



TAMALA PARK
Regional Council

Meeting of Council

AGENDA

Thursday 16 June 2016, 6:00pm

City of Vincent

244 Vincent Street, Leederville

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

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

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TAMALA PARK REGIONAL COUNCIL

Councillors of the Tamala Park Regional Council are advised that the ordinary meeting of Council will be held in the Council Chambers at the City of Vincent, 244 Vincent Street, Leederville on Thursday 16 April 2016 at 6:00pm.

The business papers pertaining to the meeting follow.

Your attendance is requested.

Yours faithfully



TONY ARIAS
Chief Executive Officer

MEMBERSHIP

OWNER COUNCIL	MEMBER	ALTERNATE MEMBER
Town of Cambridge	Cr Louis Carr	
City of Joondalup	Cr John Chester Cr Kerry Hollywood	
City of Perth	Cr Janet Davidson OAM JP	Cr Jim Adamos
City of Stirling	Cr Karen Caddy Mayor Giovanni Italiano JP (Chairman) Cr David Michael Cr Rod Willox AM JP	Cr Terry Tyzack
Town of Victoria Park	Cr Keith Hayes	
City of Vincent	Mayor John Carey	Cr Jimmy Murphy
City of Wanneroo	Cr Dianne Guise (Deputy Chair) Cr Brett Treby	Cr Domenic Zappa Cr Hugh Nguyen

PRELIMINARIES

1. OFFICIAL OPENING

DISCLOSURE OF INTERESTS

2. PUBLIC STATEMENT/QUESTION TIME

3. APOLOGIES AND LEAVE OF ABSENCE

4. PETITIONS

5. CONFIRMATION OF MINUTES

Council Meeting – 21 April 2016

5A. BUSINESS ARISING FROM THE MINUTES

6. ANNOUNCEMENTS BY CHAIRMAN (WITHOUT DISCUSSION)

7. MATTERS FOR WHICH MEETING MAY BE CLOSED

8. REPORTS OF COMMITTEES

Management Committee Meeting – 19 May 2016

9. ADMINISTRATION REPORTS AS PRESENTED (ITEMS 9.1 – 9.15)

9.1 BUSINESS REPORT – PERIOD ENDING 9 JUNE 2016

Report Information

Reporting Officer: Project Coordinator

File Reference: N/A

Recommendation

That the Council RECEIVES the Business Report to 9 June 2016.

Voting Requirements

Simple Majority

Report Purpose

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

Relevant Documents

Appendix: Staging Plan

Background

The business of the Council requires adherence to many legislative provisions, policies and procedures that aim at best practice. There are also many activities that do not need to be reported formally to the Council but will be of general interest to Council members and will also be of interest to the public who may, from time to time, refer to Council minutes.

In the context of the above, a Business Report provides the opportunity to advise on activities that have taken place between meetings. The report will sometimes anticipate questions that may arise out of good governance concerns by Council members.

Comment

1. Civil Construction - Status

The following table provides the status of current civil works:

Stage	Lots	Commenced Construction	Practical Completion Date	Works Status	Titles
18A	29	10 February 2016	13 May 2016	Completed	June 2016
14B	10	14 March 2016	29 July 2016	On program – 80% complete	October 2016
Neerabup Road Intersection	-	14 March 2016	29 July 2016	2 weeks behind program (due to delays in approval to Traffic Management Plan) – 50% complete	Nil

2. Catalina Beach - Status

A revised subdivision application for Phase 1, (consisting of Stages 25 - 28) Catalina Beach was lodged with the Western Australian Planning Commission (WAPC) on 3 March 2016 and comprises approximately 200 lots with approval anticipated early June 2016. The purpose of the revised subdivision application was to improve the road network and modify lot sizes in line with current market conditions.

Draft conditions for the revised subdivision application were received 30 May 2016.

Civil engineering design for Stages 25 and 26 is currently being undertaken, with civil works anticipated to commence in September 2016.

The TPRC and SPG met with City of Wanneroo officers to progress options to minimise the impact of the level differences between the existing Mindarie residents and Catalina Beach Precinct. Further detailed level inputs are currently being collected so that engineering design can be finalised. The SPG has advised affected Mindarie residents of the requirement to undertake detailed level surveys and the time frames for further consultation.

3. Landscape works – Status

Landscape works for the Southern BCA and Stages 9 and 10 verge treatments are well advanced with 70% of the works completed, however, there have been delays associated with bore maintenance.

SPG representatives met with City of Wanneroo officers on 24 May 2016 to facilitate the successful handover of the Stage 1 Public Open Space.

4. Housing Construction

The following table provides an overview of the current progress of housing construction to date. A significant number of homes are under construction in Stages 11-15.

Stage	Under Construction	Completed	Total
Stage 1	1	32	33
Stage 2	0	32	32
Stage 3	0	43	43
Stage 4	3	44	47
Stage 5	1	59	60
Stage 6A	0	6	6
Stage 6B	13	0	13
Stage 6C	4	0	4
Stage 7	2	61	63
Stage 8	3	50	53
Stage 9	3	43	46
Stage 10	4	22	26
Stage 11	6	68	74
Stage 12	13	30	43
Stage 13	37	32	69
Stage 14A	40	0	40
Stage 15	53	0	53
Total	183	522	705

5. Waste Management Program

Instant Waste Management is providing quarterly reports identifying recycling achieved from waste collected from the Catalina Estate. The latest report identifies 153 participating building sites with a waste recovery rate of 95% (by weight) being achieved. To the end of May 2016 a total of 3,341 tonnes of waste has been recycled through the Waste Management Program.

6. Builders Display Village

To date, 22 display homes have been completed and opened to the public. The remaining home is expected to be completed by the end of June 2016.

7. Lot 1 – TPRC/ABN Development

Construction and landscaping of the 25 apartments is complete.

To date 24 apartments have been settled. One apartment remains unsold.

9.2 STATEMENTS OF FINANCIAL ACTIVITY FOR THE MONTHS OF MARCH & APRIL 2016

Report Information

Reporting Officer: Chief Executive Officer

File Reference: 12.66.401.0

Recommendation

That the Council RECEIVES and NOTES the Statements of Financial Activity for the months ending:

- **31 March 2016; and**
- **30 April 2016.**

Voting Requirements

Simple Majority

Report Purpose

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

Relevant Documents

Appendix:

- Statement of Financial Activity for 31 March 2016
- Statement of Financial Activity for 30 April 2016

Local Government Act/Regulation

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

Background

It is a mandatory requirement that the Council receives, reviews and records in the Regional Council's public minutes a statement of financial activity showing annual budget estimates and the figures for budget estimates, income and expenditure and variances at the end of each month. The report is also to show the composition of assets and other relevant information.

Comment

The detailed Statements contained in the Appendices reflect the budget proposals and direction adopted by the Council.

Variances at 30 April 2016 exceeding 10% were experienced in relation to the following:

Interest Earnings	Interest earnings exceed budget predictions as a result of timing of maturity of term deposits.
Employee Costs	The positive variation is a result of under expenditure.
Materials and Contracts	The positive variance relates to timing of consultant payments and will continue under Budget.
Utilities	The positive variance relates to timing of payments and will continue under Budget.
Income Sale of Lots – Subdivisions	The negative variance relates to fewer settlements to date and will continue below Budget.
Income Other - Subdivisions	The negative variance relates to the Local Centre settlement which is now forecast to settle in FYE 2017.
Land Production Costs	The positive variance relates to deferred works and timing of payments and will continue under Budget.
Telethon	It is noted that the favourable variance was offset when payment was made to Telethon.
Apartments	It is noted that the favourable variance was offset by payments to ABN for construction of the apartments in preceding months.

The information in the appendices is summarised in the tables following.

Financial Snapshot as at 30 April 2016

TAMALA PARK REGIONAL COUNCIL
FINANCIAL SNAPSHOT
FOR THE PERIOD ENDING 30 APRIL 2016

	2015-16 Adopted Budget	2015-16 Amended Budget	2015-16 YTD Budget	2015-16 Actual	Variance		Variance %
					Favourable	Unfavourable	
	\$	\$	\$	\$	\$	\$	
REVENUE							
Interest Earnings	958,606	1,100,000	933,444	1,194,683	261,239		27.99%
Profit/(loss) on Disposal Of Asset	-	-	-	-	-		0.00%
Other Revenue	1,937	5,700	5,700	5,700	-		0.00%
	\$960,543	\$1,105,700	\$939,144	\$1,200,383	\$261,239	\$0	
LESS EXPENDITURE							
Depreciation	(17,797)	(17,797)	(14,949)	-	14,949		100.00%
Employee Costs	(727,610)	(726,650)	(610,712)	(459,789)	150,923		24.71%
Insurance	(17,323)	(10,152)	(10,152)	(10,152)	-		0.00%
Materials and Contracts	(443,516)	(445,634)	(373,616)	(115,727)	257,889		69.03%
Other	(175,970)	(175,970)	(132,927)	(119,973)	12,954		9.75%
Utilities	(6,150)	(6,150)	(5,166)	(457)	4,709		91.15%
Members Equity							
-Income Sale of Lots - Subdivisions	40,743,130	34,691,577	34,691,577	26,145,092		(8,546,485)	-24.64%
-Income Sale of Lots - Apartments	-	6,096,997	-	7,651,813	7,651,813		100.00%
-Income Other - Proceeds Telethon Home	-	-	-	643,182	643,182		100.00%
-Income Other - Subdivisions	1,659,807	1,142,116	1,142,116	43,967		(1,098,149)	-96.15%
-Land Production Costs	(47,630,553)	(29,667,690)	(29,667,690)	(11,668,426)	17,999,264		60.67%
-Development Costs - Apartments	-	(5,952,363)	-	(7,229,166)		(7,229,166)	100.00%
-Donation - Proceeds Telethon Home	-	-	-	(641,824)		(641,824)	100.00%
-Profit distribution/Contributions Returned	(18,350,650)	(18,350,650)	(10,000,000)	(10,025,839)		(25,839)	-0.26%
	(\$24,966,632)	(\$13,422,366)	(\$4,981,519)	\$4,212,701	\$26,735,683	(\$17,541,463)	
Total Change in Equity	(\$24,006,089)	(\$12,316,666)	(\$4,042,375)	\$5,413,084	\$26,996,922	(\$17,541,463)	

