SHIRE OF CARNARVON

AGENDA

ORDINARY COUNCIL MEETING
TUESDAY 30 JUNE 2026

Shire Council Chambers,
Stuart Street Carnarvon,
West Australia
Phone: (08) 9941 0000
Fax: (08) 9941 1099
Website – www.carnarvon.wa.gov.au

The Shire of Carnarvon acknowledges and respects the Yinggarda (Carnarvon) and Baiyungu (Coral Bay) as the traditional custodians of the lands where we live and work. We pay our respects to Elders, past, present and emerging. The Shire of Carnarvon is committed to honouring the traditional custodians' unique cultural and spiritual relationships to the land, waters and seas and their rich contribution to society.

NOTICE OF MEETING

Notice is hereby given

Shire of Carnarvon
Ordinary Council Meeting
will be held
on Tuesday 30 June 2026
at the Shire Council Chambers, Stuart Street Carnarvon,
commencing at 02.00pm.

Amanda Dexter
CHIEF EXECUTIVE OFFICER

DISCLAIMER

No responsibility whatsoever is implied or accepted by the Shire of Carnarvon for any act, omission or statement or intimation occurring during Council/Committee Meetings or during formal/informal conversations with Staff or Councillors. The Shire of Carnarvon disclaims any liability for any loss whatsoever and howsoever caused arising out of reliance by any person or legal entity on any such act, omission or statement or intimation occurring during Council/Committee Meetings or discussions. Any person or legal entity who acts or fails to act in reliance upon any statement does so at that person's or legal entity's own risk.

In particular and without derogating in any way from the broad disclaimer above, in any discussion regarding any planning application or application for a licence, any statement or limitation of approval made by a member or officer of the Shire of Carnarvon during the course of any meeting is not intended to be and is not taken as notice of approval from the Shire of Carnarvon. The Shire of Carnarvon warns that anyone who has an application lodged with the Shire of Carnarvon must obtain and only should rely on WRITTEN CONFIRMATION of the outcome of the application, and any conditions attaching to the decision made by the Shire of Carnarvon in respect of the application.

INFORMATION ON PUBLIC TIME

The following information is provided for members of the public wishing to participate in Ordinary or Special Council Meetings.

PUBLIC QUESTION TIME

The following information is provided for members of the public wishing to ask questions at Ordinary or Special Council Meetings:

- The Local Government Act 1995 allows members of the public to ask questions in regard to any issue relating to the Shire (s.5.24).
- As per Meeting Procedures Local Law 2021, each member of the public may ask up to two (2) questions initially, after which other members of the public will be invited to ask their questions.
- Additional questions may be permitted at the discretion of the Presiding Member.
- Public Question Time will be conducted for up to 15 minutes, unless extended by resolution of the Council.
- Prior to asking a question, the speaker must state their name and address.
- Questions must be clear, concise and asked as a question. The Presiding Member may refuse to accept questions that are:
    - defamatory remarks, offensive language or questioning the competency of staff or Council members.
    - statements not framed as a question.
    - substantially the same as a question previously asked and answered
- The Presiding Member may nominate a Member or Officer to respond and may determine that a question be taken on notice for a written response.
- No debate or discussion is permitted in relation to any question or answer.
- A summary of each question and response will be included in the minutes of the meeting (Local Government (Administration) Regulations 1996 – r.11(e)).
- Questions submitted in writing prior to the meeting may assist in the preparation of a response; however, a question is only formally considered when it is asked at the meeting, unless otherwise dealt with as correspondence.
- Members of the public are encouraged (but not required) to submit questions in advance or complete a Question Time form to assist with meeting administration.

PUBLIC DEPUTATIONS

- As per Meeting Procedures Local Law 2021, Members of the public may request to make a deputation to address the Council on a matter. A deputation must be approved either:
    - in advance by the CEO; or
    - by the Presiding Member at the meeting
- Unless otherwise approved by the Council:
    - a deputation is limited to only two (2) persons permitted to address the Council;
    - a deputation is limited to ten (10) minutes; and
    - any additional speakers require the approval of the Presiding Member
- Where a matter is the subject of a deputation, the Council will not determine the matter until the deputation has been heard.

SPECIAL MEETINGS OF COUNCIL

Members of the public are welcome to attend a Special Meeting of Council if open and may participate in Public Question Time or, with approval, make a deputation to the Council. Questions and deputations must relate to the purpose of the Special Meeting (Local Government Act 1995 – s.5.23; Local Government (Administration) Regulations 1996 – r.12(4); Meeting Procedures Local Law 2021 – cl. 6.9).

INDEX

1 ATTENDANCES, APOLOGIES & APPROVED LEAVE OF ABSENCE 6

2 DECLARATION OF INTEREST 6

3 PUBLIC TIME 6

3.1 QUESTIONS TAKEN ON NOTICE FROM PREVIOUS MEETING 7

3.1.1 Question taken on Notice from April 2026 Ordinary Council Meeting - Mr David Gooch 7

3.2 PUBLIC QUESTION TIME 9

4 CONFIRMATION AND RECEIVING OF MINUTES 9

CONFIRMATION OF MINUTES 9

4.1 Minutes of the Ordinary Council Meeting - 28 April 2026 9

4.2 Minutes of the Special Council Meeting - 29 April 2026 9

4.3 Minutes of the Special Council Meeting - 16 June 2026 9

RECEIVING OF MINUTES 9

4.4 Minutes of the Audit, Risk & Improvement Committee - 16 June 2026 9

5 ANNOUNCEMENTS BY THE PRESIDING MEMBER WITHOUT DISCUSSION 9

6 PRESENTATIONS, PETITIONS AND MEMORIALS 9

Nil

7 DEPARTMENTAL REPORTS 10

7.1 GOVERNANCE 10

7.1.1 Status of Council Decisions - June 2026 10

7.1.2 Actions Performed Under Delegated Authority for the Months April to June 2026 13

7.1.3 Monthly Financial Report April 2026 20

7.1.4 Monthly Financial Report May 2026 27

7.1.5 Adoption of 2026/27 Annual Fees and Charges 34

7.2 CORPORATE SERVICES 43

7.2.1 Quarterly Budget Review - March 2026 43

7.2.2 Accounts Paid Under Delegation - April 2026 48

7.2.3 Accounts Paid Under Delegation - May 2026 51

7.2.4 Transition of Banking Providers 54

7.2.5 Approval to Advertise Differential Rates for 2026/2027 61

7.3 DEVELOPMENT AND COMMUNITY SERVICES 69

7.3.1 South Carnarvon Seawater Inundation Mitigation Project – Endorsement to Execute Disaster Ready Fund Agreement 69
7.3.2 Shire of Carnarvon Local Planning Scheme No. 13 - Amendment 11 84
7.3.3 Shire of Carnarvon Local Planning Scheme No. 13 - Amendment 12 89
7.3.4 Shire of Carnarvon Mobile Trading Policy 94
7.4 INFRASTRUCTURE SERVICES 100
Nil
8 APPLICATIONS FOR LEAVE OF ABSENCE 100
9 MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN 100
Nil
10 QUESTIONS FROM MEMBERS WITHOUT NOTICE 100
11 URGENT BUSINESS APPROVED BY THE PRESIDING MEMBER OR BY A DECISION OF THE COUNCIL 100
12 MATTERS FOR WHICH MEETING TO BE CLOSED TO MEMBERS OF THE PUBLIC 100
Nil
13 DATE OF NEXT MEETING 100
14 CLOSURE 100

1 ATTENDANCES, APOLOGIES & APPROVED LEAVE OF ABSENCE

(The Local Government Act 1995 Section 2.25 provides that a Council may, by resolution, grant leave of absence to a member for Ordinary Council Meetings. The leave cannot be granted retrospectively and an apology for non-attendance at a meeting is not an application for leave of absence.)

2 DECLARATION OF INTEREST

(Elected Members and Officers are reminded of the requirements of Section 5.65 of the Local Government Act 1995, to disclose any interest during the meeting or when the matter is to be discussed.)

3 PUBLIC TIME

(In accordance with section 5.24 of the Local Government Act 1995, a 15 minute Public Question Time is made available to allow members of the public the opportunity to ask questions of Council on matters concerning the Shire. Members of the public may also request to make a deputation to Council in accordance with the Shire of Carnarvon Meeting Procedures Local Law 2021. Public Question Time forms and deputation requests are encouraged to assist with meeting administration.)

3.1 QUESTIONS TAKEN ON NOTICE FROM PREVIOUS MEETING

3.1.1 QUESTION TAKEN ON NOTICE FROM APRIL 2026 ORDINARY COUNCIL MEETING - MR DAVID GOOCH

The following question was taken on notice from Mr David Gooch of Manberry Station, at the Ordinary Council meeting held on Tuesday 28 April 2026. It is to be noted, question one was only partially answered with remaining details taken on Notice at the time by the Shire President and appear in the minutes of that meeting.

Question One - ***The total number of people engaged by the Carnarvon Shire on the 23rd February 2026 this includes divided into***

1) employees;
2) contractors for personal services; and
3) other such like engagements;

with these answers to also subdivided into field staff and administration staff?

Response from April 2026 Ordinary Council Meeting
At the time the Shire President provided a partial response to the question, advising that as at 23 February 2026 the Shire of Carnarvon employed 89 staff in total, inclusive of full time, part time and casual employees. Of these positions, 22 were grant-funded.

The President noted that this response did not fully address the request for a breakdown between field and administration staff, nor did it include numbers relating to contractors for personal services or other similar engagements. Those additional details were taken on notice for further response.

Response
To clarify the response at the Ordinary Meeting of Council on 28 April 2026, a total of 111 people were actively engaged in employment by the Shire of Carnarvon as at 23 February 2026. The total number of people engaged in employment at the Shire includes all full-time, part-time and casual staff engaged by the Shire.

Of the 111 employees:

- 89 employee positions were funded through the Shire's operational budget; and
- Additionally, 22 were externally funded through grant programs, including the Remote Jobs and Economic Development (RJED) Program.

Employment Profile

Employment Type	Number of employees engaged
Full-Time	74
Part-Time	10
Casual	27
Total Positions	**111**

Grant-Funded Positions

Funding Source	Full-Time	Part-Time	Casual	Total
Non-RJED Grant Funded employees	0	3	7	10
RJED Program employees	4	0	8	12
Total	**4**	**3**	**15**	**22**

Workforce Distribution

Workforce Area	**Total Positions**	**Grant Funded**
Field-Based Operations*	40	7 (RJED-funded)
Administration, Planning, Community and Corporate Services**	71	10 (Non-RJED) and 5 (RJED)
Total Employees	**111**	**22 Grant Funded**

** Field-based operations include Infrastructure Services, Waste Services, Community Safety, Airport Operations and other operational service delivery functions.*

*** Administration-based roles include Planning, Environmental Health, Community and Corporate Services, including employees working across administration, depot operations, the Visitor Centre, Library, Art Gallery and other corporate and community service functions.*

As the term "personal services" and "other such engagements" has not been defined, the Shire is unable to determine the specific scope of that query. However, based on the ordinary understandings, the Shire confirms that it did not have any contractors engaged to provide personal services as at 23 February 2026.

Please note that all questions from the April Ordinary Meeting of Council and the provided responses are included in the minutes of that meeting held on Tuesday, 28th April 2026.

3.2 PUBLIC QUESTION TIME

3.3 PUBLIC DEPUTATION TIME

4 CONFIRMATION AND RECEIVING OF MINUTES

CONFIRMATION OF MINUTES

4.1 Minutes of the Ordinary Council Meeting - 28 April 2026

4.2 Minutes of the Special Council Meeting - 29 April 2026

4.3 Minutes of the Special Council Meeting - 16 June 2026

RECEIVING OF MINUTES

4.4 Minutes of the Audit, Risk & Improvement Committee - 16 June 2026

5 ANNOUNCEMENTS BY THE PRESIDING MEMBER WITHOUT DISCUSSION

6 PRESENTATIONS, PETITIONS AND MEMORIALS

Nil

7 DEPARTMENTAL REPORTS

7.1 GOVERNANCE

7.1.1 STATUS OF COUNCIL DECISIONS - JUNE 2026

File No:	ADM0308
Location/Address:	Nil
Name of Applicant:	N/A
Name of Owner:	N/A
Author(s):	Jasper Benthien, Executive Services Coordinator
Authoriser:	Amanda Dexter, Chief Executive Officer
Declaration of Interest:	Nil
Voting Requirement:	Simple Majority
Previous Report:	OCM - 28 April 2026
Schedules:	1. Outstanding Council Actions - June 2026

Authority/Discretion:

☐	**Advocacy**	When Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.
☐	**Executive**	The substantial direction setting and oversight role of the Council. E.g., adopting plans and reports, accepting tenders, directing operations, setting and amending budgets
☐	**Legislative**	Includes adopting local laws, town planning schemes and policies.
☑	**Information**	Includes items provided to Council for information purposes only that do not require a decision of Council (i.e. – for noting).
☐	**Quasi-judicial**	When Council determines an application / matter that directly affects a person's right and interest. The judicial character arises from the obligations to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licenses, applications for other permits / licenses

Summary of Report

To inform Council of the current status of actions arising from Council decisions made at Ordinary Council Meetings, as part of the Shire's ongoing monthly reporting framework.

The status of outstanding Council resolutions as at 23 June 2026 is detailed in **Schedule 1** which is provided for Council's information.

Background

As the scheduled Ordinary Meeting of Council for May 2026 was cancelled, the reporting period for this item has been brought forward to June 2026 for the most up to date information.

It is proposed that the CEO prepares a monthly report to Council, on all outstanding matters that direction has been given on and any action that has been taken in relation to them, including an update on any legal action that may have a contingent liability and is unresolved.

Should additional information be required, for example historical decisions related to major projects that are still progressing, an assessment of resourcing will be required, to complete this information.

Stakeholder and Public Consultation

The report is included to inform Council and the Community of the ongoing status of all outstanding matters of Council. It is provided to increase transparency for the Community.

Statutory Environment

Nil

Relevant Plans and Policy

Nil

Financial Implications

Nil

Risk Assessment

STEP 3 – Risk Tolerance Chart Used to Determine Risk						
Consequence →		Insignificant 1	Minor 2	Major 3	Critical 4	Extreme 5
Likelihood ↓						
Almost certain	A	High	High	Extreme	Extreme	Extreme
Likely	B	Moderate	High	High	Extreme	Extreme
Possible	C	Low	Moderate	High	Extreme	Extreme
Unlikely	D	Low	Low	Moderate	High	Extreme
Rare	E	Low	Low	Moderate	High	High

Risk Category	Description	Rating	Mitigating Action/s
Financial	N/A	N/A	N/A
Health & Safety	N/A	N/A	N/A
Reputation	In order to remain transparent and to facilitate timely and appropriate decision making, it is requested that action items be reviewed at each Council meeting.	Minor	Increase transparency by providing adequate access to information and data.
Service disruption	N/A	N/A	N/A
Compliance	N/A	N/A	N/A
Property	N/A	N/A	N/A
Environment	N/A	N/A	N/A
Fraud	N/A	N/A	N/A

Community and Strategic Objectives

The proposal aligns with the following desired objectives as expressed in the *Community Strategic Plan 2022-2032*:

OBJECTIVES

In 2040 Carnarvon is a place where:

- *Our community is engaged, inclusive and supportive*

ADDITIONAL FOCUS AREAS:
- *Improve the trust between citizens and the Shire of Carnarvon*

BIG IDEAS FOR THE FUTURE OF CARNARVON:
- *N/A*

Comments

The Status of Council Decisions report includes decisions made at a Council meeting and/or Committee meetings. Where a recommendation is made at a committee meeting, and the decision subsequently made by Council, the Council decision will only be included in the Status of Council Decision report.

The Status of Council Decisions report details all outstanding items where a decision has been made by Council and/or a committee and a status update has been provided by relevant officers. The Status of Council Decisions report is run through InfoCouncil.

OFFICER'S RECOMMENDATION

That Council by Simple Majority, notes the Status of Council Decisions Report for the month of June 2026, as provided in Schedule 1 to this report.

