies and instructions or similar documents or material) that the Agent may have, or has come to have, access to in the course of performing this Agreement;

(d) computer programs, information about the Principal's Customers or potential customers or details of the Principal's methods of operation;

(e) information comprised in, or relating to, any Intellectual Property of the Principal;

(f) information relating to the internal management or structure of the Principal, or the personnel, policies and strategies of the Principal;

(g) information of the Principal that has actual, or potential, commercial value to the Principal or to any person or corporation which has supplied that information;

(h) information relating to the policies, strategies, practices and procedures of the Government of Western Australia or any information in the Agent's possession arising out of this Agreement relating to the Western Australian Public Service;

(i) information in the Agent's possession relating to the Principal's suppliers, or like information;

(j) information relating to the financial position or reputation of the Principal and/or the Department including information relating to assets and liabilities; and

(k) information which is commercially sensitive or personal.

1.1. Confidentiality Deed Poll

The Agent's Personnel shall be required to sign a Confidentiality Deed Poll. These Confidentiality Deed Polls must be executed by the Agent's Personnel and returned to the Principal before the Principal will disclose Confidential Information to the Agent's Personnel.

2. AGENT'S CONFIDENTIAL INFORMATION

Subject to any change(s) effected by notice in writing from the Agent to the Principal, the Agent's Confidential Information includes:

(a) information relating to the financial position or reputation of the Agent including information relating to banking details and assets and liabilities.

SCHEDULE E: BUSINESS RULES

1. BUSINESS RULES APPLICABLE TO THIS AGREEMENT

The Agent must observe, perform and comply with Business Rules including, but not limited to:

(a) Licensing Information documents issued by the Principal;

(b) Administration Instructions issued by the Principal;

(c) Reasonable directives or advices issued via writing by the Principal;

(d) Financial Business Rules issued by the Principal. Financial Business Rules includes the procedure for dealing with situations when the Principal's customers payment method does not result in a payment being made; and

(e) Other policies and procedures issued by the Principal.

SCHEDULE F: EQUIPMENT MAINTENANCE

This Equipment Maintenance Schedule is the procedure for Agents to follow in the event Department of Transport supplied information technology hardware requires repairs or replacement.

Step	Process	
Repair or Replacement Issue	Agent's Personnel are to contact Transport's Customer Service Phone-Support only. Please do not contact the Business Information Systems (BIS) *Helpdesk (Helpdesk)* directly.	**1800 354 928** **Phonesupport@transport.wa.gov.au**
Job/Incident Logged	Agent's Personnel must provide details of the faulty equipment including the LF number (yellow sticker) and DP number (white sticker) and details of the problem. Customer Service Phone-Support will log the incident with Helpdesk. **Please Note** When logging an issue, the Agent will be provided a job/incident number which will need to be reference for any subsequent enquiries. Always record this number.	
Courier	Transport's Customer Phone-Support or BIS Helpdesk will instruct Agent's Personnel to courier the equipment if it needs to be returned for repair/replacement.	
Courier details	The Agent is to immediately arrange for the return of the equipment item by calling Toll Ipec ☎ 13 18 85. Quote account number **XV1437**. The cost of the courier will be charged to the Department of Transport. Courier to Department of Transport BIS. 2 Tassel Place, Osborne Park, WA 6018.	
Repair and/or Replacement	The Department of Transport will organise the repair and/or replacement of the equipment item.	
Return Courier	BIS. will arrange for the equipment item to be returned by courier to the Agent.	
Follow Up	If the Service Staff require any follow-up assistance, Transport's Customer Service Phone-Support can be contacted for further instruction. Please quote the job/incident number.	
Escalation	If the Agent site experiences any delay or has any unresolved issues, an email should be sent to phonesupport@transport.wa.gov.au with all details, including the job/incident number. Attention to: Customer Service Phone Support Manager.	

SCHEDULE G: AGENT'S EMPLOYEE CONFIDENTIALITY DEED POLL

CONFIDENIALITY DEED POLL
ACCESS TO INFORMATION HELD BY THE DEPARTMENT OF TRANSPORT PURSUANT TO THE ROAD TRAFFIC ACT 1974

1. PRINCIPAL'S PARTICULARS

Name	The CEO, Department of Transport		
ABN	27 285 643 255		
Address	140 William Street, Perth, Western Australia 6000		
Contact	Access Management	**Email**	access.management@transport.wa.gov.au
Phone	6551 6881	**Fax**	9227 3416

2. AGENT'S EMPLOYEE'S PARTICULARS

Name			
Address			
Contact			
Phone		**Email**	

3. SERVICES

The Agent will undertake Road Law licensing functions of the Principal by processing licensing transactions on-line for the Principal's Customers including:

- creating and updating records for the Principal's Customers on the Database as required;
- collecting the Principal's revenue;
- producing receipts for every payment accepted by the Agent;
- providing assistance to the Principal's Customers to facilitate transactions;
- providing HPT/CTT testing facilities; and
- performing any other necessary and reasonable activities required to undertake the Services.

4. BACKGROUND

A. The Principal is responsible for the administration of the licensing provisions of the *Road Traffic Act 1974*.

B. Section *11* of the *Road Traffic (Administration) Act 2008* empowers the Principal to enter into agreements for the performance of the Principal's functions under that Act.

C. The Services are some of the functions of the Principal under the *Road Traffic Act 1974*.

D. The Principal has entered into an Agreement with the Agent for the Agent to supply Services to the Principal's Customers.

E. In order to be able to carry out the Services, the Agent's Personnel will require access to Confidential Information and the Principal has agreed to disclose Confidential Information to the Agent's Personnel on the strict understanding that the Confidential Information is provided solely to enable the Agent's Personnel to carry out the Services.

F. This Confidentiality Deed Poll must be executed by the Agent's Employees and returned to the Principal before the Principal will disclose Confidential Information to the Agent's Employees.

5. THE AGENT'S EMPLOYEE AGREES:

In consideration of, amongst other things, being granted access to the Confidential Information on the terms contained in this deed, the Agent's Employee undertakes and agrees that he is subject to the following obligations:

6. DEFINITIONS AND INTERPRETATION

In this deed:

Agent means Shire of Cuballing – ABN 48 249 968 875.

Agent's Employee means a person who supplies Services to the Principal's Customers under the Agreement made between the Principal and the Agent.

Confidential Information includes but is not limited to:

(a) information regarding personal details of the Principal's Customers including, but not limited to, driver's licence number, name, date of birth, address and all other contact details of the Principal's Customers;

(b) details of the vehicle number plates associated with the Principal's Customers;

(c) any information which pertains to the conduct of the Principal's business which is not public knowledge or which is not publicly available;

(d) information regarding business or system processes that the Agent's Employee has obtained, or which may be provided by the Principal, whether directly or indirectly;

(e) information relating to the internal management and structure of the Principal, or the personnel, policies and strategies of the Principal;

(f) policies, strategies, practices and procedures of the Principal and any sensitive information which the Agent's Employee may come to obtain or have access to relating to the Western Australian Public Service;

(g) information which the Agent's Employee may come to obtain or have access to relating to the Principal, the Principal's Customer or suppliers, and like information; and

(h) information which is commercially sensitive information or Personal Information, but does not include Excepted Information.

Excepted Information means information which:

(a) is available or becomes available in the public domain other than by breach of this deed;

(b) is known to the Agent's Employee before receiving it from the Principal and is not subject to an existing obligation of confidence between the parties;

(c) is provided to the Agent's Employee by a third party whose use and disclosure of the information is not subject to any restrictions

Law includes any requirement of any statute, regulation, proclamation, ordinance or by-law, present or future, and whether State, Federal or otherwise.

Principal's Customers means those persons who use the Services supplied by the Agent under an Agreement made between the Principal and the Agent.

Services means the services listed in the box headed "Services" on the front page of this deed.

A reference to a gender includes other genders.

7. USE AND RETURN OF CONFIDENTIAL INFORMATION AND ACKNOWLEDGMENTS

7.1. Use of Confidential Information

The Agent's Employee agrees that, in consideration of the Principal disclosing Confidential Information to him, he will:

(a) keep the Confidential Information secret and confidential;

(b) use the Confidential Information solely for supplying the Services and for no other purpose;

(c) not allow or assist a third party to access or use, publish or release the Confidential Information for any purpose;

(d) take all steps and do all things necessary to safeguard the confidentiality of the Confidential Information including:

  (i) keeping the Confidential Information within his possession confidential;

  (ii) not making, or permitting to be made, any copy, note or memorandum of the Confidential Information;

  (iii) ensuring that proper and secure storage is provided for the Confidential Information; and

  (iv) protecting the Confidential Information from unauthorised access, disclosure or use in breach of this deed;

(e) co-operate with the Principal if the Principal commences proceedings in respect of the unauthorised access, use, copying or disclosure of Confidential Information; and

(f) immediately notify the Principal if he becomes aware of a breach or possible breach of any of the obligations contained in, or referred to in, this clause 7.

7.2. Return of Confidential Information

The Agent's Employee acknowledges and agrees that:

(a) immediately on request, he must deliver up to the Principal and cease to access and use all Confidential Information, including any copies of the Confidential Information (stored in any medium) which is in his possession as soon as practicable after the date when the Agent completes the Services or the relevant part of the Services; and

(b) the return of Confidential Information does not release him from his other obligations under this deed.

7.3. Acknowledgments

The Agent's Employee acknowledges and agrees that:

(a) the Confidential Information provided by the Principal is secret and confidential;

(b) the Confidential Information is the property of the Principal, and this deed does not convey any proprietary interest in the Confidential Information to him;

(c) he is liable to the Principal for any unauthorised access, use or disclosure of the Principal's Confidential Information by him or by any third party as a result of his act or neglect to act;

(d) disclosure of the Confidential Information in breach of this deed may cause considerable detriment to third parties and to the commercial, financial, regulatory affairs and reputation of the Principal; and

(e) damages may not be a sufficient remedy for the Principal for any breach of this deed and the Principal may be entitled to specific performance or injunctive relief (as appropriate) as a remedy for any breach or threatened breach by him in addition to any other remedies available to the Principal.

