



Shire of
Nannup
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Agenda

Council Meeting to be held
on Thursday 24 April 2014
Commencing at 4.15pm

A g e n d a

1. **DECLARATION OF OPENING/ANNOUNCEMENT OF VISITORS**
2. **RECORD OF ATTENDANCE/APOLOGIES/LEAVE OF ABSENCE**
(previously approved)

Cr Steer
27 February 2014 to 25 April 2014

3. **RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE**

Mr L Gilchrist to Cr Charles Gilbert

Q2. I have done a history of the Village Green, are the names listed in the history accurate?

A2. This question has been passed onto the Historical Society for comment.

4. **PUBLIC QUESTION TIME**
5. **APPLICATIONS FOR LEAVE OF ABSENCE**
6. **PETITIONS/DEPUTATIONS/PRESENTATIONS**

Nannup Community Kindergarten Inc

7. **DECLARATIONS OF INTEREST**

The Shire President will read out any declarations received relating to financial, proximity or impartiality interests and ask for any further declarations to be made.

Members should make any declarations at the start of the meeting but may declare an interest before the resolution of any agenda item.

8. **CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS**

That the Minutes of the Ordinary Council Meeting of the Shire of Nannup held in Council Chambers on 27 March 2014 be confirmed as a true and correct record.

Shire of Nannup
Ordinary Council Meeting Agenda: April 2014

- 9. MINUTES OF COUNCIL COMMITTEES
- 10. ANNOUNCEMENTS BY PRESIDING MEMBER WITHOUT DISCUSSION
 - Resignation of Councillor Dobbin
 - Declaration of Extraordinary Council Election date: 9 August 2014
- 11. REPORTS BY MEMBERS ATTENDING COMMITTEES
- 12. REPORTS OF OFFICERS

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CONFIDENTIAL ITEMS

Nil

- 13. NEW BUSINESS OF AN URGENT NATURE INTRODUCED BY DECISION OF MEETING
 - (a) OFFICERS
 - (b) ELECTED MEMBERS
- 14. ELECTED MEMBERS MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN
- 15. QUESTIONS BY MEMBERS OF WHICH DUE NOTICE HAS BEEN GIVEN
- 16. CLOSURE OF MEETING

COMMUNITY & DEVELOPMENT SERVICES

AGENDA NUMBER:	12.1
SUBJECT:	Community Kindergarten Memorandum of Understanding
LOCATION/ADDRESS:	Nannup
NAME OF APPLICANT:	N/A
FILE REFERENCE:	BLD 11
AUTHOR:	Vic Smith – Manager Corporate Services
REPORTING OFFICER:	Vic Smith – Manager Corporate Services
DISCLOSURE OF INTEREST:	NII
DATE OF REPORT	17 April 2014

Attachment: Letter from Community Kindergarten

BACKGROUND:

At its meeting on 27 March 2014 resolved:

9106 LORKIEWICZ/SLATER

Council offer the Nannup Community Kindergarten a five year lease based on the commercial assessment of \$180 per week, commencing on 1 July 2014.

CARRIED 4/2

The Manager Corporate Services wrote to the Nannup Community Kindergarten on 3 April 2014 setting out the offer to renew the Memorandum of Understanding (MOU).

COMMENT:

The Nannup Community Kindergarten Committee considered the offer and submitted a written response on 15 April 2014. This was followed up by a meeting between representatives of the kindergarten committee, the CEO and the Manager Corporate Services on 16 April. The letter from the President of the Nannup Community Kindergarten is appended at Attachment 1.

The income of the kindergarten has been insufficient to cover their operating costs for the last two financial years and funding is required in 2014/15 to address a backlog of compliance issues with the facility; the committee is not currently able to fund a rental charge on top of their other commitments.

If the kindergarten had to vacate the current premises the logical alternative location would be at the Nannup District High School and would have implications for the constitution of the kindergarten, such that it would not be able to operate in its current form. If the kindergarten had to vacate the premises then this would require some time to facilitate a move.

For these reasons the kindergarten committee would prefer to remain at the current premises but are unable to afford a rental contribution; they have requested that Council allow them to remain on the current premises under the existing terms and conditions in the MOU. In order for the committee to plan for the future they have requested that the MOU be for a period of three years. Given the financial circumstances of the organisation and the time it would require the kindergarten to change location the officers are minded to support the request.

STATUTORY ENVIRONMENT: Residential Tenancies Act

POLICY IMPLICATIONS: None

FINANCIAL IMPLICATIONS:

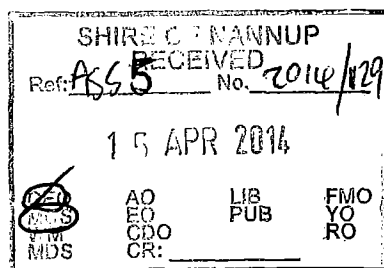
A full commercial lease would generate additional income of \$9,360 per annum.

STRATEGIC IMPLICATIONS: None

VOTING REQUIREMENTS: Simple Majority.

RECOMMENDATION:

Council offer the Nannup Community Kindergarten a three year extension of the Memorandum of Understanding on the current terms and conditions, commencing on 1 July 2014 and terminating on 30 June 2017.



Nannup Community Kindergarten

Adam Street Nannup

PO Box 311 Nannup W.A 6275

Classroom Contact: (08) 9756 1209

President Contact 0455 147 685

To Vic Smith - Manager Corporate Services,

COMMUNITY KINDERGARTEN - MEMORANDUM OF UNDERSTANDING

The Nannup Kindergarten is unable to meet the new MOU leasing requirements. We cannot afford the said amount of \$ 180.00 per week, commencing 1st July. As you know we are a community kindergarten, a not for profit organization. The kindergarten only operates 15 hours per week, during school terms. The premises are also used by the Nannup Community Playgroup and other Community organizations for classes / workshops. As we are not for profit organizations we are unable to secure permanent funding for lease costs.

The kindergarten is run by 14 families to engage, educate and interact the 3 - 5 year olds in our community, with a Parent Committee overseeing all running purposes. Within the committee we organize fundraising and collections of donations throughout the Nannup community to help us with new equipment, resources and projects. Each child attending receives a small subsidy from the government which contributes towards indoor and outdoor resources, equipment, stationary, power bills, gas bills, in class projects, medical supplies, insurance and a weekly cleaner.

We would require extensive time, money and planning to organize a relocation. As the intentions are to move the kindergarten to the NDHS site to make way for shire building developments, the NDHS is unable to cater for a kindergarten at present. The cost of a new building along with the necessary facilities, together with merging year groups and enlarged class numbers, are the first of the many disadvantages we and the NDHS will encounter.

We the Committee ask that the Shire will take this into consideration at the next council meeting (24th April 2014) where a decision will be made on our MOU. We also ask that Shire reconsiders their leasing proposal, to give us a further two years at the current premises without leasing payments, in order to accommodate the extensive planning to relocate. The committee is also in agreeance that the new MOU will state that we will do all our own gardening at no time or cost to the shire, and continue our own cleaning services also.

Yours Sincerely

Jodi Donovan, President Nannup Community Kindergarten

Shire of Nannup
Ordinary Council Meeting Agenda: April 2014

AGENDA NUMBER:	12.2
SUBJECT:	Draft South West Regional Planning and Infrastructure Framework
LOCATION/ADDRESS:	N/A
NAME OF APPLICANT:	Department of Planning and Western Australian Planning Commission
FILE REFERENCE:	TPL 1
AUTHOR:	Steve Thompson – Consultant Planner
REPORTING OFFICER:	Robert Jennings – Chief Executive Officer
DISCLOSURE OF INTEREST:	Edge Planning & Property receive planning fees for advice to the Shire therefore declare a Financial Interest – Section 5.70 of the Local Government Act 1995
DATE OF REPORT	9 April 2014

Attachment: 1. Shire of Nannup comments on draft Framework

Tabled: *Draft South West Regional Planning and Infrastructure Framework*

BACKGROUND:

The Department of Planning (DoP) and the Western Australian Planning Commission (WAPC) invite comments from this Shire and other stakeholders on the draft *South West Regional Planning and Infrastructure Framework* (to be called the "Framework") by 5 June 2014. The purpose of this item is to consider key implications as they relate to the Shire of Nannup and the District with the objective of making a submission.

The draft Framework can be viewed at <http://www.planning.wa.gov.au/6971.asp> and will be tabled at the Council meeting.

The draft Framework provides a big-picture view of the long-term future of the South West, focusing on the major challenges facing the region and the main opportunities to guide the region towards a desired future. It restates and expands upon the key principles of the draft *State Planning Strategy* as it applies to the South West in planning for sustainable land use, development and infrastructure provision. It also brings together many policies that are specific to the South West Region.

The draft Framework is a broad planning document that seeks to guide the future development of the South West Region over the next 20 years. The Framework addresses the scale and distribution of future population growth and housing development; and identifies strategies for dealing with economic growth, environmental issues, transport, water resources, agriculture, tourism and the emerging impacts of a drying climate and storm surge.

Importantly, the draft Framework provides an infrastructure component that advocates the region's priorities in providing both social and economic infrastructure.

It seeks to ensure that growth and development in the region is achieved in a way that improves people's lives and enhances the unique character and environment of the region.

The draft Framework is a review of the *South-West Framework 2009* and builds on the identified planning themes whilst also identifying the key infrastructure and planning priorities for the region and sub-regions to achieve sustainable growth.

The Framework is being prepared concurrently with other important State initiatives including *Regional Centres Development Plan (SuperTowns)*, the Department of Water's water supply strategy framework, Tourism Western Australia's developed *Australia's South West – Tourism Development Priorities 2010–2015* and the South West Development Commission's draft *Regional Infrastructure Blueprint for the South West*.

The Framework's vision, set out on page 5, states:

"The vision of the South-West Planning and Infrastructure Framework is for a region that generates high standards of social amenity, diverse economic activities and high quality food, supported by effective and efficient infrastructure and at the same time preserving and enhancing the natural environment.

This vision recognises that while strong economic growth is essential to the continued wellbeing of residents in the South-West, it must be balanced with the need to preserve the most important and unique aspects of the natural environment, avoid pollution of land and waterways, and minimise the social costs to the community that may also result from economic development."

The vision is expressed through eight key themes:

1. population change;
2. building sustainable communities;
3. building inclusive communities;
4. sustainable environment;
5. sea level rise / storm surge;
6. natural resources and agriculture;
7. economy and employment; and
8. transport and infrastructure.

The Framework, when finalised, will not replace the existing subregional strategies or the many policies that guide the WAPC's decision-making across the State. It will be taken into account when strategies and policies that apply to the South West are reviewed.

The Shire separately informed the community of the draft Framework through providing details on the website and at the Shire office.

COMMENT:

Most of the draft Framework is supported. Many of the statements in the Framework represent sound planning principles which in broad terms are not disputed e.g. concentrating urban growth in existing settlements, promoting affordable housing, protecting agricultural land and protecting ecological biodiversity.

Attachment 1 set out comments on some of the key aspects of the draft Framework primarily as they relate to the Shire of Nannup and the District. In summary, key issues relevant to the Shire of Nannup and the District include:

- seeking to diversify and strengthen the economy of the Warren-Blackwood sub-region and the District including providing opportunities for young adults to remain in the District;
- encouraging appropriate population growth in and around the Nannup townsite;
- retaining and enhancing the Nannup District Hospital and the Nannup school;
- the provision of housing for older people and affordable housing;
- encouraging high quality design and the planning tools to assist in achieving this;
- responding to climate change and risks for business, the community, the environment, infrastructure provision and people's safety;
- ensuring that there is not a "one size fits all" approach to the statement of "adopting a primary position that there should be no further clearing of native vegetation" given the context in the District;
- supporting the development of a regional climate change policy where it can be demonstrated that the policy will "add value" to policies at other levels of government;
- supporting implementation measures to protect native vegetation on freehold land;
- ensuring there is a better understanding of the Yarragadee Aquifer, ensuring that this resource is sustainably managed, with the first priority for extraction being from the District;
- using land supply as a guide but not becoming fixated on controlling or staging land supply in the assessment of structure plans, scheme amendments and subdivisions applications, where sites are within "development footprints" as set out in Local Planning Schemes and/or endorsed Local Planning Strategies;
- promoting the infill sewerage program and renewable energy sources;
- promoting the Busselton Airport being upgraded to an international standard; and
- ensuring mobile coverage gaps are addressed in the District.

It is suggested that the final Framework should add the following projects to Table 4 – Infrastructure Initiatives:

- Western Australian Emergency Management Institute to be based in Nannup;
- Institute of Environment and Forestry;
- Blackwood River Valley iconic tourist attraction;
- Nannup main street;
- South Coast Centre
- east-west walking/cycling routes;
- trails network development;
- townsite infrastructure planning;
- agricultural infrastructure;
- improved public transport;
- tourism infrastructure;
- Nannup light industry; and
- Nannup aged care accommodation.

It is recommended that a submission be made to the DoP/WAPC based on the Shire of Nannup comments in Attachment 1. Should the Council agree, the Shire's Chief Executive Officer will be delegated authority to make a submission based on Attachment 1 and Council directives and/or comments.

STATUTORY ENVIRONMENT:

Planning and Development Act 2005

POLICY IMPLICATIONS:

A finalised Framework is expected to influence wide-ranging aspects of planning and infrastructure provision.

FINANCIAL IMPLICATIONS:

There will be no immediate financial implications to the Shire through the endorsement of the Framework by the WAPC. The draft Framework raises the prospect of the Shire needing to fund relevant strategies and plans, however it is difficult to accurately predict costs at this stage. Subject to the content of the final Framework, it may have other direct and indirect financial implications on the Shire in the coming years.

If key infrastructure projects are not included in the final Framework, it is expected that it will be considerably more difficult for the Shire or its partners to receive support from the State Government, Commonwealth Government, servicing agencies and service providers for funding projects.

STRATEGIC IMPLICATIONS:

It is highlighted that the Framework, when finalised, will have significant implications on planning and development within the South West Region and will influence planning and development in the District.

The Framework will guide future regional planning in the South West to assist in the delivery of coordinated policy, planning solutions and infrastructure requirements. It will also inform and influence subdivision, associated development, scheme amendments and future reviews of the Local Planning Strategy, along with funding/resource allocation. Accordingly, there are expected to be wide ranging economic, social and environmental implications which are summarised in Attachment 1 and expanded on in the draft Framework.

VOTING REQUIREMENTS: Simple majority

RECOMMENDATION:

That Council:

1. Endorse the Shire of Nannup comments in Attachment 1.
2. Resolve to make a submission on the draft *South West Regional Planning and Infrastructure Framework* with the submission delegated to the Shire's Chief Executive Officer which will be based on the Shire of Nannup comments in Attachment 1.
3. Request that the Department of Planning and the Western Australian Planning Commission modify the *South West Regional Planning and Infrastructure Framework* as set out in Attachment 1 and in particular by:
 - A. seeking to diversify and strengthen the economy of the Warren-Blackwood sub-region and the District including providing opportunities for young adults to remain in the District;
 - B. encouraging appropriate population growth in and around the Nannup townsite;
 - C. providing support to retain and enhance the Nannup District Hospital and the Nannup school;
 - D. supporting the provision of housing for older people and affordable housing in Nannup;
 - E. encouraging high quality design and the planning tools to assist in achieving this;
 - F. acknowledging that there are considerable differences in the amount of native vegetation communities remaining throughout the South West and

that 75% of the Shire of Nannup is contained in National Parks, conservation reserves, State Forests and other land managed by the State Government. Accordingly, to modify the "one size fits all" approach to the statement of "adopting a primary position that there should be no further clearing of native vegetation" (page 12). Such a position would see the weight towards environmental factors and protecting native vegetation taking precedence over economic and social/community components of sustainability;

- G. supporting the development of a regional climate change policy where it can be demonstrated that the policy will "add value" to policies at other levels of government;
 - H. supporting implementation measures to protect native vegetation on freehold land;
 - I. ensuring there is a better understanding of the Yarragadee Aquifer, ensuring that this resource is sustainably managed, with the first priority for extraction being from the District;
 - J. using land supply as a guide but not becoming fixated on controlling or staging land supply in the assessment of structure plans, scheme amendments and subdivisions applications, where sites are within "development footprints" as set out in Local Planning Schemes and/or endorsed Local Planning Strategies;
 - K. promoting the infill sewerage program and renewable energy sources in the District;
 - L. promoting the Busselton Airport being upgraded to an international standard;
 - M. ensuring mobile coverage gaps are addressed in the District; and
 - N. providing plans which show key proposed infrastructure projects for the Bunbury-Wellington, Warren-Blackwood and Leeuwin-Naturaliste sub-regions.
4. Request that the Department of Planning and the Western Australian Planning Commission modify the *South West Regional Planning and Infrastructure Framework* through adding the following projects to Table 4 – Infrastructure Initiatives:
- A. Western Australian Emergency Management Institute to be based in Nannup;
 - B. Institute of Environment and Forestry;
 - C. Blackwood River Valley iconic tourist attraction;
 - D. Nannup main street;

- E. South Coast Centre;
- F. east-west walking/cycling routes;
- G. trails network development;
- H. townsite infrastructure planning;
- I. agricultural infrastructure;
- J. improved public transport;
- K. tourism infrastructure;
- L. Nannup light industry; and
- M. Nannup aged care accommodation.

