



City of Wanneroo Annual Report 2017/18

Welcome to the Annual Report 2017/18

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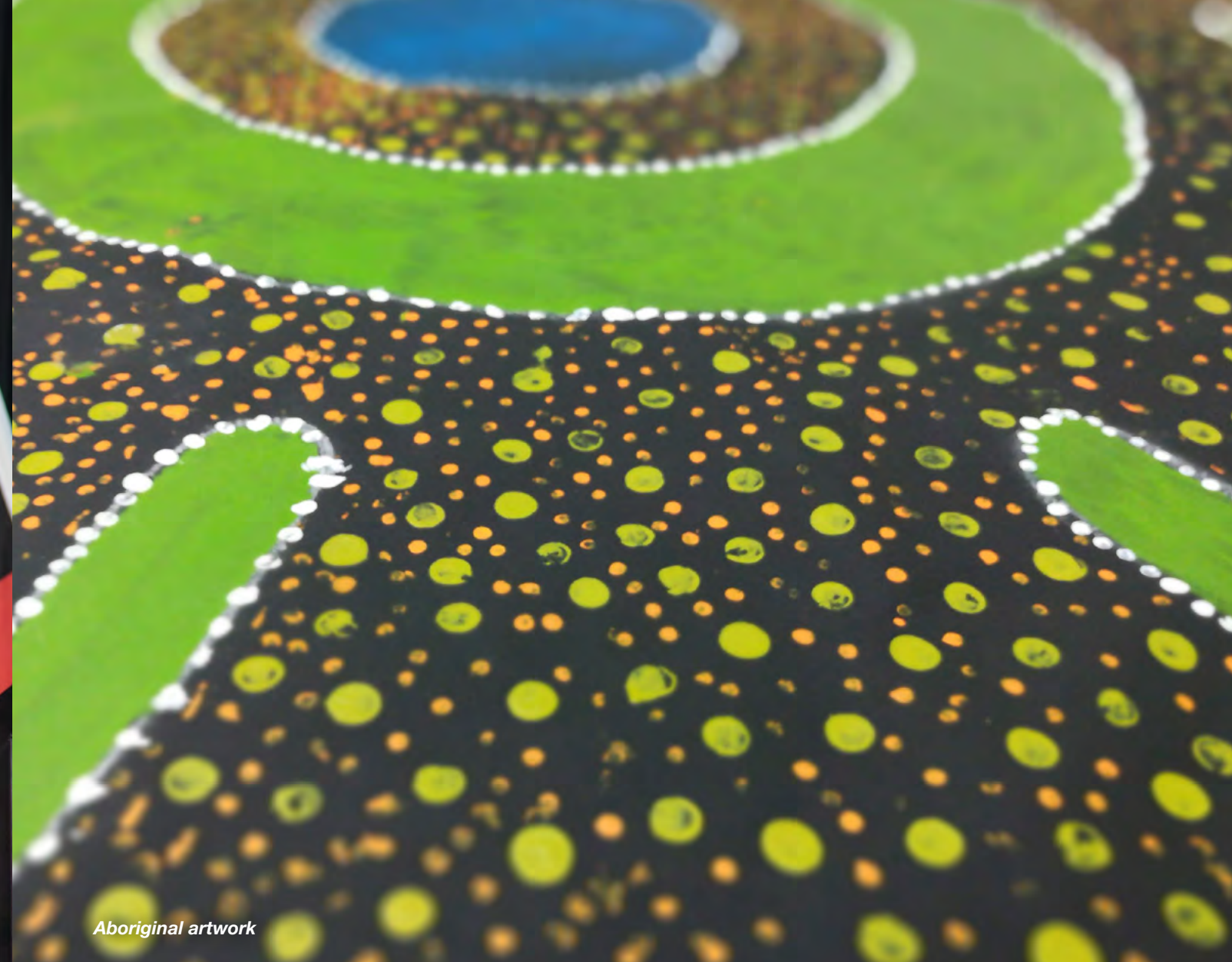
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*This report is available in
alternative formats on request.*

Introduction



Welcome to Country at the largest Australia Day citizenship ceremony



Acknowledgement of Country

The City of Wanneroo acknowledges the traditional custodians of this land, the Whadjuk people of the Noongar nation.

We acknowledge the traditional custodians of the land on which the City is located and where we conduct our business. We pay our respects to ancestors and Elders, past, present and future. The City of Wanneroo is committed to honouring Australian Aboriginal peoples' unique cultural and spiritual relationships to the land, waters and seas and their rich contribution to the community.

The area encompassed by the City has a significant Aboriginal cultural history and an active community. It is important to acknowledge the traditional owners of the land on which the City's events and activities are conducted. Holding a Welcome to Country or an Acknowledgement of Country recognises the unique position of Aboriginal people in Wanneroo's culture and

history. It enables the wider community to share in Aboriginal culture and heritage and facilitates improved relationships between Aboriginal and non-Aboriginal people.

To acknowledge and show respect for the Whadjuk history, culture and shared future, Welcome to Country is conducted at all significant City events, including Australia Day celebrations, Volunteer Week events and Wanneroo Community Centre open days and exhibitions.

The City's vision and Strategic Community Plan recognise the significance of our heritage, a key commitment being to create connected communities by building on the strength of the cultural and heritage diversity of our community. Heritage also plays a big part in shaping an area, and in recognising this, we are committed to creating a city with distinctive places based on heritage and identity of areas.



Citizenship Ceremony

Our purpose

The City's outcomes and strategies to achieve our new vision and further improve services and facilities are described in our Corporate Business Plan (CBP) that, together with the annual budget, is reported on in this document.

The City has achieved significant milestones in the past five years, resulting in a redeveloped vision and corporate values. The vision provides our communities and stakeholders with a long-term goal for the City. The new corporate values set out the principles that guide the way we work and deliver services to our community. Together, the vision and values provide clear direction for our employees regarding the culture and organisation the City is seeking to develop in the years ahead.

The vision and values have been shared with the workforce, and are already embedded in many corporate and leadership systems, with work continuing in the year ahead.

Vision

Inspired by our past, working to create a vibrant, progressive City, providing opportunity and investment to enable our growing communities to prosper

🔗 **Vibrant** 🔗 **Progressive** 🔗 **Prosperous**

The Council has determined that this vision will be achieved through the following strategic themes:

1. Society	2. Economy	3. Environment	4. Civic Leadership
			
Healthy, safe, vibrant and connected communities	Progressive, connected communities that enable economic growth and employment	A healthy and sustainable natural and built environment	Working with others to ensure the best use of our resources

Values

The City's culture, built on the foundation of our values, distinguishes us and guides our actions to deliver results. The following values help guide our behaviours and provide the boundaries within which our interactions should occur. Our values are linked to our vision, culture and strategy:

🔗 Customer focused	Delivering service excellence
🔗 Improvement	Finding simpler, smarter and better ways of working
🔗 Accountability	Accepting responsibility and meeting our commitments, on time and to standard
🔗 Collaboration	Together we are stronger
🔗 Respect	Trusting in others and being trustworthy



Mindarie Marina



Yanchep Lagoon



Our population now exceeds 210,000 people, with more than 74,000 households and is projected to reach more than 400,000 over the next two decades

A message from the Mayor

I am pleased to present the City of Wanneroo's Annual Report for the 2017/18 Financial Year.

From a community perspective it has been another busy year with a key focus on delivering the infrastructure, programs and services to create more vibrant, active, connected and inclusive communities across our three wards and 36 suburbs.

Our City remains the largest growing Local Government Authority in Western Australia. Our population now exceeds 210,000 people, with more than 74,000 households and is projected to reach more than 400,000 over the next two decades.

This year the City welcomed a number of significant infrastructure project announcements that will help sustain the City's growth in the Northern Coastal Growth Corridor. This includes funding to complete the dualling of Marmion Avenue through to Yanchep Beach Road and Wanneroo Road to Hester Avenue; and the extension of the Joondalup rail line to Yanchep.

The 2017/18 Financial Year also saw the completion and opening of the Mitchell Freeway extension, there was excitement and celebration as the freeway entered our City's borders for the first time! In addition to the freeway, various community infrastructure projects were completed; details of which, along with highlights from the year, are outlined on the following pages.

For greater insight of the City's strategic position and priorities, this annual report should be read in conjunction with the City's Strategic Community Plan 2017/2018 to 2026/2027, and Corporate Business Plan 2017/18-2020/21.

2017/18 Highlights

- » More than \$90,000 was provided to support community projects and events
- » A new record of 35,000 attendees was achieved at the City's five free annual big community events.
- » The country's largest Australia Day citizenship event was conducted for 594 Wanneroo residents from 44 different countries who took the pledge to become citizens.
- » The City delivered 27 events in partnership with key stakeholders to support the growth of local businesses

A host of important projects were also completed or achieved significant progress throughout the year including:

- » The City's Road Resurfacing Program conducted asphalt road resurfacing on 20 roads across the City
- » Installation of CCTV Hub at Kingsway Regional Sporting Complex
- » Playground equipment, softfall and shade sail renewals were completed at parks across the City's three electoral wards.



Connected communities

A key aspiration of the City's Strategic Community Plan is connected communities, which is supported through the strategic pillars of Society, Economy, Environment and Civic Leadership.

To help bring us closer to our connected communities aspiration, the City has developed community hubs in Girrawheen and Yanchep to promote local connections and opportunities by providing job readiness training, small business development and lifelong learning.

Additionally, in response to a range of outcomes identified in the Strategic Community Plan relating to the creation of distinctive places and connected communities, a Place Approach and Framework was adopted during the year to guide how the City will develop, manage and activate the City's diverse local places now and into the future.

Opportunities and looking ahead

The City's advocacy efforts will continue to focus on delivering the road, rail and freight transport links, recreational infrastructure and economic development initiatives needed to support safe, active and connected communities for all residents. This year, our advocacy efforts resulted in funding of approximately \$800 million being invested in the City.

In 2018/19 we will deliver a circa \$67 million Capital Works Program to provide a range of new facilities as well as upgrades and maintenance of the \$3 billion of

assets currently under management right across our 36 suburbs and 684 square kilometres.

I am a strong supporter of community engagement which is very important to the City achieving its strategic objectives. Considerable work has been undertaken to build the City's community engagement opportunities including a comprehensive review of policies and procedures, and upgrade of the Your Say Portal. I encourage all residents to take full advantage of community engagement opportunities to help us ensure the decisions that are made reflect the needs and desires of the community.

Thank you

To the residents, community groups, local businesses and volunteers of the City of Wanneroo, I extend my sincere thanks, as it is with your valued and continued contribution that our City is becoming a more vibrant and progressive place to live, work and recreate.

I would also like to thank the City's Councillors for their continued support and commitment; our Chief Executive Officer, Mr Daniel Simms; his Leadership Team; and all the staff at the City of Wanneroo who all work incredibly hard on behalf of the community.

Tracey Roberts JP
Mayor



Clarkson Town Centre



Mindarie Marina

Our corporate performance status of 83% is the result of improved integrated planning, project management and performance tracking and reporting.

A message from the Chief Executive Officer

2017/18 was another year of outstanding achievement for the City. As one of the largest growing local government areas in WA and Australia, our focus is on planning to ensure the Council is best placed to pursue its purpose of meeting the needs and interests of the community in the years ahead.

I am proud of how our programs and projects are achieving our vision to shape the City into a vibrant, progressive and prosperous place to live, work and play.

This Annual Report provides an opportunity to reflect on and share the City's achievements over the past financial year. I encourage you to read on to learn more about the quality services the City is delivering to our growing community.

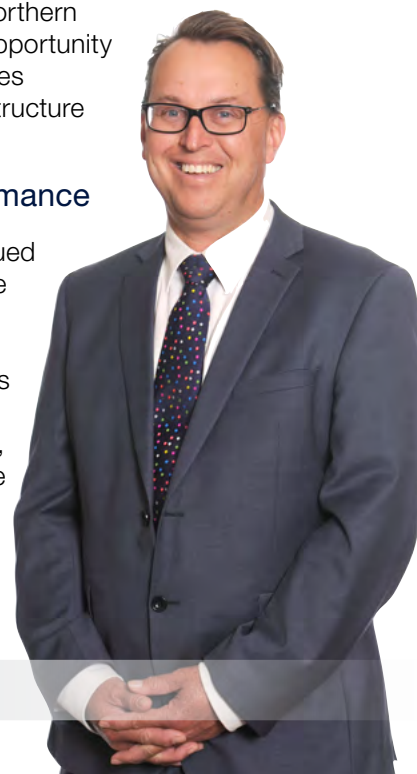
Playing a key role in the delivery of the City's Economic Development Strategy and Action Plan 2016/21 was a jobs summit proudly hosted by the City of Wanneroo in June. The summit brought together industry leaders in one room to define a clear vision for jobs growth in the region. The summit was all about realising the opportunities and challenges that define the City's unique point of difference that will attract developers,

investors and entrepreneurs to build, work and live here. More details about the jobs summit are on **page 143**.

The City has been collaborating with the state government on plans for three railway stations at Alkimos, Eglinton and Yanchep. The 14.5km Yanchep rail extension, due to begin construction in 2019, will support Perth's growing northern suburbs and is a unique opportunity to develop new communities alongside the public infrastructure that will serve them.

Measuring our performance

In 2017/18, the City continued to improve on performance by successfully delivering the services, facilities and infrastructure commitments outlined in our corporate plan. Up 2% from last year, our corporate performance status of 83% is the result



of improved integrated planning, project management and performance tracking and reporting.

We have delivered an extensive program of work, including \$53 million of capital works projects that span the four strategic themes of Society, Economy, Environment and Civic Leadership.

Awards

The City has delivered award-winning work in the area of children's environment and health. We were very proud to win 'Best in WA' from the Public Health Advocacy Institute of WA and to be category winners in Child Health & Development, and Nature Play.

The City won three awards at the Institute of Public Works Engineering Australasia Excellence Awards, including best public works project greater than \$5 million for the new Civic Centre extension.

In addition, it was a great honour to win the WALGA/ RSL Anzac Day Award for collaborating with key community organisations to let the Anzac spirit shine through on the day and I would like to express my appreciation to the Wanneroo RSL Sub Branch.

Looking ahead

As a growth area, we are excited about providing resources to bring greater accessibility to City infrastructure as well as facilities and services, promote active and healthy lifestyles, and connect local communities.

With operational highlights provided throughout this report, our many achievements would not have been possible without our supportive community.

Also, to achieve all that we have in the past year is quite a feat and I would like to thank the Mayor and Elected Members for their hard work and achievements while representing the Wanneroo community. I would also like to acknowledge the City's leadership team and staff for their commitment to achieving a high level of performance and quality service delivery in all that they do.

A stylized, handwritten signature of Daniel Simms in black ink.

Daniel Simms
Chief Executive Officer

Welcome to the Annual Report

The City of Wanneroo is proud to present the Annual Report 2017/18. This report outlines our financial and operational performance over the financial year against the key objectives, strategies and priorities of the Strategic Community Plan (SCP), the Corporate Business Plan (CBP) and the annual Budget.

The Local Government Act 1995 (WA) requires local governments to produce an annual report by 31 December each year.

The City goes beyond statutory requirements by producing a report that is comprehensive and engaging, encompassing a wide range of activities undertaken and services delivered. We view the report as an important tool to inform key stakeholders such as City of Wanneroo residents and ratepayers, local businesses, non-government organisations, our partners and other government departments and agencies about achievements and challenges as well as our plans.

This report assesses our performance in delivering on the SCP, the CBP and the budget for 2017/18. The report is structured in line with the Integrated Planning and Reporting Framework (**page 12**) that is divided into four strategic themes supported by 17 strategic objectives, each of which includes a number of strategies.

The report also provides a platform to inform and engage our staff with information on how well we have performed over the year, how their efforts have contributed to achieving our vision and what to expect in the coming year. Information on how we will address opportunities for improvement is also readily available.

The SCP and CBP provide a detailed outline of the City's progress towards achieving our proposed goals and objectives.

For the first time, the City has aligned the content of this report to relevant Global Reporting Initiative (GRI) standards, which will enable the City to monitor progress towards sustainability. The GRI is a reporting framework with guidelines and measures for organisations to monitor and report performance on economic, environmental, social and governance sustainability and impacts. The aim is to improve each year on sustainability reporting in alignment with the standards. The GRI Index can be found on **page 186**.

We hope this report helps you understand the City of Wanneroo's operations. We would appreciate your feedback to help us improve our reporting so that it is even better in the future. For further information and to provide feedback, please contact our Customer Relations Centre at enquiries@wanneroo.wa.gov.au.

Strategic Community Plan
2017/18 – 2026/27



Corporate Business Plan
2017/18 – 2020/21



How to read our Annual Report

This report is divided into five main sections:

1. Overview of the Council and the organisation
2. Our performance (organised according to our four strategic themes)
3. Additional statutory information
4. GRI Index (new this year)
5. Audited financial statements and financial audit report.

Each strategic theme includes information on achievements, challenges, a look ahead (next financial year actions), key performance indicators (KPIs), strategic measures and performance against the corporate plan. Details of our performance can be found on **pages 114**.

Overall performance for each strategic theme is based on the individual scores of the priorities within the corporate plan. A summary of our performance under the corporate plan for the past four years and overall performance on the current year can be found on **page 26**.

The audited financial statements (**page 196**) set out the financial performance, financial position and cash flows of the City for the 2017/18 financial year.

Key terms and acronyms are explained as they are introduced and are listed at the back of this report (**page 194**).

Tables throughout the report use notations as follows:

- » \$m means million dollars
- » - means either zero or nil
- » n/a means not applicable

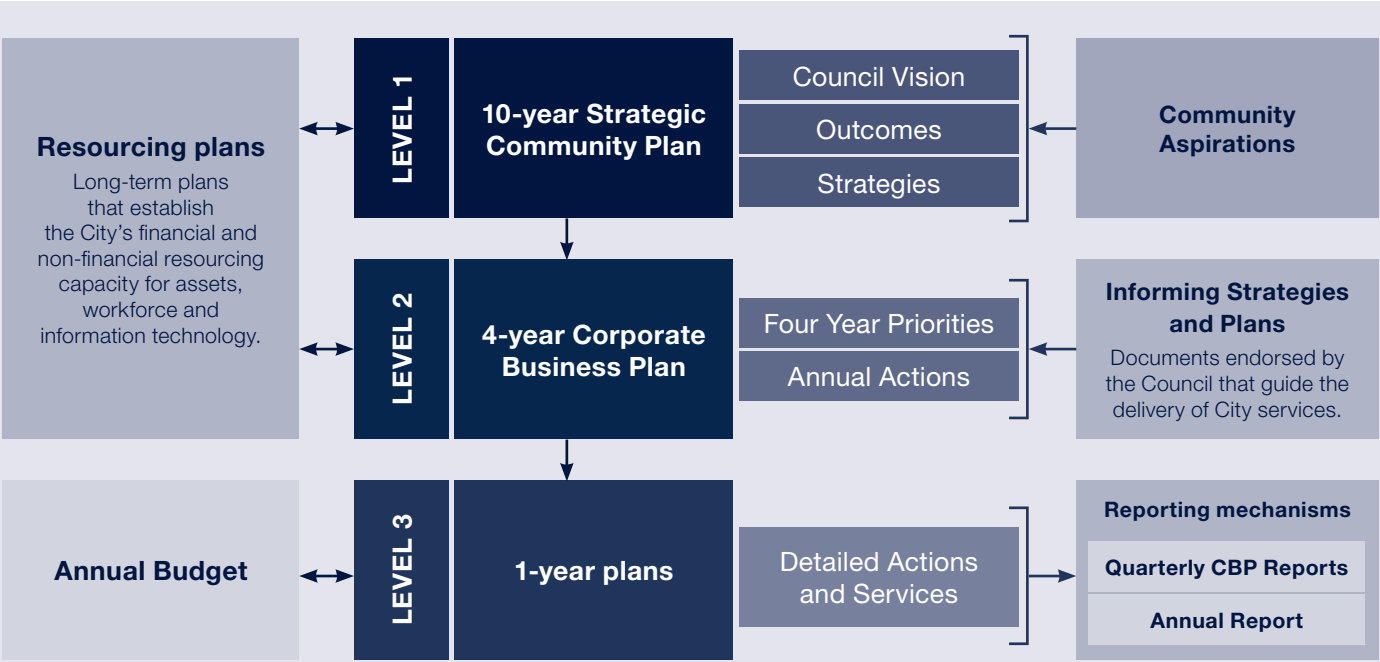


City of Wanneroo Entry Statement

Integrated Planning and Reporting Framework

Our Integrated Planning and Reporting Framework (IPRF) brings together the various levels and types of strategic, resourcing and informing plans to ensure they are developed and reviewed in an integrated way. Cascading strategic objectives into operational plans ensures that our service mix and costs are planned, delivered, reviewed and improved systematically. Integrating resource plans improves our success by ensuring that strategically aligned actions are adequately resourced for delivery in the required timeframes.

This framework meets the requirements of the *Local Government Act 1995* and encompasses the advisory standards provided for local governments in WA.



Level 1 presents an overarching 10-year Strategic Community Plan (SCP) that sets out the vision and direction of the Council, which are informed by community views and aspirations. Through the four themes of **Society**, **Economy**, **Environment** and **Civic Leadership**, the Council determines the strategies that will guide the next level of business planning and priority setting. A major review of this plan is conducted every four years through a process that engages our community and stakeholders, with the most recent review conducted in 2016/17.

The Corporate Business Plan (CBP) is a four-year plan that forms Level 2 of the Integrated Planning and Reporting Framework and is aligned to the 10-year strategies. The CBP is developed by the Executive

Leadership Team in consultation with the Council. It sets out the priorities for a four-year period and provides a detailed set of annual actions to achieve each priority. The annual review and updating of the rolling four-year CBP forms part of the City's annual planning and budgeting process by which the Council sets the priorities and associated annual actions for the following year.

Level 3 comprises each year's annual actions. These are captured through service unit plans and encompass the services, actions and projects that will be delivered in relation to each of the City's services.

Plans incorporated within the framework are long-term plans that establish the City's resourcing

capability. They include the Long Term Financial Plan, Strategic Asset Management Plan, Workforce Management Plan, and the Information and Communication Technology (ICT) Strategic Plan. Each of these plans informs and draws on the annual reviews of the CBP.

To ensure accountability, progress against the CBP is reported quarterly to the Audit & Risk Committee, and six-monthly to the Council. The Annual Report provides a summary of the City's performance and achievements against the strategic plan and CBP for that year, and sets out the priorities and actions planned for the coming year.

Strategic themes and objectives

The Strategic Customer Plan (SCP) sets out outcomes for each of the four strategic themes and how the Council will achieve them.

Society
Aspiration: Healthy, safe, vibrant and connected communities

Outcomes

- 1.1 Healthy and Active People
- 1.2 Safe Communities
- 1.3 Distinctive Places
- 1.4 Connected Communities

Economy
Aspiration: Progressive, connected communities that enable economic growth and employment

Outcomes

- 2.1 Local Jobs
- 2.2 Strategic Growth
- 2.3 Smart Business
- 2.4 Places of Destination

Environment
Aspiration: A healthy and sustainable natural and built environment

Outcomes

- 3.1 Resource Management
- 3.2 Enhanced Environment
- 3.3 Reduce, reuse, recycle waste
- 3.4 Activated Places
- 3.5 Connected and Accessible City
- 3.6 Housing Choice

Civic Leadership
Aspiration: Working with others to ensure the best use of our resources

Outcomes

- 4.1 Working with Others
- 4.2 Good Governance
- 4.3 Progressive Organisation



New sporting facility delivered at Yanchep Active Open Space to support local groups.

The Year In Review

Highlights and challenges



Mary Lindsay Homestead as an art facility and public reserve.



Warradale Park Nature Play, Playspace of the Year finalist in the 2018 Parks and Leisure Australia Awards of Excellence.



SOCIETY

New sporting facilities were delivered to support local groups including Kingsway Little Athletics Centre, Yanchep Surf Lifesaving Club and Yanchep Active Open Space (Splendid Park).

Healthy, safe, vibrant and connected communities

Highlights

1.1 Healthy and active people

- » Under our \$1.35 million Parks Asset Renewal Program, 23 parks were refurbished, giving life to old playground equipment, barbecues and sporting facilities.
- » New sporting facilities were delivered to support local groups including Kingsway Little Athletics Centre, Yanchep Surf Lifesaving Club and Yanchep Active Open Space (Splendid Park).

1.2 Safe communities

- » The five-year review of local emergency management arrangements (LEMA) was completed to ensure that the City is prepared for emergency events.
- » The City's CCTV Strategy was progressed with the installation of a CCTV hub at the Kingsway Regional Sporting Complex to improve safety and security.
- » The number of 'hotspot' locations monitored by crime prevention CCTV cameras was increased from 47 to 57.

1.3 Distinctive places

- » A community hub in Girrawheen was developed to support local connections and opportunities by providing job readiness, small business development and lifelong learning. The Yanchep hub will be opened in the next 12 months.

- » The City adopted a Place Framework on 27 March 2018, recommending the development of place hubs to attract people to public places as part of their daily life.
- » The City's first Place Activation Plan for the Girrawheen hub precinct was developed in conjunction with the community through a series of more than 200 conversations.

1.4 Connected communities

- » Three sports facilities and community buildings were officially opened:
 - » Yanchep Active Open Space (Splendid Park)
 - » Yanchep Surf Lifesaving Club
 - » Ridgewood Park sports facility multipurpose room.
- » Mary Lindsay Homestead was redeveloped as an art facility for use by local artists, schools and the Two Rocks Yanchep Culture and Arts Network (TRYCAN). To complement the homestead, about 0.8ha of public open space was created with turfed areas, picnic tables, barbecues, fitness equipment, a playground and an outdoor ping-pong table.

- » The City relaunched its Know Your Neighbour program in 2018 with a fresh look and updated resources. The initiative encourages members of local communities get to know each other by hosting an event and inviting neighbours along for a barbecue, picnic or cricket match in their own yard or local park.
- » A new record of 35,000 attendees was achieved at the City's five free big annual community events this year.
- » The country's largest Australia Day citizenship event was conducted, with 594 Wanneroo residents from 44 countries taking the pledge to become citizens.

Challenges

- » Increased demand for services, compounded by the demographic span and geographic spread of our community.
- » Reduced external funding from state government for community facility projects.
- » Restructured federal government funding model for disability services and aged care.

More details on Society highlights can be found starting on **page 131**.

YANCHEP BEACH RD

Yanchep
Two Rocks

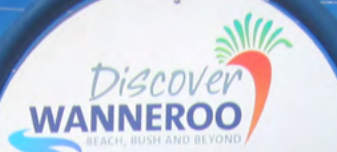
TOURIST DRIVE

YANCHEP
TWO ROCKS

6

13

Tourist drive through Yanchep and Two Rocks was established.



YANCHEP & TWO ROCKS LOCAL AREA MAP



New tourism signage



ECONOMY

The City has entered into a joint project with the Department of Water and Environmental Regulation (DWER) to complete a preliminary analysis of alternative water sources available for agricultural production in the northern Wanneroo area.

Progressive, connected communities that enable economic growth and employment

Highlights

2.1 Local jobs

- » More than 150 participants attended the City's second Jobs Summit held at Mindarie Marina in June 2018, targeting the creation of 100,000 jobs.
- » The City joined with the Wanneroo Business Association to present the Wanneroo Business Expo in August 2017. Attendance was higher and the feedback more positive than in previous years.
- » In collaboration with Asialink Business, the City presented 'The Emerging Opportunities of ASEAN' breakfast that overviewed ASEAN markets, examined how they behave and explored how to develop the connections needed to strengthen our economic partnership.

2.2 Strategic Business

- » The City has entered into a joint project with the Department of Water and Environmental Regulation (DWER) to complete a preliminary analysis of alternative water sources available for agricultural production in the northern Wanneroo area.

2.3 Smart business

- » The City conducted a trial to demonstrate the potential for drone technology in agriculture to improve monitoring, decision-making and agricultural practices.

2.4 Places of destination

- » A free annual Park Pass program was launched on 1 September 2017, allowing ratepayers and residents unlimited entry to Yanchep National Park for one year.
- » A tourist drive through Yanchep and Two Rocks was established. This included the installation of 10 new signs from Breakwater Drive through Two Rocks and Yanchep to link to Wanneroo Road near the entrance to the national park.

The objective of the signage is to acknowledge the attractions and places to visit along the route and encourage drivers to pull off the State Road and enjoy the amenities, supporting local businesses.

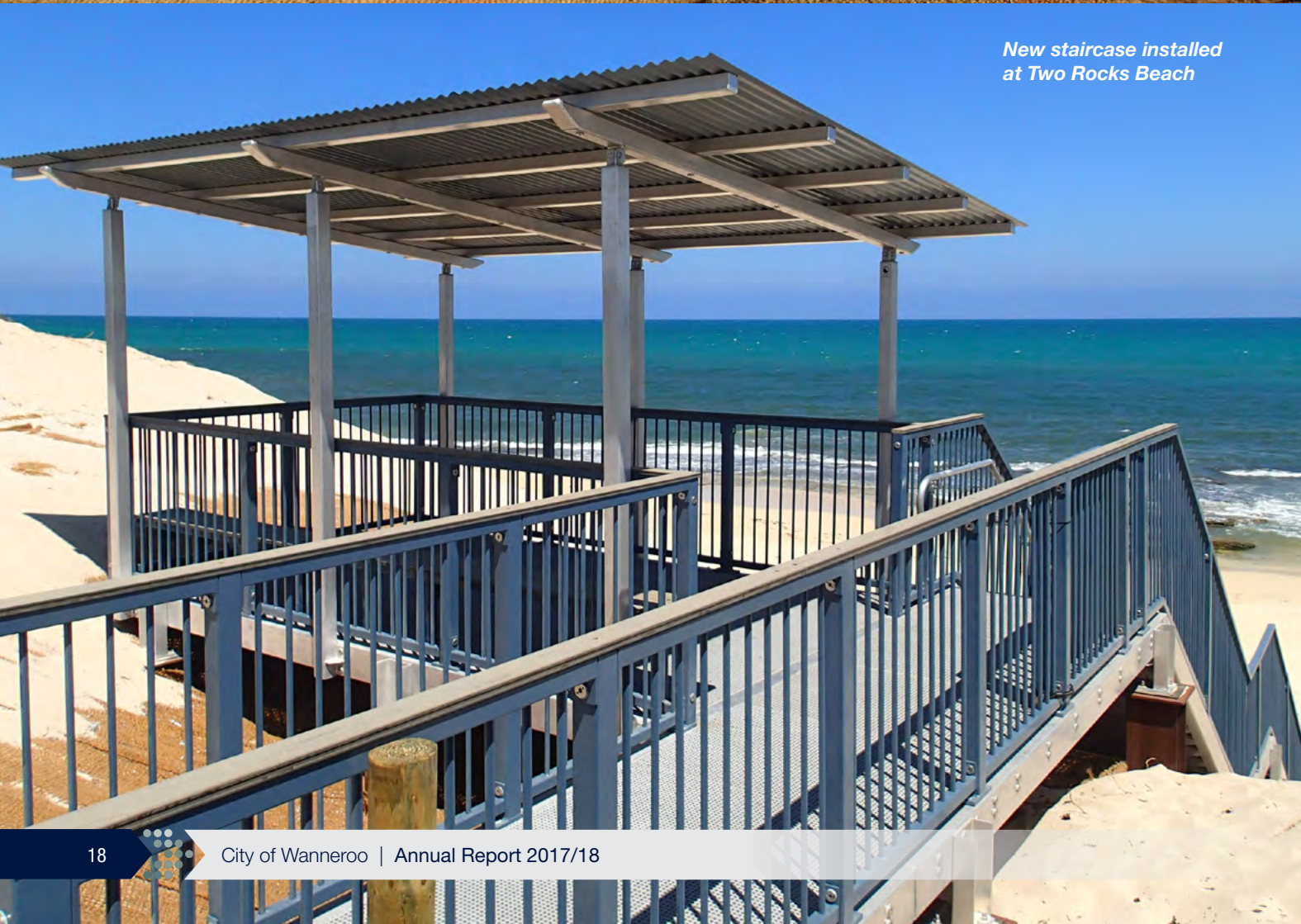
Challenges

- » Ensure adequate land and infrastructure is made available to support economic development.
- » Facilitate employment self-sufficiency to improve local job opportunities.
- » Focus on strategic industry development, including clean technology, agribusiness and advanced manufacturing and engineering.
- » Facilitate the strategic economic development of the Neerabup Industrial Area.

More details on Economy highlights can be found starting on **page 143**.



Phase 1 of the Quinns Beach Long Term Coastal Management Works



New staircase installed at Two Rocks Beach



ENVIRONMENT

An Energy Reduction Plan was developed to reduce energy use across City-owned facilities.

A healthy and sustainable natural and built environment

Natural

Highlights

3.1 Resource management

- » An Energy Reduction Plan was developed to reduce energy use across City-owned facilities.
- » Technological improvements to improve energy efficiency, including remote floodlight operations for the Wanneroo Showgrounds and six sporting fields, continued.

3.2 Enhanced environment

- » Stage 1 of the Quinns Beach Long Term Coastal Management Works was completed, including the construction of a new groyne, a beach access ramp for pedestrians and maintenance vehicles, and beach renourishment.
- » A beach access staircase was installed at Two Rocks Beach to improve amenity and public safety.

3.3 Reduce, reuse, recycle waste

- » The City again participated in the Garage Sale Trail community education initiative that engages communities to rethink what they waste and encourages the reuse of items bought and sold at garage sales.
- » Illegal dumping was reduced by 7%, building on last year's reduction of 29%. This is largely due to the ongoing implementation of proactive measures across the City.
- » Waste fees have been set in the annual budget for 2018/19, identifying and promoting shared responsibilities of managing waste.

Challenges

- » Address the impacts of climate change – planning for the impact of sea level rise and coastal erosion, implementing energy reduction initiatives and reducing greenhouse gas emissions.
- » Continue improvements in managing water quality and reducing water usage.
- » Manage natural areas to maintain biodiversity of bushland, wetland and coastal areas.
- » Balance urban development and community access with the protection and appropriate management of the City.
- » Meet the Western Australian Waste Strategy target of a minimum of 65% diversion from landfill for all of the City's waste by 2020.
- » Maintain and improving the City's waste service levels within existing resources while servicing an increasing number of residences.

Local Housing Strategy adopted to provide a variety of affordable housing stock.



Official opening of the Mitchell Freeway Extension.



ENVIRONMENT

An Energy Reduction Plan was developed to reduce energy use across City-owned facilities.

A healthy and sustainable natural and built environment

Built

Highlights

3.4 Activated Places

- » The City continued to advocate for major road and rail infrastructure and participated actively in state government project reference groups to maximise integration of rail and road.

3.5 Connected and Accessible City

- » The 6km Mitchell Freeway extension opened between Burns Beach Road and Hester Avenue, improving access for residents and travellers.
- » The City's road resurfacing program ensured vital assets were improved for motorists in Alexander Heights, Girrawheen, Marangaroo and Wanneroo.

3.6 Housing choice

- » The City adopted a Local Housing Strategy to provide a variety of affordable housing stock.

Challenges

- » Meet demand for housing choice and affordability.
- » Ensure enhanced transport connectivity and advocating for integrated transport for Wanneroo.
- » Ensure the provision of high-quality services and facilities for people of all ages (ongoing).

More details on Environment highlights can be found starting on **page 153**.



Wanneroo Jobs Summit 2018



CIVIC LEADERSHIP

A new customer service commitment was adopted, outlining the standards of service that can be expected when customers connect with the City.

Working with others to ensure the best use of our resources

Highlights

4.1 Working with others

- » The City continued to advocate on behalf of the community through its strategic advocacy program Connect Wanneroo for:
 - » Roads – extension of the Mitchell Freeway to Romeo Road
 - » Freight – developing a clear plan for freight movement across the City (with particular focus on Neerabup) and surrounding regions
 - » Rail – state government funded rail extension to Yanchep
 - » Reserves – securing a funding contribution for the Butler North District Open Space development
 - » Region – continue the focus on jobs, including agribusiness and water.

4.2 Good governance

- » The City realigned the Enterprise Risk Management Framework with Australian Standards and delivered leadership training in risk management throughout the year.
- » The City adopted a Strategic Land Policy to provide a structured and consistent approach in its land management activities.

- » The City reviewed its Long Term Financial Plan to provide further clarity on the financial sustainability of the City over time. Along with our 20-year capital works program, this plan provides the community with a timeframe of when major capital projects will occur.

4.3 Progressive organisation

- » A new customer service commitment was adopted, outlining the standards of service that can be expected when customers connect with the City.
- » The City implemented 82% of the actions in its Customer First Strategy, including electronic delivery of rates notices and other online application forms.
- » Successful moves to the new and refurbished Civic Centre buildings were supported by the Cultural Change and Transition Committee, who worked with leaders and employees to focus on new ways of working, such as paper appropriate (less hardcopy) and collaboration initiatives.
- » Investment in the development of frontline leaders continued, with 60 current and aspiring people leaders undertaking internal People Leadership Development Programs.
- » The City's refreshed corporate values were launched in July and August 2018 to guide the actions and behaviours of employees. The corporate values can be found on **page 5**.

Challenges

- » Increase our focus on cybersecurity preparedness as risks associated with cyber threats (electronic intrusions) grow.
- » Leverage alternative revenue and funding sources to minimise the impact on rates while delivering infrastructure for a growing population. A Revenue Review Committee has been created to assist with finding alternative sources.
- » Ensure good governance, including efficient and effective financial sustainability and workforce capability, to steer our community to the desired outcome of a vibrant, progressive and prosperous place to live, work and play.
- » Improve community inclusiveness and participation to bring generations together and strengthen neighbourhood ties.

More details on Civic Leadership highlights can be found starting on **page 169**.

Important events in the City 2017/18

In 2017/18, the City hosted, sponsored and supported various events that provided residents, businesses and visitors with the opportunity to connect within the distinctive and diverse natural and built environments of Wanneroo. These included major community, sporting, arts and music events.

2017

JULY

- Eden Beach Farmers Markets
- Citizenship ceremony
- Pioneers lunch

AUGUST

- Eden Beach Farmers Markets
- Citizenship ceremony
- Vietnam Veterans Day commemorative service (Quinns Rocks Sports Club)

SEPTEMBER

- Eden Beach Farmers Markets
- Citizenship ceremony
- Heritage and Library Services volunteers appreciation dinner

OCTOBER

- Eden Beach Farmers Markets
- Living & Leisure Expo featuring Dog's Breakfast
- Race in your Rates prize giving
- Citizenship ceremony
- Corporate Charity Golf Day
- Cancer Council Relay for Life Event

NOVEMBER

- Wanneroo Agricultural Show
- Eden Beach Farmers Markets
- City of Wanneroo presents: Birds of Tokyo
- Citizenship ceremony
- Spring in the Grove
- Remembrance Day memorial service & free sausage sizzle lunch (Cambrai Village, Merriwa)
- Remembrance Day commemorative services (Quinns Rocks Sports Club and Yanchep National Park Memorial)
- Mindarie Festival

DECEMBER

- Eden Beach Farmers Markets
- Girradoola community Christmas celebration
- Wanneroo Community Carols by Candlelight
- Quinns Beach Primary School community carols night
- Carols in the Park (Somerly)
- Carols in the Park (Two Rocks)
- Wanneroo Christmas lunch (Wanneroo Showgrounds)
- Community Christmas carols (Warradale Reserve, Landsdale)
- Live in the Amphitheatre (outdoor cinema)



2018

JANUARY

- Eden Beach Farmers Markets
- Australia Day citizenship ceremony
- Australia Day Breakfast in the Park (Wanneroo Showgrounds)
- Australia Day breakfast (Phil Renkin Recreation Centre, Two Rocks)
- Australia Day breakfast (Hudson Park, Girrawheen)
- Live in the Amphitheatre

FEBRUARY

- Eden Beach Farmers Markets
- Commonwealth Games Queen's Baton Relay
- Live in the Amphitheatre
- Citizenship ceremony
- Commonwealth Games Queen's Baton Relay

MARCH

- Eden Beach Farmers Markets
- Community Services and Conservation volunteers appreciation dinner
- Retro Rewind
- Citizenship ceremony
- Global Beats & Eats

APRIL

- Eden Beach Farmers Market
- 'Toast to the Coast' Food, Beer & Wine Festival
- Anzac Day march and service (Wanneroo Memorial Park)
- Anzac Day dawn service and gunfire breakfast (Cambrai Village, Merriwa)
- Anzac Day commemorative service (Quinns Rocks Sports Club)
- Anzac Day commemorative event (Yanchep National Park Memorial and Yanchep Sports and Social Club Memorial)
- Citizenship ceremony

MAY

- V8 Supercars
- Supercars gala dinner
- Citizenship ceremony

JUNE

- Emergency Services volunteers appreciation dinner
- Citizenship ceremony



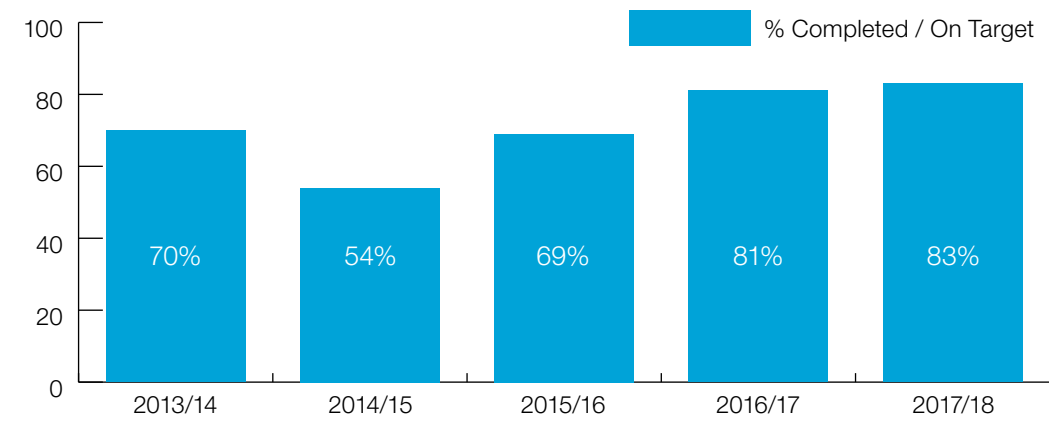
Organisational performance summary

Delivering on our corporate priorities that are aligned to the long-term strategic objectives (see **page 13**) ensures that we are working towards our long-term vision to create a vibrant, progressive and prosperous city. Through performance review and reporting, we ensure that we remain accountable to the community for the commitments that we have set out in the corporate plan. Our performance and progress in delivering on the plan is summarised below.

Corporate Business Plan overall status

The graph below illustrates the overall CBP performance for the past 5 years.

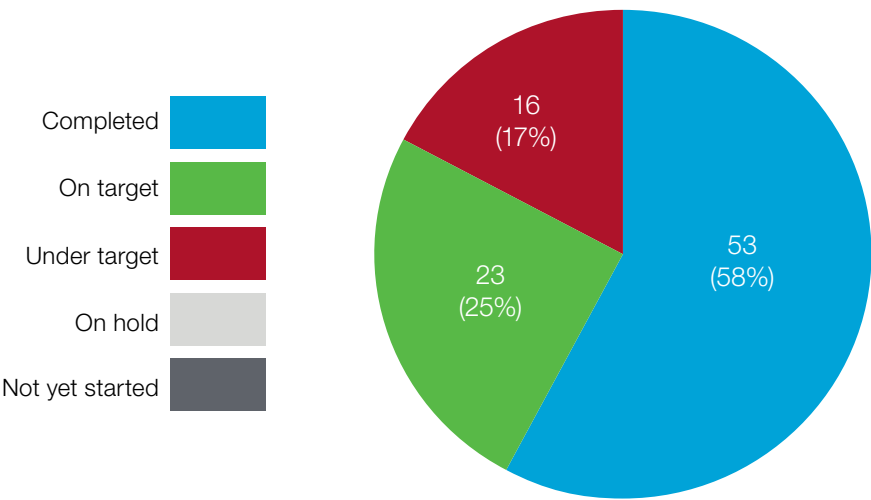
Overall CBP Performance



The CBP performance status at 30 June 2018 was 83% (76 of the 92 annual actions) while at the same time last year the City achieved 81% (82 of the 101 annual actions).

The following dashboard illustrates the status of the CBP annual actions as at 30 June 2018.

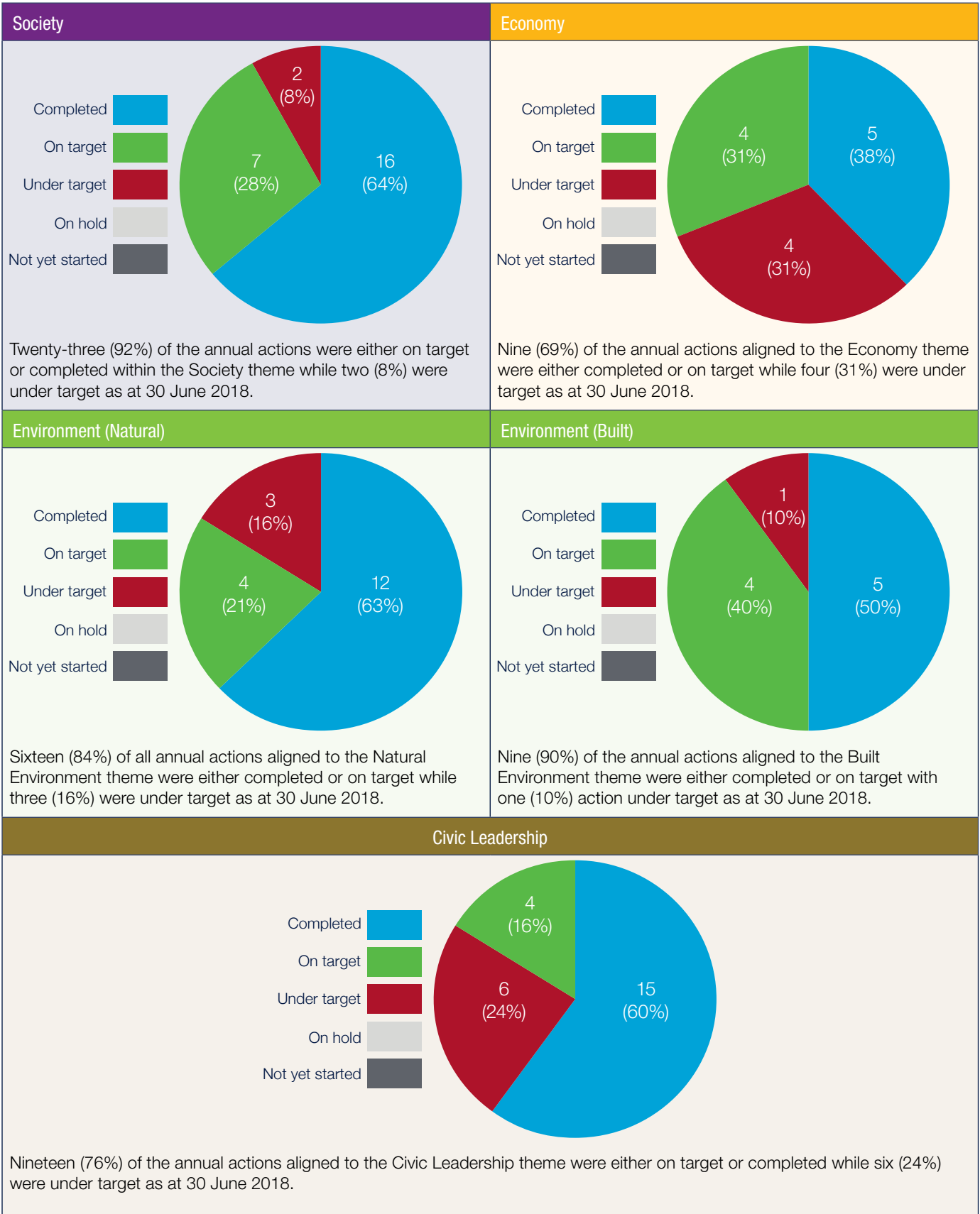
Annual Action Status as at 30 June 2018



Twenty-three (25%) of this year's annual actions were on track while 53 (58%) have been completed. Sixteen (17%) of the annual actions are under target.

Performance on strategic themes

The dashboards below illustrate how the City has performed against each of the Strategic Community Plan themes of Society, Economy, Environment and Civic Leadership.



More details can be found on **pages 138, 147, 162 and 178**.



Financial performance summary

The 2017/18 financial results reflect strong and sustainable performance.

The City achieved an operational surplus of \$12.1 million in 2017/18—\$4.2 million higher than the previous year. This result was primarily driven by an increase in income, reflecting growth in the number of rateable properties, additional grants and higher interest earnings, together with a decrease in expenditure reflecting reduced employee costs and depreciation.

The City's net assets decreased in value by \$176.7 million to approximately \$2.6 billion. This was a result of the City's property, plant and equipment assets being revalued during the financial year. The City's balance

sheet remains robust with cash and investments totalling \$393.5 million against total liabilities of \$109.6 million.

The following information presents a summary of financial results for 2017/18.

All operating budget figures are in accordance with the original adopted annual budget and all budgeted capital expenditures are in accordance with the revised budget.

Full details of the City's audited annual financial statements can be found starting on **page 196**.

Financial snapshot

Result from operations improved by 53.1% (\$4.2 million) to \$12.1 million surplus

Operating revenues increased by 1.9% (\$3.5 million) to \$188.4 million

Rates revenue (80% of operating revenues) increased by 6.0% (\$8.6 million) to \$151.7 million

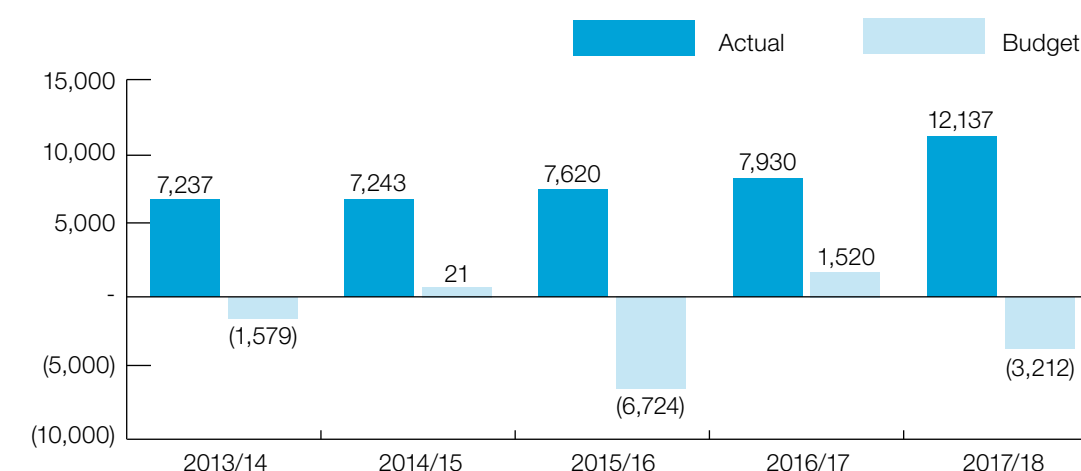
Operating expenses decreased by 0.4% (\$0.7 million) to \$176.2 million

Net assets decreased by 6.3% (\$176.6 million) to \$2.6 billion

Cash & investments increased by 4.3% (\$16.2 million) to \$393.5 million

Capital projects expenditure decreased by 22% (\$14.6 million) to \$53.1 million

Result from operations

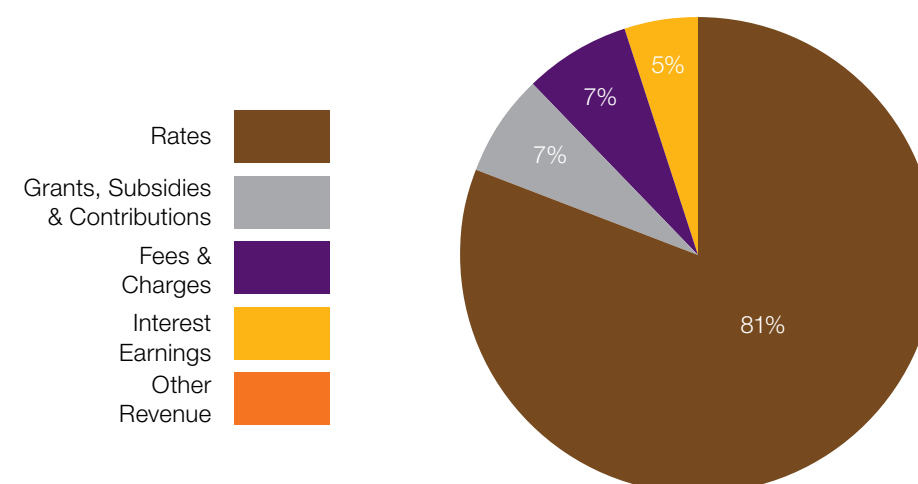


The result from operations graph shows stable financial results achieved through an increase in income and cost containing programs. Reasons for significant variance to the budget in 2017/18 include the early partial receipt of the 2018/19 Financial Assistance Grant, decreased depreciation charges, lower than anticipated costs associated with material and contracts, savings in consulting fees and lower refuse expenses.

Operating revenue

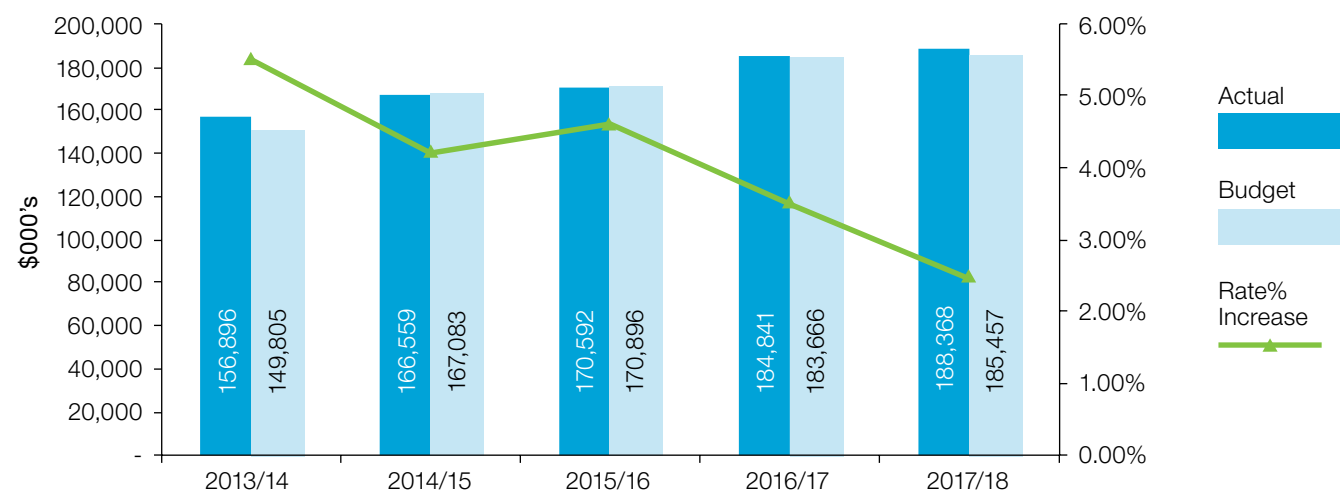
The City's revenue is derived from various sources, including rates, fees & charges, interest earnings, other revenue & grants, and subsidies & contributions. The breakdown is shown below.

Operating Revenues by Nature or Type



Operating revenue continues to track in line with budget despite the percentage increase (% increase) in annual rates falling over the past five years. This outcome resulted from an increased number of rateable properties (rates income increased in 2017/18 by \$8.6 million) and improved operational management in the City. Operating revenue has also experienced increases in the past two years due to the early partial receipts of Financial Assistance Grants from the Department of Local Government, Sport and Cultural Industries (DLGSC), which accounted for \$3.5 million in 2017/18.

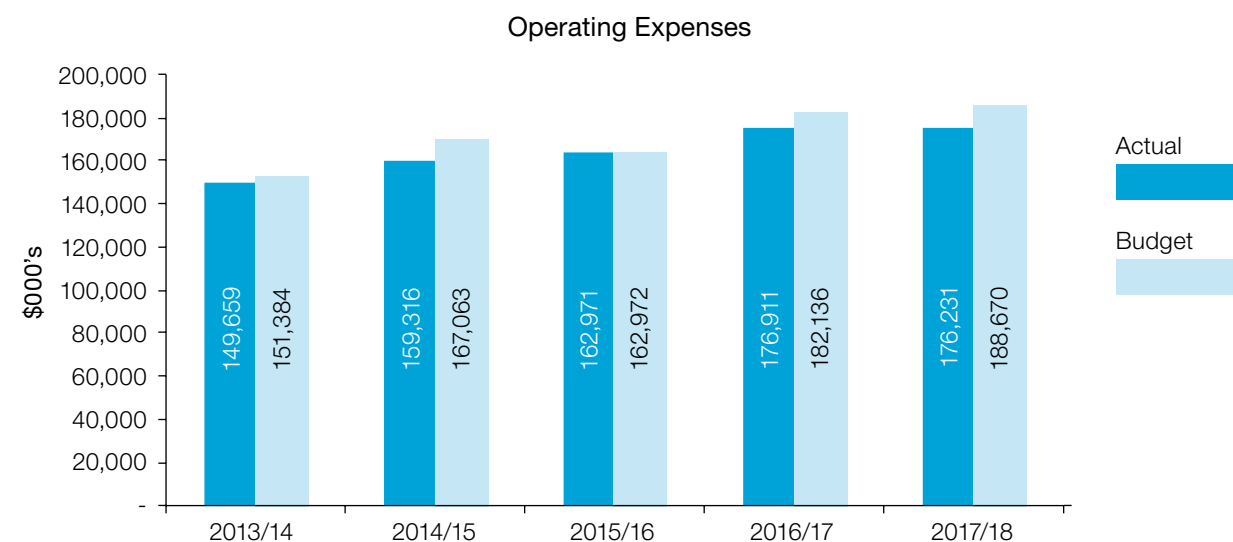
More than 81% of the City's operating revenue is attributable to rates. While the proportion of rates income is consistent with previous years, there is a greater focus on increasing alternative revenue sources through grants, subsidies & contributions and fees & charges. Initiatives currently in place to assist with this intent include our proactive work to secure grant funding to support delivery of the City's projects, our establishment of a Revenue Review Committee and a review of all fees & charges (in conjunction with determining accurate costs of services).



Operating expenses

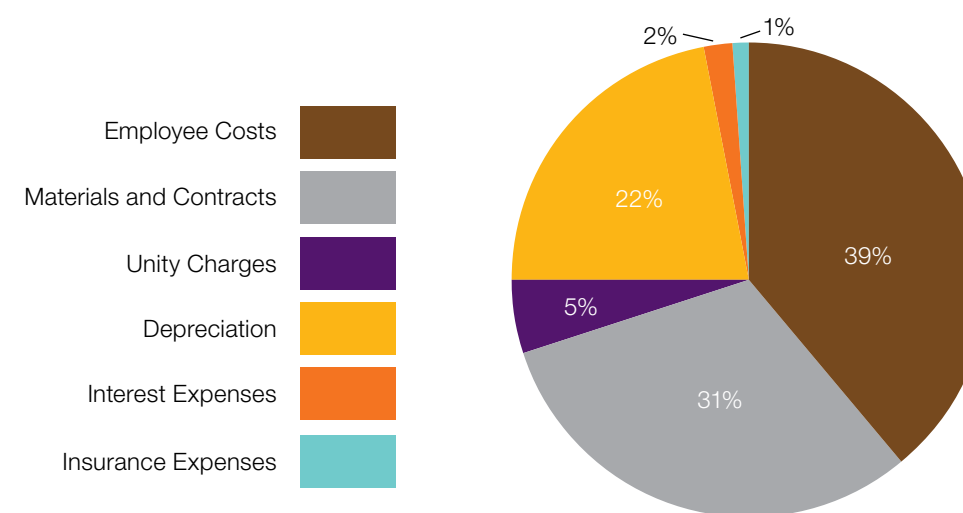
Operating expenses consist of employee costs, materials & contracts, utilities, depreciation, interest expenses and insurance. The breakdown is shown as follows:

Operating expenses over the past five years have been tracking below budget with moderate increases from year to year. The achievement of operating expenditure remaining below budget is a result of containing costs through the introduction of cost-saving initiatives and processes across the City. The achievement of lower operating expenditure in 2017/18 was mainly due to containing expenses in materials & contracts with more significant reductions within consultancy fees due to lower than anticipated requirements, lower refuse expenses and a decrease in depreciation charges. Additionally, employee costs decreased in 2017/18 as a result of the reduction in workers' compensation insurance provisions following considerable improvement in injury management at the City over the past two years.



Ninety-two per cent of the City's operating expenses are captured within three categories: employee costs, materials & contracts and depreciation. In reviewing the results of the three categories—and when compared to recent financial years—they remain consistent and are reflective of the City's continued and stable levels of growth.

Operating Expenses by Nature or Type



Statement of financial position

Description	2013/14	2014/15	2015/16	2016/17	2017/18		Variance
	Actual \$'000	Actual \$'000	Actual \$'000	Actual \$'000	Budget \$'000	Actual \$'000	% to actual
Total assets	1,852,617	2,364,686	2,477,868	2,911,518	2,328,992	2,731,825	-6.2
Total liabilities	92,874	97,386	101,916	112,630	97,636	109,637	-2.7
Net assets	1,759,743	2,267,300	2,375,952	2,798,888	2,231,356	2,622,189	-6.3

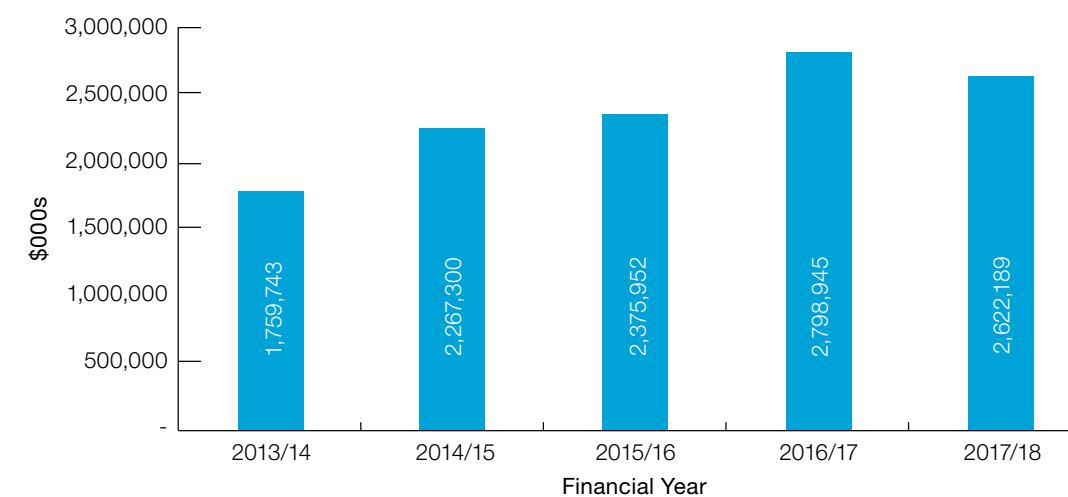
A decrease in assets is the result of revaluations of property plant and equipment.

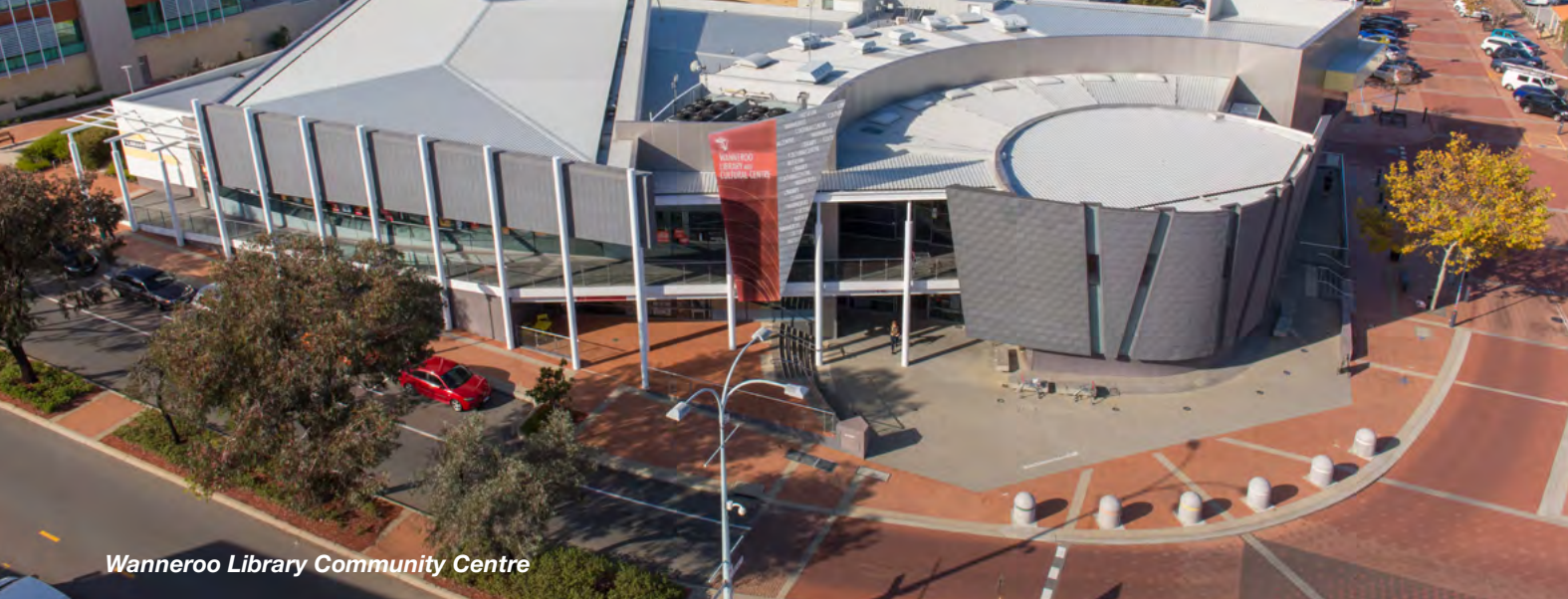
Total liabilities have experienced moderate increases over the past few years though in 2017/18 there was a decrease of 2.7% as a result of continued improved management of provisions.

It is noted that while \$53.1 million was spent on capital programs in 2017/18, an additional \$21.4 million of infrastructure assets were constructed by developers as part of subdivisional development and handed over to the City. Developer-contributed assets included roads, pathways, stormwater drainage and parks (the upkeep and maintenance of which is now the City's responsibility).

Net Assets 5-Year trend comparison

Capital expenditure

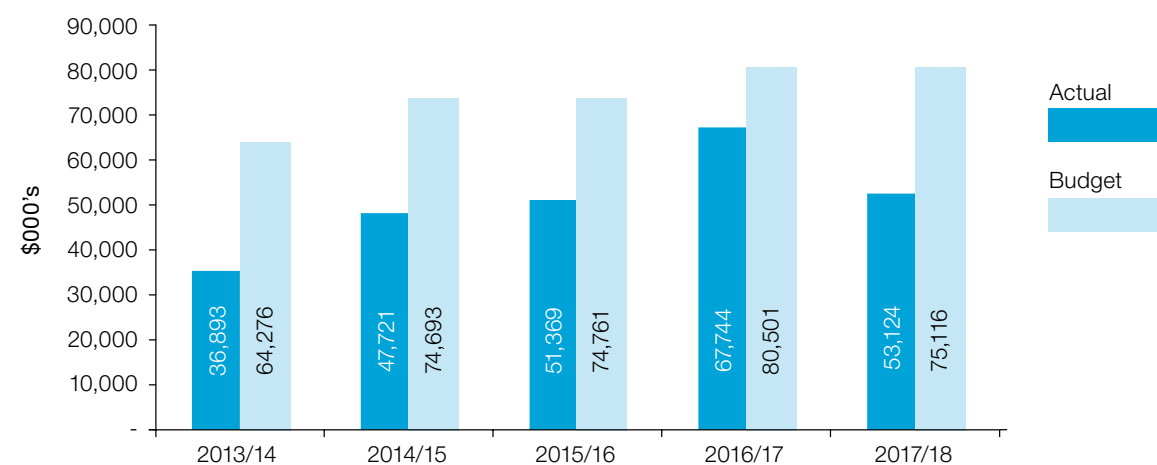




Wanneroo Library Community Centre

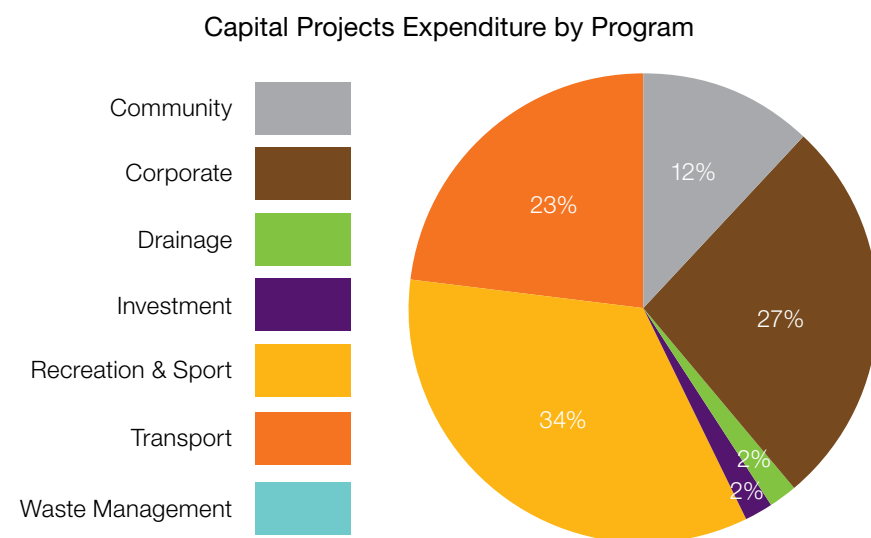


Yellagonga Regional Park



Capital spend has been tracking below budget in the past five years. The capital program is developed with the aim of balancing the demands for new infrastructure against the need to maintain, renew, upgrade and replace existing assets. In 2017/18, capital expenditure was \$53.1 million against a revised budget of \$75.1 million. This reflects slippage in a number of projects including: light vehicle plant replacement (\$0.99 million); Kingsway Olympic Sports clubrooms (\$0.97 million); and Enterprise Finance System renewal (\$1 million). While \$83.24 million reflects the original adopted budget, it should be noted that changes made to capital budgets throughout the year resulted in a revised total budget of \$75.1 million. Of the revised budget of \$75.1 million, an estimated \$16.2 million was carried forward to 2018/19.

The following table illustrates the capital spend aligned to financial programs.



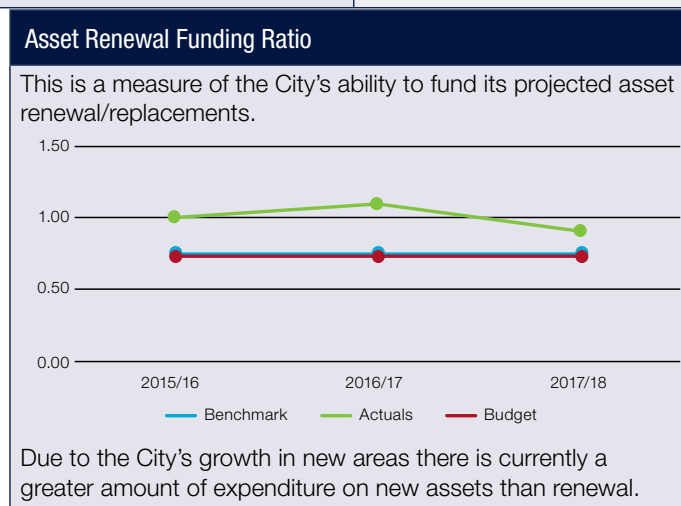
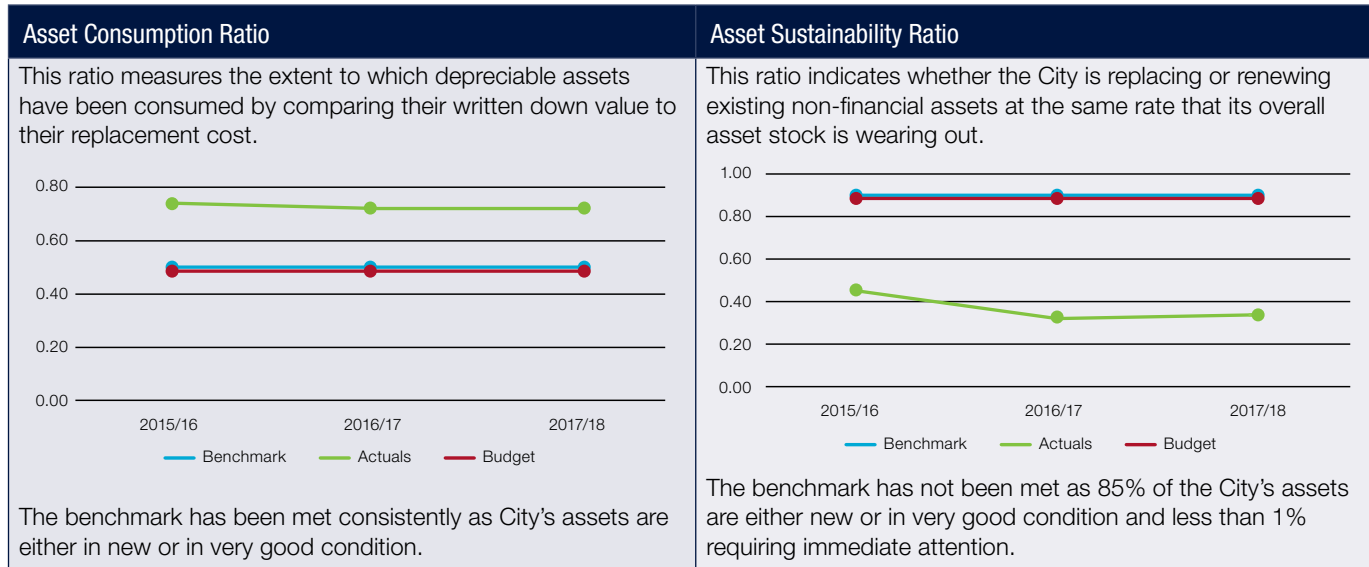
The two main categories of capital project expenditure relate to transport, and recreation & sport (totalling 57%). The corporate category reflects the extension of the Civic Centre administration building.