8. CRIMINAL CODE, ROAD TRAFFIC ACT AND STATE RECORDS ACT

The Agent's Employee acknowledges and agrees that:

(a) as a 'government contractor', the contractor is under a duty not to make an 'unauthorised disclosure' (as those terms in italics are defined in section 81 of the Criminal Code) and he is guilty of a crime if he does so - Maximum penalty: 3 years imprisonment;

(b) the contractor is under a duty not to unlawfully use a 'restricted access computer system' (as that term in italics is defined in section 440A of the Criminal Code) and he is guilty of a crime if he does so - Maximum penalty: 10 years imprisonment;

(c) the contractor is under a duty not to, directly or indirectly, record, disclose or make use of information obtained while carrying out the Services except for those purposes set out in 103 (1) (a) to (d) and (2) of the Road Traffic Act 1974 - Penalty: a fine of 100 PU or imprisonment for 12 months; and

(d) the contractor is employed by the Agent who is engaged under an Agreement for services by the State Government to carry out the Services and that he comes within the definition of 'government organization employee' (as that term in italics is defined in section 3 of the State Records Act 2000) and that he may be subject to a maximum penalty of $10,000 if found guilty of an offence under section 78 (1) to (5) of the State Records Act 2000.

9. SURVIVAL OF THE OBLIGATIONS

The obligations of the Agent's Employee under this deed commence on the date of this deed and will survive and will continue in force until the Principal releases him from his obligations by means of a written release.

10. GOVERNING LAW

This deed is governed by the laws of the State of Western Australia and the Agent's Employee irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts of that state and courts entitled to hear appeals from those courts.

IMPORTANT - THIS DOCUMENT HAS LEGAL IMPLICATIONS AND YOU SHOULD SEEK INDEPENDENT LEGAL ADVICE BEFORE EXECUTING IT

EXECUTED AS A DEED POLL ON THE DAY OF 201X

SIGNED and DELIVERED)

by.....)(Signature and job title)

the Agent's Employee

in the presence of:

Signature of witness:.....

Full name of witness .....
(PLEASE WRITE IN BLOCK OR CAPITAL LETTERS)

Address of witness:.....

SCHEDULE H: PERFORMANCE MEASURES

No.		Qualitative Matrix
1	Daily Audit	A report of transactions conducted by the Agent is forwarded daily to the allocated Transport Services Centre (TSC) office for audit. All documentation supporting each transaction processed must be forwarded by the Agent to the TSC within 2 business days of processing to assist with the audit process. The TSC will audit all the licensing transactions and notify the Agent in writing of the errors. The allocated site for the Agent is Albany.
2	Identified errors	Errors identified through an audit are corrected and returned to Albany within seven (7) Business Days.
3	Recurrent or significant errors	In instances where there are recurring errors or where an error requires significant rework, the Principal may issue a notice seeking an explanation from the Agent including advice on how the Agent will prevent future instances, or may request the Agent to implement processes intended to eliminate the incidence of errors. The Agent is to respond within seven (7) business days of this notice.
4	Zero breach of TRELIS data security.	Suspected breaches of TRELIS data security, within two (2) Business Days of the identification of the suspected breach, are to be communicated in writing to the: 1. SAA@transport.wa.gov.au; or 2. Manager Statutory Agency Agreements Department of Transport GPO R1290 Perth WA 6844
5	Written customer complaints	Customer complaints are discussed with the Manager Statutory Agency Agreements and responded to in writing within 14 Business Days. Proposed strategies for service improvement are discussed with the Manager Statutory Agency Agreements and implemented within a mutually agreed timeframe. Should any strategies or timeframes not be agreed on, the Agent may escalate to the Assistant Director Commercial Management.
6	Compliance Escalation	The Agent must address initial concerns with compliance requirements to the Manager Statutory Agency Agreements. The escalation process for any Agreement compliance requirements, are to be issued in writing, as follows: 1. Manager Statutory Agency Agreements 2. Assistant Director Commercial Management 3. Director Commercial & Partnerships The Director Commercial & Partnerships is the final escalation level.

SCHEDULE I: LOCATION OF PREMISES FOR SERVICE PROVISION

The Agent shall provide the Services under the Agreement from the following Premises:

CUBALLING

Address	**22 Campbell Street CUBALLING WA 6311**		
Contact	**CEO**	**Email**	**enquiries@cuballing.wa.gov.au**
Phone	**9883 6031**	**Fax**	

SCHEDULE J: PAYMENT CARD INDUSTRY DATA SECURITY STANDARD (PCI DSS)

OVERVIEW -The Payment Card Industry Data Security Standard (PCI DSS) was developed to encourage and enhance cardholder data security and facilitate the broad adoption of consistent data security measures globally. PCI DSS provides a baseline of technical and operational requirements designed to protect account data. PCI DSS applies to *all* entities involved in payment card processing—including merchants, processors, acquirers, issuers, and service providers. PCI DSS also applies to *all* other entities that store, process or transmit cardholder data (CHD) and/or sensitive authentication data (SAD). More detailed information is available at the Payment Card Industry Security Standards Council's website at: https://www.pcisecuritystandards.org/merchants/index.php

PCI DSS Objectives and Requirements

Objective	Requirement No.	Requirements
Build and Maintain a Secure Network and Systems	1	Install and maintain a firewall configuration to protect cardholder data
	2	Do not use vendor-supplied defaults for system passwords and other security parameters
Protect Cardholder Data	3	Protect stored cardholder data
	4	Encrypt transmission of cardholder data across open, public networks
Maintain a Vulnerability Management Program	5	Protect all systems against malware and regularly update anti-virus software or programs
	6	Develop and maintain secure systems and applications
Implement Strong Access Control Measures	7	Restrict access to cardholder data by business need to know
	8	Identify and authenticate access to system components
	9	Restrict physical access to cardholder data
Regularly Monitor and Test Networks	10	Track and monitor all access to network resources and cardholder data
	11	Regularly test security systems and processes
Maintain an Information Security Policy	12	Maintain a policy that addresses information security for all personnel

SCHEDULE K: NOTICE OF VARIATION TO SCHEDULE FORM

NOTICE OF VARIATION TO SCHEDULE

Agreement No.:

Title:

Schedule:

Agent:

Variation No.: _____ Variation Date: _____

Date of Variation Effect: _____

VARIATION TO SCHEDULE:

The Principal, pursuant to Clause 21.8 of the Agreement, hereby provides the Agent notice of the following variation(s) in relation to the above Schedule:

Except as expressly varied, the terms and conditions of the Agreement, remain unaltered and in full force and effect.

_____
<Name and Title of authorised officer in DVS>

<Date>

SCHEDULE L: AGREEMENT TERM AND CONTACT DETAILS

Item No	Item Description	Details
1	**Agreement Term**	The appointment of the Agent by the CEO is for an initial term expiring 31 December 2020.
2	**Commencement Date**	The Commencement Date is the date the Agreement is made.
3	**Maximum Term**	The appointment of the Agent by the CEO will expire on 31 December 2020.

SCHEDULE M: CONDITIONS SPECIFIC TO THIS AGENT SITE <SITE> <Or SITES>

Objective ID: A7120628 Version 11.0

Government of **Western Australia**

Department of **Transport**

DOT964017 AGREEMENT FOR THE PROVISION OF NON ROAD LAW FUNCTIONS IN SHIRE OF CUBALLING

BETWEEN:

The **Chief Executive Officer of the Department of Transport** (titled the Director General)

and

The Shire of Cuballing a body corporate with perpetual succession under the Local Government Act 1995

("the Agent")

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This Agreement is made the _____ day of _____201_

RECITALS:

A. The Chief Executive Officer (referred to as the Director General) of the Department has been assigned certain functions under the *Road Traffic Administration Act 2008*; the *Road Traffic Authorisation to Drive Act 2008; the Road Traffic Vehicles Act 2012* and the *Road Traffic (Vehicles) (Taxing) Act 2008* (the Road Laws).

B. The Director General has issued for execution the Agreement for Provision of Licensing Services in terms of section 11 of the Road Traffic Administration Act 2008 for the Agent to undertake certain Road Law relation functions on his behalf.

C. The Director General also undertakes certain functions in licensing pleasure vessels in accordance with regulations made under section 99(1) (a) of *Western Australian Marine Act 1982*.

D. The Director General also undertakes functions in accordance with the *Western Australian Photo card Act 2014* and the *Motor Vehicles Drivers Instructors Act 1963*.

E. In addition the Director General on behalf of other parties undertakes certain functions. These are as follows:-

   (a) On behalf of the Minister for Local Government, the Director General undertakes the licensing and renewal of licences for off road vehicles in accordance with the *Control of Vehicles (Off Road Areas) Act 1978*.

F. In the past the Agent has undertaken certain functions on the Director General's behalf that the Director General was empowered to perform regarding the licensing of vessels, photo cards, firearm licenses, off road vehicles and motor vehicle driving instructor fees. These functions were undertaken by the Agent either under Memoranda of Understandings or in terms of conditions that were set out in the schedules to agreements made under section 6B of the *Road Traffic Act 1974*.

G. On 27 April 2015 the Road Laws came into effect and it became necessary to enter into separate agreements for the Director General's non Road Law functions to be undertaken by the Agent.

H. This Agreement formalises past arrangements for non-Road Law related functions and has commenced notwithstanding the date of execution of this Agreement.

1 DEFINITIONS AND INTERPRETATION

1.1 In this Agreement, unless the context otherwise requires:-

Agreement means this document and any Schedules and annexures hereto.

Auditor General means the Auditor General of Western Australia.

Authorised Employee means person the Agent determines are suitable and has trained to undertake the Services.

Business Day means any day, except a Saturday, Sunday or a Gazetted public holiday in Perth, Western Australia.