Balance Sheet Summary as at 30 April 2016

TAMALA PARK REGIONAL COUNCIL
STATEMENT OF FINANCIAL POSITION
AS AT 30 APRIL 2016

	Actual 2014-15 \$	Actual 2015-16 \$	Variance \$	Variance %
Current assets				
Cash and cash equivalents	46,060,590	51,464,945	5,404,355	11.73%
Trade and other receivables	389,122	372,123	(16,999)	-4.37%
Total current assets	46,449,712	51,837,068	5,387,356	11.6%
Non-current assets				
Inventories	1,818,182	1,818,182	0	0.00%
Property, plant and equipment	151,944	153,260	1,316	0.87%
Total non-current assets	1,970,126	1,971,442	1,316	0.07%
Total assets	48,419,838	53,808,510	5,388,672	11.13%
Current liabilities				
Trade and other payables	184,646	167,314	17,332	9.39%
Provisions	109,986	102,906	7,080	6.44%
Total current liabilities	294,632	270,220	24,412	8.3%
Non-current liabilities				
Provisions	30,931	30,931	0	0.00%
Total non-current liabilities	30,931	30,931	0	0.00%
Total liabilities	325,563	301,151	24,412	7.50%
Net assets	48,094,275	53,507,359	5,413,084	11.26%

9.3 LIST OF MONTHLY ACCOUNTS SUBMITTED FOR THE MONTHS OF MARCH & APRIL 2016

Report Information

Reporting Officer: Chief Executive Officer

File Reference: 12.66.401.0

Recommendation

That the Council RECEIVES and NOTES the list of accounts paid under Delegated Authority to the CEO for the months of March and April 2016:

- **Month ending 31 March 2016 (Total \$2,233,354.76)**
- **Month ending 30 April 2016 (Total \$1,817,418.67)**
- **Total Paid - \$4,050,773.43**

Voting Requirements

Simple Majority

Report Purpose

Submission of payments made under the CEO's Delegated Authority for the months ending 31 March 2016 and 30 April 2016.

Relevant Documents

Appendix:

- Cheque Detail for March 2016
- Cheque Detail for April 2016
- Summary Payment List for March 2016
- Summary Payment List for April 2016

Local Government Act/Regulation

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

Background

A list of accounts paid under delegation or submitted for authorisation for payment is to be submitted to the Council at each meeting. It is a specific requirement of Regulations that list state the month (not the period) for which the account payments or authorisation relates.

Comment

Payments made are in accordance with authorisations from Council, approved budget, TPRC procurement and other relevant policies.

Payments are reviewed by TPRC Accountants Moore Stephens following completion of each months accounts.

9.4 PROJECT FINANCIAL REPORT (APRIL 2016)

Report Information

Reporting Officer: Chief Executive Officer

File Reference: 12.66.401.0

Recommendation

That the Council RECEIVES the Project Financial Report (April 2016) submitted by the Satterley Property Group.

Voting Requirements

Simple Majority

Report Purpose

To consider the Project Financial Report for April 2016 submitted by the Satterley Property Group.

Policy Reference

N/A

Local Government Act/Regulation

N/A

Previous Minutes

N/A

Financial/Budget Implications

Review of Project Financial Report for April 2016.

Relevant Documents

Appendix: Letter from Satterley Property Group dated 24 May 2016 with Financial Report

Background

At its meeting of 13 August 2015 the Council approved the Project Budget FYE 2016 (July 2015), submitted by the Satterley Property Group, as the basis of financial planning for the TPRC Budget FYE 2016.

KPI 4.8 of the Development Managers Key Performance Indicators; Financial, requires the preparation of monthly financial reports.

Comment

The Satterley Property Group has prepared a Financial Report for April 2016 for the Project. The report has been prepared on a cash basis and compares actual expenditure to approved budget expenditure for the period up to 30 April 2016 and is attached at Appendix 9.4.

The Financial Report identifies the following main areas of variance:

1. Settlement revenue was \$26.4M which is \$8.3M under budget with the variance attributed to 31 lot settlements less year to date.
2. Expenditure is \$23.5M under budget, in the following areas:
 - Lot Production \$12.2M;
 - Landscape \$4.2M;
 - Infrastructure \$3.5M;
 - P&L expenditure \$2.6M.

The Satterley Property Group Financial Report provides greater details on the variations.

3. Lot Sales Value was \$17.5M less favourable to budget due to 67 less lot sales year to date.

To date 76 residential lots have been sold in FYE 2016. The SPG Mid Year Review of the approved Project Budget FYE 2016 forecasts lot sales for FYE 2016 of 120 lots, a reduction of 60 lots to Budget estimate of 180 lots. The SPG now forecasts 87 residential lots sales for FYE 2016.

Satterley Property Group representatives will be in attendance to present the report.

9.5 SALES AND SETTLEMENT REPORT – PERIOD ENDING 9 JUNE 2016

Report Information

Reporting Officer: Project Coordinator

File Reference: N/A

Recommendation

That the Council RECEIVES the Sales and Settlement Report to 9 June 2016.

Voting Requirements

Simple Majority

Report Purpose

To advise the Council of the status of sales, settlements and sales releases.

Policy Reference

N/A

Local Government Act/Regulation

Local Government Act 1995: Sect 3.58 – Disposal of Property.

Previous Minutes

N/A

Financial/Budget Implications

Income under this matter will be posted under item 1145011 (Income on Lot Sales):

Budget Amount:	\$40,743,130
Received to Date:	\$26,145,094
Balance:	\$14,598,036

Background

The Sales and Settlement Report provides the Council with a status update of sales and settlements for the Project.

The Staging Plan provided under Appendix 9.1 identifies the extent of the stage boundaries referenced within the report.

Comment

The following table provides a summary of the Sales and Settlement position for lots released to date:

STAGE	RELEASE DATE	LOTS RELEASED	LOT SIZES	SOLD	STOCK	SETTLED
Stages 1 – 10, 11B, 12B, 14 Builders and 14C	NA	539	NA	539	0	539
Stage 11	Mar 2014	49	295-490	49	0	48
Stage 12A	May 2014	25	295-463	22	3	22
Stage 13A (Public)	Aug 2014	27	288-450	27	0	26
Stage 13B (Public)	Oct 2014	39	295-450	32	7	30
Stage 14A (Public)	Jan 2015	17	295-450	17	0	16
Stage 14B (Public)	Feb 2015	19	274-450	17	2	16
Stage 14D (Public)	June 2015	8	225–322	8	0	6
Stage 15A (Public)	July 2015	16	300–450	13	3	10
Stage 15B (Public)	Sep 2015	20	300–450	17	3	10
Stage 15C (Public)	Nov 2015	17	200–510	16	1	5
Stage 18A	March 2016	29	300-510	11	18	0
Total		805		768	37	732

The following table provides a summary of lot sizing and commentary of current “aged stock” on hand. It is noted that 16 lots have been sold since Council approved lot repricing of “aged stock” in October 2015 and April 2016.

STAGE	RELEASE DATE	COMMENTS ON AGED STOCK
Stage 12A	May 2014	3 corner lots (300m ² , 432m ² & 447m ²), irregular shape, rear loaded, located on roundabout and Aviator Blvd, mandatory 2 storey requirement.
Stage 13B (Public)	Oct 2014	6 lots are 225m ² , 1 lot 295m ² , non-standard frontage (9m), require bespoke design, mandatory 2 storey requirement.
Stage 14B (Public)	Feb 2015	1 lot (448m ²), larger lot irregular in shape with duplex potential. 1 regular shaped 300m ² lot.
Stage 15A (Public)	July 2015	1 corner lot (358m ²) irregular frontage, fronting Neerabup Rd, quiet house requirements. 1 450m ² lot with quiet house requirements. 1 regular shaped 450m ² lot.
Stage 15B (Public)	Sep 2015	1 200m ² lot fronting Neerabup Road with quiet house requirements, a 300m ² lot and a 450m ² lot.

Competition Analysis

The table below provides a summary of gross sales at competing developments in the northern corridor from July 2015.

SPG has noted that Catalina has been the best performer of SPG affiliated estates in the North West corridor over the period of November 2015 – March 2016.

SPG has expressed caution that competitor's sales results are indicative only based on information that the SPG is able to obtain in the marketplace.