7.1.2 ACTIONS PERFORMED UNDER DELEGATED AUTHORITY FOR THE MONTHS APRIL TO JUNE 2026

File No:	ADM0043
Location/Address:	N/A
Name of Applicant:	Shire of Carnarvon
Name of Owner:	N/A
Author(s):	Jasper Benthien, Executive Services Coordinator
Authoriser:	Amanda Dexter, Chief Executive Officer
Declaration of Interest:	Nil
Voting Requirement:	Simple Majority
Previous Report:	April 2026
Schedules:	Nil

Authority/Discretion:

☐	**Advocacy**	When Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.
☐	**Executive**	The substantial direction setting and oversight role of the Council. E.g., adopting plans and reports, accepting tenders, directing operations, setting and amending budgets
☐	**Legislative**	Includes adopting local laws, town planning schemes and policies.
☑	**Information**	Includes items provided to Council for information purposes only that do not require a decision of Council (i.e. – for noting).
☐	**Quasi-judicial**	When Council determines an application / matter that directly affects a person's right and interest. The judicial character arises from the obligations to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licenses, applications for other permits / licenses

Summary of Item

To report on actions performed under delegated authority for the months of April, May and June 2026.

Background

As the scheduled Ordinary Meeting of Council for May 2026 was cancelled, the reporting period for this item has been extended and now covers 04 April 2026 to 03 June 2026.

In accordance with the conditions of delegation and to increase transparency this report has been prepared for Council and includes all actions performed under delegated authority for:

- Development Approvals issued;
- Building Permits issued;
- Health Approvals issued;
- Affixing of Common Seal; and
- CEO Delegations

Stakeholder and Public Consultation

No Public Consultation is considered to be required.

Statutory Environment

Local Government Act 1995 (WA)
Section 5.46 *– Provides for the delegation of powers and duties by a local government to a committee.*

Section 9.49A *– Provides for the execution of documents by the CEO or authorised officers under delegation.*

Planning and Development Act 2005 (WA)
Part 10 (Division 2) *– Provides for the assessment and determination of development applications by a local government, including where those functions are exercised under delegated authority.*

Planning and Development (Local Planning Schemes) Regulations 2015 (WA)
Schedule 2 (Clause 68) *– Provides that development applications are to be determined in accordance with the deemed provisions, including where authority has been delegated to an authorised officer.*

Shire of Carnarvon Town Planning Scheme No. 10
Section 2.4 *– Enables the local government to delegate functions under the Scheme to the CEO or other authorised officers.*

Shire of Carnarvon Local Laws
Section 29 *– Provides for the regulation and approval of hawkers, traders and stall holders, including the ability to grant, refuse or impose conditions on approvals.*

Health Act 1911 (WA)
Section 107 *– Provides for local government powers in relation to public health matters, including approvals and regulation of activities and premises.*

Part VI *– Provides for the regulation, approval and control of public buildings, including conditions of occupancy.*

Health (Public Buildings) Regulations 1992 (WA)
Provides for the approval, classification and ongoing compliance requirements for public buildings.

Food Act 2008 (WA)
Provides for the registration and regulation of food businesses by local governments as enforcement agencies.

Liquor Control Act 1988 (WA)
Section 40 *– Provides for local government certification or advice in relation to liquor licence applications and compliance with planning and local government requirements.*

Relevant Plans and Policy

Nil

Financial Implications

There are no financial implications arising from receiving this report.

Risk Assessment

Consequence →	STEP 3 – Risk Tolerance Chart Used to Determine Risk				
	Insignificant 1	Minor 2	Major 3	Critical 4	Extreme 5
Likelihood ↓					
Almost certain A	High	High	Extreme	Extreme	Extreme
Likely B	Moderate	High	High	Extreme	Extreme
Possible C	Low	Moderate	High	Extreme	Extreme
Unlikely D	Low	Low	Moderate	High	Extreme
Rare E	Low	Low	Moderate	High	High

Risk Category	Description	Rating	Mitigating Action/s
Financial	N/A	N/A	N/A
Health & Safety	N/A	N/A	N/A
Reputation	Non-compliance with statutory requirements would result in reputational damage to the Shire	C-1 Low	This agenda item aims to ensure that the Shire is compliant.
Service disruption	N/A	N/A	N/A
Compliance	That the performed delegations are not reported to Council	C-1 Low	This agenda item aims to ensure that the Shire is compliant in reporting delegated authority actions
Property	N/A	N/A	N/A
Environment	N/A	N/A	N/A
Fraud	N/A	N/A	N/A

Community and Strategic Objectives

The proposal aligns with the following desired objectives as expressed in the *Community Strategic Plan 2022-2032*:

OBJECTIVES

In 2040 Carnarvon is a place where:

- *Our economy fosters investment and productivity in industries befitting Carnarvon's physical and natural environment and that grows our horizons*

ADDITIONAL FOCUS AREAS:

- *Improve the trust between citizens and the Shire of Carnarvon*

BIG IDEAS FOR THE FUTURE OF CARNARVON:

- *N/A*

Comments

The following table detailing the actions performed within the organisation under delegated authority for the months of April, May and June 2026 are submitted to Council for information.

Exercise of delegations to be reported for period 4/4/2026 to 3/6/26

ENVIRONMENTAL HEALTH

Food—*Food Act 2008*

Date of decision	Decision Ref.	Decision details	Applicant	Other affected person(s)
28/04/2026	HFO26/004	Warroora Station Café	Marty & Muriel Horak	Warroora Station
11/05/2026	HFO26/005	Spudmania (mobile food van)	Duncan Grey	Tracy Everett
15/05/2026	HFO26/006	CWA Fundraising Stall (fee exempt)	Susan Maslen	CWA Branch
18/05/2026	HFO26/007	BP Roadhouse – Change of Ownership	Param Gill	Rampage Group

Public Building Approvals - Events

Date of decision	Decision Ref.	Decision details	Applicant	Other affected person(s)
4/05/2026	Form 4	Certificate of Approval – Vigil – Kumanjayi Little Baby	Antoinette (Toni) Roe	Shire of Carnarvon – Fascine BBQ area
5/05/2026	Form 4	Certificate of Approval – Carnival	West Coast Carnivals	Town Oval / Shire of Carnarvon
5/05/2026	Form 4	Certificate of Approval – Gnulli Festival Street Parade	Shire of Carnarvon	Gwoonwardu Mia and Yinggarda AC and Baiyungu AC
5/05/2026	Form 4	Certificate of Approval – Live music, sky show event at the Fascine, closing evening of festival	Shire of Carnarvon	Gwoonwardu Mia and Yinggarda AC and Baiyungu AC, Shire of Carnarvon Fascine
6/5/2026	Form 4	Certificate of Approval – WA Tourism Conference Industry Networking Sundowner	Shire of Carnarvon	Quobba Station
6/5/2026	Form 4	Certificate of Approval – Gascoyne Dash "Dash Registration"	Gascoyne Dash	Town Oval / Shire of Carnarvon
11/05/2026	Form 4	Certificate of Approval – WA Tourism Conference Closing Event	Shire of Carnarvon	Heritage Precinct, One Mile Jetty, Kestrel Café and Museum

On-site wastewater management—*Health Act 1911*, s.107
Health (Apparatus for treatment of sewage and disposal of effluent and liquid waste) Regulations 1974

Date of decision	Decision Ref.	Decision details	Applicant	Other affected person(s)
28/04/2026	HOS26/001	Application to install apparatus – Lot 450 (52) North River Rd, North Plantation	Caley Nicholson & Ivan Borich	Northwest Plumbing & Gas

Other

Date of decision	Decision Ref.	Decision details	Applicant	Other affected person(s)
7/4/26	HCP26/002	Capricorn Holiday Park	Capricorn Holiday Park	Summerstar Pty Ltd
7/4/26	HCP26/003	Norwesta	Carnarvon Capital Holdings Pty Ltd	Trading as Norwesta
20/4/26	PAS26/001	Purely Tan Beauty Salon	Ellie Gliddon	Salt_Mere
20/4/26	PAS26/002	Signature Sets By Meg	Megan Brodrick	Salt_Mere
05/05/2026	HCP26/004	Annual Licence – Caravan Park and Campground	Discovery Holiday Parks Pty Ltd	Discovery Parks Carnarvon
3/06/2026	HCP26/005	Annual Licence – Caravan Park and Campground	Norwesta Lifestyle Park	Mr & Mrs Pinner

LAND USE & DEVELOPMENT SERVICES

Planning and Development Act (Local Planning Schemes) Regulations 2015 Schedule 2 Clause 68 Applications to use/develop land

File Ref:	Application Ref:	Subject Land	Purpose	Applicant/ Proponent	Date Granted
A467	P08/26	22 YOUNG ST SOUTH CARNARVON	SHED	ADRIAN PAYNE	10/04/2026
	P11/26	LOT 565 DP420667	GASCOYNE FOOD BOWL INITIATIVE	4WAYS PTY LTD	17/04/2026
A3577	P12/26	20 ROBINSON ST CORAL BAY	2 X ECO TENTS	PLANNING OUTCOMES WA	06/04/2026
A3929	P13/26	174 WILLIAM ST EAST CARNARVON	SHED	LUKE & RENAE DE SOUSA	20/04/2026
A1784	P14/26	449 NORTH RIVER RD NORTH PLANTATIONS	STORAGE AND DISTRIBUTION OF AGRICULTURAL PRODUCTS	BBBM PTY LTD	21/04/2026
A377	P15/26	107 HARBOUR ROAD SOUTH CARNARVON	UPGRADE JETTY	CILTECH PTY LTD	20/04/2026
A1580	P16/26	3 BUTCHER ST BROCKMAN WA 6701	1.8M GARRISON FENCE	CARNARVON REGIONAL LABOUR HIRE PTY LTD	04/05/2026
A1444	P18/26	6 SHALLCROSS ST EAST CARNARVON WA 6701	SHED	MARK WESTERN	11/05/2026
A2294	P19/26	6 ROBINSON ST CORAL BAY WA 6701	TRAFFIC AND WAYFINDING SIGNAGE FOR THE RAC DEVELOPMENT	SIGNARMA MIDLAND & JOONDALUP	07/05/2026
A887	P21/26	10 HOPE ST EAST CARNARVON WA 6701	FRONT FENCE	ADAM WHITE	02/06/2026
A1018	P22/26	45 WILLIAM ST EAST CARNARVON WA 6701	FRONT FENCE	ADAM WHITE	02/06/2026
A3271	P23/26	28 ROBINSON ST CORAL BAY WA 6701	ADVERTISING FOR BOAT TOURS TO BE DISPLAYED FROM PEOPLE'S	COREY HANN - EXPLORE NINGALOO	15/05/2026

			PARK CARPARK		
A1452	P28/26	12 SHALLCROSS ST EAST CARNARVON WA 6701	SIDE BOUNDARY FENCES	ADAM WHITE	02/06/2026

Hawkers, traders and stall holders

Shire of Carnarvon Local Government Act Local Laws, s.29

Date of decision	Decision Ref.	Decision details	Applicant	Other affected person(s)
01/05/2026	P17/26	Grant – Mobile Trading Application	DEIDRE JACKSON T/A THE CINNAMON CIRCLE	N/A
13/05/2026	P24/26	MOBILE TRADING LICENCE GRANTED	OMG DECADENT DONUTS	Nil
18/05/2026	P25/26	MOBILE TRADING LICENCE GRANTED	THE KANCHANA LANGFORD FAMILY TRUST TRADING AS THAI BROS	Nil
28/05/2026	P26/26	MOBILE TRADING LICENCE GRANTED	CALLAN WHEELDON T/A RUNNIN ROASTS	Nil

BUILDING SERVICES

Application No.	Owners Name	Lot & Street	Type of Building Work
B25/037	MICHAEL BROWN	LOT 16 (19) CRAGGS COURT, BROWN RANGE	SOLAR PANELS
B25/080	VAN NGHIA LU & TUYET XUAN VO	LOT 83 (613) NORTH RIVER ROAD, NORTH PLANTATIONS	VARIATION TO B25/033 - CHANGE TO SIZE AND LOCATION OF SHED 1 AND SIZE OF SHED 2
B26/016	WAYNE ROWE	LOT 8 (170) SOUTH RIVER ROAD, SOUTH PLANTATION	SOLAR PANELS
B26/017	CALEY NICHOLSON & IVAN BORICH	LOT 450 (52) NORTH RIVER ROAD, NORTH PLANTATIONS	SINGLE DWELLING
B26/025	CARNARVON REGIONAL LABOUR HIRE PTY LTD	LOT 374 (3) BUTCHER ST, BROCKMAN	FENCE
B26/028	A.C.N. 164 710 570 PTY LTD	LOT860 (10) BECKETT ST, SOUTH CARNARVON	FENCE
B26/029	GABRIEL JACKSON	LOT 19 (5) RIDLEY PLACE	GARAGE
B26/030	LAKE MACLEOD PTY LTD	LOT 59 (3) ROSS STREET, MORGANTOWN	FRONT FENCE AND SHADE SAIL

B26/031	LAKE MACLEOD PTY LTD	LOT 17 (17) CRAGGS COURT, BROWN RANGE	FENCE
B26/032	DEA DONEGAN	LOT 11 (39) WEST STREET, SOUTH CARNARVON	SHED
B26/033	RAC TOURISM ASSESTS PTY LTD	LOT 101 ROBINSON STREET, CORAL BAY	TRAFFIC AND WAYFINDING SIGNAGE FOR THE RAC RESORT
B26/034	WARREN & ALICE HATT	LOT 96 (14) TUCKEY COURT, MORGANTOWN	FENCE

OFFICER'S RECOMMENDATION

That Council, by Simple Majority, resolves to accept the reports outlining the actions performed under delegated authority for the months of April, May and June 2026.

7.1.3 MONTHLY FINANCIAL REPORT APRIL 2026

File No:	ADM0186
Location/Address:	N/A
Name of Applicant:	Shire of Carnarvon
Name of Owner:	N/A
Author(s):	Racheal King, Corporate Assurance and Finance Advisor
Authoriser:	Amanda Leighton, Executive Manager, Corporate Strategy & Performance
Declaration of Interest:	Nil
Voting Requirement:	Simple Majority
Previous Report:	OCM 28 April 2026
Schedules:	1. Monthly Financial Report - April 2026

Authority/Discretion:

☐	**Advocacy**	When Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.
☐	**Executive**	The substantial direction setting and oversight role of the Council. E.g., adopting plans and reports, accepting tenders, directing operations, setting and amending budgets
☐	**Legislative**	Includes adopting local laws, town planning schemes and policies.
☑	**Information**	Includes items provided to Council for information purposes only that do not require a decision of Council (i.e. – for noting).
☐	**Quasi-judicial**	When Council determines an application / matter that directly affects a person's right and interest. The judicial character arises from the obligations to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licenses, applications for other permits / licenses

Summary of Report

The Shire prepares a Statement of Financial Activity each month, reporting on the revenue and expenditure for the month as set out in the budget. The *Local Government (Financial Management) Regulations* provide that the statements be presented at an Ordinary Meeting of Council within two months after the end of the month to which the statement relates.

This is a monthly process advising Council of the current financial position of the Shire. Financial integrity is not only essential to the operational viability of the Shire, but also important to produce as the custodian of community assets and provider of local services. An ability to monitor and report on financial operations, activities, and capital projects, is imperative to ensure that financial risk is managed at an acceptable level of comfort.

Background

The Monthly Financial Report (Schedule 1) contains:

- Statement of Financial Activity (by Nature or Type), with Explanation of Material Variances*;
- Note 1 - Composition of Net Current Assets*; and
- Note 2 - Statement of Financial Position*.

(* required by legislation)

Notes for other supporting Information include:

- Basis of Preparation;
- Cash and Financial Assets;
- Cash Reserves;
- Capital Acquisition;
- Non-operating grants and contributions;
- Operating grants and contributions;
- Borrowings; and
- Lease Liabilities.

The April 2026 Monthly Financial Report was prepared by Moore Australia financial consultants.

