

SHIRE OF DERBY WEST KIMBERLEY



ANNUAL REPORT 2013 – 2014

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OUR VISION

A friendly and diverse place with awesome opportunities

OUR MISSION

To provide leadership, infrastructure and services that meet the needs of the local and wider communities

OUR VALUES

RESPECTFUL by being helpful, friendly and supportive

INTEGRITY through honesty, accountability and ethical behaviour

LEADERSHIP by the Shire at the local and regional level and through encouragement of community leaders

KNOWLEDGEABLE by being well informed and accurate in what we do

BUILDING GOOD RELATIONSHIPS by being communicative, responsive and inclusive

An overview of the Shire's Strategic Goals and Outcomes are:

Community Wellbeing – A diverse, caring and safe community providing opportunities for all its people

- Accessible health and family support services that meet the needs of our community
- Public and environmental health protection
- Access to affordable housing options
- An inclusive and participative community
- An inclusive and participative community
- Sport, recreation and leisure opportunities that support community health and well-being
- Opportunities for development and participation of our youth
- Quality of life for the aged and disabled
- Access to learning, cultural and arts opportunities that support community growth and diversity
- A safe and responsible community

A Balance Between the Natural and Built Environments – Sustainable natural and built environments that meet the needs of the community and support future growth.

- Appropriate development that enhances the unique character and heritage of the Shire's townships.
- Attractive streetscapes, open spaces, parks and gardens.
- Reliable and safe transport infrastructure.
- Shire buildings and facilities that meet community needs.
- Assets and infrastructure managed over the long term to meet current and future needs.
- Protection of the natural environment.
- Access to renewable energy options.
- Integrated waste management.
- Efficient use and management of water resources.

- **Safe and effective disposal of wastewater.**

A Strong and Diverse Local Economy – A strong local economy that is supported by a broad industry base with opportunities for business development and employment.

- **Local business development and employment opportunities.**
- **A strong and diverse industry base providing community benefits.**
- **A vibrant and strong tourism industry.**
- **Appropriate infrastructure that supports economic development.**

Good Governance and an Effective Organisation – Leadership that provides strategic direction for the community, supported by efficient and effective service delivery.

- **Effective governance and leadership.**
- **Effective engagement with the community and stakeholders.**
- **Accessible and effective customer services and information systems.**
- **Financial sustainability and accountability for performance.**
- **Skilled, committed and professional staff in a supportive environment.**

OUR COMMUNITY

The Shire of Derby West Kimberley originated as the West Kimberley Road Board in 1884, in 1961 the name was changed to the Shire of West Kimberley and a further name change occurred in 1983 to the current name of the Shire of Derby West Kimberley.

The Derby town site was declared under the Land Act on 27 November, 1883 and was occupied by a Government Resident and a police detachment. Several stations existed by this time and Yeeda's wool awaiting shipment was swept away by a tidal wave resulting from the Krakatoa volcanic explosion in Indonesia.

The town was named after Edward Henry Stanley, Lord Derby (1826-1893), Secretary of State for Colonies 1882-1885.

The Shire of Derby West Kimberley covers a vast area of 118,560 square kilometers and is located more than 2,300 kilometres north of Perth. In our Shire there are 54 Aboriginal communities and three towns. Derby and Fitzroy Crossing being the main population centres with a third township at Camballin.

Derby is the major centre of the Shire and this is where the main Administration Centre is located.

The Shire of Derby West Kimberley offers its residents a unique and unparalleled way of life. On our doorstep are some truly stunning and untouched wilderness like the famed Buccaneer Archipelago, National Parks and gorges, the mighty Fitzroy River and the Gibb River Road. These pristine environments offer us the opportunity to get out camping, fishing and four wheel driving and many are just an hour away.

Derby remains a supply point for an important part of the Kimberley's pastoral, mining, oil and tourist industries and is the western terminus of the scenic Gibb River Road, which traverses some of the Kimberley's most spectacular cliff, river and gorge country.

The port once important for sheep and cattle exports was also a key facility designed for the export of zinc and lead from the mines of nearby Fitzroy Crossing. The port's major focus currently services barging operations, mining and other coastal activities with the Derby Wharf providing an excellent vantage point from which to fish, catch mud-crabs or view the amazing tides and abundant bird life.

OUR ABORIGINAL HERITAGE

The area now known as the Shire of Derby West Kimberley has a diverse Indigenous Australian heritage. Across this area a large number of language and cultural groups have a long history that predates European contact.

Generally, across this area the cultures and traditions of the desert and Kimberley meet. Traditionally, prior to contact, Aboriginal people from the Warrwa, Bardi, Jawi, Ngarinyin, Worrorra, Nyikina, Mangala, Unggumi, Bunuba, Walmajarri and Gooniyandi language groups (among others) would interact for law and ceremonial business.

The movement of people from traditional lands and lifestyles began with the influence of missionaries, the establishment of pastoral enterprises, government ration stations and later the establishment of facilities such as the leprosarium outside of Derby.

It was after the Pastoral Wage decision in 1968 that the movement to towns like Derby and Fitzroy Crossing accelerated with people no longer being able to stay on pastoral stations.

The Shire of Derby West Kimberley provides a number of services to remote Indigenous communities including an Environmental Health Program, service delivery agreements for two major communities and is leading efforts to establish partnerships in the post Aboriginal and Torres Strait Islander Commission environment that will continue to improve the way that contracts for road maintenance and in the future other municipal services are delivered.

The Shire of Derby West Kimberley was one of the first local government authorities in Western Australia to progress towards an Indigenous Land Use Agreement with the Nyikina/Mangala peoples, which will recognise them as the native title owners for a specific area of the Shire and committing to a process of involvement and consultation for future works. The ILUA was finalised and registered in 2005/2006.

This relationship is not without challenges with increases in service delivery to Indigenous Communities a growth area. However, commensurate increases in resources from other government agencies are not always provided.

As town based Indigenous Reserves seek to standardise municipal services such as roads, street lighting, power and water supply the same issue must be overcome.

The Shire of Derby West Kimberley looks forward to an ongoing partnership with Indigenous organisations to improve the well being of our Indigenous communities and residents.

LOCAL INFORMATION

□ Western Australia Area	2,525,500 km ²
□ Shire of Derby/West Kimberley Area	118,560 km ²
□ Shire Population	8,941
Derby	4,190
Fitzroy Valley	2,689
Other	2,062
□ Distance from Perth	
via Great Northern Highway	2,383 km
via North West Coastal Highway	2,500 km
□ Average Annual Temperatures	
Derby	Mean Max 33.9°C
	Mean Min 21.7°C
Fitzroy Crossing	Mean Max 35.6°C
	Mean Min 19.2°C
□ Average Annual Rainfall	
Derby	621.8 mm
Fitzroy Crossing	540.1 mm
□ Sealed Roads	91.95 km
Unsealed Roads	1814.40 km
□ Number of Electors	3,422
□ Number of Dwellings	1,856
□ Total Rates Levied	\$6,303,647
□ Operating Revenue	\$22,548,600
□ Shire Employees	97

SHIRE OF DERBY / WEST KIMBERLEY

COUNCILLORS



Elsia ARCHER
President
Term Ends 2017



Paul WHITE
Deputy President
Term July 2013 – October 2013



Ross SULLIVAN
Councillor
Deputy President October 2013
Term Ends 2015



Peter KNEEBONE
Councillor
Term July 2013 – October 2013



Andrew TWADDLE
Councillor
Term Ends 2015



Chris TRAVER
Councillor
Term Ends 2015



Brenda (Midge) BROWN
Councillor
Term 1 July 2013 – 22 July 2013



Peter McCUMSTIE
Councillor
Term Ends 2017



Iris PROUSE
Councillor
Term Ends 2015



Annette KOGOLO
Councillor
Term October 2013 – 2017



Laurie SHAW
Councillor
Term October 2013 - 2017



June OSCAR
Councillor
Term October 2013 – 2015

OUR ORGANISATION

OUR STRUCTURE

The management structure of the Shire of Derby West Kimberley is divided into three key service delivery areas under the overall management of the Chief Executive Officer (CEO).

Executive Team

Executive Managers are appointed to each of the departments within our organisation for the direct management of Corporate Services, Technical and Development Services and Community Development.

Corporate Services

Financial Management and Administration are Corporate Services primary function managed centrally through the Derby Administration Office located at 30 Loch Street, Derby.

The Administration Office is often referred to as the 'main building' and accommodates the CEO, his personal assistant, Executive Manager Corporate Services and the finance and administration employees.

The Fitzroy Crossing Visitor Centre is located on the Great Northern Highway in Fitzroy Crossing. This is operated by the Shire of Derby West Kimberley. This building contains the Visitor Centre, the Shire of Derby West Kimberley office and the Library. The Fitzroy Crossing Area Manager is located here and three employees. All the employees in this office are multi-skilled in both Customer Service and basic Library skills.

Technical and Development Services

The Development Service section is located at Coleman House – 24 Loch Street, Derby. This office houses the Executive Manager of Technical and the Technical Services; Environmental Health, Building, Ranger and Planning Staff.

Community Development

The Community Development Department operates from the DAFWA Building on Loch Street, Derby and undertakes provision of local government services for minority and disadvantaged groups, social planning and cultural services, sports and recreational facilities such as ovals, parks, swimming pool, libraries and public halls.

SHIRE PRESIDENT'S REPORT



2013/14 continued to highlight the cyclical nature of business and life in the Kimberley. We were very glad to see the Prison continue to strengthen the local economy while being acknowledged for its innovative service model, and the construction of the Kimberley Training Institute, Derby Aboriginal Short Stay Accommodation, and Dialysis Unit will undoubtedly be great assets for Government to provide services to the community in 2014/15 and beyond.

It was sad though to face the wind down of the Curtin Detention Centre and the Department of Immigration, Serco, and other contract staff looking at redeployment options ahead of the close in 2014/15. Thanks so much to the staff who became part of our community and gave back an enormous amount through their volunteer and fundraising efforts.

The Shire continues to work on promoting opportunities in the West Kimberly to government and industry around agriculture in the Fitzroy Valley, oil and gas logistics support, mining and energy exploration in the Canning Basin and beyond, and tourism. While the housing down turn at the moment is having an impact, it also means that Derby is well placed with more affordable and available housing to support the next wave of development opportunities.

Fitzroy Crossing community planning through the Fitzroy Valley Futures Forum has continued to help refine the town planning and we congratulate the traditional owners of land within the Shire who have received Native Title determination.

This coming year will see a focus on looking at community needs and evaluating the level and location of services so that we can respond to any further changes in government funding or policies around important issues such as municipal services to remote Aboriginal communities that may have a significant impact on the Shire moving forward.

I would like to thank the community for their support over the year and my fellow Councillors and dedicated staff for their efforts. Special thanks go to Gary Martin for taking on the Acting CEO role for seven months while the new CEO recruitment was done, and we were very happy to welcome Stephen Gash to this role in March 2014, and look forward to his support as we examine the economic development opportunities for the region.

ELSIA ARCHER

SHIRE PRESIDENT

CHIEF EXECUTIVE OFFICER'S REPORT



As incoming Chief Executive Officer I was very grateful for the work undertaken by Council and staff to capture the key issues and priorities of the community through the Integrated Planning and Reporting framework, now required by all local governments.

This new framework aims to better align the operations and performance of the Shire of Derby / West Kimberley to allocate appropriate resources to deliver on the objectives. This process will continue to evolve and we hope will become a valuable communication tool to lead the discussion with the community in the future regarding its needs and how to prioritise, fund, and deliver on these.

The Shire is lucky with significant port and airport infrastructure under its control that can be a driver for future economic development for the region. The challenge at the moment is how to maximize this potential, and cope with the increase in compliance, while still maintaining the other services.

Moving forward with these discussions the Shire will be doing some community surveys and stakeholder work around the existing service levels and establishing base line for the community expectations. This will ensure any proposals for new or expanded services are considered against other priorities, or if there is any future reduction in external funding then the Council can consider re-prioritising or examining other sources of funding as required.

I would like to express my appreciation to all the staff for their efforts over the year, particularly when coping with the extra planning and project work load, and often with resourcing constraints. I look forward to when the benefits of this planning translates to on ground outcomes. Thanks are also extended to Gary Martin for his seven month stint as Acting CEO and his leadership in guiding the organisation through a period of change and transition.

The navigation through this period of change could not have been possible without the strong community leadership of Councillors and their support of the Shire President in her tireless work for the Shire and I am grateful for the support of Elsia and the team of dedicated Councillors.

STEPHEN GASH

CHIEF EXECUTIVE OFFICER

TECHNICAL AND

DEVELOPMENT SERVICES

TECHNICAL SERVICES

The Technical Services Section undertakes capital construction, major maintenance works, and the routine maintenance of hard infrastructure within the Shire. To undertake these required activities a portion of funding is derived from external grant funds being various Federal and State Government agencies and from other Council income streams.

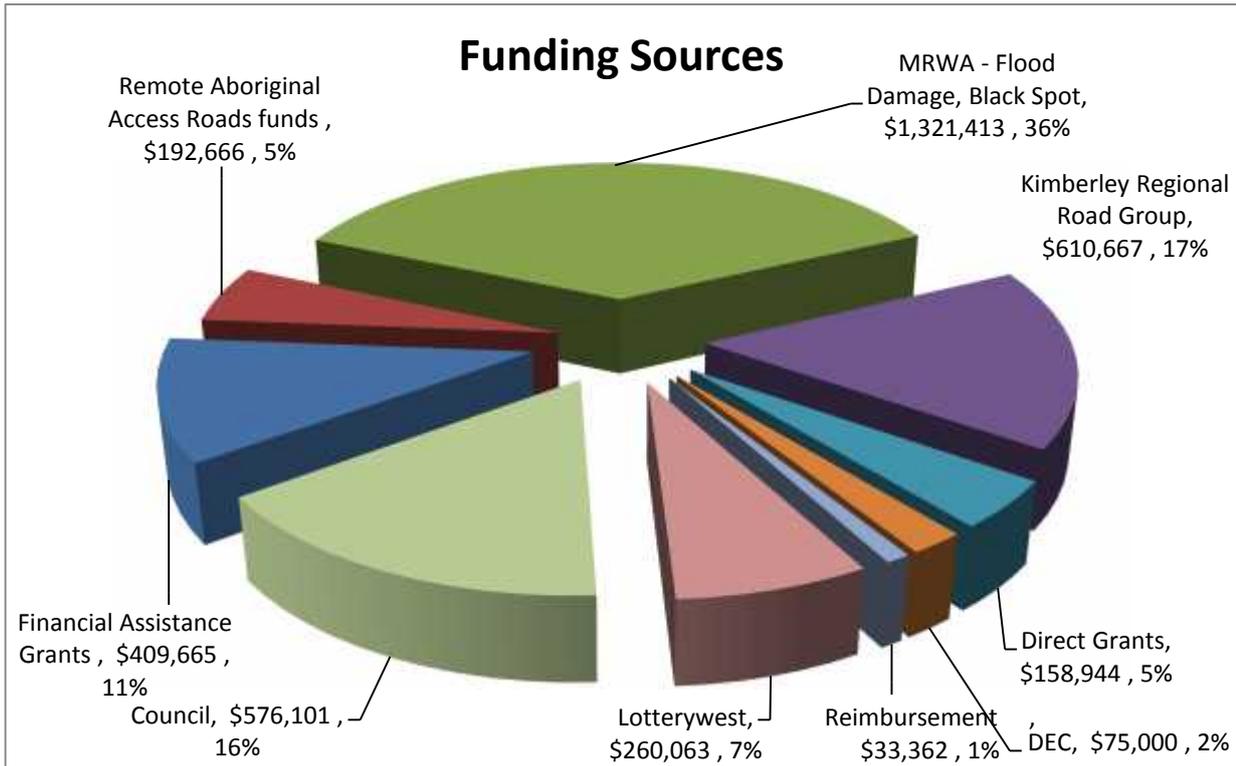
Revenue

External funding is the major income stream for capital works and major maintenance of Councils assets and in the 2013/2014 financial year Australian or Western Australian Government provided funding to the Shire of Derby West Kimberley totaling approximately 3.6 million dollars. There was a large carry forward of approximately 3 million dollars' worth of work from the 2012/2013 financial year which is not shown on the funding income for the financial year of 2013/2014.