Estate	Sales												YTD total	Size Range (m2)	Price Range (m2)
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun			
Allara	13	18	10	10	8	7	5	8	7	9	13		108	225-561	\$149,000-\$250,000
Eden Beach	7	9	7	11	5	19	10	14	7	7	14		110	225-625	\$200,000-\$430,000
Catalina	10	12	14	9	18	15	6	8	13	3	8		116	200-450	\$202,000-\$337,000
Alkimos Beach	7	4	21	13	21	17	8	9	6	14	13		133	150-535	\$172,000-\$292,000
Amberton	14	12	15	18	8	3	11	9	13	11	10		124	225-450	\$160,000-\$293,000
Banksia Grove	25	27	28	22	20	17	21	20	12	20	26		238	225-469	\$181,000-\$256,000
Jindowie	9	8	4	12	5	4	3	5	7	4	5		66	290-560	\$167,000-\$202,000
Yanchep Golf Estate	3	5	10	5	8	3	11	10		4	2		61	225-1869	\$130,000-\$460,000
Shorehaven	6	10	28	8	6	3	3	4	8	9	9		94	210-470	\$185,000-\$315,000
Trinity	37	11	24	18	12	8	13	8	11	10	5		157	298-542	\$197,000-\$292,000
Vertex Yanchep (LWP)	0	6	5	2	6	3	1	6	5	2	3		39	296-523	\$166,000-\$221,000
Total	159	193	211	152	149	130	131	148	116	73	108		1570		
CATALINA MARKET SHARE %	6%	6%	7%	6%	12%	12%	5%	5%	11%	4%	7%		7.4%		

Note: Nett sales to date at Catalina – 88.

A summary of available stock in the corridor is provided in the table below. The table shows that generally Eden Beach and Catalina are the most expensive estates with Catalina having the most expensive 225m² and 450m² products.

Estate	225sqm Price (\$)	300sqm Price (\$)	375sqm Price (\$)	450sqm Price (\$)	Total Stock
Allara	149,950	191,000	215,000	240,000	32
Brighton	N/A	N/A	N/A	N/A	10
Eden Beach	200,000	275,000	325,000	330,000	34
Catalina	215,000	255,000	298,000	337,000	44
Alkimos Beach	186,000	234,000	265,000	300,000	79
Amberton	160,000	214,000	243,000	270,000	29
Banksia Grove	181,000	202,000	228,000	256,000	28
Jindowie		167,000	182,000	192,000	28
Yanchep Golf Estate	155,000	175,000	190,000	217,000	22
Shorehaven	199,000	265,000	287,000	N/A	49

Trinity	N/A	211,000	237,000	265,000	32
Vertex Yanchep (LWP)	N/A	N/A	169,000	197,000	26
TOTAL					413

Local Centre Tender

At its meeting of December 2015 the Council approved the disposal of the Central Precinct Local Centre site (Lot 646) by public tender, subject to design guidelines that address the following:

- Orientation to public streets;
- Passive surveillance of public open space;
- Vehicle access from streets other than Aviator Boulevard;
- Location of parking.

The Council also approved that the Local Centre Tender include requirements that the development of the site should incorporate a mix of retail, office and residential uses.

The Local Centre site is located on the corner of Aviator Boulevard and Roulettes Parade and has an area of 4,005m². It is zoned 'Commercial' under the Tamala Park Local Structure Plan.

The Local Centre Tender was advertised for tender, in accordance with Council's requirement from 14 April 2016 to 28 April 2016. At the close of the tender period no submissions were received.

The SPG has indicated that there is still interest in the site and that the original tender period of 2 weeks was not sufficient enough time for purchasers to undertake due diligence. The Local Centre has been retendered to the market for a 4 week period closing 30 June 2016.

9.6 EXTENSION OF EARLY CONSTRUCTION SALES REBATE

Report Information

Reporting Officer: Project Coordinator

File Reference: 1.88.246

Recommendation

That the Council APPROVES the extension of the payment of an Early Construction Rebate to the value of \$8,000 per lot for selected lots with lot sizes up to 380m² for contracts entered into until 30 December 2016, subject to the purchaser providing a copy of a signed Building Contract prior to settlement, with the rebate being paid to the purchaser(s) nominated builder within 6 months of the settlement of the lot.

Voting Requirements

Simple Majority

Report Purpose

To consider a request from the Satterley Property Group to extend the payment of the Early Construction Rebate (\$8,000 per lot) until 30 December 2016.

Policy Reference

N/A

Local Government Act/Regulation

N/A

Previous Minutes

N/A

Financial/Budget Implications

Income under this matter will be posted under item I145011 (Income on Lot Sales):

Budget Amount:	\$40,743,130
Received to Date:	\$26,145,094
Balance:	\$14,598,036

Relevant Documents

Appendix: Letter from Satterley Property Group dated 26 May 2016

Background

At its meeting of 15 October 2015 the Council approved the payment of an Early Construction Rebate to the value of \$8,000 per lot for selected lots with lot sizes up to 380m² for contracts entered into after 15 October 2015 and until 31 January 2016, subject to the purchaser providing a copy of a signed Building Contract prior to settlement. The rebate is to be paid to the purchaser(s) nominated builder within 6 months of the settlement of the lot.

At its meeting of 18 February 2016 the Council approved the extension of the approved Early Construction Rebate until 30 June 2016, subject to the same terms and conditions.

The intent of the Early Construction Rebate was to provide an incentive to sell “aged stock” or difficult lots up to a lot area of 380m² and to promote construction within the Project.

Comment

The Council approval for use of the Early Construction Rebate of \$8,000 expires on 30 June 2016. The Satterley Property Group has requested the Council approve a further extension of the Early Construction Rebate of \$8,000 until 30 December 2016, subject to the same terms and conditions.

The SPG has provided advice on current market conditions, noting the low market confidence as a result of slowing population growth and a down turn in the mining sector. The advice also details the increased number of listings and increased rental vacancy rates.

Since the Early Construction Rebate was first approved by Council in October 2015, 62 sales have been made (November – May) with the Rebate applying to 16 of the lot sales. The SPG considers that the 16 lot sales would not have been achieved without the Rebate.

The Early Construction Rebate has increased Direct Selling Costs by \$128,000. The extension of the Rebate would increase Direct Selling Costs by a further \$112,000 based on the Rebate being applied to 14 lots currently eligible. There is potential for further impacts to the budget as recently released stock becomes eligible for the Rebate between now and December 2016.

The Early Construction Rebate has worked well in achieving 16 lot sales of “aged stock” or difficult lots. It is noted that competing estates are offering significant sales rebates/incentives to achieve sales. It is recommended that the Rebate is still used as an incentive on selected “aged stock” as has been the case so far and not across all lots that are older than 6 months.

The proposed extension of the Early Construction Rebate to selected “aged stock” lots is supported until 30 December 2016, on the same terms and conditions as approved by Council in October 2015 and February 2016.

9.7 IMPACT OF REPRICING OF LOTS ON TPRC BUDGET

Report Information

Reporting Officer: Project Coordinator

File Reference: 1.88.246

Recommendation

That the Council RECEIVES the Satterley Property Group correspondence Catalina – Proposed Repricing, dated 26 May 2016.

Voting Requirements

Simple Majority

Report Purpose

To consider a report from the Satterley Property Group on the impact of recommended lot pricing on the TPRC Budget.

Policy Reference

N/A

Local Government Act/Regulation

Local Government Act 1995: Sect 3.58 – Disposal of Property.

Previous Minutes

N/A

Financial/Budget Implications

Reduced Income under this matter will be posted under item I145011 (Income on Lot Sales):

Budget Amount:	\$40,743,130
Received to Date:	\$26,145,094
Balance:	\$14,598,036

Relevant Documents

Appendix: Letter from Satterley Property Group dated 26 May 2016

Background

At its meeting of 21 April 2016 the Council approved the repricing of lots within Stages 11 - 15, recommended by Satterley Property Group. It also requested the Satterley Property Group (SPG) provide advice as to how the shortfall in revenue is to be addressed and potential impact on other elements of the TPRC Budget for the June 2016 Council meeting.

Comment

The SPG has provided advice, as requested by Council, on how the shortfall in revenue is to be addressed and potential impacts on other elements of the TPRC Budget. The SPG correspondence is attached at Appendix 9.7.

The SPG believes the 22 lots, subject to price reduction, will have no ongoing impact on the Project's performance. However, it has confirmed that the shortfall in revenue of \$233,000 will have a direct impact on the FYE 2016 forecast budget.

The SPG has indicated that if the 22 lots had not been repriced approximately \$5M of lot sales revenue could have potentially been deferred and the forecast shortfall in lot sales revenue increased for FYE 2016. The SPG has advised that lower lot production costs will offset the forecast shortfall of lot sales revenue.

The SPG indicates the project budget continues to deliver higher returns to the Tamala Park Regional Council than were originally budgeted, based on the Project Forecast 2011 project profit was \$311M updated to the Project (Mid-Year Review) which forecasts a profit of \$351M.

The SPG reference to the Project Forecast 2011 is noted, however, this was superseded by the Project Forecast (November 2014), approved by Council in December 2014. The Project Forecast (November 2014) forecast a net profit of \$397M for the life of the Project which is \$43M greater than the \$353M outlined in the SPG proposed Project Budget FYE 2017 under report item 9.9 in this Agenda.

The Project Forecast 2011 was based on preliminary design, general assumptions about site conditions, lot production estimates, market rates and predictions on market response to the Project. The Project Forecast (November 2014) was based on detailed planning and engineering design, experience with site conditions, competitive tendered rates for engineering and landscape works and a better understanding of market requirements.

The approved Development Managers Key Performance Indicators (June 2014), KPI - Financial Management 4.2 requires the completion of a Review of the Project Cashflow every three years which is due in 2017.