Stakeholder and Public Consultation

Internal
Corporate Strategy & Performance Directorate

External
MOORE Australia

Statutory Environment

Local Government Act 1995 (WA)
Section 6.4 *– requires a local government to prepare an annual financial report for the preceding financial year, and any other prescribed financial reports, in the prescribed form and manner and containing the prescribed information. The local government must submit its accounts and annual financial report to its auditor by 30 September following each financial year, unless an extension is allowed by the Minister.*

Local Government (Financial Management) Regulations 1996
Regulation 34 – *requires a local government to prepare a monthly statement of financial activity reporting on revenue and expenditure against the annual budget, including budget estimates, actual amounts, material variances, and net current assets. The statement and accompanying documents must be presented at an ordinary Council meeting within 2 months after the end of the relevant month and recorded in the minutes.*

Regulation 34(5) – *requires the local government to adopt, each financial year, a percentage or value to be used for reporting material variances in statements of financial activity.*

Note: ***Schedule 1*** *Statement of Financial Activity is structured to include the statutory requirements plus further notes to assist Council in understanding the Shire's financial position at the time of reporting.*

Relevant Plans and Policy

CF013 Significant Accounting Policies

Financial Implications

Nil

Risk Assessment

Consequence →		STEP 3 – Risk Tolerance Chart Used to Determine Risk				
		Insignificant 1	Minor 2	Major 3	Critical 4	Extreme 5
Likelihood ↓						
Almost certain	A	High	High	Extreme	Extreme	Extreme
Likely	B	Moderate	High	High	Extreme	Extreme
Possible	C	Low	Moderate	High	Extreme	Extreme
Unlikely	D	Low	Low	Moderate	High	Extreme
Rare	E	Low	Low	Moderate	High	High

Risk Category	Description	Rating	Mitigating Action/s
Financial	Stakeholders may withdraw funding if the statements are not prepared according to the regulatory framework.	C1 - Low	Financial Statements are prepared on time and according to the applicable Legislation and Regulations
Health & Safety	N/A	N/A	N/A
Reputation	The delay in achieving timely reporting has the potential to damage the Shire's reputation.	B2 - High	High priority has been placed on preparing Statutory reporting within legislated timeframes
Service disruption	N/A	N/A	N/A
Compliance	*Local Government Act 1995* requires Council receives these statements within two months of the end of the applicable month.	C1 - Low	Financial Statements are prepared on time and according to the applicable Legislation and Regulations
Property	N/A	N/A	N/A
Environment	N/A	N/A	N/A
Fraud	N/A	N/A	N/A

Community and Strategic Objectives

The tabling of information relative to the Statement of Financial Activity does not align itself with any specific Community Strategic Plan 2022-2032 objective. It is solely a legislative requirement common to all local governments within Western Australia. Without compliance in this regard, achieving strategic or community objectives would be at risk.

OBJECTIVES

In 2040 Carnarvon is a place where:

- *Our economy fosters investment and productivity in industries befitting Carnarvon's physical and natural environment and that grows our horizons*

ADDITIONAL FOCUS AREAS:

- *Improve the trust between citizens and the Shire of Carnarvon*

BIG IDEAS FOR THE FUTURE OF CARNARVON:

- *N/A*

Comments

Key points of interest for Councillors' consideration:

Funding Position
As at 30 April 2026, the Shire reported a closing funding surplus of $1.85 million against a year-to-date (YTD) budget deficit of $0.13 million, representing a positive variance of $1.98 million. This result is primarily attributable to lower than budgeted operating and capital expenditure due to timing differences across several projects and operational activities.

Net current assets at 30 April 2026 totalled $3.40 million after adjusting for restricted reserve balances and liabilities not expected to be settled within the current reporting period.

Operating Activities
Operating activities reported a surplus contribution of $2.01 million against a YTD budget deficit of $0.57 million, resulting in a favourable variance of $2.58 million.

The favourable operating position is largely due to timing delays in expenditure programs, including roads projects, emergency works, strategic projects and various operational contracts.

Operating Revenue
Total operating revenue at 30 April 2026 was $17.14 million against a YTD budget of $21.42 million, representing an unfavourable variance of $4.28 million.
Key movements include:

- General rates revenue exceeded budget by $72k due to higher than anticipated collections.
- Grants, subsidies and contributions were below budget by $4.34 million primarily due to funding not yet received for:
    - Roads to Recovery projects
    - Coral Bay Settlement Structure Plan
    - Strategic projects
    - DRFA AGRN1118 funding pending final approval.
- Interest revenue was below budget due to lower cash investment balances and reduced interest returns.

Funding for the Coral Bay Settlement Structure Plan has commenced, with $50,673 received against an approved funding allocation of $250,218. The remaining funding is expected to be received in accordance with project milestones and funding agreement requirements.

Operating Expenditure
Operating expenditure totalled $22.42 million against a YTD budget of $29.34 million, resulting in a favourable variance of $6.91 million.

Key expenditure movements include:

- Employee costs were below budget overall due to delayed recruitment and onboarding for several programs, despite increased cyclone preparation and maintenance costs.
- Materials and contracts expenditure was substantially below budget due to timing delays in:
    - AGRN1118 repair works
    - Structure plans
    - Legal expenditure
    - Election costs
    - Various operational projects and programs.
- Depreciation remained largely in line with budget.

Investing Activities (Capital Works)
Investing activities recorded a deficit contribution of $3.74 million compared to a YTD budget deficit of $3.54 million.

Total capital expenditure at 30 April 2026 was $6.75 million against a YTD budget of $9.39 million.

Major capital expenditure included:
- Roads infrastructure projects
- Regional Partnership Program projects
- Carnarvon Activation Plan works
- Housing Development Northwater
- Civic Centre refurbishment
- Airport infrastructure works.

Several capital projects remain behind budget due to project timing and funding receipt delays.

Key Point - *While capital expenditure remains below budget overall, a number of significant infrastructure projects are progressing and are expected to continue into the latter part of the year. Delays are primarily timing related and linked to grant funding availability, procurement lead times and project delivery scheduling.*

Cash and Investments
Total cash and investments at 30 April 2026 were $6.77 million, comprising:
- Unrestricted cash: $3.91 million
- Restricted reserve funds: $2.86 million
- Trust funds: $223k
- Term deposits: $1.00 million.

The Shire maintains sufficient liquidity to meet operational obligations at the reporting date.

Receivables
Total receivables at 30 April 2026 were $3.60 million.

Non-rates receivables totalled approximately $867k after impairment provisions. Of this balance:
- 44.1% were current
- 13.5% were 30 days outstanding
- 42.9% were over 90 days outstanding.

Non-rates receivables continue to be monitored closely. A significant portion of amounts outstanding over 90 days relates to the administration of REX Holdings. During the reporting period, the Shire was successful in securing grant funding of approximately $355,000 in relation to an outstanding debt of $390,707 owed by REX Holdings. This outcome substantially reduces the financial exposure associated with the debt and improves the overall recoverability of aged receivables.

Debtor & Rates Receivables
Net rates receivable at 30 April 2026 totalled $2.73 million compared to $2.00 million at 30 June 2025.
The rates collection rate at 30 April 2026 was 71.8%, compared to 75.5% for the same period in the previous year.

The increase in outstanding rates is reflective of both increased annual levies and continued economic pressures impacting collection rates.

Pensioner Deferred Rates

Deferred pensioner rates continue to be recognised as non-current receivables in accordance with applicable accounting standards and legislative requirements.

Deferred rates arrangements remain an important mechanism to support eligible pensioners experiencing financial hardship while maintaining compliance with statutory rating obligations.

Instalments Due

The final instalment due date for the 2025/26 rating year has now passed and there are no remaining instalments due under the annual instalment scheme. Outstanding balances remaining after the final instalment date are now subject to normal debt recovery processes, unless alternative arrangements have been approved.

Rates Debt Recovery

Administration continues to actively monitor outstanding rates debt and undertake recovery action in accordance with the Shire's Debt Collection and Recovery Policy.

Recovery actions may include:

- Payment arrangements
- Instalment agreements
- Final notices
- Referral for legal recovery processes where appropriate.

Focus continues on balancing recovery outcomes with appropriate consideration of hardship circumstances.

Reserves

Total reserve balances at 30 April 2026 were $2.86 million.

Key reserve balances include:

- Strategic Projects Reserve – $730k
- Plant Reserve – $431k
- Leave Reserve – $388k
- Emergency Management Reserve – $293k
- Asset Upgrades and Renewal Reserve – $281k.

Reserve movements during the period largely relate to interest allocations and transfers associated with capital projects and plant replacement funding.

Overall Financial Position

The Shire's overall financial position at 30 April 2026 remains stable.

The operating result is currently favourable against budget due largely to timing differences in both revenue recognition and expenditure delivery. Cash holdings remain adequate and reserve balances continue to support future capital and operational commitments.

Several grant-funded projects and capital programs remain behind budget, primarily due to delays in funding approvals, project scheduling, procurement lead times and contractor availability. While these variances have contributed to the current favourable funding position, they do not represent permanent savings.

A number of major projects, including infrastructure, strategic and grant-funded works, are unlikely to be completed by 30 June 2026 and will require carry forward into the 2026/27 financial year. As a result, associated grant funding, project expenditure and budget allocations will need to be reviewed as part of the year-end process to ensure sufficient funding is available for project completion.

Administration will continue to closely monitor project delivery, grant funding milestones, cash flow requirements and outstanding receivables to maintain the Shire's strong financial position through year end and into the 2026/27 financial year.

OFFICER'S RECOMMENDATION

That Council pursuant to Regulation 34 of the Local Government (Financial Management) Regulations, notes and receives the Statement of Financial Activity for the period ending 30 April 2026.

7.1.4 MONTHLY FINANCIAL REPORT MAY 2026

File No:	ADM0186
Location/Address:	N/A
Name of Applicant:	Shire of Carnarvon
Name of Owner:	N/A
Author(s):	Racheal King, Corporate Assurance and Finance Advisor
Authoriser:	Amanda Leighton, Executive Manager, Corporate Strategy & Performance
Declaration of Interest:	Nil
Voting Requirement:	Simple Majority
Previous Report:	OCM 28 April 2026
Schedules:	1. Monthly Financial Report - May 2026 2. Moore Australia - Matters Identified

Authority/Discretion:

☐	**Advocacy**	When Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.
☐	**Executive**	The substantial direction setting and oversight role of the Council. E.g., adopting plans and reports, accepting tenders, directing operations, setting and amending budgets
☐	**Legislative**	Includes adopting local laws, town planning schemes and policies.
☑	**Information**	Includes items provided to Council for information purposes only that do not require a decision of Council (i.e. – for noting).
☐	**Quasi-judicial**	When Council determines an application / matter that directly affects a person's right and interest. The judicial character arises from the obligations to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licenses, applications for other permits / licenses

Summary of Report

The Shire prepares a Statement of Financial Activity each month, reporting on the revenue and expenditure for the month as set out in the budget. The *Local Government (Financial Management) Regulations* provide that the statements be presented at an Ordinary Meeting of Council within two months after the end of the month to which the statement relates.

This is a monthly process advising Council of the current financial position of the Shire. Financial integrity is not only essential to the operational viability of the Shire, but also important to produce as the custodian of community assets and provider of local services. An ability to monitor and report on financial operations, activities, and capital projects, is imperative to ensure that financial risk is managed at an acceptable level of comfort.

Background

The Monthly Financial Report (Schedule 1) contains:

- Statement of Financial Activity (by Nature or Type), with Explanation of Material Variances*;
- Note 1 - Composition of Net Current Assets*; and
- Note 2 - Statement of Financial Position*.

(* required by legislation)

Notes for other supporting Information include:

- Basis of Preparation;
- Cash and Financial Assets;
- Cash Reserves;
- Capital Acquisition;
- Non-operating grants and contributions;
- Operating grants and contributions;
- Borrowings; and
- Lease Liabilities.

The May 2026 Monthly Financial Report was prepared by Moore Australia financial consultants.

Stakeholder and Public Consultation

Internal
Corporate Strategy & Performance Directorate

External
MOORE Australia

Statutory Environment

Local Government Act 1995 (WA)
Section 6.4 *– requires a local government to prepare an annual financial report for the preceding financial year, and any other prescribed financial reports, in the prescribed form and manner and containing the prescribed information. The local government must submit its accounts and annual financial report to its auditor by 30 September following each financial year, unless an extension is allowed by the Minister.*

Local Government (Financial Management) Regulations 1996
Regulation 34 – *requires a local government to prepare a monthly statement of financial activity reporting on revenue and expenditure against the annual budget, including budget estimates, actual amounts, material variances, and net current assets. The statement and accompanying documents must be presented at an ordinary Council meeting within 2 months after the end of the relevant month and recorded in the minutes.*

Regulation 34(5) – *requires the local government to adopt, each financial year, a percentage or value to be used for reporting material variances in statements of financial activity.*

Note: ***Schedule 1*** *Statement of Financial Activity is structured to include the statutory requirements plus further notes to assist Council in understanding the Shire's financial position at the time of reporting.*

Relevant Plans and Policy

CF013 Significant Accounting Policies

Financial Implications

Nil

Risk Assessment

Consequence →		STEP 3 – Risk Tolerance Chart Used to Determine Risk				
		Insignificant 1	Minor 2	Major 3	Critical 4	Extreme 5
Likelihood ↓						
Almost certain	A	High	High	Extreme	Extreme	Extreme
Likely	B	Moderate	High	High	Extreme	Extreme
Possible	C	Low	Moderate	High	Extreme	Extreme
Unlikely	D	Low	Low	Moderate	High	Extreme
Rare	E	Low	Low	Moderate	High	High

Risk Category	Description	Rating	Mitigating Action/s
Financial	Stakeholders may withdraw funding if the statements are not prepared according to the regulatory framework.	C1 - Low	Financial Statements are prepared on time and according to the applicable Legislation and Regulations
Health & Safety	N/A	N/A	N/A
Reputation	The delay in achieving timely reporting has the potential to damage the Shire's reputation.	B2 - High	High priority has been placed on preparing Statutory reporting within legislated timeframes
Service disruption	N/A	N/A	N/A
Compliance	*Local Government Act 1995* requires Council receives these statements within two months of the end of the applicable month.	C1 - Low	Financial Statements are prepared on time and according to the applicable Legislation and Regulations
Property	N/A	N/A	N/A
Environment	N/A	N/A	N/A
Fraud	N/A	N/A	N/A

Community and Strategic Objectives

The tabling of information relative to the Statement of Financial Activity does not align itself with any specific Community Strategic Plan 2022-2032 objective. It is solely a legislative requirement common to all local governments within Western Australia. Without compliance in this regard, achieving strategic or community objectives would be at risk.

OBJECTIVES

In 2040 Carnarvon is a place where:

- *Our economy fosters investment and productivity in industries befitting Carnarvon's physical and natural environment and that grows our horizons*

ADDITIONAL FOCUS AREAS:

- *Improve the trust between citizens and the Shire of Carnarvon*

BIG IDEAS FOR THE FUTURE OF CARNARVON:

- *N/A*

Comments

Key points of interest for Councillors' consideration:

Funding Position

The Shire has reported a closing funding surplus of $977,165 as at 31 May 2026, representing a favourable variance of $1.537 million against the year-to-date budget position. While the result is positive at this point in the financial year, caution should be exercised when considering the current position.

A number of significant capital projects remain incomplete, substantial grant funding is yet to be received or recognised, and a considerable proportion of the capital works program remains unexpended. The final financial outcome for 2025/26 will be influenced by the timing of project delivery, contractor claims, grant funding approvals and year-end accruals. Councillors should therefore note that the current funding surplus may be subject to material movement prior to year end.

Operating Revenue

Operating revenue as at 31 May 2026 totals $18.410 million, which is $4.231 million below the year-to-date budget. The variance is primarily attributable to grant funding that has not yet been received or recognised, including a number of strategic and externally funded projects.

Rates revenue continues to perform favourably and remains slightly above budget, while fees and charges are also tracking ahead of budget expectations. These revenue streams continue to provide a stable source of operating income for the Shire.

Interest revenue remains below budget due to lower investment returns and reduced cash available for investment throughout the financial year. This variance is expected to remain substantially unchanged at year-end.

Funding for the Coral Bay Settlement Structure Plan has commenced during the reporting period, with $50,673 received against an approved budget allocation of $250,218. The remaining funding is expected to be received progressively in accordance with project milestones and funding agreement requirements. While a number of grant-funded projects remain below budget at the reporting date, grant funding continues to be actively monitored and claimed as project milestones are achieved.