Financial Ratios





Lion dancers at Global Beats & Eats Festival



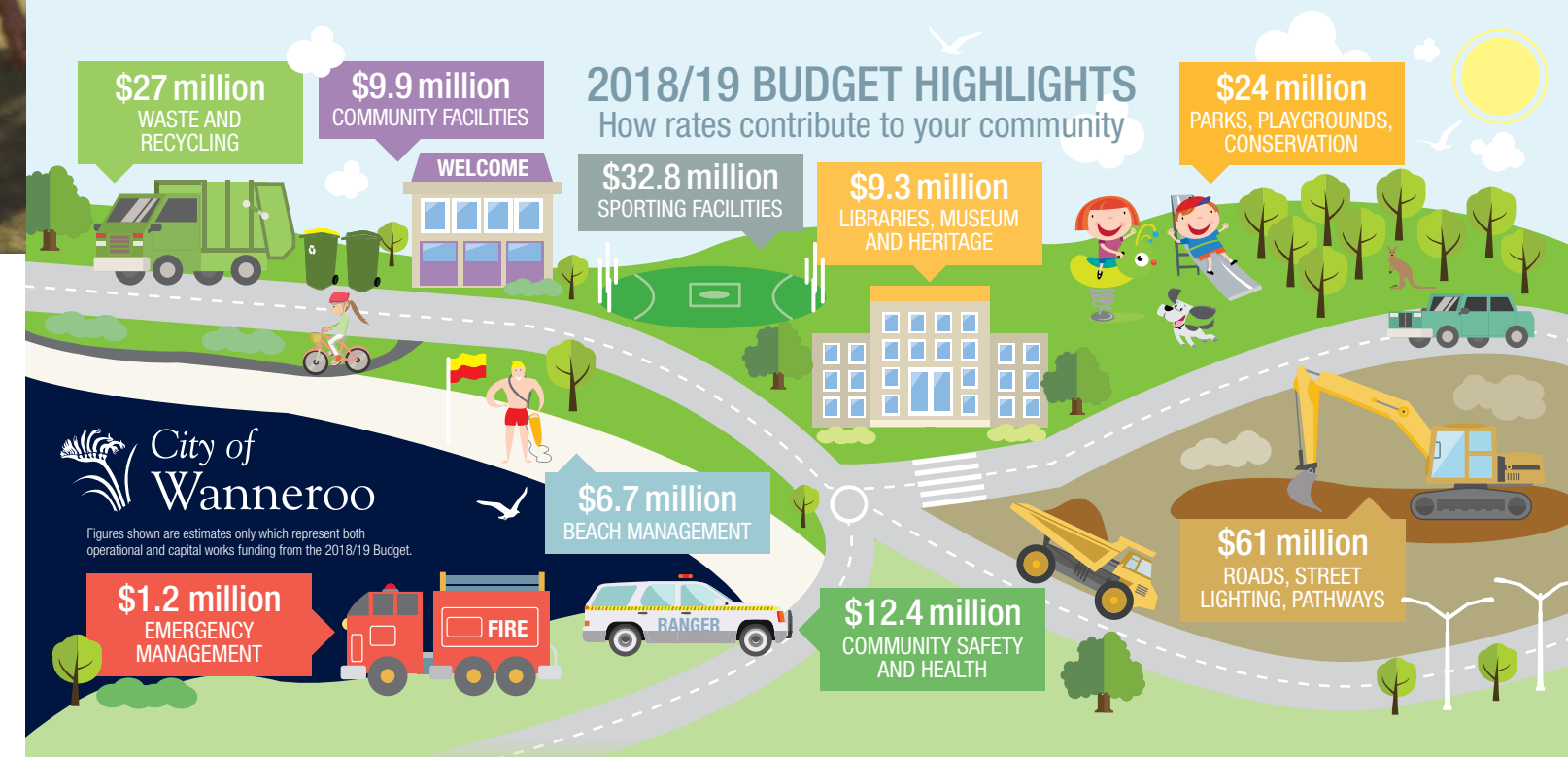
More details can be found in the City's Long Term Financial Plan 2017/18 – 2036/37.
http://www.wanneroo.wa.gov.au/downloads/file/3250/long_term_financial_plan_201718_-_203637

Looking ahead

The City continues to ensure that resources are appropriately aligned to community priorities as set out in the strategic plan.

Our two-yearly Community Perceptions Survey, which was conducted in 2016/17, identified the following areas as key priorities of our community:

- » playgrounds, parks and reserves
- » streetscapes
- » safety and security
- » traffic management
- » footpaths and cycleway
- » sport and recreation facilities.



The City's \$67.2 million capital works program is well aligned to community priorities with some of the biggest spending being for new and upgraded community buildings (\$1.3 million), sporting facilities (\$16 million) and roadworks (\$24.5 million).

As one of WA's fastest growing local government areas, we are building new facilities and infrastructure while also maintaining and upgrading

existing buildings and infrastructure. As such, more than \$1.5 million is earmarked for traffic treatments on local roads. Another \$2.8 million will be spent on park rehabilitation and renewing furniture and equipment, \$1 million on improving public golf courses and \$1.3 million on upgrading street lighting and stormwater drainage. The focus is on more efficient service delivery and sustainable solutions to efficiently

and effectively manage ongoing costs. The result is that this year's increase in residential rates averaged just 2.49% across the City.

The corporate plan and 20-year Long Term Financial Plan collectively affirm the City's alignment with community priorities. These are reviewed annually as part of the integrated planning process to balance priorities and resourcing requirements.

Details of the City's community perception survey can be found on **page 115**.

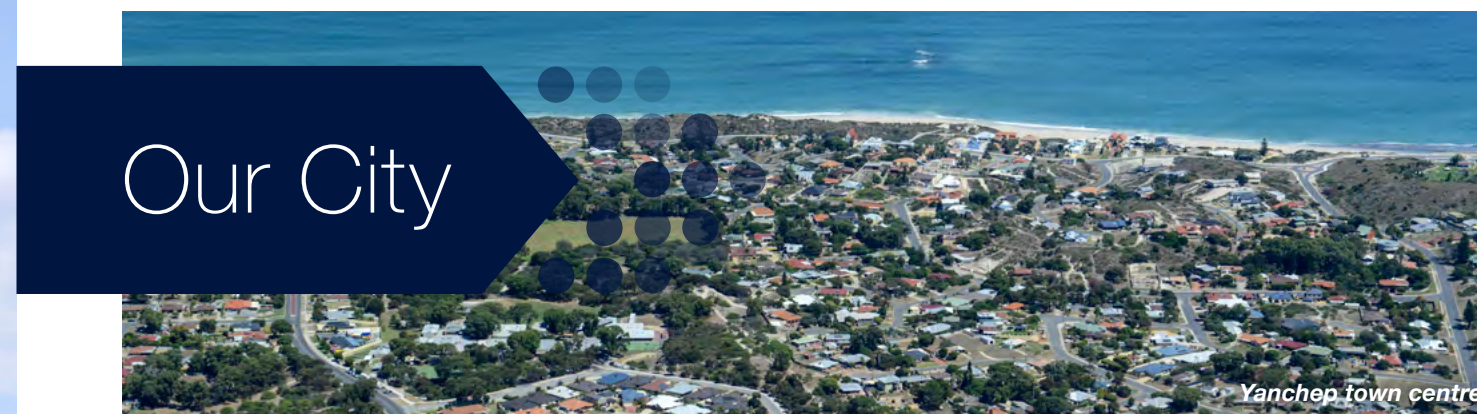


Marmion Avenue – upgrade to dual carriageway from Butler Boulevard to Yanchep Beach Road

Top capital projects for 2018/19

Project	2018/19 Budget \$'000
Kingsway Olympic Sports clubrooms, Madeley – new change rooms and grandstand	2,488
Butler North District Open Space – new sports facilities	4,159
Edgar Griffiths Park, Wanneroo – new sports amenities building	1,650
Kingsway Netball clubrooms, Madeley – upgrade building	993
Hudson Park, Girrawheen – upgrade Dennis Cooley Pavilion	1,135
John Moloney Park, Marangaroo – upgrade sports floodlighting	694
Carramar Golf Course, Carramar – renew main and arterial reticulation lines	1,341
Neerabup Industrial Area – new industrial area development	765
Quinns Beach, Quinns Rocks – new long-term coastal management works	3,467
Neerabup Industrial Area – upgrade roads and services infrastructure	1,658
Mirrabooka Avenue, Landsdale – upgrade to dual carriageway from Hepburn Avenue to Gnangara Road	2,530
Pinjar Road, Banksia Grove – upgrade to dual carriageway from Blackberry Drive to Joondalup Drive	2,122
Marmion Avenue – upgrade to dual carriageway from Butler Boulevard to Yanchep Beach Road	12,175
Total	35,177

These capital projects have been identified as significant for the City and monthly reports on their progress will be provided to the Council throughout 2018/19.



Yanchep town centre



Yanchep National Park



Mindarie Marina



Alkimos beach



Clarkson business centre



Neerabup industrial area

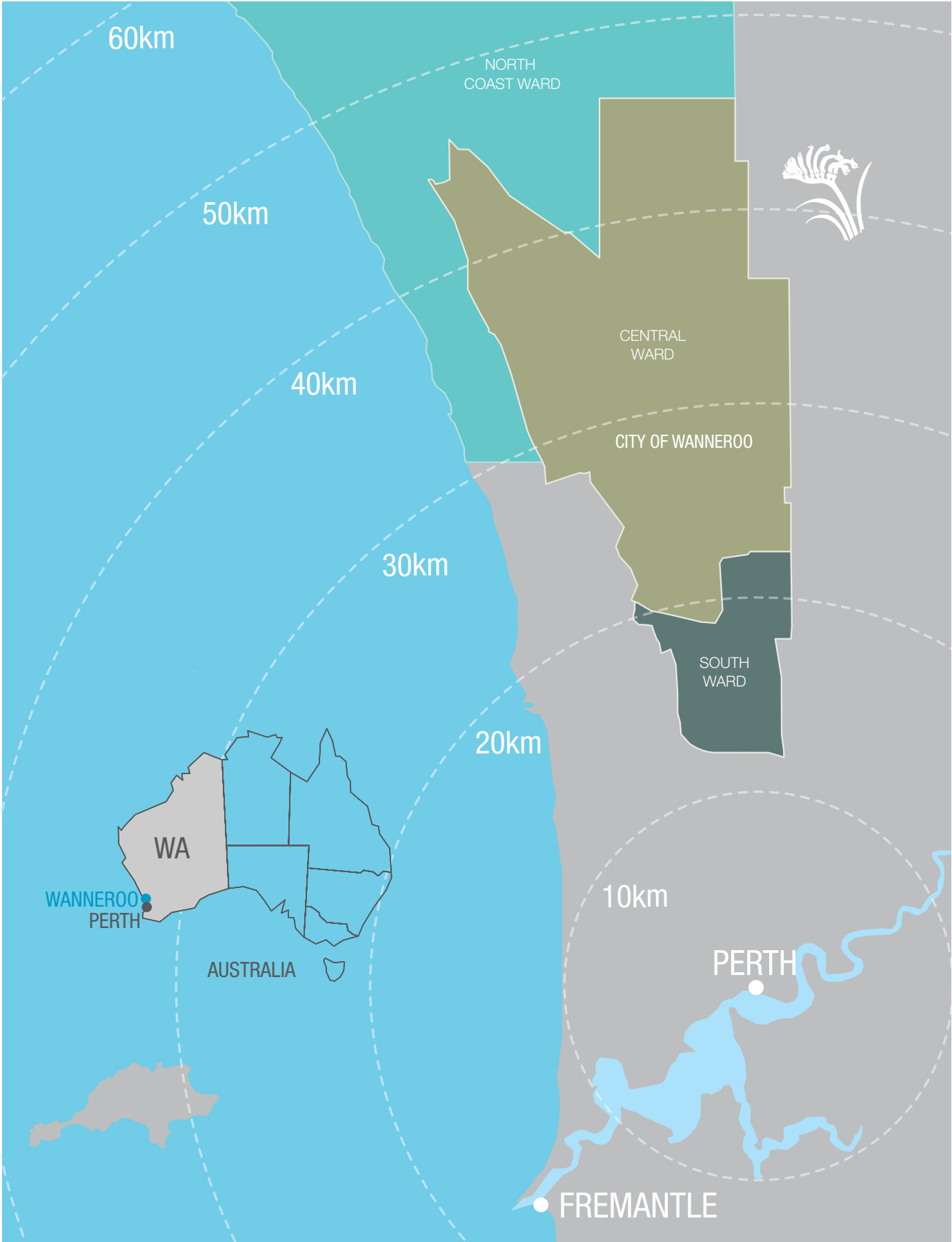


Wanneroo town centre and Lake Joondalup



Wangara

Our City is demographically represented by Elected Members across three wards – North Coast, Central and South.



City profile

The City of Wanneroo lies on the north-eastern urban fringe of the Perth metropolitan area, about 12km from the Perth CBD at its nearest point and 62km at its farthest point.







The City is bounded by the Shire of Gingin in the north, the Shire of Chittering and the City of Swan in the east, the City of Stirling in the south, and the City of Joondalup and the Indian Ocean in the west.

It is one of WA's fastest growing local government areas and has consistently been chosen by many as a preferred place to live and do business.



The City is characterised by a diverse mix of urban, rural and industrial land uses, as well as a significant area of natural bushland and state forest, including Yanchep National Park, Neerabup National Park and Yellagonga Regional Park. A natural wetland system runs through the City, dominated by the pristine Lake Joondalup that separates the City of Wanneroo from the City of Joondalup. Urban land is predominantly residential, with a number of commercial centres providing jobs and services, along with the established industrial centre of Wangara and the newly emerging Neerabup Industrial Area site.



Society

 RESIDENTIAL POPULATION 199,882	 41% OF RESIDENTS BORN OVERSEAS	 33yrs MEDIAN AGE OF RESIDENTS (2016)
<p>Between 2001 and 2017, the population grew from 80,400 to 199,882. The forecast for 2018 is 212,096 and for 2041 is 412,996 (up 95%).</p> <p>There will be 150,000 dwellings with about 20 new residents moving to the City each day.</p> <p>Most of the growth is expected to occur in:</p> <ul style="list-style-type: none"> » coastal areas – Alkimos, Eglinton, Yanchep and Two Rocks (+110,000 people) » East Wanneroo – Gnangara, Jandabup, Mariginiup and Wanneroo (+57,000 people) 	<p>Our diversity is characterised by a high proportion of the population born overseas:</p> <ul style="list-style-type: none"> » UK (16%) » New Zealand (4%) » South Africa (3%) » Vietnam (2%) » India (2%) » Other countries (14%) 	<ul style="list-style-type: none"> » The Indigenous population makes up 1.4% of the whole » 30% of residents are aged under 20 » 14% of residents are aged 60 or more » 40% of households are made up of couples with children » Each dwelling is home to an average of 3 people » The median weekly household income is \$1,692 » The number of employed residents is 97,370
 4 LIBRARIES	 2 MAJOR RECREATION CENTRES	 4 REGIONAL COMMUNITY FACILITIES
<ul style="list-style-type: none"> » Girrawheen » Wanneroo » Clarkson » Two Rocks » Alkimos (pop-up library) 	<ul style="list-style-type: none"> » Wanneroo Aquamotion » Kingsway Indoor Recreation Centre » Regional and district playing fields 	<ul style="list-style-type: none"> » Marangaroo Golf Course » Carramar Golf Course » Kingsway Regional Sporting Complex » Wanneroo Showgrounds <p>18 community centres</p> <p>16 clubrooms/pavilions</p> <p>3 youth centres (Clarkson, Wanneroo and Hainsworth)</p>

Economy

 LOCAL INDUSTRY CREATED \$4674M	 LOCAL JOBS 55,704	 7 MAJOR ACTIVITY CENTRES
<ul style="list-style-type: none"> » The top 3 industries are construction, manufacturing and retail. » Construction is the most productive industry, generating \$837 million in 2016/17. » Manufacturing created \$744 million value added to the economy 	<p>Construction was the largest employer, generating 11,073 (19.9%) local jobs followed by retail with 7,136 (12.9%), and education and training with 6,100 (11%).</p>	<p>Secondary centres:</p> <ul style="list-style-type: none"> » Clarkson (Ocean Keys), Wanneroo. <p>District Centres:</p> <ul style="list-style-type: none"> » Alexander Heights, Butler (Brighton), Girrawheen (Newpark), Madeley (Kingsway City), Neerabup (Banksia Grove) <p>Future Strategic Metropolitan Centre:</p> <ul style="list-style-type: none"> » Yanchep <p>30+ smaller local and neighbourhood centres</p>
 2016 GROSS REGIONAL PRODUCT (GRP) LAND AREA \$6.88 Billion	 2 MAJOR INDUSTRIAL AREAS	 3 MAJOR RETAIL CENTRES
<p>The City's gross regional product of \$6.88 billion represents 2.9% of the gross state product.</p> <p>The City's GRP grew by 0.2% since the previous year.</p>	<p>The two major industrial areas are Wangara (including Landsdale) and Neerabup.</p> <p>Our commercial and industrial areas are well located on major transport routes, including Wanneroo Road, Marmion Avenue, Gnangara Road and Ocean Reef Road.</p> <p>They also have strong regional connections, particularly to Joondalup Regional Centre, and easy access to the Perth CBD and Great Northern Highway (to access the north of the state).</p>	<ul style="list-style-type: none"> » Ocean Keys » Kingsway City » Wanneroo Town Centre
 SPECIALISED INDUSTRY	 1662 KM OF ROADS AND 1275KM OF PATHWAYS	 LOCAL BUSINESSES 12,750
<p>Job creation and economic activity is concentrated in:</p> <ul style="list-style-type: none"> » agribusiness (primary production) » tourism (predominantly coastal) » commercial fishing (Two Rocks and Mindarie). 	<p>The City is served by two north-south arterial roads—Wanneroo Road and Marmion Avenue. The two roads run parallel to each other through Wanneroo's eastern and western suburbs, respectively.</p> <p>A third north-south arterial route, the Mitchell Freeway, has been extended by 6km from Burns Beach Road through to Hester Avenue.</p> <p>The City has two railway stations (Clarkson and Butler). Following the 2017 state elections, the Joondalup line is due to be extended from Butler to Yanchep with stations at Eglinton, Alkimos and Yanchep. The extension is due for completion in 2022.</p>	<p>Wanneroo is a place of opportunity for business, with the Clarkson and Wanneroo secondary centres providing strong retail and associated employment opportunities, and the Wangara Industrial Area providing a hub for office headquarters, showrooms and manufacturing.</p> <p>Future growth will see new lifestyle and business opportunities in the rapidly growing coastal corridor and major emerging activity centres at Yanchep, Alkimos and Neerabup.</p>




Environment



 **LAND AREA**
687km

 **COASTLINE**
32km²

 **SUBURBS**
36

 **556**
PARKS AND OPEN SPACES

The City's 687km² includes coastal plains, wetlands, market gardens, bush and wineries. Most of the rural areas are in the north and east. Rural land is used mainly for horticulture, agriculture and quarrying.

Further urban centres are planned at Alkimos, Yanchep and Two Rocks to coincide with projected rapid expansion and development. The City is also home to the Yanchep and Neerabup National Parks, as well as the Neerabup Industrial Area.

The City's three wards include the following suburbs:

» **North Coast Ward:** Alkimos, Butler, Clarkson, Eglinton, Jindalee, Merriwa, Mindarie, Quinns Rocks, Ridgewood, Tamala Park, Two Rocks and Yanchep

» **Central Ward:** Ashby, Banksia Grove, Carabooda, Carramar, Hocking, Jandabup, Mariginiup, Neerabup, Nowergup, Pinjar, Pearsall, Sinagra, Tapping and Wanneroo

» **South Ward:** Alexander Heights, Darch, Girrawheen, Gngara, Koondoola, Landsdale, Madeley, Marangaroo, Wangara and part of Woodvale.

A total of 556 parks and open space areas totalling 2,576 hectares which includes 40 active parks.



Lime Kilns Emerald Reserve



Cockman House



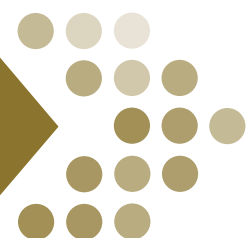
Mary Lindsay Homestead and Reserve



Linhay Perrys Cottage



Civic Leadership



 **15**
ELECTED MEMBERS

 **9**
COMMITTEES

 **15**
EXTERNAL WORKING GROUPS

 **13**
INTERNAL WORKING GROUPS



Source: All data is sourced from the City's Community Profile, Economic Profile and Population Forecasts (http://www.wanneroo.wa.gov.au/info/20003/council/18/city_of_wanneroo_statistics), which are based on ABS Census 2016 and Population Forecasts data prepared by .id, October 2017.



Wanneroo War Memorial



Yaberoo Budjara Heritage Trail



Yanchep National Park



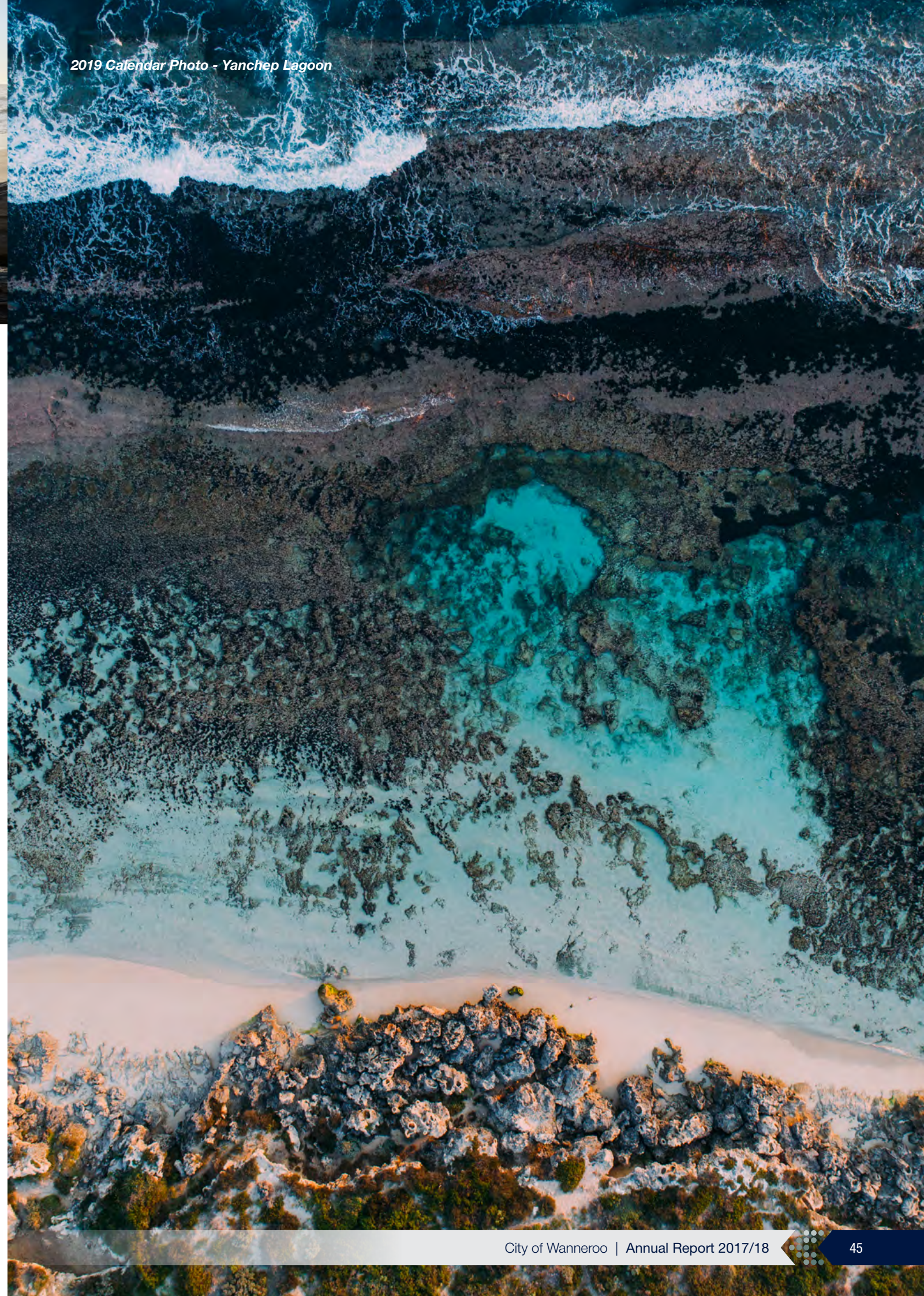
Wanneroo Regional Museum



Atlantis Marine Park



Alex T Brown Shipwreck



2019 Calendar Photo - Yanchep Lagoon

History

First recognised as a Roads District in 1902, the Wanneroo District held its first elections and Road Board Meeting in January 1903. In 1961, the Wanneroo Road Board became the Shire of Wanneroo and in 1985, the City of Wanneroo.

In 1998, the City was divided into the Shire of Wanneroo and the City of Joondalup and became a City again in the same year only to relinquish that status later in 1998 when Wanneroo and Joondalup split. In 1999, Wanneroo finally regained its City status and operated as a separate local government area from the City of Joondalup. The inaugural Council of the new City of Wanneroo was elected on 11 December 1999, with a Mayor and 14 ward Councillors.

The area encompassed by the City has a significant Aboriginal cultural history. In Noongar Boodjar (country), there are 14 language groups. Wanneroo is situated in Whadjuk country. The word Wanneroo comes from the Noongar words 'Wanna', meaning digging stick used by Aboriginal women, and 'Roo' meaning 'the place of'.

At the time of early European settlement, the Swan River had divided the Whadjuk people into four resident groups, each with its own territory. These were described by the then imprisoned Aboriginal resistance leader Yagan in 1832 during an interview with writer Robert Lyon:

- » Beeliar – led by Midgegooroo, father of Yagan, were south of the Swan River and south-west of the Canning River
- » Beeloo – led by Munday, were in the region south of the Swan and north-east of the Canning to the Helena River
- » Mooro – led by Yellagonga, north of the Swan River and east to 'Ellen's Brook'

'Mountain tribe' (Noongar name unknown) – led by Weeip, in the Darling Range (north-east of Beeloo and east of Mooro), (Green, 1984).

Wanneroo is part of Mooro Country, the district of Yellagonga, an important Noongar Elder and leader. The Mooro people used the lakes and surrounds as camping, social and ceremonial areas and as an important source of food. The lake areas were used as rest points between the foothills and the ocean, and between Mt Eliza (Kings Park) and the Moore River, as Mooro people moved according to season.

Wanneroo's lakes, caves and coastline are part of Dreaming stories that remain important to Noongar people today. Many Dreaming stories explain how local landforms and animals came to be created.

Like the Noongar people, the new settlers used the natural resources of the 'lakes districts' to sustain them and by 1872 there were 60

new families in the area. The City had a population of 100 people at the time of its establishment as a Roads Board in 1902, growing to 1,100 in 1950, 8,000 in 1970, 80,000 in 2001 and 195,253 in 2016. Over the past 14 years, the population has more than doubled to over 210,000.

The area is rich in history and proud of its heritage, with a number of original buildings and sites, including:

- » Atlantis Marine Park
- » Buckingham House and Old Wanneroo School House
- » Cockman House
- » Cooper's Lime Kilns
- » Fisherman's Hollow
- » Leeman's Landing Monument
- » Lime Kilns – Emerald Reserve
- » Mary Lindsay Homestead
- » Perry's Paddock
- » Wanneroo Showgrounds
- » Wanneroo War Memorial
- » Yanchep National Park
- » Yanchep War Memorial (Yanchep National Park)
- » Yellagonga Regional Park.

(Source: Discover Wanneroo)

City services and activities

The City provides a wide range of services and activities to the local community, ranging from library services to waste management and town planning. These services meet local community needs and support the priorities of the strategic plan. The City also delivers a range of internal functions that act to support and strengthen service delivery.

In addition to these services, the City delivers specific operating and capital works projects and actions. Some of these are key drivers to support service delivery planning; others are one-off actions to meet the priorities and objectives of the strategic plan.



SOCIETY

- Community Services
- Community Development and Engagement
- Community Recreation Programs and Facilities
- Library Services
- Cultural Services and Facilities
- Community Safety and Emergency Management
- Environmental Health Services

ECONOMY

- Industry Diversification
- Employment Locations
- Investment Attraction
- Advocacy
- Business Support And Workforce Development
- Tourism

ENVIRONMENT (NATURAL & BUILT)

- | | |
|-----------------------------------|----------------------------------|
| Environmental Management Planning | Future Land Use Planning |
| Environmental Compliance | Planning and Building Approvals |
| Natural And Conservation Areas | Planning and Building Compliance |
| Waste Management | Plan Community Infrastructure |
| | Deliver Community Infrastructure |
| | Asset Maintenance |
| | Property Services |
| | Parks and Recreation Areas |

CIVIC LEADERSHIP

- Strategic and Operational Planning and Improvement
- Human Resource Management
- Strategic and Transactional Finance
- Governance and Legal Support
- Council and Corporate Administrative Support
- Marketing and Communications
- Information Technology and Communications

Governance



As one of Australia's three tiers of government (federal, state and local), local government most closely affects the daily lives of people. This third tier of government is referred to as councils, shires or local governments.

The City of Wanneroo is one of 139 local governments in WA operating in accordance with the Local Government Act 1995. The Act sets out a system of local government by providing for Elected Members to form a Council, describing the functions of local governments, providing for the conduct of elections and polls, and providing a framework for the administration and financial management of local government, including accountability and transparency. While multiple Acts are referenced throughout this report, references to 'the Act' refer to the *Local Government Act 1995*.

Further reading

The *Local Government Act 1995* can be downloaded from the State Law Publisher at: legislation.wa.gov.au

Democratic governance

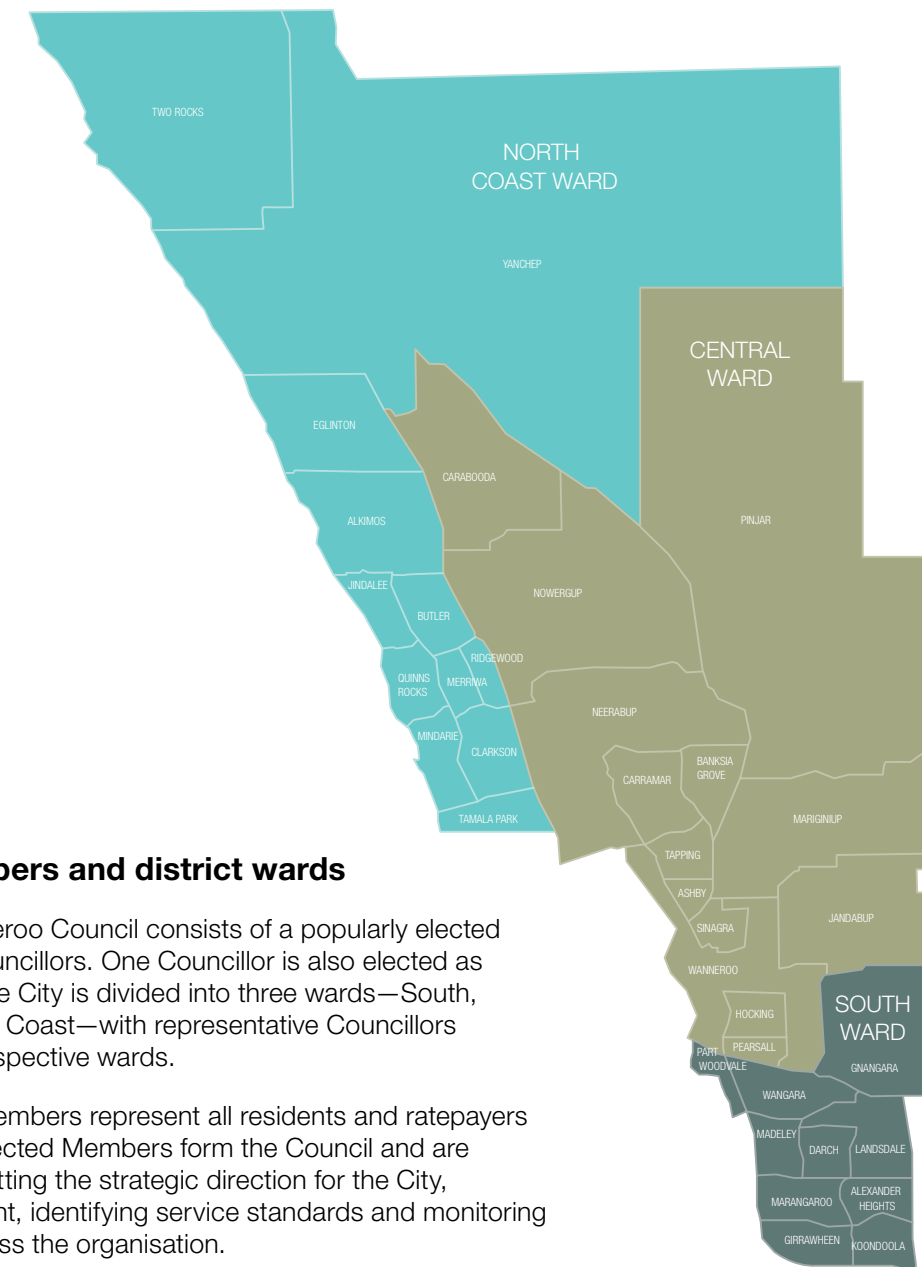
Governance is the system and structures by which local governments are directed and controlled. It is the process of governing (formal or informal) by which the Council makes decisions; distributes and exercises authority and power; determines strategic goals; develops institutional rules; and assigns responsibility for those matters.

Governance involves a focus on the clarity of roles and responsibilities, which support accountability (internal and external) and public access to decision-making and information.

Benefits of effective governance include:

- » improved communication
- » sustainability and growth
- » attracting funding
- » appeal to insurers
- » improved services
- » enhanced reputation.

Democratic governance is the process by which democratically elected governments undertake their duty of governing for and on behalf of their constituents and the community as a whole. This is essential to an understanding of good governance in the local government context.



Elected Members and district wards

The City of Wanneroo Council consists of a popularly elected Mayor and 14 Councillors. One Councillor is also elected as Deputy Mayor. The City is divided into three wards—South, Central and North Coast—with representative Councillors elected to their respective wards.

The 15 Elected Members represent all residents and ratepayers within the City. Elected Members form the Council and are responsible for setting the strategic direction for the City, policy development, identifying service standards and monitoring performance across the organisation.



Australia Day Award Winners



Mayor Tracey Roberts JP

Elected Mayor in 2011 and re-elected in 2015.

Mayor Tracey Roberts was elected Mayor in 2011 and re-elected in 2015.

Tracey is a passionate and active community member, committed to supporting safe, connected communities for residents and visitors to enjoy. She maintains a very strong focus on community engagement, economic development, lifestyle impact and choice for the City's 210,000 residents.

Tracey is a full-time Mayor who is intensely involved in the strategic leadership of the City, including resource allocation and financial management of the City's \$200 million budget and \$3 billion of assets.

Tracey consistently advocates for local employment opportunities, community safety and the infrastructure required to service the City's large growing population. This is supported by her commitment to delivering quality local facilities and services for residents.

Tracey is Patron and committee member of many organisations, clubs and volunteer groups.

She is proud of the City, its heritage and of the Pioneers whose hard work, resilience and determination laid the foundation for what has become one of Australia's largest growing cities.



1. Butler Train Station 2. Breast Screen WA Bus visit to Butler 3. Book Week @ Girrawheen Library 4. Beach Access wheelchair at Quinns Mindarie Lifesaving Club 5. Bowling with the Wanneroo Rainbow Guides 6. Blessing of the Roads 7. Launch of free annual park pass program for Yanchep National Park 8. Girrawheen Hub official opening 9. Opening of the Noongar 6 Seasons walking trail

North Coast Ward



Cr Natalie Sangalli

Elected in 2015 and elected Deputy Mayor in 2017.

Cr Natalie Sangalli was elected to the Council in 2015 and elected Deputy Mayor in 2017.

A lifelong resident of the North Coast Ward, Nat is passionate about her community and is an ardent supporter of heritage and environmental preservation, especially coastal erosion and management, and community safety initiatives.

As a full-time councillor, she is a strong voice for residents, helping to create greater understanding of government processes while promoting robust dialogue between the community and the City. She works to ensure the timely delivery of services and infrastructure for the developing and growing suburbs of the north coast corridor.

Nat is working to extend the freeway to Romeo Road, widen Marmion Avenue, deliver a 50m pool to service the north coastal suburbs, and extend the rail line to Yanchep.

She is a member of Two Rocks Yanchep Residents Association, Quinns Rocks Environmental Group, Quinns District Netball Club, Quinns Rocks Sports Club, Harbourside Village Mindarie, Yanchep Community Men's Shed, Two Rocks Yanchep Assisted Cancer Travel, Northern Suburbs Women's Friendship Group, Yanchep Two Rocks Tourism Network, and H.A.N.D. North of the River Inc.

As well as volunteering in the local community, Nat participates in Camp Quality fundraisers throughout the year, supporting children and families affected by childhood cancer.



Cr Linda Aitken JP

Elected in 2013.

Cr Linda Aitken was elected to Council in 2013 and re-elected in 2017. Linda is passionate about community and ensuring the City of Wanneroo is a great place to live and work. She sees sound management of the City's growth, including provision of local employment and the successful establishment of the Neerabup Industrial Area, as key to achieving this.

Linda continues to advocate for the extension of the freeway to Romeo Road, the widening of Marmion Avenue and safe traffic management around schools.

Linda is committed to helping the City become more efficient in its operations without compromising availability and quality of services for residents. She is particularly interested in ensuring support services for low income families and creative activities for young people remains a priority for the City of Wanneroo.

Linda is a board member of East Butler and Yanchep Lagoon primary schools and Yanchep College, and a member of the Wanneroo & Districts Historical Society. She is also a regular participant in Two Rocks Yanchep and Alkimos residents' association, and Yanchep Two Rocks Community Recreation Association.

In her free time, Linda enjoys volunteering with local community groups, singing in her local choir and travelling to explore other cultures.



Cr Sonet Coetzee

Elected in 2017.

Cr Sonet Coetzee was elected to the Council in 2017. Sonet is a strong advocate for family values and investing in the growth and development of our children while supporting those in the community who need it most.

Her priorities include: the extension of the Mitchell Freeway; widening of Marmion Avenue through to Yanchep; new and upgraded footpaths, cycleways and bus shelters, particularly along Marmion Avenue; a Day Centre Hospital in the City's northern suburbs; youth engagement; expanding the City's CCTV camera network; combating traffic congestion and hooning; establishing an aquatic facility in the North Coast Ward; and development of the Alkimos Surf Life Saving Club.

Sonet is an experienced small business owner, and is deeply involved in her local community through various community groups and committees, including Wanneroo Golf Club where she is Ladies Vice-President. In her free time, Sonet enjoys mountain biking and sailing with family and friends.



Official opening of the Yanchep Surf Life Saving Club

North Coast Ward



Cr Russell Driver

Elected in 2011.

Cr Russell Driver was elected to the Council in 2011. Russell is passionate about building a community for our children and our future. He believes schools, sports and social clubs need to develop with the City's population growth.



Cr Lewis Flood

Elected in 2017.

Cr Lewis Flood was elected to the Council in 2017. A resident of the North Coast Ward since 2000, Lewis is passionate about supporting local community groups and environmental protection and sustainability initiatives.

He is focused on delivering the Mitchell Freeway to Romeo Road in Alkimos; the widening of Marmion Avenue through to Yanchep; and the installation of traffic lights at the corner of Hester Avenue and Baltimore Parade, Merriwa.

Lewis is an advocate of further investment in local cycleway networks to ensure the City's 36 suburbs are more accessible for cyclists, and the construction of a 50-metre swimming pool in the City's northern suburbs.

Lewis also is a passionate campaigner for Clean Up Australia, organising clean-ups on the beaches and schools in the North Coast Ward. He is a member of the Quinns Rocks RSL and enjoys playing chess and making chessboards in his free time.



New fitness equipment installed in Alvarez Park, Tapping



Construction of car park at Lake Joondalup

Central Ward



Cr Frank Cvitan JP

Elected in 1999.

Cr Frank Cvitan was first elected to the Council in 1999 and again from 2011.

A resident of the City for more than five decades, Frank is committed to ensuring development across the City is underpinned by proper and orderly planning. East Wanneroo is of particular interest in this regard, where he has been working to ensure the sustainability of the area's wetlands, alongside development planning, since 2005.

Frank's goals include the continuing development and progress of Wanneroo Town Centre, full dualling of Wanneroo Road, extension of the rail line to Yanchep, a bypass for East Wanneroo, graffiti and crime prevention, traffic control for Joondalup Drive and the removal of the Wangara Peat Stockpile.

Additionally, Frank is advocating for the connection of the Central Ward and its residents to the wider Perth metropolitan rail network via a dedicated light rail solution.



Cr Samantha Fenn

Elected in 2015.

Cr Samantha Fenn was elected to the Council in 2015. Samantha is a strong advocate for sports, performing arts, community programs, robust planning and built form outcomes.

Her focus is ensuring support for the City's agricultural businesses and revitalisation of the Wanneroo City Centre while retaining links to the City's pioneering heritage. She is passionate about community engagement and ensuring residents have input to the City's priorities and outcomes.

Samantha is President of the Australian Local Government Women's Association (WA) and is a committee member of Tamala Park Regional Council, the Joondalup and Wanneroo Regional Multicultural Support Service and the Elderbloom Community Care Centres.

In her free time, Samantha enjoys playing golf.

Central Ward



Cr Paul Miles

Elected in 2017.

Councillor Paul Miles was first elected to the Council in 2007. Then in 2008, Paul was elected as a State Member of Parliament for the electorate of Wanneroo. In 2016, Paul was appointed Minister for Local Government; Communities; Youth; Seniors; Volunteering and Cemeteries. Following his time as Wanneroo MLA and Minister for Western Australia, Paul was re-elected to Council in October 2017.

Paul's focus remains on the redevelopment of the Wanneroo Town Centre, including the upgrade and expansion of Wanneroo Aquamotion to accommodate a 50m lap pool and more multisport training facilities at the Wanneroo Showgrounds.

Community safety, specifically improving safety in the City's streets and parks through new lighting, CCTV and accessibility initiatives, also remains a key priority for Paul.

Paul is a keen motorsport enthusiast and enjoys staying up-to-date with politics at the state, federal and international level.



Cr Dot Newton JP

Elected 2001.

Cr Dot Newton was first elected to the Council in 2001 and re-elected in 2005, 2009, 2013 and 2017. Dot is a staunch advocate for robust community consultation, supporting local businesses and striking a balance between development and protecting the environment.

Her priorities include the development of the Neerabup Industrial Area; expansion of the Wanneroo Town Centre; attracting investment throughout the City; and supporting our local growers and businesses, leading to employment opportunities. The Central Ward covers 14 suburbs and is very diverse, starting from Carabooda and Pinjar in the north and finishing at Pearsall in the south.

Dot is a keen advocate of community safety initiatives, including the planned expansion of the CCTV network, working collaboratively with police and increasing ranger resources, while also supporting our Emergency Volunteer and Road Safety programs.

When time permits, Dot enjoys reading, gardening, barefoot bowls and daily walks with her dog, Harley.



Grandis Park Pavilion



Conversion of tennis court to multi-sport court at Hudson Park Girrawheen

South Ward



Cr Denis Hayden

Elected in 2011.

Cr Denis Hayden was elected to the Council in October 2011. Denis is committed to community and public safety as well as reducing antisocial behaviour. He is also dedicated to providing support for youth in the community.



Cr Hugh Nguyen

Elected in 2013.

Cr Hugh Nguyen was elected to the Council in 2013 and re-elected in 2017. Hugh is passionate about community engagement and ensuring City initiatives and projects continue to meet the needs and desires of residents.

An experienced lawyer, he is a strong advocate for community infrastructure and accessibility, and has worked hard to deliver safer roads, footpaths and bus shelters throughout the City. His priorities include support for health and education programs for residents and the successful rollout of the National Broadband Network (NBN) across the City.

Hugh is also committed to building stronger, more connected communities through initiatives like the City's food truck program and community swap meets.

Between Council and employment commitments, Hugh takes every opportunity to spend time with his family.

Hugh is the current Chair of the Koondoola Primary School Board, a member of the Ashdale Primary School Board and the Ashdale Cluster Board; and Special Advisor to the Vietnamese Farmers Association.



Cr Lara Simpkins JP

Elected in 2015.

Cr Lara Simpkins JP was elected to the Council in 2015. Lara is passionate about representing the views and opinions of all local individuals, businesses and organisations.

She is a strong advocate for keeping the City growing in a positive direction and bringing in businesses to build and strengthen our local community.

Lara also assists those who come from ethnic backgrounds and have trouble integrating into our multicultural community.

Increased public safety, more footpaths, upgrading of sporting and recreation facilities, more playgrounds and improved public transport are Lara's key priorities.

Lara lives in Madeley with her family and is a regular volunteer in the community, including coaching local youth netball. When time allows, Lara enjoys gardening, watching movies and walking her dogs with her husband, Luke.

South Ward



Cr Brett Treby

Elected in 1999.

Cr Brett Treby was elected to the inaugural City of Wanneroo council in 1999, and subsequently re-elected in 2001, 2005, 2009, 2013 and 2015.

Brett has a special interest in economic development, strategic planning, active citizenship and community engagement; and family-focused sporting and recreation facility development.

He believes the next five years will be a period of significant revitalisation, growth and opportunity for the City, particularly in the South Ward, with planning for residential and infrastructure renewal in Koondoola and Girrawheen well progressed, and new residential development in Landsdale, Madeley and Darch.

Balancing the area's rich history with urban growth, continued development of Dinosaur Park 'family-zone' at Kingsway and the delivery of a significant community civic facility at Broadwater Park in Landsdale are Brett's priorities.

Brett represents the community on the Tamala Park Regional Council as Deputy Chairman and Chairman of the Management Committee and continues to work with numerous community groups. He is Chairman of the Hepburn Centre Board, has served on several local school councils, and been involved in Industry representation as a Trustee of the Institute of Public Works Engineers Foundation Australasia, and Chairman of the Metropolitan Regional Roads Board.



Cr Domenic Zappa

Elected in 2013.

Cr Domenic Zappa was elected to the Council in 2013 and subsequently re-elected in 2017. Domenic has a special interest in seniors, economic development, responsible waste management and sustainability, safer roads, communities and improving infrastructure such as public open spaces and libraries within the South Ward and the City as a whole.



He strives to make the community great for families and is advocating for Koondoola Plaza to be redeveloped, more parks in the south of Landsdale and renewal of parks across the entire South Ward.

Other priorities for Domenic include upgrading sports facilities, ensuring seniors' services and facilities are age friendly, continued greening of neighbourhoods and public spaces, and public safety, with a particular focus on increasing CCTV and ranger coverage throughout the City.

Domenic is President of Landsdale Residents Association, Deputy Metropolitan Member of the Western Australian Local Government Grants Commission and a board member of the Hepburn Centre.



The following Elected Members served on Council until the ordinary local government elections held on 21 October 2017.

North Coast Ward	Central Ward
	
<p>Cr Glynis Parker</p> <p>Term completed 21 October 2017.</p>	<p>Cr Dianne Guise</p> <p>Term completed 21 October 2017</p>
<p>Cr Glynis Parker was elected to the Council in 2013.</p>	<p>Cr Dianne Guise was elected to the Council in October 2009. She formerly served as the Member for Wanneroo and Deputy Speaker in the Legislative Assembly of the WA Parliament from 2001 to 2007 and retained a strong interest in the Wanneroo region and the Central Ward in particular. Dianne was elected as Deputy Mayor in October 2015.</p>

Council elections

Ordinary local government elections are held every two years on the third Saturday in October, with half of the available Councillor positions being contested. An ordinary Mayoral election is held every four years. Each successful Elected Member is appointed for a term of four years. Any eligible elector of the City of Wanneroo can nominate for election.

For each election, successful candidates to the position of Mayor and Councillor are determined by the votes of the electors of the City. Voting in local government elections is open to any person who is registered on the State Electoral Roll and is a registered eligible elector of the City of Wanneroo. Voting is not compulsory.

The position of Deputy Mayor is determined by the Council at an election held at the first Council meeting following an ordinary election. The appointment of Deputy Mayor is for a term of two years.

Ordinary local government elections were held on 21 October 2017. Councillors Linda Aitken, Dot Newton, Hugh Nguyen and Domenic Zappa were re-elected. Three new Councillors were elected; Councillors Sonet Coetzee, Lewis Flood and Paul Miles commenced their terms in October 2017. The elected terms for former Councillors Dianne Guise and Glynis Parker ceased in October 2017.

At the first Council meeting held after the elections, Cr Natalie Sangalli was elected by the Council to the position of Deputy Mayor.

The next ordinary local government elections are due on 19 October 2019.

Role of the Mayor and Councillors

Elected Members make important decisions relating to the whole of the local government by considering the views of the community. They also work together with the community, the CEO and the administration to set the strategic direction of the City. The role of the Elected Members is defined in the *Local Government Act 1995*.

The role of the Mayor is to:

- » preside at meetings in accordance with the Act
- » provide leadership and guidance to the community
- » carry out civic and ceremonial duties on behalf of the local government
- » speak on behalf of the local government
- » liaise with the CEO on the affairs of local government and the performance of its functions.

The Deputy Mayor performs the functions of the Mayor when authorised to do so under s. 5.34 of the Act.

The role of Councillor is to:

- » represent the interests of electors, ratepayers and residents
- » provide leadership and guidance to the community
- » facilitate communication between the community and the Council
- » participate in local government decision-making processes at Council and Committee meetings.



Council Chambers



Conduct of Elected Members

Section 5.103 of the *Local Government Act 1995* requires that every local government prepare a Code of Conduct to be observed by Elected Members. The City's Elected Member Code of Conduct has been reviewed and the Council adopted amendments in June 2018. To reflect the highest standards of integrity, the complaints handling mechanism was removed from the Code in the belief that complaints are more appropriately addressed by external oversight bodies such as the Standards Panel, the Department of Local Government, Sport and Cultural Industries, the State Administrative Tribunal and the Corruption and Crime Commission.

Local Government (Rules of Conduct) Regulations 2007

The City's processes also support managing complaints in relation to the *Local Government (Rules of Conduct) Regulations 2007*, which deal with:

- » disclosure of confidential information
- » improper use of the position of Councillor to gain a personal advantage or cause detriment to the local government or others
- » misuse of local government resources
- » unauthorised involvement in administration matters
- » improperly directing, influencing or making offensive or objectionable statements about a local government employee
- » disclosure of 'impartiality' interests
- » notifiable and prohibited gifts.

The City's appointed Complaints Officer is the Director Corporate Strategy & Performance.

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

Two complaints were reported to the Local Government Standards Panel in 2017/18. One outcome is pending while the other complaint has been resolved, with the Elected Member censured.

Ethics

The City has a zero tolerance approach to fraud, corruption, bribery and misconduct and has implemented a Fraud and Misconduct Control and Resilience Framework to prevent, detect and respond to misconduct and fraudulent or corrupt behaviour. This framework is aligned to the Australian Standards AS 8001:2008 Fraud and Corruption Control and represents the City's proactive approach to:

- » ensuring and maintaining the highest ethical standards, and reinforcing the City's values
- » minimising, if not eliminating, opportunities for fraud, corruption and misconduct to occur at, by or against the City
- » providing a clear statement to employees, contractors and Elected Members that fraud, corruption and misconduct are not acceptable and will not be tolerated
- » ensuring that all parties are aware of, and accountable for, their responsibilities in relation to the prevention, detection and response to fraud, corruption and misconduct risks and incidents
- » enabling sound corporate governance, robust internal controls and transparency.

The City has a dedicated Governance & Legal Service Unit responsible for investigating allegations of fraud, serious misconduct and corruption and is currently facilitating information training in respect of the framework.

The City's fraud and misconduct internet page provides an online form to report suspected fraud and misconduct and includes comprehensive information in relation to the framework,

Six allegations or complaints were dealt with by the Governance & Legal Service Unit during the year. One matter regarding the failure to lodge a primary return (disclosure statement) within the period defined by the Act was reported to the Corruption and Crime Commission. Investigations have concluded on three matters with no findings of minor or serious misconduct. One matter has been transferred to the City's People & Culture section for further investigation and one matter remains outstanding.

Taking into consideration the Public Sector Commission's Guidelines on Developing a Code, the City's Code of Conduct for employees is currently under review.

Statement of Business Ethics

The City has introduced a Statement of Business Ethics to provide guidance to the City's contractors, service providers and suppliers about the City's expectations of integrity and ethical conduct. The City's six key business ethical principles are safety, ethics and integrity, governance, openness and effective communication, value for money, and sustainability.

Conflict of interest

The community expects public officers to perform their duties efficiently and use public resources prudently. The Conflict of Interest Policy and associated management

procedures provide clear direction to employees in managing their interests in accordance with legislative requirements with the following objectives:

- » ensuring that in situations of real, apparent or potential conflict of interest or interests affecting impartiality, decisions are made in a manner that upholds the public interest and facilitates ethical decision-making
- » establishing measures to help manage and resolve conflict of interest or interests affecting impartiality that could impair either the integrity of the City or the public's perception of its integrity.

The Gifts and Benefits Policy and associated management procedure establishes a common understanding of appropriate conduct expected of all employees in relation to gifts, benefits and hospitality.

Elected Members are required to comply with the Act and the *Local Government (Rules of Conduct) Regulations 2007*. In particular, regulations 11 and 12 require the disclosure of interests that may affect the decision-making of Elected Members at meetings. The City's formal process requires interests to be disclosed.

Compliance

The Audit & Risk Committee recommends a report to the Council in respect of the City's annual compliance audit return. The Mayor and CEO are required to sign off on the audit return and forward it to the Department of Local Government, Sport and Cultural Industries.

The Audit & Risk Committee receives a report from the internal Auditor on the CEO's two-yearly review of the effectiveness of the City's risk management, legislative compliance system, internal controls and relevant processes. From 2018/19, this will be required on a three-yearly basis.

Council and Committee meetings

Ordinary Council meetings are held every fourth Tuesday evening. The Mayor presides at Council meetings, which are also attended by Councillors, the CEO and Directors of the City. Reports are formally presented to provide information and advice to assist the Council in the decision-making process.

Members of the public are welcome and encouraged to attend Council meetings and there is an opportunity to ask questions during public question time. However, members of the public are not permitted to take part in Council debate.

In accordance with the Act, minutes are kept of Council meeting proceedings and the unconfirmed minutes are published on the City’s website in the week following the

meeting. The minutes are presented at the next ordinary meeting of the Council for confirmation.

The Council has established a number of committees to provide advice and support to the Council on issues and activities and to contribute towards the planning and delivery of services. The terms of reference and membership of each committee is determined by appointment of the Council. None of the committees hold delegated authority to exercise the powers and discharge the duties of the local government.

Council Meeting Attendance

The following table details the types of Council meetings held during 2017/18, the number of meetings held and the record of attendance of each Elected Member.

Elected Members	Electors AGM	Ordinary Council	Special Council
No. of meetings held	[1]	[12]	[1]
Mayor T Roberts JP	1	12	1
Cr N Sangalli (Deputy Mayor from October 2017)	1	12	1
Cr L Aitken	1	11	1
Cr S Coetzee (from October 2017)	1	8	1
Cr F Cvitan JP	1	12	1
Cr R Driver	0	11	1
Cr S Fenn	1	12	1
Cr L Flood (from October 2017)	1	8	1
Cr D Guise (until October 2017)	n/a*	2	n/a
Cr D Hayden	0	6	1
Cr P Miles (from October 2017)	1	7	1
Cr D Newton JP	1	12	1
Cr H Nguyen	1	9	1
Cr G Parker (until October 2017)	n/a	4	n/a
Cr L Simpkins JP	1	11	1
Cr B Treby	1	11	1
Cr D Zappa	1	10	1

Note: *n/a = not applicable.



Council Meeting Dates

The following table details the dates of ordinary and special Council meetings held in 2017/18 and the number of items submitted to ordinary Council meetings.

Dates of Ordinary Council meeting	No. of items submitted to Ordinary Council	Date of Special Council meeting
25 July 2017	24	31 October 2017
22 August 2017	30	
19 September 2017	26	
10 October 2017	24	
14 November 2017	26	
5 December 2017	23	
6 February 2018	25	
6 March 2018	22	
27 March 2018	15	
1 May 2018	19	
29 May 2018	25	
26 June 2018	18	

Committee and Working Groups

The Council has established nine internal committees, of which seven have Elected Member representatives. In addition to these committees, there are 13 internal working groups and 16 external committees and working groups, all of which include Elected Members.

Committees and working groups are established as required to consider and provide advice to the Council on a number of issues. The following table lists all committees and working groups.

Internal	External
» Alkimos–Eglinton Developer Contribution Plan Technical Advisory Committee	» Construction Reference Group – Wanneroo Road and Ocean Reef Road
» Art Advisory Committee	» Department of Transport Two Rocks Reference Group
» Audit & Risk Committee	» Elderbloom Community Care Centre's Board of Management
» Bush Fire Advisory Committee	» Joondalup Health Campus Community Board of Advice
» Community Funding Working Group	» Metro North-West Joint Development Assessment Panel
» Community Safety Working Group	» Mindarie Regional Council
» Environmental Advisory Committee	» North Western Metropolitan Regional Road Sub-Group
» Festival and Cultural Events Committee (FACE)	» Tamala Park Regional Council
» Heritage Services Advisory Group	» Wanneroo Agricultural Society
» Multicultural Advisory Group	» Wanneroo & Districts Historical Society
» North Coast Ward Community Reference and Sporting Group	» Wanneroo/Joondalup Local Emergency Management Committee (LEMC)
» Quinns Beach Long Term Coastal Protection Community Reference Group	» North West Metropolitan District Emergency Management Committee (DEMC)
» Quinns Rocks Caravan Park Redevelopment – Councillor Working Group	» Western Australian Local Government Association (WALGA) North Metropolitan Zone
» Reconciliation Action Plan Working Group	» Western Australian Local Government Association State Council
» Revenue Review Committee	» Yanchep Two Rocks Community Bus Management Committee
» RoadWise Working Group	» Yellagonga Regional Park Community Advisory Committee
» South Ward Community Reference & Sporting User Group	
» Wanneroo BMX Raceway Club Relocation Working Group	
» Wanneroo Business and Tourism Development Working Group	
» Wanneroo Town Centre Advisory Group	
» Waste Management Advisory Committee	
» Yanchep Two Rocks Developer Contribution Plan Technical Advisory Committee	

The Bush Fire Advisory Committee was established in November 2017.

Two external groups were also established as follows:

- » Construction Reference Group – Wanneroo Road and Ocean Reef Road (March 2018)
- » Department of Transport Two Rocks Reference Group (December 2017).

Committee meeting attendance

The following table details the types of Committee meetings held during 2017/18, the number of meetings held and the record of attendance of each Elected Member.

Elected Members	Audit & Risk Committee	Arts Advisory Committee	Environmental Advisory Committee	Festival and Cultural Events Committee	Revenue Review Committee	Waste Management Advisory Committee
No. of meetings held	[4]	[4]	[3]	[2]	[1]	[4]
Mayor T Roberts JP	4	n/a	n/a	1	1	3
Cr N Sangalli	3	n/a	3	n/a	1	n/a
Cr L Aitken	3	3	n/a	1	1	2
Cr S Coetzee (from October 2017)	3	n/a	2	n/a	1	n/a
Cr F Cvitan JP	3	3	n/a	n/a	1	4
Cr R Driver	4	n/a	1	n/a	0	4
Cr S Fenn	3	n/a	n/a	1	1	n/a
Cr L Flood (from October 2017)	3	n/a	2	n/a	1	n/a
Cr D Guise (until October 2017)	0	n/a	n/a	n/a	n/a	n/a
Cr D Hayden	0	n/a	n/a	n/a	0	n/a
Cr P Miles (from October 2017)	3	n/a	n/a	n/a	0	n/a
Cr D Newton JP	4	n/a	1	1	1	0
Cr H Nguyen	2	n/a	n/a	n/a	0	0
Cr G Parker (until October 2017)	1	1	n/a	1	n/a	n/a
Cr L Simpkins JP	2	n/a	n/a	n/a	0	n/a
Cr B Treby	4	n/a	n/a	n/a	1	3
Cr D Zappa	2	n/a	1	0	1	n/a



Committee meetings dates

The following table records the dates of Committee meetings held in 2017/18.

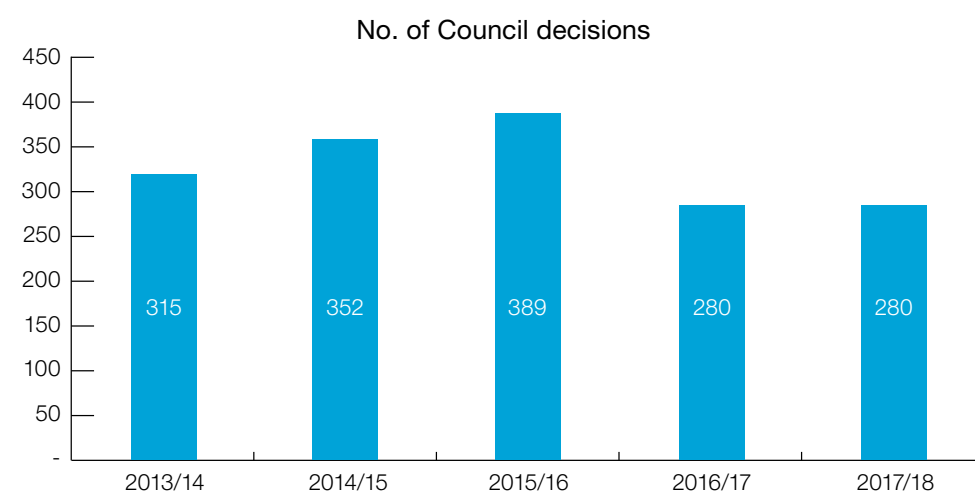
Year	Audit & Risk Committee	Art Advisory Committee	Bush Fire Advisory Committee	Environmental Advisory Committee	Festival and Cultural Events Committee	Revenue Review Committee	Waste Management Advisory Committee
2017	6 September 22 November	15 August		26 September	19 September		4 July 28 November
2018	20 February 15 May	20 February 13 March 9 May	28 May	6 February 16 May	5 June	9 April	13 February 1 May

Note: The Alkimos–Eglinton Developer Contribution Plan Technical Advisory Committee did not meet in the 2017/18 financial year.

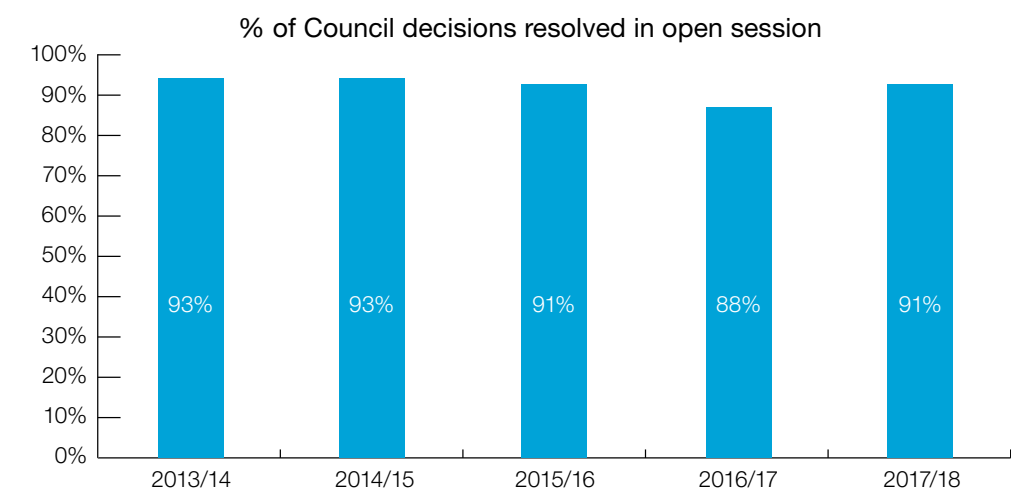
Council decisions

The Council recognises the importance of being transparent and accountable. All Council meetings are open to the public, except when sensitive confidential matters are being considered. Confidential matters are defined in clause 5.23 of the Act. Recommendations are submitted by the administration to the full Council at its Ordinary or Special Council meetings. Agendas and minutes for all these meetings are published on the City website and are available for review.

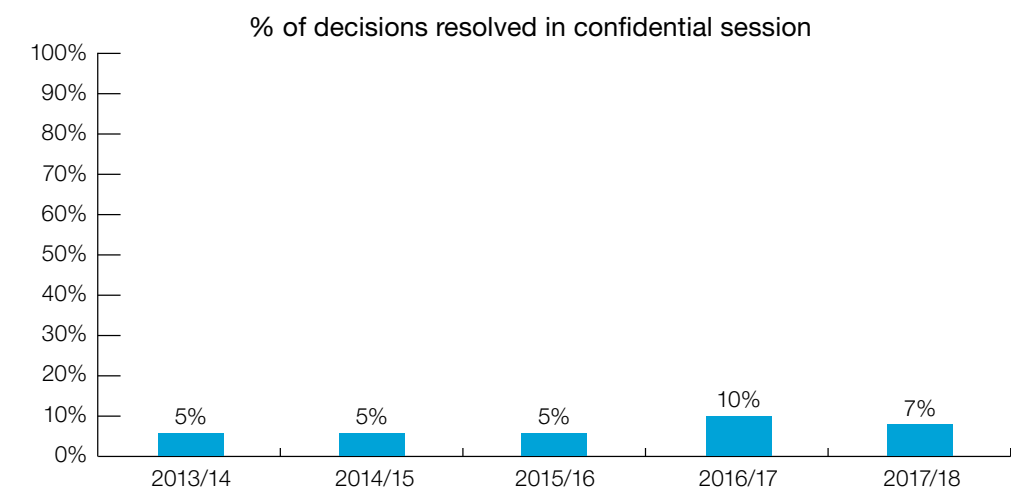
A link to the Council meetings and agendas is available on the City's website at: http://www.wanneroo.wa.gov.au/info/20003/council/10/council_meeting_dates_agendas_and_minutes



The City continues to review processes and improve decision-making practices for its community and customers. Appropriate decisions made under delegated authority or guided by policy can aid customer response times. However, all matters that require Council consideration are referred through the Council decision-making process for determination.



The Council strives to be open and transparent in the decision-making process, with 91% of all Council decisions being resolved in open session during 2017/18.



Items that may be considered confidential are defined in s. 5.23(2) of the Act. Although these items may be discussed in confidential session, any decision made (the resolution) is always read aloud immediately after the Council meeting is reopened to the public.

Some Council items were withdrawn or deferred during the year and as a result are not included in the graphs above.



Disbanded committees and working groups

Notification was received that the Small Business Centre North West Metro Board of Management was disbanded.

Delegations of Authority

Delegations of Authority provide officers with the power to carry out duties and make determinations. Under the Act, both the Council and the CEO are given certain powers and duties to be discharged.

The Council may by absolute majority delegate in writing to the CEO the exercise of any of its powers or the discharge of any of its duties under various Acts, apart from those specified in s. 5.43 of the Act.

The CEO may delegate to any employee the exercise of any of the CEO's powers or the discharge of any CEO duties, other than the power of delegation, and including those powers and duties delegated by the Council, subject to any conditions imposed by the Council.

The Act requires the CEO to keep a register of delegations and arrange once every financial year for those delegations to be reviewed by the delegator.

Advocacy

The City's advocacy role is to secure opportunities for our region that deliver jobs and prosperity for our constituents. We support issues identified by the community through the strategic planning process and, as they arise, directly through discussions with the Council. The City defines advocacy as a proactive, whole of community, strategic approach aiming to influence decisions within state and federal political spheres and government agencies, in a way that recognises and prioritises the needs of our local community.

Our Advocacy Plan ensures that advocacy for major projects is coordinated and collaborative, maximising the potential for these projects to attract federal and state government funding. The City's advocacy agenda was refreshed and upheld by the Council at its meeting in October 2017.

The issues include:

- » **Roads/Rail** (including freight added in October 2017)
- » **Region** (including agribusiness and jobs)
- » **Reserves** (including Butler District Open Space, Alkimos Regional Open Space and Kingsway Regional Sporting Complex (upgrade). In early 2018, the call for a Regional Northern Coastal Suburbs Swimming Pool was added).

The City's agenda outlined above has been reflected in a range of advocacy activities, including:

- » face-to-face meetings with federal and state politicians
- » hosting a range of visits to the City by politicians and departmental CEOs
- » topic-specific federal and state lobbying meetings in Canberra and Perth parliaments designed to promote City issues
- » regular letter writing to ensure all decision makers are aware of updates and changes
- » in-depth analysis of identified issues, such as the agribusiness agenda, in partnership with other groups
- » maintaining an up-to-date social media presence to provide avenues for ongoing community updates and dialogue.

More details can be found on **page 143**.

Economic development

The City is one of WA's fastest growing local government areas, with a forecast population growth of 8000 residents per year. This growth is projected to continue, with the population forecast to exceed 400,000 by 2041. The City's rate of growth presents significant challenges in job and business creation, attraction, expansion and retention.

The City is facing a major challenge to create 100,000 new jobs closer to where people live to support our rapidly growing population, reduce traffic congestion, address environmental and infrastructure issues and provide residents with a great quality of life. Employment self sufficiency (ESS) is a measure of local economic dynamism.

ESS (the percentage of workers who also live locally) within the City is currently at 52% but in order to achieve the state government's 60% employment self-sufficiency target (WA Department of Planning, Directions 2031 and Beyond) by 2031, we need to grow local jobs by 42,000. This means increasing jobs growth from 1600 new jobs per year currently to a minimum of 3000 new jobs per year.

Our economy is currently heavily reliant on the construction, manufacturing and retail industries, and predominantly serves the local population. The City needs to shift from mostly population driven employment to a more general economic base that offers a diverse range of employment opportunities.

This can be achieved by boosting strategic and export-oriented jobs in areas such as tourism, agribusiness, clean technology and advanced manufacturing, and securing investment opportunities.

Major areas of forecast jobs growth include the Northern Coastal Growth Corridor, comprising the Yanchep and Two Rocks area, which is projected to create 55,000 jobs, and Alkimos and Eglinton, which is projected to create 20,000 jobs. Neerabup Industrial Area, with potentially 600ha of developable land, is projected to create 20,000 jobs over the next 50 years.

Economy is one of the four strategic themes within the strategic plan with community expectations aspiring to 'progressive, connected communities that enable economic growth and employment'.

The City has implemented well-planned initiatives to stimulate economic growth and employment opportunities. This occurred through collaborative input, commitment and action from all stakeholders with a role in job creation in Perth's North West Metropolitan Region. These stakeholders are residents, businesses, education providers, not-for-profit organisations, developers and all tiers of government.

Details of Economic achievements can be found starting on **page 143**.





Citizenship ceremonies

Citizenship ceremonies are special events. They fulfil requirements under Australian citizenship law. They also provide an important opportunity to officially welcome new citizens as full members of the Australian community. They are often an emotional experience for the new citizen, as well as their host and guests.

Local governments conduct citizenship ceremonies on behalf of the federal Department of Home Affairs.

In accordance with the *Australian Citizenship Act 2007*, the Mayor or CEO presides at the citizenship ceremonies held at least monthly by the City of Wanneroo.

Sixteen ceremonies were held in 2017/18 as the City welcomed more than 1460 new citizens. On Australia Day in 2018, the City held Australia's largest single citizenship ceremony at the Wanneroo Showgrounds, with 594 people from 44 countries taking the pledge to become citizens. The event attracted state and national media coverage, putting the City on the map and attracting attention from all around Australia.

The Australia Day ceremony is a highlight of the City's calendar and will continue to be a significant event each year as our population grows.

Connecting with our community

Garnering support from the community is key to the success of any local government, and as a 'listening Council', this is something the City takes great pride in. The City consults, engages and communicates with residents and businesses on diverse issues and activities, and at strategic and operational levels. These include review and development of the strategic plan, programs, services and initiatives to reach the best community outcomes. In addition, we promote local priorities and advocate on the community's behalf to attract support from other spheres of government.

Open discussion with the community ensures the Council governs strategically and effectively. The City communicates with residents through a fortnightly advertorial, Wanneroo Link, local newspapers, a quarterly magazine What's Happening, the Mayor's monthly radio interviews, 'Meet the Mayor' sessions, media releases, advertising, e-newsletters, a community safety guide, community events, the City's website, social media platforms and the Annual Report. Each edition of What's Happening reaches more than 77,000 households and gives the community a snapshot of events, programs and progress across the City.

The City's website and social media platforms provide important information resources, helping residents to connect and interact with the City. These platforms continue to attract an increasing number of visitors each year (more than one million visits to the website alone in 2017/18). The City keeps the community up-to-date via Twitter and Facebook when emergency issues, such as road closures and prescribed burns, need to be communicated quickly. Social media is a vital tool that enables residents to share ideas and give feedback to the City to improve overall customer service, and providing new channels after hours. Statistical information on social media can be found on **page 168**.

The City strives to keep the region's culturally and linguistically diverse (CaLD) community actively involved, informed and vibrantly connected to the world around them through a range of communications and events.

The City values the importance of positive relationships with local and metropolitan media outlets and seeks to maintain this relationship in a respectful and effective manner. In 2015/16, the City distributed 185 media releases. In 2016/17, that number rose to 206 and in 2017/18 to 253. The City also regularly assisted journalists with media enquiries on specific topics including growth, advocacy, planning, environment, youth and events.

The City helps to build the capacity, social inclusion and wellbeing of the community through a range of approaches, including coordination, partnering and, in some cases, service delivery.

Highlights of the actions completed in the Reconciliation Action Plan can be found on **page 133**.

Community events

The City of Wanneroo's annual event season aims to bring our community together while showcasing and celebrating life in the City. A variety of social, cultural and recreational events are offered, enabling residents to access experiences they might not otherwise be able to enjoy.

The event season runs from October to March, boasting a range of performances from local acts through to international bands.

Aimed at promoting a positive health message, generating local revenue and encouraging networking and service delivery opportunities by involving local businesses wherever possible, the City's events calendar successfully delivers these safe public events to the highest standard.

Highlights included the following events.



City of Wanneroo Presents: Birds of Tokyo

The City of Wanneroo Presents: Birds of Tokyo concert saw alternative rock band Birds of Tokyo playing to a sell-out crowd at the Wanneroo Showgrounds on Saturday, 4 November 2017.