9.8 SALES AND LOT RELEASE STRATEGY (MAY 2016)

Report Information

Reporting Officer: Project Coordinator

File Reference: 1.88.246

Recommendation

That the Council:

- 1. APPROVES the Sales and Lot Release Strategy (May 2016), submitted by the Satterley Property Group, as the basis of sales and marketing planning for FYE 2017.**
- 2. REQUESTS the Satterley Property Group to modify the Lot Sales and Release Strategy in accordance with Council's decision of 10 December 2015 that the Special Sites be released via tender subject to design guidelines that require the built form to address Connolly Drive and Neerabup Road and to meet the sustainability objectives of the TPRC.**
- 3. ADVISES the Satterley Property Group that for the Builders Releases – Catalina Beach Precinct the method and conditions, in particular the use of 'Put Option' or 'Hold Allocations', should be reported to Council prior to the October 2016 meeting in order to allow for the necessary administrative arrangements to be in place for the planned release in May 2017.**
- 4. DELEGATES to the CEO authority to approve changes to the Sales and Lot Release Strategy (May 2016) to stage sizes and lot configuration and timing of stage releases, subject to the changes being minor and consistent with TPRC objectives, policies and strategies.**

Voting Requirements

Absolute Majority

Report Purpose

To consider the Lot Sales and Release Strategy (May 2016) prepared by the Satterley Property Group.

Policy Reference

N/A

Local Government Act/Regulation

N/A

Previous Minutes

Council Meeting – 18 June 2015 (Item 9.7: Sales and Lot Release Strategy (April 2015)).

Financial/Budget Implications

Expenditure under this matter will be incurred under item E145218 (Marketing):

Budget Amount:	\$817,214
Spent to Date:	\$170,209
Balance:	\$647,005

Relevant Documents

Appendix: Sales and Lot Release Strategy (May 2016)

Background

In June 2015 the Council approved the Sales and Lot Release Strategy (April 2015), submitted by the Satterley Property Group, which outlined the timing, size, nature and method of lot sales releases for FYE 2016.

The purpose of the Strategy is to outline the sales and lot release process for the financial year.

Comment

The Satterley Property Group has submitted the Sales and Lot Release Strategy (May 2016) for Council's consideration (copy attached Appendix 9.8). The Strategy outlines the proposed sales releases and procedure proposed by the Satterley Property Group for FYE 2017.

The Sales and Lot Release Strategy (May 2016) addresses the following components:

- Lot Sale and Release Methods;
- Timing, size and configuration of Release Stages;
- Sale Method - Builder Releases;
- Sale Method - Public Releases;
- Sale Method - Special Releases.

Sales and Lot Releases

The Strategy proposes six sales releases and two special site releases, with the releases varying in size from 10 to 21 residential lots. The Strategy is based on the sale of 119 lots, which is intended to satisfy sales demand for FYE 2017. The majority of the sales releases are located within the Central Precinct.

The location and size of the sales releases reflects the proposed Project Budget FYE 2017 and is also consistent with the Annual Plan listed under report items 9.9 and 9.15 respectively in this Agenda.

The Strategy seeks to maximise the efficient use of existing services and infrastructure by releasing land within the Central Precinct (outside the current land buffer) and introducing sales releases for the Western Precinct. The Strategy reflects the soft market conditions currently being experienced.

The release of lots within Catalina Beach will assist with the sales and marketing of the Project by providing the opportunity to market and sell premium lots in a beach side location. The first release in Catalina Beach will be for a Display Builders Village consisting of 15 lots. The first public release in Catalina Beach consisting of 21 lots is proposed for March 2017.

The SPG recommends that Stage 25 civil works and the Catalina Beach entrance park (Phase 1) be completed prior to the first public release in Catalina Beach in order to demonstrate the standard of Catalina Beach as a premium estate and to provide direct value to the sale of the lots.

Sale Method - Public Releases

The lot sale method proposed for public releases is consistent with the Sales Procedure – Private Purchaser Lots Strategy (March 2014), approved by Council in April 2014, which proposed that the disposal of the residential lots would be by Private Treaty in accordance with Section 3.58(3) and (4) of the Local Government Act 1995.

The Sales Procedure – Private Purchaser Lots Strategy (March 2014) involves potential purchasers registering online to nominate selected lots, with the lots allocated in order of receipt and compliance with preset terms and criteria.

The method of release and sale of private residential lots has worked well to date, with good sales being achieved. The online process is supported and recognised as good practice by Council's Probity Advisor and the Council Auditor.

Sale Method - Builder Releases

The Builders Release lot sale method used to date has involved a tender process utilising put options. This method has worked well to date, however, builders are no longer interested in Put Options given current market conditions and the associated liabilities of the Put Options.

At its meeting of February 2015 the Council approved a modification to the Sales Method – Builders Releases to provide for the use of 'Hold Allocations' for medium density releases to builders. The 'Hold Allocation' involves selected lot packages being allocated for a period of time to a builder via a public tender process. Evaluation of tenders is based on selection criteria based on the following:

- Experience in medium density design and construction;
- Capacity to meet market demand;
- Building Design Sustainability Credentials;
- Innovation;
- Financial capacity.

The 'Hold Allocation' provides the selected builder the right to market a house and land package for a specified period. If the lots are not sold or taken up by the builder within the specified period then the TPRC has the right to offer the lots to the next highest ranked builder. The sale of the lots is undertaken by the TPRC, as per the Put Option method. 'Hold Allocations' provide limited risk for the builders while achieving a desired streetscape/built form outcome to the TPRC. This method is more acceptable to the builders in the slow market conditions.

In the event not all 'Put Option' or 'Hold Allocations' are taken up via the tender process, the SPG has recommended that the lots are then offered to the general public. This approach has been approved by Council in previous Builder Allocations and is supported.

In the Sales and Lot Release Strategy the SPG has not nominated whether 'Put Option' or 'Hold Allocations' are recommended for the Stage 25 (Beach Precinct). It is recommended that the SPG provide the method and conditions to Council prior to the TPRC October 2016 meeting in order to allow for the necessary administrative arrangements to be in place for the planned release in May 2017.

Sale Method – Display Village Builders Release

In April 2016 the Council approved the Display Village Strategy (March 2016) which proposed the release of 15 lots in Stage 25 (Catalina Beach) via public tender to builders subject to selection criteria.

The Sales and Lot Release Strategy is consistent with the approved Display Village Strategy.

Sale Method – Special Sites

There are two Group Housing sites in Stage 18 proposed for release in FYE 2017. Both sites are elevated overlooking Connolly Drive and Neerabup Road. The sites are considered important to achieving the built form, housing diversity and density objectives of the Project given their prominent location. In December 2015 the Council approved the disposal of the two grouped housing sites via tender subject to design guidelines that require the built form to address Connolly Drive and Neerabup Road and to meet the sustainability objectives of the TPRC.

The SPG recommends the Group Housing sites be released by tender. The recommendation is supported subject to design guidelines that require the built form to address Connolly Drive and Neerabup Road and to meet the sustainability objectives of the TPRC as per Council's December 2015 approval being recognised in the Strategy.

Conclusion

The Sales and Lot Release Strategy (May 2016), submitted by the Satterley Property Group, provides an acceptable basis for sales and marketing planning for the period 2016/2017 and is consistent with the proposed Project Budget FYE 2017.

The Sales Procedure for Private Release Lots and Builders Release Lots contained in the Sales and Lot Release Strategy (May 2016) are consistent with sales methods in the approved Sales and Lot Release Strategy (April 2015). The sales methods are also accepted by Council's probity advisor and auditor as good practice.

It is recommended that the SPG be advised that for the Builder Releases – Catalina Beach Precinct the method and conditions, in particular the use of 'Put Option' or 'Hold Allocations', should be provided prior to the October 2016 Council meeting in order to allow for the necessary administrative arrangements to be in place for the planned release in May 2017.

The Management Committee at its meeting held 19 May 2016 recommended that Council:

1. *APPROVES the Sales and Lot Release Strategy FYE 2017 (May 2016), submitted by the Satterley Property Group, as the basis of sales and marketing planning for FYE 2017, subject to Recommendation 2.*
2. *REQUESTS the Satterley Property Group to modify the Lot Sales and Release Strategy to correctly reflect the number of Special Sites for FYE 2017 and the release method be modified in accordance with Council's decision of 10 December 2015 that the Special Sites be released via tender subject to design guidelines that require the built form to address Connolly Drive and Neerabup Road and to meet the sustainability objectives of the TPRC.*
3. *ADVISES the Satterley Property Group that for the Builder Releases – Catalina Beach Precinct the method and conditions, in particular the use of 'Put Option' or 'Hold Allocations', should be provided prior to the October 2016 Council meeting in order to*

allow for the necessary administrative arrangements to be in place for the planned release in May 2017.

4. *DELEGATES to the CEO authority to approve changes to the Sales and Lot Release Strategy (May 2016) to stage sizes and lot configuration and timing of stage releases, subject to the changes being minor and consistent with TPRC objectives, policies and strategies.*

9.9 PROJECT BUDGET FYE 2017

Report Information

Reporting Officer: Chief Executive Officer

File Reference: 12.26.37.0

Recommendation

That the Council:

1. **APPROVES** the Project Budget FYE 2017 (May 2016), submitted by the Satterley Property Group, as the basis of financial planning for the TPRC Budget FYE 2017.
2. **RECEIVES** the Project Forecast FYE 2018 (May 2016) and Project Forecast (2011-2029), submitted by the Satterley Property Group.
3. **ACCEPTS** that the Satterley Property Group has achieved Key Performance Indicator KPI 4.4 requiring the preparation of a Project Budget on an annual basis by March each year.