Shire of Nannup comments on the draft <i>South West Regional Planning and Infrastructure Framework</i>		
Framework Page	Framework Statement	Shire of Nannup comments
6.1 Population change		
8	Current migration trends in the South West are causing an increase in people in upper age groups resulting in a rapidly ageing population. For example, the 'over 65' age group has grown 22.4 per cent between 2006 and 2011. This is well above the national and State figures of 13.9 and 16.7 per cent respectively and has significant implications for land use planning and infrastructure and service provision. In particular, the provision of aged accommodation has been raised as a key infrastructure requirement across the region.	<p>The Shire of Nannup (to be called the "District") has the highest percentage of people aged over 65 compared to all other South West local government areas. The median age (49 years) is also the highest in the South West Region and is significantly higher than the Australian median. Accordingly, it is critical that the Nannup District Hospital be retained and progressively upgraded to complement health facilities in nearby centres and to provide convenient services to the aged population and others.</p> <p>There will be an on-going need to provide a range of housing for older people in Nannup along with associated services.</p>
8	Whilst the South West's population is predicted to grow significantly by 2026, a number of unpredictable factors can influence population and economic growth. Therefore, the region needs to be proactive in its identification and delivery of key infrastructure to ensure that it can cater for accelerated growth that may be above the predicted rate.	Agree that the region and the planning system need to be proactive in responding to changing circumstances. Regular reviews of the Framework will assist to keep the document relevant and "living".
9	Support the provision of appropriate land to accommodate population and employment opportunities.	Agree. A range of opportunities should be supported which appropriately considers planning, environmental, servicing and landscape considerations.
6.2 Building sustainable communities		
9	Facilitating high-quality urban design that is sensitive to, and enhances the identity and character of the South-West's towns and settlements.	To implement high quality design, it will be necessary for Local Planning Schemes to have "call in powers" to take a Development Application for single dwellings where inconsistent with an adopted Local Planning Policy on development and design.
9	Ensuring that new development reflects the South-West's climate and incorporates climate design principles, including orientation, siting, passive climate control, sustainable recycling, and efficient water management.	Support the development of guidelines/policies relating to urban development in the South West and associated key character areas. This would be complemented as required with area specific guidelines/policies.
9	Facilitate planned and staged growth of existing settlements in accordance with the settlement hierarchy table (Table 1) and map	Agree, which will see a growing Nannup townsite and surrounding rural residential areas. There are a number of strategies relating to settlement

	(Map 5).	planning, associated water and energy use and urban design. The principles are supported to promote compact settlements with a wide range of housing, opportunities for walking and cycling and social interaction. The review of the <i>Shire of Local Planning Strategy</i> provides an opportunity to set long-term certainty for residential, rural residential and rural smallholding subdivision/development.
9	Reinforce the character and identity of towns and centres by preventing urban development in defined urban breaks and/ or by defining boundaries to settlement growth.	Agree
10	Identify land that is contiguous to existing settlements and that is suitable for development to accommodate predicted growth of settlements.	Agree
10	Establish mechanisms to provide more affordable housing and product diversity and identify other options to provide more affordable housing choices.	Support opportunities to deliver affordable housing which could include compact housing design, support for new/expanded caravan parks for permanent residents, infill of existing residential areas and the extension of the infill sewerage program. There is a need to carefully consider the implications of any planning and development regulations to incorporate affordable housing targets in new development proposals. Considerations include determining who pays, implications on local government, resources required for implementation and the need for associated WAPC guidance.
10	Constraining low-density urban sprawl through preventing the creation of new rural residential lots beyond those identified in existing local planning strategies or local town planning schemes, while making provisions for the creation of conservation lots or other forms of lots that provide a mechanism for the protection of existing native vegetation or opportunities for revegetation of previously cleared land with endemic species.	Generally agree subject to the WAPC considering proposals on their merits in the District for a "rounding off" of precincts for rural residential lots where relevant planning, environmental, servicing and landscape considerations are suitably addressed. The review of the <i>Shire of Local Planning Strategy</i> provides an opportunity to set long-term certainty for residential, rural residential and rural smallholding subdivision/development.
10	Support increasing the density of existing rural residential areas where this is seen as beneficial to the community as a whole and does not adversely impact on the landscape and environmental values of the locality.	Agree
6.3 Building inclusive communities		
11	Assist in efforts between Commonwealth, State and local governments and communities to identify and fill gaps in social	Agree

	infrastructure.	
11	Plan for the needs of an ageing population by supporting health services and the provision of infrastructure that meet the needs of elderly people.	Agree
6.4 Sustainable environment		
12	Plan for youth by supporting strategies and plans that provide opportunities for education, training and employment in close proximity to where they live.	Agree. This is important in Nannup to provide local opportunities for young adults including more diverse employment opportunities and to enhance the sustainability of the District.
12	Raise the sustainability requirements for land use planning by establishing environmental targets to preserve habitats and biodiversity and prevent the disturbance of acid sulfate soils.	Additional information is required to assess the implications of the environmental targets.
12	Adopting a primary position that there should be no further clearing of native vegetation.	There is a need to apply this statement appropriately given a "one size fits all" approach is not considered appropriate. The statement should relate back to the percentage of retained native vegetation compared to pre-European settlement. It is noted that 85% of the District is contained in National Parks, conservation reserves and State Forest. This is illustrated through Maps 2 and 4. The primary position should also be balanced by the following statement "The WAPC recognises that people are the most important component of all communities and are a community's greatest resource" (page 11).
12	Introducing programs that result in a net gain of vegetation and overall public benefit across the region with the adoption of targets to measure success.	There would appear to be greater opportunities for land management/restoration initiatives on the coastal plain especially given the South West Region forms part of a world biodiversity hotspot.
12	Where clearing is essential for the provision of essential infrastructure, providing offsets that result in a net ecological benefit.	Given that approximately 85% of the District is contained in National Parks, conservation reserves and State Forest, this has practical challenges also noting that a considerable portion of the District's remaining land is Priority Agriculture. It is suggested that offsets are more appropriate in areas where there is low percentage of native vegetation which is generally more applicable to the coastal plain.
13	Groundwater and surface water are vulnerable resources that are susceptible to the pressures of urban growth and other industries associated with this. They have limits to their availability and suitability for use.	There is no clear link to technical evidence that there is sufficient water to sustain projected populations and levels of economic activity. The demand on water from the Leederville aquifer is high due to 85% of the District consisting of National Parks, conservation reserves and State Forest vegetation, agricultural use (10%) and tree plantations. As a result, any increased allocations will have an even greater effect on the quality and

		<p>quantity of water in the District.</p> <p>In discussion with researchers, it is apparent that that a baseline reading for the Blackwood River has still not been gained, and the Shire considers that this baseline must be more clearly understood before any further increase in allocations in the region are proposed.</p> <p>There have been considerable changes in rainfall over the recent years. Even the recent non-drought year still has a reduced rainfall throughout the majority of the year. These changes need to be understood and factored into any future proposals.</p> <p>The Yarragadee Aquifer is a significant freshwater aquifer which covers part of the District. The Shire seeks that the potential effects on the Yarragadee be fully understood when making strategic decisions on water sources. This will require additional research beyond what has currently been achieved.</p> <p>It would be helpful if the final Framework provided guidance relating to the future sustainable use of the Yarragadee Aquifer, which is predominantly for use within the South West Region. In particular, after addressing environmental requirements, the first priority for sustainable water extraction from the Yarragadee is the local area including the Scott Coastal Plain and Nannup.</p>
13	Support the development of renewable power sources and other forms of power generation that reduce the region's contribution to greenhouse gas emissions only where they complement the existing power supply for the South West; support the development of renewable power sources and other forms of power generation that reduce the region's contribution to greenhouse gas emissions only where they complement the existing power supply for the South West.	Agree. Support the transition to sustainable energy supplies and believe that there is more work required to detail the nature, location and program of these supplies by relevant stakeholders.
6.5 Climate change		
15	Climate change is a major issue for the South West and the WAPC promotes adaptation as a way of preparing for a changing climate to manage the risks and maximise opportunities.	The risks associated with a changing climate (including lower rainfall, increased risks from rising sea levels/storm surge, and bush fires) and rising community expectations on environmental management could be increasingly highlighted in the final Framework.

15	The proximity of towns and cities to the coastline means they are vulnerable to the impacts of sea level rise and storm surge...The outcomes of these responses are not yet complete and in some cases will be ongoing.	There is also a need to consider the risks and costs/benefits of placing more people in Busselton and other lower lying coastal areas.
15	The reduction in rainfall makes it increasingly difficult for farmers to provide pasture for broad acre farming or food growers to provide water to grow crops. Existing water allocations to irrigated land may also be affected by this issue.	Noted. The Shire supports funding and research by the Department of Agriculture and Food and others in finding solutions for agriculture to adapt to a reduction in rainfall.
15	The reduction in rainfall also increases the risk of bushfires with fuel loads drying out for longer periods during the year.	There is a critical need for appropriate resourcing to more effectively manage bushfire loads (especially around towns/settlements). The proposed Western Australian Emergency Management Institute (WAEMI) should be provided in Nannup to be centrally located in the South West Region. The WAEMI will capture and reinforce the declining bushfire and other emergency experience in the region for the benefit of the State and the nation. The WAEMI is identified as an international priority by the United Nations and the WAEMI has already attracted attention of overseas students.
15	Requiring at the amendment, structure planning and subdivision stages a 'sustainability outcomes and implementation plan' which outlines the landowners intentions to create a sustainable development.	Additional information is required to assess the implications of the proposed sustainability outcomes and implementation plan.
6.6 Natural hazards and disasters		
16	Assessing the region's coastal vulnerability to determine the risk to coastal settlements and infrastructure from sea level rise and storm surge.	Agree
16	Consider that there is a presumption against development in flood prone areas identified by the Department of Water.	Agree, unless the entire historically created lot is within flood prone areas where low-key development e.g. house and outbuilding can be acceptable if designed and serviced appropriately. There should also be a presumption against subdivision creating additional lots in flood prone areas unless a building site/building envelope can be located outside of the floodway/flood prone area.
6.7 Natural resources and agriculture		
17	Support mining in the South West acknowledging its significant and important contribution to the region's economy and the energy	Agree, subject to proposals suitably addressing planning, environmental, servicing and landscape considerations.

	security of the State, except within the Vasse Coal Resource Area.	
18	The exploration and extraction of petroleum and geothermal energy falls under three separate pieces of State and Commonwealth legislation...Unlike the <i>Mining Act</i> , none of the above legislation makes reference to the <i>Planning and Development Act</i> or any other requirement for the involvement of the Minister for Planning in the decision making process. As such, the WAPC has no formal position on petroleum or geothermal energy but any such proposal should take into account the objectives of the Framework.	<p>Gas reserves in the Whicher Range near Busselton are among the largest in Australia at 4 trillion cubic feet but the resource is deep at 3,700m. Two operable wells exist and there is expectation that with multi-lateral drilling, the Whicher Range project could produce half of Perth's annual supply needs.</p> <p>Sustainable development of the gas reserves could have considerable impacts on Nannup. Nannup should be connected to the gas pipeline which in turn should connect to the proposed Bunbury-Albany gas pipeline. The planning for the Bunbury-Albany gas pipeline should from the outset include the potential for a future lateral connection to a pipeline from the Whicher Range via Nannup.</p>
18	The WAPC will support agency initiatives to manage forests, marine fisheries and other natural resources in sustainable limits and that encourage continuation of existing industries and development of new industries that use renewable natural resources in sustainable limits.	<p>Nannup's timber industry will transition to higher value timber processing and in doing so generate new wealth from a limited resource.</p> <p>Construction of a common log landing and manufacturing precinct for timber manufacturing based on shared economies of scale has merit.</p>
20	Support a presumption against the further unplanned fragmentation of agricultural land in the South West.	Support the retention of provisions in the <i>Shire of Nannup Local Planning Scheme No. 3</i> to create additional agricultural lots to a minimum of 40 hectares where suitable soils and water supplies are justified for each new lot. Also support the potential to create additional rural lots to a minimum lot size of 80 hectares where the applicant can justify there will be sustainable agricultural production and land management outcomes.
20	Express a presumption against the subdivision of agricultural land for non-agricultural purposes.	Rural subdivision, outside of strategically identified areas for rural residential and rural smallholdings near townsites, has progressively become more difficult in recent years. Accordingly, the Framework reiterates WAPC policies to limit the fragmentation of rural land. This statement should be read in context in giving due regard to the WAPC's <i>Development Control Policy 3.4 – Subdivision of Rural Land</i> .
20	Support agency initiatives to enhance productivity of agricultural systems through working to ensure that sufficient water supplies are made available to agricultural precincts to maximise their potential in sustainable limits.	<p>Agree. This should include the Scott Coastal Plain and other priority agricultural areas in the District.</p> <p>The "food bowl" initiatives, which include those associated with the <i>Manjimup SuperTown Growth Plan</i>, are supported as it should assist with promoting agricultural opportunities in adjoining municipalities and in the District.</p>

6.8 Economy and employment		
23	Encourage creativity and innovation, supported by the establishment of well-designed technology and business centres to provide the opportunity for nurturing of local talent and value-adding.	<p>Agree. Nannup has the potential to contribute to creative industries including the digital arts and film sectors, events management and arts.</p> <p>Support the development of an investment market in South West Aboriginal art.</p> <p>There may be the opportunity to build an industry warehouse space for use by film and digital media within a 60km radius of the Busselton Airport for use by film production and animation crews.</p>
23	Broaden opportunities for the tourism sector to provide experiences derived from the region's natural, cultural and economic resources and attractions, where this can be achieved in cultural and environmental constraints.	<p>Support. Tourism is very important to the South West Region and to the District. Actions and implementation to support a sustainable tourism sector and regional economy are required.</p> <p>The unique branding enjoyed by Margaret River can be a driver for tourism, food and wine growth throughout the region and lead the development of international markets on behalf of the rest of the South West Region.</p> <p>Tourism investment is an important area for public policy consideration as the benefits of providing tourism infrastructure accrue to a large number of operators rather than a single operator who can justify carrying the cost of the investment. Coordination failure makes it difficult for operators to substantially contribute to the cost of infrastructure, although exceptions do exist. Margaret River and Busselton have strong visitor centres that operate attraction assets and are able to reinvest in these assets through entry fees.</p>
23	Identifying other key tourism sites and precincts that maximise the economic benefit to the region or sub-region, while minimising adverse impact on the environment and local amenity.	<p>Agree. The final Framework should seek to encourage a growing and more diversified tourist product in the Warren-Blackwood sub-region and in the District to support sustainable economic development. New opportunities include the Blackwood River Valley iconic tourist attraction, South Coast Centre and east-west walking/cycling routes.</p>
23	Promote development of nature-based tourism that complements the environment without causing harm to natural ecosystems.	<p>Agree. Given both the Bibbulmun Track and the Munda Biddi Trail go through the District, the Nannup townsite has further potential to develop as a key walking/cycling and ecotourism hub.</p>

6.9 Transport and infrastructure		
24	Supporting the expansion of the Busselton regional airport.	Agree. This has the opportunity to be a major driver of economic growth in the South West.
24	Support the establishment of a diversified electricity grid and decentralised power generation capacity with an emphasis on increasing the capacity to generate electricity via renewable energy sources.	<p>Agree. Support energy security and diversification through a South West Energy Strategy.</p> <p>Support the transition to sustainable energy supplies and believe that there is more work required to detail the nature, location and program of these supplies by relevant stakeholders. In the District opportunities, other than solar, include wind generation near the Scott Coastal Plain and geothermal supplies. These energy sources are supported provided relevant environmental and planning considerations are suitably addressed.</p>
24	Support the introduction of micro-power generating systems to reduce peak electricity demand, and reduce reliance on fossil fuels.	Agree
24	Support an infill sewer program to facilitate sustainable development within regional towns to accommodate population growth.	Agree. If applied in Nannup, this would in part see increased densities in some areas of the townsite that are close to the town centre, outside of the floodplain and can be connected to reticulated sewerage.
6.10 Heritage and culture		
26	Encouraging local governments to liaise with the Noongar people in developing planning documents and where development applications may impact on places or sites of Aboriginal heritage significance.	<p>Agree. The Shire seeks to work in partnership where possible recognising available resources.</p> <p>Support Aboriginal leadership programs targeting youth and emerging elders focused on understanding regional development in an Aboriginal context. This includes at the proposed South Coast Centre.</p> <p>The under-represented Aboriginal population in the South West has a lot to contribute with respect to the understanding of the environment (its care and potential food products) and their input into this process is encouraged. There are opportunities throughout the South West and in the District including at the proposed South Coast Centre.</p>

6.11 SuperTowns		
26	Support the SuperTown Growth Plans as they are predominately based on WAPC endorsed local planning strategies and are a guide for further planning through the standard planning framework and processes.	Agree. In relation to the District, a growing Manjimup and Margaret River with enhanced facilities and services provides opportunities to District residents.
7.2 Bunbury-Wellington		
30	Air support to emergency services.	Agree. Support enhancing capabilities in the South West.
32	Eelup roundabout upgrade.	Agree
7.3 Warren-Blackwood		
33	The sub-region's population has declined over the last five years at a rate of approximately 0.1 per cent per annum.	The District's population, unlike the remainder of the Warren-Blackwood sub-region, has risen during this period. This is demonstrated in statistics, with the District's last four years of growth at around 6% exceeding the previous four year percentages of around 1.2%.
33	The Warren-Blackwood sub-region also has an aging population. Approximately 17 per cent of the population is aged 65 years and over, which is well above the State and South-West averages of 12.3 and 11 per cent respectively.	The Warren-Blackwood sub-region has a median age significantly higher than Australia, with Nannup the lowest (42 years), followed by Boyup Brook (44 years), Bridgetown-Greenbushes (46 years) and Nannup (49 years). All four local governments comprising this sub-region have relatively low proportions of young people in the 15-24 and 25-34 years age groups, while having higher proportions of people aged 55 years and over. In part, these figures reflect the rural lifestyle "tree change" attractions of the inland, small town and southern forest areas but they also reflect limited opportunities for younger people. There is a need to retain and enhance the Nannup District Hospital and to provide expanded aged care facilities in Nannup.
33	There has been relatively low growth in the labour force and the number of jobs available in the Warren-Blackwood sub-region.	Noted. This is why it is critical that the Framework and the associated South-West Blueprint pay particular attention to appropriate economic development opportunities in the Warren-Blackwood sub-region rather than focusing efforts in other sub-regions.
33	Despite the declining sectors, a number of employment sectors have grown over the last five years...This can be attributed to continual investment in key service provision and an increase in 'fly-	Noted. An upgraded Busselton Airport is expected to have overall significant benefits to the District.

	in-fly-out' workers in the sub-region.	
33	The Manjimup and Bridgetown hospitals each require upgrading to improve the level of services provided to the Warren–Blackwood sub-region. Given their proximity to each other it is important that they complement each other rather than compete for services.	Agree. There is a need to retain and enhance the Nannup District Hospital and to ensure its services are complementary to other health services.
33	The Southern Inland Health Initiative is a funding mechanism to improve health services in the subregion. Funding has already been made available and work has commenced to attract and retain medical practitioners in these areas. It is acknowledged that this initiative will identify new projects that may require inclusion as a priority project in Table 3 or 4 of this document. These should be considered as part of any future reviews.	Noted. The Framework should be modified to recognise the importance of retaining health and associated services in towns in the Warren-Blackwood sub-region and to promote more diverse employment opportunities. As the population ages, the health and services sector is likely to grow and contribute to further population growth in the region and District. It is critical that the Nannup District Hospital is maintained and upgraded. Beyond the general requirements of the population, the size of the District already requires that residents from the Scott River area travel for half an hour (excluding any travel by an ambulance to the location) to the hospital. Refurbishment of the Nannup Hospital and the provision of enhanced technology will complement Bunbury and Busselton Regional Health Campuses.
35	Potable water and water for agricultural uses is an issue in the Warren–Blackwood sub-region.	Noted. It would be helpful if the final Framework provided guidance relating to its future sustainable use, which is predominantly for use within the South West Region. In particular, the first priority for sustainable water extraction from the Yarragadee is the local area including the Scott Coastal Plain and Nannup.
7.4 Leeuwin-Naturaliste		
38	Fast rail access to Busselton has been identified as a regional priority in the long-term with the need to plan for the alignment and corridor as part of road planning for the region.	Support future fast rail between Perth and Busselton as it will be more sustainable and provide greater accessibility to the region for residents, visitors and tourists.
38	The City of Busselton has identified a desire to provide cruise ship tender facilities at Busselton Jetty or an alternative jetty location to attract cruise ships to the sub-region.	The provision of cruise ship tender facilities at Busselton Jetty or an alternative jetty location is likely to be a key driver for national and international tourism growth.
8. Settlement hierarchy		
39	The WAPC has adopted a settlement hierarchy for the South-West region, based on the role and function of existing centres.	Noted. While Bunbury, Busselton and the SuperTowns can assist to take some of the growth from the Perth Metropolitan Region, perhaps the final Framework should increasingly support a vision and associated settlement

		hierarchy of supporting existing towns and villages to remain sustainable/resilient including retaining existing services such as schools, health facilities and emergency services.
39	The WAPC promotes planned and staged development in existing settlements in the South West. When planning for expansion of settlements, consideration will be given to the function of the settlement as listed in Table 1 and the merits of each proposal. The settlement table is a guide only and if justification is provided, settlements can grow larger than proposed.	<p>Agree. It is expected that Nannup will increase in population in the next 20 years through steady growth. The growth will be assisted through the recent completed sealing of Mowen Road, upgrading Busselton Airport to international standard, high capacity broadband, proximity and development of Busselton, Margaret River and Manjimup, Nannup's affordability and retained/enhanced services including the hospital and school. Nannup will provide alternative lifestyle opportunities in an attractive setting with appropriate services.</p> <p>Nannup will be a desirable, well connected town that is valued by residents and visitors alike.</p> <p>Given the recent and extensive community feedback from residents on the survey to support the review of the <i>Shire of Nannup Local Planning Strategy</i>, there is overall support for increased population, associated subdivision/development, employment and enhanced/expanded services in Nannup. This is provided it is done in a way that respects Nannup's character and environment. The resident feedback supports a growing Nannup in the coming decades.</p> <p>Land supply should be used as a guide but there should not be a fixation on controlling or staging land supply in the assessment of structure plans, scheme amendments and subdivisions applications where sites are within "development footprints" as set out in Local Planning Schemes and/or endorsed Local Planning Strategies.</p>
Table 1: Settlements in order of hierarchy		
41	Nannup is classified as a "Town" in the settlement hierarchy with an approximate population of 1000. The current growth rate is "low" and the estimated growth potential is "medium".	Agree
41	Infrastructure and services of "Towns" include local medical services, aged care facilities, primary school and local shopping facilities.	Agree. It is critical that health and education services are maintained and progressively upgraded. This includes refurbishment and longer-term provision of senior school services at Nannup along with provision of specialised education courses.