From the moment the gates opened at 4pm, the showgrounds were abuzz with families pouring in early to enjoy the many children's activities and delicious food on offer.

When Birds of Tokyo took to the stage at 8pm, the atmosphere was electric, with the front of stage area turned into a family-friendly mosh pit.

This annual concert is one of the most popular events in the City, previously featuring Australian acts such as Eskimo Joe, the Hoodoo Gurus, Evermore, British India, Lisa Mitchell and Josh Pyke.



Live in the Amphitheatre

The Live in the Amphitheatre outdoor cinema series delighted residents who enjoyed a variety of films during the season. With strong community demand, the series was extended to a three-month program running from December through to February and was a huge hit with residents.

More than 6,000 locals attended the City's Jacaranda Amphitheatre series for a relaxed evening under the stars. There was a variety of blockbuster, family-friendly, action and comedy flicks.

Children were glued to the big screen with popular movies The Lego Batman Movie, Despicable Me 3 and Moana, and adults enjoyed a night out with hit films The Girl on the Train and Bridget Jones's Baby.

Seniors were collected from nearby homes and treated to VIP tickets to watch Hidden Figures.

Commonwealth Games Queen's Baton Relay

On 26 February the City was fortunate to celebrate the Commonwealth Games Queen's Baton Relay with hundreds of people, including school children, lining the City's streets to cheer on local ambassadors bearing the baton. Special celebratory events were held at Quinns Rocks and Wanneroo, with over 500 community members coming along to help the City celebrate this special occasion.



Dog's Breakfast

The 2017 Dog's Breakfast event was a huge hit with families and 'fur babies', featuring exhibits of local



Live in the Amphitheatre

products, services and an extensive range of activities, all for the furry pals.

Children were entertained with a range of free attractions, including face painting, a bouncy castle and a pooch-friendly photo booth.

Dogs were pampered with washing and grooming services; doggy treats from a range of exhibitors; and free microchipping for the first 100 dog attendees, thanks to WA Pet Project.

More than \$3,000 of prizes was on offer in Australia's Next Top Dog Model and My Dog's Got Talent competitions on the main stage.

Held to tie in with annual pet registrations and to encourage responsible pet ownership, this event is a great way for the City to support pet owners.



Retro Rewind

More than 6,000 visitors took a step back in time at the picturesque Yanchep National Park for Retro Rewind. The event, featuring the Vintage Collective Markets, celebrated all things retro—from music to fashion.

The crowd was treated to musical entertainment by the sounds of PROOF, Amanda Dee & Soothe, and Bang Betty & the H-Bombs.

The Vintage Collective Markets featured vintage-themed stalls for those wanting a spot of retail therapy while other attractions included a vintage hot rod display and a vintage fashion parade.

Free children's activities included classic arcade games, vintage lawn games, a bouncy castle and face painting.



Global Beats & Eats

Global Beats & Eats saw Paloma Park come alive, as it turned into a mecca for foodies and music lovers alike. With fantastic beats and delicious eats from all over the globe, attendees headed down early to enjoy the big selection of international food stalls, roving entertainment, multicultural musicians and dance acts.

Previous headliners include international reggae legend, Jimmy Cliff, plus Xavier Rudd, San Cisco, Blue King Brown and Tijuana Cartel.

Growing in popularity each year, Global Beats & Eats celebrates multiculturalism and diversity in the City. The 2018 event featured Luke Fox, Hein Cooper, Summer Thieves and Jakubi, with headline rock band Kingswood crowning the show.

The crowd enjoyed roving performances by hula dancers, drummers and Chinese lion dancers. Children's drumming workshops and free children's activities filled out the program.

Customer service

Our customer commitment

The City is committed to continuing our customer-focused journey, making it consistently easy and positive to deal with us, through a focus on:

SIMPLICITY	delivering an uncomplicated, personalised customer experience
ACCESSIBILITY	providing options so that information and help is accessible to all
QUALITY	delivering an accurate, effective and impressive service
PERFORMANCE	engaging with our customers and continually assessing our performance against customer expectations to drive continuous improvement.

The City's customer-first approach has seen numerous achievements through the second year of the Customer First Strategy Actions plan, including:

- » electronic delivery of rates notices
- » internal process changes to improve efficiencies
- » additional online services through the creation of new online forms and applications
- » delivery of customer service training to all employees.





In the year ahead, we will continue to develop our customer-first approach to meet our commitment to delivering service excellence.



Ranger services

Our customer connections

Volume of enquiries

 35,261 Customers contacted the City via EMAIL / ONLINE 23.7% decrease compared to 2016/17	The City's Customer Relations Centre is the first point of contact for all enquiries. The Customer Relations Centre answered 134,611 calls during the year; with an average wait time of 1 minute, 28 seconds and an average talk time of 4 minutes, 46 seconds—similar to last year.
 134,611 Customers contacted the City via TELEPHONE 4.5% decrease compared to 2016/17	Of the calls received, 84% of enquiries were handled at first point of contact without the need to transfer through to the relevant service unit.
 23,425 Customers contacted the City at the Civic Centre IN PERSON 8.5% increase compared to 2016/17	The abandonment call rate for calls received was 8.53%, which is a slight improvement on last year (9.76%).
 7,822 Customers contacted the City at Clarkson Library, City Services desk IN PERSON No change compared to 2016/17	

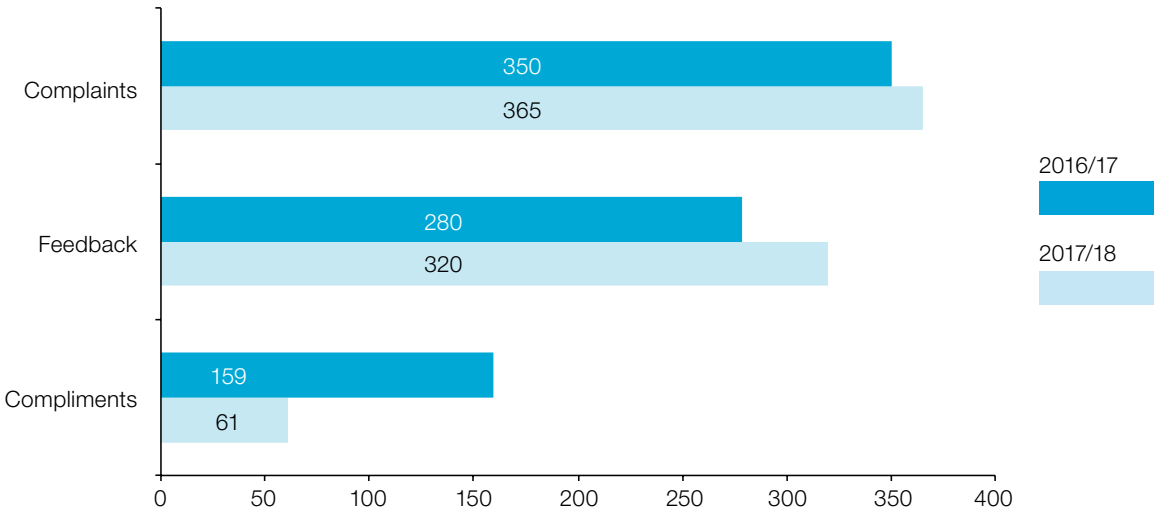
Of the volume of enquiries received, 45,379 requests for service were logged through the City’s online Customer Request Management (CRM) system, where 96% were responded to within target timeframes, with an average timeframe of 6.59 days, the same as the previous year. The City has a strong focus for ensuring that requests for service are completed within target, which is a reflection upon the year’s performance, through the publication of yearly comparisons provided in the graph below.

Compliments, feedback and complaints

We strive to deliver service excellence and provide the best possible customer experience throughout every interaction we have with our customers, as outlined in Our Customer Service Commitment.

The City values compliments and feedback and encourages our customers to let us know if we have exceeded their expectations or where we don’t meet expectations so that we can celebrate our customer service achievements and identify opportunities for improvement.

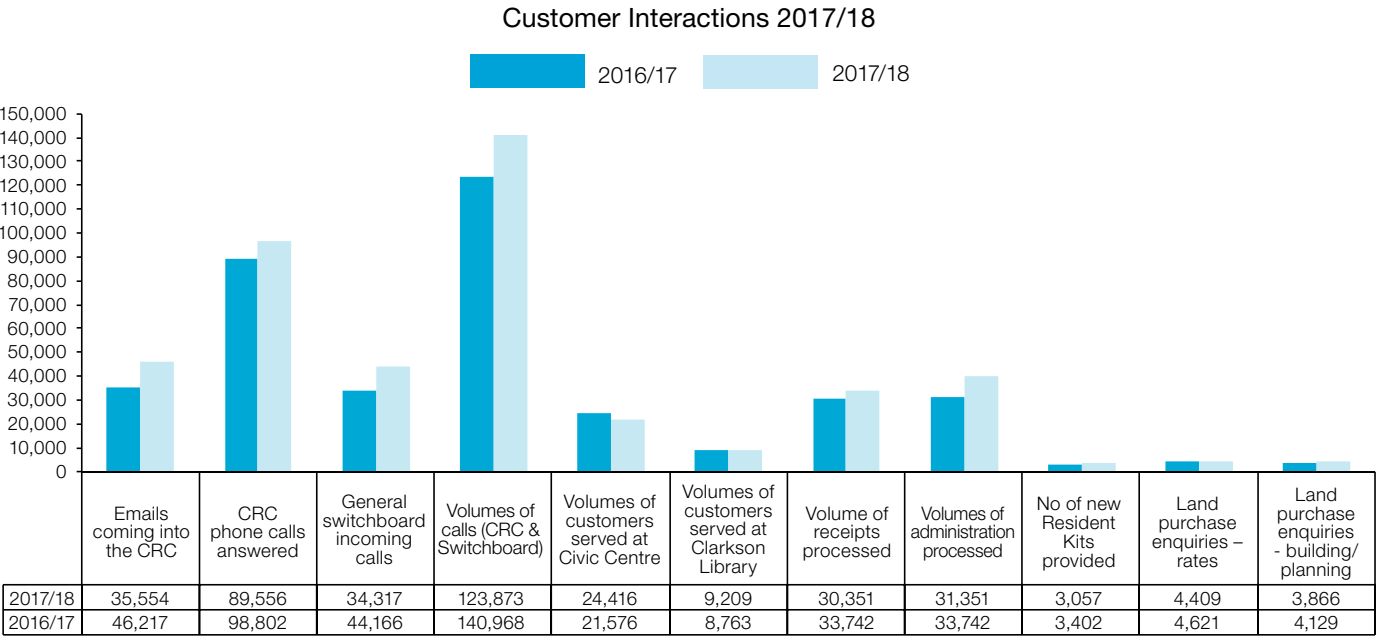
The graph below provides a summary of the volumes of compliments, feedback and complaints received in the past two years.



Volume of activities

The Customer Relations Centre is also responsible for processing a number of administrative tasks. Emails have decreased slightly; however, we have noticed a shift in customers wanting to connect with us more online and we expect to provide additional online services in the future.

The chart below provides statistics relating to the activities undertaken within the Customer Relations Centre.

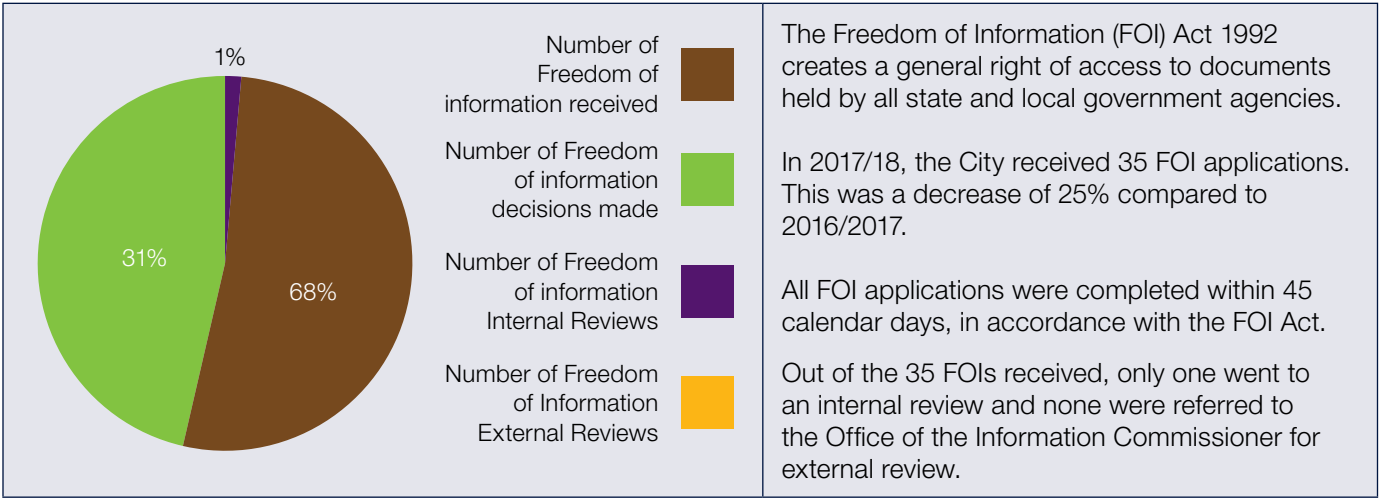


Information management and recordkeeping practices

The City has a dedicated Information Management Team to ensure that our records are accurate and in alignment with the *State Records Act 2000*. To comply with the legislation, our Recordkeeping Plan was reviewed and adopted within the legislative timeframes.

Volumes of records

The number of documents registered in our electronic document and records management system (EDRMS) in 2017/18 was 547,053. This was a 10.29% increase compared to last financial year. Of the records registered, 57,061 (10%) were captured by the Information Management Team and 16,695 new electronic files (containers) were created.





Youth Markets - Trevor the Ideas Tree

Community engagement

The City engages with the community to determine how to prioritise resources and balance service provision against other responsibilities, such as asset maintenance and capital works.

On an ongoing basis, the City advertises policy changes, development and project proposals, inviting feedback and involvement to ensure any concerns and ideas are built into our decision-making.

We are committed to applying high-quality community and stakeholder engagement principles and our program follows best industry practice.

Community engagement principles

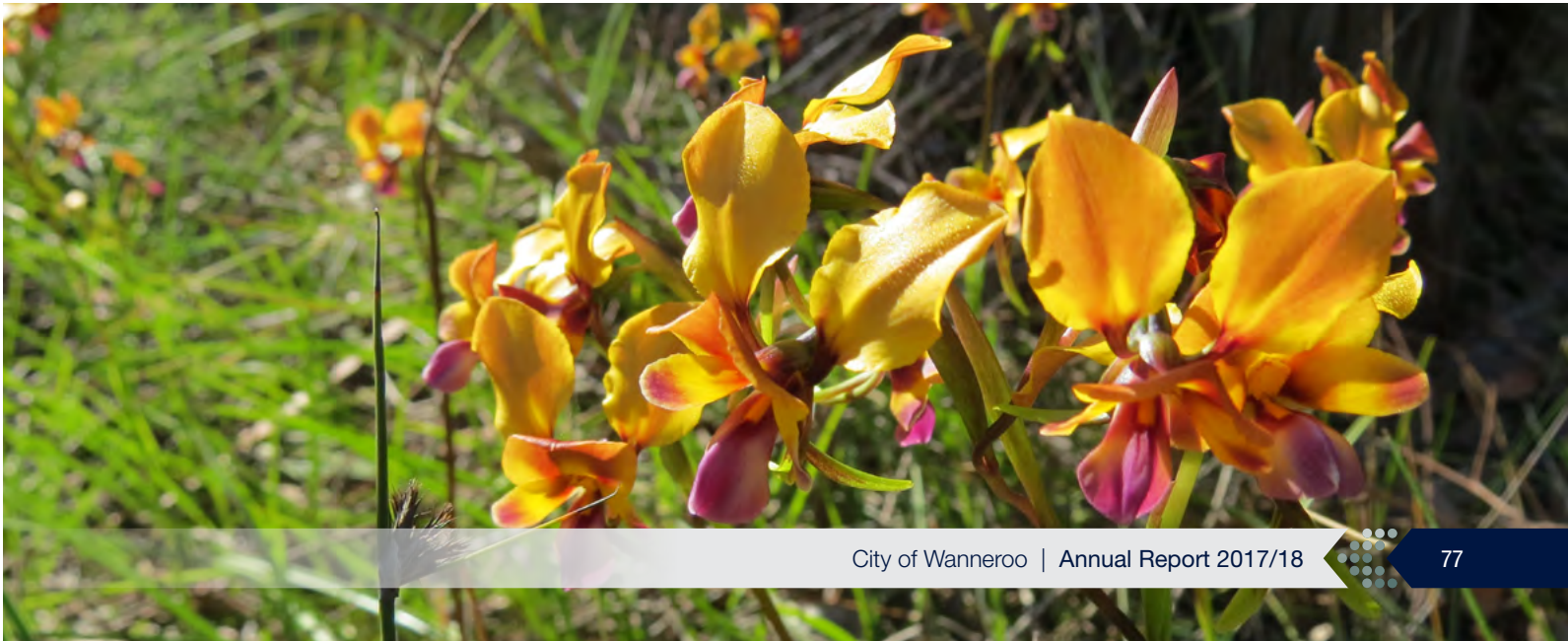
Under the Community Engagement Policy, the City commits to the following principles:

- » encouraging participation by people who live, work, visit or support the City
- » encouraging broad representation from stakeholders to ensure that a diverse range of views is expressed and considered. Stakeholders include ratepayers and residents, local businesses, non-government organisations, our partners and other government departments

- » minimising barriers to participation
- » clearly stating the purpose and aims of engagement and any associated limitations or constraints
- » ensuring relevant information is readily available and that it is accurate, comprehensive and easy to understand
- » clearly defining the engagement period and allowing sufficient time and opportunity for stakeholders to participate
- » listening, responding and providing feedback to stakeholders about how information gathered through the engagement process was used to inform decisions or outcomes
- » being efficient, responsible and accountable for each engagement undertaken and the decisions made as a result
- » keeping comprehensive, accurate records
- » allocating appropriate resources for effective engagement and to address the principles listed above.

How we engage and communicate information

Engagement Methods	Description
Your Say	Your Say is our online community engagement hub on the City's website where the community is able to view information and associated documents on particular projects and provide feedback via online surveys and submission forms.
Surveys	A common method for obtaining information from the community is through surveys. These are available online through the Your Say page or in hardcopy, on request.
Community events and activities	Throughout the year, engagement activities are incorporated in City-hosted events.
Facilitated sessions	The City holds open houses, facilitated workshops and sessions to share information, involve the community and obtain feedback on our plans in a more personal way. Community members are able to interact directly with the City and have their questions and concerns listened to, answered and considered in our decision-making.
Non-facilitated sessions	Information booths and ideas boards are set up at various City community events and other engagements.
Submissions	Where a survey is not appropriate, a submission is requested as an alternative means of capturing community comments, concerns and opinions. Submissions are generally delivered by email or, less frequently, sent or dropped into the City.
City's website	The latest news, key projects and important documents are all available for the community to view on the City's website.
Advertisements	The City regularly advertises engagement opportunities in the North Coast Times, Wanneroo Times and the Wanneroo Weekender.
Letters	We send information and feedback forms to members of the community likely to be directly affected by a decision, project or upgrade.
Social media	The City may inform community and stakeholders of engagement opportunities through social media, providing links to information and Your Say.
Promotional posters	Posters are sometimes displayed in the City's main public places (civic centre, libraries and community centres) to advertise engagement opportunities.
Notices	Advertisements and Notices are displayed on the City's public notice boards in the main public places (civic centre, libraries and community centres) to advertise tenders and impounded vehicles.



What we engaged on

In 2017/18, the City undertook 48 initiatives to engage different segments of the community (or 104, if we include statutory planning processes and joint projects with other government agencies and developers). The highlights follow.

Coastal Hazard Risk Management Adaptation Plan

Managing the risks posed by climate change to coastal communities (erosion, storms and sea level rise) is a challenge faced internationally. Specifically, rising sea levels are expected to cause increased coastal erosion along the 32 km of coastline that is managed by the City.

In November and December 2017, the City sought community views about the options available to help us adapt to the impacts of climate change on the coastline in the short, medium and long term. Feasible options could include groynes, shoreline stabilisation, beach nourishment, seawalls, elevation of structures, acquisition of at-risk properties, and even retreat.

The engagement involved educating the public on current projections for sea level rises, and seeking feedback on the types of coastal adaptation measures that they would support to combat sea level rise and coastal erosion. Information collected will contribute to the final report of the Coastal Hazard Risk Management Adaptation Plan (CHRMAP) due next year.

Key stakeholders included members of parliament, government and non-government agencies, developers, and environmental and community groups. A survey was carried out to capture how the community would like to see our changing coastline managed now and in the future. ‘Open House’ information sessions were held at three community centres and participation opportunities were promoted through community newspapers, social media, flyers and posters.

The final CHRMAP report will provide direction as to how the City’s coastal hazard risks will be managed, until the next review is required. The CHRMAP will be updated and reviewed every five to 10 years in accordance with State Planning Policy 2.6 and associated guidelines.

Review and development of important community plans

The City is committed to supporting healthy and inclusive communities where all people are accepted, welcomed and encouraged to participate and contribute.

In November and December 2017, the City reviewed the following three plans that guide our work in creating healthy and inclusive communities:

- » **Public Health Plan** – which promotes mental health and social wellbeing
- » **Access and Inclusion Plan** – which helps provide an environment where all people enjoy equal access to life’s opportunities

- » **Reconciliation Action Plan** – which promotes strong relationships and enhanced respect between Aboriginal and Torres Strait Islander peoples and other Australians.

Extensive face-to-face consultation was carried out with government and non-government agencies, along with a survey to capture feedback and views.

A separate online survey was developed for the community, and straw polls were held at major City events, including the Dog’s Breakfast and Wanneroo Presents Concert, and at City libraries.



Girrawheen Place Activation Plan

The Girrawheen Hub is recognised as a strategic place-based facility. Established by the City to assist community members with job readiness skills and help local small businesses grow, the hub is the perfect place for individuals and groups to meet, learn, network and provide support for one another.

In April and May 2018, the City engaged with the community for ideas to protect and develop the special character of the Girrawheen Hub as a distinctive place in the urban fabric of the northern suburbs.

Activities drew on the local knowledge and experience of existing stakeholders, community interest groups, local champions and community leaders.

Two active (facilitated) workshops, ‘Planning for Real’ and ‘Community Mapping’, were held with hub tenants and the community, with a barbecue and coffee van outside the library venue helping to attract participants. A face-to-face ‘one-on-one yarning’ session was held with representatives from local schools, churches, business owners and community groups.

The engagement also featured non-facilitated sessions: ‘Trevor the Ideas Tree’ (in the Girrawheen Library), posters and leaflets, and feedback captured through the Your Say online engagement hub on our website.

Koondoola Neighbourhood Activity Centre revitalisation

In October and November 2017, the City consulted with Koondoola residents to get their opinion about the existing Neighbourhood Activity Centre and help identify a vision for the site, along with any thoughts and feelings on redevelopment.

Engagement activities included a drop-in information session at the Girrawheen Hub, meetings, presentations and an online survey. As the community is a multicultural society, the key stakeholders included representatives from all the international associations, local residents and businesses.



Food truck trials

With the increasing popularity of ‘street food’, the City conducted its second good truck trial in 2017/18, building on the previous trial held between January and June 2017. The trial was extended to 30 June 2018 and involved coordinating mobile food vendors across the City on regular occasions to sell diverse types of food.

Venues included Alkimos (Shorehaven Beach), Hocking (Amery Park), Landsdale (Warradale Park), Madeley (Kingsway Regional Sporting Complex), Mindarie (Avondale Park) and Yanchep (Fisherman’s Hollow).

The City’s past position was to allow only one or two food trucks to operate at any one location, so the aim of the engagement was to identify and assess the challenges and benefits of a multi-food truck model.

More than 10,000 residents participated in the engagement for the two trials. Some of the highlights were:

- » 98.5% of residents supported food truck trading in the City
- » 80% were keen to see vendors trade all year round.

The engagement enabled the City to develop guidelines and include feedback into a report that has refined the model to be used in the future.

Age-friendly 2017

‘Older people are a resource for their families, communities and economies in supportive and enabling living environments. An age-friendly city encourages active ageing by optimising opportunities for health, participation and security in order to enhance quality of life as people age. In practical terms, an age-friendly city adapts its structures and services to be accessible to and inclusive of older people with varying needs and capacities’. (Global age-friendly cities: A guide, 2007)

On 19 September 2017, the Council voted to adopt its inaugural Age-Friendly Strategy to be implemented over the next three years.

The aim of the strategy is to assist in creating an age-friendly city and supporting seniors in line with the World Health Organization’s (WHO) Global Age-Friendly Cities Guide.

“This strategy will help the City become a more age-friendly place to live, work and visit,” Mayor Tracey Roberts said. “It is important that we begin to lay the foundation now that will ensure we are well placed to assist our seniors to access the City’s services, amenities, partners and community groups they need in future

“It is vital that we have an inclusive community and that our seniors are healthy, active and engaged.”

Through the strategy, the City will strive to further recognise diversity among older people, promoting the inclusion and contribution of older people in all areas of community life.

The strategy means the City can join the WHO’s Global Network for Age-Friendly Cities and Communities, and be able to exchange experiences and share mutual learning between communities across the world.



Hands on with Wanneroo

The City takes a holistic approach to health, reconciliation, diversity and inclusion. To improve our understanding of community perspectives, the City delivered themed creative and interactive engagement activities such as the Dog’s Breakfast and the Wanneroo Presents Concert.



Activities included asking participants to consider what their top three health priorities would be if they were Mayor for a day, and participating in the creation of an Aboriginal art painting. This engagement not only attracted big groups but also provided opportunities for City officers and community members to ask questions and grow local knowledge around the themes.

Looking ahead

To further improve our engagement performance and include new voices, the City plans to:

- » enhance the City's Your Say content on our website—improving the information provided and introducing new tools to enable online engagement
- » establish an online community engagement network—a new service allowing people to register their interest in upcoming activities and receive updates on the status of consultations
- » launch a communications campaign to raise awareness of our Community Engagement Program and promote upcoming engagement opportunities—including social media posts, a monthly e-Newsletter and regular media articles.

Community hubs

A community hub is simultaneously a physical building, a mechanism to facilitate service collaboration and integration, and a place-making opportunity to build cohesive communities.

Our community hubs continue to provide focal points and facilities to bring residents, local businesses and smaller organisations together to improve the quality of life of residents in their areas.

In Merriwa, the City continued to support its partnership with community service organisation MercyCare to operate the Merriwa Community Hub. This hub aims to support lifelong learning and wellbeing activities with a preventive focus.

In March 2018, the City officially launched the Girrawheen hub, which provides a facility to assist multicultural groups and individuals with job readiness skills and help local small businesses to grow. Other milestones for the Girrawheen hub included:

- » switching on public wi-fi
- » setting up public IT services and an IT training room
- » installing the Aboriginal Artwork and Welcome Words Wall
- » opening the multicultural pop-up office
- » installing new automatic sliding front doors
- » furnishing the computer laboratory space.

As part of a service level agreement with the state government, the Yanchep Community Centre received \$95,000 to support a range of capacity-building activities focusing on lifelong learning, wellbeing and community connection.

In the past year, 75 activities were held that supported community collaboration or partnering. A total of 435 people accessed activities conducted by external groups or providers, while 558 people received information and support about local activities, connections or support services. During this period, four playgroups operated, allowing participation of both parents and children at the centre.

In March 2018, the Council resolved to lease a portion of the Yanchep hub with a view to establishing a local 'place' office in Yanchep. The leased office space forms part of the implementation of a place approach for the Yanchep and Two Rocks local area, including:

- » job creation initiatives to support the City's 'Local Jobs' commitment under the Economic Development Strategy
- » providing services in partnership with stakeholders to address the local community's needs
- » establishing a 'satellite' city office where staff are able to perform their duties and engage the community on how the future growth of the north can be designed.

Activation of the Yanchep office will be completed over a five-year incubation period to enable time to develop, implement, review, report and assess the approach and deployment options.

Volunteers

Volunteers provide valuable assistance and knowledge to enrich the lives of the people and groups they help. The City supports volunteering in the community through its Volunteer Resource Centre as well as through programs that engage volunteers to support various services.

Volunteers provide valuable assistance and knowledge that enrich the lives of the people and groups they help. During the year, about 300 volunteers donated 50,000 hours to Wanneroo community programs that included:

- » **adult day centres, social support and a shoppers' bus** – providing much-needed services to our older residents who may otherwise be living in social isolation
- » **fire and emergency services** – keeping our community safe from natural and human-made disasters
- » **cultural services** – supporting arts programs, supervising exhibitions, assisting in galleries, guiding school groups and preparing art activities for the community. Volunteers also provide memorable visits for thousands of school students at two heritage locations (the 1880 cottage called Buckingham House, and Cockman House, the oldest remaining house in the Wanneroo area)
- » **Books on Wheels** – delivering books to community members unable to access libraries due to age or disability.



Volunteer Bush Fire Brigades

The City's four Volunteer Bush Fire Brigades (Wanneroo Central, Quinns Rocks, Two Rocks and Wanneroo Fire Support) collectively contributed 14,026 hours to attend to more than 400 incidents, including 309 fires, over the past 12 months.

Volunteer Resource Centre

The Wanneroo Volunteer Resource Centre (WVRC) is a City initiative that continues to develop the culture of volunteering, helping to create more vibrant and connected communities.

In 2017/18, 230 community members registered to become volunteers, bringing the total to more than 700. Of these, 58 found new volunteer roles within the City and most others were referred to various community organisations.

International Volunteer Day

The City celebrates and acknowledges its volunteers at three Volunteer Appreciation dinners held throughout the year. The Mayor also presents Volunteer Excellence Awards to nominated volunteers for their contribution to the community. During the year:

- » 58 library and heritage volunteers attended the dinner held on 15 September.
- » 70 community service and conservation volunteers attended the dinner held on 2 March.
- » 20 State Emergency Service, 19 Two Rocks Marine Rescue and 10 Yanchep Fire and Rescue Volunteers attended the dinner held on 29 June.

Bush Fire Brigade Volunteers were also acknowledged at their annual End of Fire Season Dinner and Awards Night.



Community Funding Program

The City's Community Funding Program (CFP) provides community groups, organisations and clubs with a funding opportunity to support projects, activities and events. The program continues to be a valuable source of partnering income and support, particularly for local community groups. There are four categories of funding:

- » Category A – community development
- » Category B – community events
- » Category C – hallmark events (Australia Day, Anzac Day and Remembrance Day)
- » Category D – Christmas community celebration events.

More than \$109,000 was approved for distribution to 29 community groups through the funding program in 2017/18.

The table below shows details of 29 CFP activities delivered in 2017/18. By investing more than \$109,000 in activities, the City leveraged over \$340,000 to benefit residents.

Community funding recipient	Community funding category	Initiative	Amount
Australia Day Council of Western Australia Inc.	A	Community Citizenship Forum	\$2,375
Atlantis Productions Inc.	A	Flashback Reunion and Carnival	\$1,656
Recreational Trail Bike Riders Association of Western Australia Inc.	A	Friends of Pinjar	\$3,000
The Challenge Brass Band	A & D	Autumn Concert including musical workshops	\$1,760
The Vietnamese Community in Australia – WA Chapter	B	TET New Year 2018 celebrations	\$5,000
Nature Play WA	B	Cubby Town 2	\$5,000
Royal Australian Airforce Association (WA Division)	C	A Anzac Day 2018 memorial service and sausage sizzle and Remembrance Day 2017 memorial service and sausage sizzle	\$1,900

Community funding recipient	Community funding category	Initiative	Amount
Quinns Rocks RSL Sub Branch	C	Anzac Day 2018 commemorative service and gunfire breakfast, Vietnam Veteran's Day 2017 service and lunch and Remembrance Day 2017 service and lunch	\$8,673
Yanchep Two Rocks RSL Sub Branch	C	Anzac Day 2018 commemorative service and gunfire breakfast, Vietnam Veterans Day 2017 commemorative service, Merchant Navy Day 2017 commemorative service, Battle for Australia Day commemorative service 2017 and Remembrance Day 2017 commemorative service	\$3,549
Wanneroo Scout Group	C	Australia Day community breakfast 2018	\$3,500
The Smith Family	D	Girradoola Community Christmas Celebration	\$3,000 and up to \$1,000 in-kind
Wanneroo Residents and Ratepayers Association	D	Wanneroo Community Carols by Candlelight	\$3,000 and up to \$1,000 in-kind
True North Church	D	Carols on the Green	\$3,000 and up to \$1,000 in-kind
Yanchep Two Rocks Community Recreation Association	D	Carols in the Park	\$3,000 and up to \$1,000 in-kind
North Coastal Women's Shed	A	Be the Best You Can Be Program	\$3,800
Miya Kaadadjiny Learning Sanctuary Community Centre	A	Noongar Community Garden	\$2,950
Camera Story	A	Two Creative Camera Story workshops for young people in the City of Wanneroo	\$3,480
Yanchep Districts Junior Football Club	B	Gala Day	\$3,000
Filipino Association in Banksia Grove Inc.	A	Banksia Grove Community Youth Program	\$3,149
Vishva Hindu Parishad of Australia Inc. WA Chapter	B	Raksha Bandhan and Diwali Celebrations	\$4,800
North Coastal Children's Community Choir	B	North Coastal Children's Community Choir Presents Songs from the Movies	\$1,990
Camery Story	B	Community Photographic Exhibition and Space Activation	\$2,530
Naval Association of Australia Perth North Sub-Section)	C	Commemoration of Remembrance Day 2017	\$800
Salvation Army Merriwa	B	Community Christmas Carols	\$3,000
One Church Perth Inc.	B	Wanneroo Christmas Lunch 2017	\$4,500
Wanneroo RSL Sub Branch	C	Commemoration of ANZAC Day 2018	\$4,580
Northern Suburbs Men's Shed	A	6 months rental of premises	\$9,000
Yanchep Community Men's Shed	A	6 months rental of premises	\$9,000
Girrawheen Senior High School P & C	B	NAIDOC Week at Girrawheen Senior High School	\$1,000



Sponsorships, donations and waiver of fees & charges

The City provides an annual budgeted amount to support:

- » community groups applying for a donation towards an activity, event or program with a charitable or community service purpose
- » individual residents (up to 18 years old) and athletes with a disability (any age) who have been chosen to participate in local, interstate or international competitions through sponsorships applied for on their behalf by sporting organisations and clubs.

In 2017/18, \$113,270 in sponsorships, donations and waivers was contributed to community groups and individuals (compared with \$114,815 in 2016/17):

- » \$90,110 (\$91,723 in 2016/17) in contributions was approved at a Council meeting
- » \$23,160 (\$23,092 in 2016/17) in contributions was authorised under delegated authority by the Director Corporate Strategy and Performance and Manager Council and Corporate Support.

The combined contributions of \$113,270 comprised three categories:

- » sponsorships \$64,800 (\$58,400 in 2016/17)
- » donations \$30,258 (\$47,565 in 2016/17)
- » waiver of fees & charges \$18,212 (\$8,850 in 2016/17).

The City also supports significant external events that benefit residents. For example, in 2017/18, the City sponsored parkrun Australia, supported a Vintage Collective Markets event for Telethon, and helped the Landsdale Community Wesleyan Methodist Church to deliver important community initiatives. Vintage Collective Markets received support from the City to hold a rock and roll festival at the Wanneroo Showgrounds in 2017 that attracted a big crowd.

Facility hire subsidies

The City provides facilities (spaces and places) for a variety of functions, events and activities for the community. Under the Facility Hire and Use Policy, certain clubs, organisations and groups qualify for subsidised use of City facilities. They include:

- » junior and senior clubs and organisations
- » service clubs and charitable institutions
- » emergency service organisations
- » disability groups
- » City of Wanneroo Elected Members.

In 2017/18, the City generated \$3,539,627 through fees & charges for the use of facilities. After discounting for subsidies under the policy (an amount of \$2,998,789), a total of \$540,838 was collected.

Inwards investment – grants

We are committed to ensuring the long-term sustainability of the City through prudent and robust financial planning. As a local government area projected to experience increased population growth for the next 20 years, we need to ensure that our facilities and infrastructure are planned and delivered in a way that will service these needs.

To alleviate the short to medium term pressure on current ratepayers, and to manage the longer term impact on future generations, the City actively pursues opportunities to secure grant funding towards the cost of these projects.

Strategies to attract additional financial support include seeking alternative sources of income through various mechanisms such as building strategic partnerships, advocating for strategic regional and local priorities, and attracting investment through grant funding for specific operational and capital projects.

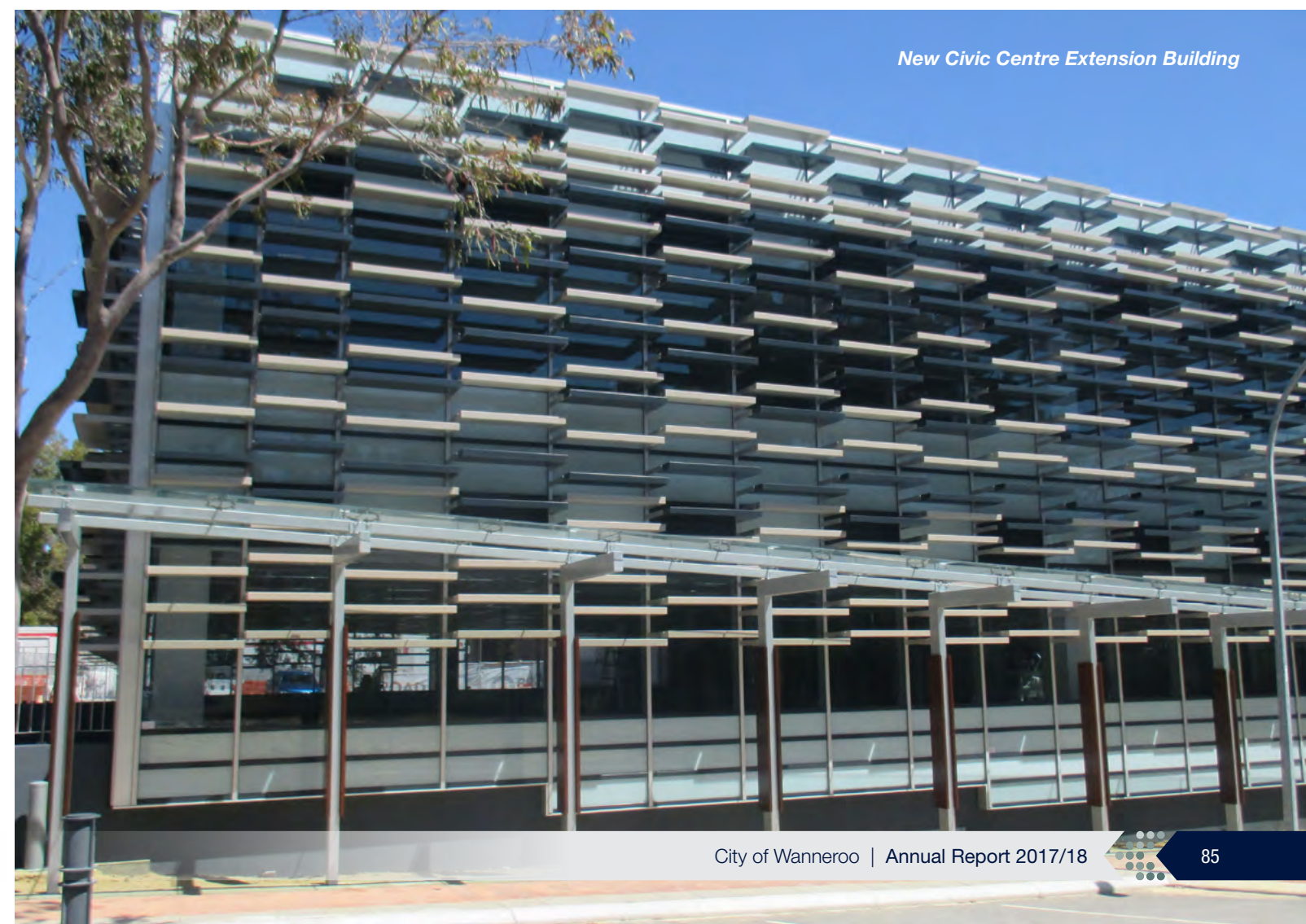
In 2017/18, the City received funding from federal and state governments for both ongoing activities and one-off projects and events. The revenue received from external grants continues to be an important aspect of the City's budget and enhances our capacity to meet community needs.

Significant external funding has been received for infrastructure and traffic management projects (Roads to Recovery and the Black Spot Program), the Emergency Services Levy (ESL) (Bush Fire Brigades), Home and Community Care (HACC), the KidSport program and community facilities (Community Sport and Recreation Facility Fund and Lotterywest).

The City receives grant funding from the Department of Fire and Emergency Services for both capital and operational purposes for the Bush Fire Brigades, which is assessed against Local Government Grant Scheme (LGGs) criteria.

The City's total expenditure related to Bush Fire Brigades for 2017/18 was \$325,572. The ESL contribution was \$320,000, resulting in a municipal contribution towards our Bush Fire Brigades of \$5,572. Additionally, the City contributes \$2,500 per brigade annually (\$10,000 in total) for operational expenses.

Grants have also been received by the City to deliver community development activities throughout various parts of Wanneroo. Other areas that have attracted funding for one-off activities include City events, coastal management and maintenance, cycling facilities, youth activities and emergency management.



Corporate Governance



Council Chambers

Corporate governance is the system that directs and controls local government and allows for better decision-making. Sound decision-making helps to instil a culture of confidence in the Council and protect the Council from unfair criticism. Corporate governance also includes the relationships that Council has with stakeholders and the goals that direct the institution.



Coastal renourishment works at Quinns beach

Asset management

The City provides a variety of services to its growing community over a large area. Most of services are provided through physical assets, in particular infrastructure assets, such as buildings, roads and open spaces.

The fair value of the City's physical asset base is currently assessed at \$2.5 billion across a wide range of asset classes. Infrastructure assets make up 86% of the City's asset base. Land makes up 13%, with IT and plant & equipment assets making up the remaining 1%. The asset base portfolio is expected to grow and surpass \$3.5 billion by 2028.

Challenges and opportunities

The increasing challenges the City faces include:

- » continued population growth and managing the corresponding rate of acquired assets received from land development
- » increasing community demands for new infrastructure and services across a wide geographical area of varied development maturity
- » ongoing need to maintain and/or upgrade existing assets to support services
- » financial planning to ensure intergenerational equity and equity across the City's geographical area
- » need to consider creative solutions to meet the increasingly diverse nature of the City's community
- » climate change considerations

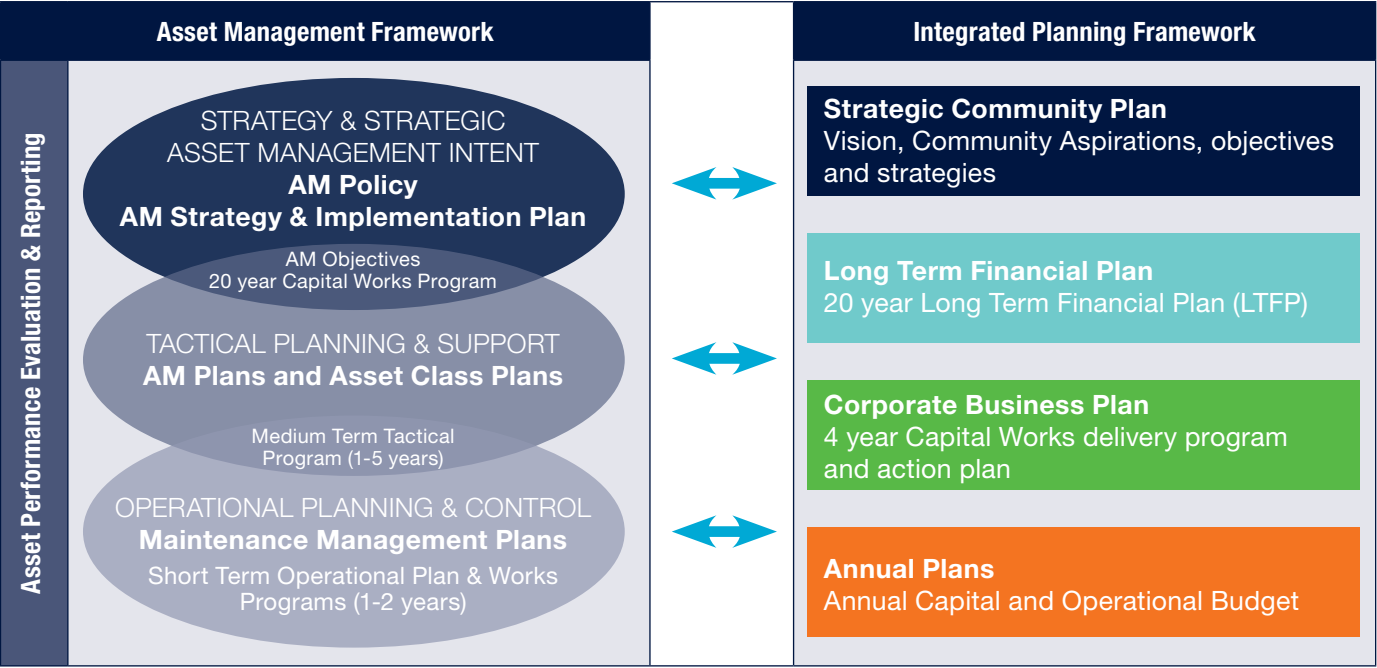
- » limited funds to meet current and ongoing asset management and community needs
- » increasing legislative requirements for local governments to demonstrate how services will continue to be delivered to the community in a financially and sustainable manner
- » ongoing need to ensure services meet community needs and are therefore 'fit for purpose'.

The City continues to apply sound asset management (AM) practices to ensure sustainable outcomes in the years ahead. The integration of decision-making across the organisation between AM planning and the 20-year Long Term Financial Plan enables a longer term view of its financial position with respect to the long-term performance and sustainability of assets.

Strategic asset management approach

The City's AM Framework (shown below) aligns with and informs the Integrated Planning and Reporting Framework from an asset management perspective. The AM Framework consists of the following elements:

- » AM Policy
- » AM Strategy
- » AM plans (or asset class plans) for major asset classes and major facilities
- » operational planning and control
- » asset performance evaluation and reporting.



The new AM Policy and AM Strategy, which supersede the previous 2003 versions, were adopted at a Council meeting on 26 June 2018.

AM is recognised as a whole-of-organisation responsibility and cannot be achieved within individual operational areas of the City alone. The City continually seeks to identify opportunities for working together in more strategic, integrated and collaborative ways towards commonly agreed outcomes, as articulated in the AM Policy and AM Strategy.

The AM Policy defines the key principles and requirements that the City will apply to its planning and management, including long-term financial sustainability of assets to ensure that these are effective and safe to meet the needs of the community, customers and stakeholders. The policy sets out the City’s commitments and expectations for decisions, activities and behaviour concerning asset management and ensures their alignment with the corporate vision and objectives.

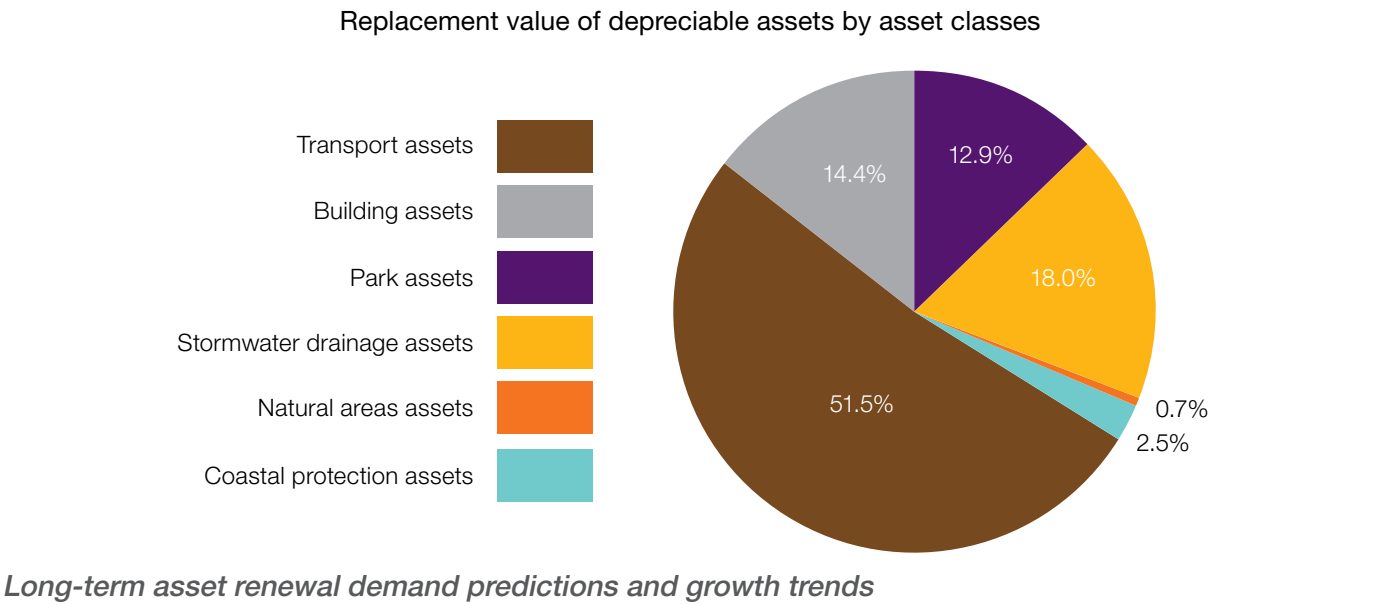
The AM Strategy adds detail to the AM Policy, focusing on what the City plans to do to build its AM capability and capacity necessary to sustainably meet future challenges.

The AM Strategy sets out the high-level AM objectives and outcomes to ensure that AM practices and the management of assets is consistent with the AM Policy and are aligned to the strategic plan and business objectives. It also ensures that improvements meet the requirements of the Integrated Planning and Reporting

- Framework and are aligned with ISO 55001 asset management system standards.
- Supporting the AM Strategy is the AM Implementation Plan, which details the planned actions to improve AM practices in line with the objectives and intent of the AM Strategy, including timeframes for achieving them.
- Key areas of improvements identified and being targeted in 2018/19 are:
- » establish an AM governance structure (i.e. an Asset Management Steering Group)
 - » map the existing management system for assets and identify gaps for improvements
 - » review and update the Transport Infrastructure Asset Class Plan
 - » develop the Natural Area Asset Class Plan
 - » prepare the scope and specifications for the acquisition of a dedicated Asset Management Information System (AMIS) planned by 2021/22
 - » develop engineering and building maintenance plans.

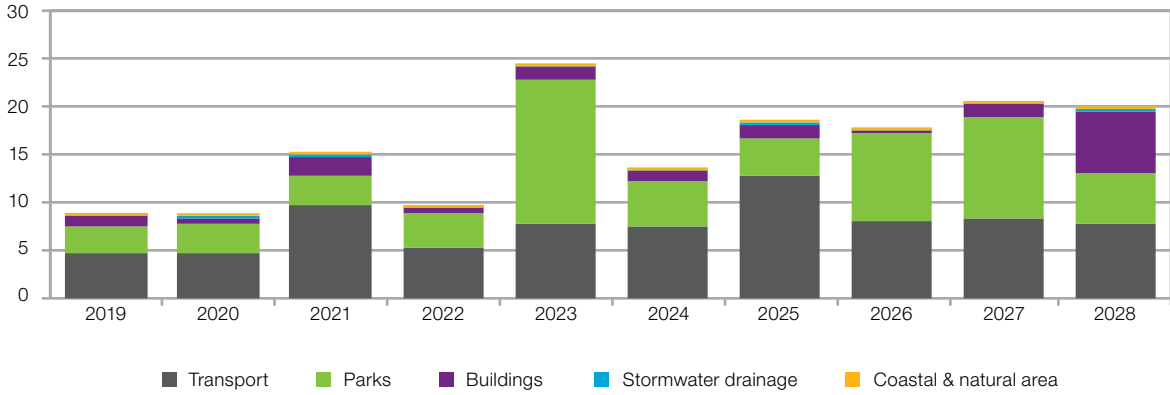
Current infrastructure asset portfolio and replacement cost

The City manages and maintains a diverse infrastructure asset portfolio. The breakdown by value of the various asset classes is shown in the pie chart following. The replacement value of our transport-related assets form the largest proportion, with natural area assets, the least.



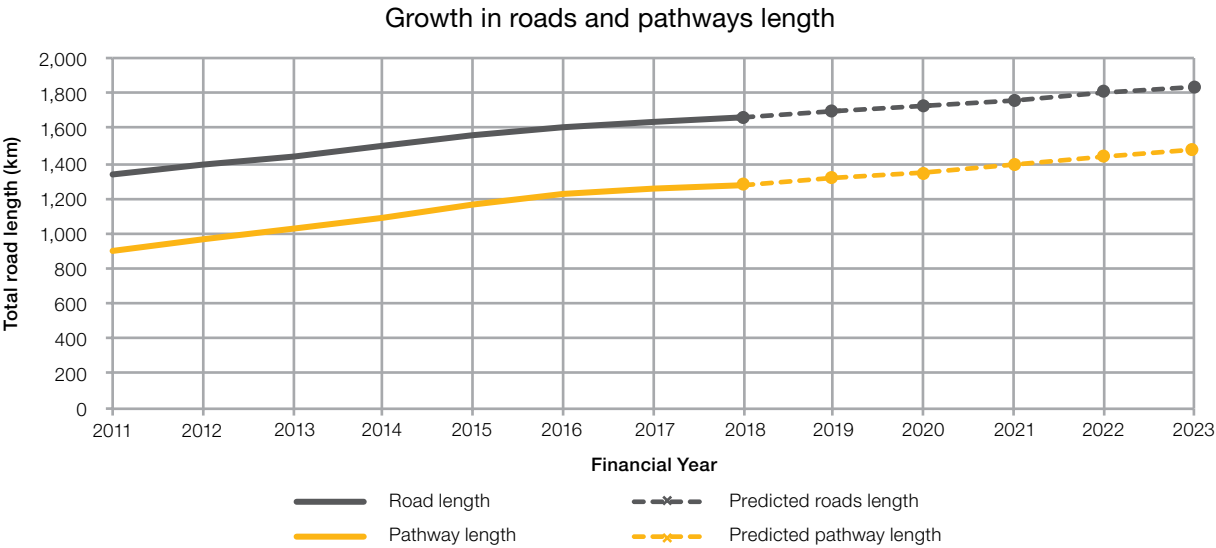
Long-term asset renewal demand predictions and growth trends

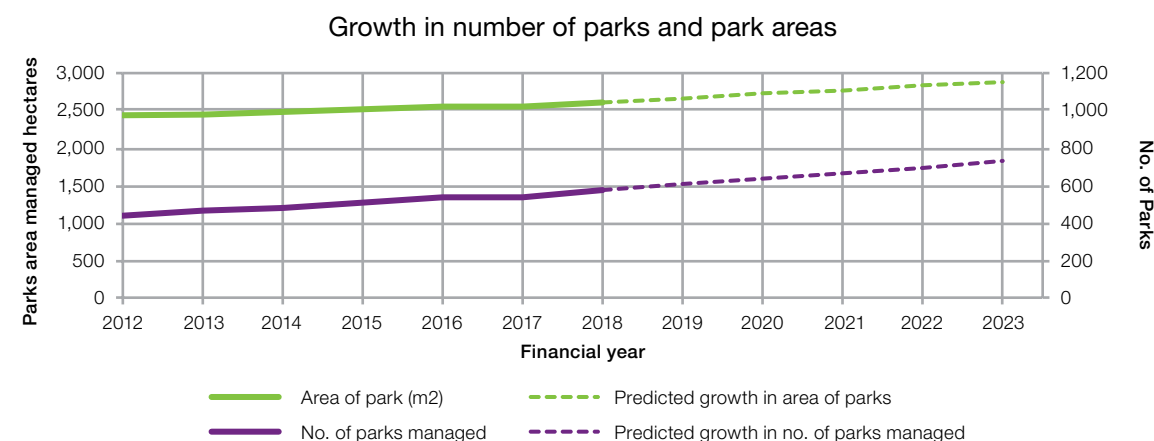
The profile of the City’s predicted long-term asset renewal demand is shown in the chart below. Renewal of assets from the transport and parks asset classes represent the greatest demand on the City’s renewal funding. This is addressed by the City through prudent planning, which includes the creation of a number of specific funding reserves.



The two major components of the transport asset class are roads and pathways. These components, together with parks, will have the largest influence on the demand for long-term renewal funding into the future.

The growth statistics for these assets are shown in the charts below.





Over the next five years, the length of roads in the City is expected to increase by 10% (170km) while the length of pathways will increase by 15% (200km). Over the same period, the area of parks that the City will need to maintain is expected to increase by 10% (270ha).

Enterprise risk management

Risk management framework and methodology

An enterprise approach to managing risks underpins the City's conduct of business and decision-making. Enterprise Risk Management (ERM) enables an organisation to consider the potential impact of all types of risks on all processes, activities, stakeholders, products and services. We use a robust and consistently applied ERM methodology—aligned with current best practice and ISO 31000 principles and guidelines—to identify, prioritise and respond to risk management issues that may prevent us from achieving our business objectives.

Developments in the City's risk management include the following:

- » A review of the Risk Management Policy will be submitted to the Council for endorsement in 2018/19.
- » A review and update of the City's risk methodology, which started in January 2016, will include additional consequence measures to be considered. The updates will be implemented following the adoption of the revised Risk Management Policy.
- » A review and update of business continuity plans at service unit and directorate levels continues.
- » Crisis Management Team refresher training was conducted by the Local Government Insurance Service (LGIS) in January 2018 for the Executive Leadership Team (ELT) and Crisis Team members.
- » Business continuity training was conducted by LGIS in June 2018 at Operational Management Team (OMT) level for all managers.

- » Together with the updated Crisis Management Plan, a crisis management checklist pack and a crisis management wallet was developed and endorsed by the ELT in June 2018.
- » Similar to the previous year, ongoing ad hoc risk training aligned to ISO 31000 principles was provided to relevant employees.
- » An e-Learning module for ERM will be rolled out in 2018/19 upon adoption of the updated Risk Management Policy and methodology.
- » Formal refresher risk training for Elected Members was conducted in March 2018. The training was facilitated by Riskwest Management Consultants.

The City maintains three levels of risk registers within its Risk Management Framework as follows:

Strategic risks

Strategic risks are risks that may impact the achievement of the City's strategic plan. They are aligned against the objectives of the plan, to assist with decision-making. In accordance with the terms of reference of the Audit & Risk Committee, the committee reviews and oversees progress on all strategic risks quarterly. The strategic risks are:

- » reviewed quarterly with the ELT
- » reported quarterly to the Audit & Risk Committee:
 - 6 September 2017
 - 22 November 2017
 - 10 February 2018
 - 15 May 2018.



Seven strategic risks are currently captured in the register and are listed below:

- » Long-term financial planning
- » Integrated infrastructure & utility planning
- » Water availability
- » Economic growth
- » Strategic asset management
- » Climate change
- » Stakeholder relationships.

Corporate risks

Corporate risks are systematic risks that may impact business operations across the various directorates. These risks are aligned against the four-year corporate plan and annual operational plan and are managed and monitored by the administration. The Audit & Risk Committee will oversee the management of corporate risks rated 'extreme' and 'high' on a twice-yearly basis, in accordance to the terms of reference of the committee. Corporate risks are:

- » reviewed twice a year with the ELT
 - 30 October 2017
 - 26 April 2018
- » reported twice a year to the Audit & Risk Committee for noting.

Twenty-three corporate risks are currently captured in the register.

Operational risks

Operational risks are risks that may impact a single directorate, service unit or project and are aligned to individual service unit, project or program plans. Operational risks are reviewed annually by each directorate leadership team. Each directorate maintains an operational risk register. Annual review of operational risks for all directorates was completed by April 2018.

Insurance broking and risk management services

The local government insurance service LGIS works with the City to provide a unique and tailored suite of insurance and risk management services.

The service, incorporating LGIS WorkCare, Liability and Property funds, provides a pooled fund and mutual scheme for local governments in WA. The scheme allows the City to take control of risk and minimise costs as an alternative to traditional insurance. Our ability to manage exposure is achieved by taking a coordinated and holistic approach to the management of risk, claims and injury.

The contribution paid by the City is required to fund the actual and potential costs of exposure to risk. Our positive claims performance over recent years has resulted in an annual dividend disbursement to the City.

Insurance premiums

The City's overall insurance expenses (contributions and premiums) in 2017/18 were \$2.18 million, down by 2017/18 by \$783,049 on the previous year. Our implementation of effective risk and injury management processes contributed to the savings.



Wanneroo Civic Centre

The City continues to strive to achieve lower cost premiums while maintaining comprehensive cover for our insurable risks.

Audit & Risk Committee

The primary role of the Audit & Risk Committee is to liaise with internal and external auditors so the Council can be satisfied with the performance of the local government in managing its affairs. The committee also advises the organisation on the management of business enterprise risks, the strategic risk register and high-risk issues.

The terms of reference for the Audit & Risk Committee were reviewed and adopted by the Council in March 2017.

An Internal Audit Charter was developed and adopted by the Council in September 2017.

Membership of the Audit & Risk Committee comprises the Mayor and all Councillors. In 2017/18, Cr Zappa held the position of Chair and Cr Treby that of Deputy Chair.

The Audit & Risk Committee met four times during 2017/18:

- » 6 September 2017
- » 22 November 2017
- » 20 February 2018
- » 15 May 2018.

Internal audit

The City has an internal audit function that complies with Institute of Internal Auditors' standards. The function is shared between external auditors (William Buck Consulting WA) and in-house resources.

The City's three-year Strategic Internal Audit Plan was reviewed in March 2018 and adopted by the Council in May 2018.

The Audit & Risk Committee receives a quarterly report from the internal audit service provider. The reports cover the activities of the internal audits and the progress of agreed management actions as captured in the City's internal audit log.

Regulation 17 of Local Government Audit Regulations 1996 places responsibility on local governments to review their audit systems and procedures in relation to risk management, internal controls and legislative compliance every two years. As a result, the Audit & Risk Committee receives the relevant audit reports every two years.

In 2017/18, William Buck Consulting WA and the City's in-house Audit & Assurance Officer conducted audits or reviews of the following areas:

- » land development and contributions
- » inspection of roads
- » property management
- » stormwater drains and grates
- » long-term financial planning and reporting
- » finance
- » compliance audit return.

In addition, the Office of the Auditor General (OAG) conducted a review on the controls over corporate credit cards across the City.

The following reviews were also conducted during the year:

- » Final Budget Rate Setting Statement
- » Internal review – annual staff Christmas event.

An internal audit methodology was developed and updated on the City's intranet. An Internal Controls Framework, also in preparation, will be presented to the Audit & Risk Committee in 2018.

External audit

Commencing in 2017/18, the City's external audit services were provided by the Office of the Auditor General. The OAG has subcontracted the accounting firm Grant Thornton to perform the audit. Representing the OAG, Assistant Auditor General – Financial Audit, Mr Don Cunningham, and Director – Financial Audit, Ms Kellie Tonich, and Grant Thornton audit partner, Mr Patrick Warr attended the Audit & Risk Committee meeting held on 15 May 2018 to present the Audit Plan to the Committee.

Significant audit issue

Grant Thornton did not note any material deficiencies during their testing. It was noted that a previously noted risk of the ability of employees outside the Transactional Finance Service Unit to process general journals (representing a risk to the accuracy of the City's financial information) had been addressed.

Contracts and procurement

Legislation and policy framework

All procurement is conducted in compliance with the requirements of the *Local Government Act 1995*, the *Local Government (Functions and General) Regulations 1996* (as amended) and the City's Purchasing Policy, Statement of Business Ethics and associated corporate policies and management procedures.

The City continues to review its procurement and contract management policy frameworks and has developed and delivered relevant training to employees undertaking procurement activities.

Unless a tender exemption applies, the purchase of goods and services and the acquisition of contractors for works above a specified value threshold (\$150,000) are acquired through a public tender process. All procurement undertaken must comply with the Purchasing Policy.

Public tender recommendations are approved by the Council or the CEO in accordance with delegated authority. Details of published tenders and contracts awarded are available through the City's website.

The City publishes and manages all formal requests for quotation and public tender processes through an e-tender portal as an important aspect of its contract management system.

Strategic Procurement Road Map

Procurement is the process of finding, agreeing terms and acquiring goods, services or works from an external source, often via a tendering or competitive bidding process.

In order to effectively support the delivery of Community Strategy 4.3.1 'Lead excellence and innovation in local government', a Strategic Procurement Road Map has been developed. This map defines elements of procurement best practice and identifies stages of incremental improvement towards the attainment of best practice. The road map is expected to commence phased implementation in 2018/19.

Public tenders, request for quotations and purchasing

The City issued 78 public tenders and 144 formal requests for quotation documents in 2017/18. The total contracts awarded had an estimated value of \$78 million. Significant contracts awarded included:

- » Carramar Golf Course management (income of \$8.37m over five years)
- » Marangaroo Golf Course management (income of \$7.65m over five years)
- » Quinns Beach Long Term Coastal Management Works (\$7m over 3 years)
- » Civic Centre and extension buildings – fitout and refurbishment (\$5.5m)
- » Carramar and Marangaroo golf courses – maintenance (\$3.6m over 5 years)

Authorised officers undertake lower-value procurement with compliance oversight by a centralised Contracts & Procurement function. Approval limits within the purchasing system dictate the individual officer's purchasing levels. There is an automatic escalation of approvals in accordance with prescribed limits.

In 2017/18, the City issued 15,656 purchase orders with 1578 active suppliers for a collective procurement value of \$121 million.

In response to changing business needs, the City explored the option of establishing its own preferred supplier panels. Subsequently, work on establishing two preferred supplier panels has commenced with the City's Governance & Legal, and Advocacy & Economic Development Teams. These teams will develop the necessary procurement documentation for such panels.



Training session at Girrawheen Hub



Education Expo at the Wanneroo Library & Cultural Centre

Management of contracts

The City's contract management system (CMS) integrates contract management data across a single platform (including financial spend against contract and links to relevant contract documentation), providing an easily accessible single source of information. The system also features an e-tendering capability that enables self-registration for interested suppliers to set up automatic notifications of the City's current sourcing requirements. Future development of a supplier e-portal will enhance collaboration with suppliers and contractors.

Contract managers receive comprehensive training on the CMS, enabling them to centrally manage contracts through the system. A refresh of the Contract Management Plan has begun. The City expects to incorporate the plan into the CMS in 2018/19, enabling contract managers to generate and update the plan as needed.

The Audit & Risk Committee and the ELT continue to receive regular status and performance updates of all publicly tendered contracts.

Business ethics and risk

In addition to compliance with the City's Purchasing Policy, the Council is committed to ensuring that business dealings with contractors, service providers and suppliers are conducted to the highest possible standard. A Statement of Business Ethics sets out the key principles expected when doing business with the City. Independent probity advisory services are also engaged for high-risk procurement activities.

Monthly purchasing transaction exception reports are provided to service unit managers and include details on purchase orders placed, any anomalies and key statistics. The increased emphasis on analysis and reporting has led to the close-out of all but one purchasing-related audit recommendations.

An internal audit into procurement and financial management controls resulted in recommendations to refine and strengthen such controls where appropriate. Improved functionality expected from the introduction of the City's new financial information management system will lead to improved and automated exception reporting.

Education and training

The training focus for employees continues to be on developing online interactive job aid materials for transactional purchasing functions, and on providing training to contract managers. Further intensive training is planned for 2018/19.

The CMS training delivered to groups of both new and existing contract managers across the City provides a practical understanding of the system's functionality and how it can be used in day-to-day contract management activities. The improved take-up of the system enhances the City's contract management practices, drives improved contractor and supplier performance, and ensures value for money outcomes. Further rollout of the training is expected in 2018/19 to cater for those officers who manage low value, low risk or ad hoc purchasing contracts.

Value for money and assessment of safety risk

In-house education on tender evaluation processes since last year has noticeably improved the individual assessment notes and scoring provided by each tender evaluation panel. As part of continuous improvement, a formal review of the City's current Tender Evaluation Policy and processes has begun.

The scope of this review includes the development of the Procurement Plan and Road Map, including evaluation criteria and in particular the application of price as a value-for-money consideration rather than as a weighted criterion. The initial round of internal stakeholder consultation has occurred. The review will also examine aspects of due diligence (financial and risk) of shortlisted or preferred tenderers and consider a more appropriate format of the Tender Recommendation Report.

The occupational safety and health (OSH) assessment tool introduced last year has also been deployed more broadly, including for request for quotations. The assessment tool remains under development, with further in-house education required to enhance the understanding of its application.

Corporate social responsibility

Corporate social responsibility (CSR) aims to ensure that local governments conduct their business in a way that is ethical. This means taking account the social, economic and environmental impact of their decisions.

In consideration of the supply of goods and services to the City, the Council gives preference to those organisations that are able to demonstrate sustainable business practices and display high levels of CSR. This

includes the capacity for the City to enter into direct contract arrangements with WA Disability Enterprises and registered Aboriginal businesses.

In accordance with the City's Access and Inclusion Plan, tenderers to the City will be required to outline any applicable aspects of best practice access and inclusion principles in their application and delivery of contracts.

In 2016/17, a local disability organisation, Workpower Incorporated, was awarded a maintenance and planting contract. This contract was extended for another year in 2017/18. A new contract was also awarded to the same organisation in 2017/18 for the supply and installation of coir mesh matting (an open weave geotextile made from 100% natural biodegradable coconut fibre).

Local supplier opportunity

The Council also gives local businesses opportunities to compete for the supply of goods and services to the City. To assist in facilitating this initiative, the City has worked closely with local business associations throughout the year, including conducting 'Doing Business with the City' seminars and active participation in other business networking opportunities.

For 2017/18, the City awarded purchases of \$19 million with local suppliers (within the cities of Wanneroo and Joondalup boundaries), with about 30% of all purchase orders placed with local businesses. This is a 10% improvement over last year.

Non-weighted criteria in public tender documentation also address the sustainable practices of tendering organisations and their commitment to the broader economic impact of the particular procurement for the City.

Our Organisation



LG Professionals workshop

The Council is the governing body that appoints a Chief Executive Officer. The CEO has responsibility for the day-to-day management of operations in accordance with Council's strategic direction as set out in the Strategic Community Plan (SCP) and the four-year priorities of the Corporate Business Plan (CBP). Four directors, together with the CEO, form the Executive Leadership Team (ELT) and lead the organisation. The CEO is directly accountable to the Council elected by residents of the City of Wanneroo.

Our Executive Leadership Team

In 2017/18, the ELT continued to apply the Australian Business Excellence Framework (ABEF) to build organisational capacity and leadership capability, and to deliver the objectives and outcomes of the strategic plan. Identified opportunities for improvement were prioritised and addressed through the corporate plan process, to ensure services are delivered in line with community expectations while continuing to strengthen the long-term sustainability of the City.

The ELT also continued to develop the City's governance framework, deploying projects and new initiatives

through a planned deployment and project management approach. The City's annual service planning approach, piloted in 2016/17, is now well embedded. The service plan tool ensures all operational changes and allocation of resources (financial, assets and people) for the following year, are well planned at an organisational level to ensure the City's limited resources can be assigned to areas of greatest priority in accordance with the objectives of the corporate plan.

Organisational structure

The City’s organisational structure is made up of the Office of the CEO and four directorates – Assets, Community & Place, Corporate Strategy & Performance, and Planning & Sustainability. The leadership team comprises the ELT and the Operational Management Team (OMT). The following table details the structure of the ELT as at 30 June 2018.

 <p>Daniel Simms CEO</p>	<p>Starting date: 11 September 2008</p> <p>Degree: Bachelor of Applied Science and Graduate Diploma in Business in Local Government Management (Deakin University)</p> <p>Daniel has extensive experience in local government in both metropolitan and regional WA, working across many disciplines, including planning and development, finance and administration, governance and strategic planning.</p>	<p>Services</p> <ul style="list-style-type: none">» Advocacy & Economic Development» Governance & Legal» CEO administrative functions
 <p>Harminder Singh Director Assets</p>	<p>Starting date: 1 July 1996</p> <p>Degree: Bachelor of Civil Engineering (Punjab University, India) and Master of Technology (Civil Engineering) from the College of Agricultural Engineering (Punjab Agricultural University).</p> <p>Harminder has been employed at the City for the past 22 years, including leadership positions for the past 12 years.</p>	<p>Services</p> <ul style="list-style-type: none">» Assets Maintenance» Infrastructure Capital Works» Parks & Conservation Management» Strategic Asset Management» Traffic Services» Waste Services
 <p>Debbie Terelinck Director Community & Place</p>	<p>Starting date: 4 January 2017</p> <p>Degree: Graduate Diploma in Business (Curtin University); Diploma in Human Resource Management</p> <p>Debbie has more than 21 years’ experience in leadership roles and significant experience within local government across many disciplines. These include transport and roads, community development, library, arts and heritage services, recreation, sport and leisure, access and inclusion, and social programs.</p>	<p>Services</p> <ul style="list-style-type: none">» Communications, Marketing & Events» Community Facilities» Community Safety & Emergency Management» Community Services» Cultural Development» Community and Place
 <p>Noelene Jennings Director Corporate Strategy & Performance</p>	<p>Starting date: 7 July 2014</p> <p>Degree: Bachelor of Science (UWA); Graduate Diploma in Computing (Curtin University); Master of Commerce (Industrial Relations) (UWA)</p> <p>Noelene has more than 29 years in senior leadership roles in state and local government covering governance of planning, emergency services, land information, health information and corporate services and has also been an Australian Business Excellence Evaluator since 2000.</p>	<p>Services</p> <ul style="list-style-type: none">» Contracts & Procurement» Council & Corporate Support» Customer & Information Services» People & Culture» Property Services» Strategic & Business Planning» Strategic Finance» Transactional Finance
 <p>Mark Dickson Director Planning & Sustainability</p>	<p>Starting date: 11 September 2006</p> <p>Degree: Bachelor of Arts (Hon.) in Urban & Regional Planning; Bachelor of Town Planning; and Postgraduate Diploma in Management Studies.</p> <p>Mark has more than 17 years’ experience in senior leadership positions and more than 24 years in local government.</p>	<p>Services</p> <ul style="list-style-type: none">» Approval Services» Strategic Land Use Planning» Health & Compliance» Land Development



Lake Joondalup - Wanneroo

In 2017/18, the City’s leadership efforts continued to focus on building collaborative efforts to strengthen corporate accountability, particularly in the delivery of projects and services that reflect our commitments under the corporate plan.