The major external funding agencies providing grants or contributions to the Shire of Derby West Kimberley are:

- Kimberley Regional Road Group (RRG) – funding administered by Main Roads Western Australia (MRWA)
- Australian Government General Purpose Grants.(Distributed through the Grants Commission)
- WA Government Remote Access Road Funds (RAR)
- Main Roads Western Australia (MRWA) Direct Grant for Roads
- Department of Parks and Wildlife – Access Road Funds
- Main Roads Western Australia – Western Australian Natural Disaster Relief and Recovery Arrangements (WANDRRA) claim (Flood Damage)
- Lotterywest

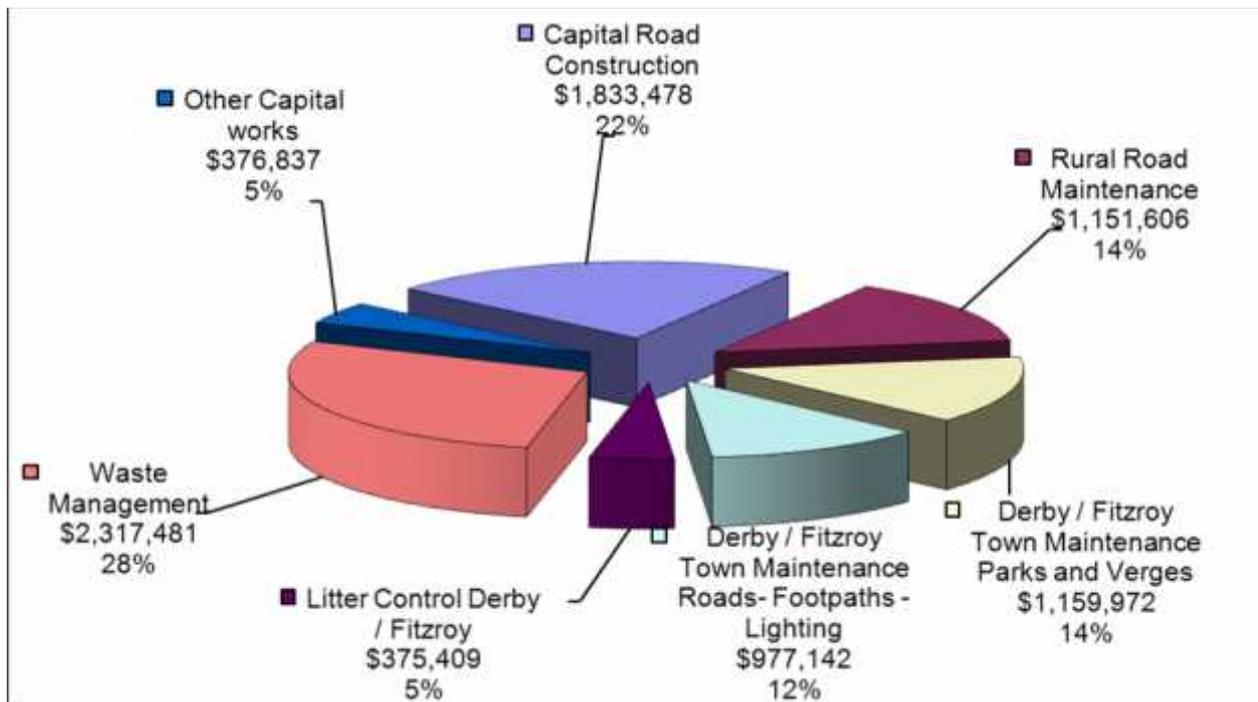
2013/2014 Capital Grant Funding Income – \$3.6 million



Expenditure

Expenditure on the Shire’s major capital assets and maintenance operations undertaken in the 2013/2014 financial year totalled approximately 8.2 million dollars.

2013/2014 Technical Services Expenditure – \$8.2 million



Technical Service Functions

Major capital construction projects undertaken in the 2013/2014 financial year were:

Road Construction

Selected contractors undertake the major capital construction works for the Shire of Derby West Kimberley.

A selection of the major projects undertaken within the road construction section was:

- Mt North Creek
 - Expenditure \$660,000
 - Funding Assistance from :Regional Road Group, FAGS and Council funding

- Wharf Precinct – Tropical Cyclone Rusty Repair (Wharf and Carpark)
 - Expenditure \$1,184,685
 - Funding Assistance from: WANDRAA Funding and Council

- Camballin- Myroodah Road - Shoulders
 - Expenditure \$103,500
 - Funding Assistance from: Regional Road Group and Direct Grants

This is not an extensive list but purely a snapshot of some of the works that were completed.

Maintenance Works

The following are major undertakings by Council in the regular maintenance of Council facilities,

- Rural Road Maintenance Grading,
 - Council’s contractors have undertaken three maintenance grades per year, on Councils roads being an opening up grade, mid term grade and a closing up grade.
 - Expenditure for remote rural road maintenance of Shire of Derby West Kimberley roads was \$1,151,606
 - Total kilometres of remote unsealed roads required to be maintenance graded is 1725.16 km
 - Total kilometres of unsealed roads to be maintenance graded within the environs of Derby or Fitzroy Crossing is 35.43km.

- Derby and Fitzroy Crossing Town Maintenance (inclusive of all reticulation, playground equipment maintenance, mowing and verge slashing, street cleaning) with expenditure of \$1,159,972 for the 2013/2014 period

- Derby and Fitzroy Crossing Town Street Maintenance (inclusive of all street and town road maintenance, footpath maintenance, drainage maintenance) with expenditure of \$977,142 for the 2013/2014 period

- Within this period there was also \$63,000 spent on construction of new footpaths this achieved an overall length of construction of approximately 450 lineal meters.

Summary

The Department has achieved most of its goals within the 2013/2014 year. The Department has struggled in the second half of 2013/2014 due to a lack of staff and priority was placed on several projects to ensure completion would occur. The Department used short term contracts of employment and external contractors to ensure standards of construction were still being met and projects kept moving along. Within the early part of 2013 the western portion of the Shire was affected by Tropical Cyclone Rusty which caused significant damage to the wharf including the rock armouring and the car park and associated roads, along with significant damage to the Shires road network estimated at \$1.9 million. These works have been undertaken in this reporting period with the completion of the roadwork's occurring early in the 2014/2015 financial year. The final expenditure to the Cyclone rusty work being both the wharf and roads totalled 2.8 million dollars.

Waste Management has been an area of concern within the Department with the costs of the service ever increasing. The Shire in this reporting period awarded a new contract to Tox Free for the collection and management of waste in both Fitzroy Crossing and Derby. The Shire is also in the process of undertaking work on updating both sites operational plans and post closure plans which will then allow the Shire to undertake greater planning around the sphere of waste management into the future.

The Department is also working on a number of strategies which include a new Road Maintenance Strategy, with the Department undertaking a lot of work in trying to gain information about its road network. This has been done by working closely with the current grading contractors, road counts and condition assessments of the roads. Operations of the outside workforce are continually being looked at to see if positive changes can be made to the operations effectiveness.

This Department once again faces the challenge of completing another large capital budget and face the challenges of staff shortages once again. It is our aim that the Department will work towards minimising the carry forward into the 2015/2016 budget by undertaking works in a timely and planned manner to ensure the best results for Council.

As Executive Manager for a diverse area of activities undertaken within the Shire of Derby West Kimberley, I would like to once again express my sincere thanks and gratitude to all of the staff that have helped achieve the goals set for the Technical and Development Services and all their hard work and effort during the 2013/2014 year.

DEVELOPMENT SERVICES

The Shire of Derby West Kimberley experienced a sharp decline in development approvals during the financial year of 2013/2014 with accommodation/dwellings being the most common type of application submitted. The following table provides an overview of the planning/building work undertaken for the year –

Functions	2012/2013	2013/2014
Development Applications	60	60
Scheme Amendments	2	2
Building Applications (all Types)	174	137
Building Permit Approvals	174	71
Demolition Permit Approvals	17	12
Certificate Design Compliance	79	40
Certificate Building Compliance	3	4
Building Approval Certificate/Strata	4	9
Building Approval Certificate	9	1
Building Value	\$97,112,187	\$27,516,323

The number and diversity of developments/constructions are demonstrated below (some building Permits were issued for multiple projects) –

Location	Dwellings	Other Structures	Swimming Pools	Total
Derby	22	39	5	66
Fitzroy Crossing	21	2	0	23
Aboriginal Communities	3	0	0	3
Stations	0	0	0	0
Mines	0	0	0	0
Camballin	0	1	0	1
Other	0	0	0	0
Total	46	42	5	93

The above figures show that the number of building applications has decreased dramatically over the past year (174 in 2012/2013 to 137 in 2013/2014) with the value of building decreasing from \$97,112,187 in 2012/2013 to \$27,516,323 in 2013/2014.

STRATEGIC PLANNING

Planning for Aboriginal Communities

The Shire continues to have an ongoing role in the preparation and finalisation of Community Layout Plans (CLP). In this regard, the Shire has sought to foster close working relationships with the Western Australian Planning Commission (WAPC) and the Department of Planning (DoP) and the Department of Housing (DoH), all of whom have a direct interest in the development of Aboriginal Communities. The basic premise behind the preparation of CLP's is to provide a framework for the planning of large permanent Aboriginal communities. The CLP aim is to improve the standard of planning in Aboriginal Communities to provide a more efficient delivery of service and improved outcomes for residents while ensuring that cultural and social needs are given proper consideration.

Once CLP's have been prepared and endorsed by the Communities, the Shire and the Western Australian Planning Commission (WAPC), the CLP becomes the instrument that applications for new development are assessed against to ensure that development within these communities is undertaken in a proper and orderly manner.

Native Title Claims

There are thirteen Native Title claims within or impacting upon the Shire boundaries. To date, five claims have been determined by the Federal Court in respect to the Wanjina/Waungurr-Willinggin, Nookanbah, Ngurrara, Bunuba No.1, Goonyandi and Nyikina Mangala Native Title Claims. The resolution of the Nyikina Mangala Native Title claim being the most recent claim to be determined within the Shire within this reporting period (29 May 2014) which included the sitting of the Federal Court on country.

The balances of other claims within the Shire are at various stages of progress and will be actioned as individual claims are progressed by the claimant groups.

Negotiations towards the resolution of the Bunuba No.2 claim which captures the Fitzroy Crossing town site are currently underway, with a Statement of Intent being signed between the Government of Western Australia and the Bunuba Dawangarri Aboriginal Corporation representing the Bunuba native title holders. The Government has accepted that the town site area is part of the traditional lands of the Bunuba people and it is proposed that an Indigenous Land Use Agreement will be entered into by the Bunuba people, the Western Australian Government and where relevant, other parties affected by the agreement.

The resolution of this matter will see the initiatives set out within the Fitzroy Futures Town Plan, which will assist in delivering new land releases to assist in the provision of much needed residential land. To facilitate this process, a Shire Native Title Working Party has been established to assist Council with its consideration of all native title matters. Native Title is considered highly relevant to the issue of governance and capacity building in communities due to the implications it raises, with regard to the recognition of responsibilities and cooperation and the effective delivery of municipal services.

Local Planning Strategy:

The Shire's Local Planning Strategy was finalised during the reporting period. The purpose of the Local Planning Strategy is to set out the Council's Vision for the municipality and the longer term directions for land use and development.

The objective of the strategy is to clearly set out key land use and development strategies and actions for the next 10-15 years. The Strategy provides:

- A land use plan that accommodate future growth and development within the Shire;
- Security and certainty for investors about land use;
- A basis for Shire decision making; a plan for the protection of environmental and heritage assets; and
- A basis for future land ownership arrangements and land tenure rationalisation.

Fitzroy Crossing Strategic Plan

The Fitzroy Futures Town Plan has been prepared to focus on providing for the needs of the Fitzroy Community into the future, recognising the significant physical constraints for development in Fitzroy Crossing and the tenure and ownership of the land in and around the town. It has been developed based on principles to: support lifestyle, cultural and social needs of the community; focus future growth on land not subject to flood impacts; promote environmental protection and sustainable settlements; provide opportunities for economic growth within the community; and acknowledge infrastructure limitations and deficiencies.

The plan offers the Fitzroy Crossing Community a strategic land use framework and context for a number of more detailed initiatives. These include:

- Land tenure changes, particularly to transfer land to Bunuba management and to effect some land tenure rationalisations for access and infrastructure;
- Progressing land release for residential, commercial and industrial uses;
- Managing growth in the context of flood risk;
- Ensuring protection of priority water source protection areas;
- Integration of the township with town-based Aboriginal communities; and
- Implementation of Community Layout Plans.

The draft plan was endorsed by Council in November 2005 and received final endorsement from the Western Australian Planning Commission in May 2009. The Plan continues to provide the strategic basis for development within Fitzroy Crossing.

The issue of land supply continues to be major issue for Fitzroy Crossing and the resolution of that issue is being addressed through the current Native Title negotiations.

DERBY

The reporting period has been a period of consolidation following the commencement of operation of the Regional Prison with new residential housing being rolled out within the new residential subdivisions. The majority of new residential land within the Ashley Grove and Golf Links Estates has now been taken up. Future residential land supply will be provided through the subsequent stages of the Boab Estate which has all planning approvals in place and also from the approved Landcorp subdivision on Ashley Street which can be brought on as and when required. Cumulatively, these two subdivisions provide a total of 283 lots with a range of densities that if developed to their maximum potential could realise up to 400 dwellings. This should ensure that the town is able to respond adequately to both short term and longer term housing demands.