		The population of towns, including Nannup, will not grow without the necessary social infrastructure to support that growth such as schools, health services, community facilities and programs. The Shire looks forward to funding requests for community facilities and programs being favourable considered in Nannup to assist in delivering sustainable development.
41	"Towns" are service and/or administrative centres for rural areas only. Boyup Brook, Nannup and Pemberton will develop their role as cultural centres of the region and will increase in importance for tourism based on their local and cultural identities.	Agree, but would add that Nannup has the potential for growth in value added, specialised and creative/innovative industries. There are also opportunities for centres of excellence in sustainable industries and emergency management in the District.
9. Selection of infrastructure projects and priorities		
43	Filter questions	It appears that various projects in the Framework are not infrastructure projects at this stage but are rather at the study or strategy stage. The Shire seeks to ensure that projects it puts forward are treated equitably and which contribute to the recognised need for sustainable economic development in the Warren-Blackwood sub-region.
10. Implementation		
44	The South West Development Commission and Regional Development Australia are jointly preparing a Regional Investment Blueprint for the South-West from a State and Federal perspective...The information gathered as part of the Framework has been provided to the South West Development Commission to ensure that the documents are complementary in their content and the proposed planning outcomes through infrastructure provision can be achieved.	Agree, including ensuring that the vision and the key strategies between the Blueprint and the Framework are compatible. The Shire has made a comprehensive submission on the draft Blueprint.
Table 2: Planning initiatives		
45	Urban consolidation in rural towns - analyse the impact of not having reticulated sewer in rural town sites on residential densities.	Agree. The Shire looks forward to contributing to the analysis. Extending the infill sewerage provision for land outside of the floodplain in the Nannup townsite will provide opportunities to achieve a more sustainable urban form.

Table 3: Committed projects

46	Relocation of Year 7 students to secondary schools - additional facilities to be provided at Australind, Bunbury, Cape Naturaliste and Margaret River Senior High schools.	The State Government's decision has impacted the Nannup School.
48	Warren-Blackwood bridge refurbishment/replacement initiative - Replace or refurbish bridges on the Department of Environment and Conservation road network.	Support. This assists to address safety and will enhance tourism/recreation opportunities.

Table 4: Infrastructure initiatives

48	Regional boating facilities – Augusta Boat Harbour – Stage one.	Support. This has the potential to assist with emergency management on the south coast.
49	Brockman Highway - Scott River Road to Karridale - upgrading improved alignment.	Strongly support
49	Dual Ludlow Deviation Bissell Highway - second carriageway for Bussell Highway through Ludlow to Busselton.	Support
49	Dual Bussell Highway Capel to Ludlow - second carriageway for Bussell Highway Capel to Ludlow.	Support
50	Department of Environment and Conservation road network refurbishments - reseal and re-gravel Department of Environment and Conservation strategic roads.	Support, in particular (to be supplied by Chris) roads.
51	Busselton Airport Expansion – upgrade to international standard.	Support. There are a range of potential benefits including job creation, economic growth, FIFO option and assistance with emergency management.
53	Fast Passenger Corridor to Busselton - corridor needs to be secured in the short-medium term in conjunction with future road planning.	Support future passenger rail between Perth and Busselton as it will be more sustainable and provide greater accessibility to the region for residents, visitors and tourists. The development of fast train services between Perth and Busselton via Bunbury together with expansion of the Busselton Airport are likely to be major drivers for national and international tourism growth.
54	Bunbury to Albany Gas Pipeline Corridor	Support securing the gas pipeline corridor and associated construction with the route near the South Western Highway between Bunbury – Manjimup, with the provision for laterals to connect to Nannup and the Whicher Range project.
55	Extension of groundwater regional monitoring bore network	Support. There is a need to ensure the level of resource monitoring matches the intensity of groundwater utilisation.

55	Urban stormwater infrastructure retrofit - retrofit existing stormwater management systems commensurate with water sensitive urban design principles.	This will occur subject to various factors including asset life, risk and local government financial capacity.
55	Infill Sewer Program - re-introduce an infill sewer program to provide reticulated sewer to existing urban areas particularly smaller country towns.	Support. Allows for the sustainable growth of towns through increasing residential densities around the town centres. There are also health and environmental benefits through a reduction in the number of onsite effluent disposal systems.
56	High Capacity Broadband Network	<p>With the exponential rise in the amount of digital information being generated, stored and communicated, there is a need for suitable communications infrastructure to be available throughout the South West Region and in the District. The National Broadband Network (NBN) rollout of fibre-based internet services in conjunction with wireless and satellite services is central to the case for quality digital access. This is particularly important to support business and community services such as eHealth.</p> <p>Broadband is critical to the emerging creative sector but will also play an increasingly significant role in retail, professional services and all forms of industry. An internationally engaged region will require high capability in data transfer.</p> <p>The NBN rollout is supported which is an essential service. The provision of fibre optic to the premises is a superior service compared to fixed wireless or satellite. There is a dramatic difference in internet access speed between wireless and satellite technologies compared to fibre.</p> <p>Fibre is the preferred way of servicing the Nannup townsite and surrounding rural living areas compared to fixed wireless which will raise visual impacts and community concerns on amenity and health.</p> <p>The broadband network is expected to support Nannup's plans for sustainable economic development and population growth. Benefits include education, communications, health, entertainment, commerce and teleworking.</p>
56	Mobile Coverage - identify and fill key gaps in mobile coverage in the South West.	Strong support for reasons including community safety, economic and social development. There is a need to complete the construction of required phone towers to provide mobile coverage and reliability throughout the entire South West Region including the District.
57	New Busselton training campus	Support

57	South West Aboriginal Medical Services (SWAMS) Clinic Expansion	Support
58	Aged care Accommodation - plan for and develop aged care facilities across the South West	Support
66	Enhanced fire response zones (Premier's statement in response to Keelty 2) - to provide enhanced fire response between Augusta and Mandurah through Gazetted fire districts; enhanced structurally capable brigades; and physical resourcing.	Support
66	Air support to emergency services - Provision of air asset support and infrastructure for emergency services.	Support
69	Regional saleyards - new covered cattle yards to replace existing at Boyanup.	Support
69	Upgrade key tourist routes in the region - upgrade of Graphite, North Walpole, Old Vasse and Windy Harbour Roads.	Support upgrading of these roads in particular Graphite Road. Also support the upgrading of the Balingup-Nannup Road.
69	Upgrade key haulage routes for agricultural production - upgrade key haulage routes used by the food producers in the region.	Support including (to be supplied by Chris) Road.
70	Upgrade water capacity in Warren-Blackwood region - the construction of additional storage tanks in Nannup, Bridgetown and Pemberton. Upgrade treatment plant in Nannup.	Support
70	Fire and emergency management facility upgrade at the Nannup Recreation Centre - extension of Nannup Recreation Centre to cater for community needs including evacuation point during emergencies in the region.	<p>Strong support. This fire and emergency management facility is proposed to develop into the WAEMI and be similar to the facility at Mount Macedon. The WAEMI will capture and reinforce the declining bushfire and other emergency experience in the region for the benefit of the state and the nation.</p> <p>The final Framework should be modified to describe the project in Nannup as the proposed WAEMI.</p> <p>There are wide ranging benefits to the South West Region and Western Australia through the provision of a venue for emergency management and training in an ideal setting close to extensive native forests, timber resources, coastline and near the Busselton Airport.</p> <p>The final Framework should strength statements associated with the need to enhance emergency service provision and capabilities in the region given population growth and climate change. Key aspects will be access to infrastructure including communications, transport, and response equipment. Prevention programs will include expanded winter burning programs and maintenance of overhead power lines and associated poles.</p>

71	D'Entrecasteaux National Park Camping expansion - expand and upgrade existing campground at Black Point. Expand and upgrade existing campground at Lake Jasper. Expand and upgrade existing campground at Coodamurrup.	Support. The Shire is seeking to manage the eastern section of the Quannup Pastoral Lease (Lot 13335 on Deposited Plan 238457) to accommodate low-key recreation and tourist opportunities. The Shire supports DPaW managing the western section and adding this land to the National Park.
73	Regional Waste Management - Investigate and develop regional waste site.	Support
73	Manjimup Agricultural Expansion Initiative - depending on scoping detail and development of agricultural strategy, likely to be an agri-food industry processing hub and potential integration of water systems.	<p>Support the initiative and consider it imperative that the initiatives and effort are spread to the District. The Scott Coastal Plain and other priority agricultural areas in the District should be identified as a key agriculture area including horticulture, dairying and other produce with support for local value adding.</p> <p>Position the South West as a major horticultural opportunity in terms of production capacity and food safety.</p> <p>Manjimup, Nannup and the Warren-Blackwood sub-region can become the highest value horticultural region in the State as a combination of quality food and wine produce and a strong food manufacturing base.</p> <p>Support major food events in the Warren-Blackwood sub-region such as Truffle Kerfuffle or similar events linked to inbound trade missions.</p> <p>Develop a centre for agricultural excellence based on postgraduate research and study programs in Manjimup.</p>
New projects to add to Table 4: Infrastructure Initiatives The following projects are critical to Nannup and will have considerable transformational benefit to the South West region, and as are recommended by be included in the final Framework.		
	Western Australian Emergency Management Institute (to be based in Nannup)	<p>There are opportunities to diversify the Warren-Blackwood sub-regional economy which can be supported by the Framework. This includes the proposed establishment of the Western Australian Emergency Management Institute (WAEMI) in Nannup. Given Nannup's extensive State Forest and conservation areas (approximately 85% of the District), strategic location in the South West Region and proximity to the Busselton Airport, Nannup is well placed to accommodate such a facility.</p> <p>The WAEMI will capture and reinforce the declining bushfire and other emergency experience in the region for the benefit of the state and the nation.</p>

		The WAEMI is identified as an international priority by the United Nations and the WAEMI has already attracted the attention of overseas students.
	Institute of Environment and Forestry	Develop an institute/centre of excellence with associated implementation in the Warren-Blackwood sub-region.
	Blackwood River Valley iconic tourist attraction	Re-investigate the feasibility of an adventure based attraction e.g. giant toboggan slide in the Blackwood River Valley.
	Nannup main street and entry road project	Nannup main street revitalisation, for a unique and significant heritage area, and entry road project.
	South Coast Centre	<p>A South Coast Centre should be established in the coastal area of the Shire of Nannup. This would incorporate regional scientific, research, community and Aboriginal heritage and visitor centre near Lake Jasper/Quannup with associated Noongar, Shire or community management.</p> <p>The Shire is seeking to manage the eastern section of the Quannup Pastoral Lease (Lot 13335 on Deposited Plan 238457) to accommodate low-key recreation and tourist opportunities. The Shire supports DPaW managing the western section and adding this land to the National Park.</p> <p>There are considerable opportunities for Aboriginal land management and opportunities for sustainable job creation.</p>
	East-west walking/cycling routes	<p>Cycling and pedestrian trail between Nannup and Margaret River to link the Bibbulmun Track/Munda Biddi Track with the Cape to Cape Track, with Nannup being a key trails hub. There are also opportunities to link Nannup to Bridgetown, Balingup and to other areas in the Blackwood Valley.</p> <p>The final Framework should be modified to include support for the development of these regional walking/cycling routes. This and other links will support economic development, healthy communities and have the potential to extend the range of world class experiences offered by the South West.</p>
	Trails network development	<p>Complete mountain bike trails at Nannup.</p> <p>Develop trail networks linking Nannup to DPaW's parks and utilising forestry tracks and old stock routes where possible.</p> <p>Investigate the provision of a new bridge between Nannup and West Nannup including pedestrian/cycling facilities. This has safety, convenience and public health benefits, along with economic and environmental benefits.</p>
	Upgrading Vasse Highway	Constructing additional passing lanes on Vasse Highway between Nannup

		and Busselton to assist with safety and improve accessibility to the sub-regional centre.
	Townsite Infrastructure Planning	Develop infrastructure plans for towns in the Warren-Blackwood sub-region.
	Nannup light industry	Upgrade water and power infrastructure to assist with economic development.
	Nannup aged care accommodation	Plan for and develop expanded aged care facilities in Nannup.

**Shire of Nannup
Ordinary Council Meeting Agenda: April 2014**

AGENDA NUMBER:	12.3
SUBJECT:	Proposed survey strata subdivision
LOCATION/ADDRESS:	Lot 21 on D222883 Jephson Street, Nannup
NAME OF APPLICANT:	Nannup Surveys
FILE REFERENCE:	TPL 9 252-14
AUTHOR:	Steve Thompson - Consultant Planner
REPORTING OFFICER:	Robert Jennings - Chief Executive Officer
DISCLOSURE OF INTEREST:	Edge Planning & Property receive payment for planning advice to the Shire and declare a Financial Interest (section 5.70 of the Local Government Act 1995)
DATE OF REPORT:	14 April 2014

Attachments: 1. Location plan
2. Strata subdivision plan
3. Extract of *Blackwood River Flood Study*
4. Flood management planning context

BACKGROUND:

The Western Australian Planning Commission (WAPC) has referred survey strata subdivision application No. 252-14 to the Shire for comment. The site's location is shown in Attachment 1.

The proposal is to subdivide the land into 3 residential survey strata lots of 878m², 878m² and 1991m² along with common property of 299m² for vehicular access and connecting services (Attachment 2).

Relevant matters relating to the site and application include:

- it is 4047m² in area;
- it contains a dwelling and a shed;
- is zoned "Residential R10/R15" in the *Shire of Nannup Local Planning Scheme No. 3* (LPS3) with the entire site within the Flood Risk Land Special Control Area. Most of the site is within the 1 in 25 average recurrence interval (ARI) floodplain and a portion is within the 1 in 100 ARI floodplain. Attachment 3 shows an extract of the *Blackwood River Flood Study*;
- is designated as a bush fire prone area in the endorsed *Bush Fire Hazard Strategy - Shire of Bridgetown-Greenbushes and Shire of Nannup*;
- forms part of Policy Area No. 1 – Townsite in the *Shire of Nannup Local Planning Strategy*. The Strategy's recommendation for the policy area is that urban consolidation is encouraged subject to issues of effluent disposal and flooding being addressed; and
- Attachment 4 sets out the flood management planning context.

Shire of Nannup
Ordinary Council Meeting Agenda: April 2014

The Shire sought advice on the application from the Department of Water's floodplain management section. In summary, the Department advised that "the proposed sub-division is not considered acceptable with regard to major flooding. Please note that a failure to adhere to these recommendations will result in a greater exposure to risks of flood damage."

The Department of Water also recently advised:

"With regard to this proposal, the Blackwood River Flood Study through Nannup shows that the Lot is significantly affected by major flooding with the following flood levels expected:

25 year ARI flood level	66.19 m AHD
100 year ARI flood level	67.7 m AHD

When development is proposed within the floodplain our department assesses each proposal based on its merits and the factors examined include depth of flooding, velocity of flow, its obstructive effects on flow, possible structural and potential flood damage, and difficulty in evacuation during major floods and its regional benefit. Based on our existing floodplain management strategy for the area, the following comments are provided for this particular proposal:

- The available contour information for the area show that the natural surface level varies from ~ 65.0 m AHD to 67.0 m AHD, with the majority of proposed Lots 2 and 3 below 65.5 m AHD.
- Flood depths of ~ 0.5 to 1.2 metres are expected during the 25 year ARI event which could pose difficulties for the evacuation of some people (i.e., children and the elderly).
- Proposed Lots 2 and 3 will be subject to a depth of flooding in excess of 2 metres during the 100 year ARI event. This depth of flooding increases the potential of flood damages and combined with the distance to higher ground would pose difficulties for evacuation."

COMMENT:

It is recommended that the Council advise the WAPC that it does not support the survey strata subdivision application 252-14 for reasons including:

- the application is inconsistent with the planning context outlined in Attachment 4 including State, regional and local planning strategies and policies. This includes the Council's *Local Planning Policy 11 – Development in Flood Prone Areas* which in part states "To restrict the subdivision of residential land within flood prone areas" and "This policy applies to individual flood prone residential lots that currently exist within the Shire of Nannup. It is not intended to support any subdivision that will create further flood prone lots for development";

- the subdivision and associated development will create undue risk to life and/or property. In particular, the application is not considered acceptable with regard to major flooding and will result in a greater exposure to risks of flood damage and pose difficulties for the evacuation of some people; and
- it will create an undesirable precedent.

The key issue with the application is flood risk given proposed Lots 2 and 3 are completely within the 25 year ARI floodplain. The application is inconsistent with wide ranging State, regional and local planning documents which are summarised in Attachment 4.

The land is zoned Residential R10/15. While the zoning enables possible subdivision, zoning alone does not necessarily mean that a site can be subdivided. There is still a need to demonstrate a site's "suitability" and "capability" for subdivision and associated development. Addressing flood risk is a critical component of ensuring that proposed lots and associated development are suitable and capable.

The Shire recommends that the Council take a precautionary approach based on State, regional and local planning strategies and policies and adopt the approach set out in the Scheme Amendment 14 documentation. The Council on 23 January 2014 granted final adoption to Amendment 14. Amendment 14 in part stated "it is highlighted that the local government does not support the creation of additional lots in the 1 in 25 ARI floodplain nor in the 1 in 100 ARI floodplain (unless building envelopes/suitable building areas are located outside of 1 in 100 ARI floodplain)."