Voting Requirements

Simple Majority

Report Purpose

To review the Project Budget FYE 2017 (May 2016) prepared by the Satterley Property Group.

Policy Reference

N/A

Previous Minutes

- Council Meeting – 18 June 2015 (Item 9.6 - Project Budget 2015/2016)
- Council Meeting – 26 June 2014 (Item 9.6 - Project Budget 2014/2015)

Financial/Budget Implications

Input to TPRC FYE 2017 Budget.

Relevant Documents

Appendix:

- SPG Project Budget (May 2016)
- Staging Plan

Background

At its meeting of 13 August 2015 the Council approved the Project Budget FYE 2016 (July 2015), submitted by the Satterley Property Group, and that it be used as the basis of financial planning and reporting for the TPRC Budget FYE 2016.

The approved Development Managers KPI 4.4 requires the Satterley Property Group to prepare a Project Budget on an annual basis by March each year. The Project Budget for FYE 2017 (May 2016), submitted by the Satterley Property Group is intended to provide the financial parameters for the TPRC Budget FYE 2017.

At its meeting of 11 December 2014 the Council approved the Project Forecast 2011-2029 (November 2014), submitted by the Satterley Property Group as the basis of project and financial planning.

Comment

The Satterley Property Group has prepared the Project Budget FYE 2017 (May 2016) for the Council's consideration. The preparation of the Project Budget includes consideration of the following:

- Market Conditions;
- Review of FYE 2016;
- Operations for FYE 2017;
- Overview of FYE 2017;
- Key Risks for FYE 2017;
- Forecast for FYE 2018;
- Project Forecast 2011 -2029;
- Key Project Assumptions;
- Sales Triggers for Civil Construction;
- Cash Requirement, Capital Return and Profit Distribution Capacity.

The Satterley Property Group report on the Project Budget FYE 2017 (May 2016) and other supporting information is attached at Appendix 9.9.

MARKET CONDITIONS

The SPG considers that the decline of the WA resource sector and slowing population growth is likely to result in the land market remaining soft for the next 18-24 months. As a result of subdued market conditions, the SPG has proposed a conservative FYE 2017 budget which incorporates lower revised sales rates from those in the approved Project Forecast 2011 – 2029.

REVIEW OF PROJECT BUDGET FYE 2016

The Satterley Property Group has undertaken a review of the approved Project Budget FYE 2016 (July 2015) and compared variances for FYE 2016, having regard to the latest sales/settlement and expenditure information.

The significant variances are as follows:

- Net cashflow to increase by \$11.3M to \$6.2M;
- Sales to reduce from 180 sales to 87 sales;
- Gross Income to decrease by \$11.9M, largely due to 47 less settlements;
- Developments costs to decrease by \$23.2M, largely due to deferred lot production costs and savings, deferred landscaping works, and reduced contingency requirements.

Distributions to member local governments for FYE 2016 are forecast at \$15M, down from \$18M.

PROJECT BUDGET FYE 2017 (MAY 2016) - KEY ACTIVITIES/OPERATIONS

The Project Budget FYE 2017 (May 2016) reflects a conservative approach to sales/settlement rates and lot production/infrastructure expenditure consistent with the predicted soft conditions for new lot sales in Western Australia. The Project Budget FYE 2017 (May 2016) is premised on the following key activities and key assumptions:

Civil Construction / Bulk Earthworks - \$14.5M

- Civil construction Stages 17A, 18B and 25 - 120 lots.
- Bulk Earthworks completion for Catalina Central Primary School site and Western Precinct.

Infrastructure - \$1.5M

- Waste Water Pump Station - Catalina Beach

Landscape Construction - \$6.8M

- Stages 10 – 15 Public Open Space areas;
- Marmion Avenue verge and median;
- Marmion Avenue Catalina Beach Entry Statement;
- Biodiversity Conservation Area (South).

Marketing - \$0.66M

- Continued Catalina branding;
- Promotion of second Builders Display Village;
- Launch Catalina Beach Precinct;
- Upgrading of estate signage;
- Advertising for estate campaigns;
- Research.

Sales / Settlements

- 119 sales;
- Titles Stages 14B and 25 - 68 lots;
- 93 settlements.

Planning

- Subdivision application for Stages 16A, 16B, 17B and 18B in Catalina Central;
- Planning for the Eastern Precinct and lodgement of first subdivision application.

The following table shows the variance between forecasts considered by Council in December 2014, as part of its approval of the Project Forecast 2011-2029 (November 2014) for FYE 2017 and the proposed Project Budget FYE 2017, proposed by the Satterley Property Group, for Income, Development Costs, Cashflow and Distributions.

Annual Cashflow	FYE 2017 Project Forecast (November 2014)	Project Budget FYE 2017 (May 2016)	Variance
Gross Income	56.9M	27.3M	(29.6M)
Development Costs	28.6M	28.7M	(0.1M)
Cashflow	28.3M	(1.40M)	(29.7M)
Distributions	28.0M	11.0M	(17.0M)

The major variances are detailed in the SPG report (Appendix 9.9) and are summarised as follows:

- Net cashflow to reduce by \$29.7M to (\$1.4M);
- Lot sales to reduce from 120 lots to 119 lots;
- Residential Lot Income to decrease by \$35.4M due to settlement of 93 lots compared to 186 lots;
- Landscaping works to increase by \$3.7M as a result of the deferral of costs from FYE 2016 to FYE 2017;
- Lot production costs to increase by \$3.0M, largely as a result of the deferral of costs from FYE 2016 to FYE 2017 and significant timing to changes of works from Project Forecast 2011-2029 (November 2014);
- Finance/bonds to increase to \$2.0M for the bonding of the Western Precinct Pump Station;
- Distributions to reduce from \$28M to \$11M.

It is noted that both income and cost escalation rates for FYE 2017 in the Project Budget FYE 2017 (May 2016) have been removed. From FYE 2018 onwards income and cost escalation rates have been reintroduced at 2% and 1% respectively. Due to the compounding effect of escalation, these rate changes have a material impact on the Project Forecast.

The Project Budget FYE 2017 (May 2016) is based on the Annual Plan (May 2016) and the Sales and Lot Release Strategy Plan (May 2016) listed for consideration under Reports 9.15 and 9.8, respectively, of this Agenda.

KEY RISKS FOR PROJECT BUDGET FYE 2017

The Satterley Property Group has identified the following items as key risks to achieving the Project Budget FYE 2017 outcomes:

- Achieving sales rates in accordance with the FYE 2017 Budget;
- Construction delays resulting in delays in titles issuing;
- Achieving budgeted sales prices for lots settling in FYE 2017;
- Higher than expected fall over rates for sales resulting in lower settlements;
- Settlements forecast for FYE 2017 being deferred to FYE 2018, resulting in lower revenue being achieved in FYE 2017.

The majority of the risks identified would be considered typical for a project such as Catalina and will be managed by project supervision and management, monthly financial review and reporting, application construction triggers and monitoring market and economic conditions. The specific project risks are actively being pursued to minimise potential exposure to the TPRC and to achieve budget predictions.

SALES TRIGGERS FOR CIVIL CONSTRUCTION

The Satterley Property Group has recommended the use of Sales Triggers for the Project Budget FYE 2017 based on Sales Stock levels as shown in the following table. The recommended Sales Triggers require a closing stock position of 35 lots for the Central Precinct and 20 lots for the Western Precinct prior to the commitment to the next stage of civil construction. The SPG considers that the Central Precinct and Western Precinct appeal to different target markets and will have different sales rates and have recommended separate sales triggers for each precinct.

	Stage	Lots	Titles	Construction start	Precinct stock level trigger for civil construction
Catalina Central	14B	10	Jun-16	Feb-16	35
Catalina Beach	25	59	Feb-17	Aug-16	20

The principle of maintaining civil construction triggers to ensure the Project does not over commit to civil construction is supported. The proposed Sales Trigger requiring a closing stock of 35 lots for the Central Precinct and 20 lots for the Western Precinct prior to the commitment to the next stage of civil construction is considered acceptable under current market conditions in managing Council's risk and whilst providing a reasonable stock position for market demand. It is noted that the same Sales Triggers were applied for FYE 2016 for the Central Precinct.

PROJECT FORECAST FYE 2018

The Satterley Property Group has prepared a Project Forecast FYE 2018 for financial planning purposes and information. It is not intended to be endorsed by the Council at this time.

The following table shows the variance between forecasts considered by Council in December 2014, as part of its approval of the Project Forecast 2011-2029 (November 2014) for FYE 2018 and the current Project Forecast FYE 2018 for Income, Development Costs, Cashflow and Distributions.

Annual Cashflow	FYE 2018 Project Forecast (November 2014)	FYE 2018 Forecast (May 2016)	Variance
Gross Income	60.0M	35.4M	(24.6M)
Development Costs	42.4M	38.4M	4.0M
Cashflow	17.6M	(3.0M)	(20.6M)
Distributions	18.0M	4.0M	(14.0M)

The major variances are summarised as follows:

- Gross Income to decrease by \$24.6M to \$35.4M;
- Development costs to decrease by \$4.0M, largely as a result of significant timing changes of works from Project Forecast 2011-2029 (November 2014);
- Net cashflow to decrease by \$20.6M to (\$3.0M);
- Distributions to decrease from \$18M to \$4.0M.

These estimates should only be considered as a general guide for the Project Forecast FYE 2018, detailed planning and review is underway to more precisely determine the assumptions underlying the cashflow. The FYE 2018 forecast will be reviewed in light of the Western Australian economy and the residential land market at that time.