Business Rules means those business rules set out in Schedule 5 and those that the Director General informs the Agent in writing are applicable from time to time for undertaking the Services, and

may be set out and described in other documents and agreements, including the Business Rules set out in the Road Law Agreement.

Chief Executive Officer or CEO means the Chief Executive Officer of the Department and is also known as the Director General.

Confidential Information means information that is set out in Clause 15 and includes the following:

(a) is by its nature confidential; or

(b) is specified by the Director General or the Agent to be confidential; or

(c) the other party knows or reasonably ought to know is confidential; and

(d) includes all details relating to Licensing undertaken by the Agent, including internal processes of the Director General, policies and procedures which are not otherwise able to be obtained publicly; personal details of Customers, financial details and payments that the Agent is provided either by the Director General or Customers, directly or indirectly, and are either directly, or indirectly related to the Services.

Consumer Price Index means the Perth Consumer Price Index (Consumer Price Index, Australia (Cat No 6401.0)): 1 All Groups, Index Numbers – Perth) from the preceding March quarter published by the Australian Bureau of Statistics.

Customer means the Director General's customers, being members of the public seeking to utilise the Services.

Database means the Director General's designated motor vehicle and driver licensing databases, including TRELIS.

Department means the Department of Transport or such other person or government agency which is responsible for assisting the Principal with the administration of this Agreement;.

Director General means the Chief Executive Officer of the Department or an authorised representative of the Director General.

Employee means:

(a) Where the Agent is a local government body, a person employed by the Agent under Section 5.36 of the Local Government Act 1995, or otherwise engaged by the Agent, and includes a chief employee, a chief executive officer, a senior executive officer, an executive officer, an employee, a public service officer, public officers or a respondent as defined under the Public Sector Management Act 1994 or a clerk or servant as defined under section 1 of the Criminal Code Act 1913; and

(b) the Agent's employees, directors, officers, nominees, agent or subcontractor.

GST has the same meaning as in the GST Act.

GST Act means A New Tax System (Goods and Services Tax) Act 1999 (Cth) and, where the context permits, includes the Commissioner of Taxation's goods and services tax rulings and determinations and any other written law dealing with GST applying for the time being in the State of Western Australia.

Language Interpretation Facility means the facility established by State Government to meet the needs of people unable to communicate effectively in English.

Personnel means all Employees engaged in relation to the supply of the Services.

Physical Stock means any items provided by the Director General to the Agent for the purpose of facilitating the Agent to undertake the Services.

Performance Measures means the criteria specified in Schedule 10 against which the Agent's delivery of Services will be measured.

Premises means any premises listed in Schedule 6 which are owned or occupied by the Agent on or from which the Services are to be supplied or to which the Agent has access in order to supply the Services, and includes anything on those premises.

Prescribed Fee means any statutory fee applicable to vessel licenses, photo cards, off road vehicle licenses and driving instructor fees; that appear in the Government Gazette from time to time.

Principal means the CEO of the Department of Transport.

Purpose means the provision of Services.

Records means records and information of any kind, including originals and copies of all accounts, financial statements, books, files, reports, records, correspondence, documents and other materials created for, or relating to, or used in connection with, the supply of the Services, whether or not containing Confidential Information, and whatever format in which such records and information are held, stored or recorded.

Representative(s) means either or both the Agent's Representative or the Principal's Representative set out in Schedule 3 as the context requires.

Road Laws means one or more of the Acts referred in Recital A of this Agreement.

Road Law Agreement means the agreement concluded under section 11 of the *Road Traffic (Administration) Act 2008* between the CEO and the Agent for the performing of Road Law functions.

Services means tasks that the Agent undertakes to perform on the Director Generals behalf as outlined in Schedule 1.

Service Fee means those fees that the Director General will pay the Agent for undertaking the Services and set out in Schedule 2.

Term means the length of time that this Agreement is valid.

1.2 In this Agreement, unless the context otherwise requires:-

(a) words importing the singular include the plural and vice versa

(b) words importing any gender include the other genders;

(c) words importing persons include corporations, governments and government bodies and vice versa;

(d) references to Clauses and subsidiary parts of Clauses are to Clauses and parts of Clauses in this Agreement;

(e) terms such as "herein", "hereby", "hereunder", and "hereof" refer to this Agreement as a whole and not to the Clause or subsidiary part where those terms appear;

(f) references herein to any deed, agreement or other instrument are references to that deed, agreement or other instrument as it may from time to time be amended or extended in accordance with its terms; and

(g) references to a party mean a party to this Agreement, and include the successors and permitted assigns of a party.

2 APPOINTMENT OF AGENT

2.1 The Director General appoints the Agent to act on behalf of the Director General for the Purpose for the Term.

2.2 The Agent accepts the appointment and shall perform its duties under this Agreement to the best of their ability and strictly in accordance with the relevant legislation.

2.3 The Agent will act in accordance with the Business Rules as they apply from time to time.

3 APPLICABLE LAW

This Agreement shall be subject to the laws of the State of Western Australia.

4 TERM OF AGREEMENT

4.1 This Agreement will begin on the Commencement Date as specified in Item 2 of Schedule 9 for the term specified in Item 1 of Schedule 9. The Principal may by notice in writing to the Agent extend the term at his entire discretion for a further period or periods up to the maximum period set out in Item 3 of Schedule 9.

4.2 This Agreement does not create or otherwise confer upon the Agent an enforceable right to be offered an extension of this Agreement.

5 SERVICES

The Agent undertakes the Services on behalf of the Director General as set out in Schedule 1 in accordance with the Business Rules.

6 DUTIES OF AGENT

6.1 The Agent covenants and agrees with the Director General:

(a) to collect the Prescribed Fees payable for transactions in relation to the Services; and

(b) to notify the Department of any moneys banked for the credit of the Department's account.

6.2 The Agent shall not have authority to undertake any other functions that are not set out in this Agreement.

7 LIABILITY AND INDEMNITY

(a) The Agent indemnifies the Director General, the State of Western Australia and all their respective officers, employees and agents against all costs, losses, expenses, claims, damages and other liabilities (including, legal costs and expenses) as a result of any action, suit, claim, demand or proceeding taken or made by any third party arising from or in connection with:

(i) any breach of an obligation under the Agreement by the Agent or any Employee; or

(ii) any wilful, tortious or unlawful act or omission of the Agent or any Employee; or

(iii) any breach of a State or Commonwealth law relevant to the Agreement by the Agent or any Employee.

(b) The Agent's liability under the indemnity in Clause 7 (a) shall be reduced proportionally to the extent that any costs, losses, expenses, claims, damages or other liabilities result from the negligence of the Director General, the State of Western Australia or their respective officers, employees or agents.

(c) The Director General agrees to use his best endeavours to cooperate with the Agent, in respect of the conduct of any defence, or the agreement of any settlement, of any third party action, suit, claim, demand or proceeding the subject of the indemnity under Clause 7 (a).

8 PUBLICITY

8.1 Unless the Director General gives his prior written consent, the Agent shall not:

(a) use the Department's or State of Western Australia's name and/or logo or coat of arms.

(b) make any statement concerning the Agreement, in any publication, advertisement or media release other than its annual report, annual financial statement, annual budget or other documentation necessary under statutory reporting requirements.

8.2 The Director General may use the Agent's name and logo for reasonable promotional or publicity purposes (regarding this Agreement) at the Director General's discretion, and the Director General shall acknowledge the role of the Agent to the extent that is reasonable within the circumstances.

9 AUDITS AND ACCESS TO RECORDS

(a) The Agent shall:

(i) allow the Director General or his authorised representative to have reasonable access to inspect any Premises and equipment (where applicable) used or occupied in connection with this Agreement;

(ii) allow the Director General or his authorised representative to have reasonable access to all Records pertaining to this Agreement in the custody or control of the Agent;

(iii) allow the Director General or his authorised representative to examine, audit, copy and use any Records pertaining to this Agreement in the custody or control of the Agent;

(iv) maintain accurate and complete records of all work pertaining to this Agreement carried out during the Term;

(v) allow the Auditor General, or an authorised representative of the Auditor General, to have access to and examine the Agent's Records concerning the Agreement; and

(vi) provide for the care, safety, security and protection of all Records (whether created by the Director General, the Agent or any other person) that are in the custody or control of the Agent, and all property supplied by the Director General to the Agent in connection with the Agreement.

(b) The powers and duties of the Auditor General under law are not limited or otherwise affected by the terms and conditions of the Agreement.

(c) This Clause survives expiration or termination of the Agreement.

10 REDUCTION, SUSPENSION AND TERMINATION

10.1 Notwithstanding any other provisions of this Agreement, the Director General may by notice to the Agent at any time and in his sole discretion do any of the following including taking more than one of the following actions.

(a) reduce the scope of Services;

(b) temporarily suspend this Agreement;

(c) terminate this Agreement by notice.

10.2 In exercising the powers under Clause 10.1:

(a) upon receiving notice under Clause 10.1, the Agent must immediately cease the provision of all Services within time period set forth in the notice;

(b) the Agent will not be entitled to compensation for loss of prospective profits or on any other basis.

10.3 Notice by the Director General in accordance with this Clause does not relieve the Agent of any of its warranties and obligations set out in this Agreement including those that continue after termination.

10.4 In the event of suspension of this Agreement by the Director General, the Agent must immediately cease performing all Services for the duration of the suspension period.

10.5 The suspension, reduction or termination of this Agreement does not affect any rights, liabilities or obligations under this Agreement as a result of anything occurring before the expiration, reduction or termination.

10.6 On termination of this Agreement, whether at the Director General's discretion or at the end of the Term, the Agent must as soon as practicable and within ten (10) working days following notice:

(a) deliver to the Director General's nominated representatives all Records as required by the Director General;

(b) in every other respect cooperate with the Director General and nominated representatives as reasonably required by the Director General in order to minimise any loss, damage or inconvenience to the Director General resulting from the expiration or termination of this Agreement. If this Agreement is terminated without default, then subject to the requirements of the Director General and notwithstanding any due date laid down for the termination of this Agreement, the Agent shall complete all the Services in accordance with the terms and conditions of this Agreement.