Whilst management continues to pursue outstanding grant funding claims and project reimbursements, it is now anticipated that several significant grant payments budgeted for 2025/26 will not be received prior to 30 June 2026. As a result, the current adverse revenue variance is expected to continue through year-end and is a contributing factor to the forecast operating position.

Operating Expenditure

Operating expenditure as at 31 May 2026 totals $25.617 million, which is $6.324 million below the year-to-date budget. While this represents a favourable variance at the reporting date, a significant proportion of the variance relates to project timing and expenditure that is expected to occur before year-end.

Employee costs increased significantly during May due to the timing of payroll processing, with three payroll runs occurring during the month rather than the usual two, together with additional staffing costs associated with attendance at the Tourism WA Conference and other operational requirements. Whilst employee costs remain below year-to-date budget overall, the gap between actual and budget expenditure has reduced during the month and is expected to continue narrowing through June.

Materials and contracts expenditure also increased during May as works associated with cyclone recovery and asset repairs progressed. Additional expenditure was incurred in relation to Tourism WA activities and other operational projects. A number of capital and grant-funded projects continue to progress, resulting in increased contractor and materials expenditure compared to earlier months.

Expenditure associated with cyclone preparedness, response and recovery activities continued throughout the reporting period. Costs incurred to date include approximately $349,922 relating to Tropical Cyclone Narelle response and preparation activities, $195,738 relating to Tropical Cyclone Mitchell response activities, $103,193 associated with AGRN opening grades and $219,631 for AGRN repair works. A portion of these costs are expected to be recoverable through disaster recovery funding arrangements, subject to assessment and acquittal processes.

Expenditure associated with the Gnulli Festival was incurred during May in accordance with planned event delivery. A corresponding budget amendment of $415,000, offset by associated revenue, was prepared for Council consideration but was unable to proceed due to the cancellation of the April Ordinary Council Meeting. As a result, the expenditure currently appears as a variance against the adopted budget.

The reported variance in insurance expenditure is primarily attributable to allocation and coding discrepancies identified during the reporting period rather than increases in insurance premiums. A correcting journal is currently being processed and the variance is expected to reduce following the adjustment.
Several significant expenditure items were incurred or progressed during May 2026, contributing to the increase in operating expenditure compared to previous months. These costs relate primarily to cyclone preparedness, response and recovery activities, disaster recovery works and delivery of the Gnulli Festival. While these expenditures have contributed to current budget variances, a number are either expected to be recoverable through external funding arrangements or are offset by associated revenue sources.

Significant Expenditure Item	**Amount ($)**
Tropical Cyclone Narelle – Preparation and Cleanup Activities	349,922
Tropical Cyclone Mitchell – Preparation and Cleanup Activities	195,738
AGRN Opening Grades	103,193
AGRN General Repairs	219,631
Gnulli Festival	418,940
Total Significant Expenditure Items	**1,287,424**

The favourable year-to-date expenditure position is therefore largely attributable to the timing of expenditure rather than permanent savings. As several projects are completed and grant-funded works progress during June, expenditure is expected to increase further.

Investing Activities (Capital Works)
The capital works program has incurred $7.264 million in expenditure to 31 May 2026 against a year-to-date budget of $9.391 million, resulting in a favourable variance of $2.127 million. The variance is largely attributable to the timing of road construction projects, the Carnarvon Activation Plan, Civic Centre Refurbishment and Housing Development in Northwater Estate. Significant progress has been achieved on Regional Partnership Program projects, including the Pier Development, Fascine to Harbour Walk and Tramway Trail and Bridge projects. Capital grant funding remains aligned with project delivery schedules.

Grants, Subsidies and Contributions
Grant revenue recognised as at 31 May 2026 totals $6.203 million against a year-to-date budget of $10.559 million, resulting in an unfavourable variance of $4.357 million.

The variance is primarily attributable to the timing of several significant grant-funded projects, including DRFA AGRN 1118 funding, Roads to Recovery funding and the Carnarvon Activation Plan, where revenue has either not yet been received or has been transferred to grant liabilities pending expenditure. Some grant programs have exceeded budget expectations, including the Mayu Mia Communities Grant and various

regional development initiatives. More information can be found on page 21 of the Monthly Financial Report for a detailed breakdown of individual grant funding sources, recognised income and grant liabilities.

Cash and Investments

Total cash and investments at 31 May 2026 are $9.565 million, comprising:

- Unrestricted cash: **$**6.703 million
- Restricted cash (reserves): $2.862 million
- Term deposit investments: $1.0 million
- Trust funds: $223,277 (excluded from Shire operating funds)

Cash and cash equivalents recorded on the Statement of Financial Position total $8.565 million.

Receivables

Total net rates receivable is $2.485 million, with a collection rate of 74.3%. General trade receivables total $241,425. Of non-rates debtors, 55.8% are greater than 90 days outstanding and continue to be monitored.

Non-rates receivables continue to be monitored closely. A significant portion of amounts outstanding over 90 days relates to the administration of REX Holdings. During the reporting period, the Shire was successful in securing grant funding of $355,188 in relation to an outstanding debt of $390,707 owed by REX Holdings. This outcome substantially reduces the financial exposure associated with the debt and improves the overall recoverability of aged receivables. The grant was paid in June and will be reflected in the next months financial report.

Debtor & Rates Receivables

Net rates receivable at 31 May 2026 totalled $2.485 million compared to $2.00 million at 30 June 2025.
The rates collection rate at 31 May 2026 was 74.3%, compared to 76.2% for the same period in the previous year. The increase in outstanding rates is reflective of both increased annual levies and continued economic pressures impacting collection rates.

Pensioner Deferred Rates

Deferred pensioner rates continue to be recognised as non-current receivables in accordance with applicable accounting standards and legislative requirements. Deferred rates arrangements remain an important mechanism to support eligible pensioners experiencing financial hardship while maintaining compliance with statutory rating obligations.

Instalments Due

The final instalment due date for the 2025/26 rating year has now passed and there are no remaining instalments due under the annual instalment scheme. Outstanding balances remaining after the final instalment date are now subject to normal debt recovery processes, unless alternative arrangements have been approved.

Rates Debt Recovery

Administration continues to actively monitor outstanding rates debt and undertake recovery action in accordance with the Shire's Debt Collection and Recovery Policy.

We currently have 49 payment arrangements in place.

Recovery actions may include:

- Payment arrangements
- Instalment agreements
- Final notices
- Referral for legal recovery processes where appropriate.

Focus continues on balancing recovery outcomes with appropriate consideration of hardship circumstances.

Reserves
Total reserve balances at 31 May 2026 were $2.861 million.

Key reserve balances include:
- Strategic Projects Reserve – $731k
- Plant Reserve – $431k
- Leave Reserve – $387k
- Emergency Management Reserve – $292k
- Asset Upgrades and Renewal Reserve – $281k.

Reserve movements during the period largely relate to interest allocations and transfers associated with capital projects and plant replacement funding.

Overall Financial Position
A number of major projects, including infrastructure, strategic and grant-funded works, are unlikely to be completed by 30 June 2026 and will require carry forward into the 2026/27 financial year. As a result, associated grant funding, project expenditure and budget allocations is currently being reviewed as part of the year-end process to ensure sufficient funding is available for project completion.

Whilst the funding position remains favourable at 31 May 2026, a number of significant capital projects remain incomplete and substantial grant liabilities remain outstanding. The final financial outcome for 2025/26 will be dependent on the timing of project expenditure, contractor claims, grant funding approvals and year-end accruals. Accordingly, the current funding surplus should be viewed with caution as further expenditure may be incurred prior to 30 June 2026. Pages 14 and 21 of the report can be referred to for details of capital works and grant-funded projects.

Administration will continue to closely monitor project delivery, grant funding milestones, cash flow requirements and outstanding receivables to maintain the Shire's financial position through year end and into the 2026/27 financial year.

OFFICER'S RECOMMENDATION

That Council pursuant to Regulation 34 of the Local Government (Financial Management) Regulations, notes and receives the Statement of Financial Activity for the period ending 31 May 2026.

7.1.5 ADOPTION OF 2026/27 ANNUAL FEES AND CHARGES

File No:	ADM0002
Location/Address:	N/A
Name of Applicant:	Shire of Carnarvon
Name of Owner:	N/A
Author(s):	Amanda Leighton, Executive Manager, Corporate Strategy & Performance
Authoriser:	Amanda Dexter, Chief Executive Officer
Declaration of Interest:	Nil
Voting Requirement:	Absolute Majority
Previous Report:	24 June 2025
Schedules:	1. Proposed Fees and Charges 26/27 2. Proposed Fees and Charges - Waste

Authority/Discretion:

☐	**Advocacy**	When Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.
☑	**Executive**	The substantial direction setting and oversight role of the Council. E.g., adopting plans and reports, accepting tenders, directing operations, setting and amending budgets
☐	**Legislative**	Includes adopting local laws, town planning schemes and policies.
☐	**Information**	Includes items provided to Council for information purposes only that do not require a decision of Council (i.e. – for noting).
☐	**Quasi-judicial**	When Council determines an application / matter that directly affects a person's right and interest. The judicial character arises from the obligations to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licenses, applications for other permits / licenses

Summary of Report

This report presents the proposed Shire of Carnarvon Schedule of Fees and Charges for the 2026/2027 financial year for consideration as part of the annual budget process. The new schedule of Fees and Charges (as per Attachment 1) will take effect from 13 July 2026.

A default indexation rate of 8.5% has been applied to Shire-controlled discretionary fees and charges, aligned with the proposed 8.5% increase in rates for 2026/2027 and subject to a fee-by-fee assessment of statutory requirements, actual service-delivery costs, cost recovery, market conditions, community benefit and affordability. The 8.5% rate is not a blanket increase and does not override prescribed statutory fees or service-specific pricing decisions.

The proposed Schedule is intended to preserve the real value of the Shire's own-source revenue, limit the growth of unintended ratepayer subsidies and support continued service delivery across Carnarvon, Coral Bay and the wider district.

Background

In accordance with Regulation 5(2) of the Local Government (Financial Management) Regulations 1996, a local government is to undertake a review of its fees and charges regularly, and not less than once in every financial year. This report provides the Council with a proposed Schedule of Fees and Charges to apply for the next financial year commencing on 15 July 2026.

Each year, the Shire undertakes this review in consultation with rate payers, Shire officers, the executive leadership team, and council, ensuring that statutory requirements, operational needs, and community expectations are appropriately considered.

Fees and charges are an appropriate funding mechanism where a service provides an identifiable benefit to an individual, organisation or business. Where a service produces a broad community benefit, full cost recovery may not be appropriate and a transparent ratepayer subsidy or concession may be justified.

The Shire's Revenue Strategy states that full cost recovery should be pursued where it is fair and equitable, identifies Airport and Waste Services as areas in which long-term operating costs should be factored into pricing, and recognises that full cost recovery may not be appropriate for services such as the Aquatic Centre where social benefit and capacity to pay are relevant considerations.

For 2026/2027, Administration has used 8.5% as the default indexation rate for discretionary fees controlled by the Shire. This aligns the annual review of user charges with the proposed 8.5% rates increase, supports a consistent whole-of-budget revenue-setting approach, and reduces the risk that a greater share of user-specific service costs is transferred to general ratepayers. The position also recognises the Shire's exposure to regional freight, fuel, contractor mobilisation, labour, utilities, plant, insurance and limited supplier competition. Each business unit remains responsible for demonstrating the basis of any fee that varies materially from the default rate.

The Schedule of Fees and Charges does not include:

- Rates levied;
- Service Charges levied under the Local Government Act 1995 (such as underground power);
- Rubbish service levies;
- Infringements; and
- Leases or other individually negotiated licences.

Economic and Regional Cost Context

The 8.5% proposal is not represented as a direct CPI adjustment. It is a budget and pricing decision aligned with the proposed 8.5% rates increase. Current economic indicators provide relevant context but do not, on their own, determine the appropriate fee for each service:

Indicator	Current position	Relevance to the proposal
WALGA Local Government Cost Index	4.8% increase over the year to December 2025; 3.1% base forecast for 2026/27	The proposed 8.5% exceeds both recent LGCI growth and the current forward forecast. The index provides context only and does not capture Carnarvon's regional variation, service-specific cost recovery or the proposed alignment with rates.
Western Australian Wage Price Index	4.1% annual growth to December 2025	Employee costs are the largest component of the Local Government Cost Index and remain a material service-delivery pressure.
Australian CPI	4.2% annual growth to April 2026	Provides broad inflation context, but household CPI is not a complete measure of local-government input costs.
Regional fuel and freight	WALGA reported diesel approaching $3.20 per litre in the Gascoyne and Kimberley in late March 2026	Carnarvon's distance from major markets increases exposure to fuel, freight and supplier mobilisation costs.

Sources: WALGA, Economic Briefing Q1 2026; Australian Bureau of Statistics, Consumer Price Index, Australia, April 2026.

WALGA expressly cautions that its Local Government Cost Index does not allow for regional variations and recommends that local governments use local supplier and market evidence. Accordingly, the proposed 8.5% is a Shire pricing decision aligned with the proposed rates increase, rather than the automatic application of any single external index.

The current Long Term Financial Plan uses a 2.5% modelling assumption for growth in fees and charges in 2026/2027. That assumption was based on forecasts available when the Plan was prepared and is not a statutory cap. The proposed 8.5% represents an updated annual budget position aligned with the proposed rates increase and should be reflected in the next review of the Long Term Financial Plan.

Stakeholder and Public Consultation

Internal consultation has been undertaken with the Executive Leadership Team, responsible business units, service managers and Finance.

The review has considered current contracts and supplier information, service demand, statutory fee schedules, cost-recovery information and benchmarking against relevant regional or alternative providers.

Statutory Environment

Local Government Act 1995

Section 1.7 *- Local Public Notice – published on the local governments website; and given in at least 3 additional prescribed ways*

section 5.96A*. - Information published on official website*

(1) The CEO must publish the following information on the local government's official website, unless it would be contrary to subsection (2) to do so —

(d) an up-to-date list of fees and charges imposed under section 6.16;

Section 6.16 *- Council may impose and recover fees and charges for goods and services it provides or proposes to provide. The imposition or amendment of fees and charges requires an absolute majority decision.*

Section 6.17 *- When determining the amount of a fee or charge, Council is required to consider the cost of providing the service or goods, the importance of the service or goods to the community and the price at which the service or goods could be provided by an alternative provider.*

Section 6.18 *- Where a fee or charge is determined under another written law, the Shire cannot impose an inconsistent or additional amount.*

Section 6.19 *- Local public notice is required before a fee or charge is introduced after the Annual Budget has been adopted.*

Local Government (Financial Management) Regulations 1996

regulation 5(2) *- a local government is to undertake a review of its fees and charges regularly, and not less than once in every financial year.*

Local Government (Administration) Regulations 1996

Regulation 3A *- Requirements for local public notice (Act s. 1.7)*

(1) For the purposes of section 1.7(a), notice of a matter must be published on the local government's official website for —

(a) the period specified in or under the Act in relation to the notice; or

(b) if no period is specified in relation to the notice — a period of not less than 7 days.

(2) For the purposes of section 1.7(b), each of the following ways of giving notice of a matter is prescribed —

(a) publication in a newspaper circulating generally in the State;

(b) publication in a newspaper circulating generally in the district;

(c) publication in 1 or more newsletters circulating generally in the district;

(d) publication on the official website of the Department or another State agency, as appropriate having regard to the nature of the matter and the persons likely to be affected by it, for —

(i) the period specified in or under the Act in relation to the notice; or

(ii) if no period is specified in relation to the notice — a period of not less than 7 days;

(e) circulation by the local government by email, text message or similar electronic means, as appropriate having regard to the nature of the matter and the persons likely to be affected by it;

(f) exhibition on a notice board at the local government offices and each local government library in the district for —

(i) the period specified in or under the Act in relation to the notice; or

(ii) if no period is specified in relation to the notice — a period of not less than 7 days;

(g) posting on a social media account administered by the local government for —

(i) the period specified in or under the Act in relation to the notice; or

(ii) if no period is specified in relation to the notice — a period of not less than 7 days.