The following summarises the role of each directorate:

The CEO provides overall leadership to the organisation and oversees the strategic planning, policy and program development across all aspects of the City’s operations. The CEO is responsible for the system we work within, the support we provide to the elected Council and the implementation of Council decisions. The Office of the CEO encompasses corporate governance, legal advice, advocacy and economic development.

The Assets Directorate is responsible for ensuring the City’s assets are strategically planned, built and managed to a high standard. This includes ensuring the effective and efficient deployment of resources to maximise benefits to the community. These benefits may be gained from major infrastructure projects (roads and buildings) and natural infrastructure (parks and coastal environments).

The Community & Place Directorate has a strong interface with the community, providing community infrastructure, programs and services as well as advocating for funding and services by other agencies. The directorate provides support for a range of community priorities, encouraging the growth of self-sufficient community organisations to assist them.

The Corporate Strategy & Performance directorate addresses the full range of functions dealing with running the organisation. This includes a coordinated approach to corporate planning, monitoring and reporting while ensuring business processes and systems are effectively supported, reviewed and enhanced. Their goals include facilitating continuous improvement, maintaining high corporate standards and delivering long-term financial sustainability.

The Planning & Sustainability Directorate is responsible for managing the functions of land-use planning and development, from project inception, assessment and approval through to construction and delivery of new developments and communities.



2018 CEO Award Winner – Phil Thompson

Our employees

The City’s workforce of 766 full-time equivalent (1003 headcount) at 30 June 2018 is our most valuable resource. Our employees individually and collectively contribute to delivering services, and working towards achievement of the City’s vision and actions as outlined in the corporate plan. They lead our organisation and culture in Australian Business Excellence Framework approaches.

The City delivers more than 100 different services to a community of 210,000 residents. A breakdown of the main services can be found on **page 46**. Successful delivery of these services relies on employing highly capable and committed people from various disciplines and professions. Employees have access to a range of opportunities to support them in achieving their professional and personal goals, and to ensure they continue to develop their capability to meet current and future operational requirements.

The City actively promotes the City’s five corporate values (customer focus, improvement, accountability, collaboration and respect), which underpin everything the City does to build a well-trained, responsive and courteous workforce. All activities and processes focus on encouraging and recognising workplace behaviours that align with the values and, conversely, discourage inappropriate choices. A number of initiatives have been undertaken to build capability and systems that support employees in demonstrating behaviour consistent with the values. These include the conduct of performance development and review conversations that are

inclusive of the revised values and expected behaviours; recruitment testing of values alignment for prospective new employees; and the formation of a Values Actions Committee. Members of the committee are drawn from across the City. Their role is to contribute ideas for influencing culture positively and provide feedback and/or input in relation to cultural alignment activities such as the City’s Reward and Recognition Program.

Salaried employees

Regulation 19B of the *Local Government (Administration) Regulations 1996* requires the City to include the following information in its Annual Report:

- » the number of employees within the City entitled to an annual salary of \$100,000 or more
- » the number of those employees with an annual salary entitlement that falls within each band of \$10,000 over \$100,000.

To remove confusion associated with the treatment of benefits other than cash salary, the City has adopted a total employee cost approach to remuneration. This packages all remuneration into one total number. This is considered a more transparent and open approach to payment and exceeds the requirement of the Regulations.

The table is based on the remuneration each employee actually received over the reporting period, whether employed for a full year or not. It includes:

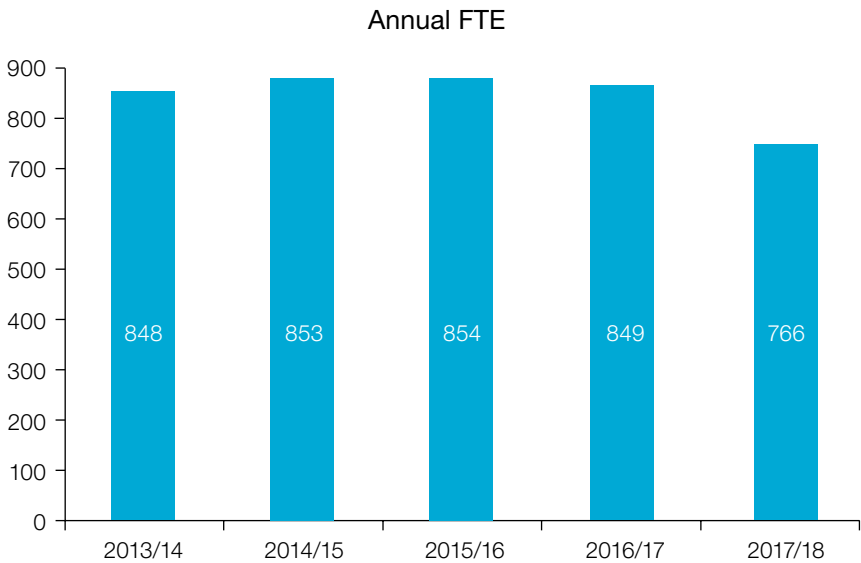
- » annual cash component
- » statutory 9.5% superannuation, plus City matching contributions to additional superannuation, where applicable
- » salary sacrifice

- » allowance for motor vehicle or cash value equivalent (Managers/Directors/CEO only)
- » overtime payments
- » cash-out of leave (either on request or termination)
- » higher duties
- » termination payments.

Salary band		No. of employees
\$ From	\$ To	
100,000	109,999	57
110,000	119,999	31
120,000	129,999	21
130,000	139,999	5
140,000	149,999	4
150,000	159,999	4
160,000	169,999	4
170,000	179,999	4
180,000	189,999	1
190,000	199,999	6
200,000	209,999	2
210,000	219,999	0
220,000	229,999	1
230,000	239,999	0

Salary band		No. of employees
\$ From	\$ To	
240,000	249,999	1
250,000	259,999	1
260,000	269,999	2
270,000	279,999	0
280,000	289,999	0
290,000	299,999	0
300,000	309,999	0
310,000	319,999	0
320,000	329,999	0
330,000	339,999	0
340,000	349,999	0
350,000	359,999	0
360,000	369,999	1
Total		145

Workforce profiles





The reduction in full-time equivalent employees (FTE) of 9.8% for 2017/18 is attributed to the City's withdrawal from the provision of service delivery for the Home and Aged Care program (HACC), which was outsourced in March 2018.

The City monitors workforce growth very carefully to ensure that as a large-growth Council we remain financially viable in the long term. Potential growth (or planned decline) in FTE occurs through the City's annual integrated planning cycle reinforced by a comprehensive business case, with decisions informed by key strategic corporate projects and community growth areas. Vacancies are critically assessed by the leadership team (CEO, directors and managers) throughout the year, and as part of the annual integrated planning cycle, to consider whether:

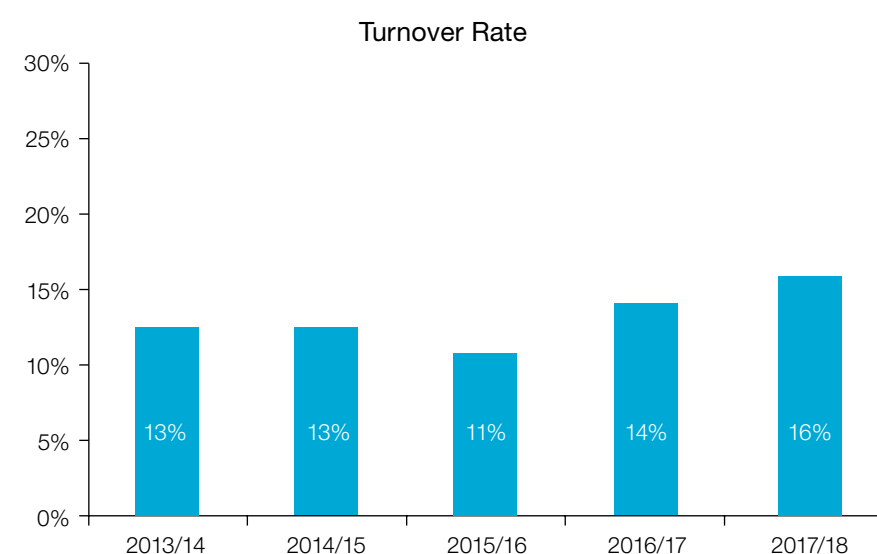
- » the work remains core to continue
- » there is opportunity to reassign the work across existing resources
- » the work could be undertaken through a more efficient or different mode of delivery

» the FTE could be reassigned to an area of greater corporate priority.

This business case and planning approach aligns with the City's Australian Business Excellence Framework, seeking to develop a sustainable organisation.

Employee turnover (excluding casual employees)

Employee turnover is relatively consistent on a year-to-year basis. However, in response to slightly higher turnover this year, and in keeping with the City's commitment to continuous improvement, the City has commenced a review of its onboarding (settling in) program, in acknowledgement of an increased turnover during the first few years of employment. The slightly higher turnover (2%) can be attributed to changes in the City's Home and Community Care program, which is no longer provided internally but through external community services.



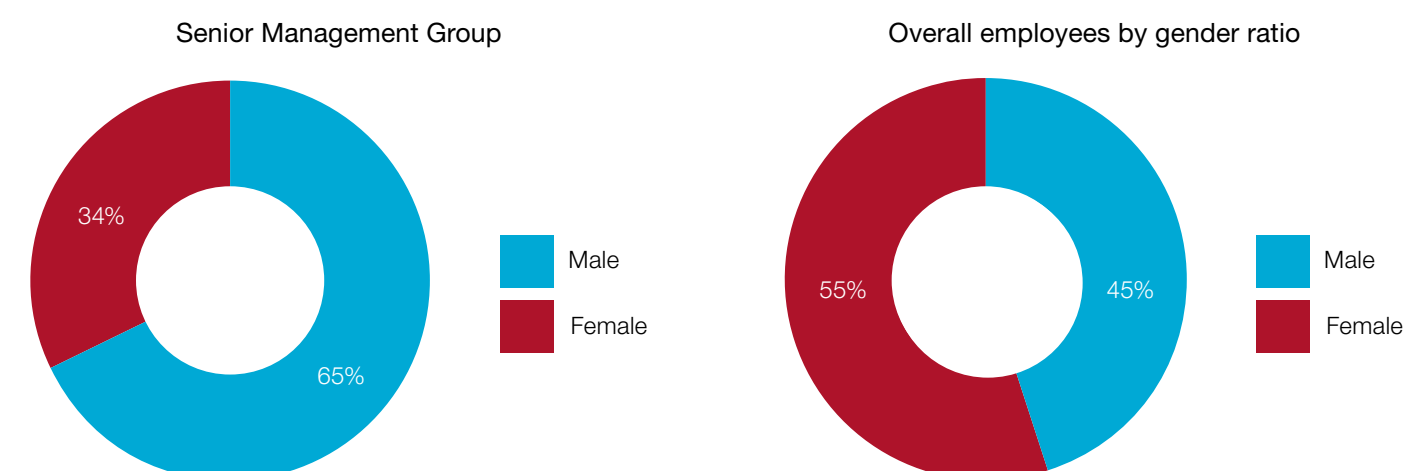
Workforce analysis

Gender diverse workforce (by employee category)

The City strives to maintain gender equity at all times and is of its 2017/18 results. As at 30 June 2018, the City's workforce had 55% female staff, and 34% of employees at manager level and above were women.

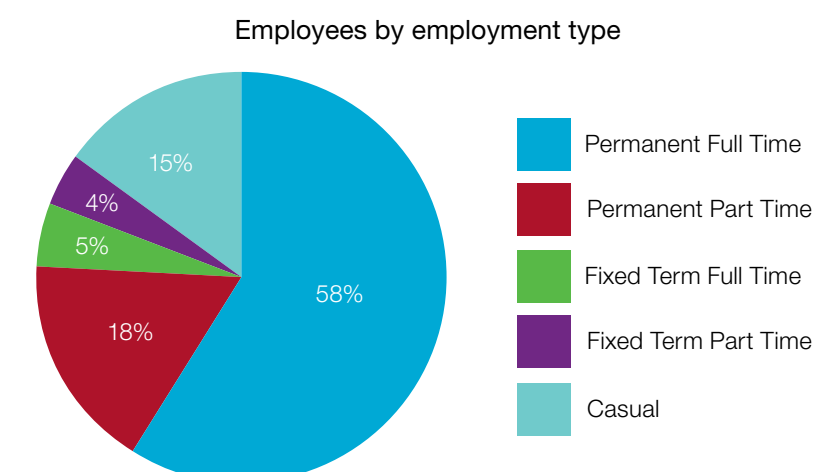
Level	2015/16			2016/17			2017/18			% Change
	Male	Female	Total	Male	Female	Total	Male	Female	Total	
Executive	3	2	5	3	2	5	3	2	5	0%
Managerial	18	8	26	24	11	*35	20	10	30	-14.3%
Total managerial	21	10	31	27	13	40	23	12	35	-12.5%
Non-managerial	425	549	974	432	557	989	428	540	968	-2.1%
Total	446	559	1005	459	570	1029	451	552	1003	-2.5%

*2016/17 managerial positions incorrectly double-counted the five executive positions (this should have been 30).



The City's leadership team comprises the CEO, directors and managers. At 30 June 2018, the profile included:

- » 2 female and 3 male members for the ELT (40/60 ratio)
- » 12 females and 23 males on the manager level and above (34/66 ratio)
- » well-balanced male and female representation for all employees below the senior leadership group.

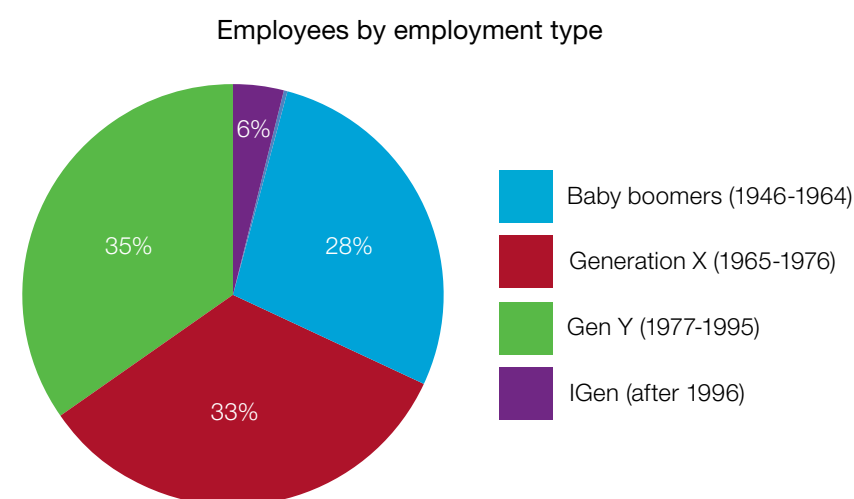




The City's contractual makeup is representative of its desire to provide stability to attract and retain capable employees, and the need to have some level of agility to meet changing and seasonal operational requirements:

- » 64% are permanent full time
- » 19% are permanent part time
- » 13% are fixed-term full time
- » 4% are fixed-term part time
- » 15% are casual.

Permanent part-time and casual or contract employees support the City to maintain a level of agility and flexibility to respond to changes in community and workload demands throughout the year—in particular, the changing economies between the seasons (wet and dry).



In terms of age, our workforce is a relatively even mix of baby boomers, Gen X and Gen Y, with a small but increasing number of iGen now entering the workforce. The challenges for the City will be to provide effective leadership and retention and attraction incentives to meet the diverse expectations of each generation.

Future workforce planning

Through planned workforce initiatives, including the Strategic Workforce Planning Project, the City continues to progressively align and develop its workforce culture, capacity and capability to the Australian Business Excellence Framework endorsed by the ELT. Under this approach:

- » People are engaged to deliver better organisational outcomes and improve performance.
- » We have capable and high-performing people in the right roles to improve organisational performance.
- » With an agile workforce, the City has the capacity to adapt to changes in the internal and external environment.
- » The City is unified by one culture, one system and one vision to provide consistent leadership and messaging.
- » Our corporate values are understood, guide our behaviours and are modelled by our leaders.

The Strategic Workforce Planning Project (SWFP) Stage 2 (role clarification) continued throughout 2017/18. This valuable work has included using our in-house Workforce Planning Consultant to build leadership capability by coaching leaders to better understand all roles across the organisation and their alignment to customer outcomes. The project has assessed workforce capability and capacity consistently and methodically to ensure that positions meet current and future operational needs. All leaders and employees (under the Salaried Officers Enterprise Agreement) have been involved in this highly consultative process, building improved engagement across the workforce.

Stage 2 of the project culminated in the development of new position descriptions (PDs) for employees under the Salaried Officer Enterprise Agreement to reflect the City operating as one unified employer and demonstrating our core value of customer focus. Using information gathered via the role clarification process, PDs will clearly identify the role's outcomes from a customer-focused perspective, translating the City's core value of customer focus into operational practice.

Leadership capability

The City adopted a Leadership Meetings Framework that strengthens the City's ambition of building an organisation unified by one culture, one system and one vision. A structured approach to meetings reinforces this approach. The framework includes quarterly senior leadership meetings during which the leadership team focus on a strategic theme presented by a subject matter expert (guest lecturer). These important themes explore threats and opportunities in planning for the City's future.

To support leaders to align our culture to the City's re-evaluated core values, the City deployed a Values Communication and Integration Plan, and a Values to Behaviours Toolkit. The objective of the plan is to outline how the values and behaviours will be communicated throughout the organisation and integrated into the working environment over the next year. To support this undertaking, ELT members each shared, by video, their individual stories about the values and how they saw them lived in the City. The values and behaviours have been embedded in leadership development programs, which capture cultural management planning within the City's service planning process. The City deems this to be important work as ultimately people and organisational outcomes are implicitly linked to the effectiveness of our corporate culture.

The City believes in the importance of investing in the development of employees. One of the most cost-effective and beneficial ways to do this is through investment in the development of people leaders, who in turn play a role in the ongoing development of their team members. Over the past 12 months, the City has made a considerable investment in the development of the City's frontline leaders, with 60 current and aspiring people leaders undertaking internal People Leadership Development Programs.

Safety leadership training was also provided for employees in leadership roles as part of the Frontline Leadership Program, with 82 operational and other leaders completing the training.

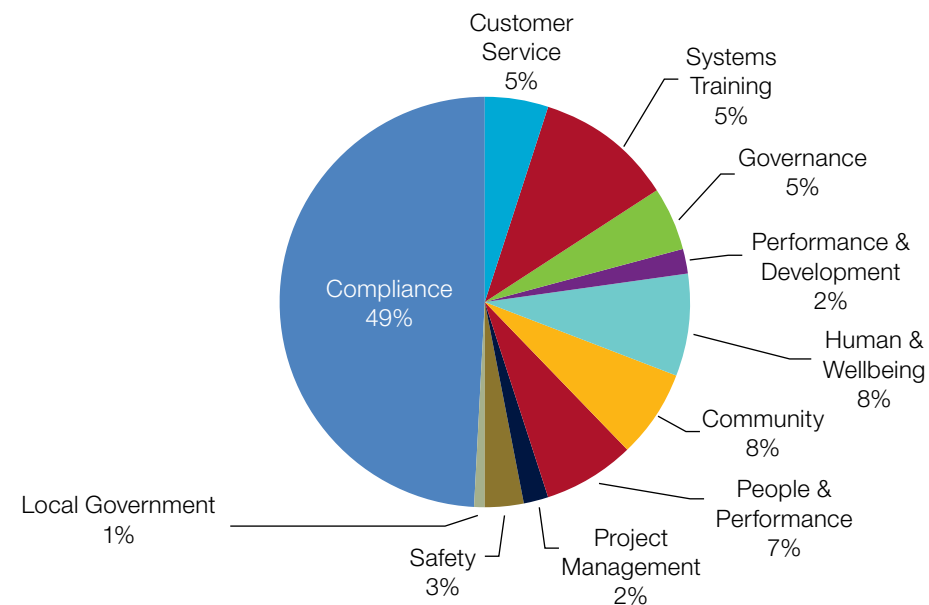
Workforce capability

Training is provided on various subjects to improve performance, and build capability and compliance when working in the local government sector, furthering individual career development and meeting OSH and other key legislative requirements.

In 2017/18, the City continued to realise the value of investing resources in the development of e-learning capability to provide blended learning solutions for the City, thus enabling greater consistency, accessibility and timeliness of mandatory training topics.

This year's report captures the City's commitment to compliance-related training, accessed primarily via e-learning and an increase in governance-related training.

2917/18 corporate training summary



Workforce policies and procedures

Greater alignment between governance and compliance was achieved through a significant focus on the systematic development and review of policies and procedures.

The following policies and procedures were reviewed during the year:

- » Asbestos Containing Materials (ACM) Management Procedure
- » Blood-borne Viruses (BBV) Management Procedure
- » Drug and Alcohol Policy
- » Hazardous Substances Management Procedure
- » Hot Works Management Procedure
- » Incident and Hazard Reporting Management Procedure
- » Internal Emergency Management Plan
- » OSH Incident Investigation Management Procedure
- » OSH Policy
- » OSH Volunteers Management Procedure
- » Flexible Work Arrangements Procedure
- » Grievance and Complaints Procedure
- » Payments to Employees in Addition to a Contract or Award Council Policy.

The following policies and procedures were repealed during the year:

- » Hot Work Management Standard Policy
- » Induction Management Procedure
- » Staff Overseas Study Tour and Conference Attendance
- » Flexible Working Arrangements Policy
- » Employee Social Media Policy.
- » Employee wellbeing

The City continued to strengthen its commitment to developing a healthy and productive workforce, primarily funded by the local government insurance service LGIS.

A strong focus continued on raising awareness and acceptance regarding mental health issues, by offering mental health training for leaders and all employees. With about 50% of the City's workforce also being local community members, the City's approach towards health and wellbeing is holistic and complementary to its ongoing community commitment to health and wellness.



Rosa Allia received an Award for 40 years of service at the City's annual celebration

Awards and recognition

The City proudly employs a workforce with a diverse and broad range of skills to meet the variety of public services delivered to the community. The City continues to develop a culture that recognises, encourages and celebrates excellence in the workplace. Through its Rewards and Recognition Program, employees who

have demonstrated an exceptional commitment to the vision and values are recognised more formally through nomination for industry awards, and informally through team-based and directorate meetings and events.

The City holds an annual celebration that culminates in a more formal event to recognise years of service among its employee group as shown below.

Years of service	Directorate				
	Office of the CEO	Assets	Community & Place	Corporate Strategy & Performance	Planning & Sustainability
5	5	20	26	6	2
10		13	10	11	7
15		4	3	4	2
20			1		
25		5			
30		1			1
35					1
40				1	

Again in 2018, the City entered a team in the LGMA Australasian Management Challenge (formerly LGMA Challenge). A group of talented employees participated in the WA regional finals, which saw them undertake a series of real-life challenges as they played the role of executives of a fictional local government authority.

The annual event provides real-life problem-solving experiences and produces outcomes that translate into relevant, tangible and enduring benefits for the participating employees and the City.

External awards and nominations

The City received a number of prestigious awards and nominations in 2017/18. These awards and nominations acknowledge innovative work in key areas and demonstrate that Wanneroo is a leader in local government.



LG Professionals Meritorious Award

Noelene Jennings, Director Corporate Strategy & Performance, received the 2017 Meritorious Award for her leadership and outstanding contribution and commitment to local government and to LG Professionals WA.



Australasian Reporting Awards

The City's Annual Report 2016/17 received a Gold Award at the Australasian Reporting Awards in June 2017. This is the third year the City has participated in the awards, and follows the achievement in 2017 of a Silver Award, 2016 of a Gold Award, and Best First Time Entrant Award for the Annual Report 2014/15.

WA Auscontact Excellence Awards

The City was proudly recognised as one of two WA State Finalists in the Customer Award Category at the WA Auscontact Excellence Awards. This recognition is the result of a solid team effort and great work from our Customer Relations Centre team and across the organisation aligned to our customer focused value.

2018 Parks and Leisure Australia WA Awards of Excellence

The City was named a finalist in the following categories:

- » Community Facility of the Year – Quinns Mindarie Community Centre
- » Playspace of the Year Award (under \$500,000) – Warradale Nature Play



Public Health Advocacy Institute of WA's Children's Environment and Health Local Government Awards

At the PHAIWA's Children's Environment and Health Local Government Report Card for 2017, the City received seven awards.

The City was awarded 'Best in WA' in recognition of our excellence in implementing policy influenced by consultation with children and programs that support good health and wellbeing.

The City also excelled in a number of categories, including category wins for Nature Play and Child Health & Development, and commendations for Climate Change, Healthy and Safe Food, Injury Prevention, and Shade in Public Places.

Heart Foundation Local Government Awards

The City received a State Highly Commended award in The Heart Foundation Local Government Awards for our Public Health Plan and for viewing all aspects of the plan through a health lens. The plan aligns with the City's strategic objective of 'safe communities'. It identifies actions to prevent or minimise public health risks, and enables people living in the community to achieve maximum health and wellbeing.

National Awards for Local Government Highly Commended

The highly commended Alkimos Pop-Up Project provides a library and meeting space where people can connect with fellow residents, host activities and access services.

Mentally Healthy WA

The City was recognised for its 10-year commitment to Act-Belong-Commit at a partnership celebration hosted by Mentally Healthy WA. The City accepted the 10-Year Partner Award in recognition of our innovative and inclusive programs promoting mental health awareness.

WA Information Technology and Telecommunications Alliance INCITE Awards 2017/18

The City reached the WAITTA finals in the category for Most Transformative Business Solution for new mobile equipment, releasing fire protection officers from paper-based procedures to spend more time in the field.

Master Builders Association

Best Office Building \$10–20 million – Wanneroo Civic Centre (extension); Best Government Building \$1.5–5 million – Yanchep Active Open Space (Splendid Park) sports amenities building.

Institute of Public Works Engineering Australasia (IPWEA) State Awards

Best Public Works Project greater than \$5 million – construction and fitout of the Wanneroo Civic Centre (extension).



Institute of Public Works Engineering Australasia (IPWEA) – Excellence in Environment and Sustainability Award 2018

The City won the Excellence in Environment and Sustainability Award 2018 for the Parks and Conservation Management Irrigation Efficiency Program.

The key goal of the program is to ensure that the City's current irrigation practices, design specifications and policies reduce overall groundwater use. This is based on the need to use water more efficiently to allow the City to comply with Department of Water and Environmental Regulation (DWER) bore water allocations while still providing quality parks, golf courses and streetscapes for the community.

Institute of Public Works Engineering Australasia (IPWEA) – Sarkis Petrossian Innovative Practice in Traffic Safety Award

Innovative modifications to the Marmion Avenue – Hester Avenue roundabout involved installing double right-hand turns that improved traffic flows. The project cost relatively little and can be easily amended in future, if required.

Master Builders Annual Housing Excellence Awards

The Building Team were finalists in the Master Builders Association award for Local Government Best Practice.

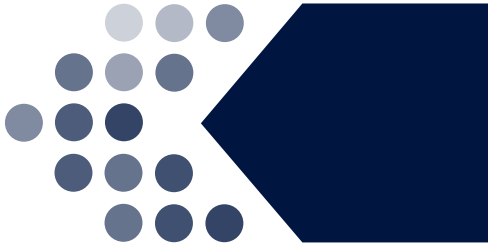
Economic Development Australia Awards 2017

The City was a finalist in two categories in the Economic Development Australia Awards 2017:

- » Economic Development Initiatives – over 15,000 residents
- » Agent of Change – Economic Development Leadership (Economic Development Practitioner – over 30 years old).

For the Agent of Change category, the City nominated Dr Ian Martinus, who is the City's Manager of Advocacy and Economic Development.

Dr Martinus has worked on strategic initiatives for job creation and retention, including sitting on the committee for 'Bigger & Better Beyond the Boom'. The committee heads up a major research project looking at the current and future economy of the Perth and Peel regions.





City employees wearing appropriate safety equipment whilst visiting the Resources Recycling Facility



Ashby Depot safety signage

Occupational safety and health (OSH)

The City remains focused on developing a workforce that is capable and engaged to deliver great outcomes and improved performance to benefit the local community, while remaining safe. During 2017/18, we initiated a number of strategic projects aimed at ensuring the workforce has capable high-performing people in the right roles, acting safely, to improve organisational performance. The City maintains a proactive and positive commitment to providing a safe and healthy workplace for all employees, including ensuring appropriate systems are in place to support employees' health and wellbeing.

We regularly review policies, procedures and practices to ensure compliance with relevant legislation, including the Occupational Safety and Health Act 1984 and the Equal Employment Opportunity Act 1984. The City's ongoing commitment to continuous improvement includes regular reporting and analysis of workplace incidents to determine changes and actions that will minimise future incidents occurring.

The City undertook a Safety Management System Audit (AS/NZS 4801) in October 2017 by the LGIS and received an overall score of 54%. Thirty-two recommendations arose from the audit. These recommendations were assessed in terms of priority, with high-risk items being the initial focus for completion.

The main areas of improvement are to ensure that risk assessments, safe work method statements and task procedures are applied consistently in a common format across operational areas. Other recommendations will be addressed by updating documentation and some minor changes to safety processes. A number of recommendations will be addressed once the Learning Management System (LMS) is embedded and the Verification of Competency (VoC) project is further advanced.

A range of initiatives were either introduced or maintained during the year to strengthen workplace safety and wellbeing:

- » safety leadership training for employees in leadership roles as part of the City's Frontline Leadership Program
- » introduction of a VoC program for the Assets Directorate (as the City's highest risk area) to improve safety in the use of light machinery and equipment
- » introduction of a Working Alone System and mobile app for at-risk workers who work alone in public spaces across the City
- » fatigue management education for operational and at-risk employees and leaders.

Verification of competency project

An important VoC project was delivered across the Assets Directorate in 2017/18, acknowledging that this active area presents the highest safety risk for the City.

The project was designed to enhance the already-skilled Assets operational workforce to ensure they continue to safely operate the broad range of equipment required as part of their standard activities.

An external provider was engaged to verify employee competencies through site visits and working with Assets' team members as they undertook their normal operational activities.

Employee competency assessments have included ride-on mowers, various types of mobile plant, such as excavators and graders, and handheld power plant such as chainsaws and hedgers.

Once the initial competency assessment phase has been completed, ongoing assessments will be periodically

arranged for all new staff joining the City, to maintain the safety culture.

The project is another positive step forward for workplace safety at the City, with more than 300 staff so far assessed and additional training opportunities identified.

Recruitment assessment for safety competency

A number of safety and attitudinal type questions have been introduced to the recruitment process. Safety experience and attitude is now gauged at the interview and reference-checking stages, with some positions also requiring additional pre-employment testing.

Fatigue management

Fatigue education was provided to operational staff across the City. In total, 157 operational staff completed the training, designed to educate staff in the importance of managing fatigue overall. The holistic training focused not just on getting enough sleep but also on how lifestyle factors can cause fatigue.

Drug and alcohol testing

The City continued with random drug and alcohol testing of employees undertaking high-risk roles, together with all new employees joining the City. This continues to have a positive impact.

Working alone

Embracing new technology, a working alone safety system was introduced, including a phone-based app and online monitoring hub, with 1038 tasks logged so far in the system by multiple service units.

Workplace incident statistics

The City has experienced an overall 4% reduction in workplace incidents, as summarised below by directorate.

Directorate	2016/17	2017/18	Variance (%)
Office of the CEO	0	1	0
Assets	175	169	-3
Community & Place	68	60	-12
Corporate Strategy & Performance	12	15	25
Planning & Sustainability	10	10	0
TOTAL	265	255	-4

The City's safety record continues to improve overall, with the relatively minor reduction in the number of incidents not demonstrating the full story. While the number of incidents has fallen only slightly, the severity of the incidents has also reduced. Acknowledging opportunities for improvement, the City continues to focus on developing leadership safety along with a new Safety Procurement Tool to more accurately assess safety risks through procurement and contracting. Recognising that typical work within the Assets Directorate involves mobile plant, manual handling, waste operations, powered plant and hand tools, and off-road operations, the City commenced a two-year project of Verification of Competency using Plant and Mobile Equipment, with significant progress made.

Injury management

Our focus in injury management remains to instil positive behaviours and practices in relation to how injuries are managed and to ensure injured employees are encouraged to return safely to the workplace as soon as possible.

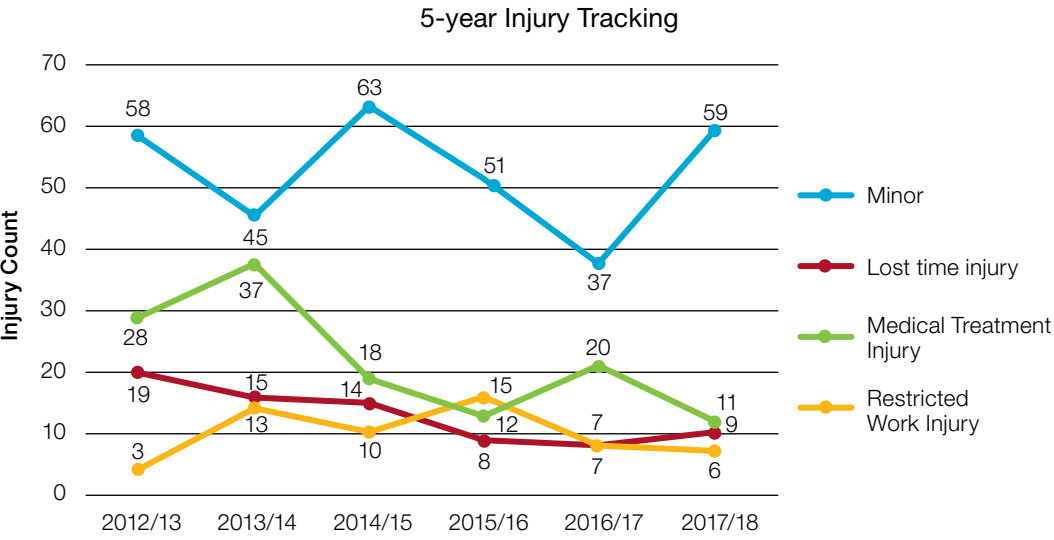
Leaders maintain hands-on involvement with their employees regarding injury management processes.

An outsourced model for injury management has also proven successful, as reflected in the continued reduction in open worker's compensation claims and a reduction in the time that claims remain open.

The People and Culture Team also works closely with leaders and employees to effectively manage non-work-related injuries and fitness for work concerns to ensure employees present for work when fit to undertake full duties and to minimise the risk of injury while at work.

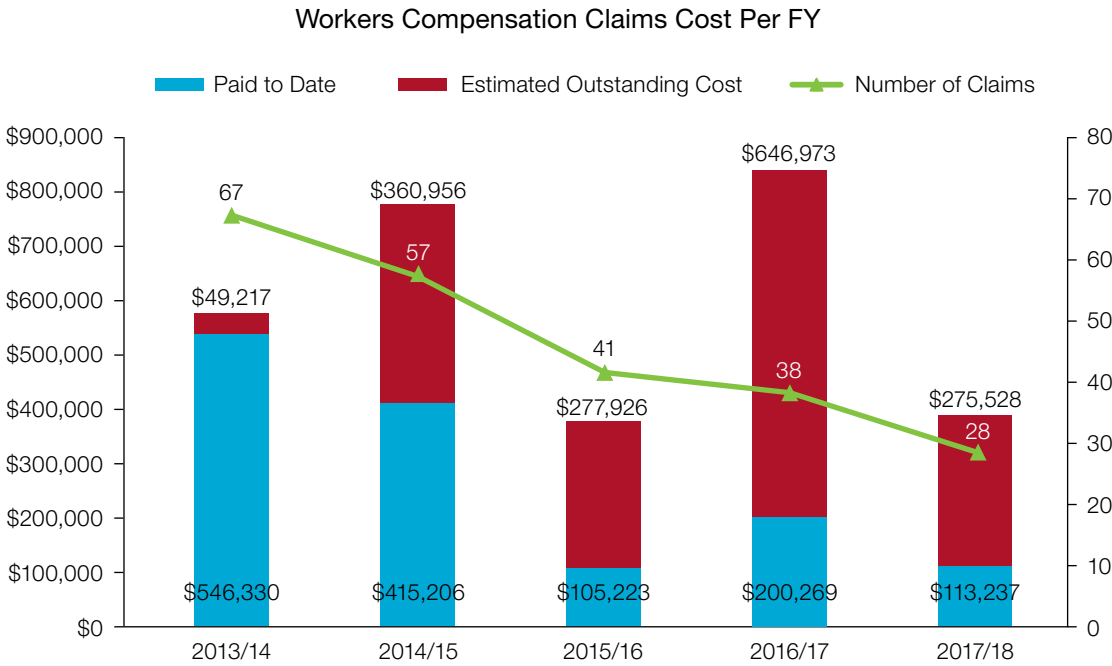
Workplace injury statistics

The graph below presents the overall trend of recorded injuries in the workplace over the past five financial years. The trend relating to restricted work injuries remains relatively stable, while lost-time injuries and injuries requiring medical treatment have dramatically improved. Reports of minor injury continue to decline, which may positively be attributed to a range of safety development and promotion programs introduced, particularly for the outdoor workforce, over the past few years.



Workers' compensation claims

As indicated in the table below, the City has recorded a significant decline in the cost of workers' compensation claims over the past few years, down from \$1.2 million in 2012/13. In 2017/18, the cost reduced significantly to \$113,237 at the time of writing. Several claims in 2017/18 were awaiting close-out, which accounts for the estimated outstanding cost.



Our Performance

Carramar golf course



Lake Goollelal



How the community rates performance across the City’s four strategic themes

The City reviews levels of satisfaction with our services every two years through community and business perceptions surveys. The results of the latest independent survey indicated broad success for the City.

The statistics told a clear story. Overall, residents were satisfied with services. Compared with other local governments, our overall performance was above the industry average, with 90% of residents satisfied with our performance (previously 86%) and 94% (previously 90%) happy to live in the City. The survey found 86% (previously 81%) of residents were satisfied with the City’s performance as a governing organisation.

The tables below show the results of the survey conducted in June 2017. The next survey will be conducted in the 2018/19 financial year.

How to read the performance sections throughout the report

A colour-coding system is used to highlight our performance results. Where the corporate business result has not achieved the desired ‘blue’ or ‘green’ status, further explanations are provided later in this report.

Community satisfaction results

Community satisfaction results are illustrated using the following criteria:

Decrease

↓

Increase

↑

No change

→

SCP and service KPI results

The results of the Strategic Community Plan metrics and service KPIs are illustrated as below:

↑

Target has been met or exceeded

↓

Target has not been met

CBP results

Corporate Business Plan results are illustrated using the following criteria:

Completed

On target

Under target

On hold

Not yet started

Capital projects results

The performance results of capital projects are illustrated using the following criteria:

Schedule status	Current year budget status	Total budget status	Risks and issues
On target – baseline (<10% time increase)	On target (<10% time increase)	On target (<10% time increase)	Low (<300)
Behind schedule (10–20% time increase)	Almost on budget (10–20% time increase)	Almost on budget (10–20% time increase)	Medium (between 300 and 500)
Behind schedule (>20% time increase)	Under/Over budget (>20% time increase)	Under/Over budget (>20% time increase)	High (>500)

Environment				
Community Satisfaction KPI		2014 Result	2017 Result	Increase/Decrease
1.1 Environmentally friendly				
Conservation and environmental management		81%	82%	1% ↑
Midge control		64%	75%	11% ↑
1.2 Conserve water				
Water Resource Management		68%	84%	16% ↑
1.3 Reduce, reuse, recycle waste				
Weekly rubbish collections		94%	94%	no change →
Fortnightly recycling services		89%	91%	2% ↑
Verge-side bulk rubbish collections		82%	82%	no change
Management of local beaches and coastline		-	82%	new - no comparison
Management of food, health, noise and pollution		-	71%	new - no comparison
Natural disaster education		-	76%	new - no comparison



Braille signage at the City's Dinosaur Park to increase access and inclusion



Neerabup Industrial Area Entry Statement

Society

Community Satisfaction KPI	2014 Result	2017 Result	Increase/ Decrease
2.1 Great places and quality lifestyle			
Streetscapes, parks and sporting grounds	83%	72%	11% ↓
Festivals, events and cultural activities	82%	85%	3% ↑
How local history and heritage is preserved and promoted	72%	80%	8% ↑
Access to services and facilities for people with disabilities	67%	74%	7% ↑
Service and facilities for youth	69%	58%	11% ↓
Facilities, services and care available for seniors	75%	72%	3% ↓
The mix and diversity of housing types in your local area	78%	84%	6% ↑
2.2 Healthy and active people			
Community buildings, halls and toilets	70%	76%	6% ↑
Sport and recreation facilities	81%	78%	3% ↓
2.3 Safe communities			
Enforcement of local-laws	73%	-	no comparison
Safety and security	71%	66%	5% ↓
How visible rangers are in the community	62%	-	no comparison
Planning and building approvals	68%	61%	7% ↓
Playgrounds and Parks	-	81%	new - no comparison

Economy

Community Satisfaction KPI	2014 Result	2017 Result	Increase/ Decrease
3.1 Local jobs			
Economic development and job creation	63%	64%	2% ↑
Tourism	60%		
3.2 Growing business			
Range of commercial services	81%	-	no comparison
3.3 Easy to get around			
Access to public transport	73%	74%	1% ↑
Footpaths and cycleways	79%	75%	4% ↓
Parking in commercial areas	75%	77%	2% ↑
Management and control of traffic on local roads	68%	65%	3% ↓
Community satisfaction with local roads/road maintenance	78%	74%	4% ↓
3.4 Smart communities			
Education and training opportunities	70%	70%	no change →
Library & information services	90%	91%	1% ↑



Grandis Park Pavilion

Civic Leadership

Community Satisfaction KPI	2014 Result	2017 Result	Increase/ Decrease
4.1 Listening and leading			
Overall satisfaction with the City as a place to live	90%	94%	4% ↑
Overall satisfaction with the City as a governing organisation	81%	86%	5% ↑
Value for money from rates	59%	64%	5% ↑
Council leadership within the community	70%	77%	7% ↑
The City has developed and communicated a clear vision for the area	50%	70%	20% ↑
The City has a good understanding of the community's needs	63%	75%	12% ↑
Community trust the City to make decisions on their behalf	66%	-	no comparison
How the community is consulted about local issues	60%	63%	3% ↑
How the community is informed about local issues	71%	65%	6% ↓
4.2 Working with others			
What the City is doing to promote the area	68%	68%	no change →
4.3 A strong and progressive organisation			
Efficiency and effectiveness of customer service	80%	80%	no change →
Council's website	81%	86%	5 ↑
City's image	79%	-	no comparison

Performance reporting

Monitoring and reporting on the progress of actions listed in the corporate plan took place throughout the financial year. Quarterly reports were submitted to the Audit & Risk Committee and six-monthly reports were submitted to the Council. The following reports were submitted to the Audit & Risk Committee and the Council during 2017/18.

Reports	Meeting	Date submitted
Annual Report 2016/17	Audit & Risk Committee and the Council	22 November 2017 5 December 2017
Q1 CBP Performance Report	Audit & Risk Committee	22 November 2017
Midyear CBP Performance Report	Audit & Risk Committee and Council	20 February 2018 6 March 2018
Q3 CBP Performance Report	Audit & Risk Committee	15 May 2018
Year-end CBP and Financial Performance Report	Audit & Risk Committee and Council	28 August 2018 18 September 2018

More details of how the City performed on our strategic and corporate plans can be found starting on **page 127**.



Strategic Community Plan review

Amendments to the vision, outcomes and strategies in the strategic plan were adopted at a meeting of the Council in November 2017. As part of the review, the City researched factors, both current and forecast, that will affect operations, including rapid population growth, economic changes, and environmental effects of climate change and urban development.

The modifications took into account themes identified by the community, Council priorities and inevitable changes facing the City. The new vision better reflects the strategic direction and desired future, based on the prioritised aspirations of the community. The adopted outcomes and strategies include:

- » encouraging healthy and active lifestyles
- » creating distinctive places based on identity of areas
- » connecting communities
- » developing strong economic hubs locally and near transport
- » activating Yanchep as a future city of the north
- » minimising impacts of climate change
- » providing transparent and accountable governance and leadership.

Our vision

Inspired by our past, working to create a vibrant, progressive City, providing opportunity and investment to enable our growing communities to prosper

Corporate Business Plan review

During the midyear review of the corporate plan and budgets, the timeframes for priorities and annual actions were reviewed. Project timeframes were extended beyond the original completion dates, where required.

At the Council meeting held on 6 March 2018, the following recommendations were adopted.

Changes to annual action descriptions

Previous annual action description	Updated annual action description
Prepare a Local Planning Strategy that will provide a vision for the Place Framework	Prepare a Local Planning Strategy that will inform the Place Framework
Implement actions from the Communications Strategy	Develop and implement actions from the Communications Strategy

Changes to annual action responsible owners

Annual action	Previous responsible service unit	Updated responsible service unit
Review memorandum of understanding between the City and Yanchep Beach Joint Venture	Strategic Land Use Planning & Environment	Planning & Sustainability
Review strategic cooperation agreement (SCA) between the City and Yanchep Beach Joint Venture	Strategic Land Use Planning & Environment	Planning & Sustainability

Annual actions deferred to 2018/19

Annual action	Service Unit
Implement actions from the Youth Plan	Community Services
Continue to participate in master planning for Barbagallo Raceway	Community Facilities
Complete development and commence implementation of the CCTV Strategy	Community Safety & Emergency Management
Investigate options for managing the City's Animals Local Law	Community Safety & Emergency Management
Review the Emergency Management Model	Community Safety & Emergency Management
Develop a Volunteer and Community Leadership Strategy	Place Activation
Review District Planning Scheme 2 to change mixed-use zones (Stage 1)	Approval Services
Review the Wanneroo Town Centre Structure Plan and Policy to include significant major landholdings in the surrounding area	Strategic Land Use Planning & Environment
Implement subprogram 3.2 (investment attraction) of the Economic Development Strategy – promotion, marketing and advocacy to attract strategic investment and deliver critical economic infrastructure	Advocacy & Economic Development
Work towards development of an agricultural precinct by implementing subprograms 1.1 (clean technology), 1.2 (agribusiness and aquaculture) and 1.3 (advanced manufacturing and engineering) of the Economic Development Strategy – supporting the growth and development of existing industries as well as diversifying our industry base	Advocacy & Economic Development
Implement subprogram 3.1 (strategic economic marketing) of the Economic Development Strategy – promotion, marketing and advocacy to attract strategic investment and deliver critical economic infrastructure	Advocacy & Economic Development
Continue to work with Mindarie Regional Council, Eastern Metropolitan Regional Council, and industry to explore a waste-to-energy plant	Waste Services
Finalise and implement the Energy Reduction Plan	Strategic Land Use Planning & Environment
Develop and implement the Strategic Environmental Plan	Strategic Land Use Planning & Environment
Prepare a Local Planning Strategy that will provide a vision for the Place Framework	Strategic Land Use Planning & Environment
Review the East Wanneroo Local Planning Policy	Strategic Land Use Planning & Environment
Finalise the Tree Preservation Policy	Strategic Land Use Planning & Environment
Implement the Strategic Transport Plan, including addressing the integration of network/feeder systems	Strategic Land Use Planning & Environment
Develop a Customer and Stakeholder Management Framework	Strategic and Business Planning
Implement actions from the Communications Strategy	Communications, Marketing & Events
Explore opportunities to revitalise existing international relationships (or create new relationships)	Council and Corporate Support
Develop a Strategic Policy Framework	Governance & Legal

Significant projects

The following community buildings were constructed, upgraded or refurbished during the year:

- » Yanchep Surf Life Saving Club
- » Quinns/Mindarie Surf Life Saving Club
- » Mary Lindsay Homestead Building
- » Bower Grove Playgroup Building
- » Girrawheen Seniors Community Hall
- » Gumblossom Community Centre
- » Koondoola Community Centre
- » Margaret Cockman Pavilion, Wanneroo Showgrounds.

Conservation restoration works were undertaken at:

- » Yellagonga Regional Reserve, Wanneroo (Stage 2)
- » Koondoola Regional Reserve, Koondoola (Stage 2)
- » Ashbrook Park, Pearsall (Stage 2).

Foreshore management works were undertaken at:

- » Mindarie Foreshore (Longbeach) – dune restoration
- » Quinns Foreshore (Queenscliff) – dune restoration
- » Yanchep Foreshore (Foreshore Vista) – dune restoration
- » Yanchep Foreshore (Lefroy) – dune restoration
- » The Spot, Two Rocks – track upgrade and dune protection fencing
- » Quinns Rocks Beach – coastal protection works.

Replacement of rubberised soft-fall matting in City parks was completed at the following locations:

- » Nankeen Park, Tapping
- » Provest Park, Tapping
- » Beelara Park, Wanneroo
- » Broadview Park, Landsdale.

Playground equipment, soft-fall matting and shade sail renewals were completed at:

- » Marchwood Park, Butler
- » Pyrenees Park, Merriwa
- » Coniston Park, Butler
- » Talara Park, Mindarie
- » Comberton Park, Butler
- » Frangipani Park, Marangaroo
- » James Cook Park, Quinns Rocks
- » Longfin Park, Yanchep
- » Tauranga Park, Mindarie
- » Somerly Park, Clarkson.

The following passive park development projects were constructed or are under construction:

- » Mary Lindsay Homestead public open space
- » Appleby Park, Darch, as a passive park
- » Peace Park, Koondoola.

The new pathways program comprises installations of shared grey concrete pathways, complete with pram ramps and tactile tiles. Construction accords with cycle plans and the City’s pathway policy. The 2017/18 program included paths at the following destinations:

- » Redcliffe Avenue, Marangaroo
- » Grandis Boulevard, Banksia Grove
- » Robur Way, Banksia Grove
- » Albana Grove, Pearsall
- » Oliveri Street, Sinagra
- » Motivation Drive, Wangara
- » Femoy Link, Landsdale
- » Shiraz Boulevard, Pearsall.

The following sports facilities were designed, upgraded or constructed:

- » Yanchep – active open space (Splendid Park)
- » Yanchep – active open space (Splendid Park) amenities building
- » Aquamotion building, Wanneroo – asset renewal program
- » Kingsway Little Athletics – store and toilets
- » Ridgewood Park – multipurpose room extension
- » Lake Joondalup – car park extension and upgrade
- » Butler North District – open space
- » Edgar Griffiths Park, Wanneroo – sports building and amenities

- » Kingsway netball facility – building and the eastern floodlights
- » Banksia Grove – Grandis Park Skate Park
- » Lake Joondalup, Warradale Park, Oldham Park, Hudson Park and Shelvock Park – centralised floodlight control systems
- » Shelvock Park, Koondoola and Abbeville Reserve, Mindarie – floodlights
- » Koondoola Park and Houghton Park – pathways
- » Hudson Park, Girrawheen – redevelopment of the tennis courts into a multi-sport court
- » Gumblossom Reserve, Quinns Rock – design of extension and upgrades to carpark
- » Scenic Park, Addison Park and Peridot Park – Installation of drink fountains
- » Hainsworth Park, Girrawheen – fitness equipment
- » Wanneroo Showgrounds, Wanneroo – Upgrade of existing fencing along northern boundary
- » Leatherback Park, Alkimos – Design and construction of floodlighting
- » Alvarez Park, Tapping – fitness equipment

Stormwater drainage works included:

- » Wangara Industrial Drainage Upgrade Program
- » Yellagonga Regional Park Catchment upgrades.



New City bus shelters complying with Perth Transport Authority (PTA) disability access standards (and including anti-graffiti coating) were installed at:

- » Carosa Road (after Taplow Parade), Ashby
- » Botanic Avenue (after Woolly Road), Banksia Grove
- » Butler Boulevard (before Camborne Parkway), Butler
- » Lukin Drive (after Marmion Avenue), Butler
- » Marmion Avenue (after Hughie Edwards Drive), Merriwa
- » Alhambra Parkway (before Kingsway), Landsdale.

The following road projects were completed or started construction during the year:

- » Neaves Road, Mariginiup – upgrade
- » Neerabup Industrial Area – service, road and drainage improvements
- » Old Yanchep Road, Pinjar
- » Wesco Road, Nowergup
- » Mirrabooka Avenue – dual carriageway
- » Buckingham Drive, Wangara
- » Hartman Drive, Wangara.

The following street landscaping projects were constructed:

- » installation of entry statements throughout the City
- » median strip planting – Marmion Avenue.

The following traffic treatment projects were constructed:

- » Kingsway Stage 3 – traffic treatments
- » Mirrabooka Avenue – upgrade
- » Hepburn Avenue, Marangaroo – traffic treatments
- » Mirrabooka Avenue, Girrawheen – traffic treatments
- » Neaves Road, Mariginiup – traffic treatment
- » Badgerup Road, Gnangara – traffic treatment
- » Old Yanchep Road
- » Walyunga Boulevard, Clarkson – bus embayment widened
- » Abbotswood Drive, Landsdale.



Hainsworth Park fitness equipment



Grandis Park skate park construction



Houghton Park pathways



Yanchep Active Open Space (Splendid Park)
- New sports amenities building

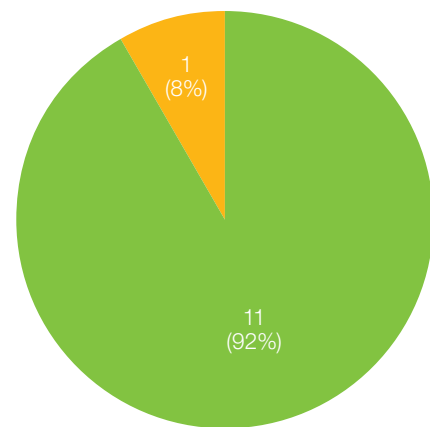
Top capital projects performance

The City identified 12 top capital projects for 2017/18, some of which are not due for completion until future years. The table below illustrates the expenditure on the projects against the relevant budget for 2017/18.

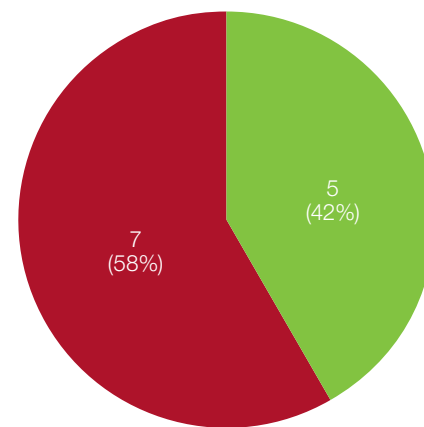
Top capital projects	Budget	Actual	Budget spent	Project progress	Commitments
	(\$)	(\$)	(%)	(%)	\$000's
Yanchep Surf Life Saving Club development	2,729,418	2,514,196	92	95	9,506
Yanchep District playing fields (Splendid Park)	899,003	595,344	66	95	61,489
Yanchep District sports amenities building (Splendid Park)	2,247,239	1,506,242	67	95	170,760
Wanneroo Civic Centre extension	10,000,000	9,246,995	92	95	163,153
Quinns – coastal management works	3,249,212	2,563,998	79	60	331,965
Marmion Avenue, Butler – upgrade	480,000	459,872	96	98	4,963
Butler North District – open space	288,584	130,073	45	46	208,558
Banksia Grove Sports Ground	2,665,000	2,420,603	91	75	314,083
Kingsway Olympic Clubrooms	1,060,000	95,527	9	47	44,112
Mary Lindsay Homestead –building development	1,720,433	1,226,865	71	94	364,772
Mirrabooka Avenue – upgrade	2,615,911	2,757,174	105	55	1,665,194
Neerabup Industrial Estate development	338,000	6,507	2	11	213,562
Total	28,292,800	23,523,396	83		3,552,117

Note: The selection criteria for the above projects included two factors: (1) Community interest or significance; and (2) financial value. 83% of the relevant budget for these projects was spent as at 30 June 2018, and \$3.7 million from the top 12 capital projects outlined above will be carried forward to 2018/19.

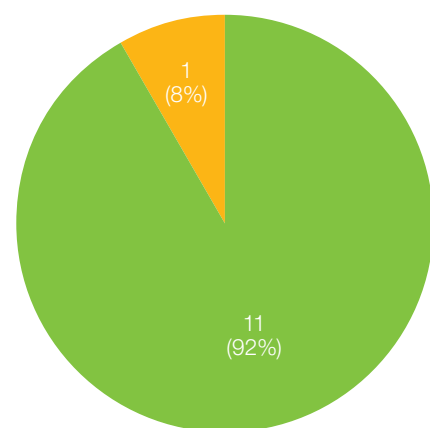
Pie Chart 1 – Schedule status



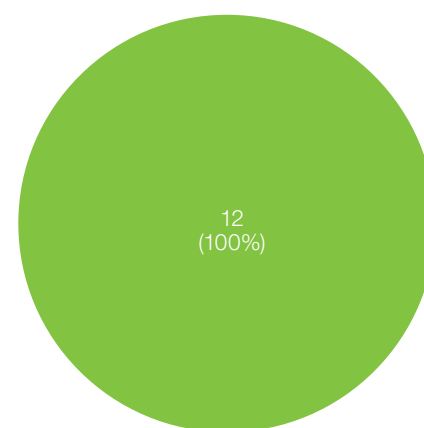
Pie Chart 2 – 2017/18 budget status



Pie Chart 3 – Project life cycle budget status



Pie Chart 4 – Risk and issues



■ On Target (<10% time increase) ■ Almost on Budget (10-20% time increase) ■ Under/over Budget (>20% time increase)

Schedule status (pie chart 1 above)

Eleven (92%) of the 12 top projects were on target with their relevant schedules as at 30 June 2018. The construction of new change rooms adjacent to the Kingsway Olympic Sports Clubrooms was behind schedule as at 30 June 2018. Construction is due for completion by December 2018.

2017/18 budget status (pie chart 2 above)

Five (42%) of the 12 top projects were on target with spending their relevant budgets. Seven (58%) projects had a variance of more than 20%. These relate to:

- » development of additional district playing fields at Yanchep
- » design, development and construction of the Yanchep District Sports Amenities Building (Splendid Park)
- » design and construction of long-term coastal protection works at Quinn's beach

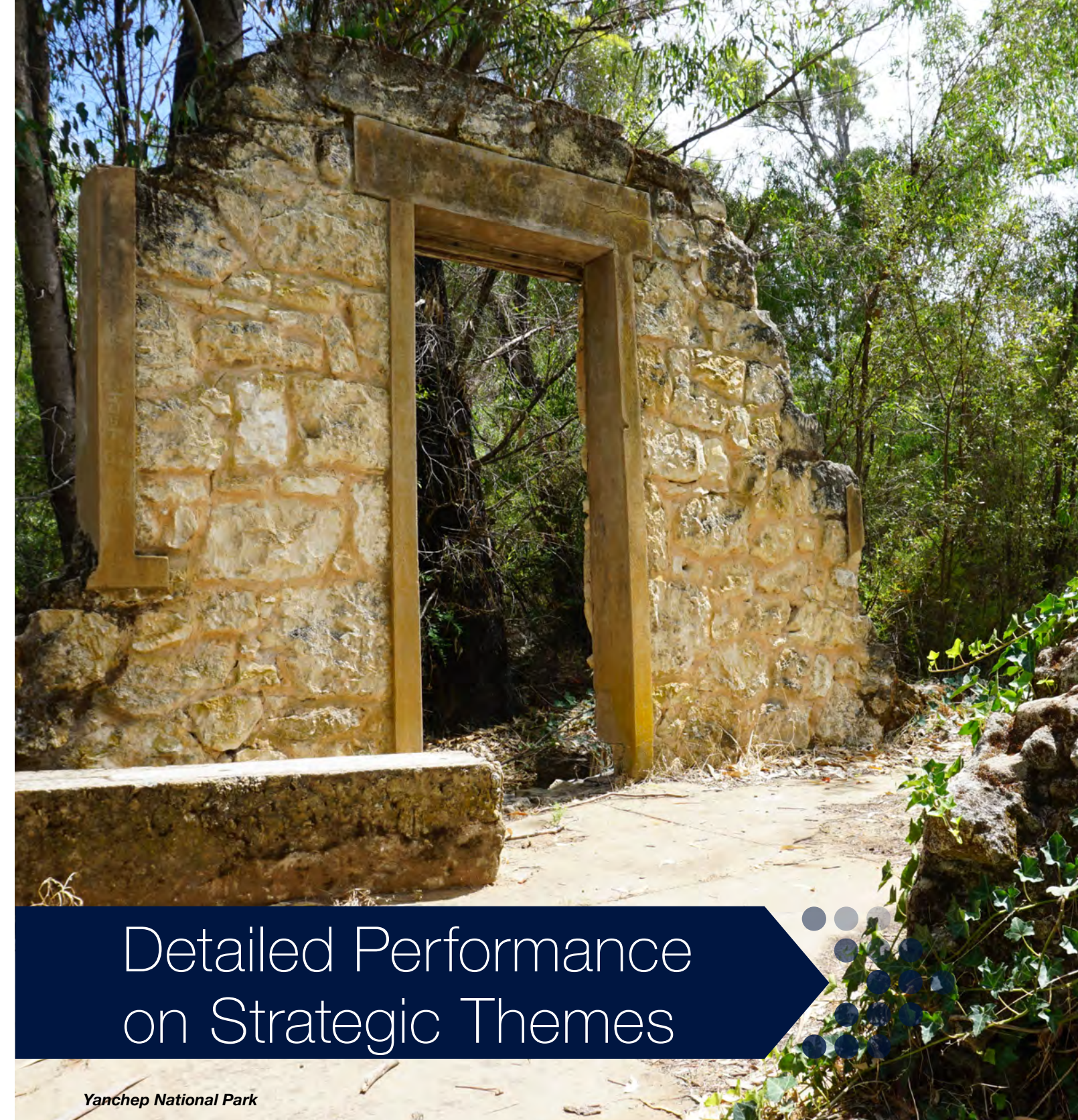
- » Butler North District Open Space – construction of sports facilities
- » design and construction of new change rooms adjacent to the Kingsway Olympic Sports Clubrooms
- » building redevelopment at Mary Lindsay Homestead Building, Yanchep – design and construction of building and infrastructure, including services
- » staged development of the City's landholdings within the Neerabup Industrial Area.

Project life cycle budget status (pie chart 3 above)

Eleven (92%) of the 12 top projects were on target with spending their relevant project life cycle budgets as at 30 June 2018. The design, development and construction of the Yanchep District Sports Amenities Building (Splendid Park) were behind schedule as at 30 June 2018.

Risk and issues status (pie chart 4 above)

All of the top projects had a low risk rating at the end of June 2018.



Detailed Performance on Strategic Themes

Yanchep National Park

The following section (**pages 126–179**) is divided into our four strategic themes with their respective strategic objectives, each including:

- » interesting facts
- » achievements, challenges and future projects (next financial year corporate plan actions)
- » strategic plan measures and service KPIs
- » corporate plan detailed performance.

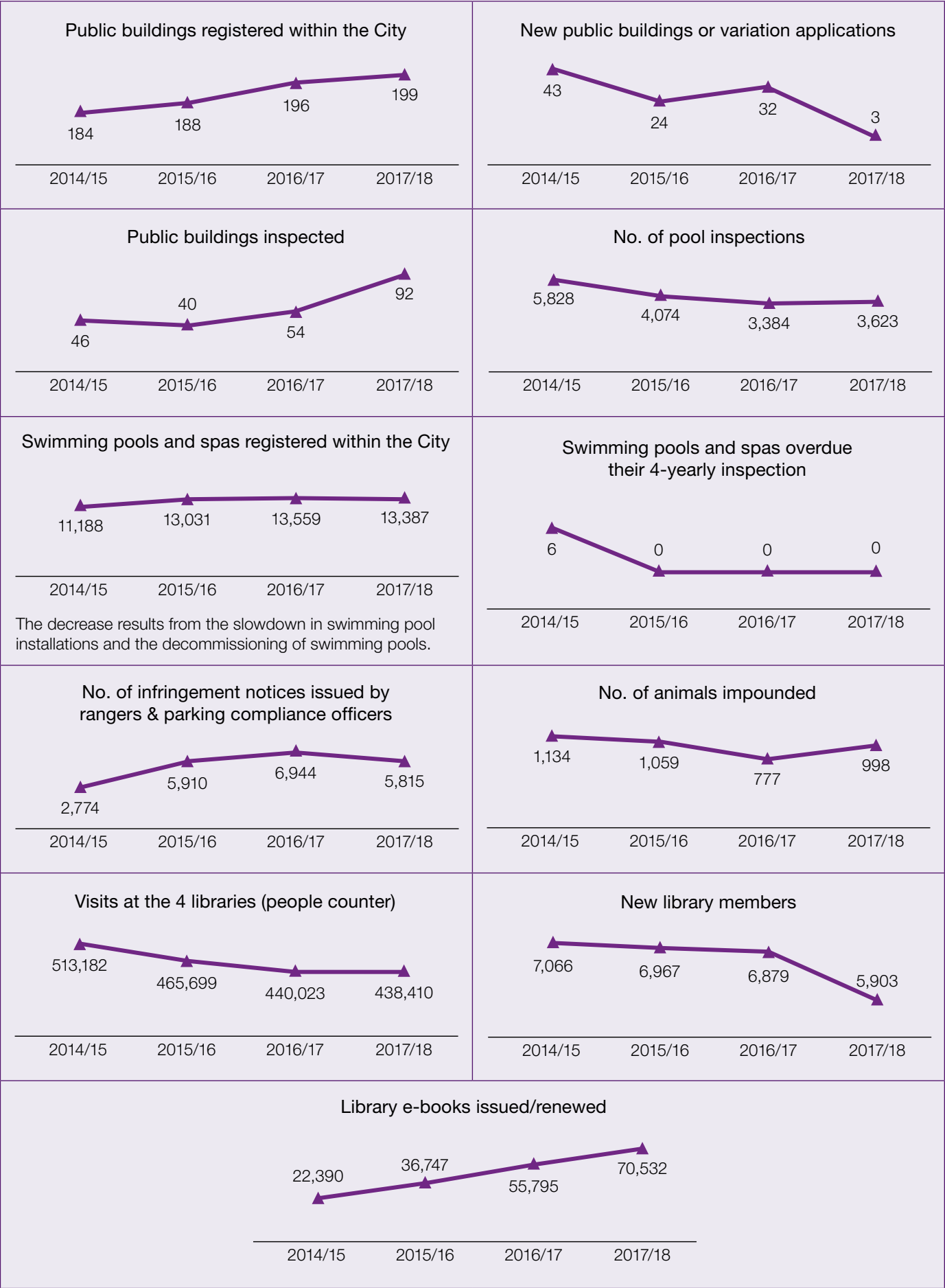
Society

Aspiration: *Healthy, safe, vibrant and connected communities*



Interesting facts





Mia reading braille at the park

Achievements, challenges and future projects

The table below includes the major achievements and challenges for 2017/18 as well as strategic projects planned for next year.

Our achievements in 2017/18
Strategic objective: 1.1 Healthy and active people
Community recreation programs and facilities
The City constructed and upgraded numerous facilities for the community including: <ul style="list-style-type: none"> » construction of the purpose-built Yanchep Surf Life Saving Club building, overlooking Yanchep Lagoon » Kingsway Little Athletics Centre, to support participants from the Landsdale, Ballajura, Greenwood, Wanneroo and Woodvale Little Athletics Clubs » Grandis Park Sports Pavilion, Banksia Grove » installation of floodlights for Kingsway netball courts to improve usability, especially for training on the 30 eastern courts.
The City's significant investment in the provision of parks and open spaces included the following: <ul style="list-style-type: none"> » Kingsway Dinosaur Park was revamped to make it more accessible for children with vision impairments. » Kinkuna Park, Eglington, became Australia's first 'smart playground' to be fitted with multisensory technology, combining digital and physical activities. The three-month trial was made possible through a partnership with the Satterley Property Group on behalf of LandCorp. » Yanchep Active Open Space (Splendid Park) was opened to support local sporting clubs, including Yanchep Red Hawks Football Club, Yanchep Red Hawks Cricket Club, Yanchep Junior Football Club, Yanchep United Soccer Club and Yanchep Little Athletics. » The Banksia Grove Open Space included the provision of change room facilities, a multipurpose hall and floodlights at the Grandis Park ovals. » The City implemented the second stage of the SMS Floodlighting Control Project. The new system allows use of SMS technology to control floodlights on six sports reserves. The lights can be switched on by the clubs on arrival and switched off after use, resulting in a more effective operation of floodlights and a greater customer focus. » Guided walks, workshops and bushcare days were held throughout Spring to connect people with their neighbours and their environment.



Eight new solar-powered electronic fire danger rating signs installed across the City

Strategic objective: 1.2 Safe communities

Community safety and emergency management

- » The City's CCTV network has been expanded and additional signage provided at Kingsway Regional Sports Complex to improve community safety and security, aiming to reduce crime, violence and antisocial behaviour.
- » The City undertook a review of its ranger services with a focus on improving customer service, aligning activity with community expectations, understanding service levels, developing new ways of doing things, and financial sustainability.
- » The rangers continue to use drones to access difficult areas to enforce legislation, assist in public safety and to control risks on City property.
- » In conjunction with Wanneroo Police Station, the City hosted a well-attended Community Safety Information Evening for residents of Banksia Grove and Carramar.
- » Grant funding through All West Australians Reducing Emergencies (AWARE) has been used to translate important bushfire and burn-off information into six languages, improving accessibility for the City's linguistically diverse community.
- » The Volunteer Bush Fire Brigades at Wanneroo Central, Quinns Rocks, Two Rocks and Wanneroo Fire Support collectively contributed 14,026 hours to attend to more than 400 incidents, including 309 fires, over the past 12 months.
- » Traditional manual fire danger rating signs were replaced by eight solar-powered electronic signs, improving community preparedness and resilience by providing warnings on immediate threats specific to the area.
- » To meet an identified gap in service delivery, a new State Emergency Service (SES) unit has been established and is co-located with the Two Rocks Bushfire Brigade.

Environmental health services

- » A new proactive Light Industry Inspection Program was launched to protect the environment and build environmental capability. Officers support improved processes and safety measures to achieve environmental compliance and prevent discharge of contaminants into the environment through the provision of advice and enforcement compliance action, if required.



Noongar Museum in a Box teaching tool

Strategic objective: 1.3 Distinctive places

Place management

The City's first Place Activation Plan was developed through a process of extensive community engagement for the Girrawheen Hub precinct. The aim of the plan is threefold. First, to capture and reflect the vision and aspirations of residents and stakeholders for the area. Second, to identify actions for increasing community connection. And third, to foster a sense of place and cultural identity among local residents.

The Wanneroo Community Sundowner network was launched on 26 April at the Limelight Theatre. The overarching purpose of the network is to enhance community skills and group self-sufficiency.

The City funded the launch of a second parkrun in Wanneroo with more than 200 participants, providing a free, safe physical activity program for the community.

The food truck trial was extended across several parks in the City, encouraging people to enjoy a wide array of food while socialising with their neighbours. The program will transition to an adopted food truck program in late 2018/19.

Access and inclusion

- » A Disability Access and Inclusion Reference Group was formed to guide the City on access and inclusion issues.
- » The City has upgraded the Civic Centre offices with a range of accessibility options, including adjustable-height workstations, and accessible sinks and microwaves in the staff hub.
- » Accessible entrance doors were installed at the Girrawheen Community Hub.
- » Disability awareness training was delivered for City staff.
- » A plan for the audit of physical accessibility of City buildings has been developed, with amendments to be prioritised.
- » Cultural competency training was delivered for City's staff.
- » Through the Community Funding Program, the City assisted the Australian Day Council of WA to hold a community citizenship forum for CaLD community members and new Australians.
- » Through the same program, the City funded the Vietnamese Community in Australia (WA Chapter) to hold Tet New Year 2018 celebrations.

Reconciliation Action Plan (RAP)

- » A new RAP group was established to support the reconciliation process and close the gap in disadvantage between Aboriginal and Torres Strait Islander peoples and other Australians in the City.
- » Girrawheen Aboriginal High School students continued to develop a bush tucker garden and arts and crafts at Miya Kaadadjinny Learning Sanctuary.
- » Development of the teaching tool, Noongar Museum in a Box, was completed.
- » Library services continued to deliver free Aboriginal Storytime sessions.
- » Cultural education walks were facilitated at Yanchep National Park.
- » Noongar Six Season Signage was installed and launched at Lake Joondalup Scenic Drive.
- » Cultural awareness workshops were held at St James' Anglican School, Alkimos, during Reconciliation Week.
- » An Aboriginal Business Initiatives Workshop was delivered by Gordon Cole, the Chair of the Noongar Chamber of Commerce and Industry at the Girrawheen Community Hub during June 2018.
- » A Noongar bush tucker event was held on the shores of Lake Joondalup as part of Heritage Week in May 2018.

Volunteering

The City launched its community group self-sufficiency project, which aimed to support local community groups and clubs with free online resources and workshops. An additional 230 community members registered with the City to become a volunteer, increasing the total number of registered volunteers to more than 700.

Strategic objective: 1.4 Connected communities

Community services

Aged services

- » The City adopted an Age-Friendly Plan to promote the inclusion and contribution of the City's 18,000 residents aged 65 and over in all areas of community life. Under the seniors' program:
 - The GOLD Program (Growing Old and Living Dangerously) offered senior residents a variety of recreation, leisure, community and art & craft events at affordable prices.
 - A Strengthening Mind and Body Self-Management Program was introduced as an eight-week program for health and wellbeing for seniors in partnership with Edith Cowan University (ECU).
 - The Senior Smart Travel Program was implemented in collaboration with Transperth and the City of Joondalup.

Youth support programs

- » The City's three-year Youth Plan was developed to communicate the vision for young people to be valued, empowered and supported to reach their full potential and connected to community to support a quality lifestyle.
- » Three significant community events for young people were delivered:
 - The Girrawheen Youth Market was held in April 2018, as part of Youth Week celebrations. The market provided an opportunity for the City to recognise and celebrate the talents of young people.
 - Youth Centre open days were facilitated during school holidays.
 - The City of Wanneroo Youth Outreach Service collaborated with Police & Community Youth Centres (PCYC) to deliver PCYC outreach services (activities, sports and barbecues) at Butler Reserve. They provided young people with opportunities to engage in recreational activities in a safe place, access support and assistance where required, and build positive relationships with peers in the community.

Cultural services and facilities

Early childhood development

The Early Childhood Plan continues to guide the City to work with stakeholders and the community so that children in their formative years have opportunities to be healthy, and socially, emotionally and cognitively prepared for school and life.