It is suggested there is a significant difference in allowing a house and shed on a historically created lot, which is completely in flood risk areas, compared to now creating additional new lots in the flood risk areas. Compared to decades ago, there is now a sound technical understanding of known flood risks set out in the *Blackwood River Flood Study* and an extensive planning context that seeks to minimise known or likely risks in flood prone areas.

Should Councillors consider application 252-14 has merit to be conditionally supported, it would be appreciated if Councillors contact the Shire administration in advance of the Council meeting so suggested conditions and advice can be drafted for Council consideration. The WAPC now require that conditions and advice reflect their *Model Subdivision Conditions Schedule*.

STATUTORY ENVIRONMENT:

Planning and Development Act 2005 and LPS3

POLICY IMPLICATIONS:

Local Planning Policy 11 Development in Flood Prone Areas sets out that the Council does not support any subdivision that will create further flood prone lots. Local Planning Policies are non-statutory documents which are designed to provide guidance to assist the Council in its decision making. Accordingly, the Council is not bound by the policies but is required to have regard to Local Planning Policies in determining applications.

Additionally, there are various State Planning Policies (summarised in Attachment 4) that are relevant in assessing the application including *SPP2 Environment and Natural Resources Policy*. This in part states "Consider flood risk by identifying floodways and land affected by 1 in 100 year flood events and avoid intensifying the potential for flooding as a result of inappropriately located land uses and development."

FINANCIAL IMPLICATIONS:

None at this stage

STRATEGIC IMPLICATIONS:

The application is inconsistent with the Local Planning Strategy, Local Planning Policy 11, regional planning strategies and various State Planning Policies. Creating new lots in flood prone areas raises risk, liability, consistency and precedent considerations. Should the WAPC approve the application, this will in time will place increased liability and risk onto the Shire at the Development Application and/or Building Permit stages.

While noting the following clauses from LPS3:

- "6.2.1.6 Any decision made by the local government in pursuance of this clause is deemed to be a decision made in 'good faith' and the local government is hereby forever indemnified against any claim made by any person and relating to any loss whatsoever arising from such a decision.
- 6.2.1.7 Where land which is identified as being Flood Risk Land is proposed to be subdivided the local government, if resolving to support the application for subdivision, shall recommend to the Commission that memorials be placed on newly created titles to ensure prospective purchasers are aware that the land may be prone to flooding";

it is suggested that should the WAPC approve the application, the WAPC cannot indemnify itself for a future claim for damages given the known flood risks. The courts have made various decisions relating to planning authorities needing to appropriately exercise their duty of care where there are foreseeable risks. Should

the WAPC approve the application, it will give a clear legal and moral expectation for at least a single dwelling and an outbuilding to be constructed on proposed Lots 2 and 3. Approval of the survey strata subdivision application would place increased liability and risk onto the Shire at the Development Application and/or Building Permit stages. While noting the wording of sub-clauses 6.2.1.6 and 6.2.1.7 of LPS3, they may not be "watertight" in possible future legal action against the Shire.

Separate to the current application, it is suggested that the zoning of land in known flood risk areas in and near the Nannup townsite should be carefully considered through the review of the *Shire of Nannup Local Planning Strategy*. In particular, it is suggested that the Strategy should foreshadow that flood risk land will in time be "downzoned" through an amendment to LPS3. This could see areas currently zoned Residential R10/15 modified to Residential R2.5 (4000m² lots) or Residential R2 (5000m² lots) with clear scheme provisions in LPS3 which outline that new lots need to have building sites located outside of the flood risk areas. Downzoning will assist to more clearly outline a site's subdivision and development potential and assist in increasing transparency to current/future landowners and other stakeholders.

VOTING REQUIREMENTS: Simple majority

RECOMMENDATION:

That the Council advise the Western Australian Planning Commission that it should refuse the survey strata subdivision application (WAPC 252-14) for Lot 21 Jephson Street, Nannup for the following reasons:

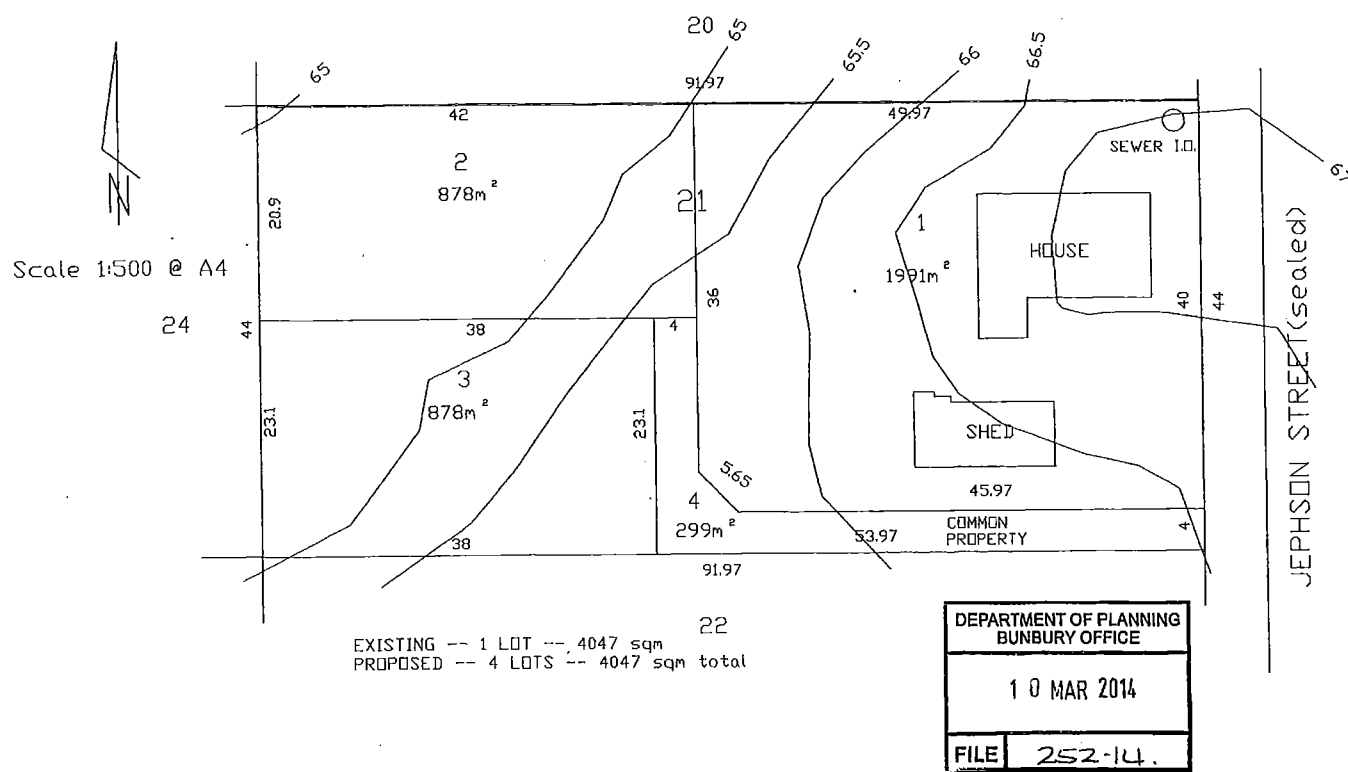
1. It is inconsistent with *State Planning Policy No. 2 - Environment and Natural Resources Policy* including section 5.2 which states:

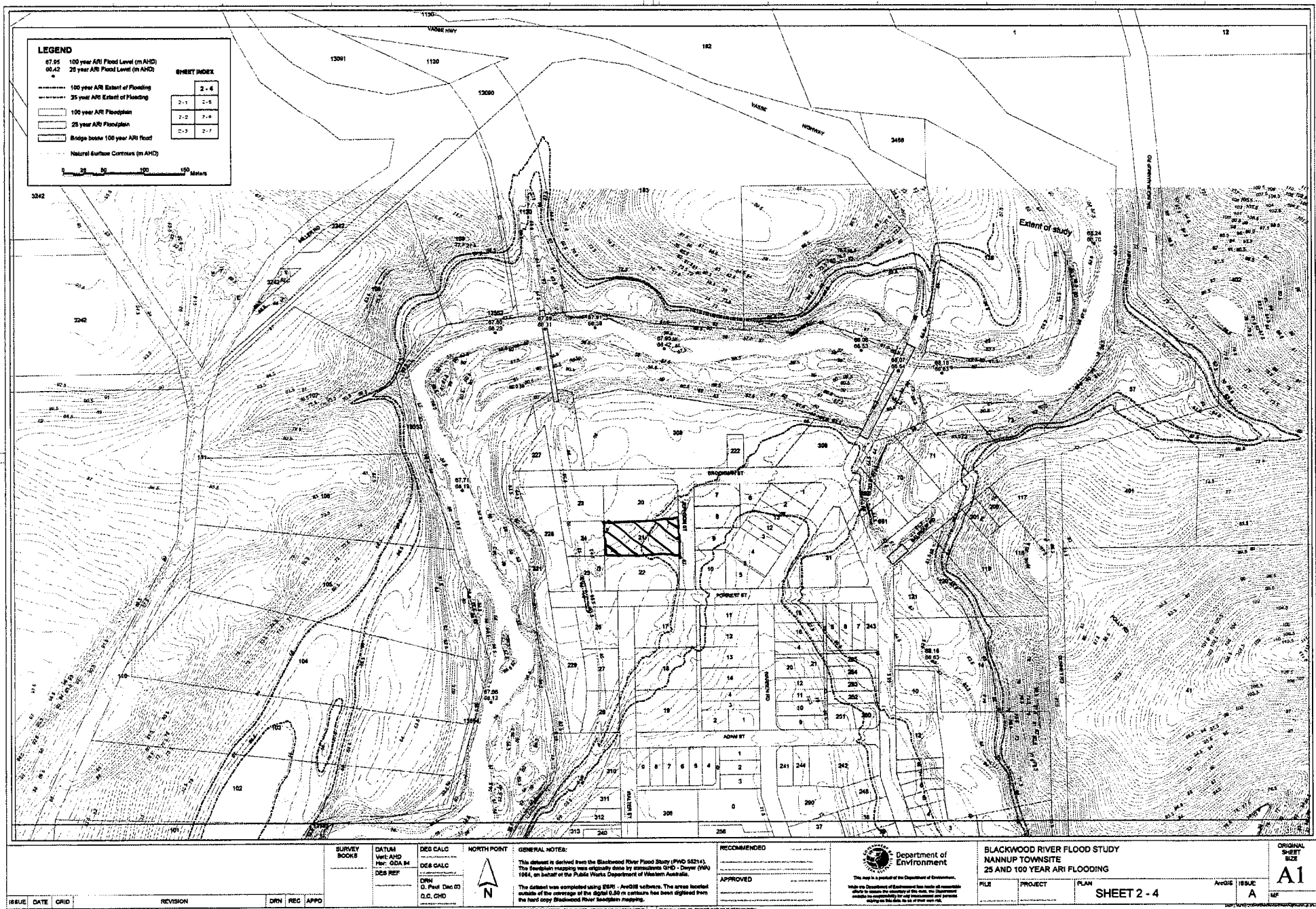
"Planning strategies, schemes and decision making should...Consider flood risk by identifying floodways and land affected by 1 in 100 year flood events and avoid intensifying the potential for flooding as a result of inappropriately located land uses and development."
2. It is inconsistent with *State Planning Policy No. 3.4 - Natural Hazards and Disasters* including section 3 which states to "minimise the adverse impacts of natural disasters on communities, the economy and the environment."
3. It is inconsistent with the *Warren-Blackwood Regional Planning Strategy* including section 5.1.4 which states "No subdivision will be permitted within the 1 in 100 year flood level of the Blackwood River".
4. It is inconsistent with the *Shire of Nannup Local Planning Scheme No. 3* including sub-clause 4.13.8.1(a), Specific Objectives of the Residential

Zone, which states "To promote and safeguard the health, safety, convenience, general welfare and amenity of residential areas and residents."

5. It is inconsistent with Council's *Local Planning Policy 11 – Development in Flood Prone Areas* which states "To restrict the subdivision of residential land within flood prone areas" and "This policy applies to individual flood prone residential lots that currently exist within the Shire of Nannup. It is not intended to support any subdivision that will create further flood prone lots for development".
6. Approval would create an undesirable precedent which has unacceptable liability concerns, impacts and risks for other flood risk land identified by the *Blackwood River Flood Study*.

PROPOSED SURVEY STRATA SUBDIVISION LOT 21 JEPHSON STREET NANNUP





FLOOD MANAGEMENT PLANNING CONTEXT

STATE PLANNING POLICY No. 2 - ENVIRONMENT AND NATURAL RESOURCES POLICY (by the Western Australian Planning Commission)

"Planning strategies, schemes and decision making should...Consider flood risk by identifying floodways and land affected by 1 in 100 year flood events and avoid intensifying the potential for flooding as a result of inappropriately located land uses and development." [section 5.2]

STATE PLANNING POLICY 2.9 - WATER RESOURCES (by the Western Australian Planning Commission)

"Inform planning actions by identifying all water resources above and below ground in the subject area, and mapping and prioritising them in terms of state, regional or local significance. Water resources to be identified include...floodplains..." [section 5.1 (iv)]

"Take into account potential impacts the water resource may have on a land use when determining the compatibility of locating a land use near natural or artificial water resource/s (for example, flooding or disease vector and nuisance insects such as mosquitoes and midges)." [section 5.1(v)]

Schedule 1 - Guidance for Incorporation of Policy Measures into Planning Mechanisms and Decision-Making - this sets out that best planning practice includes to:

"Identify all floodplains and areas that are prone to surface flooding or groundwater inundation. Ensure that no development is in a flood path that could carry an increased risk to public safety or property."

STATE PLANNING POLICY No. 3.4 - NATURAL HAZARDS AND DISASTERS (by the Western Australian Planning Commission)

"In 2002, Emergency Management Australia released *Planning safer communities*, a manual that considers the application of the emergency risk management process to the land use planning process, as it applies to natural hazards. That manual makes the point that 'land use planning can play a key part in reducing current and future community risk. Responsible management of the environment and its resources, and flexible and responsive development can prevent or mitigate negative impacts'.

Western Australia is subject to a range of natural disasters such as floods, cyclones, storm surge, severe storms, landslide, bush fires and earthquakes. The cost of recovery and response activities associated with these disasters is immense. The most effective strategy for reducing the long-term impact of natural hazards is to integrate mitigation activities into the process of land use planning.

Mitigation can be defined as meaning measures taken in advance of, or after, an emergency aimed at decreasing or eliminating its impact on society and environment or, to use the vernacular, "prevention is better than cure". Mitigation encourages the long-term reduction of hazard vulnerability with the aim of saving lives and reducing property damage.

Land use planning has traditionally taken into account the impact of flooding when locating land uses or determining applications for development.

For **flood** risk, a floodplain management study is necessary to enable meaningful application of statutory planning instruments on flood prone land." [section 2]

"Consistent with the purpose of the policy, the objectives of this policy are to –

- Include planning for natural disasters as a fundamental element in the preparation of all statutory and non-statutory planning documents, specifically town planning schemes and amendments, and local planning strategies; and
- Through the use of these planning instruments, to minimise the adverse impacts of natural disasters on communities, the economy and the environment." [section 4]

"Proposed development on a floodplain is considered acceptable with regard to major flooding as long as it does not produce an adverse impact on surrounding development and it has an adequate level of flood protection. Land uses in flood prone areas should not allow development that will obstruct floodways.

Floodplain development strategies generally delineate a floodway that is the part of the floodplain where floodwaters are flowing fast and deep. Development proposed within a floodway that is considered obstructive to major flooding is not acceptable as upstream flood levels may increase.

The 100-year average recurrence interval flood should be used as the defined flood event. The floodplain of a defined flood event should be used as the area over which controls on land use and development need to recognise the impacts of flooding. All habitable, commercial and industrial buildings should have their floor levels above the level of the defined flood event.

Flash floods, by definition, are high intensity but short duration storm events. In areas that may be susceptible to flash flooding, additional drainage infrastructure may be required to deal with these extreme events.

The Department of Water is the state government's lead agency in floodplain mapping and floodplain management strategies." [section 5.2]

STATE WATER PLAN 2007 (by the Government of Western Australia)

"Western Australia cannot base water management decisions solely on recorded climate over the past 100 years. Looking ahead, in the southern part of the State there is an increased probability of combinations of reduced rainfall, streamflows and recharge together with higher average temperatures...Unfortunately, the trends also indicate the risk of greater seasonally variable flooding." [page 19]

"Floodplain management seeks to minimize the risk where development has already occurred by providing mitigation measures and an early flood warning service on a number of river systems.

Severe floods do not occur frequently. However, when flooding does occur, the resulting damage to property can be considerable. Floodplains continue to be under pressure for more intensive use, despite this significant risk. This pressure is increasing as desirable undeveloped land becomes scarce in high growth areas.

Where development is planned, floodplain management generally provides a non-structural means of protecting future development from major flooding through land use planning and development controls." [page 21]

"Floodplain management plans provide a means of assessing and managing risks associated with the use of floodplains for various purposes. They primarily plan for floods due to heavy rainfall, storm surges and cyclonic activity. These plans represent the considered opinion of the community, local and state agencies on how best to manage flood prone land. They provide a long-term path for future development.

A floodplain management study is essential for the development of a floodplain management plan. This is further addressed in the Draft Western Australia Floodplain Management Strategy, which describes the integration of floodplain management activities carried out by various organisations.

Floodplains are managed for the benefit of the whole community such that the risk to life and damage to property and the environment are minimised. They have important ecological values that need to be maintained.

Through a plan for a floodplain, the Department of Water recommends guidelines for development with the objective of minimizing flood risk and damage and provides advice to approving authorities. This influences statutory bodies, particularly local government, to exercise land use planning and development controls." [page 55]

SOUTH-WEST FRAMEWORK (by the Western Australian Planning Commission)

"The WAPC will support planning for the predicted impacts of climate change in the South-West by working with agencies to...ensure that future development is not located in areas of extreme risk from natural hazards, including sea level rise, storm surge flooding or bushfire". [page 10]

WARREN-BLACKWOOD REGIONAL PLANNING STRATEGY (by the Western Australian Planning Commission)

In relation to the Nannup townsite, "No subdivision will be permitted within the 1 in 100 year flood level of the Blackwood River, but minor infill subdivision elsewhere in the town is unlikely to be restricted." [page 60]

BLACKWOOD RIVER FLOOD STUDY (by the former Department of Environment)
The floodplain development strategy for the Blackwood River in Nannup states:

"Proposed development (i.e., filling, building, etc.) that is located outside of the 100 year ARI floodplain is considered acceptable with respect to major flooding. However, a minimum habitable floor level of 0.5 metre above the appropriate 100 year ARI flood level is recommended to ensure adequate flood protection.

Proposed development (i.e., filling, building, etc.) that is located within the 100 year ARI floodplain will be assessed on their individual merit. Factors examined will include depth of flooding, velocity of flow, potential flood damages and difficulties with evacuation. Should development be considered acceptable, minimum habitable floor levels of 0.5 metre above the appropriate 100 year ARI flood level are recommended to ensure adequate flood protection."

SHIRE OF NANNUP LOCAL PLANNING SCHEME No. 3

"1.6.1 The local government's general aim is to recognise the unique qualities and characteristics of the Scheme Area and safeguard its natural resources, whilst promoting sustainable development through diversified residential, commercial, industrial, agricultural, timber, tourist and resource based activities.