10.7 The Director General and Agent may terminate the Agreement by mutual agreement. If the Agreement is terminated by mutual agreement, and on the initiation of the Agent, the Agent agrees to continue to perform the Services for a period required by the Director General to enable the Director General to establish alternative arrangements for the performance of the Services.

10.8 In the event of an alleged breach by the Director General of this Agreement, the Agent's sole remedy is a claim for damages.

11 EVENTS AFFECTING PERFORMANCE OF SERVICES

11.1 This Agreement may be terminated by the Director General in writing if any incapacitating event occurs including but not limited to:

(a) a breach of the Agent's obligations under the Agreement;

(b) failure to pay any of the applicable Prescribed Fees and charges;

(c) failure to be registered for GST;

(d) if for any reason whatsoever the Agent is unable or unwilling to commence or continue providing the Services;

(e) if the Agent does not promptly inform the Director General of any occurrence which may adversely affect the Agreement in a material way or the ability of the Agent to deliver the Services;

(f) if the Agent does not, in providing the Services, act with integrity, good faith and probity in accordance with good corporate governance practices;

(g) if the Agent attempts to sell, transfer, assign, mortgage, charge or otherwise dispose of or deal with any of their rights, entitlements and powers under this Agreement;

(h) if the Agent does not comply with all State or Commonwealth laws;

(i) if the Agent refuses upon reasonable notice to provide the Director General with access at any reasonable time and from time to time to the Agent's Premises, financial records, other documents, equipment and other property for the purpose of audit and inspection by the Director General in order to verify compliance by the Agent with this Agreement;

(j) if the Agent does not reasonably cooperate with the Director General in the administration of this Agreement;

(k) if the Agent also provides services under the Road Law Agreement and that agreement is terminated in accordance with the breach provisions of that agreement.

11.2 If the Agent breaches this Agreement and the Director General in his discretion considers it appropriate, the Director General may first send the Agent a written notice specifying the breach and calling upon the Agent to rectify the breach within ten (10) Business Days of receipt of the notice or such other time period as specified by the Director General.

11.3 The Agent must notify the Director General in the event of the occurrence of any event that could in whole or in part impede the ability of the Agent to perform the Services under this Agreement including one or more of the following events:

(a) an order is made, or an application is made to a court for an order, that a body corporate be wound up; or

(b) except to reconstruct or amalgamate while solvent, a body corporate:

(i) is wound up or dissolved; or

(ii) resolves to wind itself up, or otherwise dissolve itself, or gives notice of intention to do so; or

(iii) enters into, or resolves to enter into, any form of formal or informal arrangement for the benefit of all or any class of its creditors, including a scheme of arrangement, deed of company arrangement, compromise or composition with, or assignment for the benefit of, all or any class of its creditors; or

(c) a liquidator or provisional liquidator is appointed (whether or not under an order), or an application is made to a court for an order, or a meeting is convened or a resolution is passed, to make such an appointment, in respect of a body corporate; or

(d) a receiver, manager, receiver and manager, trustee, administrator, controller (as defined in section 9 of the Corporations Act 2001 (Cth)) or similar officer is appointed, or an application is made to a court for an order, or a meeting is convened or a resolution is passed, to make such an appointment, in respect of a body corporate or any asset or undertaking of a body corporate; or

(e) any step is taken to enforce security over, or a distress, attachment, execution or other similar process is levied, enforced or served out against any asset or undertaking of a body corporate; or

(f) the process of any court or authority is invoked against a body corporate, or any asset or undertaking of a body corporate, to enforce any judgment or order for the payment of money or the recovery of any property;

(g) a body corporate:

(i) takes any step to obtain protection, or is granted protection, from its creditors under any applicable legislation; or

(ii) stops or suspends payment of all, or a class of, its debts; or

(iii) is or is taken by any applicable legislation to be, or states that it is, or makes a statement from which it may be reasonably deduced that it is:

(A) insolvent or unable to pay its debts when they fall due; or

(B) the subject of an event described in section 459C(2)(b) or section 585 of the *Corporations Act 2001 (Cth)*; or

(iv) is taken to have failed to comply with a statutory demand as a result of the operation of section 459F(1) of the Corporations Act 2001 (Cth); or

(v) ceases, or threatens to cease, to carry on all or a material part of its business; or

(h) a person becomes an insolvent under administration as defined in section 9 of the Corporations Act 2001 (Cth) or action is taken which could result in that event; or

(i) a person dies, ceases to be of full legal capacity or otherwise becomes incapable, for any reason, of managing his own affairs; or

(j) anything analogous or having a substantially similar effect to any of the events specified above happens under the law of any applicable jurisdiction.

12 POLICE CLEARANCE

12.1 The Director General may request the Agent at any time, to obtain and provide to the Director General an Australia-wide police clearance in respect of any of the Agent's Authorised Employees.

12.2 In addition to the obligations set out in this Agreement, in the event that the Agent becomes aware that a criminal charge has been laid or may be laid against it or its Employees, it will immediately notify the Director General.

13 EMPLOYEES

The Agent must ensure that only Authorised Employees carry out the Services.

(a) Notwithstanding other rights and remedies or actions available to it, the Director General may require the removal from the undertaking of Services of any Employees.

(b) The Agent must immediately comply with a request under Clause 13 (a) and ensure that the Employee does not access the Director General's Physical Stock, Records and Database

14 NON-ASSIGNMENT

(a) The Agent shall not assign any of its obligations, rights, benefits or interests under this Agreement.

(b) The Agent shall not sub-contract the Services to another person or entity.

15 CONFIDENTIALITY

15.1 The Agent acknowledges that during this Agreement, the Agent will have access to Confidential Information, both oral and written or in other material form, belonging to members of the public that the Director General is required to keep confidential. The Agent may use Confidential Information solely for the purpose of performing its obligations under this Agreement and the obligation to maintain confidentiality continues after termination of this Agreement.

15.2 The Agent will ensure that its Personnel have signed a Confidentiality Deed Poll to cover the Services described in this Agreement which Deed poll is set out in Schedule 4.

15.3 Use of Confidential Information

The Agent must:

(a) use Confidential Information solely for the purpose of providing the Services under the Agreement and for no other purpose;

(b) not allow or assist a third party to access or use, or publish or disclose Confidential Information for any other purpose;

(c) take and cause its Employees to take all steps and do all things necessary to safeguard the confidentiality of Confidential Information;

(d) ensure the proper and secure storage of Confidential Information;

(e) protect Confidential Information from unauthorised access, disclosure or use.

15.4 Misuse of Confidential Information

The Agent must notify the Director General immediately upon becoming aware of a suspected or actual breach of this Clause by any of the Agent's Employees.

15.5 Privacy

The Agent agrees to:

(a) comply with all privacy laws in relation to personal information, whether or not the Agent is an organisation bound by the privacy laws;

(b) indemnify the Director General and the State of WA, their officers and agents against liability or loss arising from, and any costs, charges and expenses incurred in connection with the use or misuse of the Confidential Information and / or breach.

15.6 The Agent must ensure that its Employees fully comply with this Clause.

15.7 Where a person discloses Confidential Information to another person pursuant to this Clause, the disclosing person must notify the receiving person of the existence and content of this Clause and the sensitivity of the information being disclosed.

15.8 Where the Agent's Employee breaches this Clause and discloses Confidential Information other than in the manner required, the Director General reserves the right to request that the relevant Personnel cease providing the Services.

15.9 The information contained in this Agreement is subject to the Freedom of Information Act 1992 (WA) and Financial Management Act 2006 and may also be disclosed by the Director General or the State under a court order or upon request by Parliament or any committee of Parliament or as otherwise required.

16 RETURN OF CONFIDENTIAL INFORMATION AND PHYSICAL STOCK

The Agent will return all Records containing the Director General's Confidential Information and Physical Stock immediately:-

(a) at the expiration or termination of the Agreement; or

(b) as scheduled by the Principal through Business Rules; or

(c) on demand by the Director General.

17 LIMITATION OF LIABILITY AND NO GUARANTEE OF WORK

17.1 The Director General, and the State of Western Australia, are not liable for any losses or damages which may be suffered by the Agent in undertaking its functions as an Agent under this Agreement.

17.2 The Director General does not underwrite, guarantee or accept any liability for the volume and value of the Services performed under this Agreement.

18 VARIATIONS

Except as provided in Clause 19.2(c), Clause 19.2(d) and Clause 19.3, any variation to this Agreement shall only be valid if approved by the Director General and executed by the Parties in writing.

19 GENERAL

19.1 If any provision of this Agreement is held unenforceable or void, the remaining provisions must be enforced in accordance with their terms.

19.2 This Agreement:

(a) constitutes the entire agreement between the Parties as to its subject matter and supersedes all prior representations and agreements in connection with that subject matter;

(b) may only be varied or altered in writing executed by the Parties;

(c) The Schedules 2, 3, 4, 5, 7 and 11 may be varied at the sole discretion of the Principal by the issuing of a Notice of Variation to Schedule in the format in Schedule 11; and

(d) the Business Rules may be varied unilaterally from time to time by the Director General.

19.3 Either Party may, at any time, by notice in writing to the other Party vary or terminate the appointment of its Representative; or appoint any other person to act as its Representative in relation to the Agreement.

20 INSURANCE REQUIREMENTS

In the event that the Agent has not already obtained relevant and sufficient insurances under the Road Law Agreement to also cover the provision of Services in this Agreement, then the Agent must take out and maintain all insurances required by law and any other insurances in relation to liabilities of the Agent under this Agreement.