Planning for the release of new Light Industrial Land by Landcorp has been completed with all approvals now in place to enable that subdivision to proceed. The proposed land release will see a total of 24 new light industrial lots developed in the Russ Street area that will range in size from approximately 2,000m² to 1.2ha.

Two new short term accommodation facilities were completed during the reporting period with the completion of the Derby Indigenous Short Stay Accommodation facility and also extensions to the Derby Lodge. Both projects provide high quality accommodation for visitors to Derby.

BUILDING SERVICES

The demand for Building Services decreased significantly during the past year, in terms of the number of licenses processed being well below the previous year. Some of the bigger projects that came in through the period were various high density accommodation projects and some industrial projects.

Under the Building Act 2011 Government buildings are required to have Building Permits prior to construction commencing however most if not all State Government buildings are being approved by Building Management and

Works. This has contributed to the decrease in applications presented to the Shire of Derby West Kimberley for approval.

Although the Building Department has had fewer applications, the Department has had to adapt significantly as there are many more types of applications with many new processes since the implementation of the Building Act 2011 and Building Regulations 2012.

ENVIRONMENTAL HEALTH

Over the 2013/2014 financial year the Environmental Health Department has continued its role in education, enforcement and compliance in various areas of the health discipline.

The development and implementation of an Application Package for holding public Events was a major initiative implemented by the Environmental Health team during this reporting period. The purpose of the events package is to guide community groups and event organisers on complying with the law and minimising risk to public health and safety when organising a large event for the community. The content of the application package was based on the Department of Health Guidelines for concerts, events, and organised gatherings. Many events are run in the Shire particularly from the period of May-September which can attract between 200-2000 local people and visitors to the area. Some of the larger events include a series of concerts and entertainment associated with the Boab Festival, Race meets and Rodeo events. The application package was trialled for all events to date in 2014 and was well received by event organisers. The Environmental Health Officer, where possible, had a presence prior and during the events to ensure that the events were run in a safe and healthy manner as per the documentation.

Associated with events, the Environmental Health Department received many traders/stallholder applications and issued permits for individual traders. The policy for traders and stallholders permits was also reviewed and an updated version drafted. It is hoped that refinement of this document will help with future assessments of traders and stallholders to ensure that a consistent approach is taken during assessment and approval of permits.

The Environmental Health Department ensured legislative responsibilities were met in terms of regular inspections and annual licencing of food premises, public buildings, lodging houses and caravan parks. Inspections occur within the town sites of Derby, Fitzroy Crossing and Camballin and remote sites along the Gibb River Road. The number of scheduled inspections carried out was dependent on the risk classification for each individual premises and any complaints received. Legislative responsibilities in terms of water sampling were also met with monthly water samples taken from sites in Derby and Fitzroy Crossing. Environmental Health also received and processed Treatment of Sewage Applications for developments in Shire areas not connected to sewer and assessed completed instalments as per legislative requirements.

Informal food handler health and hygiene presentations were undertaken upon request in various child care facilities. The education sessions were well received and a positive working relationship was built. The team will continue to provide food education sessions where it is determined that food safety and hygiene knowledge is not up to standard at a particular food business. This informal education service will help improve food safety at food premises within the Shire, which has proved to be a constant challenge given the number of transient staff in the region.

Vector control in relation to mosquitoes was not a major focus of this reporting period as it was in the last, due to a below average rainfall during wet season. The Shire received funding to implement projects at Elders Street and Jetty Road to complete works on drainage which will result in a reduction in pooling water and subsequently reduce mosquito breeding at these sites. The Department continued to monitor identified sites on a weekly basis and treat problem areas with a granular chemical which targets mosquito larvae. Mosquito complaints were responded to and a residual spray chemical which targets adult mosquitos was used in popular public areas where mosquitos were known to be harbouring in large numbers. The Shire received positive feedback that there was a noticed difference in mosquito numbers for a 4-6 week period after spraying was used. Mosquito trapping was conducted in February 2014 to determine the type of species present at certain locations and the data was then interpreted to help with mosquito control. Educating the public about preventing the breeding of mosquitoes in their own backyard and taking appropriate measures to protect themselves continued to occur through letter box drops, newspaper articles, posters at public notice boards and personal visits by officers.

Public Health Complaints were responded to by the Department within appropriate time frames. Officers dealt with one particular complaint about a noise issue by hiring a Sound Meter from the Department of Environment Regulation. The unit was set up on two occasions from the complainants bedroom to determine if noise from a nearby outdoor refrigeration unit was unreasonable and above specified noise levels. The outcome of this investigation is still being finalised.

Waste Management

Waste Management continues to be given a greater focus as associated costs and environmental compliance responsibilities continue to increase.

Over this reporting period the Fitzroy Crossing Waste Management Facility has been significantly improved since the site has been fenced and manned. The ability to manage the site effectively has increased, and compliance with environmental legislation has now been achieved.

A landfill closure plan and operational plan were developed in draft for the Derby Waste Management Facility. These plans will assist in the efficient management of the site between now and pending closure which has been forecast to be approximately 15 years. Good management of the site in the years leading to closure is cost effective and will ensure the longest possible utilisation of the site.

In the second year of the drop-off and commercial recycling program the following volumes were diverted from the Derby landfill –

Code 1 plastics	Code 2 plastics	Aluminium Cans	Steel Cans	Cardboard /paper	Glass	TOTAL
644kg	396kg	975kg	446kg	13,787kg	1,892kg	17,693kg

It has been recognised that the Shire needs to establish Waste Water Ponds for the treatment of waste water from Septic Tank pump outs and grease trap waste for the townsites of Derby and Fitzroy Crossing. The designs have now been completed and the area for lease in Fitzroy Crossing has now been signed for use between the Water Corporation and the Shire. Officers are now working towards gaining compliance with environmental legislation to allow for the construction future years depending on funding.

ENVIRONMENTAL HEALTH ABORIGINAL COMMUNITIES

The Shire of Derby West Kimberley provides Environmental Health Services to Aboriginal Communities within the Shire through its Aboriginal Environmental Health Unit (AEHU), made up of an Environmental Health Officer, two (2) Environmental Health Field Support Officers and a Trainee Environmental Health Field Support Officer. The team is well established and acknowledged by most Communities and strives towards establishing and building strong relationships with Aboriginal Community people in the region, whilst developing working partnerships with relevant stakeholders to assist in the public health development in Aboriginal Communities.

Together, the team is responsible for the environmental health and building services of the 54 Aboriginal Communities with populations ranging from 6 to 500 people with regular service contact every 3 months. The AEHU team has established itself as an integral agency in Aboriginal Communities and has forged working partnerships with with many of the service agencies operating within the Shire of Derby West Kimberley Aboriginal Communities. Solid relationships with people from these organisations make it easier to provide a more comprehensive and coordinated support network for the Aboriginal Communities in the West Kimberley.

The AEHU team undertake a wide range of responsibilities on Aboriginal Communities including (but not limited to); Community education and health promotion, building control, wastewater regulation and assessment, disease surveillance, water monitoring, food premises inspections, pest control, dust minimisation projects, housing and infrastructure lobbying/reporting, advocating on behalf of Communities for funding, participation in the Environmental

Health Worker Certificate training and mentoring programs, attendance at a number of interagency and regional meetings. The team also assist the Shire's Environmental Health Department with mosquito control including the Sentinel Chicken Program.

Continued implementation to 11 schools within the Shire of the 'No Germs on Me' hand washing campaign has been hugely successful. The program was originally created by the Northern Territory Government and has since been utilised and expanded by the Western Australian Health Department. A variety of education tools have been well distributed across the state, and have been diversified by the team. The 'No Germs on Me' jumping castle and water slide has been successful in providing a reward for kids participating in Environmental Health Promotion education programs. The 'Scrubbing Shuffle' and 'Wash the Germ Away' songs were also developed and introduced into the communities to educate about the importance of good hand washing and hygiene.

The unit now utilises five interactive hand puppets to help educate children in Aboriginal Communities about health and hygiene, trachoma, rubbish management, dog health and healthy eating. The puppet characters are as follows -

- Senior Quito the Mosquito to educate about mosquito control
- Frankie the Fly to educate about trachoma
- Aussie and Buzz the Bush Turkeys (Australian Bustard) to educate about keeping country clean
- Dog the Dog to educate about dog health

The AEHU is also responsible for The Dog Health Program. In the 2013/2014 financial year the Shire was awarded a grant from FaHCSIA to carry out a dog de-sexing program in certain Aboriginal Communities within the Fitzroy Valley. The program does and will continue to have an immeasurable impact on the number of dogs in the target Aboriginal Communities and will have subsequent positive effect on human health. So far in the last 18 months:

- 545 dogs (both male and female) have been de-sexed
- 200 puppies have not been born

In the 2013/2014 financial year the unit has also provided dog health to communities:

- 3,886 treatments of dogs with Cydectine (moxidectin) to treat for mange and intestinal parasites
- 144 injections of dogs with Covinan (proligestone) contraceptive

The profile of Aboriginal Environmental Health has continued to grow in recent years as we now move to provide equity and equality for all Australians. The Shire of Derby West Kimberley is ideally placed and committed to providing an ever expanding range of environmental health services to Aboriginal Communities promoting a healthy and safe lifestyle for future generations.

RANGER SERVICES

Ranger Services continue to strive to achieve willingness and a proactive attitude with the community towards compliance in the many areas of legislation, requirements and community expectations. This has been achieved across the board initially by consultation, with a strong focus on education and awareness. Ranger Services have developed good workable relations with all the residents of the Shire and it has been said whilst dealing with people we are a good example of what closing the gap represents.

Dog Control

New regulations came into effect on 1 November 2013 requiring all new dogs to be Microchipped on registration, currently this applies only to dogs being registered for the first time, however will be expanded to all dogs from 1 November 2015.

SHIRE OF DERBY WEST KIMBERLEY

Ranger's initiative to have low voltage collar systems available over the counter proves to be an invaluable tool; over 80 units have been purchased by the public in this financial year alone, from a direct relationship with Rangers and a dog issue.

Currently there are 933 dogs registered with the Shire.

Dog impound record 1 July 2013 – 30 June 2014

Location	Impounded	Male	Female	Ret to Owner	Re-Homed	Re-Located	Destroyed
Derby	202	99	103	96	23	5	78
Fitzroy Crossing	9	5	4	1		0	8
Total	211	104	107	97	23	5	86

Cat Control

As of November 2013 The Cat Act 2011 came into full affect, requiring all cat owners to sterilise, microchip and register their cats. Focus was given to assisting cat owners to comply with the legislation and a grant was obtained from Department of Local Government to provide assistance to pensioners and low income earners with the cost of sterilisation and micro chipping. In this period 45 cats were sterilised and chipped (20 Males, 24 Females).

There is a strong demand for Rangers to provide cat traps to collect feral, un-owned and unwanted cats. Rangers within the restraints of resources have collected and destroyed 108 cats in this period. Currently there are 61 cats registered with the Shire.

Cat Record 1 July 2013 – 30 June 2014

Location	Un-Wanted	Trapped – Un-Owned	Male	Female	Destroyed
Derby	40	68	59	49	108

Animal Control

Rangers responded to numerous inquiries on injured wallabies, cattle, birds, wildlife and general animal welfare requiring assistance, direction and information. Rangers have assisted the public with many other issues such as straying stock/horses, Roosters, snake/reptile collection and relocation, within the townsite and also working with the Department of Environment and Conservation on crocodile management and trapping.

Local Laws

Ranger Services experienced another busy season with itinerate campers around the around the town. Rangers at times organised joint operations with police to assist with stubborn situations. It is anticipated the short term aboriginal hostel will provide some relief with this problem.

Rangers regularly patrol and consult with the public to gain compliance with verge collection management, illegal dumping, abandoned vehicles, illegal camping, drinking on Shire reserves, misuse of the verge and disabled parking bays. Ranger Services have seen constant improvement and cooperation in all these areas.

Fire Control Measures

On 29 September 2013 an MOU between the Department of Fire and Emergency Services (DFES) and the Shire of Derby West Kimberley took effect for the control of fires and the administration and management of the Bush Fire Brigade. As part of this process DFES appointed one of their officers as Chief Bush Fire Control Officer to take the responsibility of Fire Management within the Shire of Derby West Kimberley. The responsibility of mitigation still lies with the Shire and the responsible officers.

Rangers have implemented and upgraded fire breaks at the Savannah Blocks through to Hamlet Grove and Derby, Fitzroy and Camballin Townsites. Rangers have also implemented many new initiatives for hazard reduction and fire breaks working with various stake holders in the Townsites and have issued approximately 185 Permits to Burn.

The Ranger Services Department is constantly striving to evolve and has implemented many initiatives to improve on efficiency, education and compliance for the Community. Rangers have created new signage, distributed leaflets regularly regarding verge pickups, cyclone preparation, fire hazard mitigation, dog and cat registration and household bin management and attended public events were possible to raise awareness on various subjects. The Rangers will continue to strive to deliver positive outcomes within the Community, in what is a challenging environment.

As Executive Manager for a diverse area of activities undertaken within the Shire of Derby West Kimberley, I would like to once again express my sincere thanks and gratitude to all of the staff that have helped achieve the goals set for the Technical and Development Services and all their hard work and effort during the 2013/2014 year.

WAYNE NEATE

EXECUTIVE MANAGER

TECHNICAL AND DEVELOPMENT SERVICES

PORT SERVICES

The Ports Services Department within the Shire of Derby West Kimberley controls and operates the following facilities:

- Curtin Civilian Aerodrome – Jet Air Services to Perth and in conjunction with associated mining charters, major jet aircraft charters;
- Derby Airport – General aviation requirements inclusive of charter companies for mining and tourist destinations, the West Kimberley RFDS base, hanger bases utilising helicopter and/or fixed wing aircraft for maintenance and charter operations;
- Derby Wharf Facility; and
- Fitzroy Crossing Aerodrome general aviation – RFDS servicing – RPT air services being – Broome – Fitzroy Crossing – Halls Creek and return.