Successful programs include Its All About Play and the Wanneroo and Surrounds Early Years network.

Library services

- » The Strategic Library Services Plan 2017/18 to 2021/22 was adopted to guide and prioritise operations and improvements to our library services over the next five years.
- » Libraries have commenced the transition to include community-led programs in the library, initiated predominantly through an individual's interests and desire to share their knowledge with the community. The inaugural Wellness series offered skilled, knowledgeable community members an opportunity to share their expertise with residents.
- » A signature event, 'Meet the Author with Anna Jacobs', attracted a capacity audience. This event was a highlight for booklovers.
- » School holiday programs in libraries had a STEAM focus (Science, Technology, Engineering, Art and Maths), with art and science workshops, LEGO building, robotics and virtual reality activities.
- » New adult and children activity groups have expanded the number of existing groups. Examples are a craft group and Lego Club at Girrawheen Library and meditation sessions at Clarkson Library.
- » Our Learning English Through Storytime program has expanded from an initial trial group to being run across multiple libraries. This successful program supports the language skills and literacy development of CaLD families.
- » Our pop-up library at Alkimos has seen expanded usage and increased engagement with both the local community and volunteers. Activities have included financial counselling, Boomerang Bag sewing sessions and a community art and storytelling workshop with Aboriginal artist, Jade Dolman.

Heritage, museum and arts

- » The Wanneroo Museum welcomed its 100,000th visitor in December and the number of visitors increased 16% over the previous year, highlighting the museum's attractions and evolving exhibition spaces.
- » The City collaborated with the State Government and to obtain a Conservation Protection Order to protect the exposed remains of the Alex T. Brown shipwreck.
- » The City participated in the National Trust's Australian Heritage Festival providing three events: an Open Day at Buckingham House, a Noongar Bush Tucker Walk, and 'The Good Oil – the Story and Taste of the Olive in Wanneroo' attended by 450 people.
- » The Community History Centre was refurbished and refreshed.



- » The Noongar Museum in a Box education outreach resources were launched. The kits contain a wide range of resources and information focused on local Aboriginal history and culture for early childhood settings.
- » A Peace Park in Koondoola was constructed as a place of reflection and commemoration for residents and family members who undertook military service and specifically those who served in the Vietnam War.
- » Conducted since 2001, the 2018 Community Art Awards & Exhibition continued to be a major feature of the cultural calendar in May and June, with 228 entries and 1,786 visitors. Inclusive of the Art Awards, nine diverse exhibitions have attracted 6,769 visitors.

Our challenges in 2017/18

- » Ensuring value for money services are delivered to a rapidly expanding and changing community.
- » Our CCTV Strategy 2016–2020 is yet to be completed. It will amalgamate and integrate various functions into a coordinated implementation plan.
- » Interim measures need to be undertaken to ensure the Wanneroo Animal Care Centre (WACC) is at a suitable standard until a decision is made to either outsource, upgrade or relocate the centre.

Looking ahead – 2018/19 CBP priorities

- » Complete development and implement a Regional Homelessness Strategy.
- » Implement actions from the following plans:
 - Age-Friendly Plan 2017/18 to 2020/21
 - Youth Plan 2017/18 to 2020/21
 - Access and Inclusion Plan 2018/19 to 2021/22
 - Reconciliation Action Plan 2018–22
 - Early Childhood Strategic Plan 2017/18 to 2019/20
 - Cultural Plan 2018/19 to 2022/23
 - Library Services Plan 2017/18 to 2021/22
 - Place Framework Implementation Plan
 - Cycling Facility Master Plan: Northern Corridor
 - Facility Strategic Plans as detailed in the Community Facility Planning Framework.
- » Undertake a needs and feasibility assessment in relation to a recreational aquatic facility within the Alkimos/Yanchep growth corridor (including a cost–benefit analysis of its likely impact on the City's Aquamotion facility).
- » Complete the Master Plan for Wanneroo Raceway.
- » Complete development and implement the CCTV Strategy 2018/19 to 2021/22.
- » Determine service delivery options relating to the Animal Care Centre and implement the preferred option.
- » Complete bushfire risk management planning.
- » Implement outcomes of the review of the City's emergency management model.
- » Develop overarching Place Activation Guidelines.
- » Review and compare the success of the various community hub models:
 - Wanneroo Community Centre
 - Merriwa Integrated Services Hub
 - Girrawheen Hub.
- » Complete development of and implement the Volunteer and Community Leadership Strategy.
- » Develop service delivery models for library/community hubs.

Strategic Community Plan – measures and KPIs

The table below shows the progress of each Strategic Community Plan (SCP) measure under the theme of Society. The customer satisfaction measures are based on 2016/17 results due to the timeframe of the survey occurring every second year. New results will be included in the 2018/19 Annual Report.

Strategic objective: 1.1 Health and active people					
Service: Community recreation programs and facilities					
SCP measure: Community satisfaction with sport facilities					
Results from previous years			2016/17		
2014/15 (%)	2015/16	Target	Actual (%)	Result	
81	No survey in 2015/16	Maintain/improve on 3-year average	78	<div>↓</div> <div>Decreased by 3%</div>	
SCP measure: People are satisfied with the programs, facilities and services provided in their community					
Results from previous years			2016/17		
2014/15 (%)	2015/16	Target	Actual (%)	Result	
Festival, events and cultural activities: 82	No survey in 2015/16	Maintain/improve on 3-year average	Festival, events and cultural activities: 85	<div>↑</div> <div>Improved by 3%</div>	
Services and facilities for youth: 69			Services and facilities for youth: 58	<div>↓</div> <div>Decreased by 11%</div>	
Facilities, services and care available for seniors: 75			Facilities, services and care available for seniors: 72	<div>↓</div> <div>Decreased by 3%</div>	
Strategic objective: 1.2 Safe communities					
Service: Community safety					
SCP measure: Community satisfaction with safety and security (people feel safe)					
Results from previous years			2016/17		
2014/15 (%)	2015/16	Target	Actual (%)	Result	
71	No survey in 2015/16	Maintain/improve on 3-year average	66	<div>↓</div> <div>Decreased by 5%</div>	
SCP measure: Increase the no. of CCTV cameras at hotspot locations					
Results from previous years			2017/18		
2014/15	2015/16	2016/17	Target	Actual	Result
42	49	0	Increase	57	<div>↑</div>
KPI: Statutory inspection requirements					
Unit of measure: % of inspections conducted within statutory timeframes					
2014/15 actual (%)	2015/16 actual (%)	2016/17 actual (%)	2017/18		
			Target (%)	Actual (%)	Result
100	100	100	100	100	<div>↑</div>



Open day at Buckingham House

KPI: Statutory inspection requirements					
Unit of measure: % of swimming pools and spas inspected for barrier compliance under legislated requirements					
2014/15 actual (%)	2015/16 actual (%)	2016/17 actual (%)	2017/18		
			Target (%)	Actual (%)	Result
99.99	117	134	100	106 (Contractor, RLSSWA and City inspectors are tracking 6% ahead of statutory timeframes)	↑
Strategic objective: 1.3 Connected communities					
Service: Library service					
SCP measure: Community satisfaction with education and training opportunities					
Results from previous years			2016/17		
2014/15 (%)	2015/16	Target	Actual (%)	Result	
70	No survey in 2015/16	Maintain/improve on 3-year average	70	↑ Maintained	
SCP measure: Community satisfaction with the City's library and information services					
Results from previous years			2016/17		
2013/14 (%)	2014/15	Target	Actual (%)	Result	
90	No survey in 2015/16	Maintain/improve on 3-year average	91	↑ Improved by 1%	
Service: Community development and engagement					
SCP measure: Community satisfaction with the City's access to services and facilities for people with disabilities					
Results from previous years			2016/17		
2014/15 (%)	2015/16	Target	Actual (%)	Result	
67	No survey in 2015/16	Maintain/improve on 3-year average	74	↑ Improved by 7%	

Service: Cultural services and facilities					
SCP measure: No. of people who participate in cultural activities					
Results from previous years			2017/18		
2014/15	2015/16	2016/17	Target	Actual	Result
7,682 – heritage education program and school holiday activities	9,236 – heritage education program and school holiday activities	9,822 – heritage education program and school holiday activities	Increase from previous year	7,719 – heritage education program and school holiday activities	↓
8,164 – exhibitions (including the Wanneroo Art Awards)	8,455 – exhibitions at the Wanneroo Library and Cultural Centre Gallery (including 1,354 at the Community Art Awards)	6,541 – exhibitions (including the Community Art Awards)	Increase from previous year	6,769 – exhibitions (including the Community Art Awards)	↑
12,276 – Wanneroo Regional Museum	12,282 –Wanneroo Regional Museum; a further 5,681 visited Cockman House and Buckingham House	10,979 –Wanneroo Regional Museum, Cockman House and Buckingham House	Increase from previous year	13,047 – Wanneroo Regional Museum	↑
n/a	29,533 – library events	41,391 – library programs and events	Increase from previous year	35,841 – library programs and events	↓

The following new measures were developed as part of the SCP review. These measures will be reported on in the 2018/19 Annual Report:

- » community satisfaction with place-based services offered at Girrawheen and Yanchep
- » community satisfaction with opportunities for diverse groups to be included (community inclusion activities)
- » participation at state or national levels
- » volunteer rate.

Corporate Business Plan four-year priorities

The table below shows the progress of each SCP action within the strategic theme of Society. Refer to **page 114** (results criteria) for status colour codes. A ‘corrective measure’ is linked to all actions that were ‘on hold’ or ‘under target’ at 30 June 2018.

No.	Annual actions 2017/18	Service Unit	2016/17 June status	2017/18 June status	Ref. no.
SCP outcome: Healthy and active people					
SCP strategy: Create opportunities that encourage community wellbeing and active and healthy lifestyles					
Priority: Support community wellbeing through development of an overarching Social Plan					
AA001	Develop a Regional Homelessness Plan in partnership with key stakeholders	Community Services	Under target	Completed	
AA002	Implement actions from the Age-Friendly Plan	Community Services	Under target	Completed	
AA003	Implement actions from the Youth Plan	Community Services	Under target	On target	

No.	Annual actions 2017/18	Service Unit	2016/17 June status	2017/18 June status	Ref. no.
AA004	Implement actions from the Access & Inclusion Plan	Place Activation	Completed	Completed	
AA005	Implement actions from the Reconciliation Action Plan	Place Activation	Completed	Completed	
AA006	Implement actions arising from disability care reforms	Community Services	n/a	Completed	
AA007	Implement actions arising from aged care reforms	Community Services	n/a	Completed	
AA008	Implement actions from the Early Childhood Plan	Cultural Development	Completed	Completed	
AA009	Review and evaluate the effectiveness of the current Public Health Plan	Place Activation	n/a	Completed	
AA010	Develop and implement a Community Facility Planning Framework (including local, district and regional impacts)	Community Facilities	On hold	On target	
AA011	Develop a master plan for the provision of sport-related cycling facilities	Community Facilities	n/a	Under target	1
SCP strategy: Facilitate opportunities within the City to access peak and elite activities					
Priority: Attract elite sporting activities to the City					
AA012	Continue to participate in master planning for Barbagallo Raceway	Community Facilities	n/a	On target	
SCP outcome: Safe communities					
SCP strategy: Enable community to be prepared and to recover from emergency situations					
Priority: Enhance community safety through initiatives and programs					
AA013	Complete development and commence implementation of the CCTV Strategy	Community Safety & Emergency Management	Under target	On target	
AA089	Investigate options for the deployment of mobile technology to field officers	Health and Compliance	On target	Completed	
AA014	Investigate the options for managing the City's Animals Local Law	Community Safety & Emergency Management	On hold	On target	
Priority: Work in partnership to deliver effective emergency management					
AA015	Review the Emergency Management Model	Community Safety & Emergency Management	On target	On target	
AA016	Conduct the 5-year review of the Local Emergency Management Arrangements	Community Safety & Emergency Management	n/a	Completed	
SCP outcome: Distinctive places					
SCP strategy: Create distinctive places based on identity of areas					
Priority: Enable place management and place making					
AA017	Develop a Place Framework	Place Activation	On hold	Completed	

No.	Annual actions 2017/18	Service Unit	2016/17	2017/18	Ref. no.
			June status	June status	
SCP strategy: Create place-based access to local services					
Priority: Undertake place management					
AA018	Initiate the implementation of a Place Approach in Girrawheen	Place Activation	n/a	Completed	
AA019	Initiate the implementation of a Place Approach for Yanchep with a focus on job creation	Advocacy & Economic Development	n/a	Completed	
SCP outcome: Advocate and partner to meet changing community service expectations in Place					
Priority: Undertake place management					
AA020	Work collaboratively and in partnership to deliver Place Services	Place Activation	n/a	Completed	
SCP outcome: Connected communities					
SCP strategy: Connect communities through engagement and involvement					
Priority: Develop self-sufficiency in community organisations					
AA021	Facilitate the implementation of models to enhance self-sufficiency in community organisations	Place Activation	n/a	Completed	
Priority: Promote and manage volunteering opportunities					
AA022	Develop a Volunteer and Community Leadership Strategy	Place Activation	On target	On target	
SCP strategy: Strengthen community and customer connectedness through community hubs					
Priority: Expand the capacity of existing community and cultural facilities					
AA023	Implement actions from the Strategic Library Services Plan	Cultural Development	Development completed	Completed	
Priority: Develop community facilities to encourage connected communities					
	No Action in Year 1 of the CBP		n/a	n/a	
SCP strategy: Build strong communities through the strength of cultural and heritage diversity					
Priority: Value and support the City's heritage and cultural diversity					
AA024	Implement actions from the Cultural Plan	Cultural Development	Development completed	Under target	2

The table below provides the comments and corrective measures for priorities that were ‘on hold’, ‘under target’ or ‘not yet started’, as referenced in the final column above.

Reference no.	201718 comments on priorities	Corrective measure
1	Work has progressed on a master plan for sport-related cycling facilities. However, concept, cost estimates and additional information requested by stakeholders remain incomplete. The plan will be presented to Elected Members in 2018/19. CBP Action for 2018/19: implement outcomes from endorsed Cycling Facility Master Plan: Northern Corridor	Final approval to occur in 2018/19. Additional resources put to the project (staff hours) to facilitate completion
2	The draft Cultural Plan requires further community consultation. The plan is to be finalised and presented for Council adoption in 2018/19. CBP action for 2018/19: implement 2018/19 actions from the Cultural Plan 2018/19 to 2022/23	A comprehensive engagement process aligned to the Community Engagement Policy (encompassing surveys, forums and other mediums) will be undertaken during from July to September 2018

Economy

Aspiration: Progressive, connected communities that enable economic growth and employment



Agriculture



Kingsway Road



Neerabup Industrial Area

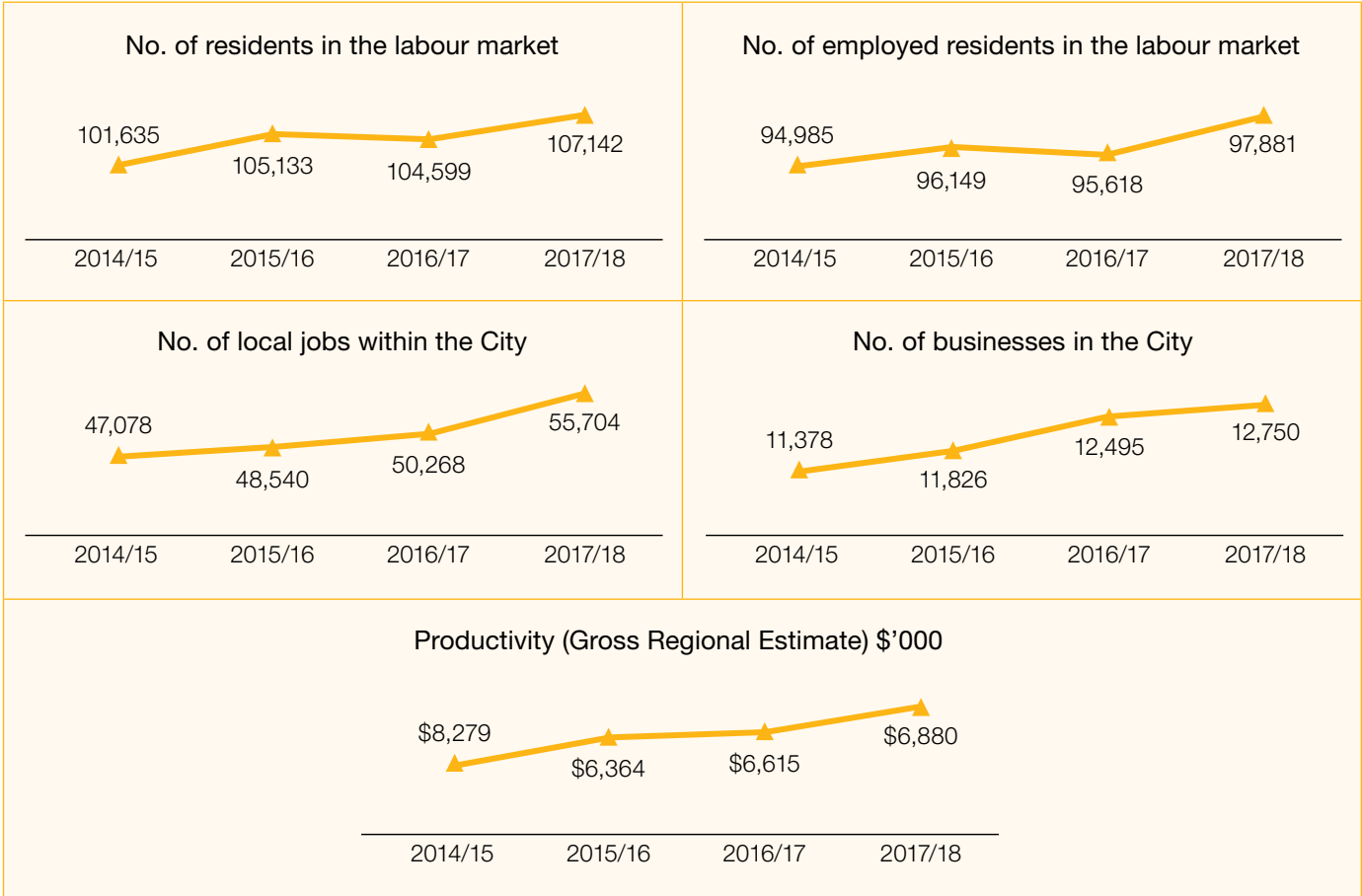


Technology esmart



New City of Wanneroo Entry Signage

Interesting facts



Achievements, challenges and future projects

The table below includes the major achievements and challenges for 2017/18 as well as strategic projects planned for the next financial year.

Our achievements in 2017/18
Strategic objective: 2.1 Local jobs
Business support and workforce development <ul style="list-style-type: none"> » More than 100 events—including the Wanneroo Business Expo, the Curtin Ignition Program and technology workshops—were delivered in partnership with key stakeholders.
Strategic objective: 2.2 Strategic growth
Industry diversification <ul style="list-style-type: none"> » The second Wanneroo Jobs Summit was held at Mindarie Marina with more than 150 participants. The economic state of play, growth opportunities, and creating employment through innovation and collaborative initiatives were key discussion points targeting the creation of 100,000 jobs. » An Agri-Precinct Concept Plan is being developed to consider local and international trends in agriculture (including emerging technologies), with a focus on defining how agriculture in Wanneroo may look in the future. » The City took part in the state government's Northern Wanneroo Agriculture Taskforce, which aims to address the viability of agriculture in northern Wanneroo, including land and water security.
Investment attraction <ul style="list-style-type: none"> » The City continued to support the creation of local jobs through the development of the Neerabup Industrial Area and by advocating for and delivering the supporting infrastructure, including the Mitchell Freeway extension through Hester Avenue, the widened Wanneroo Road and Marmion Avenue, and the planned railway extension to Yanchep. » An Employment Land Needs Study was undertaken to identify land requirements for future employment and how they can be met to achieve an additional 100,000 local jobs.
Advocacy <p>The City's advocacy agenda was updated to include the following projects under the agreed brand of 'Connect Wanneroo':</p> <ul style="list-style-type: none"> » Roads/Rail (including freight) » Region (including agribusiness and jobs) » Reserves (including Butler District Open Space, Alkimos Regional Open Space, upgrade of Kingsway Regional Sporting Complex, and a Regional Northern Coastal Suburbs Aquatic facility). <p>The City continued to advocate for local businesses. For example, we worked with NorthLink businesses to have the federal surcharge on freight containers entering the port destined for businesses in Gnangara removed.</p>
Strategic objective: 2.3 Smart business
<ul style="list-style-type: none"> » Smart Cities Grant Funding Project – RailSmart Planning. The objective of the project is to innovatively monitor and evaluate the travel behaviour of local residents and the near real-time monitoring of passenger movements into and out of train station nodes. Data collection and analysis will bring a predictive quality to land-use planning so that what is planned today can also adapt to suit the needs of a much larger population.
Strategic objective: 2.4 Places of destination
Tourism <ul style="list-style-type: none"> » Map signs in information bays were updated visually and factually to include the City's new tourist drive. The map signs are located on Indian Ocean Drive, Yanchep Beach Road and at Two Rocks Library. » A Tourism Land Needs Assessment to identify potential tourism precincts within the City was completed. » A strategic review of options for activating the Yanchep Lagoon Precinct was started. » The City started development on a business case to assess the viability of a tourist park on the old Quinns Rocks Caravan Park site. » The City led collaboration with the cities of Joondalup and Stirling, along with Experience Perth, to redesign and refresh content for the 2018 Sunset Coast Holiday Planner. In addition, a new digital marketing campaign was launched to target the UK market, eastern Australia (Sydney and Melbourne), and the hosts of visiting friends and relatives. » City of Wanneroo entry statements were installed at seven strategic locations.



Property services

- » The City's Strategic Land Acquisition Policy was adopted to provide a structured and consistent approach to land management activities.
- » The Leasing Policy and Management Procedure was reviewed to provide a framework and basic principles for tenant arrangements at City-owned and managed facilities.
- » A strategic review of options for activating the Yanchep Lagoon Precinct was started with a view to identifying the appetite for potential development. The work is continuing into 2018/19.
- » The City secured a five-year lease for the commercial operator at Yanchep Lagoon Cafe, a key site in an area likely to undergo significant growth as the next strategic metropolitan centre.

Looking ahead – 2018/19 CBP priorities

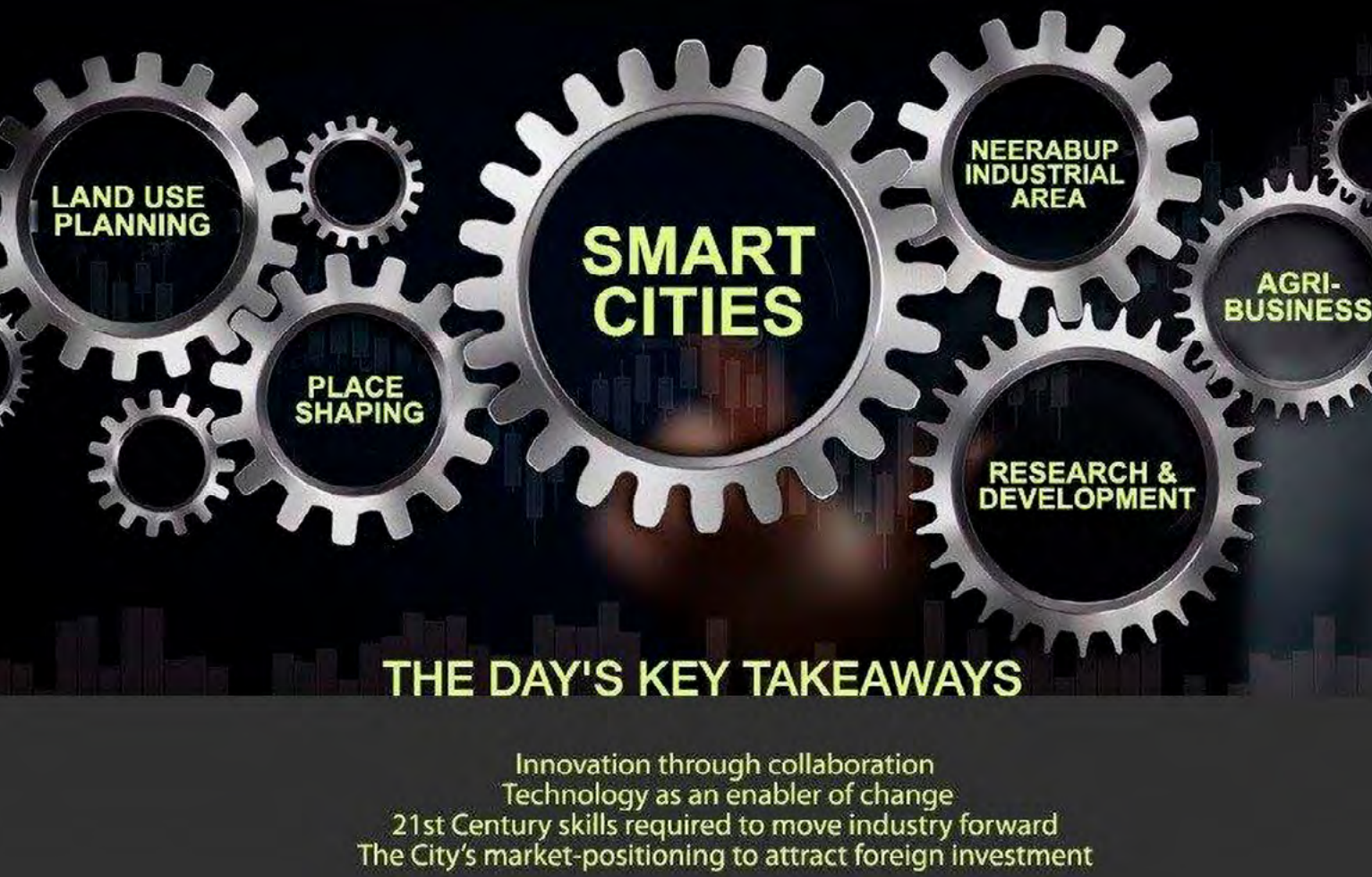
- » Implement the Economic Development Strategy 2016–21 actions for 2018/19.
- » Initiate local planning scheme amendment to change mixed-use zones.
- » Work in partnership with stakeholders to provide a baseline report, including cost-benefit analyses, for future freight links in Perth's freight network.
- » Develop a service level agreement between the City and Yanchep Beach Joint Venture for the delivery of economic development initiatives from the Yanchep hub.
- » Implement the 2018/19 actions from the Wanneroo Town Centre Action Plan 2016/17 to 2018/19.
- » Complete the review of the Wanneroo Town Centre Structure Plan and Policy.
- » Review Local Planning Policy – Employment 3.6, a framework designed to encourage and retain local employment.
- » Develop an investment attraction package for Neerabup Industrial Area.
- » Implement the project plan for developing the Neerabup Industrial Area.
- » Work towards development of an agricultural precinct by implementing subprogram 1.2 (agribusiness & aquaculture) of the Economic Development Strategy.
- » Design and scope the RailSmart Wanneroo Project (digital platform for open access of data by industry).
- » Complete the business case for redevelopment of the old Quinns Rocks Caravan Park site according to the project plan.
- » Continue planning for the upgrade of Yanchep Lagoon area.

Strategic Community Plan – measures and service KPIs

The table below shows the progress of each SCP measure within the strategic theme of Economy. The satisfaction measures are based on 2016/17 results due to the timeframes of the survey occurring every second year. New results will be included in the 2018/19 Annual Report.

Strategic objective: 2.1 Local jobs					
SCP measure: Estimated no. of employed residents in the labour market (Source: National Institute of Economic and Industry Research (NIEIR))					
Results from previous years			2016/17		
2013/14	2014/15	2015/16	Target	Actual	Result
93,861	96,818	99,647	Increase	101,205	<div>↑</div> Increase of 1.61% (+1,558 employed)
SCP measure: Estimated no. of local jobs (Source: NIEIR)					
Results from previous years			2016/17		
2013/14	2014/15	2015/16	Target	Actual	Result
50,010	53,385	55,507	Increase	55,704	<div>↑</div> Increase of 0.36% (+197 local jobs)
SCP measure: Business satisfaction with the City's economic development and job creation					
Results from previous years			2016/17		
2014/15	2015/16	Target	Actual (%)	Result	
n/a	n/a	Maintain/improve on 3-year average	61%	n/a	
SCP measure: Overall employment rate of working age people (Source: Department of Jobs and Small Business: Small area labour markets)					
Results from previous years			2017/18		
2014/15 (%)	2015/16 (%)	2016/17 (%)	Target	Actual	Result
93.6	91.8	91.6	Increase	91.5	<div>↓</div>
Strategic objective: 2.2 Strategic growth					
SCP measure: No. of businesses in the City (Source: ABS, Counts of Australian Businesses, Cat. No. 8165.0)					
Results from previous years			2016/17		
2013/14	2014/15	2015/16	Target	Actual	Result
11,297	11,697	12,423	Increase	12,750	<div>↑</div> Increase of 2.63% (+327 businesses)
SCP measure: Productivity (gross regional product (est.)) (Source: NIEIR)					
Results from previous years			2016/17		
2013/14	2014/15	2015/16	Target	Actual	Result
\$6,553 million	\$7,047 million	\$7,060 million	Increase	\$6,880 million	<div>↓</div> Decrease of 2.5%

WANNEROO JOB SUMMIT 2018



Strategic objective: 2.3 Smart business				
SCP measure: Business satisfaction re access to technology/NBN connectivity				
Results from previous years			2016/17	
2014/15 (%)	2015/16	Target	Actual (%)	Result
n/a	n/a	Maintain/improve on 3-year average	43	n/a
Strategic objective: 2.4. Places of destination				
SCP measure: Tourism visitor numbers* (Source: Tourism Research Australia)				
Results from previous years			2016/17	
2014/15 (%)	2015/16	Target	Actual (%)	Result
23,216	29,050	Increase	34,682	<div>↑</div> Increase of 16.1% (+5,632)

*Awaiting tourism statistics from Tourism Research Australia for FY 2017/18.

The following new measure was developed as part of the SCP review. This measure will be reported on in the 2018/19 Annual Report.

» growth in commercial/industrial rating assessments.

Corporate Business Plan four-year priorities

The table below shows the progress of each action under the SCP within the strategic theme of Economy. Refer to **page 114** (results criteria) for status colour codes. A 'corrective measure' is linked to all actions that were 'on hold' or 'under target' at 30 June 2018.

No.	Annual actions 2017/18	Service Unit	2016/17 June status	2017/18 June status	Ref. no.
SCP outcome: Local jobs					
SCP strategy: Develop strong economic hubs locally and near transport					
Priority: Ensure there is sufficient, good quality, well maintained and identifiable employment areas					
AA025	Implement subprograms 2.2 (industrial areas) and 2.3 (commercial centres & coastal nodes) of the Economic Development Strategy – employment land reservation, acquisition, and development to intensify employment centres	Advocacy & Economic Development	Completed	Under target	1
Priority: Ensure sufficient employment land which is serviced by good connectivity					
AA026	Review District Planning Scheme 2 to change mixed-use zones (Stage 1)	Approval Services	n/a	Under target	2
SCP strategy: Build capacity for businesses to grow					
Priority: Support our local businesses and workforce through the provision of services, facilities, education and training					
AA027	Implement subprograms 4.1 (local business services, training and facilities) and 4.3 (internal process improvements) of the Economic Development Strategy – local services, facilities, education and training opportunities to assist business establishment, growth and workforce development	Advocacy & Economic Development	Completed	Completed	
SCP outcome: Strategic growth					
SCP strategy: Activate Yanchep as a future city of the North					
Priority: Facilitate the activation of Yanchep					
AA028	Review the memorandum of understanding (MOU) between the City and Yanchep Beach Joint Venture	Planning & Sustainability	n/a	Under target	3
AA029	Review strategic cooperation agreement between the City and Yanchep Beach Joint Venture and other relevant parties	Planning & Sustainability	n/a	Under target	4
SCP strategy: Continue to activate the Wanneroo Town Centre					
Priority: Activate the City centre main street and town square					
AA030	Review the Wanneroo Town Centre Structure Plan and Policy to include significant major landholdings in the surrounding area	Strategic Land Use Planning & Environment	n/a	On target	
SCP strategy: Activate secondary and district centres					
Priority: Promote economic growth within secondary and district centres					
AA031	Implement subprogram 2.1 (city wide requirements) of the Economic Development Strategy – employment land reservation, acquisition and development to intensify employment centres	Advocacy & Economic Development	Completed	Completed	

No.	Annual actions 2017/18	Service Unit	2016/17 June status	2017/18 June status	Ref. no.
SCP strategy: Protect and increase availability of employment-generating land					
Priority: Maximise opportunities for employment-generating land to be protected and developed					
	No action in Year 1 of CBP		n/a	n/a	
SCP strategy: Attract investment development and major infrastructure					
Priority: Create a strong and recognised economic position, supported by the timely provision of infrastructure through advocacy and investment					
AA032	Implement subprogram 3.2 (investment attraction) of the Economic Development Strategy – promotion, marketing and advocacy to attract strategic investment and deliver critical economic infrastructure	Advocacy & Economic Development	Completed	On target	
SCP strategy: Focus on industry development in key strategic areas such as Neerabup					
Priority: Facilitate the economic development of designated areas					
	No action in Year 1 of CBP		n/a	n/a	
SCP outcome: Smart business					
SCP strategy: Attract innovative businesses with a focus on technology hubs and agribusiness					
Priority: Diversify our industry base to ensure economic resilience					
AA033	Work towards development of an agricultural precinct by Implementing subprograms 1.1 (clean technology), 1.2 (agribusiness & aquaculture) and 1.3 (advanced manufacturing & engineering) of the Economic Development Strategy – supporting the growth and development of existing industries as well as diversifying our industry base	Advocacy & Economic Development	Completed	On target	
SCP outcome: Promote early adoption of innovative technology by business					
SCP strategy: Support the growth and development of existing industries through the use of innovative technology by business					
AA034	Implement subprogram 3.1 (strategic economic marketing) of the Economic Development Strategy – promotion, marketing and advocacy to attract strategic investment and deliver critical economic infrastructure	Advocacy & Economic Development	Completed	On target	
SCP outcome: Places of destination					
SCP strategy: Actively build on our cultural heritage and distinctive identity to promote Wanneroo as a place to visit					
Priority: Develop the City as a tourism destination					
AA035	Implement subprogram 1.4 (tourism) and 5.2 (strengthening regional tourism) of the Economic Development Strategy – supporting the growth and development of existing industries as well as diversifying our industry base; developing and strengthening regional partnerships to collaboratively increase and maximise the region's economic competitiveness	Advocacy & Economic Development	Completed	Completed	
AA090	Develop the scope for the Carramar and Marangaroo golf courses Strategic Plan	Property Services	n/a	Completed	



No.	Annual actions 2017/18	Service Unit	2016/17 June status	2017/18 June status	Ref. no.
SCP strategy: Enhance Wanneroo as a distinctive place to invest					
Priority: Collaborate with the key stakeholders to maximise the City's economic competitiveness					
AA036	Implement subprogram 5.1 (strengthening regional partnerships) of the Economic Development Strategy – developing and strengthening regional partnerships to collaboratively increase and maximise the region's economic competitiveness	Advocacy & Economic Development	Completed	Completed	

The table below provides the comments and corrective measures for priorities that were 'on hold', 'under target' or 'not yet started', as referenced in the final column above.

Reference no.	2017/18 comments on priorities	Corrective measure
1	The design of Lot 9100 subdivision has started as well as the development of the general terms and conditions of the works contract and the scope of work for resource extraction from Lot 9003. CBP action for 2018/19: Develop local area plans for Yanchep and Girrawheen/Koondoola. This action has been transferred to the Place Management service unit.	Tender to be released in July 2018
2	Action on change to mixed-use zones was deferred during the midyear budget review and on target for completion by the reviewed target date. Following preliminary investigation, it has been recognised that the proposed amendment is more complex than originally anticipated. As a result, further investigation is being undertaken on how best to progress the amendment. CBP action for 2018/19: Initiate scheme amendment to change mixed-use zones.	The matter has been listed for discussion at the 4 September 2018 Council Forum
3	A review of the joint venture MOU has commenced and is ongoing. CBP action for 2018/19: Develop a service level agreement between the City and Yanchep Beach Joint Venture for the delivery of economic development initiatives from the Yanchep Hub.	Finalisation of MOU deferred to 2018/19
4	A review of the SCA has commenced and is ongoing. CBP action for 2018/19: Develop a service level agreement between the City and Yanchep Beach Joint Venture for the delivery of economic development initiatives from the Yanchep Hub.	The finalisation of the SCA is deferred to 2018/19.

Environment

Aspiration: A healthy and sustainable natural and built environment



Quinns Beach Coastal Management Works



Tree planting



Wanneroo Pines



Waste education tools

Interesting facts

<p>Domestic waste collected at kerbsides (tonnes)</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Domestic waste collected at kerbsides (tonnes)</th> </tr> </thead> <tbody> <tr> <td>2014/15</td> <td>55,722</td> </tr> <tr> <td>2015/16</td> <td>56,362</td> </tr> <tr> <td>2016/17</td> <td>57,448</td> </tr> <tr> <td>2017/18</td> <td>56,877</td> </tr> </tbody> </table> <p>The reduction in domestic waste disposed of via kerbside green-lidded waste bins may be attributed to increased community awareness about waste avoidance through media stories and specific waste education carried out by the City.</p>	Year	Domestic waste collected at kerbsides (tonnes)	2014/15	55,722	2015/16	56,362	2016/17	57,448	2017/18	56,877	<p>Recyclable materials collected at kerbsides (t)</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Recyclable materials collected at kerbsides (t)</th> </tr> </thead> <tbody> <tr> <td>2014/15</td> <td>15,081</td> </tr> <tr> <td>2015/16</td> <td>16,730</td> </tr> <tr> <td>2016/17</td> <td>17,778</td> </tr> <tr> <td>2017/18</td> <td>17,650</td> </tr> </tbody> </table> <p>The slight reduction in recycled materials disposed of in the yellow-lidded kerbside bin might be due to residents' changed shopping habits.</p>	Year	Recyclable materials collected at kerbsides (t)	2014/15	15,081	2015/16	16,730	2016/17	17,778	2017/18	17,650
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Achievements, challenges and future projects

The table below includes the major achievements and challenges for 2017/18 as well as strategic projects planned for the new financial year.

Our achievements in 2017/18

NATURAL ENVIRONMENT

Strategic objective: 3.1 Resource management

Natural and conservation areas

- » The City continued to improve its natural and conservation areas to ensure a greener and more liveable city:
 - 4,292 trees and 4,000 tube stock were planted in parks and streetscapes, including: (a) 600 trees as part of wider landscape improvement works on Hepburn Avenue; (b) 500 additional trees at the new Yanchep Active Open Space (Splendid Park); (c) 1,136 new residential verge trees; and (d) 1,047 trees in car parks and public open spaces.
 - 8,180 tube stock were planted during the winter planting program on conservation reserves helped by more than 700 volunteers from local schools, environmental groups, members of the community and residents.
- » The City continued to improve standards of active parks with:
 - proactive turf management programs
 - nutrient applications based on soil and tissue agronomic testing to reduce leaching of nutrients into waterways
 - improved collaboration with sporting clubs in regards to ground use.
- » The City delivered the annual Irrigation Parks Renewal Program.
- » The City replaced the old irrigation system at Carramar Golf Course with a waterwise system designed to reduce the City's current water use by 20%, providing significant environmental benefits.

Strategic objective: 3.2 Enhanced environment

Environmental management planning

- » A local planning policy was developed to outline the minimum requirements for the identification and management of areas of conservation reserves.
- » A local biodiversity plan was developed and advertised to identify priority biodiversity values. It proposes actions that aim to protect biodiversity throughout the City.
- » Potential adaptation options in the Coastal Hazard Risk Management and Adaptation Plan (CHRMAP) were presented to the community in December 2017. After consultation, the final plan included recommendations for implementing coastal hazard management in accordance with the City's coastal hazard risks and State Planning Policy 2.6 (coastal planning).

Strategic objective: 3.3 Reduce, reuse, recycle waste

Waste management

- » More than 26,000 tonnes(t) of waste processed at the Suez Resource Recovery Facility in Neerabup was transformed into soil conditioning compost.
- » Wangara Greens Recycling Centre (WGRC) received more than 4,000t of green waste from residents, which was sent onward for treatment and processing into mulch. The WGRC also recovered/recycled 13,000 litres of waste oil, 10t of batteries and 16t of cardboard.
- » More than 4,000t of green waste was removed from residents' verges throughout the year, with 100% recovered as mulch.
- » 31t of waste was recycled via City drop-off days, with nearly 12t of tyres collected for recycling.
- » More than 2,000 residents participated in waste education activities, including school-based presentations, workshops, movie screenings and community tours of waste processing facilities.

Our challenges for 2017/18

Availability of groundwater for irrigation purposes continues to present challenges in developing and maintaining quality parks in the northern growth corridor. Reduced groundwater allocations in these areas impact on the quality of turf and vegetation.



NATURAL ENVIRONMENT
Strategic objective: 3.4 Activated places
<ul style="list-style-type: none"> » The Assets Maintenance team undertook scheduled condition monitoring to determine the safety and suitability of spaces, centres and facilities, including universal accessibility standards. » As a part of the City's prioritised program of streetscape and landscape improvements for major roads, streetscape improvements were completed on the median strips and verges of Hepburn Avenue.
Strategic objective: 3.5 Connected and accessible City
<p>Planning and building approvals and compliance</p> <p>Our Approvals area reviewed a significant number of applications to ensure local amenity. (Statistical information can be viewed on page 150.)</p> <p>The following plans and policies were also reviewed:</p> <ul style="list-style-type: none"> » Local Planning Policy 2.4: site works and retaining for residential development (adopted) » Local Planning Policy 2.5: telecommunications infrastructure (adopted) » Draft amendment to Local Planning Policy 4.20 – split coded areas (considered) » Draft Local Planning Policy 4.23: design review (considered). <p>Deliver community infrastructure</p> <ul style="list-style-type: none"> » 28km of new roads were constructed. » 6.6km of asphalt road resurfacing was undertaken on 20 roads in the suburbs of Alexander Heights, Girrawheen, Marangaroo and Wanneroo. In addition, the intersection and approaches of Marmion Avenue and Hester Avenue were resurfaced. » Work on the Kingsway Traffic Management Scheme continued between Wanneroo Road and Ashdale Boulevard. The upgrade addressed issues of pedestrian and cycle safety, traffic speed, volumes and congestion. » 25km of shared grey concrete pathways (complete with pram ramps and tactile tiles) were constructed under the Pathways Program. » The Civic Centre extension and refurbishment was completed on schedule, consolidating the City's work areas into one location to improve productivity and efficiency. » Design and construction of the entry statement to the Neerabup Industrial Area at the intersection of Wanneroo Road and Flynn Drive was completed. The project included construction of a maintenance access path, signage and landscaping. » Track upgrades were made to The Spot coastal estate in Two Rocks, between Two Rocks Road and the coastal car park, along with construction of dune protection fencing. » Blackspot funding enabled the City to improve road safety through the installation of various traffic treatments, roadworks and pathways. » Maintenance works were undertaken at the Mindarie Breakwater to reduce wave overtopping and improve rock armour stability. » Refurbishment on seven of the City's fleet of recycling waste collection trucks to improve operational efficiency and safety was commenced. The works are expected to save the City about \$900,000. <p>The City also:</p> <ul style="list-style-type: none"> » managed the handover of assets from developers to the City of \$19,423,000 in road and drainage assets and \$3,055,832 in park and streetscapes assets » completed 118 civil engineering assessments for new road and drainage assets » completed 47 landscape assessments for new parks » completed 58 Traffic Management Plan assessments for subdivision and development works within road reserves » completed 14 Urban Water Management Plan assessments for subdivision and development projects » assessed and approved 11 applications for second residential crossovers » implemented an online portal for electronic lodgement of applications, supporting a paper appropriate work environment.

Strategic objective: 3.6 Housing choice
<p>Future land-use planning</p> <ul style="list-style-type: none"> » Preparation of the Wanneroo Town Centre's Activity Centre Plan started, with delivery expected in late 2018. The plan encapsulates the community's vision for the town centre and is a key deliverable of the Wanneroo Town Centre Action Plan. » The community was engaged in relation to a number of key land-use issues, including: <ul style="list-style-type: none"> - adaptation options of the Coastal Hazard Risk Management and Adaptation Plan - the future of the Koondoola Neighbourhood Activity Centre.
<p>Our challenges for 2017/18</p> <p>To effectively manage ageing infrastructure and growing assets. Effective inspection and maintenance programs and regimes are essential to ensure assets remain fit for purpose.</p> <p>To streamline processes between the City's planning and building services to ensure an efficient service for applicants.</p>
<p>Looking ahead – 2018/19 CBP priorities</p> <ul style="list-style-type: none"> » Implement the 2018/19 actions relating to the Climate Change Adaptation and Mitigation Strategy 2016–20. » Progress and award the preferred supplier in relation to solar energy for Neerabup. » Implement the 2018/19 actions from the Energy Reduction Plan 2017–20. » Implement the Coastal Hazard Risk Management and Adaptation Plan. » Develop the Coastal Management Plan, Part 2. » Deliver Stage 2 of the Quinns Beach Long Term Coastal Management Works. » Advocate for the acquisition of Regional Active Open Space (playing fields). » Monitor coastal infrastructure in consultation with relevant stakeholders. » Finalise the local Environmental Strategy. » Implement the Local Biodiversity Strategy 2018/19 to 2022/23. » Finalise the Service Delivery Review incorporating options that support diversion from landfill. » Implement the Strategic Waste Management Plan 2016–22 in collaboration with Mindarie Regional Council to increase community awareness through the delivery of waste education programs. » Implement actions from the Strategic Waste Management Plan 2016–22 (planning for future waste solutions). » Prepare the Local Planning Strategy (Phase 1). » Review the East Wanneroo Local Planning Policy. » Conduct an audit to determine the safety and accessibility of spaces, centres and facilities according to asset management plans and the Access and Inclusion Plan. » Develop local area plans for Yanchep and Girrawheen/Koondoola. » Complete development of the Tree Preservation Policy. » Complete development of a Strategic Transport Plan 2018/19 to 2021/22. » Implement the Wanneroo Cycle Plan through capital works subprograms – pathways & trails and roads. » Participate in agreed state government project reference groups to maximise integration of rail and road (Metronet, Main Roads). » Undertake Year 1 actions of a two-year review of the Local Housing Strategy. » Construct formal beach access at three locations along Quinns Beach.

Strategic Community Plan – measures and service KPIs

The table below shows the progress of each SCP measure under the theme of Environment. The customer satisfaction measures are based on 2016/17 results due to the timeframes of the survey occurring every second year. New results will be included in the 2018/19 Annual Report.

Strategic objective: 3.1 Resource Management					
Service: Environmental management					
Measure: Water consumption – scheme water use by the Council					
Results from previous years			2017/18		
2014/15 (KL)	2015/16 (KL)	2016/17 (KL)	Target	Actual (KL)	Result
113,388	97,269	108,912	Decrease water usage	108,218	↓ Decreased by 694KL
0.62	0.52	0.56	Decrease per capita	0.54	↓ Decreased by 0.02KL
SCP measure: Water consumption – bore water use by Council					
Results from previous years			2017/18		
2014/15 (KL)	2015/16 (KL)	2016/17 (KL)	Target	Actual (KL)	Result
3,730,287	3,710,294	3,716,390	Decrease water usage	3,718,624	↑ Increased by 2,234KL
n/a	6860KL/ha	6764KL/ha	Decrease in irrigation water usage per hectare	6720KL/ha	↓ Decreased by 43KL/Ha
Note: The City's overall groundwater allocation increased by 29,108KL from 2016/17 to 2017/18 due to new land being handed over to the City. This resulted in an increase of water allocation and irrigated land managed. On a per hectare basis, there was a reduction in overall water use in 2017/18 from the previous year.					
Measure: Community satisfaction with the City's water resource management					
Results from previous years			2016/17		
2014/15 %	2015/16	Target	Actual (%)	Result	
68	No survey in 2015/16	Maintain/improve on 3-year average	84	↑ Improved by 16%	
Measure: Energy consumption					
Results from previous years			2017/18		
2014/15 (kWh)	2015/16 (kWh)	2016/17 (kWh)	Target	Actual (kWh)	Result
9,282,091	9,385,444	9,437,989	Reduce energy consumption	9,161,238	↓ Decreased by 276,751kWh



KPI: Climate Change Adaptation & Mitigation Strategy					
Unit of measure: Strategy in place					
2014/15 Actual	2015/16 Actual	2016/17 Actual	2017/18		
			Target	Actual	Result
Draft in place	Draft strategy endorsed by the Council for public advertising	Plan adopted	Implementation of the plan	Ongoing Implementation	↑
Strategic objective: 3.2 Enhanced environment					
Service: Parks and conservation management					
Measure: No. of volunteers in conservation					
Results from previous years		2017			
2015	2016	Target	Actual	Result	
696	731	Increase	669	↓	
KPI: Volunteer hours in conservation					
Unit of measure: Increase in volunteer hours					
Results from previous years		2017			
2015	2016	Target	Actual	Result	
1,392	1,254	Increase	1,499	↑	
Measure: Community satisfaction with management of local beaches/coastline					
Results from previous years		2016/17			
2014/15	2015/16	Target	Actual (%)	Result	
New measure		Maintain/improve on 3-year average	82	n/a	
Measure: Community satisfaction with the City's conservation and environmental management					
Results from previous years		2016/17			
2014/15 %	2015/16	Target	Actual	Result	
81	No survey in 2015/16	Maintain/improve on 3-year average	82	↑ Improved by 1%	

Strategic objective: 3.3 Reduce, reuse, recycle waste					
Service: Waste management					
Measure: Community satisfaction levels with recycling					
Results from previous years			2016/17		
2014/15 %	2015/16	Target	Actual (%)	Result	
89	No survey in 2015/16	Maintain/improve on 3-year average	91	↑ Increased by 2%	
Measure: Waste to landfill – kilograms per capita					
Results from previous years			2017/18		
2014/15 (kg)	2015/16 (kg)	2016/17 (kg)	Target	Actual (kg)	Result
204	193	187	Decrease	192	↓ Due to an increase in domestic waste sent directly to landfill when the Resource Recovery Facility (RRF) was closed for maintenance
Measure: Waste to recycle – kilograms per capita					
Results from previous years			2017/18		
2014/15 (kg)	2015/16 (kg)	2016/17 (kg)	Target	Actual (kg)	Result
394	258	246	Increase	242	↓ Due to an increase of waste going to landfill
The slight reduction in recycled materials disposed of might be due to residents' more sustainable shopping habits, eliminating plastics, packaging and other materials where possible.					
KPI: Total waste recovered					
Unit of measure: % of total waste diverted from landfill					
Results from previous years			2017/18		
2014/15 Actual (kg)	2015/16 Actual (kg)	2016/17 Actual (kg)	Target	Actual (%)	Result
49	58	57	65% by 2020 (WA Waste Strategy)	56	↓
The City managed slightly reduced volumes of waste materials during the year. Overall, diversion from landfill is in line with previous years. Due to a reduction in volumes of waste and increased waste sent to landfill when the RRF was closed, the total percentage of waste diverted from landfill was slightly reduced.					
KPI: Kerbside collection waste diverted from landfill (domestic)					
Unit of measure: % volume of waste diverted away from landfill					
2014/15 Actual (%)	2015/16 Actual (%)	2016/17 Actual (%)	2017/18		
			Target	Actual (%)	Result
51	51	51	51	46	↓
An increased portion of domestic waste was sent directly to landfill as the Mindarie Regional Council RRF was closed for maintenance for a period during the year, resulting in more waste being sent to landfill than usual.					

KPI: Kerbside collection waste diverted from landfill (recycling)					
Unit of measure: % volume of waste diverted away from landfill					
2014/15 Actual (%)	2015/16 Actual (%)	2016/17 Actual (%)	2017/18		
			Target	Actual (%)	Result
84	84	84	84	85	↑
Note: A total of 90,130t of waste was created and collected in the City in 2017/18; 50,313t was recovered and diverted from landfill.					
» 26,000t of domestic waste was processed at the RRF into soil conditioner.					
» 15,085t of materials (paper, glass, cardboard and plastic) was recycled.					
» 942t of metal waste was diverted from bulk junk collection.					
» 4,226t of bulk verge collection green waste was processed into mulch.					
» 4,060t of green waste from the Wangara Greens Recycling Facility.					
BUILT ENVIRONMENT					
Strategic objective: 3.4 Activated places					
Service: Place activation					
SCP measure: Satisfaction with streetscapes, parks					
Results from previous years		2016/17			
2014/15 %	2015/16	Target	Actual (%)		Result
83	No survey in 2015/16	Maintain/improve on 3-year average	72		↓ Decreased by 11%
Service: Building applications					
KPI: Building permit processing (certified and uncertified)					
Unit of measure: % of building permit applications (certified and uncertified) processed within regulatory timeframes					
2014/15 Actual (%)	2015/16 Actual (%)	2016/17 Actual (%)	2017/18		
			Target	Actual (%)	Result
100	100	99.99 (One application outside of timeframes)	100	99.99	↓ One application outside of timeframe
KPI: Building permit processing (certified and uncertified)					
Unit of measure: Average timeframe for processing building applications					
2014/15 Actual (%)	2015/16 Actual (%)	2016/17 Actual (%)	2017/18		
			Target	Actual (%)	Result
9 business days	6 business days	6 business days	5 business days	6 business days	↓ Average timeframe exceeded target due to resourcing constraints

Service: Planning Applications					
KPI: Development application processing					
Unit of measure: % development applications processed within regulatory timeframes (60 and 90 days)					
2014/15 Actual (%)	2015/16 Actual (%)	2016/17 Actual (%)	2017/18		
			Target	Actual (%)	Result
n/a	97	94	100	94.34	<div>↓</div> Target exceeded for small portion of applications
KPI: Development application processing					
Unit of measure: Average timeframe for determination of development applications					
2014/15 Actual	2015/16 Actual	2016/17 Actual	2017/18		
			Target	Actual	Result
15 days	16 days	19 days	60 days without advertising; 90 days with advertising	30 days	<div>↑</div> Target achieved
Service: Occupancy permit					
KPI: Occupancy permit processing					
Unit of measure: % of occupancy permits processed within 10 business days					
2014/15 Actual %	2015/16 Actual %	2016/17 Actual %	2017/18		
			Target %	Actual %	Result
100	99.99	100	100	100	<div>↑</div> All applications processed within legislated timeframe
Strategic objective: 3.5 Connected and accessible City					
Service: Roads and footways					
SCP measure: Community satisfaction with local streets					
Results from previous years		2016/17			
2014/15 %	2015/16	Target	Actual (%)		Result
78	No survey in 2015/16	Maintain/improve on 3-year average	74		<div>↓</div> Decreased by 4%
SCP measure: Community satisfaction with footpaths, cycleways					
Results from previous years		2016/17			
2014/15 %	2015/16	Target	Actual (%)		Result
79	No survey in 2015/16	Maintain/improve on 3-year average	75		<div>↓</div> Decreased by 4%



KPI: Pathways constructed					
Unit of measure: km of pathways constructed (accumulative)					
Results from previous years			2017/18		
2014/15 Actual (km)	2015/16 Actual (km)	2016/17 Actual (km)	Target	Actual (km)	Result
1,165	1,223	1,250	Increase	1,27	<div>↑</div> Total length increased by 28km
KPI: Roads constructed					
Unit of measure: km of roads constructed (accumulative)					
2014/15 Actual (km)	2015/16 Actual (km)	2016/17 Actual (km)	2017/18		
			Target	Actual (km)	Result
1,564	1,609	1,634	Increase	1,662	<div>↑</div> Total length increased by 28km
SCP measure: Community satisfaction with access to public transport					
Results from previous years		2016/17			
2014/15 (%)	2015/16	Target	Actual (%)		Result
73	No survey in 2015/16	Maintain/improve on 3-year average	74		<div>↑</div> Improved by 1%
Strategic objective: 3.6 Housing choice					
Service: Land-use planning					
Measure: No. of lots created – Girrawheen and Koondoola areas					
Results from previous years			2017/18		
2014/15	2015/16	2016/17	Target	Actual	Result
Girrawheen – 82 Koondoola – 1	Girrawheen – 4 Koondoola – 2	Girrawheen – 12 Koondoola – 10	Increase	Girrawheen – 66 Koondoola – 27	<div>↑</div>

The following new measures were developed as part of the SCP review:

- » community satisfaction with mix and diversity of housing types locally
- » community satisfaction with public spaces
- » road condition
- » construction of pathways
- » diversity of new dwelling types.
- » These measures will be reported on in the 2018/19 Annual Report.

Corporate Business Plan four-year priorities

The table below shows the progress of each SCP action under the theme of Environment. Refer to **page 114** (results criteria) for status colour codes. A 'corrective measure' is linked to all actions that were 'on hold' or 'under target' at 30 June 2018.

No.	Annual actions 2017/18	Service Unit	2016/17 June status	2017/18 June status	Ref. no.
SCP outcome: Resource management					
SCP strategy: Minimise impacts of climate change					
Priority: Plan for the effects of climate change					
AA036	Implement the Climate Change Adaptation and Mitigation Strategy	Strategic Land Use Planning & Environment	Planning completed	Completed	
SCP strategy: Seek alternative ways to improve energy efficiency					
Priority: Investigate and develop an energy precinct in the Neerabup Business Area					
AA037	Continue to work with Mindarie Regional Council, Eastern Metropolitan Regional Council and industry to explore a waste-to-energy plant	Waste Services	n/a	On target	
Priority: Reduce energy use across City-owned facilities					
AA038	Finalise and implement the Energy Reduction Plan	Strategic Land Use Planning & Environment	Development completed	On target	
SCP strategy: Proactively manage the scarcity of water through sustainable local water management strategies					
Priority: Optimise water usage within Council-owned and managed reserves and facilities					
AA039	Implement recommendations of the Water Conservation Plan	Parks & Conservation Management	Review completed	Completed	
AA040	Work in partnership with the Department of Water and Environmental Regulation to identify alternative water supply options to support agribusiness precinct	Advocacy & Economic Development	n/a	Completed	
AA041	Review Local Plan Policy 4.4 – urban water management	Land Development	n/a	Under target	1
SCP outcome: Enhanced environment					
SCP strategy: Maximise the environmental value of beaches, nature reserves and parklands					
Priority: Plan for management and use of coastal areas					
AA042	Finalise and implement the Coastal Hazard Risk Management Adaptation Plan	Strategic Land Use Planning & Environment	On target	Under target	2
Priority: Develop partnerships for the management of park and regional conservation reserves					
AA043	Work with the Department of Biodiversity, Conservation and Attractions to create a Board for Tamala Park conservation	Strategic Land Use Planning & Environment	n/a	Completed	
Priority: Increase the community's stewardship of local and national parks					
AA044	Partner with the WA Parks Foundation to increase the community's stewardship of local and national parks within the City	Parks & Conservation Management	n/a	Completed	

No.	Annual actions 2017/18	Service Unit	2016/17 June status	2017/18 June status	Ref. no.
Priority: Manage coastal erosion					
AA045	Implement recommendations of the Quinns Beach Long Term Coastal Management Study	Asset Maintenance	Plan completed	Completed	
SCP strategy: Collaborate with relevant state agencies with a focus on enhancement of the natural environment					
Priority: Advocate for the management of key regional reserves					
AA046	Work with state government to prepare a Conservation Management Plan for the Alkimos Regional Reserve that would facilitate community access	Strategic Land Use Planning & Environment	n/a	Completed	
AA047	Work with state government to prepare a Conservation Management Plan for the Yanchep Regional Reserve that would facilitate community access	Strategic Land Use Planning & Environment	n/a	Completed	
Priority: Work in partnership to manage coastal infrastructure assets					
AA048	Liaise with and seek funding from the state government for all coastal management issues, studies and works	Asset Maintenance	n/a	Completed	
SCP strategy: Optimise retention of significant vegetation and habitat					
Priority: Protect, retain and enhance rare vegetation complexes					
AA049	Implement the Local Biodiversity Strategy by June 2018	Strategic Land Use Planning & Environment	n/a	On target	3
AA050	Establish and implement a program to monitor and report on compliance with environmental management plans	Land Development	n/a	Completed	
AA051	Develop and implement the Strategic Environmental Plan	Strategic Land Use Planning & Environment	On target	On target	
SCP outcome: Reduce, reuse, recycle waste					
SCP strategy: Treat waste as a resource					
Priority: Promote diversion from landfill in line with the waste hierarchy					
AA052	Finalise waste services business cases in alignment with the Strategic Waste Management Plan and implement recommendations following approval	Waste Services	n/a	Completed	
SCP strategy: Foster a partnership with community and industry to reduce waste					
Priority: Increase community and industry awareness on waste minimisation					
AA053	Develop and implement the 5-year Waste Education Plan as per the Strategic Waste Management Plan	Waste Services	On target	On target	
SCP strategy: Create and promote waste management solutions					
Priority: Collaborate with stakeholders within the waste industry to identify innovative waste management solutions					
AA054	Undertake an options appraisal on optimum waste management solutions by December 2017	Waste Services	n/a	Completed	

No.	Annual actions 2017/18	Service Unit	2016/17 June status	2017/18 June status	Ref. no.
SCP outcome: Activated places					
SCP strategy: Create local area land-use plans supporting our activated places					
Priority: Progress planning and development for East Wanneroo					
AA055	Prepare a Local Planning Strategy that will inform the Place Framework	Strategic Land Use Planning & Environment	n/a	On target	
Priority: Define an integrated approach to local area land-use plans to create distinctive activated places					
AA056	Review the East Wanneroo Local Planning Policy	Strategic Land Use Planning & Environment	On target	On target	
SCP strategy: Provide safe spaces, centres and facilities through our infrastructure management and designs for community benefit and recreation					
Priority: Review the safety of the City's centres, facilities and open spaces					
AA057	Undertake condition monitoring program to determine safety and suitability of spaces, centres and facilities	Strategic Asset Management	n/a	Completed	
Priority: Improve accessibility of the City's spaces, centres and facilities					
AA058	Assess and implement an ongoing program to upgrade spaces, centres and facilities to universal accessibility standards	Strategic Asset Management	n/a	Completed	
SCP strategy: Enhance distinctive built form and spaces based on identity of areas					
Priority: Reflect distinctive character of different areas of the City through built form and spaces					
	No action in Year 1 of CBP		n/a	n/a	
SCP strategy: Improve local amenity by retaining and complementing natural landscapes within the built environment					
Priority: Improve local amenity through greening					
AA059	Develop a prioritised program of streetscape and landscape improvements for major roads	Parks & Conservation Management	Pilot program completed	Completed	
Priority: Retain areas of natural landscape significance					
AA060	Finalise the Tree Preservation Policy	Strategic Land Use Planning & Environment	n/a	On target	
AA061	Develop a Conservation Reserves Policy	Strategic Land Use Planning & Environment	n/a	Completed	
SCP outcome: Connected and accessible city					
SCP strategy: Deliver local transport infrastructure including roads, footpaths and cycle ways to improve accessibility					
Priority: Promote sustainable transport options to improve accessibility and mobility					
AA062	Implement the Strategic Transport Plan including addressing the integration of network/feeder systems	Strategic Land Use Planning & Environment	Under target	On target	
SCP strategy: Connect walking and cycling opportunities to key destinations and distinctive places					
Priority: Promote walking and cycling access to destinations and places					
AA063	Finalise Cycle Wanneroo Plan and seek Council endorsement	Traffic Services	On target	Under target	4



No.	Annual actions 2017/18	Service Unit	2016/17 June status	2017/18 June status	Ref. no.
SCP strategy: Advocate for major integrated transport options close to communities					
Priority: Advocate for major integrated transport options close to communities					
AA064	Continue to advocate for major road and rail infrastructure, including integration of transport networks for the City and region in line with the Advocacy Strategy	Advocacy & Economic Development	n/a	Completed	
SCP outcome: Housing choice					
SCP strategy: Facilitate housing diversity to reflect changing community needs					
Priority: Reflect changing demographic needs and household structures through housing design					
	No Action in Year 1 of CBP		n/a	n/a	

The table below provides the comments and corrective measures for priorities that were ‘on hold’, ‘under target’ or ‘not yet started’, as referenced in the final column above.

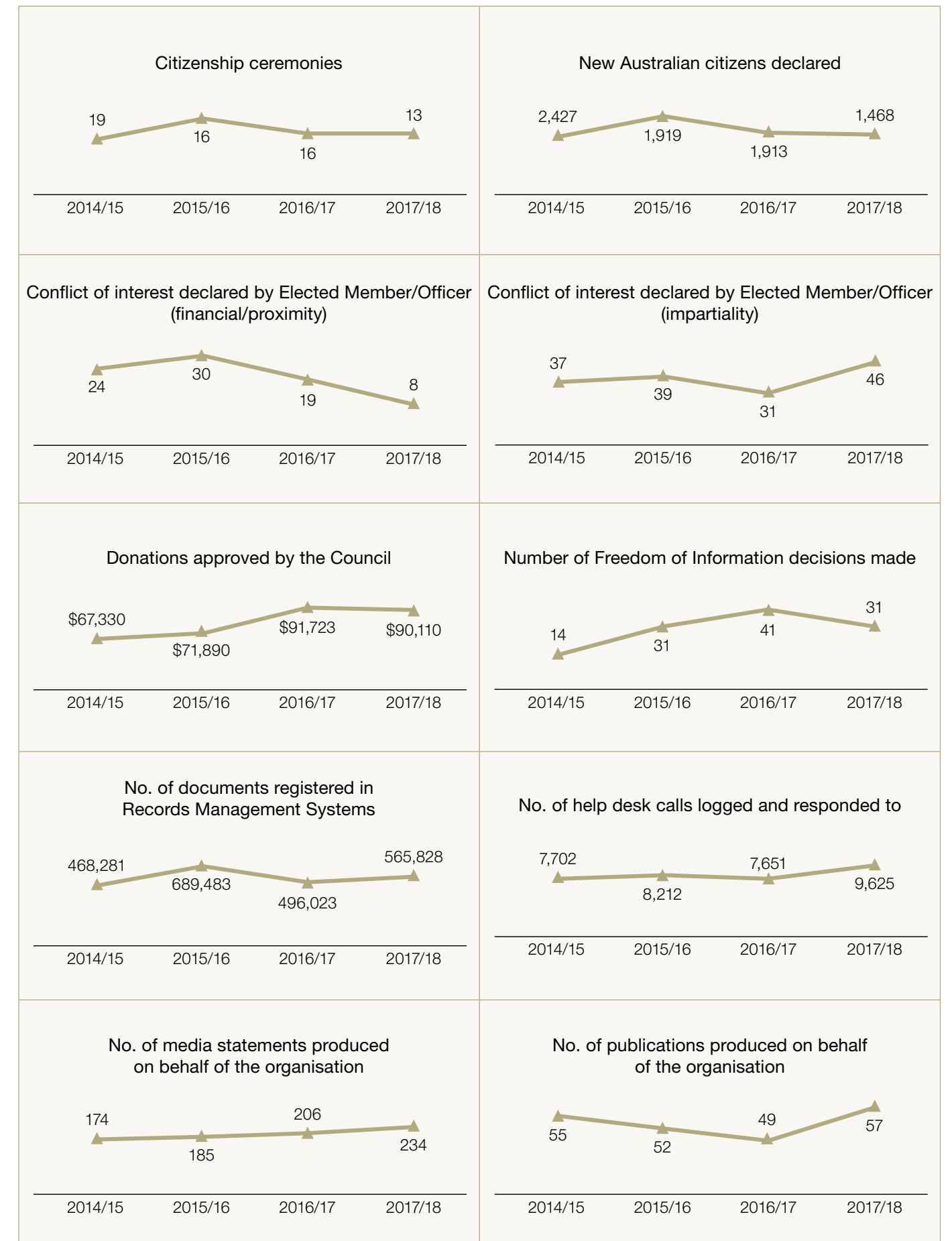
Reference no.	201718 comments on priorities	Corrective measure
1	The Local Planning Policy is being reviewed internally. It is proposed to exclude technical detail in favour of incorporating this information into management guidelines.	Revised draft policy due to be presented at a Council Forum in 2018/19 for information and discussion before being presented to a Council meeting to agree to advertising.
2	The City's coastal engineering consultants, Cardno, have completed a draft final Coastal Hazard Risk Management Adaptation Plan report, including recommendations that been provided to the administration for review. This will shortly be presented to a Council Forum.	Due to be presented at a Council Forum in 2018/19.
3	Development of the Local Biodiversity Strategy was completed in 2017/18. The plan was endorsed by Council for public advertising. Following advertising, the plan is due to be presented to Council in Spring 2018 for adoption. CBP action for 2018/19: Implement the Local Biodiversity Strategy 2018/19 to 2022/23.	Report will be presented to the Council following advertisement of the draft plan in 2018/19.
4	The Cycle Wanneroo Plan is under review to ensure consistency with other key documents and scheduled for endorsement by Council in 2018/19. CBP action for 2018/19: Implement the Cycle Wanneroo Plan through capital works subprograms – pathways & trails and roads.	Plan will be presented to the Council in 2018/19 .

Civic Leadership

Aspiration: *Working with others to ensure the best use of our resources*

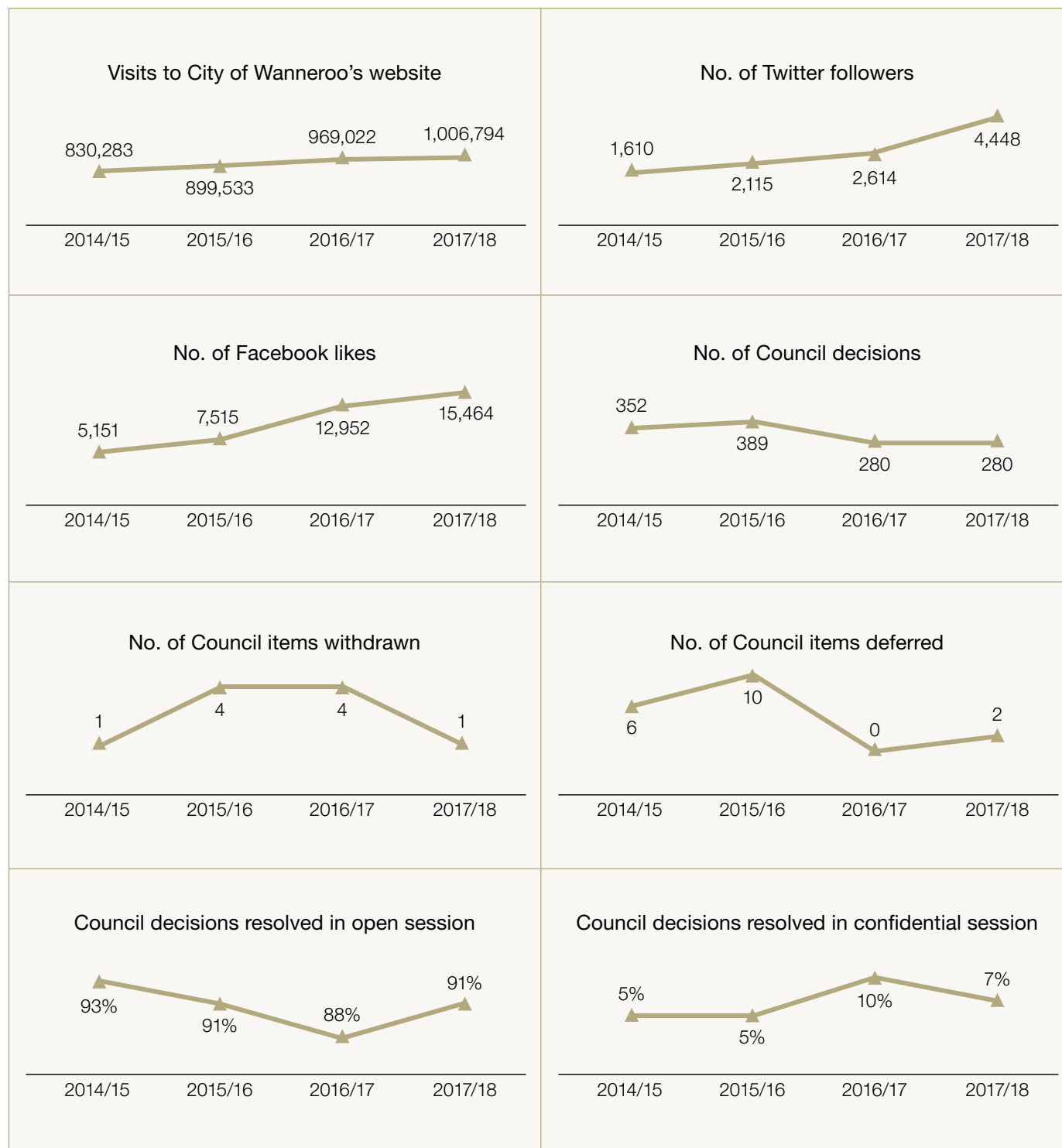


Interesting facts





Swearing In Ceremony following 2017 Local Government Elections



Achievements, challenges and future projects

The table below includes the major achievements and challenges for 2017/18 as well as strategic projects planned for the new financial year.

Our achievements in 2017/18

Strategic objective: 4.1 Working with others

Marketing and communications

- » There was a significant increase in the City's following on social media, with the Facebook community growing from 12,900 to 14,500.
- » The Corporate Business Plan 2018/19 to 2021/22 was adopted on 27 June 2018.
- » The City deployed a wide range of online services, creating new channels for the community and other stakeholders to interact with the City, including online registration for cats and dogs, event applications, new and replacement bin requests, and building & development application forms.

Strategic objective: 4.2 Good governance

Governance and legal support

- » The City implemented its Corporate Compliance Framework to ensure that it complies with all relevant laws, regulations and codes of best practice. The framework forms part of the City's internal control system incorporating, in part, the development of appropriate procedures for controlling identified compliance risk.
- » To support efficient, valid and legally enforceable decisions of the Council, the Delegated Authority function has been reviewed across the City.
- » The City realigned the Enterprise Risk Management (ERM) Framework to Australian Standards and delivered ERM leadership training throughout the year, to minimise the effects of risk on the City (including financial, strategic, operating, environmental and reputational risks).