PROJECT FORECAST (2011-2029)

At its meeting of December 2014 the Council approved the Project Forecast 2011-2029 (November 2014), submitted by the Satterley Property Group as the basis of project and financial planning.

The Satterley Property Group has undertaken a review of the Project Forecast 2011-2029 (November 2014) and compared the results to the current Project Forecast 2011-2029 (May 2016) as part of the Project Budget FYE 2017 preparation.

The FYE 2017 proposed budget forecasts an overall net cash profit of \$352.8M for the life of the Project. This is \$44.1M less than the 2014 Project Forecast, largely as a result of the reduction in escalation and sales rate assumptions applied, which the SPG considers necessary given the deterioration in market conditions over the past 12-18 months.

The current Project Forecast (May 2016) provides a general guide to the long term cashflow direction of the Project only. Due to the inherent uncertainties associated with forecasting over the lengthy timeframe of the Project's lifecycle, the position represented is indicative only and does not require any formal Council decision.

It is noted that the approved Development Managers Key Performance Indicators (June 2014), KPI - Financial Management 4.2 requires the completion of a Review of the Project Cashflow every three years which is due in 2017.

Conclusion

The SPG has indicated that current market conditions are expected to continue through FYE 2017 and FYE 2018 which is likely to result in residential lot revenue being below the TPRC budget predictions and has adopted a conservative position on lot sales for FYE 2017 and FYE 2018. The reduced residential lot revenue will be offset by lower development expenditure in line with reduced lot production. Given the forecast lower lot income, development expenditure will need to be managed to minimise potential risks and exposure to the TPRC, including the use of Sales Triggers, whilst providing a reasonable stock position for market demand.

The assumptions and predictions in the approved Project Forecast 2011-2029 (November 2014) are generally not valid for Project Budget FYE 2017 given current economic conditions and the property market. The Project Budget FYE 2017 reflects a conservative sales and revenue position which is considered appropriate given the position of the land sales market and the adverse conditions being reported on the Western Australian economy.

The Project Budget FYE 2017 (May 2016) predicts that the TPRC can meet all cashflow obligations without the need for any call upon member local government funds to meet any operating or capital expenditure.

The Project Budget FYE 2017 (May 2016) is consistent with the Annual Plan (May 2016) and the Sales and Lot Release Strategy Plan (May 2016) listed for consideration under Reports 9.15 and 9.8, respectively, of this Agenda.

It is recommended that the Council approves the Project Budget FYE 2017 (May 2016), submitted by the Satterley Property Group, as the basis of project and financial planning for FYE 2017.

It is further recommended that the Council accepts that the Satterley Property Group has achieved Development Managers KPI 4.4 requiring the preparation of a Project Budget on an annual basis by March each year.

Satterley Property Group representatives will be in attendance to present and explain the rationale and underlying assumptions of the Project Budget FYE 2017 (May 2016), Project Forecast FYE 2018 and Project Forecast 2011-2029.

At its meeting of 19 May 2016 the Management Committee considered the Satterley Property Group report on the Project Budget FYE 2017 (May 2016) and resolved to recommend that Council:

1. *APPROVES the Project Budget 2016/2017 (May 2016), submitted by the Satterley Property Group, as the basis of financial planning for the TPRC Budget 2016/2017.*
2. *RECEIVES the Project Forecast FYE 2018 (May 2016) and Project Forecast (2011-2029), submitted by the Satterley Property Group.*
3. *ACCEPTS that the Satterley Property Group has achieved Key Performance Indicator KPI 4.4 requiring the preparation of a Project Budget on an annual basis by March each year.*

9.10 DISTRIBUTION TO PARTICIPANT LOCAL GOVERNMENTS – JUNE 2016

Report Information

Reporting Officer: Chief Executive Officer

File Reference: 12.66.401.0

Recommendation

That the Council APPROVES the reduction of the June 2016 Distribution to Participant Local Governments from \$8.0M to \$5M, in accordance with the Satterley Property Group review of the Project Budget FYE 2016 (July 2015), and the impacts of the deterioration of market conditions and lower residential lot revenue on the TPRC Budget FYE 2016.

Voting Requirements

Simple Majority

Report Purpose

To consider a report on the proposed Distribution to Participant Local Governments for June 2016.

Policy Reference

N/A

Local Government Act/Regulation

N/A

Previous Minutes

N/A

Financial/Budget Implications

Review of June 2016 - \$8M Distribution to Participant Local Governments in the TPRC Budget FYE 2016.

Relevant Documents

Appendix: Nil

Background

At its meeting of 13 August 2015 the Council approved the TPRC Budget FYE 2016.

The TPRC Budget FYE 2016 predicted Distributions to the participant members totalling \$18M. It was anticipated that the Distributions would be made as follows:

- December 2015 - \$10M
- June 2016 - \$8M

Comment

As part of preparation of the Project Budget FYE 2017 (May 2016) the Satterley Property Group has undertaken a review of the approved Project Budget FYE 2016 (July 2015) having regard to the latest sales/settlement/expenditure information and current market conditions.

The SPG review of the Project Budget FYE 2016 forecasts Distributions to Participant Local Governments at \$15M, down from \$18M from the approved TPRC Budget for FYE 2016. It is noted that a \$10M Distribution was made to Participant Local Governments in February 2016.

The SPG believes the land sales market is likely to remain soft for the next 18-24 months and has proposed conservative FYE 2017 and FYE 2018 budget forecasts.

Given the Satterley Property Group advice on market conditions for the next 18-24 months and uncertainty about lot sales and revenue for FYE 2017 and FYE 2018 budget forecasts it would seem prudent to reduce the June 2016 Distribution to Participant Local Governments from \$8M to \$5M.

At its meeting of 19 May 2016 the Management Committee considered a report on the review of June 2016 Distribution to Participant Local Governments and resolved to recommend that Council APPROVES the reduction of the June 2016 Distribution to Participant Local Governments from \$8.0M to \$5M, in accordance with the Satterley Property Group review of the Project Budget 2015/16 (July 2015), and the impacts of the deterioration of market conditions and lower residential lot revenue on the TPRC Budget 2015/2016.

9.11 ANNUAL MARKETING PLAN (MAY 2016)

Report Information

Reporting Officer: Project Coordinator

File Reference: 1.88.246

Recommendation

That the Council:

1. **APPROVES** the Annual Marketing Plan (May 2016), prepared by the Satterley Property Group.
2. **ACCEPTS** that the Development Managers Key Performance Indicators (June 2014), Marketing 3.2 – Annual Marketing Plan, requiring the preparation of the Annual Marketing Plan by March each year has been **ACHIEVED**.
3. **ADVISES** the Satterley Property Group that marketing expenditure will be reviewed and monitored in line with market conditions and the requirements of the Project.

Voting Requirements

Simple Majority

Report Purpose

To consider the Annual Marketing Plan (May 2016) prepared by the Satterley Property Group, as required by the Development Managers Key Performance Indicators.

Policy Reference

N/A

Local Government Act/Regulation

N/A

Previous Minutes

- Council Meeting – 16 April 2015 (Item 9.6: Catalina Annual Marketing Plan 2015-2016)
- Council Meeting – 19 June 2014 (Item 9.12: Development Managers – Key Performance Indicators - 2014).

Relevant Documents

Appendix: Annual Marketing Plan (May 2016)

Financial/Budget Implications

Expenditure under this matter will be incurred under item E145218 (Marketing):

Budget Amount:	\$817,214
Spent to Date:	\$170,209
Balance:	\$647,005

Background

At its meeting of 16 April 2015, the Council approved the Annual Marketing Plan 2015 prepared by the Satterley Property Group. The Annual Marketing Plan provided the key marketing objectives and strategies to assist in achieving the sales target for FYE 2016.

The approved Development Managers Key Performance Indicators (June 2014), Key Performance Indicator, Marketing 3.2, requires the preparation of an Annual Marketing Plan by March each year. In accordance with the Development Managers Key Performance Indicators 2014, the Satterley Property Group has prepared and submitted the Annual Marketing Plan (May 2016) for the Council's consideration to satisfy the KPI 3.2 (Appendix 9.11).

Comment

The purpose of the Annual Marketing Plan (AMP) is to provide a 12 month outlook of market conditions and identify key marketing activities/strategies for the forthcoming year, to assist in meeting the FYE 2017 sales targets. The AMP provided by the SPG contains the following components:

- Review of 2015/2016 marketing activities;
- Key marketing objectives;
- Key marketing initiatives for 2016/2017;
- Recommended marketing budget for 2016/2017.

Marketing Activities/Strategies and Results

The SPG has provided an analysis of sales and marketing activities occurring over the April 2015 to March 2016 period. This analysis indicates a slowdown in sales activity throughout the year with enquiries, registration and visitation to the Sales Office down on the previous year.

Sales Catchment Areas

The AMP identifies key sales catchment areas by registering purchaser addresses. The analysis indicates that the majority of sales were derived from purchasers residing south of Catalina and living within a 15km radius of the Estate, which supports marketing actions/strategies targeted towards local communities.

Sales Strategy FYE 2016

The key focus of the sales strategy for FYE 2016 was the public releases using the approved online sales release method, which resulted in leads from each campaign. The other key strategy implemented was the improvement of builder engagement through strengthening relationships with key builders which helped to deliver referrals and leads.

Key Marketing Objectives FYE 2017

The key marketing objectives identified in the AMP (May 2016) for FYE 2017 are as follows:

- Brand Development;
- Lead generation to achieve sales targets;
- Project Signage Strategy and upgrade;
- Point of Sale – Improve purchaser journey;
- Project website improvements and sales collateral refinement; and
- Catalina Beach Launch.