1.6.2(e) To protect and enhance the environmental values and natural resources of the Shire and to promote ecologically sustainable land use and development.

4.13.8.1(a) Specific Objectives of the Residential Zone - To promote and safeguard the health, safety, convenience, general welfare and amenity of residential areas and residents."

6.2.1 Flood Risk Land

"6.2.1.1 Notwithstanding any other provision of the Scheme.

(a) the local government shall not grant approval to the carrying out of any development on land (or portion(s) thereof) that is shown on the Scheme Map as being flood risk land or where land abuts the Blackwood River unless an assessment has been made of:

- (i) the effect of the proposed development on the efficiency and capacity of the floodway to carry and discharge flood water;
- (ii) the safety of the proposed development in time of flood; and

- (iii) whether the proposed development involves any possible risk to life, human safety or private property in time of flood.
 - (b) A person shall not carry out any development on land(or portion(s) thereof) identified as flood prone land on the Scheme Map or on other land which, in the opinion of the local government, may be liable to flooding, unless:
 - (i) the floor of any dwelling house or other habitable building is, or will be, raised a minimum of 500 millimetres (mm) above the 1 in 100 year flood level identified for the land;
 - (ii) the base of the septic tank/leach drain system is to be a minimum 300mm above the 1 in 100 year flood level identified for the land and fitted with appropriate devices to prevent back flow of effluent or ground water. This requirement may be removed if an approved alternative treatment unit was installed instead of a conventional septic tank/leach drain effluent disposal system;
 - (iii) where the proposed development is for residential purposes an engineering certification is to be submitted. This certification is to ensure that the dwelling has been designed taking into account the potential forces of flood waters; and
 - (iv) where the proposed development is for residential purposes a licensed survey shall be submitted confirming the floor level height of the building compared to the identified flood level for the portion of the subject land. This survey is to be carried out and submitted for local government endorsement upon completion of the sand pad or stumping network of the proposed building. No further works on the proposed building are to be commenced until local government endorsement of the survey information has been given.
- 6.2.1.2 Notwithstanding sub-clause 6.2.1.1(b)(i), land identified by the Blackwood River Flood Study 1983 as being within the 1 in 25 year flood level will not be permitted to be developed for residential purposes unless such development is connected to the reticulated sewerage network.
- 6.2.1.3 Where proposals are received for the development of extensions or additions to existing residential development sited within a flood risk area, the requirements of sub-clause 6.2.1.1(b)(i) will be waived where such extensions/additions do not exceed 25 per cent of the floor area of the existing building.
- 6.2.1.4 Proposals for the development of tourist or commercial uses within flood risk land will be assessed by the local government having regard to the type, size and scale of the proposed development and the comments of the Department of Water which are to be sought and obtained prior to any decision being made.

- 6.2.1.5 For the purposes of sub-clause 6.2.1.1, the local government may consult with, and take into consideration, the advice of the Department of Water, in relation to the delineation of flood ways and flood prone land, the effect of the development on a floodway, and any other measures to offset the effects of flooding.
- 6.2.1.6 Any decision made by the local government in pursuance of this clause is deemed to be a decision made in 'good faith' and the local government is hereby forever indemnified against any claim made by any person and relating to any loss whatsoever arising from such a decision.
- 6.2.1.7 Where land which is identified as being Flood Risk Land is proposed to be subdivided the local government, if resolving to support the application for subdivision, shall recommend to the Commission that memorials be placed on newly created titles to ensure prospective purchasers are aware that the land may be prone to flooding."

SHIRE OF NANNUP LOCAL PLANNING STRATEGY (by the Shire of Nannup)

"The objectives for subdivision of land in all residential areas are:

- Ensure that the design of subdivisions is responsive to the land capabilities of the site and recognises the availability of service infrastructure and can provide for drainage and stormwater treatment
- Ensure that the design of any new subdivision recognises and responds to existing physical, environmental and visual characteristics of the site and surrounding area." [page 39]

"The subdivision must generally be contained on land that...is not liable to flooding". [page 40]

"There is a need to restrict the amount and type of development within flood risk land. There are two main reasons for such an approach:

1. The flooding of developed areas has safety, health and environmental implications to affected and surrounding landowners, and the surrounding environment; and
2. Additional development within a flood plain can increase the flood implications to the surrounding area by creating an additional obstruction to the flow of flood waters." [page 85]

19.2 Objectives

The objectives for controlling development within flood risk areas are:

- Ensure the safety and health of occupants of dwellings and protection of property within and in close proximity to flood risk areas;
- Minimise obstructions to the flow of potential flood waters within flood risk areas;
- Ensure development within a flood risk area is designed and certified with regard to the potential forces of flood waters;
- Minimise the environmental implications in the event of development being subjected to flooding." [page 85]

LOCAL PLANNING POLICY No. 11 DEVELOPMENT IN FLOOD PRONE AREAS (by the Shire of Nannup)

"Objectives:

To restrict the subdivision of residential land within flood prone areas.

To clearly indicate to State Land Services Councils opposition to the release of land within designated flood prone areas within the Shire.

Definitions:

Flood Prone Areas: Relates to that land as identified by the Department of Water as being within the '1 in 25' and '1 in 100' year flood zones.

Policy

This policy applies to individual flood prone residential lots that currently exist within the Shire of Nannup. It is not intended to support any subdivision that will create further flood prone lots for development nor is it intended to support the release of flood prone land by the Department of Regional Development and Land (State Land Services)."

**Shire of Nannup
Ordinary Council Meeting Agenda: April 2014**

AGENDA NUMBER:	12.4
SUBJECT:	Kidsport Grant
LOCATION/ADDRESS:	N/A
NAME OF APPLICANT:	N/A
FILE REFERENCE:	FNC 6a
AUTHOR:	Louise Stokes – Community Development Officer
REPORTING OFFICER:	Robert Jennings – Chief Executive Officer
DISCLOSURE OF INTEREST:	None
DATE OF REPORT	8 April 2014

BACKGROUND:

Funding acknowledgement has been received of \$20,000 from the Department of Sport & Recreation through their Kidsport program. As this funding is over \$5,000, Council is required to accept the funding as per Council policy FNC 6.

The grant funding is a one year program to increase participation of young people aged 5-18 years in physical recreation.

COMMENT:

This program adds to the youth activity program and seeks to build capacity and increase recreational opportunities for young people.

Funding of \$200 per eligible young person is paid upon successful application for club fees and equipment. The funds are paid directly to the club.

The criteria for participation is health care card holder or by referral from the Nannup District High School or Nannup Police.

This program has been running in Nannup for the previous two years and has been extremely well received by the sporting clubs and appreciated by the parents.

STATUTORY ENVIRONMENT: None.

POLICY IMPLICATIONS: None.

FINANCIAL IMPLICATIONS: None.

STRATEGIC IMPLICATIONS:

The Shire of Nannup Community Strategic Plan 2013- 2023
1.3 Our Youth

VOTING REQUIREMENTS: Simple majority.

RECOMMENDATION:

That Council accept the funding of \$20,000.00 from the Department of Sport & Recreation to undertake the Kidsport program.

Shire of Nannup
Ordinary Council Meeting Agenda: April 2014

AGENDA NUMBER:	12.5
SUBJECT:	Community Grants 2014
LOCATION/ADDRESS:	Nannup
NAME OF APPLICANT:	Shire of Nannup
FILE REFERENCE:	FNC 9
AUTHOR:	Louise Stokes – Community Development Officer
REPORTING OFFICER:	Robert Jennings – Chief Executive Officer
DISCLOSURE OF INTEREST:	CDO is committee member of Nannup Garden Village Inc and BRVMA and member of Nannup Arts. Cr Bob Longmore is committee member of BRVMA and member of Nannup Arts.
DATE OF REPORT	8 April 2014

Attachment: 1. Community Grant applications and working party recommendations

BACKGROUND:

The Shire Community Grants for 2014/15 were advertised for a period of four weeks. Nine applications were received.

A working party of Cr Bob Longmore, Executive Officer and the Community Development Officer met on 9 April to assess applications for Council to consider.

COMMENT

A review list of applications is attached. In summary, the recommendations are that:

- Five applications are supported
- One application has been rejected
- Two applications can be covered by the 2013/14 operational budget
- Council currently has good computers available for tender and it is recommended that officers consult with the Nannup Kindergarten on this matter.

The current grant guidelines are that funding priority will be given to projects that:

- align with the Shire of Nannup Vision
- have benefit to the community of Nannup as a major outcome
- promote community involvement, groups / individuals working together
- incorporate a variety of sectors for example: youth, seniors, parents, sports people, artists, people with disabilities, families

**Shire of Nannup
Ordinary Council Meeting Agenda: April 2014**

- promote sustainability (rather than reliance on grants)
- initiatives that demonstrate a creative approach

It was noted that two requests were from regional organisations and it is recommended that the terms of reference for the Community grants are amended to include the following:

- Priority should be given to organisations within the Shire of Nannup or that have a firm alliance with Nannup. Applications by organisations outside of Nannup should demonstrate a commitment to Nannup with their planned event.

STATUTORY ENVIRONMENT: None.

POLICY IMPLICATIONS: None.

FINANCIAL IMPLICATIONS:

If endorsed by Council, a \$7,500 allocation to Community Organisations in the financial year 2014/15

STRATEGIC IMPLICATIONS: None.

VOTING REQUIREMENTS: Simple Majority.

RECOMMENDATIONS:

1. That an amount of \$7,500 for the identified community groups in attachment 1 be considered as part of the Shire of Nannup 2014/15 Budget approval process for the Community Group Grants.
2. That the grant guidelines incorporate;

“Priority should be given to organisations within the Shire of Nannup or that have a firm alliance with Nannup. Applications by organisations outside of Nannup should demonstrate a commitment to Nannup with their planned event.”

SHIRE OF NANNUP COMMUNITY GROUP GRANTS 2014/15

ORGANISATION	REASON FOR REQUEST	REQUEST ED \$	VALUE OF PROJECT	RECOMMEND ED \$	WORKING PARTY COMMENTS
Blackwood River Marketing Association	To contribute towards the employment of an Administration officer who will be responsible for overseeing promotional campaigns, marketing of the region and administration for the Association	\$500	\$4,000	\$0	These funds can be covered from the existing 2013/14 Tourism budget
Garden Village Committee	covering hall fees for Town Hall for set up and duration of 2015 Nannup Flower and Garden festival, chairs, trestles, banners and signage erected, bins, road closure signage, help with set up for Garden Party.	\$3,000	\$52,000	\$3,000	It is acknowledged that this is Nannup's second largest event and represents good value for Council to support.
Nannup District High School	Graduation prizes	\$200		\$100	The contribution has been reduced to \$100 as there are only 4 Year 10 students.
Nannup Kindergaten	To purchase a Lenovo (Think Centre) computer	\$900	\$900	\$0	Council currently has good computers available for tender and it is recommended that officers consult with the Nannup Kindergaten on this matter.
Noonoonda Community Garden	Purchase of materials for community garden including a sign and contribution towards construction of a shed	\$1,000	\$22,000	\$1,000	
Nannup Arts Council	To assist with arts workshops throughout the year	\$3,000	\$10,741	\$3,000	
South West Foodbowl Festival	Hire of marquees for South West Foodbowl Festival	\$3,000	\$90,329	\$0	Can be covered from existing 2013/14 Agricultural promotions budget
Blackwood Valley Wine Industry Association	To contribute towards the Blackwood Valley & WA Boutique Wine Association Show	\$500	\$14,070	\$400	Aligns with Council's priorities to promote agriculture, however parameters need to be included to ensure that Nannup Shire is recognised in promotion.
Scott Growers Group	Towards partial enclosure of verandah with 1/2 wall and 1/2 shutters	\$1,000	\$5,000	\$0	Identified that Council provided funding in 2013/14 of \$15,000 towards construction of verandah.
Total		\$13,100	\$199,040	\$7,500	

**Shire of Nannup
Ordinary Council Meeting Agenda: April 2014**

AGENDA NUMBER:	12.6
SUBJECT:	Memorandum of Understanding – Nannup Community Shed
LOCATION/ADDRESS:	Nannup
NAME OF APPLICANT:	N/A
FILE REFERENCE:	Legal
AUTHOR:	Louise Stokes- Community Development Officer
REPORTING OFFICER:	Robert Jennings- Chief Executive Officer
DISCLOSURE OF INTEREST:	None
DATE OF REPORT	15 April 2014

Attachment: 1. Memorandum of Understanding – Nannup Community Sheds

BACKGROUND:

At the October 2013 meeting, Council approved a grant of \$34,507 from Lotterywest to construct an additional bay at the Community Shed on Kearney St and to purchase equipment for use by community groups.

Within this agenda item, the issue of a Memorandum of Understanding was identified, and the need for the lessees of the sheds to pay an annual maintenance fee.

COMMENT:

The Memorandum of Understanding has been discussed with the lessees of the sheds and each group will pay an annual fee of \$200.00 towards ongoing maintenance.

STATUTORY ENVIRONMENT: Residential Tenancies Act.

POLICY IMPLICATIONS: None.

FINANCIAL IMPLICATIONS: \$600 towards annual maintenance.

STRATEGIC IMPLICATIONS: None.

VOTING REQUIREMENTS: Simple Majority.

RECOMMENDATION:

That Council approves the Memorandum of Understanding as set out in Attachment 1.



MEMORANDUM OF UNDERSTANDING BETWEEN THE SHIRE OF NANNUP AND USER GROUPS OF THE NANNUP COMMUNITY SHEDS

The purpose of this Memorandum of Understanding is to clarify the management and tenancy issues of the Community Storage sheds on the Kearney Street Depot site and covers the period 1 July 2014 to 30 June 2019.

The facility is owned by the Shire of Nannup and the tenants are the Youth Advisory Council, Nannup Music Club, Nannup Garden Village and the Nannup Arts Council.

The purpose of the community storage shed is for the storage of goods and equipment.

The annual contribution from each stakeholder group effective from July 1 2014 is \$200 plus GST and covers maintenance, building insurance, ant and annual termite inspections, baiting program for vermin, power, cleaning gutters and repairing/replacing keys and locks. The Nannup Youth Advisory Council is exempt from this fee as a Committee of Council. This fee will be reviewed in June 2019.

Council will be responsible for:

1. Building insurance.
2. Payment of utility bills.
3. Maintaining the buildings in accordance with the Memorandum of Understanding.

Each user group will be responsible for:

1. Any contents insurance required to cover their items stored within the sheds.
2. Keeping their bays in a clean and tidy state.
3. Making good any damage caused by the tenant.
4. Providing two current shed keys to the Shire of Nannup.

The Community Groups will be jointly responsible for:

1. Managing their keys including the maintenance of a key register.

2. Managing the additional storage bay and the shared equipment.

The Community Groups must not:

1. Modify the building without the prior approval of Council.
2. Sublet the storage bays without the prior approval of Council.
3. Use the buildings in any manner which may be or become a nuisance, disturbance or annoyance to the quiet and comfort of any occupier of any premises in the vicinity.
4. Store any inflammable liquids, acetylene gas, dangerous chemicals or volatile or explosive oils, compounds or substances on the premises.

Signed
Robert Jennings, Shire of Nannup Chief Executive Officer.

Date

Signed
Maggie Longmore, Chairman, Nannup Music Club

Date

Signed
Heather Walford, Chairman, Nannup Garden Village

Date

Signed
Carole Jackson, Chairman, Nannup Arts Council

Date

Signed
Kerrie Yabsley, Nannup Youth Advisory Council

Date

FINANCE & ADMINISTRATION

AGENDA NUMBER:	12.7
SUBJECT:	WATC Master Loan Agreement 2014
LOCATION/ADDRESS:	Nannup
NAME OF APPLICANT:	N/A
FILE REFERENCE:	FNC 10
AUTHOR:	Vic Smith – Manager Corporate Services
REPORTING OFFICER:	Vic Smith – Manager Corporate Services
DISCLOSURE OF INTEREST:	Nil
DATE OF REPORT	21 February 2014

Attachment: 1. WATC Master Loan Agreement

BACKGROUND:

The Western Australian Treasury Corporation has developed a Local Government Master Lending Agreement, which replaces all previous agreements. The Agreement is appended at Attachment 1.

COMMENT:

The council currently has two outstanding loans with the WA Treasury Corporation (WATC):

1. Loan 37 – Self Supporting Loan for the Nannup Community Resource Centre
2. Loan 38 – Purchase of Plant

The new agreement incorporates the provisions already contained within the agreements executed in respect of the existing loans and facilitates future borrowings under the one agreement. This removes the need for individual loan agreements to be executed under seal each time the council borrows from WATC.

For the Master Loan Agreement to be effective the WATC requires the council to execute the Agreement under its common seal as authorised by a resolution of the Shire of Nannup. WATC has provided a preferred form of words for the resolution.

STATUTORY ENVIRONMENT: Local Government Act 1995.

POLICY IMPLICATIONS: None.

FINANCIAL IMPLICATIONS: None.

STRATEGIC IMPLICATIONS: None.

VOTING REQUIREMENTS: Simple majority.

RECOMMENDATION:

Council hereby resolves:

1. That the Shire of Nannup enters into a Master Lending Agreement with Western Australian Treasury Corporation as set out in Attachment 1.
2. To approve the affixation of the Common Seal of the Shire of Nannup to the said Master Lending Agreement in the presence of the Shire President and the Chief Executive Officer, each of whom shall sign the document to attest the affixation of the Common Seal thereto; and
3. That the Chief Executive Officer, or any one of the Senior Employees of the Shire of Nannup authorised by the Chief Executive Officer from time to time is authorised to sign schedule documents under the Master Lending Agreement and/or to give instructions thereunder on behalf of the Shire of Nannup.

MASTER LENDING AGREEMENT

BETWEEN

WESTERN AUSTRALIAN TREASURY CORPORATION

AND

SHIRE OF NANNUP

DATED AS OF 15th MARCH 2014

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This Agreement dated as of the 15th day of March 2014

BETWEEN

WESTERN AUSTRALIAN TREASURY CORPORATION (ABN 22 300 359 323)
(*Corporation*)

AND

SHIRE OF NANNUP (ABN 43 038 160 786) (*Borrower*)

WHEREAS:

- A. The Corporation has provided lending facilities to the Borrower under the Existing Facility Agreements.
- B. The Corporation agrees to provide the Facility to the Borrower on the terms and conditions contained in this Agreement.
- C. The Facility is an updating and consolidation of the Existing Facility Agreements and also provides further flexibility in the manner in which lending can take place.
- D. The terms and conditions of this Agreement:
 - (a) replace the terms and conditions of the Existing Facility Agreements, so that this Agreement applies to:
 - (i) loans and advances previously provided to the Borrower under Existing Facility Agreements; and
 - (ii) loans and advances provided to the Borrower after the date of this Agreement in accordance with the terms of Forward Lending commitments as at the date of this Agreement; and
 - (b) apply to all loans and advances provided by the Corporation to the Borrower hereunder after the date of this Agreement.

The Parties agree:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Agreement the following words have the meanings designated below unless otherwise provided:

Account means an account operated by the Borrower with the Corporation for the purposes of this Agreement.