21 AGENT'S GENERAL WARRANTIES AND UNDERTAKINGS

21.1 Agent's General Warranties

Except where the Agent has otherwise disclosed in writing to the Director General, and the Director General has given prior written consent to the matter disclosed, the Agent warrants in favour of the Director General that:

(a) the Agent has no conflict of interest arising out of the Agreement;

(b) the Agent is properly authorised and has the power to enter into the Agreement and perform the Agent's obligations under the Agreement;

(c) the Agent's obligations under the Agreement are valid and binding and are enforceable against the Agent;

(d) all information provided by the Agent to the Director General in connection with the Agreement is true and correct;

(e) there is no litigation or arbitration, and there are no administrative proceedings, taking place, pending or threatened against the Agent which could have a materially adverse effect on the Agent's ability to supply the Services in accordance with the Agreement;

(f) no Personnel performing the Services has been convicted of a criminal offence that is punishable by imprisonment or detention; and

(g) there is nothing that prevents the Agent from complying with any obligation under the Agreement.

21.2 General Warranties Made Continuously

The warranties made by the Agent under clause 21.1 are taken to be made continuously throughout the Term.

21.3 Agent's Undertakings

The Agent must:

(a) properly provide for the care, safety, security and protection of:

(i) all Records (whether created by the Director General, the Agent or any other person) that are in the custody or control of the Agent; and

(ii) all property, information technology equipment and software applications supplied by the Director General to the Agent in connection with the Agreement;

(b) promptly notify the Director General if any warranty in clause 21.1 is breached or becomes untrue within two (2) business days of the identification of the breach;

(c) securely manage and destroy any waste documentation;

(d) securely return by the Director General's approved courier or nominated representative, at the Director General's cost, all obsolete vehicle number plates to the Director General's nominated contractor for destruction;

(e) securely manage all new and retained vehicle number plates at all times and only return or transfer those plates through the Director General's approved courier or representative;

(f) always act ethically in connection with the Agreement and in accordance with good corporate governance practices;

(g) comply with all State and Commonwealth laws relevant to the Agreement;

(h) if the Agent obtains or has custody or control of State Records as a result of its activities under this Agreement, comply with the Director General's record keeping plan to the extent necessary under the State Records Act 2000;

(i) cooperate fully with the Director General in respect of the administration of the Agreement;

(j) ensure that no Personnel causes the Agent to breach the Agreement; and

(k) except as otherwise specified in the Agreement, provide everything necessary to fully comply with all of its obligations under the Agreement.

21.4 Warranties and Indemnity

(a) The Agent must give, or ensure the Director General has the benefit of, any warranties specified in the Agreement.

(b) The Agent must do everything necessary to obtain the benefit of all third party warranties and must ensure that the Director General has the benefit of those warranties.

(c) The Agent indemnifies the Director General against any loss or liability that results from the Agent not complying with sub-clauses 21.4(a) or (b).

21.5 Conflict of Interest

(a) Without limiting the meaning of conflict of interest, a conflict of interest may arise in the following circumstances:

(i) when the Agent, or a person associated with the Agent, is in a position to benefit directly or indirectly from the actions of the Agent through an unfair or unintended imposition or loss on the Principal or some third party; or

(ii) when, due to a personal interest or a conflicting business arrangement, an Agent's honesty, objectivity or fairness in performing the Services is open to question.

(b) If a conflict of interest arises in respect of the Agent or the Agent's Employees , in respect of the supply of the Services under the Agreement, the Agent must:

(i) promptly notify the Director General that the conflict has arisen and provide full details; and

(ii) take reasonable steps in consultation with the Director General to manage or resolve the conflict.

(c) Without limiting the meaning of conflict of interest, a perceived conflict of interest may arise when an Agent or the Agent's Personnel accesses the Principal's Database or undertakes a transaction on behalf of a friend or relative or the Personnel's own record, without first obtaining the Principal's approval.

21.6 Agent's Obligation for Services Directly to the Public

The Agent must:

(a) to the extent practicable, implement the Director General's 'Disability Access and Inclusion Plan' (DAIP) prepared under the Disability Services Act 1993 and available at the Director General's website: http://www.transport.wa.gov.au/aboutus/disability-access-and-inclusion-plan.asp

(b) provide a report to the Director General by 30 June in each year of the Term reporting on the extent to which the Agent has implemented the Director General's DAIP.

(c) advise Customers that they may make use of the Language Interpretation Facility if they require such assistance.

22 BANK FEES AND CHARGES

The Director General will reimburse the Agent for specified bank fees and charges, being:

(a) charges incurred in relation to dishonoured cheques received from the Director General's Customers.

23 PERFORMANCE and COMPLIANCE MANAGEMENT

23.1 Audit and Review

(a) The Director General will conduct regular auditing, performance review and compliance activities, including, but not limited to:

(i) a daily electronic audit of all licensing transactions performed on the Database by the Agent;

(ii) a daily audit of all transaction supporting documentation received and processed by the Agent (refer to Schedule 10);

(iii) a monthly audit and review of the Agent's performance and compliance in key Agreement areas including but not limited to:

A) the Processing Errors;

B) compliance with the Business Rules;

C) timeliness of transactions;

D) daily receipt by the Director General of transaction supporting documents;

E) Reconciliation of revenue collection against the Department of Transport TRELIS bank account; and

F) the Agent's performance generally.

(b) The Director General may engage an independent qualified auditor to conduct a quality audit of the Services.

(c) The Agent must:

(i) assist in the conduct of any audit, performance and compliance reviews undertaken in accordance with this Clause 23.1; and

(ii) provide all and any information, including documentation, at the request of the Director General or the Director General's appointed auditor within fifteen (15) days of the request.

(d) In instances of significant non-compliance, the Director General may issue a notice seeking an explanation or information regarding the non-compliance and/or details of how the Agent would prevent further non-compliance. The Agent shall provide a written response within seven (7) business days.

(e) In requesting a written response under 23.1 (d), the Director General in no way limits his capacity under section 10.

(f) The Director General shall be entitled to rely on the results of audits, performance and compliance reviews in the event of any breach and or default by the Agent and when considering any extension of the Agreement.

(g) Notwithstanding the preceding provisions of this Clause 23.1, auditing, performance and compliance reviews will be undertaken at the Director General's sole and absolute discretion.

23.2 Performance Review Meetings

(a) Performance review meetings may be held between the Agent and the Director General as determined by the Director General in consultation with the Agent to discuss performance and other issues associated with the Services which may be identified through auditing, performance and compliance review, or any other means of performance monitoring undertaken by the Director General.

(b) Performance and compliance review meetings will be held at a location agreeable to the Parties.

(c) Should the Representatives be unable to meet, any issues of non-compliance will be detailed by the Principal's Representative through written notice. The Agent's Representative shall respond in writing accordingly detailing what action the Agent shall undertake.

24 INFORMATION TECHNOLOGY, EQUIPMENT AND PREMISES.

24.1 Supply by Principal

The Principal will supply the Agent with the following:

(a) telecommunications hardware and software, the nature of which is subject to the availability of telecommunications technology in the Agent's locality, linking the Agent's transaction processing equipment supplied by the Principal to the Database;

(b) transaction processing hardware to the extent necessary to operate the software applications required by the Principal being:

(i) PC/s;

(ii) printer/s (excluding consumables); and

(iii) image capture unit

(c) transaction processing software, being the Principal's software applications that enable the Agent to access the Principal's Database and any third party software applications required by the Principal;

(d) hardware and software to the extent necessary for the Agent to provide CTT/HPT and testing required by the Principal;

(e) the Physical Stock required by the Agent to perform this Agreement; and

(f) Vehicle licence plates.

24.2 Supply by Agent

(a) The Agent must supply and maintain all hardware and software, not otherwise specified in the Agreement as the Principal's responsibility, to the extent required to enable the Agent to perform the Services. The Agent shall ensure that such hardware and software is compatible in all respects with the Principal's hardware and software.

(b) Except as otherwise expressly provided in this Agreement, the Agent must provide, at its cost all office consumables.

24.3 Installation of Additional Hardware or Software (other than supplied by the Principal)

(a) The Agent must make written application to the Principal, and obtain the Principal's written approval before installing any additional hardware or software to a PC designated for transaction processing.

(b) Subject to clause (a) above:

(i) the installation of any additional hardware or software on the Principal's designated PC will be entirely at the Agents risk and the Principal will not be responsible for any hardware or software failure or resultant loss of the Agents data; and

(ii) the Agent will be responsible for and at its own cost to address any support issues, security breaches, network vulnerabilities, including increases in PCI DSS scope or loss of data resulting in the installation of the additional hardware or software.

(c) The Agent will uninstall any additional hardware or software that the Agent installs on a PC designated for transaction processing by prior agreement with the Principal, when the PC is required to be replaced or returned to the Principal.

24.4 Compliance with Principal's Requirements

All information technology, whether supplied by the Principal or the Agent, must comply with the information technology policies and specification requirements as provided by the Principal from time to time.

24.5 Maintenance of Equipment

(a) The Agent will ensure all equipment including, but not limited to, information technology hardware and software is:

(i) maintained in good, safe and proper working condition, and capable of reliably performing the Services at all times; and

(ii) housed at the Agent's customer service area where the Services are provided.

(b) All equipment provided by the Principal including, but not limited to, information technology hardware and software remains the property of the Principal and will be returned to the Principal on demand, at the Principal's cost and by the Principal's approved courier or nominated representative.

(c) The Agent will provide any information required by the Principal relating to the audit and tracking of the Principal's equipment.

(d) In the event that equipment supplied by the Principal requires maintenance, the Agent will contact the Principal to discuss the maintenance options for the equipment as detailed in Schedule 7.

(e) If any equipment supplied by the Principal requires repairs or replacement, the Principal will then organise at its cost.

(f) In the event equipment supplied by the Principal requires off-site maintenance, and that maintenance results in equipment not being available to the Agent for more than five (5) Business Days, the Principal will supply the Agent with equivalent replacement equipment for the duration of the period the equipment is unavailable to the Agent.