Key Marketing Strategies FYE 2017

Key marketing initiatives in the AMP recommended by the SPG are identified below:

1. Strategic Brand Direction

Finalise and implement the strategic branding to all elements of the marketing and sales process.

2. Market Research

Market research is proposed to be undertaken in the form of purchaser profiling, geo-mapping (purchasers and registrations of interest) and analysis. Research on the apartment product at Catalina Beach is also proposed.

3. Brand Advertising

Brand advertising is to be targeted at increasing the Catalina brand awareness. The AMP proposes 25 – 35% of the Advertising and Direct Marketing allocation being used for brand advertising.

4. Lead Generation Advertising

Lead generation is proposed utilising 65 – 75% of the Advertising and Direct Marketing allocation. This is to include targeted marketing around stage releases and ongoing messaging campaigns.

5. Catalina Beach Launch

The SPG has recommended that the first stage of civil works for Catalina Beach, including the Catalina Beach entrance park (Phase 1) be completed prior to the first public release.

The SPG considers that the development standard of Catalina Beach as a premium estate should be demonstrated by the completion of these works which will provide direct value to the sale of the lots.

The release of Catalina Beach lots is a significant milestone in the Project, with the proposed launch being the catalyst for promotion and sales at Catalina Beach.

6. Signage

An upgrade of existing signage and installation of new signage is proposed to increase communication of key messages to passing traffic on Marmion Avenue, Connolly Drive and Neerabup Road.

7. Sales Office

An upgrade of the Sales Office is proposed to improve the functionality and currency of marketing collateral.

8. Website and Collateral

The website is proposed to be upgraded to improve the customer experience. Collateral will also be updated in line with the brand development and also includes new collateral for Catalina Beach.

Marketing Expenditure

Budget recommendations for key marketing components are summarised in the table below:

Description	Budget FYE 2016	Actuals & Commitments FYE 2016 (to 26/05)	Budget FYE 2017
Brand Development (Market Research)	\$130,000	\$60,294	\$37,500
Sales Office & Builder Relations	\$20,000	\$989	\$65,000
Collateral (Estate Brochures and Folders)	\$66,000	\$19,911	\$38,000
Advertising and Direct Marketing	\$403,250	\$132,268	\$298,734
Signage	\$140,000	\$39,110	\$165,000
Website	\$10,000	\$375	\$15,000
Promotions	\$50,000	\$0	Nil
Public Relations	\$20,000	\$0	Nil
Sales & Marketing Contingency (5% all items)	\$36,750	\$0	\$30,962
Total	\$876,000	\$252,947	\$650,196

The SPG recommendations for marketing expenditure show a \$225,000 reduction in budget from FYE 2016. This is primarily a result of Telethon promotions (\$150,000) not being required for FYE 2017. It is noted the FYE 2016 budget was based on the sale of 180 lots compared to 119 lots budgeted for in FYE 2017.

The proposed budget for FYE 2017 is considered appropriate given the key strategies to be undertaken in the financial year. This includes the Signage and Sales Office upgrades which were budgeted for FYE 2016 but not able to be implemented.

Conclusion

The AMP outlines marketing activities for the forthcoming year that support current project objectives and initiatives, with a focus on the following elements:

- Support of stage land releases;
- Brand development;
- Signage and sales office strategy implementation; and
- Promotion of the launch of Catalina Beach.

The Annual Marketing Plan (May 2016) prepared by the Satterley Property Group is considered to satisfy the requirements of Key Performance Indicator: Marketing 3.2 – requiring the preparation of an Annual Marketing Plan by March each year.

Whilst the budget proposals outlined in the AMP are supported in principle, marketing expenditure will be reviewed and monitored in line with market conditions and the requirements of the Project.

The Management Committee at its meeting of 19 May 2016 recommended that Council:

1. *APPROVES the Annual Marketing Plan (May 2016), prepared by the Satterley Property Group.*
2. *ACCEPTS that the Development Managers Key Performance Indicators (June 2014), Marketing 3.2 – Annual Marketing Plan, requiring the preparation of the Annual Marketing Plan by March each year has been ACHIEVED.*
3. *ADVISES the Satterley Property Group that marketing expenditure will be reviewed and monitored in line with market conditions and the requirements of the Project.*

9.12 REVIEW OF CATALINA RISK MANAGEMENT PLAN (MAY 2016)

Report Information

Reporting Officer: Chief Executive Officer

File Reference: 1.88.246

Recommendation

That the Council:

- 1. APPROVES the Risk Management Plan (May 2016) prepared by the Satterley Property Group.**
- 2. REQUIRES the Satterley Property Group to continually review and update the Risk Management Plan (May 2016) and report to Council annually.**
- 3. ACCEPTS that the Satterley Property Group has achieved Key Performance Indicator 2.12 requiring an Annual review of the Project Risk Management Plan by May each year.**

Voting Requirements

Simple Majority

Report Purpose

To consider a report on the Risk Management Plan (May 2016), prepared by the Satterley Property Group.

Policy Reference

N/A

Local Government Act/Regulation

N/A

Previous Minutes

- Council Meeting – 13 August 2015 (Item 9.7 - Catalina Risk Management Plan 2015)
- Council Meeting – 26 June 2014 (Item 9.7 - Catalina Risk Management Plan 2014)

Financial/Budget Implications

N/A

Relevant Documents

Appendix:

- Catalina Risk Management Plan dated May 2016
- Catalina Risk Register 2016

Background

At its meeting held on 13 August 2015, the Council resolved as follows:

1. *APPROVE the Risk Management Plan (July 2015) and recommended mitigation actions submitted by the Satterley Property Group.*
2. *REQUIRE the Satterley Property Group to continually review and update the Risk Management Plan 2015 and report to Council annually.*

The purpose of the Risk Management Plan is to identify, assess and respond to Project risk issues.

The approved Development Managers KPI 2.12 requires the Satterley Property Group (SPG) to undertake an annual review of the Project Risk Management Plan by May each year.

Comment

In accordance with Council decision of August 2015 and the Development Managers KPI 2.12 the SPG has reviewed the Catalina Risk Management Plan 2015 and submitted the Catalina Risk Management Plan (May 2016) for Council's consideration (attached under Appendix 9.12).

The Risk Management Plan (RMP) identifies 21 risks which the SPG consider to be the most significant items of risk which may affect the Catalina Project. Risks have been identified from the following areas:

- Sales & Marketing;
- Budget;
- Planning and Environmental Approvals;
- Engineering and Construction;
- External Stakeholders;
- Management.

A quantitative assessment of all identified risks was undertaken by the SPG to assess the degree of each risk and identify those which have the greatest potential to negatively impact the Project.

The SPG's assessment has been undertaken by applying scores of 1 – 5 against the likelihood of occurrence and magnitude of impact for each item of risk using the scaling tables provided under Tables 1 & 2 of the RMP. These occurrence and impact ratings were then used to calculate a risk rating for each item (risk rating = occurrence x impact). The risk ratings have been used to categorise risks as low, medium or high, based on the following:

Category	Risk Rating
Low	0 – 6
Medium	7 – 14
High	15+

The SPG's assessment of the 21 risk items are reported in the RMP (Appendix 9.12) and resulted in the risk items being categorised as follows:

Category	Number
Low	14
Medium	6
High	1

The SPG's assessment resulted in one risk item being categorised as high risk, representing the greatest potential risk to the Catalina Project:

Item 3.1: Lifting of urban deferred buffer does not meet cashflow expectations

Delays to the landfill buffer zone being removed from the Catalina site could affect the development of the southern portion of the Central Precinct.

The SPG has assessed this risk with a rating of 15 and recommended mitigation actions of maintaining close liaison with the Mindarie Regional Council and commencing actions for the lifting of the urban deferred zoning as soon as movement of the buffer occurs.

The approved project budget is based on a development schedule that assumes the Tamala Park landfill buffer will continually recede to allow urban deferred zonings to be lifted and development to continue to the site's southern boundary by 2029.

The SPG's assessment has resulted in two items being categorised as medium risk, however, these have potential major – catastrophic consequences. The increase in the number of items categorised as medium risk is consistent with economic climate and soft land sales market.

Item 4.1 – Non Compliance with Work Health and Safety Requirements Leads to Death or Serious Injury

The Project involves significant earthworks, civil works and landscape works which involve high risk activities.

The SPG has recommended it be mitigated by evidence that SPG's WHS Management System satisfies the *Occupational Safety and Health Act (WA) 1984* and *Occupational Safety and Health Regulations (WA)* and the implementation of the SPG WHS Contractor Management Procedure, including 2nd Party (Principal Contractor) audits, Project specific risk identification workshops by the Principal Contractor and regular reporting of WHS matters.

Item 5.1: The potential impacts from the landfill operations include contamination of the TPRC's landholding from contaminated groundwater or a gas leak which could provide a significant safety risk to the public.

The Tamala Park Waste Facility is a putrescible landfill operation. There is a risk that the landfill operations could contaminate the TPRC's landholding from contaminated groundwater or gas. At the present time there are no management issues with the landfill that affect the Catalina development.

The Tamala Park Waste Facility is being well managed with on-going monitoring and testing programs. The Facility is also subject to annual DER licensing.

The TPRC is in close liaison with Mindarie Regional Council administration in terms of potential impacts on the Catalina Project.