Relevant Plans and Policy

Shire of Carnarvon Strategic Community Plan 2022-2032
Shire of Carnarvon Corporate Business Plan 2023-2027 (2025 update)
Shire of Carnarvon Long Term Financial Plan 2023/2024-2033/2034
Stabilising Our Financial Position - Shire of Carnarvon Revenue Strategy 2022
Draft Shire of Carnarvon Annual Budget 2026/2027

Financial Implications

The proposed Schedule will form a material component of the Shire's operating revenue for 2026/2027 and will support the delivery of services and facilities identified in the Annual Budget.

The 2025/2026 Schedule was projected to generate $3,675,308 in operating revenue. The proposed 2026/2027 Schedule is forecast to generate **$3,813,067** compared with the 2025/2026 budget, a movement of **$137,759 or approximately 3.75%.**

The movement in total revenue will not equal 8.5% because the revenue forecast also reflects statutory fee changes, fee-specific exceptions, new and deleted fees, rounding, concessions and changes in demand or service volumes.

Failure to review fees regularly would reduce the real value of user-charge revenue and increase the proportion of service costs funded through general rates or reductions in service levels. Conversely, increases

that are not supported by cost, market or community-benefit analysis may reduce participation or create unnecessary affordability barriers.

Risk Assessment

		STEP 3 – Risk Tolerance Chart Used to Determine Risk				
Consequence →		Insignificant 1	Minor 2	Major 3	Critical 4	Extreme 5
Likelihood ↓						
Almost certain	A	High	High	Extreme	Extreme	Extreme
Likely	B	Moderate	High	High	Extreme	Extreme
Possible	C	Low	Moderate	High	Extreme	Extreme
Unlikely	D	Low	Low	Moderate	High	Extreme
Rare	E	Low	Low	Moderate	High	High

Risk Category	Description	Rating	Mitigating Action/s
Financial	Fees that do not reflect service costs may increase the ratepayer subsidy or reduce service capacity. Conversely, higher fees may reduce demand for some services.	C2 - Moderate	Apply the statutory pricing factors, service-level cost information, demand assumptions and benchmarking. Monitor actual revenue and use through monthly reporting and the budget review.
Health & Safety	N/A	N/A	N/A
Reputation	An 8.5% increase may be perceived as an unjustified impost, particularly where household and business affordability is constrained.	C2 - Moderate	Explain that 8.5% is aligned with the proposed rates increase but remains a default rather than a blanket increase; disclose exceptions; retain targeted concessions; publish a clear Schedule and notify material users.
Service disruption	Persistent under-recovery may affect the Shire's ability to sustain service levels, particularly for high-cost regional services.	D3 - Moderate	Review material fees against unit costs and long-term operating requirements and incorporate the adopted revenue assumptions into the Annual Budget.
Compliance	Incorrect treatment of prescribed fees or failure to follow the required decision and notice process may result in non-compliance.	D3 - Moderate	Complete legislative verification, obtain an absolute majority decision, align the effective date with the Annual Budget and apply section 6.19 to any post-budget changes.
Property	N/A	N/A	N/A
Environment	No direct environmental risk is identified. Pricing for waste and other	E2 - Low	Review waste and environmental charges against service costs and strategic objectives.

	environmental services may be used to support cost recovery and responsible behaviour.		
Fraud	Unapproved fee waivers, incorrect system coding or inconsistent application may reduce revenue and undermine internal controls.	D2 - Low	Configure adopted fees in the financial system, restrict override access, reconcile system charges to the published Schedule and apply approved waiver/delegation controls.

Community and Strategic Objectives

The proposal aligns with the following desired objectives as expressed in the *Community Strategic Plan 2022-2032*:

OBJECTIVES

In 2040 Carnarvon is a place where:

- *Our community is engaged, inclusive and supportive*
- *Our sustainable livelihoods create a community that can flourish into the future*
- *Our infrastructure, housing and amenities are high quality and accessible*

ADDITIONAL FOCUS AREAS:

- *Supports the needs of areas outside the Township of Carnarvon (Coral Bay and outlying areas)*

BIG IDEAS FOR THE FUTURE OF CARNARVON:

- *N/A*

Comments

The proposed Schedule has been developed using the pricing principles required by legislation and the Shire's Revenue Strategy. The objective is not to maximise revenue at any cost; it is to set transparent and defensible charges that balance financial sustainability, ratepayer equity, user benefit, community access and operational efficiency.

1. Pricing principles

- Legal authority - each fee must have a valid statutory or service basis.
- Cost of service - relevant labour, plant, contractors, materials, administration, overheads and long-term operating requirements are considered.
- Private and public benefit - users should contribute appropriately where a service principally benefits an identifiable person or business.
- Community importance and affordability - essential access, participation and social benefit may justify a subsidy or concession.
- Market and competitive neutrality - commercial or contestable services are compared with alternative providers and comparable regional local governments.
- Transparency and simplicity - charges should be clear, consistently applied and administratively efficient.

2. Treatment of fee categories

Fee category	2026/2027 treatment
Statutory or prescribed fees	Apply the amount prescribed under the relevant written law. The 8.5% default is not applied.
Discretionary Shire-controlled fees	Apply 8.5% as the default, aligned with the proposed rates increase, then test the result against cost, community benefit, market conditions and affordability.
Airport, waste, private works and plant	Use service-specific cost recovery, contract, plant, fuel, freight and asset requirements. The resulting change may be above or below 8.5%.
Commercial or contestable services	Use market benchmarking and full cost recovery where appropriate.
Community facilities and participation fees	Consider social benefit, utilisation, affordability and the existing concession framework. A lower increase or no increase may be justified.
Bonds and deposits	Set according to the Shire's actual exposure to damage, cleaning, non-payment or compliance risk; do not index automatically.
New, deleted or consolidated fees	Require a documented rationale, legal basis, calculation method and clear cross-reference in the Schedule.

3. Basis of the 8.5% default

The proposed 8.5% default is deliberately aligned with the proposed 8.5% rates increase for 2026/2027. This provides a consistent approach to annual revenue setting across rates and discretionary user charges and reduces the risk that the cost of services providing an identifiable private or commercial benefit is increasingly transferred to general ratepayers. The alignment does not replace the statutory requirement to assess each fee against cost, community importance and alternative-provider pricing.

The 8.5% default is above the current broad inflation and forward Local Government Cost Index indicators and should not be described as CPI indexation. It is a Council pricing position informed by the proposed rates increase, recent actual cost growth, Carnarvon's regional operating environment, local supplier conditions, historical cost recovery and financial sustainability. Carnarvon's location may expose the Shire to freight, fuel, labour, contractor mobilisation and supply-chain costs not fully reflected in metropolitan or statewide indices. Material departures from the default, whether higher or lower, must remain supported by a clear statutory, cost, market or community rationale.

4. Material changes and exceptions

The attached Schedule provides the complete line-by-line fees. Material changes that are new, deleted or materially different from the 8.5% default are disclosed below:

Service/Fee	2025/26	2026/27	Reason for variation
Skin Penetration Business (NEW)	N/A	$100	Registration fee (one off, not annual) $100
Skin penetration business – Inspection Fee (NEW)	N/A	$150	Annual Inspection Fee

Service/Fee	2025/26	2026/27	Reason for variation
Blow Holes Seniors Camping Fee (NEW)	N/A	$25.00 per night per site	Public Consultation and Feedback – Industry Common Practice – Approx 15% discount
Blow Holes Seniors Day Fee (NEW)	N/A	$7.50 per day	Public Consultation and Feedback – Industry Common Practice – Approx 15% discount
Coral Bay Airstrip - Annual Commercial Aircraft Access and Parking Permit – fixed-wing or rotary-wing, MTOW 5,700 kg or less (New) **Per nominated aircraft, per annum*	N/A	$2,500 per nominated aircraft, per annum	Unlimited landings and non-exclusive parking in a Shire-designated area. Prior written approval. One permit per aircraft registration.
Coral Bay Airstrip - Annual Non-commercial Aircraft Access and Parking Permit – fixed-wing or rotary-wing, MTOW 5,700 kg or less (New) **Per nominated aircraft, per annum*	N/A	$1,300 per nominated aircraft, per annum	Optional category for a genuinely private or recreational aircraft. Not available where the aircraft is used for fee-paying or other commercial operations.
Coral Bay Airstrip – Aircraft access and parking – Fixed-wing or rotary aircraft MTOW 5,700kg or less (New)	N/A	$30 minimum per 1,000kg or part thereof, per landing	Includes up to 24 hours of non-exclusive parking. Aircraft not covered by annual permit.
Coral Bay Airstrip - Additional aircraft parking after the first 24 hours (New)	N/A	$20 per aircraft, per day or part thereof	Subject to available space and Shire direction.
Coral Bay Airstrip - Aircraft above 5,700 kg or unusual operations (New) **By prior written arrangement and approval from the Shire of Carnarvon*	N/A	By agreement / applicable standard rate	Subject to operational suitability, approval and any additional supervision or service requirements.
Coral Bay Airstrip – RFDS (New) **Per Operation*	N/A	Nil	No charge.

Service/Fee	2025/26	2026/27	Reason for variation
Coral Bay Airstrip - Defence (New) **Per operation or agreement*	N/A	As agreed between the operator and the Shire of Carnarvon	Apply relevant agreement or standard charge unless exempted.

5. Rounding, GST and implementation

- Calculated fees may be rounded to practical collection amounts; the resulting percentage movement may therefore differ marginally from 8.5%.
- The GST treatment of each fee will be verified before the Schedule is loaded into the financial system and published.
- Finance will reconcile the adopted Schedule to the financial, booking, airport, waste and receipting systems before implementation.
- Prescribed fees will be updated when amendments under the relevant written law take effect.
- Existing waivers will be documented in the 2026/27 Annual Budget Notes and adopted by Council.

OFFICER'S RECOMMENDATION

That Council, by Absolute Majority:

1. ***Adopts the draft 2026/2027 Fees and Charges Schedule; and***
2. ***Directs the Chief Executive Officer to advertise by Local Public Notice the proposed Fees and Charges 2026/27 to take effect from the 15 July 2026.***

7.2 CORPORATE SERVICES

7.2.1 QUARTERLY BUDGET REVIEW - MARCH 2026

File No:	ADM0027
Location/Address:	N/A
Name of Applicant:	Shire of Carnarvon
Name of Owner:	N/A
Author(s):	Racheal King, Corporate Assurance and Finance Advisor
Authoriser:	Amanda Leighton, Executive Manager, Corporate Strategy & Performance
Declaration of Interest:	Nil
Voting Requirement:	Absolute Majority
Previous Report:	28 October 2025
Schedules:	1. March 2026 Budget Amendments

Authority/Discretion:

☐	**Advocacy**	When Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.
☑	**Executive**	The substantial direction setting and oversight role of the Council. E.g., adopting plans and reports, accepting tenders, directing operations, setting and amending budgets
☐	**Legislative**	Includes adopting local laws, town planning schemes and policies.
☐	**Information**	Includes items provided to Council for information purposes only that do not require a decision of Council (i.e. – for noting).
☐	**Quasi-judicial**	When Council determines an application / matter that directly affects a person's right and interest. The judicial character arises from the obligations to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licenses, applications for other permits / licenses

Summary of Report

This report presents the March 2026 Quarterly Budget Review for Council's consideration. The review ensures the 2025/2026 Budget remains accurate, transparent and aligned with current operational requirements, project delivery timeframes and confirmed funding arrangements.

Key amendments include the reallocation of budgets to reflect actual expenditure requirements, recognition of additional grant-funded projects and the deferral of several major capital projects into the 2026/2027 financial year where delivery is now expected to occur beyond the current budget period.

The review also incorporates adjustments arising from staffing changes, revised project forecasts and grant funding alignments. Overall, the amendments ensure the budget remains reflective of Council's current financial position while maintaining an appropriate level of funding for priority projects and services.

Background

The Shire of Carnarvon presented the first in a series of quarterly budget reviews as part of a strengthened financial management and governance framework in October 2025. Commencing from the 2025/2026 financial year, quarterly budget reviews will be undertaken at the conclusion of September, December, March, and June, with outcomes presented to Council in the following month.

The March 2026 Quarterly Budget Review provides an assessment of Council's financial position as at 31 March 2026 and includes proposed amendments to the adopted 2025/2026 Budget where required. The review enables Council to consider changes in operational requirements, project delivery timeframes, grant funding arrangements and other known financial impacts occurring throughout the financial year.

Regular budget reviews support informed decision-making by ensuring Council's budget remains aligned with current financial circumstances, strategic priorities and service delivery objectives. The review also provides an opportunity to identify emerging financial risks and adjust budgets where necessary to reflect actual or anticipated expenditure and revenue outcomes.

Stakeholder and Public Consultation
Corporate Information Session 23 October 2025
Shire of Carnarvon Responsible Officers
Moore Australia

Statutory Environment
Local Government Act 1995
section 6.8 (1) - *A local government is not to incur expenditure from its municipal fund for an additional purpose except where the expenditure:*

a. is incurred in a financial year before the adoption of the annual budget by the local government; or

b. is authorised in advance by resolution; or*

c. is authorised in advance by the mayor or president in an emergency.

** Absolute majority required.*

Relevant Plans and Policy
There is no policy implications related to this report.

Financial Implications
The Budget Review has identified areas of additional income with corresponding additional expenditure, as well as opportunities for proactive asset renewal.

There is no change to the overall closing surplus position of the 2025/2026 Annual Budget. Adjustments reflect confirmed grant allocations, carry-forward commitments, and efficiency improvements that enhance long-term financial sustainability.

Risk Assessment

STEP 3 – Risk Tolerance Chart Used to Determine Risk						
Consequence →		Insignificant 1	Minor 2	Major 3	Critical 4	Extreme 5
Likelihood ↓						
Almost certain	A	High	High	Extreme	Extreme	Extreme
Likely	B	Moderate	High	High	Extreme	Extreme
Possible	C	Low	Moderate	High	Extreme	Extreme
Unlikely	D	Low	Low	Moderate	High	Extreme
Rare	E	Low	Low	Moderate	High	High

Risk Category	Description	Rating	Mitigating Action/s
Financial	Risk of over expenditure occurring on some line items in the budget and/or a deficiency in funds to complete specific projects or tasks.	3-C High	Endorse the budget review with any amendments (as specified by Council).
Health & Safety	N/A	N/A	N/A
Reputation	Perception of weak financial oversight.	Perception of weak financial oversight.	Perception of weak financial oversight.
Service disruption	Insufficient budget could result in potential delays and service disruptions.	2-C Moderate	The Review has attempted to accurately predict budget requirements to maintain service continuity for the remainder of the financial year.
Compliance	Failure to conduct regular reviews could breach Reg. 33A.	Failure to conduct regular reviews could breach Reg. 33A.	Failure to conduct regular reviews could breach Reg. 33A.
Property	N/A	N/A	N/A
Environment	N/A	N/A	N/A
Fraud	N/A	N/A	N/A

Community and Strategic Objectives
The proposal aligns with the following desired objectives as expressed in the *Community Strategic Plan 2022-2032*:
OBJECTIVES
In 2040 Carnarvon is a place where:
- *Our sustainable livelihoods create a community that can flourish into the future*

ADDITIONAL FOCUS AREAS:
- *Improve the trust between citizens and the Shire of Carnarvon*

BIG IDEAS FOR THE FUTURE OF CARNARVON:
- *N/A*

Comments
Responsible Officers, being those assigned accountability for specific budget line items following adoption of the 2025/2026 Annual Budget, have reviewed their respective income and expenditure to date.

Proposed amendments have been made where necessary to reflect current circumstances and updated information and are being presented to Council to provide transparency around key movements within the budget and to support informed decision-making regarding any required adjustments or reallocations.

Overall, the proposed amendments are expected to improve the Shire's budget position by approximately $99,800. The majority of amendments relate to the timing of grant-funded projects, budget reallocations between expenditure categories, recognition of secured external funding and the deferral of non-essential works and acquisitions into future financial years.