2013/2014 SUMMARY OF AIRCRAFT LANDINGS

Curtin Airport Virgin Landings

Landings	Disembarking	Embarking
262	20,683	19,665

Curtin Airport Charter Landings

Landings	Disembarking	Embarking
12	70	679

Curtin Airport GA Landings

1,635

Fitzroy Crossing GA Landings

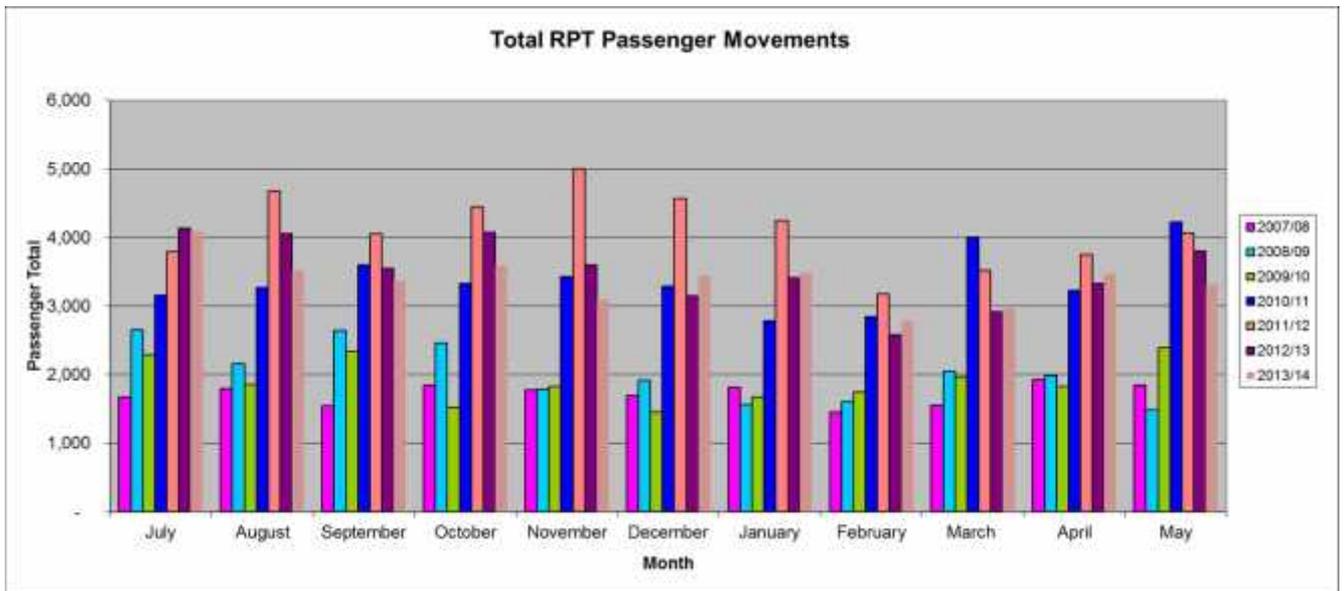
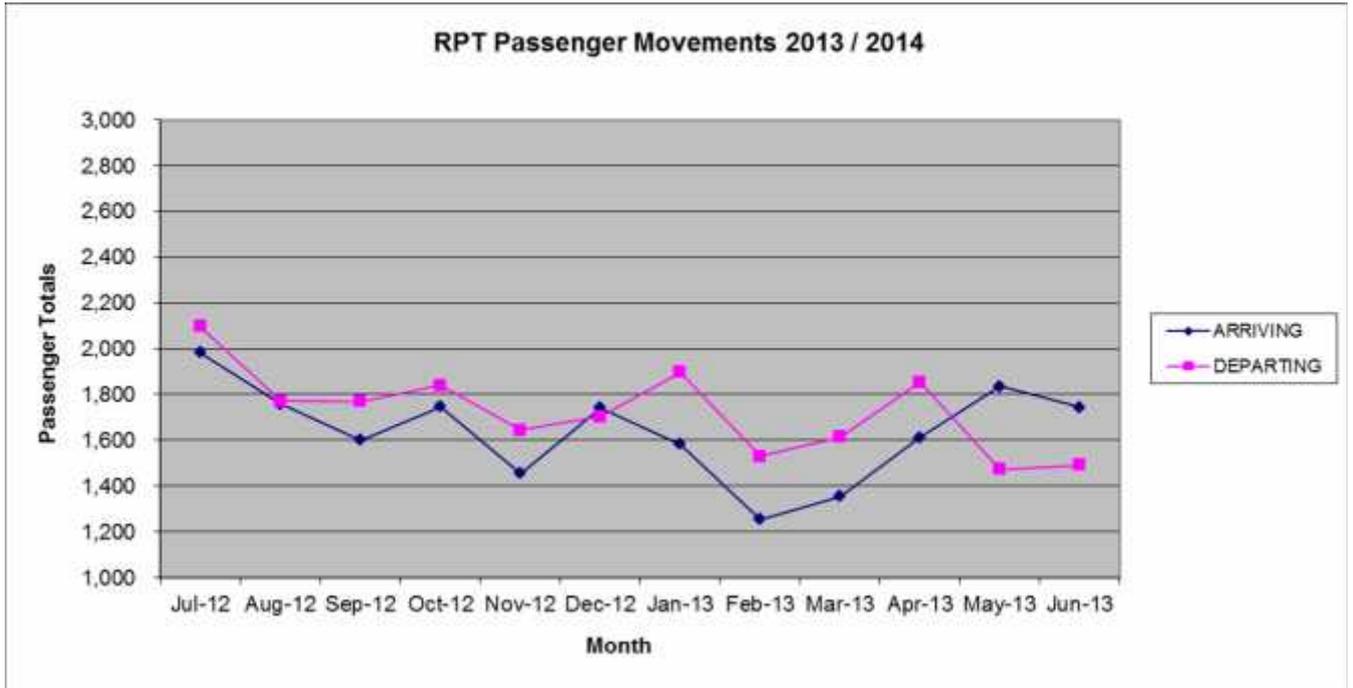
Planes	Helicopters	RFDS (No Charge)	Other (No Charge)	Total
664	75	94	197	1,030

Note: Data recording problems were experienced at Fitzroy Crossing Airport from July to November 2013 and February 2014.

Derby Airport GA Landings

Planes	Helicopters	RFDS (No Charge)	Other (No Charge)	TOTAL
2,198	535	793	262	3,788

Note: Data recording problems were experienced at Derby Airport during December 2013.



MANAGER PORT SERVICES

COMMUNITY DEVELOPMENT

The Shire of Derby West Kimberley's Community Development Department is responsible for the implementation of a range of community services and activities which focus on improving the wellbeing and lifestyle of our community.

It has been a year of fantastic participation from the community with many events and activities being held. A big changeover of department staff during the year has resulted in several new appointments however the team has held together in delivering many community outcomes.

No doubt the biggest highlight of the year was staging the Smokefree WA Derby Freshfest in March - a free community concert headlined by Justice Crew and local bands Pinstripe, Fitzroy Xpress, Phat Monkey and Worrora Band. The concert was attended by more than 1,500 people and had strong participation from community groups and school children who improved their performance and attendance at school in a competition to meet Justice Crew backstage. Justice Crew also hosted a Justice Academy dance workshop which was attended by 25 young children.

This year the Kimberley Art Prize and Kimberley Photographic Awards came together as 'back to back' exhibitions under the umbrella event 'Kimberley Creative Visual Arts Month' for co-branding opportunities, organisational benefits and fit within the Boab Festival. Curators Tim and Paula Bray put together both high quality exhibitions.

The Kimberley Art Prize 2014 was an outstanding success with more than one hundred entries in the competition, more than two hundred guests attending the exhibition opening awards evening and more than 500 people visiting the exhibition throughout the week. The standard of entries was regarded by many as the highest ever seen in the competition, particularly in the Indigenous category. Judges Helen Carroll of Wesfarmer Arts and long term KAP entrant and local artist Jean Elizavich chose Kununurra artist Peggy Griffiths' as Overall Winner for her entry 'Jinamoom' depicting Keep River country; its floodwater creeks and open marsh country.

The Kimberley Photographic Award 2014 had great participation from both the local and regional art scene with almost sixty participants entering into the competition. The awards night had more than 200 guests attend and several sales were made on the night. Two local community organisations showcased their community-led photography projects as part of the exhibition. They were Anglicare WA who worked with young girls in Mowanjum for the 'Our Community' project and Mowanjum Arts Centre who facilitated the 'My Face, Out Place' photography project as part of the 2013 Marsh Art project.

Judges Michael O'Brien of The Western Australian and local artist Mark Norval commented on the impressive overall quality of the exhibition and the KPA 2014 Overall winner was presented to Katie Breckon of Derby for her black and white portrait shot entitled "In My Skin."

Other community events also included a fantastic turnout for the annual Australia Day Breakfast where more than forty staff volunteers from Curtin Immigration Detention Centre rolled up their sleeves to help out. Australia Day Achievement Awards were presented to a number of community groups and outstanding volunteers.

Welcome to Derby had fantastic participation with nearly fifty stallholders turning up to offer their services or recruit new sporting or group members in the community. Nearly 300 people came through the doors and enjoyed live music and browsed a variety of stalls.

In Fitzroy Crossing the Shire's annual Banners in the Terrace Competition entry was completed by the local Nargoodah family who worked with Managka Arts Centre.

The Smarter than Smoking Bandaral Ngarri Festival took place also in Fitzroy Crossing as part of the Boab Festival with support from the Shire. The festival featured a fashion show with catwalk and dresses made by local fashion designer Letticia Shaw while an evening concert starred local bands Hillside Boys, 42 Decibel, Tanya Ransom and Now or Never.

A total of \$80,000 was allocated through the Community Grants program and operating subsidies to more than ten community groups in Derby and Fitzroy Crossing. Financial support was also provided to the Derby Visitor Centre and Garnduwa for recreation services.

The Derby Memorial Swimming Pool hosted the Rottnest Virtual Swim in February with fantastic participation from the community, and several successful swim schools took place during the school holidays.

The HAWK Now! Project sadly closed after an extensive search for continual funding however Programme Coordinator John Hart implemented some fantastic initiatives before his departure. These included creating three healthy lifestyle short films which were aired nationally on SBS; Eat Like an AFL Star, Good Tucker from the Kimberley and The Mary G Cooking Show. John continued after Ayesha Moss' leadership and continued to engage with the community in imparting healthy lifestyle changes in both Woman's and Men's cooking groups, working mainly with indigenous men and women in the area of cooking, exercise, and nutritional advice.

The legacy of HAWK now! remains with many healthy lifestyles posters around Derby and Fitzroy Crossing promoting; 'Get your bush fast food here: Eat 2 fruit and 5 vegetables' and of course the "Healthy Bite" initiative among all eateries across the Shire which is still active and current in many restaurants in Derby and Fitzroy Crossing.

Membership of the libraries has increased considerably in the last twelve months, with a growing collection to reflect this. We have been working with the State Library of WA to offer a better service to the public through our exchange system. Better Beginnings continues to be popular with visits from Kindy and Pre-Primary school children to the library. The Kimberley Writers prize was held in September, with the following results - The Primary School Poetry was won by Imogen Wakelam and the Primary School Story section was won by Nadine Heath. The Adult Poetry section was won by David Morrell and the Adult Story section had joint winners Tim Bray and Maggie McGuiness. In February, Terri-Ann White from UWA Publishing held a second writers workshop in the library, which was well attended. Annie Boyd author of Koombana Days was our guest for an evening of tales of the shipwreck which badly affected Derby town. The library hosted local author Pat Lowe in May, where she entertained us with her tales.

Fitzroy Crossing Library this year has introduced many exciting activities for the community members. Whilst we still continue our "Chillax" after school program consisting of board games, DVD and reading time for the kids after school. The extended hours on a Monday evening is very popular still with readers being able to borrow and return books after hours and join in the local craft group with some paper craft. We have added Rhyme Time on Friday mornings with parents and children 0-4 attending and participating in sing along, listen to stories (Baya Gawi Day Care Centre join this group). Christmas time saw all of the kids in Pre Primary and Kindy from Fitzroy Valley District High School, come on an excursion and to see Santa each child received the Better Beginnings book packs.

Derby Youth Centre has been busier than ever over the past year. The kids of Derby (and the staff at the Youth Centre) have enjoyed bush camps, fishing trips, dance classes, discos, cooking, swimming pool trips, basketball comps, movie nights, even a comedy night! The Youth Centre continues to work closely with stakeholders Department of Child Protection and Family Services, and Corrective Services Regional Youth Justice to address the significant issues our young people are facing such as domestic violence, neglect, sexual abuse, poor health, substance misuse, suicide disclosures, poor school attendance, challenging behaviour and criminal offending. Additional funding has been received from Corrective Services to develop a boys re-engagement program which aims to address many of these issues and transition the boys back in to formal education. Relationships with

agencies around town have been strengthened through a number of joint-ventures. Clontarf Academy students have been involved in giving the outside of the youth centre a clean-up and some fresh paint. GarlGarlWalbu Sober-up Shelter continue to offer their invaluable bus service to transport children attending the youth centre home safely each night. Remote School Attendance Strategy Officers have provided food at a number of youth centre events. The Youth Centre's inflatable Gladiator Ring has been a popular attraction at numerous community events around town. The addition of another full time staff member will be welcomed by Coordinator Paul and the Youth Centre team to cope with the increased demands put upon them by the swelling numbers going through the doors each day.

Disability Access Inclusion Plan

The Shire of Derby continues to strive to have a fully inclusive community and has continued to strengthen its partnership with the Disability Services Commission.

The following is a summary of our achievements under the SDWK Disability Access Plan for 2013/14. Significant DAIP initiatives undertaken by, or on behalf of SDWK by agents and contractors, in 2013–2014:

- Improvements and construction of new pathways
- Upgrades to pool hoist access system
- Support for improved services related to FASD
- Support of community initiatives to assist mental health issues
- New change rooms constructed for Derby Gym to improve access

BRAD ISBISTER
EXECUTIVE MANAGER
COMMUNITY DEVELOPMENT

CORPORATE SERVICES

Corporate Services continues to strive to maintain its excellent service to customers. With a philosophy of constant improvement and ongoing development of procedures and processes the Officers continue to improve efficiencies and the ability to meet the needs of the community professionally and effectively.

Functions and responsibilities of Corporate Services cover Financial Services, Customer Service, Records Management, Legal Issues, Governance and Compliance, Information Technology and the National Competition Policy Statement.

FINANCIAL SERVICES

Financial Services is responsible for budgeting, accounts payable, accounts receivable, rates, payroll, financial reporting and all other aspects of financial management of the Council.

We deliver usable management reports for Council and interested readers. This has resulted in an expanded Annual Budget, informative and usable Plan for the Future of the District/Integrated Planning Documents and user friendly monthly reports. Quarterly reports incorporating budget reviews are conducted each quarter to review our position and ensure any changes to budgets are being approved and accounted for within our overall financial position.

We continue to strive to meet our own benchmark of creditor payments being made once a week, and encourage and support creditor payments by electronic methods rather than the traditional cheque. This allows our creditors to receive their monies more regularly and efficiently and provide Council with the added advantage of having good workflow practices.

Plan for the Future of the District

The Plan for the Future of the District is a requirement of the Local Government Act (1995). The plan sets out the vision, mission and values the organisation intends to operate by when delivering services to the community and aligns its major projects and activities to those philosophies.