24.6 Premises

The Agent will:

(a) ensure all areas in which the Services are to be performed are suitable for the purpose;

(b) provide a secure and confidential environment to ensure protection of the Principal's interests against outside intrusion, improper or unauthorised use or access;

(c) ensure security complies with any reasonable Direction given by the Principal;

(d) do everything reasonably necessary to protect people and property on the Premises, as they relate to the delivery of the Services; and

(e) ensure compliance with Requirement 9 of the PCI DSS at Schedule 8.

25 NOTICE

Any notice or other communication that may or must be given under this Agreement:

(a) must be in writing;

(b) may be given by an authorised officer of the Party giving notice;

(c) must be:

(i) hand delivered; or

(ii) sent by prepaid post; or

(iii) sent by facsimile; or

(iv) sent by email;

to the Representative of the respective Party specified in this Agreement.

(d) subject to clause 25(e), is taken to be received:

(i) in the case of hand delivery, on the date of delivery;

(ii) in the case of post, on the fifth Business Day after posting; and

(iii) in the case of facsimile, on the date on which the sender's facsimile machine records that the facsimile was successfully transmitted;

(iv) in the case of email, on the date on which the receiver's email server records that the email was received; and

(e) if received after 5:00pm or on a day other than a Business Day, is taken to be received on the next Business Day.

26 RELATIONSHIPS – NO PARTNERSHIP

(a) The Agent is an independent Contractor, and nothing in the Agreement may be construed to make the Agent a partner, representative, employee or joint venturer of the Principal.

(b) The Agent must not represent that the Agent or any of its Personnel are the employees, partners or joint venturers of the Principal.

(c) The Principal shall have no responsibility to the Agent or Agent's Personnel in respect of remuneration for annual leave, sick leave, long service leave, public holidays, redundancy payments, superannuation contributions or any other benefits for Personnel providing the Services.

Executed as an Agreement on the date written at the beginning of this document:

Executed for and on behalf of the CEO, Department of Transport by his Delegate

Name of Delegate (please print)	Name of Witness (please print)
Signature	Signature

Executed for and on behalf of the Shire of Cuballing, as a body corporate under section 2.5 of the Local Government Act 1995 by:

Shire Mayor (Please Print)	Name of Chief Executive Officer (Please Print)
Signature	Signature

Or

The COMMON SEAL of the) Shire of Cuballing) Was hereunto affixed by) Authority of a resolution of the) Council in the presence of)	Affix Common Seal
Shire Mayor (Please Print)	Name of Chief Executive Officer (Please Print)
Signature	Signature

SCHEDULE 1: SERVICES TO BE PROVIDED BY THE AGENT

Definitions

Driving Instructor Fee Agents means the Agent responsible for licensing driving instructors.

Maritime Collections Agents means the Agent who is responsible for vessel registration.

Off Road Vehicle New Registration Agents means the Agent responsible for off road vehicle registrations.

Photo Card Agents means the Agent who is responsible for proof of age Licenses.

1) Maritime Collections Agents shall in accordance with the Business Rules:-

   a) collect boat renewal payments; and

   b) collect boat transfer payments; and

   c) collect commercial vessel survey payments; and

   d) collect hire vessel survey payments; and

   e) collect marine payment – miscellaneous; and

   f) collect maritime pen duty payments; and

   g) collect slipway fees.

2) Photo Card Agents shall in accordance with the Business Rules

   a) process applications; and

   b) process replacement copy; and

   c) provide certified copy.

3) Off Road Vehicle New Registration Agents shall in accordance with the Business Rules

   a) process new registrations (includes new registration updates); and

   b) process renewals: and

   c) process plate changes; and

   d) process transfers; and

   e) process plate receipt – manual.

4) Driving Instructor Fee Agents shall in accordance with the Business Rules

   a) collect fees from driving instructors

SCHEDULE 2: SOUTHERN REGION SERVICE FEES: 1 JANUARY 2018

FEES PER TRANSACTION PAID BY THE DEPARTMENT OF TRANSPORT

Category	Average Transaction Time	Commissions less than predetermined volume	Commissions greater than predetermined volume
		Transaction volume will be aggregated with the Road Law Agreement to determine the rate payable.	
Scale of Fees for On-line Processing - Monetary Transactions (M)			
Category 1	0 – 3.5 minutes	$9.71	$7.01
Category 3	5.6 – 8.5 minutes	$15.72	$10.93
Scale of Fees for On-line Processing - Non Monetary Transactions (NM)			
Category – updates		$3.26	$3.26
Category 9	0 - 3.5 minutes	$6.49	$4.90

Transaction Type	Time (min)	(M/ NM)	Cat.	Commission payable	Commission payable
Photo Card					
Application	3	M	1	$9.71	$7.01
Replacement copy	2	M	1	$9.71	$7.01
Certified copy	2	NM	9	$6.49	$4.90
Off Road Vehicle New Registrations					
New registrations (includes new registration update)	6	M	3	$15.72	$10.93
Renewals	2.5	M	1	$9.71	$7.01
Plate change	2.5	M	1	$9.71	$7.01
Transfers	2.5	M	1	$9.71	$7.01
Plate receipt - manual	2.5	NM	9	$6.49	$4.90
Maritime Collections					
Boat renewal payments	2	M	1	$9.71	$7.01
Boat transfer payments	2	M	1	$9.71	$7.01
Commercial vessel survey payments	2	M	1	$9.71	$7.01
Hire vessel survey payments	2	M	1	$9.71	$7.01

Marine payment - miscellaneous	2	M	1	$9.71	$7.01
Maritime pen duty payments	2	M	1	$9.71	$7.01
Slipway fees	2	M	1	$9.71	$7.01
Driving Instructor Fee Agent				$9.71	$7.01
Instructor Fees	2	M	1	$9.71	$7.01

SCHEDULE 3: AGREEMENT REPRESENTATIVES AND ADDRESSES FOR NOTICES

1. PRINCIPAL'S REPRESENTATIVE

(a) The Principal's Representatives are:

(i) Director Commercial and Partnerships, or

(ii) Assistant Director Commercial and Partnerships, or

(iii) Manager Statutory Agency Agreements; or

(iv) the person/s who for the time being, for all intents and purposes, occupies those offices; or

(v) the person acting in the office that substitutes for any of the above-described offices; or

(vi) any officer of the Department of Transport exercising powers under an appropriate Instrument of Delegation.

(b) The Principal will not be bound by any representations made to the Agent other than those made by the Principal's Representative.

(c) The Principal's address for notices:

Manager, Statutory Agency Agreements,

Commercial and Partnerships

Department of Transport

GPO Box R1290

Perth WA 6844

Telephone: 08 6551 6378

Facsimile: 08 6551 7022

Email: SAA@transport.wa.gov.au

2. AGENT'S REPRESENTATIVES

(a) The Agent's Representatives are:

(i) CEO.

(ii) or the person/s who for the time being, for all intents and purposes, occupy those offices.

(b) The Agent's address for notices is the Agent's postal box address or, where the Agent does not maintain a postal box, the Agent's street address.

3. PERSONNEL AUTHORISED TO ISSUE NOTICES

The Principal and Agent's respective Representatives listed at clauses 1 and 2 of this Schedule 3 are authorised to issue notices under the Agreement.

SCHEDULE 4: AGENT'S EMPLOYEE CONFIDENTIALITY DEED POLL

CONFIDENTIALITY DEED POLL

CEO's particulars

Name	The CEO (the Director General), Department of Transport		
ABN	27 285 643 255		
Address	140 William Street, Perth, Western Australia 6000		
Contact	Access Management	Email	acccess.management@transport.wa.gov.au
Phone	6551 6881	Fax	9227 3416

Agent's Employee's particulars

Name			
Address			
Contact person			
Phone		Email	

RECITALS

A. In order to be able to carry out the Services, the Agent's Employees will require access to Confidential Information and the CEO has agreed to disclose Confidential Information to the Agent's Employees on the strict understanding that the Confidential Information is provided solely to enable the Agent's Employees to carry out the Services.

B. This Confidentiality Deed Poll must be executed by the Agent's Employees and returned to the CEO before the CEO will disclose Confidential Information to the Agent's Employees.

SERVICES

THE AGENT'S EMPLOYEE AGREES:

In consideration of, amongst other things, being granted access to the Confidential Information on the terms contained in this deed, the Agent's Employee undertakes and agrees that he is subject to the following obligations:

1 DEFINITIONS AND INTERPRETATION

In this deed:

Agent means Shire of Cuballing ABN 48 249 968 875

Agent's Employee means a person who supplies Services to the CEO's Customers under the Agreement made between the CEO and the Agent.

Agreement, Business Rules and CEO have the meanings given in the Agreement made between the Agent and the CEO.

CEO's Customers means those persons who use the Services supplied by the Agent under an Agreement made between the CEO and the Agent.

Confidential Information includes but is not limited to:

(a) information regarding personal details of the CEO's Customers including, but not limited to, driver's licence number, name, date of birth, address and all other contact details of the CEO's Customers;

(b) any information which pertains to the conduct of the CEO's business which is not public knowledge or which is not publicly available;

(c) information regarding business or system processes that the Agent's Employee has obtained, or which may be provided by the CEO, whether directly or indirectly;

(d) information relating to the internal management and structure of the CEO, or the personnel, policies and strategies of the CEO;

(e) policies, strategies, practices and procedures of the CEO and any sensitive information which the Agent's Employee may come to obtain or have access to relating to the Western Australian Public Service;

(f) information which the Agent's Employee may come to obtain or have access to relating to the CEO, the CEO's Customer or suppliers, and like information; and

(g) information which is commercially sensitive information or personal information, but does not include Excepted Information.

Driving Instructor Fee Agents means the Agent responsible for licensing driving instructors.

Excepted Information means information which:

(a) is available or becomes available in the public domain other than by breach of this deed;

(b) is known to the Agent's Employee before receiving it from the CEO and is not subject to an existing obligation of confidence between the parties;

(c) is provided to the Agent's Employee by a third party whose use and disclosure of the information is not subject to any restrictions.