Key amendments include:

- Adjustments to several major grant-funded capital projects to align budgeted expenditure and revenue with revised project delivery schedules. This includes the Carnarvon Airport Upgrade, Carnarvon Activation Plan and Regional Precincts and Partnerships Program (RPPP) projects, with significant portions of funding and expenditure now expected to be carried forward into the 2026/2027 financial year.
- A reduction of approximately $7.6 million in both expenditure and grant funding associated with the Carnarvon Airport Upgrade project, reflecting the revised timing of project delivery and anticipated expenditure during the current financial year.
- Adjustments to the Carnarvon Activation Plan budget, including the recognition of expenditure for project design and management activities and the deferral of a significant portion of project expenditure and associated Lotterywest funding into future financial years.
- Recognition of approximately $7.26 million in Regional Precincts and Partnerships Program (RPPP) grant funding, with corresponding expenditure budgets established for the Fascine to Harbour Walk, The Pier Development, Tramway Trail and Bridge, and Van Dongen Park projects. Any unspent funding is expected to be carried forward in accordance with funding agreements.
- Additional expenditure budgets of $465,000 for the Gnulli Festival and Streets Alive Project, fully offset by secured grant funding and contributions.
- Budget reallocations within the Art Gallery Programs budget to reflect actual staffing requirements, including the transfer of funding from materials and contracts to employee costs and superannuation.
- An increase of $25,000 to consultancy expenditure to undertake an independent organisational safety review and an additional $10,000 for Elected Member training and professional development. These expenditures support governance, compliance and workplace safety obligations and were not fully provided for in the adopted budget.
- Additional expenditure of $25,000 for Tramway Bridge maintenance works following procurement requirements identified during the financial year.
- Adjustments to mosquito and vermin control budgets, including the reallocation of staffing resources from Health Administration to support operational service delivery.
- Savings arising from vacant positions, including reductions to employee costs and superannuation budgets associated with the Shared CESM position.
- Deferral of several lower-priority projects and capital acquisitions, including the Ranger Ute canopy, selected Shire building maintenance works and pump station upgrades. These projects are proposed to be deferred to future budget considerations to allow resources to be prioritised toward higher priority operational and grant-funded commitments during 2025/26. No critical service delivery impacts are anticipated as a result of these deferrals.
- Additional funding of $129,000 for Roads to Recovery and State Black Spot projects, fully offset by corresponding increases in grant funding to accommodate project cost escalations and revised delivery requirements.
- Budget adjustments associated with economic development initiatives, including tourism promotion activities, conference delivery, RJED-funded programs and associated employee costs, funded through external grant sources and sponsorship revenue.

The proposed amendments primarily reflect revised project delivery schedules, secured grant funding, operational requirements and the reprioritisation of expenditure to align with current organisational priorities.

A significant proportion of the amendments relate to grant-funded projects where expenditure and associated funding will now occur over multiple financial years. The review is expected to improve the budget position by approximately $99,800 while ensuring the adopted budget remains aligned with current operational and financial circumstances.

Administration will continue to monitor financial performance, project delivery and grant funding milestones throughout the remainder of the financial year and will report any significant variations through future budget reviews.

OFFICER'S RECOMMENDATION

That Council, by Absolute Majority, in accordance with Section 6.8 (1)(b) of the Local Government Act 1995, adopts the 2025/2026 March Quarterly Budget Review as per schedule 1.

7.2.2 ACCOUNTS PAID UNDER DELEGATION - APRIL 2026

File No:	ADM0186
Location/Address:	N/A
Name of Applicant:	Shire of Carnarvon
Name of Owner:	N/A
Author(s):	Sachin Kumar, Accountant
Authoriser:	Amanda Leighton, Executive Manager, Corporate Strategy & Performance
Declaration of Interest:	Nil
Voting Requirement:	Simple Majority
Previous Report:	OCM28/04/2026
Schedules:	1. Schedule 1 - Credit Card Payments 2. Schedule 2 - List Of Accounts Paid Under Delegation 3. Schedule 3 - Direct Debits Payments

Authority/Discretion:

☐	**Advocacy**	When Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.
☑	**Executive**	The substantial direction setting and oversight role of the Council. E.g., adopting plans and reports, accepting tenders, directing operations, setting and amending budgets
☐	**Legislative**	Includes adopting local laws, town planning schemes and policies.
☐	**Information**	Includes items provided to Council for information purposes only that do not require a decision of Council (i.e. – for noting).
☐	**Quasi-judicial**	When Council determines an application / matter that directly affects a person's right and interest. The judicial character arises from the obligations to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licenses, applications for other permits / licenses

Summary of Report

To present the listing of accounts paid under delegation from the Municipal Fund and Trust Fund, in accordance with the requirements of the *Local Government (Financial Management) Regulations 1996*, for the month of April 2026.

Background

Council has delegated to the Chief Executive Officer, the exercise of its power under *Financial Management Regulation 12* to make payments from Municipal Fund and Trust Fund (Delegation 1.2.20) with a statutory condition on the delegation that a list of all payments is to be recorded in the Council Minutes.

The list of payments is provided at **Schedule 1 -** Credit Card Payments**, Schedule 2 -** List of Accounts Paid and **Schedule 3 -** Direct Debits attached.

Stakeholder and Public Consultation

No Public Consultation is considered to be required.

Statutory Environment

Local Government Act 1995

Section 5.42 *– provides that a local government may delegate to the Chief Executive Officer the exercise of certain powers or the discharge of certain duties under the Act, except those listed under section 5.43. A delegation under this section must be in writing and requires an absolute majority.*

Section 5.46 *– requires the Chief Executive Officer to keep a register of delegations made to the CEO and employees. Delegations are to be reviewed at least once every financial year, and persons exercising delegated authority must keep records in accordance with the regulations.*

Local Government (Financial Management) Regulations 1996

Regulation 12 *– provides that payments from the municipal fund or trust fund may only be made by the Chief Executive Officer where the local government has delegated the power to make those payments, or otherwise by Council resolution.*

Regulation 13 *– requires a list of accounts paid by the Chief Executive Officer under delegated authority to be prepared each month. The list must include the payee's name, amount paid, payment date and sufficient information to identify each transaction, and must be presented to Council at the next ordinary meeting and recorded in the minutes.*

Regulation 13A *– requires a monthly list of payments made by employees using purchasing cards, including credit cards, debit cards and other purchasing cards. The list must include the payee's name, amount paid, payment date and sufficient information to identify each payment, and must be presented to Council at the next ordinary meeting and recorded in the minutes.*

Relevant Plans and Policy

Nil

Financial Implications

Nil as payments have been made in accordance with the Council adopted budget.

Risk Assessment

STEP 3 – Risk Tolerance Chart Used to Determine Risk						
Consequence →		Insignificant 1	Minor 2	Major 3	Critical 4	Extreme 5
Likelihood ↓						
Almost certain	A	High	High	Extreme	Extreme	Extreme
Likely	B	Moderate	High	High	Extreme	Extreme
Possible	C	Low	Moderate	High	Extreme	Extreme
Unlikely	D	Low	Low	Moderate	High	Extreme
Rare	E	Low	Low	Moderate	High	High

Risk Category	Description	Rating	Mitigating Action/s
Financial	Payments are made without appropriate budget authority	C1 - Low	Internal controls are in place to manage this potential risk
Health & Safety	N/A	N/A	N/A

Reputation	N/A	N/A	N/A
Service disruption	N/A	N/A	N/A
Compliance	N/A	N/A	N/A
Property	N/A	N/A	N/A
Environment	N/A	N/A	N/A
Fraud	Accounting Fraud	C2 - Moderate	Internal controls are in place, including background checks and regular updates of Sundry Creditors. Sign off by Finance Manager of any Creditor changes (Bank Accounts).

Community and Strategic Objectives

The tabling of information relative to payments made under delegation is solely a legislative requirement common to all local governments within Western Australia. Whilst it does not align itself with any specific Community Strategic Plan 2022-2032 objective, adopting good governance and compliance practices does lessen the risk of the Shire not achieving its strategic and other community objectives.

OBJECTIVES

In 2040 Carnarvon is a place where:

- *N/A*

ADDITIONAL FOCUS AREAS:

- *N/A*

BIG IDEAS FOR THE FUTURE OF CARNARVON:

- *N/A*

Comments

Nil

OFFICER'S RECOMMENDATION

That Council, by Simple Majority in accordance with s.5.42 of the Local Government Act -

1. ***Receives the list of payments made under delegation, as per Schedule 1, 2 & 3 at a total value of $5,076,259.34 as presented for the month of April 2026, incorporating the following;***

Payment reference from:	*Payment reference to:*	*Payment type*	*Payment Amount*
EFT47269	***EFT47529***	***Muni EFT***	***$3,478,674.97***
-	***-***	***Trust EFT***	***$0.00***
-	***-***	***Cheque***	***$0.00***
DD42488.1	***DD42550.1***	***Bank Directs Debits***	***$1,597,584.37***
		TOTAL	***$5,076,259.34***

2. ***Receives the copies of credit card statements for all such Shire Facilities for the period 23 February 2026 – 22 March 2026, paid on 7th April 2026 value of $9,996.07, as per Schedule 1.***

7.2.3 ACCOUNTS PAID UNDER DELEGATION - MAY 2026

File No:	ADM0186
Location/Address:	N/A
Name of Applicant:	Shire of Carnarvon
Name of Owner:	N/A
Author(s):	Sachin Kumar, Accountant
Authoriser:	Amanda Leighton, Executive Manager, Corporate Strategy & Performance
Declaration of Interest:	Nil
Voting Requirement:	Simple Majority
Previous Report:	OCM28/04/2026
Schedules:	1. Schedule 1 - Credit Cards 2. Schedule 2- List Of Accounts Paid Under Delegation 3. Schedule 3 - Direct Debits

Authority/Discretion:

☐	**Advocacy**	When Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.
☑	**Executive**	The substantial direction setting and oversight role of the Council. E.g., adopting plans and reports, accepting tenders, directing operations, setting and amending budgets
☐	**Legislative**	Includes adopting local laws, town planning schemes and policies.
☐	**Information**	Includes items provided to Council for information purposes only that do not require a decision of Council (i.e. – for noting).
☐	**Quasi-judicial**	When Council determines an application / matter that directly affects a person's right and interest. The judicial character arises from the obligations to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licenses, applications for other permits / licenses

Summary of Report

To present the listing of accounts paid under delegation from the Municipal Fund and Trust Fund, in accordance with the requirements of the *Local Government (Financial Management) Regulations 1996*, for the month of May 2026.

Background

Council has delegated to the Chief Executive Officer, the exercise of its power under *Financial Management Regulation 12* to make payments from Municipal Fund and Trust Fund (Delegation 1.2.20) with a statutory condition on the delegation that a list of all payments is to be recorded in the Council Minutes.

The list of payments is provided at **Schedule 1 -** Credit Card Payments**, Schedule 2 -** List of Accounts Paid and **Schedule 3 -** Direct Debits attached.

Stakeholder and Public Consultation

No Public Consultation is considered to be required.

Statutory Environment

Local Government Act 1995

Section 5.42 *– provides that a local government may delegate to the Chief Executive Officer the exercise of certain powers or the discharge of certain duties under the Act, except those listed under section 5.43. A delegation under this section must be in writing and requires an absolute majority.*

Section 5.46 *– requires the Chief Executive Officer to keep a register of delegations made to the CEO and employees. Delegations are to be reviewed at least once every financial year, and persons exercising delegated authority must keep records in accordance with the regulations.*

Local Government (Financial Management) Regulations 1996

Regulation 12 *– provides that payments from the municipal fund or trust fund may only be made by the Chief Executive Officer where the local government has delegated the power to make those payments, or otherwise by Council resolution.*

Regulation 13 *– requires a list of accounts paid by the Chief Executive Officer under delegated authority to be prepared each month. The list must include the payee's name, amount paid, payment date and sufficient information to identify each transaction, and must be presented to Council at the next ordinary meeting and recorded in the minutes.*

Regulation 13A *– requires a monthly list of payments made by employees using purchasing cards, including credit cards, debit cards and other purchasing cards. The list must include the payee's name, amount paid, payment date and sufficient information to identify each payment, and must be presented to Council at the next ordinary meeting and recorded in the minutes.*

Relevant Plans and Policy

Nil

Financial Implications

Nil as payments have been made in accordance with the Council adopted budget.

Risk Assessment

STEP 3 – Risk Tolerance Chart Used to Determine Risk						
Consequence →		Insignificant 1	Minor 2	Major 3	Critical 4	Extreme 5
Likelihood ↓						
Almost certain	A	High	High	Extreme	Extreme	Extreme
Likely	B	Moderate	High	High	Extreme	Extreme
Possible	C	Low	Moderate	High	Extreme	Extreme
Unlikely	D	Low	Low	Moderate	High	Extreme
Rare	E	Low	Low	Moderate	High	High

Risk Category	Description	Rating	Mitigating Action/s
Financial	Payments are made without appropriate budget authority	C1 - Low	Internal controls are in place to manage this potential risk

Health & Safety	N/A	N/A	N/A
Reputation	N/A	N/A	N/A
Service disruption	N/A	N/A	N/A
Compliance	N/A	N/A	N/A
Property	N/A	N/A	N/A
Environment	N/A	N/A	N/A
Fraud	Accounting Fraud	C2 - Moderate	Internal controls are in place, including background checks and regular updates of Sundry Creditors. Sign off by Finance Manager of any Creditor changes (Bank Accounts).

Community and Strategic Objectives

The tabling of information relative to payments made under delegation is solely a legislative requirement common to all local governments within Western Australia. Whilst it does not align itself with any specific Community Strategic Plan 2022-2032 objective, adopting good governance and compliance practices does lessen the risk of the Shire not achieving its strategic and other community objectives.

OBJECTIVES

In 2040 Carnarvon is a place where:

- *N/A*

ADDITIONAL FOCUS AREAS:

- *N/A*

BIG IDEAS FOR THE FUTURE OF CARNARVON:

- *N/A*

Comments

Nil

OFFICER'S RECOMMENDATION

That Council, by Simple Majority in accordance with s.5.42 of the Local Government Act -

1. ***Receives the list of payments made under delegation, as per Schedule 1, 2 & 3 at a total value of $2,350,011.10 as presented for the month of May 2026, incorporating the following;***

Payment reference from:	*Payment reference to:*	*Payment type*	*Payment Amount*
EFT47530	***EFT47760***	***Muni EFT***	***$1,499,,559.99***
-	***-***	***Trust EFT***	***$0.00***
-	***-***	***Cheque***	***$0.00***
DD42584.1	***DD42631.1***	***Bank Directs Debits***	***$850,451.11***
		TOTAL	***$2,350,011.10***

2. ***Receives the copies of credit card statements for all such Shire Facilities for the period 23 March 2026 – 22 April 2026, paid on 6th Mayl 2026 value of $16,609.81, as per Schedule 1.***

7.2.4 TRANSITION OF BANKING PROVIDERS

File No:	ADM0092
Location/Address:	N/A
Name of Applicant:	Shire of Carnarvon
Name of Owner:	N/A
Author(s):	Racheal King, Corporate Assurance and Finance Advisor
Authoriser:	Amanda Leighton, Executive Manager, Corporate Strategy & Performance
Declaration of Interest:	Indirect Financial
Voting Requirement:	Simple Majority
Previous Report:	ARIC Meeting 26 April 2026
Schedules:	Nil

Authority/Discretion:

☐	**Advocacy**	When Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.
☑	**Executive**	The substantial direction setting and oversight role of the Council. E.g., adopting plans and reports, accepting tenders, directing operations, setting and amending budgets
☐	**Legislative**	Includes adopting local laws, town planning schemes and policies.
☐	**Information**	Includes items provided to Council for information purposes only that do not require a decision of Council (i.e. – for noting).
☐	**Quasi-judicial**	When Council determines an application / matter that directly affects a person's right and interest. The judicial character arises from the obligations to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licenses, applications for other permits / licenses

Declaration of Interest

The author of this report is a customer of the Commonwealth Bank of Australia. It is noted that discounted banking products may be made available to employees where their Local Government Employer banks with the institution, and the author may therefore receive a financial benefit if the proposed transition proceeds.