Council and corporate administrative support

- » Following the local government elections held in October 2017, the Swearing-in Ceremony and Elected Member inductions were successfully delivered.
- » The City's customer first approach has seen a number of achievements through the second year of the Customer First Strategy Actions Plan, which saw 82% of actions completed with key achievements to date including:
 - electronic delivery of rates notices
 - additional online services through the creation of new online forms and applications
 - delivery of customer service training to all employees
- » researching, developing and implementing a visitor management system.

Strategic objective: 4.3 Progressive organisation

Strategic and operational planning and improvement

- » Implementation of the City's new vision and renewed strategies as contained in the SCP 2017/18 to 2026/27 has commenced. The plan sets out a long-term commitment to create a vibrant and progressive City where communities can prosper.
- » 83% of priorities in the 2017/18 CBP were delivered on time.
- » Participation in an annual Local Government Performance Excellence Program during 2017/18 provided the City with a rich source of information to benchmark against other local governments. This program includes participants from across Australia and New Zealand and enables high-level and detailed views of how the City compares across key areas of service provision. Annual participation will also provide trending information to review the City's performance over time.

Strategic and transactional finance

- » The Council adopted the 2017/18 annual budget on 27 June 2017 and the 2018/19 annual budget on 26 June 2018. The latest budget was prepared in alignment with the Integrated Planning and Reporting Framework and therefore supports the SCP, to ensure the City delivers against its corporate plan. In budget preparation, the principle of zero-based budgeting was used, which resulted in a higher level of rigour and scrutiny of all areas of income and costs.

- » The City reviewed its Long Term Financial Plan that was adopted by the Council in September 2017. The 20-year financial plan and associated 20-year capital works program will provide further clarity for the financial sustainability of the City over time and presents the community with a timeframe of when major capital projects are likely to occur.
- » The net outcome from operations resulted in a \$12.1 million surplus due to a decrease in depreciation charges and the early partial receipt of the 2018/19 Financial Assistance Grant.
- » Total operating revenue grew by 1.91% over the previous year due to growth in rates, although this was offset by lower operating grants, subsidies and contributions. Total operating expenditure decreased by 0.4%, with savings experienced in employee costs due to a reduction in the workers' compensation provision and a decrease in insurance premiums – a result of good claims experience in all insurance classes.
- » A Strategic Procurement Road Map was developed to define procurement excellence, map the alignment between best practice procurement and corporate strategic objectives, and develop a phased implementation plan to achieve procurement excellence.
- » 222 formal procurement processes, including 78 public tenders and 144 requests for quotation (those above \$50,000) were undertaken, with \$78 million of new contracts awarded.
- » An operational review of the City's light vehicle fleet has started and an action plan was developed for further optimisation of the fleet.
- » An operational review of the stores function was undertaken with a review of follow-up service delivery being progressed.
- » Reporting of quarterly fleet and plant use (as well as internal cost allocation) was introduced, which enables service unit managers to use and allocate fleet resources more effectively. The process also increases service unit ownership and accountability to fleet assets. Refurbishment of several waste recycling vehicles through the year provided cost benefits to the City as compared to the purchase of new vehicles. The refurbishment project delivered significant cost savings to the City without compromising operational quality.

Human resource management

- » The City's number of workers' compensation claims associated with workplace incidents fell significantly to its lowest level in a number of years.
- » The City developed e-learning capability to provide blended learning solutions, enabling greater consistency, accessibility and timeliness of mandatory training topics.
- » The City continued to progressively align and develop its workforce culture, capacity and capability through the Strategic Workforce Planning and Role Clarification Project.
- » The City's refreshed values were launched through the following initiatives:
 - executive roadshow
 - monthly focus on each value
 - inclusion on screen savers
 - ELT members each sharing, by video, their individual stories about the values
 - formation of the Values Action Committee.

Information technology and communications

- » The City secured funding through the Smart Cities and Suburbs Program for the Yellagonga Wetlands Monitoring Project and the RailSmart Project.
- » A data model and enterprise architecture for the City were developed to support a number of key business systems projects.
- » Several technical projects were completed to provide improvements to business continuity as well as more reliable technology systems to support City staff.
- » The City completed 100% of the 35 FOI responses required within the 45 calendar days mandated under the FOI Act.
- » The City's Five-Year Recordkeeping Plan was reviewed.

Our challenges for 2017/18

- » Increasing risks associated with cyber threats highlight the need for a greater focus on this area.
- » Leveraging alternative revenue and funding sources is needed to minimise the impact on rates while delivering infrastructure for a growing population.
- » Ensuring ongoing good governance, including efficient and effective financial sustainability and workforce capability, is a priority.
- » Improving community inclusiveness and engagement remains a core commitment.



Jobs Summit

Looking ahead – 2018/19 CBP priorities

- » Implement a 12-month pilot of the Customer and Stakeholder Management Framework.
- » Complete development and implement 2018/19 actions to deliver the Communications Strategy (including the Social Media Plan and Brand Strategy).
- » Review the impact of the Community Engagement Policy and toolkit, and identify opportunities to improve participation.
- » Continue to work with key state and federal government agencies to promote and secure the case for meaningful investment into key strategic nodes (Yanchep, Alkimos, Eglinton, Neerabup Industrial Area and Wanneroo Town Centre).
- » Complete development and implement 2018/19 actions in relation to the Strategic Policy Framework.
- » Lodge the City's submission in relation to the review of the Local Government Act 1995 (Phase 2).
- » Undertake a review of the SCP 2017/18 to 2026/27.
- » Undertake a review of the Long Term Financial Plan to coincide with the SCP review.
- » Implement methodology to annually realign and improve the integration of informing strategies and plans.
- » Conduct a comprehensive review of opportunities for increasing non-rating revenue, including fees & charges.
- » Develop and implement Phase 1 actions relating to the Corporate Performance Management Solution.
- » Complete development and implement Year 1 actions relating to the Asset Management Strategy.
- » Implement the Strategic Land Management Policy.
- » Develop and implement the 2018/19 actions of the organisational People and Culture Plan 2018–22.
- » Monitor and assess progress on 2018/19 actions against the Australian Business Excellence Framework.
- » Investigate and implement a management system for environment and asset operations.
- » Complete development and implement 2018/19 actions of the Internal Control Framework.
- » Deliver the agreed program from the Information Communication & Technology (ICT) Road Map 2017/18 to 2021/22.
- » Conduct the agreed program of service reviews for 2018/19.
- » Implement planned outcomes for 2018/19 from completed service reviews.
- » Implement 2018/19 actions from the Customer First Action Plan 2016–20.

Strategic Community Plan - measures and service KPIs and KPIs

The table below shows the progress of each SCP measure under the theme of Civic Leadership. The community satisfaction measures are based on 2016/17 results due to the timeframes of the survey occurring every second year. New results will be included in the 2018/19 Annual Report.

Strategic objective: 4.1 Working with others					
Service: Stakeholder management					
SCP measure: People are satisfied with how the community is consulted about local issues					
Results from previous years			2016/17		
2014/15 %	2015/16	Target	Actual (%)	Result	
60	No survey in 2015/16	Maintain/improve on 3-year average	63	↑ Improved by 3%	
SCP measure: People are satisfied with the Council's leadership within the community					
Results from previous years			2017/18		
2014/15	2015/16	Target	Actual	Result	
70% satisfaction	No survey in 2015/16	Maintain/improve on 3-year average	77% satisfaction	↑ Improved by 7%	
Strategic objective: 4.2 Good governance					
Service: Governance					
SCP measure: Residents are satisfied with what the City is doing to promote the area as a desirable place to live and work					
Results from previous years			2016/17		
2014/15	2015/16	Target	Actual	Result	
68% satisfaction	No survey in 2015/16	Maintain/improve on 3-year average	68% satisfaction	↑ Maintained	
SCP measure: Community satisfaction with the City as a governing organisation – level of trust					
Results from previous years			2016/17		
2014/15 (%)	2015/16	Target	Actual (%)	Result	
81	No survey in 2015/16	Maintain/improve on 3-year average	86	↑ Improved by 5%	
SCP measure: No. of submissions on major state and national plans, policies, strategies and discussion papers involving local government issues relevant to the City of Wanneroo responded to by the City					
Results from previous years			2017/18		
2014/15	2015/16	2016/17	Target	Actual	Result
Process to be determined	14	2	100% responded to	100%	↓ (*3 submissions)
*Submissions were prepared during 2017/18 on the following major proposals:					
» Metronet rail station designs at Alkimos, Eglinton and Yanchep					
» North Wanneroo Agriculture and Water Task Force Report					
» Draft Planned or Managed Retreat Guidelines as part of invited feedback and then again as part of public feedback.					



Wanneroo Library & Cultural Centre Art Installation - Seeds, Fruits and Flowers

Service: Corporate compliance					
KPI: Compliance audit return					
Unit of measure: No. of issues in compliance audit return					
2014/15 Actual	2015/16 Actual	2016/17 Actual	2017/18		
			Target	Actual	Result
1	2	1	0	Incidence of non-compliance relating to an employee not submitting their Primary Return within 3 months of commencing employment with the City	↓ Overall, based on the limited testing performed on 32 responses, there were no areas identified where management responses to the Compliance Audit questions contradicted the supporting evidence tested on the current processes for the City.
Service: Internal audit					
KPI: Implement internal Audit Plan					
Unit of measure: % implemented					
2014/15 Actual (%)	2015/16 Actual (%)	2016/17 Actual (%)	2017/18		
			Target (%)	Actual (%)	Result
100	99	100	100	86 (6 out of 7 reviews)	↓
The actual of 86% is due to the one review that was scheduled at year end that could not commence due to an increase in scope.					

Service: Corporate asset management				
KPI: Asset sustainability ratio				
Unit of measure: Capital renewal and replacement expenditure/depreciation expense				
2015/16 Actual	2016/17 Actual	2017/18		
		Target	Actual	Result
0.45	0.32	0.90	0.34	↓
The benchmark has not been met as 85% of the City's assets are either new or in very good condition and less than 1% requiring immediate attention.				
KPI: Asset consumption ratio				
Unit of measure: Depreciated replacement cost of assets/current replacement cost of depreciable assets				
2015/16 Actual	2016/17 Actual	2017/18		
		Target	Actual	Result
0.74	0.72	0.50	0.72	↑
The benchmark has been met consistently as City's assets are either in new or in very good condition.				
KPI: Asset renewal funding ratio				
Unit of measure: Net present value (NPV) of planned capital renewals over 10 years/NPV of required capital expenditure over 10 years				
2015/16 Actual	2016/17 Actual	2017/18		
		Target	Actual	Result
1.01	1.10	0.75	0.91	↓
Due to the City's growth in new areas there is currently a greater amount of expenditure on new assets than renewal.				
Service: Finance				
KPI: Operating surplus ratio				
Unit of measure: Operating revenue minus operating expense/own-source operating revenue				
2015/16 Actual	2016/17 Actual	2017/18		
		Target	Actual	Result
0.09	0.09	0.01	0.11	↑
The City has consistently exceeded the benchmark due to substantial own source operating revenue to cover both operating and capital expenses.				
KPI: Current ratio				
Unit of measure: Current assets minus restricted assets/current liabilities less liabilities associated with restricted assets				
2015/16 Actual	2016/17 Actual	2017/18		
		Target	Actual	Result
0.88	0.86	1.00	0.85	↓
The standard has not been met primarily as a result of the internal restrictions of municipal funds. Most of the municipal funds are kept in special purpose cash backed reserves.				

KPI: Debt service cover ratio					
Unit of measure: Annual operating surplus before interest and depreciation					
2015/16 Actual	2016/17 Actual	2017/18			
		Target	Actual	Result	
13.75	14.86	2.00	14.92	↓	
The ratio does not take into account 'interest only' loans, in circumstances where the Principal is to be repaid in a future year. The City has a provision in the Loan Repayment Reserve for the repayment of its Treasury funded debt by 2026.					
KPI: Own-source revenue coverage ratio					
Unit of measure: Own-source operating revenue/operating expense					
2015/16 Actual	2016/17 Actual	2017/18			
		Target	Actual	Result	
1.04	1.00	0.40	1.05	↑	
The City has met the benchmark for 2017/18 due to its own source operating revenue exceeding operating expenses, with Rates income being the significant contributor. Capital program funding is in part drawn from the City's own source revenue.					
KPI: Capital budget					
Unit of measure: % Budget spent					
2014/15 Actual (%)	2015/16 Actual (%)	2016/17 Actual (%)	2017/18		
			Target (%)	Actual (%)	Result
64	69	73 (84% of the adjusted budget)	90	64 (71% of the adjusted budget)	↓
KPI: Operational budget					
Unit of measure: % budget spent					
2014/15 Actual (%)	2015/16 Actual (%)	2016/17 Actual (%)	2017/18		
			Target (%)	Actual (%)	Result
95	92	96	90	93	↑
KPI: Rates debtors					
Unit of measure: No more than 10% of total rates and charges levied (excluding deferred pensioners)					
2014/15 Actual (%)	2015/16 Actual (%)	2016/17 Actual (%)	2017/18		
			Target (%)	Actual (%)	Result
6.5	6.7	8.9	≤10	5.92	↑
KPI: The annual financial report presents fairly the financial position of the City and complies with Australian Accounting Standards					
Unit of measure: Unqualified audit					
2014/15 Actual	2015/16 Actual	2016/17 Actual	2017/18		
			Target	Actual	Result
Unqualified audit	Unqualified audit	Unqualified audit	Unqualified audit	Unqualified audit	↑

Service: People					
KPI: Employee turnover					
Unit of measure: % annual employee turnover					
2014/15 Actual (%)	2015/16 Actual (%)	2016/17 Actual (%)	2017/18		
			Target (%)	Actual (%)	Result
13	11	14	12	16	↓
Service: Occupational safety and health					
KPI: Lost time injuries					
Unit of measure: Workers' compensation registered through injury management					
2014/15 Actual	2015/16 Actual	2016/17 Actual	2017/18		
			Target	Actual	Result
12	9	8	Reduction from previous year	9	↓
KPI: Workers' compensation claims					
Unit of measure: No. of workers' compensation claims					
2014/15 Actual	2015/16 Actual	2016/17 Actual	2017/18		
			Target	Actual	Result
57	41	38	Reduction from previous year	28	↑
KPI: Workers' compensation cost					
Unit of measure: Total workers' compensation cost incurred					
2014/15 (\$)	2015/16 (\$)	2016/17 (\$)	2017/18		
			Target	Actual (\$)	Result
776,162	383,149	847,242	Decrease	388,765	↑
Service: Strategic and business planning					
KPI: SCP and CBP compliance					
Unit of measure: A SCP and CBP have been adopted, modified or updated by an absolute majority of the Council					
2014/15 Actual	2015/16 Actual	2016/17 Actual	2017/18		
			Target	Actual	Result
CBP adopted within legislative timeframes; SCP review due to start in October after elections	CBP adopted in June 2016; SCP due to be submitted for adoption in November 2016	CBP adopted in June 2017	SCP adopted in November 2017 and the CBP 2018/19 – 2021/22 adopted in June 2018	CBP adopted by Council before the legislative deadline	↑



LG Professionals workshop

Strategic objective: 4.3 Progressive organisation					
Service: Customer requests					
KPI: Customer requests					
Unit of measure: % customer requests responded to within target timeframes					
Results from previous years			2017/18		
2014/15	2015/16	2016/17	Target	Actual	Result
34,237 CRM requests were received, with 83% responded to within target timeframes	41,979 CRM requests were received, with 83% responded to within target timeframes	41,233 CRM requests were received, with 95% responded to within target timeframes	96%	45,379 CRM requests were received, with 96% responded to within target timeframes	↑
KPI: Customer First Strategy 2016–20					
Unit of measure: % of the strategy implemented					
2014/15 Actual	2015/16 Actual (%)	2016/17 Actual	2017/18		
			Target (%)	Actual (%)	Result
No strategy	No strategy	80	80	82	↓
In 2017/18, 82% of actions were completed with key achievements to date including: <ul style="list-style-type: none"> » implementation of electronic rates notices » customer service being embedded as a key corporate value » customer service training being delivered to all employees » commenced capturing data on suburbs to identify where our customers are coming from » continued development of additional online forms. 					

The following new measures were developed as part of the SCP review:

- » community satisfaction with the City’s responsiveness to resolving problems and enquiries
- » community satisfaction with services and facilities
- » community satisfaction that the City has a good understanding of the community needs
- » community satisfaction with information about the City’s services.

These measures will be reported on in the 2018/19 Annual Report.

Corporate Business Plan four-year priorities

The table below shows the progress of each action within the strategic theme of Civic Leadership. Refer to **page 114** (results criteria) for the status colour codes. A ‘corrective measure’ is linked to all actions that were ‘on hold’ or ‘under target’ at 30 June 2018.

No.	Annual actions 2017/18	Service Unit	2016/17 June status	2017/18 June status	Ref. no.
SCP outcome: Working with others					
SCP strategy: Build effective partnerships and demonstrate leadership in local government at regional, state and national levels					
Priority: Participate at peak, national and state forums to build effective partnerships					
AA065	Develop a Customer and Stakeholder Management Framework	Strategic & Business Planning	On target	On target	
SCP strategy: Engage, include and involve community					
Priority: Create improved opportunities for community participation					
AA066	Implement and monitor the Community Engagement Policy by June 2018	Place Activation	n/a	Completed	
AA067	Develop and implement actions from the Communications Strategy	Communications, Marketing & Events	Under target	On target	
SCP strategy: Advocate and collaborate for the benefit of the City					
Priority: Create and develop strategic relationships with key government and business stakeholders to promote the City					
AA068	Review and maintain strategic relationships and determine priorities for formalisation	Advocacy & Economic Development	n/a	Completed	
AA069	Explore opportunities to revitalise existing international relationships (or create new relationships)	Council & Corporate Support	n/a	On target	
SCP outcome: Good governance					
SCP strategy: Provide transparent and accountable governance and leadership					
Priority: Implement frameworks for good governance					
AA070	Implement the Corporate Governance Framework by March 2018	Governance & Legal	Framework developed	Under target	1
AA071	Implement the Fraud and Misconduct Control and Resilience Framework	Governance & Legal	Framework developed	Under target	2
AA072	Develop a Strategic Policy Framework	Governance & Legal	On target	On target	
AA073	Develop and implement an Integrated Legislative Compliance Framework	Governance & Legal	n/a	Completed	
AA074	Review Elected Member support systems and processes	Council & Corporate Support	On hold	Completed	
SCP strategy: Provide responsible resource and planning management which recognises our significant future growth					
Priority: Further develop all aspects of the City's Integrated Planning and Reporting Framework					
AA075	Review the Long Term Financial Plan	Strategic Finance	Completed	Completed	
AA076	Review and update the CBP	Strategic & Business Planning	Completed	Completed	

No.	Annual actions 2017/18	Service Unit	2016/17 June status	2017/18 June status	Ref. no.
AA077	Review the Strategic Asset Management Plan	Strategic Asset Management	Under target	Completed	
AA078	Review the Workforce Plan	People & Culture	Completed	Completed	
SCP strategy: Ensure return on investment and well maintained assets through development and implementation of a Strategic Asset Management Framework					
Priority: Develop a robust approach to asset management					
AA079	Develop a Strategic Asset Management Framework	Strategic Asset Management	n/a	Completed	
AA080	Develop the Strategic Land Management Policy	Corporate Strategy & Performance (Project Management Accountant)	Under target	Completed	
SCP outcome: Progressive organisation					
SCP strategy: Lead excellence and innovation in local government					
Priority: Implement initiatives to strengthen organisational capability and capacity					
AA081	Complete the Strategic Workforce Planning and Role Clarification Project	People & Culture	On target	Under target	3
AA088	Develop and establish Strategic Procurement Roadmap	Contracts & Procurement	n/a	Under target	4
AA082	Monitor and assess progress against the Australian Business Excellence Framework	Corporate Strategy & Performance (Business Excellence)	On target	Completed	
Priority: Review and improve systems, processes and technology					
AA083	Explore opportunities to enhance use of current ICT systems by June 2018	Customer & Information Services	n/a	Completed	
AA084	Develop an Internal Control Framework by March 2018	Governance & Legal	n/a	Under target	5
AA091	Investigate delivery of a new Expense Management System (replacing flexi purchase system, corporate credit card expense management system and petty cash reimbursements)	Transactional Finance	n/a	Under target	6
AA085	Implement the Information Communication & Technology (ICT) Road Map by June 2018	Customer & Information Services	n/a	Completed	
SCP strategy: Ensure excellence in our customer service					
Priority: Enhance the customer experience in service planning and delivery					
AA086	Conduct agreed program of service reviews	Corporate Strategy & Performance (Business Excellence)	n/a	Completed	
	Implement the Customer First Strategy Action Plan by June 2018	Customer & Information Services	Strategy developed	Completed	



Additional Statutory Information

The table below provides the comments and corrective measures for priorities that were ‘on hold’, ‘under target’ or ‘not yet started’, as referenced in the final column above.

Reference no.	2017/18 comments on priorities	Corrective measure
1	Corporate Governance Framework completed. Preliminary review of Elected Members Code of Conduct adopted by Council on 26 June 2018. Employee Code of Conduct to be presented to the Executive in July 2018.	Employee Code of Conduct to be presented to the Executive in July 2018
2	Framework completed. Fraud and Misconduct Control and Resilience Policy adopted by the Council on 1 May 2018. Investigation Procedure to be completed in August 2018.	Investigation Procedure to be completed in August 2018
3	New position descriptions have commenced being issued to the workforce through a planned deployment approach to result in sustainable workforce change. The next phase, position evaluation, starts in July for completion by August. CBP action for 2018/19: Develop and implement 2018/19 actions of the organisational People and Culture Plan 2018–22.	All outstanding actions incorporated into the 2018/19 actions in the People and Culture Plan
4	Strategic Procurement Road Map is being developed in-house. CBP action for 2018/19: Develop the Strategic Procurement Road Map.	Well advanced and to be completed in 2018/19
5	Draft Internal Control Framework was presented to the Executive in May 2018 with minor amendments required to make it more relevant to the City of Wanneroo environment. CBP action for 2018/19: Complete development and implement 2018/19 actions of the Internal Control Framework.	Reviewed version to be presented to the Executive in 2018/19
6	The rollout of the Expense Management System did not occur due to financial constraints. Purchase of system endorsed by ICT Steering Committee. Costs greater than original estimates. This project is part of the ICT Road Map and will move to business as usual in 2018/19.	Additional funding has been approved and the system to be finalised in 2018/19





Kingsway Little Athletics Centre

Major land transactions

There were no major land transactions during 2017/18.

Other land transactions

Date	Description
October 2017	Commercial lease to Jindalee Beach Kiosk of a portion of Lot 502 Jindalee Boulevard, Jindalee
October 2017	Lease to Axicom Pty Ltd of portion of Lot 9023 Marmion Avenue, Clarkson
October 2017	Lease to Telstra Corporation Ltd of portion of Lot 11 Tranquil Drive, Carramar
February 2018	Commercial Lease and sublease (Eden Beach Cafe) Aurora Blvd, Jindalee

Exempt land transactions

The following exempt land transactions (leases) were approved by Council in the 2017/18 financial year:

Month	Lessee	Location
July 2017	Yanchep Surf Life Saving Club (Inc.)	Portion of Lot 520 Brazier Road, Yanchep
August 2017	Wanneroo City Soccer Club (Inc.) (variation of lease to include additional area)	Portion of Lot 555 Kingsway, Madeley
September 2017	Wanneroo Districts Netball Association	Portion of Lot 555 Kingsway, Madeley
September 2017	The Evelyn Enrichment Foundation	Lot 288 Neville Drive, Wanneroo
September 2017	Yanchep Two Rocks Home Support Group	Portion of Lot 200 Lisford Avenue, Two Rocks
October 2017	Yanchep Sports and Social Club	Lot 1 Yanchep Beach Road, Yanchep
October 2017	Volunteer Task Force (Inc.)	Portion of Lot 500 Leach Road, Wanneroo
December 2017	Wanneroo BMX Raceway Club Inc.	Portion of Lot 1100 Shiraz Boulevard, Pearsall
March 2018	Lease by City from Yanchep Beach Joint Venture (City as lessee)	Portion of 128 Yanchep Beach Road, Yanchep
March 2018	WA Sporting Car Club	Portion of Lot 12748 Wattle Avenue, Neerabup
May 2018	Olympic Kingsway Sports Club	Portion of Lot 555 Kingsway, Madeley

Land transactions

The following land transactions (leases) were executed under Manager Property Services' delegations in the 2017/18 financial year:

Month	Lessee	Location
August 2017	Mercy Community Services Inc.	Portion of Lot 1385 Jenolan Way, Merriwa
October 2017	Deed of Variation of Lease to Activ Foundation Inc.	Portion of 1204 Wanneroo Road, Ashby
February 2018	Surrender of Lease – Robert Pitchford	Lot 14648 Kingsbridge Boulevard, Butler
April 2018	Kingsway Little Athletics Centre (Inc.)	Portion of Lot 555 Kingsway, Madeley
April 2018	Activ Foundation	Portion of Lot 12374 Linto Way, Alexander Heights
May 2018	Amana Living	Portion of Lot 12374 Linto Way, Alexander Heights
June 2018	Amana Living	Portion Lot 39, Scenic Dr, Wanneroo
June 2018	Amana Living	Portion Lot 500, Tapping Way, Quinns Rocks

Compliance with State Records Act 2000

The State Records Act 2000 requires the City to have an approved Recordkeeping Plan to detail the way the City keeps its records. Following the expiry of the City's 2012 Recordkeeping Plan, the City has developed an updated Plan reflecting changes in the State Records Act, general disposal authority for local governments, and in City processes. The updated plan received internal approval in April 2018 and was approved by the State Records Commission on 10 August 2018, having effect for five years until 10 August 2023.

Improvements to the City's records management include:

- » continuing mandatory refresher training in records management awareness for all employees every three years
- » implementing audit recommendations after internal audit of records management functions identified medium risks
- » upgrading of the records management software
- » continuing quality assurance of all documents registered and titled in the electronic document and records management system (Content Manager)
- » supporting the City's paper appropriate initiative through providing advice to and supporting operational teams in registering historical paper documents within the EDRMS and organising their archiving
- » completing role clarification within the Information Management Team resulting in a team structure more closely aligned to the City's records management needs and capabilities
- » improving the skillset and knowledge of information management officers

- » continuing the declining trend in hardcopy documents with a corresponding increase in electronic documents
- » maintaining the integrated archive and information management functions to share knowledge, improve resource availability and provide faster client service
- » increasing efficiency of mail scanning and processing via technology, in particular through transitioning to the Ezescan product, which offers better integration capabilities with the City's enterprise business systems
- » continuing integration of the EDRMS and corporate business systems, such as the use of multifunction devices (MFDs) to scan and store corporate records
- » maintaining the employee helpdesk service for recordkeeping, system questions and archiving
- » increasing awareness on the use of Content Manager through additional training such as Q&A sessions.

Information Management captured 56,127 records in the corporate recordkeeping system in 2017/18 compared with 52,925 in 2016/17; 41,041 in 2015/16; and 40,220 in 2014/15. The records included incoming and outgoing letters, emails, faxes, online forms and internal documentation. The number of new files created during this period was 16,695 (19,276 in 2016/17; 13,644 in 2015/16).

Freedom of Information (FOI)

Access to documents may be granted to members of the community under the Freedom of Information Act 1992. An Information Statement is available along with application forms on the City's website. The statement is a guide to the FOI process and lists the types of documents available outside of FOI.

Although any document may be requested, it is recommended that only documents that cannot be provided outside the FOI process should be sought under the Act, as the process is onerous, slow and expensive for both the City and the applicant. Additionally, documents released are frequently edited to remove exempt information. The most frequently removed information is third-party personal information, which is often the information sought.

During 2017/18, the City received 35 FOI applications. This was a decrease of 20% compared to 2016/7. All FOI applications were completed within 45 calendar days, in accordance with the FOI Act.

Out of 35 FOI applications received in 2016/17, one went to an internal review and none were referred to the Office of the Information Commissioner for external review.

The City continues to maintain FOI handling skills within the Information Management Team through training.

National Competition Policy

Our National Competition Policy obligations were considered in respect of competitive neutrality and other competitive advantage issues in respect of the City’s Aquamotion operations. Notwithstanding that the policy provides reasonable scope for the City in implementing its social community services, access and equity objectives, the City is mindful to balance these with the economic interests of its ratepayers. In pursuing these objectives (social/community services/access and equity), the City satisfied the following provisions under the Competition Policy Agreement:

- » for the benefit of a particular policy or course of action to be balanced against the cost of the policy or course of action
- » for the merits or appropriateness of a particular policy or course of action to be determined
- » for social welfare and equity considerations, including community service obligations
- » for compliance with government legislation and policies relating to matters such as OSH, industrial relations and access and equity.

The City undertook a National Competition Policy assessment during 2016/17. There was no change in the 2017/18 financial year.

Council policies

Section 2.7(2) (b) of the Local Government Act 1995 states that the Council is responsible for determining its policies. There is no prescribed timeframe for local government to review policies.

To ensure the City continues to develop and provide good governance, all policies are regularly reviewed to ensure they:

- » meet the changing needs of the community
- » remain consistent with best practice, the strategic direction of the City and changes in government policy and legislation
- » continue to meet stakeholders’ needs
- » do not present barriers or blockages to efficiencies.

The following new policies were adopted in 2017/18:

- » Local Planning Policy 2.4 (site works and retaining for residential development)
- » Strategic Land Policy
- » Local Planning Policy 1.1 (conservation reserves)
- » Fraud and Misconduct Control & Resilience Policy
- » Community Transport Service Policy
- » Asset Management Policy.

The following reviews were completed during 2017/18:

- » Roadside Memorials Policy
- » Australia Day Awards Policy
- » Bereavement Recognition Policy
- » Welcome to Country Protocols Policy
- » Youth Reward & Recognition Policy
- » Local Planning Policy 3.1 (local housing strategy implementation)
- » Leasing Policy
- » Local Planning Policy 2.5 (telecommunications infrastructure)
- » Execution of Documents Policy
- » Sponsorship Policy
- » Investment Policy
- » Strategic Budget Policy
- » Payments to Employees in Addition to a Contract or Award Policy
- » Accounting Policy
- » Compliments, Feedback and Complaints Policy
- » OSH Policy
- » Community Engagement Policy.

A policy may be rescinded where it is deemed outdated, superseded or no longer applicable or required as a Council policy under the Local Government Act 1995. The following policies were rescinded during 2017/18:

- » Local Planning Policy 2.4 (establishing building pad levels, excavation, fill and retaining associated with residential development)



- » Award of Title ‘Wanneroo Pioneer’ Policy
- » Internet Links Policy
- » Use of Civic Centre Policy – Function Rooms and Public Areas
- » Key Access – Community Buildings Policy
- » Pre-funding of Community Infrastructure Policy
- » Guidelines to Consider Approval of Car Park Closures During Night Time Hours Policy
- » Staff Overseas Study Tour and Conference Attendance Policy
- » Local Planning Policy 5.4 (landscape enhancement areas policy)
- » Local Planning Policy 3.4 (smart growth policy)
- » Sustainability Investment Reserve Fund Expenditure and Reporting Policy
- » Acquisition & Development of Community Purpose Sites Policy
- » Staff Uniforms Policy
- » Fraud, Corruption, Bribery and Misconduct Policy
- » Infrastructure Asset Management Policy.

Local laws

Section 3.12 of the Local Government Act 1995 prescribes the process the Council must follow to make local laws.

Section 3.16 of the Act requires the local government to review its local laws within eight years from the date of commencement of the local law. The City is continuing

the process of updating all its local laws. Many were made in 1999 and, while they were contemporary in their day, some require updating to the point where replacement may be warranted.

The Council adopted an amendment to the Parking Local Law in August 2017. Clause 7.8 (stopping on a path, median strip or traffic island) was repealed and replaced, the effect being that it is now an offence to park or stop on a painted island unless otherwise allowed for by the local law.

A proposed new Short Term Accommodation Local Law has been adopted for public comment. The local law requires that providers of small-scale short-term accommodation (for no greater than six occupants) be registered with the City. However, these small-scale proposals will be exempt from planning approval since the small number of occupants is not likely to impact on the amenity of the neighbourhood. This will ensure a more streamlined process for small-scale short-term accommodation applications.

Wanneroo Library and Cultural Centre Gift Fund

The Wanneroo Library and Cultural Centre did not receive any gifts or donations during the reporting period.

Deductible gift register

There has been no activity to report.

Public Interest Disclosures Act 2009

No public interest disclosures were reported to the City during the reporting period.

Global Reporting Initiative Index



General disclosures

The table below illustrates the City’s assessment of the GRI standards with the information relevant to the City in alignment to economic, environmental, social and governance impacts. Note that not all disclosures were reported on being the first year the City is reported on this standard. The sections that are marked as ‘Not reported this financial year’ will be assessed for the next annual report and where it is applicable to the City will be updated accordingly.

Code	Disclosure title	Level of reporting (full/ partial)	Section	Page reference
1. Organisational profile				
102-1	Name of the organisation	Full	INTRODUCTION – Welcome to the Annual Report	10
102-2	Activities, brands, products and services	Full	OUR CITY - City profile	39
			OUR CITY - City services	46-47
102-3	Location of headquarters	Full	Back page	
102-4	Location of operations	Full	OUR CITY – City profile	39
102-5	Ownership and legal form	Full	Governance	48
102-6	Markets served	Full	OUR CITY – City profile	39
102-7	Scale of the organisation	Full	OUR CITY – City profile (all)	39
			OUR ORGANISATION – Our employees (no. of employees)	101
			Year in review – Financial performance summary (revenue)	28
102-8	Information on employees and other workers	Partial	OUR ORGANISATION – Our employees	100
102-9	Supply chain	Partial	GOVERNANCE – Corporate Governance – Contracts & procurement	93
102-10	Significant changes to the organisation and its supply chain	Partial	OUR ORGANISATION – Our employees – Workforce profiles	101
102-11	Precautionary principle or approach		Not reported this financial year	
102-12	External initiatives		Not reported this financial year	
102-13	Membership of associations		Not reported this financial year	
2. Strategy				
102-14	Statement from senior decision maker	Partial	Introduction – A message from the CEO	8
102-15	Key impacts, risks and opportunities	Partial	GOVERNANCE – Corporate governance – enterprise risk management	90

Code	Disclosure title	Level of reporting (full/ partial)	Section	Page reference
3. Ethics and integrity				
102-16	Values, principles, standards and norms of behaviour	Partial	INTRODUCTION – Our purpose	5
102-17	Mechanisms for advice and concerns about ethics	Partial	Governance – Ethics	60-61
4. Governance				
102-18	Governance structure		GOVERNANCE – Democratic governance up to Delegations of authority	49-68
102-19	Delegating authority	Full	Governance – Delegations of authority	68
102-20	Executive-level responsibility for economic, environmental and social topics	Full	OUR ORGANISATION – Our Executive Leadership Team	97-99
102-21	Consulting stakeholders on economic, environmental and social topics	Partial	GOVERNANCE – Democratic governance – Community engagement	76-80
102-22	Composition of the highest governance body and its committees	Full	GOVERNANCE – Democratic governance – Our Elected Members and district wards	49-58
			GOVERNANCE – Democratic governance – Council and Committee Meetings	62
102-23	Chair of the highest governance body	Full	GOVERNANCE – Democratic governance – Our Elected Members and district wards	50-51
102-24	Nominating and selecting the highest governance body	Partial	GOVERNANCE – Democratic governance – Council election	59
102-25	Conflicts of interest	Partial	GOVERNANCE – Democratic Governance – Conduct of Elected Members	61
102-26	Role of highest governance body in setting purpose, values and strategy	Full	INTRODUCTION – Integrated Planning and Reporting Framework	12
102-27	Collective knowledge of highest governance body	Partial	Not reported this financial year	
102-28	Evaluating the highest governance body’s performance	Partial	Introduction – Integrated Planning and Reporting Framework	12
102-29	Identifying and managing economic, environmental and social impacts	Partial	INTRODUCTION – Integrated Planning and Reporting Framework	12
102-30	Effectiveness of risk management processes	Partial	GOVERNANCE – Corporate governance – Enterprise risk management	90-91
102-31	Review of economic, environmental and social topics	Partial	INTRODUCTION – Integrated Planning and Reporting Framework	12
102-32	Highest governance body’s role in sustainability reporting	Partial	INTRODUCTION – Integrated Planning and Reporting Framework	12
102-33	Communicating critical concerns		Not reported this financial year	
102-34	Nature and total number of critical concerns		Not reported this financial year	
102-35	Remuneration policies		Not reported this financial year	

Code	Disclosure title	Level of reporting (full/ partial)	Section	Page reference
102-36	Process for determining remuneration		Not reported this financial year	
102-37	Stakeholders' involvement in remuneration		Not reported this financial year	
102-38	Annual total compensation ratio		Not reported this financial year	
102-39	Percentage increase in annual total compensation ratio		Not reported this financial year	
5. Stakeholder engagement				
102-40	List of stakeholder groups	Partial	GOVERNANCE – Democratic governance – Community engagement	76-80
102-41	Collective bargaining agreements		Not reported this financial year	
102-42	Identifying and selecting stakeholders	Partial	GOVERNANCE – Democratic governance – Community engagement – Community engagement principles	76-77
102-43	Approach to stakeholder engagement	Partial	GOVERNANCE – Democratic governance – Community engagement - Community engagement principles	76-77
102-44	Key topics and concerns raised	Partial	GOVERNANCE – Democratic governance – Community engagement — What we engaged on	78-80
6. Reporting practice				
102-45	Entities included in the consolidated financial statements		Not reported this financial year	
102-46	Defining report content and topic Boundaries		Not reported this financial year	
102-47	List of material topics		Not reported this financial year	
102-48	Restatements of information		OUR ORGANISATION – Our employees – workforce analysis	103
102-49	Changes in reporting	Partial	INTRODUCTION – Welcome to the Annual Report 2017/18	10
102-50	Reporting period	Full	INTRODUCTION – Welcome to the Annual Report 2017/18	10
102-51	Date of most recent report	Full	OUR PERFORMANCE – Performance reporting	119
102-52	Reporting cycle	Full	INTRODUCTION – Welcome to the Annual Report 2017/18	10
102-53	Contact point for questions regarding the report	Full	INTRODUCTION – Welcome to the Annual Report 2017/18	10
102-54	Claims of reporting in accordance with the GRI Standards		Not reported this financial year	
102-55	GRI content index	Partial	GLOBAL REPORTING INITIATIVE INDEX	186
102-56	External assurance	Partial	GOVERNANCE – Corporate governance – External audit	93

Topic disclosures

Code	Disclosure title	Level of reporting (full/ partial)	Section	Page reference
Economic topics				
201: Economic performance				
201-1	Direct economic value generated and distributed	Full	THE YEAR IN REVIEW – Financial performance summary	28
			FINANCIAL STATEMENTS	196
201-2	Financial implications and other risks and opportunities due to climate change		Not reported this financial year	
201-3	Defined benefit plan obligations and other retirement plans		Not reported this financial year	
201-4	Financial assistance received from government	Partial	GOVERNANCE – Democratic governance – Inwards investment – Grants	86
202: Market presence				
202-1	Ratios of standard entry level wage by gender compared to local minimum wage		Not reported this financial year	
202-2	Proportion of senior management hired from the local community		Not reported this financial year	
203: Indirect economic impact				
203-1	Infrastructure investments and services supported	Partial	FULL ANNUAL REPORT	ALL
203-2	Significant indirect economic impacts	Partial	FULL ANNUAL REPORT	ALL
204: Procurement practices				
204-1	Proportion of spending on local suppliers	Full	GOVERNANCE – Corporate governance – contracts & procurement – local supplier opportunity	96
205: Anti-corruption				
205-1	Operations assessed for risks related to corruption		Not reported this financial year	
205-2	Communication and training about anti-corruption policies and procedures		Not reported this financial year	
205-3	Confirmed incidents of corruption and actions taken	Partial	GOVERNANCE – Democratic governance – ethics	60-61
206: Anti-competitive behaviour				
206-1	Legal actions for anti-competitive behaviour, antitrust and monopoly practices		Not reported this financial year	
Environmental topics				
301: Materials				
301-1	Materials used by weight or volume		Not reported this financial year	
301-2	Recycled input materials used		Not reported this financial year	

Code	Disclosure title	Level of reporting (full/ partial)	Section	Page reference
301-3	Reclaimed products and their packaging materials		Not reported this financial year	
302: Energy				
302-1	Energy consumption within the organisation	Partial	DETAILED PERFORMANCE ON STRATEGIC THEMES – Environment – Strategic Community Plan - measures and service KPIs – energy consumption	19
302-2	Energy consumption outside of the organisation		Not reported this financial year	
302-3	Energy intensity		Not reported this financial year	
302-4	Reduction of energy consumption	Partial	THE YEAR IN REVIEW – Environment – Natural – 3.1	19
			DETAILED PERFORMANCE ON STRATEGIC THEMES – Environment – Strategic Community Plan - measures and service KPIs – energy consumption	156
			DETAILED PERFORMANCE ON STRATEGIC THEMES – Environment – Corporate Business Plan 4-year Priorities: AA037 and AA038	162
302-5	Reduction in energy requirements of products and services		Not reported this financial year	
303: Water and effluents				
303-1	Interactions with water as a shared resource	Partial	THE YEAR IN REVIEW – Highlights – Economy – 2.3	17
			DETAILED PERFORMANCE ON STRATEGIC THEMES – Environment –Corporate Business Plan 4-year Priorities: AA039, AA040, AA041	162
			DETAILED PERFORMANCE ON STRATEGIC THEMES – Environment – Strategic Community Plan - measures and service KPIs – 4.3	153
303-2	Management of water discharge-related impacts		Not reported this financial year	
303-3	Water withdrawal		Not reported this financial year	
303-4	Water discharge		Not reported this financial year	
303-5	Water consumption	Partial	DETAILED PERFORMANCE ON STRATEGIC THEMES – Environment – Strategic Community Plan - measures and service KPIs – 3.1	156
			DETAILED PERFORMANCE ON STRATEGIC THEMES – Environment – Corporate Business Plan 4-year Priorities AA039, AA040	162
304: Biodiversity				
304-1	Operational sites owned, leased, managed in, or adjacent to protected areas and areas of high biodiversity value outside protected areas		Not reported this financial year	
304-2	Significant impacts of activities, products and services on biodiversity		Not reported this financial year	

Code	Disclosure title	Level of reporting (full/ partial)	Section	Page reference
304-3	Habitats protected or restored		Not reported this financial year	
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations		Not reported this financial year	
305: Emissions				
305-1	Direct (Scope 1) GHG emissions		Not reported this financial year	
305-2	Energy indirect (Scope 2) GHG emissions		Not reported this financial year	
305-3	Other indirect (Scope 3) GHG emissions		Not reported this financial year	
305-4	GHG emissions intensity		Not reported this financial year	
305-5	Reduction of GHG emissions		Not reported this financial year	
305-6	Emissions of ozone-depleting substances (ODS)		Not reported this financial year	
305-7	Nitrogen oxides (NOX), sulfur oxides (SOX) and other significant air emissions		Not reported this financial year	
306: Effluents and waste				
306-1	Water discharge by quality and destination		Not reported this financial year	
306-2	Waste by type and disposal method	Partial	THE YEAR IN REVIEW – Highlights – Environment – 3.3	19
			OUR PERFORMANCE – How the community rates the City’s four strategic themes – 1.3	115
			DETAILED PERFORMANCE ON STRATEGIC THEMES – Environment	153
306-3	Significant spills		Not reported this financial year	
306-4	Transport of hazardous waste		Not reported this financial year	
306-5	Water bodies affected by water discharges and/or run-off		Not reported this financial year	
307: Environmental compliance				
307-1	Non-compliance with environmental laws and regulations		Not reported this financial year	
308: Supplier environmental assessment				
308-1	New suppliers that were screened using environmental criteria		Not reported this financial year	
308-2	Negative environmental impacts in the supply chain and actions taken		Not reported this financial year	
Social topics				
401: Employment				
401-1	New employee hires and employee turnover	Partial	OUR ORGANISATION – Our employees – Workforce profiles	102
			OUR ORGANISATION – Our employees – Workforce analysis	103-104

Code	Disclosure title	Level of reporting (full/partial)	Section	Page reference
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees		Not reported this financial year	
401-3	Parental leave		Not reported this financial year	
402: Labour/management relations				
402-1	Minimum notice periods regarding operational changes		Not reported this financial year	
403: Occupational health and safety				
403-1	Occupational health and safety management system	Partial	OUR ORGANISATION – Occupational safety and health	110-112
403-2	Hazard identification, risk assessment and incident investigation	Partial	OUR ORGANISATION – Occupational safety and health	110-112
403-3	Occupational health services	Partial	OUR ORGANISATION – Occupational safety and health	110-112
403-4	Worker participation, consultation and communication on occupational health and safety		Not reported this financial year	
403-5	Worker training on occupational health and safety	Partial	OUR ORGANISATION – Occupational safety and health	110
403-6	Promotion of worker health		Not reported this financial year	
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Partial	OUR PERFORMANCE – Detailed performance on strategic themes –Environment – Corporate Business Plan four-year priorities – AA057	164
403-8	Workers covered by an occupational health and safety management system		Not reported this financial year	
403-9	Work-related injuries	Partial	OUR ORGANISATION – Occupational safety and health	112
403-10	Work-related ill health		Not reported this financial year	
404: Training and education				
404-1	Average hours of training per year per employee		Not reported this financial year	
404-2	Programs for upgrading employee skills and transition assistance programs		Not reported this financial year	
404-3	Percentage of employees receiving regular performance and career development reviews		Not reported this financial year	
405: Diversity and equal opportunity				
405-1	Diversity of governance bodies and employees	Partial	OUR ORGANISATION – Workforce analysis	103
405-2	Ratio of basic salary and remuneration of women to men		Not reported this financial year	

Code	Disclosure title	Level of reporting (full/partial)	Section	Page reference
406: Non-discrimination				
406-1	Incidents of discrimination and corrective actions taken		Not reported this financial year	
407: Freedom of association and collective bargaining				
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk		Not reported this financial year	
408: Child labour				
408-1	Operations and suppliers at significant risk for incidents of child labour		Not reported this financial year	
409: Forced or compulsory labour				
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour		Not reported this financial year	
410: Security practices				
410-1	Security personnel trained in human rights policies or procedures		Not reported this financial year	
411: Rights of Indigenous peoples				
411-1	Incidents of violations involving rights of indigenous peoples		Not reported this financial year	
412: Human rights assessment				
412-1	Operations that have been subject to human rights reviews or impact assessments		Not reported this financial year	
412-2	Employee training on human rights policies or procedures		Not reported this financial year	
412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening		Not reported this financial year	
413: Local communities				
413-1	Operations with local community engagement, impact assessments and development programs	Partial	GOVERNANCE – Democratic governance – from Customer service to Facility hire subsidies	84
413-2	Operations with significant actual and potential negative impacts on local communities		Not reported this financial year	
414: Supplier social assessment				
414-1	New suppliers that were screened using social criteria	Partial	GOVERNANCE – Corporate Governance – Contracts and procurement – Corporate social responsibility	95
414-2	Negative social impacts in the supply chain and actions taken		Not reported this financial year	

Code	Disclosure title	Level of reporting (full/partial)	Section	Page reference
415: Public policy				
415-1	Political contributions		Not reported this financial year	
416: Customer health and safety				
416-1	Assessment of the health and safety impacts of product and service categories		Not reported this financial year	
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services		Not reported this financial year	
417: Marketing and labelling				
417-1	Requirements for product and service information and labelling		Not reported this financial year	
417-2	Incidents of non-compliance concerning product and service information and labelling		Not reported this financial year	
417-3	Incidents of non-compliance concerning marketing communications		Not reported this financial year	
418: Customer privacy				
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data		Not reported this financial year	
419: Socioeconomic compliance				
419-1	Non-compliance with laws and regulations in the social and economic area		Not reported this financial year	

KEY TERMS

Active open space	Playing fields and player and spectator amenities, often combined with recreation and bushland spaces.
Advocacy	Local governments have a role in advocating on behalf of their constituencies to state and federal levels of government, statutory authorities and other sectors.
Asset	An asset is an object (physical or intangible) that has an identifiable value and a useful life greater than 12 months, that is or could be used by the City to provide a service. Our network assets include roads, the water supply network, sewerage network and buildings.
Asset management	The City’s activity used to sustainably manage its assets and asset systems to achieve our corporate plan. This includes asset performance, risks and expenditures over the asset’s life cycle.
Community	A group of individuals sharing one or more characteristics such as geographic location (e.g., our neighbourhood), culture, age, or a particular risk factor.
Corporate governance	The process by which agencies are directed and controlled. Generally understood to encompass authority, accountability, stewardship leadership, direction and control.
Development	A development is any change to the use of land requiring town planning approval or oversight.
Employment self-sufficiency	Percentage of workers who also live locally. This is a measure of our economic dynamism.
Financial sustainability	When a local government’s infrastructure capital and financial capital can be maintained over the long term.

Freight	Goods transported by road, rail, ship or plane.
Hub	Centre of an activity, region or network.
Infrastructure	Infrastructure supports many of the services provided by Local Governments—for example, roads, bridges, community buildings, water and sewerage services.
Place/place-making	Placemaking is both an approach and an ethos, which places community participation at the forefront of creating vibrant public spaces that contribute to the health, happiness and wellbeing of our community.
Program	An activity or group of activities that delivers benefits or services to the City’s administration or the community as a whole.
Risk management	The process of measuring, or assessing risk and developing strategies to manage it.
Service unit	An organisational unit within the City that administers defined functions.
Services	The Council delivers a wide range of services to meet community needs, such as town planning, waste collection, play groups and recreation facilities. Some services are required by law and others the Council chooses to provide. The Council also has corporate services — such as finance, payroll, human resources and IT — to support our frontline service delivery.

ABBREVIATIONS

ABS	Australian Bureau of Statistics
AM	Asset Management
AMP	Asset Management Plan
ANZAC	Australian and New Zealand Army Corps
CaLD	Culturally and Linguistically Diverse
CBP	Corporate Business Plan
CCTV	Closed-Circuit Television
CEO	Chief Executive Officer
CMS	Customer Management System
ELT	Executive Leadership Team
ESS	Employment Self-Sufficiency
FOI	Freedom of Information
FTE	Full-Time Equivalent
ICT	Information and Communication Technology
KPI	Key Performance Indicator
LGIS	Local Government Insurance Service
OAG	Office of the Auditor General
OSH	Occupational Safety and Health
RAP	Reconciliation Action Plan
RRF	Resource Recycling Facility
RSL	Returned and Services League
SCP	Strategic Community Plan
VoC	Verification of Competency
WA	Western Australia
WALGA	Western Australian Local Government Association

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Financial Report



Amberton beach



Auditor General

INDEPENDENT AUDITOR'S REPORT

To the Council of the City of Wanneroo

Report on the Audit of the Financial Report

Opinion

I have audited the annual financial report of the City of Wanneroo which comprises the Statement of Financial Position as at 30 June 2018, the Statement of Comprehensive Income by Nature or Type, Statement of Comprehensive Income by Program, Statement of Changes in Equity, Statement of Cash Flows and Rate Setting Statement for the year then ended, and notes comprising a summary of significant accounting policies and other explanatory information, and the Statement by the Chief Executive Officer.

In my opinion the annual financial report of the City of Wanneroo:

- (i) is based on proper accounts and records; and
- (ii) fairly represents, in all material respects, the results of the operations of the City for the year ended 30 June 2018 and its financial position at the end of that period in accordance with the *Local Government Act 1995* (the Act) and, to the extent that they are not inconsistent with the Act, Australian Accounting Standards.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report. I am independent of the City in accordance with the *Auditor General Act 2006* and the relevant ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report. I have also fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of Matter – Basis of Accounting

I draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the City's financial reporting responsibilities under the Act. Regulation 16 of the Local Government (Financial Management) Regulations 1996 (Regulations), does not allow a local government to recognise some categories of land, including land under roads, as assets in the annual financial report. My opinion is not modified in respect of this matter.

Responsibilities of the Chief Executive Officer and Council for the Financial Report

The Chief Executive Officer (CEO) of the City is responsible for the preparation and fair presentation of the annual financial report in accordance with the requirements of the Act, the Regulations and, to the extent that they are not inconsistent with the Act, Australian Accounting Standards. The CEO is also responsible for such internal control as the CEO determines is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the CEO is responsible for assessing the City's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the State government has made decisions affecting the continued existence of the City.

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

Auditor's Responsibility for the Audit of the Financial Report

The objectives of my audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

As part of an audit in accordance with Australian Auditing Standards, I exercise professional judgment and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the CEO.
- Conclude on the appropriateness of the CEO's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the City's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report, as we cannot predict future events or conditions that may have an impact.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Council and the CEO regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Report on Other Legal and Regulatory Requirements

In accordance with the Local Government (Audit) Regulations 1996 I report that:

- (i) In my opinion, the following material matters indicate significant adverse trends in the financial position or the financial management practices of the City:
 - a. The Current Ratio has been below the Department of Local Government, Sport and Cultural Industries (DLGSCI) standard for the past 3 years.
 - b. The Asset Sustainability Ratio has been below the DLGSCI standard for the past 3 years.

- The financial ratios are reported in Note 22 of the financial report.
- (ii) All required information and explanations were obtained by me.
 - (iii) All audit procedures were satisfactorily completed.
 - (iv) In my opinion, the asset consumption ratio and the asset renewal funding ratio included in the annual financial report were supported by verifiable information and reasonable assumptions.

Other Matter

The financial report of the City for the year ended 30 June 2017 was audited by another auditor who expressed an unmodified opinion on that financial report. The financial ratios for 2017 and 2016 in Note 22 of the audited financial report were included in the supplementary information and/or audited financial report for those years.

Matters Relating to the Electronic Publication of the Audited Financial Report

This auditor's report relates to the annual financial report of the City of Wanneroo for the year ended 30 June 2018 included on the City's website. The City's management is responsible for the integrity of the City's website. This audit does not provide assurance on the integrity of the City's website. The auditor's report refers only to the financial report described above. It does not provide an opinion on any other information which may have been hyperlinked to/from this financial report. If users of the financial report are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial report to confirm the information contained in this website version of the financial report.


 SANDRA LABUSCHAGNE
 ACTING DEPUTY AUDITOR GENERAL
 FOR WESTERN AUSTRALIA
 Perth, Western Australia
 15 November 2018

General Purpose Financial Statements for the year ended 30 June 2018

Understanding Council's Financial Statements

Introduction

Each year, individual Local Governments across Western Australia are required to present a set of audited Financial Statements to their Council and Community in accordance with the *Local Government Act 1995* and the *Local Government (Financial Management) Regulations 1996*.

About the Certification of Financial Statements

The Financial Statements must be certified by the Chief Executive Officer as (i) presenting fairly the Council's financial results for the year and (ii) complying with Australian Accounting Standards and the *Local Government Act 1995*.

What you will find in the Financial Statements

The Financial Statements set out the financial performance, financial position and cash flows of Council for the financial year ended 30 June 2018.

The format of the Financial Statements is standard across all Western Australian Councils and complies with both the accounting and reporting requirements of Australian Accounting Standards and the requirements as set down in the Western Australian Local Government Accounting Manual.

The Financial Statements incorporate six "primary" statements:

1. A Statement of Comprehensive Income (by Nature or Type)

A summary of the City's financial performance for the year, listing all income and expenses by their "nature or type". This allows users of the financial statements to identify a break up of operating revenues and expenses for the year.

2. A Statement of Comprehensive Income (by Program)

A summary of the City's financial performance for the year, listing all income and expenses by "program". This allows users of the financial statements to identify the cost relating to each Council Program and whether or not these costs were recovered from Program revenues.

3. A Statement of Financial Position

A 30 June snapshot of the City's financial position listing its assets and liabilities.

4. A Statement of Changes in Equity

The overall change for the year (in dollars) of the City's "net wealth".

5. A Statement of Cash Flows

Indicates where the City's cash came from and where it was spent across operating, investing and financing activities.

6. A Rate Setting Statement

A Statement showing the amount of rates raised during the year to fund the Council's Programs (and any budget surplus/deficit from prior years).

About the Notes to the Financial Statements

The Notes to the Financial Statements provide greater detail and additional information on the six Primary Financial Statements.

About the Auditor's Reports

Council's Financial Statements are required to be audited by external accountants (that generally specialise in Local Government).

In Western Australia, the Auditor provides an opinion on whether the Financial Statements present fairly the Council's financial performance and position.

Who uses the Financial Statements?

The Financial Statements are publicly available documents and are used by (but not limited to) Councillors, Residents and Ratepayers, Employees, Suppliers, Contractors, Customers, the Department of Local Government, Sport and Cultural Industries, and Financiers including Banks and other Financial Institutions.

Under the *Local Government Act 1995* the Financial Statements must be made available at the office of the Council.

City of Wanneroo

General Purpose Financial Statements for the year ended 30 June 2018

Statement by Chief Executive Officer

The attached financial report of the City of Wanneroo for the financial year ended 30 June 2018 is based on proper accounts and records to present fairly the financial position of the City of Wanneroo at 30 June 2018 and the results of the operations for the financial year then ended in accordance with the Local Government Act 1995 and, to the extent that they are not inconsistent with the Act, the Australian Accounting Standards.

Signed on the 14th day of NOVEMBER 2018


Noelene Jennings

ACTING CHIEF EXECUTIVE OFFICER



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City of Wanneroo

Statement of Comprehensive Income (by Nature or Type) for the year ended 30 June 2018

		2018 Actual	2018 Budget	2017 Actual
\$	Notes			
Revenue				
Rates	24	151,662,858	151,980,546	143,090,395
Operating Grants, Subsidies & Contributions	28(a)	12,866,706	8,912,445	16,575,517
Fees & Charges	27	14,020,843	15,916,164	15,993,918
Interest Earnings	2(a)	9,127,900	7,954,156	8,199,375
Other Revenue		689,554	693,708	982,018
		<u>188,367,861</u>	<u>185,457,019</u>	<u>184,841,223</u>
Expenses				
Employee Costs	29	(68,497,915)	(70,171,359)	(72,692,362)
Materials & Contracts		(54,332,071)	(58,319,654)	(49,429,584)
Utilities		(9,103,058)	(9,478,651)	(8,592,081)
Depreciation of Non-Current Assets	2(a)	(38,955,873)	(45,000,000)	(40,650,505)
Interest Expenses (Municipal)	2(a)	(4,113,518)	(4,114,682)	(4,118,180)
Insurance		(1,228,734)	(1,584,844)	(1,428,067)
		<u>(176,231,169)</u>	<u>(188,669,190)</u>	<u>(176,910,779)</u>
Operating Result from Continuing Operations		<u>12,136,692</u>	<u>(3,212,171)</u>	<u>7,930,444</u>
Non-Operating Grants, Subsidies & Contributions				
Town Planning Scheme Income (Inc Interest)	28(a)	33,541,640	66,116,328	83,706,469
Town Planning Scheme Expenses (Inc Interest)		20,487,522	9,888,811	14,663,820
Loss on Revaluation of Furniture and Equipment		(12,526,286)	(11,355,740)	(7,090,210)
Net Share of Interests in Controlled Entities, Associated Entities & Joint Ventures	13	(364,975)	-	-
Profit on Asset Disposals	17	306,412	-	53,258
Loss on Asset Disposals	21	2,823,890	1,000,000	2,136,186
		<u>(731,299)</u>	<u>(500,000)</u>	<u>(223,184)</u>
		<u>43,536,904</u>	<u>65,149,399</u>	<u>93,246,339</u>
Net Result		<u>55,673,596</u>	<u>61,937,228</u>	<u>101,176,783</u>
Other Comprehensive (Loss) / Income				
Changes on Revaluation of Non-Current Assets (net)	13	(232,738,165)	-	321,759,689
Total Other Comprehensive (Loss) / Income		<u>(232,738,165)</u>	<u>-</u>	<u>321,759,689</u>
Total Comprehensive (Loss) / Income		<u>(177,064,569)</u>	<u>61,937,228</u>	<u>422,936,472</u>

This statement should be read in conjunction with the accompanying notes.



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City of Wanneroo

Statement of Comprehensive Income (by Program)
for the year ended 30 June 2018

\$	Notes	2018 Actual	2018 Budget	2017 Actual
Revenue				
Governance		583,651	275,678	377,817
General Purpose Funding		169,114,618	163,454,035	162,089,508
Law, Order, Public Safety		1,355,281	1,387,970	1,372,995
Health		484,581	639,500	611,724
Education & Welfare		3,271,462	3,975,391	3,915,384
Community Amenities		2,255,550	2,636,929	3,454,103
Recreation & Culture		8,068,141	8,417,078	8,692,858
Transport		1,451,656	1,803,575	1,496,878
Economic Services		2,176,567	2,674,900	2,558,011
Other Property & Services		20,400,288	9,797,214	14,989,023
		209,161,795	195,062,270	199,558,301
Expenses (excl. Finance Costs)				
Governance		(8,138,084)	(8,369,258)	(9,637,432)
General Purpose Funding		(1,785,909)	(1,131,845)	(1,621,024)
Law, Order, Public Safety		(8,112,145)	(9,042,825)	(8,257,036)
Health		(2,388,699)	(2,779,759)	(2,418,104)
Education & Welfare		(8,386,282)	(10,523,686)	(9,911,771)
Community Amenities		(35,002,525)	(39,645,891)	(36,914,170)
Recreation & Culture		(53,859,118)	(59,060,625)	(55,060,539)
Transport		(50,335,265)	(49,328,318)	(44,346,962)
Economic Services		(4,484,331)	(4,441,599)	(3,792,791)
Other Property & Services		(12,240,783)	(11,312,127)	(7,852,772)
		(184,733,141)	(195,635,933)	(179,812,601)
Finance Costs				
General Purpose Funding		(613,190)	(720,526)	(704,630)
Recreation & Culture		(3,233,694)	(3,148,145)	(3,162,129)
Transport		(156,853)	(138,388)	(143,398)
Other Property & Services		(385,552)	(381,938)	(178,231)
	2(a)	(4,389,289)	(4,388,997)	(4,188,388)
		20,039,365	(4,962,660)	15,557,312
Non-Operating Grants, Subsidies, Contributions				
Governance		30,000	-	150,000
Law, Order, Public Safety		59,994	-	-
Education & Welfare		278,000	-	-
Community Amenities		106,325	-	57,826
Recreation & Culture		8,680,953	9,110,262	8,543,674
Transport		24,328,010	54,799,050	74,822,894
Other Property & Services		58,358	2,490,576	132,075
	28	33,541,640	66,399,888	83,706,469

City of Wanneroo

Statement of Comprehensive Income (by Program) (continued)
for the year ended 30 June 2018

\$	Notes	2018 Actual	2018 Budget	2017 Actual
Profit/(Loss) on Disposal of Assets				
Governance		-	-	(5,205)
Health		(2,240)	-	-
Recreation & Culture		(108,930)	-	-
Other Property & Services		2,203,761	500,000	1,918,207
	21	2,092,591	500,000	1,913,002
		55,673,596	61,937,228	101,176,783
Net Result				
Other Comprehensive (Loss) / Income				
Changes on Revaluation of Non-Current Assets	13	(232,738,165)	-	321,759,689
Total Other Comprehensive (Loss) / Income		(232,738,165)	-	321,759,689
Total Comprehensive (Loss) / Income		(177,064,569)	61,937,228	422,936,472



This statement should be read in conjunction with the accompanying notes.

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This statement should be read in conjunction with the accompanying notes.

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City of Wanneroo

Statement of Financial Position
as at 30 June 2018

\$	Notes	2018 Actual	2017 Actual
ASSETS			
Current Assets			
Cash and Cash Equivalents	3	374,458,602	359,431,307
Trade and Other Receivables	5	21,624,523	19,218,020
Inventories	6	316,384	355,123
Total Current Assets		396,399,509	379,004,450
Non-Current Assets			
Investments	4	19,017,143	17,801,403
Trade and Other Receivables	5	3,060,808	2,650,278
Inventories	6	21,396,956	19,612,517
Property, Plant and Equipment	7	337,607,107	554,632,142
Infrastructure Assets	8	1,954,343,934	1,937,817,466
Total Non-Current Assets		2,335,425,948	2,532,513,806
TOTAL ASSETS	19	2,731,825,457	2,911,518,256
LIABILITIES			
Current Liabilities			
Trade and Other Payables	9	23,446,151	28,012,349
Provisions	11	15,465,129	16,620,016
Total Current Liabilities		38,911,280	44,632,365
Non-Current Liabilities			
Long Term Borrowings	10	69,078,188	66,378,188
Provisions	11	1,647,152	1,619,272
Total Non-Current Liabilities		70,725,340	67,997,460
TOTAL LIABILITIES		109,636,620	112,629,825
Net Assets		2,622,188,837	2,798,888,431
EQUITY			
Retained Surplus		1,240,359,977	1,209,474,073
Reserves - Cash/Investment Backed	12	199,336,903	179,140,478
Reserves - Asset Revaluation	13	1,064,267,358	1,296,640,548
Town Planning Schemes		118,224,599	113,633,332
Total Equity		2,622,188,837	2,798,888,431



This statement should be read in conjunction with the accompanying notes.

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City of Wanneroo

Statement of Changes in Equity
for the year ended 30 June 2018

\$	Notes	Retained Surplus	Reserves Cash / Investment Backed	Asset Revaluation Reserve	Town Planning Schemes	Total Equity
Balance as at 1 July 2016						
		1,119,949,524	171,281,078	974,880,859	109,840,498	2,375,951,959
Net Result						
		101,176,783	-	-	-	101,176,783
Other Comprehensive Income						
	35	-	-	321,759,689	-	321,759,689
Reserve Transfers						
	12	(7,859,400)	7,859,400	-	-	-
Town Planning Scheme Transfers						
	31	(3,792,834)	-	-	3,792,834	-
Balance as at 30 June 2017		1,209,474,073	179,140,478	1,296,640,548	113,633,332	2,798,888,431
Net Result						
		55,673,596	-	-	-	55,673,596
Other Comprehensive Loss						
	13	-	-	(232,373,190)	-	(232,373,190)
Reserve Transfers						
	12	(20,196,425)	20,196,425	-	-	-
Town Planning Scheme Transfers						
	31	(4,501,267)	-	-	4,501,267	-
Balance as at 30 June 2018		1,240,359,977	199,336,903	1,064,267,358	118,224,599	2,622,188,837



This statement should be read in conjunction with the accompanying notes.

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City of Wanneroo

Statement of Cash Flows for the year ended 30 June 2018

\$	Notes	2018 Actual	2018 Budget	2017 Actual
Cash Flows from Operating Activities				
Receipts:				
Rates		149,765,196	151,980,546	141,965,045
Operating Grants, Subsidies and Contributions		12,866,706	8,912,445	16,575,517
Fees and Charges		14,463,447	15,916,164	15,776,382
Interest Earnings		9,702,688	7,954,156	8,774,163
Goods and Services Tax		11,333,236	10,200,000	12,323,929
Other Revenue		251,805	693,708	2,722,039
		198,383,078	195,657,019	198,137,075
Payments:				
Employee Costs		(70,384,304)	(70,171,359)	(70,359,892)
Materials and Contracts		(58,604,512)	(58,319,654)	(48,341,387)
Utilities		(9,103,058)	(9,478,651)	(8,592,081)
Insurance		(1,228,734)	(4,114,682)	(1,428,067)
Interest		(4,302,056)	(1,584,844)	(3,884,821)
Goods and Services Tax		(12,139,348)	(10,200,000)	(11,266,600)
		(155,762,012)	(153,869,190)	(143,872,848)
Net Cash provided (or used in) Operating Activities	14(b)	42,621,066	41,787,829	54,264,227
Cash Flows from Investing Activities				
Receipts:				
Non-Operating Grants, Subsidies and Contributions		12,097,668	16,116,328	37,037,918
Proceeds from Sale of Assets		5,164,637	1,453,365	4,442,197
Town Planning Scheme Income (Inc. Interest)		20,487,522	9,605,251	14,663,820
Payments:				
Payments for Development of Land Held for Resale		(2,805,364)	-	(3,519,137)
Payments for Purchase of Property, Plant & Equipment		(26,610,965)	(54,187,284)	(30,695,149)
Payments for Construction of Infrastructure		(25,359,951)	(29,056,380)	(36,236,326)
Town Planning Scheme Expenses		(12,526,286)	(11,081,425)	(7,090,210)
Movement in Equity Investments				
Equity Contribution - Mindarie Regional Council		(12,304)	-	(47,441)
Equity Contributions - Tamala Regional Council		(728,728)	-	1,384,539
Net Cash provided (or used in) Investing Activities		(30,293,771)	(67,150,145)	(20,059,789)
Cash Flows from Financing Activities				
Receipts:				
Proceeds from New Loans		2,700,000	3,262,653	5,600,000
Payments:				
Nil				
Net Cash provided (or used in) Financing Activities		2,700,000	3,262,653	5,600,000
Net Increase/(Decrease) in Cash & Cash Equivalents		15,027,295	(22,099,663)	39,804,438
Cash at the beginning of the year		359,431,307	323,605,059	319,626,869
Cash & Cash Equivalents - End of the Year	14(a)	374,458,602	301,505,396	359,431,307
Additional Information:				
Plus: Investments on hand - end of year	4	19,017,143	-	17,801,403
Total Cash, Cash Equivalents & Investments		393,475,745	301,505,396	377,232,710



This statement should be read in conjunction with the accompanying notes.

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City of Wanneroo

Rate Setting Statement (by Program) for the year ended 30 June 2018

\$	Notes	2018 Actual	2018 Budget	2017 Actual
Net current assets at start of financial year - surplus/(deficit)				
		-	-	-
OPERATING ACTIVITIES				
Revenue from operating activities (excluding rates)				
Governance		613,651	275,678	527,817
General Purpose Funding (Excl. Rates)		17,451,760	11,473,489	18,999,113
Law, Order, Public Safety		1,415,275	1,387,970	1,372,995
Health		484,581	639,500	611,724
Education and Welfare		3,549,462	3,975,391	3,915,384
Community Amenities		2,361,875	2,636,929	3,511,929
Recreation and Culture		16,749,094	17,527,340	17,236,532
Transport		25,779,666	56,602,625	76,319,772
Economic Services		2,176,567	2,674,900	2,558,011
Other Property and Services		22,662,407	12,787,790	16,907,206
		93,244,338	109,981,612	141,960,483
Expenses from operating activities				
Governance		(8,138,084)	(8,369,258)	(9,642,637)
General Purpose Funding		(2,399,099)	(1,852,371)	(2,325,654)
Law, Order, Public Safety		(8,112,145)	(9,042,825)	(8,257,036)
Health		(2,390,939)	(2,779,759)	(2,418,104)
Education and Welfare		(8,386,282)	(10,523,686)	(9,911,771)
Community Amenities		(35,002,525)	(39,645,891)	(36,914,170)
Recreation and Culture		(57,201,742)	(62,208,770)	(58,222,668)
Transport		(50,492,118)	(49,466,706)	(44,490,360)
Economic Services		(4,484,331)	(4,441,599)	(3,792,791)
Other Property and Services		(12,626,335)	(11,694,065)	(7,898,904)
		(189,233,600)	(200,024,930)	(183,874,095)
Operating activities excluded from budget				
(Profit)/Loss on Asset Disposal	21	(2,092,591)	(500,000)	(1,913,002)
Movement in Non-Current Debtors		(410,527)	-	(289,691)
Movement in Non-Current Employee Benefit Provisions		27,880	-	198,046
Depreciation and Amortisation on Assets	2(a)	38,955,873	45,000,000	40,650,505
Movement in Equity Accounted Investments		(306,412)	-	(53,258)
Loss on Revaluation of Furniture and Equipment		364,975	-	-
Amount attributable to operating activities		36,539,198	44,500,000	38,592,600
INVESTING ACTIVITIES				
Purchase and Development of Land Held for Resale		(2,805,364)	-	(3,519,137)
Physical Assets Received from Developers		(21,443,972)	(50,000,000)	(46,668,551)
Purchase Land and Buildings		(35,103,795)	(37,139,982)	(8,744,802)
Purchase Plant and Equipment		(3,031,916)	(7,915,328)	(3,040,041)
Purchase Furniture and Equipment		(4,214,012)	(9,131,974)	(2,224,685)
Infrastructure Assets		(26,396,925)	(29,056,380)	(27,499,654)
Equity Contribution - Tamala Park Regional Council		(728,728)	-	1,384,540
Equity Contribution - Mindarie Regional Council		(12,304)	-	(47,442)
Movement in Works in progress		16,775,732	-	(25,422,292)
Proceeds from Disposal of Assets	21	5,164,637	1,453,365	4,442,197
Amount attributable to investing activities		(71,796,647)	(131,790,299)	(111,339,867)

Rate Setting Statement (by Program) (continued)
for the year ended 30 June 2018

\$	Notes	2018 Actual	2018 Budget	2017 Actual
FINANCING ACTIVITIES				
Transfers to Reserves (Restricted Assets)	12	(52,449,883)	(27,360,228)	(45,014,887)
Transfers from Reserves (Restricted Assets)	12	32,253,458	46,479,857	37,155,487
Proceeds from New Loans		2,700,000	3,262,653	5,600,000
Movement in Restricted Grants, Contributions & Unspent Loans		1,834,821	2,930,424	(22,625,593)
Leave Provision Written Back (Transferred to Reserve)		(163,273)	-	248,308
Transfers to Town Planning Schemes (excludes DCPs)		(18,750,905)	(9,605,251)	(12,031,705)
Transfers from Town Planning Schemes (excludes DCPs)		14,159,638	11,098,981	8,238,874
Amount attributable to financing activities		(20,416,144)	26,806,436	(28,429,516)
Surplus/(deficiency) before general rates		(151,662,855)	(150,527,181)	(143,090,395)
Total amount raised from general rates		151,662,858	151,980,546	143,090,395
Net current assets as at June 30 c/fwd - surplus/(deficit)		3	1,453,365	-

Notes to the Financial Statements
for the year ended 30 June 2018

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Note 1. Summary of Significant Accounting Policies

The principal accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

(a) Basis of Preparation

The financial report comprises general purpose financial statements which have been prepared in accordance with Australian Accounting Standards (as they apply to local governments and not-for-profit entities) and Interpretations of the Australian Accounting Standards Board, and the Local Government Act 1995 and accompanying regulations.

The Local Government (Financial Management) Regulations 1996 take precedence over Australian Accounting Standards. Regulation 16 prohibits a local government from recognising as assets Crown land that is a public thoroughfare, such as land under roads, and land not owned by but under the control or management of the local government, unless it is a golf course, showground, racecourse or any other sporting or recreational facility of State or regional significance. Consequently, some assets, including land under roads acquired on or after 1 July 2008, have not been recognised in this financial report. This is not in accordance with the requirements of AASB 1051 Land Under Roads paragraph 15 and AASB 116 Property, Plant and Equipment paragraph 7.