Law includes any requirement of any statute, regulation, proclamation, ordinance or by-law, present or future, and whether State, Federal or otherwise.

Maritime Collections Agents means the Agent who is responsible for vessel registration and maritime transactions.

Off Road Vehicle New Registration Agents means the Agent responsible for off road vehicle registrations.

Photo Card Agents means the Agent who is responsible for proof of age Licenses.

Services means as follows:

1. Maritime Collections Agents shall in accordance with the Business Rules:

   a) collect boat renewal payments; and

b) collect boat transfer payments; and

c) collect commercial vessel survey payments; and

d) collect hire vessel survey payments; and

e) collect marine payment – miscellaneous; and

f) collect maritime pen duty payments; and

g) collect slipway fees.

2. Photo Card Agents shall in accordance with the Business Rules:

a) process applications; and

b) process replacement copy; and

c) provide certified copy.

3. Off Road Vehicle New Registration Agents shall in accordance with the Business Rules:

a) process new registrations (includes new registration updates); and

b) process renewals: and

c) process plate changes; and

d) process transfers; and

e) process plate receipt – manual.

4. Driving Instructor Fee Agents shall in accordance with the Business Rules:

a) collect fees from driving instructors.

A reference to a gender includes other genders.

2 USE AND RETURN OF CONFIDENTIAL INFORMATION AND ACKNOWLEDGMENTS

2.1 Use of Confidential Information

The Agent's Employee agrees that, in consideration of the CEO disclosing Confidential Information to him, he will:

a) keep the Confidential Information secret and confidential;

b) use the Confidential Information solely for supplying the Services and for no other purpose;

c) not allow or assist a third party to access or use, publish or release the Confidential Information for any purpose;

d) take all steps and do all things necessary to safeguard the confidentiality of the Confidential Information including:

i) keeping the Confidential Information within his possession confidential;

ii) not making, or permitting to be made, any copy, note or memorandum of the Confidential Information;

iii) ensuring that proper and secure storage is provided for the Confidential Information; and

iv) protecting the Confidential Information from unauthorised access, disclosure or use in breach of this deed;

e) co-operate with the CEO if the CEO commences proceedings in respect of the unauthorised access, use, copying or disclosure of Confidential Information; and

f) immediately notify the CEO if he becomes aware of a breach or possible breach of any of the obligations contained in, or referred to in, this clause 2.

2.2 Return of Confidential Information

The Agent's Employee acknowledges and agrees that:

a) immediately on request, he must deliver up to the CEO and cease to access and use all Confidential Information, including any copies of the Confidential Information (stored in any medium) which is in his possession as soon as practicable after the date when the Agent completes the Services or the relevant part of the Services; and

b) the return of Confidential Information does not release him from his other obligations under this deed.

2.3 Acknowledgments

The Agent's Employee acknowledges and agrees that:

a) the Confidential Information provided by the CEO is secret and confidential;

b) the Confidential Information is the property of the CEO, and this deed does not convey any proprietary interest in the Confidential Information to him;

c) he is liable to the CEO for any unauthorised access, use or disclosure of the CEO's Confidential Information by him or by any third party as a result of his act or neglect to act;

d) disclosure of the Confidential Information in breach of this deed may cause considerable detriment to third parties and to the commercial, financial, regulatory affairs and reputation of the CEO; and

e) damages may not be a sufficient remedy for the CEO for any breach of this deed and the CEO may be entitled to specific performance or injunctive relief (as appropriate) as a remedy for any breach or threatened breach by him in addition to any other remedies available to the CEO.

3 CRIMINAL CODE, ROAD TRAFFIC ACT AND STATE RECORDS ACT

The Agent's Employee acknowledges and agrees that:

a) as a *'government contractor'*, the contractor is under a duty not to make an *'unauthorised disclosure'* (as those terms in italics are defined in section 81 of the *Criminal Code)* and he is guilty of a crime if he does so - Maximum penalty: 3 years imprisonment;

b) the contractor is under a duty not to unlawfully use a *'restricted access computer system'* (as that term in italics is defined in section 440A of the *Criminal Code*) and he is guilty of a crime if he does so - Maximum penalty: 10 years imprisonment;

c) the contractor is under a duty not to, directly or indirectly, record, disclose or make use of information obtained while carrying out the Services except for those purposes set out in 103 (1) (a) to (d) and (2) of the *Road Traffic Act 1974* - Penalty: a fine of 100 PU or imprisonment for 12 months; and

d) the contractor is employed by the Agent who is engaged under an Agreement for services by the State Government to carry out the Services and that he comes within the definition of '*government organization employee*' (as that term in italics is defined in section 3 of the *State Records Act 2000)* and that he may be subject to a maximum penalty of $10,000 if found guilty of an offence under section 78 (1) to (5) of the *State Records Act 2000*.

4 SURVIVAL OF THE OBLIGATIONS

The obligations of the Agent's Employee under this deed commence on the date of this deed and will survive and will continue in force until the CEO releases him from his obligations by means of a written release.

5 GOVERNING LAW

This deed is governed by the laws of the State of Western Australia and the Agent's Employee irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts of that state and courts entitled to hear appeals from those courts.

IMPORTANT - THIS DOCUMENT HAS LEGAL IMPLICATIONS AND YOU SHOULD SEEK INDEPENDENT LEGAL ADVICE BEFORE EXECUTING IT

EXECUTED AS A DEED POLL ON THE _____DAY OF _____201_

SIGNED and DELIVERED)

by.....)(Signature and job title)

the Agent's Employee

in the presence of:

Signature of witness:.....

Full name of witness .....

(PLEASE WRITE IN BLOCK OR CAPITAL LETTERS)

Address of witness:.....

SCHEDULE 5: BUSINESS RULES

1. DEFINTIONS

In this Schedule all definitions have the same meaning as in the Agreement.

2. PAYMENT

2.1. Commissions Payable

Subject to the provisions of sub-clause 2.2, the Director General must pay the Agent Commissions to the value of the Services performed under the Agreement in accordance with the Schedule of Service Fees as set out in Schedule 2, as certified by the Director General, less any overpayment in Commissions or any other payment made to the Agent as advised in writing to the Agent by the Director General.

2.2. Variations to Commissions Payable

(a) On July 1 of each year of the Term, the Director General will review the Commissions specified in the Schedule of Service Fees in accordance with annual changes in the Consumer Price Index and the Commission's payable to the Agent will be increased accordingly, except in the instance where there is no movement in the CPI.

(b) Where the CPI is a negative 'downward' movement, the Commission's payable to the Agent shall remain at the rate applicable for the previous year.

(c) The Director General will forward the Agent a revised Schedule of Service Fees in accordance with clause 2.2(a) no later than 30 Business Days after the Commission review date.

2.3. Invoices

(a) The Director General will issue the Agent Transaction and Payment Summary reports which include, inter-alia:

(i) tabulations to show all licensing transactions processed and the corresponding Commissions payable; and

(ii) confirmation the Commissions payable have been reconciled and authorised by the Director General.

(b) The Director General will issue the Agent tax invoices, being Recipient Created Tax Invoices (RCTI), in respect of Commissions payable, on the basis of the Transaction and Payment Summary report for the corresponding period.

(c) The Director General will issue a Transaction and Payment Summary Report and RCTI to the Agent:

(i) for each calendar month; and

(ii) not more than thirty (30) Business Days after the last day of the invoice period.

(d) The Agent agrees it will not issue tax invoices in respect of the Services.

(e) The Agent acknowledges that it is registered for GST when it agrees for the Director General to issue RCTI for the Services and will notify the Director General if it ceases to

be registered or if it ceases to satisfy any of the requirements imposed by the Commissioner for Taxation.

(f) The Director General acknowledges that it is registered for GST when it agrees to issue RCTI for the Services and will notify the Agent if it ceases to be registered or if it ceases to satisfy any of the requirements imposed by the Commissioner for Taxation.

2.4. Payment of Invoices

The Director General will pay the amount specified in a RCTI within thirty (30) days of the last day of the month to which it relates.

2.5. Method of Payment

The Director General will directly credit Commissions payable to the Agent's nominated bank account.

2.6. No Obligation to Pay

The Director General has no obligation to make any payment to the Agent unless and until:

(a) the Services have been supplied in accordance with the Agreement; and

(b) the Director General is satisfied that no default has occurred.

2.7. Incorrect Payment

(a) If the Agent finds an amount paid based on the RCTI is incorrect and the Director General has paid, the Agent is responsible for issuing an Adjustment Note to the Director General. If the amount is:

(i) less than the amount that should have been paid, the Director General must pay the difference to the Agent within twenty (20) days after the date the Adjustment Note is received;

(ii) more than the amount that should have been paid, the Director General may:

A) debit the difference from the Agent's nominated account within twenty (20) days after the date the Adjustment Note is received; or

B) offset the difference against any amount subsequently payable by the Director General to the Agent.

(b) If the Director General finds that the amount paid based on the RCTI was incorrect and the Director General has overpaid, the Director General is entitled to take the steps outlined in sub-clause 2.7(a)(ii) (A) or (B), without receipt of an Adjustment Note from the Agent.

2.8. GST and other duties, taxes and charges

(a) In this clause (2.8) the expressions 'consideration', 'recipient', 'supply', 'tax invoice' and 'taxable supply' have the meanings given to those expressions in the GST Act

(b) All amounts in the Schedule of Fees are expressed exclusive of GST.

(c) If GST is imposed on any supply made under the Agreement, the Principal will pay to the Agent an amount equal to the GST payable on the taxable supply.

(d) The amount referred to in clause 2.8 (c) must be paid in addition to, and at the same time as, payment for the taxable supply is required to be made under the Agreement.

(e) If a GST-inclusive price is charged or varied under the Agreement, the Principal will provide the Agent with a valid RCTI at or before the time of payment or variation.