This represents an indirect financial interest. The interest is considered minor, has been disclosed for transparency, and has not influenced the recommendations contained within this report.

Summary of Report

This report seeks Council approval to transition the Shire's banking services to the Commonwealth Bank of Australia through the State Government Common Use Arrangement (CUA).

The proposed transition is intended to improve service delivery, strengthen banking controls and governance outcomes, and provide operational efficiencies while maintaining cost neutrality.

Background

The Shire currently utilises a banking provider outside of the State Government Common Use Arrangement, with annual banking fees budgeted at approximately $30,000.

A review of current banking arrangements identified several service delivery concerns affecting operational efficiency and the effectiveness of financial controls, including delays in processing banking administration requests and limited escalation pathways for urgent matters.

These issues have contributed to increased administrative burden and have impacted aspects of the Shire's control environment.

The Commonwealth Bank of Australia is available through a State Government Common Use Arrangement and maintains a local branch presence, providing a suitable alternative with access to dedicated local government banking support and improved service responsiveness.

This matter was previously considered by the Audit and Risk Management Committee at its meeting held on 21 April 2026. The Committee reviewed the proposed transition of the Shire's banking services to the Commonwealth Bank of Australia and resolved to recommend the matter to Council for consideration. Since consideration by the Committee, officers have undertaken due diligence and confirmed the operational, governance and service delivery benefits associated with the proposed banking arrangements. No material issues have since been identified that would warrant officers recommending an alteration to the Committee's recommendation.

Stakeholder and Public Consultation

Internal
Consultation has been undertaken with:

- Management Team
- Finance function

External

- Review of CUA supplier capability and service offering
- WALGA Procurement Team

Public consultation was not considered to be undertaken as this matter relates to operational service arrangements.

Statutory Environment

Local Government Act 1995 (WA)

Local Government (Functions and General) Regulations 1996
Regulation 11(2)(e) *- provides an exemption from public tender requirements where goods or services are available under a State Government Common Use Arrangement.*

Relevant Plans and Policy

Policy SOC002 – Purchasing & Procurement

Risk Management Framework

Financial Implications

The Shire currently allocates approximately $30,000 per annum for banking services.

The proposed arrangement with the Commonwealth Bank of Australia is expected to be cost neutral, with fees in line with the current provider, while offering the potential for enhanced returns on invested funds through higher term deposit interest rates.

Risk Assessment

Consequence → / Likelihood ↓		STEP 3 – Risk Tolerance Chart Used to Determine Risk				
		Insignificant 1	Minor 2	Major 3	Critical 4	Extreme 5
Almost certain	A	High	High	Extreme	Extreme	Extreme
Likely	B	Moderate	High	High	Extreme	Extreme
Possible	C	Low	Moderate	High	Extreme	Extreme
Unlikely	D	Low	Low	Moderate	High	Extreme
Rare	E	Low	Low	Moderate	High	High

Risk Category	Description	Rating	Mitigating Action/s
Financial	Loss of interest revenue due to suboptimal investment rates and inefficient cash management under current provider	3D - Moderate	Transition to Commonwealth Bank of Australia with improved term deposit rates; periodic review of investment performance
	Errors or delays in transaction processing impacting cashflow and financial reporting	3D - Moderate	Dedicated banking team to ensure timely processing; improved service level expectations and escalation pathways
Health & Safety	Minimal direct impact; however, manual workarounds due to banking delays may increase staff stress and workload	1D - Low	Improved service responsiveness reducing manual intervention and workload pressures
Reputation	Reputational damage arising from audit findings or perceived weak financial controls	3C - High	Immediate remediation of control weaknesses; strengthened governance and audit compliance through provider transition
Service disruption	Disruption to payroll, creditor payments, or receipting during transition to new banking provider	3D - Moderate	Structured implementation plan; staged transition; parallel testing of systems prior to full cutover
	Reduced banking accessibility impacting daily operations (cash deposits, in-person banking)	1D - Low	CUA provider maintains local branch; no reduction in service accessibility

Compliance	Non-compliance with internal controls and audit requirements due to failure to update bank signatories	4C - Extreme	Transition to provider with dedicated support and clear escalation; immediate update and validation of authorised signatories
	Procurement non-compliance risk if process not aligned with legislation	1D - Low	Use of CUA in accordance with Regulation 11(2)(e); documentation of procurement rationale
Property	No direct impact on Shire property assets	1D - Low	N/A
Environment	No material environmental impact	1D - Low	N/A
Fraud **Fraud**	Unauthorised access to bank accounts due to delayed removal of signatories	4C - Extreme	Immediate transition; validation of signatories; strengthened controls and monitoring; segregation of duties re-enforced
	Increased fraud risk due to weak banking controls and delayed provider response	3C - High	Dedicated banking team; clear escalation pathways; improved turnaround times; regular review of access controls

Community and Strategic Objectives

The proposal aligns with the following desired objectives as expressed in the *Community Strategic Plan 2022-2032*:

OBJECTIVES

In 2040 Carnarvon is a place where:

- *N/A*

ADDITIONAL FOCUS AREAS:

- *Improve the trust between citizens and the Shire of Carnarvon*

BIG IDEAS FOR THE FUTURE OF CARNARVON:

- *N/A*

Comments

A review of the Shire's current banking arrangements has identified that the existing provider is not meeting service and control expectations, particularly in relation to the timely processing of critical requests such as bank signatory updates.

A review of the Shire's current banking arrangements has identified that the existing provider is not meeting service and control expectations, particularly in relation to the timely processing of critical requests such as bank signatory updates.

Despite repeated follow-up and escalation attempts, some bank signatory changes have remained unresolved for in excess of twelve months. These delays have resulted in audit management letter findings and have impacted the effectiveness of key financial controls relating to authorised banking access and segregation of duties.

This has resulted in:

- A breakdown in key internal controls, specifically relating to authorised banking access.
- Exposure to:
    - Segregation of duties breaches
    - Unauthorised transaction risk
- Audit findings and/or management letter comments, indicating deficiencies in the effectiveness of the Shire's control environment

Given the importance of banking services in supporting the Shire's financial governance framework, these issues represent a material risk that requires remediation.

In accordance with Policy SOC002– Purchasing & Procurement, procurement decisions must achieve value for money, considering not only price, but also:

- Risk
- Service quality
- Supplier capability
- Operational efficiency

On this basis, the current provider is considered not to represent value for money, as the risks and service limitations outweigh cost considerations.

An assessment of available procurement options has been undertaken. While a public tender or Request for Quotation process could be pursued, this is not considered proportionate given:

- The relatively low annual budgeted spend ($30,000)
- The availability of a compliant supplier under a State Government Common Use Arrangement
- The need to promptly address identified control weaknesses

The proposed transition to the Commonwealth Bank of Australia under the CUA provides a balanced and practical solution, delivering:

- Improved governance outcomes, supported by a dedicated local government banking team to ensure timely actioning of requests
- Clear escalation pathways for urgent or unresolved matters, improving accountability and responsiveness
- A structured implementation plan, supporting a controlled and orderly transition of banking services
- Strengthening of the control environment, reducing the likelihood of repeat audit findings
- Enhanced service delivery, including improved responsiveness and reduced administrative burden
- Financial benefit, through the potential of at-current higher interest rates on term deposits
- Cost neutrality, with fees on par with the current provider
- No impact on service accessibility, with a local branch available to support daily banking operations

From a procurement perspective, the proposed approach is:

- Legislatively compliant, with exemption from public tender under Regulation 11(2)(e)
- Policy compliant, as use of a CUA is an approved procurement pathway within the applicable threshold

Accordingly, the proposed transition represents a proportionate, risk-based, and value-for-money decision, delivering both:

- Immediate remediation of a control deficiency, and
- Improved operational, financial, and governance outcomes for the Shire

The review of the Shire's banking arrangements has identified a material control weakness that has resulted in auditor comments and increased exposure to financial and fraud risks.

The proposed transition to the Commonwealth Bank of Australia under a State Government Common Use Arrangement provides a timely and proportionate response, delivering improvements in:

- Control effectiveness and governance
- Service responsiveness and accountability
- Financial outcomes through improved investment returns

Importantly, the transition can be implemented without additional cost and without impacting local service accessibility, while significantly reducing the Shire's risk profile.

Implementation and Transition

The Shire's banking arrangements support a significant number of operational and financial systems, including Definitive, Synergy, Altus, BPAY facilities, EFTPOS services, payroll processing, creditor payments, direct debits, online receipting, term deposit investments and corporate credit card facilities.

Given the complexity of these arrangements, advice received from the Commonwealth Bank indicates that implementation is expected to take approximately six months, with Administration allowing up to twelve months to ensure an orderly transition and mitigate operational risk.

To minimise disruption to business operations, a staged transition approach is proposed. This will involve the establishment of new banking facilities with the Commonwealth Bank while maintaining existing ANZ arrangements during the transition period. Core banking functions, including investment facilities, payment processing and credit card services, would be progressively migrated, with major revenue streams such as rates, BPAY and debtor payments transitioned in the later stages of implementation.

ANZ would remain the Shire's primary transactional banking provider until critical revenue collection systems have been successfully redirected and tested. This approach reduces implementation risk and provides business continuity throughout the transition process.

Financial and Investment Considerations

Current banking fees offered by the Commonwealth Bank are anticipated to remain within existing budget allocations and are expected to be comparable to current arrangements. While both banking providers may operate concurrently during implementation, no material increase in banking fees is anticipated *(as fees are largely calculated on a per transaction basis)* and existing budgets are considered sufficient to accommodate transition activities.

No additional software vendor costs are expected to be incurred as part of the transition, and implementation activities will be managed using existing employee resources and approved staffing budgets.

The proposal also includes transitioning the Shire's investment facilities and corporate credit card arrangements. The Commonwealth Bank has indicated investment rates that are currently more favourable than those offered under the existing arrangements. As an example, a recent comparison identified a term deposit rate of 5.08% from the Commonwealth Bank compared to 3.35% from ANZ for a comparable investment term and amount. Whilst future interest rates cannot be guaranteed and may vary over time, the proposal has the potential to improve investment returns in accordance with the objectives of the Shire's Investment Policy.

The transition of corporate credit card facilities will require establishment of an associated line of credit facility. This facility is intended solely to support the administration and settlement of corporate card transactions and does not represent an increase in the Shire's borrowing capacity for operational purposes.

Other Providers Considered

Consideration was given to alternative banking providers. However, only two banking institutions currently maintain a branch presence within Carnarvon, being ANZ and the Commonwealth Bank.

Given the Shire's ongoing requirement to undertake cash banking activities and access local branch services, providers without a local branch presence were not considered suitable. The Commonwealth Bank was therefore identified as the only practical alternative available capable of meeting the Shire's operational requirements.

Overall, the proposal represents a practical, compliant, and value-for-money solution that strengthens the Shire's financial management and control environment.

OFFICER'S RECOMMENDATION

That Council, by Simple Majority;

1. **Approves the transition of the Shire's banking services to the Commonwealth Bank of Australia under the State Government Common Use Arrangement, in an effort to secure risk management and other control improvements; and**
2. **Authorises the Chief Executive Officer to undertake all actions necessary to implement the transition, including execution of agreements and establishment of banking facilities.**

7.2.5 APPROVAL TO ADVERTISE DIFFERENTIAL RATES FOR 2026/2027

File No:	ADM0071
Location/Address:	N/A
Name of Applicant:	Shire of Carnarvon
Name of Owner:	Shire of Carnarvon
Author(s):	Amanda Leighton, Executive Manager, Corporate Strategy & Performance Racheal King, Corporate Assurance and Finance Advisor
Authoriser:	Amanda Dexter, Chief Executive Officer
Declaration of Interest:	Nil
Voting Requirement:	Absolute Majority
Previous Report:	Nil
Schedules:	1. Objects and Reasons - 2026/2027 Differential Rates 2. DRAFT Statutory Budget

Authority/Discretion:

☐	**Advocacy**	When Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.
☑	**Executive**	The substantial direction setting and oversight role of the Council. E.g., adopting plans and reports, accepting tenders, directing operations, setting and amending budgets
☐	**Legislative**	Includes adopting local laws, town planning schemes and policies.
☐	**Information**	Includes items provided to Council for information purposes only that do not require a decision of Council (i.e. – for noting).
☐	**Quasi-judicial**	When Council determines an application / matter that directly affects a person's right and interest. The judicial character arises from the obligations to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licenses, applications for other permits / licenses

Summary of Item

Council is asked to approve the proposed differential general rates and minimum payments for public advertising under section 6.36 of the Local Government Act 1995. This is a decision that would result in consultation only. It does not finally impose the rates or adopt the 2026/27 Annual Budget.

The current model is estimated to raise $7.969 million in rates revenue, an increase of $624,444 or 8.5% in total rates yield compared with 2025/26. The figure of 8.5% is not a uniform increase for every property. The amount payable on an individual assessment will depend on its valuation, rating category and whether the minimum payment applies.

The proposed rates increase has been calculated based on the funding required to address the forecast budget deficit after considering all other revenue sources, expenditure commitments, and has been determined at a level necessary to support a balanced and financially sustainable position.

What Council is deciding today

Council is considering whether the proposed model should be placed before the community for a minimum of 21 days. Every submission must return to Council for formal consideration before the rates are adopted and before the required Ministerial approval is sought.

Background

Rates are one of the principal revenue sources used to fund local services, infrastructure and the Shire's contribution to externally funded projects. The amount of rates payable is determined by the property valuation supplied by the Valuer-General and the rate in the dollar set by Council through the annual budget process.

How an individual rate is calculated
Property valuation × the applicable rate in the dollar = calculated general rate. If the calculated amount is below the applicable minimum payment, the minimum payment applies. The Valuer-

Section 6.33 of the Act allows Council to apply different rates in the dollar to categories of land based on lawful characteristics such as zoning and land use. Section 6.35 allows a minimum payment to be imposed, subject to the statutory tests that must be confirmed before final adoption.

Proposed differential rates and minimum payments

Differential rating category	2024/25 minimum payment	Proposed 2026/27 minimum payment	Proposed rate in the dollar
GRV Residential	$1,454	$1,580	11.7000 cents
GRV Commercial/Industrial	$1,454	$1,580	12.6180 cents
GRV Special Use/Rural	$1,454	$1,580	12.5920 cents
UV Mining	$1,454	$1,580	31.8400 cents
UV Pastoral	$1,454	$1,580	14.0150 cents
UV Intensive Horticulture	$1,454	$1,580	2.9850 cents

Important Transparency Point
The proposed 8.5% is the movement in total rates revenue across the whole model. It must not be described as an 8.5% increase for every property. Based on 2,395 rate-able assessments, the additional $624,444 equates to a simple whole-of-rate-base average of about $261 a year, or $5 per week. That average is not a forecast of any individual rate notice.

The proposed $1,580 minimum continues the aligned structure introduced in 2025/26 and represents an increase of $126 a year for properties on the minimum.

Stakeholder and Public Consultation

Internal consultation has occurred between all departments and through workshops held with Council on Tuesday 10 March 2026, and a budget presentation to the Commissioner on Tuesday 17 June 2026.

If Council endorses advertising, in accordance with section 6.36 of the Act, the Shire will give local public notice for at least 21 days. The notice will be published on the Shire's official website and through at least three prescribed channels. The Shire will also provide plain-language information explaining the proposed rates, how individual rates are calculated, the meaning of the 8.5% yield, payment support, and how to make a submission.

Any submissions received must be considered by Council prior to the request for Minister's approval and adoption of rates.

Internal consultation has occurred between all departments and through workshops held with Council on Tuesday 10 March 2026, and budget presentation to the Commissioner on Tuesday 17 June 2026.