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

Critical Accounting Estimates

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

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

(b) The Local Government Reporting Entity

All Funds through which City of Wanneroo ("the City") controls resources to carry on its functions, have been included in the financial statements forming part of this financial report. In the process of reporting on the local government as a single unit, all transactions and balances between those Funds (for example, loans and transfers between Funds) have been eliminated. All monies held in the Trust Fund are excluded from the financial statements. A separate statement of those monies appears at Note 18 to this financial report.

(c) Goods and Services Tax

In accordance with recommended practice, revenues, expenses and assets capitalised are stated net of any GST. Receivables and payables in the Statement of Financial Position are stated inclusive of applicable GST.

(d) Cash and Cash Equivalents

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

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

(e) Trade and Other Receivables

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

Note 1. Summary of Significant Accounting Policies (continued)

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

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

(f) Inventories**1) Raw materials and stores, work in progress and finished goods**

Raw materials and stores, work in progress and finished goods are stated at the lower of cost or net realisable value. Cost comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Costs are assigned to individual items of inventory on the basis of weighted average costs. Net realisable value is the established selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

2) Land held for resale/capitalisation of borrowing costs

Land held for resale is stated at the lower of cost or net realisable value. Cost is assigned by specific identification and includes the cost of acquisition, development and borrowing costs during development. When development is completed, borrowing costs and other holding charges are expensed as incurred. Borrowing costs included in the cost of land held for resale are those costs that would have been avoided if the expenditure on the acquisition and development of the land had not been made. Borrowing costs incurred while active development is interrupted for extended periods are recognised as expenses.

Revenue arising from the sale of property is recognised in the operating statement as at the time of signing a binding contract of sale. Land held for resale is classified as current except where it is held as non-current based on the City's intentions to release for sale.

(g) Fixed Assets

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

Mandatory requirement to revalue non-current assets

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

During the year ended 30 June 2013, the City commenced the process of adopting Fair Value in accordance with the Regulations. Whilst the amendments initially allowed for a phasing in of fair value in relation to fixed assets over three years, as at 30 June 2015 all non-current assets were carried at Fair Value in accordance with the requirements.

Thereafter, each asset class must be revalued in accordance with the regulatory framework established and the City revalues its asset classes in accordance with this mandatory timetable.

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

Initial recognition and measurement between mandatory revaluation dates

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

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

Individual assets acquired between initial recognition and the next revaluation of the asset class in accordance with the mandatory measurement

Note 1. Summary of Significant Accounting Policies (continued)

framework detailed above, are carried at cost less accumulated depreciation as management believes this approximates fair value. They will be subject to subsequent revaluation at the next revaluation date in accordance with the mandatory measurement framework detailed above.

Revaluation

The fair value of fixed assets is determined at least every three years in accordance with the regulatory framework. At the end of each period the valuation is reviewed and where appropriate the fair value is updated to reflect current market conditions. This process is considered to be in accordance with *Local Government (Financial Management) Regulation 17A (2)* which requires property, plant and equipment to be shown at fair value.

Increases in the carrying amount arising on revaluation of assets are credited to a revaluation reserve in equity. Decreases in the carrying amount that offset previous increases of the same asset are charged against fair value reserves directly in equity; all other decreases are charged to the Statement of Comprehensive Income.

Land under control

In accordance with *Local Government (Financial Management) Regulation 16(a)(ii)*, the City was required to include as an asset (by 30 June 2013), Crown Land operated by the local government as a golf course, showground or other sporting or recreational facility of the State or Regional significance.

Upon initial recognition, these assets were recorded at cost in accordance with AASB 116. They were then classified as Land and revalued along with other land in accordance with the other policies detailed in this Note.

Land under Roads

In Western Australia, all land under roads is Crown land. The responsibility for managing land under roads is vested in the local government.

Effective as at 1 July 2008, the City elected not to recognise any value for land under roads acquired. This accords with the treatment available in *Local Government (Financial Management) Regulation*

16(a)(i), which prohibits local governments from recognising such land as an asset.

Whilst such treatment is inconsistent with the requirements of AASB 1051, *Local Government (Financial Management) Regulation 4(2)* provides, in the event of such an inconsistency, the Local Government (Financial Management) Regulations prevail.

Consequently, any land under roads is not included as an asset of the City.

(h) Depreciation of Non-Current Assets

All non-current assets that have a limited useful life are separately and systematically depreciated over their useful lives in a manner that reflects the consumption of the future economic benefits embodied in those assets. Assets are depreciated from the date of acquisition or, in respect of internally constructed assets, from the time the asset is completed and held ready for use.

Depreciation for infrastructure assets is calculated from the end of the year in which the asset was completed and brought into account.

Expenditure on items of equipment under \$1,000 are not capitalised but are placed on an "Attractive Items" list for reference and maintenance.

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

Buildings	40 years
Bus Shelters*	30 - 50 years
Computer Hardware	3 years
Computer Software	2 years
Pathways*	25 - 70 years
Furniture & Equipment	10 years
Heavy Vehicles - 1,201 kg to 4,000 kg	
6 years/100,000 km's (45% residual)	
Heavy Vehicles - 4,001 kg to 9,000 kg	
6 years/200,000 km's (40% residual)	
Heavy Vehicles - 9,001 kg to 12,000 kg	
8 years/500,000 km's (48% residual)	
Heavy Vehicles – Refuse	5 years (20% residual)
Irrigation Piping	30 years
Land	Not Applicable

Note 1. Summary of Significant Accounting Policies (continued)

Light Vehicles	3 years (60% residual)
Other Infrastructure*	15 - 80 years
Other Plant and Equipment	10 years
Parks & Reserves*	12 - 85 years
Plant	10 years (50% residual)
Reserves/Playground Equipment*	12 - 15 years
Sealed Car Parks - Pavement	40 - 80 years
Road - Kerb	40 years
Road - Seal*	15 - 40 years
Road Pavement *	40 years
Underpasses	40 years
Water Supply Piping & Drainage Systems*	40 - 80 years

*Due to useful lives of the individual assets within each asset type varying, despite being of a similar nature, the asset types denoted have a range of depreciation periods.

The assets residual value and useful lives are reviewed and adjusted, if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the Statement of Comprehensive Income. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

(i) Financial Instruments

Initial Recognition and Measurement

Financial assets and financial liabilities are recognised when the City becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the City commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are included in the Statement of Comprehensive Income.

Classification and Subsequent Measurement

Financial instruments are subsequently measured at amortised cost using the effective interest rate method or cost.

Fair value represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Available quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as:

- (a) the amount at which the financial asset or financial liability is measured at initial recognition;
- (b) less principal repayments;
- (c) plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest rate method; and
- (d) less any reduction for impairment.

The effective interest method used is to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums of discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

(1) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are classified as held for trading unless they are designated as hedges. Assets in this category are classified as current assets.

(2) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than 12 months after the Statement of Financial Position date that are classified as non-current assets. Loans and receivables are included in

Note 1. Summary of Significant Accounting Policies (continued)

trade and other receivables in the Statement of Financial Position.

(3) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the City's management has the positive intention and ability to hold to maturity. If the City was to sell other than an insignificant amount of held-to-maturity financial assets, the whole category would be tainted and reclassified as available-for-sale. Held-to-maturity financial assets are included in non-current assets, except for those with maturities less than 12 months from the reporting date, which are classified as current assets.

(4) Available-for-sale financial assets

Available-for-sale financial assets, comprising principally marketable equity securities, are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the Statement of Financial Position date. Investments are designated as available-for-sale if they do not have fixed maturities and fixed or determinable payments; and management intends to hold them for the medium to long term.

(5) Financial liabilities

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

Impairment

At the end of each reporting period, the City assesses whether there are objective evidence that financial instruments have been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether impairment has arisen. Impairment losses are recognised in the Statement of Comprehensive Income.

(j) Fair Value Estimation

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

The fair value of financial instruments traded in active markets is determined using valuation techniques. The City uses a variety of methods and makes assumptions that are based on market conditions existing at each balance sheet date. Quoted market prices or dealer quotes for similar instruments are used for long-term debt instruments held. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments.

The nominal value less estimated credit adjustments of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the City for similar financial instruments.

(k) Provisions

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

(l) Leases

Leases of property, plant and equipment, where the City has substantially all the risks and rewards of ownership, are classified as finance leases. Finance leases are capitalised at the lease's inception recorded at the lower of the fair value of the leased property and the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in other long term payables. Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The interest element of the finance cost is charged to the Statement of Comprehensive Income, over the lease period, so as to produce a constant periodic rate of interest on the remaining balance of the liability

Note 1. Summary of Significant Accounting Policies (continued)

for each period. The property, plant and equipment acquired under finance leases are depreciated over the shorter of the asset's useful life and the lease term. Lease payments under operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

(m) Investments in Associates

An associate is an entity over which the City has significant influence. Significant influence is the power to participate in the financial operating policy decisions of that entity but is not control or joint control of those policies. Investments in associates are accounted for in the financial statements by applying the equity method of accounting, whereby the investment is initially recognised at cost and adjusted thereafter for the post-acquisition change in the City's share of net assets of the associates. In addition, the City's share of the profit or loss of the associate is included in the City's profit or loss.

The carrying amount of the investment includes, where applicable, goodwill relating to the associate. Any discount on acquisition, whereby the City's share of the net fair value of the associate exceeds the cost of investment, is recognised in profit or loss in the period in which the investment is acquired. Profits and losses resulting from transactions between the City and the associate are eliminated to the extent of the City's interest in the associate.

When the City's share of losses in an associate equals or exceeds its interest in the associate, the City discontinues recognising its share of further losses. This occurs unless the City has incurred legal or constructive obligations or made payments on behalf of the associate. When the associate subsequently makes profits, the City will resume recognising its share of those profits once its share of the profits equals the share of the losses not recognised.

(n) Impairment

In accordance with Australian Accounting Standards the City's assets, other than inventories, are tested annually for impairment. Where such an indication exists, an estimate of the recoverable amount of the asset is made in accordance with AASB 136 *Impairment of Assets* and appropriate adjustments made. Assets that are subject to amortisation are

reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Impairment losses are recognised in the Statement of Comprehensive Income.

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

(o) Trade and Other Payables

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

(p) Interest-bearing Loans and Borrowings

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

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

Borrowings are classified as current liabilities unless the City has an unconditional right to defer settlement of the liability for at least 12 months after the Statement of Financial Position date. Borrowing costs are recognised as an expense when incurred, except where they are directly attributable to the acquisition, construction or production of a qualifying asset, where this is the case, they are capitalised as part of the cost of the particular asset.

Note 1. Summary of Significant Accounting Policies (continued)

(q) Employee Benefits

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

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

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

Long Service Leave (Long-term Benefits)

The liability for long service leave is recognised in the provision for employee benefits. It is measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date, using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity, and currency, that match as closely as possible, the estimated future cash outflows.

Where the City does not have the unconditional right to defer settlement beyond 12 months, the liability is recognised as a current liability.

(r) Superannuation

The City contributes to a number of Superannuation Funds on behalf of its employees. Contributions to defined contribution plans are recognised as an expense as they become payable. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

(s) Interests in Joint Arrangements

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

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

Joint operations represent arrangements whereby joint operators maintain direct interests in each asset and exposure to each liability of the arrangement. The Council's interests in the assets, liabilities, revenue and expenses of joint operations are included in the respective line items of the financial statements.

(t) Rates, Grants, Donations and Other Contributions

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

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

(u) Current and Non-Current Classification

In the determination of whether an asset or liability is current or non-current, consideration is given to the time when each asset or liability is expected to be settled. The asset or liability is classified as current if it is expected to be settled within the next 12 months, being the City's operation cycle. In the case of liabilities where the City 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

Note 1. Summary of Significant Accounting Policies (continued)

trading are classified as current even if not expected to be realised in the next 12 months. An exception exists for land held for resale, where it is held as non-current based on the City's intentions to release for sale.

(v) Rounding Off Figures

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

(w) Comparative Figures

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

When the City applies an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in its financial statement, a statement of financial position as at the beginning of the earliest period will be disclosed.

(x) Budget Comparative Figures

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

(y) Investment Property

Investment property, principally comprising freehold office buildings, is held for long-term rental yields. Investment property is carried at fair value, representing open-market value determined annually by external users.

(z) Non-Current Assets (or Disposal Groups) "Held for Sale" and Discontinued Operations

Non-current assets (or disposal groups) are classified as held for sale and stated at the lower of either (i) their carrying amount, or (ii) fair value less costs to sell, if their carrying amount will be recovered principally through a sale transaction rather than through continuing use.

The exception to this is plant and motor vehicles, which are turned over on a regular basis. Plant and motor vehicles are retained in Non-Current Assets

under the classification of Property, Plant and Equipment - unless the assets are to be traded in after 30 June and the replacement assets were already purchased and accounted for as at 30 June.

For any assets or disposal groups classified as Non-Current Assets "held for sale", an impairment loss is recognised at any time when the assets carrying value is greater than its fair value less costs to sell.

Non-current assets "held for sale" are not depreciated or amortised while they are classified as "held for sale".

Non-current assets classified as "held for sale" are presented separately from the other assets in the balance sheet.

A Discontinued Operation is a component of the City's operations that has been disposed of or is classified as "held for sale" and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale.

The results of discontinued operations are presented separately on the face of the income statement.

(aa) Intangible Assets

The City has not classified any assets as Intangible.

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

In the current year, the City adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to its operations and effective for the current reporting period. The adoption of the new and revised Standards and Interpretations have not resulted in any material changes to the City's accounting policies.

AASB 9 *Financial Instruments* (incorporating AASB 2014-7 and AASB 2014-8), which replaces AASB 139 *Financial Instruments: Recognition and Measurement*, is effective for reporting periods beginning on or after 1 January 2018 and must be applied retrospectively. The main impact of AASB 9 is to change the

Notes to the Financial Statements

for the year ended 30 June 2018

Note 1. Summary of Significant Accounting Policies (continued)

requirements for the classification, measurement and disclosures associated with financial assets. Under the new requirements, the four current categories of financial assets stipulated in AASB 139 will be replaced with two measurement categories: fair value and amortised cost. Financial assets will only be able to be measured at amortised cost where specific conditions are met.

AASB 15 *Revenue from Contracts with Customers* is effective for reporting periods on or after 1 January 2019 and will replace AASB 118 *Revenue*, AASB 111 *Construction Contracts* and a number of Interpretations. It establishes principles for entities to apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer. The effect of this Standard will depend upon the nature of future transactions the City has with those third parties it has dealings with. It may or may not be significant.

AASB 16 *Leases* is effective for reporting periods beginning on or after 1 January 2019 and will replace AASB 117 *Leases*. Under AASB 16 there is no longer a distinction between finance and operating leases. Lessees will now bring to account a right-to-use asset and lease liability onto their statement of financial position for all leases. Effectively this means the vast majority of operating leases as defined by the current AASB 117 *Leases* which currently do not impact the statement of financial position will be required to be capitalised on the statement of financial position once AASB 16 is adopted.

Currently, operating lease payments are expensed as incurred. This will cease and will be replaced by both depreciation and interest charges. Based on the current number of operating leases held by the City, the impact is not expected to be significant.

AASB 1058 *Income of Non-for-Profit Entities* (incorporating AASB 2016-7 and AASB 2016-8) is effective for reporting periods beginning on or after 1 January 2019. Under this standard, it is likely to have a significant impact on the income recognition for Not-for-Profit Entities. Key areas for consideration are: assets received below fair value, transfers received to acquire or construct non-financial assets, grants received, prepaid rates, leases entered into at below market rates and volunteer services.

Other amended Australian Accounting Standards and Interpretations, which were issued at the date of authorisation of the financial report, but have future commencement dates are not likely to have a material impact on the financial statements.

The City does not expect to adopt the new standards before their operative date and before the standards become applicable to the City.

Not applicable to Local Government per se;

There are no other standards that are "not yet effective" and expected to have a material impact on the City in the current or future reporting periods and on foreseeable future transactions.

(ac) Disclaimer

Nothing contained within these statements may be taken to be an admission of any liability to any person under any circumstance.

Notes to the Financial Statements

for the year ended 30 June 2018

Note 2. Operating Revenues and Expenses

\$	Notes	2018 Actual	2018 Budget	2017 Actual
(a) Net Result				
The Result includes:				
(i) Charging as an Expense:				
Auditors Remuneration				
- Audit		49,524	29,000	47,010
Bad & Doubtful Debts				
Sundry Debtors		24,184	-	159,952
Depreciation & Amortisation				
<i>Property, Plant & Equipment</i>	7(b)			
- Buildings		3,406,470	3,567,729	3,210,824
- Furniture and Equipment		1,925,087	9,454,539	1,276,317
- Plant and Equipment		3,346,861	4,719,244	4,369,691
<i>Infrastructure Assets</i>	8(b)			
- Roads		14,246,183	16,308,608	15,268,034
- Drainage		3,396,061	2,973,803	2,676,769
- Other Infrastructure		3,554,599	103,519	3,950,419
- Pathways		2,530,332	2,279,602	2,053,788
- Car Parks		325,687	384,122	420,295
- Reserves		6,224,593	5,208,834	7,424,368
		38,955,873	45,000,000	40,650,505
Interest Expenses (Finance Costs)				
Accrued Interest on Loans		22,437	42,543	22,384
Loan interest paid	23(a)	4,366,852	4,346,454	4,166,004
		4,389,289	4,388,997	4,188,388
- Municipal Fund		4,113,518	4,114,682	4,118,180
- Developer Contribution Schemes		275,771	274,315	70,208
Interest Expenses (Finance Costs)		4,389,289	4,388,997	4,188,388
(ii) Crediting as Revenue:				
Interest Earnings				
Investments - Municipal Funds		2,592,167	2,730,974	1,985,263
Investments - Reserve Funds		4,199,735	3,501,868	4,160,979
Other Interest Revenue	26	2,335,998	1,721,314	2,053,133
		9,127,900	7,954,156	8,199,375
Town Planning Schemes		3,580,884	2,939,561	3,688,841
Total		12,708,784	10,893,717	11,888,216

Note 2. Operating Revenues and Expenses (continued)

(b) Statement of Objectives, Reporting Programs and Nature or Type

Statement of Objective

In order to discharge its responsibilities to the Community, the Council has developed a set of operational and financial objectives. These objectives have been established both on an overall basis, reflected by the Council's Vision, and for each of the Council's broad activities/programs.

With reference to the City of Wanneroo's Strategic Community Plan 2017/18 - 2026/27:

Vision

Inspired by our past, working to create a vibrant, progressive City, providing opportunity and investment to enable our growing communities to prosper.

Community Aspirations

The Community aspirations, developed under the four pillars of the community priorities are:

- 1) Society
Healthy, safe, vibrant and connected communities.
- 2) Economy
Progressive, connected communities that enable economic growth and employment.
- 3) Environment
A healthy and sustainable natural and built environment.
- 4) Civic Leadership
Working with others to ensure the best use of our resources.

REPORTING PROGRAM DESCRIPTIONS

Council operations that are disclosed encompass the following service orientated activities/programs:

GOVERNANCE

Objective: To provide a decision making process for the efficient allocation of scarce resources.
Activities: Includes the activities of members of Council and the administrative support available to the Council for the provision of governance of the district. Other costs relate to the task of assisting elected members and ratepayers on matters that do not concern specific Council services.

GENERAL PURPOSE FUNDING

Objective: To collect revenue to allow for the provision of services.
Activities: Collection of rates, general purpose government grants and interest revenue.

Note 2. Operating Revenues and Expenses (continued)

(b) Statement of Objectives, Reporting Programs and Nature or Type (continued)

LAW, ORDER, PUBLIC SAFETY

Objective: To provide services to help ensure a safer and environmentally conscious Community.
Activities: Supervision and enforcement of various local laws relating to fire prevention, animal control and protection of the environment and other aspects of public safety including emergency services.

HEALTH

Objective: To provide services to achieve community and environmental health.
Activities: Maternal and infant health facilities, immunisation, meat inspection services, inspection of food outlets, noise control and pest control services.

EDUCATION AND WELFARE

Objective: To provide services to children, youth, the elderly and disadvantaged persons.
Activities: Pre-school and other education services, child minding facilities, playgroups, senior citizens centres, meals on wheels and home care services.

COMMUNITY AMENITIES

Objective: To provide services required by the Community.
Activities: Rubbish collection services, operation of rubbish disposal sites, litter control, construction and maintenance of urban storm water drains, protection of the environment, administration of town planning schemes and public conveniences.

RECREATION AND CULTURE

Objective: To establish and effectively manage infrastructure and resources which will help the social wellbeing of the community.
Activities: Maintenance of public halls, civic centre, aquatic centre, beaches, recreation centres and various sporting facilities. Provision and maintenance of parks, gardens and playgrounds. Operation of library, museum and other cultural facilities.

TRANSPORT

Objective: To provide safe, effective and efficient transport services to the Community.
Activities: Construction (if not capitalised) and maintenance of roads, streets, footpaths, depots, cycleways, parking facilities and traffic control. Water transport facilities, cleaning of streets, maintenance of street trees and street lighting.

Note 2. Operating Revenues and Expenses (continued)

(b) Statement of Objectives, Reporting Programs and Nature or Type (continued)

ECONOMIC SERVICES

Objective: To help promote the City and its economic wellbeing.

Activities: Tourism and provision of rural services including weed control, vermin control and standpipes.
Building control services.

OTHER PROPERTY AND SERVICES

Objective: To monitor and control council's overhead operating accounts.

Activities: Plant repair, operational costs and engineering costs.

(c) Nature or Type Classifications

In accordance with Australian Accounting Standards, the City of Wanneroo is required to disclose revenue and expenditure according to its nature or type classification. Additionally, the following nature or function descriptions are required by State Government regulations.

REVENUE

Rates

All rates levied under the *Local Government Act 1995*. This includes general, differential, specific area Rates, minimum Rates, interim Rates, back Rates and ex-gratia Rates, less discounts offered. This excludes administration fees, interest on instalments, interest on arrears, service charges and waste and sewerage

Operating Grants, Subsidies and Contributions

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

Non-Operating Grants, Subsidies and Contributions

These are amounts received specifically for the acquisition, construction of new or the upgrade of non-current assets. They are included irrespective of whether these amounts are received as capital grants, subsidies, contributions or donations.

Note 2. Operating Revenues and Expenses (continued)

(c) Nature or Type Classifications (continued)

Profit on Asset Disposal

Profit on the disposal of fixed assets.

Fees and Charges

Revenue (other than service charges) from the use of facilities and charges made for local government services, rentals, hire charges, fee for service, photocopying charges, licences, sale of goods or information, fines, penalties and administration fees.

Service Charges

Service charges imposed under Division 6 of Part 6 of the *Local Government Act 1995*. Regulation 54 of the *Local Government (Financial Management) Regulations* identifies the charges which can be raised. These charges are television and radio rebroadcasting, underground electricity, property surveillance and security and water services. This excludes rubbish removal and charges for the provision of waste services. The City has not levied service charges for the years ended 30 June 2017 and 30 June 2018.

Interest Earnings

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

Other Revenue

Other revenue, which cannot be classified under the above headings. This includes dividends, discounts and rebates (if any).

EXPENDITURE

Employee Costs

All costs associated with the employment of persons such as salaries, wages, allowances, benefits, superannuation, employment expenses, relocation expenses, worker's compensation insurance, training costs, conferences, safety expenses, medical examinations and fringe benefits tax.

Material and Contracts

All expenditure on materials, supplies and contracts not classified under other headings. These include supply of goods and materials, legal expenses, consultancy, maintenance agreements, communication expenses, advertising expenses, membership, periodicals, publications, hire expenses, rental, leases, postage and freight.

Utilities (Gas, Electricity, Water and Telephones)

Expenditures made to respective agencies for the provision of power, gas, water or telephones. This excludes expenditure incurred for the re-instatement of services after road works on behalf of these agencies.

Notes to the Financial Statements

for the year ended 30 June 2018

Note 2. Operating Revenues and Expenses (continued)

(c) Nature or Type Classifications (continued)

Depreciation and Amortisation on Non-Current Assets

Depreciation and amortisation expense raised on all classes of assets except land.

Loss on Asset Disposal

Loss on the disposal of fixed assets. Losses are disclosed under the expenditure classifications.

Interest Expenses

Interest and other costs of finance paid, including costs of finance for loans, overdraft accommodation and re-financing expenses.

Insurance

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

Other Expenditure

Statutory fees, taxes and provision of bad debts. Donations and subsidies made to community groups and expenditure not otherwise classified.

City of Wanneroo

Notes to the Financial Statements

for the year ended 30 June 2018

Note 2. Operating Revenues and Expenses (continued)

	Opening Balance ¹ 01-Jul-16	Received ² 2017	Expended ³ 2017	Closing Balance ¹ 30-Jun-17	Received ² 2018	Expended ³ 2018	Closing Balance 30-Jun-18
(d) Conditions Over Grants, Subsidies & Contributions							
Grant/Subsidy/Contribution							
Economic Development							
Economic Development Initiatives for Two Rocks	92,000	-	-	92,000	-	-	92,000
Economic Development Initiatives for Lot 12 Marmion Ave Jindalee	76,800	-	-	76,800	-	-	76,800
Economic Development Contributions for Somerly	42,200	-	-	42,200	-	-	42,200
Emergency Services & Environmental Protection							
Emergency Services Levy Grant	76,185	437,058	(432,193)	81,050	323,131	(319,915)	84,266
Emergency Services - Two Rocks Bushfire Brigade	-	-	-	-	204,360	(204,360)	-
Emergency Relief Funding LotteryWest	40,747	(18,147)	(22,600)	-	-	-	-
Coast Protection Works Quinns Rocks Long Term Coastal Management	65,000	-	(65,000)	-	-	-	-
Girrawheen Greening Project	1,000	-	-	1,000	-	-	1,000
Health & Fitness							
Age Friendly Grant 2017 - Department of Local Government & Communities	10,000	-	(7,696)	2,304	-	(2,304)	-
Volunteer Grant 2017 - Department of Social Services	3,750	-	(3,750)	-	-	-	-
Kidsport 2017/2018 - Department of Sports and Recreation	-	-	-	-	581,270	(581,270)	-
Your Move Project 2015/2016	44,041	(1,156)	(42,885)	-	-	-	-
Abbeville Park Fitness Equipment - Department of Sports and Recreation	-	10,000	-	10,000	-	(3,713)	6,287
Tauranga Park Fitness Equipment - Department of Sports and Recreation	-	17,000	-	17,000	-	(17,000)	-
Floodlighting Leatherback Park	-	140,000	-	140,000	-	(140,000)	-
Eco Floodlighting John Moloney Park	-	-	-	-	20,000	(16,196)	3,804
Gumblossom Park conversion of cricket nets to softball batting cages	-	-	-	-	13,500	(3,955)	9,545

(continued on next page)



Notes to the Financial Statements
for the year ended 30 June 2018

Note 2. Operating Revenues and Expenses (continued)

	Opening Balance ¹ 01-Jul-16	Received ² 2017	Expended ³ 2017	Closing Balance ¹ 30-Jun-17	Received ² 2018	Expended ³ 2018	Closing Balance 30-Jun-18
\$							
(d) Conditions Over Grants, Subsidies & Contributions (continued)							
Grant/Subsidy/Contribution (continued)							
Youth Services							
North Zone Youth Services - Department of Child Protection & Family Services		147,933	(144,839)	3,094	149,131	(152,225)	-
Clarkson Youth Centre Updates		-	-	-	10,000	(846)	9,154
Buildings							
Gumblossom Community Centre Storage Room Construction	2,519	-	(2,519)	-	-	-	-
- Quinns Football Club Contribution	-	-	-	-	666,250	-	666,250
Changerooms & Floodlighting at Banksia Grove Sports Ground	-	-	-	-	300,000	(159,503)	140,497
Sport Amenities Building & Carpark Riverlinks Park	-	-	-	-	70,000	(5,023)	64,977
Quinns Beach Patrol Tower	-	-	-	-	20,000	-	20,000
Warradale Park Universal Access Toilet	-	-	-	-	-	-	550,000
Alexander Heights Day Club Construction - Department of Health		550,000		550,000	-	-	204,693
Girrawheen Seniors Community Hall		-		-	278,000	(73,307)	
Recreation & Culture							
Community Garden Roseworth	-	-	-	-	50,000	-	50,000
Girrawheen Multicultural Community Office & Senior Hall	-	-	-	-	100,000	(21,539)	78,461
Story Telling at Alkimos	-	-	-	-	5,000	(3,283)	1,717
Banksia Grove Dog Exercise Area	-	-	-	-	200,000	(9,094)	190,906
Scenic Park Construction of Petanque Pitch	-	-	-	-	13,500	(2,140)	11,360
Department of Health - HACC Bus Funds diverted to My Life My Words Project 2014	5,209	-	-	5,209	-	-	5,209

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City of Wanneroo

Notes to the Financial Statements
for the year ended 30 June 2018

Note 2. Operating Revenues and Expenses (continued)

	Opening Balance ¹ 01-Jul-16	Received ² 2017	Expended ³ 2017	Closing Balance ¹ 30-Jun-17	Received ² 2018	Expended ³ 2018	Closing Balance 30-Jun-18
\$							
Roads							
Prindville Road Intersection Upgrade Contribution - Clifford Locke Scott Langdon & John Buback as Managers & Receivers of Watson Property	112,645	-	-	112,645	-	-	112,645
Prindville Road Intersection Upgrade Contribution - Endeavor Properties Pty	87,229	-	-	87,229	-	-	87,229
Prindville Road Intersection Upgrade Contribution - Watson Property	77,325	-	-	77,325	-	-	77,325
Prindville Road Intersection Upgrade Contribution - ABN Group	215,267	-	-	215,267	-	-	215,267
Traffic Management Scheme Landsdale Road Darch							
- Department of Infrastructure	54,254	-	(54,254)	-	-	-	-
Project Management Cost - Road Resurfacing Program 2015/2016	272,078	-	(272,078)	-	-	-	-
Design Consultancy & Construction Marmion Avenue Duplication							
- Lukin Drive to Butler Boulevard - Main Roads WA	1,123,126	1,333,333	(2,392,360)	64,099	-	(64,099)	-
Mirrabooka Avenue Road Improvement Grant Funding - Main Roads WA	1,466,667	-	(213,617)	1,253,050	513,600	(1,717,930)	48,720
Bravado Nominees P/L Lot 75 Cooper Street Madeley	10,000	-	-	10,000	-	-	10,000
Lancaster Industrial Park P/L	76,747	-	-	76,747	-	-	76,747
Watson Property Group Woodvale Ltd Cont to Madeley Rise							
Stage 5 Madeley	42,216	-	-	42,216	-	-	42,216
Re Ledger Pty Ltd - Curtin Road Marangaroo	2,730	-	-	2,730	-	(2,730)	-
Peet & Co - Yanchep Ocean Lagoon Contributions	450	-	-	450	-	(450)	-
Peet & Co - Contributions East Road/Wanneroo Road	12,701	-	-	12,701	-	(12,701)	-
Civil Technology - East Wanneroo Road Intersection	3,050	-	-	3,050	-	(3,050)	-
AHG - Wanneroo Road & Lancaster Road	77,234	-	-	77,234	-	(77,234)	-
Geary Ray - Drainage Upgrade- High Road	11,135	-	-	11,135	-	-	11,135
Silverton Limited - Lots 1000 & 1001 Quinns North	6,000	-	-	6,000	-	(6,000)	-
Australand - Contribution for East Road/Wanneroo Road Upgrade	14,757	-	-	14,757	-	(14,757)	-
Stockland WA - Round-a-bout - Driver Road & Waterford Parade							
Stage 7 Ashdale Gardens	18,000	-	-	18,000	-	-	18,000
Zebra Properties Pty Ltd - Wanneroo Cell No 6	16,200	-	-	16,200	-	(16,200)	-
Australand Investments Const of Round-a-bout Intersection of Librizzi Parade & Basico Avenue (Olive Ridge Stage 1 & 2)	20,265	-	-	20,265	-	-	20,265

(continued on next page)



City of Wanneroo

Notes to the Financial Statements

for the year ended 30 June 2018

Note 2. Operating Revenues and Expenses (continued)

	Opening Balance ¹ 01-Jul-16	Received ² 2017	Expended ³ 2017	Closing Balance ¹ 30-Jun-17	Received ² 2018	Expended ³ 2018	Closing Balance 30-Jun-18
\$							
(d) Conditions Over Grants, Subsidies & Contributions (continued)							
Grant/Subsidy/Contribution (continued)							
Roads (continued)							
Re-Lot 84 Nicholas Road, Subdivision 06/047 second part of a two part stormwater into the City's Ranworth Road Drainage Swale - Marauba P/L	24,000	-	-	24,000	-	(24,000)	-
Re-Lot 84 Nicholas Road, Subdivision 06/047 second part of a two part stormwater into the City's Ranworth rd Drainage Swale							
- Mammoth Nominees P/L	176,000	-	-	176,000	-	(176,000)	-
Peet Ashton Heights Contribution for future resurfacing of round-a-bouts in Ashton Heights	25,000	-	-	25,000	-	-	25,000
Compensation for road widening at Lot 600 Wattle Avenue Neerabup	1,028,120	-	-	1,028,120	-	-	1,028,120
Signalised intersection contribution Stage 1 1 for Yanchep Beach Road Jindowie	121,875	-	(121,875)	-	-	-	-
Contribution for round-a-bout at Shiraz & Cabernet Loop Pearsall	55,571	-	-	55,571	-	-	55,571
Construction of Neerabup Road duplication (Connolly Drive to Bunnings access)		1,670,195	(1,088,148)	582,047	-	(582,047)	-
Mendelawitz Morton Quality Settlements - Landsdale Cell 9 Road Construction Contribution for Subdivision of Lot 507 Pederick Road, Neerabup	252,178	-	-	252,178	-	(252,178)	-
(Road Deed No 2)	2,022,077	-	-	2,022,077	-	-	2,022,077

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City of Wanneroo

Notes to the Financial Statements

for the year ended 30 June 2018

Note 2. Operating Revenues and Expenses (continued)

	Opening Balance ¹ 01-Jul-16	Received ² 2017	Expended ³ 2017	Closing Balance ¹ 30-Jun-17	Received ² 2018	Expended ³ 2018	Closing Balance 30-Jun-18
\$							
(d) Conditions Over Grants, Subsidies & Contributions (continued)							
Grant/Subsidy/Contribution (continued)							
Contribution for Subdivision of Lot 507 Pederick Road, Neerabup (Road Deed No 1)	1,503,803	-	-	1,503,803	-	-	1,503,803
Intersection upgrade at Caporn Street Sinagra - Department of Infrastructure Design Consultancy & Construction Marmion Avenue Duplication		463,870	(191,619)	272,251	-	(272,251)	-
- Butler Boulevard to Yanchep Beach Road - Main Roads WA		23,000,000	-	23,000,000	-	(540,050)	22,459,950
Blackmore Avenue Traffic calming - Department of Transport		30,000	-	30,000	60,000	(8,955)	81,045
Installation of Anti-skid treatment on North and South intersection of Mirabooka Drive/Marangaroo Drive Girrawheen		38,400	(27,880)	10,520	44,000	(54,520)	-
Road resurfacing 2016-2017 Carramar Road Carramar		39,578	(30,344)	9,234	-	(9,234)	-
Public Transport Authority Bus Shelter Maintenance Subsidy		-	-	-	26,561	(26,561)	-
Wanneroo Road/Prindiville Drive Intersection WAPC 152199		-	-	-	42,223	-	42,223
Road resurfacing 2018-2019 Wonambi Way Wanneroo		-	-	-	257,500	-	257,500
Road resurfacing 2018-2019 Mudalla Way Wanneroo		-	-	-	82,500	-	82,500
Road resurfacing 2018-2019 Woonan St Wanneroo		-	-	-	55,000	-	55,000
Road resurfacing 2018-2019 Neaves Rd & Timely Marigninup		-	-	-	40,000	-	40,000
Road resurfacing 2018-2019 Ghangara Road/Hartman & RAB		-	-	-	42,500	-	42,500
Road resurfacing 2018-2019 Hartman Dr outer lane		-	-	-	48,959	-	48,959
Road resurfacing 2018-2019 Hartman Dr North bound shoulder		-	-	-	17,665	-	17,665
Road resurfacing 2018-2019 Paramount Dr/Achievement Bvd RAB		-	-	-	43,500	-	43,500
Road resurfacing 2018-2019 Motivation Bvd/Challenge Way/Excellence Bvd		-	-	-	30,000	-	30,000
Road resurfacing 2018-2019 Arrigo St Wangara		-	-	-	30,000	-	30,000
Road resurfacing 2018-2019 Dobbins St Wangara		-	-	-	72,500	-	72,500
Road resurfacing 2018-2019 Mega St Wanneroo		-	-	-	60,000	-	60,000
East Landdale		-	-	-	85,101	-	85,101
Wanneroo Road Service Road/flynn Drive to Hall Road		-	-	-	36,066	-	36,066

(continued on next page)

Note 2. Operating Revenues and Expenses (continued)

	Opening Balance ¹ 01-Jul-16	Received ² 2017	Expended ³ 2017	Closing Balance ¹ 30-Jun-17	Received ² 2018	Expended ³ 2018	Closing Balance 30-Jun-18
\$							
(d) Conditions Over Grants, Subsidies & Contributions (continued)							
Grant/Subsidy/Contribution (continued)							
Safer WA							
Upgrade Graffiti Management and Reporting System Project	77	-	(77)	-	-	-	-
Aware Grant Funding 2017-2018	-	-	-	-	8,000	(8,000)	-
CCTV Hub Kingsway Sporting Complex - Department of Attorney General	-	150,000	-	150,000	30,000	(180,000)	-
Total Unspent Grants, Subsidies & Contributions	<u>9,388,228</u>	<u>28,008,064</u>	<u>(5,113,734)</u>	<u>32,282,558</u>	<u>4,699,817</u>	<u>(5,764,620)</u>	<u>31,217,755</u>

Grants/contributions which had been recognised as revenues in a previous reporting period or received in the current reporting period and that were expended in the current reporting period in the manner specified by the contributor.

Notes:

- (1) - Grants/contributions recognised as revenue in a previous reporting period that were not expended at the close of the previous period.
(2) - New grants/contributions which were recognised as revenues during the reporting period and that had not yet been fully expended in the manner specified by the contributor.
(3) - Grants/contributions received throughout the financial year and were fully expended are not disclosed in the above note.
(4) - Unspent funds returned to grantor.

City of Wanneroo

Notes to the Financial Statements
for the year ended 30 June 2018**Note 3. Cash and Cash Equivalents**

\$	Notes	2018 Actual	2017 Actual
Unrestricted			
Cash Municipal		11,098,638	18,589,233
Cash on Hand		15,016	16,196
		<u>11,113,654</u>	<u>18,605,429</u>
Restricted			
Reserves - Cash Backed		199,336,903	179,140,478
Town Planning Schemes		122,536,318	118,378,852
Unspent Grants		31,217,755	32,282,558
Unspent Loans		10,253,972	11,023,990
		<u>363,344,948</u>	<u>340,825,878</u>
Total Cash and Cash Equivalents	14(a)	<u>374,458,602</u>	<u>359,431,307</u>
The following items have been restricted:			
Alkimos/Eglinton Coastal Corridor Community Facilities Reserve	12	12,545,298	11,341,202
Asset Renewal Reserve	12	12,333,455	11,250,050
Asset Replacement Reserve	12	5,995,469	4,786,149
Butler Collaborative Planning Agreement Reserve	12	3,040,272	2,960,483
Carried Forward Capital Projects Reserve	12	4,667,264	5,524,685
Coastal Infrastructure Management Reserve	12	10,692,264	7,490,388
Domestic Refuse Reserve	12	8,706,177	8,571,718
Fleming Park Lake Reserve	12	225,964	220,034
Golf Course Reserve	12	1,632,824	1,593,554
Home and Community Care Asset Replacement Reserve	12	-	619,126
Land Acquisition Reserve	12	2,740,167	2,178,175
Leave Liability Reserve	12	1,545,239	1,708,512
Loan Repayment Reserve	12	22,168,923	20,937,950
Neerabup Development Reserve	12	5,215,877	4,524,110
Plant Replacement Reserve	12	9,019,502	10,090,454
Regional Open Space Reserve	12	8,292,852	5,155,485
Section 152 Reserve (formerly Section 20A Land Reserve)	12	1,583,665	1,589,909
Strategic Projects/Initiatives Reserve	12	81,553,562	71,307,498
Sustainability Investment Reserve (formerly Environmental Initiatives Reserve)	12	-	127,540
TPS 20 - District Distributor Road Headworks Reserve	12	6,955,091	6,772,576
Yanchep Bus Reserve	12	103,337	98,397
Yanchep/Two Rocks Coastal Corridor Community Facilities Reserve	12	319,701	292,483
Total Reserves		<u>199,336,903</u>	<u>179,140,478</u>
Unspent Grants and Contributions	2(d)	31,217,755	32,282,558
Unspent Loan Funds	23(c)	10,253,972	11,023,990
Total Unspent Grants and Loans		<u>41,471,727</u>	<u>43,306,548</u>
Town Planning Schemes		122,536,318	118,378,852
Total Town Planning Schemes		<u>122,536,318</u>	<u>118,378,852</u>
Total Restricted Cash		<u>363,344,948</u>	<u>340,825,878</u>

City of Wanneroo

Notes to the Financial Statements for the year ended 30 June 2018

Note 4. Investments

\$	Notes	2018 Actual	2017 Actual
Non Current			
Equity Accounted Investments			
Tamala Park Regional Council	17(a)(ii)	7,622,058	6,865,580
Mindarie Regional Council	17(b)(ii)	11,317,751	10,935,823
Local Government House Trust	17(c)(ii)	77,334	-
		<u>19,017,143</u>	<u>17,801,403</u>
Total Investments		<u><u>19,017,143</u></u>	<u><u>17,801,403</u></u>
Classified as:			
Unrestricted (Municipal Fund)		19,017,143	17,801,403
Total Investments		<u><u>19,017,143</u></u>	<u><u>17,801,403</u></u>

Note 5. Trade & Other Receivables

\$	Notes	2018 Actual	2017 Actual
Current			
Rates Outstanding (Inclusive of Refuse and Swimming Pool Inspection)	32(b)	14,478,509	12,797,340
Prepayments		484,893	688,777
GST Receivable		887,653	81,542
Accrued Income		5,319,733	4,712,012
Sundry Debtors	32(b)	1,230,465	1,690,895
Provision for Doubtful Debts		(776,730)	(752,546)
Total Current Trade & Other Receivables		<u><u>21,624,523</u></u>	<u><u>19,218,020</u></u>
Non-Current			
Rates Outstanding - Pensioners		3,060,808	2,642,923
Deferred Debtors		-	7,355
Total Non-Current Trade & Other Receivables		<u><u>3,060,808</u></u>	<u><u>2,650,278</u></u>
Total Current and Non-Current Trade & Other Receivables		<u><u>24,685,331</u></u>	<u><u>21,868,298</u></u>

City of Wanneroo

Notes to the Financial Statements for the year ended 30 June 2018

Note 6. Inventories

\$	2018 Actual	2017 Actual
Current		
Stores and Materials (Held at Cost)	316,384	355,123
Total Current Inventories	<u><u>316,384</u></u>	<u><u>355,123</u></u>
Non-Current		
Land Held for Resale - Development Costs	21,396,956	19,612,517
Total Non-Current Inventories	<u><u>21,396,956</u></u>	<u><u>19,612,517</u></u>

Notes to the Financial Statements

for the year ended 30 June 2018

Note 7. Property, Plant and Equipment

\$	Notes	2018 Actual	2017 Actual
(a) Carrying Amounts			
Land - Fair Value *		137,603,333	331,318,059
Land - Cost		-	713,546
		<u>137,603,333</u>	<u>332,031,605</u>
Buildings - Fair Value		171,147,700	163,570,386
Buildings - Cost		-	20,149,659
less: Accumulated Depreciation		-	(6,181,473)
		<u>171,147,700</u>	<u>177,538,572</u>
Furniture and Equipment - Fair Value		8,237,638	5,109,671
Furniture and Equipment - Cost		-	4,017,618
less: Accumulated Depreciation		-	(2,567,509)
		<u>8,237,638</u>	<u>6,559,780</u>
Plant and Equipment - Fair Value		17,083,308	19,187,014
Plant and Equipment - Additions after Revaluation - Cost		5,769,702	2,865,762
less: Accumulated Depreciation		(7,140,637)	(4,195,412)
		<u>15,712,373</u>	<u>17,857,364</u>
Works in Progress - Cost		4,906,063	20,644,821
		<u>4,906,063</u>	<u>20,644,821</u>
Total Property, Plant & Equipment	7(b)	<u><u>337,607,107</u></u>	<u><u>554,632,142</u></u>

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

* Land and Building were first revalued in Financial Year 2014/15. In Financial Year 2014/15, vested Crown lands with restricted use (with regional significance) were valued using "Cost approach" in determining fair value. These vested lands were revalued at 30 June 2018 using "Leasehold Interest approach" in determining fair value.

Notes to the Financial Statements

for the year ended 30 June 2018

Note 7 Property, Plant and Equipment (continued)

(b) Movements in Carrying Amounts

\$	Notes	Land Fair Value	Buildings Fair Value	Furniture and Equipment Fair Value	Plant and Equipment Fair Value	Works in Progress Cost	Total
Balance as at 1 July 2016		332,031,605	172,004,594	5,616,617	20,371,705	3,959,200	533,983,721
Additions		-	5,450,238	2,140,322	3,030,040	20,074,549	30,695,149
Transfers from Works in Progress		-	3,294,564	84,363	10,001	(3,388,928)	-
Disposals		-	-	(5,205)	(1,184,691)	-	(1,189,896)
Depreciation	2(a)	-	(3,210,824)	(1,276,317)	(4,369,691)	-	(8,856,832)
Property, Plant & Equipment at 30 June 2017		332,031,605	177,538,572	6,559,780	17,857,364	20,644,821	554,632,142
Balance as at 30 June 2017		332,031,605	177,538,572	6,559,780	17,857,364	20,644,821	554,632,142
Additions	20	10,433	15,224,141	4,158,741	3,031,854	4,185,796	26,610,965
Transfers from Works in Progress		9,228	19,859,993	55,271	62	(19,924,554)	-
Disposals - Excluding Revaluations	21	(109,848)	(111,227)	-	(1,830,046)	-	(2,051,121)
Revaluation - Decrements	13	(194,338,085)	(37,957,309)	(611,067)	-	-	(232,906,461)
Depreciation	2(a)	-	(3,406,470)	(1,925,087)	(3,346,861)	-	(8,678,418)
Property, Plant & Equipment at 30 June 2018	7(a)	137,603,333	171,147,700	8,237,638	15,712,373	4,906,063	337,607,107

Notes to the Financial Statements

for the year ended 30 June 2018

Note 8 Infrastructure Assets

\$	Notes	2018 Actual	2017 Actual
(a) Carrying Amounts			
Roads - Fair Value		1,121,814,763	1,121,814,763
Roads - Additions after Valuation - Cost		27,851,556	-
less: Accumulated Depreciation		(14,246,183)	-
		<u>1,135,420,136</u>	<u>1,121,814,763</u>
Drainage - Fair Value		372,823,358	372,823,358
Drainage - Additions after Valuation - Cost		3,154,166	-
less: Accumulated Depreciation		(3,396,061)	-
		<u>372,581,463</u>	<u>372,823,358</u>
Other Infrastructure - Fair Value		59,965,094	59,965,094
Other Infrastructure - Cost		2,870,236	-
less: Accumulated Depreciation		(3,554,599)	-
		<u>59,280,731</u>	<u>59,965,094</u>
Pathways - Fair Value		135,514,683	135,514,683
Pathways - Additions after Valuation - Cost		2,015,648	-
less: Accumulated Depreciation		(2,530,332)	-
		<u>134,999,999</u>	<u>135,514,683</u>
Car Parks - Fair Value		42,021,070	42,021,070
Car Parks - Additions after Valuation - Cost		937,731	-
less: Accumulated Depreciation		(325,687)	-
		<u>42,633,114</u>	<u>42,021,070</u>
Reserves - Fair Value		194,698,376	194,698,376
Reserves - Additions after Valuation - Cost		11,011,560	-
less: Accumulated Depreciation		(6,224,593)	-
		<u>199,485,343</u>	<u>194,698,376</u>
Works in Progress		9,943,148	10,980,122
		<u>9,943,148</u>	<u>10,980,122</u>
Total Infrastructure	8(b)	<u><u>1,954,343,934</u></u>	<u><u>1,937,817,466</u></u>

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

Notes to the Financial Statements

for the year ended 30 June 2018

Note 8 Infrastructure Assets (continued)

(b) Movements in Carrying Amounts

\$	Notes	Roads Fair Value	Drainage Fair Value	Other Infrastructure Fair Value	Pathways Fair Value	Car Parks Fair Value	Reserves Fair Value	Works in Progress Cost	Total
Balance as at 1 July 2016		1,023,114,549	199,973,017	49,197,249	103,528,680	10,595,454	176,338,953	2,243,450	1,564,991,352
Additions		43,773,456	5,126,773	2,699,940	5,103,455	188,694	16,178,868	9,833,691	82,904,877
Transfers from Works in Progress		434,165	21,265	27,741	141,668	291,604	180,576	(1,097,019)	-
Revaluations - Increments	13	69,760,627	170,379,072	11,990,583	28,794,668	31,365,613	9,424,347	-	321,714,910
Depreciation	2(a)	(15,268,034)	(2,676,769)	(3,950,419)	(2,053,788)	(420,295)	(7,424,368)	-	(31,793,673)
Infrastructure at 30 June 2017		1,121,814,763	372,823,358	59,965,094	135,514,683	42,021,070	194,698,376	10,980,122	1,937,817,466
Restated Balance as at 30 June 2017		1,121,814,763	372,823,358	59,965,094	135,514,683	42,021,070	194,698,376	10,980,122	1,937,817,466
Additions	20	21,976,569	3,032,737	2,311,232	2,005,548	640,436	10,813,283	6,024,118	46,803,923
Transfers from Works in Progress		5,874,987	121,429	559,004	10,100	297,295	198,277	(7,061,092)	-
Depreciation	2(a)	(14,246,183)	(3,396,061)	(3,554,599)	(2,530,332)	(325,687)	(6,224,593)	-	(30,277,455)
Infrastructure at 30 June 2018	8(a)	1,135,420,136	372,581,463	59,280,731	134,999,999	42,633,114	199,485,343	9,943,148	1,954,343,934

Notes to the Financial Statements
for the year ended 30 June 2018

Note 9. Trade and Other Payables

	2018 Actual	2017 Actual
\$		
Current Trade and Other Payables		
Trade Payables	17,316,915	22,466,183
Bonds and Security Deposits	6,129,236	5,546,166
Total Current Trade and Other Payables	<u>23,446,151</u>	<u>28,012,349</u>

Note 10. Long Term Borrowings

	Notes	2018 Actual	2017 Actual
\$			
Non-Current Borrowings			
Secured by Floating Charge - Loans	14 (c), 23(a)	69,078,188	66,378,188
Total Non-Current Borrowings		<u>69,078,188</u>	<u>66,378,188</u>

Additional detail on borrowings is provided in Note 23.

Notes to the Financial Statements
for the year ended 30 June 2018

Note 11. Provisions

	2018 Actual	2017 Actual
\$		
Current Provisions		
Provision for Annual Leave	5,719,280	5,828,433
Provision for Long Service Leave	5,765,709	5,784,339
Provision for Time in Lieu	99,677	98,942
Provision for Sick Leave	335,410	319,063
Provision for Purchased Leave	102,558	71,001
Provision for Workers Compensation	3,442,495	4,518,238
Total Current Provisions	<u>15,465,129</u>	<u>16,620,016</u>

Based on current trends it is expected that approximately \$8,054,000 will be paid with respect to Current Provisions in the next Financial Year

Non-Current Provisions

Provision for Long Service Leave	1,647,152	1,619,272
Total Non-Current Provisions	<u>1,647,152</u>	<u>1,619,272</u>

Movements in Provisions

Class of Provision	2017	2018		
	Opening Balance as at 1/7/17	Additional Provisions	Decrease due to Payments	Remeasurement effects due to Discounting
Provision for Annual Leave	5,828,433	5,349,422	(5,458,575)	-
Provision for Long Service Leave	7,403,611	1,128,632	(1,154,623)	35,241
Provision for Time in Lieu	98,942	180,699	(179,964)	-
Provision for Sick Leave	319,063	37,897	(21,550)	-
Provision for Additional Leave Agreement	71,001	303,024	(271,467)	-
Provision for Workers Compensation	4,518,238	(209,694)	(866,049)	-
TOTAL	-	18,239,288	6,789,980	(7,952,228)

City of Wanneroo

Notes to the Financial Statements
for the year ended 30 June 2018

Note 12. Reserves - Cash/Investment Backed

	2018 Actual	2018 Budget	2017 Actual
\$			
(a) Alkimos/Eglinton Coastal Corridor Community Facilities Reserve			
Opening Balance	11,341,202	11,563,922	10,225,362
Amount Set Aside/Transfer to Reserve	1,257,829	2,634,595	1,186,783
Amount Used/Transfer from Reserve	(53,733)	(79,200)	(70,943)
	12,545,298	14,119,317	11,341,202
(b) Asset Renewal Reserve			
Opening Balance	11,250,050	13,222,432	7,012,070
Amount Set Aside/Transfer to Reserve	2,301,643	2,297,505	4,237,980
Amount Used / Transfer from Reserve	(1,218,238)	(2,000,000)	-
	12,333,455	13,519,937	11,250,050
(c) Asset Replacement Reserve			
Opening Balance	4,786,149	4,796,572	4,498,742
Amount Set Aside/Transfer to Reserve	2,135,245	2,107,923	2,124,540
Amount Used/Transfer from Reserve	(925,925)	(2,358,750)	(1,837,133)
	5,995,469	4,545,745	4,786,149
(d) Butler Collaborative Planning Agreement Reserve			
Opening Balance	2,960,483	2,964,471	2,878,128
Amount Set Aside/Transfer to Reserve	79,789	66,701	82,355
	3,040,272	3,031,172	2,960,483
(e) Carried Forward Capital Projects Reserve			
Opening Balance	5,524,685	5,524,685	9,515,574
Amount Set Aside/Transfer to Reserve	4,667,264	-	5,524,685
Amount Used/Transfer from Reserve	(5,524,685)	(5,524,685)	(9,515,574)
	4,667,264	-	5,524,685

City of Wanneroo

Notes to the Financial Statements
for the year ended 30 June 2018

Note 12. Reserves - Cash/Investment Backed (continued)

	2018 Actual	2018 Budget	2017 Actual
\$			
(f) Coastal Infrastructure Management Reserve			
Opening Balance	7,490,388	7,223,311	6,042,049
Amount Set Aside/Transfer to Reserve	3,201,876	3,162,524	1,448,339
	10,692,264	10,385,835	7,490,388
(g) Domestic Refuse Reserve			
Opening Balance	8,571,718	8,531,554	8,346,169
Amount Set Aside/Transfer to Reserve	230,312	191,960	238,507
Amount Used/Transfer from Reserve	(95,853)	(1,212,000)	(12,958)
	8,706,177	7,511,514	8,571,718
(h) Fleming Park Lake Reserve			
Opening Balance	220,034	220,331	213,913
Amount Set Aside/Transfer to Reserve	5,930	4,957	6,121
	225,964	225,288	220,034
(i) Golf Course Reserve			
Opening Balance	1,593,554	1,447,005	1,465,539
Amount Set Aside/Transfer to Reserve	387,508	382,558	469,933
Amount Used/Transfer from Reserve	(348,238)	(1,292,500)	(341,918)
	1,632,824	537,063	1,593,554
(j) Home and Community Care Asset Replacement Reserve			
Opening Balance	619,126	587,752	541,505
Amount Set Aside/Transfer to Reserve	38,154	43,224	77,621
Amount Used/Transfer from Reserve	(657,280)	-	-
	-	630,976	619,126
(k) Land Acquisition Reserve			
Opening Balance	2,178,175	2,671,278	2,117,746
Amount Set Aside/Transfer to Reserve	561,992	560,104	60,595
Amount Used/Transfer from Reserve	-	-	(166)
	2,740,167	3,231,382	2,178,175

City of Wanneroo

Notes to the Financial Statements for the year ended 30 June 2018

Note 12. Reserves - Cash/Investment Backed (continued)

	2018 Actual	2018 Budget	2017 Actual
\$			
(l) Leave Liability Reserve			
Opening Balance	1,708,512	1,554,010	1,460,204
Amount Set Aside/Transfer to Reserve	46,047	84,965	248,308
Amount Used/Transfer from Reserve	(209,320)	-	-
	<u>1,545,239</u>	<u>1,638,975</u>	<u>1,708,512</u>
(m) Loan Repayment Reserve			
Opening Balance	20,937,950	20,959,824	18,569,409
Amount Set Aside/Transfer to Reserve	1,230,973	971,596	2,368,541
	<u>22,168,923</u>	<u>21,931,420</u>	<u>20,937,950</u>
(n) Materials Recovery Facility Upgrade Reserve			
Opening Balance	-	-	94,189
Amount Set Aside/Transfer to Reserve	-	-	2,695
Amount Used / Transfer from Reserve	-	-	(96,884)
* Land and Building were first revalued in Financial Year 2014/15	-	-	-
(o) Neerabup Development Reserve			
Opening Balance	4,524,110	4,549,749	4,694,253
Amount Set Aside/Transfer to Reserve	1,122,039	1,102,369	132,270
Amount Used/Transfer from Reserve	(430,272)	(2,354,668)	(302,413)
	<u>5,215,877</u>	<u>3,297,450</u>	<u>4,524,110</u>
(p) Plant Replacement Reserve			
Opening Balance	10,090,454	9,090,490	5,684,841
Amount Set Aside/Transfer to Reserve	849,904	6,163,011	6,084,225
Amount Used/Transfer from Reserve	(1,920,856)	(7,535,328)	(1,678,612)
	<u>9,019,502</u>	<u>7,718,173</u>	<u>10,090,454</u>
(q) Regional Open Space Reserve			
Opening Balance	5,155,485	5,162,432	5,012,070
Amount Set Aside/Transfer to Reserve	3,137,367	3,116,155	143,415
Amount Used / Transfer from Reserve	-	-	-
	<u>8,292,852</u>	<u>8,278,587</u>	<u>5,155,485</u>

City of Wanneroo

Notes to the Financial Statements for the year ended 30 June 2018

Note 12. Reserves - Cash/Investment Backed (continued)

	2018 Actual	2018 Budget	2017 Actual
\$			
(r) Section 152 Reserve (formerly Section 20A Land Reserve)			
Opening Balance	1,589,909	1,592,052	1,545,681
Amount Set Aside/Transfer to Reserve	42,850	35,821	44,228
Amount Used / Transfer from Reserve	(49,094)	(351,125)	-
	<u>1,583,665</u>	<u>1,276,748</u>	<u>1,589,909</u>
(s) Strategic Projects/Initiatives Reserve			
Opening Balance	71,307,498	64,102,418	74,443,227
Amount Set Aside/Transfer to Reserve	30,483,480	1,442,304	18,845,128
Amount Used/Transfer from Reserve	(20,237,416)	(23,684,101)	(21,980,857)
	<u>81,553,562</u>	<u>41,860,621</u>	<u>71,307,498</u>
(t) Sustainability Investment Reserve (formerly Environmental Initiatives Reserve)			
Opening Balance	127,540	77,644	75,383
Amount Set Aside/Transfer to Reserve	3,437	1,747	52,157
Amount Used/Transfer from Reserve	(130,977)	(50,000)	-
	<u>-</u>	<u>29,391</u>	<u>127,540</u>
(u) TPS 20 - District Distributor Road Headworks Reserve			
Opening Balance	6,772,576	6,781,711	6,584,185
Amount Set Aside/Transfer to Reserve	182,515	152,588	188,391
	<u>6,955,091</u>	<u>6,934,299</u>	<u>6,772,576</u>
(v) Yanchep Bus Reserve			
Opening Balance	98,397	103,530	95,660
Amount Set Aside/Transfer to Reserve	4,940	7,329	2,737
	<u>103,337</u>	<u>110,859</u>	<u>98,397</u>
(w) Yanchep/Two Rocks Coastal Corridor Community Facilities Reserve			
Opening Balance	292,483	1,038,752	165,179
Amount Set Aside/Transfer to Reserve	478,789	2,830,292	1,445,333
Amount Used/Transfer from Reserve	(451,571)	(37,500)	(1,318,029)
	<u>319,701</u>	<u>3,831,544</u>	<u>292,483</u>
Total Reserves	<u><u>199,336,903</u></u>	<u><u>154,646,296</u></u>	<u><u>179,140,478</u></u>

Note 12. Reserves - Cash/Investment Backed (continued)

	2018	2018	2017
\$	Actual	Budget	Actual
Summary of Reserve Transfers			
Transfers to Reserves			
Alkimos/Eglinton Coastal Corridor Community Facilities Reserve	1,257,829	2,634,595	1,186,783
Asset Renewal Reserve	2,301,643	2,297,505	4,237,980
Asset Replacement Reserve	2,135,245	2,107,923	2,124,540
Butler Collaborative Planning Agreement Reserve	79,789	66,701	82,355
Carried Forward Capital Projects Reserve	4,667,264	-	5,524,685
Coastal Infrastructure Management Reserve	3,201,876	3,162,524	1,448,339
Domestic Refuse Reserve	230,312	191,960	238,507
Fleming Park Lake Reserve	5,930	4,957	6,121
Golf Course Reserve	387,508	382,558	469,933
Home and Community Care Asset Replacement Reserve	38,154	43,224	77,621
Land Acquisition Reserve	561,992	560,104	60,595
Leave Liability Reserve	46,047	84,965	248,308
Loan Repayment Reserve	1,230,973	971,596	2,368,541
Materials Recovery Facility Upgrade Reserve	-	-	2,695
Neerabup Development Reserve	1,122,039	1,102,369	132,270
Plant Replacement Reserve	849,904	6,163,011	6,084,225
Regional Open Space Reserve	3,137,367	3,116,155	143,415
Section 152 Reserve (formerly Section 20A Land Reserve)	42,850	35,821	44,228
Strategic Projects/Initiatives Reserve	30,483,480	1,442,304	18,845,128
Sustainability Investment Reserve (formerly Environmental Initiatives Reserve)	3,437	1,747	52,157
Town Planning Scheme 20 - District Distributor Road Headworks Reserve	182,515	152,588	188,391
Yanchep Bus Reserve	4,940	7,329	2,737
Yanchep/Two Rocks Coastal Corridor Community Facilities Reserve	478,789	2,830,292	1,445,333
Total Transfers to Reserves	52,449,883	27,360,228	45,014,887

Note 12. Reserves - Cash/Investment Backed (continued)

	2018	2018	2017
\$	Actual	Budget	Actual
Transfers from Reserves			
Alkimos/Eglinton Coastal Corridor Community Facilities Reserve	(53,733)	(79,200)	(70,943)
Asset Renewal Reserve	(1,218,238)	(2,000,000)	-
Asset Replacement Reserve	(925,925)	(2,358,750)	(1,837,133)
Carried Forward Capital Projects Reserve	(5,524,685)	(5,524,685)	(9,515,574)
Domestic Refuse Reserve	(95,853)	(1,212,000)	(12,958)
Golf Course Reserve	(348,238)	(1,292,500)	(341,918)
Home and Community Care Asset Replacement Reserve	(657,280)	-	-
Land Acquisition Reserve	-	-	(166)
Leave Liability Reserve	(209,320)	-	-
Materials Recovery Facility Upgrade Reserve	-	-	(96,884)
Neerabup Development Reserve	(430,272)	(2,354,668)	(302,413)
Plant Replacement Reserve	(1,920,856)	(7,535,328)	(1,678,612)
Regional Open Space Reserve	-	-	-
Section 152 Reserve (formerly Section 20A Land Reserve)	(49,094)	(351,125)	-
Strategic Projects/Initiatives Reserve	(20,237,416)	(23,684,101)	(21,980,857)
Sustainability Investment Reserve (formerly Environmental Initiatives Reserve)	(130,977)	(50,000)	-
Yanchep/Two Rocks Coastal Corridor Community Facilities Reserve	(451,571)	(37,500)	(1,318,029)
Total Transfers from Reserves	(32,253,458)	(46,479,857)	(37,155,487)
Total Net Transfer to/(from) Reserves	20,196,425	(19,119,629)	7,859,400

All of the cash backed reserve accounts are supported by money held in financial institutions and match the amounts shown as restricted cash in Note 3 to this financial report.

In accordance with Council resolutions in relation to each reserve account, the purpose for which the reserves are set aside are as follows:

Alkimos/Eglinton Coastal Corridor Community Facilities Reserve

To be used for accumulating Developer Contributions for the capital funding of community facilities and associated costs related to the administration and implementation of the Developer Contribution Plan in the Alkimos/Eglinton Development Contribution Area.

Asset Renewal Reserve

To be used for funding of asset renewal and upgrade works.

Asset Replacement Reserve

To be used for receiving the proceeds of the sale of significant property assets. Funds held are to be used in acquiring new or replacement assets for the City.

Butler Collaborative Planning Agreement Reserve

To be used for meeting future maintenance costs of infrastructure in Stage 1, Brighton Estate, Butler as established in the Butler Collaborative Planning Agreement and any such other related expenditure provided such expenditure shall be within the Brighton Estate.

Note 12. Reserves - Cash/Investment Backed (continued)

Carried Forward Capital Projects Reserve

To be used for accumulating funds to support the municipally funded carried forward capital works.

Coastal Infrastructure Management Reserve

To be used for accumulating funds to support Coastal Infrastructure capital works.

Domestic Refuse Reserve

To be used for additional requirements specifically needed for the provision of the domestic collection service.

Fleming Park Lake Reserve

To be used for holding funds provided by the developer for the upkeep and maintenance of the Fleming Park Lake.

Golf Course Reserve

To be used for the capital improvement of the Carramar and Marangaroo Golf Courses.

Home and Community Care Asset Replacement Reserve

Used for replacing Council's assets where the funding of the original asset was from HACC. This is a requirement of the operating funding agreement with HACC [now closed].

Land Acquisition Reserve

To be used for purchasing municipal land for road and drainage purposes.

Leave Liability Reserve

To be used for cashing back the liability of the City for long service leave and annual leave.

Loan Repayment Reserve

To be used for setting aside adequate funds over time to repay loan commitments per the City's Long Term Financial Plans Debt Management Policy.

Note 12. Reserves - Cash/Investment Backed (continued)

Materials Recovery Facility Upgrade Reserve

Used for setting aside funds (contributed by the Cities of Swan, Joondalup and Wanneroo) for the refitting of the Materials Recovery Facility. This reserve operates under a service agreement between the Cities of Wanneroo, Joondalup and Swan. The deficiency of funding will be contributed by equal share by the three Cities, should budgeted capital projects proceed. Now closed.

Neerabup Development Reserve

To be used for meeting the associated cost of developing the City's investment land in Neerabup.

Plant Replacement Reserve

To be used for replacing Council's plant and equipment.

Regional Open Space Reserve

To be used for accumulating funds to support regional open space capital works.

Section 152 Reserve (formerly Section 20A Land Reserve)

To be used for capital improvements on recreation reserves in the general locality from which funds were sourced.

Strategic Projects/Initiatives Reserve

To be used for accumulating funds to be used for the introduction of new or upgrade of existing services, maintenance, renewal, upgrade of existing assets and purchase of new assets or project works of the City over an expected period of 10 years. The annual funds transfer is derived from the rate setting surplus less municipal funding of capital works carried forward.

Sustainability Investment Reserve (formerly Environmental Initiatives Reserve)

Used for the provision of funding future costs associated with environmental needs and initiatives [now closed].

TPS 20 - District Distributor Road Headworks Reserve

To be used for the construction of District Distribution Roads associated with Town Planning Scheme 20.

Yanchep Bus Reserve

To be used for accumulating funds from the Yanchep Community for the costs associated with the replacement of the community bus.

Yanchep/Two Rocks Coastal Corridor Community Facilities Reserve

To be used for the purpose of accumulating Developer Contributions for the capital funding of community facilities and associated costs related to the administration and implementation of the Developer Contribution Plan in the Yanchep/Two Rocks Development Contribution Area.

The majority of these reserves are not expected to be used within a set period. Further transfers to the reserve accounts are expected to occur as funds are utilised.

Notes to the Financial Statements
for the year ended 30 June 2018

Note 13. Reserves - Asset Revaluation

\$	Notes	2018 Actual	2017 Actual
Asset revaluation reserves have arisen on revaluation of the following classes of assets:			
(a) Land			
Opening Balance		321,428,173	321,428,173
Revaluation Decrement	7(b)	(194,338,085)	-
		<u>127,090,088</u>	<u>321,428,173</u>
(b) Buildings			
Opening Balance		82,686,540	82,686,540
Revaluation Decrement	7(b)	(37,957,309)	-
		<u>44,729,231</u>	<u>82,686,540</u>
(c) Furniture and Equipment			
Opening Balance		246,092	246,092
Revaluation Decrement	7(b)	(611,067)	-
Transferred to Comprehensive Income		364,975	
		<u>-</u>	<u>246,092</u>
(d) Equity Accounted Investments			
Opening Balance		4,962,476	4,917,697
Revaluation Increment	17(b)(ii)	168,296	44,779
		<u>5,130,772</u>	<u>4,962,476</u>
(e) Infrastructure Assets			
Opening Balance		887,317,267	565,602,357
Revaluation Increment	8(b)	-	321,714,910
		<u>887,317,267</u>	<u>887,317,267</u>
Total Asset Revaluation Reserves		<u>1,064,267,358</u>	<u>1,296,640,548</u>

Notes to the Financial Statements
for the year ended 30 June 2018

Note 14. Notes to the Statement of Cash flows

\$	Notes	2018 Actual	2018 Budget	2017 Actual
(a) Reconciliation of Cash				
For the purposes of the Statement of Cash Flows, cash includes cash on hand and cash equivalents, net of outstanding bank overdrafts. Cash at the end of the reporting period is reconciled to the related items in the Statement of Financial Position as follows:				
Cash and Cash Equivalents	3	<u>374,458,602</u>	<u>301,505,396</u>	<u>359,431,307</u>
(b) Reconciliation of Net Cash Provided By Operating Activities to Net Result				
Net Result		55,673,596	61,937,228	101,176,783
Depreciation		38,955,873	45,000,000	40,650,505
(Profit)/Loss on Sale of Assets		(2,092,591)	(500,000)	(1,913,002)
Share of Net (Profits) of Associates		(306,412)	-	(53,258)
Loss on revaluation of plant and equipment		364,975	-	-
Town Planning Scheme Income (Inc. Interest)		(20,487,522)	(9,605,251)	(14,663,820)
Town Planning Scheme Expenses		12,526,286	11,081,425	7,090,210
Decrease/(Increase) in Receivables		(2,841,215)	(455,915)	699,242
Decrease/(Increase) in Provision for Doubtful Debts		24,182	-	(159,952)
Decrease/(Increase) in Inventories		38,739	(15,000)	29,933
Increase/(Decrease) in Payables & Accruals		(4,566,198)	376,704	3,074,811
Increase/(Decrease) in Employee Leave Entitlements		(770,964)	84,966	586,216
Increase/(Decrease) in Other Provisions		(356,043)	-	1,453,028
Grants/Contributions for the Development of Assets		(33,541,640)	(66,116,328)	(83,706,469)
Net Cash from Operating Activities		<u>42,621,066</u>	<u>41,787,829</u>	<u>54,264,227</u>
(c) Undrawn Borrowing Facilities Credit Standby Arrangements				
Bank Overdraft Limit		1,000,000	1,000,000	1,000,000
Credit Card Limit*		550,000	321,500	550,000
Credit Card Balance at Balance Date		(51,130)	(20,000)	(17,323)
Total Amount of Credit Unused		<u>1,498,870</u>	<u>1,301,500</u>	<u>1,532,677</u>
* The City of Wanneroo currently has the facility credit limit of \$550,000 (2017: \$550,000) with total amount of credit cards currently in use is \$308,500 (2017: \$298,500).				
Loan Facilities				
Loan Facilities - Non-Current	10	69,078,188	69,640,841	66,378,188
Total Facilities in Use at Balance Date		<u>69,078,188</u>	<u>69,640,841</u>	<u>66,378,188</u>

Note 15. Contingent Liabilities and Contingent Assets

The following assets and liabilities do not qualify for recognition in the Statement of Financial Position, but disclosure of existence is considered relevant to the users of Council's Financial Report.

Liabilities not recognised:

(a) Guarantees

(i) In line with the other equity holders in the Mindarie Regional Council (MRC) the City has accepted the contingent liability resulting from the provision of an irrevocable financial guarantee on behalf of MRC for its contractual liability to the Contractor undertaking the operation of the Resource Recovery Facility. The extent of the City's contingent liability is contingent on the type of default and whilst proportional and several (not joint and several) and is either limited to:

- (1) in case of termination, one sixth of any subsequent payment to the Contractor and the maximum amount that may be payable by the City under the Guarantee is one sixth of \$95.4M amounting to \$15.9M; and
- (2) in case of the MRC has failed to pay its normal operating obligations under the Resource Recovery Facility Agreement, the maximum amount that may be payable by the City under the Guarantee is \$1.04M per month.

The term of the guarantee is 20 years unless the MRC liability under the agreement with the contractor is fully extinguished earlier. This guarantee expires on 15 July 2029.

(b) Bank Guarantees

The City of Wanneroo currently holds bank guarantees of \$136,170,089 (2017: \$125,330,460) with respect to commercial customers and property developers.

(c) Other

(i) The City compulsorily acquired a portion of land at Lot 3 (185) Mary Street Wanneroo under the Land Administration Act 1997 (WA). The City's valuation (expert and legal advice) is in the vicinity of \$1,239,000. However, the claimants' compensation claim is \$2,150,000. The City paid \$1,156,850 on 24 August 2012 and the claimant is pursuing their claim. The matter has been mediated without resolution and will be scheduled for hearing in the Supreme Court. Subject to the decision of the Supreme Court, the City could be liable to pay the claimant the difference between what the City has already paid and the amount the claimant has claimed. Further the City could also be liable to pay legal fees and charges if the Supreme Court made the decision in the claimants favour.