The Act requires a local government set out the major capital projects it intends to deliver in the foreseeable future.

Amendments to the Local Government (Administration) Regulations 1996 have better defined what comprises a Plan for the Future. These amendments were supported by the Statewide introduction of the Integrated Planning and Reporting (IPR) Framework.

At the Ordinary Meeting of Council held 31 May 2012 Council adopted the Strategic Community Plan (SCP) which is a 10 year Vision for the Shire of Derby West Kimberley and is the head document for the IPR framework. The Corporate Business Plan (CBP) was adopted at the Ordinary Council Meeting held 27 June 2013. The CBP is for a period of 5 years and is to be reviewed annually to deliver the annual budget.

Both the SCP and the CBP have primarily been developed from our previous Plan for the Future of the District. Some additional actions have been included to capture actions that were deemed to be part of our current day-to-day activities already being undertaken.

There are a number of informing strategies that form part of this framework and they include: Asset Management Plans, Workforce Plan and a Long Term Financial Plan.

Like other Local Governments, the Shire of Derby West Kimberley continues to face the challenges of meeting the increasing demands of residents for better facilities, infrastructure and services, whilst maintaining a financial balance.

As always and as mentioned in many other reports concern is noted about the Shire's reliance on grants. It is difficult to budget for and plan projects that are reliant on grant funding. It is also difficult to budget for future grant increases and use these funds to cover debt positions. The single largest threat facing the short term financial position is the reliance on grants, and debt management reliant on unstable grant income. This process is unsustainable in the long term and will need close scrutiny in future Long Term Planning documents.

Annual Budget

The annual budget is required to be prepared each year and adopted by Council by 31 August. The 2013/2014 financial year's budget was prepared and adopted by Council on 29 August 2013.

The budget also forms the basis for determining the level of Council's rates, which incurred an increase of 9.2% for the 2013/2014 year. This increase was to ensure income from rates kept up to pace with the increasing costs of goods and services. The discount rates system was again utilised offering a 2% discount on rates for those properties paying in full by the due date.

Annual Financial Report

Each year a Local Government is required to have the previous year's financial report audited by an independent Auditor. The objective of the Audit is to obtain "... an independent audit opinion of the accounts and the annual financial reports of the Council ..".

The Audit Report is included in the Annual Financial Report; it can be found at the end of this document.

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CUSTOMER SERVICE

All employees of Council strive for best practice in providing good customer service, whether through phone contact, in person, by letter or email. All employees are committed to the Shire's Customer Service Charter and strive to achieve the benchmarks set. The benchmarks are aimed at providing suitable responses to queries in a timely manner.

Council has a Customer Service Charter and Complaints Management Policy that all staff are required to follow. All requests received are recorded and acted upon promptly by the relevant officer concerned. All requests/complaints were dealt with at officer level and were not required to go the next level of Complaints Officer for handling.

The Local Government Act 1995 Section 5.121 requires the complaints officer of the local government to maintain a register of complaints which records all complaints that result in an action under the Local Government Act 1995 Section 5.110 (6)(b) or (c).

For the purposes of Section 5.53(2) (hb) of the Local Government Act 1995 it is advised that the Shire received no complaints during this period.

We encourage all our customers to be aware of the contents of these documents and pick up a copy and to advise us of any areas of concern or interest they may have.

RECORDS MANAGEMENT

The Shire of Derby West Kimberley remains committed to accurate and compliant record keeping practices in accordance with best practice and complying with the relevant legislation, including the State Records Act 2000.

The Shire's Record Keeping Plan 2007074 was approved by the State Records Commission on 18 March 2008. In accordance with Section 28 of the State Records Act 2000, the Plan for the Shire is to be reviewed within five years of the approval date, being 18 March 2013. The Shire of Derby West Kimberley completed a review of its Record Keeping Plan and submitted a copy of the review to the State Records Office on 14 March 2013. The next review will need to be undertaken by March 2018.

Training:

All new staff during their induction process have a one on one training session (and follow-up sessions if required) with an experienced records officer. Information and training is provided on the following; record keeping responsibilities, record keeping policy and procedures, electronic records system and compliance. Supporting documentation such as Council's Record Keeping Policy and Procedures and ERMS Training Manual are provided and explained at the training session. The record keeping component of the induction procedure has been designed to adequately address employee record keeping roles and responsibilities.

LEGAL/LEASES

Some Council owned land and facilities are occupied by a number of community groups and businesses. Council's leasing policy is followed when leases are negotiated; businesses are to occupy our premises at commercial rental rates (and all outgoings) providing a return to council. Community groups and not-for-profit organisations are not required to pay commercial rental charges, instead they are required to pay a low yearly fee of \$100 and all outgoings.

Commercial rental income for Council comes mainly from Derby and Fitzroy Crossing Airports and the Derby Wharf Precinct.

Leases continue to progress and require significant amounts of time and resources. It is never an easy task trying to co-ordinate leases with organisations that have been in Council facilities, often for many years. The Local Government Act (1995) requires Council to have a lease and this is often a difficult issue to manage.

GOVERNANCE AND COMPLIANCE

The Annual Compliance Audit Return is required to be completed by Council by 31 March each year, for activities carried out in the previous calendar year 1 January to 31 December, to ascertain whether the Shire has complied with the requirements of the Local Government Act (1995), and its associated Regulations. The process of completing and assessing the Shire for compliance against the Act is necessary, not only as a requirement of the Department of Local Government and Regional Development but for the Shire's own benefit to ensure it sets and maintains a high standard of compliance.

The areas of compliance covered by the 2013 Compliance Audit Return were restricted to those considered high risk, resulting in a Compliance Audit Return that contained substantially fewer questions than prior years. Amendments to Regulation 13 of the Local Government (Audit) Regulations 1996 gazetted on 30 December 2011 allowed these changes to occur.

These changes addressed issues raised in a number of reports that proposed a review of the Department's Compliance Audit Program, including the Public Accounts Committee Report No.4 in Local Government Accountability (2006), the Department of Treasury and Finance's Red Tape Reduction Group Report (2010) and the Local Government Reform Steering Committee (2010). These reports raised issues regarding the compliance reporting burden placed on local governments resulting from the requirement to complete a comprehensive Compliance Audit Return and submit it to the Department by 31 March each year.

A further change to Regulation 14 requires that the local government's Audit Committee now reviews the Compliance Audit Return and reports the results of that review to the Council prior to adoption by Council and the March submission to the Department.

The reduction to the Compliance Audit Return, and proposed associated transfer of responsibilities to the Audit Committee of each local government, will enable local governments to better manage legislative compliance within their own timeframes and with increased transparency and involvement for elected members. However, the requirement for local governments to comply with relevant legislation will not change.

A summary of the compliance areas are:

Commercial Enterprises by Local Governments	5
Delegation of Power/Duty	13
Disposal of Property	2
Disclosure of Interest	16
Elections	1
Finance	15
Local Government Employees	5
Official Conduct	6
Tenders for Providing Goods and Service	15
Total	78

The compliance audit report is a very useful tool in addressing statutory requirements and ensuring legislative compliance.

Generally the Shire complies with most things but it still needs to be considered that by complying 99.9% of the time and missing only 0.1% constitutes 'non-compliance'.

Of the 78 points of compliance, the Shire was compliant in all 78 of them. This equates to the Shire being 100.00% compliant.

HUMAN RESOURCES

Role

The Human Resources departments' primary function is to oversee the recruitment, retention and contractual employment obligations of our employees and the Shire of Derby West Kimberley. It also assists departmental managers with a variety of functions such as the induction, development and training of staff, Occupational Safety and Health, performance appraisals, worker's compensation, employee terminations, negotiation of individual and collective employee agreements and resolution of employee disputes.

Recruitment

Recruitment was particularly busy in 2013/2014, with 58 vacancies including 20 casuals. The casuals covered positions at the wharf, airport, pool and group fitness, school holiday programs and the youth centre.

Occupational Safety and Health

The Shire's Our Occupational Safety and Health Committee (OS&H) was set up in June 2009. Continued outcomes for 2013/14 were; Workplace Safety Checklist and Inspections, bimonthly meetings and minutes, evacuation plans for Shire buildings, Accident/Incident Investigation Register and Risk Register report.

2013/14 saw four worker's compensation claims lodged.

Enterprise Agreements

During 2013/14 the Shire of Derby/West Kimberley completed negotiation for separate Enterprise Agreements with our Indoor, Outdoor and Ports staff. The three enterprises agreements are now closely aligned with each other with similar pay and conditions. All agreements were negotiated, voted on, signed by staff and management and approved by the Fair Work Commission. They run for a period of three years, backdated to December 2012.

Payments to Employees

The Local Government (Administration) Regulation 19B requires the annual report to contain details of the number of employees of the local government entitled to an annual salary of \$100,000 or more in bands of \$10,000 for each band over \$100,000.

Salary Range	2013/2014
100,000 to 109,999	1
110,000 to 119,999	1
120,000 to 129,999	-
130,000 to 139,999	-
140,000 to 149,999	3
150,000 to 159,999	-
160,000 to 169,999	-
170,000 to 179,999	-
180,000 to 189,999	-
190,000 to 199,999	-
200,000 to 209,999	-
210,000 to 219,999	-
220,000 to 229,999	1

NATIONAL COMPETITION POLICY – COMPLIANCE

In 1995 The Council of Australian Governments entered into a number of agreements, collectively known as the National Competition Policy. Local government is affected mainly where it operates significant business activities which compete, or could compete, with private sector businesses.

Local government is also affected where local laws unnecessarily affect competition.

The Shire is required to comply with certain policies contained within the National Competition Policy Statement and report on progress in connection with the National Competitive Neutrality Principles and review of Local Laws.

Each Local Government must report its progress in achieving NCP reforms in its Annual Report broadly under the following categories:

- Competitive Neutrality
- Legislation Review
- Structural Reform

Competitive Neutrality

This principle deals with ensuring that government business operations have no advantage or disadvantage in comparison with the private sector. The policy dictates that competitive neutrality should apply to all business activities which generate a user pays income of over \$200,000 unless it can be shown that it is not in the public interest. In this regard, no significant new business activities for the purposes of competitive neutrality were initiated or considered during the year and no non-compliance allegations were made.

Legislation Review

The Shire of Derby West Kimberley did not promulgate any new legislation and as legislation is reviewed it will be done with NCP in mind.

The Local Government Act 1995 requires all existing Local Laws to be reviewed every eight years. As part of this process the intention to review Local Laws is advertised in the media giving residents and ratepayers the opportunity to comment on any proposed changes, additions or deletions to the Shire's Local Laws.

Structural Reform

The Shire of Derby West Kimberley did not undertake any Structural Reform during the 2013/2014 financial year.

Register of Complaints

The Local Government Act 1995 Section 5.121 requires the complaints officer of the local government to maintain a register of complaints which records all complaints that result in an action under the Local Government Act 1995 Section 5.1110 (6)(b) or (c).

For the purposes of Section 5.53(2) (hb) of the Local Government Act 1995 it is advised that the Shire of Derby West Kimberley received Zero (0) complaints during this period.

Freedom of Information

In accordance with Section 96 and 97 of the Freedom of Information Act 1992, the Shire is required to publish an Information Statement which details the process for applying for information under the Act, as well as information that the Shire provides outside the Act. This document is available from the Shire's Administration Office or the website.

During 2013/2014 the Shire received Zero (0) Freedom of Information applications, and No (0) referrals for third party consultation. The Act requires that all applications are responded to within 45 days.

The Shire also reviewed its Information Statement document as required under the Act and ensured the document is available on the Shire's website.

Public Interest Disclosure

In accordance with the requirements of the Public Interest Disclosure Act 2003, the Shire of Derby West Kimberley has established procedures to facilitate the making of disclosures under the Act. These procedures set out the processes in respect to protected disclosures generally, to protect people from reprisal for making protected disclosures, and to provide guidance on investigations.

The Shire reviewed its document on Rights and Obligations under the Public Interest Disclosures Act and the updated document is available on the Shire's website.

In the 2013/14 financial year, no disclosures relating to improper conduct were made to the Shire and therefore no disclosures were referred to the Ombudsman.

Elected Members' Attendance at Council Meetings

Elected Members attended the following meetings during the 2013/2014 year:

Elected Member	Electors AGM (1)	Council Meeting (11)	Special Council Meeting (9)	Council Forum (10)
Cr E Archer	1	11	9	9
Cr P White	0	1	2	2
Cr P McCumstie	1	7	7	10
Cr A Twaddle	1	9	8	8
Cr R Sullivan	1	11	8	10
Cr I Prouse	1	10	9	80
Cr C Travers	1	11	9	10
Cr M Brown	0	0	0	0
Cr P Kneebone	0	2	3	2
Cr A Kogolo	1	7	3	2
Cr J Oscar	1	5	3	2
Cr L Shaw	1	6	3	2

FITZROY CROSSING

Fitzroy Crossing Visitor Centre

The Shire opened the Fitzroy Crossing Tourist Bureau in 1997 to service the growing needs of locals and visitors to the town, and since then it has become a very important facility in Fitzroy Crossing.

A small but dedicated staff of 3 full time and one part time staff member, ensures that this facility is open six (6) days a week during the busy dry season (April – September) and five (5) days during the Wet season (October – March) when the roads into and around Fitzroy Crossing can become impassable due to heavy rainfall.

In 2007 the Centre gained National Accreditation with the Tourism Council and changed its name from Fitzroy Crossing Tourist Bureau to Fitzroy Crossing Visitor Centre. Gaining this accreditation is a milestone for the town as it means that it now operates using best practice and the same standards as all other accredited Centres across Australia.

This multi-purpose building is also home to the Fitzroy Crossing Public Library with over 300 items available for short term borrowing including books, DVD's, videos, audio tapes and local newspapers and magazines. The library has internet access for use by the public on a fee for time basis.

The building also acts as the Shire's Office in Fitzroy Crossing, providing ratepayers with municipal services including dog registrations, rate and debtor payment facilities and is a central point of contact for Council services in Fitzroy Crossing.

CONCLUSION

I have thoroughly enjoyed all that the Shire of Derby West Kimberley has offered in the last twelve months and I am especially looking forward to the next twelve months and beyond with all the exciting development and growth the region can expect over the coming years.

I would like to take this opportunity to sincerely thank each and every member of the Corporate Services staff for their continued dedication, hard work and commitment, which has assisted the Shire in achieving the results of the 2013/2014 year. No organisation can function effectively and achieve its outcomes without staff. The Corporate Services Department at the Shire of Derby West Kimberley is blessed to have a very dedicated and professional workforce.

By continuing to invest in training and rewarding staff the benefits accrued by such investment are returned tenfold in multi skilling, diversity and standard of workmanship as well as a quantum of output.