Conclusion

The RMP provides detailed qualitative assessment of the above risks in order to understand their cause and potential impact to the Project. The SPG has recommended mitigation actions for implementation to avoid, reduce or manage the impact of all identified risks, which are shown on the Risk Register contained within the RMP. The RMP has been modified to include TPRC comments and recommendations.

It should be noted that the significant risks identified in the RMP were also reported in the RMP 2015 and appropriately managed. The mitigation actions recommended by the SPG have been commenced and further actions have been implemented to manage identified risks.

The SPG has recommended that the RMP and identified items of risk be continually monitored and reviewed and an updated RMP be presented to the Council for its approval on an annual basis.

It is further recommended that the Council accept that the Satterley Property Group has achieved Development Managers KPI 2.12 requiring the preparation of an annual review of the Project Risk Management Plan by May each year.

At its meeting of 19 May 2016 the Management Committee considered the Risk Management Plan (May 2016), prepared by the Satterley Property Group, and resolved to recommend that Council:

1. *APPROVES the Risk Management Plan (May 2016) prepared by the Satterley Property Group.*
2. *REQUIRES the Satterley Property Group to continually review and update the Risk Management Plan (May 2016) and report to Council annually.*
3. *ACCEPTS that the Satterley Property Group has achieved Key Performance Indicator 2.12 requiring an Annual review of the Project Risk Management Plan by May each year.*

9.13 ELECTED MEMBER ALLOWANCES

Report Information

Reporting Officer: Chief Executive Officer

File Reference: 13.45.262.0

Recommendation

That the Council APPROVES:

- 1. An Annual Allowance for the Chairman of the Council to be \$19,864 per annum.**
- 2. An Annual Attendance fee for the Chairman of the Council to be \$15,682 per annum.**
- 3. An Annual Allowance for Deputy Chairman to be 25% of the amount paid to the Chairman per annum.**
- 4. An Attendance fee for Council members to be an amount of \$10,455 per annum.**
- 5. Council members do not claim separate telecommunications, IT allowances or travelling allowance to meetings.**
- 6. A per meeting fee of \$236 for alternate Council members.**
- 7. Elected member allowances are to be made quarterly in arrears.**

Voting Requirements

Absolute Majority

Report Purpose

To consider elected member allowances following the Salaries and Allowances Tribunal review of fees, allowances and expenses for elected council members of Local Governments April 2016.

Relevant Documents

Attachments: N/A

Local Government Act/Regulation

- Section 5.98 Elected Member Allowances
- Regulation 33
- Regulation 34
- Local Government Administration Regulations

Previous Minutes

- Council Meeting – 10 December 2015 (Item 9.14 - Elected Member Allowances)
- Council Meeting – 21 August 2014 (Item 9.17 - Elected Member Allowances)

Background

At its meeting of 10 December 2015 the Council considered a report on the Salaries and Allowances Tribunal review of fees, allowances and expenses for Elected Council Member of Local Governments and resolved as follows:

That the Council APPROVE:

- 1. An Annual Allowance for the Chairman of the Council to be \$19,570 per annum.*
- 2. An Annual Attendance fee for the Chairman of the Council to be \$15,450 per annum.*
- 3. An Annual Allowance for Deputy Chairman to be 25% of the amount paid to the Chairman per annum.*
- 4. An Attendance fee for Council members to be an amount of \$10,300 per annum.*
- 5. Council members do not claim separate telecommunications, IT allowances or travelling allowance to meetings.*
- 6. A per meeting fee of \$232 for alternate Council members.*
- 7. Elected member allowances are to be made quarterly in arrears.*

The Salaries and Allowances Tribunal is required by Section 7B(2) of the *Salaries and Allowances Act 1975* to inquire into and determine the amount of fees, for attendance at meetings; the amount of expenses, and the amount of allowances to be paid under the LG Act to Elected Council Members.

The Salaries and Allowances Tribunal completed a review of fees, allowances and expenses for Elected Council Member of Local Governments throughout Western Australia in April 2016.

The Tribunal determined a general adjustment of 1.5 percent to the fees, expenses or allowance ranges provided for elected members.

The determination which comes into operation on 1 July 2016 establishes a scale of payments and provisions for reimbursements of expenses in accordance with the *Local Government Act 1995* and the *Local Government (Administration) Regulations 1996*.

Comment

The Salaries and Allowances Tribunal Review provides for the payment to Councillors of either Meeting Attendance Fees or Annual Attendance Fees which are outlined below.

Meeting Attendance Fees

The range of fees in the table below applies where a regional local government decides to pay a Council Member a fee for attendance at meetings.

Council meeting fees per meeting:

	Council Member other than the Chairman		Council Member who holds the Office of Chairman	
	Minimum	Maximum	Minimum	Maximum
All Regional Councils	\$90	\$236	\$90	\$485

Committee meeting and prescribed meeting fees per meeting:

Council Member including Chairman		
	Minimum	Maximum
All Regional Councils	\$45	\$118

Annual Attendance Fees

The Council can resolve to pay Council Members an Annual Attendance Fee (section 5.98(1) LGA) for Council Members who attend council or committee meetings, instead of paying attendance meeting fees.

Annual attendance fees:

	Council Member other than the Chairman		Council Member who holds the Office of Chairman	
	Minimum	Maximum	Minimum	Maximum
All Regional Councils	\$1,777	\$10,455	\$1,777	\$15,682

Annual allowance for the Chairman of a Regional Council

Annual Allowance for Chairman		
	Minimum	Maximum
All Regional Councils	\$508	\$19,864

The Annual Allowance for a Deputy Chairman is 25% of the Chairman Allowance.

The TPRC has previously approved the payment of Annual Attendance Fees to Councillors instead of attendance meeting fees. It has also adopted a practice of setting the member fees at a level that covers the alternative allowances that might be paid for travel, telephone and communication and agreed that the permitted maximum fee prescribed by Local Government legislation be paid to Council Members.

The following table provides a comparison between the approved Annual Attendance Fees currently provided to Councillors and the range of Annual Attendance Fees as determined by the Salaries and Allowances Tribunal:

	Current TPRC Fees/Allowances		SAT Determination April 2016	
	Annual Attendance Fee	Annual Allowance	Annual Attendance Fee	Annual Allowance
Chairperson	\$15,450	\$19,570	\$1,777- \$15,682	\$508 - \$19,864
Deputy Chairperson	\$10,300	\$4,892 (25% of Chair)	\$1,777- \$10,455	25% of Chair
Council Member	\$10,300	n/a	\$1,777- \$10,455	n/a
Deputy Council Member	\$232/mtg	n/a	\$90 - \$236/mtg	n/a

It is recommended that the Council approve the payment of Annual Attendance Fees to Councillors instead of attendance meeting fees. It is further recommended that the Council approve the previously adopted practice of setting the member fees at a level that covers the alternative allowances that might be paid for travel, telephone and communication and agreed that the permitted maximum fee prescribed by the Salaries and Allowances Tribunal be paid to the Chairman and Councillors.

9.14 ELECTED MEMBER CONFERENCE ATTENDANCE POLICY

Report Information

Reporting Officer: Chief Executive Officer

File Reference: 4.123.760

Recommendation

That the Council APPROVES the Elected Member Conference Attendance Policy (June 2016).

Voting Requirements

Simple Majority

Report Purpose

To consider the proposed Elected Member Conference Attendance Policy (June 2016).

Relevant Documents

Appendix: Elected Member Conference Attendance Policy (June 2016).

Policy Reference

N/A

Local Government Act/Regulation

N/A

Previous Minutes

N/A

Financial/Budget Implications

N/A

Background

Elected Members have previously nominated to attend conferences considered relevant to the TPRC objectives and related to the matters relevant to the Catalina Project as representatives of the TPRC.

Comment

The Elected Member Conference Attendance Policy (June 2016) has been developed to provide the guidelines, nature, extent and administrative arrangements for Elected Members attendance or representation at conferences.

The Policy outlines the following guidelines in determining whether Elected Members attend conferences:

1. The conference focuses on issues of importance to the TPRC.
2. The conference addresses important development industry issues, including:
 - Property and housing trends;
 - Liveable communities;
 - Innovations in property;
 - Planning and development of master planned communities;
 - Sustainability and best practice in residential development;
 - Planning for Cities of the future; and
 - Trends influencing building design and development.
3. The conference topics are integral to the TPRC objectives and related to the areas currently being contemplated in the Catalina Project.
4. The conference provides opportunities to visit significant projects interstate or internationally which are considered to have achieved excellence in urban design, best practice and innovation, sustainability and building design and development.
5. The conference is directly relevant to the TPRC activities and there would be benefits in Elected Members attending the conference.
6. The conference will assist Elected Members to develop and maintain skills and knowledge relevant to their role as a representative of the TPRC.
7. Funds are available for attending the conference from the approved TPRC Budget.

The Policy states that approval to attend a conference will be by the Council through a resolution passed at a Council Meeting.

The Policy also details the administrative arrangements for Elected Members attendance at conferences.

9.15 ANNUAL PLAN (MAY 2016) - **CONFIDENTIAL**

CONFIDENTIAL

10. ELECTED MEMBERS MOTIONS OF WHICH NOTICE HAS BEEN GIVEN
11. QUESTIONS BY ELECTED MEMBERS OF WHICH DUE NOTICE HAS BEEN GIVEN
12. URGENT BUSINESS APPROVED BY THE CHAIRMAN
13. MATTERS BEHIND CLOSED DOORS
14. GENERAL BUSINESS
15. FORMAL CLOSURE OF MEETING

APPENDICES