(ii) The City is currently in dispute in relation to parcel of land at Lot 1 and 8 Wanneroo Road Wanneroo. The landowner has lodged a claim for compensation for injurious affection against the City and the Western Australian Planning Commission for the amount of \$14,085,000. The City's exposure is the amount of \$12,490,500. The landowner claims \$12,490,500 compensation for injurious affection to a land area of 1.1266 hectares. On the current Cell value, the area would attract \$1,950,000 per hectare acquisition value, totalling \$2,196,870. The matter was heard both in the State Administrative Tribunal (SAT) and then on appeal to the Supreme Court in which the City was successful on both occasions. The claimant has further appealed to the full bench of the Supreme Court. The appeal was heard by the full bench of the Supreme Court on 19 May 2018. On 12 October 2018 the Court of Appeal determined in favour of the Claimant's appeal and determined the Claimant's land was injuriously affected as a result of the City refusing a development application due to the allocation of public open space under the structure plan. Notwithstanding the Court of Appeal judgement, Main Roads WA has recently acquired the entirety of the subject land. Subsequently the Claimant has withdrawn their application for commercial arbitration for compensation from the City and at this stage there are no claims against the City in respect of this matter.

(iii) The City compulsorily acquired a portion of land at Lot 6 (359) Gngara Road Wangara under the Land Administration Act 1997 (WA). The City's valuation (expert and legal advice) is in the vicinity of \$1,623,300 however the claimants' compensation claim is \$9,093,574. The City paid \$1,460,970 on 29 July 2011 however the claimant pursued their claim in the Supreme Court. The matter was heard in the Supreme Court in late 2016 with judgement handed down on 26 October 2017 awarding the claimant the amount of \$1,916,937 plus applicable interest. The City paid the claimant the difference between what the City had already paid and the amount the Supreme Court awarded plus the applicable interest amounting to \$464,061. The Claimant has further appealed the judgement and the hearing is expected to be in the first half of 2019. Further the City could also be liable to pay legal fees and charges if the Supreme Court decides in the claimants favour.

Note 15. Contingent Liabilities and Contingent Assets (continued)

(iv) In accordance with District Planning Scheme No. 2, contributions have been collected to undertake infrastructure and capital works in respect of East Wanneroo (Cells 1 to 9). Excess contributions (after all infrastructure and capital works, and all other deductions) are required to be distributed back to the parties that made the contributions. The unspent funds at any time is recorded with the Town Planning Schemes Equity section of the Statement of Financial Position.

Note 16. Capital and Leasing Commitments

	2018 Actual	2017 Actual
\$		
Capital Expenditure Commitments		
Contracted for:		
- Land and Building Works	2,509,180	8,881,800
- Engineering Works	3,686,215	1,559,185
- Parks Works	1,397,794	1,219,172
- Plant & Equipment Purchases	3,031,521	1,203,617
Total Capital Expenditure Commitments	10,624,710	12,863,774
Payable:		
- Not later than one year	10,624,710	12,863,774
Total Capital Expenditure Commitments	10,624,710	12,863,774

Note 17 Equity Accounted Investments

(a) Tamala Park Regional Council

The City of Wanneroo, along with the City of Perth, City of Joondalup, City of Stirling, City of Vincent, Town of Cambridge and Town of Victoria Park is a member of the Tamala Park Regional Council. The establishment of the Tamala Park Regional Council was pursuant to Section 3.61 of the *Local Government Act 1995*. The Tamala Park Regional Council formally came into existence on the 3 February 2006. The Tamala Park Regional Council's activities centre around the development of Mindarie lot 9504 on Deposit Plan 52070. Lot 9504 (subdivided from Lot 118) was initially purchased in 1981 to provide a refuse landfill site for member councils of the Mindarie Regional Council, this lot is now being developed with a purpose of creating a new urban land development and a new urban community. The City of Wanneroo will contribute one sixth of any funding required for capital or operating costs and also receive one sixth of net proceeds.

	2018	2017
	Actual	Actual

(i) Retained Surplus Attributable to Equity Accounted Investments

Balance at beginning of the financial year	272,790	226,100
Share of Profit from activity after tax	27,750	46,690
Balance at end of the Financial Year	300,540	272,790

(ii) Carrying Amount of Equity Accounted Investments

Balance at beginning of the financial year	6,865,580	8,203,429
Share of profit/(loss) from activity after tax	27,750	46,690
Share of Revaluation of Assets	-	-
Distribution to participants	(666,666)	(1,833,333)
Movement in Capital Contributions	1,395,394	448,794
Balance at end of the Financial Year	7,622,058	6,865,580

The City's interest in the Tamala Park Regional Council as at 30 June 2018 and 30 June 2017 is as follows:

Interest in Tamala Park Regional Council	7,622,058	6,865,580
Current Assets	7,349,644	6,587,378
Non-Current Assets	321,622	324,981
Total Assets	7,671,266	6,912,359
Current Liabilities	(48,350)	(46,346)
Non-Current Liabilities	(858)	(433)
Total Liabilities	(49,208)	(46,779)
Net Assets	7,622,058	6,865,580

Note 17. Equity Accounted Investments (continued)

(b) Mindarie Regional Council

The City of Wanneroo, along with the City of Perth, City of Joondalup, City of Stirling, City of Vincent, Town of Cambridge and Town of Victoria Park is a member of the Mindarie Regional Council. The Mindarie Regional Council's objective is to establish and operate a long term refuse disposal site on Mindarie Lot 9504 on Deposit Plan 52070. The City of Wanneroo has contributed one sixth of the land and establishment costs of the refuse disposal facility. The City uses the refuse disposal facility at Mindarie to deposit all non recyclable waste collected by the City's domestic waste services. Capital contributions paid during establishment are represented in the accounts of the City of Wanneroo as a Non- Current Asset.

	2018	2017
	Actual	Actual

(i) Retained Surplus Attributable to Equity Accounted Investments

Balance at beginning of the financial year	5,305,753	5,299,185
Share of (Loss)/Profit from activity after tax	201,328	(3,354)
Adjustment on Asset Disposal	-	9,922
Balance at end of the Financial Year	5,507,081	5,305,753

(ii) Carrying Amount of Equity Accounted Investments

Balance at beginning of the financial year	10,935,823	10,837,035
Share of profit/(loss) from activity after tax	201,328	(3,354)
Adjustment on Asset Disposal	-	9,922
Share of Revaluation of assets	168,296	44,779
Movement in Capital Contributions	12,304	47,441
Balance at end of the Financial Year	11,317,751	10,935,823

The City's interest in Mindarie Regional Council as at 30 June 2018 and 30 June 2017 is as follows:

Interest in Mindarie Regional Council	11,317,751	10,935,823
Current Assets	5,673,999	4,863,624
Non-Current Assets	9,686,624	9,995,588
Total Assets	15,360,623	14,859,212
Current Liabilities	(1,218,966)	(1,159,909)
Non-Current Liabilities	(2,823,906)	(2,763,480)
Total Liabilities	(4,042,872)	(3,923,389)
Net Assets	11,317,751	10,935,823

Notes to the Financial Statements
for the year ended 30 June 2018

Note 17. Equity Accounted Investments (continued)

(c) Local Government House Trust

The Local Government House Trust is an agreement between the Western Australian Local Government Association and the vast majority of Councils in the State for the provision of an office for the Western Australian Government Association.

No movement for the year ended 30 June 2018 has been included as financial information is not readily available at the date of this report. The movement is not expected to have a material impact on the financial statements as a whole.

	2018 Actual	2017 Actual
\$		
(i) Retained Surplus Attributable to Equity Accounted Investments		
Balance at beginning of the financial year	-	-
Share of (Loss)/Profit from activity after tax	77,334	-
Balance at end of the Financial Year	77,334	-
(ii) Carrying Amount of Equity Accounted Investments		
Balance at beginning of the financial year	-	-
Share of profit/(loss) from activity after tax	77,334	-
Balance at end of the Financial Year	77,334	-
The City's interest in Local Government House Trust as at 30 June 2018 and 30 June 2017 is as follows:		
Interest in Local Government House Trust	77,334	-
Current Assets	10,919	-
Non-Current Assets	206,232	-
Total Assets	217,151	-
Current Liabilities		
Non-Current Liabilities	(139,817)	-
Total Liabilities	(139,817)	-
Net Assets	77,334	-
Total Carry Amount - Equity Accounted Investments	19,017,143	17,801,403

Notes to the Financial Statements
for the year ended 30 June 2018

Note 18. Trust Funds

	Balance 01-Jul-17	Amounts Received	Amounts Paid	Balance 30-Jun-18
\$				
Funds held at balance date over which the Municipality has no control and which are not included in the financial statements are as follows:				
Miscellaneous/Appeals	31,919	3,206	(8,420)	26,705
Public Open Space	3,093,893	528,562	-	3,622,455
	3,125,812	531,768	(8,420)	3,649,160

Note 19. Total Assets Classified by Function and Activity

	2018 Actual	2017 Actual
\$		
Governance	57,590,442	55,466,515
Law, Order, Public Safety	1,867,142	1,949,607
Health	1,917,627	2,512,190
Education & Welfare	1,929,929	3,064,653
Community Amenities	47,546,459	58,767,466
Recreation & Culture	441,427,696	634,333,899
Transport	1,684,639,262	1,672,203,885
Economic Services	3,588,274	1,715,923
Other Property & Services	73,321,945	82,047,987
Unallocated (Assets other than Fixed Assets)	417,996,681	399,456,131
	2,731,825,457	2,911,518,256

Note 20. Acquisition of Assets

	2018 Actual	2018 Budget
\$		
By Class		
<i>Property, Plant & Equipment</i>	7(b)	
- Land	10,433	-
- Buildings	15,224,141	37,139,982
- Furniture and Equipment	4,158,741	9,131,974
- Plant and Equipment	3,031,854	7,915,328
- Works in Progress	4,185,796	-
<i>Infrastructure</i>	8(b)	
- Roads	21,976,569	54,905,130
- Drainage	3,032,737	7,006,823
- Parks & Gardens	-	12,774,131
- Other Infrastructure	2,311,232	175,000
- Pathways	2,005,548	4,195,296
- Car Parks	640,436	-
- Reserves	10,813,283	-
- Works in Progress	6,024,118	-
	73,414,888	133,243,664

Notes to the Financial Statements
for the year ended 30 June 2018

Note 20. Acquisition of Assets (continued)

	2018	2018
\$	Actual	Budget
The City received assets to the value of \$21,443,971 from developers. The value of these assets is included in total value of Acquisition of Assets \$73,414,888 in Note 20. The value of the assets by Class are as follows:		
<i>Infrastructure</i>		
- Roads	12,028,041	37,907,987
- Drainage	3,041,842	6,600,207
- Parks & Gardens	4,388,064	2,627,380
- Other Infrastructure	590,000	251,750
- Pathways	1,396,024	2,612,676
	21,443,971	50,000,000

Note 21. Disposal of Assets

\$	Notes	Net Book Value		Sale Price		Profit/(Loss)	
		Actual	Budget	Actual	Budget	Actual	Budget
The following assets were disposed of during the year. Amounts disclosed are net by Program and by Class.							
<u>By Program</u>							
Governance			953,365		500,000	-	(453,365)
Recreation and Culture		108,929	-	-	-	(108,929)	-
Health		2,240	-	-	-	(2,240)	-
Other Property and Services		2,960,877	-	5,164,637	953,365	2,203,760	953,365
		3,072,046	953,365	5,164,637	1,453,365	2,092,591	500,000
<u>By Class</u>							
<i>Land Held for Resale</i>		1,020,925	-	3,711,667	500,000	2,690,742	500,000
<i>Property, Plant & Equipment</i>	7(b)						
Land		109,848	-	-	-	(109,848)	-
Buildings		111,227				(111,227)	
Plant and Equipment		1,830,046	953,365	1,452,970	953,365	(377,076)	-
Total		3,072,046	953,365	5,164,637	1,453,365	2,092,591	500,000

The net book value disclosed above is net of any asset revaluation reserve amount applicable to particular assets disposed.

	2018	2018	2017
\$	Actual	Budget	Actual
<i>Summary</i>			
Profit on Asset Disposals	2,823,890	500,000	2,136,186
Loss on Asset Disposals	(731,299)	-	(223,184)
Net Profit/(Loss) on Disposal of Assets	2,092,591	500,000	1,913,002

Notes to the Financial Statements
for the year ended 30 June 2018

Note 22. Financial Ratios

The City undertook a comprehensive review of the methodology utilised when calculating the Financial Ratios during 2017/2018. The published ratios in previous year's Financial Reports were as follows :

	2017 Published Amount	2016 Published Amount
Asset Consumption Ratio	0.73:1	0.73:1
Asset Sustainability Ratio	0.23:1	0.28:1
Asset Renewal Funding Ratio	0.74:1	0.72:1

	Benchmark	2018	Restated 2017	Restated 2016
--	-----------	------	------------------	------------------

Liquidity Ratio

1. Current Ratio ⁽¹⁾

Current Assets less Restricted Current Assets	1.00 : 1	0.85 : 1	0.86:1	0.88:1
Current Liabilities less Liabilities Associated with Restricted Assets				

Debt Ratio

2. Debt Service Cover Ratio ⁽²⁾

Operating Surplus before Interest and Depreciation Expense	2.00 : 1	14.92 : 1	14.86 : 1	13.75 : 1
Principal and Interest Repayments				

Coverage Ratio

3. Own Source Revenue Coverage Ratio ⁽³⁾

Own Source Operating Revenue	0.40 : 1	1.05 : 1	1.00 : 1	1.04 : 1
Operating Expense				

Financial Performance Ratio

4. Operating Surplus Ratio ⁽⁴⁾

Operating Revenue less Operating Expense	0.01 : 1	0.11 : 1	0.09 : 1	0.09 : 1
Own Source Operating Revenue				

Asset Management Ratios

5. Asset Consumption Ratio ⁽⁵⁾

Depreciated Replacement Cost of Depreciable Assets	0.50 : 1	0.72 : 1	0.72 : 1	0.74 : 1
Current Replacement Cost of Depreciable Assets				

6. Asset Sustainability Ratio ⁽⁶⁾

Capital Renewal and Replacement Expenditure	0.90 : 1	0.34 : 1	0.32 : 1	0.45 : 1
Depreciation Expense				

7. Asset Renewal Funding Ratio ⁽⁷⁾

NPV of Planned Capital Renewals over 10 years	0.75 : 1	0.91 : 1	1.10 : 1	1.01 : 1
NPV of Required Capital Expenditure over 10 years				

Notes

- ⁽¹⁾ This ratio is designed to focus on the liquidity position of the Council that has arisen from past year's transactions.
- ⁽²⁾ This ratio is the measurement of Council's ability to repay its debt including lease payments.
- ⁽³⁾ This ratio is the measurement of Council's ability to cover its costs through its own revenue efforts.
- ⁽⁴⁾ This ratio is a measure of Council's ability to cover its operational costs and have revenues available for capital funding or other purposes.
- ⁽⁵⁾ This ratio measures the extent to which depreciable assets have been consumed by comparing their written down value to their replacement cost.
- ⁽⁶⁾ This ratio indicates whether Council is replacing or renewing existing non-financial assets at the same rate that its overall asset stock is wearing out. The City's Asset Sustainability Ratio is below the benchmark published by Department of Local Government, Sport and Cultural Industries as the City has relatively new asset base which does not require to incur large asset renewal and asset replacement expenditure at this point in time.
- ⁽⁷⁾ This ratio is a measure of the ability of Council to fund its projected asset renewal/replacements in the future.

Notes to the Financial Statements

for the year ended 30 June 2018

Note 23. Information on Borrowings

	Principal 01-Jul-17 Actual	Interest Repayments Actual	Budget	Principal 30-Jun-18 Actual	Budget
\$					
(a) Loan Repayments					
Loan 1					
Recreation & Culture					
- Wanneroo Regional Museum and Library	10,416,178	705,175	705,175	10,416,178	10,416,178
- Construct Community Centre - Butler	278,000	18,821	18,821	278,000	278,000
- Develop Accessible and Inclusive Playground	222,000	15,029	15,029	222,000	222,000
- Kingsway Regional Sporting Complex	20,840,902	1,385,621	1,385,620	20,840,902	20,840,902
- Upgrade Aquamation	7,926,000	536,590	536,590	7,926,000	7,926,000
- Yanchep Active Open Space	56,460	3,822	3,822	56,460	56,460
- Kingsway Regional Playground	650,000	44,005	44,005	650,000	650,000
- Yanchep Lagoon - Brazier Road Realignment	3,859,181	265,186	265,186	3,859,181	3,859,181
- Yanchep Surf Life Saving Club	1,157,500	140,207	140,207	1,157,500	1,157,500
- Southern Suburbs Library	5,800,000	373,612	373,612	5,800,000	5,800,000
Transport					
- Pinjar Road - Wanneroo and Carosa Road	728,849	49,343	49,343	728,849	728,849
- Upgrade Rocca Way Dundobar Road	54,715	696	696	54,715	54,715
- Flynn Drive Neerabup - Construct Road	3,367,220	175,132	175,132	3,367,220	3,367,220
Other Property & Services					
- Develop Industrial Estate - Neerabup	317,887	21,521	21,521	317,887	317,887
- Redevelop Wanneroo Townsite	1,214,615	82,229	82,229	1,214,615	1,214,615
- Redevelop Koondoola Precinct	1,293,000	87,536	87,536	1,293,000	1,293,000
- Develop Wangara Industrial Area (Lot 257)	43,857	35,881	35,881	43,857	43,857
- Develop Wangara Industrial Area (Lot 15)	2,550,024	174,155	174,155	2,550,024	2,550,024
- Lot 12 Fowey Loop	1,800	122	122	1,800	1,800

(continued on next page)

City of Wanneroo

Notes to the Financial Statements

for the year ended 30 June 2018

Note 23. Information on Borrowings (continued)

	Principal 01-Jul-17 Actual	Interest Repayments Actual	Budget	Principal 30-Jun-18 Actual	Budget
\$					
(a) Loan Repayments (continued)					
Loan 2					
Recreation & Culture					
- Yanchep Active Open Space Oval Ground Works	-	33,657	274,315	1,107,781	11,100,000
- Yanchep District Playing Fields	1,037,331	65,491	-	2,167,396	-
- Yanchep District Sports Amenities Building Stage 1	2,328,272	35,945	-	1,171,312	-
- Yanchep Surf Life Saving Club	439,828	117,076	-	3,853,511	-
	1,794,569				
	66,378,188	4,366,852	4,388,997	69,078,188	71,878,188
(b) New Loans					
Loan 2					
Recreation & Culture					
- Yanchep Active Open Space Oval Ground Works	-	63,065	89,236	1,898,066	3,262,653
- Yanchep District Playing Fields	-	-	-	-	-
- Yanchep District Sports Amenities Building Stage 1	-	24,304	-	731,484	-
- Yanchep Surf Life Saving Club	-	2,341	-	70,450	-
	-	89,710	89,236	2,700,000	3,262,653

Interest on unspent loans funds is recorded as an expense to General Purpose Funding. The interest amounts by each program will not necessarily equal the amounts shown within each program in the Statement of Comprehensive Income by Program. The funding percentage has been amended during the financial year.

Notes to the Financial Statements
for the year ended 30 June 2018

Note 23. Information on Borrowings (continued)

	Date Borrowed	Balance 01-Jul-17	Borrowed During Year	Expended During Year	Balance 30-Jun-18
\$					
(c) Unspent Loans					
Loan 1					
Recreation & Culture					
Kingsway Regional Sporting Complex	1 Dec 2006	1,898,232		(421,013)	1,477,219
Yanchep Lagoon	1 Nov 2010				
Yanchep SLSC	1 Nov 2010				
Southern Suburbs Library	1 Dec 2006	5,800,000	-	-	5,800,000
Transport					
Upgrade Rocca Way Dundobar Road	1 Dec 2006	-	-		-
Flynn Drive Neerabup - Construct Road	1 Dec 2006	1,811,340	-	(67,418)	1,743,922
Other Property & Services					
Develop Wangara Industrial Area (Lot 15)	1 Dec 2006	1,353,542	-	(120,711)	1,232,831
Loan 2					
Yanchep Development Area Projects					
Yanchep Active Open Space Oval Ground Works		-	1,898,066	(1,898,066)	-
Yanchep District Playing Fields		160,876	-	(160,876)	-
Yanchep District Sports Amenities Building Stage 1		-	731,484	(731,484)	-
Yanchep Surf Life Saving Club		-	70,450	(70,450)	-
		11,023,990	2,700,000	(3,470,018)	10,253,972

Notes to the Financial Statements
for the year ended 30 June 2018

Note 23. Information on Borrowings (continued)

* Under Section 6.20(4)(a) of the *Local Government Act 1995*, a change in purpose of the use of borrowings can be disclosed in the annual budget. This was done so as part of the 2017/18 Budget. As such, the table above indicates the resulting change in the unspent balance in column "Balance 01-Jul-17" resulting from the change of purpose of borrowings.

(d) Overdraft

The City operates separate bank accounts for the each of its Town Planning Schemes and Structure plans as recorded in Notes 3 and 33 . In addition to these bank accounts, the City uses four operating bank accounts, the Municipal Fund, Advance Account, Reserve Account and Trust Fund. The grouped total of these limits is \$1,000,000 and no overdraft was required as at 30 June 2017 or 30 June 2018.

City of Wanneroo

Notes to the Financial Statements
for the year ended 30 June 2018

Note 24. Rating Information (2017/18 Financial Year)

\$	Rate in \$ in Cents	Number of Properties	Value	Rate Revenue	Interim Rates	Total Revenue	Budget Rate Revenue	Budget Interim Rate	Budget Total Revenue
Rate Type									
Differential General Rate									
GRV - Residential Improved	8.1645	55,654	1,144,109,657	98,925,201	2,640,036	96,565,237	93,438,351	2,500,000	96,938,351
GRV - Residential Vacant	12.2300	2,756	59,414,250	7,266,368	(1,183,138)	6,083,230	7,298,743	-	7,298,743
GRV - Commercial/Industrial Improved	6.6120	2,707	319,607,813	21,132,469	938,617	22,071,086	21,047,062	480,000	21,527,062
GRV - Commercial/Industrial Vacant	6.1160	162	13,232,416	809,295	(52,774)	756,521	808,254	-	808,254
UV - Residential Improved	0.3851	183	152,750,920	588,243	9,176	597,419	584,276	-	584,276
UV - Residential Vacant	0.5387	151	677,713,000	3,650,840	(195,373)	3,455,467	3,686,328	-	3,686,328
UV - Commercial/Industrial Improved	0.2857	36	70,289,025	200,816	(146)	200,670	198,730	-	198,730
UV - Commercial/Industrial Vacant	0.3081	21	37,500,000	115,537	(22,437)	93,100	115,538	-	115,538
UV - Rural and Mining Improved	0.3736	400	599,773,092	2,240,752	(10,519)	2,230,233	2,244,599	-	2,244,599
UV - Rural and Mining Vacant	0.4081	85	86,544,015	353,186	(7,581)	345,605	353,152	-	353,152
Sub-Total		62,155	3,160,934,188	130,282,707	2,115,861	132,398,568	123,776,033	2,980,000	132,756,033

* GRV = Gross Rental Value
UV = Unimproved Value

City of Wanneroo

Notes to the Financial Statements
for the year ended 30 June 2018

Note 24. Rating Information (2017/18 Financial Year) (continued)

\$	Minimum Rates	Number of Properties	Rateable Value	Rate Revenue	Total Revenue	Budget Rate Revenue	Budget Total Revenue
Minimum Rates							
GRV - Residential Improved	1,337	12,428	183,882,202	16,616,236	16,616,236	16,618,909	16,618,909
GRV - Residential Vacant	875	2,017	11,415,960	1,764,875	1,764,875	1,755,249	1,755,249
GRV - Commercial/Industrial Improved	1,318	530	8,303,074	698,540	698,540	686,552	686,552
GRV - Commercial/Industrial Vacant	1,318	47	766,065	61,946	61,946	47,439	47,439
GRV - Commercial/Industrial Improved - Lesser Minimum Strata	659	68	414,939	44,812	44,812	46,122	46,122
UV - Residential Improved	1,337	3	865,055	4,011	4,011	4,011	4,011
UV - Residential Vacant	875	5	513,000	4,375	4,375	4,375	4,375
UV - Commercial/Industrial Improved	1,318	7	1,630,000	9,226	9,226	7,907	7,907
UV - Rural and Mining Improved	1,330	2	586,908	2,660	2,660	2,660	2,660
UV - Rural and Mining Vacant	894	36	182,623	32,184	32,184	31,277	31,277
Sub-Total		15,143	208,559,826	19,238,865	19,238,865	19,204,501	19,204,501

Ex Gratia Rates

25,425	20,000
151,662,858	151,980,534

* GRV = Gross Rental Value
UV = Unimproved Value

Notes to the Financial Statements

for the year ended 30 June 2018

Note 25. Discounts, Incentives, Concessions & Write-offs (2017/18 Financial Year)

\$	Type	Total Cost / Value	Budget Cost / Value
Details			
Debts Written Off	Write Off	87,063	87,051
Community Groups Rates Waiver	Waiver	87,051	90,000
		174,114	177,051

No rates discounts have been budgeted for the 2017/2018 Financial year.

Council has agreed, in accordance with Section 6.47 of the *Local Government Act 1995*, to waive the 2017/2018 Council Rates (excluding Emergency Services Levy) for land leased by the City to the following community groups):

- AJS Motorcycle Club of WA Inc.
- Kingsway Football & Sporting Club Inc.
- Olympic Kingsway Sports Club
- Pinjar Motorcycle Park Inc.
- Quinns Mindarie Surf Lifesaving Club Inc.
- Quinns Rocks Sports Club
- Tiger Kart Club Inc.
- Vikings Softball Club Inc & The Wanneroo Giants Baseball Club Inc.
- Wanneroo Agricultural Society
- Wanneroo Amateur Football Club Inc, Wanneroo Cricket Club, Wanneroo Junior Cricket Club Inc & Wanneroo Junic Football Club
- Wanneroo BMX Club
- Wanneroo City Soccer Club Inc.
- Wanneroo Districts Cricket Club Inc. & Wanneroo Districts Hockey Association Inc.
- Wanneroo Districts Netball Association
- Wanneroo Districts Rugby Union Football Club Inc.
- Wanneroo Horse & Pony Club
- Wanneroo Racing Pigeon Club
- Wanneroo Shooting Complex Inc.
- Wanneroo Sports & Social Club
- Wanneroo Tennis Club
- Wanneroo Trotting & Training Club Inc.
- West Australian Rifle Association Inc.
- Yanchep Golf Club
- Yanchep Sports Club Inc.
- Yanchep Surf Lifesaving Club Inc.
- Youth Futures WA (inc).

The circumstances in which the waiver is granted to sporting clubs is when Council believes financial support is warranted. The objective is improving these clubs financial viability in order to assist with the fostering of good health in the community.

Notes to the Financial Statements

for the year ended 30 June 2018

Note 26. Interest Charges and Instalments (2017/18 Financial Year)

\$	Interest Rate %	Admin. Charge	Revenue	Budgeted Revenue
Interest on Overdue Rates	8.45%	-	1,619,033	997,100
Interest on Instalments Plan	5.50%	-	716,965	724,214
			2,335,998	1,721,314
Administration Charges on Instalment Plan			379,592	403,250
			2,715,590	2,124,564

An interest rate of 8.45% (2017: 8.45%) was charged on all Rates, both current and arrears, that remain unpaid after 35 days from the issue date of the Rate notice (1 August 2017). Three option plans were available to ratepayers for payment of their Rates by instalments.

Option 1 (Full Payment)

Full amount of Rates and charges, including arrears, to be paid on or before 35 days from the issue date appearing on the Rate notice (5 September 2017).

Option 2 (Two instalments)

First instalment to be received on or before 35 days after the issue date appearing on the Rate notice, including all arrears and half of the current Rates and service charges (5 September 2017). The second and final instalment becomes due and payable 63 days after the due date of the first instalment (7 November 2017).

Option 3 (Four instalments)

First instalment to be received on or before 35 days after the issue date appearing on the Rate notice, including all arrears and a quarter of the current Rates and service charges (5 September 2017). The second, third and fourth instalments are to be made at 63 day intervals, thereafter (7 November 2017, 9 January 2018 and 13 March 2018).

Cost of the instalment Options

The cost of the instalment options will comprise simple interest of 5.5% (2017: 5.5%) per annum, calculated from the date of the first instalment is due and payable, together with an administration fee of \$5.00 (2017: \$5.00) for each instalment, excluding the first.

Special Arrangements and Late Payment Penalty

In addition to the late payment interest of 8.45%, an administration fee of \$25.00 (2017: \$25.00) per assessment is charged to any ratepayers wishing to enter into special payment agreements with the City.

City of Wanneroo

Notes to the Financial Statements for the year ended 30 June 2018

Note 27. Fees & Charges

	2018 Actual	2018 Budget	2017 Actual
\$			
Governance	17,395	8,375	21,391
General Purpose Funding	487,242	518,150	485,178
Law, Order, Public Safety	712,156	898,000	758,032
Health	336,443	330,000	432,935
Education and Welfare	415,524	358,344	339,668
Community Amenities	2,191,675	2,580,842	3,383,458
Recreation and Culture	6,740,444	7,251,954	7,113,483
Transport	1,059,952	1,225,000	1,042,439
Economic Services	2,053,232	2,539,400	2,411,383
Other Property and Services	6,780	206,099	5,951
	14,020,843	15,916,164	15,993,918

Note 28. Grants, Subsidies & Contributions

	2018 Actual	2017 Actual
\$		

Grants, subsidies and contributions are included as operating revenues in the Statement of Comprehensive Income:

(a) By Nature & Type

Operating Grants, Subsidies and Contributions	12,866,706	16,575,517
Non-Operating Grants, Subsidies and Contributions	33,541,640	83,706,469
	46,408,346	100,281,986

(b) By Program

Governance	566,670	383,579
General Purpose Funding	7,180,451	10,204,805
Law, Order, Public Safety	589,233	439,143
Health	147,855	178,790
Education & Welfare	3,253,771	3,574,109
Community Amenities	135,737	87,370
Recreation & Culture	9,901,595	10,052,313
Transport	24,565,825	75,213,274
Economic Services	4,128	4,030
Other Property & Services	63,081	144,573
	46,408,346	100,281,986

City of Wanneroo

Notes to the Financial Statements

* Land and Building were first revalued in Financial Year 2014/15. In Financial Year 2014/15, vested Crown lands with

Note 29. Employee Costs

	2018 Actual	2017 Actual
\$		
Wages and Salaries	62,922,536	63,331,629
Superannuation	7,058,481	6,806,213
Fringe Benefits Tax	315,453	344,820
Conference and Training	600,941	579,474
Workers' Compensation Insurance ¹	(364,026)	1,991,746
External Labour Hire	1,158,513	3,276,527
Protective Clothing & Uniforms	259,798	236,676
Staff Amenities (Milk/Tea/Coffee)	48,896	48,449
Vehicle Usage Reimbursements	3,278	18,075
Total Employee Costs	72,003,870	76,633,609
less: Capitalised Costs	(3,505,955)	(3,941,247)
	68,497,915	72,692,362

¹ In 2018 the City reduced its Workers Compensation Insurance Provision due to improved claims history.

City of Wanneroo

Notes to the Financial Statements for the year ended 30 June 2018

Note 30. Related Party Transactions

\$

Related Parties

The City's main related parties are as follows:

(a) Key Management Personnel

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any elected member, are considered key management personnel.

(b) Entities subject to significant influence by the City

An entity that has the power to participate in the financial and operating policy decisions of an entity but does not have control over those policies, is an entity which holds significant influence. Significant influence may be gained by share ownership, statute or agreement.

(c) Joint Venture Agreement accounted for under the equity method

The City has one sixth interest in two regional councils. These interest are accounted for in these financial statements using the equity method of accounting. Refer to Note 17 for details of these interests.

Councillor Remuneration and Allowances

	2018 Actual	2018 Budget	2017 Actual
\$			
The following fees, expenses and allowances were paid to council members and/or the president.			
Meeting Fees	473,328	482,642	479,137
Mayor's Allowance	88,864	88,864	88,856
Deputy Mayor's Allowance	22,742	25,716	22,214
Travelling & Other Expenses	23,028	110,800	13,129
Telecommunications Allowance	52,500	52,500	52,500
	660,462	760,522	655,836

Key Management Personnel (KMP) Compensation Disclosures

The total of remuneration paid to KMP of the City during the year are as follows:

Short-term employee benefits	1,604,648	1,504,743
Post-employment benefits	171,137	162,771
Other long-term benefits	33,748	34,716
	1,809,533	1,702,230

Short-term employee benefits

These amounts include all salary, paid leave, fringe benefits and cash bonuses awarded to KMP.

Post-employee benefits

These amounts are the current-year's estimated cost of providing the City's superannuation contributions made during the year.

Other long-term benefits

These amounts represent long service benefits accruing during the year.

City of Wanneroo

Notes to the Financial Statements for the year ended 30 June 2018

Note 30. Related Party Transactions (continued)

	2018 Actual	2017 Actual
\$		

Transactions with related parties

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

The following transactions occurred with related parties:

Associated companies/individuals:

Sale of goods and services	175,000	53,736
Commercial Lease Agreements	43,427	4,567

Notes to the Financial Statements

for the year ended 30 June 2018

Note 31. Town Planning Schemes

(a) Town Planning Schemes

The City's major land transactions incorporated in the 2017/2018 Financial Report relate to its role in Town Planning and Regional Development. In addition to its involvement with the Cities of Perth, Stirling and Joondalup and the Towns of Cambridge, Vincent and Victoria Park with Lot 17 Mindarie, the City has Town Planning Schemes and Development Areas in Operation:

Development Area	Locality
- Town Planning Scheme No 5 - Landsdale	- Landsdale
- East Wanneroo Development Area Cells 1-9	- East Wanneroo
- Berkley Road Local Structure Plan	- Marangaroo/Alexander Heights
- Neerabup Development	- Neerabup

The Development Contribution Plans for Yanchep/Two Rocks Community Facilities and Alkimos/Eglington Community Facilities are not disclosed in this note but they are disclosed in Note 36.

(i) Town Planning Scheme No 5 - Landsdale

An industrial zone guided development which was gazetted in June 1973. The total area of the scheme is approximately 100 hectares (ha). The western sectors comprising 47 ha is identified as Stage 1 and it was fully subdivided and developed in accordance with the scheme map several years ago.

The eastern sector of 53 ha known as Stage 2 is either low lying land comprising 2 ha parcels along Gnangara Road or an operating sand pit on two larger lots. Subdivision and development of this sector is entirely at the discretion of the individual land owners. It appears unlikely that there will be any subdivision or development undertaken in this sector in the short term.

	2018 Actual	2018 Budget	2017 Actual
\$			
Operating Income			
Interest on Investments	18,782	16,944	19,378
	18,782	16,944	19,378
Net Result	18,782	16,944	19,378

Notes to the Financial Statements

for the year ended 30 June 2018

Note 31. Town Planning Schemes (continued)

	2018 Actual	2018 Budget	2017 Actual
\$			
(i) Town Planning Scheme No 5 - Landsdale (continued)			
Financial Position			
ASSETS			
Current Assets			
Cash and Cash Equivalent Assets	715,914	715,984	697,132
Total Current Assets	715,914	715,984	697,132
TOTAL ASSETS	715,914	715,984	697,132
Net Assets	715,914	715,984	697,132
EQUITY			
Accumulated Surplus	715,914	715,984	697,132
Total Equity	715,914	715,984	697,132

East Wanneroo Development Area - Cells 1 - 9

The East Wanneroo Cells 1-9 provide for the development of the area generally east of Wanneroo Road between Hepburn Avenue and Flynn Drive. It will provide for residential, industrial and commercial subdivision/development to complement existing pockets of those land uses within the scheme area.

The area consists of 10 cells, which provide for regional infrastructure including public open space and regional roads. The format, structure and funding aspects are subject to ongoing review. The costing mechanisms are yet to be finalised for Cell 9.

(ii) East Wanneroo Development Area - Cell 1

	2018 Actual	2018 Budget	2017 Actual
\$			
Operating Income			
Headworks Levy	1,085,093	2,531,883	259,549
Interest on Investments	782,010	714,653	802,916
	1,867,103	3,246,536	1,062,465
Operating Expense			
Advertising	-	(100)	-
Compensation Payments - Public Open Space	(757,875)	(757,875)	-
Consulting Fees	-	(2,000)	(44,170)
Legal Fees	-	-	(1,202)
Administration Allocation	(49,476)	(17,563)	(193,000)
Audit Fees	-	-	(2,560)
Valuation Fees	(1,333)	-	-
	(808,684)	(777,538)	(240,932)
Net Result	1,058,419	2,468,998	821,533

City of Wanneroo

Notes to the Financial Statements for the year ended 30 June 2018

Note 31. Town Planning Schemes (continued)

	2018 Actual	2018 Budget	2017 Actual
\$			
(ii) East Wanneroo Development Area - Cell 1 (continued)			
Financial Position			
ASSETS			
Current Assets			
Cash and Cash Equivalent Assets	29,775,005	31,518,017	28,716,586
Total Current Assets	29,775,005	31,518,017	28,716,586
TOTAL ASSETS	29,775,005	31,518,017	28,716,586
LIABILITIES			
Nil			
Net Assets	29,775,005	31,518,017	28,716,586
EQUITY			
Accumulated Surplus	29,775,005	31,518,017	28,716,586
Total Equity	29,775,005	31,518,017	28,716,586

(iii) East Wanneroo Development Area - Cell 2

	2018 Actual	2018 Budget	2017 Actual
\$			
Operating Income			
Headworks Levy	-	609,049	1,778,423
Interest on Investments	230,972	184,220	207,328
	230,972	793,269	1,985,751
Operating Expense			
Advertising	-	(100)	-
Consulting Fees	-	(2,000)	(1,500)
Legal Fees	(1,850)	-	(1,202)
Valuation Fees	(1,333)	-	(206)
Administration Allocation	(34,245)	(17,563)	(72,743)
Audit Fees	(1,850)	-	-
	(39,278)	(19,663)	(75,651)
Net Result	191,694	773,606	1,910,100

City of Wanneroo

Notes to the Financial Statements for the year ended 30 June 2018

Note 31. Town Planning Schemes (continued)

	2018 Actual	2018 Budget	2017 Actual
\$			
(iii) East Wanneroo Development Area - Cell 2 (continued)			
Financial Position			
ASSETS			
Current Assets			
Cash and Cash Equivalent Assets	8,742,342	8,604,235	8,550,648
Total Current Assets	8,742,342	8,604,235	8,550,648
TOTAL ASSETS	8,742,342	8,604,235	8,550,648
LIABILITIES			
Nil			
Net Assets	8,742,342	8,604,235	8,550,648
EQUITY			
Accumulated Surplus	8,742,342	8,604,235	8,550,648
Total Equity	8,742,342	8,604,235	8,550,648

(iv) East Wanneroo Development Area - Cell 3

	2018 Actual	2018 Budget	2017 Actual
\$			
Operating Income			
Interest on Investments	39,215	37,267	41,930
	39,215	37,267	41,930
Operating Expense			
Advertising	-	(100)	-
Consulting Fees	(1,750)	(2,000)	(1,500)
Legal Fees	-	-	(1,202)
Administration Allocation	(18,810)	(17,563)	(48,672)
Valuation Fees	(1,333)	-	-
	(21,893)	(19,663)	(51,374)
Net Result	17,322	17,604	(9,444)

City of Wanneroo

Notes to the Financial Statements for the year ended 30 June 2018

Note 31. Town Planning Schemes (continued)

	2018 Actual	2018 Budget	2017 Actual
\$			
(iv) East Wanneroo Development Area - Cell 3 (continued)			
Financial Position			
ASSETS			
Current Assets			
Cash and Cash Equivalent Assets	1,473,755	1,502,566	1,456,433
Total Current Assets	1,473,755	1,502,566	1,456,433
TOTAL ASSETS	1,473,755	1,502,566	1,456,433
LIABILITIES			
Nil			
Net Assets	1,473,755	1,502,566	1,456,433
EQUITY			
Accumulated Surplus	1,473,755	1,502,566	1,456,433
Total Equity	1,473,755	1,502,566	1,456,433

(v) East Wanneroo Development Area - Cell 4

	2018 Actual	2018 Budget	2017 Actual
\$			
Operating Income			
Development Headworks Levy	5,406,846	489,879	1,492,963
Interest on Investments	348,001	382,075	423,326
	5,754,847	871,954	1,916,289
Operating Expense			
Advertising	-	(100)	-
Audit Fees	-	(3,000)	(23,328)
Compensation Payments - Public Open Space	(7,112,177)	-	-
Construction Costs	-	-	(131,324)
Consulting Fees	-	(2,000)	(1,500)
Legal Fees	(171,825)	-	(138,136)
Administration Allocation	(23,509)	(35,125)	(106,476)
Valuation Fees	(1,333)	-	-
	(7,308,844)	(40,225)	(400,764)
Net Result	(1,553,997)	831,729	1,515,525

City of Wanneroo

Notes to the Financial Statements for the year ended 30 June 2018

Note 31. Town Planning Schemes (continued)

	2018 Actual	2018 Budget	2017 Actual
\$			
(v) East Wanneroo Development Area - Cell 4 (continued)			
Financial Position			
ASSETS			
Current Assets			
Cash and Cash Equivalent Assets	13,085,021	13,001,664	14,639,018
Total Current Assets	13,085,021	13,001,664	14,639,018
TOTAL ASSETS	13,085,021	13,001,664	14,639,018
LIABILITIES			
Nil			
Net Assets	13,085,021	13,001,664	14,639,018
EQUITY			
Accumulated Surplus	13,085,021	13,001,664	14,639,018
Total Equity	13,085,021	13,001,664	14,639,018

(vi) East Wanneroo Development Area - Cell 5

	2018 Actual	2018 Budget	2017 Actual
\$			
Operating Income			
Development Headworks Levy	216,364	494,000	1,714,564
Interest on Investments	245,860	226,323	253,309
	462,224	720,323	1,967,873
Operating Expense			
Advertising	-	(100)	-
Compensation Payments - Public Open Space	(299,199)	(1,800,000)	(433,673)
Legal Fees	(57,288)	-	(14,857)
Consulting Fees		(2,000)	-
Administration Allocation	(23,508)	(35,125)	(63,391)
Audit Fees	(9,968)	(3,000)	-
Valuation Fees	(1,333)	-	-
Construction Costs	(762,694)	-	-
	(1,153,990)	(1,840,225)	(511,921)
Net Result	(691,766)	(1,119,902)	1,455,952

City of Wanneroo

Notes to the Financial Statements for the year ended 30 June 2018

Note 31. Town Planning Schemes (continued)

	2018 Actual	2018 Budget	2017 Actual
\$			
(vi) East Wanneroo Development Area - Cell 5 (continued)			
Financial Position			
ASSETS			
Current Assets			
Cash and Cash Equivalent Assets	8,461,938	6,361,483	9,153,704
Total Current Assets	8,461,938	6,361,483	9,153,704
TOTAL ASSETS	8,461,938	6,361,483	9,153,704
TOTAL LIABILITIES	-	-	-
Net Assets	8,461,938	6,361,483	9,153,704
EQUITY			
Accumulated Surplus	8,461,938	6,361,483	9,153,704
Total Equity	8,461,938	6,361,483	9,153,704

(vii) East Wanneroo Development Area - Cell 6

	2018 Actual	2018 Budget	2017 Actual
\$			
Operating Income			
Development Headworks Levy	1,431,362	197,429	1,399,820
Interest on Investments	752,159	723,603	783,945
	2,183,521	921,032	2,183,765
Operating Expense			
Advertising	-	(100)	-
Legal Fees	(182)	-	(1,202)
Construction Costs	(280,124)	(8,778)	(4,279)
Consulting Fees	-	(2,000)	(3,361)
Compensation Payments - Road Reserves	(430,544)	-	(536,250)
Administration Allocation	(47,220)	(35,125)	(69,635)
Compensation Payments - Public Open Space	-	-	(1,739,159)
Audit Fees	(9,966)	(3,000)	-
Survey Fees	(5,184)	-	-
Valuation Fees	(1,346)	-	-
	(774,566)	(49,003)	(2,353,886)
Net Result	1,408,955	872,029	(170,121)

City of Wanneroo

Notes to the Financial Statements for the year ended 30 June 2018

Note 31. Town Planning Schemes (continued)

	2018 Actual	2018 Budget	2017 Actual
\$			
(vii) East Wanneroo Development Area - Cell 6 (continued)			
Financial Position			
ASSETS			
Current Assets			
Cash and Cash Equivalent Assets	28,514,615	28,132,704	27,105,660
Total Current Assets	28,514,615	28,132,704	27,105,660
TOTAL ASSETS	28,514,615	28,132,704	27,105,660
LIABILITIES			
Nil			
Net Assets	28,514,615	28,132,704	27,105,660
EQUITY			
Accumulated Surplus	28,514,615	28,132,704	27,105,660
Total Equity	28,514,615	28,132,704	27,105,660

(viii) East Wanneroo Development Area - Cell 7

	2018 Actual	2018 Budget	2017 Actual
\$			
Operating Income			
Development Headworks Levy	130,422	-	-
Interest on Investments	83,683	92,899	122,813
	214,105	92,899	122,813
Operating Expense			
Advertising	-	(100)	-
Compensation Payments - Road Reserves	(430,544)	-	-
Legal Fees	(3,240)	-	(3,231)
Construction Costs	(3,574)	(8,778)	-
Contract Expenses	-	-	(1,745,905)
Consulting Fees	(1,500)	(2,000)	(7,835)
Administration Allocation	(59,461)	(17,563)	(109,916)
Survey Fees	(7,397)	-	-
Valuation Fees	(1,346)	-	-
	(507,062)	(28,441)	(1,866,887)
Net Result	(292,957)	64,458	(1,744,074)

City of Wanneroo

Notes to the Financial Statements for the year ended 30 June 2018

Note 31. Town Planning Schemes (continued)

	2018 Actual	2018 Budget	2017 Actual
\$			
(viii) East Wanneroo Development Area - Cell 7 (continued)			
Financial Position			
ASSETS			
Current Assets			
Cash and Cash Equivalent Assets	2,927,170	3,454,137	3,220,127
Total Current Assets	2,927,170	3,454,137	3,220,127
TOTAL ASSETS	2,927,170	3,454,137	3,220,127
LIABILITIES			
Nil			
Net Assets	2,927,170	3,454,137	3,220,127
EQUITY			
Accumulated Surplus	2,927,170	-	3,220,127
Total Equity	2,927,170	3,454,137	3,220,127

(ix) East Wanneroo Development Area - Cell 8

	2018 Actual	2018 Budget	2017 Actual
\$			
Operating Income			
Development Headworks Levy	2,217,539	733,200	653,990
Interest on Investments	125,877	48,289	101,792
	2,343,416	781,489	755,782
Operating Expense			
Construction Costs	-	-	(39,886)
Advertising	-	(100)	-
Compensation Payments - Road Reserves	(913,436)	(1,800,000)	(36,022)
Legal Fees	(93,914)	-	(14,857)
Consulting Fees	(9,967)	(2,000)	-
Administration Allocation	(43,866)	(35,125)	(96,125)
Audit Fees	(2,240)	(3,000)	-
Valuation Fees	(1,333)	-	-
Demolition Fees	(24,700)	-	-
	(1,089,456)	(1,840,225)	(186,890)
Net Result	1,253,960	(1,058,736)	568,892

City of Wanneroo

Notes to the Financial Statements for the year ended 30 June 2018

Note 31. Town Planning Schemes (continued)

	2018 Actual	2018 Budget	2017 Actual
\$			
(ix) East Wanneroo Development Area - Cell 8 (continued)			
Financial Position			
ASSETS			
Current Assets			
Cash and Cash Equivalent Assets	4,873,631	1,291,329	3,619,671
Total Current Assets	4,873,631	1,291,329	3,619,671
TOTAL ASSETS	4,873,631	1,291,329	3,619,671
Net Assets	4,873,631	1,291,329	3,619,671
EQUITY			
Accumulated Surplus	4,873,631	1,291,329	3,619,671
Total Equity	4,873,631	1,291,329	3,619,671

(x) East Wanneroo Development Area - Cell 9

	2018 Actual	2018 Budget	2017 Actual
\$			
Operating Income			
Development Headworks Levy	5,032,150	1,610,250	1,384,815
Interest on Investments	527,283	443,580	511,081
	5,559,433	2,053,830	1,895,896
Operating Expense			
Advertising	-	(100)	-
Legal Fees	-	-	(13,278)
Consulting Fees	(990)	(852,000)	(864,276)
Construction Costs	(176,888)	-	-
Compensation Payments - Public Open Space	(1,972,174)	(5,596,773)	(697,915)
Compensation Payments - Road Reserves	(245,183)	-	(532,418)
Administration Allocation	(59,297)	(35,125)	(96,202)
Reimbursement Expenses - Other	-	-	(346,314)
Valuation Fees	(1,333)	-	-
	(2,455,865)	(6,483,998)	(2,550,403)
Net Result	3,103,568	(4,430,168)	(654,507)

City of Wanneroo

Notes to the Financial Statements for the year ended 30 June 2018

Note 31. Town Planning Schemes (continued)

	2018 Actual	2018 Budget	2017 Actual
\$			
(x) East Wanneroo Development Area - Cell 9 (continue)			
Financial Position			
ASSETS			
Current Assets			
Cash and Cash Equivalent Assets	21,021,738	16,005,740	18,351,969
Total Current Assets	21,021,738	16,005,740	18,351,969
TOTAL ASSETS	21,021,738	16,005,740	18,351,969
LIABILITIES			
Current Liabilities			
Trade and Other Payables	(862,776)	-	(1,296,576)
Total Current Liabilities	(862,776)	-	(1,296,576)
TOTAL LIABILITIES	(862,776)	-	(1,296,576)
Net Assets	20,158,962	16,005,740	17,055,393
EQUITY			
Accumulated Surplus	20,158,962	16,005,740	17,055,393
Total Equity	20,158,962	16,005,740	17,055,393

(xi) Berkley Road Local Structure Plan

The Berkley Road Local Structure Plan rationalises the drainage sumps, road system and open space requirements for the residential development of the area. All subdividing landowners in the area pay a development headworks levy to the City and those funds are used to compensate those owners who actually provide the drainage, regional road and open space sites.

	2018 Actual	2018 Budget	2017 Actual
\$			
Operating Income			
Interest on Investments	77,286	69,708	79,763
	77,286	69,708	79,763
Operating Expense			
Administration Allocation	-	-	(166)
	-	-	(166)
Net Result	77,286	69,708	79,597

City of Wanneroo

Notes to the Financial Statements for the year ended 30 June 2018

Note 31. Town Planning Schemes (continued)

	2018 Actual	2018 Budget	2017 Actual
\$			
(xi) Berkley Road Local Structure Plan (continued)			
Financial Position			
ASSETS			
Current Assets			
Cash and Cash Equivalent Assets	2,945,189	2,949,622	2,867,903
Total Current Assets	2,945,189	2,949,622	2,867,903
TOTAL ASSETS	2,945,189	2,949,622	2,867,903
LIABILITIES			
Nil			
Net Assets	2,945,189	2,949,622	2,867,903
EQUITY			
Accumulated Surplus	2,945,189	2,949,622	2,867,903
Total Equity	2,945,189	2,949,622	2,867,903

(xii) Neerabup Industrial Area Structure Plan

The Neerabup Industrial Area Structure Plan No 17 is designed to provide for the industrial development contained within an area bounded by Wanneroo Road, Flynn Drive, Old Yanchep Road and Wattle Avenue. This industrial area will be a major employment centre for the North West residential corridor.

The format, structure and environmental aspects are being finalised for the ongoing development of the area. All landowners in the area will pay an infrastructure development contribution to the City for the provision of the shared infrastructure to service the industrial area.

The Neerabup Industrial Area Structure Plan has no operating transactions either in financial year 2016/2017 or 2017/2018.

City of Wanneroo

Notes to the Financial Statements for the year ended 30 June 2018

Note 31. Town Planning Schemes (continued)

\$	2018 Actual	2018 Budget	2017 Actual
(xii) Neerabup Industrial Area Structure Plan (continued)			
Financial Position			
LIABILITIES			
Trade and Other Payables	(3,448,943)	-	(3,448,943)
Total Current Liabilities	(3,448,943)	-	(3,448,943)
TOTAL LIABILITIES	(3,448,943)	-	(3,448,943)
Net Assets	(3,448,943)	-	(3,448,943)
EQUITY			
Accumulated Surplus	(3,448,943)	-	(3,448,943)
Total Equity/(Deficiency)	(3,448,943)	-	(3,448,943)
Total Equity of Planning/Land Development	118,224,599	113,537,481	113,633,332

(b) The development and subdivision of part Lot 118 Mindarie. (Tamala Park)

The City of Wanneroo, along with the City of Perth, City of Stirling, City of Joondalup and the Town of Cambridge, City of Vincent and Town of Victoria Park is a member of the Tamala Park Regional Council.

The activities on Tamala Park Regional Council centers around the development of part Lot 118 Mindarie. This lot has been developed during the current and previous financial years with the purposes of creating new urban land lots and a new urban community.

The City of Wanneroo will contribute one sixth of any funding required for capital or operating costs and will also be entitled to one sixth of the net revenue from the sale of lots of land.

\$	2018 Actual	2017 Actual
Income from Sales	3,711,667	3,322,186
Development Expenses	(3,670,315)	(2,825,965)
Surplus/(Deficit)	41,352	496,221

City of Wanneroo

Notes to the Financial Statements for the year ended 30 June 2018

Note 32. Financial Risk Management

\$

The City's activities expose it to a variety of financial risks including price risk, credit risk, liquidity risk and interest rate risk.

The City's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the City.

The City does not engage in transactions expressed in foreign currencies in the normal course of business and is therefore not subject to foreign currency risk.

Financial risk management is carried out by the City's Finance Business Unit under policies approved by the Council.

The City held the following financial instruments at balance date:

		Carrying Value		Fair Value	
	Notes	2018	2017	2018	2017
Financial Assets					
Cash and Cash Equivalents	3	374,458,602	359,431,307	374,458,602	359,431,307
Receivables (Current & Non-Current)	5	24,685,331	21,868,298	24,685,331	21,868,298
		<u>399,143,933</u>	<u>381,299,605</u>	<u>399,143,933</u>	<u>381,299,605</u>
Financial Liabilities					
Payables (Current & Non-Current)	9	23,446,151	28,012,349	23,446,151	28,012,349
Borrowings (Current & Non-Current)	10	69,078,188	66,378,188	69,078,188	66,378,188
		<u>92,524,339</u>	<u>94,390,537</u>	<u>92,524,339</u>	<u>94,390,537</u>

Fair Value is determined as follows:

- **Cash & Cash Equivalents**, Receivables, Payables - are estimated to be the carrying value which approximates market value.

- **Borrowings & Held to Maturity Investments** - are estimated future cash flows discounted by the current market interest rates applicable to assets and liabilities with similar risk profiles.

- Financial Assets classified (i) "at fair value through profit & loss" or (ii) **Available for Sale** - based on quoted market prices at the reporting date or independent valuation.

Note 32. Financial Risk Management (continued)

(a) Cash & Cash Equivalents, Financial Assets "at Fair Value through Profit & Loss",
"Available-for-Sale Financial Assets" and "Held-to-Maturity" Investments

The City's objective is to maximise its return on cash and investments, whilst maintaining an adequate level of liquidity and preserving capital.

The City has an Investment Policy which complies with the relevant legislations. The Policy is regularly reviewed by Council and an Investment Report is tabled before Council on a monthly basis setting out the make-up and performance of the portfolio.

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

A further risk associated with cash and investments is credit risk - the risk that the investment counterparty will not complete their obligations particular to a financial instrument, resulting in a financial loss to the City - be it of a capital or income nature.

The City manages these risks by diversifying its portfolio and only purchasing investments with high credit ratings or capital guarantees in accordance with investment restrictions prescribed in the Local Government (Financial Management) Regulations 1996.

	30-Jun-18	30-Jun-17
Impact of a 1% ⁽¹⁾ movement in interest rates on cash and investments		
Equity	3,744,586	3,812,996
Statement of Comprehensive Income	3,744,586	3,812,996

Notes:

(1) Sensitivity percentages based on management's expectations of future possible market movements. (Price movements calculated on investments subject to fair value adjustments. Interest rate movements calculated on cash, cash equivalents and managed funds.)

Note 32. Financial Risk Management (continued)

(b) Receivables

The City's major receivables comprise Rates and annual charges and user charges and fees.

The major risk associated with these receivables is credit risk - the risk that debts due and payable to the City may not be paid.

The City manages this risk by monitoring outstanding debt and employing stringent debt recovery procedures. It also encourages ratepayers to pay their Rates by the due date through incentives.

Credit risk on Rates and annual charges is minimised by the ability of the City to secure a charge over the land relating to the debts - that is, the land can be sold to recover the debt. The City is also able to charge interest on overdue Rates and annual charges, which further encourages the payment of debt.

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

The City makes suitable provision for doubtful receivables, as required, and carries out credit checks on most non-Rate debtors.

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

A profile of the City's current debtors credit risk at balance date is as follows:

	30-Jun-18	30-Jun-17
Rates and Annual Charges Outstanding		
0 - 30 Days	84,943	75,080
30 - 60 Days	110,704	97,850
60 - 90 Days	171,287	151,398
Over 90 Days	14,111,575	12,473,012
	14,478,509	12,797,340
Sundry Debtors Outstanding		
0 - 30 Days	115,064	158,120
30 - 60 Days	320,915	440,999
60 - 90 Days	25,382	34,880
Over 90 Days	769,104	1,056,896
	1,230,465	1,690,895

Note 32. Financial Risk Management (continued)

(c) Payables & Borrowings

Payables and Borrowings are both subject to liquidity risk - the risk that insufficient funds may be on hand to meet payment obligations as and when they fall due.

The City manages this risk by monitoring its cash flow requirements and liquidity levels and maintaining an adequate cash buffer.

The contractual undiscounted cash outflows (i.e. principal and interest) of the City's payables and borrowings are set out in the Liquidity Table below:

\$	Due within 1 year	Due between 1 & 5 years	Due after 5 years	Total contractual cash flows	Carrying values
2018					
Payables	23,446,151	-	-	23,446,151	23,446,151
Borrowings	-	17,538,510	92,613,208	110,151,718	69,078,188
	<u>23,446,151</u>	<u>17,538,510</u>	<u>92,613,208</u>	<u>133,597,869</u>	<u>92,524,339</u>
2017					
Payables	27,531,570	-	-	27,531,570	28,012,349
Borrowings	4,166,005	17,538,510	92,613,208	114,317,723	66,378,537
	<u>31,697,575</u>	<u>17,538,510</u>	<u>92,613,208</u>	<u>141,849,293</u>	<u>94,390,886</u>

Borrowings are also subject to interest rate risk - the risk that movements in interest rates could adversely affect funding costs & debt servicing requirements. The City manages this risk by borrowing long term and fixing the interest rate on a basis that is most suitable for the circumstance. The City Officers regularly review interest rate movements to determine if it would be advantageous to refinance or renegotiate part, or all, of the loan portfolio.

The following interest rates were applicable to the the City's Borrowings at balance date:

	30-Jun-18		30-Jun-17	
	Weighted average interest rate %	Balance \$	Weighted average interest rate %	Balance \$
Bank Loans - Fixed	6.77%	60,778,188	6.77%	60,778,537
Bank Loans - Variable	3.60%	8,300,000	3.29%	5,600,000
		<u>69,078,188</u>		<u>66,378,537</u>

Notes:

1. The interest rate risk applicable to variable rate bank loan is not considered significant.
2. Inclusive of 0.7% (Government Guarantee Fee) in the fixed interest rate of 6.77%.

Note 33. Fair Value Measurements

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The Council measures the following asset and liability classes at fair value on a recurring basis:

- Infrastructure, Property, Plant and Equipment
- Financial Assets & Liabilities

The fair value of assets and liabilities must be estimated in accordance with various Accounting Standards for either recognition and measurement requirements or for disclosure purposes.

AASB 13 Fair Value Measurement requires all assets and liabilities measured at fair value to be assigned to a "level" in the fair value hierarchy as follows:

Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

(1) The following table presents all assets and liabilities that have been measured and recognised at fair values:

2018	Fair Value Measurement using:				Total
	Level 1	Level 2	Level 3		
	Date of latest Valuation	Quoted prices in active mkts	Significant observable inputs	Significant unobservable inputs	
Property, Plant & Equipment					
- Land	30/06/18	-	56,798,333	80,805,000	137,603,333
- Buildings	30/06/18	-	-	171,147,700	171,147,700
- Furniture and Equipment	30/06/18	-	7,102,134	1,135,504	8,237,638
- Plant and Equipment	30/06/16	-	15,712,373	-	15,712,373
Total Property, Plant & Equipment		-	79,612,840	253,088,204	332,701,044
Infrastructure					
- Reserves	30/06/17	-	-	199,485,343	199,485,343
- Roads	30/06/17	-	-	1,135,420,136	1,135,420,136
- Pathways	30/06/17	-	-	134,999,999	134,999,999
- Car Parking	30/06/17	-	-	42,633,114	42,633,114
- Drainage	30/06/17	-	-	372,581,463	372,581,463
- Other Infrastructure	30/06/17	-	-	59,280,731	59,280,731
Total Infrastructure		-	-	1,944,400,786	1,944,400,786

Note 33. Fair Value Measurements (continued)

\$

(1) The following table presents all assets and liabilities that have been measured and recognised at fair values (continued):

2017	Fair Value Measurement using:				Total
	Level 1	Level 2	Level 3		
	Date	Quoted	Significant	Significant	
	of latest	prices in	observable	unobservable	
Valuation	active mkts	inputs	inputs		
Property, Plant & Equipment					
- Land	30/06/15	-	332,031,605	-	332,031,605
- Buildings	30/06/15	-	-	177,538,572	177,538,572
- Furniture and Equipment	30/06/15	-	-	6,559,780	6,559,780
- Plant and Equipment	30/06/16	-	17,857,364	-	17,857,364
Total Property, Plant & Equipment		-	349,888,969	184,098,352	533,987,321
Infrastructure					
- Reserves	30/06/14	-	-	194,698,376	194,698,376
- Roads	30/06/14	-	-	1,121,814,763	1,121,814,763
- Pathways	30/06/14	-	-	135,514,683	135,514,683
- Car Parking	30/06/14	-	-	42,021,070	42,021,070
- Drainage	30/06/14	-	-	372,823,358	372,823,358
- Other Infrastructure	30/06/14	-	-	59,965,094	59,965,094
Total Infrastructure		-	-	1,926,837,344	1,926,837,344

(2) Transfers between Level 1 and Level 2 Fair Value Hierarchies

During the year, there were no transfers between Level 1 and Level 2 fair value hierarchies for recurring fair value measurements.

Note 33. Fair Value Measurements (continued)

(3) Valuation Techniques used to derive Level 2 and Level 3 Fair Values

Where the City is unable to derive fair valuations using quoted market prices of identical assets (i.e. Level 1 inputs), the City instead utilises a spread of both observable inputs (Level 2 inputs) and unobservable inputs (Level 3 inputs).

The fair valuation techniques the City has employed while utilising Level 2 and Level 3 inputs are as follows:

Property, Plant & Equipment
Land

The City's land was valued by independent valuers. Except in the circumstance of any assets being held for sale (valued in accordance with *AASB 5 Assets Held for Sale*) or in accordance with specific accounting standards (such as Investment Properties) the balance of the portfolio is valued in accordance with *AASB 116 Property Plant and Equipment* at fair value.

Depending upon the unique circumstances of each lot, land has been valued using a range of approaches. Where there is an active market the 'market approach' has been adopted. If its value is primarily dependent on its income generating capability the income approach was used. For other types of land the 'cost approach' was adopted. Details of each approach are detailed below.

Level 2 Valuation Inputs

Market (Direct Comparison) – This has been applied to land held in freehold title and has been assessed on the basis of the estimated amount which the interest in each property being valued might reasonably be expected to realise on the date of valuation in an exchange between market participants given highest and best use or highest and best alternative use. This was determined by comparison to recent sales of land with similar characteristics. This was then adjusted to reflect condition and comparability. As this was based on observable evidence they have been classified as Level 2.

Level 3 Valuation Inputs

Income Approach with Public Sector Restrictions (Crown Land subject to Management Order in City's Favour) - The valuation of some restricted or otherwise non-saleable land has been valued using this approach. The approach in valuing this land is firstly to recognise that the City does not own the land in fee simple (freehold) and to acknowledge that under the definition of Fair Value, it is the value of the leasehold interest of the asset. As a lessee of the head lease, the City only has the right to manage the asset and the capabilities to sub lease it for the purpose for which it is vested.

Note 33. Fair Value Measurements (continued)

(3) Valuation Techniques used to derive Level 2 and Level 3 Fair Values (continued)

Cost (Hypothetical Analysis) – These were determining the cost approach. However the determination of the replacement cost involved detailed analysis of a hypothetical highest alternative land use. Typically this included estimating the number of potential residential or commercial lots that could be developed on the site. These are observable based on existing Town Planning rules and have been classified as Level 2. The third input is the developer's interest which effectively is the rate of return the developer requires based on the existing market conditions. This requires the valuers to exercise professional judgement and accordingly has been classified as level 3.

Cost (Complex Analysis) – These relate to land which is unique and requires consideration of a range of alternative uses that could be used to maximise the value. Typically these include sites which would enable sub-division into lots with different zonings and uses. They require the extensive exercise of professional judgement and require determination of a range of assumptions.

Buildings

The City's buildings were valued by independent valuers. The valuation of buildings, structural improvements and site services includes those items that form part of the building services installation (e.g. heating, cooling and climate control equipment, lifts, escalators, fire alarms, sprinklers and fire fighting equipment, and general lighting etc).

Excluded from this report are all items of plant, machinery, equipment, cranes, tools, furniture or chattels.

Level 3 Valuation Inputs

Cost (Depreciated) – These buildings were valued using the cost approach using professionally qualified Registered Valuers.

Under this approach, the cost to replace the asset is calculated and then adjusted to take account of an accumulated depreciation. The Valuer disaggregated the building into different components and for each component determined a value based on the inter-relationship between a range of factors. These include asset condition, legal and commercial obsolescence and the determination of key depreciation related assumptions such as residual value and the pattern of consumption of the future economic benefit.

Note 33. Fair Value Measurements (continued)

(3) Valuation Techniques used to derive Level 2 and Level 3 Fair Values (continued)

Plant and Equipment

The City's plant and equipment was valued by Management as at 30 June 2016. Subsequent to the 2016 revaluation the assets are reviewed to ensure that the carry amount does not vary significantly from that determination using fair value at the reporting date.

Valuations were undertaken utilising in-house professional staff, referencing market conditions, and the availability of sales evidence.

Level 2 valuation inputs have been applied having regard to the condition and the useful life of the asset class.

Furniture and Equipment

The City's Furniture and Fittings have been valued by independent professional valuers in accordance with applicable Australian Standards.

Infrastructure

All the City's infrastructure has been valued at fair value utilising in-house qualified and experienced Asset Management staff.

All of the City's infrastructure assets were valued using a depreciated cost valuation technique. In this method assets current replacement cost less accumulated depreciation calculated on the basis of such cost to reflect potential of the asset that was established. Then adjusted to take into account the expired service potential of the asset.

The current replacement cost was measured by referencing the lowest cost at which the asset could be obtained in the normal course of business.

The total cost values have been calculated using unit cost rate based on current tender and general market rates.

Level 2 and Level 3 valuation inputs have been applied to all infrastructure asset classes. Level 2 inputs being construction cost and current condition and Level 3 inputs being residual values and remaining useful life assessments.

The above techniques and inputs were utilised for all of the following classes:

- Roads
- Drainage
- Pathways
- Car Parks
- Reserves
- Other Infrastructure

Notes to the Financial Statements

for the year ended 30 June 2018

Note 33. Fair Value Measurements (continued)

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(4). Fair Value Measurements using Significant Unobservable Inputs (Level 3)

The following tables present the changes in Level 3 fair value asset classes.

	Buildings	Reserves	Roads	Pathways	Total
Closing Balance - 30 June 2017	177,538,572	194,698,376	1,121,814,763	135,514,683	1,629,566,394
Purchases (GBV)	35,084,134	11,011,560	27,851,556	2,015,648	75,962,898
Disposals (WDV)	(111,227)	-	-	-	(111,227)
Depreciation & Impairment	(3,406,470)	(6,224,593)	(14,246,183)	(2,530,332)	(26,407,578)
FV Loss - Other Comprehensive Income	(37,957,309)	-	-	-	(37,957,309)
Closing Balance - 30 June 2018	171,147,700	199,485,343	1,135,420,136	134,999,999	1,641,053,178

	Furniture & Equipment	Drainage	Car Parking	Other Infrastructure	Total
Closing Balance - 30 June 2017	6,559,780	372,823,358	42,021,070	59,965,094	481,369,302
Transfers from/(to) Level 2 FV hierarchy	(7,102,134)	-	-	-	(7,102,134)
Purchases (GBV)	4,214,012	3,154,166	937,731	2,870,236	11,176,145
Depreciation & Impairment	(1,925,087)	(3,396,061)	(325,687)	(3,554,599)	(9,201,434)
FV Loss - Other Comprehensive Income	(246,092)	-	-	-	(246,092)
FV Loss - Income Statement ¹	(364,975)	-	-	-	(364,975)
Closing Balance - 30 June 2018	1,135,504	372,581,463	42,633,114	59,280,731	475,630,812

	Land	Total
Closing Balance - 30 June 2017	-	-
Transfers from/(to) Level 2 FV hierarchy	80,805,000	80,805,000
Closing Balance - 30 June 2018	80,805,000	80,805,000

* GBV = Gross Book Value
WDV = Witten Down Value

(5) Highest and best use

All of Council's non-financial assets are considered to be utilised for their highest and best use.

Notes to the Financial Statements

for the year ended 30 June 2018

Note 34. Development Contribution Plans

Development Contribution Plans

All Town Planning Schemes are disclosed in Note 33(a). They are: Town Planning Scheme No 5 - Landsdale, East Wanneroo Development Area Cells 1 to 9, Berkley Road Local Structure Plan and Neerabup Development.

(a) Yanchep/Two Rocks Community Facilities

The Yanchep/Two Rocks Development Contribution Plan (YTRDCP) was gazetted on 9 September 2014 to collect contributions from developing landowners in Yanchep and Two Rocks towards the cost of providing district level community facilities. The YTRDCP will ultimately provide for the delivery of three district level facilities over a period of 10 years, including the Yanchep Surf Life Saving Club, Yanchep District Open Space and the Capricorn Coastal node facilities.

	2018 Actual	2018 Budget	2017 Actual
Operating Income			
Development Contributions	442,020	821,330	1,407,697
Interest on Investments	36,769	(33,372)	37,636
	478,789	787,958	1,445,333
Operating Expense			
Audit Fees	-	(2,000)	-
Advertising Expenses	-	(100)	-
Interest Expenses	(275,773)	(274,315)	(70,208)
Construction Costs	(3,007,581)	(2,860,876)	(6,587,998)
Consulting Fees	-	(6,000)	(3,900)
Administration Allocation	(71,582)	(52,688)	(95,046)
	(3,354,936)	(3,195,979)	(6,757,152)
Total	(2,876,147)	(2,408,021)	(5,311,819)

Financial Position

ASSETS

Current Assets			
Cash and Cash Equivalent Assets	319,701	3,831,544	453,359
Total Current Assets	319,701	3,831,544	453,359
TOTAL ASSETS	319,701	3,831,544	453,359

LIABILITIES

Loan	(8,300,000)	(8,862,653)	(5,600,000)
Accrued Interest	(42,489)	-	-
Total Current Liabilities	(8,342,489)	(8,862,653)	(5,600,000)
Net Assets	(8,022,788)	(5,031,109)	(5,146,641)

EQUITY

Accumulated (Deficit)/Surplus	(8,022,788)	5,031,109	(5,146,641)
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Notes to the Financial Statements

for the year ended 30 June 2018

Note 34. Development Contribution Plans (continued)

(b) Alkimos/Eglinton Community Facilities

The Alkimos/Eglinton Development Contribution Plan (AEDCP) was gazetted on 9 September 2014 to collect contributions from developing landowners in Alkimos and Eglinton towards the cost of providing district level community facilities. The AEDCP will ultimately provide for the delivery of 11 district level facilities over a period of 25 years, including libraries, community centres, indoor recreation facilities, sporting precincts and a surf life saving club.

\$	2018 Actual	2018 Budget	2017 Actual
Operating Income			
Development Contributions	944,842	577,986	883,159
Interest on Investments	312,986	260,188	303,624
	<u>1,257,828</u>	<u>838,174</u>	<u>1,186,783</u>
Operating Expense			
Audit Fees	-	(2,000)	-
Advertising Expenses	-	(100)	-
Construction Costs	-	-	(5,550)
Consulting Fees	-	(6,000)	-
Administration Allocation	(53,683)	(52,688)	(65,443)
	<u>(53,683)</u>	<u>(60,788)</u>	<u>(70,993)</u>
Total	<u>1,204,145</u>	<u>777,386</u>	<u>1,115,790</u>
Financial Position			
ASSETS			
Current Assets			
Cash and Cash Equivalent Assets	12,545,297	14,119,317	11,341,201
Total Current Assets	<u>12,545,297</u>	<u>14,119,317</u>	<u>11,341,201</u>
TOTAL ASSETS	<u>12,545,297</u>	<u>14,119,317</u>	<u>11,341,201</u>
Net Assets	<u>12,545,297</u>	<u>14,119,317</u>	<u>11,341,201</u>
EQUITY			
Accumulated Surplus	12,545,297	14,119,317	11,341,201
Total Equity	<u>12,545,297</u>	<u>14,119,317</u>	<u>11,341,201</u>

Notes to the Financial Statements

for the year ended 30 June 2018

Note 35. Events occurring after the Reporting Period

Events that occur between the end of the reporting period (ending 30 June 2018) and the date when the financial statements are "authorised for issue" have been taken into account in preparing these statements.

The date of receipt of the Auditors' Report is the applicable "authorised for issue" date relating to these General Purpose Financial Statements.

Events that occur after the Reporting Period represent one of two types:

(i) Events that provide evidence of conditions that existed at the Reporting Period

These financial statements (and the figures therein) incorporate all "adjusting events" that provided evidence of conditions that existed at 30 June 2018.

(ii) Events that provide evidence of conditions that arose after the Reporting Period

These financial statements (and figures therein) do not incorporate any "non-adjusting events" that have occurred after 30 June 2018 and which are only indicative of conditions that arose after 30 June 2018.

There has not been any material or significant "non-adjusting events" that should be disclosed.



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