Act means the Western Australian Treasury Corporation Act 1986.

Addendum means an addendum to this Agreement.

Advance means an advance of money made under the Facility by the Corporation to the Borrower and includes all loans and advances that have been or will be:

- (a) provided to the Borrower under the Existing Facility Agreements and outstanding at the date of this Agreement;
- (b) provided to the Borrower after the date of this Agreement in accordance with the terms of Forward Lending commitments on foot at, or drawdown notices given under an Existing Facility Agreement outstanding on, the date of this Agreement;
- (c) provided to the Borrower by the Corporation hereunder after the date of this Agreement; and
- (d) made after the Termination Date in accordance with any Forward Lending commitment on foot at the Termination Date.

Agreement means this agreement, its schedules, annexures, addenda and each Confirmation given by the Corporation to the Borrower under this Agreement.

Annexure means an annexure to this Agreement.

Authorised Signatory means a person duly authorised by the Borrower as provided for in clause 31.1 to give instructions to the Corporation on its behalf, or otherwise to act on its behalf, from time to time, for the purposes of this Agreement, either generally or in relation to specified actions.

Bank Account means a bank account maintained by a Party in Australia with a bank authorised and supervised by the Australian Prudential Regulation Authority under the Banking Act 1959 (Cth) to carry on banking business in Australia or, for payments in a currency that is not Australian dollars, a financial institution with equivalent status in another country that is acceptable to the Corporation in its reasonable opinion, and notified to the other Party from time to time.

Borrower's SSI means the Borrower's standard settlement instructions notified by the Borrower to the Corporation from time to time for a Bank Account into which all moneys payable to the Borrower are to be paid under this Agreement, and which are acceptable to the Corporation acting reasonably.

Business Day means any day not being a Saturday or Sunday on which banks generally are open for business in each of Perth, Melbourne and Sydney.

Business Day Convention means the convention for adjusting any relevant date for the performance of any obligation or the taking of any action under this Agreement if that date would otherwise fall on a day that is not a Business Day.

Charge means the charge created under clause 5.1 of this Agreement.

Confirmation means a confirmation given by the Corporation to the Borrower setting out the terms applicable to an Advance made or to be made under the Facility.

Corporation's SSI means the Corporation's standard settlement instructions notified by the Corporation to the Borrower from time to time for a Bank Account into which all moneys payable to the Corporation are to be paid under this Agreement.

Costs means any and all costs incurred by the Corporation that arise from a default by the Borrower, demand for Mandatory Prepayment, termination other than a voluntary termination by either Party, or enforcement.

Default Interest Rate means the rate 2% per annum above the Corporation's overnight lending rate on each relevant day.

Designated Date means the date notified by the Corporation in accordance with, or the date set by operation of, the terms of this Agreement (as the case may be) for the Mandatory Prepayment of any Advance.

Discount means the amount by which the Corporation benefits from the Prepayment of an Advance.

Drawdown Notice means a written request for an Advance given by the Borrower to the Corporation in accordance with the Annexure for the relevant Product.

Email notice means a notice given by the Borrower to the Corporation by a computer based electronic mailing system.

Event of Default means a Vires Event of Default or an Other Event of Default.

Existing Facility Agreements means:

Loan Agreements

Loan Number	Principal Amount	Interest Rate	Lending Date	Maturity Date
37	\$150,000.00	6.0100% p.a.	08/03/2011	08/03/2021
38	\$280,000.00	5.6200% p.a.	06/05/2011	06/05/2016

Facility means the lending facility provided by the Corporation to the Borrower under this Agreement from time to time.

Fees means fees charged by the Corporation to the Borrower from time to time in connection with this Agreement, the Facility, an Advance or a Forward Lending, described in clause 18.

First Schedule means the first schedule to this Agreement.

Forward Lending means a commitment of the Corporation to advance funds and a commitment of the Borrower to borrow funds in accordance with the terms of a

Confirmation issued by the Corporation in accordance with this Agreement, or an Existing Facility Agreement, prior to those funds being advanced by the Corporation.

General Funds has the meaning given in section 6.21(4) of the *Local Government Act*.

Increased Costs means those costs described in clause 19.

Interest Payment Date means a date when interest is payable on an Advance.

Interest Rate means the interest rate for an Advance applying for all or part of the term of that Advance as applicable.

Local Government Act means the Local Government Act 1995 (WA).

Mandatory Prepayment means an early repayment by the Borrower in respect of any outstanding Advance or part of an Advance (and includes termination of obligations in relation to any Forward Lending or part of a Forward Lending) which is required by the Corporation to be made under or in accordance with the provisions of this Agreement following the occurrence of an Event of Default.

Mandatory Prepayment Notice means a notice referred to in clause 27 requiring the Borrower to repay to the Corporation the outstanding Advances specified in the notice, or terminating any specified Forward Lendings, on the Designated Date specified in the notice.

Market Valuation means a valuation made by the Corporation under the procedure set out in clause 16.

Market Valuation Adjustment means the adjustment to be made to reflect an additional or reduced amount to be repaid by the Borrower to extinguish the Borrower's liability in respect of all or part of an Advance on Prepayment, as described in clause 16.4 or to terminate obligations in relation to all or part of a Forward Lending.

Maturity Date means the date that an Advance is scheduled to be repaid by the Borrower to the Corporation, and where an Advance is made on the basis that it is to be repaid by more than one payment, the date that the last of these payments is to be made, as set out in the relevant Confirmation.

Other Event of Default means each of the events set out in paragraphs (c) to (i) inclusive of clause 25.

Outstanding Payment means the value of any payment that remains outstanding after the date on which that payment was due to be made in accordance with this Agreement.

Party means a party to this Agreement and **Parties** means both of them.

Premium means the amount necessary to compensate the Corporation for the Prepayment of an Advance.

Prepayment means a Mandatory Prepayment or a Voluntary Prepayment.

Prepayment Amount means the amount required to extinguish the indebtedness of the Borrower in relation to all or part of one or more Advances prior to the scheduled date for its or their repayment, or to terminate obligations in relation to all or part of one or more Forward Lendings, including without limitation a Market Valuation Adjustment.

Product means a type of Advance available to the Borrower under the Facility and identified in the First Schedule, as amended from time to time.

Product Facility Limit means the aggregate amount the Borrower may have outstanding at any time in respect of any Product, being the sum of all Advances the Corporation has agreed to provide to the Borrower under the relevant Product from time to time minus any amounts cancelled under clause 3.1 or repaid under Products that do not incorporate a capacity to redraw.

PPSA means the Personal Property Securities Act 2009 (Cth).

PPSA Law means:

- (a) the PPSA; and
- (b) any regulations in force from time to time made under the PPSA.

PPSA Register means the personal property securities register established under section 147 of the PPSA.

PPSA Security Interest has the meaning given to "security interest" in section 12 of the PPSA.

Rate Set Notice means a notice by the Corporation to the Borrower as described in clause 11.2.

Second Schedule means the second schedule to this Agreement.

Secured Money means all amounts under or in connection with the Facility or this Agreement or both:

- (a) which now or in the future are owing or payable (actually or contingently) by the Borrower to the Corporation;
- (b) which, having now or in the future become owing or payable (actually or contingently) by the Borrower to the Corporation, cease to be owing under any law relating to bankruptcy or insolvency and remain unpaid by the Borrower;
- (c) that now or in the future there is a prospect may become owing or payable (actually or contingently) by the Borrower to the Corporation, for any reason including moneys and damages payable by the Borrower, alone, jointly or jointly and severally with any other person, or by the Borrower in its own right or in any capacity; or
- (d) which can be debited by the Corporation to the Account or any other account of the Borrower.

Secured Property means all of the present and future interest and rights of the Borrower in the General Funds of the Borrower from time to time, including all present and future claims, causes of action, payments and proceeds in respect thereof.

State means the State of Western Australia.

Termination Date means the date on which the Facility is terminated in accordance with this Agreement.

Termination Procedure means the procedure set out in clause 27 of this Agreement.

Vires Event of Default means each of the events set out in clauses 25(a) and (b).

Voluntary Prepayment means an early repayment in respect of any Advance or part of any Advance (and includes termination of obligations in relation to any Forward Lending or part of a Forward Lending) which is made voluntarily by the Borrower.

Voluntary Prepayment Notice means a notice referred to in clause 16.1 notifying the Corporation that the Borrower wishes to make a Voluntary Prepayment.

1.2 Interpretation

In this Agreement unless the context otherwise requires:

- (a) words importing the singular include the plural and vice versa;
- (b) a reference to a statute, ordinance, code, or other law includes regulations, by-laws, rules and other statutory instruments under it for the time being in force and consolidations, amendments, re-enactments, or replacements of any of them (whether of the same or any other legislative authority having jurisdiction);
- (c) references to this Agreement or any other instrument include this Agreement or other instrument as varied or replaced, and notwithstanding any change in the identity of the Parties;
- (d) if a word or phrase is defined, other parts of speech and grammatical forms of that word or phrase have corresponding meanings;
- (e) references to this Agreement include its Schedules and Annexures;
- (f) headings are inserted for ease of reference only and are to be ignored in construing this Agreement;
- (g) references to time are to local time in Perth, Western Australia unless otherwise stated;
- (h) where time is to be reckoned from a day or event, that day or the day of that event is to be included;
- (i) references to currency are to Australian currency unless otherwise stated;

- (j) no rule of construction applies to the disadvantage of a Party on the basis that that Party put forward this Agreement or any part of this Agreement;
- (k) a reference to any thing is a reference to the whole and each part of it; and
- (l) words and phrases which are defined in the PPSA and which have relevance to this Agreement but are not defined in this Agreement have the same meaning as in the PPSA.

1.3 It is acknowledged and agreed by the Parties that when an amendment to or passing of legislation takes place during the term of this Agreement which is relevant to this Agreement, such amendment or passing applies to the application of this Agreement from the time of its occurrence and whether or not notice is given by the Corporation of the amendment or passing.

1.4 If the Corporation reasonably forms the opinion that there has been a change in a market convention that is relevant to this Agreement, or to any Product or transaction under this Agreement, the Corporation shall notify the Borrower of such change and this Agreement and the affected transactions shall be amended as provided in the notice to the Borrower from the Corporation setting out those amendments required by the Corporation. Upon request by the Borrower, the Corporation will provide to the Borrower a copy of information on the new market convention from a recognised financial market body in the relevant market.

2. **PRODUCTS:**

2.1 The Corporation offers to:

- (a) keep on foot all advances made under the Existing Facility Agreements outstanding on the date of this Agreement;
- (b) advance funds in accordance with the terms of any Forward Lending commitment arising under an Existing Facility Agreement prior to the date of this Agreement; and
- (c) make available to the Borrower financial accommodation by lending under this Agreement,

through the Products set out in the First Schedule as amended from time to time.

2.2 The terms and conditions on which:

- (a) Advances have been provided to the Borrower under Existing Facility Agreements; and

- (b) Advances will be provided to the Borrower after the date of this Agreement under Forward Lending commitments and drawdown notices given under Existing Facility Agreements,

shall be replaced in their entirety by the terms and conditions of this Agreement.

- 2.3 Terms and conditions relating to each Product are set out in the Annexure relating to that Product.
- 2.4 The Corporation may at its discretion from time to time remove Products or incorporate additional Products into this Agreement together with Annexures relevant thereto by giving written notice of such removal or addition to the Borrower. The removal of a Product will not affect the terms and conditions applying to Advances then outstanding, or Forward Lendings, in respect of that Product.
- 2.5 Subject to clause 18, the Corporation may on not less than 30 days' written notice to the Borrower amend the terms and conditions which apply to a Product and, subject to clause 3.3, and in consultation with the Borrower, may reduce the Product Facility Limit for any Product where applicable. The reduction of a Product Facility Limit will not affect the terms and conditions applying to Advances then outstanding, or Forward Lendings, in respect of that Product.
- 2.6 Subject to clause 2.7, and unless expressly provided otherwise, the terms and conditions contained in clauses 1 to 33 of this Agreement are applicable to all Products.
- 2.7 Where any term or condition of an Annexure in respect of a Product is inconsistent with any term or condition in clauses 1 to 33 of this Agreement, then the term or condition contained in the Annexure in respect of the Product shall prevail to the extent of the inconsistency.

**3. TERMINATION
OF FACILITY OR**

- 3.1 The Facility commences on the date hereof and continues until the Termination Date. Subject to

PART THEREOF:

clause 3.3, any part of the Facility may be terminated at any time by either Party giving no less than 30 days' written notice to the other of the amount and/or type of Product or Products that are cancelled.

3.2 The Facility may be terminated:

- (a) (i) at any time by either Party providing at least 30 days' written notice to the other;
- (ii) at any time by mutual agreement of the Parties;
- (b) on the date specified in a notice served by the Corporation on the Borrower following an Other Event of Default in accordance with clause 26.2; and
- (c) immediately, upon the occurrence of a Vires Event of Default, in accordance with clause 26.1,

and the date on which the Facility is terminated in accordance with this clause 3.2 is the Termination Date.

3.3 If the Facility is terminated under clause 3.2(a), after the Termination Date the Parties will comply with all obligations in relation to Forward Lendings and Advances outstanding on the Termination Date, which will continue to be repayable on their respective Maturity Dates unless:

- (a) a Vires Event of Default occurs prior to the respective Maturity Dates, in which case all Advances then outstanding are immediately due and payable and any obligations in respect of Forward Lendings are immediately terminated in accordance with the provisions of clause 26.1; or
- (b) an Other Event of Default occurs and the Corporation gives notice to the Borrower under clause 26.2 declaring Advances due and payable, and/or obligations in respect of Forward Lendings terminated, on the Designated Date or Designated Dates; or

- (c) alternative arrangements are agreed by the Parties in relation to Forward Lendings and for the repayment or refinancing of the indebtedness of the Borrower under this Agreement prior to the respective Maturity Dates.

4. FACILITY LIMIT

The total amount of debt outstanding at any time shall be the aggregate of all borrowings approved by the Corporation in respect of each product specified in the Annexes to this Agreement in accordance with the application process set out in clause 7 of this Agreement, less any amounts that have been cancelled under clause 3.1 or repaid under Products that do not incorporate a capacity to redraw.

5. SECURITY, PPSA SECURITY INTEREST AND ATTACHMENT:

- 5.1 The Borrower charges the Secured Property to the Corporation to secure the payment of the Secured Money to the Corporation.
- 5.2 The Charge is a PPSA Security Interest.
- 5.3 The Borrower acknowledges and agrees:
 - (a) the Corporation has given value for the PPSA Security Interest in the Secured Property by its provisions under this Facility or the Existing Facility Agreements or by providing or continuing to make available any financial accommodation under or in connection with this Facility or the Existing Facility Agreements;
 - (b) nothing in this Agreement or in any of the Existing Facility Agreements constitutes an agreement that a security interest under this Agreement attaches at a later time than the time specified in section 19(2) of the PPSA;
 - (c) it has not made any agreement with a secured party to vary the time of attachment of a PPSA Security Interest; and

- (d) for the purposes of sub section 20(2) of the PPSA, the Charge covers the present and future interests and rights of the Borrower in the Borrower's General Funds.

6. REPRESENTATIONS, WARRANTIES AND UNDERTAKINGS:

6.1 The Borrower represents and warrants that:

- (a) it is a local government constituted under the Local Government Act;
- (b) it has in full force and effect all approvals, authorisations and consents necessary to enter validly into this Agreement, to borrow and to fulfil its obligations in relation to each Advance provided hereunder and to give the Charge;
- (c) this Agreement has been validly executed by the Borrower;
- (d) the Borrower has complied with all requirements under the Local Government Act and Regulations under the Local Government Act in respect of this Agreement, and that all Advances have been approved by the Borrower in its annual budget or satisfy the provisions of Section 6.20(2) of the Local Government Act;
- (e) each Advance is financially sustainable and that the Borrower is not aware of any event, circumstance or action by the Borrower which may adversely affect its ability to service the Advance;
- (f) the Borrower has not created any charge, mortgage, pledge or lien upon over or in respect of the General Funds of the Borrower in favour of any other lending institution, bank or third party other than those charges mortgages, pledges or liens that have already been notified to the Corporation .
- (g) there has been no material adverse change in the financial position of the Borrower, and the Borrower will immediately notify the Corporation if a material adverse change in the financial position occurs.
- (h) it does not have any interest, obligation or arrangement, whether directly or indirectly,

that conflicts or may potentially conflict with its obligations under this Agreement, and if any such interest, obligation or arrangement should arise, the Borrower will promptly advise the Corporation thereof.

- (i) no Event of Default (including without limitation, a breach of a term or condition included in this Agreement pursuant to Clause 26.2(c)) has occurred and is continuing, other than an Event of Default which has been waived in writing by the Corporation.
- (j) Drawdown Notices, applications for Advances and instructions given in respect of the Facility from time to time by the person(s) nominated by the Borrower for this purpose are valid and shall bind the Borrower.

6.2 The Borrower undertakes that it will observe all obligations under the approvals, authorisations and consents referred to in clause 6.1(b) and carry out and fulfil its obligations hereunder.

6.3 The representations and warranties set out in clause 6.1 are deemed to be repeated in respect of each application for an Advance hereunder.

7. APPLICATIONS FOR ADVANCES

7.1 The Borrower may apply for an Advance by submitting an application to the Corporation in a manner and form prescribed by the Corporation from time to time.

7.2 The Borrower shall obtain in advance of making an application all necessary approvals, authorisations and consents that are necessary in respect of each Advance.

7.3 The making of each Advance is subject to the condition that the Corporation's credit criteria in effect at the relevant time for such lending are met by the Borrower.

7.4 The Borrower shall upon request provide the Corporation with such information as may be reasonably required by the Corporation to

determine whether its credit criteria are met by the Borrower.

7.5 A determination made by the Corporation as to whether its credit criteria are met by the Borrower shall be final and the Corporation shall not be required to disclose such details of the determination to the Borrower.

7.6 The Corporation may at its discretion cancel or delay the making of an Advance if any required information in relation to the Borrower is not provided to the Corporation in a timely manner to undertake/complete its credit assessment. The costs incurred by the Corporation in connection with the cancelling or delaying of an Advance as certified by the Corporation shall be promptly paid to the Corporation by the Borrower.

7.7 The Corporation may in its absolute discretion decline an application for an Advance where the Borrower has not met the Corporation's credit criteria in effect at the relevant time and where the Advance is not considered by the Corporation to be financially sustainable.

8. **ACCOUNTS:** Advance will be made on one Account unless it is agreed by the Corporation that the Borrower may operate more than one Account under the Facility. If the Borrower operates more than one Account, the Advance will be made on the Account specified in the application for an Advance.

9. **TERM OF ADVANCES:** The Borrower shall repay each Advance in full on the Maturity Date, or if any Advance is made on the basis that it is to be repaid by more than one instalment, the Advance shall be repaid in accordance with the repayment schedule set out in the relevant Confirmation.

10. **INTEREST:** The Borrower shall pay interest on each Advance from and including the date funds are advanced up to but excluding the date they are repaid in full.

11. **INTEREST RATE:** 11.1 Subject to any conditions as to interest rate outcomes set out in an application for an Advance, the Interest Rate will be determined by

the Corporation.

11.2 Where the Corporation sets or resets an Interest Rate in respect of all or any part of the term of an Advance, the Corporation will promptly notify the Borrower of the Interest Rate in the Confirmation or in a Rate Set Notice.

12. **PAYMENT DATE ADJUSTMENT:** If a date for the making of any payment (or performing any obligation) under this Agreement falls on a day which is not a Business Day, it will be subject to adjustment in accordance with the Business Day Convention referred to in the Annexure relevant to that type of payment or obligation for the relevant Product, unless another Business Day Convention has been requested by the Borrower and agreed to by the Corporation and the payment will be made (or the obligation performed) on the date for the making of the payment (or performing the obligation) as adjusted by the relevant Business Day Convention.
13. **CONFIRMATIONS:** The Corporation will give to the Borrower a Confirmation promptly after setting the terms of each Advance. The Confirmation shall be deemed true and correct in the absence of manifest error, unless the Borrower notifies the Corporation in writing that the details in the Confirmation are incorrect within 24 hours of receipt of the Confirmation. To the extent of any inconsistency, the provisions of a Confirmation prevail over those of the relevant application for an Advance and over clauses 1 to 33 of this Agreement.
14. **BUSINESS DAY:** If the Borrower wishes the definition of Business Day for a particular Advance to depend on different business centres being open other than those provided in the definition in clause 1.1 or any business centres specified in the Annexure for the relevant Product, then it may request that the Corporation agree to a different business centre or centres being open for the purpose of that definition in relation to that Advance, but any amendment to that definition is subject to the agreement of the Corporation in its absolute discretion.
15. **BUSINESS DAY CONVENTION:** The following terms, when used in conjunction with the term "Business Day Convention" and a date for the performance of an obligation or the taking of an action under this Agreement, shall mean that an adjustment will be made if that date would otherwise fall on a day that is not a Business Day so that:

- (a) if "**Following**" is specified, that date will be the first following day that is a Business Day;
- (b) if "**Modified Following**" is specified, that date will be the first following day that is a Business Day unless that day falls in the next calendar month, in which case that date will be the first preceding day that is a Business Day; and
- (c) if "**Preceding**" is specified, that date will be the first preceding day that is a Business Day.

16. PREPAYMENT:

16.1 If the Borrower wishes to make a Voluntary Prepayment, it must give to the Corporation a Voluntary Prepayment Notice substantially in the form specified in the Third Schedule hereto signed by an Authorised Signatory of the Borrower, no later than 12.00 noon at least 4 Business Days prior to the proposed date of the Voluntary Prepayment, or such later time or date as the Corporation may agree.

16.2 Once given, a Voluntary Prepayment Notice is irrevocable and may not be withdrawn except with the prior written consent of the Corporation.

The Corporation will advise the Borrower as soon as practicable after it receives any request to withdraw a Voluntary Prepayment Notice whether or not the Corporation has consented to the withdrawal.

16.3 Whenever a Prepayment is made, whether voluntarily by the Borrower or otherwise, the amount to be repaid by the Borrower to the Corporation is to be adjusted by a Market Valuation Adjustment.

16.4 The Market Valuation Adjustment is the amount calculated by the Corporation as the Premium or Discount applicable to the Prepayment.

16.5 (a) Prior to the date of the proposed Prepayment the Corporation will undertake a Market Valuation of the relevant Advance at such time as is suitable to the Corporation acting reasonably.

(b) The Corporation will calculate the Market

Valuation Adjustment in accordance with the Corporation's standard procedure for the relevant Product.

16.6 The Corporation shall certify the Market Valuation Adjustment to the Borrower and once certified the Market Valuation Adjustment is final and binding in the absence of manifest error.

16.7 (a) If the Market Valuation Adjustment is a Premium the Borrower must pay the amount of the Premium to the Corporation at the time at which the Prepayment is made to the Corporation.

(b) If the Market Valuation Adjustment is a Discount, the Corporation will credit the amount of the Discount to the relevant Account of the Borrower when the Prepayment is made.

16.8 When obligations in relation to all or part of a Forward Lending are to be terminated, the Corporation will undertake a Market Valuation of the Forward Lending (or relevant part thereof) and the procedures set out in this clause 16 will apply, with the necessary changes having been made, in relation to the calculation of the Market Valuation Adjustment.

16.9 The Parties agree that amounts payable by way of Market Valuation Adjustment are a reasonable pre-estimate of loss and not a penalty.

16.10 On giving notice thereof to the Borrower, the Corporation may value the Prepayment for the purposes of calculating the Market Valuation Adjustment on an "ex interest" basis, in which case the Borrower shall be liable to make a payment on account of interest on the next Interest Payment Date for the relevant Advance.

**17. GOVERNMENT
GUARANTEE:**

17.1 The Borrower must pay to the Corporation as and when required by the Corporation such fee or fees as the Corporation notifies are required by the Treasurer on behalf of the State under section 13(3) of the Act in respect of the guarantee by the Treasurer arising under section 13(1) of the Act in relation to liabilities

incurred by the Corporation in connection with, or to facilitate, the making of Advances to the Borrower under the Facility. Such fee may be adjusted from time to time.

17.2 Any fees payable under clause 17.1 will be identified and recovered separately from interest payable under the Facility.

18. FEES:

18.1 The Corporation may charge the Borrower Fees in connection with this Agreement, the Facility, any Advance and any Forward Lending. Subject to clause 18.3, Fees may be introduced or amended from time to time at the Corporation's sole discretion.

18.2 The Corporation will give the Borrower at least 30 days' prior written notice of the introduction of any new Fee or the amendment of an existing Fee, and shall specify in any such notice the amount or method of calculation of the Fee and the manner in which the Fee will be charged.

18.3 With the exception of Costs and Increased Costs, the Corporation may not increase any Fees, or seek to impose any new Fees, in connection with a Forward Lending or an Advance prior to its Maturity Date.

19. INCREASED COSTS:

If as a result of any law, regulation, judicial decision or government directive instituted, passed, issued, amended or given a new interpretation by any competent court, administrative tribunal or government authority, the Corporation incurs additional costs in funding or maintaining Advances or Forward Lendings under this Agreement or the Facility, the Corporation will notify the Borrower thereof and the Borrower shall on demand pay to the Corporation the amount of such costs either as a lump sum or through increased interest rates as determined by the Corporation after consultation with the Borrower.

20. METHOD OF PAYMENT:

20.1 All payments to the Corporation must be made in immediately available funds without set off or deduction into the Corporation's Bank Account for the relevant currency specified in the Corporation's SSI as at the time of payment, and any payment not so made will be deemed by the Corporation to have been made on the date and

at the time the funds represented by the payment become available to the Corporation.

20.2 All payments to the Borrower will be made in immediately available funds into the Bank Account for the relevant currency specified in the Borrower's SSI as at the time of payment unless other arrangements have been agreed between the Corporation and the Borrower in respect of that payment.

21. TIME OF PAYMENT:

All payments to be made to the Corporation under the Facility must be made no later than 10.00 a.m. on the due date or such other time as the Corporation may notify the Borrower from time to time. The Corporation may recover from the Borrower any charges or intra-day interest it incurs as a consequence of any payment being received by it after the due time for payment on the relevant due date.

22. INTEREST ON OVERDUE AMOUNTS:

The Corporation may charge interest on any amount payable under this Agreement which is not made, or is deemed to have been not made by the time for payment on the relevant due date, at the Default Interest Rate, from and including the due date for payment to but excluding the date on which the funds become available to the Corporation, such additional interest to compound daily and be payable on demand.

23. STAMP DUTY:

All stamp duties and penalties (if any) payable in relation to this Agreement shall be promptly paid by the Borrower.

24. CALCULATIONS:

The Corporation shall carry out in good faith and in a commercially reasonable manner all calculations required under this Agreement including but not limited to those involving the amount of interest payable, Market Valuation Adjustments, Fees, government guarantee fees and Increased Costs. All calculations and determinations of the Corporation will be conclusive and binding in the absence of manifest error.

25. EVENTS OF DEFAULT:

Each of the following is an Event of Default:

- (a) the Borrower ceases to be a local government duly constituted under the Local Government Act (or any amendment or re-enactment of the Act) by virtue of which it is an "authority" for the purposes of the Western Australian Treasury

Corporation Act 1986 unless the obligations of the Borrower hereunder are assumed by a successor which is such an "authority" and which agrees, or is otherwise bound by law, to comply with the obligations of the Borrower hereunder;

- (b) the Borrower for any reason, other than a reason set out in clause 25(a), ceases to be an entity to which the Corporation can lawfully make or maintain Advances, or if as a result of any change in law, regulation or official directive, the Corporation determines that it has become contrary to such official directive, illegal or impossible for the Corporation to make or maintain Advances to the Borrower;
- (c) if in the reasonable opinion of the Corporation, it is likely that a Vires Event of Default will occur because of a proposed change in law, regulation or official directive, and the Corporation notifies the Borrower that upon the occurrence of the change in law, regulation or official directive, the Facility is terminated on the Termination Date specified in the notice and all outstanding Advances are due and payable, and all Forward Lendings are terminated, on the Designated Date specified in the notice;
- (d) a receiver is appointed in respect of any of the income of the Borrower
- (e) the Borrower fails to make payment of any amount payable to the Corporation, whether under this Agreement or under any other arrangement with the Corporation, when due and the failure continues for more than 15 Business Days. The Corporation will use reasonable endeavours to notify the chief executive officer of the Borrower of the failure not less than 10 Business Days before exercising the Corporation's rights arising under this Agreement as a consequence of such failure;
- (f) the Borrower is in breach of any other material term of this Agreement (including a term or condition included in the Agreement pursuant to clause 26.2(c)), and if the breach is capable of remedy, if it is not remedied within 20 Business

Days of the Borrower becoming aware of the breach;

- (g) the Borrower fails to pay any other indebtedness of the Borrower for moneys borrowed or raised when due in an amount which the Corporation reasonably considers to be material in the context of the indebtedness of the Borrower to the Corporation under this Agreement unless liability to pay that other indebtedness is being contested by the Borrower in good faith and with due diligence;
- (h) any power, authorisation, approval or consent required by the Borrower for the purposes of borrowing or fulfilling its obligations under this Agreement is withdrawn or ceases to be current or valid or is found to be defective or inadequate by the Corporation; and
- (i) any warranty or representation made by the Borrower hereunder or for the purposes of this Agreement is untrue or ceases to be true.

**26. EFFECT OF
DEFAULT:**

- 26.1 If a Vires Event of Default occurs, whether or not the Corporation is aware of the occurrence of the Event of Default, the Facility is immediately terminated without the need for any notice to be given by the Corporation to the Borrower and, subject to clause 26.3, all outstanding Advances are immediately due and payable, and any obligations in respect of Forward Lendings are immediately terminated.

The Prepayment Procedure will apply in respect of all outstanding Advances and all Forward Lendings.

The date on which the Facility is terminated, and all obligations in respect of outstanding Advances and Forward Lendings are terminated in accordance with this clause 26.1 is the Designated Date for the purposes of this Agreement.

- 26.2 If an Other Event of Default occurs, the Corporation may by notice in writing to the Borrower do any or all of the following:

- (a) declare that any or all outstanding Advances are due and payable and any or all obligations in respect of Forward Lendings are terminated immediately on the date of the notice, or on a date specified in the notice, which date shall be the Designated Date for those Advances;
- (b) declare that the Facility is terminated; and
- (c) specify terms and conditions upon which the Corporation is willing to allow any or all of the following to occur:
 - (i) any or all outstanding Advances to remain outstanding;
 - (ii) any or all Forward Lending commitments to remain in force; and
 - (iii) the Borrower to continue to borrow under any or all Products,

and the Borrower must, not later than the date specified in the notice, advise the Corporation in writing whether or not it agrees to accept those terms and conditions.

If the Borrower advises the Corporation in writing on or before the date specified in the notice that it agrees to accept those terms and conditions, then this Agreement is thereupon varied by inclusion of those terms and conditions without any further action required to be taken by the Parties.

If the Borrower does not advise the Corporation in writing on or before the date specified in the notice that it agrees to accept those terms and conditions, then the Corporation may carry out the provisions of (a) and (b) above.

- 26.3 If the Corporation is not aware of the occurrence of a Vires Event of Default when the Vires Event of Default occurs, all outstanding Advances are due and payable, and all obligations in respect of Forward Lendings shall be terminated, immediately the Corporation becomes aware of the occurrence of that Event of Default.

26.4 For the avoidance of doubt, any payment made by either Party after the occurrence of a Vires Event of Default and before the Corporation becomes aware of the relevant Event of Default, is a payment for value under this Agreement and is to be treated as if it had been validly made and received in accordance with this Agreement.

**27. MANDATORY
PREPAYMENT
PROCEDURE:**

27.1 Where any Advance becomes due and payable before the Maturity Date for that Advance or any Forward Lending is to be terminated under the terms of this Agreement, the Parties will follow the procedure set out in this clause.

27.2 Mandatory Prepayment of Advances and termination of Forward Lendings will occur on the Designated Date whether or not the relevant event is then subsisting and the Prepayment Amount will be due as of the Designated Date.

27.3 The Corporation will issue a Mandatory Prepayment Notice to the Borrower with respect to Advance(s) and Forward Lending(s).

27.4 Irrespective of the termination of the Facility, the Borrower shall pay to the Corporation the amount of any Costs incurred by the Corporation whether before or after the Designated Date in relation to the relevant Advance(s), Forward Lending(s) and the Facility, as applicable, and interest on the Prepayment Amount calculated at the Default Interest Rate from and including the Designated Date up to, but not including, the date of actual payment.

**28. PERSONAL
PROPERTY
SECURITIES ACT
2009**

28.1 The Borrower hereby irrevocably authorises the Corporation, its agents, solicitors, officers, employees and service providers to:

(a) apply for and effect (in any manner the Corporation considers necessary or appropriate) any registration of a financing statement on the PPSA Register in connection with any PPSA Security Interest created or expressed to be created under this Agreement;

(b) complete any document associated with this

Agreement, including any financing statement or financing change statement; and

- (c) recover from the Borrower, at the Corporation's absolute discretion, any costs incurred by the Corporation in relation to the abovementioned matters.

28.2 (a) The Parties contract out of each provision of the PPSA that section 115 of the PPSA permits parties to contract out of.

- (b) To the extent permitted by section 275 of the PPSA, the Parties agree to keep all information of the kind described in section 275(1) of the PPSA confidential and not to disclose any such information to any other person except where such disclosure is otherwise permitted or authorised under this Agreement or an Existing Facility Agreement.

- (c) The Parties agree that a receiver or receivers appointed under section 6.22 of the Local Government Act need not give any notice required under any provision of the PPSA.

**29. VARIATION OF
ADVANCES OR
FORWARD
LENDINGS:**

29.1 If at any time the Borrower wishes to vary a term or condition of an, Advance or Forward Lending, the Borrower must so notify the Corporation and the Corporation will use reasonable endeavours to accommodate the Borrower's request.

29.2 Relevant rates and prices which prevail at the time will be applied in undertaking the calculations for the variation of the Advance or Forward Lending, as applicable.

29.3 The Corporation will promptly give a Confirmation to the Borrower with respect to a variation so carried out.

29.4 The Corporation will promptly notify the Borrower in writing of the cost or benefit of a variation under this clause.

Any additional cost will be paid by the Borrower to the Corporation on a date nominated in writing by the Corporation, and any benefit will be credited to an Account of the Borrower with the

Corporation.

30. NOTICES:

- 30.1 Subject to paragraph 30.3, all requests, notices and other communications required to be given, made or sent to the Corporation by the Borrower under this Agreement are to be in writing and addressed to "Manager, Client Services" of the Corporation or to such other officer of the Corporation as the Corporation nominates to the Borrower from time to time.
- 30.2 All requests, notices, and other communications required to be given, made, or sent to the Borrower by the Corporation under this Agreement are to be in writing and addressed to the officer of the Borrower designated for such purposes, or such other officer of the Borrower as the Borrower nominates to the Corporation from time to time, and in the absence of a designation or nomination shall be addressed to the chief executive officer of the Borrower.
- 30.3 The Borrower may request in writing that the Corporation accept email notices or other form of electronic transmissions acceptable to the Corporation for the making of applications for Advances, acceptance of firm quotes, giving of Drawdown Notices, Voluntary Prepayment Notices, requests to vary the term or conditions of an Advance or Forward Lending, or requests for withdrawal of any such notice or request or communications that are otherwise notified in writing by the Corporation to the Borrower from time to time.

The Borrower:

- (a) must ensure that each email notice is either signed by means of an electronically produced signature of an Authorised Signatory or states that it is being sent by a named Authorised Signatory of the Borrower, and the Borrower shall give prior written advice to the Corporation as to which of these alternative procedures it wishes to use from time to time;
- (b) in any legal proceedings in respect of or in any way relating to this Agreement, expressly waives any right to raise any

claim, defence or waiver of liability based upon the signing, or purported signing, of an email notice by means of an electronically produced signature of an Authorised Signatory or purporting to be sent by an Authorised Signatory as the case may be; and

- (c) must send all email notices to the specified email address of the Corporation notified by the Corporation to the Borrower from time to time. Email notices will only be taken to have been received by the Corporation when actually received.

30.4 The Corporation may at any time give written notice to the Borrower that it will no longer accept email notices, either generally, or on the conditions set out above or for any specified purpose. The Corporation may at any time withdraw any such notice or give written notice to the Borrower of alternative conditions on which it is then willing to accept email notices.

31. OTHER TERMS: 31.1 The Borrower shall provide to the Corporation:

- (a) a copy of the resolution authorising:-

- (i) the execution of this Agreement under the Common Seal of the Borrower; and

- (ii) the Chief Executive Officer, an agent of the Borrower or any one of the Senior employees of the Borrower who are authorised by the Chief Executive Officer from time to time to sign schedule documents and instructions under this Agreement on behalf of the Borrower.

- (b) Upon request by the Corporation copies of the resolutions passed by the Borrower authorising the borrowings under this Agreement from time to time; and

- (c) a list of names, position titles and sample signatures of the Authorised Signatories as advised by the Chief Executive Officer from time to time.

31.2 The Borrower agrees to provide to the

Corporation such additional information as the Corporation may require from time to time to enable it to meet its regulatory and compliance obligations relating to anti-money laundering and counter-terrorism financing, and acknowledges that where legally obliged to do so, the Corporation will disclose the information provided to relevant regulatory and law enforcement agencies.

31.3 The Corporation will use all reasonable endeavours to meet the borrowing and prepayment requirements of the Borrower under this Agreement. The Borrower acknowledges that this Facility does not create an obligation for the Corporation to lend under it.

31.4 The Facility is made available and will be maintained subject to compliance with relevant laws and subject to the Borrower obtaining all authorisations, approvals and consents necessary for it to enter into this Agreement and accept the Facility and to fulfil its obligations hereunder, including obligations incurred in respect of Advances provided from time to time.

31.5 So long as any amounts owing to the Corporation remain payable, the Borrower will not create or permit to be outstanding any security (in the form of mortgage, charge, pledge, lien or other security interest) upon the Borrower's General Funds to secure indebtedness of the Borrower or any guarantee by the Borrower of indebtedness of third parties, without the prior written consent of the Corporation which may be withheld in the Corporation's absolute discretion, and in any event may not be given unless the Borrower (if so required by the Corporation) procures the other creditors to enter into a deed of priority with the Borrower and the Corporation in which the Borrower and the other creditor irrevocably and unconditionally agree with the Corporation:

- (a) the Charge has first priority over the Secured Property for the full amount of the Secured Moneys for the purposes of section 6.24 of the Local Government Act and section 61 of the PPSA and the other creditor has second priority over the Secured Property only after the full amount of the Secured Money has

been received by the Corporation; and

- (b) the priority in clause 31.5(a) applies despite any provision of the PPSA and despite the respective times of registration of the financing statements in respect of this Agreement and the other creditor's PPSA Security Interest under that Act.

31.6 The Borrower will immediately notify the Corporation of any actual or proposed changes to its establishment or designation or to any legislation under which it is constituted, of which it becomes aware, and which may be likely to affect or have the potential to affect the Borrower's corporate existence, capacity to borrow hereunder, authorisations in respect hereof or ability to observe its obligations under this Agreement, and provide the Corporation with a copy of any such change promptly after it occurs.

31.7 The Borrower indemnifies the Corporation against all liabilities and losses arising from, and any costs, charges and expenses incurred in connection with the Corporation acting in good faith on facsimile instructions, electronically protected documents (such as Adobe PDF) sent by e-mail or other electronically delivered instructions purporting to originate from the offices of the Borrower or to be given by an Authorised Signatory of the Borrower, including without limitation all liabilities, losses, costs, charges and expenses on account of funds borrowed, contracted for or used to fund any amount payable under this Agreement.

31.8 The Borrower shall obtain the prior written consent of the Corporation before committing to any subsequent or additional borrowing from any other authority, bank, lending institution or source or increasing the limit of its existing overdraft facility during the currency of this Agreement (third party borrowing).

**32. GOVERNING
LAW AND
JURISDICTION:**

This Agreement is governed by the law in force in the State, and the Parties submit to the non-exclusive jurisdiction of the courts exercising jurisdiction in the State.

33. SURVIVAL:

Except to the extent provided otherwise herein, the respective rights and obligations of the Parties in respect of Advances, Forward Lendings and obligations that continue following termination of the Facility under clause 3.2(a) or clause 26.2 and all Outstanding Payments shall survive termination of the Facility, and the terms and conditions of this Agreement continue to apply as if the Facility remained on foot.

Execution hereunder by authorised representatives of the Corporation and the Borrower respectively creates a binding agreement with respect to the terms and conditions contained herein.

For and on behalf of Western Australian Treasury Corporation by its attorney:

SIGNATURE: _____

NAME: _____

POSITION: _____

DATE: _____

Witness (signature): _____

Name (print): _____

THE COMMON SEAL of)
SHIRE OF NANNUP)
was hereunto affixed)
in the presence of:)

*Mayor
*President

Chief Executive Officer

FIRST SCHEDULE

As at 15th March 2014, the Corporation makes the following Products available to the Borrower:

1. Short Term Lending
2. Term Fixed Rate Lending

SECOND SCHEDULE

1. All Loans under the Existing Loan Agreements are classified as Term Fixed Rate Lending and are covered by the Provisions of Annexure 2 Term Fixed Rate Lending.

ANNEXURE 1

SHORT TERM LENDING

As at 15th March 2014, provisions specifically referable to Short Term Lending under this Agreement are as follows:

Product Facility Limit The aggregate sum of all Short Term Lending Advances the Corporation has agreed to provide to the Borrower from time to time under each Addendum less any amount that has been cancelled or terminated from time to time.

Unless otherwise agreed with the Corporation in relation to a specific Advance, the following provisions apply to each Advance of Short Term Lending (**Short Term Lending Advance**):

Applications for Advances:	i) The Borrower may apply to the Corporation to borrow funds under this Annexure in accordance with the terms and conditions of the Agreement; and ii) upon the Corporation agreeing to lend such funds to the Borrower, the parties shall execute an Addendum to the Agreement substantially in the form specified in the Fifth Schedule hereto which shall stipulate the project facility limit being the maximum amount the Borrower is entitled to borrow under that Addendum.
Notice Period:	The Drawdown Notice must be received by the Corporation no later than 12:00 noon on the Business Day prior to the date the Advance is to be made.
Minimum amount of Advance	\$10,000
Minimum Term of Each Advance:	1 day
Maximum Term of Each Advance:	12 months
Maturity Date:	The nominated Maturity Date should be a Business Day
Repayment of Principal of Each Advance:	In full on the Maturity Date of that Advance
Interest Rate:	The Interest Rate is determined by the Corporation and is fixed until the Maturity Date of the Advance
Date of Determination of Interest Rate:	The Interest Rate will be determined on the day the Advance is made, or on such other day or days as

	the Corporation may from time to time reasonably determine.
Interest Amount:	<p>Interest on each Advance will be calculated as follows:</p> $I = \frac{P \times R \times D}{36500}$ <p>where:</p> <p>I = amount of interest payable;</p> <p>P = principal amount of the Advance;</p> <p>R = Interest Rate applicable to the Advance expressed as a percentage per annum to two decimal places; and</p> <p>D = the number of calendar days from and including the date of the Advance to, but not including, its Maturity Date.</p>
Interest Payment Date:	Interest is payable on the Maturity Date of the Advance
Business Day Convention:	Following
Interest Adjustment:	<p>Where a Maturity Date is not a Business Day and the due date for repayment of the Advance is adjusted to the following Business Day, an interest adjustment is also payable at the discretion of the Corporation on the payment date specified in the notice provided by the Corporation to the Borrower setting out details of the Interest Adjustment, which will be calculated as follows:</p> $\text{Interest Adjustment Amount} = \frac{(P+I) \times R \times D}{36500}$ <p>where:</p> <p>P = the principal amount of the Advance;</p> <p>I = the interest amount due on the stated Maturity Date of the Advance;</p> <p>R = the Corporation's overnight lending rate applicable on the Business Day prior to the stated Maturity Date of the Advance expressed as a percentage per annum to two decimal places; and</p> <p>D = the number of calendar days from and including the stated Maturity Date to, but not including, the Business Day after the stated Maturity Date.</p>

DRAWDOWN NOTICES:	<p>1. Advances under this Facility will be made by the Corporation to the Borrower substantially in the form of the "Form of Request for an Advance ("Drawdown Notice") attached to this Annexure.</p> <p>2. Subject to the terms and conditions of this Facility, Advances will be made on dates specified in a Drawdown Notice given by the Borrower to the Corporation and signed by an Authorised Signatory. If a date specified in a Drawdown Notice is not a Business Day, the Advance will be made on the next following Business Day unless another arrangement is agreed to by the Corporation in its discretion.</p> <p>3. Once given, a Drawdown Notice is irrevocable and may not be withdrawn except with the prior written consent of the Corporation.</p> <p>The Corporation will advise the Borrower as soon as practicable after it receives any request to withdraw a Drawdown Notice whether it has consented to the withdrawal if the Borrower is required to pay any costs incurred by the Corporation in executing the withdrawal request.</p>
REDRAWING:	<p>Subject to the terms of the Agreement, amounts repaid or voluntarily prepaid under Facilities governed by this Annexure may be redrawn by the giving of an appropriate Drawdown Notice.</p>
REPRESENTATIONS, WARRANTIES AND UNDERTAKINGS:	<p>The representations and warranties contained in the Agreement are deemed to be repeated each time a Drawdown Notice is submitted to the Corporation;</p> <p>(a) an Advance provided under a Drawdown Notice will not result in the Facility being exceeded as at the date the Drawdown Notice is given or at any time up to the Maturity Date of the proposed Advance, after allowing for any reduction in the Facility Limit of which notice has been given prior to receipt of the Drawdown Notice by the Corporation; and</p> <p>(b) Drawdown Notices and instructions given in respect of the Facility from time to time by the person(s) nominated by the Borrower for this purpose shall be valid and binding on the Borrower.</p>

TERM OF ADVANCES:	Where a Party has served a notice of termination of the Facility on the other Party under clause 3.2(a), the Borrower may continue to issue Drawdown Notices and draw down Advances prior to the Termination Date, but the Maturity Date of Advances made thereunder must be on or before the Termination Date.

By requesting an Advance under this Annexure, the Borrower acknowledges and agrees that the provisions contained herein specifically referable to Short Term Lending are terms and conditions of this Agreement and apply to any Advance made hereunder.

FORM OF REQUEST FOR A SHORT TERM LENDING ADVANCE
(DRAWDOWN NOTICE) ⁽¹⁾ ⁽²⁾ (Effective as at 15th March 2014)

MASTER LENDING FACILITY FROM
WESTERN AUSTRALIAN TREASURY CORPORATION TO
SHIRE OF NANNUP

TO: MANAGER CLIENT SERVICES
WESTERN AUSTRALIAN TREASURY CORPORATION

FAX: (08) 9235 9199

Shire of Nannup requests the following Short Term Lending Advance:

Date of Advance:⁽²⁾ _____
Amount: _____
Maturity Date:⁽³⁾ (specify) _____
Account:⁽⁴⁾ _____
Any other details: _____

For and on behalf of Shire of Nannup:

Authorised Signatory

Date

Note:

- (1) Subject to the terms of the Agreement, this notice once given is irrevocable and cannot be withdrawn except with the prior written consent of Western Australian Treasury Corporation ("Corporation").
- (2) This notice must be received by the Corporation no later than 12.00 noon on the Business Day prior to the Date of Advance specified above.
- (3) Unless otherwise agreed by the Corporation, the Maturity Date must be a Business Day that is one day to twelve months after the Date of Advance.
- (4) Specify Account only if the Borrower operates more than one Account with the Corporation under this Facility.

ANNEXURE 2

TERM FIXED RATE LENDING

As at 15th March 2014, provisions specifically referable to Term Fixed Rate Lending under this Facility are as follows:

Product Facility Limit The aggregate sum of all Term Fixed Rate Advances the Corporation has agreed to provide to the Borrower from time to time less any amount that has been repaid or cancelled.

Unless otherwise agreed with the Corporation in relation to a specific Advance, the following provisions apply to each Advance of Term Fixed Rate Lending (**Term Fixed Rate Advance**):

Minimum amount of Advance	\$50,000
Minimum Term of Each Advance:	6 months
Maximum Term of Each Advance:	20 years or such longer period as may be agreed between the Parties either generally or in relation to an Advance with specified characteristics or in relation to a proposed Advance.
Payments Due:	Payments of interest and repayments of principal in relation to each Advance will be due in the amounts and on the dates stipulated in the repayment schedule set out in the Confirmation for the Advance.
Interest Rate:	Subject to any interest rate parameters agreed between the Corporation and the Borrower, the Interest Rate in relation to each Advance will be determined by the Corporation and is fixed until the Maturity Date of that Advance.
Business Day Convention:	Following
Interest Adjustment:	<p>Where the due date for any payment is adjusted by the Following Business Day Convention so that the payment is due on the next succeeding Business Day, an interest adjustment is also payable at the discretion of the Corporation on the payment date specified in the notice provided by the Corporation to the Borrower setting out details of the Interest Adjustment, which will be calculated as follows:</p> $\text{Interest Adjustment Amount} = \frac{P \times R \times D}{36500}$ <p>where:</p> <p>P = the amount of the payment due;</p> <p>R = the Corporation's overnight lending rate applicable on the Business Day prior to the relevant due date</p>

	<p>expressed as a percentage per annum to two decimal places; and</p> <p>D = the number of calendar days from and including the original due date for payment to, but not including, the adjusted due date for the payment.</p>
FIRM RATE QUOTE:	<p>Once a signed acceptance of a Firm Rate Quote substantially in the form specified in the Fourth Schedule hereto is received by the Corporation, the acceptance is irrevocable and may not be withdrawn except with the prior written consent of the Corporation.</p> <p>The Corporation will advise the Borrower as soon as practicable after it receives any request to withdraw a Firm Rate Quote whether or not the Corporation has consented to the withdrawal, and if the Borrower is required to pay any costs incurred by the Corporation in executing the withdrawal request.</p>
NO REDRAW:	<p>The Borrower cannot redraw funds that have been applied to an Advance.</p>

By requesting an Advance under this Annexure, the Borrower acknowledges and agrees that the provisions contained herein specifically referable to Term Fixed Rate Lending are terms and conditions of this Agreement and apply to any Advance made hereunder.

THIRD SCHEDULE

MASTER LENDING AGREEMENT FROM
WESTERN AUSTRALIAN TREASURY CORPORATION TO
SHIRE OF NANNUP

FORM OF VOLUNTARY PREPAYMENT NOTICE FOR LOAN NO: [] (1) (2)

TO: MANAGER, CLIENT SERVICES
WESTERN AUSTRALIAN TREASURY CORPORATION

FAX: (08) 9235 9199

Shire of Nannup gives notice of the following prepayment of a Loan under this Agreement:

Date of Prepayment: (2) _____

Loan Number _____

Amount: (3) _____

(debt face value / market value)
(circle the alternative which applies)

For and on behalf of Shire of Nannup:

Authorised Signatory

Date

Note:

- (1) This notice once given is irrevocable and cannot be withdrawn except with the prior written consent of Western Australian Treasury Corporation ("Corporation").
- (2) This notice must be received by the Corporation no later than 12.00 noon at least 4 Perth Business Days prior to the Settlement Date of Prepayment specified above.
- (3) Specify the total capital or total amount to be made on the Settlement Date of Prepayment which is subject to acceptance of a firm valuation provided by the Corporation.

FOURTH SCHEDULE

Form of acceptance of the firm rate quote

Summary of Terms of Loan and Repayment Schedule

Client: Shire of Nannup (the "Borrower")
Interest Rate: [x.xxxx] % p.a. *([Quarterly] Compounding)
[y.yyyy] % * effective []
**These rates do not include the government guarantee fee.*
Lending Date: [date]
Maturity Date: [date]
Loan Amount: \$[amount]
Schedule Basis: [Quarterly] repayments

Payment Date	Debt Balance Outstanding	Capital Repayment	Interest Payment	Total Fixed Payment	Indicative Guarantee Fee	Indicative Total Payment
[date]	[amount]	[amount]	[amount]	[amount]	[amount]	[amount]
[date]	[amount]	[amount]	[amount]	[amount]	[amount]	[amount]
[date]	[amount]	[amount]	[amount]	[amount]	[amount]	[amount]
[date]	[amount]	[amount]	[amount]	[amount]	[amount]	[amount]
[date]	[amount]	[amount]	[amount]	[amount]	[amount]	[amount]
	Totals:	[amount]	[amount]	[amount]	[amount]	[amount]

Note:

- The interest rate quoted and this Summary of Terms of Loan and Repayment Schedule are based on rates applying as at [date].
- The Guarantee Fee is charged by the Treasurer of the State of Western Australia and is collected by The Western Australian Treasury Corporation ("Corporation") on the behalf of the Treasurer. The rate of the Government Guarantee Fee is subject to change in accordance with government policy. The amount of the Government Guarantee Fee shown in this schedule is indicative and does not form part of the fixed lending rate charged by the Corporation.

CERTIFICATION FOR ACCEPTANCE OF FIRM RATE QUOTE

In accepting the offer of a loan on the terms set out above (the "Loan")

1. I confirm that:
 - (a) The financial information provided in the Loan Application Form or as otherwise provided to the Corporation in relation to the proposed Loan remains accurate in all material aspects;
 - (b) The proposed Loan has been approved by the Local Government in the annual budget of the Borrower or satisfies the provisions of Section 6.20(2) of the Local Government Act (the "Act");
 - (c) This loan is governed by the terms and conditions of the Master Lending Agreement between the Corporation and the Borrower.
2. I certify that the statutory requirements of the Act and Regulations under the Act have been met in relation to the Loan;
3. I certify that I have been authorised to complete and sign all necessary documents relating to this new loan borrowing and that the Corporation has been provided with the relevant document proving this authorisation;
4. I certify that the loan is financially sustainable and I am not aware of any circumstance, events or actions by the Council (including the borrowing of moneys) which may adversely affect the Borrower's ability to service the loan. The Corporation will be advised as soon as practicable of any material adverse changes in the financial position of the Borrower; and

5. I give an undertaking that during each year in which any of the Borrower's loans remains outstanding with the Corporation, the Borrower shall provide the Corporation with a copy of its audited Annual Financial Statements, adopted Annual Budget and updated ratios as required by the Corporation's Credit Policy from time to time as soon as practicable after these are available each year while any Loan is outstanding.
6. I acknowledge that the Loan is secured by the Charge contained in the Master Lending Agreement between the Corporation and the Borrower.
7. Once this signed acceptance of firm rate quote is received by the Corporation, the Loan is irrevocable and may not be withdrawn without the prior consent of the Corporation.
8. I represent that the below bank account details are correct and that the Corporation accepts no liability for any loss occasioned by the Borrower as a result of the Corporation relying on the bank details.

Accepted for and on behalf of Shire of Nannup on this _____ day of _____ 20____

Signature of the
Authorised Signatory: _____

Name: _____

Title: _____

Bank Account details for receipt of Loan:

Bank:	BANK A	Branch:	BRANCH A	BSB:	XXX
Account No:	XXX XXX	Account Name:	Shire of Nannup		

FIFTH SCHEDULE

MASTER LENDING AGREEMENT BETWEEN WESTERN AUSTRALIAN TREASURY CORPORATION AND SHIRE OF NANNUP

SHORT TERM LENDING ADDENDUM NO: []

This addendum forms part of the Master Lending Agreement (the Agreement) between the Borrower and the Corporation. The provisions specifically applicable to this addendum are as follows;

PURPOSE OF BORROWING: []

PROJECT FACILITY LIMIT: []

TERMINATION DATE [DD /MM/ YYYY].

All Advances under this addendum shall have a maturity date which is on or before the termination date.

TERMS AND CONDITIONS

All Advances under this addendum are governed by the terms and conditions that are contained in clauses 1 to 33 of the Agreement and Annexure 1 to the Agreement;

REQUEST FOR ADVANCE

The Borrower may request an Advance under this addendum in the manner and form prescribed by Annexure 1 (Short Term Lending) of the Agreement.

REPRESENTATIONS,
WARRANTIES AND
UNDERTAKINGS

In requesting an Advance under this addendum the Borrower;

1. is deemed to repeat each representation and warranty under the Agreement.
2. represents that the Advance is financially sustainable and the Borrower is not aware of any circumstance, events or action by the Council (including the borrowing of moneys) which may adversely affect the Borrower's

ability to service the Advance. The Borrower will advise the Corporation as soon as practicable of any material adverse change in the financial position of the Borrower.

Execution hereunder by authorised representatives of the Corporation and the Borrower respectively creates a binding agreement with respect to the terms and conditions contained herein.

For and on behalf of Western Australian Treasury Corporation by its attorney:

SIGNATURE: _____

NAME: _____

POSITION: _____

DATE: _____

Witness (signature): _____

Name (print): _____

Accepted for and on behalf of Shire of Nannup on this _____ day of _____ 20____

Signature of the
Authorised Signatory: _____

Name: _____

Title: _____

Bank Account details for receipt of Loan:

Bank:	BANK A	Branch:	BRANCH A	BSB:	XXX
Account No:	XXX XXX	Account Name:	Shire of Nannup		