To the incoming Chief Executive Officer, Stephen Gash, I thank you for your leadership, guidance and support of both myself and the Corporate Services Department during 2013/2014, it has been greatly appreciated.

I look forward to another exciting year for the Shire of Derby West Kimberley and express my sincere appreciation to all I have been involved with

MARTIN CUTHBERT

EXECUTIVE MANAGER CORPORATE SERVICES



CORPORATE BUSINESS PLAN OVERVIEW

This Annual report includes a comparison of achievements against the Corporate Business Plan. This overview is in addition to the detailed reports from Managers, with a summary of notable achievements in 2013/14 provided, as well as reporting any variances and highlighting any areas that need review within the plan.

To analyse and communicate the comparison with the Corporate Business Plan the following symbols are used:

- ✓ Planned activity / project fully funded and completed in 2013/14.
- ✓
✘ Planned activity / project fully funded and partially completed in 2013/14 with carry over to 2014/15 budget.
Activity / project planned for completion in 2013/14 but not commenced or carried over in 2014/15 budget.
- ✓ Activity / project not planned in 2013/14 but some activity brought forward into budget.
- Ongoing activity / project with 2014/15 component funded in budget.
- Ongoing activity / project with 2014/15 component not funded in budget.
- Ongoing activity / project with 2014/15 component not fully funded in budget.
- Activity / project not planned in 2014/15 but some activity brought forward into budget.
- Planned activity / project for 2016 onwards.
- Item Flagged for review in Corporate Business Plan

GOAL 1: COMMUNITY WELLBEING

A diverse, caring and safe community providing opportunities for all its people

Desired Outcome	Strategy	Action	2013-14	2014-15	2016 onwards	Notes (Achievements in 2013-14, Variance from Budget, or Significant Planned Activity in 2014-15)
Accessible health and family support services that meet the needs of our community	Advocate for medical and hospital services within the region	Meet regularly with the Health Board to gain Knowledge of the current health needs of the community.			●	Incorrect Terminology. Will invite Health Management to Council Forums for awareness
		Develop a health and well being strategy				Following community baselining exercise
	Lobby government agencies to address family support service priorities including safe houses in towns	Meet with government representatives regularly to discuss the need for family support and safe houses			●	
	Work with private childcare providers to expand capacity of childcare and promote after school programs	Support childcare providers with documentation assistance to expand capacity			●	Childcare provided granted more area at Shire premises for expansion
Public and environmental health protection	Provide food premises inspections	Inspect food premises regularly			●	
	Provide public building inspections	Inspect public buildings on a regular basis			●	
	Undertake food safety and public health promotion	Join with the health board to hold an annual information stall in the town centre			●	Incorrect Terminology (no Health Board). District Health Advisory Committee inactive despite calls for community nominations. Health Management agreed to 'open day' or event style promotion 14/15
	Develop and implement a community education program on infectious diseases and mosquito control measures	Join with the health board to hold an annual information stall in the town centre			●	
		Distribute information regularly through the shire newsletter on relevant health issues			●	

Desired Outcome	Strategy	Action	2013-14	2014-15	2016 onwards	Notes (Achievements in 2013-14, Variance from Budget, or Significant Planned Activity in 2014-15)
Access to affordable housing options	Encourage affordable housing through town planning, zoning and land release	Regularly review the town planning scheme	✓	●	●	Ongoing
		Encourage development of land through release of land as required	✓	●	●	Boab 2 and Landcorp approvals progressed
	Work with the Department of Housing and private sector developers on progressing housing development	Meet with the department of housing to discuss the community housing needs	✓	●	●	
	Work with the Department of Housing on establishing a hostel in Derby for visiting families	Meet with the department of housing to discuss the community needs	✓	●		Derby Aboriginal Short Stay Hostel to open 14/15
	Develop and implement a plan for Shire staff housing	Prepare and implement a building asset management plan for building and maintaining staff housing	✓	●	●	Review of 12/13 plan undertaken. Awaiting finalisation of Key Worker Housing regional grant / priorities
		Construct new staff housing	✓	●	●	Commenced. Completion 14/15
An inclusive and participative community	Develop and implement a volunteer support	Develop a Volunteer Support Strategy		●		
		Implement a Volunteer Support Strategy			●	
	Actively promote and assist community groups and clubs	Club out Agreement	✗	●	●	Club Development Role vacant. To be coordinated by broader community development / recreation role 14/15
		Email out	✗	●	●	
	Lobby the Department of Transport and private providers for improved public transport	Meet with the department of Transport representatives and private providers to discuss the public transport issues	✓	●	●	

Desired Outcome	Strategy	Action	2013-14	2014-15	2016 onwards	Notes (Achievements in 2013-14, Variance from Budget, or Significant Planned Activity in 2014-15)
Sport, recreation and leisure opportunities that support community health and well-being	Maintain and improve sporting and recreation facilities	Run a survey to ascertain the usage levels for all sporting and recreation facilities for prioritisation of maintenance		●		
		Develop and implement an asset management plan for all sporting and recreation facilities	✓			Commenced
	Promote sporting, recreation and leisure facilities and programs	Promote Sporting, recreation and leisure facilities and programs through the Email bulletin	✓	●	●	
		Implement a community calendar to promote all sporting, recreation and leisure activities			●	
	Develop and implement a sport and recreation strategy	Develop a sport and recreation strategy	✓			Commenced for finalisation 14/15
		Implement a sport and recreation strategy		●	●	
	Develop and implement a health and well-being strategy	Develop a health and well-being strategy	✗			Following community baselining survey / process in 14/15
		Implement a health and well-being strategy		●	●	

Desired Outcome	Strategy	Action	2013-14	2014-15	2016 onwards	Notes (Achievements in 2013-14, Variance from Budget, or Significant Planned Activity in 2014-15)
Opportunities for development and participation of our youth	Develop a youth services strategy for Derby	Develop a youth services strategy for Derby	✓			Commenced and ongoing. Kimberley Zone grant for regional approach in 15/15, and supporting other strategies rather than re-inventing / duplicating
	Work with the Fitzroy Futures Youth Sub-Committee in the development and implementation of a youth strategy	Meet with the Fitzroy Futures Youth Sub Committee to develop a Youth Services Strategy	✓	●	●	
	Support youth training and employment programs	Discuss youth issues with Social work staff and health professionals	✓	●	●	
		Meet with Training and employment agencies to encourage the participation of local youth	✓	●	●	
Quality of life for the aged and disabled	Lobby for support services and infrastructure for the aged and disabled	Develop and Aged Care Strategy to identify and address the needs of the ageing community			●	
	Implement the Disability Access and Inclusion Plan	Implement the Disability Access and Inclusion Plan	✓	●	●	As per report. All new building work compliant with access standards
Access to learning, cultural and arts opportunities that support community growth and diversity	Provide library services and programs that help improve literacy and community engagement	Discuss available literacy programs with staff at the state library of WA	✓	●	●	
	Advocate to Federal, State and Independent schools to improve secondary education and relevant infrastructure	Form partnerships with education organisations to discuss secondary education improvements	✓	●	●	Worked with DDHS re construction works
	Develop and implement a culture and arts community strategy	Develop a culture and arts community strategy	✓	●	●	
		Implement a culture and arts community strategy			●	
Promote and support community and cultural events	Develop an events calendar that is published in the Shire newsletter	✓	●	●	Work with Visitors Centre and specific events in Muddy Waters	

Desired Outcome	Strategy	Action	2013-14	2014-15	2016 onwards	Notes (Achievements in 2013-14, Variance from Budget, or Significant Planned Activity in 2014-15)
A safe and responsible community	Develop and implement an animal management plan	Develop an animal management plan				Will incorporate review of Local Laws and evaluation of Cat Act in 14/15
		Implement an animal management plan			●	
	Support an interagency approach to crime reduction planning and programs	Arrange regular contact with Law Enforcement agencies to discuss crime prevention and planning programs			●	Through inetragency forum. Crime prevention planning for 14/15
	Develop a strategy to prevent future glass problems and deal with existing removal of glass	Develop a strategy to reduce the prevalence of glass problems within the shire			●	Needs to be brought forward to 14/15 given magnitude of issue
	Advocate for appropriate lighting in streets and public places	Arrange regular contact with government agencies to discuss lighting in streets and public places			●	
	Develop and implement an emergency management and recovery plan	Develop an emergency management and recovery plan		○	○	Needs to be shown as recurring in future years
		Implement an emergency management and recovery plan		○	○	
	Lobby for reinstatement and improvement of FESA administered Western Australian Natural Disaster Relief Arrangements (WANDRA)	Discuss natural disaster relief and management with FESA Representatives			●	
		Send correspondence to local politicians to advocate the reinstatement of WANDRA			●	

GOAL 2: A BALANCE BETWEEN THE NATURAL AND BUILT ENVIRONMENTS						
Sustainable natural and built environments that meet the needs of the community and support future growth						
Desired Outcome	Strategy	Action	2013-14	2014-15	2016 onwards	Notes (Achievements in 2013-14, Variance from Budget, or Significant Planned Activity in 2014-15)
Appropriate development that enhances the unique character and heritage of the Shire's townships	Review, update and implement the Shire's Local Planning Strategy	Review and update the Shire's Local Planning Strategy				
		Implement the Shire's Local Planning Strategy				
	Develop and implement a subdivision strategy and guidelines	Develop a subdivision strategy and guidelines				Commenced by aligning IPWEA guidelines
		Implement a subdivision strategy and guidelines				
	Provide supportive planning and development guidance and liaison on major land developments	Engage Professional planning staff or consultants to continually provide assessments of development and building applications			•	Ongoing
	Ensure quality, consistent and responsive development and building assessment approval processes and enforcement	Develop policies and processes that support effective and timely assessment of development and building applications			•	Legislated time frames apply to building applications
	Actively work with other government bodies on state, regional planning and development issues	Meet regularly with state and Federal government agencies to discuss planning matters.			•	
	Support the conservation and maintenance of heritage buildings, heritage items and places of interest	Work with private owners of heritage buildings and places to establish a local heritage register			•	

Desired Outcome	Strategy	Action	2013-14	2014-15	2016 onwards	Notes (Achievements in 2013-14, Variance from Budget, or Significant Planned Activity in 2014-15)	
Attractive streetscapes, open spaces, parks and gardens	Manage and maintain the Shire's parks, gardens and open spaces at appropriate standards	Continue with the maintenance program of the Shire's parks, gardens and open spaces			•	Ongoing. Documented Levels of Service to be developed after community baselining process 14/15	
	Develop and implement a streetscape policy and strategy to encourage the involvement of local businesses	Develop a streetscape policy and strategy to encourage the involvement of local businesses				•	Consultation commenced re Clarendon St development which will form basis of policy discussions along with level of service expectations from community baselining process 14/15
		Implement a streetscape policy and strategy to encourage the involvement of local businesses					
	Develop and implement a parks and reserves strategy	Develop a parks and reserves strategy				•	Commenced for specific reserves
Implement a parks and reserves strategy							
Reliable and safe transport infrastructure	Develop a road maintenance and upgrading strategy	Develop a road maintenance and upgrading strategy			•	Asset Management/ Condition assessment review commenced to guide strategy. 14/15 grading / maintenance tender aligns with new hierarchy development	
		Implement a road maintenance and upgrading strategy			•		
	Lobby the Department of Main Roads on highway safety	Communicate regularly with Main roads to discuss community concerns on highway safety			•		
	Develop and implement a strategy for road kerbing, footpaths, drainage, signage and lighting	Develop a strategy for road kerbing, footpaths, drainage, signage and lighting					
		Implement a strategy for road kerbing, footpaths, drainage, signage and lighting				•	
Reliable and safe transport infrastructure	Investigate and progress development opportunities for the Derby Airport	Collate usage information for the Derby Airport					
		Engage a professional to investigate the development opportunities for the Derby Airport					
	Maintain wharves and lobby for funding	Adequately maintain all wharves to ensure Safety of users			•	Ongoing. Parts of wharf closed to public to ensure safety / compliance.	
		Investigate funding opportunities for improvement of wharves			•		

Desired Outcome	Strategy	Action	2013-14	2014-15	2016 onwards	Notes (Achievements in 2013-14, Variance from Budget, or Significant Planned Activity in 2014-15)
Reliable and safe transport infrastructure cont.	Establish break up bay areas for road trains in Derby and Fitzroy Crossing	Discuss the appropriate options with road user sand main roads WA to ascertain locations for a road train break up bay in Derby and Fitzroy Crossing				Lobbying brought forward. Derby bay to open 14/15
Shire buildings and facilities that meet community needs	Ensure Shire buildings, facilities and public amenities are provided and maintained to an appropriate standard	Implement Asset Management plans for all Shire Assets			•	Ongoing
	Develop new buildings and facilities in accordance with asset management principles and based on a planned and prioritised approach	Renew and construct buildings and facilities as recommended in the Shire Asset Management plans			•	
Assets and infrastructure managed over the long term to meet current and future needs	Develop and implement long-term asset management plans for all Shire assets, having regard for current and future asset needs and the Shire's long-term financial plan	Implement Asset Management Plans for all Shire Assets			•	
		Renew Assets in line with Asset Management Plans			•	
	Maintain effective liaison with other levels of government and regional bodies to ensure coordinated provision of regional infrastructure	Meet Regularly with Government and Regional Bodies to Discuss regional issues and infrastructure requirements			•	
		Maintain monthly contact and advocacy role with State and federal MP's			•	

Desired Outcome	Strategy	Action	2013-14	2014-15	2016 onwards	Notes (Achievements in 2013-14, Variance from Budget, or Significant Planned Activity in 2014-15)	
Protection of the natural environment	Provide effective management and maintenance of the Shire's land and reserves	Continue with the maintenance program for the Shire reserves at the current level and frequency			•		
	Support the management of feral animals	Identify the prevalence of feral animals within the Shire			•		
		Implement a feral Animal Management Plan			•		
	Develop and implement a weed management strategy on Shire road and other reserves	Develop a weed management strategy on Shire road and other reserves				•	Currently being developed
		Implement a weed management strategy on Shire road and other reserves				•	
	Promote and support community based environmental initiatives	Encourage and facilitate community contribution to environmental protection				•	Shire representation on landcare committee needs review and reinvigoration
Ensure environmentally sustainable development practices are implemented					•		
Access to renewable energy options	Investigate alternative energy sources for Shire facilities	Investigate and lobby for effective implementation of renewable energy sources and resources management practices			•		
	Provide lobbying and support for alternative energy sources and reinvestigate tidal power	Investigate and lobby for effective implementation of renewable energy sources and resources management practices			•		

GOAL 3: A STRONG AND DIVERSE LOCAL ECONOMY**A strong local economy that is supported by a broad industry base with opportunities for business development and employment**