(f) If the amount of GST paid or payable by the Agent on any supply made under the Agreement differs from the amount of GST paid by the Principal, because the Commissioner of Taxation lawfully adjusts the value of the taxable supply for the purpose of calculating GST, then the amount of GST paid by the Principal will be adjusted accordingly by a further payment by the Principal to the Agent or the Agent to the Principal, as the case requires.

(g) The Principal indemnifies the Agent for any liability for GST and penalty that may arise from an understatement of the GST payable on any supply for which it issues a RCTI where the understatement arises from fault on the part of the Principal.

(h) All duties, taxes and charges (other than GST) imposed or levied in Australia or overseas in connection with the supply of the Services or any additional work undertaken by the Agent are payable by the Agent.

3. COLLECTION OF REVENUE

3.1. Forms of Payment

(a) The Agent must accept from the CEO Customers and process all forms of payment acceptable to the CEO for the processing of licensing transactions, being cash, EFTPOS, credit cards (except Diners Club and American Express) debit cards, cheque and money order.

(b) If a customer cheque or other payment is dishonoured or is otherwise not credited to the Agent's bank account, the relevant provisions set out in the Business Rules will apply.

3.2. No Surcharge

The Agent must not impose a surcharge, or any other form of cost recovery, on the CEO or the CEO's Customers for Services performed pursuant to this Agreement.

3.3 Direct Debit

(a) The Agent will use its own EFTPOS terminal and funds will be banked directly into the Agents nominated bank account.

(b) The Agent will bank on a daily basis revenue collected (cash/cheques/money orders) into the Agents nominated bank account.

(c) The Agent will prior to the commencement of Service provide the CEO with a Direct Debit Request and the CEO will debit the Agents bank account two business days after collection to the value of transactions processed on the Database. Note: the Agent will ensure that sufficient funds are available at the time of the direct debit.

(d) The Agent will comply with the Payment Card Industry Data Security Standards (PCI DSS) as set out in the Business Rules of the Road Law Agreement.

SCHEDULE 6: LOCATION OF PREMISES FOR SERVICE PROVISION

The Agent shall provide the Services under the Agreement from the following Premises:

CUBALLING

Address	**22 Campbell Street CUBALLING WA 6311**		
Contact	CEO	**Email**	**enquiries@cuballing.wa.gov.au**
Phone	**9883 6031**	**Fax**	

SCHEDULE 7: EQUIPMENT MAINTENANCE

This Equipment Maintenance Schedule is the procedure for Agents to follow in the event Department of Transport supplied information technology hardware requires repairs or replacement.

Step	Process	
Repair or Replacement Issue	Agent Personnel are to contact Transport's Customer Service Phone-Support only. Please do not contact the Business Information Systems (B.I.S) *Helpdesk* directly.	**1800 354 928** **Phonesupport@transport.wa.gov.au**
Job/Incident Logged	Agent Personnel must provide details of the faulty equipment including the LF number (yellow sticker) and DP number (white sticker) and details of the problem. Customer Service Phone-Support will log the incident with Helpdesk. **Please Note** When logging an issue, the Agent will be provided a job/incident number which will need to be reference for any subsequent enquiries. Always record this number.	
Courier	Transport's Customer Phone-Support or B.I.S Helpdesk will instruct the Agent Personnel to courier the equipment if it needs to be returned for repair/replacement.	
Courier details	The Agent is to immediately arrange for the return of the equipment item by calling Toll Ipec ☎ 13 18 85. Quote account number **XV1437**. The cost of the courier will be charged to the Department of Transport. Courier to Department of Transport B.I.S Level 3, 2 Tassels Place. Innaloo WA 6018.	
Repair and/or Replacement	The Department of Transport will organise the repair and/or replacement of the equipment item.	
Return Courier	B.I.S will arrange for the equipment item to be returned by courier to the Agent's Site.	
Follow Up	If the Agent's Personnel require any follow-up assistance, Transport's Customer Service Phone-Support can be contacted for further instruction. Please quote the job/incident number.	
Escalation	If the Agent experiences any delay or has any unresolved issues, an email should be sent to phonesupport@transport.wa.gov.au with all details, including the job/incident number. Attention to: Customer Service Phone Support Manager.	

SCHEDULE 8: PAYMENT CARD INDUSTRY DATA SECURITY STANDARD (PCI DSS)

OVERVIEW -The Payment Card Industry Data Security Standard (PCI DSS) was developed to encourage and enhance cardholder data security and facilitate the broad adoption of consistent data security measures globally. PCI DSS provides a baseline of technical and operational requirements designed to protect account data. PCI DSS applies to *all* entities involved in payment card processing—including merchants, processors, acquirers, issuers, and service providers. PCI DSS also applies to *all* other entities that store, process or transmit cardholder data (CHD) and/or sensitive authentication data (SAD). More detailed information is available at the Payment Card Industry Security Standards Council's website at: https://www.pcisecuritystandards.org/merchants/index.php

PCI DSS Objectives and Requirements

Objective	Requirement No.	Requirements
Build and Maintain a Secure Network and Systems	1	Install and maintain a firewall configuration to protect cardholder data
	2	Do not use vendor-supplied defaults for system passwords and other security parameters
Protect Cardholder Data	3	Protect stored cardholder data
	4	Encrypt transmission of cardholder data across open, public networks
Maintain a Vulnerability Management Program	5	Protect all systems against malware and regularly update anti-virus software or programs
	6	Develop and maintain secure systems and applications
Implement Strong Access Control Measures	7	Restrict access to cardholder data by business need to know
	8	Identify and authenticate access to system components
	9	Restrict physical access to cardholder data
Regularly Monitor and Test Networks	10	Track and monitor all access to network resources and cardholder data
	11	Regularly test security systems and processes
Maintain an Information Security Policy	12	Maintain a policy that addresses information security for all personnel

SCHEDULE 9: AGREEMENT TERM AND CONTACT DETAILS

Item No	Item Description	Details
1	Agreement Term	The appointment of the Agent by the CEO is for an initial term expiring 31 December 2020.
2	Commencement Date	The Commencement Date is the date the Agreement is made.
3	MAXIMUM TERM	The appointment of the Agent by the CEO will expire on 31 December 2020.

SCHEDULE 10: PERFORMANCE MEASURES

No.		Qualitative Matrix
1	Daily Audit	A report of transactions conducted by the Agent is forwarded daily to the allocated Transport Services Centre (TSC) office for audit. All documentation supporting each transaction processed must be forwarded by the Agent to the TSC within 2 business days of processing to assist with the audit process. The TSC will audit all the licensing transactions and notify the Agent in writing of the errors. The allocated site for the Agent is Albany
2	Identified errors	Errors identified through an audit are corrected and returned to Albany within seven (7) Business Days.
3	Recurrent or significant errors	In instances where there are recurring errors or where an error requires significant rework, the Principal may issue a notice seeking an explanation from the Agent including advice on how the Agent will prevent future instances, or may request the Agent to implement processes intended to eliminate the incidence of errors. The Agent is to respond within seven (7) business days of this notice.
4	Zero breach of TRELIS data security.	Suspected breaches of TRELIS data security, within two (2) Business Days of the identification of the suspected breach, are to be communicated in writing to the: 1. SAA@transport.wa.gov.au; or 2. Manager Statutory Agency Agreements Department of Transport GPO R1290 Perth WA 6844
5	Written customer complaints	Customer complaints are discussed with the Manager Statutory Agency Agreements and responded to in writing within 14 Business Days. Proposed strategies for service improvement are discussed with the Manager Statutory Agency Agreements and implemented within a mutually agreed timeframe. Should any strategies or timeframes not be agreed on, the Agent may escalate to the Assistant Director Commercial Management.
6	Compliance Escalation	The Agent must address initial concerns with compliance

		requirements to the Manager Statutory Agency Agreements. The escalation process for any Agreement compliance requirements, are to be issued in writing, as follows: 1. Manager Statutory Agency Agreements 2. Assistant Director Commercial Management 3. Director Commercial & Partnerships The Director Commercial & Partnerships is the final escalation level.

SCHEDULE 11: NOTICE OF VARIATION TO SCHEDULE FORM

NOTICE OF VARIATION TO SCHEDULE

Agreement No.:

Title:

Schedule:

Agent:

Variation No.: _____ Variation Date: _____

Date of Variation Effect: _____

VARIATION TO SCHEDULE:

The Principal, pursuant to Clause 19.2(c) of the Agreement, hereby provides the Agent notice of the following variation(s) in relation to the above Schedule:

Except as expressly varied, the terms and conditions of the Agreement, remain unaltered and in full force and effect.

_____

<Name and Title of authorised officer in DVS>

<Date>

10. CONFIDENTIAL MATTERS:

10.1.1	Outstanding Rates – A197 Williams Location 2269 Daylesford Road, Popanyinning

OFFICER'S RECOMMENDATION:

That Council:

1. make a without prejudice offer to the owners of Rates Assessment A197 that Council will support the setting aside the judgment by consent with the payment of:

a. the 2017/18 Rates incurred on Rates Assessment A197 of $900 in full; and

b. the 2017/18 Emergency Services Levy incurred on Rates Assessment A197 of $75; and

c. 50% of the outstanding penalty interest and legal charges on Rates Assessment A197 of $2,647.38; and

2. delegate authority to the Chief Executive Officer to negotiate the without prejudice offer to a conclusion; and

3. delegate authority to the Chief Executive Officer to write off outstanding amounts of penalty interest and legal costs accrued against Rates Assessment A197 that remain after a settlement of the claim is reached.

11. ELECTED MEMBERS' MOTION OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN:

Nil.

12. URGENT BUSINESS WITHOUT NOTICE WITH THE APPROVAL OF THE PRESIDENT OR MEETING:

Nil at this time.

13. NEXT MEETING

Ordinary Council Meeting, 2.00pm, Thursday 15th March 2018 at the Shire of Cuballing Council Chambers, Campbell Street, Cuballing.

14. CLOSURE OF MEETING: