

AGENDA

ORDINARY COUNCIL MEETING

An Ordinary Meeting of the Shire of Halls Creek will be held at **4.30pm on Thursday 27th March 2025** in the Council Chambers, 7 Thomas Street Halls Creek.

A handwritten signature in cursive script that reads 'Susan Leonard'.

Susan Leonard
Chief Executive Officer
21 March 2025

7 Thomas Street, Halls Creek PO Box 21, Halls Creek WA 6770

P (08) 9168 6007 F (08) 9168 6235

E hcshire@hcshire.wa.gov.au

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Notes for Members of the Public

PUBLIC QUESTION TIME

The Shire welcomes your questions and will continue to set aside a period of 'Public Question Time' to enable a member of the public to put questions to the Council. Questions should only relate to the business of the Shire and should not be a statement or personal opinion. Upon receipt of a question from a member of the public, the Presiding Member may either answer the question or direct it to an officer to answer, or it will be taken on notice.

Any comments made by a member of the public become a matter of public record as they are minuted by Council. Members of the public are advised that they are deemed to be held personally responsible and legally liable for any comments made by them that might be construed as defamatory or otherwise considered offensive by any other party.

PRESENTING TO COUNCIL

Organisation and members of the public have the opportunity to present to Council at the Ordinary Council Meeting, however an application form must be completed, and the presentation must comply within the Shire Presentation guidelines. Application form and guidelines are available on the Shire website.

2025 COUNCIL MEETING DATES

The following Council Meeting dates and times have been resolved by Council.

27 March 2025	Council Chamber, Halls Creek	4.30pm
24 April 2025	Council Chamber, Halls Creek	4.30pm
29 May 2025	Balgo*	11.00am
26 June 2025	Council Chamber, Halls Creek	4.30pm
31 July 2025	Council Chamber, Halls Creek	4.30pm
28 August 2025	Council Chamber, Halls Creek	4.30pm
25 September 2025	Warmun*	11.00am
30 October 2025	Council Chamber, Halls Creek	4.30pm
27 November 2025	Council Chamber, Halls Creek	4.30pm
18 December 2025	Council Chamber, Halls Creek	4.30pm

Notes for Elected Members

DECLARATIONS OF INTEREST

Section 5.65 and 5.70 of the *Local Government Act 1995* requires an Elected Member or Officer who has an interest in any matter to be discussed at a Committee/Council Meeting that will be attended by the Elected Member or officer must disclose the nature of the interest in a written notice given to the Chief Executive Officer before the meeting; or at the meeting before the matter is discussed.

An Elected Member who makes a disclosure under section 5.65 or 5.70 must not preside at the part of the meeting relating to the matter; or participate in; or be present during, any discussion or decision-making procedure relating to the matter, unless allowed by the Committee/Council. If Committee/Council allow an Elected Member to speak, the extent of the interest must also be stated.

DISCLAIMER

The purpose of Council Meetings is to discuss, and where possible, make resolutions about items appearing on the agenda. Whilst Council has the power to resolve such items and may in fact, appear to have done so at the meeting, no person should rely on or act on the basis of such decision or on any advice or information provided by a Member or Officer, or on the content of any discussion occurring, during the course of the meeting.

Persons should be aware that the provisions of the *Local Government Act 1995* (Section 5.25 (e)) establish procedures for revocation or rescission of a Council decision. No person should rely on the decisions made by Council until formal advice of the Council decision is received by that person. The Shire of Halls Creek expressly disclaims liability for any loss or damage suffered by any person as a result of relying on or acting on the basis of any resolution of Council, or any advice or information provided by a member or Officer, or the content of any discussion occurring, during the course of the Council meeting.

RECORDING OF COUNCIL MINUTES

The Local Government Regulations Amendment Regulations (No. 3) was published on 18 October 2023. Section 58 of the Amendment Act was commenced on 19 October 2023, as part of the *Local Government Amendment Act 2023 Commencement Proclamation (No. 3) 2023*.

Effective as of 27 February 2025, the Shire of Halls Creek council meetings will be video and audio recorded. As noted in Section 58 of the *Local Government Amendment Act 2023* (the Amendment Act) inserts a new section 5.23A into the *Local Government Act 1995* (the Act) covering electronic broadcasting (livestreaming) and video and audio recording of council meetings. The Shire of Halls Creek is a band 3 local government and must make and retain audio recordings of council meetings, at a minimum.

This practice is being implemented to align with the Western Australian (WA) local government requirements for good governance, ensuring transparency and accountability in all council proceedings. The video and audio recordings will serve as an official record of discussions, decisions, and actions undertaken during these meetings, accessible as mandated by relevant legislation and council policy. This initiative underscores the Council's commitment to open government and responsible stewardship of public resources.

TRANSITION TO PAPERLESS COUNCIL

Effective 1 June 2025, the Council will transition entirely to electronic report distribution for all Council meetings. This decision comes after careful consideration of the significant cost savings and reduced staff time associated with eliminating paper-based reports and hand delivery. As Council members are already provided with an allowance to acquire technology necessary for fulfilling their roles, each Councillor will be responsible for ensuring they possess a suitable device to access and review these electronic documents. This move supports responsible resource management while leveraging technology to enhance efficiency and accessibility.

APPLICATION FOR LEAVE OF ABSENCE

In accordance with Section 2.25 of the *Local Government Act 1995*, an application for leave requires a Council resolution granting leave requested. Council may grant approval for Leave of Absence for an Elected Member for ordinary Council meetings for up to but not more than six consecutive meetings. The approval of the Minister is required for leave of absence greater than six ordinary Council meetings.

This approval must be by Council resolution and differs from the situation where an Elected Member records their apologies for the meeting. A failure to observe the requirements of the Act that relates to absence from meetings can lead to an Elected Member being disqualified should they be absent without leave for three consecutive meetings.

**TABLE OF CONTENTS
ORDINARY MEETING OF COUNCIL
THURSDAY 27 MARCH 2025**

Agenda Forum

To be held at the conclusion of the Concept Forum commencing at 3.00pm. The Agenda Forum provides an opportunity for Elected Members to ask questions and seek additional information to that provided within the Council reports listed on the agenda.

1.	DECLARATION OF OPENING / ANNOUNCEMENT OF VISITORS	8
2.	RECORD OF ATTENDANCE/LEAVE OF ABSENCE (PREVIOUSLY APPROVED) /APOLOGIES/ LATE ARRIVALS / DISCLOSURE OF INTEREST	8
3.	RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE	9
4.	PUBLIC QUESTION TIME	9
5.	APPLICATIONS FOR LEAVE OF ABSENCE	9
6.	PETITIONS/DEPUTATIONS/PRESENTATIONS	9
7.	CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS	9
8.	ANNOUNCEMENTS BY PRESIDING MEMBER WITHOUT DISCUSSION	9
9.	REPORTS OF OFFICERS AND COMMITTEES	
	9.1 Office of the Chief Executive Officer	
	Nil.	10
	9.2 Health and Regulatory Services	
	9.2.1 Proposed Planning Policies	10
	9.3 Infrastructure Services	
	Nil.	75
	9.4 Corporate Services	
	9.4.1 Payments by Employees via Purchasing Cards 25 January 2025 to 25 February 2025	75
	9.4.2 Accounts Paid by Authority (Summary) – February 2025	80
	9.4.3 Monthly Financial Report for period ending 28 February 2025	85
	9.4.4 Adoption – 2024 Compliance Audit Return	110
	9.4.5 Adoption – Finance Improvement Plan Update March 2024	137
	9.4.6 2024/2025 Budget Review	207
10.	MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN	221
11.	NEW DECISIONS OF AN URGENT NATURE INTRODUCED BY DECISION OF THE MEETING	
12.	MATTERS BEHIND CLOSED DOORS	221
	12.1.1 CEO Authorisation and Reporting to Council – February 2025	221
	12.1.2 RFT 2024-13-EMIS - Provision of Cleaning Services for Shire Buildings and Facilities	221

12.1.3	Plant and Operators Tender	221
12.1.4	RFT Place Making Plan	221
13.	CLOSURE OF MEETING	222

ATTACHMENTS

Attachment No	Description	Page No
	Minutes Ordinary Council Meeting 27 February 2025	<i>Circulated under separate cover</i>
9.2.1A	Draft Local Planning Policies Engagement Report – Urbis Pty Ltd	15
9.2.1B	Department of Planning, Lands and Heritage Submission	20
9.2.1C	Draft Local Planning Policies	22
9.4.1A	Schedule of Payments by Employees via Purchasing Cards – 25 January – 25 February 2025	78
9.4.2A	Schedule of Payments – February 2025	83
9.4.3A	Monthly Financial Reports – 28 February 2025	89
9.4.4A	Extract Minutes Audit and Risk Committee Meeting held 2025.03.17 (CAR)	114
9.4.4B	2024 Compliance Audit Return (CAR)	118
9.4.4C	2024 CAR Summary of Matters Noted and Improvements	131
9.4.5A	Extract Minutes Audit and Risk Committee Meeting held 2025.03.17 (Improvement Plan)	137
9.4.5B	Finance Improvement Plan Update March 2025	141
9.4.6A	2024/2025 Budget Review Statement of Financial Activity, notes on Closing Funds, and Budget Amendments	212

ORDINARY MEETING OF COUNCIL

AGENDA

1. DECLARATION OF OPENING / ANNOUNCEMENT OF VISITORS

The meeting was opened at _____ by President Malcolm Edwards.

DISCLAIMER

No responsibility whatsoever is implied or accepted by the Shire of Halls Creek for any act, omission or statement or intimation occurring during this meeting.

It is strongly advised that persons do not act on what is heard at this meeting and should only rely on written confirmation of Council's decision, which will be provided within the minutes of this meeting.

2. RECORD OF ATTENDANCE/ LEAVE OF ABSENCE (PREVIOUSLY APPROVED)/ APOLOGIES/ LATE ARRIVALS

2.1 Attendance

President	Cr Malcolm Edwards
Deputy President	Cr Patricia McKay
Councillor	Cr Bonnie Edwards
	Cr Chris Loessl
	Cr Rosemary Stretch
	Cr Raymond Simpson
	Cr Virginia O'Neil

Chief Executive Officer	Susan Leonard
Director Health & Regulatory Services	Musa Mono
Director Youth & Community Development	Margaret Glass
Executive Manager Infrastructure Services	Les Vidovich
Acting Executive Manager Finance	Jennine Ashby
Executive Assistant (Online)	Dianne Hayes

Moore Australia Consultants	Russell Moore
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2.2 Leave of Absence (previously approved)

Nil.

2.3 Apologies

Nil.

2.4 Late Arrivals

2.5 Approval to Attend Council Meeting Online

2.6 Declaration of Interests

Councillor/Staff Member	Item No.	Interest	Comments
Nil			

3. RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE

Nil.

4. PUBLIC QUESTION TIME

Nil.

5. APPLICATIONS FOR LEAVE OF ABSENCE

Nil.

6. PETITIONS / DEPUTATIONS / PRESENTATIONS

Nil.

APPROVAL TO ATTEND COUNCIL MEETING ONLINE

7. CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS

Ordinary Council Meeting held 27 February 2025

That Council confirms the minutes of the Ordinary Council Meeting held 27 February 2025 as a true and accurate record.

Note: The minutes of the Council meeting listed above are provided under separate cover via www.hallscreek.wa.gov.au

8. ANNOUNCEMENTS BY PRESIDING MEMBER WITHOUT DISCUSSION

There were no items for this section at the time of preparing the agenda.

9.1 OFFICE OF THE CEO

Nil.

9.2 DIRECTOR HEALTH AND REGULATORY SERVICES

9.2.1 Adoption - Proposed Local Planning Policies

ITEM NUMBER:	9.2.1
REPORTING OFFICER:	Musa Mono, Director Health & Regulatory Services
SENIOR OFFICER	Susan Leonard, Chief Executive Officer
MEETING DATE:	27 March 2025
DISCLOSURE OF INTEREST:	Nil

1.0 Matter for Consideration

1.1 Council to consider adopting the following Draft Local Planning Policies after advertising;

1. Residential Development Policies
 - 1.1 Home Business/Home Occupations
 - 1.2 Short Term Accommodation
 - 1.3 Variations to the R-Codes
 - 1.4 Transportable, Repurposed and Second-hand Dwellings, including containers.
2. Mixed Use, Commercial and Industrial Development
 - 2.1 Building and Development Standards for Commercial Development
3. Transport and Infrastructure
 - 3.1 Stormwater Management
 - 3.2 Telecommunications infrastructure
 - 3.3 Crossovers
4. Planning Procedures
 - 4.1 Consultation requirements
 - 4.2 Cash-in-Lieu (Parking)
 - 4.3 Uniform and secure fencing
 - 4.4 Signage

2.0 Background

2.1 In the September 2024 Ordinary Council Meeting, Council carried Resolution 2024/232 approving a suite of 12 draft local planning policies for public consultation.

2.2 The draft local planning policies were advertised for public comment from 4 November 2024 to 7 February 2025, a total period of 3 months, on the Shire website, Shire notice board and on social media. The comment period exceeded the required 42 days to accommodate the Christmas and New Year holiday period. The planning consultants, Urbis were available in Halls Creek on 19 and 20 November 2024 for public consultation sessions with the

business community and members of the public, see Appendix 1 for the report.

3.0 Comments

3.1 A summary of key submissions and administrative comments is provided below, with the detailed comments in the consultant's report, Appendix 9.2.1A.

Recommendation	Administration Comments
<p>Home Based Businesses</p> <ul style="list-style-type: none"> ▪ Ensure objectives support and positively enforce home businesses. ▪ Provide exemptions for certain home businesses where feasible. ▪ Clarify application procedures and provide clear guidelines. ▪ Consider revising restrictions in GROH to support entrepreneurial activities. 	<p>The policy explains the process to be followed to set up a home-based business without compromising the amenity of the area. Processing of applications is in accordance with the planning and development regulations and the Local Planning Scheme. Allowing home-based businesses in GROH and social housing is a matter for the Department of Communities.</p>
<p>Stormwater Management</p> <ul style="list-style-type: none"> ▪ Develop alternative approaches for stormwater retention in challenging sites. ▪ Ensure long-term viability in flood-prone areas. ▪ Recognise in policy objectives that onsite retention may not always be practical. ▪ Allow discretionary approaches for stormwater management in applications. 	<p>Paragraph 5.5.2 recognises that stormwater retention on site may not be possible on smaller lots. The draft policy allows for alternative storm water management option.</p>
<p>Crossovers (Commercial and Industrial)</p> <ul style="list-style-type: none"> ▪ Develop standardised approaches for crossover designs. ▪ Establish a reporting process to ensure compliance with policy protocols. ▪ Address retrospective approvals for major businesses creating large crossovers (include a minimum size crossover restriction for this) <p>Short-Term Accommodation</p> <ul style="list-style-type: none"> ▪ Enhance policies to better address short-term housing needs, particularly in town-based reserves. ▪ Streamline approval processes for urgent projects. ▪ Emphasise reducing the need for planning and building approvals for urgent projects. 	<p>The policy standardises approaches to crossover designs and construction, with a possibility of a 50% rebate for the standard crossover. Retrospective approvals are covered by the planning and development regulations.</p> <p>Provides guidance for short-term and transient worker accommodation. Planning approvals are required to ensure the amenity and unauthorised use of short-term and transient worker accommodation.</p>
<p>Consultation Requirements Policy</p> <ul style="list-style-type: none"> ▪ Strengthen co-design mechanisms in consultation processes. ▪ Foster better co-design efforts to align Aboriginal community needs with shire priorities. ▪ Address gaps in forward planning, particularly in funding mechanisms. 	<p>The scope of the draft policy is limited to consultation procedures related to planning development applications. Other forms of public consultation, eg forward planning (Strategic Community Plans etc) are covered in the local government act.</p>

<ul style="list-style-type: none"> ▪ Make reference in policy to forward planning in funding mechanisms to reduce reliance on reactive policies or election-cycle infrastructure promises. 	
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3.2 Department of Planning, Lands and Heritage Submission

The Department of Planning, Lands and Heritage (Department) submission, received by email dated 27 November 2024, advised that the Department's Planning Manual currently undergoing consultation highlights that local planning policies are given 'due regard' in decision making but have no statutory effect. Decision makers are therefore not legally bound by the local planning policies. The use of mandatory or prohibitive terms such as 'shall', 'must' and 'not permitted' within policies should be avoided. See Appendix 9.2.1B.

The language in all of the policies was adjusted to be more flexible and to better align with the new WA Planning Manual.

Additionally, as mentioned in the email from the Department, Local Planning Policy 1.3-Variations to R Codes, will need Western Australia Planning Commission approval.

4.0 Statutory Environment

4.1 *Planning and Development (Local Planning Schemes) Regulations 2015*

The planning policies have been prepared and processed in accordance with Clause 4, Schedule 2-Deemed Provisions, of the *Planning and Development (Local Planning Schemes) Regulations 2015*.

Council must:

- a) Formally consider the submissions received; and
- b) Resolve to either:
 - i) Proceed with the policy without modification.
 - ii) Proceed with the policy with modification; or
 - iii) Not to proceed with the policy."

Officers recommend that Council proceeds with the Local Planning Policies with modifications, in accordance with Clause 4(3)(b)(ii) of the Deemed Provisions of the Regulations.

5.0 Strategic Implications

5.1 Objective:

4. Civic: Working together to strengthen leadership and effective governance.

5.2 Outcome:

Civic - 4.9 Capacity for effective governance is established, maintained and enhanced

5.3 Strategy:

Civic - 4.1.2 Consistent and impartial application of Council policies and provision of services

6.0 Policy Implications

6.1 The recommendation establishes 12 local planning policies that will guide developers before they submit development applications and administration during the assessment of the applications.

7.0 Financial Implications - Nil

8.0 Sustainability Implications

8.1 Environmental
There are no significant identifiable environmental impacts arising from adoption of the Officer's recommendation.

8.2 Economic
There are no significant identifiable economic impacts arising from adoption of the Officer's recommendation.

8.3 Social
There are no significant identifiable social impacts arising from adoption of the Officer's recommendation.

8.4 Risk

Event Likelihood / Impact Matrix			
Likelihood (refer Potential Risk Likelihood Guide)	Impact (refer Potential Risk Impact Guide) 1 Inconsistencies between the local planning policy and the local planning scheme.		
	Minor	Medium	High
Low (unlikely)	1	(2)	3
Moderate (likely)	2	4	6
High (very likely)	3	6	9

Risk	
Low Risk	
a risk / activity with a score of 2 or less	manage by routine procedures
Moderate Risk	
a risk / activity with a score between 3 or 4 more is moderate risk	N/A
High Risk	
a risk activity with a score of 6 or more is a high risk	Choose an item.
Risk Control Measure	Where there is inconsistency between the LPP and the LPS, the LPS prevails.

9.0 Officer Recommendation

That:

- 1. Pursuant to Clause 4(3)(b)(i) of Schedule 2-Deemed Provisions, Planning and Development (Local Planning Schemes) Regulations 2015, Council proceeds and adopts the following Local Planning Policies, in Appendix 3 of this report:**
 - 1. Residential Development Policies**
 - 1.1 Home Business/Home Occupations**
 - 1.2 Short Term Accommodation**
 - 1.3 Variations to the R-Codes**
 - 1.4 Transportable, Repurposed and Second-hand Dwellings, including containers.**
 - 2. Mixed Use, Commercial and Industrial Development**
 - 2.2 Building and Development Standards for Commercial Development**
 - 3. Transport and Infrastructure**
 - 3.1 Stormwater Management**
 - 3.2 Telecommunications infrastructure**
 - 3.3 Crossovers**
 - 4. Planning Procedures**
 - 4.1 Consultation requirements**
 - 4.2 Cash-in-Lieu (Parking)**
 - 4.3 Uniform and secure fencing**
 - 4.4 Signage**
- 2. Pursuant to Clause 4(4) of Schedule 2-Deemed Provisions, Planning and Development (Local Planning Schemes) Regulations 2015, Council publishes a notice of adoption of the local planning policies in a local newspaper and forwards a copy of the policies to the Department of Planning, Lands and Heritage;**
- 3. Notes the submissions received as summarised in Appendix 9.2.1A; and**
- 4. Endorses Administration's responses to these submissions, and advises submitters of its decision.**

VOTING REQUIREMENT: Simple Majority

Appendix:

- 9.2.1A - Draft Local Planning Policies Engagement Report – Urbis Pty Ltd
- 9.2.1B - Department of Planning, Lands and Heritage Submission
- 9.2.1C - Draft Local Planning Policies

MEMORANDUM

To: Shire of Halls Creek
From: Urbis
Date: 26 November 2024
Subject: Shire of Halls Creek Draft Local Planning Policies Engagement

This memorandum has been prepared by Urbis on behalf of the Shire of Halls Creek to provide a summary of the engagement activities conducted to inform the refinement of the Shire's draft suite of Local Planning Policies.

OVERVIEW OF THE PROJECT

The Local Planning Policies are essential frameworks guiding the assessment of development applications, providing appropriate development controls, and applying discretion. These policies were prepared in accordance with the Deemed Provisions within the Planning and Development (Local Planning Schemes) Regulations 2015.

The community engagement session held on the 19th of November at the Halls Creek Civic Centre focused on the following LPP's:

- Home Business/Home Occupations
- Short Term Accommodation
- Variations to R-Codes
- Transportable, Repurposed and Second-hand Dwellings, including sea containers
- Crossovers
- Consultation Requirements
- Uniform & Secure Fencing

ENGAGEMENT SCOPE AND OBJECTIVES

The engagement goal for the community workshop was to inform stakeholders and the community about the local planning policies and their role within the Shire's Local Planning Scheme. The specific objectives were to:

- Provide information to help stakeholders and the community understand the draft local planning policies.
- Assist stakeholders and the community in making informed submissions during the public advertising period.

To achieve these objectives, the engagement approach involved:

- Providing consistent, relevant, jargon-free, and up-to-date information on the policies, impacts, benefits, and the planning process through accessible and open lines of communication.
- Responding appropriately and in a timely manner to questions and requests for information from the community and stakeholders.

THE ENGAGEMENT PROCESS

Urbis Engagement for the draft Local Planning Policy community workshop focused on consultation with the community members likely to be affected by the policies, including local business owners, local Aboriginal Corporation leaders, community members, Shire employees, and other State Government agency representatives.

PUBLIC ADVERTISING

Prior to the engagement session, the Shire publicised the suite of draft Local Planning Policies on their website and sought RSVPs to the community workshop via Facebook, email, and community notices. The Shire received five RSVPs for the workshop, including four local community members and one representative from the East Kimberley Chamber of Commerce and Industry.

COMMUNITY INFORMATION DROP-IN WORKSHOP

A community information 'drop-in' workshop was held on Tuesday, 19th November 2024, at the Shire of Halls Creek Civic Hall. The session was advertised via Facebook, email, and community notices. Copies of the draft policies were available for the community to view and discuss. The session included an overview of the draft Local Planning Policies (LPPs) related to community, culture, heritage, and the built environment.

Three project team members attended the session, including two Urbis Planning representatives and the Director of Health and Regulatory Services of the Shire. One attendee from the Department of Communities (WA Government) was present. Community members who RSVP'd but did not attend were emailed to ensure they had an opportunity to provide feedback.

WHAT WE HEARD

Urbis Engagement identified several key themes that emerged throughout the engagement process, encompassing both positive feedback and concerns:

- Recognition of Key Social Challenges: Acknowledgment of significant social issues, setting the stage for developing local planning policies to address these challenges.
- Community Instability: Social conditions driving people away, contributing to instability within the community.
- Short-Term Accommodation Issues: Poor conditions and insufficient places for government employees, exacerbated by alcohol-related issues leading to anti-social behaviour.
- General Dissatisfaction: Widespread frustration and dissatisfaction regarding unresolved social challenges.

- Safety Concerns: Calls for more rigorous requirements to ensure community safety.

DETAILED FEEDBACK AND SUGGESTIONS

The following section summarises the feedback provided by the attendees and Shire staff on the proposed draft policies discussed during the workshop.

Whether the Shire chooses to adopt the policies in their current format or update them with the approved recommendations is at the discretion of the Shire.

Home-Based Businesses:

- **Positive Feedback:** Support for home business ownership through clear policies and application procedures, consideration of utility subsidies, property owner consent, recommendations to adapt objectives for health and planning benefits, and potential exemptions for certain types of home businesses.
- **Concerns:** Restrictions on home-based businesses in Government Regional Officer Housing (GROH) limit entrepreneurial opportunities, ambiguity around application procedures, utility subsidies and property owner consent create potential barriers, and limited rental availability reduces opportunities for home business expansion.

Stormwater Management:

- **Positive Feedback:** Exploration of innovative solutions for stormwater retention, flexibility in policies to address site-specific constraints, and discretionary approaches for stormwater management.
- **Concerns:** Challenges in retaining stormwater due to site constraints such as size, orientation, and topography, concerns about the viability of long-term solutions in flood-prone areas, and onsite retention often impractical, requiring alternative approaches.

Crossovers (Commercial and Industrial):

- **Positive Feedback:** Development of standardised designs for crossovers, establishment of clear reporting processes to ensure compliance, and addressing retrospective approvals for larger crossover developments.
- **Concerns:** Inconsistencies in design standards for GROH and public housing crossovers, lack of adherence to uniform design protocols by locals constructing crossovers, and retrospective approvals required for major businesses, creating compliance and enforcement challenges.

Short-Term Accommodation:

- **Positive Feedback:** Emphasis on a need-based approach to short-term housing policies, exploration of exemptions for public works to streamline urgent projects, and reinforcement of the importance of addressing housing needs in town-based reserves.
- **Concerns:** Limited alternative options for addressing short-term housing needs, policies do not sufficiently address short-term accommodation requirements in town-based reserves, and resistance to introducing planning and building approvals for urgent projects.

Consultation Requirements Policy:

- **Positive Feedback:** Improved stakeholder engagement through strengthened co-design mechanisms between Aboriginal communities and local authorities, and better forward planning to address funding gaps and reduce reliance on short-term solutions.
- **Concerns:** Instances of ineffective consultation between the Department of Communities (DoC) and local shires, lack of co-design practices between Aboriginal communities and local authorities, resistance from shires to single-dwelling zoning or projects without proper engagement, and forward planning gaps, with reliance on election promises or ad hoc funding solutions.

RECOMMENDATIONS

The following changes are recommended to the suite of draft policies.

Home-Based Businesses:

- Ensure objectives support and positively enforce home businesses.
- Provide exemptions for certain home businesses where feasible.
- Clarify application procedures and provide clear guidelines.
- Consider revising restrictions in GROH to support entrepreneurial activities.

Stormwater Management:

- Develop alternative approaches for stormwater retention in challenging sites.
- Ensure long-term viability in flood-prone areas.
- Recognise in policy objectives that onsite retention may not always be practical.
- Allow discretionary approaches for stormwater management in applications.

Crossovers (Commercial and Industrial):

- Develop standardised approaches for crossover designs.
- Establish a reporting process to ensure compliance with policy protocols.
- Address retrospective approvals for major businesses creating large crossovers (include a minimum size crossover restriction for this)

Short-Term Accommodation:

- Enhance policies to better address short-term housing needs, particularly in town-based reserves.
- Streamline approval processes for urgent projects.
- Emphasise reducing the need for planning and building approvals for urgent projects.

Consultation Requirements Policy:

- Strengthen co-design mechanisms in consultation processes.
- Foster better co-design efforts to align Aboriginal community needs with shire priorities.
- Address gaps in forward planning, particularly in funding mechanisms.
- Make reference in policy to forward planning in funding mechanisms to reduce reliance on reactive policies or election-cycle infrastructure promises.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'Peter Fitzgerald', written in a cursive style.

Peter Fitzgerald
Director
+61 8 9346 0521
pfitzgerald@urbis.com.au

From: Jane Stockley <Jane.Stockley@dplh.wa.gov.au>
Sent: Wednesday, 27 November 2024 10:26 AM
To: Sophie Mumford <smumford@urbis.com.au>
Subject: RE: Shire of Halls Creek Draft Local Planning Policies - Summary of Engagement Outcomes

CAUTION: This email originated from outside Urbis group. Don't click on links or attachments unless you trust the sender.

OFFICIAL

Hi Sophie,

Sorry we didn't get back to you sooner regarding some feedback for the draft policies.

There are new guidelines currently out for comment – The WA planning Manual which helps guide local planning policies being prepared in a standard manner and form, please see link below.

<https://haveyoursay.dplh.wa.gov.au/localplanningpolicies>

The draft document highlights that a local planning policy is a planning instrument that is required to be given 'due regard' in decision-making, unlike a local planning scheme which has statutory effect. Because decision-makers are not legally bound by a local planning policy, the document makes it clear that the use of mandatory or prohibitive language such as 'shall', 'must' and 'not permitted' within a policy should be avoided.

I have noticed in the Shire of Halls Creek policy suite of documents that these terms have been used. I would consider re-wording these sections.

I also note the Regulations (Schedule 2, cl.4(3A)) specify that the WAPC needs to approve local planning policy provisions that propose modifications to certain provisions of the R-Codes as outlined under clauses 3.2.3 and 1.2 of the R-Codes Volume 1 and 2 respectively, before the local government can resolve to proceed with adopting the policy.

If there are any proposed modifications to the R-codes with the policy suite, approval will be required from the WAPC. I have done a brief review and can't see any, but I will be undertaking a more detailed review to see if there are any modifications.

Thank you

Kind Regards

Jane Stockley
Senior Planning Officer | Land Use Planning
Department of Planning, Lands and Heritage
140 William Street, Perth WA 6000
W: wa.gov.au/dplh | P: 6551 9637



The Department of Planning, Lands and Heritage acknowledges Aboriginal people as the traditional custodians of the land. We pay our respects to the Ancestors and Elders, both past and present, and the ongoing connection between them and the community. We acknowledge those who continue to share knowledge, their traditions and culture to support reconciliation. In particular, we recognise land and cultural heritage as places that hold great significance. Learn more about our [Reconciliation Action Plan](#).

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Shire of Halls Creek Local Planning Policy 1.1

Home-based Businesses

Policy Group	Residential Development
Policy Number	1.1
Policy Name	Home-based Businesses

1. Citation

This is a Local Planning Policy prepared under Schedule 2 of the Planning and Development (Local Planning Schemes) Regulations 2015. This Policy may be cited as Local Planning Policy 1.1 Home-Based Businesses

2. Introduction

- The purpose of this policy is to provide guidance on and establish a consistent approach to the assessment of proposed home-based business developments throughout the Shire.
- This Policy establishes the Shire's position in relation to the use of homes for a range of business or commercial purposes, ancillary to the main use of those dwellings as a residence.
- This Policy also details the Shire's approach to the assessment of development applications and the operation of home-based business activities in association with a primary residential use in accordance with Policy objectives.

3. Objectives

The objectives of this policy are to:

- To define different types and scale of home-based businesses (commonly referred to as "home occupations")
- To ensure that home-based businesses do not compromise the amenity of the area.
- To ensure that home-based businesses remain an ancillary use to the main dwelling or the principal land use on the property.

4. Policy Application

For the purposes of this Local Planning Policy, the term 'home-based business' refers to the following use classes, as defined in the Shire of Halls Creek Local Planning Scheme No.2

- Home Business;
- Home Occupation;
- Home Office;
- Home Store;
- Rural Home Business; and
- Family Day Care



Shire of Halls Creek Local Planning Policy 1.1

Home-based Businesses

This Policy applies to all zoned land under the Shire of Halls Creek Local Planning Scheme No.2 where a dwelling may be lawfully located.

5. Development Approval

Development approval for a home-based business may be granted, provided that the specific land use class is not identified as an 'X' use (not permitted) under the Shire of Halls Creek Local Planning Scheme No.2 – Part 3.

In addition to any requirement under the Shire of Halls Creek Local Planning Scheme No.2, approval for home-based businesses is required where:

- (a) the land is identified as a Heritage Place or Aboriginal Cultural Heritage Protected Place; or
- (b) the land is in a Bushfire Prone Area, where the provisions of Deemed Provisions clause 78D(3) would apply.

6. Policy Statement

6.1 Acceptable Development Provisions

Development approval is not required for a "Home Office" or a "Home Occupation" where the use is listed as a "P" use in the Table 3 of the Shire of Halls Creek Local Planning Scheme No.2 and no works are proposed as per Regulation 61(2)(b) and 61(2)(d) of the Planning and Development (Local Planning Schemes) Regulations 2015.

7. Consultation

Applications which require planning approval may be subject to advertising pursuant to the Shire of Halls Creek Local Planning Scheme No. 2 and the Shire's Local Planning Policy 4.1 – Consulting Requirements (LPP4.1).

8. Definitions

The land use definitions referenced in this Local Planning Policy are given below.

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) may 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) may not occupy an area greater than 50 m²; and
- (d) may 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) may not result in traffic difficulties as a result of the inadequacy of parking or an increase in traffic volumes in the neighbourhood; and
- (f) may not involve the presence, use or calling of a vehicle more than 4.5 tonnes tare weight; and



Shire of Halls Creek Local Planning Policy 1.1

Home-based Businesses

- (g) may 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) may not involve employing a person who is not a member of the occupier's household;
- (b) will not cause injury to or adversely affect the amenity of the neighbourhood;
- (c) may not occupy an area greater than 20 m²; and
- (d) may not involve the display on the premises of a sign with an area exceeding 0.2 m²;
- (e) may 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.
- (f) may not
 - i. require a greater number of parking spaces than normally required for a single dwelling;
 - ii. result in an increase in traffic volume in the neighbourhood; and
- (g) may not involve the presence, use or calling of a vehicle more than 4.5 tonnes tare weight;
- (h) may not include provision for the fuelling, repair or maintenance of motor vehicles;
- (i) may 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 dwellings
- (b) may not entail clients or customers travelling to and from the dwelling
- (c) may not involve the display of a sign on the premises
- (d) may not require any change to the external appearance of the dwelling

Home Store means a shop attached to a dwelling that -

- (a) has a net lettable area not exceeding 100 m²; and
- (b) is operated by a person residing in the dwelling.

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) may 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



Shire of Halls Creek Local Planning Policy 1.1

Home-based Businesses

- (c) may not occupy an area greater than 200 m²; and
- (d) may 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) may not result in traffic difficulties as a result of the inadequacy of parking or an increase in traffic volumes in the neighbourhood; and
- (f) may not involve the presence, use or calling of more than 3 vehicles at any one time or of a vehicle more than 30 tonnes gross weight.

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.

Date Adopted	
Review Date	
Next Review	



Shire of Halls Creek Local Planning Policy 1.2 Short Term Accommodation

Policy Group	Residential Development
Policy Number	1.2
Policy Name	Short Term and Transient Workers Accommodation

1. Citation

This is a Local Planning Policy prepared under Schedule 2 of the Planning and Development (Local Planning Schemes) Regulations 2015. This Policy may be cited as Local Planning Policy 1.2 Short Term Accommodation LPP

2. Introduction and Purpose

The purpose of this policy is to provide clear direction on the requirements for short term accommodation and workforce accommodation within the Shire of Halls Creek and the responsibilities and obligations of operators.

3. Objectives

This policy seeks to achieve Short Term Accommodation within the Shire that:

- Positively contributes to the surrounding locality and diversity of accommodation types offered in the area.
- Is managed in a manner that protects the amenity of the surrounding community to the level necessary for its context.
- Is located, designed, and operate in a manner that minimises the level of noise generated by guests and impact that noise has on the surrounding community.
- Does not negatively impact on the heritage integrity of a place or its historical and social value.
- Does not have an undue impact on the amenity of the area, including surrounding residential properties and businesses.

This policy also seeks to:

- Provide safe and functional living environment for the transient workforce, and construction workers associated with large scale development in the Shire of Halls Creek.
- Ensure a high level of amenity for transient workers and residents.
- Recognise that transient and construction workforce accommodation will take varying forms.
- Discourage transient workforce accommodation in the Rural Residential, Mixed-Use and Residential zones.
- Minimise the impact of the influx of workers accommodated within transient and construction workforce accommodation facilities.
- Ensure occupancy of transient and construction workforce accommodation facilities are limited to workers or working couples.



Shire of Halls Creek Local Planning Policy 1.2

Short Term Accommodation

4. Policy Application

- This policy applies to any short-term accommodation use including Bed and Breakfast, Holiday House, Holiday Accommodation, Hotel, Motel, Serviced Apartment, Tourist Development, and Residential Building or any unlisted use that is used for short term accommodation.
- The policy outlines which short-term accommodation uses require development applications, and which uses are exempt pursuant to Clause 61(2)(e) of Schedule 2 of *Planning and Development (Local Planning Schemes) Regulations 2015*.
- This policy also applies to all applications for planning approval for workforce accommodation on land in all zones and reserves within the Shire where the use is permitted under the local planning scheme. All applications for workforce accommodation must be presented to Council for consideration.
- The policy also applies to requests to renew the approval for existing workforce accommodation facilities on time-limited approvals.
- This policy provides further interpretation of the Local Planning Scheme No. 2 in terms of how the Council applies discretion to decision-making on applications for workforce accommodation in the Shire.
- The policy also provides guidance for the consideration of workforce accommodation proposals under other legislation referred to the Shire for comment.
- The policy further aims to set out the information requirements and provisions to which the Shire may have due regard to the assessment and determination of development applications.

5. General Requirements for all Short-Term Accommodation Applications

5.1 Signage

Any signage associated with short-term accommodation is to be in accordance with the Shire of Halls Creek Signage Policy.

5.2 Application information

Pursuant to Clause 63(1)(d) of the Planning and Development (Local Planning Schemes) Regulations 2015, an application for development approval for any short-term accommodation use is to include the submission of a detailed Management Plan and Code of Conduct.

5.2.1 Management Plan

The Management Plan should address, but is not limited to, the following:

- (a) Control of anti-social behaviour and the potential conflict between guests and permanent residents of the area;
- (b) Minimum and maximum lengths of stay;
- (c) Maximum occupancy limit;
- (d) Guest arrival and departure procedures;
- (e) Car parking management;
- (f) Complaints management and after-hours complaints procedure including: – Nature of complaint – Date and time of complaint – Complainant – Description of how complaint was addressed and whether feedback was provided to complainant.



Shire of Halls Creek Local Planning Policy 1.2

Short Term Accommodation

- (g) The provision of a contact telephone number of the accommodation owner and operator to neighbouring properties for business-hours and after-hours complaints; and
- (h) Explanation of how guests are informed of the Code of Conduct prior to and on arrival.

5.2.2 Code of Conduct

The Code of Conduct should address, but is not limited to, the following matters:

- (a) The expected behaviour of guests.
- (b) Periods of 'quiet time', noting that parties are not preferred;
- (c) Reasonable noise expectations (in compliance with the Environmental Protection (Noise) Regulations 1997);
- (d) Details regarding guest check-in and check-out procedures;
- (e) Expected control and maintenance of pets (if permitted at the property);
- (f) Details of any car parking restrictions applicable to the area, and clarification on:
 - a. the maximum number of vehicles that can park on a property; and
 - b. that parking on surrounding properties and within the street and verge area is not preferred;
- (g) Details regarding waste management which specifies the expectations on guests about general rubbish and bin collection;
- (h) Rules and maintenance relating to the use of all common property and common facilities (if applicable);
- (i) Information on relevant strata by-laws (if applicable);
- (j) Emergency contact information;
- (k) Contact details of emergency services; and
- (l) Implications of breaching the code of conduct.

The Code of Conduct should be provided in the form of an information booklet for guests at the accommodation, and online prior to arrival.

5.3 Development requirements for Bed and Breakfast

- 5.3.1 The owner/resident of the accommodation must reside on-site at all times while the 'Bed and Breakfast' is in operation.
- 5.3.2 Meals may only be provided for 'Bed and Breakfast' guests.

5.4 Development requirements for a Holiday House

- 5.4.1 Applications for development approval for 'Holiday House' within an existing dwelling will be processed as a change of use application.
- 5.4.2 Applications for development approval for a purpose built 'Holiday House' are required to meet the relevant single house requirements of the R-Codes and any relevant structure plan or local planning policy.

5.5 Development requirements for a Holiday Accommodation

- 5.5.1 Applications for development approval for 'Holiday Accommodation' within an existing grouped dwelling will be processed as a change of use application.
- 5.5.2 Applications for development approval for a purpose built 'Holiday Accommodation' are required to meet the relevant grouped or multiple dwelling development requirements of the R-Codes and any relevant structure plan or local planning policy.



Shire of Halls Creek Local Planning Policy 1.2

Short Term Accommodation

- 5.5.3 Tandem car parking arrangements (one bay behind another) will only be considered where the bays are allocated to the same holiday accommodation unit.

5.6 Development requirements for Serviced Apartments

- 5.6.1 Applications for development approval for 'Holiday Accommodation' within an existing grouped dwelling will be processed as a change of use application.
- 5.6.2 Applications for purpose built 'Service Apartment' should be subject to the siting and design requirements applicable under the relevant local planning policy, and any relevant structure plan. If applicable, serviced apartments are required to be designed to separate short-term accommodation from permanent occupancy dwellings located on the same site or building.
- 5.6.3 Where a development involves a combination of permanent occupancy dwellings and serviced apartments, parking areas for permanent residents and their visitors should be clearly separated and delineated from the parking area for the serviced apartments.
- 5.6.4 Tandem car parking arrangements (one bay behind another) will only be considered where the bays are allocated to the same serviced apartment.

5.7 Development Requirements for Workforce Accommodation

5.7.1 Timeframes

- (a) Workforce accommodation constructed to serve a specific project may have time-limited planning approval generally in accordance with the project duration;
- (b) Development applications are required to identify the period for which they are seeking planning approval;
- (c) Planning approval will not exceed a period greater than ten (10) years. Any renewal or extension will require a further planning application to be lodged and be subject to the provisions of this policy;
- (d) Twelve (12) months prior to the expiry of the planning approval the landowner must provide to the Shire for approval a site decommissioning program or a plan to transition to a permanent land use; and
- (e) At the conclusion of the approved timeframe, the planning approval will expire.

5.7.2 Location

- (a) Remote workforce accommodation camps are considered acceptable where it can be demonstrated that it is not feasible or practicable for workers to be based in the Halls Creek townsite, and
- (b) Evidence of engagement with neighbouring properties has been undertaken by the proponent prior to lodgement of a development application.

5.7.3 Design

- (a) Predominant building materials and features found in the locality that are incorporated into the design form and finishes.
- (b) The building features and design to include wall height and roof pitch match's surrounding buildings and conforms with the desired character.
- (c) The provision of awnings to accommodation units/pods entrances and walkways
- (d) Front fences may be visually permeable, and the design, height, colour, and materials used should reflect the local character.
- (e) Occupant and visitor car parking facilities must be located within the street setback.



Shire of Halls Creek Local Planning Policy 1.2

Short Term Accommodation

- (f) Signage and advertisement devices will not be supported, unless used for wayfinding or safety purposes.
- (g) Adequate safe access should be available for parking service and waste vehicles.

5.7.4 Community facilities and amenities

- (a) Adequate provision to be made for internal occupant amenities relative to the scale of the facility and the number of rooms/beds including outdoor landscape courtyard areas,
- (b) Communal outdoor landscaped areas should be provided for occupant amenity and use; the design should include landscaped gardens, outdoor seating, lighting, shelter, and other amenities such as outdoor dining and BBQs, to support informal social use, interaction and wellbeing,
- (c) The landscape gardens to utilise local plant species where possible and be regularly maintained to a high standard, and
- (d) Communal leisure and recreation indoor and outdoor facilities for occupation amenity given the regularity and frequency and associated proposals of stay at the facility.

6. Consultation

All short-term and workforce accommodation uses are to be advertised as per the Shire of Halls Creek Consultation Local Planning Policy as a 'standard application' or otherwise based on the Shire's discretion.

7. Definitions

Bed and Breakfast – means a dwelling –

- (a) used by a resident of the dwelling to provide short-term 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 and one guest bathroom.

Holiday House – means a single dwelling on one lot used to provide short-term accommodation for not more than 6 persons but does not include a bed and breakfast or a guest house.

Holiday Accommodation – means 2 or more dwellings on one lot used to provide accommodation for holiday or temporary purposes for persons other than the owner of the lot.

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.

Motel – means premises, which may be licensed under the Liquor Control Act 1988 –

- (a) used to accommodate guests in a manner similar to a hotel; and
- (b) with specific provision for the accommodation of guests with motor vehicles.

Serviced Apartment – means a group of units or apartments providing –

- (a) self-contained short stay accommodation for guests; and
- (b) any associated reception or recreational facilities.

Tourist Development – means a building, or a group of buildings forming a complex, other than a bed and breakfast, a caravan park or holiday accommodation, used to provide –

- (a) short-term accommodation for guests; and
- (b) onsite facilities for the use of guests; and
- (c) facilities for the management of the development.

Residential Building – means a building or part of a building used to provide –



Shire of Halls Creek Local Planning Policy 1.2 Short Term Accommodation

- (a) short-term accommodation for 2 or more persons; or
- (b) long-term accommodation for 7 or more persons who are not part of the same family.

R-Codes – means the State Planning Policy 7.3 Residential Design Codes.

Short-term Accommodation – means temporary accommodation provided either continuously or from time to time with no guest accommodated for periods totalling more than 3 months in any 12-month period.

Workforce Accommodation – means premises, which may include modular or relocatable buildings, used –

- (a) primarily for the temporary 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.

Date Adopted	
Review Date	
Next Review	



Shire of Halls Creek Local Planning Policy 1.3 Variations to the R-Codes

Policy Group	Residential Development
Policy Number	1.3
Policy Name	Variations to the R-Codes

1. Citation

This is a Local Planning Policy prepared under Schedule 2 of the Planning and Development (Local Planning Schemes) Regulations 2015 and in accordance with Part A of State Planning Policy 7.3 Residential Design Codes Volume 1 2024 (R-Codes). This Policy may be cited as Local Planning Policy 7.0 – Variations to the R- Codes – LPP

2. Introduction

This policy varies relevant deemed-to-comply provisions of the R-Codes, allowing the implementation of the Codes to be aligned with the Shire of Halls Creek's objectives for its Residential zones.

3. Objectives

- To specify local provisions which amend or replace deemed-to-comply provisions of the R-Codes to suit the local circumstances of the Shire of Halls Creek.
- To enhance the character and amenity of existing residential areas;
- To promote a high standard of residential development;
- To ensure new residential development makes a positive contribution towards attractive streetscapes;
- To accommodate increasing residential density without compromising streetscape character.
- To ensure that residential environments are safe and secure for owners, occupiers, and the wider community;

4. Policy Applications

- This Policy applies to all residential development in the Shire of Halls Creek not listed as a Heritage protected place or area.
- Part A, section 3.2.3a of the R-Codes details the deemed-to-comply provisions that can be amended or replaced by a Local Planning Policy without WAPC approval. This Policy varies several deemed-to-comply provisions of Part B (relating to Single Houses coded R40 and below, and Grouped Dwellings coded R25 and below) and Part C (relating to Single Houses coded R50 and above, and Grouped Dwellings coded R30 and above) of the R-Codes.
- This Policy should be read in conjunction with the R-Codes Volume 1 2024 and the Shire of Halls Creek Local Planning Scheme No.2 Part 4 Clause 26 - Modification of R-Codes. Where there are



Shire of Halls Creek Local Planning Policy 1.3 Variations to the R-Codes

provisions within the Local Planning Scheme No.2 which conflict with the provisions within this policy then the Scheme shall prevail.

5. R-Code Variations

5.1. Street setback

The Deemed-to-Comply provisions of Clause 5.1.2 of Part B of the R-Codes are replaced with the following;

- C2.1 Buildings, excluding carports, unenclosed porches, balconies, verandahs, or equivalent, set back from the primary street boundary:
- i. in accordance with Table B; or
 - ii. corresponding to the average of the setback of existing dwellings on each adjacent property fronting the same street; or
 - iii. reduced by up to 50 per cent provided that the area of any building, including a garage encroaching into the setback area, is compensated for by at least an equal area of open space that is located between the setback line and line drawn parallel to it at twice the setback distance (refer Figure 2a and 2c);
 - iv. in the case of grouped dwellings, where on-site car parking for the street facing dwelling is provided at the rear of the lot, the average front setback requirement in Table B may be reduced by up to 1.0m. *(to confirm agreeance with the Shire)*
 - v. in the case of areas coded R15 or higher, the street setback may be reduced to 2.5m, or 1.5m to a porch, balcony, verandah or the equivalent (refer Figure 2e), where:
 - a. a grouped dwelling has its main frontage to a secondary street, or
 - b. a single house results from subdivision of an original corner lot and has its frontage to the original secondary street; or
 - c. a single house or grouped dwelling (where that grouped dwelling is not adjacent to the primary street), has its main frontage to a communal street, right-of-way or shared pedestrian or vehicle access way (Figure 2d);
 - vi. to provide for registered easements for essential services.
- C2.2 Buildings set back from the secondary street boundary in accordance with Table B.
- C2.3 Buildings set back from the corner truncation boundary in accordance with the secondary street setback in Table B.
- C2.4 Development on corner lots are to be designed to address both street frontages through the location of major openings and the articulation of the façade on all levels. *(to confirm agreeance with the Shire)*
- C2.5 A porch, verandah, unenclosed balcony or the equivalent may (subject to the NCC) project forward of the primary street setback line to a maximum of half the required primary street setback without applying the compensating area of clause 5.2.1 C2.1(iii) (Refer Figure 2e).

5.2. Landscaping

The Deemed-to-Comply provisions of Clause 5.3.2 C2.2 of Part B of the R-Codes are replaced with the following:



Shire of Halls Creek Local Planning Policy 1.3 Variations to the R-Codes

C2.2 Landscaping of single houses, grouped dwellings and multiple dwellings to include the following:

- i. the minimum number of trees and associated planting areas in the table below; and
- ii. landscaping of the street setback area, with not more than 40 per cent of this area to consist of impervious surfaces. *(to confirm agreement with the Shire)*

Dwelling type		Minimum tree requirement	Minimum tree planting area (per tree area)
Single houses and grouped dwelling (per tree area)		1 tree	2x2m
Multiple dwelling (trees per site)	Less than 700m ²	2 trees	
	700 – 1000m ²	3 trees	
	Greater than 1000m ²	4 trees	

5.3. Site works

The Deemed-to-Comply provisions of Clause 5.3.7 C7.1 of Part B of the R-Codes is replaced with the following:

- C7.1 Retaining walls, fill and excavation between the street boundary and the street setback, not more than 1m above or below the natural ground level, except where necessary to provide for pedestrian, universal and/or vehicle access, drainage works or natural light to a dwelling. *(to confirm agreement with the Shire)*

5.4. Outbuildings

In addition to the Deemed-to-Comply provisions of Clause 5.4.3 of Part B and Clause 2.6 of Part C of the R-Codes, the additional provisions apply: *(to confirm agreement with the Shire)*

- C1 Outbuildings to be located behind the building line.
- C2 Where an outbuilding is visible from the street and is located to the side of the dwelling or in front of the building line (notwithstanding a.), it should match the materials, colours and roof pitch and roof form of the existing dwelling.
- C3 Where an outbuilding is located at the rear of the dwelling (whether or not visible from the street) the outbuilding may vary in materials, colours and roof pitch and roof form to the existing dwelling.

6. Definitions

R-Codes – means the State Planning Policy 7.3 Residential Design Codes (Volume 1 and Volume 2).

Heritage protected place/area - A Heritage protected place is defined by Schedule 2, Clause 1A of the *Planning and Development (Local Planning Schemes) Regulations 2015* (the Regulations) and includes (but not limited to) a place:



Shire of Halls Creek Local Planning Policy 1.3 Variations to the R-Codes

- entered in the State Register of Heritage Places;
- on a heritage list adopted by the Shire; or
- within an area designated by the Shire as a heritage area

Date Adopted	
Review Date	
Next Review	

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Shire of Halls Creek Local Planning Policy 1.4 Transportable & Relocated Dwellings

Policy Group	Residential Development
Policy Number	1.4
Policy Name	Transportable & Relocated Dwellings

1. Citation

This is a Local Planning Policy prepared under Schedule 2 of the Planning and Development (Local Planning Schemes) Regulations 2015. This Policy may be cited as Local Planning Policy 1.4 - Transportable & Relocated Dwellings LPP.

2. Purpose

The purpose of this Local Planning Policy is to control location, use and development of transportable and relocated second-hand dwellings within the Shire of Halls Creek.

3. Objectives

1. Provide clear standards as to what constitutes an acceptable type of relocated second-hand building to be used as a dwelling or for other habitable purposes.
2. Ensure compliance with the relevant provisions of Shire's Local Planning Scheme No. 2 and that ensures that the relocation of second-hand dwellings is undertaken to an approved standard that pays regard to local amenity and aesthetics; and
3. Ensure the style, construction and design of relocated dwellings is in keeping with the character of the surrounding dwellings in particular and the locality in general.

4. Policy Application

This Policy applies within the following zones of the Shire of Halls Creek Local Planning Scheme No.2:

- Residential
- Urban Development
- Rural
- Rural Residential
- Rural Enterprise
- Mixed Use

5. Policy Statement

Development approval is required for all transportable and relocated homes prior to their location on a property. Approval will be issued only where an applicant demonstrated compliance with Part 6 (Development Requirements) of this this Policy.

All applications to develop a transported dwelling within the Shire should include the following information:

- (a) Details of where the transported or relocated dwelling is to be removed from.
- (b) Detailed plans of the subject building and a comprehensive site plan indicating the proposed location of the building or identified building envelope, where applicable.



Shire of Halls Creek Local Planning Policy 1.4 Transportable & Relocated Dwellings

For second-hand transportable and relocated dwellings, the following additional requirements may apply to any application:

- (a) Recent photographs of every external elevation of the proposed dwelling. The photographs should clearly indicate its current design and condition.
- (b) Certification from a Structural Engineer stating that the structure is suitable for relocation, appropriate to the conditions of the Shire and structurally sound.
- (c) Detailed specifications on the works to be undertaken to the building to render it compliant with the Building Code of Australia.
- (d) Specification on the works to be undertaken on the dwelling, including any modifications and additions to the dwelling and the materials and colours to be used.
- (e) Details of how it is proposed to transport and re-erect the building; and
- (f) A detailed time frame for the relocation of the proposed dwelling and any proposed works

As part of the planning approval of a transported dwelling, the Council may impose conditions that require any works considered necessary to improve the appearance of the structure, including the addition of verandas, painting, landscaping, and the cover of stump areas.

6. Development Requirements

The approval of transported or relocated dwellings will only be considered if the following design standards are achieved:

- 6.1 The dwelling should be of a satisfactory standard and the architectural design and external appearance and is compatible with the building standards, design, and character of existing housing in the immediate locality.
- 6.2 The exterior cladding and roof materials should be in good condition and for second-hand homes, the proposal includes improvement works to the exterior of the building, including repainting, re-cladding as necessary and architectural detailing, such that the proposed dwelling will be in keeping with the amenity of surrounding area.
- 6.3 The external finishes, bulk, scale, and design of the house are such that it will not have a detrimental impact upon the amenity of the area or landscape into which it is being relocated.
- 6.4 Where any material containing asbestos fibres remains in or on the dwelling, including cement asbestos roofing or cladding, roof insulation or for any other purpose, such material should be removed prior to the building being transported within or into the Shire. Certification of asbestos removal to be provided with application. This certificate shall occur at the proponent's expense.
- 6.5 A transported dwelling will only be approved if certification is received from a Structural Engineer that states the dwelling is structurally sound, is suitable for transport and is appropriate for the conditions of the Shire. This inspection shall occur at the proponent's expense.



Shire of Halls Creek Local Planning Policy 1.4 Transportable & Relocated Dwellings

6.6 The approval of a transported dwelling will require the lodgement of a cash bond or bank guarantee to the value of \$10,000, prior to the issue of a building permit. This bond will be used to remove the dwelling if the owner and/or builder default on the conditions of this policy, the development approval, or any conditions of the Building Permit. The bond will be held until the satisfactory completion of the Schedule of Works.

6.7 A signed statutory declaration outlining a bonding agreement is to be entered into by the owner/s prior to issue of a building license. The agreement is to outline a staged repayment of the performance bond, as follows:

Stage One (Return of 25% of bond)

- (a) Dwelling correctly positioned on site, as per approved site plan (setback correct) in accordance with the Planning Approval.
- (b) Dwelling is correctly positioned, and site filled, drained, and graded satisfactorily, such as it is structurally adequate in accordance with the engineer's certification.
- (c) Dwelling is up to lock-up stage (all external windows, doors and fittings/fixtures installed/repaired).

Stage Two (Return of second 25% of bond)

- (a) All gutters, fascia and downpipe work completed.
- (b) All roof end/roofing work is completed (flashings on ridge and gable ends installed).
- (c) All external surfaces to be painted to a tradesman like standard in accordance with the Planning & Building Approvals (including wall, doors, window surrounds, sills).

Stage Three (Return of remaining 50% of bond)

- (a) Compliance with all conditions of planning approval.
- (b) Approved effluent disposal system installed. System has been inspected by Council Health Officer and a permit to use has been issued.
- (c) Completion and certification of all electrical work.
- (d) Completion and certification of all plumbing work.
- (e) All wet area tiling completed in accordance with the Building Code of Australia.
- (f) Kitchen fit-out completed (cupboards/benches & stove/hotplate installed).
- (g) Building has reached practical completion.

Note: The agreement is to clearly state that if Stage One or Two completion is not reached within 9 months of the building's placement on site or Stage Three completion not reached within 24 months of issue of a building permit, then the bond monies may be forfeited to the Shire and the building



Shire of Halls Creek Local Planning Policy 1.4 Transportable & Relocated Dwellings

removed from the site unless the applicant can demonstrate key supplies or contractors cannot be sourced in the timeframe.

7. Consultation

Applications which require planning approval may be subject to advertising pursuant to the Shire of Halls Creek Local Planning Scheme No. 2 and the Shire's Local Planning Policy 4.1 - Consulting Requirements (LPP4.1).

8. Definitions

For the purpose of the policy, the following definitions apply:

Second Hand Dwelling means a dwelling that has been in a different location, and has been dismantled and transported to another location, but does not include a modular home or transportable dwelling.

Transportable Building means any structure that is prefabricated at any place other than on the site upon which it is to be erected but does not include a 'Kit Home'.

Relocated Dwelling means to a residential dwelling previously established on a site, other than the site for which approval is sought to locate the dwelling.

Date Adopted	
Responsible Department	
Review Date	
Next Review	



Shire of Halls Creek Local Planning Policy 2.2 Building and Development Standards for Commercial Development

Policy Group	Mixed Use, Commercial, and Industrial Development
Policy Number	2.2
Policy Name	Building and Development Standards for Commercial Development

1. Citation

This is a Local Planning Policy prepared under Schedule 2 of the Planning and Development (Local Planning Schemes) Regulations 2015. This Policy should be cited as Local Planning Policy 2.2 - Building and Development Standards for Commercial Development LPP.

2. Introduction

The purpose of this local planning policy is to set out the Shire's building and development standards for all commercial development within the Shire of Halls Creek municipality and to ensure that all proposals achieve a distinct aesthetic character and provides amenity to the streetscape for pedestrians.

3. Objectives

- To promote high quality architectural form to maintain and enhance the visual character of the Shire.
- To ensure new buildings are designed to be of human scale to facilitate effective movement and interaction between building and street.
- To ensure building frontages at the street level assist in the creation of safe built environments through use of internal and external lighting, encouraging visual interest and ensuring passive surveillance.
- To ensure that all buildings make a positive contribution to the streetscape, assisting in the maintenance and creation of safe, secure and attractive places.

4. Policy Application

The provisions of this policy apply to all land zoned that is not zoned Residential under the Shire of Halls Creek Local Planning Scheme No 2.

This local planning policy supplements the Zone Considerations provisions of the Shire of Halls Creek Local Planning Scheme No.2. Where a provision of this local planning policy is inconsistent with the Scheme, the Scheme prevails.

Where equivalent development provisions are contained within an approved activity centre plan or local development plan, those provisions should prevail.



Shire of Halls Creek Local Planning Policy 2.2 Building and Development Standards for Commercial Development

5. Policy Statement

In addition to the relevant provisions contained within LPS6 and other applicable Local Planning Policies, non-residential development will be assessed against, and be required to demonstrate compliance with the following provisions:

5.1 Building Design

5.1.1 Materials

- (a) Buildings should be constructed of high quality materials including but not limited to stone, concrete, brick, timber and glass.
- (b) Concrete walls that are visible from an adjoining property or public realm should be painted and provided with an articulated or detailed finish.

5.1.2 Articulation

- (a) Buildings should incorporate appropriate design features to enhance appearance, create visual interest and reduce blank walls. This can include a combination of the following:
 - Varied colours, textures, finishes and materials;
 - Varied roof forms and design;
 - Balconies and balustrades;
 - Windows, screens and sun shading devices
- (b) Development on corner sites should be designed to accentuate the corner and face all streets that flank it.

5.1.3 Front facades Shopfronts

- (a) Facades fronting the street and public domain should incorporate window and door openings which provide passive surveillance.
- (b) Be designed to minimise the incidence of blank and unarticulated elevations.

5.1.4 Windows and Glazing

- (a) The ground floor commercial frontage should have a minimum of 50% clear glazed windows.
- (b) Reflective or heavily tinted glazing at ground floor level will not be supported.
- (c) Windows in an external wall which faces north, east or west should be protected from direct summer sun.

5.1.5 Building entrances

- (a) Building entrances should be clearly defined and easily identifiable from the street and public realm.
- (b) Building entrances should directly front the street, car park and key pedestrian routes.

5.1.6 Pedestrian Shelter

- (a) Where a building abuts a footpath, awnings for weather protection should be provided along its whole length.



Shire of Halls Creek Local Planning Policy 2.2 Building and Development Standards for Commercial Development

- (b) Where possible, the minimum depth of an awning is to be 2.5m. Where this is not possible due to the width of the verge or any other factor, the awning is to be practical for weather protection.
- (c) Awnings sited to enable a minimum clearance of 2.75m above ground level.

5.2 Landscaping

- 5.2.1 A minimum of 10% of the area of a lot should be landscaped.
- 5.2.2 The landscaped area should include a minimum strip of 1.5 metres wide adjacent to all street boundaries.
- 5.2.3 Any landscaped area should have a minimum width of 1.0 metre.
- 5.2.4 Shade trees should be provided and maintained in uncovered car parks at the rate of one tree for every four-car parking bays.

5.3 Fencing

- 5.3.1 Any fence located within the first 6 metres from the street boundary, or the street alignment and a building, whichever is the lesser distance, should be visually permeable above 0.75 metres from natural ground level, and should have a maximum height of 2.0 metres from natural ground level.

5.4 Vehicle Access, Loading and Parking

- 5.4.1 Vehicle access should be provided from secondary streets or rights of way where available. Only one access point per street is encouraged.
- 5.4.2 Vehicle access to developments on corner lots should be located the maximum possible distance away from the corner on the minor road or right of way.
- 5.4.3 All vehicles utilising on-site car parking bays should be able to enter and exit in a forward gear where practicable.
- 5.4.4 On-site parking should be located behind the building line or within the building where possible. Parking within the front setback area of a development will be discouraged.

5.5 External Fixtures

- 5.5.1 External fixtures should be screened from view from the street through building design and located on the roof, basement or at the rear of the building.
- 5.5.2 To minimise the negative impacts of lighting, lighting should be installed in accordance with Australian Standard AS 4282.



Shire of Halls Creek Local Planning Policy 2.2 Building and Development Standards for Commercial Development

5.6 Waste

- 5.6.1 All developments should be provided with a bin storage area of sufficient size to accommodate a minimum of one week's waste and recycled material.
- 5.6.2 The bin storage area should be screened from view of the street and be located to ensure adverse visual amenity impacts are avoided.
- 5.6.3 Bin storage areas should be located in an easily accessible location for both occupants of the building and for rubbish collection.
- 5.6.4 Details of the proposed collection point are to be submitted at the time of development approval.
- 5.6.5 A rubbish collection point should be nominated which is of sufficient size to contain the number of bins required to service the building, whilst not obstructing parking and pedestrian access, traffic flow and sightlines.
- 5.6.6 Prior to the initial occupation of a development, a Waste Management Strategy, inclusive of a Waste Management Plan, may be required to detail how waste and the noise associated with waste disposal will be minimised.

7. Definitions

External fixtures – means utilities, equipment, plant or other structures necessary for a building to achieve efficient, comfortable operating outcomes and may include rainwater storage tanks, air conditioning units, communication, power and water infrastructure, letterboxes or other fixtures necessary for the use of the building.

Height – means when used in relation to a building, means the maximum vertical distance between natural ground level and the finished roof height directly above.

Date Adopted	
Review Date	
Next Review	



Shire of Halls Creek Local Planning Policy 3.1 Stormwater Management

Policy Group	Transport and Infrastructure
Policy Number	3.1
Policy Name	Stormwater Management

1. Citation

This is a Local Planning Policy prepared under Schedule 2 of the Planning and Development (Local Planning Schemes) Regulations 2015. This Policy may be cited as Local Planning Policy 3.1 Stormwater Drainage LPP.

2. Introduction and Purpose

This Policy seeks to outline the requirements for the retention and management of stormwater within the Shire of Halls Creek.

Stormwater consists of rainfall runoff and any material (soluble or insoluble) mobilised in its path of flow. Impervious surfaces because of development prevent absorption of water into the ground, and effective management of stormwater is required to prevent pollution of waterways and flooding.

3. Objectives

- Outline the circumstances in which the Shire will permit a connection to the Shire's Stormwater Infrastructure.
- Detail the information required, and design standards required for stormwater systems.
- Outline construction and maintenance requirements for stormwater systems to ensure that stormwater discharge from private property is adequately planned and accommodated.

4. Policy Applications

This Policy applies to all subdivision and development applications where stormwater retention is required.

5. Policy Requirements

5.1 Connection requirements

- 5.1.1 Stormwater should be contained on-site unless ground conditions are deemed unsuitable for on-site disposal via infiltration as verified by a geotechnical investigation, soil permeability testing and a site classification report prepared by a suitably qualified civil engineer.

5.2 Information and Design Requirements – Onsite Stormwater

- 5.2.1 Where on site storm water disposal is proposed, the system should be approved by an appropriately qualified stormwater engineer and designed to a 1 in 20-year event (or relevant Building Code of Australia Standard). This includes all run off from buildings and hardstand surfaces of a site.

5.3 Information and Design Requirements – Offsite Stormwater



Shire of Halls Creek Local Planning Policy 3.1

Stormwater Management

5.3.1 Where on-site stormwater cannot be accommodated as detailed in clause 5.2.1 and connection to the Shire's stormwater infrastructure is supported, the following information is required:

- (a) Geotechnical report justifying offsite storm water disposal;
- (b) A comprehensive stormwater drainage plan prepared and certified by a suitably qualified engineer.
- (c) Payment of fess associated with connecting to the Shire's stormwater infrastructure in accordance with Council's adopted Schedule of Fees and Charges; and
- (d) Approval from the Shire's Infrastructure Services.

5.4 Construction and Maintenance

- (a) All works associated with connecting the internal system to the Shire's stormwater infrastructure should be carried out by the applicant/landowner.
- (b) Where there is an existing manhole, gully or side entry pit within the verge and within the extent of the frontage of the property, a connection from the silt pit should be made directly to that structure (provided levels are suitable).
- (c) Where the Shire has no stormwater infrastructure accessible from the property, the Shire should extend the Shire's network or allow conveyance via the road reserve to the closest drainage gully at the landowner/applicant's owners cost.
- (d) Where the Shire's stormwater infrastructure is accessible, the applicant/landowner should be responsible for all costs associated with the connection to the Shire's stormwater infrastructure.
- (e) Prior to backfilling of trenches, the works should be inspected by the Shire. All pipes and connection points to pits should be easily visible.

5.5 Application requirements

- 5.5.1 The Shire requires the submission of stormwater drainage plans for all developments to be submitted in conjunction with a building licence application.
- 5.5.2 Rainfall run-off from the development of private property should generally be retained on site but where overflow into Shire stormwater drainage is required or sought an applicant should make written application at the time of request of a Building Licence.

6. Stormwater Infrastructure Notification

The Shire include as a condition of development approval or recommend to the Western Australian Planning Commission that it impose a condition of subdivision approval requiring the landowner/applicant to register a notification under section 70A of the Transfer of Land Act 1893 as amended, on the Certificate(s) of Title advising of the stormwater detention system installation, the restrictions, drainage limitations and the requirement for the current and future property owners to maintain the detention system in good working order.

7. Definitions

Stormwater – means all surface water runoff from rainfall, predominantly in urban and rural living catchments.

Run-Off – means the portion of rainfall on a drainage area or surface that is discharged from the drainage area to drainage.



Shire of Halls Creek Local Planning Policy 3.1 Stormwater Management

Date Adopted	
Review Date	
Next Review	

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Shire of Halls Creek Local Planning Policy 3.2 Telecommunications Infrastructure

Policy Group	Transport and Infrastructure
Policy Number	3.2
Policy Name	Telecommunications Infrastructure

1. Citation

This is a Local Planning Policy prepared under Schedule 2, Part 2 of the deemed provisions of the *Planning and Development (Local Planning Schemes) Regulations 2015* which allows the local government to prepare local planning policies relating to planning and development within the Scheme area. This Policy may be cited as Local Planning Policy 3.2 Telecommunications Infrastructure LPP.

2. Introduction

Adequate and reliable telecommunications infrastructure is vital for all aspects of contemporary life, from supporting the State's economy to creating and maintaining connected social networks. However, telecommunications infrastructure can have a visual impact on the amenity of an area. It is important to appropriately consider the need for effective telecommunications services in relation to the need to protect the amenity of an area.

This policy outlines the requirements for providing telecommunication infrastructure within the Shire of Halls Creek.

3. Objectives

- To provide guidance on the assessment and installation of telecommunication infrastructure within the Shire of Halls Creek.
- To minimise the adverse impact of telecommunication infrastructure on the community, and the natural and built environment.

4. Policy Applications

This Policy applies throughout the Shire in respect to all above ground telecommunications infrastructure other than those facilities that are exempted under the *Commonwealth Telecommunications Act 1997* (including low-impact facilities).

5. Policy Statement

5.1 Low-impact Facilities

- 5.1.1 The installation of low-impact facilities is deemed to be a minor form of development and is exempt from the requirement to obtain planning approval.
- 5.1.2 Carriers should provide notification in accordance with the Telecommunications Act 1997 (or as superseded) to the Shire and the community of their intention to erect low-impact facilities. This notification should be provided in writing to the Shire.



Shire of Halls Creek Local Planning Policy 3.2 Telecommunications Infrastructure

- 5.1.3 The preferred location for low-impact facilities is in Rural, General Industry, or Commercial zones away from sensitive uses.

5.2 Development that is not Low-impact-facilities

- 5.2.1 All telecommunications infrastructure which does not meet the definition of "low-impact facilities" requires planning approval from the Shire of Halls Creek through a Development Application.
- 5.2.2 Applications submitted for non-low-impact telecommunications facilities will not be considered until all information specified in the Telecommunications Code of Practice 1997 has been submitted;

5.3 Development Considerations

5.3.1 Site Selection

- (a) Telecommunications infrastructure should be co-located with existing infrastructure in the first instance where possible.
- (b) Telecommunications infrastructure should be located within General Industry and Commercial zones.
- (c) Telecommunications infrastructure should be located so to not adversely affect or require the removal of existing trees and vegetation. Where trees and other vegetation are proposed to be removed, they should be replanted or replaced in a location within proximity of the subject site.

5.3.2 Visual Amenity

- (a) Telecommunications infrastructure should be located where it will not be prominently visible from significant viewing locations such as scenic routes, lookouts and recreation sites.
- (b) Telecommunications infrastructure should be located to avoid detracting from a significant view of a heritage item or place, landmark, streetscape, vista or panorama, whether viewed from public or private land.
- (c) Telecommunications infrastructure should be adequately setback from sensitive land uses to ensure the amenity of the areas is not unreasonably compromised.

5.3.3 Design

- (a) The scale, materials, external colours and finishes should be sympathetic to, and blend in with the surrounding landscape.
- (b) Landscaping and other methods should be used to screen and/or camouflage telecommunications infrastructure from sensitive land uses and public places, and to mitigate any potential impacts to the amenity of an area.
- a) A colours and finishes schedule to be provided as part of the Development Application.

6. Consultation

The following consultation requirements should be met prior to the Shire of Halls Creek determining a Development Application for a non-low-impact Telecommunication Facility:

- (a) the proposal to be advertised in accordance with the Shire of Halls Creek Consultation Policy.
- (b) owners and occupiers of all land within a radius of 200 metres of the proposed site to be consulted regarding the proposal.

7. Definitions



Shire of Halls Creek Local Planning Policy 3.2 Telecommunications Infrastructure

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.

Above ground telecommunications infrastructure – Means any line, equipment, apparatus, tower, antenna or any other structure that is visible above ground level.

Low-impact facility – Means a facility used for telecommunications as described in Section 3.1 - Facilities of the Telecommunications (Low-impact Facilities) Determination Act 1997 and does not require development approval from the Shire of Halls Creek.

Note: Under the Telecommunications Act 1997 certain facilities cannot be low-impact facilities, namely designated overhead lines, a tower that is not attached to a building, a tower attached to a building and more than 5 metres high, an extension to a tower that has previously been extended, and/or an extension to a tower if the extension is more than 5 metres high.

Sensitive Land Use – (extracted from State Planning Policy 4.1 – Industrial Interface) Means land uses that are residential or institutional in nature, where people live or regularly spend extended periods of time. These include, but are not limited to, dwellings, short stay accommodation, hospitals, educational establishments, childcare centres, corrective institutions and places of worship. It generally excludes commercial or industrial premises. Public open space can be a sensitive land use in some circumstances depending on its intended use, for example, if it is intended that people will congregate and spend extended periods of time there.

Date Adopted	
Review Date	
Next Review	



Shire of Halls Creek Local Planning Policy 3.3 Crossovers for Residential, Commercial and Industrial Properties

Policy Group	Transport and Infrastructure
Policy Number	3.3
Policy Name	Crossovers for Residential, Commercial and Industrial Properties

1. Citation

This is a Local Planning Policy prepared under Schedule 2 of the Planning and Development (Local Planning Schemes) Regulations 2015. This Policy may be cited as Local Planning Policy 3.3 Crossovers for Residential, Commercial and Industrial Properties LPP.

2. Introduction

The purpose of this Policy is to ensure that vehicle access for residential development within the Shire does not adversely impact on safety and amenity while providing adequate access to residential, commercial, and industrial properties.

3. Objectives

- To ensure a consistent approach to the construction of vehicle crossovers within the Shire of Halls Creek and improve the standard of crossovers by assisting residential to install quality vehicle crossovers.
- To encourage attractive streetscapes and enhance neighbourhood amenity by reducing the amount of hardstand.
- To ensure safe vehicle access to and from properties.
- To ensure safety and amenity for cyclists or pedestrians in the public realm.
- To minimise any impact on existing street trees and verge infrastructure.
- To provide verge space for new street trees and other verge treatments.
- To identify the Shire responsibility in subsidising crossovers to residential properties and outlines a consistent application and assessment process.

4. Policy Application

This policy relates to the construction of new crossovers located between residential, commercial, or industrial property and public roads within the Shire.

5. Policy Statement

5.1 Crossovers Specifications



Shire of Halls Creek Local Planning Policy 3.3 Crossovers for Residential, Commercial and Industrial Properties

A standard crossover maximum allowable size is 3m wide x 8m long. All crossovers should be constructed to the specifications and standards of the Shire. Where there are variations to these specifications, approval should be obtained by the Shire.

5.2 Council Rebate for Residential Crossovers

5.2.1 The Shire will provide a rebate covering 50% of the cost for all standard crossovers to residential properties in the following instances:

- (a) Where the Shire has given approval for the installation of a crossover; and
- (b) It is the first crossover installed to the property; and
- (c) The crossover has been constructed according to or better than specifications provided by the Shire.

5.2.2 The Shire will not provide rebates in the following instances:

- (a) It is a retrospective application which has not been provided with approval prior to the installation of the crossover; and/or
- (b) It is a replacement crossover;
- (c) The crossover constructed does not meet the minimum specifications of the Shire; and/or
- (d) Where a commercial or industrial crossover is proposed.

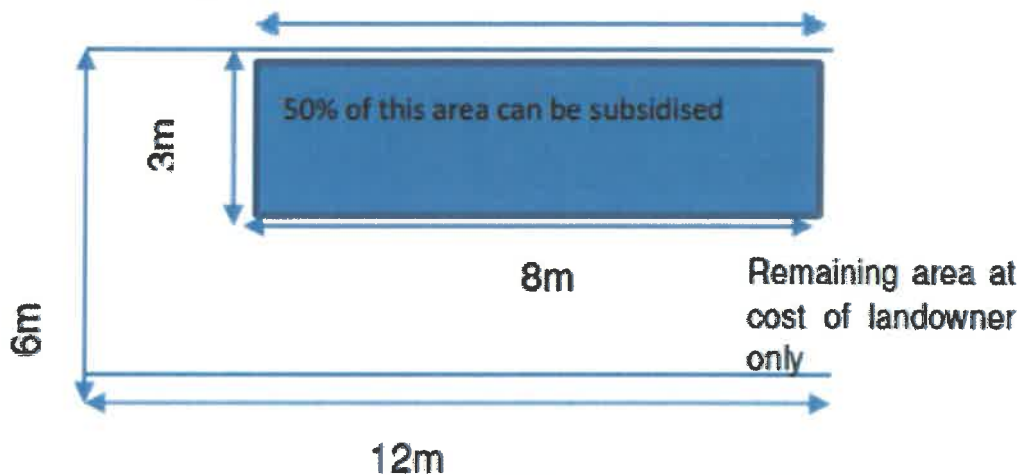
5.2.3 The maximum allowable rebate will be as stipulated in the current Shire of Halls Creek adopted Budget.

5.2.4 Variations to Standard Crossovers

- (a) If a crossover is larger than stipulated maximum sizes, the Shire will provide 50% of the cost of the maximum allowable size.
- (b) The landowner will incur costs of both:
 - i. 50% of the maximum allowable size
 - ii. All costs associated where sizes exceed 3m wide x 8m long.



Shire of Halls Creek Local Planning Policy 3.3 Crossovers for Residential, Commercial and Industrial Properties



6. Application, Construction and Maintenance

Landowners are responsible for ensuring all applications to the Shire contain the following application criteria:

- (a) The application must be in writing using the "Application for the Construction of Vehicle Crossovers to Residential Properties" form.
- (b) The application has two components:
 - i. Application for approval to construct (Preliminary approval)
 - ii. Compliance inspection on completion of construction (Final Approval)
- (c) Payment of the application fee must accompany the application.
- (d) All crossovers must be constructed to the satisfaction of the Shire regardless of whether the landowner has applied for a subsidy.
- (e) Copies of relevant tax invoices must be attached to the Compliance Inspection if a subsidy has been sought.

6.1 Applications for Crossovers on Main Roads

All applications for crossovers to main roads shall have prior approval from the Commissioner, Main Roads WA. A copy of the written approval provided by the Commissioner; Main Roads WA should be attached to the application. Any application for a crossover on main roads which does not have this approval from the Commissioner, Main Roads WA will not be considered.

6.2 Authorised Persons to Construct Crossovers

Crossovers should be constructed by the following:

- (a) The applicant landowner
- (b) Private contractor engaged by the applicant landowner/landowner's agent



Shire of Halls Creek Local Planning Policy 3.3 Crossovers for Residential, Commercial and Industrial Properties

6.3 Construction Works Inclusions

It is the landowner's responsibility to ensure a scope of works (either constructed by themselves or by a contractor) for the construction of the crossover includes:

- (a) Cutting existing kerbing with a concrete saw or removing kerbing without damage to remaining pavement and kerbing
- (b) Removal and disposal of all surplus material from the site of works and leaving the site in a clean and tidy condition at all times

6.4 Minimum Disruption to the Public

The work should be carried out with minimum disruption to pedestrians and vehicular traffic.

6.5 Public and Occupational Health and Safety

Every precaution should be taken to ensure the safety of person and property. All excavations, materials, plant and equipment should be made safe, barricaded and provided with adequate warning signage/lights during the hours of darkness to the satisfaction of the Director Infrastructure.

All work is to be carried out in accordance with the Occupational Health, Safety and Welfare Act 1984 and Regulations amended.

6.6 Damages as a Result of Construction

Any damage which should occur to any Shire facility or private property during the course of the works, or which subsequently becomes evident, should be the sole responsibility of the landowner's contractor, or the applicant landowner. This includes damage to kerbing, concrete or bituminous road surfaces.

6.7 Alteration To Utility Services

Landowners should apply to the relevant utility authorities for approval to alter any service that is in conflict with the proposed crossover. Any costs incurred in the alteration of any service and subsequent reinstatement of the verge should be borne by the applicant landowner.

6.8 Compliance Inspections

On completion of installation, a landowner is required to complete a "Vehicle Crossover to Residential Properties Compliance Inspection" to ensure the Shire of compliance with the required construction standards. Copies of relevant tax invoices should be provided to the Shire if a subsidy has been sought.

6.9 Reactive Inspections

A Shire employee will conduct an inspection in response to the concerns of any person in relation to a vehicle crossover within the Shire's precinct. The landowner will be notified in writing of any identified defects which require maintenance.

6.10 Maintenance of Crossovers

It is the responsibility of the landowner to ensure vehicle crossovers are maintained to an appropriate standard specified in the "Specifications for the Construction of Vehicle Crossovers to Residential Properties" and ensure it continues to be free of hazards or obstructions for vehicles and for pedestrians where the crossover meets the footpath.



Shire of Halls Creek Local Planning Policy 3.3 Crossovers for Residential, Commercial and Industrial Properties

6.11 Failure To Maintain

The Shire will issue a Repair Notice when necessary and the notice will detail the repair work required. The landowner will have 28 days in which to have completed the repair work detailed in the repair notice.

6.12 Failure To Observe Repair Notice

Where the landowner fails to observe the repair notice and complete repair work detailed within the notice, it will be considered an offence and the Shire will issue a fine as stipulated in the current Shire of Halls Creek Adopted Budget.

6.13 Replacement of Crossovers

It is the responsibility of the landowner to replace crossovers when necessary or wished. The replacement crossover should meet specifications outlined in the "Specifications for the Construction of Vehicle Crossovers to Residential Properties".

6.14 Removal of Crossovers

Any crossover which is no longer required or no longer connects with an internal driveway are deemed redundant. In this instance, landowners are to remove the crossover, the verge and kerbing are to be made good at the cost of the landowner.

6.15 Responsibility to Insure

It is the responsibility of the landowners to ensure their residential property insurance is inclusive of public indemnity with regard to the vehicle crossover. Any notifications of legal proceedings as a result of faulty crossovers will be referred to the landowner.

7. Definitions

The Shire means the Shire of Halls Creek.

Landowner means the respective adjoining landowner to roads under the responsibility of the Shire.

Crossovers means the vehicle crossover extending from private land to the road.

Main Roads refer to roads within the Shire of Halls Creek that are under the responsibility of the Commissioner, Main Roads WA. This includes:

- i. Great Northern Highway

Verge means the section of the road reserve between the property boundary and the road kerb line.



Shire of Halls Creek Local Planning Policy 3.3 Crossovers for Residential, Commercial and Industrial Properties

Date Adopted	
Review Date	
Next Review	

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Shire of Halls Creek Local Planning Policy 4.1 Consultation Requirements

Policy Group	Planning Procedures
Policy Number	4.1
Policy Name	Consultation Requirements

1. Citation

This is a Local Planning Policy prepared under Schedule 2 of the Planning and Development (Local Planning Schemes) Regulations 2015. This Policy may be cited as Local Planning Policy 4.1 Consultation Requirements LPP.

2. Introduction

The Shire of Halls Creek Planning Scheme No. 2 provides for the advertising of planning proposals for public comment. It is important to provide guidance on the manner and method for advertising these proposals having regard to the requirements of the State Planning Framework.

3. Objectives

- To provide for a consistent approach to the circumstances when public notice is undertaken, and the means and duration of public notice periods, of planning proposals.
- To recognise the balance between the need for the community to be informed of, and have reasonable opportunity for input into, planning proposals, and the administrative need to process planning proposals in an efficient manner, and within prescribed statutory timeframes.
- To outline the process the Council will use (or instruct) when undertaking advertising and considering submissions.
- To ensure that, before making final decisions on planning proposals of any kind, persons likely to be affected are given an opportunity to comment.
- Within the operative statutory framework, to achieve an appropriate balance between the community's reasonable expectations and applicants' development entitlements.

4. Policy Application & Scope

- This policy applies to the advertising of planning proposals in the Shire in accordance with the *Planning and Development (Local Planning Schemes) Regulations 2015*.
- This policy will be applied by the Shire when making discretionary decisions relating to advertising of development seeking planning approval. In the context of this policy, planning proposals include Development Applications, Local Planning Scheme amendments, Local Planning Strategies, Local Planning Policies, Structure Plans, Activity Centre Plans and Local Development Plans



Shire of Halls Creek Local Planning Policy 4.1 Consultation Requirements

- In circumstances where advertising is undertaken, comment will be sought by owners and occupiers of properties that, in the opinion of the Shire, may be affected by the proposal and/or other stakeholders where these are identified.
- This policy also applies to Planning Applications for which the Shire is not the final decision-making authority.

5. Advertising Requirements

5.1 Advertising Not Required

Advertising is not required where a proposal complies with the requirements of the Shire of Halls Creek Local Planning Scheme No. 2, associated local planning policies and (where applicable) State Planning Policy 7.3 – Residential Design Codes - Volume 1.

5.2 Implementation

5.2.1 Informal Consultation

Informal consultation and communication between the applicants and adjoining property owners is strongly encouraged prior to lodgement with the Shire. A courteous, neighbourly approach will, in many situations enable an outcome to be achieved which best meets the interests of all parties involved.

5.2.2 Advertising of Land Uses

- (a) The Zoning Table of LPS2 (see Clause 17 of LPS2) categorises land uses as follows:

'P' means that the use is permitted if it complies with all relevant development standards and requirements of this Scheme;

'D' means that the use is not permitted unless the local government has exercised its discretion by granting development approval;

'A' means that the use is not permitted unless the local government has exercised its discretion by granting development approval after giving notice in accordance with clause 64 the deemed provisions;

'I' means that the use is permitted if it is consequent on, or naturally attaching, appertaining or relating to, the predominant use of the land and it complies with all relevant development standards and requirements of this Scheme;

'X' means that the use is not permitted by this Scheme.

- (b) 'P' land uses are permitted uses in principle and therefore do not require advertising.
- (c) The advertising of 'D' or 'I' land uses is at the discretion of the Shire, taking into account whether the proposed use is likely to affect the amenity of adjoining or surrounding properties.
- (d) All 'A' uses are required to be advertised in accordance with the requirements of Clause 64 of the Regulations.



Shire of Halls Creek Local Planning Policy 4.1 Consultation Requirements

- (e) An application for a change of use will be advertised in accordance with the standard development requirements above unless wider consultation is considered necessary.

5.2.3 Advertising of Standard Development Applications

- (a) Applications which seek a performance assessment in relation to the Design Principles of State Planning Policy 7.1 Residential Design Codes Volume 1, may be advertised at the discretion of the Shire if it is considered there may be impact on the amenity of adjoining owners and occupiers.
- (b) Non-residential development which seeks the exercise of judgement have regard to the Shire of Halls Creek Local Planning Scheme No. 2 provisions, Council Policy, a Local Planning Policy, adopted structure plans, activity centre plans or local development plans may be advertised at the discretion of the Shire if it is considered there any be a possible impact on the amenity of the adjoining owners and occupiers.
- (c) Advertising of standard planning applications shall be in accordance with Table 1 unless discretion is exercised by the Shire to an alternate approach.

5.2.4 Advertising of Complex Applications

- (a) Advertising of standard planning applications shall be in accordance with the Table 1 unless discretion is exercised by the Shire to an alternate approach.

5.2.5 Advertising Timeframes

- (a) The advertising period of planning proposals shall be in accordance with the Advertising Period listed in Table 1.
- (b) To enable the decision maker to achieve the statutory timeframes associated with the assessment of planning applications, formal requests for an extension to the advertising period will not generally be preferred. Relevant comments received outside of the advertising period, including after the closing date, will be considered where possible.
- (c) Where consultation is to occur over the Easter being a period of seven days commencing on Good Friday, or Christmas period, being the period from 25th December to 1 January (inclusive), these days will be excluded from the total duration of consultation in accordance with the *Planning and Development (Local Planning Schemes) Regulations 2015*.

5.2.6 Development applications where the Shire is not the responsible authority or decision maker. Where the Shire is not the responsible authority or decision-maker for a development application:

- (a) The Shire will not undertake community consultation for the development application.
- (b) In providing a recommendation to the responsible authority the Shire will provide advice on whether community consultation is appropriate, and if so, will outline the recommended consultation methods and relevant stakeholders having regard to the requirements of this policy.



Shire of Halls Creek Local Planning Policy 4.1 Consultation Requirements

Table 1 – Advertising Methods

Type of Planning Proposal (at discretion of the Shire)	Advertising period	Minimum extent of letters to Owners and Occupiers	Local Newspaper Notice	Online notice	Sign(s) on site	Hard copies
Standard Development Application	14 days	Properties in the vicinity that may be affected	No	Yes	No	No
Complex Development Application	28 days	All within 200m radius	No	Yes	Yes	No
Local Development Plan (LDP)	14 days	All within LDP area and within 100m radius	No	Yes	Yes	No
Basic Scheme Amendment	Only to be advertised if and as directed by the Minister of Planning.					
Standard Scheme Amendment	42 days	All within amendment area and within 100m radius	Yes	Yes	Yes	Yes
Complex Scheme Amendment	60 days	All within amendment area and within 200m radius	Yes	Yes	No	Yes
Structure Plan/Precinct Structure Plan	42 days	All within Structure Plan area and within 200m radius	Yes	Yes	No	Yes
New/Amended Local Planning Policy	21 days	No	Yes	Yes	No	Yes
Local Planning Strategy	21 days	All landowners and occupiers of the Shire	Yes	Yes	No	Yes
Local Planning Scheme	90 days	All landowners and occupiers of the Shire	Yes	Yes	No	Yes
Notes:						
i. Joint Development Assessment Panel applications are to be advertised in accordance with the type of planning proposal.						



Shire of Halls Creek Local Planning Policy 4.1 Consultation Requirements

- ii. For proposals through the Significant Development Pathway (SDP) pathway, consultation will be undertaken by the SDP. Public notice and relevant information/links to plans and technical documents will be published on the Shire's website, subject to the Department of Planning, Lands and Heritage requirements.
- iii. Advertising amendments to the State Register of Heritage Places is to be in accordance with the Heritage Act 2018

6. Submissions

6.1 Acceptable Submissions

- (a) Verbal submissions will not be considered by the Shire.
- (b) Written submissions are to include the name and contact details of the person making the submission and identify the properties affected by the proposal (if relevant). An email address or phone number is required for further consultation.
- (c) Written submissions will be accepted by the Shire via post, facsimile or email, subject to being received prior to close of business on the day submissions close.
- (d) The Shire reserves the right to not publish or consider either wholly or in part a submission that it considers to be defamatory to any party.
- (e) Where a person or party has been informed of a planning proposal and no submission is received by the closing date for submissions, the Shire will construe that the person or party has no objection to the proposal.
- (f) The form and content of submissions should be based on planning grounds and preferably address the matters contained within Clause 67 of the Planning and Development Act 2005.

6.2 Consideration of Submissions

- (a) The Shire will consider all submissions received during the advertising period of the subject planning proposal.
- (b) Submissions will be considered by the Shire against the matters contained in clause 67 of the Deemed Provisions for Local Planning Schemes and on generally accepted planning grounds.
- (c) Submissions that contain matters that cannot be reasonably associated with a planning matter will not be considered by the Shire. These can include (but not limited to);
 - a. Perceived loss of property value
 - b. Private disputes between neighbours including access & egress and easements
 - c. Dividing fence issues
 - d. Matters that are usually dealt with by the building licence process
 - e. Impact of construction work
 - f. Trade competition concerns (in most circumstances)
 - g. Personal morals or views about the applicant
 - h. Matters that are controlled under other legislation



Shire of Halls Creek Local Planning Policy 4.1 Consultation Requirements

- (d) Where a submission is received after the advertising period has ended, but prior to a decision being made on the proposal, the Shire will note that the submission is late, but will make reasonable endeavours to consider the submission.

6.3 Acknowledgment of Submissions

- (a) The Shire will notify each person that made a submission on a proposal of the decision made in relation to the proposal. Notification will typically be sent within five (5) working days of the date of decision.
- (b) Where the Shire anticipates that a decision will not be taken for a period of greater than 28 days from the close of advertising, it will inform any person that has made a submission of the delay.
- (c) Where a planning proposal is to be considered at an Ordinary or Special Meeting of the Council each person who has made a submission is to be notified a minimum of five (5) days prior to the date of meeting and provided with a copy of the report on the matter or alternatively, informed of where an online copy of the report can be obtained.
- (d) The form of notification under this section can be either posted by letter or email.
- (e) Where a person or party informed of a planning proposal in accordance with this policy has not made a written submission on it, the Shire is not required to provide acknowledgement under this section.
- (f) Where no response is received within the time specified from the date of notification, the decision-maker may determine the proposal on its merits and issue its decision.
- (g) Submissions received on a proposal, including submitters details, may appear in a publicly available agenda, including Council or Joint Development Assessment Panel agendas.

7. Advertising Costs

Except where an applicant is required by the Shire of Halls Creek adopted Schedule of Fees and Charges to pay certain advertising costs, costs associated with advertising are to be paid by the Shire and offset by the application fee.

8. Definitions

Development – As per the *Planning and Development Act 2005* definition.

Decision Maker – The body, organisation or authorised person legally vested with the power to make decisions, pursuant to relevant legislation and applicable planning policy frameworks.

Standard Application – All planning proposals which do not fall under the definition of complex application.

Complex Application – As per the *Planning and Development (Local Planning Schemes) Regulations 2015*.



Shire of Halls Creek Local Planning Policy 4.1 Consultation Requirements

Date Adopted	
Review Date	
Next Review	

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Shire of Halls Creek Local Planning Policy 4.2 Cash-in-Lieu for Parking

Policy Group	Planning Procedures
Policy Number	4.2
Policy Name	Cash-in-Lieu for Parking

1. Citation

This is a Local Planning Policy prepared under Schedule 2, Part 2 of the deemed provisions of the *Planning and Development (Local Planning Schemes) Regulations 2015* which allows the local government to prepare local planning policies relating to planning and development within the Scheme area. This Policy may be cited as Local Planning Policy 4.2 Cash-in-Lieu for Parking LPP.

2. Introduction

The Shire of Halls Creek acknowledges the need to ensure an adequate provision of off-street parking to cater for the normal parking demand of land uses in all areas, as well as the importance of providing options for developers to establish alternative on-site parking arrangements.

The Shire of Halls Creek Local Planning Scheme states that the local government accept a cash payment in-lieu of the provision of on-site parking in certain circumstances.

3. Objectives

- To provide guidance on the application of cash-in-lieu parking arrangements for development within the Shire of Halls Creek.
- To establish a formula that is applied to calculate cash-in-lieu payments in a consistent and transparent manner.
- Provide guidance on the use of the funds derived from a cash in lieu payment.

4. Policy Applications

This policy applies to all development located within the 'Commercial' zone and 'Mixed-Use' zone within the Shire of Halls Creek scheme area.

5. Policy Statement

Pursuant to Schedule 2 of Halls Creek Local Planning Scheme No.2, the Shire agree to accept a cash payment in lieu of the provision of car parking, subject to the following:

- 5.1 In the first instance, on-site parking bays are to be provided in accordance with the parking standards outlined in the relevant local planning policy, structure plan, activity centre plan or local development plan.
- 5.2 Where the total required on-site car parking bays are not proposed to be provided on the subject site, there may be circumstances under which an alternative to the payment of cash-in-lieu for the shortfall parking bays may be considered. These may include:
 - approval in a reduction of the number of car parking bays to be provided.
 - consideration of reciprocal parking and access arrangements where different land uses are located on adjoining sites, and where appropriate agreements can be put in place.



Shire of Halls Creek Local Planning Policy 4.2

Cash-in-Lieu for Parking

5.3 Subject to satisfying provisions within clause 5.1, the Shire may agree to accept a cash payment in lieu of the provision of carparking, but subject to the following requirements:

- (a) the cash-in-lieu payment shall be not less than the estimated cost to the owner of providing and constructing the parking spaces required by the Scheme, plus the value, as determined by either the Valuer-General or by a licensed valuer appointed by the local government, of the area of his land which would have been occupied by the parking spaces;
- (b) Before the local government agrees to accept a cash payment in lieu of the provision of car parking spaces, the local government may either have already provided a public car park nearby, or may have firm proposals for providing a public car park area nearby within a period of not more than eighteen (18) months from the time of agreeing to accept the cash payment.
- (c) payments made under clause 5.1 shall be paid into a parking fund to be used for the provision of public carparking facilities. The Council may use this fund to provide public parking facilities anywhere within reasonable proximity to the subject land in which a cash-in-lieu arrangement is made; and
- (d) all costs incurred in obtaining the valuation shall be borne by the developer proposing the cash-in-lieu contribution.

6. Proceeds of Cash-in-Lieu Parking

- (a) The proceeds of any cash-in-lieu parking arrangements should be appropriately apportioned to car parking infrastructure needs as they arise within the Shire.
- (b) Payments made under Schedule 4 of the Local Planning Scheme shall be paid into a special purpose fund to be used for the provision of public carparking facilities and the local government may use this fund to provide or maintain public parking facilities anywhere within the 'Commercial' zone and 'Mixed-Use' zone.

Date Adopted	
Review Date	
Next Review	



Shire of Halls Creek Local Planning Policy 5.1 Uniform & Secure Fencing

Policy Group	Miscellaneous
Policy Number	5.1
Policy Name	Uniform & Secure Fencing

1. Citation

This is a Local Planning Policy prepared under Schedule 2 of the Planning and Development (Local Planning Schemes) Regulations 2015. This Policy may be cited as Local Planning Policy 5.1 Security & Uniform Fencing LPP.

2. Introduction

The purpose of this policy is to set out the application requirements for uniform and security fencing in the Shire of Halls Creek. This policy also provides development standards for fencing that requires development approval and to exempt certain fencing from the need to seek development approval.

3. Objectives

1. Establish the Shire's position regarding the provision of uniform fencing in new residential estates and developments.
2. Set out the Shire's minimum requirements for uniform and secure fencing.

4. Policy Application

This Policy applies to all commercial, residential and industrial zones of the Shire of Halls Creek Local Planning Scheme No. 2.

5. Policy Statement

Uniform fencing is required to be provided by developers and landowners where land directly abuts the public domain, including: Schools, Public Open Space (POS), Drainage Reserves, Pedestrian Access Ways (PAWs), Railway Reservations, and roads.

The requirement for the construction of uniform fencing will be triggered through the development and/or subdivision of land.

The Shire may impose a condition on planning approvals (where applicable) requiring the applicant/owner to construct uniform fencing in accordance with this Policy.

The Shire may recommend to the Western Australian Planning Commission (WAPC) that a condition be imposed on subdivision approvals (where applicable) requiring the applicant/owner to construct uniform fencing in accordance with this Policy.

In considering applications for structure plans, detailed engineering drawings or building permits, the Shire may apply the criteria and requirements of this Policy.

6. Uniform Fencing Development Standards

6.1 Fencing in Residential Areas

- a) Fences within the primary street setback area as viewed from the street, and side fences abutting public open space reserves should be visually permeable above 1.0m within heritage areas and 1.2m in other areas to a maximum height of 1.8m, with piers not higher than 2.0m.



Shire of Halls Creek Local Planning Policy 5.1 Uniform & Secure Fencing

- b) Fences within a secondary street setback area and outside of a primary street setback area should be solid to a maximum height of 1.8m

6.2 Fencing in All Zones Subject to this Policy

- a) Except as provided for at clause 6.1, uniform fencing should generally be a minimum height of 1800mm to a maximum height of 2400mm above the interfacing finished levels (i.e. above the height of the retaining walls where extensive fill is required). Where uniform fencing is constructed above a retaining wall, the maximum combined height should generally not exceed 3 metres above post-development levels. The Shire support combined retaining walls and uniform fencing heights more than 3 metres where it can be demonstrated that the subdivision / development necessitates a higher wall for engineering or design purposes.
- b) Uniform fencing should generally be constructed of limestone, brick, masonry or other durable materials approved by the Shire. Uniform fencing using modular construction may be considered provided that the wall presents a rendered or similar finish and it can be demonstrated that the repair and maintenance requirements of such a wall is satisfactory to the Shire.
- c) Colorbond® steel (or similar), timber-lap, ring-lock/cyclone, super-six/fibro cement and twin-side post and panel fencing are not acceptable materials where uniform fencing is required.
- d) Uniform fencing, where visually permeable infill panels are required should generally be constructed of wrought iron, steel, aluminium or other similar durable material to the satisfaction of the Shire. Timber infill panels are generally not supported due to its high maintenance and low durability compared to metal products. Infill panels should be constructed above 900mm in height above natural ground level and should be visually permeable in accordance with the definition contained in the Residential Design Codes of Western Australia (R-Codes).
- e) Where uniform fencing is required on a corner lot, such fencing should also be provided on the lot truncation and should be visually permeable for the truncation and for a length extending 3 metres along the adjoining side boundary.
- f) Approval for the subsequent removal and/or modification of uniform fencing will not be granted unless it is demonstrated by the proponent that the alternative maintains the Shire's objectives of achieving a high level of visual amenity, high durability and adequate passive surveillance, where appropriate.
- g) All solid portions of uniform fencing should generally be treated with non-sacrificial graffiti protection which is to be applied to the manufacturer's specifications and to the Shire's satisfaction.
- h) Complementary landscaping is to be provided by the proponent / landowner adjacent to uniform fencing and the adjoining road reserve where it is considered appropriate by the Shire.
- i) Uniform fencing is to be located entirely on the private property which abuts the public area.
- j) Where more than one proponent is undertaking subdivision or development on adjoining lots, the Shire will require that any uniform fencing be constructed in a coordinated manner of the



Shire of Halls Creek Local Planning Policy 5.1 Uniform & Secure Fencing

same materials, colours and finishes to achieve a consistent streetscape. The Shire will have regard to existing uniform fencing when assessing subsequent fencing applications.

- k) Development or subdivision estate branding or logos will generally not be permitted to be affixed or attached to any portions of uniform fencing.

6.3 Discretion

Council may exercise discretion to vary the height of fences in the primary and/or secondary street setback area(s) where any of the following apply:

- (a) the proposed fence height is consistent with the established pattern of fences within the streetscape.
- (b) minor variations are made necessary by virtue of the sloping topography of the site
- (c) chain link, mesh, garrison fences or security fencing on a lot with non-residential land use and that are greater than 1.8m in height may be permitted where in the opinion of Council, it is necessary to provide security to a commercial or industrial property and are consistent with the established pattern of fences within the streetscape.
- (d) The Shire may permit solid fencing for a portion of the total length of the boundary within the primary street setback area, where surveillance between a habitable room window of the dwelling and the street and approach to the dwelling is available, and either of the following criteria is satisfied:
 - where it is necessary to provide privacy screening where there is no alternative outdoor living area to the front setback
 - where it is consistent with the prevailing streetscape.

7. Definitions

For the purposes of this Planning Policy, the words and expressions of the Policy have their normal and common meaning as defined in the Local Planning Scheme, unless the context otherwise required or as defined below.

Proponent means owner or owners of land to which a proposed Structure Plan, Subdivision or Development relates.

Legislation/Local Law Requirements

Division 2 – Local Planning Policies of Part 2 – Deemed provisions for local planning schemes of Planning and Development (Local Planning Schemes) Regulations 2015

Date Adopted	
Responsible Department	
Review Date	
Next Review	



Shire of Halls Creek Local Planning Policy 5.2 Signage

Policy Group	Miscellaneous
Policy Number	5.2
Policy Name	Signage

1. Citation

This is a Local Planning Policy prepared under Schedule 2, Part 2 of the deemed provisions of the *Planning and Development (Local Planning Schemes) Regulations 2015* which allows the local government to prepare local planning policies relating to planning and development within the Scheme area. This Policy should be cited as Local Planning Policy 5.2 Signage LPP.

2. Introduction

This policy outlines the development requirement for advertising signs on land within the Shire of Halls Creek.

3. Objectives

- To provide guidance of the design and placement of signage located within the Shire of Halls Creek.
- To encourage signage that is well-designed, well-positioned and appropriate to the location to maintaining the visual quality, amenity and character of the locality.
- To ensure signage is clear and efficient in communicating to the public and does not lead to visual clutter on and around buildings within public streetscapes.
- To facilitate appropriate signage that realistically corresponds to the needs of businesses.
- To ensure signage does not present a hazard or obstruction to pedestrians or motorists when visible from roads.

4. Policy Applications

- This policy applies to all signs proposed within the Shire of Halls Creek;
- In accordance with Clause 61(i) of the *Planning and Development (Local Planning Schemes) Regulations 2015* (the Regulations) development approval is not required for:

the erection or installation of a sign of a class specified in a local planning policy or local development plan that applies in respect of the sign unless the sign is to be erected or installed:

- on a place included on a heritage list prepared in accordance with this Scheme; or*
- on land located within an area designated under this Scheme as a heritage area.*

Development approval is not required for signs under this Policy that are identified as exempt signs under the Regulations.

- This Policy is to be applied in conjunction with Schedule 1 – Signage and advertisements for which development approval not required of the Local Planning Scheme.
- Whether or not a sign requires development approval, other approvals should be required for signs including but not limited to a Building Permit, Footpath Trading and Activation Permit or approval from Main Roads Western Australia



Shire of Halls Creek Local Planning Policy 5.2 Signage

5. Policy Statement

5.1 General Sign Requirements

Applications for signage to be installed on Zones other than the Residential Zone should satisfy all of the following:

- (a) A maximum of three signs per tenancy; and
- (b) Satisfy the development standards set out in Table 1 and Figure 1; and
- (c) The content of signage should be limited to:
 - i. The name of the business/es trading from the property;
 - ii. Trademark or logo of the business/es operating from the property;
 - iii. Contact details of the business/es operating from the property;
 - iv. Details of the business/es carried out on the property;
 - v. Details of goods sold on the property.

5.2 Signs in Residential Zones

Signs in Residential zones are generally not supported on a permanent basis unless they are associated with an approved home-based-business and in accordance with the Shire's Local Planning Policy 1.1 Home-Based Business.

5.3 Illuminated Signs

Illuminated signage should satisfy the following criteria:

- (a) Be static and not pulse, flash or rotate or chase.
- (b) Not contain any fluorescent, reflective or retro-reflective colours or materials
- (c) Not interfere with or be likely to be confused with traffic control signals.
- (d) Be internally illuminated using a low level of illumination, not exceeding 300cd/per metre square.
- (e) Not be located in, opposite or adjacent to land zoned Residential under the provisions of the Local Planning Scheme
- (f) Be switched off between the hours of 11:00pm and sunrise unless open for business during these hours.
- (g) Not erected or installed within 1.5 metres of any part of a crossover or street truncation.

5.4 Election and Political Signs

5.4.1 Election or political signage that meets the following specifications may not require prior approval from the local government under the provisions of *Regulation 61(g) of the Planning and Development (Local Planning Schemes) Regulations 2015*.

- (a) Must be erected at least 30 metres from any intersection.
- (b) Must be free standing and not being affixed to any existing sign, post, power or light pole, or similar structure.
- (c) Being placed so as not to obstruct or impede the reasonable use of a thoroughfare, or access to a place by any person.
- (d) Must be placed so as not to obstruct or impede the vision of a driver of a vehicle entering or leaving a thoroughfare or crossing.
- (e) Must be maintained in good condition.
- (f) Must not be erected until the election to which it relates has been officially announced.
- (g) Must be removed within 48 hours of the close of polls on voting day.



Shire of Halls Creek Local Planning Policy 5.2 Signage

- (h) Must be securely installed.
- (i) Must not be an illuminated sign and
- (j) Must not be displaying only part of a message which is to be read with other separate signs in order to obtain the whole message.

5.4.2 In the instance the election and/or political signage does not meet the provisions within Part 5.4.1, development approval is required from the Shire of Halls Creek.

5.5 Temporary Signage (real-estate, construction, sporting clubs, event signage, SOHC Signage)

Temporary signage should satisfy the following criteria:

- (a) Displayed for the duration listed under Schedule 1 – Signage and advertisements for which development approval not required of the Local Planning Scheme, or 12 months, whichever is greater.
- (b) In the instance the display duration is greater than the period permitted within part 6.5 (a), development approval is required from the Shire of Halls Creek.

5.6 Third Party Signage

Third party signage is not permitted within the Shire of Halls Creek.

5.7 Design Principles

Where variations to the above requirements of this policy are sought, the following criteria is to be satisfied in addition to the objectives of the zone which the signage is located:

- (a) The proposed signage is clear, simple, and concise;
- (b) The proposal is compatible with existing signage on the site and within the surrounding area and will not obscure existing signage on adjacent tenancies or properties;
- (c) Will not result in the creation of an unacceptable level of visual clutter within the area to the detriment of visual amenity;
- (d) The signage is appropriate to the locality and surrounding land uses, in terms of its size, location and design;
- (e) It will not result in an adverse impact upon the character or historical significance of the surrounding area;
- (f) The signage is designed to complement the architectural style and character of the building, site or area;
- (g) Will not cause driver distraction or otherwise impact upon traffic safety;
- (h) The signage will not result in unacceptable light spill on to abutting sites;
- (i) It will not pose a threat to public safety or health;
- (j) The signage must not contain obscene or offensive information, or illustration; and
- (k) The signage allows for passive surveillance of the public domain from internal areas and a view across the tenancy from external areas for non-residential development.

5.8 Supporting information

The Shire may require the submission of a signage strategy as a condition of development approval or before new signage is proposed in the following circumstances:

- (a) When development approval is sought for a mixed use or commercial development comprising of more than three non-residential tenancies,



Shire of Halls Creek Local Planning Policy 5.2 Signage

- (b) Where new signage or additional signage is proposed on an existing commercial premises and more than three signs per tenancy already exist on site or where the current signage represents a poor amenity outcome.
- (c) Where discretion is sought against the provisions of this Policy.

6. Definitions

Sign - Means any word, letter, graphic, image, model, picture, sign, pattern, placard, board, notice device or representation employed in whole or in part for the purposes of advertisement, announcement or direction. Includes airborne devices anchored to any land or building.

Sign Type Definitions – Specific sign types are defined in Table 1 and Figure 1.

Area of a sign - The area of a sign is that portion contained within a polygon drawn around the text, graphics and/or image and not the entire background, provided that the colour of the background of the sign matches the colour of the surface to which the sign is attached. Where the background of the sign does not match the colour of the surface to which the sign is attached, then the area of the sign is to be determined measuring around the borders of the entire sign. Where a sign is two sided, such as an under-awning sign or monolith sign, the area of one side of the sign is to be measured rather than both sides.

Signage Strategy - An approved signage and advertising plan to demonstrate the provision of a comprehensive and consistent signage strategy applied across a given site. This should include details depicting the location, size, and composition of all advertisement signs proposed for the site.

Third Party Signage - A structure which is designed to display sign content that advertises businesses, products, goods or services not located or available at the premises where the sign content is displayed.

Heritage protected place - A Heritage protected place is defined by Schedule 2, Clause 1A of the *Planning and Development (Local Planning Schemes) Regulations 2015* (the Regulations) and includes (but not limited to) a place:

- entered in the State Register of Heritage Places;
- on a heritage list adopted by the Shire; or
- within an area designated by the Shire as a heritage area

Table 1 – Signage Types and Standards

Signage Type	Standard	Allowable Zone
Wall Sign Sign fixed to the external part of a wall of a building or fence	(a) No more than two such signs on any one wall directly associated with the tenancy; (b) Signage not to be located above ground floor level; and (c) The collective sign area must not exceed 2m ² in area per wall.	All zones.
Roof Sign An advertising sign which protrudes above the roof line or sits flush with the roof.	Discretion exercised by the Shire of Halls Creek through a Development Application.	Rural Enterprise, General Industry, Commercial, Mixed Use, and



Shire of Halls Creek Local Planning Policy 5.2 Signage

		Tourism.
<p>Projecting Sign Signage attached at right angles to a building or structure.</p>	<p>(a) Signage is limited to one sign per tenancy; (b) Attached to the fascia of the building; (c) Not to project more than 1m from the wall to which it is attached; and (d) Not to exceed 1m² in size, per side;</p>	<p>Rural Enterprise, General Industry, Commercial, Mixed Use, and Tourism.</p>
<p>Awning Fascia Sign Signage fixed to the outer or return fascia of an awning or verandah.</p>	<p>(a) Signage is limited to one sign per side of the awning; and (b) Must not protrude beyond the existing dimensions of the awning or verandah fascia.</p>	<p>Urban Development, Rural Enterprise, General Industry, Commercial, Mixed Use, and Tourism.</p>
<p>Above-Awning Sign Signage fixed on top of an awning or verandah.</p>		<p>Urban Development, Rural Enterprise, General Industry, Commercial, Mixed Use, and Tourism.</p>
<p>Below-Awning Sign Signage fixed or hanging from the under-side of an awning or verandah.</p>	<p>(a) Signage is limited to one sign per tenancy with street frontage; (b) Not to exceed 2.4m in length or the width of the awning or verandah directly associated with the tenancy to which it is attached (whichever is less); (c) Not to be within 3m of another under verandah sign; (d) Must be positioned at right angles to the street boundary; and (e) To have a minimum clearance above ground level of 2.75m.</p>	<p>Urban Development, Rural Enterprise, General Industry, Commercial, Mixed Use, and Tourism.</p>
<p>Pylon Sign Freestanding and elevated signage installed at the top of a column/s or pole/s and not attached to a building.</p>	<p>(a) Signs to be a maximum height of 6m when measured from ground level; (b) Signage must be no greater than 1.5m in width; (c) The supporting column or pole may should be a minimum 2.75 metres above natural ground level</p>	<p>Urban Development, Rural Enterprise, General Industry, Commercial,</p>



Shire of Halls Creek Local Planning Policy 5.2 Signage

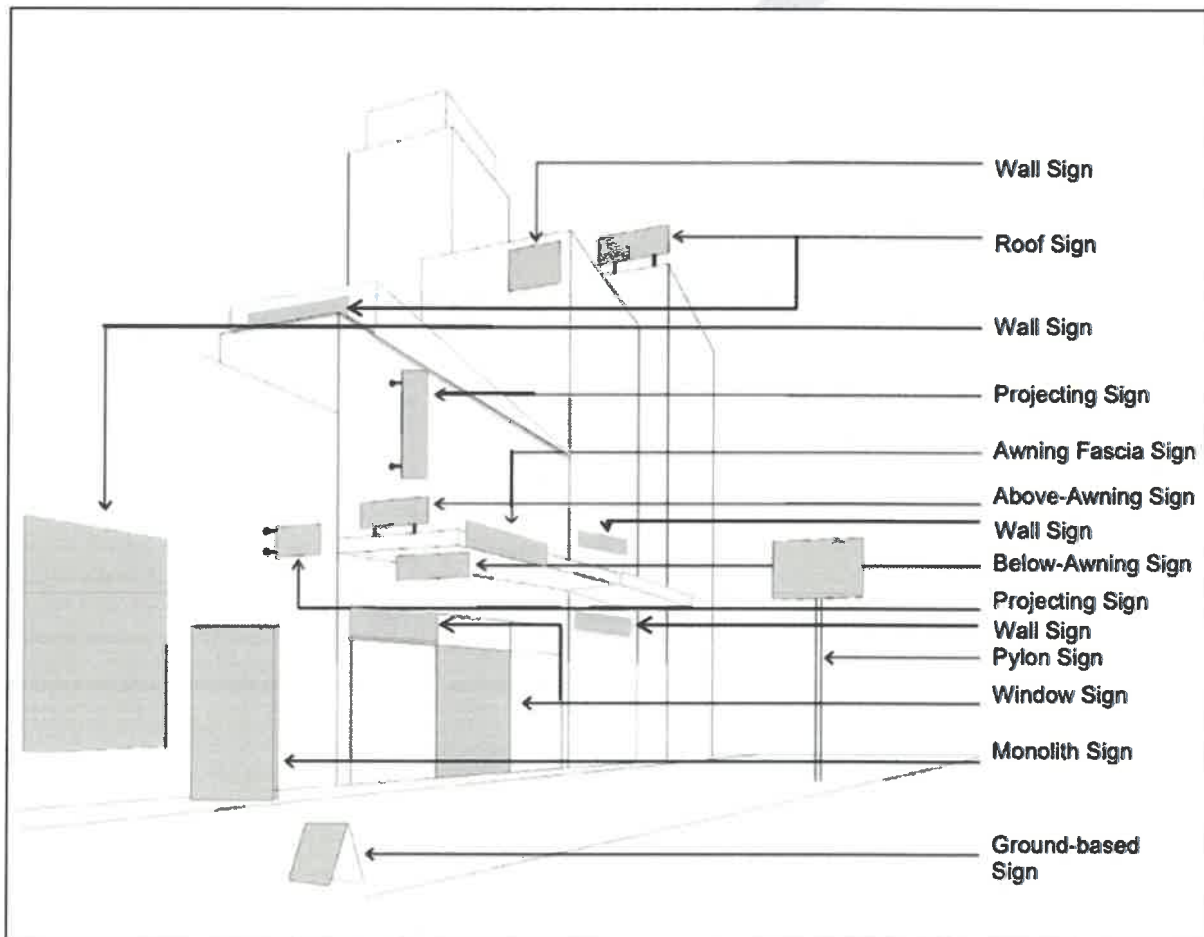
	<p>(d) Limited to one sign per lot frontage. Where more than one business tenancy exists on the parent lot, the signage must be designed to accommodate the advertising requirements of all tenancies.</p> <p>(e) Not erected or installed within 1.5 metres of any part of a crossover or street truncation</p>	Mixed Use, and Tourism.
<p>Window Sign Signage affixed to either the interior or exterior of the glazed area of a window and visible from outside the building</p>	<p>(a) Signage may should not cover more than 20% of the subject tenancy window area to which it is being affixed.</p>	All zones.
<p>Monolith Sign Freestanding vertical sign protruding directly out of the ground, not elevated on a column or pole and not attached to a building.</p>	<p>(a) Signs to be a maximum height of 3m when measured from ground level;</p> <p>(b) Signage must be no greater than 1.5m in width;</p> <p>(c) Limited to one sign per lot frontage and where more than one business tenancy exists within the subject lot, the signage must be designed to accommodate the advertising requirements of all tenancies;</p> <p>(d) Not erected or installed within 1.5 metres of any part of a crossover or street truncation</p>	Urban Development, Rural Enterprise, General Industry, Commercial, Mixed Use, and Tourism.
<p>Ground-based Sign Advertising signage which is not attached or otherwise affixed to a building</p>	<p>(a) Only displayed during operational business hours, directly in front of the tenancy;</p> <p>(b) Limited to one sign per tenancy;</p> <p>(c) Signs may should not exceed 1.2m in area.</p> <p>(d) Not erected or installed within 1.5 metres of any part of a crossover or street truncation</p> <p>(e) May Should not obstruct a pedestrian thoroughfare</p>	Urban Development, Rural Enterprise, General Industry, Commercial, Mixed Use, and Tourism.
<p>Real-estate Signage</p>	<p>(a) Not erected or installed within 1.5 metres of any part of a crossover or street truncation;</p> <p>(b) Maximum height of 3m above ground level;</p> <p>(c) Maximum area of 3m² per side: and</p> <p>(d) Must be removed within one week of the completion of the property transaction.</p> <p>(e) Displayed only for the duration of the advertising period to which the sign and all associated infrastructure is to be removed thereafter.</p>	Residential, Urban development, Rural Residential, Rural Enterprise, General Industry, Commercial, Mixed Use, and Tourism.
<p>Construction signage Signage displayed during the construction phase of an approved development and may should include signage incorporated as part of the site</p>	<p>(a) Maximum 3m in height;</p> <p>(b) In aggregate a maximum length of 25% of the boundary on which the sign is located.</p> <p>(c) Not illuminated;</p> <p>(d) To include the contact details of the relevant construction company</p>	All Zones:



Shire of Halls Creek Local Planning Policy 5.2 Signage

<p>fencing or a free-standing display.</p>	<p>(e) To relate only to the approved development under construction; and (f) Not erected or installed within 1.5 metres of any part of a crossover or street truncation. (g) Displayed only for the duration of the construction period to which the sign and all associated infrastructure is to be removed thereafter.</p>	
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Figure 1 - Signage Types



Date Adopted	
Review Date	
Next Review	

9.3 INFRASTRUCTURE

Nil.

9.4 CORPORATE SERVICES

9.4.1 Payments by Employees via Purchasing Cards – 25 January 2025 to 25 February 2025

ITEM NUMBER:	9.4.1
REPORTING OFFICER	Susan Leonard, Chief Executive Officer
SENIOR OFFICER	Susan Leonard, Chief Executive Officer
MEETING DATE:	27 March 2025
DISCLOSURE OF INTEREST:	Nil

1.0 Matter for Consideration

1.1 List of payments made by authorised employees using transaction cards to be received by Council for the period between 25 January – 25 February 2025.

2.0 Background

2.1 Regulation 13A of the *Local Government (Financial Management) Regulations 1996* requires local governments to prepare a list of all payments made by an authorised employee using a credit, debit or other purchasing card.

2.2 This requirement of Regulation 13A supersedes the requirement of Council Policy HR5. Credit card payments by the CEO are included in the appended list of payments by purchasing card and now excluded from the CEO Authorisation and Reporting to Council report.

2.3 The listing of relevant cards has been prepared to highlight the information required by legislation:

- (a) the payee's name;
- (b) the amount of the payment;
- (c) the date of the payment;
- (d) sufficient information to identify the payment.

3.0 Comments

3.1 Purchasing card payments for the period 25 January – 25 February 2025 are via Credit card payments totalling \$16,942.94.

3.2 The attached schedule provides the information required by legislation. A detailed copy of the payments will be kept in the Finance Office.

3.3 The list of payments made by authorised employees using transaction cards to be received by Council for the period 25 January – 25 February 2025 is hereby presented to Council.

4.0 Statutory Environment:

- 4.1 Regulation 13A of the *Local Government (Financial Management) Regulations 1996* provides that a list of all payments made by an authorised employee using a credit, debit or other purchasing card be prepared and presented to Council.
- 4.2 This list must include all payments made since the list was last prepared and presented to Council and included in the minutes of the meeting.

5.0 Strategic Implications

- 5.1 Objective:
4. Civic: Working together to strengthen leadership and effective governance.
- 5.2 Outcome:
Civic - 4.1 A local government that is respected and accountable
- 5.3 Strategy:
Civic - 4.1.1 Provide strong, effective and functional governance and leadership in the Shire Strategy 4.1.1:

6.0 Policy Implications:

- 6.1 All payments made in accordance with adopted Council policy and delegations.

7.0 Financial Implications

- 7.1 Out-flow of cash totalling \$16,942.94. All payments made have been within the provisions of the 2024-25 Budget.

8.0 Sustainability Implications

- 8.1 Environmental
There are no significant identifiable environmental impacts arising from adoption of the officer's recommendation.
- 8.2 Economic
There are no significant identifiable economic impacts arising from adoption of the Officer's recommendation.
- 8.3 Social
There are no significant identifiable social impacts arising from adoption of the Officer's recommendation.
- 8.4 Risk

Event Likelihood / Impact Matrix			
Likelihood (refer Potential Risk Likelihood Guide)	Impact (refer Potential Risk Impact Guide)		
	Minor	Medium	High
Low (unlikely)	1	2	3
Moderate (likely)	2	4	6
High (very likely)	3	6	9

Risk	
Low Risk	
a risk / activity with a score of 2 or less	N/A
Moderate Risk	
a risk / activity with a score between 3 or 4 more is moderate risk	N/A

High Risk	
a risk activity with a score of 6 or more is a high risk	N/A
Risk Control Measure	

9.0 Officer Recommendation

That:

Council receives the listing of payments made by authorised employees using transaction cards for the period 25 January – 25 February summarised on the attached schedule (as appended 9.4.1A) for credit card payments totalling \$16,942.94.

VOTING REQUIREMENT: Simple majority

Appendix:

9.4.1A - Appendix - Schedule of Payments by Employees via Purchasing Cards – 25 January – 25 February 2025

This section left blank intentionally

**Shire of Halls Creek
Payments by Employees via Purchasing Cards
25 January to 25 February 2025
Credit Cards**

Date	Name	Value	Card Id
28-Jan-25	Halls Creek IGA	\$50.57	2695
28-Jan-25	Halls Creek IGA	\$27.98	2695
28-Jan-25	Halls Creek IGA	\$5.65	2695
30-Jan-25	Halls Creek IGA	\$3.98	2695
30-Jan-25	Kimberley Pharmacy	\$605.00	2695
3-Feb-25	Halls Creek IGA	\$27.98	2695
3-Feb-25	Halls Creek Home	-\$139.05	2695
4-Feb-25	CSR BUILDING PRODUCT	\$40.83	2695
4-Feb-25	Warmun Roadhouse	\$7.29	2695
4-Feb-25	WUNGKUL STORE	\$36.20	2695
5-Feb-25	Halls Creek IGA	\$26.97	2695
7-Feb-25	Warmun Roadhouse	\$41.24	2695
10-Feb-25	Warmun Roadhouse	\$60.00	2695
13-Feb-25	Reddy Express	\$31.60	2695
17-Feb-25	Halls Creek IGA	\$38.16	2695
17-Feb-25	Camping Clothing & Rural Supply	\$44.27	2695
17-Feb-25	Caltex	\$10.30	2695
17-Feb-25	Caltex	\$22.50	2695
17-Feb-25	Coles	\$40.88	2695
17-Feb-25	Coles	\$627.01	2695
17-Feb-25	Roebuck Bay Hotel	\$198.00	2695
17-Feb-25	Roebuck Bay Hotel	-\$18.00	2695
18-Feb-25	Reddy Express	\$17.10	2695
19-Feb-25	McDonalds	\$51.85	2695
20-Feb-25	Halls Creek IGA	\$108.46	2695
20-Feb-25	Tenderspot Meat Co	\$31.48	2695
20-Feb-25	Reddy Express	\$30.10	2695
20-Feb-25	Warmun Roadhouse	\$25.97	2695
21-Feb-25	Divers Tavern	\$46.00	2695
21-Feb-25	BP Shinju - Broome	\$82.10	2695
21-Feb-25	Halls Creek 4WD	\$228.15	2695
21-Feb-25	Environmental Health Australia	\$179.15	2695
21-Feb-25	Mangrove Hotel	\$215.49	2695
24-Feb-25	McDonalds	\$6.70	2695
24-Feb-25	Halls Creek IGA	\$13.50	2695
24-Feb-25	BP Shinju - Broome	\$270.00	2695
24-Feb-25	Poinciana Roadhouse	\$21.50	2695
24-Feb-25	Reddy Express	\$10.30	2695
24-Feb-25	Kundat Djaru Store	\$28.58	2695
24-Feb-25	Woolworths	\$79.43	2695
24-Feb-25	Woolworths	\$285.10	2695
30-Jan-25	WANEWSDTI	\$32.00	4030
20-Feb-25	Everywhere Travel	\$6,415.00	4030
30-Jan-25	REFUND OF ANNUAL FEE	-\$40.00	
18-Feb-25	Landgate	\$31.60	2666
25-Feb-25	WANEWSDTI	\$312.00	2666
29-Jan-25	Halls Creek IGA	\$130.34	8657
28-Jan-25	Police Licensing	\$173.00	8657
29-Jan-25	Halls Creek 4WD	\$294.06	8657
30-Jan-25	Reddy Express	\$32.00	8657
4-Feb-25	Post Halls Creek LPO	\$87.00	8657
14-Feb-25	WWC-COMMUNITIES	\$87.00	8657

**Shire of Halls Creek
 Payments by Employees via Purchasing Cards
 25 January to 25 February 2025
 Credit Cards**

Date	Name	Value	Card Id
17-Feb-25	Reddy Express	\$351.23	8657
17-Feb-25	Reddy Express	\$14.50	8657
28-Jan-25	Broome International Airport	\$180.00	3368
30-Jan-25	Starlink Internet	\$333.00	3368
31-Jan-25	Reddy Express	\$146.44	3368
3-Feb-25	IPWEA	\$363.00	3368
5-Feb-25	Virgin Australia	\$605.59	3368
17-Feb-25	Reddy Express	\$140.61	3368
24-Feb-25	Starlink Internet	\$80.00	3368
31-Jan-25	Webjet	\$847.75	3343
31-Jan-25	Wotif	\$748.98	3343
28-Jan-25	Spotlight Pty Ltd	\$900.00	8424
31-Jan-25	Ink Station	\$525.12	8424
4-Feb-25	Post Halls Creek LPO	\$457.00	8424
19-Feb-25	Post Halls Creek LPO	\$63.80	8424
21-Feb-25	Kinatico Ltd	\$64.80	8424
24-Feb-25	Halls Creek Pharmacy	\$46.80	8424
Total		\$16,942.94	

9.4.2 Accounts Paid by Authority (Summary) – February 2025

ITEM NUMBER:	9.4.2
REPORTING OFFICER	Tracey Stibbard, Senior Finance Officer
SENIOR OFFICER	Susan Leonard, Chief Executive Officer
MEETING DATE:	27 March 2025
DISCLOSURE OF INTEREST:	Nil

1.0 Matter for Consideration

1.1 Accounts paid by authority for February 2025 to be received by Council.

2.0 Background

2.1 Nil

3.0 Comments

3.1 Creditor payments for the month of February 2025 as follows:

<u>Bank Account</u>	<u>Type</u>	<u>Total</u>
Municipal	EFT31961 – EFT32038	1,484,455.74
Telstra	Direct Debit	17,894.19
Pivotel Satellite Pty Ltd	Direct Debit	108.00
Credit Card	Direct Debit	16,942.94
Payroll	Journal/Direct Debit	232,597.85
Department of Transport	Direct Debit	17,270.05
Superannuation	Direct Debit	63,358.18
Bank fees	Direct Debit	352.19
Australia Post	Direct Debit	9,980.40
TOTAL		\$1,842,959.54

3.3 The attached schedule provides information for all payments made during the month under delegated authority. A detailed copy of the payments will be kept in the Finance Office.

3.3 The list of payments made by authority for 1 February 2025 to 28 February 2025 is hereby presented to Council.

4.0 Statutory Environment:

4.1 Regulation 13 of the *Local Government (Financial Management) Regulations 1996* requires a list of all accounts paid be presented to Council and recorded in the minutes.

4.2 This list must include all payments made since the list was last prepared and presented to Council and be included in the minutes.

4.3 Regulation 13A of the *Local Government (Financial Management) Regulations 1996* requires a list of all payments made using a credit, debit or other purchasing card by an authorised employee to be presented to Council and recorded in the minutes. Note, this list is provided in a separate report.

5.0 Strategic Implications

- 5.1 Objective:
4. Civic: Working together to strengthen leadership and effective governance.
- 5.2 Outcome:
Civic - 4.1 A local government that is respected and accountable
- 5.3 Strategy:
Civic - 4.1.1 Provide strong, effective and functional governance and leadership in the Shire

6.0 Policy Implications:

- 6.1 All payments made in accordance with adopted Council policy and delegations.

7.0 Financial Implications

- 7.1 Out-flow of cash totalling \$1,842,959.54. All payments made have been within the provisions of the 2024-2025 Budget.

8.0 Sustainability Implications

- 8.1 Environmental
There are no significant identifiable environmental impacts arising from adoption of the officer’s recommendation.
- 8.2 Economic
There are no significant identifiable economic impacts arising from adoption of the officer’s recommendation.
- 8.3 Social
There are no significant identifiable social impacts arising from adoption of the officer’s recommendation.
- 8.4 Risk

Event Likelihood / Impact Matrix			
Likelihood (refer Potential Risk Likelihood Guide)	Impact (refer Potential Risk Impact Guide)		
	Minor	Medium	High
Low (unlikely)	1	2	3
Moderate (likely)	2	4	6
High (very likely)	3	6	9

Risk	
Low Risk	
a risk / activity with a score of 2 or less	N/A
Moderate Risk	
a risk / activity with a score between 3 or 4 more is moderate risk	N/A
High Risk	
a risk activity with a score of 6 or more is a high risk	N/A
Risk Control Measure	

9.0 Officer Recommendation

That:

Council receives the total accounts paid by authority totalling \$1,842,959.54 summarised on the Schedule of Payments – February 2025 as appended 9.4.2A.

VOTING REQUIREMENT: Simple majority

Appendix:

9.4.2A - Schedule of Payments – February 2025

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Agenda for the Ordinary Meeting of Council to be held 27 March 2025

SCHEDULE OF ACCOUNTS PAID FOR THE MONTH OF FEBRUARY 2025

Chq/EFT	Date	Name	Amount
EFT31961	05/02/2025	MALCOLM HACK EDWARDS	- 969.97
EFT31962	05/02/2025	BONNIE ROSITA EDWARDS	- 553.06
EFT31963	05/02/2025	ROSEMARY STRETCH	- 553.06
EFT31964	05/02/2025	VIRGINIA O'NEIL	- 553.06
EFT31965	05/02/2025	CHRISTOPHER LOESSL	- 553.06
EFT31966	05/02/2025	RAYMOND JOHN SIMPSON	- 553.06
EFT31967	05/02/2025	PATRICIA ANNE MCKAY	- 657.29
EFT31968	18/02/2025	HALLS CREEK MOTEL	- 560.00
EFT31969	18/02/2025	MALCOLM HACK EDWARDS	- 969.97
EFT31970	18/02/2025	STATE LIBRARY OF WESTERN AUSTRALIA	- 407.00
EFT31971	18/02/2025	KIMBERLEY LANGUAGE RESOURCE CENTRE ABORIGINAL CORPORATION	- 330.00
EFT31972	18/02/2025	BONNIE ROSITA EDWARDS	- 553.06
EFT31973	18/02/2025	LANDGATE	- 115.90
EFT31974	18/02/2025	KUNUNURRA HOME & GARDEN	- 1,246.00
EFT31975	18/02/2025	SPINIFEX CONTRACTING	- 18,875.30
EFT31976	18/02/2025	ROSMARIA EASTMAN	- 90.60
EFT31977	18/02/2025	ROSEMARY STRETCH	- 553.06
EFT31978	18/02/2025	VIRGINIA O'NEIL	- 553.06
EFT31979	18/02/2025	CHRISTOPHER LOESSL	- 553.06
EFT31980	18/02/2025	BOAB REFRIGERATION & AIRCONDITIONING PTY LTD	- 140.00
EFT31981	18/02/2025	ARAC REFRIGERATION & AIR CONDITIONING PTY LTD	- 1,153.13
EFT31982	18/02/2025	ST JOHNS AMBULANCE AUST. (WA) INC. (BELMONT)	- 1,392.60
EFT31983	18/02/2025	HALLS CREEK HOME & HALLS CREEK ELECTRICAL & REFRIGERATION	- 9,096.96
EFT31984	18/02/2025	FOURIER TECHNOLOGIES PTY LTD	- 12,590.78
EFT31985	18/02/2025	VISION POWER PTY LTD	- 5,697.23
EFT31986	18/02/2025	MRB PLUMBING PTY LTD	- 11,439.20
EFT31987	18/02/2025	MOORE AUST. (WA) PTY LTD	- 55,422.75
EFT31988	18/02/2025	EASYWEB DIGITAL PTY LTD	- 903.32
EFT31989	18/02/2025	CAMPING, CLOTHING & RURAL (CCR) SUPPLY KUNUNURRA - AUST. INDEPENDENT RURAL RETAILERS (AIRR) & TUCKERS PET & PRODUCE	- 664.38
EFT31990	18/02/2025	ORD AGRICULTURAL EQUIPMENT	- 561.99
EFT31991	18/02/2025	ASB MARKETING	- 632.50
EFT31992	18/02/2025	GREENFIELD TECHNICAL SERVICES (ROADSTONE WEST PTY LTD)	- 163,945.65
EFT31993	18/02/2025	AVANTGARDE TECHNOLOGIES PTY LTD	- 159.67
EFT31994	18/02/2025	DEAN GRAHAM	- 538.93
EFT31995	18/02/2025	DATAKOM SOLUTIONS (AU) PTY LTD	- 3,325.66
EFT31996	18/02/2025	INLOGIK PTY LTD	- 513.00
EFT31997	18/02/2025	JAKE OSMAN	- 7,940.00
EFT31998	18/02/2025	NEIL MANSELL TRANSPORT PTY LTD	- 829.60
EFT31999	18/02/2025	READOS AUTO CARE PTY LTD	- 380.00
EFT32000	18/02/2025	ALL HOURS AUTO ELECTRICS PTY LTD	- 18,011.38
EFT32001	18/02/2025	TRANCOLINO MADDEN CONTRACTING PTY LTD (RJ MADDEN EARTHWORKS)	- 14,140.00
EFT32002	18/02/2025	MARTIN SONS CONTRACTING	- 561.14
EFT32003	18/02/2025	ALLGEAR MOTORCYCLES & SMALL ENGINES	- 349.35
EFT32004	18/02/2025	THEM EARTHMOVING PTY LTD	- 761,881.94
EFT32005	18/02/2025	BUNNINGS WAREHOUSE (BROOME)	- 972.65
EFT32006	18/02/2025	RAYMOND JOHN SIMPSON	- 553.06
EFT32007	18/02/2025	FOURIER INFOSEC PTY LTD	- 7,865.00
EFT32008	18/02/2025	TALIS CONSULTANTS	- 880.00
EFT32009	18/02/2025	KIMBERLEY TRUCK PARTS	- 108.57
EFT32010	18/02/2025	HALLS CREEK SUPERMARKET PTY LTD T/A IGA HALLS CREEK	- 6,048.18
EFT32011	18/02/2025	MIRA CONSULTING	- 1,320.00
EFT32012	18/02/2025	ZULEIKA GOLD LTD	- 2,424.14
EFT32013	18/02/2025	METEORIC RESOURCES NL	- 2,240.98
EFT32014	18/02/2025	HALLS CREEK 4WD	- 16,983.49
EFT32015	18/02/2025	TRIMLEC ELECTRICAL PTY LTD	- 2,073.00
EFT32016	18/02/2025	MORAY & AGNEW PERTH	- 1,968.12
EFT32017	18/02/2025	M GREGORY LEGAL	- 1,416.80
EFT32018	18/02/2025	ELDEAN MACALE (ALDO)	- 239.30
EFT32019	18/02/2025	BIDFOOD DARWIN	- 883.68
EFT32020	18/02/2025	EAST KIMBERLEY CHAMBER OF COMMERCE AND INDUSTRY	- 5,516.50
EFT32021	18/02/2025	PAUL YOUNG	- 760.49
EFT32022	18/02/2025	STAND UP BUILDING AND CONSTRUCTION	- 24,718.00
EFT32023	18/02/2025	BK AND GEDUP CLEANING PTY LTD	- 14,230.00
EFT32024	18/02/2025	EUROFINS ARL PTY LTD	- 104.50
EFT32025	18/02/2025	CHG-MERIDIAN AUSTRALIA PTY LTD	- 8,761.24
EFT32026	18/02/2025	DANIEL HUGHES	- 153.38
EFT32027	18/02/2025	DEPT. OF FIRE & EMERGENCY SERVICES (DFES)	- 21,148.30
EFT32028	18/02/2025	PATRICIA ANNE MCKAY	- 657.29
EFT32029	18/02/2025	WA LOCAL GOVERNMENT ASSOCIATION (WALGA SUBSCRIPTIONS & COURSES ONLY)	- 654.50
EFT32030	18/02/2025	FREEMAN LOCKSMITHS (FREEMAN NOMINEES PTY LTD)	- 374.00
EFT32031	18/02/2025	AUSTRALIAN TAXATION OFFICE (ATO) PAYG PAYMENTS ONLY	- 101,627.00
EFT32032	18/02/2025	CHILD SUPPORT AGENCY	- 605.06
EFT32033	18/02/2025	SHIRE OF WYNDHAM EAST KIMBERLEY (SWEK)	- 2,433.24
EFT32034	18/02/2025	AERODROME MANAGEMENT SERVICES PTY LTD (AMS)	- 85,160.85
EFT32035	18/02/2025	TOTALLY WORKWEAR (BROOME)	- 468.25
EFT32036	18/02/2025	REGIONAL POWER CORPORATION (HORIZON POWER)	- 58,292.24
EFT32037	18/02/2025	ORDCO (ORD RIVER DISTRICT CO-OPERATIVE LTD)	- 343.20
EFT32038	28/02/2025	JASON JOHNSON TURF CONSULTING & SERVICES	- 11,000.00
		EFT	- 1,484,455.74

Agenda for the Ordinary Meeting of Council to be held 27 March 2025

SCHEDULE OF ACCOUNTS PAID FOR THE MONTH OF FEBRUARY 2025

Chq/EFT	Date	Name	Amount
DD21116.1	05/02/2025	TELSTRA	- 17,894.19
		Telstra	- 17,894.19
DD21116.2	05/02/2025	PIVOTEL SATELLITE PTY LTD	- 108.00
		Pivotel Satellite Pty Ltd	- 108.00
DD21143.1	26/02/2025	CBA - CREDIT CARDS ONLY	- 16,942.94
		Credit Card	- 16,942.94
DD21134.1	02/02/2025	CBA - OTHER DIRECT DEBITS ONLY	- 261.68
DD21134.2	17/02/2025	CBA - OTHER DIRECT DEBITS ONLY	- 90.51
		Bank Fees	- 352.19
DD21121.1	05/02/2025	BEAM SUPERANNUATION CLEARING HOUSE (PRECISION ADMINISTRATION SERVICES PTY LTD)	- 42,304.29
DD21121.2	14/02/2025	BEAM SUPERANNUATION CLEARING HOUSE (PRECISION ADMINISTRATION SERVICES PTY LTD)	- 21,053.89
		Superannuation	- 63,358.18
DD21132.1	24/02/2025	AUSTRALIA POST (MELBOURNE)	- 9,980.40
		Australia Post	- 9,980.40
DD21136.1	28/02/2025	DEPT. OF TRANSPORT (DOT) - LICENSING AGENT	- 17,270.05
		Department of Transport	- 17,270.05
Journal	5/02/2025	Direct Credit 301500 Shire of Halls C Co SOHC Payroll	- 115,807.96
Journal	19/02/2025	Direct Credit 301500 Shire of Halls C Co SOHC Payroll	- 115,951.03
Journal	19/02/2025	Direct Credit 301500 Shire of Halls C Co SOHC Payroll	- 838.86
		Payroll	- 232,597.85
		Total	- 1,842,959.54

9.4.3 – Monthly Financial Report for period ending 28 February 2025

ITEM NUMBER:	9.4.3
REPORTING OFFICER	Susan Leonard, Chief Executive Officer
SENIOR OFFICER	Susan Leonard, Chief Executive Officer
MEETING DATE:	27 March 2025
DISCLOSURE OF INTEREST:	Nil

1.0 Matter for Consideration

1.1 Acceptance of Monthly Financial Report for the period ending 28 February 2025 (Appendix 9.4.3A).

2.0 Background

2.1 Regulations 34 and 35 of the *Financial Management (Local Government) Regulations 1996* require a monthly statement of financial activity, monthly statement of financial position and explanation of material variances to be presented to Council.

2.2 The report must be presented at an ordinary meeting of Council within 2 months after the end of the month to which the statement relates. Regulations prescribe the information that must be contained in the report.

2.3 The Monthly Financial Report for the period ending 28 February 2025 has been prepared by Moore Australia and includes:

- Compilation Report;
- Statement of Financial Activity;
- Statement of Financial Position; and
- Explanation of Material Variances.

3.0 Comments

3.1 At its Special Council Meeting on 29 August 2024, Council adopted (Council resolution 2024/016) the level to be used in statements of financial activity in 2024/2025 for reporting material variances shall be greater than 10% and \$50,000 per regulation 34(5) of the *Local Government (Financial Management) Regulations 1996*.

3.2 The Monthly Financial Report has been compiled to meet compliance with the *Local Government Act 1995* and associated regulations, including the Statement of Financial Activity, and Statement of Financial Position. An explanation of any material variances is included on the final page.

3.3 The Monthly Financial Report contains the receipt of 85% of the 2024-25 Financial Assistance Grants within the 2023-24 Financial Year resulting in the 2024-25 opening surplus being \$4,791,804 higher than would otherwise be the case. These funds will be required during the 2024-25 year.

4.0 Statutory Environment

4.1 Local Government (*Financial Management*) Regulations 1996

34. Financial activity statement required each month (Act s. 6.4)

(1A) In this regulation —

committed assets means revenue unspent but set aside under the annual budget for a specific purpose.

(1) A local government is to prepare each month a statement of financial activity reporting on the revenue and expenditure, as set out in the annual budget under regulation 22(1)(d), for the previous month (the **relevant month**) in the following detail —

- (a) annual budget estimates, taking into account any expenditure incurred for an additional purpose under section 6.8(1)(b) or (c); and
- (b) budget estimates to the end of the relevant month; and
- (c) actual amounts of expenditure, revenue and income to the end of the relevant month; and
- (d) material variances between the comparable amounts referred to in paragraphs (b) and (c); and
- (e) the net current assets at the end of the relevant month and a note containing a summary explaining the composition of the net current assets.

(1B) The detail included under subregulation (1)(e) must be structured in the same way as the detail included in the annual budget under regulation 31(1) and (3)(a).

(1C) Any information relating to exclusions from the calculation of a budget deficiency that is included as part of the budget estimates referred to in subregulation (1)(a) or (b) must be structured in the same way as the corresponding information included in the annual budget.

(2) Each statement of financial activity is to be accompanied by documents containing —

- (a) [deleted]
- (b) an explanation of each of the material variances referred to in subregulation (1)(d); and
- (c) such other supporting information as is considered relevant by the local government.

(3) The information in a statement of financial activity must be shown according to nature classification.

(4) A statement of financial activity, and the accompanying documents referred to in subregulation (2), are to be —

- (a) presented at an ordinary meeting of the council within 2 months after the end of the relevant month; and
- (b) recorded in the minutes of the meeting at which it is presented.

- (5) Each financial year, a local government is to adopt a percentage or value, calculated in accordance with the AAS, to be used in statements of financial activity for reporting material variances.

35. Financial position statement required each month

- (1) A local government must prepare each month a statement of financial position showing the financial position of the local government as at the last day of the previous month (the **previous month**) and —
 - (a) the financial position of the local government as at the last day of the previous financial year; or
 - (b) if the previous month is June, the financial position of the local government as at the last day of the financial year before the previous financial year.
- (2) A statement of financial position must be —
 - (a) presented at an ordinary meeting of the council within 2 months after the end of the previous month; and
 - (b) recorded in the minutes of the meeting at which it is presented.

5.0 Strategic Implications

5.1 Objective:

4. Civic: Working together to strengthen leadership and effective governance.

5.2 Outcome:

Civic - 4.1 A local government that is respected and accountable.

5.3 Strategy:

Civic - 4.1.1 Provide strong, effective, and functional governance and leadership in the Shire.

Civic - 4.1.2 Consistent and impartial application of Council policies and provision of services

Civic - 4.1.3 Council decisions are consistent, reliable, and transparent.

6.0 Policy Implications

6.1 There are no known policy implications arising from this report.

7.0 Financial Implications

7.1 There are no known financial implications arising from this report.

7.2 The presentation of these reports provides Council with regular updates regarding the status of the financial position and to assist with compliance with the *Local Government Act 1995* and associated regulations.

8.0 Sustainability Implications

8.1 Environmental

There are no significant identifiable environmental impacts arising from adoption of the officer's recommendation.

8.2 Economic

There are no significant identifiable economic impacts arising from adoption of the officer's recommendation.

8.3 Social

There are no significant identifiable social impacts arising from adoption of the officer's recommendation.

Event Likelihood / Impact Matrix			
Likelihood (refer Potential Risk Likelihood Guide)	Impact - The Financial reporting is comprehensive - meeting compliance under the LG Act. The current financial position in terms of timing and financial performance against Budget and known events carries high risk. This is because of the variance levels between YTD budget and actual revenue & expenditure along with the continuation of a deficit since November 2021.		
	Delays between expenditure and receiving revenue by funders, and apparent permanent unfavourable variance in Transport is making cash flow very tight. This is manageable as a result of the recent approval by Council of a transfer from Reserve funds. Management is focused on managing cash flow for the rest of the financial year.		
	Minor	Medium	High
Low (unlikely)	1	(2)	3
Moderate (likely)	2	4	6
High (very likely)	3	6	9

Risk	Low to medium
Low Risk	
a risk / activity with a score of 2 or less	manage by routine procedures
Moderate Risk	
a risk / activity with a score between 3 or 4 more is moderate risk	Diligent surveillance of financial activities and reporting.
High Risk	
a risk activity with a score of 6 or more is a high risk	NA
Risk Control Measure	Continue producing high standard reports by continued association with Moore Australia - and taking the time to ensure the accuracy of the financial transaction records each and every month. Careful management of cash flow.

9.0 Officer Recommendation

<p>That Council:</p> <p>RECEIVES the Monthly Financial Report for the period ending 28 February 2025 (Appendix 9.4.3A) consisting of:</p> <p>a) Compilation Report;</p> <p>b) Statement of Financial Activity;</p> <p>c) Statement of Financial Position; and</p> <p>d) Explanation of Material Variances.</p>
--

VOTING REQUIREMENT

Simple majority

Appendix:

9.4.3A – Monthly Financial Reports – 28 February 2025

19 March 2025

Mrs Susan Leonard
Chief Executive Officer
Shire of Halls Creek
PO Box 21
HALLS CREEK WA 6770

Dear Susan

COMPILATION REPORT TO SHIRE OF HALLS CREEK

We have compiled the accompanying special purpose financial report of Shire of Halls Creek which comprise the statement of financial position as at 28 February 2025, the statement of financial activity, notes providing statement of financial activity supporting information, explanation of material variances for the year then ended and a summary of material accounting policy information. These have been prepared in accordance with *Local Government Act 1995* and associated regulations as described in Note 1 to the financial report. The specific purpose for which the special purpose financial statements have been prepared is also set out in Note 1 of the financial report. We have provided the supplementary information of Shire of Halls Creek as at 28 February 2025 and for the period then ended based on the records of the Shire of Halls Creek.

THE RESPONSIBILITY OF SHIRE OF HALLS CREEK

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

OUR RESPONSIBILITY

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

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

Supplementary information attached to the financial report has been extracted from the records of Shire of Halls Creek and information presented in the special purpose financial report.

ASSURANCE DISCLAIMER

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

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

NOTE REGARDING BASIS OF PREPARATION

We draw attention to Note 1 to the financial report where matters of non-compliance with the basis of preparation have been detailed. Supplementary information is provided for management information purposes and does not comply with the disclosure requirements of the Australian Accounting Standards.



Russell Barnes
Director
Moore Australia (WA) Pty Ltd

SHIRE OF HALLS CREEK

MONTHLY FINANCIAL REPORT

**(Containing the required statement of financial activity and statement of financial position)
For the period ended 28 February 2025**

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

TABLE OF CONTENTS

Statement of Financial Activity	2
Statement of Financial Position	3
Note 1 Basis of Preparation	4
Note 2 Net Current Assets Information	5
Note 3 Explanation of Material Variances	6

SHIRE OF HALLS CREEK
STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 28 FEBRUARY 2025

Note	Adopted	YTD	YTD	Variance*	Variance*	Var.
	Budget	Budget	Actual	\$	%	
	Estimates	Estimates	(c)	(c) - (b)	((c) - (b))/(b)	
	(a)	(b)	(c)	(c) - (b)	((c) - (b))/(b)	
	\$	\$	\$	\$	%	
OPERATING ACTIVITIES						
Revenue from operating activities						
General rates	4,042,796	4,042,796	3,968,871	(73,925)	(1.83%)	
Rates excluding general rates	150,700	150,700	162,106	11,406	7.57%	
Grants, subsidies and contributions	4,996,302	3,330,840	2,549,299	(781,541)	(23.46%)	▼
Fees and charges	1,020,135	780,035	972,360	192,325	24.66%	▲
Service charges	4,000	2,664	4,170	1,506	56.53%	
Interest revenue	319,874	213,232	266,555	53,323	25.01%	▲
Other revenue	153,158	45,495	43,234	(2,261)	(4.97%)	
Profit on asset disposals	179,670	0	0	0	0.00%	
	10,866,635	8,565,762	7,966,595	(599,167)	(6.99%)	
Expenditure from operating activities						
Employee costs	(6,868,426)	(4,579,093)	(3,504,051)	1,075,042	23.48%	▲
Materials and contracts	(6,132,692)	(4,087,752)	(2,720,877)	1,366,875	33.44%	▲
Utility charges	(524,982)	(349,896)	(437,746)	(87,850)	(25.11%)	▼
Depreciation	(5,527,608)	(3,684,968)	0	3,684,968	100.00%	▲
Insurance	(482,980)	(531,016)	(492,552)	38,464	7.24%	
Other expenditure	(380,912)	(253,816)	(137,407)	116,409	45.86%	▲
	(19,917,600)	(13,486,541)	(7,292,633)	6,193,908	45.93%	
Non cash amounts excluded from operating activities	2(c) 5,347,938	3,684,968	0	(3,684,968)	(100.00%)	▼
Amount attributable to operating activities	(3,703,027)	(1,235,811)	673,962	1,909,773	154.54%	
INVESTING ACTIVITIES						
Inflows from investing activities						
Proceeds from capital grants, subsidies and contributions	12,930,274	8,620,152	5,086,872	(3,533,280)	(40.99%)	▼
Proceeds from disposal of assets	272,200	0	0	0	0.00%	
	13,202,474	8,620,152	5,086,872	(3,533,280)	(40.99%)	
Outflows from investing activities						
Payments for property, plant and equipment	(2,263,000)	(1,525,320)	(54,711)	1,470,609	96.41%	▲
Payments for construction of infrastructure	(14,877,274)	(9,918,168)	(8,216,966)	1,701,202	17.15%	▲
	(17,140,274)	(11,443,488)	(8,271,677)	3,171,811	27.72%	
Amount attributable to investing activities	(3,937,800)	(2,823,336)	(3,184,805)	(361,469)	(12.80%)	
FINANCING ACTIVITIES						
Outflows from financing activities						
Transfer to reserves	(3,507)	0	0	0	0.00%	
Amount attributable to financing activities	(3,507)	0	0	0	0.00%	
MOVEMENT IN SURPLUS OR DEFICIT						
Surplus or deficit at the start of the financial year	2(a) 7,644,334	7,644,334	7,583,058	(61,276)	(0.80%)	
Amount attributable to operating activities	(3,703,027)	(1,235,811)	673,962	1,909,773	154.54%	▲
Amount attributable to investing activities	(3,937,800)	(2,823,336)	(3,184,805)	(361,469)	(12.80%)	▼
Amount attributable to financing activities	(3,507)	0	0	0	0.00%	
Surplus or deficit after imposition of general rates	0	3,585,187	5,072,215	1,487,028	41.48%	▲

KEY INFORMATION

- ▲▼ Indicates a variance between Year to Date (YTD) Budget and YTD Actual data outside the adopted materiality threshold.
 - ▲ Indicates a variance with a positive impact on the financial position.
 - ▼ Indicates a variance with a negative impact on the financial position.
- Refer to Note 3 for an explanation of the reasons for the variance.

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

**SHIRE OF HALLS CREEK
STATEMENT OF FINANCIAL POSITION
FOR THE PERIOD ENDED 28 FEBRUARY 2025**

	Actual 30 June 2024	Actual as at 28 February 2025
	\$	\$
CURRENT ASSETS		
Cash and cash equivalents	13,165,297	8,859,706
Trade and other receivables	3,601,004	5,039,221
Inventories	197,107	198,338
TOTAL CURRENT ASSETS	16,963,408	14,097,265
NON-CURRENT ASSETS		
Trade and other receivables	15,257	15,257
Property, plant and equipment	35,979,253	36,033,964
Infrastructure	91,161,215	99,378,181
TOTAL NON-CURRENT ASSETS	127,155,725	135,427,402
TOTAL ASSETS	144,119,133	149,524,667
CURRENT LIABILITIES		
Trade and other payables	1,929,232	1,636,432
Other liabilities	3,355,037	3,292,537
Employee related provisions	435,015	435,015
TOTAL CURRENT LIABILITIES	5,719,284	5,363,984
NON-CURRENT LIABILITIES		
Employee related provisions	119,394	119,394
Other provisions	932,002	932,002
TOTAL NON-CURRENT LIABILITIES	1,051,396	1,051,396
TOTAL LIABILITIES	6,770,680	6,415,380
NET ASSETS	137,348,453	143,109,287
EQUITY		
Retained surplus	38,168,622	43,929,456
Reserve accounts	4,081,546	4,081,546
Revaluation surplus	95,098,285	95,098,285
TOTAL EQUITY	137,348,453	143,109,287

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

**SHIRE OF HALLS CREEK
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 28 FEBRUARY 2025**

1 BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES

BASIS OF PREPARATION

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

Local Government Act 1995 requirements

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

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

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

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

PREPARATION TIMING AND REVIEW

Date prepared: All known transactions up to 13 March 2025

Matters of non-compliance with Basis of Preparation

The following matter on non-compliance with the basis of preparation have not been correct.

Depreciation has not been raised during the current financial year.

THE LOCAL GOVERNMENT REPORTING ENTITY

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

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

MATERIAL ACCOUNTING POLICIES

Material accounting policies utilised in the preparation of these statements are as described within the 2024-25 Annual Budget. Please refer to the adopted budget document for details of these policies.

Critical accounting estimates and judgements

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

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

As with all estimates, the use of different assumptions could lead to material changes in the amounts reported in the financial report.

The following are estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year and further information on their nature and impact can be found in the relevant note:

- Fair value measurement of assets carried at reportable value including:
 - Property, plant and equipment
 - Infrastructure
- Impairment losses of non-financial assets
- Measurement of employee benefits
- Measurement of provisions

**SHIRE OF HALLS CREEK
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 28 FEBRUARY 2025**

2 NET CURRENT ASSETS INFORMATION

	Adopted Budget Opening 1 July 2024	Actual as at 30 June 2024	Actual as at 28 February 2025
(a) Net current assets used in the Statement of Financial Activity			
Current assets	\$	\$	\$
Cash and cash equivalents	12,985,953	13,165,297	8,859,706
Trade and other receivables	4,680,215	3,601,004	5,039,221
Inventories	184,468	197,107	198,338
	<u>17,850,636</u>	<u>16,963,408</u>	<u>14,097,265</u>
Less: current liabilities			
Trade and other payables	(2,802,089)	(1,929,232)	(1,636,432)
Other liabilities	(3,326,837)	(3,355,037)	(3,292,537)
Employee related provisions	(409,805)	(435,015)	(435,015)
	<u>(6,538,731)</u>	<u>(5,719,284)</u>	<u>(5,363,984)</u>
Net current assets	11,311,905	11,244,124	8,733,281
Less: Total adjustments to net current assets	2(b) (3,667,571)	(3,661,066)	(3,661,066)
Closing funding surplus / (deficit)	7,644,334	7,583,058	5,072,215
(b) Current assets and liabilities excluded from budgeted deficiency			
Adjustments to net current assets			
Less: Reserve accounts	(4,077,376)	(4,081,546)	(4,081,546)
Add: Current liabilities not expected to be cleared at the end of the year			
- Current portion of employee benefit provisions held in reserve	409,805	420,480	420,480
Total adjustments to net current assets	2(a) (3,667,571)	(3,661,066)	(3,661,066)
	Adopted Budget Estimates 30 June 2025	YTD Budget Estimates 28 February 2025	YTD Actual 28 February 2025
	\$	\$	\$
(c) Non-cash amounts excluded from operating activities			
Adjustments to operating activities			
Less: Profit on asset disposals	(179,670)	0	0
Add: Depreciation	5,527,608	3,684,968	0
Total non-cash amounts excluded from operating activities	5,347,938	3,684,968	0

CURRENT AND NON-CURRENT CLASSIFICATION

In the determination of whether an asset or liability is current or non-current, consideration is given to the time when each asset or liability is expected to be settled. Unless otherwise stated assets or liabilities are classified as current if expected to be settled within the next 12 months, being the local governments' operational cycle.

SHIRE OF HALLS CREEK
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 28 FEBRUARY 2025

3 EXPLANATION OF MATERIAL VARIANCES

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

The material variance adopted by Council for the 2024-25 year is \$50,000 and 10.00% whichever is the greater.

Description	Var. \$	Var. %	
	\$	%	
Revenue from operating activities			
Grants, subsidies and contributions	(781,541)	(23.46%)	▼
Timing of grant revenue and acquittals not aligned to YTD budget for DR FAWA Flood Damage and Federal Funding Admin. This is offset by direct grant revenue and Financial Assistance Grant received.			
Fees and charges	192,325	24.66%	▲
Café sale, refuse site fees, domestic refuse removal fees and public building inspection charges higher than annual budget. Staff housing income to be amended in budget review.			
Interest revenue	53,323	25.01%	▲
Interest earned on accounts higher than YTD Budget.			
Expenditure from operating activities			
Employee costs	1,075,042	23.48%	▲
Decrease in YTD actuals due to staff vacancies.			
Materials and contracts	1,366,875	33.44%	▲
Timing of road and DR FAWA maintenance is lower than YTD budget. YTD actuals for materials and service contracts are below YTD budget. Timing of consultant fees for Town planning and economic development - YTD budget higher than actual			
Utility charges	(87,850)	(25.11%)	▼
YTD actuals for aquatic Centre, housing maintenance and town streets - other are higher than YTD budget.			
Depreciation	3,684,968	100.00%	▲
Depreciation is yet to be run for 24/25, adjustments are still being made to assets in preparation for 23/24 annual financial report.			
Other expenditure	116,409	45.86%	▲
Classification of plant disposal and office costs to be amended in budget review.			
Non cash amounts excluded from operating activities	(3,684,968)	(100.00%)	▼
Depreciation is yet to be run for 24/25, adjustments are still being made to assets in preparation for 23/24 annual financial report.			
Inflows from investing activities			
Proceeds from capital grants, subsidies and contributions	(3,533,280)	(40.99%)	▼
Timing of grant revenue and acquittals not aligned to YTD budget for DR FAWA income, roads funding and town centre upgrades.			
Outflows from investing activities			
Payments for property, plant and equipment	1,470,609	96.41%	▲
Multi density housing development project has not commenced, budget profiled monthly.			
Payments for construction of infrastructure	1,701,202	17.15%	▲
YTD actuals for town centre upgrade and flood damage capital works are below YTD budget. Offset by roads capital works YTD actuals above YTD budget.			

SHIRE OF HALLS CREEK

SUPPLEMENTARY INFORMATION

TABLE OF CONTENTS

1	Key Information	2
2	Key Information - Graphical	3
3	Cash and Financial Assets	4
4	Reserve Accounts	5
5	Capital Acquisitions	6
6	Disposal of Assets	8
7	Receivables	9
8	Other Current Assets	10
9	Payables	11
10	Other Current Liabilities	12
11	Grants and contributions	13
12	Capital grants and contributions	14

BASIS OF PREPARATION - SUPPLEMENTARY INFORMATION

Supplementary information is presented for information purposes. The information does not comply with the disclosure requirements of the Australian Accounting Standards.

**SHIRE OF HALLS CREEK
SUPPLEMENTARY INFORMATION
FOR THE PERIOD ENDED 28 FEBRUARY 2025**

1 KEY INFORMATION

Funding Surplus or Deficit Components

Funding surplus / (deficit)				
	Adopted Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)
Opening	\$7.64 M	\$7.64 M	\$7.58 M	(\$0.06 M)
Closing	\$0.00 M	\$3.59 M	\$5.07 M	\$1.49 M

Refer to Statement of Financial Activity

Cash and cash equivalents		
	\$8.86 M	% of total
Unrestricted Cash	\$4.78 M	53.9%
Reserve Accounts	\$4.08 M	46.1%

Refer to 3 - Cash and Financial Assets

Payables	
	\$1.64 M
Trade Payables	\$1.21 M
0 to 30 Days	75.7%
Over 30 Days	24.3%
Over 90 Days	7.2%

Refer to 9 - Payables

Receivables		
	\$2.71 M	% Collected
Rates Receivable	\$2.33 M	56.0%
Trade Receivable	\$2.71 M	% Outstanding
Over 30 Days		101.0%
Over 90 Days		88.6%

Refer to 7 - Receivables

Key Operating Activities

Amount attributable to operating activities			
Adopted Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)
(\$3.70 M)	(\$1.24 M)	\$0.67 M	\$1.91 M

Refer to Statement of Financial Activity

Rates Revenue		
YTD Actual	\$3.97 M	% Variance
YTD Budget	\$4.04 M	(1.8%)

Grants and Contributions		
YTD Actual	\$2.55 M	% Variance
YTD Budget	\$3.33 M	(23.5%)

Refer to 11 - Grants and Contributions

Fees and Charges		
YTD Actual	\$0.97 M	% Variance
YTD Budget	\$0.78 M	24.7%

Refer to Statement of Financial Activity

Key Investing Activities

Amount attributable to investing activities			
Adopted Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)
(\$3.94 M)	(\$2.82 M)	(\$3.18 M)	(\$0.36 M)

Refer to Statement of Financial Activity

Proceeds on sale		
YTD Actual	\$0.00 M	%
Adopted Budget	\$0.27 M	(100.0%)

Refer to 6 - Disposal of Assets

Asset Acquisition		
YTD Actual	\$8.22 M	% Spent
Adopted Budget	\$14.88 M	(44.8%)

Refer to 5 - Capital Acquisitions

Capital Grants		
YTD Actual	\$5.09 M	% Received
Adopted Budget	\$12.93 M	(60.7%)

Refer to 5 - Capital Acquisitions

Key Financing Activities

Reserves	
Reserves balance	\$4.08 M
Net Movement	\$0.00 M

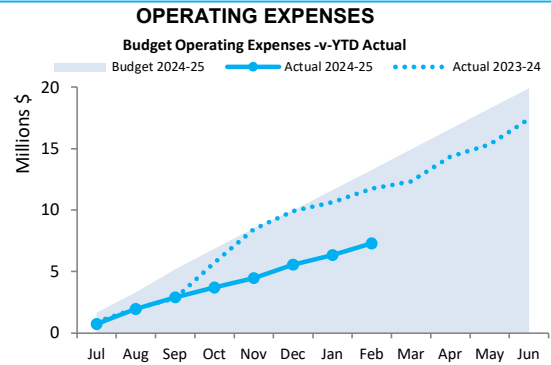
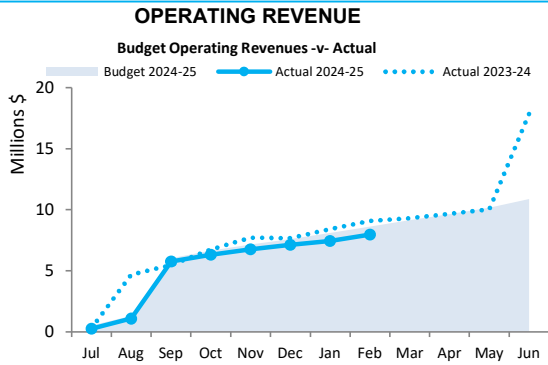
Refer to 4 - Cash Reserves

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

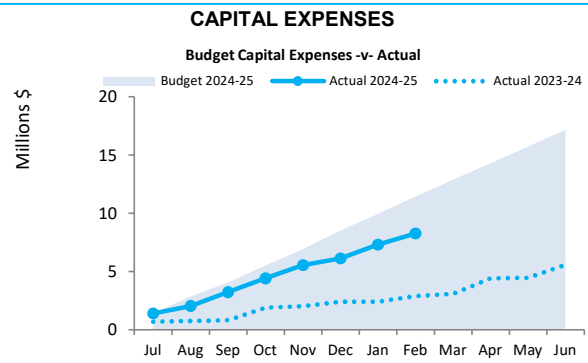
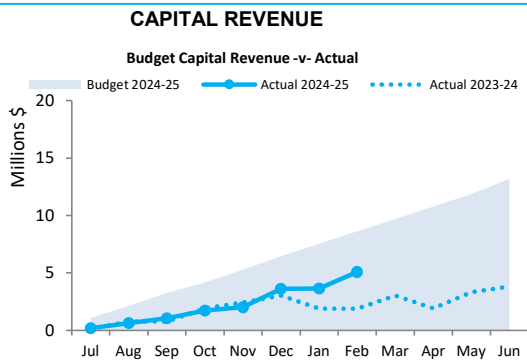
**SHIRE OF HALLS CREEK
SUPPLEMENTARY INFORMATION
FOR THE PERIOD ENDED 28 FEBRUARY 2025**

2 KEY INFORMATION - GRAPHICAL

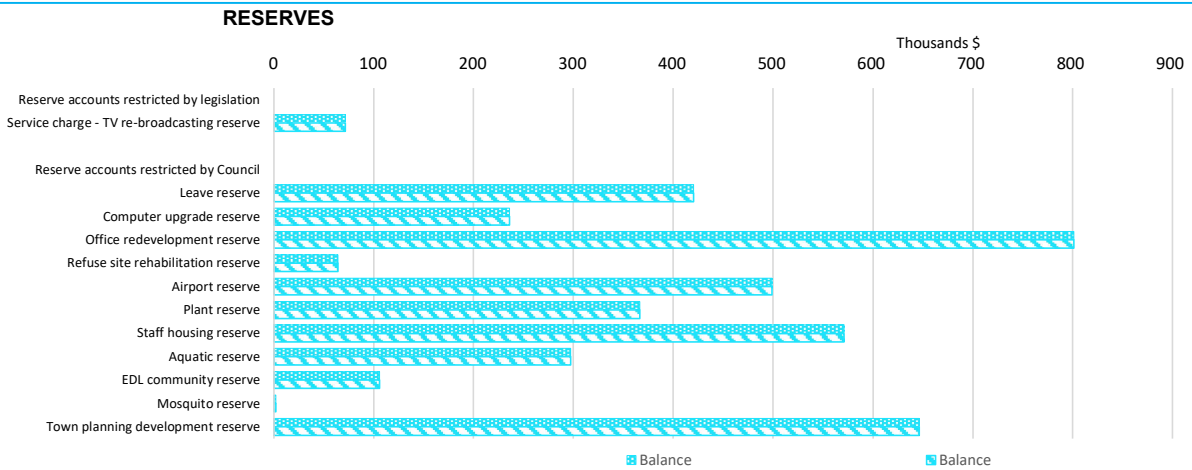
OPERATING ACTIVITIES



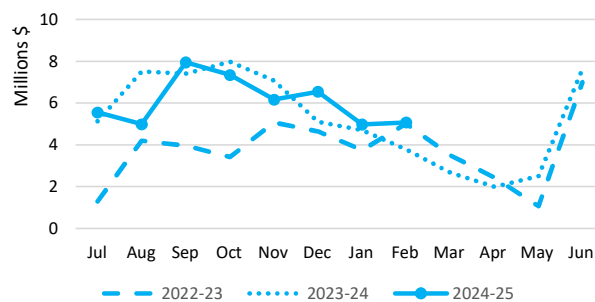
INVESTING ACTIVITIES



FINANCING ACTIVITIES



Closing funding surplus / (deficit)



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

**SHIRE OF HALLS CREEK
SUPPLEMENTARY INFORMATION
FOR THE PERIOD ENDED 28 FEBRUARY 2025**

3 CASH AND FINANCIAL ASSETS AT AMORTISED COST

Description	Classification	Unrestricted	Reserve Accounts	Total	Trust	Institution	Interest Rate	Maturity Date
		\$	\$	\$	\$			
Cash on hand	Cash and cash equivalents	600	0	600	0	N/A	N/A	N/A
Municipal Fund - Bank Account.	Cash and cash equivalents	3,323,378	0	3,323,378	0	CBA	Variable	N/A
Post Office - Bank Account.	Cash and cash equivalents	695,186	0	695,186	0	CBA	Variable	N/A
Municipal Fund Bank - Clearing Account.	Cash and cash equivalents	208,733	0	208,733	0	CBA	Variable	N/A
Business Online Saver Bank Account	Cash and cash equivalents	390,332	0	390,332	0	CBA	Variable	N/A
Reserves - Bank Account.	Cash and cash equivalents	0	981	981	0	CBA	Variable	N/A
Reserves Term Deposit	Financial assets at amortised cost	159,931	4,080,565	4,240,496	0	CBA	4.92%	Mar-25
Total		4,778,160	4,081,546	8,859,706	0			
Comprising								
Cash and cash equivalents		4,618,229	981	4,619,210	0			
Financial assets at amortised cost - Term Deposits		159,931	4,080,565	4,240,496	0			
		4,778,160	4,081,546	8,859,706	0			

KEY INFORMATION

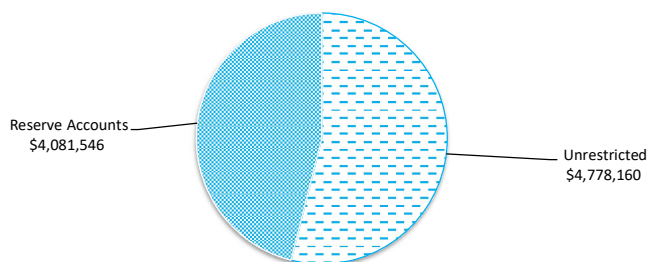
Cash and cash equivalents include cash on hand, cash at bank, deposits available on demand with banks and other short term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of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

Bank overdrafts are reported as short term borrowings in current liabilities in the statement of net current assets.

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

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

Financial assets at amortised cost held with registered financial institutions are listed in this note other financial assets at amortised cost are provided in Note 8 - Other assets.



**SHIRE OF HALLS CREEK
SUPPLEMENTARY INFORMATION
FOR THE PERIOD ENDED 28 FEBRUARY 2025**

4 RESERVE ACCOUNTS

Reserve account name	Budget				Actual			
	Opening Balance	Transfers In (+)	Transfers Out (-)	Closing Balance	Opening Balance	Transfers In (+)	Transfers Out (-)	Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$
Reserve accounts restricted by legislation								
Service charge - TV re-broadcasting reserve	67,384	0	0	67,384	71,554	0	0	71,554
Reserve accounts restricted by Council								
Leave reserve	420,480	0	0	420,480	420,480	0	0	420,480
Computer upgrade reserve	236,120	0	0	236,120	236,120	0	0	236,120
Office redevelopment reserve	801,253	0	0	801,253	801,253	0	0	801,253
Refuse site rehabilitation reserve	64,205	0	0	64,205	64,205	0	0	64,205
Airport reserve	498,823	0	0	498,823	498,823	0	0	498,823
Plant reserve	366,681	0	0	366,681	366,681	0	0	366,681
Staff housing reserve	570,919	0	0	570,919	570,919	0	0	570,919
Aquatic reserve	297,141	0	0	297,141	297,141	0	0	297,141
EDL community reserve	105,853	0	0	105,853	105,853	0	0	105,853
Mosquito reserve	2,043	3,507	0	5,550	2,043	0	0	2,043
Town planning development reserve	646,474	0	0	646,474	646,474	0	0	646,474
	4,077,376	3,507	0	4,080,883	4,081,546	0	0	4,081,546

**SHIRE OF HALLS CREEK
SUPPLEMENTARY INFORMATION
FOR THE PERIOD ENDED 28 FEBRUARY 2025**

INVESTING ACTIVITIES

5 CAPITAL ACQUISITIONS

Capital acquisitions	Adopted		YTD Actual	YTD Variance
	Budget	YTD Budget		
	\$	\$	\$	\$
Buildings	2,108,000	1,431,992	54,711	(1,377,281)
Furniture & Fittings	155,000	93,328	0	(93,328)
Acquisition of property, plant and equipment	2,263,000	1,525,320	54,711	(1,470,609)
Infrastructure Assets-Roads	12,717,274	8,478,176	7,632,545	(845,631)
Infrastructure Assets-Other	2,160,000	1,439,992	584,421	(855,571)
Acquisition of infrastructure	14,877,274	9,918,168	8,216,966	(1,701,202)
Total capital acquisitions	17,140,274	11,443,488	8,271,677	(3,171,811)
Capital Acquisitions Funded By:				
Capital grants and contributions	12,930,274	8,620,152	5,086,872	(3,533,280)
Other (disposals & C/Fwd)	272,200	0	0	0
Contribution - operations	3,937,800	2,823,336	3,184,805	361,469
Capital funding total	17,140,274	11,443,488	8,271,677	(3,171,811)

KEY INFORMATION

Initial recognition

An item of property, plant and equipment or infrastructure that qualifies for recognition as an asset is measured at its cost.

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

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

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

Individual assets that are land, buildings and infrastructure acquired between scheduled revaluation dates of the asset class in accordance with the Shire's revaluation policy, are recognised at cost and disclosed as being at reportable value.

Measurement after recognition

Plant and equipment including furniture and equipment and right-of-use assets (other than vested improvements) are measured using the cost model as required under *Local Government (Financial Management) Regulation 17A(2)*. Assets held under the cost model are carried at cost less accumulated depreciation and any impairment losses being their reportable value.

Reportable Value

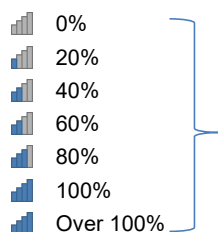
In accordance with *Local Government (Financial Management) Regulation 17A(2)*, the carrying amount of non-financial assets that are land and buildings classified as property, plant and equipment, investment properties, infrastructure or vested improvements that the local government controls.

Reportable value is for the purpose of *Local Government (Financial Management) Regulation 17A(4)* is the fair value of the asset at its last valuation date minus (to the extent applicable) the accumulated depreciation and any accumulated impairment losses in respect of the non-financial asset subsequent to its last valuation date.

5 CAPITAL ACQUISITIONS (CONTINUED) - DETAILED

Capital expenditure total

Level of completion indicators



Percentage Year to Date Actual to Annual Budget expenditure where the expenditure over budget highlighted in red.

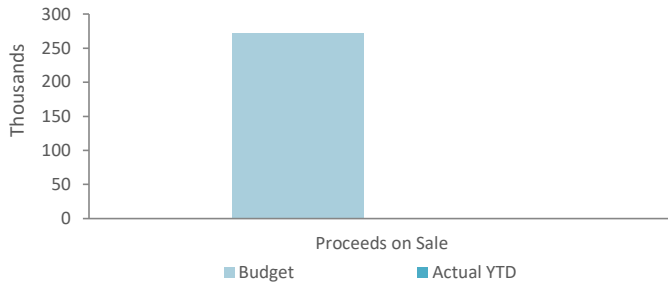
Account Description		Adopted		Year to Date Actual	Variance (Under)/Over	
		Current Budget	Year to Date Budget			
Capital Expenditure						
Buildings						
	00114704	UPGRADE - CIVIC HALL	80,000	80,000	54,711	(25,289)
	00452754	Admin Access Controls - Alarms.	28,000	18,664	0	(18,664)
	00941281	MULTI DENSITY HOUSING DEVELOPMENT	2,000,000	1,333,328	0	(1,333,328)
	Buildings Total		2,108,000	1,431,992	54,711	(1,377,281)
Furniture & Fittings						
	00115804	GYMNASIUM & RECREATION EQUIPMENT	15,000	0	0	0
	00410740	COUNCIL CHAMBER - RENOVATIONS	50,000	33,328	0	(33,328)
	00451755	ADMIN CCTV UPGRADES	90,000	60,000	0	(60,000)
	Furniture & Fittings Total		155,000	93,328	0	(93,328)
Plant & Equipment						
	Plant & Equipment Total		0	0	0	0
Infrastructure Assets-Roads						
	00120000	ROADS - CAPITAL WORKS	5,663,232	3,775,488	3,855,092	79,604
	00120500	ROADS - FLOOD DAMAGE CAPITAL WORKS	7,054,042	4,702,688	3,777,453	(925,235)
	Infrastructure Assets-Roads Total		12,717,274	8,478,176	7,632,545	(845,631)
Infrastructure Assets-Other						
	00108701	CEMETERY IMPROVEMENTS	10,000	6,664	0	(6,664)
	00115704	Capital - Oval Upgrade.	500,000	333,328	486,225	152,897
	00120503	Capital Town Centre Upgrade.	1,650,000	1,100,000	91,196	(1,008,804)
	00141702	Depot - Infrastructure Other	0	0	7,000	7,000
	Infrastructure Assets-Other Total		2,160,000	1,439,992	584,421	(855,571)
	Grand Total		17,140,274	11,443,488	8,271,677	(3,171,810)

**SHIRE OF HALLS CREEK
SUPPLEMENTARY INFORMATION
FOR THE PERIOD ENDED 28 FEBRUARY 2025**

OPERATING ACTIVITIES

6 DISPOSAL OF ASSETS

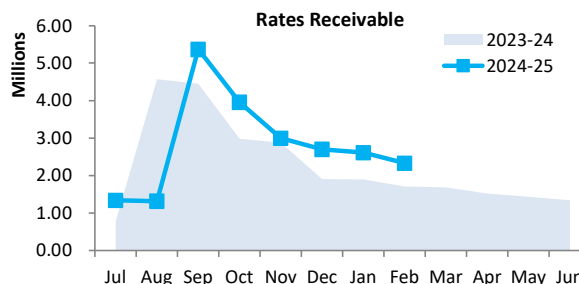
Asset Ref.	Asset description	Budget				YTD Actual			
		Net Book Value	Proceeds	Profit	(Loss)	Net Book Value	Proceeds	Profit	(Loss)
		\$	\$	\$	\$	\$	\$	\$	\$
	Plant and equipment								
	Plant and equipment	92,530	272,200	179,670	0	0	0	0	0
		92,530	272,200	179,670	0	0	0	0	0



7 RECEIVABLES

Rates receivable

	30 June 2024	28 Feb 2025
	\$	\$
Opening arrears previous year	781,696	1,330,337
Levied this year	3,490,884	3,968,871
Less - collections to date	(2,942,243)	(2,965,371)
Net rates collectable	1,330,337	2,333,837
% Collected	68.9%	56.0%



Receivables - general

	Credit	Current	30 Days	60 Days	90+ Days	Total
	\$	\$	\$	\$	\$	\$
Receivables - general	(18,560)	836	11,071	226,188	1,703,012	1,922,547
Percentage	(1.0%)	0.0%	0.6%	11.8%	88.6%	
Balance per trial balance						
Trade receivables						1,922,547
GST receivable						902,376
Allowance for credit losses of trade receivables						(121,202)
Rates pensioner rebates						1,663
Total receivables general outstanding						2,705,384

Amounts shown above include GST (where applicable)

KEY INFORMATION

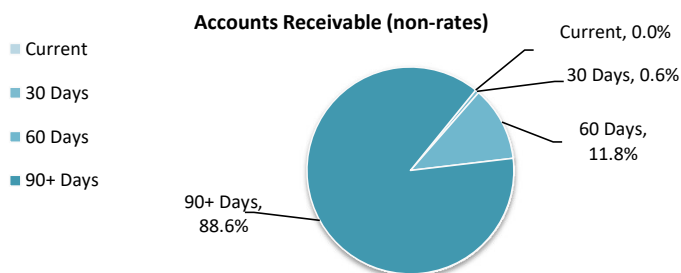
Trade and other receivables include amounts due from ratepayers for unpaid rates and service charges and other amounts due from third parties for goods sold and services performed in the ordinary course of business.

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

Classification and subsequent measurement

Receivables which are generally due for settlement within 30 days except rates receivables which are expected to be collected within 12 months are classified as current assets. All other receivables such as, deferred pensioner rates receivable after the end of the reporting period are classified as non-current assets.

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



**SHIRE OF HALLS CREEK
SUPPLEMENTARY INFORMATION
FOR THE PERIOD ENDED 28 FEBRUARY 2025**

OPERATING ACTIVITIES

8 OTHER CURRENT ASSETS

Other current assets	Opening Balance 1 July 2024	Asset Increase	Asset Reduction	Closing Balance 28 February 2025
	\$	\$	\$	\$
Inventory				
Fuel	153,992	1,231	0	155,223
Stock on hand	43,115	0	0	43,115
Total other current assets	197,107	1,231	0	198,338

Amounts shown above include GST (where applicable)

KEY INFORMATION

Inventory

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

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

**SHIRE OF HALLS CREEK
SUPPLEMENTARY INFORMATION
FOR THE PERIOD ENDED 28 FEBRUARY 2025**

OPERATING ACTIVITIES

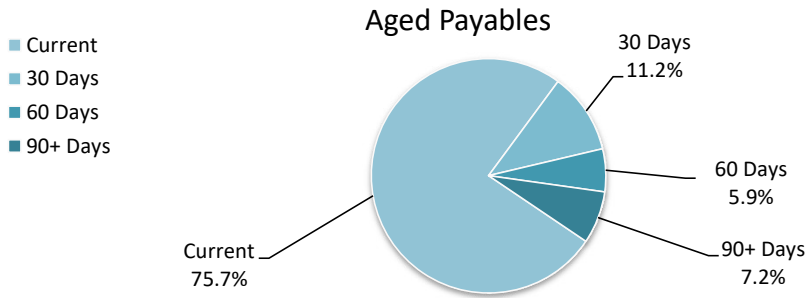
9 PAYABLES

Payables - general	Credit	Current	30 Days	60 Days	90+ Days	Total
	\$	\$	\$	\$	\$	\$
Payables - general	0	918,511	135,841	71,749	87,957	1,214,058
Percentage	0.0%	75.7%	11.2%	5.9%	7.2%	
Balance per trial balance						
Sundry creditors						1,214,058
ATO liabilities						134,290
Bonds held						100,373
Payroll liabilities						45,470
Excess rates						103,469
BCITF						31,242
ESL payables						7,530
Total payables general outstanding						1,636,432

Amounts shown above include GST (where applicable)

KEY INFORMATION

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



10 OTHER CURRENT LIABILITIES

Other current liabilities	Note	Opening Balance 1 July 2024	Liability transferred from/(to) non current	Liability Increase	Liability Reduction	Closing Balance 28 February 2025
		\$	\$	\$	\$	\$
Other liabilities						
Contract liabilities		2,691,302	0	0	(62,500)	2,628,802
Capital grant/contributions liabilities		663,735	0	0	0	663,735
Total other liabilities		3,355,037	0	0	(62,500)	3,292,537
Employee Related Provisions						
Provision for annual leave		332,525	0	0	0	332,525
Provision for long service leave		102,490	0	0	0	102,490
Total Provisions		435,015	0	0	0	435,015
Total other current liabilities		3,790,052	0	0	(62,500)	3,727,552

Amounts shown above include GST (where applicable)

A breakdown of contract liabilities and associated movements is provided on the following pages at Note 11 and 12

KEY INFORMATION

Provisions

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

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

Employee Related Provisions

Short-term employee benefits

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

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

Other long-term employee benefits

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

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

Contract liabilities

An entity's obligation to transfer goods or services to a customer for which the entity has received consideration (or the amount is due) from the customer.

Capital grant/contribution liabilities

Grants to acquire or construct recognisable non-financial assets to identified specifications be constructed to be controlled by the Shire are recognised as a liability until such time as the Shire satisfies its obligations under the agreement.

**SHIRE OF HALLS CREEK
SUPPLEMENTARY INFORMATION
FOR THE PERIOD ENDED 28 FEBRUARY 2025**

OPERATING ACTIVITIES

11 GRANTS, SUBSIDIES AND CONTRIBUTIONS

Provider	Unspent grant, subsidies and contributions liability					Grants, subsidies and contributions revenue		
	Liability	Increase in	Decrease in	Liability	Current	Adopted	YTD	YTD
	1 July 2024	Liability	Liability	28 Feb 2025	Liability	Budget	Budget	Revenue
	\$	\$	(As revenue)	\$	\$	\$	\$	\$
Grants and subsidies								
Grant - FAGS General Purpose WALGCC	0	0	0	0	0	656,684	437,784	585,703
Grant - FAGS Untied WALGCC	0	0	0	0	0	188,928	125,952	80,903
Grant - FAGS Special Projects WALGCC	0	0	0	0	0	0	0	260,000
GRANT - ABORIGINAL HEALTH	0	0	0	0	0	321,628	214,416	73,097
SMALL GRANTS - ABORIGINAL HEALTH	51,007	0	0	51,007	51,007	0	0	0
GRANT - DEPT OF HEALTH - MOSQUITO CONTROL CHEMICALS	173,749	0	0	173,749	173,749	15,000	10,000	15,746
FEDERAL FUNDING ADMIN	1,547	0	0	1,547	1,547	1,719,570	1,146,376	403,054
PHILANTHROPIC FUNDING ADMINISTRATION	1,121,090	0	0	1,121,090	1,121,090	0	0	0
State Funding Cl.	4,153	0	0	4,153	4,153	0	0	45,171
STATE FUNDING YENO	164	0	0	164	164	0	0	0
STATE FINDING MTA	73,139	0	(62,500)	10,639	10,639	0	0	0
STATE FUNDING FDV	45	0	0	45	45	0	0	0
Justice reinvestment program	179,463	0	0	179,463	179,463	0	0	0
Grant - Welman Road Park	0	0	0	0	0	0	0	106,666
GRANT - SKATEPARK	0	0	0	0	0	0	0	35,000
Direct Grant	0	0	0	0	0	266,137	177,424	319,119
DR FAWA - Flood Damage (Income)	1,028,352	0	0	1,028,352	1,028,352	1,559,974	1,039,976	0
	2,632,709	0	(62,500)	2,570,209	2,570,209	4,727,921	3,151,928	1,924,459
Contributions								
Contributions - DOT (DPI) Licensing Wages.	0	0	0	0	0	14,221	9,480	0
Commission Income - Post Office.	0	0	0	0	0	250,000	166,664	141,371
Grant - FESA ESL Contributions.	0	0	0	0	0	4,160	2,768	4,000
Reimbursements - Town Planning.	35,000	0	0	35,000	35,000	0	0	0
INCOME - HOLIDAY ACTION PROGRAM	23,593	0	0	23,593	23,593	0	0	0
PRIVATE WORKS RS BASKETBALL COURTS REVENUE	0	0	0	0	0	0	0	479,469
	58,593	0	0	58,593	58,593	268,381	178,912	624,840
TOTALS	2,691,302	0	(62,500)	2,628,802	2,628,802	4,996,302	3,330,840	2,549,299

12 CAPITAL GRANTS, SUBSIDIES AND CONTRIBUTIONS

Provider	Capital grant/contribution liabilities					Capital grants, subsidies and contributions revenue		
	Liability 1 July 2024	Increase in Liability	Decrease in Liability (As revenue)	Liability 28 Feb 2025	Current Liability 28 Feb 2025	Adopted Budget Revenue	YTD Budget	YTD Revenue Actual
	\$	\$	\$	\$	\$	\$	\$	\$
Capital grants and subsidies								
INCOME - WA BICYCLE GRANTS PROGRAM	97,050	0	0	97,050	97,050	0	0	0
Grant - FAGS Special Projects WALGCC	0	0	0	0	0	175,189	116,792	0
Grant - R2R Funding	0	0	0	0	0	526,727	351,144	0
GRANT - MRWA RRG/RPG NON-OPERATING	0	0	0	0	0	1,091,273	727,512	2,249,635
GRANT - LOCAL ROADS COMMUNITY INFRASTRUCTURE	0	0	0	0	0	848,043	565,360	0
GRANT RPG DUNCAN RD CONSTRUCTION INCOME	0	0	0	0	0	300,000	200,000	0
INCOME TOWN CENTRE UPGRADE	546,685	0	0	546,685	546,685	1,300,000	866,664	1,300,000
DRFA WA INCOME	10,000	0	0	10,000	10,000	6,814,042	4,542,688	1,537,237
GRANT - OTHER HOUSING	0	0	0	0	0	1,375,000	916,664	0
GRANT - OVAL UPGRADE	0	0	0	0	0	500,000	333,328	0
GRANT - Women's Shelter	10,000	0	0	10,000	10,000	0	0	0
	663,735	0	0	663,735	663,735	12,930,274	8,620,152	5,086,872

9.4.4 Adoption – 2024 Compliance Audit Return

ITEM NUMBER:	9.4.4
REPORTING OFFICER:	Susan Leonard, Chief Executive Officer
SENIOR OFFICER	Susan Leonard, Chief Executive Officer
MEETING DATE:	27 March 2025
DISCLOSURE OF INTEREST:	Nil

1.0 Matter for Consideration

1.1 Each year, local government is required to complete an annual compliance audit return (CAR) for the calendar year immediately preceding (1 January to 31 December) as published by the Department of Local Government, Sport and Cultural Industries (DLGSC). The CAR is then to be reviewed by the Audit Committee and a report presented to Council prior to the adoption of the CAR.

2.0 Background

2.1 This year, the 2024 CAR was prepared by Moore Australia. The CAR responses were completed remotely in consultation with Shire staff and the inspection of various documents and records including:

- Minutes of meetings
- Delegations register
- Council’s website
- Financial interest returns
- Other supporting documents as requested and supplied

2.2 The CAR is one of the tools that allow Council to monitor how the organisation is functioning in regards to compliance with the *Local Government Act 1995* and provides the Audit and Risk Committee the opportunity to report to Council any cases of non-compliance or where full compliance was not achieved.

2.3 This process also provides opportunity for the Audit and Risk Committee to consider matters that may require further review within ongoing risk framework assessments and actions.

3.0 Comments

3.1 The Audit & Risk Committee reviewed the CAR at its meeting held 17 March 2025, and resolved to recommend the adoption of the report to the Council and that the Shire President and Chief Executive Officer be authorised to sign the Compliance Audit Return for submission to the Department of Local Government. An extract of minutes of that meeting are attached to this report as well as the 2024 CAR.

- 3.2 Through completion of the 2024 CAR, there a number of instances of non-compliance identified, as well as instances where full compliance was not achieved in the following areas:
- Delegations
 - Disclosure of Interest
 - Elections
 - Local Government Employees
 - Official Conduct
 - Optional Questions
 - Tenders for the Provision of Goods and Services
- 3.3 A summary of matters noted in relation to instances of non-compliance identified during the completion of the 2024 CAR is attached for information. The attached summary also notes general improvement opportunities to systems and processes which the matters raised. These improvements may assist the Shire in its risk management activities, addressing matters of non-compliance and endeavours toward continual improvement of administrative and compliance functions.

4.0 Statutory Environment

- 4.1 Regulation 14 of the *Local Government (Audit) Regulations 1996* provides:
- (1) A local government is to carry out a compliance audit for the period 1 January to 31 December each year.
 - (2) After carrying out a compliance audit the local government is to prepare a compliance audit return in a form approved by the Minister.
 - (3A) The local government's audit committee is to review the compliance audit return and is to report to the council the results of that review.
 - (3) After the audit committee has reported to the council under subregulation (3A), the compliance audit return is to be —
 - (a) presented to the council at a meeting of the council; and
 - (b) adopted by the council; and
 - (c) recorded in the minutes of the meeting at which it is adopted.
- 4.2 Regulation 14 of the *Local Government (Audit) Regulations 1996* details the requirements with regard to certifying the CAR and issuing to the Departmental CEO
- 4.3 Section 7.13(1)(i) of the *Local Government Act 1995* refers to the provisions within regulations with regard to audits.

5.0 Strategic Implications

- 5.1 Objective:
4. Civic: Working together to strengthen leadership and effective governance.
- 5.2 Outcome:
- Civic - 4.1 A local government that is respected and accountable

5.3 Strategy:

Civic - 4.1.1 Provide strong, effective and functional governance and leadership in the Shire

6.0 Policy Implications

6.1 There are no known policy implications resulting from the recommendation of this report.

7.0 Financial Implications

7.1 Consultant expenses are provided in the 2024/2025 adopted budget.

7.2 Additional costs may be applicable for the implementation of improvements should external assistance be required, which will be considered within authorised expenditure limits in the 2024/2025 adopted budget.

8.0 Sustainability Implications

8.1 Environmental
There are no significant identifiable environmental impacts arising from adoption of the officer’s recommendation.

8.2 Economic
There are no known significant identifiable environmental impacts arising from adoption of the officer’s recommendation.

8.3 Social
There are no known significant identifiable social impacts arising from adoption of the officer’s recommendation.

Event Likelihood / Impact Matrix			
Likelihood (refer Potential Risk Likelihood Guide)	Impact (refer Potential Risk Impact Guide)		
	Minor	Medium	High
Low (unlikely)	1	2	3
Moderate (likely)	2	4	6
High (very likely)	3	6	9

Risk	
Low Risk	
a risk / activity with a score of 2 or less	N/A
Moderate Risk	
a risk / activity with a score between 3 or 4 more is moderate risk	N/A
High Risk	
a risk activity with a score of 6 or more is a high risk	senior management team attention is required and specific and immediate control measure(s) assigned to manage risk within risk criteria
Risk Control Measure	

9.0 Officer Recommendation

That Council:

ADOPT the Compliance Audit Return for 2024 as shown in the attachment following this report, and that the Shire President and Chief Executive Officer be authorised to sign the Compliance Audit Return for submission to the Department of Local Government.

VOTING REQUIREMENT

Simple majority

Appendix:

9.4.4A - Extract Minutes Audit and Risk Committee Meeting held 2025.03.17

9.4.4B - 2024 Compliance Audit Return (CAR)

9.4.4C - HAL800 2024 CAR Summary of Matters Noted and Improvements

This section left blank intentionally

5.2.1 Adoption - Compliance Audit Report - 2024

ITEM NUMBER:	5.2.1
REPORTING OFFICER:	Susan Leonard, Chief Executive Officer
SENIOR OFFICER	Susan Leonard, Chief Executive Officer
MEETING DATE:	17 March 2025
DISCLOSURE OF INTEREST:	Nil

1.0 Matter for Consideration

1.1 Each year, local government are required to complete an annual compliance audit return (CAR) for the calendar year immediately preceding (1st January to 31st December) as published by the Department of Local Government, Sport and Cultural Industries (DLGSC). The CAR is then to be reviewed by the Audit Committee and a report presented to Council prior to the adoption of the CAR.

2.0 Background

2.1 This year, the 2024 CAR was prepared by Moore Australia. The CAR responses were completed remotely in consultation with Shire staff and the inspection of various documents and records including:

- Minutes of meetings
- Delegations register
- Council's website
- Financial interest returns
- Other supporting documents as requested and supplied

2.2 The CAR is one of the tools that allow Council to monitor how the organisation is functioning in regards to compliance with the *Local Government Act 1995* and provides the Audit and Risk Committee the opportunity to report to Council any cases of non-compliance or where full compliance was not achieved.

2.3 This process also provides opportunity for the Audit and Risk Committee to consider matters that may require further review within ongoing risk framework assessments and actions.

3.0 Comments

3.1 Through completion of the 2024 CAR, there a number of instances of non

compliance identified, as well as instances where full compliance was not achieved in the following areas:

- Delegations
- Disclosure of Interest
- Elections
- Local Government Employees
- Official Conduct
- Optional Questions
- Tenders for the Provision of Goods and Services

3.2 A summary of matters noted in relation to instances of non-compliance identified during the completion of the 2024 CAR is attached for information. The attached summary also notes general improvement opportunities to systems and processes which the matters raised. These improvements may assist the Shire in its risk management activities, addressing matters of non compliance and endeavours towards continual improvement of administrative and compliance functions.

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(3A) The local government's audit committee is to review the compliance audit return and is to report to the council the results of that review.

(3) After the audit committee has reported to the council under subregulation (3A), the compliance audit return is to be —

(a) presented to the council at a meeting of the council; and

(b) adopted by the council; and

(c) recorded in the minutes of the meeting at which it is adopted.

4.2 Regulation 14 of the *Local Government (Audit) Regulations 1996* details the requirements with regard to certifying the CAR and issuing to the Departmental CEO

4.3 Section 7.13(1)(i) of the *Local Government Act 1995* refers to the provisions within regulations with regard to audits.

5.0 Strategic Implications

5.1 Objective:

4. Civic: Working together to strengthen leadership and effective governance.

5.2 Outcome:

Civic - 4.1 A local government that is respected and accountable

5.3 Strategy:

Civic - 4.1.1 Provide strong, effective and functional governance and leadership in the Shire

6.0 Policy Implications

6.1 There are no known policy implications resulting from the recommendation of this report.

7.0 Financial Implications

7.1 Consultant expenses are provided in the 2024/2025 adopted budget.

7.2 Additional costs may be applicable for the implementation of improvements should external assistance be required, which will be considered within authorised expenditure limits in the 2024/2025 adopted budget.

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8.1 Environmental

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8.2 Economic

There are no known significant identifiable economic impacts arising from adoption of the officer’s recommendation.

8.3 Social

There are no known significant identifiable social impacts arising from adoption of the officer’s recommendation.

8.4 Risk

Event Likelihood / Impact Matrix			
Likelihood (refer Potential Risk Likelihood Guide)	Impact (refer Potential Risk Impact Guide)		
	Minor	Medium	High
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Risk	
Low Risk	
a risk / activity with a score of 2 or less	N/A
Moderate Risk	

a risk / activity with a score between 3 or 4 more is moderate risk	N/A
High Risk	
a risk activity with a score of 6 or more is a high risk	senior management team attention is required and specific and immediate control measure(s) assigned to manage risk within risk criteria
Risk Control Measure	

9.0 Resolution

COMMIITEE RESOLUTION: AC 2025/003

Mover: Cr Patricia McKay Second: Cr Virginia O’Neil

That the Audit and Risk Committee resolve to:

- 1. Recommend the adoption of the 2024 Compliance Audit Return (CAR) as attached; and**
- 2. Recommend to Council that the Shire President and Chief Executive Officer be authorised to sign the Compliance Audit Return for submission to the Department of Local Government, Sport and Cultural Industries.**

CARRIED: 3/0

For: Cr Malcolm Edwards, Cr Patricia McKay and Virginia O’Neil

Against: Nil



Halls Creek – Compliance Audit Return

Commercial Enterprises by Local Governments				
No	Reference	Question	Response	Comments
1	s3.59(2)(a) F&G Regs 7,9,10	Has the local government prepared a business plan for each major trading undertaking that was not exempt in 2024?	N/A	
2	s3.59(2)(b) F&G Regs 7,8A, 8, 10	Has the local government prepared a business plan for each major land transaction that was not exempt in 2024?	N/A	
3	s3.59(2)(c) F&G Regs 7,8A, 8,10	Has the local government prepared a business plan before entering into each land transaction that was preparatory to entry into a major land transaction in 2024?	N/A	
4	s3.59(4)	Has the local government complied with public notice and publishing requirements for each proposal to commence a major trading undertaking or enter into a major land transaction or a land transaction that is preparatory to a major land transaction for 2024?	N/A	
5	s3.59(5)	During 2024, did the council resolve to proceed with each major land transaction or trading undertaking by absolute majority?	N/A	

Delegation of Power/Duty				
No	Reference	Question	Response	Comments
1	s5.16 (1)	Were all delegations to committees resolved by absolute majority?	N/A	There are no delegations to committees.
2	s5.16 (2)	Were all delegations to committees in writing?	N/A	
3	s5.17	Were all delegations to committees within the limits specified in section 5.17 of the Local Government Act 1995?	N/A	
4	s5.18	Were all delegations to committees recorded in a register of delegations?	N/A	
5	s5.18	Has council reviewed delegations to its committees in the 2023/2024 financial year?	N/A	
6	s5.42(1) & s5.43 Admin Reg 18G	Did the powers and duties delegated to the CEO exclude those listed in section 5.43 of the Local Government Act 1995?	Yes	Item 9.2.1 OCM 15/02/2024 Council resolution 2024/002



7	s5.42(1)	Were all delegations to the CEO resolved by an absolute majority?	Yes	Item 9.2.1 OCM 15/02/2024 Council resolution 2024/002
8	s5.42(2)	Were all delegations to the CEO in writing?	Yes	
9	s5.44(2)	Were all delegations by the CEO to any employee in writing?	Yes	
10	s5.16(3)(b) & s5.45(1)(b)	Were all decisions by the Council to amend or revoke a delegation made by absolute majority?	Yes	Item 9.2.1 OCM 15/02/2024 Council resolution 2024/002 Item 5.2.1 SCM 29/08/2024 resolution S2024/017
11	s5.46(1)	Has the CEO kept a register of all delegations made under Division 4 of the Act to the CEO and to employees?	Yes	
12	s5.46(2)	Were all delegations made under Division 4 of the Act reviewed by the delegator at least once during the 2023/2024 financial year?	Yes	
13	s5.46(3) Admin Reg 19	Did all persons exercising a delegated power or duty under the Act keep, on all occasions, a written record in accordance with Local Government (Administration) Regulations 1996, regulation 19?	No	Some documentation was not readily available to support the level of required records were maintained for each delegation exercised. This is being reviewed to ensure persons exercising delegations in future appropriately maintain written records.

Disclosure of Interest

No	Reference	Question	Response	Comments
1	s5.67	Where a council member disclosed an interest in a matter and did not have participation approval under sections 5.68 or 5.69 of the Local Government Act 1995, did the council member ensure that they did not remain present to participate in discussion or decision making relating to the matter?	Yes	Item 9.1.1 OCM 15/02/2024 Council resolution 2024/005
2	s5.68(2) & s5.69(5) Admin Reg 21A	Were all decisions regarding participation approval, including the extent of participation allowed and, where relevant, the information required by the Local Government (Administration) Regulations 1996 regulation 21A, recorded in the minutes of the relevant council or committee meeting?	Yes	Item 9.1.1 OCM 15/02/2024 Council resolution 2024/005
3	s5.73	Were disclosures under sections 5.65, 5.70 or 5.71A(3) of the Local Government Act 1995 recorded in the minutes of the meeting at which the disclosures were made?	Yes	



4	s5.75 Admin Reg 22, Form 2	Was a primary return in the prescribed form lodged by all relevant persons within three months of their start day?	No	Upon examination of the delegations register, primary returns may not have been completed by persons required to do so. Evidence of a primary return being completed within three months of their start date was not available at the time of completing the CAR.
5	s5.76 Admin Reg 23, Form 3	Was an annual return in the prescribed form lodged by all relevant persons by 31 August 2024?	No	Annual returns completed for the 2023/24 were not received by 31 August 2024. Upon examination of the delegations register, some annual returns may not have been completed by persons required to do so.
6	s5.77	On receipt of a primary or annual return, did the CEO, or the Mayor/President, give written acknowledgment of having received the return?	No	
7	s5.88(1) & (2)(a)	Did the CEO keep a register of financial interests which contained the returns lodged under sections 5.75 and 5.76 of the Local Government Act 1995?	No	Procedures being reviewed by the administration and compliance training being investigated to reduce future risks of non-compliance.
8	s5.88(1) & (2)(b) Admin Reg 28	Did the CEO keep a register of financial interests which contained a record of disclosures made under sections 5.65, 5.70, 5.71 and 5.71A of the Local Government Act 1995, in the form prescribed in the Local Government (Administration) Regulations 1996, regulation 28?	No	Procedures being reviewed by the administration and compliance training being investigated to reduce future risks of non-compliance.
9	s5.88(3)	When a person ceased to be a person required to lodge a return under sections 5.75 and 5.76 of the Local Government Act 1995, did the CEO remove from the register all returns relating to that person?	Yes	
10	s5.88(4)	Have all returns removed from the register in accordance with section 5.88(3) of the Local Government Act 1995 been kept for a period of at least five years after the person who lodged the return(s) ceased to be a person required to lodge a return?	Yes	
11	s5.89A(1), (2) & (3) Admin Reg 28A	Did the CEO keep a register of gifts which contained a record of disclosures made under sections 5.87A and 5.87B of the Local Government Act 1995, in the form prescribed in the Local Government (Administration) Regulations 1996, regulation 28A?	No	A register in the currently prescribed form has not been prepared/maintained. Registers required by former regulations are maintained.



12	s5.89A(5) & (5A)	Did the CEO publish an up-to-date version of the gift register on the local government's website?	No	Former Form 4 registers are published, however, the register as currently prescribed is not published on the website.
13	s5.89A(6)	When people cease to be a person who is required to make a disclosure under section 5.87A or 5.87B of the Local Government Act 1995, did the CEO remove from the register all records relating to those people?	No	The gift register published on the website contains disclosures made by persons who are no longer relevant persons.
14	s5.89A(7)	Have copies of all records removed from the register under section 5.89A(6) of the Local Government Act 1995 been kept for a period of at least five years after the person ceases to be a person required to make a disclosure?	N/A	
15	s5.70(2) & (3)	Where an employee had an interest in any matter in respect of which the employee provided advice or a report directly to council or a committee, did that person disclose the nature and extent of that interest when giving the advice or report?	N/A	
16	s5.71A & s5.71B(5)	Where council applied to the Minister to allow the CEO to provide advice or a report to which a disclosure under section 5.71A(1) of the Local Government Act 1995 relates, did the application include details of the nature of the interest disclosed and any other information required by the Minister for the purposes of the application?	N/A	
17	s5.71B(6) & s5.71B(7)	Was any decision made by the Minister under section 5.71B(6) of the Local Government Act 1995, recorded in the minutes of the council meeting at which the decision was considered?	N/A	
18	s5.104(1)	Did the local government prepare and adopt, by absolute majority, a code of conduct to be observed by council members, committee members candidates that incorporates the model code of conduct?	Yes	Item 9.1.3 OCM 22/08/2024 Council resolution 2024/193
19	s5.104(3) & (4)	Did the local government adopt additional requirements in addition to the model code of conduct? If yes, does it comply with section 5.104(3) and (4) of the Local Government Act 1995?	N/A	
20	s5.104(7)	Has the CEO published an up-to-date version of the code of conduct for council members, committee members and candidates on the local government's website?	Yes	Published within policy documents on website.
21	s5.51A(1) & (3)	Has the CEO prepared and implemented a code of conduct to be observed by employees of the local government? If yes, has the CEO published an up-to-date version of the code of conduct for employees on the local government's website?	Yes	Code of Conduct for Employees was most recently reviewed 28 July 2022 and is published with policy documents on the website.



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Disposal of Property				
No	Reference	Question	Response	Comments
1	s3.58(3)	Where the local government disposed of property other than by public auction or tender, did it dispose of the property in accordance with section 3.58(3) of the Local Government Act 1995 (unless section 3.58(5) applies)?	N/A	
2	s3.58(4)	Where the local government disposed of property under section 3.58(3) of the Local Government Act 1995, did it provide details, as prescribed by section 3.58(4), in the required local public notice for each disposal of property?	N/A	

Elections				
No	Reference	Question	Response	Comments
1	Elect Regs 30G(1) & (2)	Did the CEO establish and maintain an electoral gift register and ensure that all disclosure of gifts forms completed by candidates and donors and received by the CEO were placed on the electoral gift register at the time of receipt by the CEO and in a manner that clearly identifies and distinguishes the forms relating to each candidate in accordance with regulations 30G(1) and 30G(2) of the Local Government (Elections) Regulations 1997?	No	An election was held in March 2024. An electoral gift register was not maintained as no gifts were disclosed by candidates or donors.
2	Elect Regs 30G(3) & (4)	Did the CEO remove any disclosure of gifts forms relating to an unsuccessful candidate, or a successful candidate that completed their term of office, from the electoral gift register, and retain those forms separately for a period of at least two years in accordance with regulation 30G(4) of the Local Government (Elections) Regulations 1997?	N/A	No records requiring removal recorded during the reporting period.



3	Elect Regs 30G(5) & (6)	Did the CEO publish an up-to-date version of the electoral gift register on the local government's official website in accordance with regulation 30G(5) of the Local Government (Elections) Regulations 1997?	No	
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Finance				
No	Reference	Question	Response	Comments
1	s7.1A	Has the local government established an audit committee and appointed members by absolute majority in accordance with section 7.1A of the Local Government Act 1995?	Yes	Item 9.1.6 OCM 26/10/2023 Council resolution 2023/096
2	s7.1B	Where the council delegated to its audit committee any powers or duties under Part 7 of the Local Government Act 1995, did it do so by absolute majority?	N/A	There are no delegations to committees.
3	s7.9(1)	Was the auditor's report for the financial year ended 30 June 2024 received by the local government by 31 December 2024?	No	2023/24 Audit remains ongoing
4	s7.12A(3)	Where the local government determined that matters raised in the auditor's report prepared under section 7.9(1) of the Local Government Act 1995 required action to be taken, did the local government ensure that appropriate action was undertaken in respect of those matters?	N/A	2023/24 Audit remains ongoing
5	s7.12A(4)(a) & (4)(b)	Where matters identified as significant were reported in the auditor's report, did the local government prepare a report that stated what action the local government had taken or intended to take with respect to each of those matters? Was a copy of the report given to the Minister within three months of the audit report being received by the local government?	N/A	2023/24 Audit remains ongoing
6	s7.12A(5)	Within 14 days after the local government gave a report to the Minister under section 7.12A(4)(b) of the Local Government Act 1995, did the CEO publish a copy of the report on the local government's official website?	N/A	2023/24 Audit remains ongoing
7	Audit Reg 10(1)	Was the auditor's report for the financial year ending 30 June 2024 received by the local government within 30 days of completion of the audit?	N/A	2023/24 Audit remains ongoing



Local Government Employees				
No	Reference	Question	Response	Comments
1	s5.36(4) & s5.37(3) Admin Reg 18A	Were all CEO and/or senior employee vacancies advertised in accordance with Local Government (Administration) Regulations 1996, regulation 18A?	No	CEO vacancy was published in the West Australian but may not have complied with all methods of publication required to satisfy legislative statewide public notice requirements.
2	Admin Reg 18E	Was all information provided in applications for the position of CEO true and accurate?	Yes	
3	Admin Reg 18F	Was the remuneration and other benefits paid to a CEO on appointment the same remuneration and benefits advertised for the position under section 5.36(4) of the Local Government Act 1995?	Yes	
4	s5.37(2)	Did the CEO inform council of each proposal to employ or dismiss senior employee?	N/A	Policy relating to Staff Senior Employee was rescinded in 2008.
5	s5.37(2)	Where council rejected a CEO's recommendation to employ or dismiss a senior employee, did it inform the CEO of the reasons for doing so?	N/A	

Official Conduct				
No	Reference	Question	Response	Comments
1	s5.120	Has the local government designated an employee to be its complaints officer?	N/A	CEO is the complaint officer.
2	s5.121(1) & (2)	Has the complaints officer for the local government maintained a register of complaints which records all complaints that resulted in a finding under section 5.110(2)(a) of the Local Government Act 1995?	No	
3	s5.121(2)	Does the complaints register include all information required by section 5.121(2) of the Local Government Act 1995?	No	
4	s5.121(3)	Has the CEO published an up-to-date version of the register of the complaints on the local government's official website?	No	



Tenders for Providing Goods and Services				
No	Reference	Question	Response	Comments
1	F&G Reg 11A(1) & (3)	Did the local government comply with its current purchasing policy, adopted under the Local Government (Functions and General) Regulations 1996, regulations 11A(1) and (3) in relation to the supply of goods or services where the consideration under the contract was, or was expected to be, \$250,000 or less or worth \$250,000 or less?	No	Cannot guarantee compliance has occurred with all purchasing activities below \$250,000. Interim and final audit noted some minor instances of non compliance may exist. Systems being monitored to minimise risk of non compliance.
2	s3.57 F&G Reg 11	Subject to Local Government (Functions and General) Regulations 1996, regulation 11(2), did the local government invite tenders for all contracts for the supply of goods or services where the consideration under the contract was, or was expected to be, worth more than the consideration stated in regulation 11(1) of the Regulations?	No	Contract was awarded where it was advised previous invitations to tender resulted in no tenders being received. This was outside of the maximum prescribed timeframe of six months where tenders are not required to be called.
3	F&G Regs 11(1), 12(2), 13, & 14(1), (3), and (4)	When regulations 11(1), 12(2) or 13 of the Local Government Functions and General) Regulations 1996, required tenders to be publicly invited, did the local government invite tenders via Statewide public notice in accordance with Regulation 14(3) and (4)?	No	As above, required tender was not publicly invited.
4	F&G Reg 12	Did the local government comply with Local Government (Functions and General) Regulations 1996, Regulation 12 when deciding to enter into multiple contracts rather than a single contract?	No	Support information was not available to verify compliance for all tenders called. Systems and processed being reviewed to ensure appropriate records and authorised checklists are routinely maintained to support compliance for future tenders
5	F&G Reg 14(5)	If the local government sought to vary the information supplied to tenderers, was every reasonable step taken to give each person who sought copies of the tender documents, or each acceptable tenderer notice of the variation?	No	Support information was not available to verify compliance for all tenders called. Systems and processed being reviewed to ensure appropriate records and authorised checklists are routinely maintained to support compliance for future tenders



6	F&G Regs 15 & 16	Did the local government's procedure for receiving and opening tenders comply with the requirements of Local Government (Functions and General) Regulations 1996, Regulation 15 and 16?	No	Support information was not available to verify compliance for all tenders called. Systems and processed being reviewed to ensure appropriate records and authorised checklists are routinely maintained to support compliance for future tenders
7	F&G Reg 17	Did the information recorded in the local government's tender register comply with the requirements of the Local Government (Functions and General) Regulations 1996, Regulation 17 and did the CEO make the tenders register available for public inspection and publish it on the local government's official website?	No	Tender register is not published on the website.
8	F&G Reg 18(1)	Did the local government reject any tenders that were not submitted at the place, and within the time, specified in the invitation to tender?	No	Support information was not available to verify compliance for all tenders called. Systems and processed being reviewed to ensure appropriate records and authorised checklists are routinely maintained to support compliance for future tenders
9	F&G Reg 18(4)	Were all tenders that were not rejected assessed by the local government via a written evaluation of the extent to which each tender satisfies the criteria for deciding which tender to accept?	No	Support information was not available to verify compliance for all tenders called. Systems and processed being reviewed to ensure appropriate records and authorised checklists are routinely maintained to support compliance for future tenders
10	F&G Reg 19	Did the CEO give each tenderer written notice containing particulars of the successful tender or advising that no tender was accepted?	No	Support information was not available to verify compliance for all tenders called. Systems and processed being reviewed to ensure appropriate records and authorised checklists are routinely maintained to support compliance for future tenders
11	F&G Regs 21 & 22	Did the local government's advertising and expression of interest processes comply with the requirements of the Local Government (Functions and General) Regulations 1996, Regulations 21 and 22?	N/A	



12	F&G Reg 23(1) & (2)	Did the local government reject any expressions of interest that were not submitted at the place, and within the time, specified in the notice or that failed to comply with any other requirement specified in the notice?	N/A	
13	F&G Reg 23(3) & (4)	Were all expressions of interest that were not rejected under the Local Government (Functions and General) Regulations 1996, Regulation 23(1) & (2) assessed by the local government? Did the CEO list each person as an acceptable tenderer?	N/A	
14	F&G Reg 24	Did the CEO give each person who submitted an expression of interest a notice in writing of the outcome in accordance with Local Government (Functions and General) Regulations 1996, Regulation 24?	N/A	
15	F&G Regs 24AD(2) & (4) and 24AE	Did the local government invite applicants for a panel of pre-qualified suppliers via Statewide public notice in accordance with Local Government (Functions & General) Regulations 1996 regulations 24AD(4) and 24AE?	N/A	
16	F&G Reg 24AD(6)	If the local government sought to vary the information supplied to the panel, was every reasonable step taken to give each person who sought detailed information about the proposed panel or each person who submitted an application notice of the variation?	N/A	
17	F&G Reg 24AF	Did the local government's procedure for receiving and opening applications to join a panel of pre-qualified suppliers comply with the requirements of Local Government (Functions and General) Regulations 1996, Regulation 16, as if the reference in that regulation to a tender were a reference to a pre-qualified supplier panel application?	N/A	
18	F&G Reg 24AG	Did the information recorded in the local government's tender register about panels of pre-qualified suppliers comply with the requirements of Local Government (Functions and General) Regulations 1996, Regulation 24AG?	N/A	
19	F&G Reg 24AH(1)	Did the local government reject any applications to join a panel of pre-qualified suppliers that were not submitted at the place, and within the time, specified in the invitation for applications?	N/A	
20	F&G Reg 24AH(3)	Were all applications that were not rejected assessed by the local government via a written evaluation of the extent to which each application satisfies the criteria for deciding which application to accept?	N/A	



21	F&G Reg 24AI	Did the CEO send each applicant written notice advising them of the outcome of their application?	N/A	
22	F&G Regs 24E & 24F	Where the local government gave regional price preference, did the local government comply with the requirements of Local Government (Functions and General) Regulations 1996, Regulation 24E and 24F?	No	Policy A12 provides Support information was not available to verify compliance for all tenders called. Systems and processes being reviewed to ensure appropriate records and authorised checklists are routinely maintained to support compliance for future tenders

Integrated Planning and Reporting

No	Reference	Question	Response	Comments
1	Admin Reg 19C	Has the local government adopted by absolute majority a strategic community plan? If Yes, please provide the adoption date or the date of the most recent review in the Comments section?	Yes	19/08/2021 2015-2025 Strategic Community Plan was reviewed item 9.1.1 OCM 19/08/2021 resolution number 2021/091. Item 9.1.1 OCM 19/09/2024 noted Strategic Community Plan 2025-2035 is under development.
2	Admin Reg 19DA(1) & (4)	Has the local government adopted by absolute majority a corporate business plan? If Yes, please provide the adoption date or the date of the most recent review in the Comments section?	Yes	18/04/2024 Item 11.1.1 OCM 18/04/2024
3	Admin Reg 19DA(2) & (3)	Does the corporate business plan comply with the requirements of Local Government (Administration) Regulations 1996 19DA(2) & (3)?	Yes	

Optional Questions

No	Reference	Question	Response	Comments
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1	Financial Management Reg 5(2)(c)	Did the CEO review the appropriateness and effectiveness of the local government's financial management systems and procedures in accordance with the Local Government (Financial Management) Regulations 1996 regulations 5(2)(c) within the three financial years prior to 31 December 2024? If yes, please provide the date of council's resolution to accept the report.	No	A review was completed with the assistance of an external consultant in March 2022 and considered by Audit Committee held 18/08/2022 item 5.1.1 The report was not considered by Council as required by legislation.
2	Audit Reg 17	Did the CEO review the appropriateness and effectiveness of the local government's systems and procedures in relation to risk management, internal control and legislative compliance in accordance with Local Government (Audit) Regulations 1996 regulation 17 within the three financial years prior to 31 December 2024? If yes, please provide date of council's resolution to accept the report.	Yes	18/05/2023 The review was completed with the assistance of an external consultant in March 2022 and considered by Item 5.1.1 Audit Committee held 18/08/2022 and Item 11.1 Ordinary Council Meeting held 18/05/2023 Council resolution 2023/050.
3	s5.87C	Where a disclosure was made under sections 5.87A or 5.87B of the Local Government Act 1995, were the disclosures made within 10 days after receipt of the gift? Did the disclosure include the information required by section 5.87C of the Act?	N/A	
4	s5.90A(2) & (5)	Did the local government prepare, adopt by absolute majority and publish an up-to-date version on the local government's website, a policy dealing with the attendance of council members and the CEO at events?	No	
5	s5.96A(1), (2), (3) & (4)	Did the CEO publish information on the local government's website in accordance with sections 5.96A(1), (2), (3), and (4) of the Local Government Act 1995?	No	
6	s5.128(1)	Did the local government prepare and adopt (by absolute majority) a policy in relation to the continuing professional development of council members?	Yes	Adopted 16/05/2019. The policy was last reviewed: item 9.1.1 OCM 17/07/2023 but did not undergo review following the October 2023 ordinary local government election as required.
7	s5.127	Did the local government prepare a report on the training completed by council members in the 2023/2024 financial year and publish it on the local government's official website by 31 July 2024?	No	



Department of
**Local Government, Sport
and Cultural Industries**

8	s6.4(3)	By 30 September 2024, did the local government submit to its auditor the balanced accounts and annual financial report for the year ending 30 June 2024?	No	Ministerial approval received to submit accounts to auditor by 28 Feb 2025
9	s.6.2(3)	When adopting the annual budget, did the local government take into account all its expenditure, revenue and income?	Yes	

Chief Executive Officer

Date

Mayor/President

Date

Shire of Halls Creek 2024 Compliance Audit Return – Summary of Matters Noted

Question No.	Section/Topic	Matters Identified / Improvements	Reportable in CAR (Y/N)
13	Delegations	<p>It is not clear how compliance with written records is maintained by persons exercising a delegated power or duty in accordance with the regulation 19 of the <i>Local Government (Administration) Regulations 1996</i> as some requested documentation was not readily available at the time of completing the CAR.</p> <p>Improvement: Clarify record keeping requirements to be maintained when exercising delegations. Review systems and processes relating to the recording of exercise of delegations. Ensure staff with delegations are aware of requirements and responsibilities of each delegation, and maintain individual accountability for compliance.</p>	Y
4-8	Disclosure of Interests	<p>Our inspection of the financial interest register noted in the following matters:</p> <ul style="list-style-type: none"> • Some annual returns contained blank fields / incomplete information; • Annual returns were not submitted by relevant persons within the statutory timeframe; • Two primary returns were not completed within three months of the relevant persons' start date; • Acknowledgements of annual and primary returns had not been completed as required; and • Primary / annual returns were not available for some relevant persons, as well as individuals recorded within the register of delegations who may need to complete returns. <p>The register of financial interests appears to be currently maintained through the Shire's EDRMS, and not as required by s5.88(1) & (2)(b) of the <i>Local Government Act 1995</i>, and in the form prescribed in the <i>Local Government (Administration) Regulations 1996</i> Reg 28</p> <p>Improvements: Review systems and procedures relating to the register of financial interests to ensure:</p> <ul style="list-style-type: none"> • Records, including the register of financial interest, are maintained in accordance with legislation; • Returns are appropriately completed by those who are required to do so; • Primary and annual returns are properly completed at the time of providing acknowledgement of receipt of the returns; and • Returns are filed correctly (including current / non-current returns). <p>If a relevant person fails to lodge their primary or annual return on time, the matter will need to be referred to the CCC under Part 5, Division 6 of the Act in accordance with section 28 of the <i>Corruption and Crime Commission Act 2003</i>. Advice on the Department's website also articulates / acknowledges circumstances where relevant persons do not complete their returns within the period. This may occur in circumstances such as extended medical leave, long service leave or maternity leave. It also highlights that in the event of failure to comply nevertheless the relevant return should be completed as soon as possible and a note included in the register detailing reasons for the late lodgement. This will assist in determining if any other action is needed. Ensure future systems and procedures are in place to obtain all returns required under the <i>Local Government Act 1995</i>. Undertake necessary actions to rectify and report this matter as required.</p>	Y

Shire of Halls Creek 2024 Compliance Audit Return – Summary of Matters Noted

Question No.	Section/Topic	Matters Identified / Improvements	Reportable in CAR (Y/N)
11-13	Disclosure of Interests (Gifts)	<p>We noted the register of gifts is not in the current prescribed form and contains record of disclosures made under the former provision of the <i>Local Government Act 1995</i> (sections 5.82 & 5.83). The registers of gifts required by superseded legislation is published on the website as required, however these may contain information no longer be required to be published.</p> <p>Improvement: Maintain the register of gifts as required by legislation and publish on the official local government website. Any entries recorded on the former registers in the previous 'Form 4' should be reviewed and entries removed where required.</p>	Y
21	Disclosure of Interests (Code of Conduct)	<p>It was noted the Code of Conduct for Employees was considered at item 9.1.2 of the OCM held 14 November 2024, but lapsed due to absence of consensus among Councillors on the motion. Unlike the Code of Conduct for Council members which requires an absolute majority decision of Council for amendment/review, section 5.51A of the <i>Local Government Act 1995</i> requires the CEO to prepare and implement a Code of Conduct to be observed by employees of the local government, so there is no requirement for a Council resolution.</p> <p>Improvement: Ensure any updates to the Code of Conduct for employees in accordance with s5.51A of the <i>Local Government Act 1995</i> and Part 4A Division 2 of the <i>Local Government (Administration) Regulations 1996</i>, and is published on the official local government website.</p>	N
1 & 3	Elections	<p>An extraordinary election was held in 2024. It was noted an electoral gift register was not maintained or published on the local government website as required by legislation, as no disclosures of gifts were received from candidates or donors. While no disclosures were received, a register is still required to be maintained.</p> <p>Improvement: Ensure the electoral gift register maintained and is published on the local government website in accordance with regulation 30G of the <i>Local Government (Elections) Regulations 1997</i>.</p>	Y
1	Integrated Planning and Reporting	<p>The Strategic Community Plan 2015-2025 was last reviewed by item 9.1.1 at the OCM held 19 August 2021 (resolution 2021/091). The <i>Local Government (Administration) Regulations 1996</i> require the plan to undergo a major review every four years. It was noted though item 9.1.1 of the OCM held 19 September 2024, an updated Strategic Community Plan 2025-2035 is under development and is anticipated to be presented to Council during the 2025 May Ordinary Council Meeting.</p> <p>Improvement: Ensure the updated draft Strategic Community Plan 2025-2035 includes all required data and information as published within the Department of Local Government, Sports and Cultural Industries Integrated Planning and Reporting Advisory Standard (September 2016) and is reviewed as required within the time period required by legislation.</p>	N

Shire of Halls Creek 2024 Compliance Audit Return – Summary of Matters Noted

Question No.	Section/Topic	Matters Identified / Improvements	Reportable in CAR (Y/N)
1-3	Local Government Employees	<p>Information was not available at the time of completing the CAR to support the vacancy for the CEO being advertised in accordance with all requirements of <i>Local Government (Administration) Regulations 1996</i>, regulation 18A.</p> <p>Improvement: Update and maintain systems and processes to ensure future CEO and senior employee vacancies are advertised in accordance with <i>Local Government (Administration) Regulations 1996</i>, regulation 18A. A declaration relating to the appointment of the CEO in accordance with adopted standards should be prepared as soon as practicable after a person is employed in the position of CEO for the local government to adopt by absolute majority resolution, certifying that the person was employed in accordance with the local government's adopted standards in relation to the recruitment of CEOs as required by <i>Local Government (Administration) Regulations 1996</i>, regulation 18FB.</p>	Y
2-3	Official Conduct	<p>A complaints register was not available for our review or published on the local government website as required by legislation.</p> <p>Improvement: Develop and maintain a complaints register as required by section 5.121 of the <i>Local Government Act 1995</i> and publish it on the local government website.</p>	Y
1-2	Optional Questions	<p>A review of the appropriateness and effectiveness of the local government's financial management systems and procedures in accordance with Financial Management Reg 5(2)(c) was undertaken and considered by the Audit Committee in August 2022 but was not considered by Council as required by legislation.</p> <p>Improvement: CEO to perform a review of financial management systems and procedures as required by regulation 5(2)(c) of the <i>Local Government (Financial Management) Regulations 1996</i> to be considered by Council for compliance with legislation.</p>	Y
4	Optional Questions	<p>A policy relating to attendance at events has not been prepared / adopted by Council.</p> <p>Improvement: Develop and adopt an attendance at events policy as required by section 5.90A of the <i>Local Government Act 1995</i>.</p>	Y
6	Optional Questions	<p>A report on the training by council members in the 2023 / 2024 financial year was not prepared and published on the local government's website by 31 July 2024.</p> <p>Improvement: Ensure a report on the training by council members in the 2022 / 2023 financial year is prepared and published on the local government website in accordance with section 5.127 of the <i>Local Government Act 1995</i>.</p>	Y

Shire of Halls Creek 2024 Compliance Audit Return – Summary of Matters Noted

Question No.	Section/Topic	Matters Identified / Improvements	Reportable in CAR (Y/N)
5	Optional Questions	Details of the type, and the amount or value, of any fees, expenses or allowances paid to each council member during the 2022/23 financial year were not published on the local government website as required by regulation 29C of the Local Government (Administration) Regulations 1996.	Y
		A copy of the Strategic Community Plan was not published on the website at the time of completing this return.	Y
		Local and Statewide Public notices published in newspapers etc. do not appear to be consistently published on the Shire's website as required by legislation.	Y
		Evidence to support the publication of information required by section 4.52 of the <i>Local Government Act 1995</i> relating to details of candidates for local government elections was not available at the time of completing the 2024 CAR.	Y
		Details of individuals lodging a primary or annual return for the financial year beginning on or after 1 July 2020 has not been published on the official local government website as required by legislation.	Y
		<p>Improvement: Publish details of payments to elected members in accordance with <i>Local Government (Administration) Regulations 1996</i>, Regulation 29C(2)(f) to the local government website. Ensure future disclosures are made for each financial year by 14 July immediately following the end of the financial year to which the information relates, as required by legislation.</p>	
		Publish the Strategic Community Plan on the website as required by section 5.96A of the <i>Local Government Act 1995</i> .	
		Ensure all notices relating to local public notice and statewide public notice is published on the website to comply with sections 1.7 & 1.8 of the <i>Local Government Act 1995</i> . Consider a mechanism/report trail for future compliance checks to be performed.	
		Review, update and maintain systems and processes to ensure information is published on the shire's official website as required by Section 5.96A of the <i>Local Government Act 1995</i> and any required legislation.	
		Ensure details of individuals lodging a primary or annual return for the financial year beginning on or after 1 July 2020 as required by regulation 29C of the <i>Local Government (Administration) Regulations 1996</i> to the official local government website, and ensure it is within the timeframes required by legislation.	

Shire of Halls Creek 2024 Compliance Audit Return – Summary of Matters Noted

Question No.	Section/Topic	Matters Identified / Improvements	Reportable in CAR (Y/N)
1	Tenders for Providing Goods and Services	<p>Non-compliance between procurement thresholds and purchasing requirements for low value purchases has possibly occurred during the review period. It was noted with management it is very difficult to declare during the review period the appropriate number of quotations had been obtained for every purchase (particularly low value purchases) in accordance with the purchasing policy.</p> <p>Improvement: Review systems and controls to minimise risks of non compliance with adopted purchasing policy.</p>	Y
2-3	Tenders for Providing Goods and Services	<p>A contract was awarded in excess of the prescribed tender threshold, where the officer report noted tenders had been previously called with no submissions received, and as such the regulations provide for direct market engagement without going to tender. While the <i>Local Government (Functions and General) Regulations 1996</i> (regulation 11) do provide for this to occur, it must be within six months of a previous public tender process where no tender was received or where tenders received were not suitable for award. We did not observe evidence of previous tenders in accordance with the regulations having been called for this contract within six months prior to the award by Council in September 2024.</p> <p>Improvement: Review systems and controls to ensure future procurement and tender processes comply with legislation.</p>	Y
7	Tenders for Providing Goods and Services	<p>The tender register is not published on the official local government website as required by legislation and was not available for inspection at the time of completing the CAR.</p> <p>Improvement: Procedures should be updated to ensure information required by regulation 17 of the <i>Local Government (Functions and General) Regulations 1996</i> is properly recorded and maintained.</p>	Y

Shire of Halls Creek 2024 Compliance Audit Return – Summary of Matters Noted

Question No.	Section/Topic	Matters Identified / Improvements	Reportable in CAR (Y/N)
4-5, 8-10 & 22	Tenders for Providing Goods and Services	<p>Documentation to support statutory compliance occurring for all tenders called was not available for our review. Tender documentation and compliance monitoring appears to remain with the officer responsible for managing each tender, with limited independent oversight and validation of compliance being maintained. We noted:</p> <ul style="list-style-type: none"> • Evidence of compliance with regulations to enter into multiple contracts rather than a single contract was not available for review so cannot be certain all instances were compliant. • Support information relating to any instances where information to a tenderer was sought to be varied was not available for review so cannot be certain it was performed in compliance with Local Government (Function and General) Regulations 1996. • Support information relating to any instances where tenders may have been rejected was not available for review so cannot be certain it was performed in compliance with Local Government (Function and General) Regulations 1996. • Support information relating to any instances where tenders were assessed via written evaluation criteria was not available for review so cannot be certain it was performed in compliance with Local Government (Function and General) Regulations 1996. • Support information relating to any instances where tenderers were provided notice of the successful tenderer or that no tender was accepted, was not available for review so cannot be certain it was performed in compliance with Local Government (Function and General) Regulations 1996. • Evidence of compliance with regional price preference policy being supplied for all tenders called was not available for review so cannot be certain it was performed to comply with legislation. 	Y
		<p>Improvement: To help ensure probity and fairness when calling tenders, procedures for the process to be undertaken to comply with adopted delegations and policy requirements should be followed, documented and reviewed for compliance for each tender called. Review and update controls relating to maintenance of the tender register, ensuring it contains information required to evidence compliance with regulation 16 & 17 of the <i>Local Government (Functions and General) Regulations 1996</i> and maintain authorised checklists to evidence compliance for future tenders.</p>	

9.4.5 2022-23 Audit Findings Improvement Action Plan Update March 2025

ITEM NUMBER:	9.4.5
REPORTING OFFICER	Sue Leonard, Chief Executive Officer
SENIOR OFFICER	Sue Leonard, Chief Executive Officer
MEETING DATE:	27 March 2025
DISCLOSURE OF INTEREST:	Nil

1.0 Matter for Consideration

- 1.1 For Council to receive the report considered by the audit committee which provides updates on the actions adopted by the shire to address matters identified by the auditor during the 2022/23 audit.

2.0 Background

- 2.1 The audit report issued by the Office of the Auditor General (OAG) on 23 April 2024 relates to the Shire of Halls Creek 2022/23 Annual Financial Report.
- 2.2 At the time of providing the signed Annual Financial Report to the auditors in November 2023 the former CEO signed the Statement by the CEO.
- 2.3 At the time of signing the Audit Report, management agreed with OAG the signed 2022/23 Annual Financial Report contained material misstatements.
- 2.4 The following basis for a disclaimer of opinion was provided within the audit report dated 23 April 2024 and signed by the Assistant Auditor General Financial Audit, Delegate of the Auditor General for Western Australia.

“Basis for Disclaimer of Opinion

Financial report not supported with complete and accurate underlying records I was unable to obtain sufficient appropriate audit evidence regarding the financial report as a whole as the financial report was submitted for audit purposes without complete and accurate underlying records. I was unable to audit the financial report by alternative means.”

- 2.5 Accompanying the audit report a Management Letter was issued detailing the findings identified during the audit which reflected a number of items identified and ratings of the matters within each identified area.
- 2.5 Section 7.12A (4) of the Local Government Act 1995 requires a local government to prepare a report stating what action has been taken or is intended to be taken in respect to significant matters raised within the audit report.
- 2.6 At its ordinary meeting held 16 May 2024, Council considered and endorsed an Improvement Action Plan setting out the improvements required which was also to be used as a tool for monitoring and reporting progress of the plan. This was also provided to the Minister and placed on the website as required by legislation (resolution 2024/160).
- 2.7 It was noted when the Improvement Action Plan was considered in May 2024, actions may require updates to remain relevant and appropriate toward

achieving objectives set out, as well as to assist with ongoing monitoring and reporting.

- 2.8 Updates to the Improvement Action Plan were last received by Council at its October 2024 OCM.

3.0 Comments

- 3.1 The key improvement actions detailed are detailed at section 3.0 of the Improvement Action Plan Update as well as comments on progress to date (as attached).
- 3.2 Section 4.0 of the Improvement Action Plan sets out detailed actions required to address each of the matters noted in the audit report for 2022/23, along with a priority rating for each. The timeline for completion of all of the tasks identified in the plan is likely to span a number of financial years.
- 3.3 The status of a number of actions included in the plan have been updated to form a progress report, which were intended to be presented to the Audit Committee quarterly for review and monitoring.
- 3.4 A meeting of the Audit Committee was held 17 March 2025 to consider progress updates to the Improvement Action Plan. An extract of the Audit Committee minutes is attached in Appendix 9.4.5B.

4.0 Statutory Environment:

- 4.1 Section 7.12A of the *Local Government Act 1995* requires:

- (3) A local government must —
- (aa) examine an audit report received by the local government; and
 - (a) determine if any matters raised by the audit report, require action to be taken by the local government; and
 - (b) ensure that appropriate action is taken in respect of those matters.
- (4) A local government must —
- (a) prepare a report addressing any matters identified as significant by the auditor in the audit report, and stating what action the local government has taken or intends to take with respect to each of those matters; and
 - (b) give a copy of that report to the Minister within 3 months after the audit report is received by the local government.
- (5) Within 14 days after a local government gives a report to the Minister under subsection (4)(b), the CEO must publish a copy of the report on the local government's official website.

- 4.2 Regulation 16 of the *Local Government (Audit) Regulations 1996* includes:

16. Functions of audit committee
- (f) to oversee the implementation of any action that the local government —
 - (i) is required to take by section 7.12A(3); and

(ii) has stated it has taken or intends to take in a report prepared under section 7.12A(4)(a)

5.0 Strategic Implications

5.1 Objective:

4. Civic: Working together to strengthen leadership and effective governance.

5.2 Outcome:

Civic - 4.1 A local government that is respected and accountable

5.3 Strategy:

Civic - 4.1.1 Provide strong, effective and functional governance and leadership in the Shire

6.0 Policy Implications:

6.1 There are no known policy implications arising from adoption of the officer's recommendation.

7.0 Financial Implications

7.1 Actions included in the improvement plan will require additional resources to implement. All expenditure will be included in the relevant budget or reported to Council as required.

8.0 Sustainability Implications

8.1 Environmental

There are no significant identifiable environmental impacts arising from adoption of the officer's recommendation.

8.2 Economic

There are no significant identifiable economic impacts arising from adoption of the officer's recommendation.

8.3 Social

There are no significant identifiable social impacts arising from adoption of the officer's recommendation.

8.4 Risk

Event Likelihood / Impact Matrix			
Likelihood (refer Potential Risk Likelihood Guide)	Impact (refer Potential Risk Impact Guide)		
	Minor	Medium	High
Low (unlikely)	1	2	3
Moderate (likely)	2	4	6
High (very likely)	3	6	9

Risk	
Low Risk	
a risk / activity with a score of 2 or less	N/A
Moderate Risk	
a risk / activity with a score between 3 or 4 more is moderate risk	N/A
High Risk	
a risk activity with a score of 6 or more is a high risk	N/A
Risk Control Measure	

9.0 Officer Recommendation

That Council receive the Improvement Action Plan Update reviewed by the Audit Committee 17 March 2025 (9.5.4A and 9.5.4B).

VOTING REQUIREMENT: Simple majority

Appendix:

9.4.5A – Shire of Halls Creek Improvement Action Plan Update – 2022/23 Audit

9.4.5B – Extract of Minutes Audit Committee meeting held 17 March 2025 Improvement Action Plan Update – 2022/23 Audit



Shire of Halls Creek

Improvement Action Plan – Update 2022-23 Annual Financial Report Audit Findings March 2025

CONTENTS

1.0 BACKGROUND	3
2.0 BASIS FOR ACTION IMPROVEMENT PLAN	5
3.0 KEY IMPROVEMENT ACTIONS	6
4.0 IMPROVEMENT ACTION PLAN	7
5.0 OTHER MATTERS	18
APPENDIX A – MANAGEMENT LETTER YEAR ENDED 30 JUNE 2023.....	19
APPENDIX B - ADDITIONAL AUDIT FINDINGS – YEAR ENDED 30 JUNE 2032	59

1.0 BACKGROUND

The Shire of Halls Creek (the Shire) engaged Moore Australia to prepare an Improvement Plan following the receipt of the issue of a ‘Disclaimer of Opinion’ audit opinion by the Office of the Auditor General in relation to the Shire of Halls Creek 2022/23 Annual Financial Report. The following basis for disclaimer of opinion was provided within the audit report dated 23 April 2024 and signed by the Assistant Auditor General Financial Audit, Delegate of the Auditor General for Western Australia.

“Basis for Disclaimer of Opinion

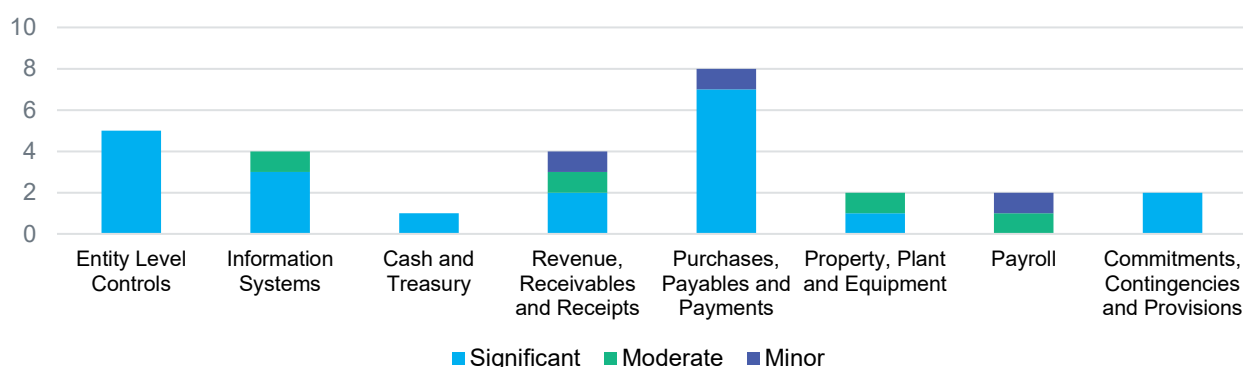
Financial report not supported with complete and accurate underlying records

I was unable to obtain sufficient appropriate audit evidence regarding the financial report as a whole as the financial report was submitted for audit purposes without complete and accurate underlying records. I was unable to audit the financial report by alternative means.”

The audit report relates to the Annual Financial Report 2022-23, a set of signed financial statements was provided to the auditors by the previous CEO in November 2023 (despite the date indicating October 2023). Management at the time of the signing of the Audit report agreed the signed Annual Financial Report contained material misstatements.

Accompanying the audit report a Management Letter was issued detailing the findings identified during the audit. The table below reflects the number of items identified and ratings of the matters within each identified area.

Findings	Rating		
	Significant	Moderate	Minor
Entity level controls	5		
Information systems	3	1	
Cash and treasury	1		
Revenue, Receivables and Receipts	2	1	1
Purchases, Payables, and Payments	7		1
Property, plant and equipment	1	1	
Payroll		1	1
Commitments, contingencies, and provisions	2		
Total	21	4	3



At the Ordinary Council Meeting held on 16 May 2024 council considered the report and Improvement Action Plan and resolved the following:

'COUNCIL RESOLUTION: 2024/160

Mover: Cr Raymond Simpson

Secunder: Cr Virginia O'Neil

That Council:

1. Endorse the Improvement Action Plan (Appendix 1);
2. Direct the CEO to provide a copy of this report and the attached Improvement Action Plan to the Minister as required by legislation; and
3. Direct the CEO to publish a copy of the Improvement Action Plan on the shire website as required by legislation.

CARRIED: 6/0'

This update seeks to inform Council of actions taken to date and current status of improvement actions as management seeks to rectify the existing financial records and improve current controls and governance.

2.0 BASIS FOR ACTION IMPROVEMENT PLAN

Section 7.12A (4) of the *Local Government Act 1995* requires a local government to prepare a report stating what action has been taken or is intended to be taken in respect to matters raised within the audit report. The primary goal of this improvement plan is to convey actions the shire intends to take at the time of the compilation of the report to address the audit findings and is intended to assist the shire continue operating effectively. This report is not a comprehensive review of all controls and is intended to primarily address matters raised within the Improvement Action Plan.

The scope of this update addresses matters identified within the Audit Improvement Action Plan and excludes any commentary relating to legislative compliance tasks. As such no opinion is offered or implied as to the level of compliance with legislative requirements.

Through consultation with the Chief Executive Officer at the Shire of Halls Creek, this update has been developed and details the status of actions the Shire has commenced or intends to take to address the matters included in the audit improvement action plan.

An update has been prepared to summarise the status of improvements required as a tool for monitoring and reporting of the progress toward completing all the established actions.

An update on the improvement action plan will be reported to the Audit Committee on a quarterly basis.

3.0 KEY IMPROVEMENT ACTIONS

The following items were viewed as key improvement actions central to restoring the proper financial reporting of the Shire of Halls Creek.

1. Appointment of a new Chief Executive Officer and senior finance staff with appropriate qualifications and experience.

Update: Chief Executive Officer appointed. An Acting Executive Manager Finance was appointed, recruitment of senior staff in progress.

2. Appointment of a sufficient number of experienced finance staff to enable proper segregation of duties and oversight of financial transactions, reconciliations and reviews.

Update: Rates/debtors officer appointed, recruitment of additional finance staff in-progress.

3. Ensure an appropriately secure IT environment is maintained.

Update: Current IT consultants engaged to upgrade IT security and undertake actions from Audit Improvement Program.

4. Train all staff involved in procurement and disposal of assets in the appropriate procedures to be followed.

Update: Procedures being developed and to be formalised before training occurs

5. Establish documented procedures for key finance functions, this should primarily occur through the creation of checklists to help ensure procedures are routinely followed and monitored.

Update: Overarching governance frameworks being developed. Procedures and checklists currently being developed.

6. Undertake a review of payroll processes and transactions to ensure these are appropriate.

Update: Issues have been identified and are currently being addressed.

7. Implement appropriate grievance and disciplinary procedures to help ensure staff performance is routinely monitored and addressed.

Update: Overarching governance frameworks is being developed. Policy improvement Plan endorsed by Council August 2024.

8. Rescind inappropriate Council Policies, such as A20 Employee Incentives.

Update: All Council policies being reviewed Policy A20 Employee Incentives has been rescinded. Policy improvement Plan endorsed by Council August 2024.

9. Action the improvement plan detailed within this report.

Update: Progress on implementation of the plan continues

10. Report quarterly to the Audit Committee on the progress of the actions included within the improvement plan.

Update: This is the second report to Council on the progress of Actions

11. Complete the 2024 Annual Financial Report.

Update: 2024 Annual Financial Report updated and provided to the auditors.

4.0 IMPROVEMENT ACTION PLAN

The following is a list of detailed actions to be undertaken to address the points raised within the Management Letter provided at Appendix A. The initial status is the status at the time of adoption of the Audit Improvement Action Plan, updated status is the status at the time of this update.

Improvement Action Plan			
Improvement Actions:	Priority	Initial Status:	Updated Status
Finding: 1. Lack of audit readiness and quality of financial statements and supporting documentation			
1.1 Review financial close process and corresponding resource requirements	High	Not Commenced	Support for 30 June 2023 and 30 June 2024 balances forwarded to auditors
1.2 Prepare and implement a checklist of monthly financial close procedures and ensure these are reviewed before finalising the monthly financial report	High	Complete	Complete
1.3 Prepare audit readiness procedures based on the OAG Better Practice Guides	High	Not Commenced	Not Commenced
1.4 Implement Audit Readiness procedures and checklists	High	Not Commenced	Not Commenced
1.5 Ensure staff access required relevant training to undertake tasks effectively	High	In-progress	No staff currently undertaking role
1.6 Plan audit in liaison with Shire auditors based on expected timing of preparation of supporting information	High	Not Commenced	Information for 2024 audit supplied and discussions regarding 2025 audit have commenced
1.7 Ensure all working papers provided for audit have been adequately reviewed to ensure their completeness and accuracy to support disclosures within the financial report.	High	Not Commenced	Workpapers reviewed.
Finding: 2. Identification of critical control weaknesses impacting the shire's system of internal controls			
2.1 Recruit an appropriately qualified and experienced CEO tasked with promoting a culture of compliance within the organisation	High	In-progress	Complete
2.2 Recruit appropriately qualified and experienced finance staff (onsite/offsite) to ensure an appropriate level of segregation of duties and independent oversight.	High	In-progress	Acting Executive Manager Finance and Finance Officer (rates and debtors) appointed. Recruitment of substantive Executive Manager Finance underway. Finance Officer (creditors) being finalised
2.3 Document and implement appropriate segregation of duties for finance functions	High	Not Commenced	In-progress. Position descriptions updated
2.4 Undertake a review of systems of controls to ensure compliance with legislation and high level of governance.	High	In-progress	In-progress. Informal reviews undertaken of certain areas

Improvement Action Plan			
Improvement Actions:	Priority	Improvement Actions:	Priority
2.5 Undertake a review of Council policies and code of conduct to ensure they promote ethical behaviour and high level of accountability.	High	Not Commenced	In-progress. Updated Council Code of Conduct endorsed. Policy improvement Plan endorsed by Council August 2024.
2.6 Develop a standard format and authorisation process for CEO procedures and other control documentation.	High	Not Commenced	In-progress. Policy governance framework in development. Have engaged officer to assist with this. Authorisation process will be a part of this framework
2.7 Review CEO procedures to ensure their alignment with Council policy. CEO Procedures to provide detailed practical controls	Medium	Not Commenced	In-progress. Policy and procedure template drafted. Have engaged officer to assist with finalisation
2.8 Develop and implement formal documented risk management procedures	High	Not Commenced	Not Commenced
2.9 Conduct a thorough review of the qualifications and competencies of financial personnel, provide necessary training and support to bridge any skill gaps identified	Medium	Not Commenced	In progress as part of recruitment
2.10 Terminate contract with financial services firm responsible for maintaining financial systems and procedures in 2022/23	High	Complete	Complete
2.11 Tender RFT2024-05-ED Financial Services for the Shire of Halls Creek awarded and appropriate engagement process undertaken	High	Completed	Complete
Finding 3. Failure to complete the related party disclosure data collection form			
3.1 Implement procedure for obtaining, reviewing, and maintaining appropriate records for required AASB 124 Related Party Disclosures	High	In-progress	Complete
3.2 Compare the information provided within the data collection forms to other sources of information held by the shire (such as annual returns or disclosure of interest forms) to ensure related parties as defined by AASB 124 are complete and accurate.	Medium	Not Commenced	In-progress
3.3 Review on an annual basis the shire's accounting records for transactions with all related parties and maintain evidence of this process.	Medium	Not Commenced	In-progress

Improvement Action Plan

Improvement Actions:	Priority	Improvement Actions:	Priority
3.4 Ensure all working papers provided for audit have been adequately reviewed to ensure their completeness and accuracy to support disclosures within the financial report.	Medium	Not Commenced	In-progress
Finding 4. Manual journals – complete listing not provided			
4.1 Maintain a register of Journals containing the following information, Journal Number, date, purpose, prepared by, approved by, posting period and batch no.	High	Complete/Ongoing	Have journal registers in place for adjustments made in 22/23 and 23/24 and all journals in 24/25. have process - folders established for each journal and with supporting documentation and approvals. Need to formalise procedure. There is a report in synergy that will extract all journal information
4.2 Supporting documents filed to enable easy retrieval	High	Completed	Completed
4.3 Produce a system report listing all manual journal entries processed during the reporting period for audit.	Medium	In-progress	In-progress
4.4 Develop and approve procedure for contract accountants to raise journals, approve and post journals	High	Completed	Completed
4.5 Develop and implement standardised documentation procedures for manual journal entries to ensure consistency and completeness. This must provide clear guidelines for recording, reviewing, and approving manual journals, including appropriate segregation of duties and verification journals are posted as approved.	High	In-progress	Completed
4.6 Provide training to relevant personnel on the importance of maintaining adequate documentation for manual journal entries and the associated risks of non-compliance.	High	Not Commenced	Staff not raising manual journals

Improvement Action Plan			
Improvement Actions:	Priority	Improvement Actions:	Priority
Finding 5. Timely completion of grant acquittals			
5.1 Establish and maintain a grant register.	High	In-progress	Complete/Ongoing
5.2 Review, update and implement effective grant acquittal process	High	Not Commenced	Process to be developed
5.3 Establish and implement a process for the approval and submissions of grants for acquittal where required	High	In-progress	Process to be developed
5.4 Track grant acquittal status within the grant register	High	Completed	Complete/Ongoing
5.5 Provide training and professional development opportunities to staff involved in grant management to enhance their understanding of acquittal requirements and improve efficiency in completion	Medium	Not Commenced	The Shire is seeking to establish a Principal Governance Officer to oversight statutory and contract compliance as part of its new structure - awaiting costing
5.6 Develop and implement appropriate communication process for managing grants	Medium	Not Commenced	Not Commenced
Finding 6. Inappropriate access to shire records and systems by financial consultants			
6.1 Establish formal service agreements when engaging consultancy services and other services outlining the terms and conditions of their access to shire information and resources.	High	In-progress	Complete
6.2 Clearly define the scope of services, roles, and responsibilities of all parties within the agreement for all contracted services or goods.	High	In-progress	Complete
6.3 Review IT systems and records to minimise staff and contractors access to data and records.	High	In-progress	Complete/Ongoing
6.4 Review IT controls to minimise the risks of a data breach	High	In-progress	Fourier engaged to review
6.5 Ensure all staff and contractors with access to Shire data have read and understood the Code of Conduct.	High	Not Commenced	Complete, new code to be adopted
6.6 Review compliance with relevant regulations and industry standards governing the handling of the shire's data, including any personal information. Where necessary amend procedures and controls	Medium	Not Commenced	Not Commenced
6.7 Reviewing and monitor the activities of third-party service providers to ensure adherence to the terms of the agreement and mitigate potential risks.	High	In-progress	In-progress

Improvement Action Plan				
Improvement Actions:	Priority	Improvement Actions:	Priority	
6.8 Formally advise previous contractors of their obligation to maintain confidentiality	High	Completed	Completed	
6.9 Review systems to ensure there have been no unauthorised access or data breaches by consultants and or relevant shire staff.	High	Completed	Completed	
6.10 Ensure termination of system access has been affected for any consultants and shire staff who have ceased providing services to or employment with the shire.	High	Completed	Completed	
6.11 Establish and maintain appropriate termination procedures to ensure system access is maintained	High	In-progress	In-progress	
6.12 Regularly review system access to ensure any system access authorised continues to remain appropriate. Administrator access systems such as finance and payroll should be restricted to ensure the integrity of the system and data.	High	In-progress	Fourier engaged to review	
6.13 Review controls and processes implemented to prevent data breaches and ensure the protection of sensitive information.	High	Not Commenced	Fourier engaged to review	
Finding 7. IT governance				
7.1 Develop and implement an appropriate IT governance framework	High	Not Commenced	RFQ currently being developed	
Finding 8. Change management process				
8.1 Develop and implement procedures to review and approve changes to procedures and processes, either manual or IT based	High	Not Commenced	In Progress	
8.2 Liaise with IT service providers regarding the process and risk minimisation procedures to be followed in managing Shire IT. Undertake an independent third party review of IT environment and IT risk management	High	Not Commenced	RFQ currently being developed	
Finding 9. Disaster recovery process				
9.1 Review and update the Disaster Recovery Plan	Medium	Not Commenced	Fourier engaged to review	
9.2 Implement regular testing program for Disaster Recovery Plan	Medium	Not Commenced	Fourier engaged to review	
Finding 10. Bank reconciliation discrepancy				
10.1 Shire does not support the use of an automated bank reconciliation process due to the issues encountered by other local governments. Bank reconciliations are to be prepared and reviewed prior to preparation of the monthly reports for Council	High	Not Commenced	Reconciliations up to date however outstanding items require resolution	

Improvement Action Plan			
Improvement Actions:	Priority	Improvement Actions:	Priority
10.2 Implement robust controls and procedures to enhance the effectiveness of the bank reconciliation process, including regular reviews, segregation of duties, and clear documentation of reconciliation procedures and findings	High	In-progress	Bank reconciliations being prepared by Moore and reviewed by AEMF.
10.3 Develop documented procedures and controls for the timeous investigation and resolution of reconciling items	High	In-progress	In-progress
10.4 Provide appropriate training to staff involved in the bank reconciliation process to ensure competence and adherence to established procedures.	High	Not Commenced	Bank Reconciliations being undertaken by Moore
10.5 Review and update reconciliation procedures in accordance with procedure update procedures as necessary to address any identified deficiencies and improve accuracy and efficiency.	High	In-progress	To occur once bank reconciliations are undertaken by Shire staff
Finding 11. Revenue recognition assessment for grants and contributions revenue not performed			
11.1 Document revenue recognition basis and support within grants register	Medium	In-progress	Complete where copies of grant agreements are available
11.2 Reconcile contract liabilities monthly prior to preparation of monthly reports.	High	In-progress	Year end balances still to be finalised
Finding 12. Insufficient processes to review outstanding rates and other receivables			
12.1 Implement program to actively follow up long outstanding debtors	High	In-progress	In-progress
12.2 Investigate debtors where debtor contests payment and ensure appropriate support is available.	High	Not Commenced	New Finance Officer will improve transactions being completed in a timely manner and will formalise procedures for debt recovery
12.3 Where appropriate commence legal proceedings to recover debts.	High	Not Commenced	Not Commenced
12.4 Identify potential bad debts	High	Not Commenced	Not Commenced
12.5 Develop procedures to determine the Expected Credit losses at 30 June 2023	High	Not Commenced	Not Commenced
12.6 Engage a rates and debtors officer to follow up outstanding receivables.	High	Not Commenced	Not Commenced
12.7 Develop and implement a documented credit verification and authorisation procedure.	High	Not Commenced	Not Commenced
12.8 Council is currently provided with a monthly aged analysis of receivables and chart of the current and prior year monthly receivables balance. This is considered adequate.	Low	Completed	Completed

Improvement Action Plan			
Improvement Actions:	Priority	Initial Status:	Updated Status
Appropriately qualified and/or experienced debtors officer to be engaged.	High	Not Commenced	Not Commenced
Finding 13. Review of end-of-month rates reconciliation			
13.1 All reconciliations are to be prepared and reviewed by an appropriately experienced independent officer prior to preparation of the monthly reports for Council.	High	In-progress	Undertaken by Readytech. Need to formalise procedures
13.2 Provide necessary training and guidance to the relevant personnel involved in the reconciliation process to ensure an understanding of their responsibilities and the importance of timely review and approval.	High	Not Commenced	Undertaken by Readytech
13.3 Checklist of reconciliations to be completed to be maintained and completed as part of preparation of monthly financial report.	High	Completed	Completed
13.4 Report prepared for CEO of outstanding matters identified in preparation of monthly financial report.	High	Completed	Completed
13.5 Outstanding reconciliation items awaiting information from other divisions to be raised at management meetings	High	Not Commenced	In-progress
Finding 14. Review of procedures relating to rates processing			
14.1 Review and update rates processing procedures with particular attention to control reconciliations and reviews.	High	Not Commenced	Rates processed by Readytech
Finding 15. Non-compliance with <i>Local Government (Functions and General) Regulations 1996 - Requirements for Public Tender</i>			
15.1 Review Procurement Policy	High	Not Commenced	Procurement policy has been updated and is currently with Moray and Agnew
15.2 Review and document procurement controls such as purchasing authorities and documentation requirements	High	Not Commenced	In-progress
15.3 Procurement procedures to require procurement documentation to be maintained within Shire record keeping system.	High	Not Commenced	In-progress
15.4 Establish documented induction training for staff when granted procurement authority.	High	Not Commenced	Not Commenced
15.5 Re-induct all current staff with procurement authority.	High		Not Commenced
Finding 16. Non-compliance with Procurement of Goods and Services Policy - Insufficient number of quotations			
16.1 Review and update procedures for the processing and authorisation of invoices for payment to include verification procurement procedures have been followed.	High	Not Commenced	In-progress
16.2 Ensure appropriate whistleblower procedures are in place.	High	Not Commenced	Policy drafted and submitted to Council and approved for public consultation on 14 November 2024. Not adopted by Council

Improvement Action Plan			
Improvement Actions:	Priority	Initial Status:	Updated Status
16.3 Procurement procedures to require procurement documentation to be maintained within Shire record keeping system.	High	In-progress	Repeat of 15.3
16.4 Establish documented induction training for staff when granted procurement authority.	High	Not Commenced	Repeat of 15.3
Finding 17. Changes in supplier master file – lack of documented change verification process			
17.1 Develop and document a clear and formalised change management procedure for alterations to the supplier master file. This procedure should outline the steps involved in validating changes, including the necessary method of verification for all changes before changes are adopted.	High	Not Commenced	Forms are completed for changes to supplier details. Further improvements to process required.
17.2 Conduct regular training sessions and awareness programs for employees involved in the change verification process. Ensure that they are well-versed in the documented procedures and understand the importance of adhering to the established controls.	High	Not Commenced	In-progress as part of development of procedures
Finding 18. Lack of verification of invoices against purchase orders			
18.1 Engage an appropriately experienced staff member for the processing of supplier invoices independent of any procurement activity or debtor processing.	High	Not Commenced	Staff member assigned to debtor processing. Further controls to be implemented.
18.2 Develop and implement documented procedures to require supplier invoices to undergo a thorough documented review and verification against corresponding POs before approval for payment. This should involve comparing quantities, prices, and other relevant details to ensure accuracy and legitimacy.	High	Not Commenced	Invoices checked against PO's but no procedure in place. No review occurring and errors not identified.
18.3 Provide training to relevant staff members involved in the invoice approval process, emphasising the importance of verifying invoices against POs and highlighting potential consequences of non-compliance. Regular reminders and updates on best practices can help reinforce this requirement.	High	Not Commenced	Not Commenced
18.4 Investigate technology solutions, such as accounting software with built-in validation features, to streamline the invoice verification process and minimise the risk of human error or oversight. Automated controls can help flag discrepancies and enforce compliance with established procedures.	High	Not Commenced	Not Commenced

Improvement Action Plan			
Improvement Actions:	Priority	Initial Status:	Updated Status
18.5 Establish a routine schedule for conducting internal reviews or audits of the invoice approval process to monitor compliance with established controls and identify any recurring issues or areas for improvement. Particular focus of these reviews should be instances of management override of controls.	High	Not Commenced	Not Commenced
Finding 19. Termination of credit cards of former employees			
19.1 Confirm only current employees have credit cards and/or purchasing cards	High	Completed	Completed
19.2 Develop and implement documented staff exit procedures which ensure all credit cards and purchasing cards along with IT and physical access is removed on termination of an employee.	High	In-progress	In-progress
Finding 20. Reconciliation of cash floats not performed regularly- Shire Administration Office			
20.1 Documented reconciliation process be implemented for all cash floats to ensure the accuracy and completeness of the cash float balances. These reconciliations should be undertaken daily, floats with minimal cash movements may be undertaken at least weekly.	High	Not Commenced	Not Commenced
Finding 21. Unrecorded creditors			
21.1 Develop procedures to monitor invoices received after 30 June to ensure they do not relate to goods or services received prior to 30 June. Likewise invoices received in June are to be monitored to ensure the goods or services were received and in use prior to 30 June.	Medium	Not Commenced	Not Commenced
Finding 22. Review of creditor procedures manual			
22.1 Review and update documented creditors procedures and checklists.	Medium	Not Commenced	Not Commenced
Finding 23. The fair value of infrastructure assets - frequency of valuations			
23.1 Regulatory changes have removed this requirement. Responsibility for ensuring revaluations are undertaken timeously should be formalised.	Medium	Not Commenced	Valuations are up to date
23.2 Develop procedures for the review and verification of fixed asset revaluations	Medium	Not Commenced	Revaluations have been reviewed and processed

Improvement Action Plan			
Improvement Actions:	Priority	Initial Status:	Updated Status
Finding 24. Lack of documented approval before disposal of assets			
24.1 Develop documented procedures and controls for the disposal of assets to ensure evidence of the disposal value is obtained and no assets are disposed of without prior authorisation or in non-compliance with regulatory requirements. Ensure management override of the procedures is not allowable.	High	Not Commenced	Not Commenced
Finding 25. Absence of acknowledgement letter for resigned employee			
25.1 Develop standardised procedures as part of the documented staff exit procedures for the issuance of acknowledgment letters to employees who resign. These procedures should outline the steps, responsibilities, and timelines for drafting and delivering acknowledgment letters.	High	Not Commenced	In-progress
25.2 Provide training to Human resources staff in relation to the documented staff exit procedures.	High	Not Commenced	In-progress
Finding 26. Review of payroll policies			
26.1 Policies are to be reviewed annually by Council	High	Not Commenced	Policy Improvement Plan endorsed by Council for review of policy manual over next two years. Additional policies have also been identified for development as part of this process.
26.2 As part of the development of procedures specify the next review date for the procedure.	High	Not Commenced	In progress
26.3 Develop procedures to ensure procedure reviews are documented and undertaken in time.	High	Not Commenced	In progress
Finding 27. Provision for remediation costs not reassessed since the prior year			
27.1 Document responsibility for undertaking the update of the landfill rehabilitation liability annually.	High	Not Commenced	Valuation undertaken 30 June 2024
27.2 Ensure funding the landfill closure is planned for within the Long Term Financial Plan.	Low	Not Commenced	Landfill closure Plan is in place Long term financial plan not yet commenced
Finding 28. Omission of contingent liability and commitment notes within the financial report			
28.1 Document responsibility for ensuring information required for the annual financial report is available and fully supported.	High	Not commenced	Not commenced

Improvement Action Plan

Improvement Actions:	Priority	Initial Status:	Updated Status
Finding 29. Manual journals – complete listing not provided			
This is the same as finding 4 in Audit Management Letter 23 April 2024.			
Finding 30. Timely completion of grant acquittals			
This is the same as finding 5 in Audit Management Letter 23 April 2024.			
Finding 31. Revenue recognition assessment for grants and contributions revenue not performed			
This is the same as finding 11 in Audit Management Letter 23 April 2024.			
Finding 32. Provision for remediation costs not reassessed since the prior year			
This is the same as finding 27 in Audit Management Letter 23 April 2024.			
Finding 33. Omission of contingent liability and commitment notes within the financial report			
This is the same as finding 28 in Audit Management Letter 23 April 2024.			
Finding 34. Bank Reconciliation Discrepancy			
34.1 Reconcile all bank accounts timeously	High	In-progress	Reconciliations currently undertaken monthly
34.2 Review bank reconciliations prior to preparation of Monthly reports	High	In-progress	Complete/Ongoing
34.3 Take action to minimise the number of reconciling items	High	In-progress	In Progress
34.4 Ensure appropriately experienced staff prepare and review the bank reconciliations	High	In-progress	Moore preparing reconciliations
34.5 Update documented bank reconciliation procedures	High	Not Commenced	Not Commenced

5.0 OTHER MATTERS

Disclaimer

Since the service provided in terms of our engagement comprise an advisory engagement and is not an assurance engagement, we are not required to verify the reliability, accuracy or completeness of the information provided to us by management in undertaking the consulting engagement. Accordingly, we do not express an audit opinion or a review conclusion to convey assurance for the service/s performed within our report.

Moore Australia (WA), a Perth based partnership of trusts ("the firm"), carries on business separately and independently from other Moore Australia member firms around Australia and Moore Global firms worldwide.

Sole Recourse

Services provided under our engagements are between the Shire of Halls Creek and Moore Australia (WA) Pty Ltd. Throughout this document, a reference to Moore Australia refers to Moore Australia (WA) Pty Ltd trading as agent ABN 99 433 544 961. The relationship is solely with Moore Australia (WA) Pty Ltd in respect of our appointment as professional advisors.

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Report Date

18 March 2025

Report Contact

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APPENDIX A – MANAGEMENT LETTER YEAR ENDED 30 JUNE 2023

This appendix details the findings identified by the OAG in their management letter to the Shire, dated 23 April 2024.

Finding 1. Lack of audit readiness and quality of financial statements and supporting documentation

Finding:

The shire was unable to prepare its financial statements to meet its regulatory requirements and in readiness for the financial statement audit. A set of signed financial statements by the former CEO was provided in November 2023 (despite the date indicating October 2023). This was after the audit visit had concluded on 27 October 2023. Consequently, there was a limitation in scope allowing the auditors to perform the audit whilst on site. Whilst endeavours have been made to validate the financial statements from information that has been provided subsequently, many areas of the financial statements require further audit procedures that will require an additional site visit.

A trial balance reconciling to underlying financial records reported in the financial statements was insufficiently supported.

The shire did not exercise due concern that they were unable to prepare their financial statements. A risk assessment presented to Council in October 2023 rated the inability of the shire to prepare its financial statements, as 'Low'. The shire had also incurred significant expense and engaged financial consultants despite which the shire has been unable to meet its reporting obligations.

Further, two resulting extensions were sought through the Department of Local Government, Sport and Cultural Industries and were approved. The auditors were neither advised as to the reasoning for these extensions nor provided these as part of the audit process and were required to make further enquiries to determine why the shire was seeking these extensions and the basis of approval.

In January 2024, the shire requested the audit be paused to allow the shire the time required to suitably complete their financial statements and attend to outstanding audit queries.

Rating:

Significant

Implication:

As a result of the matters highlighted above, the financial statements approved to be released by the shire to the auditors were materially incorrect and did not agree with the underlying financial records. Consequently, significant additional time and effort has been committed by the audit team in progressing the audit to this point and more will now be required to complete it.

Further, without timely consideration of the shire's ability to fulfil its reporting responsibilities, these may not be met thus impacting transparency and accountability back to users of the financial statements.

Additionally, a delay in receiving appropriate documents and evidence can create inefficiencies and a loss of productivity in the audit process. In the absence of sufficient appropriate audit evidence, we may not be able to comfortably conclude such transactions and balances.

The above matters may also lead to incorrect financial information being used in the management decision-making process on an ongoing basis.

Recommendation:

The shire reviews its financial close process and corresponding resource requirements to ensure the above matters are addressed as part of its monthly financial close and preparation of annual financial statements. The shire must ensure all information to support the preparation of the financial report is complete, accurate and available for the audit team to inspect during the audit.

Further, to ensure that the shire is suitably audit-ready at the commencement of each phase of the audit the shire should utilise the various Better Practice Guides the OAG has developed and ensure all requested information is available.

Management comment:

Accepted. Will be addressed in Improvement Action Plan currently being developed.

Finding 2. Identification of critical control weaknesses impacting the Shire's system of internal controls

Finding:

As part of our audit procedures, we have conducted inquiries, observations, and documented inspections related to the shire's internal control systems.

During our audit procedures, we identified several significant matters affecting the shire's internal controls:

A. Leadership and management of the Chief Executive Officer (CEO)

1. We have noticed that the leadership and management style of the former CEO resulted in various operational functions requiring CEO input and approval thereby hindering effective communication and collaboration within the Shire.
2. Specifically, during our on-site audit work between October 23 and 27, 2023:
 - The shire's finance office was not informed of the scheduled audit visit because the former CEO failed to communicate this information. Additionally, no prior requests for audit evidence were conveyed to allow for preparation before the audit.
 - The former CEO instructed the audit team not to engage with the finance officer or other shire staff to obtain audit evidence without either the CEO or Financial Consultants present.
 - All requests for audit evidence and information had to go through the CEO or the financial consultants.

An autocratic management approach can hinder the establishment of a robust internal control environment by discouraging open dialogue and feedback from employees.

B. Lack of an Effective Work Culture

- Leadership and Oversight by the former CEO:
 - On 1 December 2023, we received a phone call from a senior management employee within the shire. The employee reported the following:
 - The former CEO had restricted their oversight over finances related to specific programs within their role.
 - Concerns were raised that the project codes for these programs were being inappropriately used to record expenditures. Consequently, grant acquittal audits could not be completed due to insufficient records being provided to auditors.
 - Additionally, the audit fraud inquiry questionnaires we requested senior management to complete had to be filtered by the former CEO before being remitted back to the auditors.
- Non-compliance with Local Government Regulations:
 - Our findings indicate non-compliance with *the Local Government (Functions and General) Regulations 1996*, specifically related to requirements for public tender in the appointment of the financial consultants engaged.
 - Documented communications between the former CEO and a financial consultant reveal that the former CEO explicitly acknowledged and highlighted the potential non-compliance resulting from the consideration the shire was paying for services exceeding delegate authority limits requiring a tender process that had not been initiated.
 - However, no remedial action was taken to address this issue, to comply with the Local Government regulatory framework concerning procurement.

Upholding an appropriate work culture is fundamental to the effectiveness of internal controls, as it sets the tone for ethical conduct throughout the shire.

C. Procurement of services of Financial Consultants

Our audit findings reveal that the shire engaged the services of a financial consultant to manage its finance functions without conducting a public tender (Refer Finding 11). The nature of the proposed services and proposed quantum of expenditure would require a public tender process. We noted that there was also no formal service agreement with the financial consultants.

Without a public tender process, there was no evaluation of the financial consultants' suitability regarding skills, experience, and capability to deliver the requisite services or value for money as would be required as part of the public tender evaluation process.

Therefore, we are unable to determine if the financial consultants were suitably qualified to undertake such a material function for a Local Government, nor were we able to ascertain, in the absence of a service contract, whether the shire has received the services it has paid for or being requested to pay for.

Rating:

Significant

Implication:

The findings can have several implications and risks for the shire:

- **Operational Inefficiency:** An autocratic leadership style may lead to operational inefficiencies due to limited collaboration and communication. This could hinder decision-making processes, slow down response times, and ultimately impact the shire's ability to adapt to changes in the business environment.
- **Management override of controls:** The lack of emphasis on compliance, implementing and adhering to systems of control within the shire poses serious risks, including potential ethical misconduct, fraud, misappropriation, reputational damage, and legal ramifications. Failure to address these concerns could lead to the erosion of trust among stakeholders, including ratepayers and regulatory authorities.
- **Financial Reporting Accuracy:** The involvement of financial consultants who have not been assessed to have the skills, experience and capacity to perform critical financial accounting functions increases the risk of errors, misstatements, and inaccuracies in financial reporting. This could undermine the reliability and credibility of the shire's financial records and statements, potentially leading to compliance issues and regulatory scrutiny.

Recommendation:

To address this finding and mitigate the associated risks, we recommend the shire should:

1. Embed an appropriate work culture including implementing appropriate segregation of duties to foster a more participative leadership style that encourages transparency, accountability, and teamwork, thereby promoting a culture of internal control consciousness throughout the shire.
2. Review the shire's systems of controls to ensure these are in compliance with the *Local Government Act 1995* and regulations. An effective tone from the top is established in line with the shire's expectations and prioritises ethics and integrity in all business dealings. This should include implementing policies and procedures that promote ethical behaviour and accountability among employees at all levels.
3. We recommend conducting a thorough review of the qualifications and competencies of financial personnel and providing necessary training and support to bridge any skill gaps identified.
4. Perform a review of the shire's engagement with its financial consultant to determine the appropriateness of the arrangement and whether the shire has and is receiving the services it has paid for.

Management comment:

Accepted. Will be addressed in Improvement Action Plan currently being developed. Recruitment of new CEO and additional finance staff currently underway. Tender RFT2024-05-ED Financial Services Halls Creek Shire has been advertised.

Finding 3. Failure to complete the related party disclosure data collection form

Finding:

During our audit the shire was unable to provide a completed *AASB 124 Related Party Disclosures Data Collection Form* for the year ended 30 June 2023 in relation to all elected members and senior officers of the shire.

The shire noted on the audit requests that there were no related party transactions, this lacked any evidence of substantive work being done by the shire to assert this position which could then be audited.

Rating:

Significant (2022: Moderate)

Implication:

Failure to complete the *AASB 124 Related Party Disclosures Data Collection Form* by senior officer's limits transparency and may result in the incomplete collection of information to determine disclosures within the financial report.

Recommendation:

To address this finding and mitigate the associated risks, we recommend that Shire should:

1. Obtain and review the data collection forms upon receipt from elected members and senior management upon completion to ensure that they are properly completed.
2. Compare the information provided within the data collection forms to other sources of information held by the shire (such as annual returns or disclosure of interest forms) to ensure related parties as defined by AASB 124 are complete and accurate.
3. Review on an annual basis the shire's accounting records for transactions with all related parties and maintain evidence of this process.
4. Ensure that working papers provided for audit have been adequately reviewed to ensure their completeness and accuracy to support disclosures within the financial report.

Management comment:

Accepted. Will be addressed in Improvement Action Plan currently being developed.

Finding 4. Manual journals – complete listing not provided

Finding:

The shire did not provide a complete listing of journals processed, which limited our scope of work concerning testing of manual journal entries including ensuring all journals posted had been reviewed and approved by an independent officer. This lack of documentation increases the risk of material misstatement due to fraud and potential override of internal controls.

Rating:

Significant

Implication:

The absence of a complete listing of manual journals processed poses several implications:

- **Risk of Fraud:** Without a comprehensive record of manual journal entries, there is an increased risk that unauthorised or fraudulent transactions could be included in the financial statements. This lack of transparency raises concerns about the accuracy and reliability of the reported financial information.
- **Override of Internal Controls:** Inadequate documentation of manual journals makes it difficult to assess the effectiveness of internal controls over financial reporting as accounting journals can represent significant adjustments to previously approved accounting transactions and should therefore be supported by adequate explanations to enable review by an independent officer. There is a heightened risk that control procedures designed to prevent and detect errors or irregularities may be circumvented or overridden, leading to potential misstatements in the financial statements.

Recommendation:

To address this finding and mitigate the associated risks, we recommend the following actions be taken:

1. **Complete Listing of Journals:** The shire should provide a comprehensive and up-to-date listing of all manual journal entries processed during the reporting period for audit. This listing should include details such as the date of entry, description of the transaction, the reason for the journal, and approval/sign-off by appropriate personnel.
2. **Documentation Standards:** Implement standardised documentation procedures for manual journal entries to ensure consistency and completeness. This may involve establishing clear guidelines for recording, reviewing, and approving manual journals, including appropriate segregation of duties.
3. **Training and Awareness:** Provide training to relevant personnel on the importance of maintaining adequate documentation for manual journal entries and the associated risks of non-compliance. Increasing awareness among employees will promote a culture of accountability and adherence to internal control policies.

Management comment:

Agreed. The shire intends to implement a documented journal procedure, requiring journals to be appropriately supported and authorised. A large number of journals raised in the 2022/23 Financial Year by the shire's financial consultants without support have been reversed.

Finding 5. Timely completion of grant acquittals

Finding:

During the audit, we noted 14 instances where grant acquittals were not completed within the specified timeframe.

Name of grant and funder	Financial year ended	Acquittal due date	Submitted date	Status*
1. Roads to recovery -Department of Infrastructure, Transport, Regional Development, Communications and the Arts	30 June 2022	31 October 2022	30 May 2023	Completed
2. Local Roads and Community Infrastructure Program- Department of Infrastructure, Transport, Regional Development, Communications and the Arts	30 June 2022	31 October 2022	22 March 2024	Completed – further information required from the funder by the shire
3. Halls Creek Youth Services- Department of Communities	30 June 2022	31 October 2022	20 March 2024	Completed
4. Youth Diversion Program- National Indigenous Australians Agency	30 June 2022	31 October 2022	20 March 2024	Completed
5. Family Empowerment Model- National Indigenous Australians Agency	30 June 2022	31 October 2022	20 March 2024	Completed
6. Indigenous Civil Training Group – Kimberly Regional Development Commission	1 January 2023	15 April 2023	Not completed	Outstanding
7. Roads to recovery -Department of Infrastructure, Transport, Regional Development, Communications and the Arts	30 June 2023	31 October 2023	Not completed	Outstanding
8. Local Roads and Community Infrastructure Program- Department of Infrastructure, Transport, Regional Development, Communications and the Arts	30 June 2023	31 October 2023	Not completed	Outstanding
9. Alternative Education- Department of Justice	30 June 2023	31 October 2023	Not completed	Outstanding

*As at 31 March 2024.

Delays were observed in the submission of acquittal reports for several grants, raising concerns regarding compliance and accountability.

Rating:

Significant

Implication:

The delayed completion of grant acquittals poses several implications for the shire:

- **Compliance Risks:** Failure to submit grant acquittals within the stipulated timeframe may result in non-compliance with grant terms and conditions, potentially leading to delays in obtaining funding, grants being refunded and reputational damage.
- **Misallocation of Resources:** Delayed acquittals can hinder the timely allocation of resources for future projects or initiatives, impacting the shire's planning and sustainability.
- **Loss of Credibility:** Late submission of grant acquittals can erode the trust and credibility of the shire with funders and stakeholders, affecting future funding opportunities and partnerships.

Recommendation:

To address this finding and mitigate the associated risks, we recommend the following actions be taken:

1. **Review and Update Processes:** Evaluate your current grant acquittal processes to identify bottlenecks or inefficiencies contributing to delays. Consider streamlining procedures and implementing controls to ensure timely completion.
2. **Resource Allocation:** Assess the availability of resources, including staff and technology, dedicated to grant management activities. Adequate staffing and technological support can expedite the acquittal process and mitigate delays.
3. **Compliance Monitoring:** Establish robust monitoring mechanisms to track the status of grant acquittals and enforce accountability for adherence to deadlines. Regularly review progress and intervene promptly to address any delays.
4. **Training and Capacity Building:** Provide training and professional development opportunities to staff involved in grant management to enhance their understanding of acquittal requirements and improve efficiency in completion.
5. **Communication with Funders:** Maintain open communication channels with grantors to apprise them of any challenges or delays in acquittal submission. Proactive engagement can help mitigate potential repercussions and demonstrate commitment to compliance.

Management comment:

Agreed. The shire has subsequent to the audit acquitted these grants except Roads to Recovery and LRCIP and is actively working to acquit all grants where works have been undertaken. A grant register has been established and is intended to be maintained to help monitor and manage grants.

Finding 6. Inappropriate access to shire records and systems by financial consultants

Finding:

Our audit findings reveal that the shire engaged the services of a financial consultant to manage its finance functions without conducting a public tender. Our discussion with the former CEO led us to believe that the engagement of the consultants was approved by the former CEO. However, no formal service agreement with the financial consultants was provided detailing the services to be provided.

On engagement the financial consultant had access to the shire's financial accounting records and information, employee payroll records and information and critical accounting systems (the shire's ERP and payroll application) without formal authority.

The financial consultant had access between September 2022 to December 2023.

Rating:

Significant

Implication:

This situation raises concerns regarding the security and confidentiality of the shire's financial data and employee information. Without a formal agreement in place, the terms of access, responsibilities, and confidentiality obligations may not have been clearly defined, potentially exposing the shire to risks such as data breaches, unauthorised disclosures, and inadequate protection of sensitive information.

Recommendation:

To address this finding and mitigate the associated risks, we recommend the following actions be taken:

1. Establish formal service agreements when engaging consultancy services outlining the terms and conditions of their access to shire information and resources.
2. Clearly define the scope of services, roles, and responsibilities of all parties within the agreement.
3. Implementing appropriate confidentiality and data protection measures to safeguard the shire's data and information.
4. Ensuring compliance with relevant regulations and industry standards governing the handling of the shire's data, including any personal information.
5. Regularly reviewing and monitoring the activities of third-party service providers to ensure adherence to the terms of the agreement and mitigate potential risks.
6. Undertake a review to ensure that any confidential sensitive information has not been inappropriately used by consultants.
7. Review its systems to ensure there have been no unauthorised access or data breaches by consultants and or relevant shire staff.
8. Ensure termination of system access has been affected for any consultants and shire staff who have ceased providing services to or employment with the shire.
9. Review more broadly its controls and processes in ensuring authorisation and termination of system access is appropriate. System access should be regularly reviewed to ensure any system access authorised continues to remain appropriate. Administrator access systems such as finance and payroll should be restricted to ensure the integrity of the system and data.
10. Review its controls and processes implemented to prevent data breaches and ensure the protection of sensitive information.

Management comment:

Accepted. Will be addressed in Improvement Action Plan currently being developed. Engagement with previous financial consultant has been terminated and access to all systems and records removed with the exception of the ATO portal. Access to the ATO portal is currently being addressed as a matter of urgency.

Finding 7. IT governance

Finding:

We identified during the audit that there is currently no overarching IT governance framework responsible for overseeing IT strategy, risks, operations, or cyber security.

At present, the shire outsources its IT to an organisation that only provides guidance to the shire as the shire has no documented governance process.

Rating:

Significant

Implication:

Without an appropriate IT Governance framework, there is an increased risk of inadequate strategic oversight, resource allocation and decision-making for strategic and operational business requirements. This may result in security or other exposures.

Recommendation:

Management should establish an appropriate IT governance framework such as a steering committee with relevant skill sets to manage the shire's risks.

Management comment:

Accepted. Will be addressed in Improvement Action Plan currently being developed.

Finding 8. Change management process

Finding:

We identified during the audit that there is no formal change management process in place and therefore could not verify if the change management process is appropriate.

We acknowledge that change management requests are tracked by a ticketing system of the shire's outsourced IT provider.

Rating:

Significant

Implication:

Without a formal change management process, there is an increased risk of unauthorised changes to the network and systems. This in turn may result in undue system outages or downtime.

Recommendation:

Management should implement a formal change management framework and procedures to help ensure that:

1. Changes are appropriately reviewed and approved and have a risk and impact analysis performed.
2. Release and backout plans are defined for promoting new versions into production.
3. That the test environment reflects the production environment as appropriate and that the test environment is isolated.
4. User Acceptance Testing (UAT) and stress tests are performed.
5. Changes in production are segregated from development personnel and restricted to authorised users.
6. Post-implementation reviews are performed and documented as required.

Management comment:

Accepted. Will be addressed in Improvement Action Plan currently being developed and following current staff recruitment.

Finding 9. Disaster recovery process

Finding:

Based on our enquiries with the shire, we identified that the shire's formally documented disaster recovery plan was last reviewed in November 2019.

Rating:

Moderate

Implication:

Without a timely review of the documented disaster recovery processes, there is an increased risk of inappropriate or ineffective approaches being adopted by staff, consultants, or contractors.

Recommendation:

To address this finding and mitigate the associated risks, we recommend the following actions be taken:

1. Review and update the November 2019 Disaster Recovery Plan; and
2. Test the plan at least on an annual basis once developed and documented.

Management comment:

Accepted. Will be addressed in Improvement Action Plan currently being developed.

Finding 10. Bank reconciliation discrepancy

Finding:

During our procedures over of cash and cash equivalents, we identified the following significant discrepancy related to the preparation of the municipal cash bank reconciliation as at 30 June 2023.

- a) The bank reconciliation process as at 30 June 2023 was performed manually, rather than utilising reports generated by the SynergySoft accounting system as per prior years. As such there was limited details regarding the movement in the general ledger between reconciliation dates.
- b) A complete list of journal transactions was not available to be audited, raising concerns about the integrity of the municipal cash bank ledger balance as we could not determine if the ledger was subject to override by manual journals during the period.
- c) The bank reconciliation process is outsourced to an external consultant and is not subject to review by an officer of the shire.

Rating:

Significant

Implication:

These findings have several implications for the financial management and control environment at the shire:

- Manual bank reconciliation increases the risk of errors and inaccuracies in financial records, potentially leading to misstatements in the financial statements.
- Lack of internal review of the reconciliation process may result in insufficient oversight and accountability, exposing the organisation to the risk of undetected errors or fraud.
- Incomplete records of journal transactions raise concerns about the reliability of the bank ledger balance and may indicate a lack of adequate controls over financial reporting processes.

Recommendation:

We recommend the following actions be taken:

1. Automate Bank Reconciliation Process: Implement an automated bank reconciliation process to enhance accuracy and efficiency in reconciling bank accounts. Bank reconciliations prepared should be independently reviewed by an appropriate independent officer.
2. Implement robust controls and procedures to enhance the effectiveness of the bank reconciliation process, including regular reviews, segregation of duties, and clear documentation of reconciliation procedures and findings.
3. Ensure timely reconciliation of all outstanding items, including outstanding checks, deposits in transit, bank errors, and any other items impacting the reconciling items.
4. Provide appropriate training to staff involved in the bank reconciliation process to ensure competence and adherence to established procedures.
5. Review and update reconciliation procedures as necessary to address any identified deficiencies and improve accuracy and efficiency.

Management comment:

Agreed. Bank reconciliations have been completed to 31 December 2023 and work continues to bring these up to date.

Finding 11. Revenue recognition assessment for grants and contributions revenue not performed

Finding:

During our review of the design and implementation of controls over grants and contribution revenue, we noted that:

- a) the documented assessment to determine how revenue should be recognised during the financial year for receipts of grants and contributions under the following *Australian Accounting Standards (AAS); AASB 15 Revenue from Contracts with Customers* and/or *AASB 1058 Income of Not-for-Profit Entities* is not performed;
- b) reconciliations of contract asset/ liability balances related to grants and contributions did not occur.

As the shire is a reporting entity it is therefore required to prepare general-purpose financial reports in compliance with Australian Accounting Standards (AAS), this includes monthly Statements of Financial Activity and the Annual Financial Statements. The requirement to comply with AAS is established by the Local Government Act (the Act) and the Local Government (Financial Management) Regulations (the Regulation).

Rating:

Significant

Implication:

Failure to undertake an assessment of revenue recognition from grants and contributions and to reconcile the associated asset/liability balances monthly increases the risk of non-compliance with the AAS, the Act and the Regulations. Furthermore, it may also result in the reporting of incorrect financial information.

Recommendation:

We recommend the following actions be taken:

1. Document the assessment of how the shire will recognise revenue from grants and contributions under Australian Accounting Standards and complete a detailed revenue recognition assessment of all revenue streams in order to conclude if a particular revenue stream or transaction arises from an enforceable contract with a customer and has sufficiently specific performance obligations. This assessment will aid the shire to establish whether revenue recognition requirements have been met; and
2. Perform reconciliations of contract asset/ liability balances at each month's end throughout the financial year.

Management comment:

Agreed. These assessments are intended to form part of the grant register referred to in the previous item.

Finding 12. Insufficient processes to review outstanding rates and other receivables

Finding:

Based on our audit we have identified a significant amount of overdue rate and other receivables of the shire as per the below tables.

Rate receivables

	2023	2022	2021	2020 and earlier	Total
Amount	\$268,766	\$268,766	\$268,766	\$268,766	\$268,766
Percentage	35%	35%	35%	35%	35%

Sundry receivables

	Current	Greater than 30 days	Greater than 60 days	Greater than 90 days	Total
Amount	\$571,140	\$571,140	\$571,140	\$571,140	\$571,140
Percentage	61%	61%	61%	61%	61%

We noted that the shire has raised a provision for expected credit losses of \$70,870 as of 30 June 2023.

We understand the current procedure by the shire is:

- A reminder is sent out a week before payment is due.
- When an invoice becomes overdue, the senior accounts officer will send out further reminder notices each week until it is two months overdue, at which point further action will be taken, in line with the rates and sundry debtors collection policy.
- Records are kept of actions taken to follow up on overdue debt by the senior accounts officer.
- Debtors' reconciliation is prepared each month by the senior accounts officer and reviewed by the director of corporate services.
- Debtors to be written off must be approved by the relevant delegated officer. Certain debts will require Council approval before being written off, as per s6.12(c) of the *Local Government Act 1995*.

Based on our enquiries with the shire, we identified that the shire was not implementing the procedures and the controls as designed by the shire due to a lack of resourcing.

As highlighted in Finding 1 above regarding the lack of audit readiness and quality of supporting documentation, we have also not been provided with a robust assessment of the shire's expected credit losses over these receivable balances and as such are unable to audit what would be a reasonable estimated provision for expected credit losses given the significant overdue amount of rate and other receivables.

Rating:

Significant

Implication:

The findings can have several implications and risks for the shire:

- **Financial Misstatement:** Failure to identify and provide for expected credit losses can increase the risk of bad debts. This can result in financial losses for the shire and impact cash flow.
- **Cash Flow Issues:** Delays or failures in collecting outstanding debts can strain the shire's cash flow, affecting its ability to meet short-term obligations and invest in its community. Inadequate follow-up procedures may exacerbate cash flow issues by prolonging the collection process.
- **Reputation Damage:** Persistent issues with aged debtors can damage the shire's reputation among customers, suppliers, and other stakeholders. Late payments or unresolved disputes may harm relationships and impact future opportunities.
- **Operational Inefficiencies:** Weaknesses in credit control policies, follow-up procedures, and staff training can result in operational inefficiencies and increased administrative burden. Manual processes and lack of automation may lead to errors, delays, and missed opportunities for debt recovery.
- **Management Oversight:** Poor reporting and monitoring mechanisms hinder management's ability to effectively oversee and manage aged debtors. Without timely and accurate information, management may make uninformed decisions or fail to address emerging issues proactively.

Recommendation:

To address this finding and mitigate the associated risks, we recommend the following actions be taken:

1. **Identification of Doubtful Accounts:** While reviewing the aged debtors, we observed instances where overdue balances were not adequately identified or provisioned for. It's essential to establish clear criteria for identifying and provisioning for expected credit losses under relevant accounting standards. Regular assessments should be conducted to ensure adequacy and accuracy in the provision.
2. **Follow-up Procedures:** We found that there is a lack of resources allocated by the shire to follow-up procedures for aged debtors. Timely and consistent follow-up actions are crucial in managing outstanding debts and minimising the risk of bad debts. We recommend establishing structured follow-up processes, including reminders, escalation procedures, and communication protocols, to facilitate prompt resolution of overdue accounts.
3. **Credit Control Policies:** There appears to be a need for a review of existing credit control policies and procedures due to the significant overdue balance. Strengthening credit evaluation processes and setting appropriate credit limits can help mitigate the risk of aging debtors and potential bad debts. Additionally, regular monitoring and review of credit terms and conditions can ensure alignment with the shire's risk appetite and financial objectives.
4. **Reporting and Monitoring:** We suggest enhancing reporting mechanisms related to aged debtors to provide management and the Council with timely and relevant information for decision-making. Implementing dashboards or management reports that highlight key metrics such as aging trends, collection efficiency, and overdue balances can facilitate proactive management of debtors' accounts.
5. **Staff Training and Awareness:** Adequate training and awareness programs should be provided to staff involved in debtors' management to ensure compliance with established policies and procedures. Staff should be equipped with the necessary skills and knowledge to effectively manage debtor relationships and resolve issues promptly.

Management comment:

Accepted. Will be addressed in Improvement Action Plan currently being developed.

Finding 13. Review of end-of-month rates reconciliation

Finding:

As part of our review of the design and implementation of internal controls for rates, we noted the Shire's internal processes require the Chief Executive Officer (CEO) to review the end-of-month rate debtor reconciliations.

During our site visit in October 2023, we noted that certain end-of-month rate debtor reconciliations had not been reviewed and signed off by the CEO timely (i.e. within a week of the end of the month).

The following reconciliations were reviewed and signed by the CEO on 24 October 2023 during the audit site visit

- October 2022
- December 2022
- March 2023
- May 2023
- June 2023

Rating:

Moderate

Implication:

Timely review and approval of these reconciliations are crucial for maintaining accurate financial records and detecting any discrepancies or irregularities promptly.

Recommendation:

Management should implement a formal month-end framework and procedures to help ensure that:

1. Establish a clear timeline and protocol for the review and approval of end-of-month rate debtor reconciliations by the CEO. This should include specific deadlines for completion following the end of each reporting period.
2. Provide necessary training and guidance to the relevant personnel involved in the reconciliation process to ensure an understanding of their responsibilities and the importance of timely review and approval.
3. Implement periodic monitoring and reporting mechanisms to track the progress of reconciliation reviews and ensure adherence to established timelines.
4. Enhance communication channels between departments involved in the reconciliation process to facilitate the timely resolution of any issues or discrepancies identified.

Management comment:

Accepted. Will be addressed in Improvement Action Plan currently being developed. All reconciliation processes need to be reviewed, ensuring they are not only done but also that the matters identified are addressed and noted on the next reconciliation as to why they are outstanding.

Finding 14. Review of procedures relating to rates processing

Finding:

Based on our enquiries with the shire, we identified that the shire's verification of rates processing procedures document was last reviewed in May 2022. The document required review every 12 months, and we were not able to obtain a version of these procedures which were reviewed in 2023.

Rating:

Minor

Implication:

Without a timely review of the document, there is an increased risk of inappropriate or ineffective approaches being adopted by staff, consultants, or contractors.

Recommendation:

We recommend that shire review the document to address this finding and mitigate the associated risks.

Management comment:

Accepted. Will be addressed in Improvement Action Plan currently being developed and following current staff recruitment.

Finding 15. Non-compliance with Local Government (Functions and General) Regulations 1996 - Requirements for Public Tender

Finding:

Procurement activities of the shire are primarily governed by the Local Government (Functions and General) Regulations 1996 (the Regulations). These regulations establish specific requirements related to public tenders.

Tenders must be publicly invited in accordance with the Regulation when a Local Government enters into a contract for another party to supply goods or services. This requirement applies if the consideration under the contract is, or is expected to be, more than \$250,000.

During the course of the audit, we identified a matter that indicated material non-compliance with the Regulation:

On 17 July 2023, we were informed by the shire's executive manager of corporate services that the shire's former CEO intended to bring a proposal to the Council for endorsement. The proposal aimed to engage the services of a financial consultant to manage the shire's finance functions. Consequently, the position of executive manager of corporate services would be made redundant.

Subsequently, from July 2023 to November 2023, while engaging with the financial consultant as part of the audit planning and execution, we became aware of issues between the shire and the financial consultant concerning their service delivery. As a result, we conducted further inquiries based on our professional judgment regarding the evaluation of the financial consultants' experience and expertise related to Local Government financial accounting as there were indications the financial consultant may lack the requisite expertise related to Local Government financial accounting. The results of our inquiries are as noted below.

- *On 10 November 2023, while conducting the audit fieldwork, a request was made to the former CEO via email for a copy of the service agreement between the shire and the financial consultants. We were not provided a response to this request.*
- *On 30 November 2023, we were contacted by the shire's director of regulatory services. They informed us that the former CEO was on leave, and the Council had appointed them as the Acting Chief Executive Officer (A/CEO). The A/CEO inquired about the status of the audit since they were unable to establish contact with the financial consultants.*
- *On 4 December 2023, we received an email from the A/CEO stating that, after searching the shire's records, a service agreement with the financial consultants could not be located. Additionally, several email exchanges between the former CEO and the financial consultants were provided. Here is a summary of those emails:*
- *Email dated July 11, 2023 (from the former CEO to the financial consultants):*
 - *The email contained a scope of work for the financial consultants' proposal (though not attached). The former CEO concluded the email with the following note:*
"Note: Contracts exceeding \$250,000 per year require public tender."
- *Email dated 17 November 2023 (from the former CEO to the financial consultants):*
 - *In this email, the former CEO informed the financial consultants to adhere to the scope of works as the amounts being invoiced were unsustainable and he recognised the need to initiate a public tender process if payment of invoices was to continue.*

- *Email dated 3 December 2023 (from the financial consultants to the A/CEO)*
 - *The financial consultants attached an original scope of work document titled “Jim_accounting.docx.”*
 - *Upon inspection, the attached document was a one-page list of 14 tasks, which did not resemble the comprehensive scope of work expected from financial consultants handling such a significant function on behalf of the shire.*
- *On 7 December 2023, we engaged in a telephone discussion with the shire president. During this conversation, the shire president informed us that the former CEO had not communicated to them or the Council regarding the intention to contract a financial consultant. Additionally, the Council did not recall any discussions related to the procurement of financial consultancy services or the engagement of the specific financial consultant in question.*

Upon examining the shire’s creditor payment records associated with the financial consultants, we observed that 26 invoices were paid between 1 September 2022 and 20 November 2023, totalling \$368,364.

Rating:

Significant

Implication:

The findings can have several implications and risks for the shire:

- **Financial Mismanagement:** Inadequate documentation of procurement increases the risk of financial mismanagement. Without proper documentation and evaluation of procurement decisions, there is a higher likelihood of overspending or inappropriate allocation of funds.
- **Fraud and Corruption:** Weak procurement controls create opportunities for fraudulent activities such as kickbacks, or collusion with vendors. Lack of transparency in procurement processes increases the risk of corruption within the shire.
- **Regulatory Non-compliance:** Failure to adhere to the shire’s procurement policy and record-keeping requirements may result in violations of shire’s policy, *Local Government Act 1995* – Sections 2.7, 3.57; *Local Government (Functions and General) Regulations 1996*: Part 4 – Provision of Goods and Services and *State Records Act 2000*.
- **Reputational Damage:** Instances of non-compliance with procurement policies can tarnish the shire's reputation, eroding public trust and confidence. Negative publicity stemming from irregularities in procurement practices may impact relationships with stakeholders, including residents, ratepayers, and funding agencies.
- **Inefficiency and Waste:** Without proper procurement procedures, there is a risk of inefficiency and waste in the allocation of resources. Lack of competitive tendering and evaluation may result in suboptimal procurement decisions, leading to unnecessary costs or inferior quality goods and services.
- **Operational Disruption:** Inconsistencies in procurement processes can disrupt operations and delay project timelines.

Recommendation:

To address this finding and mitigate the associated risks, we recommend:

1. Establishment of robust procedures to ensure compliance with the shire's procurement policy and relevant regulations governing procurement practices, including implementation of adequate segregation of duties.
2. Implementation of a centralised system for documentation and record-keeping related to procurement activities.
3. Training and awareness programs for staff involved in procurement to ensure understanding and adherence to the established procedures.

Management comment:

Accepted.

Finding 16. Non-compliance with Procurement of Goods and Services Policy - *Insufficient number of quotations*

Finding:

During our review of the design and implementation of controls over controls concerning procurement and purchasing, we performed a walkthrough of a transaction to verify the process and associated controls.

We inspected the following documents:

- Purchase Order (PO#2011) dated 5 April 2023 issued by the Shire’s Executive Director for the purchase of the following item at auction.

Description	Amount (inc GST)
John Beer Skid Steer	\$54,576.00

- Proforma invoice dated 31 March 2023 issued by the vendor to the Shire of Halls Creek on PO#2011 relating to:

Description	Amount (inc GST)
John Beer Skid Steer	\$54,576.00

- Remittance advice dated 4 May 2023 issued by the Shire of Halls Creek to the vendor of \$54,576.00.

The shire’s Procurement of Goods and Services Policy (the Policy), requires that for procurement of goods or services where the value exceeds \$20,001, - \$250,000 it is required to seek three written quotations with a sufficient amount of detail.

A request for the requisite quotations and evaluation of the procurement of the asset as per the Policy, these documents could not be provided.

As such this indicates non-compliance with the Policy and the shire’s record-keeping requirements.

Furthermore, it was evidence based on the document provided that retrospective approval of procurement was given as the PO was issued six days after the date on the proforma invoice was issued to the shire.

Rating:

Significant

Implication:

The findings can have several implications and risks for the shire:

- **Financial Mismanagement:** Inadequate documentation and retrospective approval of procurement increase the risk of financial mismanagement. Without proper documentation and evaluation of quotations, there is a higher likelihood of overspending or inappropriate allocation of funds.
- **Fraud and Corruption:** Weak procurement controls and retrospective approvals create opportunities for fraudulent activities such as bid rigging, kickbacks, or collusion with vendors. Lack of transparency in procurement processes increases the risk of corruption within the shire.
- **Regulatory Non-compliance:** Failure to adhere to the shire's procurement policy and record-keeping requirements may result in violations of shire's policy, *Local Government Act 1995* – Sections 2.7, 3.57; *Local Government (Functions and General) Regulations 1996*: Part 4 – Provision of Goods and Services and *State Records Act 2000*.
- **Reputational Damage:** Instances of non-compliance with procurement policies can tarnish the shire's reputation, eroding public trust and confidence. Negative publicity stemming from irregularities in procurement practices may impact relationships with stakeholders, including residents, ratepayers, and funding agencies.
- **Inefficiency and Waste:** Without proper procurement procedures, there is a risk of inefficiency and waste in the allocation of resources. Lack of competitive quotations and evaluation of quotations may result in suboptimal procurement decisions, leading to unnecessary costs or inferior quality goods and services.

Recommendation:

To address this finding and mitigate the associated risks, we recommend:

1. Establishment of robust procedures to ensure compliance with the shire's procurement policy and relevant regulations governing procurement practices.
2. Implementation of a centralised system for documentation and record-keeping related to procurement activities.
3. Training and awareness programs for staff involved in procurement to ensure understanding and adherence to the established procedures.

Management comment:

Accepted. Will be addressed in Improvement Action Plan currently being developed.

Finding 17. Changes in supplier master file – lack of documented change verification process

Finding:

During our procedures over the design and implementation of controls concerning procurement and purchasing, we identified that the shire has no process to verify supplier master file changes before these changes are made to the supplier master file.

Based on our walkthrough documentation and our enquiries of management of a change in a supplier's bank details dated 20 February 2023 we noted that there was no documented evidence of an independent review by a shire officer independent from the shire officer who actioned the change to verify the change in supplier bank account details was made with accuracy and was supported.

Rating:

Significant

Implication:

The absence of a documented process to verify changes in the supplier master file before implementation is a critical control weakness. A well-defined process ensures that changes are properly validated, reducing the likelihood of errors, inaccuracies, or malicious alterations. Without this process, the integrity of the supplier master file is compromised, impacting the reliability of financial data. The risk of errors, inaccuracies, or malicious alterations is enhanced due to the deficiencies identified in the shire's system of internal controls.

Recommendation:

To address this finding and mitigate the associated risks, we recommend the shire:

1. Develop and document a clear and formalised change management procedure for alterations to the supplier master file. This procedure should outline the steps involved in validating changes, including the necessary method of verification for all changes before changes are adopted.
2. Conduct regular training sessions and awareness programs for employees involved in the change verification process. Ensure that they are well-versed in the documented procedures and understand the importance of adhering to the established controls.

Management comment:

Accepted. Will be addressed as a matter of urgency.

Finding 18. Lack of verification of invoices against purchase orders

Finding:

During our procedures over the design and implementation of controls concerning procurement and purchasing, we performed a walkthrough of a transaction to verify the process and associated controls.

We inspected the following documents:

- Purchase Order (PO# 640) dated 6 July 2022 issued by the shire's executive director for the purchase of the following item at auction.

Description	Amount (inc GST)
RFQ 2022-06-DA 2022 Sealed Roadworks Program	\$77,336.49

- Tax invoice dated 9 September 2022 issued by the vendor to the shire on PO# 640 relating to:

Description	Amount (inc GST)
AGRN899 Duncan Rd Floodways	\$96,392.23

- Remittance advice dated 28 October 2022 issued by the shire to the vendor of \$96,392.23.

The variance between the purchase order and the invoice was \$19,055.74 (being a 24.6% variance to the original PO). Based on enquiries made by the shire's finance officer the invoice should not have been processed given the amount per the invoice did not match the purchase order.

Rating:

Significant

Implication:

The finding can have several implications and risks for the shire:

- Potential overpayment: Without cross-referencing invoices with corresponding POs, there is a heightened risk of paying for goods or services that were not properly authorised or received. This could result in financial losses for the shire and negatively impact its bottom line.
- Inaccurate financial reporting: Failure to reconcile invoices with POs may lead to discrepancies between recorded expenses and actual expenditures. This could distort financial statements and misrepresent the shire's financial position, leading to potential compliance issues and loss of investor confidence.
- Lack of accountability: By bypassing the verification process, the shire undermines its internal controls and accountability mechanisms. Without ensuring that invoices align with authorised POs, it becomes difficult to track expenses accurately and hold responsible parties accountable for discrepancies or errors.

Recommendation:

To address this finding and mitigate the associated risks, we recommend that shire:

1. **Strengthen the approval process:** Requires that invoices undergo a thorough review and verification against corresponding POs before approval for payment. This should involve comparing quantities, prices, and other relevant details to ensure accuracy and legitimacy.
2. **Enhance training and awareness:** Provide training to relevant staff members involved in the invoice approval process, emphasising the importance of verifying invoices against POs and highlighting potential consequences of non-compliance. Regular reminders and updates on best practices can help reinforce this requirement.
3. **Implement automated controls:** Consider leveraging technology solutions, such as accounting software with built-in validation features, to streamline the invoice verification process and minimise the risk of human error or oversight. Automated controls can help flag discrepancies and enforce compliance with established procedures.
4. **Conduct periodic reviews:** Establish a routine schedule for conducting internal reviews or audits of the invoice approval process to monitor compliance with established controls and identify any recurring issues or areas for improvement. This proactive approach can help prevent future lapses and ensure ongoing adherence to best practices. The shire should perform its own reviews to ensure that payments made are supported and validated to underlying invoices, recognising the audit process involves testing on a sample basis.

Management comment:

Accepted. Will be addressed in Improvement Action Plan currently being developed and following current staff recruitment.

Finding 19. Termination of credit cards of former employees

Finding:

During our procedures over the design and implementation of controls concerning corporate credit cards, we requested evidence of the cancellation of a credit card issued to an employee who ceased their employment with the shire effective 21 September 2022.

As highlighted in Finding 1 above regarding the lack of audit readiness and quality of supporting documentation, we were not provided with any evidence hence we are not able to evaluate if the design and implementation of controls concerning corporate credit cards is appropriate. We are also unable to conclude if an expenditure continued on this credit card once employment ceased.

Rating:

Significant

Implication:

The finding can have several implications and risks for the shire:

- **Risk of Unauthorised Expenditures:** Without evidence of cancellation, there is a risk that the former employee could still have access to the corporate credit card, potentially leading to unauthorised expenditures or misuse of funds.
- **Potential Fraud:** Failure to cancel the credit card increases the shire's vulnerability to fraud. The uncanceled card can be exploited to make unauthorised purchases or engage in fraudulent activities, which could result in financial losses for the shire.
- **Reputational Damage:** Instances of lax control over financial processes can damage the shire's reputation, eroding trust among stakeholders, including ratepayers.

Recommendation:

To address this finding and mitigate the associated risks, we recommend that shire promptly investigate the status of the credit card in question and provide documentation confirming its cancellation.

Additionally, we recommend a review of existing policies and procedures governing the issuance and cancellation of corporate credit cards to ensure they align with best practices and regulatory requirements. Further, the shire should review its employee termination processes to ensure an exit checklist is completed allowing for all shire assets to be returned prior to employment ceasing.

Management comment:

Accepted. Will be addressed in Improvement Action Plan.

Finding 20. Reconciliation of cash floats not performed regularly- Shire Administration Office

Finding:

As part of our audit procedures, we performed an unanticipated cash count of the float at the administration office on 23 October 2023 while on-site undertaking audit fieldwork.

According to the trial balance, the cash float at the centre is recorded as \$200.00. However, during our count, we observed a total of \$345.70.

We would like to bring to your attention that, based on our discussions with management, no reconciliation was provided for the cash float. This has resulted in an inability to verify the accuracy and completeness of the cash float balances.

Rating:

Significant

Implication:

The risks associated with the findings from the audit of the shire administration office are primarily related to the potential for financial misstatement and fraud.

- **Financial Misstatement:** Without a regular reconciliation process, there is a risk that the cash float balances may not be accurately reported in the financial statements. This could lead to a material misstatement of the financial position and performance of the centre.
- **Fraud Risk:** The absence of a reconciliation process increases the risk of theft or fraud going undetected. Cash is a highly liquid asset and is therefore susceptible to misappropriation. Regular reconciliation can act as a deterrent and help in the early detection of any irregularities.
- **Internal Control Weakness:** The lack of reconciliation indicates a weakness in the centre's internal control system. Effective internal controls are essential for the prevention and detection of errors and fraud.

Recommendation:

We recommend that a regular reconciliation process be implemented for the cash float to ensure the accuracy and completeness of the cash float balances. This will not only enhance the internal control over cash but also provide a reliable basis for the preparation of the financial statements.

Management comment:

Accepted. Will be addressed in Improvement Action Plan.

Finding 21. Unrecorded creditors

Finding:

During the audit for the year ended 30 June 2022, we identified:

- Unrecorded expenditures relating to the 2021-22 financial year of \$244,000 (rounded) which were not recorded as accrued expenses.
- This occurred due to invoices received post-year end not being identified by the shire as requiring accrual for the financial year.

In the current year audit for the year ended 30 June 2023, we were unable to complete our audit work on this area of financial statements because we have not been provided with sufficient appropriate audit evidence to allow us to perform unrecorded creditors testing.

Rating:

Significant (2022: Minor)

Implication:

Understatement of liabilities and related expenses during the financial year, leading to cashflow mismanagement and possible material misstatement within the shire's financial statements.

Recommendation:

We recommend that the shire formalise the review of invoices and expenses incurred after year-end to ensure that all invoices related to the financial year are captured and accurately recognised and provide audit with sufficient appropriate audit evidence as requested.

Management comment:

Accepted. Will be addressed in Improvement Action Plan.

Finding 22. Review of creditor procedures manual

Finding:

Based on our enquiries with the shire, we identified that the shire formally reviewed its creditor procedures manual in May 2022. The document required review every 12 months, we were not able to obtain a version of these procedures which were reviewed in 2023.

Rating:

Minor

Implication:

Without a timely review of the document, there is an increased risk of inappropriate or ineffective approaches being adopted by staff, consultants, or contractors.

Recommendation:

To address this finding and mitigate the associated risks, we recommend that shire review the document in accordance with its requirements to ensure the document remains fit for purpose.

Management comment:

Accepted. Will be addressed in Improvement Action Plan as all policies and procedures will require review as part of an overall improvement plan.

Finding 23. The fair value of infrastructure assets - frequency of valuations

Finding:

During the prior year audit for the year ended 30 June 2022, we identified:

- While the shire performed an assessment to determine whether its infrastructure assets represent fair value, this assessment was insufficient as it only considered if there were any indicators of impairment (internal and external factors) as outlined by *AASB 136 Impairment of Assets*.
- The assessment did not consider if changes in underlying valuation assumptions (i.e. changes in material and contract rates) may indicate the assets' fair values were materially above their current carrying values.

During the current year audit for the year ended 30 June 2023, we identified:

- The shire's impairment assessment questionnaire which was completed by the former CEO across all classes of property, plant and equipment and infrastructure lacked any detail or robust analysis to enable the audit to place reliance on the quality of the assessment which was performed to enable us to consider it sufficient and appropriate audit evidence to be evaluated.
- The shire had obtained a fair value assessment from an independent expert concerning the following classes of assets.
 - Roads
 - Footbaths and lighting
 - Drainage
 - Bridges

However, based on our enquiry the shire did not undertake a robust documented evaluation of the assumptions and data within the independent expert report. The shire's infrastructure assets were last formally revalued in 2018 and were due for a formal revaluation as at 30 June 2023.

Rating:

Significant (2022: Significant)

Implication:

Without a robust assessment of the fair value of the shire's assets, there is a risk that the fair values of these assets may not have been assessed adequately and in compliance with *AASB 13 Fair Value Measurement*, as well as Regulation 17A(4)(b) of the *Local Government (Financial Management) Regulations 1996* (the Regulations).

Recommendation:

To address this finding and mitigate the associated risks, we recommend that shire:

1. Implement as part of the preparation of financial statements a formal robust process to determine whether indicators exist annually, that would trigger a requirement to perform a formal revaluation of the shire's assets. Where indicators exist, a robust fair value assessment should be performed to capture the requirements of *AASB 13 Fair Value Movements*. This process is to ensure that the shire's assets are recorded at fair value in compliance with *AASB 13 Fair Value Measurement* and the Regulations.

This may entail obtaining relevant input from an independent valuer as to whether or not they consider there are any prevailing market factors that may indicate that the fair values of relevant assets are likely to have been impacted to any significant/material extent from the prior year. Where a fair value assessment has been performed internally the shire may consider having this assessment peer-reviewed by an independent valuer to obtain assurance over the valuation methodology applied, inputs and the reasonableness of the valuation model applied.

2. Implement a process where it has obtained a fair value assessment from an independent expert or sufficiently experienced officer to robustly document its evaluation of the assumptions and data within the assessment to satisfy itself that the valuation is reasonable and appropriate for the shire and provide its auditors with sufficient and appropriate audit evidence.

Management comment:

Accepted. Will be addressed in Improvement Action Plan noting the changes to regulatory requirements for the 2023-24 year with regards to this matter.

Finding 24. Lack of documented approval before disposal of assets

Finding:

During the audit, we reviewed the shire's design and implementation of controls for the disposal of assets. We understand that any disposal of assets by the shire requires Council consideration.

We inspected a remittance advice issued by a vendor on 3 July 2023 which indicated that the shire disposed of a 2020 Haulmore side tipper trailer at auction on 21 June 2023 for \$87,000.

We noted that the shire's budget for 2022/2023 indicated the disposal of two vehicles with budget proceeds of \$40,000. The budget documentation was not sufficiently transparent to indicate the Council's endorsement of the disposal of the 2020 Haulmore side tipper trailer.

The shire was unable to provide documentation to indicate that the disposal of the 2020 Haulmore side tipper trailer was considered by the Council before its disposal.

Rating:

Moderate

Implication:

To address this finding and mitigate the associated risks, we recommend that shire:

- **Financial Risk:** Without proper approval, the financial impact of the disposal may not have been adequately assessed, leading to potential financial losses or gains that are not accounted for.
- **Accountability Concerns:** The lack of approval documentation raises questions about accountability and oversight in the asset management process.

Recommendation:

To address this finding and mitigate the associated risks, we recommend that shire:

1. **Immediate Investigation:** Conduct a thorough investigation to determine the circumstances surrounding the disposal and identify responsible parties.
2. **Review and Strengthen Policies:** Review the existing asset disposal policy to identify any gaps or weaknesses and update it as necessary to prevent future unauthorised disposals.
3. **Enhance Approval Process:** Strengthen the approval process for asset disposals by clearly defining roles and responsibilities, and ensuring that approvals are obtained at appropriate levels.

Management comment:

Accepted. Will be addressed in Improvement Action Plan. Controls relating to disposal of assets will be addressed as a priority as the shire considers this matter a significant risk.

Finding 25. Absence of acknowledgement letter for resigned employee

Finding:

During the audit, we reviewed the shire's design and implementation of controls for the payroll cycle. We obtained a resignation letter related to an employee who terminated their employment with the shire on 23 June 2023.

Upon inspection of the employee records, we noted that there was no acknowledgment letter issued by the shire confirming receipt of the employee's resignation.

Rating:

Moderate

Implication:

Acknowledgment letters serve as crucial documentation confirming the receipt of an employee's resignation and outlining pertinent information regarding the resignation process, such as the effective date of resignation, final pay details, benefits status, return of shire property, and any other relevant information. They not only serve as a formal record for both the employee and the shire but also help in ensuring clarity and transparency throughout the resignation process.

The absence of an acknowledgment letter raises concerns regarding compliance with internal policies and regulatory requirements. It indicates a gap in the procedural framework for managing employee resignations effectively. Without such documentation, there is an increased risk of misunderstandings, disputes, or legal implications arising from unclear communication and lack of formal acknowledgment of the resignation terms.

Recommendation:

To address this finding and mitigate the associated risks, we recommend that shire:

1. **Establish Clear Procedures:** Develop standardised procedures for the issuance of acknowledgment letters to employees who resign. These procedures should outline the necessary steps, responsibilities, and timelines for drafting and delivering acknowledgment letters.
2. **Template Creation:** Create a template for acknowledgment letters that includes essential information such as resignation date, final pay check details, benefits status, and instructions for returning shire property.
3. **Training and Awareness:** Provide training to relevant personnel involved in the resignation process to ensure they understand the importance of acknowledgment letters and how to effectively utilise the template.

Management comment:

Accepted. Will be addressed in Improvement Action Plan.

Finding 26. Review of payroll policies

Finding:

Based on our enquiries with the shire, we became aware that the following payroll policies were last reviewed in May 2022.

- HR 6 General benefit – Permanent Employees
- HR 5 Flexible Work Arrangements
- HR15 Study leave

The documents require review every 12 months; we were not able to obtain a version of these procedures which were reviewed in 2023.

Rating:

Minor

Implication:

Without a timely review of the document, there is an increased risk of inappropriate or ineffective approaches being adopted by staff, consultants, or contractors.

Recommendation:

To address this finding and mitigate the associated risks, we recommend that shire review policies timely.

Management comment:

Accepted. Will be addressed in Improvement Action Plan as all policies and procedures will require review as part of an overall improvement plan.

Finding 27. Provision for remediation costs not reassessed since the prior year

Finding:

The shire operates its regional landfill facility. During our review of the rehabilitation cost and provision workings we noted the following:

- As part of conducting our audit procedures over provisions, the shire has not provided us with a reconciliation or supporting working papers to allow us to assess the adequacy for the provision for the remediation balance of the rehabilitation facility of \$1,159,522. Consequently, we could not undertake our procedures to ensure that the balance was accounted for in all material respects in accordance with *Australian Accounting Standards 137 Provisions, Contingent Liabilities and Contingent Assets* and *Australian Accounting Standards Interpretation 1 Changes in Existing Decommissioning, Restoration and Similar Liabilities*.
- As the rehabilitation cost forms a part of the landfill facility asset (Infrastructure – Landfill), any indicators of a material change in the fair value of this asset has also not been assessed in accordance with *AASB 116 Property, Plant and Equipment*.

The shire has a cash backed reserve called refuse site rehabilitation reserve. The funds held in this reserve are to assist the shire pay for the rehabilitation of the landfill facility site in the future. We noted that the reserve balance of \$63,809 is significantly lower than the provision balance as at 30 June 2023.

Rating:

Significant

Implication:

Failure to provide us with a reconciliation or supporting working papers for the provisions for the remediation increases the risk of non-compliance with the AAS, the Act and the Regulations and has placed a limitation of scope on the audit as a conclusion cannot be made if the balance reported is true and fair. Further without an assessment of the rehabilitation reserve balance set aside, the shire may not have sufficient funds to pay for the rehabilitation of the landfill facility site in the future and may impact its long term financial planning.

Recommendation:

We recommend that the shire review the provision at least annually to ensure compliance with *Australian Accounting Standards* and provide the documented supporting work papers for audit and whilst there is no statutory requirement for the landfill facility rehabilitation provision to be fully funded by the shire's reserves, the provision balance should be closely monitored so that sufficient funds are set aside to meet the shire's rehabilitation obligations.

Management comment:

Agreed.

Finding 28. Omission of contingent liability and commitment notes within the financial report

Finding:

As part of conducting our audit procedures over the disclosure made in the financial report of the shire signed and dated 24 October 2023 by the former Chief Executive Officer, we noted that the following required disclosures were omitted:

- Contingent liabilities; and
- Commitments (for capital expenditure)

Furthermore, we have not been able to seek representation letters from the shire's solicitors as part of the final fieldwork or any supporting working papers for the shire's capital commitments where a contractual obligation exists, but the liability has not yet been incurred.

Rating:

Significant

Implication:

Failure to disclose contingent liability and commitment notes within the financial report increases the risk of non-compliance with the AAS, the Act and the Regulations and has placed a limitation of scope on the audit as a conclusion cannot be made if appropriate disclosures have been made within the shire's financial report. Further, in relation to capital commitments, there is an increased risk the shire may not have full visibility and understanding of capital commitments the shire is legally committed to incurring.

Recommendation:

We recommend that the shire reviews the disclosures made within its financial report to ensure compliance with Australian Accounting Standards and provide the documented supporting work papers for audit. The shire implements procedures to correctly identify and track their commitments including reviewing underlying contracts to aid in this assessment.

Management comment:

Agreed, the previous Chief Executive Officer was unable to provide this information.

APPENDIX B - ADDITIONAL AUDIT FINDINGS – YEAR ENDED 30 JUNE 2032

The following findings were identified in the Management Letter – Additional Findings.

Finding 29. 1. Manual journals – complete listing not provided

This is the same finding as Finding 4 listed in Section 2.

Finding 30. 2. Timely completion of grant acquittals

This is the same finding as Finding 5 listed in Section 2.

Finding 31. 3. Revenue recognition assessment for grants and contributions revenue not performed

This is the same finding as Finding 11 listed in Section 2.

Finding 32. 4. Provision for remediation costs not reassessed since the prior year

This is the same finding as Finding 27 listed in Section 2.

Finding 33. 5. Omission of contingent liability and commitment notes within the financial report

This is the same finding as Finding 28 listed in Section 2.

Finding 34. 6. Bank Reconciliation Discrepancy

This finding is related to Finding 10 listed in Section 2.

Finding:

During our procedures over of cash and cash equivalents, we identified a significant discrepancy related to the municipal cash at bank balance, between the balance as per the 30 June 2023 bank statement and the balance per general ledger.

Specifically, the municipal cash at bank balance per bank statement amounted to \$6,311,860, whereas the balance per general ledger was reported as \$8,341,984.

This resulted in a difference of \$2,030,124 between the two amounts.

Rating:

Significant

Implication:

The inability to reconcile the differences between the bank statement and the general ledger raises concerns regarding the accuracy and reliability of financial reporting. Failure to address this discrepancy promptly could lead to misstatements in the financial statements, increases the risk of fraud, and loss of stakeholder confidence.

Recommendation:

We recommend the following actions be taken:

1. Conduct a thorough investigation to identify the root cause of the discrepancy between the bank statement and the general ledger.
2. Implement robust controls and procedures to enhance the effectiveness of the bank reconciliation process, including regular reviews, segregation of duties, and clear documentation of reconciliation procedures and findings.
3. Ensure timely reconciliation of all outstanding items, including outstanding checks, deposits in transit, bank errors, and any other items impacting the reconciling items.
4. Provide appropriate training to staff involved in the bank reconciliation process to ensure competence and adherence to established procedures.
5. Review and update reconciliation procedures as necessary to address any identified deficiencies and improve accuracy and efficiency.

Management comment:

Agreed. Bank Reconciliations have been completed to 31 December 2023 and work continues to bring these up to date.

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6. NEW DECISIONS OF AN URGENT NATURE INTRODUCED BY DECISION OF THE MEETING

PROCEDURAL MOTION

COMMIITEE RESOLUTION: AC 2025/004

Mover: Cr Patricia McKay Second: Cr Virginia O’Neil

That the Committee accept the updated Improvement Action Plan as a late item and approves that it supersedes the version included in the original Audit Committee agenda.

CARRIED: 3/0

For: Cr Malcolm Edwards, Cr Patricia McKay and Virginia O’Neil

Against: Nil

5.1.1 2022-23 Amended Audit Findings Improvement Action Plan Update March 2025

ITEM NUMBER:	5.1.1
REPORTING OFFICER	Sue Leonard, Chief Executive Officer
SENIOR OFFICER	Sue Leonard, Chief Executive Officer
MEETING DATE:	17 March 2025
DISCLOSURE OF INTEREST:	Nil

1.0 Matter for Consideration

1.1 For the Audit Committee to receive the amended report which provides updates on the actions adopted by the Shire to address matters identified by the auditor during the 2022/23 audit.

2.0 Background

2.1 The audit report issued by the Office of the Auditor General (OAG) on 23 April 2024 relates to the Shire of Halls Creek 2022/23 Annual Financial Report.

2.2 At the time of providing the signed Annual Financial Report to the auditors in November 2023 the former CEO signed the Statement by the CEO.

2.3 At the time of signing the Audit Report, management agreed with OAG the signed 2022/23 Annual Financial Report contained material misstatements.

- 2.4 The following basis for a disclaimer of opinion was provided within the audit report dated 23 April 2024 and signed by the Assistant Auditor General Financial Audit, Delegate of the Auditor General for Western Australia.

“Basis for Disclaimer of Opinion

Financial report not supported with complete and accurate underlying records I was unable to obtain sufficient appropriate audit evidence regarding the financial report as a whole as the financial report was submitted for audit purposes without complete and accurate underlying records. I was unable to audit the financial report by alternative means.”

- 2.5 Accompanying the audit report a Management Letter was issued detailing the findings identified during the audit which reflected a number of items identified and ratings of the matters within each identified area.
- 2.5 Section 7.12A (4) of the *Local Government Act 1995* requires a local government to prepare a report stating what action has been taken or is intended to be taken in respect to significant matters raised within the audit report.
- 2.6 At its ordinary meeting held 16 May 2024, Council considered and endorsed an Improvement Action Plan setting out the improvements required which were also to be used as a tool for monitoring and reporting progress of the plan. This was also provided to the Minister and placed on the website as required by legislation (resolution 2024/160).
- 2.7 It was noted when the Improvement Action Plan was considered in May 2024, actions may require updates to remain relevant and appropriate toward achieving objectives set out, as well as to assist with ongoing monitoring and reporting.
- 2.8 An update to the Audit Improvement Action Plan was presented to the Audit Committee at its meeting on 12 November 2024 (Item 5.1).

3.0 Comments

- 3.1 The key improvement actions are detailed at section 3.0 of the Improvement Action Plan Update (as attached), and are summarised below:

Appointment of a new Chief Executive Officer and senior finance staff with appropriate qualifications and experience.

Update: Chief Executive Officer appointed. An Acting Executive Manager Finance was appointed, recruitment of senior staff in progress.

Appointment of a sufficient number of experienced finance staff to enable proper segregation of duties and oversight of financial transactions, reconciliations and reviews.

Update: Rates/debtors officer appointed, recruitment of additional finance staff in-progress.

Ensure an appropriately secure IT environment is maintained.

Update: Current IT consultants engaged to upgrade IT security and undertake actions from Audit Improvement Program.

Train all staff involved in procurement and disposal of assets in the appropriate procedures to be followed.

Update: Procedures being developed and to be formalised before training occurs

Establish documented procedures for key finance functions, this should primarily occur through the creation of checklists to help ensure procedures are routinely followed and monitored.

Update: Overarching governance frameworks being developed. Procedures and checklists currently being developed.

Undertake a review of payroll processes and transactions to ensure these are appropriate.

Update: Issues have been identified and are currently being addressed.

Implement appropriate grievance and disciplinary procedures to help ensure staff performance is routinely monitored and addressed.

Update: Overarching governance frameworks is being developed. Policy improvement Plan endorsed by Council August 2024.

Rescind inappropriate Council Policies, such as A20 Employee Incentives.

Update: All Council policies being reviewed Policy A20 Employee Incentives has been rescinded. Policy improvement Plan endorsed by Council August 2024.

Action the improvement plan detailed within this report.

Update: Progress on implementation of the plan continues

Report quarterly to the Audit Committee on the progress of the actions included within the improvement plan.

Update: This is the second report to Council on the progress of Actions

Complete the 2024 Annual Financial Report.

Update: 2024 Annual Financial Report updated and provided to the auditors.

- 3.2 Section 4.0 of the Improvement Action Plan sets out detailed actions required to address each of the matters noted in the audit report for 2022/23, along with a priority rating for each. The timeline for completion of all of the tasks identified in the plan is likely to span a number of financial years.
- 3.3 The status of a number of actions included in the plan have been updated to form a progress report, which was intended to be presented to the Audit Committee quarterly for review and monitoring.
- 3.4 This is the second meeting of the Audit Committee convened since the Improvement Action Plan was endorsed by Council in May 2024, to note the progress of action implementation by the Audit Committee.

4.0 Statutory Environment:

4.1 Section 7.12A of the *Local Government Act 1995* requires:

- (3) A local government must —
 - (aa) examine an audit report received by the local government;
and
 - (a) determine if any matters raised by the audit report, require action to be taken by the local government; and
 - (b) ensure that appropriate action is taken in respect of those matters.
- (4) A local government must —
 - (a) prepare a report addressing any matters identified as significant by the auditor in the audit report, and stating what action the local government has taken or intends to take with respect to each of those matters; and
 - (b) give a copy of that report to the Minister within 3 months after the audit report is received by the local government.
- (5) Within 14 days after a local government gives a report to the Minister under subsection (4)(b), the CEO must publish a copy of the report on the local government's official website.

4.2 Regulation 16 of the *Local Government (Audit) Regulations 1996* includes:

16. Functions of audit committee
 - (f) to oversee the implementation of any action that the local government —
 - (i) is required to take by section 7.12A(3); and
 - (ii) has stated it has taken or intends to take in a report prepared under section 7.12A(4)(a)

5.0 Strategic Implications

5.1 Objective:

4. Civic: Working together to strengthen leadership and effective governance.

5.2 Outcome:

Civic - 4.1 A local government that is respected and accountable

5.3 Strategy:

Civic - 4.1.1 Provide strong, effective and functional governance and leadership in the Shire

6.0 Policy Implications:

6.1 There are no known policy implications arising from adoption of the officer's recommendation.

7.0 Financial Implications

- 7.1 Actions included in the improvement plan will require additional resources to implement. All expenditure will be included in the relevant budget or reported to Council as required.

8.0 Sustainability Implications

- 8.1 Environmental
There are no significant identifiable environmental impacts arising from adoption of the officer's recommendation.
- 8.2 Economic
There are no significant identifiable economic impacts arising from adoption of the officer's recommendation.
- 8.3 Social
There are no significant identifiable social impacts arising from adoption of the officer's recommendation.
- 8.4 Risk

Event Likelihood / Impact Matrix			
Likelihood (refer Potential Risk Likelihood Guide)	Impact (refer Potential Risk Impact Guide)		
	Minor	Medium	High
Low (unlikely)	1	2	3
Moderate (likely)	2	4	6
High (very likely)	3	6	9

Risk	
Low Risk	
a risk / activity with a score of 2 or less	N/A
Moderate Risk	
a risk / activity with a score between 3 or 4 more is moderate risk	N/A
High Risk	
a risk activity with a score of 6 or more is a high risk	N/A
Risk Control Measure	

9.0 Resolution

COMMIITEE RESOLUTION: AC 2025/005

Mover: Cr Patricia McKay Seconder: Cr Virginia O'Neil

That the Audit Committee receive the Improvement Action Plan Update (Appendix 5.1.1A).

CARRIED: 3/0

For: Cr Malcolm Edwards, Cr Patricia McKay and Virginia O'Neil

Against: Nil

9.4.6 2024/25 Budget Review

ITEM NUMBER:	9.4.6
REPORTING OFFICER:	Sue Leonard, Chief Executive Officer
SENIOR OFFICER	Jennine Ashby, Acting Executive Manager Finance
MEETING DATE:	27 March 2025
DISCLOSURE OF INTEREST:	Nil

1.0 Matter for Consideration

- 1.1 To consider the Shire's financial position as at 28 February 2025 and performance for the period 1 July 2024 to 28 February 2025 in relation to the adopted annual budget and projections estimated for the remainder of the financial year.

2.0 Background

- 2.1 The budget review has been prepared to include information required by the *Local Government Act 1995, Local Government (Financial Management) Regulations 1996* and Australian Accounting Standards. The report for the period 1 July 2024 to 28 February 2025 shown in the attachment has been prepared incorporating year to date budget variations and forecasts to 30 June 2025 and is presented for Council's consideration.

Consideration of the status of various projects and programs was undertaken to ensure any anticipated variances were captured within the review document where possible.

The material variance levels which have been reported for the budget review, have utilised the same materiality levels as monthly reporting to determine the extent of explanation, are based on a materiality level of \$50,000 or 10% implemented for the purpose of the budget review) and upon management judgement where explanations are considered appropriate.

3.0 Comments

- 3.1 The budget review report includes at Note 4 a summary of predicted variances contained within the Statement of Financial Activity, including whether variances are considered to be permanent (where a difference is likely between the current budget and the expected outcome to 30 June) or due to timing (e.g. where a project is likely to be delayed).

Following completion of the budget review and to properly consider the impact of estimated projections at 30 June 2024, some items have been identified as requiring a budget amendment to properly account for these variances where appropriate. Required budget amendments have been included in Note 4 of the attached budget review document for information, and also presented as a separate recommendation to the budget review for

council consideration.

4.0 Statutory Environment

4.1 Regulation 33A of the *Local Government (Financial Management) Regulations 1996* requires:

- (1) Between 1 January and the last day of February in each financial year a local government is to carry out a review of its annual budget for that year.
- (2A) The review of an annual budget for a financial year must —
 - (a) consider the local government's financial performance in the period beginning on 1 July and ending no earlier than 31 December in that financial year; and
 - (b) consider the local government's financial position as at the date of the review; and
 - (c) review the outcomes for the end of that financial year that are forecast in the budget; and
 - (d) include the following —
 - (i) the annual budget adopted by the local government;
 - (ii) an update of each of the estimates included in the annual budget;
 - (iii) the actual amounts of expenditure, revenue and income as at the date of the review;
 - (iv) adjacent to each item in the annual budget adopted by the local government that states an amount, the estimated end of year amount for the item.
- (2) The review of an annual budget for a financial year must be submitted to the Council on or before 31 March in that financial year.
- (3) A council is to consider a review submitted to it and is to determine* whether or not to adopt the review, any parts of the review or any recommendations made in the review.

**Absolute majority required.*

- (4) Within 14 days after a council has made a determination, a copy of the review and determination is to be provided to the Department.

Section 6.8(1)(b) of the *Local Government Act 1995* provides that expenditure can be incurred when not included in the annual budget provided it is authorised in advance by resolution (absolute majority required).

5.0 Strategic Implications

5.1 Objective:

4. Civic: Working together to strengthen leadership and effective governance.

5.2 Outcome:

Civic - 4.1 A local government that is respected and accountable

5.3 Strategy:

Civic - 4.1.1 Provide strong, effective and functional governance and leadership in the Shire

6.0 Policy Implications

6.1 There are no known policy implications for this matter.

7.0 Financial Implications

7.1 Authorisation of expenditure through budget amendments recommended. Other specific financial implications are as outlined in the body of this report.

8.0 Sustainability Implications

8.1 Environmental

There are no significant identifiable environmental impacts arising from adoption of the officer's recommendation.

8.2 Economic

There are no significant identifiable economic impacts arising from adoption of the officer's recommendation.

8.3 Social

There are no significant identifiable social impacts arising from adoption of the officer's recommendation.

8.4 Risk

Event Likelihood / Impact Matrix			
Likelihood (refer Potential Risk Likelihood Guide)	Impact (refer Potential Risk Impact Guide)		
	Minor	Medium	High
Low (unlikely)	1	2	3
Moderate (likely)	2	4	6
High (very likely)	3	6	9

Risk	
Low Risk	
a risk / activity with a score of 2 or less	N/A
Moderate Risk	
a risk / activity with a score between 3 or 4 more is moderate risk	N/A
High Risk	
a risk activity with a score of 6 or more is a high risk	N/A
Risk Control Measure	

9.0 Officer Recommendations

9.1 Officer Recommendation 1

That Council adopts by absolute majority the 2024/2025 mid year budget review as attached.

Moved: Cr.

Seconded: Cr.

VOTING REQUIREMENT: Absolute Majority

9.2 Officer Recommendation 2

That Council adopts by absolute majority the following budget amendments to the 2024/2025 adopted annual budget:

OPERATING ACTIVITIES

Revenue from operating activities

Rates	Decrease (\$60,000)
Grants, subsidies and contributions	Decrease (\$813,091)
Fees and charges	Increase \$282,363
Interest revenue	Increase \$26,125
Other revenue	Decrease (\$23,396)
Profit on asset disposals	Increase \$70,330

Expenditure from operating activities

Employee costs	Decrease (\$740,929)
Materials and contracts	Increase \$697,427
Utility charges	Decrease (\$41,000)
Insurance	Increase \$32,000
Other expenditure	Decrease (\$161,743)
Loss on asset disposals	Increase \$17,000

INVESTING ACTIVITIES

Inflows from investing activities

Capital grants, subsidies and contributions	Decrease (\$4,556,462)
Proceeds from disposal of assets	Increase \$34,000

Outflows from investing activities

Purchase of land and buildings	Decrease (\$2,0003,000)
Purchase of furniture and fittings	Increase \$5,000
Purchase of plant and equipment	Increase \$740,000
Purchase and construction of infrastructure-roads	Decrease (\$1,525,447)
Purchase and construction of infrastructure-other	Decrease (\$961,000)

FINANCING ACTIVITIES

Cash inflows from financing activities

Transfer to Muni from EDL reserve	Increase \$105,853
-----------------------------------	--------------------

Cash outflows from financing activities

Transfer from Muni to TV re-broadcasting reserve	Increase \$663
Transfer from Muni to Refuse site rehabilitation reserve	Increase \$100,000
Transfer from Muni to Aquatic reserve	Increase \$95,000
Transfer from Muni to Mosquito reserve	Increase \$10,000

Moved: Cr.
Seconded: Cr.

VOTING REQUIREMENT: Absolute Majority

Appendix:

9.4.5A - 2024/2025 Budget Review Statement of Financial Activity, notes on Closing Funds, and Budget Amendments.

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20 March 2025

Ms Susan Leonard
Chief Executive Officer
Shire of Halls Creek
PO Box 21
HALLS CREEK WA 6770

Dear Susan

COMPILATION REPORT TO THE SHIRE OF HALLS CREEK – BUDGET REVIEW REPORT

We have compiled the accompanying statutory budget review report of the Shire of Halls Creek. This has been prepared in accordance with *Local Government Act 1995* and associated regulations as described in Note 1 to the budget review report. The specific purpose for which the special purpose financial statements have been prepared is also set out in Note 1 of the budget review report.

THE RESPONSIBILITY OF THE SHIRE OF HALLS CREEK

The CEO of the Shire of Halls Creek is solely responsible for information contained in the special purpose budget review report, the reliability, accuracy and completeness of the information and for the determination that the basis of accounting used is appropriate to meet their needs and for the purpose that the budget review report was prepared. Management is solely responsible for the forecast information presented within the report and for estimating revenue and expenditure for the year.

OUR RESPONSIBILITY

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

We have applied our expertise in accounting and financial reporting to compile the budget review report in accordance with the basis of accounting described in Note 1 to the budget review report. We have complied with the relevant ethical requirements of *APES 110 Code of Ethics for Professional Accountants*.

Information attached to the statutory budget review report has been extracted from the records of the Shire of Halls Creek and management forecasts and estimates the appropriateness of these has not been determined.

ASSURANCE DISCLAIMER

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

The statutory budget review report was compiled exclusively for the benefit of the Shire of Halls Creek who are responsible for the reliability, accuracy and completeness of the information used to compile them. Accordingly, the statutory budget review report may not be suitable for other purposes. We do not accept responsibility for the contents of the statutory budget review report.

NOTE REGARDING BASIS OF PREPARATION

We draw attention to Note 1 to the financial report where matters of non-compliance with the basis of preparation have been detailed. Supplementary information is provided for management information purposes and does not comply with the disclosure requirements of the Australian Accounting Standards.

A handwritten signature in black ink, appearing to read 'Russell Barnes'.

Russell Barnes
Director
Moore Australia (WA) Pty Ltd

SHIRE OF HALLS CREEK

BUDGET REVIEW REPORT

FOR THE PERIOD ENDED 28 FEBRUARY 2025

LOCAL GOVERNMENT ACT 1995

LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) REGULATIONS 1996

TABLE OF CONTENTS

Statement of Budget Review	2
Note 1 Basis of Preparation	3
Note 2 Summary Graphs - Budget Review	4
Note 3 Net Current Funding Position	5
Note 4 Predicted Variances / Future Budget Amendments	7

		Budget v Actual			Estimated	Predicted	
		Adopted	Updated	Year to Date	Year at End	Variance	
Note		Budget	Budget	Actual	Amount	(b) - (a)	
		(a)	(a)	Actual	(b)	(b) - (a)	
		\$	\$	\$	\$	\$	
OPERATING ACTIVITIES							
Revenue from operating activities							
	General rates	4,042,796	4,042,796	3,968,871	4,042,796		
4.1	Rates excluding general rates	150,700	150,700	162,106	90,700	(60,000)	▼
4.2	Grants, subsidies and contributions	4,996,302	4,996,302	2,549,299	4,183,211	(813,091)	▼
4.3	Fees and charges	1,020,135	1,020,135	972,360	1,302,498	282,363	▲
	Service charges	4,000	4,000	4,170	4,000	0	
4.4	Interest revenue	319,874	319,874	266,555	346,000	26,126	▲
4.5	Other revenue	153,158	153,158	43,234	129,762	(23,396)	▼
4.6	Profit on asset disposals	179,670	179,670	0	250,000	70,330	▲
		10,866,635	10,866,635	7,966,595	10,348,967	(517,668)	
Expenditure from operating activities							
4.7	Employee costs	(6,868,426)	(6,868,426)	(3,504,051)	(6,127,497)	740,929	▲
4.8	Materials and contracts	(6,132,692)	(6,132,692)	(2,720,877)	(5,435,265)	697,427	▲
4.9	Utility charges	(524,982)	(524,982)	(437,746)	(565,982)	(41,000)	▼
4.10	Depreciation	(5,527,608)	(5,527,608)	0	(5,595,077)	(67,469)	▼
4.11	Insurance	(482,980)	(482,980)	(492,552)	(514,980)	(32,000)	▼
4.12	Other expenditure	(380,912)	(380,912)	(137,407)	(219,169)	161,743	▲
		(19,917,600)	(19,917,600)	(7,292,633)	(18,474,970)	1,442,630	
4.14	Non-cash amounts excluded from operating activities	5,347,938	5,347,938	0	5,362,077	14,139	▲
	Amount attributable to operating activities	(3,703,027)	(3,703,027)	673,962	(2,763,926)	939,101	
INVESTING ACTIVITIES							
Inflows from investing activities							
4.15	Capital grants, subsidies and contributions	12,930,274	12,930,274	5,086,872	8,373,812	(4,556,462)	▼
4.16	Proceeds from disposal of assets	272,200	272,200	0	306,200	34,000	▲
		13,202,474	13,202,474	5,086,872	8,680,012	(4,522,462)	
Outflows from investing activities							
4.17	Purchase of land and buildings	(2,108,000)	(2,108,000)	(54,711)	(105,000)	2,003,000	▲
4.19	Purchase of furniture and fittings	(155,000)	(155,000)		(160,000)	(5,000)	▼
4.20	Purchase and construction of infrastructure-roads	(12,717,274)	(12,717,274)	(7,632,545)	(11,191,827)	1,525,447	▲
4.21	Purchase and construction of infrastructure-other	(2,160,000)	(2,160,000)	(584,421)	(1,199,000)	961,000	▲
		(17,140,274)	(17,140,274)	(8,271,677)	(13,395,827)	3,744,447	
	Amount attributable to investing activities	(3,937,800)	(3,937,800)	(3,184,805)	(4,715,815)	(778,015)	
FINANCING ACTIVITIES							
Cash inflows from financing activities							
4.22	Transfers from reserve accounts	0	0	0	105,853	105,853	▲
		0	0	0	105,853	105,853	
Cash outflows from financing activities							
4.23	Transfers to reserve accounts	(3,507)	(3,507)	0	(209,170)	(205,663)	▼
		(3,507)	(3,507)	0	(209,170)	(205,663)	
	Amount attributable to financing activities	(3,507)	(3,507)	0	(103,317)	(99,810)	
MOVEMENT IN SURPLUS OR DEFICIT							
4.24	Surplus or deficit at the start of the financial year	7,644,334	7,644,334	7,583,058	7,583,058	(61,276)	▼
	Amount attributable to operating activities	(3,703,027)	(3,703,027)	673,962	(2,763,926)	939,101	
	Amount attributable to investing activities	(3,937,800)	(3,937,800)	(3,184,805)	(4,715,815)	(778,015)	
	Amount attributable to financing activities	(3,507)	(3,507)	0	(103,317)	(99,810)	
	Surplus or deficit after imposition of general rates	0	0	5,072,215	0	0	

This budget review has been prepared in accordance with the *Local Government Act 1995* and accompanying regulations.

Local Government Act 1995 requirements

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

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

Local Government (Financial Management) Regulations 1996, regulation 33A prescribes contents of the budget review.

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

Matters of non-compliance with Basis of Preparation

The following matters on non-compliance with the basis of preparation have not been correct.

1. Balances as at 30 June 2024 have not been audited and may be subject to change.
2. Depreciation has not been raised during the current financial year.

THE LOCAL GOVERNMENT REPORTING ENTITY

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

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

Judgements and estimates

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

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

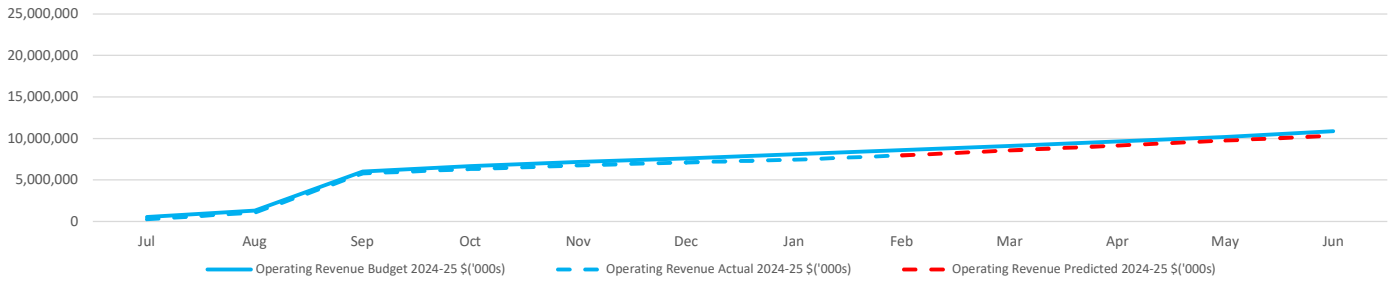
The balances, transactions and disclosures impacted by accounting estimates are as follows:

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

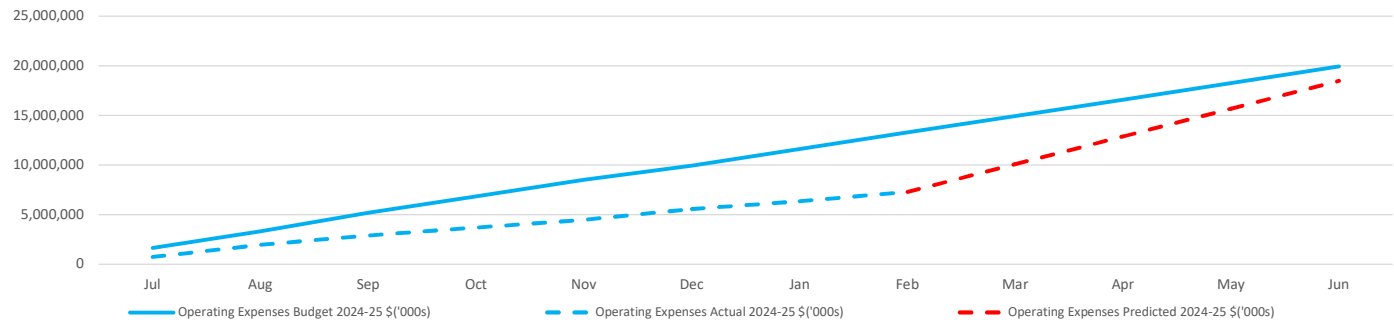
SIGNIFICANT ACCOUNTING POLICIES

Significant accounting policies utilised in the preparation of these statements are as described within the 2024-25 Annual Budget. Please refer to the adopted budget document for details of these policies.

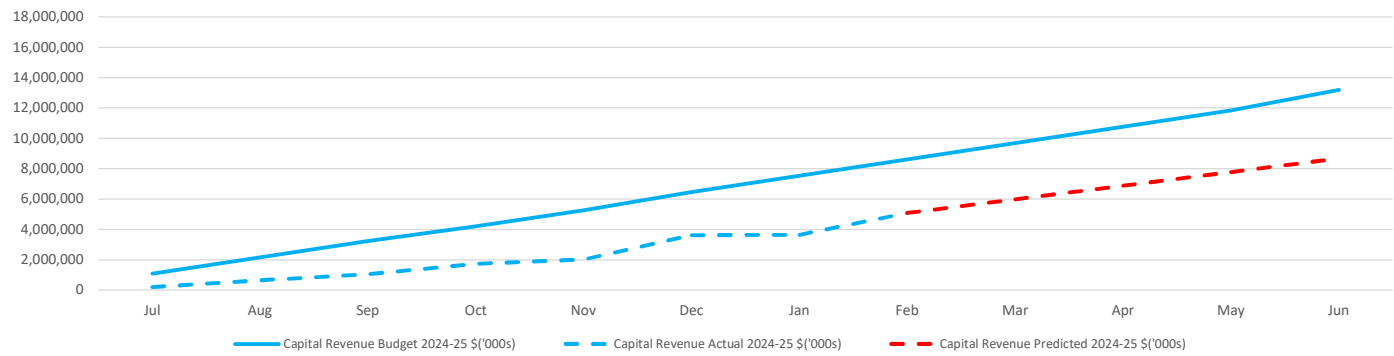
Operating Revenue



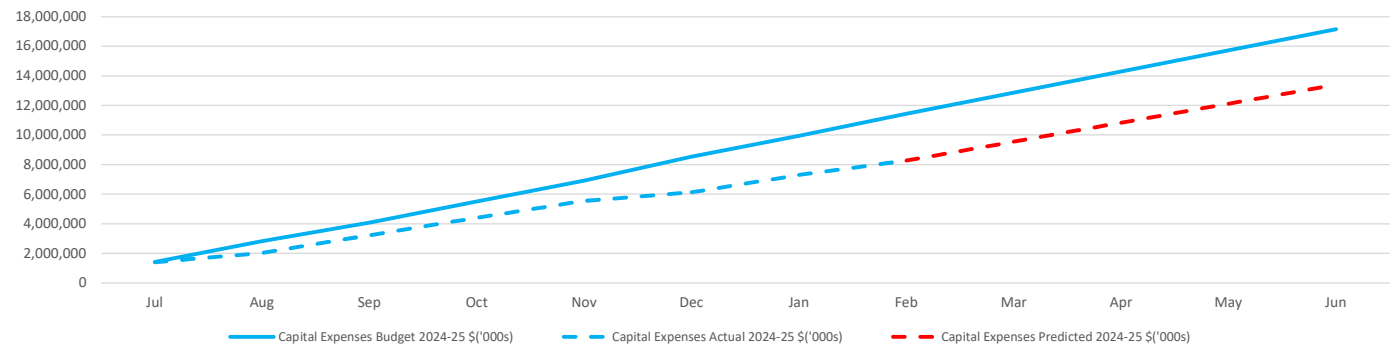
Operating Expenses



Capital Revenue



Capital Expenditure



3 NET CURRENT FUNDING POSITION
EXPLANATION OF DIFFERENCE IN NET CURRENT ASSETS AND SURPLUS/(DEFICIT)

	Unaudited Actual 30 June 2024	Adopted Budget 30 June 2025	Updated Budget Estimates 30 June 2025	Year to Date Actual 28 February 2025	Estimated Year at End Amount 30 June 2025
	\$	\$	\$	\$	\$
(a) Composition of estimated net current assets					
Current assets					
Cash and cash equivalents	13,165,297	3,918,289	3,918,289	8,859,706	3,918,289
Trade and other receivables	3,601,004	2,780,215	2,780,215	5,039,221	2,780,215
Inventories	197,107	184,468	184,468	198,338	184,468
	16,963,408	6,882,972	6,882,972	14,097,265	6,882,972
Less: current liabilities					
Trade and other payables	(1,929,232)	(2,802,089)	(2,802,089)	(1,636,432)	(2,698,109)
Contract liabilities	(2,691,302)	0	0	(2,628,802)	0
Capital grant/contribution liability	(663,735)	0	0	(663,735)	0
Employee related provisions	(435,015)	(409,805)	(409,805)	(435,015)	(409,805)
	(5,719,284)	(3,211,894)	(3,211,894)	(5,363,984)	(3,107,914)
Net current assets	11,244,124	3,671,078	3,671,078	8,733,281	3,775,058
Less: Total adjustments to net current assets	(3,661,066)	(3,671,078)	(3,671,078)	(3,661,066)	(3,775,058)
Closing funding surplus / (deficit)	7,583,058	0	0	5,072,215	0

(b) Current assets and liabilities excluded from budgeted deficiency

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

	Unaudited Actual 30 June 2024	Adopted Budget 30 June 2025	Updated Budget Estimates 30 June 2025	Year to Date Actual 28 February 2025	Estimated Year at End Amount 30 June 2025
	\$	\$	\$	\$	\$
Adjustments to net current assets					
Less: Reserve accounts	(4,081,546)	(4,080,883)	(4,080,883)	(4,081,546)	(4,184,863)
Add: Current liabilities not expected to be cleared at end of year					
- Current portion of provisions held in reserve	420,480	409,805	409,805	420,480	409,805
Total adjustments to net current assets	(3,661,066)	(3,671,078)	(3,671,078)	(3,661,066)	(3,775,058)

(c) Non-cash amounts excluded from operating activities

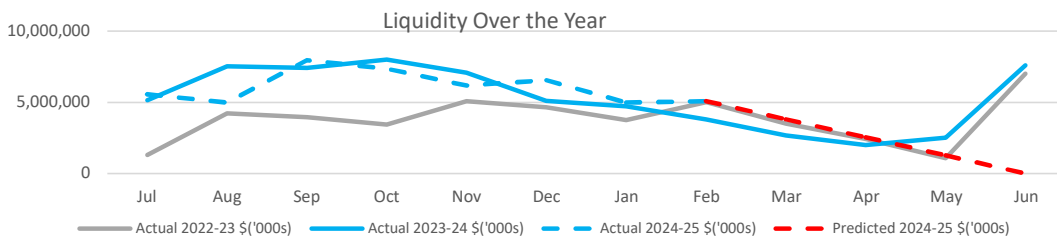
The following non-cash revenue and expenditure has been excluded from operating activities within the Statement of Financial Activity in accordance with *Financial Management Regulation 32*.

	Unaudited Actual 30 June 2024	Adopted Budget 30 June 2025	Updated Budget Estimates 30 June 2025	Year to Date Actual 28 February 2025	Estimated Year at End Amount 30 June 2025
	\$	\$	\$	\$	\$
Adjustments to operating activities					
Less: Profit on asset disposals	(146,157)	(179,670)	(179,670)	0	(250,000)
Less: Movement in liabilities associated with restricted cash	2,596	0	0	0	0
Add: Loss on disposal of assets	157,591	0	0	0	17,000
Add: Depreciation on assets	4,996,353	5,527,608	5,527,608	0	5,595,077
Non-cash movements in non-current assets and liabilities:					
Pensioner deferred rates	(2,366)	0	0	0	0
Employee benefit provisions	20,232	0	0	0	0
Other provisions	24,343	0	0	0	0
Non-cash amounts excluded from operating activities	5,052,592	5,347,938	5,347,938	0	5,362,077

(d) Investing activities excluded from budgeted deficiency

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

	Unaudited Actual 30 June 2024	Adopted Budget 30 June 2025	Updated Budget Estimates 30 June 2025	Year to Date Actual 28 February 2025	Estimated Year at End Amount 30 June 2025
	\$	\$	\$	\$	\$
Adjustments to investing activities					
Movement in non-current capital grant/contribution liability	0	0	0	0	663,735
Non cash amounts excluded from investing activities	0	0	0	0	663,735



3 COMMENTS/NOTES - NET CURRENT FUNDING POSITION (CONTINUED)

SIGNIFICANT ACCOUNTING POLICIES

CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash on hand, cash at bank, deposits available on demand with banks, 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 shown as short term borrowings in current liabilities.

FINANCIAL ASSETS AT AMORTISED COST

The Shire of Halls Creek classifies financial assets at amortised cost if both of the following criteria are met:

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

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 grants, contributions, reimbursements, and goods sold and services performed in the ordinary course of business.

Trade and other receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing components, when they are recognised at fair value.

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

Due to the short term nature of current receivables, their carrying amount is considered to be the same as their fair value. Non-current receivables are indexed to inflation, any difference between the face value and fair value is considered immaterial.

The Shire of Halls Creek applies the AASB 9 simplified approach to measuring expected credit losses using a lifetime expected loss allowance for all trade receivables. To measure the expected credit losses, rates receivable are separated from other trade receivables due to the difference in payment terms and security for rates receivable.

INVENTORIES

General

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

CONTRACT ASSETS

Contract assets primarily relate to the Shire of Halls Creek's right to consideration for work completed but not billed at the end of the period.

CONTRACT LIABILITIES

Contract liabilities represent the Shire of Halls Creek's obligation to transfer goods or services to a customer for which the Shire of Halls Creek has received consideration from the customer.

Contract liabilities represent obligations which are not yet satisfied. Contract liabilities are recognised as revenue when the performance obligations in the contract are satisfied.

PROVISIONS

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

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

CURRENT AND NON-CURRENT CLASSIFICATION

An asset or liability is classified as current if it is expected to be settled within the next 12 months, being the Shire of Halls Creek's operational cycle. In the case of liabilities where the Shire of Halls Creek does not have the unconditional right to defer settlement beyond 12 months, such as vested long service leave, the liability is classified as current even if not expected to be settled within the next 12 months. Inventories held for trading are classified as current or non-current based on the Shire of Halls Creek's intentions to release for sale.

TRADE AND OTHER PAYABLES

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

PREPAID RATES

Prepaid rates are, until the taxable event has occurred (start of the next financial year), refundable at the request of the ratepayer. Rates received in advance are initially recognised as a financial liability. When the taxable event occurs, the financial liability is extinguished and the Shire of Halls Creek recognises revenue for the prepaid rates that have not been refunded.

EMPLOYEE BENEFITS

Short-Term Employee Benefits

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

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

Other long-term employee benefits

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

The Shire of Halls Creek's obligations for long-term employee benefits where the Shire of Halls Creek does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, are presented as current provisions in the net current funding position.

4 PREDICTED VARIANCES

		Variance
		\$
Revenue from operating activities		
4.1	Rates excluding general rates Revenue reduced due to interim rate adjustments.	(60,000) ▼
4.2	Grants, subsidies and contributions Financial assistance grants budget aligned to YTD actuals. Increased revenue for aboriginal health, Welman Road Park and skatepark. Reduced budget for DR FAWA operating.	(813,091) ▼
4.3	Fees and charges Increase staff housing rental income and airport landing fees not included I original budget. Increase revenue to align with YTD actuals for cafe sales, lodging houses, planning approvals, refuse site and tip shop. Reduction in Civic Hall hire fees due to closure for plumbing repairs, Aquatic Centre entry fees and dog registrations.	282,363 ▲
4.4	Interest revenue Increased interest earned for non payment of rates and instalment plan.	26,126 ▲
4.5	Other revenue Increased reimbursements for insurance claims.	(23,396) ▼
4.6	Profit on asset disposals Increased profit due to timing of disposals and additional vehicles to be disposed in 2024/25.	70,330 ▲
Expenditure from operating activities		
4.7	Employee costs Reduced budgets due to vacancies in administration, olabud doogetha and community engagement. Increased budget for workers compensation. Various reallocations of wages for town crew to align with YTD actuals.	740,929 ▲
4.8	Materials and contracts Reduced expenditure budgets for DR FAWA maintenance, planning-sport & recreation, valuation expenses. Increased budget for plant parts & repairs, depot operations, protective clothing, building maintenance, legal expenses, café stock purchases, airport management, rural roads maintenance, town centre beautification, gym equipment, aquatic centre chemicals, school holiday program, cemetery, refuse site-maintenance, cleaning contracts. Various reallocations of budgets to align with YTD actuals.	697,427 ▲
4.9	Utility charges Increased expenditure for water usage at Aquatic Centre and Café. Reduced budget for water usage for racecourse area. Increased electricity charges for oval and administration building	(41,000) ▼
4.10	Depreciation Adjustment to depreciation allocations for CCTV and administration building.	(67,469) ▼
4.11	Insurance Increase to insurance expenditure for civic hall, building, economic development and public works.	(32,000) ▼
4.12	Other expenditure Reduced expenditure for plant disposal costs. Office costs reallocated to materials and contracts.	161,743 ▲
4.13	Loss on asset disposals Recognise loss not included in original budget	(17,000) ▼
4.14	Non-cash amounts excluded from operating activities Budget adjustments for profit, loss and depreciation - Note 3c.	14,139 ▲

4 PREDICTED VARIANCES

		Variance
		<u>\$</u>
Inflows from investing activities		
4.15	Capital grants, subsidies and contributions Reduced grant revenue due to capital projects not proceeding in 2024/25 - DR FAWA roads and housing.	(4,556,462) ▼
4.16	Proceeds from disposal of assets Increased budget for additional vehicle to be disposed in 2024/25.	34,000 ▲
Outflows from investing activities		
4.17	Purchase of land and buildings Budget reduced due to housing development project not commencing in 2024/25 and civic hall toilets project below original budget. Increase for solar panels at the Aquatic Centre.	2,003,000 ▲
4.18	Purchase of plant and equipment Increase plant replacement program not included in original budget.	(740,000) ▼
4.19	Purchase of furniture and fittings Capital expenditure reduced for CCTV project and gym equipment reallocated to operating. Budget increased for audio conferencing equipment and photocopier.	(5,000) ▼
4.20	Purchase and construction of infrastructure-roads DR FAWA road project deferred to 2025/26.	1,525,447 ▲
4.21	Purchase and construction of infrastructure-other Reduction to expenditure due to town centre upgrade project deferred to 2025/26 and cemetery pegs reallocated to operating. Increase to expenditure for depot gates, oval upgrade variation, oval reticulation and shade sails at Aquatic Centre.	961,000 ▲
Cash inflows from financing activities		
4.22	Transfers from reserve accounts EDL community reserve due to program ending in 2020 and funds being disbursed from municipal funds.	105,853 ▲
Cash outflows from financing activities		
4.23	Transfers to reserve accounts Transfer to Refuse site rehabilitation reserve, Aquatic Reserve and Mosquito Reserve	(205,663) ▼
4.24	Surplus or deficit at the start of the financial year Difference between adopted 2024/25 budget and the closing balance of 2023/24 financial statements.	(61,276) ▼

10. MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

Nil.

11. NEW DECISIONS OF AN URGENT NATURE INTRODUCED BY DECISION OF THE MEETING

Nil.

12. MATTERS BEHIND CLOSED DOORS

Procedural Motion

That this meeting be closed to the members of the general public at _____ and that Council move behind closed doors to consider:

12.1.2 CEO Authorisation and Reporting to Council – February 2025

Pursuant to s5.23(2) (e) of the Local Government Act 1995 being:

- 1.1 The meeting will be closed to the public in accordance with section 5.23 (2) (a) of the Local Government Act 1995 being it deals with a matter affecting employees of the Shire.*

12.1.2 RFT 2024-13-EMIS - Provision of Cleaning Services for Shire Buildings and Facilities

The meeting will be closed to the public in accordance with section 5.23 (2)(c) of the Local Government Act 1995 being:

- (c) a contract entered into, or which may be entered into, by the local government and which relates to a matter to be discussed at the meeting;*

12.1.3 Plant and Operators Tender

The meeting will be closed to the public in accordance with section 5.23 (2)(c) of the Local Government Act 1995 being:

- (c) a contract entered into, or which may be entered into, by the local government and which relates to a matter to be discussed at the meeting;*

12.1.4 Shire of Halls Creek – Place Making Plan

The meeting will be closed to the public in accordance with section 5.23 (2)(c) of the Local Government Act 1995 being:

- (c) a contract entered into, or which may be entered into, by the local government and which relates to a matter to be discussed at the meeting;*

PROCEDURAL MOTION

That Council come out from behind closed doors and that this meeting reopen to members of the general public at _____.

13. CLOSURE OF MEETING