Desired Outcome	Strategy	Action	2013-14	2014-15	2016 onwards	Notes (Achievements in 2013-14, Variance from Budget, or Significant Planned Activity in 2014-15)
Local business development and employment opportunities	Support the Chamber of Commerce and Small Business Centre to encourage business development	Develop Processes that support business networks and development		●		
	Lobby for employment opportunities	Work with Local industry, government instrumentalities and educators to prepare an annual overview of job opportunities			•	
	Lobby State government for apprentice/trainee opportunities	Have Council representation in regional forum, and regularly attend the meetings	✓	●	•	Lobbying ongoing, however unable to attend Kimberley Workforce Development Alliance meetings due to ongoing clash with Council obligations
A strong and diverse industry base providing community benefits	Undertake community impact and opportunity analysis of major mining, oil and gas ventures	Investigate Strategies to encourage local business and industry to contribute to the local community	✓	•	•	Sponsorship of events sought. Discussions commenced re buy local approach with CCI
		Analyse the current impact on the community of the major mining, oil and gas ventures	✓	o		Briefings / Info received by DMP, DSD, KDC, industry and real estate. Economic and social impact not conducted yet. Needs review to allocate appropriate resources
	Investigate major joint ventures through a business and community benefits plan	Implement a Business and Community benefits Plan including investigation of major joint ventures	✓	●	•	Review of JV process / ability under LG Act undertake. Need to review / reword to be a guide for operators/ investors for community support opportunities.
	Investigate agricultural or primary industry diversification opportunities	Review all agricultural and primary industry diversification within the Shire	✓	●	•	

Desired Outcome	Strategy	Action	2013-14	2014-15	2016 onwards	Notes (Achievements in 2013-14, Variance from Budget, or Significant Planned Activity in 2014-15)	
A vibrant and strong tourism industry	Support and promote local and regional tourism through the Fitzroy Crossing and Derby Visitor Centres and Australia's North West tourism organisation	Develop a communication strategy to formalise partnership between the Shire, local business, state government and other regional tourism organisations			•	Aligned with ANW. Introduced concept of Shire wide approach, to be progressed 14/15	
	Lobby State Government on behalf of the local tourism industry for infrastructure, services and funding	Have Council representation in regional forums, and regularly attend the meetings			•	Ongoing	
	Develop and implement a tourist trail Masterplan	Develop a tourist trail Master plan				•	Commenced, but needs to align with Heritage Trail funding / process. Progressing 14/15
		Implement a tourist trail Master plan					
Investigate a Mangrove Boardwalk at Derby	Investigate location and costing to construct a Mangrove Boardwalk at Derby				•	Will align with port development consideration	
Appropriate infrastructure that supports economic development	Promote release of serviced industrial, commercial and residential land	Facilitate the provision of industrial, commercial and residential land to support growth			•		
	Advocate for improved provision of utility services across the region	Have council representation in regional forums, and regularly attend the meetings			•		
	Advocate for improved telecommunications infrastructure in the region	Have council representation in regional forums, and regularly attend the meetings			•	Community supported lobbying for immediate ADSL upgrade	
	Advocate for the Point Torment port development	Have council representation in regional forums, and regularly attend the meetings			•	While advocating for Point Torment as the ultimate 10 yr plus goal, government and industry have advised need to focus on Derby Wharf to provide lower cost option to prove demand first. Strategy needs review	

GOAL 4: GOOD GOVERNANCE AND AN EFFECTIVE ORGANISATION

Leadership that provides strategic direction for the community, supported by efficient and effective service delivery

Desired Outcome	Strategy	Action	2013-14	2014-15	2016 onwards	Notes (Achievements in 2013-14, Variance from Budget, or Significant Planned Activity in 2014-15)
Effective governance and leadership	Provide leadership in balancing the needs of the community, government, industry and the environment	Offer a high level of Councillor induction, training and knowledge			•	
		Implement a Community and Stakeholder Engagement Policy				
	Support strategic alliances, stakeholder forums and advisory committees that assist the Shire in policy development and service planning	Have Council representation on community and advisory committees			•	Mostly achieved but Landcare Advisory Council position unable to be filled
		Strengthen the governance role of Councillors by informing, resourcing, skilling and supporting their role	Maintain a high level of councillor induction, training and knowledge			•
Ensure governance policies and procedures are in accordance with legislative requirements	Conduct a regular internal audit to ensure full compliance			•	Commenced. To be reported to Audit Committee under Reg 17 report by December 2014	

Desired Outcome	Strategy	Action	2013-14	2014-15	2016 onwards	Notes (Achievements in 2013-14, Variance from Budget, or Significant Planned Activity in 2014-15)
Effective governance and leadership cont.	Encourage community participation in Local Government elections	Advertise Local Government Elections in the lead up to encourage community participation			•	
		Provide information on the role of a councillor prior to nomination dates			•	As per LG guidelines
	Negotiate with all Native Title Groups to consult and establish appropriate Indigenous Land Use Agreement's and Memorandums Of Understanding	Formalise a partnership with native title groups to establish Indigenous Land Use Agreements and Memorandum of Understanding			•	Need to review as this is ongoing.
	Lobby the State Government for full funding for municipal services and associated infrastructure in Aboriginal communities	Meet regularly with state Government agencies to discuss the service and infrastructure requirements of the community			•	
	Develop and maintain risk management policies and procedures	Develop and maintain risk management policies and procedures				
Effective engagement with the community and stakeholders	Develop a community engagement and communication strategy	Develop a community engagement and communication strategy			•	
	Work cooperatively with other Kimberley Shires and support the regional governance group	Facilitate and develop strong relationships and partnerships with the community and with other organisations			•	
	Represent and promote the Shire at appropriate regional, State and Federal forums	Have Council representation in regional forums, and regularly			•	

Desired Outcome	Strategy	Action	2013-14	2014-15	2016 onwards	Notes (Achievements in 2013-14, Variance from Budget, or Significant Planned Activity in 2014-15)	
Accessible and effective customer services and information systems	Provide and promote responsive customer services	Implement a Customer Service Charter to ensure that excellent Customer Service is provided				Draft commenced. Part of 14/15 Policy review	
	Ensure effective integration and management of information and communication technology systems	Review use of the IT systems to ensure the most effective systems are available					
	Ensure the records management system is managed effectively and efficiently	Provide training to all staff on the appropriate use of the records management system					
		Implement a procedure for the correct use of the records management system		0	0	Ongoing nature needs to be reflected	
Financial sustainability and accountability for performance	Develop, implement and maintain strategic, corporate and workforce plans	Develop, implement and maintain strategic, corporate and workforce plans			•		
	Develop, implement and maintain long term financial plans	Develop, implement and maintain long term financial plans			•		
	Actively pursue alternative sources of income to fund the Shire's services and infrastructure	Constantly investigate funding options for all Shire services and infrastructure			•		
	Provide resources to support the Shire's operations and to meet planning, reporting and accountability requirements	Provide adequate resources within the Municipal Budget to provide appropriate levels of planning and			•		
	Develop, maintain and monitor rating and property strategies	Develop a rating and property strategy					
		Monitor rating method in comparison to trends with other Local Government areas				•	

Desired Outcome	Strategy	Action	2013-14	2014-15	2016 onwards	Notes (Achievements in 2013-14, Variance from Budget, or Significant Planned Activity in 2014-15)
Skilled, committed and professional staff in a supportive environment	Maintain and develop human resource management policies, procedures and systems for current and future workforce needs	Review the Human resource management policy annually	✓			Review commenced with new CEO. For finalisation 14/15. Need to reflect ongoing requirement
		Implement Human Resource Management recommendations as outlined in the workforce plan	✓	●	●	
	Provide opportunities for the training and development of the Shire's employees	Facilitate appropriate training for staff through the development of a Staff Training plan	✗			Training done based on employee and area need but not yet part of coordinated training and development plan
	Ensure safe work practices through implementation of appropriate Occupational, Health, Safety and Welfare practices	Appoint an Occupational Health, Safety and Welfare staff representative	✓	●	●	Staff turnover impacted OSH Committee post Dec 2013. Training of other reps booked.
		Regularly review all work practices for safe work compliance	✓	●	●	Hazards managed through day to day operations but audits of SWMS and effectiveness not yet a systematic process
	Review, amend and implement staff attraction and retention initiatives	Implement the recommendations made within the Workforce Plan	✗	●	●	Council requested review by new CEO before implementation of aspects of plan
		Conduct an annual review of staff attraction and retention initiatives	✗	●	●	Part of workforce plan review

Desired Outcome	Strategy	Action	2013-14	2014-15	2016 onwards	Notes (Achievements in 2013-14, Variance from Budget, or Significant Planned Activity in 2014-15)
Skilled, committed and professional staff in a supportive environment	Review office accommodation plans and the options for funding and implementation	Investigate funding options for the implementation of office accommodation plans		O		Ongoing. Will be impacted by Transport Licensing Hosting in 14/15
		Build New Office				Not Funded in 2014/15 Budget given Wharf/ Airport economic development priorities and ceasing of CLGF
	Promote cohesiveness and teamwork across the organisation	Conduct an annual staff development activity			•	No single 'activity' but whole of staff meetings conducted
		Communicate strategic objectives			•	Ongoing

SHIRE OF DERBY WEST KIMBERLEY

PLAN FOR THE FUTURE OF THE DISTRICT COMPARISONS FOR THE 2010/2011 FINANCIAL YEAR

In accordance with best practice standards, items in Council's Plan for the Future of the District are herein compared to the items included in the Budget allocations for the past year.

Strategic Plan Link No	PROJECTS	Program Number	Continued/New Item	PFD	BUDGET	ACTUALS	PERFORMANCE ASSESSMENT
Varies	A PRIORITY 'A' ITEMS - ITEMS REQUIRED TO BE DONE BY LAW OR FOR SAFETY REASONS						
	Derby Waste Management Facility	10	Continued	0	15,000	5,800	Required and allocated through budget process
	Fitzroy Crossing Waste Management Facility	10	Continued	120,000	252,565	0	Included as per PFD
	Fuel Storage Tanks - FX Depot	14	Continued	45,000	45,000	34,343	Included as per PFD
	Emergency Eyewash and Shower - Fitzroy Crossing Depot	14	New	0	5,000	0	Required and allocated through budget process
	Strategic and Asset Planning - DLG and DRD	4	New	50,000	35,000	33,246	Included as per PFD
KRA 4	B-1 PRIORITY 'B-1' ITEMS - REPLACE/UPGRADE ASSETS - PLANT & MACHINERY						
	Major Plant Items	14	Continued	159,000	203,000	0	Included as per PFD
	Minor Plant Items	14	New	65,000	65,000	6,257	Included as per PFD
	Light Vehicles Purchases - Net Change Overs	Various	Continued	126,310	232,306	187,898	Included as per PFD, Two vehicles not purchased, carried forward to 2010/11
KRA 4	B-2 PRIORITY 'B-2' ITEMS - REPLACE/UPGRADE ASSETS - EQUIPMENT IN OFFICES & DEPOTS						
	Replacement PCs, Printers, Photocopiers; other minor items	4	Continued	35,000	39,500	34,802	Included as per PFD
KRA 4	B-3 PRIORITY 'B-3' ITEMS - REPLACE/UPGRADE ASSETS - STAFF HOUSING						
	Major Maintenance to Existing Houses	Various	Continued	40,000	43,000	66,223	Included as per PFD
	Unit Construction - Lot 404 Fallon Road FX	9	New	0	20,000	33,201	Carried Forward from 2009/10
KRA 1	B-4 PRIORITY 'B-4' ITEMS-REPLACE/UPGRADE ASSETS - CIVIC CENTRE & OTHER COMMUNITY BUILDINGS						
	Various Buildings (Operational - Major Maintenance)	Various	Continued	228,000	230,000	136,564	Included as per PFD, works not done
KRA 1	B-5 PRIORITY 'B-5' ITEMS-REPLACE/UPGRADE ASSETS - AIRPORTS						
	Replace Water Tank and Pump - Derby Airport	12	Continued	0	20,000	4,425	Required and allocated through budget process
	Replace Water Tank and Pump - Fitzroy Crossing Airport	12	New	0	0	4,193	Required and allocated through budget process
	Bulk Fuel Tank - Curtin Airport	12	New	0	0	62,889	Required and allocated through budget process
	Taxiway and Apron Repairs - Curtin Airport	12	Continued	0	0	63,768	Required and allocated through budget process
	External Lighting - Curtin Airport	12	New	0	7,500	0	Required and allocated through budget process
	Reseal Access Road - Curtin Airport	12	Continued	100,000	0	0	Works delayed for one year due to funding
KRA 1	B-6 PRIORITY 'B-6' ITEMS-REPLACE/UPGRADE ASSETS - WHARF/MARINE ITEMS						
	Derby Wharf - Lighting Upgrade	12	New	31,644	30,000	0	Funded by CLGF, Nil cost to Council
	Derby Wharf - Potable Water Supply	12	New	0	0	49,218	Required and allocated through budget process
	Derby Wharf - Major Repairs (Complete Works)	12	Continued	0	50,000	29,914	Required and allocated through budget process
	Derby Wharf - Major Repairs (Transfer from Reserves to fund Works)	12	Continued	-40,000	-42,097	-143,957	Included as per PFD
KRA 1	C PRIORITY 'C' ITEMS - IMPROVE SERVICES - STREET LIGHTING & FOOTPATHS; ROADS & STREETS						
	Road Construction and Upgrade	12	Continued	2,100,128	3,337,222	1,602,500	Included as per PFD
	Street Lighting - Both Towns	12	Continued	45,000	20,000	0	Included as per PFD, works not done
	Construction of New Footpaths - Fitzroy Crossing	12	Continued	50,000	0	0	Included as per PFD, extra grant funds received for additional works
	Derby Streetscape - Clarendon Street	12	New	280,068	269,768	8,695	Included as per PFD
	Road Condition Survey	12	New	20,000	0	0	Included as per PFD, works not done
	Drainage	12	New	60,000	110,000	62,534	Included as per PFD plus additional grant funds received
KRA 1	F-1 PRIORITY 'F-1' ITEMS - COUNCIL BUILDINGS & INFRASTRUCTURE						
	Derby Recreation Precinct Seal Access Road and Carpark	11	New	275,000	275,000	3,000	Included as per PFD, works not done
	Loch Street Banner Poles	11	New	80,000	80,000	11,640	Included as per PFD, works not done
	Derby Swimming Pool Upgrades	11	Continued	0	0	7,448	Required and allocated through budget process
	Cricket Pitch Covers	11	New	0	0	7,035	Required and allocated through budget process
	Fitzroy Crossing Recreation Hall Refurbishment	11	New	100,000	0	0	Works delayed for one year due to funding
	Fitzroy Crossing Recreation Precinct Seal Access Road and Carpark	11	New	200,000	314,000	337,005	Included as per PFD, works not done
	Fitzroy Crossing Recreation Precinct - Undercover Courts	11	New	0	114,861	120,331	Required and allocated through budget process
	Derby Recreation Precinct - Resurface Outdoor Multipurpose Courts	11	Continued	440,000	444,000	4,579	Included as per PFD, works not done
	Turf Club and Rodeo - New Ablutions and Sewer Connection	11	New	200,000	100,000	0	Works delayed for one year due to funding
	Derby Bowling Club - Resurface Greens	11	New	150,000	150,000	0	Included as per PFD, works not done
	CCTV Cameras	5	Continued	25,000	25,000	25,198	Included as per PFD
	Derby Library Furniture	11	New	0	6,500	0	Required and allocated through budget process
	Derby Library Software Upgrade	11	Continued	0	6,500	0	Required and allocated through budget process
	Fitzroy Crossing Library Shelving	11	Continued	0	0	4,577	Required and allocated through budget process
	Waste Oil Recycling	10	New	0	15,000	0	Required and allocated through budget process
	Derby Swimming Pool - Automatic Chlorination System	11	New	0	10,000	9,700	Required and allocated through budget process
	Public Ablutions Fitzroy Crossing	10	Continued	0	9,893	8,873	Required and allocated through budget process
	Reticulation - Southern Side of Highway Fitzroy Crossing	11	Continued	0	48,622	16,789	Required and allocated through budget process
	Well Street Reserve Clearing	11	New	0	25,000	23,430	Required and allocated through budget process
	Hamlet Grove Bush Fire Brigade - Shed Upgrade	5	Continued	0	0	19,740	Required and allocated through budget process
	Derby SES - Generator	5	Continued	0	0	3,991	Required and allocated through budget process
	Derby SES - Outboard Motor Replacement	5	Continued	0	0	26,128	Required and allocated through budget process
	Derby SES - Boat	5	Continued	0	0	44,593	Required and allocated through budget process
	Derby Jetty Walk - Cattleacre Walkway	11	Continued	300,000	250,000	17,440	Included as per PFD, works not done
KRA 1	G PRIORITY 'G' ITEMS - WORTHY OF ALLOCATION SHOULD FUNDS BE AVAILABLE						
	Visitor's Centre/Admin Building	4	Continued	6,800,000	2,750,927	2,575,089	Preliminary works, Main construction delayed due to funding
	Visitor's Centre/Admin Building - Design and Planning			0	59,100	0	Carried forward from 2009/10 to complete project
				\$12,085,150	\$9,672,167	\$5,548,999	



FINANCIAL PERFORMANCE MEASURES

The 2013/2014 Financial Performance Measures are stated on page 114 of the Annual Financial Report, together with comparative figures for the previous two financial years.

Financial ratios are designed to provide users of financial information a clearer picture of the performance and results as well as a comparison across periods.

It has become apparent over time, inconsistencies in the calculation of the ratios occur. If ratio information is to be meaningful, then it is important it is prepared both accurately and consistently.

The ratios reported on in the Annual Report are the seven currently defined in Local Government (Financial Management) Regulation 50 and required to be disclosed in the annual financial report. These are explained in detail in the various sections which follow.

Whilst these ratios are a useful guide, it should be remembered there are many indicators of the financial position of a local government. Each ratio should not be considered in isolation.

Rather, they should all be assessed in context of the particular Council's circumstances and each considered as part of the picture.

A picture with some good and some poor ratios may indicate some remedial policies need to be implemented.

A picture with nearly all poor ratios may indicate serious financial repairs are needed.

Local Government (Financial Management) Regulation 50 (1a) allows ratios to be disclosed either as a percentage or as a factor of one.

Current Ratio

This ratio is a measure of short term (unrestricted) liquidity. That is, the ability of the local government to meet its liabilities (obligations) as and when they fall due.

A ratio of greater than one (100%) indicates the local government has more current assets than current liabilities.

If less than one (100%), current liabilities are greater than current assets and the local government has a short term funding issue.

Provided restricted assets are excluded correctly, it is a very useful indicator of the "true" financial position of the local government, particularly in the short term.

As a general rule, when the current ratio of a local government is calculated as less than one (100%) it indicates a short term funding issue. However, it also needs to be considered in context of the overall financial position.

If monitored correctly during the course of the year, it is a good indicator for when follow up action is necessary.

The ratio for the Shire of Derby West Kimberley, as at the close of the 2013/2014 year was 1.68, which shows the Shire has no short term funding issues and is in a good financial position.

Asset Sustainability Ratio

This ratio measures the extent to which assets are being renewed/replaced compared to the amount consumed (depreciation).

Interpretation of this ratio is much improved if it is calculated as an average over time (say at least 5 years) as this reduces skewing caused by large scale intermittent investment in major infrastructure (such as buildings and facilities).

A ratio greater than 110% indicates a local government is investing in asset renewal/replacement to the degree that offsets the current consumption of its assets (1.00) and provides for the effect of inflation.

If less than 90% it is considered a high risk ratio indicating the local government is having difficulty undertaking a sustained capital investment program sufficient to renew/replace assets while also negating the effect of inflation on purchasing power over time.

A ratio classified as high risk should immediately prompt a review of the local government's depreciation rates and asset valuations to ensure that they are reasonable and are generating reliable and representative depreciation expenditure.

It should also prompt a review of operations and revenue raising capacity necessary to support the ongoing asset base.

The ratio for the Shire of Derby West Kimberley, as at the close of the 2013/2014 year was 3.42, which shows that the Shire is investing in asset renewal to a degree that is offsetting the current consumption of its assets.

Issues that have the potential to effect financial reporting for the Asset Sustainability Ratio are:

- The need of a clear definition as to what is considered replacement expenditure. Including gross cost of plant and equipment rather than net of trade in has the potential to skew this ratio and reduce its intended effectiveness.
- The need to make sure new expenditure is excluded.

Debt Service Cover Ratio

Not unlike the previous debt service ratio although an inverse application.

Measures a Council's ability to service debt out of its uncommitted or general purpose fund available for its operations.

Per DLG's Integrated Planning and Reporting Advisory Standard:

Low – 500% (5) or greater

High – lower than 200% (2)

Given this relationship is now inverse to the previous ratio these risk indicators are set too low. Based on experience UHYHN believes, particularly for smaller Councils more dependent on external funding, the following risk factors are more relevant:

Low – 1000% (10) or greater

High – Lower than 500% (5)

Those Councils with a higher proportion of revenue from rates can also effectively operate at lower debt service ratios as they are more able to generate income (via rate increases) to cope with the debt burden.

Consequently, the effect of any borrowing increases in a particular year should be considered when formulating funding options for the budget in any given year. Also, the longer term effect on the ratios when repayments do kick in should not be ignored (as often is the case).

Quite often, borrowings are proposed in one year and repayments do not commence until the following year and it is only then, the true effect of the debt servicing costs become evident in budget deliberations.

It is important the knock on effect on debt ratios are considered as a part of borrowing deliberations.

These ratios also need to be weighed with the need for Council to consider the future plans/growth including the rationalisation of Reserve funds.

The ratio for the Shire of Derby West Kimberley, as at the close of the 2013/2014 year was 857%, which although considered low by the DLG's Integrated Planning and Advisory Standard is within the parameters suggested by its Auditors.

Operating Surplus Ratio

Effectively highlights the scale/extent of any operating surplus or deficit in relation to the overall size of the local government.

Low – 15% or greater

The local government is providing a strong operating surplus which will give flexibility in the future in relation to operational service levels and asset base.

High – Lower than 0%

The local government is experiencing an operating deficit.

A sustained period of deficits will erode the local government's ability to maintain both its operational service level and asset base.

Issues that have the potential to effect financial reporting for the Asset Sustainability Ratio are:

- Operating Revenue definition includes an adjustment for Other Compliance Income. Confusing as not in Operating Revenue in the first place. Care needs to be taken. Department has indicated this was included just to make it clear not to use it when calculating the ratio.
- Own Source Operating Revenue includes reimbursements and recoveries which are not currently a separate nature or type. Will need to make sure accounting system allows for this to be tracked/obtained.

The ratio for the Shire of Derby West Kimberley, as at the close of the 2013/2014 year was – .18, which indicates that the Shire is experiencing an operating deficit at the end of the financial year. This is not surprising given the reduction in funding experienced throughout the year.

Own Source Revenue Coverage Ratio

Measures the local government's ability to cover operating expenses from own source revenue.

Low – 90% or greater

High – lower than 60%

The higher the ratio, the more self-reliant the local government is. Allows greater flexibility as less external funds required for operational purposes.

At .59, the Shire of Derby West Kimberley's level is considered high, although this would come as no surprise as Council has been aware for many years that they are more heavily reliant on grants than many Councils in the south of the State.

Asset Consumption Ratio

Measures the extent to which depreciable assets have been consumed by comparing their written down value to their replacement cost.

Where the written down value is based on a condition assessment of the assets, the ratio highlights the aged condition of the depreciable assets.

Low – 60% or greater

Indicates a local government is investing in asset renewal to a level where a high percentage of the local government depreciable assets remain in an 'as new' condition.

High – Less than 50%

Indicates the local government is having difficulty undertaking a sustained capital investment program sufficient to renew assets at a level equal to maintain the average 'aged' condition of the assets.

A ratio classified as high risk should immediately prompt a review of depreciation rates and asset valuations to ensure they are reasonable and are generating reliable and representative written down values.

It should also prompt a review of operations and revenue raising capacity necessary to support ongoing asset renewal.

At 77% as at 30 June 2014 Council needs to ensure care be exercised as the local government is in danger of slipping into the level where it will have difficulty maintaining the "aged" condition of its assets.

Asset Renewal Funding Ratio

Measures the extent to which assets are being renewed compared to the amount consumed (depreciation).

Provides an indication whether the local government has the financial capacity to fund asset renewals as required and can continue to provide existing levels of services in the future without requiring:

- additional income;
- reduction in expenditure; or
- increase in borrowings (above current projections)

Interpretation of this ratio is much improved if it is calculated as an average over time (say at least 5 years) as this reduces skewing caused by large scale intermittent investment in major infrastructure (such as buildings and facilities).

Low – 95% or greater

Indicates a local government is investing in asset renewal to the degree that offsets the current consumption of its assets (1.00) and provides for the effect of inflation.

High – less than 75%

A high risk ratio indicates the local government is having difficulty undertaking a sustained capital investment program sufficient to renew assets while also negating the effect of inflation on purchasing power over time.

The Asset Renewal Funding Ratio (ARFR) should be read in conjunction with Asset Consumption Ratio (ACR) and the Asset Sustainability Ratio (ASR), The Department of Local Government provides a guideline for a satisfactory combination as follows:

ARFR – 95%+

ACR – 50%+

ASR – 90%+

A ratio classified as high risk should immediately prompt a review of the local government's depreciation rates and asset valuations to ensure that they are reasonable and are generating reliable and representative depreciation expenditure. It should also prompt a review of operations and revenue raising capacity necessary to support the ongoing asset base.

With a year end ratio of 95% the Shire needs to exercise caution and adjusts plans over the longer term to ensure it invests sufficiently to maintain the service potential of its assets.

OTHER FINANCIAL MANAGEMENT ISSUES

The Shire of Derby West Kimberley's internal Financial Management systems are continuously reviewed on a regular basis to ensure that we deliver the best standard possible. Furthermore, the Local Government Financial Management Regulations require the CEO to undertake reviews of the appropriateness and effectiveness of the financial management systems and procedures of a local government at least every 4 years. A review was conducted in May 2012 and the CEO concluded that the financial systems and procedures are both appropriate and effective. Notwithstanding this, a number of recommendations were made to help improve controls surrounding financial management which have since been implemented.

GRANTS – OPERATIONAL

The Shire of Derby West Kimberley's untied Financial Assistance Grant, which is sourced from the Federal Government, was \$4.217 million in the 2013/2014 year.

The WA Local Government Grants Commission has advised that the Shire of Derby West Kimberley will not be receiving a cut in their General Purpose Grant for 2014/15. The estimated increase will be around 12% in 2014/2015, this will ensure that the Council services can remain at their current levels for the foreseeable future.

RATES

The Shire of Derby West Kimberley still has a relatively low rating level, considering its overall revenue and the increasing requirements of the area. The yield from rates was only 23% of Council's available operating revenue, whilst many rural Councils have a level of around 30%.

RESERVES – CASH BACKED

These are detailed on page 107 to 108 of the Annual Financial Report at the back of this document. The levels of the Reserves are considered to be low for a Council of this size. Some of the major transfers to the reserve accounts during the year were to the Airport Reserve, Plant Reserve, Wharf Major Maintenance Reserve, Staff Housing Reserve and Administration Building Reserve. The Administration Building reserve was initiated in 2013/14 to start to provide the necessary funds to construct a new Administration Building in Derby. All reserves need to be re-assessed on a continual basis to assist in carrying out any forward financial planning.

LOAN BORROWINGS

Council continues to borrow in accordance with its adopted Plan for the Future of the District, which indicates the scope of what is considered an acceptable level of debt to attempt to service each year. As mentioned earlier in this report, Council has a 'Net' Debt Service Ratio of 8.57%.

DOUBTFUL RECEIVABLES / DEBTOR EXPOSURE

Note 4, page 100, of Council's Annual Financial Report gives details of its Receivables position.

The outstanding rates amount at the end of the financial year was \$844,364, with the rates outstanding percentage 9.7% of the collectable figure, which is slightly higher than the previous year.

An ongoing issue faced by Council is whether the land used by certain Aboriginal Corporations should be treated as non rateable, as it may come within the definitions of 6.26(g) of the Local Government Act (1995). This effect will be felt in future years and may require an increase in the provisions for doubtful debts to cover the shortfall. This may result in there being the matter of 'lost' income in future years which will hinder Council's ability to continue to supply services at high levels and to replace and improve assets.

There are also a small number of other rate assessments owing reasonably high sums. An increase in the provision for doubtful debts has occurred during the year to recognise these amounts.

The majority of the Sundry Debtors amount is made up of grant funding owed to Council by government departments as at the close of the financial year. These are generally finalised within the first quarter of the next financial year.

LARGE PROJECT EXPOSURE

Council is mindful of the need to concentrate on existing assets, before a large number of new assets are considered.

Council does not currently have sufficient finances to fund the maintenance and repairs to all of its buildings to a satisfactory level, and certain buildings will have to be selected to be either 'moth balled' or disposed of.

Council is mindful that there is a need and community demand for the provision of new infrastructure. This is given greater attention in a separate progress Report, as well as what has been adopted in Council's Plan for the Future of the District and Forward Capital Works Plan.

SHIRE OF DERBY WEST KIMBERLEY

FINANCIAL STATEMENTS

YEAR ENDING 30 JUNE 2014

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Principal place of business:
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DERBY WA 6728