Statutory Environment

Local Government Act 1995
Section 1.7 *– provides for local public notice requirements.*

Section 6.28 *– provides for the basis of rates, including the method of valuation of land to be used by a local government as the basis for a rate.*

Section 6.32 *– provides the authority for a local government to impose general rates, differential general rates, specified area rates, minimum payments and service charges when adopting the annual budget.*

Section 6.33 *– provides for differential general rates and requires Ministerial approval where a differential general rate is more than twice the lowest differential general rate imposed by the local government.*

Section 6.34 *– provides that the estimated yield from general rates must be within 90% to 110% of the budget deficiency, unless otherwise approved by the Minister.*

Section 6.35 *– provides for minimum payments and the statutory requirements and limitations that apply to minimum payments.*

Section 6.36 *– requires a local government to give local public notice before imposing differential general rates or certain minimum payments, including publication of the objects and reasons and allowing at least 21 days for submissions.*

Section 6.47 *– provides that a local government may resolve to waive a rate or service charge, or grant other concessions in relation to a rate or service charge, subject to the Rates and Charges (Rebates and Deferments) Act 1992.*

Local Government (Administration) Regulations 1996
Regulation 3A *– prescribes the requirements for giving local public notice under section 1.7 of the Local Government Act 1995.*

Ministerial Approval
The proposed UV Pastoral and UV Mining rates are each more than twice the lowest proposed UV differential rate, which is UV Intensive Horticulture. Ministerial approval under section 6.33(3) will therefore be required before those rates can be imposed.

UV category	Rate in the dollar	Relative to lowest UV rate	Position
UV Intensive Horticulture	2.9850 cents	1.00 times	Lowest UV rate
UV Pastoral	14.0150 cents	4.70 times	Approval required
UV Mining	31.8400 cents	10.67 times	Approval required

Relevant Plans and Policy

Rating Policy – Department of Local Government, Sport and Cultural Industries
Stabilising Our Financial Position – Shire of Carnarvon Revenue Strategy 2022
Strategic Community Plan for 2022/2032
Long Term Financial Plan and Asset Management Plans

Financial Implications

The proposed differential rates are expected to raise $7.969 million in rates revenue for the 2026/27 financial year, representing an increase of $624,444 (8.5%) compared with 2025/26.

In considering the proposed rates increase, budget analysis has identified a cumulative rates revenue gap of approximately $3.05 million against the revenue trajectory assumed in the Long Term Financial Plan and Revenue Strategy.

The effect of this revenue gap has been a reduced capacity to fund infrastructure renewal, asset maintenance, service delivery and strategic initiatives. While Council has continued to achieve operational efficiencies and secure external grant funding where possible, these measures alone are insufficient to offset the increasing cost of delivering local government services across a large regional and remote district.

The proposed rates increase forms part of Council's broader financial sustainability strategy and is intended to support the ongoing delivery of essential services, maintenance of community assets and infrastructure, and implementation of priority projects identified within the 2026/27 Budget.

Note: The amount proposed to be raised above the 2025/26 base is $624,444.

Options Considered

Given the significant operating and capital funding shortfalls identified during the preparation of the 2026/27 Annual Budget, Council requested that the following three rate-increase scenarios be modelled for formal consideration:

- 6.95%
- 8.50%
- 9.50%

Modelled option	Additional rates revenue	Transparent consequence
6.95% yield increase	$510,481	Lower immediate impact, but $113,963 less revenue than the recommended model. A corresponding budget reduction or alternative funding source would need to be identified.
8.50% yield increase - proposed	$624,444	Recommended balance between affordability and the current draft budget requirement.
9.50% yield increase	$697,738	Provides $73,294 more than the proposed model, but creates a higher ratepayer impact and is not recommended on current information.

Following consideration of the financial implications of each option, the proposed **8.50% rate increase** was identified as providing the most appropriate balance between affordability for ratepayers and the Shire's need to maintain service delivery, asset renewal programs and long-term financial sustainability. While it would provide some funding to offset projected cost increases and support additional capital investment, the level of investment would remain below that required.

Risk Assessment

Consequence → / Likelihood ↓		STEP 3 – Risk Tolerance Chart Used to Determine Risk				
		Insignificant 1	Minor 2	Major 3	Critical 4	Extreme 5
Almost certain	A	High	High	Extreme	Extreme	Extreme
Likely	B	Moderate	High	High	Extreme	Extreme
Possible	C	Low	Moderate	High	Extreme	Extreme
Unlikely	D	Low	Low	Moderate	High	Extreme
Rare	E	Low	Low	Moderate	High	High

Risk Category	Description	Rating	Mitigating Action/s
Financial	The Minister may not approve the proposed differential rates	D2 - Low	All statutory requirements have been met to date. The proposed differential rates will be publicly advertised for a period of 21 days as required. Any submissions received will be formally reviewed and addressed prior to final submissions to the Minister, ensuring procedural compliance and reducing the likelihood of refusal.
Health & Safety	N/A	N/A	N/A
Reputation	Community sensitivity to Council rate. Rates that are perceived as high have the potential to result in reputational damage.	B2 - High	The proposed rates have been structured to equitably distribute the financial burden across all rating categories. The need for increases is clearly aligned with maintaining financial sustainability and service delivery expectations. Transparent communication and justification of the rate strategy will support community understanding and acceptance.
Service disruption	N/A	N/A	N/A
Compliance	Failure to comply with legislative requirements under the Local Government Act 1995 and associated regulations.	D2 – Low	All actions taken align with the legislative framework, including public advertising, provision of a statement of objects and reasons, and consideration of submissions. Ongoing review of compliance requirements and consultation with the Department of Local Government, sport and Cultural Industries ensures that statutory obligations are fully met prior to Ministerial submission.
Property	N/A	N/A	N/A
Environment	N/A	N/A	N/A
Fraud	N/A	N/A	N/A

Community and Strategic Objectives

The proposal aligns with the following desired objectives as expressed in the *Community Strategic Plan 2022-2032*:

OBJECTIVES

In 2040 Carnarvon is a place where:

- *Our equitable community is actively involved in and are responsible for developing innovative, local solutions that transcend our region for a safe and unified 6701*
- *Our infrastructure, housing and amenities are high quality and accessible*
- *Our community is engaged, inclusive and supportive*
- *Our sustainable livelihoods create a community that can flourish into the future*

Comments

The Shire of Carnarvon delivers services across Carnarvon, Coral Bay and a large rural and remote district. Its responsibilities include two airports, two waste management facilities, urban and rural roads (279km & 1,261km respectively), drainage, parks and recreation assets, libraries and community facilities, coastal and tourism infrastructure, environmental health, community safety and emergency preparedness for cyclone, flood, bushfire and storm surge events.

These responsibilities are broad relative to the size of the rate base and are delivered in an environment affected by the distance from Perth, neighbouring towns freight costs, contractor mobilisation, workforce constraints, insurance, fuel, utilities, materials and weather-related damage.

The proposal is intended to maintain service delivery, protect community assets and avoid transferring an excessive maintenance and renewal burden to future ratepayers.

What the proposed revenue is intended to protect

- Roads, drainage, footpaths and access, including the capacity to respond to defects and weather damage.
- Parks, public spaces, community facilities, libraries and recreation assets that support everyday wellbeing.
- Airport, waste, coastal and tourism infrastructure that supports residents, businesses and visitors.
- Emergency management planning, local coordination and response capability across a hazard-exposed district.
- Planned maintenance and renewal of ageing assets, reducing the risk of avoidable failure and higher future costs.
- The Shire's ability to meet co-contribution and delivery requirements for State and Commonwealth grant funding.

Affordability and individual impacts

Any increase is a real cost to households and businesses and should not be trivialised. The whole-of-rate-base average of approximately $261 a year or $5 a week is useful only as a broad indicator. It does not show the impact on a particular residential, commercial, pastoral, mining or horticultural property.

Individual changes may be lower or higher than the overall yield movement because property valuations, rating categories and minimum payments differ. A property which has a calculated rate below $1,580 will pay the proposed minimum payment.

Ratepayers experiencing financial difficulty are encouraged to contact the Shire early. Instalment options, payment arrangements and statutory pensioner or senior concessions will be communicated subject to eligibility, legislation and adopted Shire policy.

Efficiency and accountability

Throughout the development of the 2026/27 Budget, Council and the Commissioner have considered the Shire's operating requirements, capital works program, asset renewal obligations and long-term financial sustainability.

All engagement and workshops have involved careful consideration of a range of financial pressures and commitments, including:

- Escalating costs associated with materials, contractors, fuel, utilities and insurance.
- Asset renewal and replacement requirements identified through the Shire's Asset Management Plans.
- Shire co-contributions required to secure significant external grant funding for infrastructure and community projects.
- Continued investment in roads, drainage, community facilities, public open space, airports, waste facilities and coastal infrastructure.

- Maintaining emergency management capability and preparedness across a large regional district.
- Ongoing increases in employee costs arising from award obligations, enterprise agreements and statutory employment on-costs.
- The increase in the Superannuation Guarantee to 12%.
- Shire co-contributions required to secure significant external grant funding for infrastructure and community projects.
- Approved Major Projects include – Carnarvon Runway and Taxi way Upgrade, Coral Bay Waste Site relocation, Coral Bay Airstrip and Taxiway Upgrade, Disaster Recovery Projects and Road Works and Carnarvon Woolshed (Civic & Evacuation Centre) Roof refurbishment.

In addition to these ongoing cost pressures, the Shire has continued to manage the financial impacts associated with significant weather events and emergency management activities during the last 6 months, including 2 cyclone impacts and flood preparedness, response and recovery works. These events place additional demands on infrastructure, emergency management resources, roads, drainage systems and operational budgets.

At the same time, the Shire has experienced substantial increases in fuel, construction materials, contractor rates, insurance premiums and other essential operating costs, many of which have increased at rates exceeding general inflation.

As part of the budget process, Council reviewed expenditure, identified efficiencies where possible and considered alternative funding sources. This has included ongoing budget reviews, procurement controls, asset management planning, grant funding opportunities and operational efficiency measures. While these initiatives continue to support responsible financial management, they are insufficient on their own to offset the increasing cost of maintaining service levels, responding to emergency events, renewing ageing infrastructure and meeting community expectations.

There are savings that have been calculated by reducing costs associated with community development, marketing and engagement.

The Shire administration will apply renewed priority to grants revenue opportunities and if the opportunity arises with funds received through these measures, look to restore impacted serves.

It is noted and has been recognised by Council that that rates revenue has not increased in line with cumulative cost growth over recent years. Analysis undertaken as part of the 2026/27 budget process identified a cumulative revenue gap of approximately $3.05 million (had annual rate increases been applied in accordance with Long Term Financial Plan assumptions since 2020/21).

The practical effect of this funding gap has clearly identified a reduced capacity to undertake infrastructure renewal, road maintenance, building upgrades and other community projects that would otherwise have been achievable.

The proposed differential rates are expected to raise approximately $7.969 million in rates revenue during 2026/27, representing an increase of $624,444 (8.5%) compared with 2025/26. Across the Shire's 2,395 rateable assessments, this equates to an average increase of approximately $261 per annum, or around $5 per week per property.

The proposed differential rates and minimum payments are considered necessary to achieve a balanced budget, maintain adopted service levels, protect community assets and improve the long-term financial sustainability of the Shire.

OFFICER'S RECOMMENDATION

That Council by Simple Majority;

1. ***Approves the giving of local public notice of the proposed 2026/27 differential general rates and minimum payments set out in the table below and invites electors or ratepayers to lodge submissions about this proposal within 21 days from the date of notice:***

DIFFERENTIAL RATING CATEGORY	*MINIMUM PAYMENT PROPOSED*	*RATE IN THE DOLLAR ($) PROPOSED*
GRV Residential	*$1,580*	*11.7000 cents*
GRV Commercial/Industrial	*$1,580*	*12.6180 cents*
GRV Special Use/Rural	*$1,580*	*12.5920 cents*
UV Mining	*$1,580*	*31.8400 cents*
UV Pastoral	*$1,580*	*14.0150 cents*
UV – Intensive Horticulture	*$1,580*	*2.9850 cents*

2. ***Adopts the Objects and Reasons – Differential Rates 2026/27 for the purpose of public advertising under section 6.36 of the Local Government Act 1995; and***
3. ***Requests, Following the close of the public submission period, the Chief Executive Officer to report back to Council, presenting any submissions for formal consideration.***

7.3 DEVELOPMENT AND COMMUNITY SERVICES

7.3.1 SOUTH CARNARVON SEAWATER INUNDATION MITIGATION PROJECT – ENDORSEMENT TO EXECUTE DISASTER READY FUND AGREEMENT

File No:	ADM2348
Location/Address:	South Carnarvon – Carnarvon Fascine, West Street, Harbour Road, Olivia Terrace and the existing South Carnarvon Surge Wall
Name of Applicant:	Shire of Carnarvon
Name of Owner:	Shire of Carnarvon, State of Western Australia and other land interests to be confirmed through detailed design
Author(s):	Amanda Dexter, Chief Executive Officer
Authoriser:	Amanda Dexter, Chief Executive Officer
Declaration of Interest:	Nil
Voting Requirement:	Simple Majority
Previous Report:	Nil
Schedules:	1. DRF2526-001 DRF Funding Agreement Alternate with 10% Closure 2. Independent Costing Assessment 3. Presentation - Mitigate the risk of seawater inundation of South Carnarvon 4. NEMA - Implementation Plan - DRFR300004 5. Concept Design Report - SE176-01-RevB South Carnarvon Management 6. Attachment E - Carnarvon Spit Stabilization and Heightening Works

Authority/Discretion:

☐	**Advocacy**	When Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.
☑	**Executive**	The substantial direction setting and oversight role of the Council. E.g., adopting plans and reports, accepting tenders, directing operations, setting and amending budgets
☐	**Legislative**	Includes adopting local laws, town planning schemes and policies.
☐	**Information**	Includes items provided to Council for information purposes only that do not require a decision of Council (i.e. – for noting).
☐	**Quasi-judicial**	When Council determines an application / matter that directly affects a person's right and interest. The judicial character arises from the obligations to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licenses, applications for other permits / licenses

Summary of Report

Council is asked to endorse execution of Funding Agreement DRF2526-001 between the Department of Fire and Emergency Services (DFES) and the Shire of Carnarvon for the Commonwealth Disaster Ready Fund project, "Mitigate the Risk of Seawater Inundation of South Carnarvon WA Gascoyne Coast". The agreement provides $5,582,831 in Commonwealth funding toward a total project funding envelope currently recorded in the Implementation Plan as $6,207,831.

The decision is significant because it secures funding to progress a known and potentially severe public safety, property, infrastructure and community resilience risk. It is also significant because execution makes the Shire responsible for delivery, compliance, cost control, reporting, asset maintenance and any cost overruns or ineligible expenditure. The agreement is therefore not a routine administrative grant acceptance.

Council is being asked to secure the funding and authorise the project to proceed into investigation, design and genuine community engagement. The grant does include funding for provision of the actual mitigation works, but at this point in time Council is not being asked to approve a final wall alignment, height, material, property impact or construction contract at this meeting.

The officer recommendation deliberately establishes safeguards: a minimum 42-day formal consultation period on feasible design options; direct engagement with affected residents, businesses and users; publication of plain-language technical information and community responses; independent cost and design review; and a further Council decision before the principal construction contract is awarded.

Community Summary: Key facts and next steps
Council is being asked to secure $5.582 million to begin investigation, design and community engagement to reduce seawater flooding risk. No final wall or levee design or property impact has been chosen. At least two in-person sessions and a minimum 42-day consultation will occur before the preferred design returns to Council and before any principal construction contract is awarded.

Background

South Carnarvon is a low-lying residential area bounded by the Carnarvon Fascine to the west, tidal flats and the South Carnarvon Surge Wall to the south and east, and higher ground toward the north-east. Its coastal setting is one of Carnarvon's defining strengths, but it also exposes parts of the town to seawater inundation during severe tropical cyclone and storm surge conditions.

The current protection system is made up of natural and constructed elements. Babbage Island Spit provides a natural buffer at the Fascine entrance. The South Carnarvon Surge Wall was constructed in approximately 2004 and the Carnarvon Fascine Wall was completed in 2013. These measures have reduced risk, but they do not form a complete and consistent protection perimeter.

The principal weakness is the unfinished gap between the Fascine Wall and the existing Surge Wall in the vicinity of the Carnarvon Yacht Club, West Street and Harbour Road. Earlier plans intended this gap to be closed after Yacht Club works, but the final connection was never constructed. The preliminary engineering report also identifies a smaller low point north of the existing Fascine crest wall near Robinson Road and variations in the height and width of the existing Surge Wall.

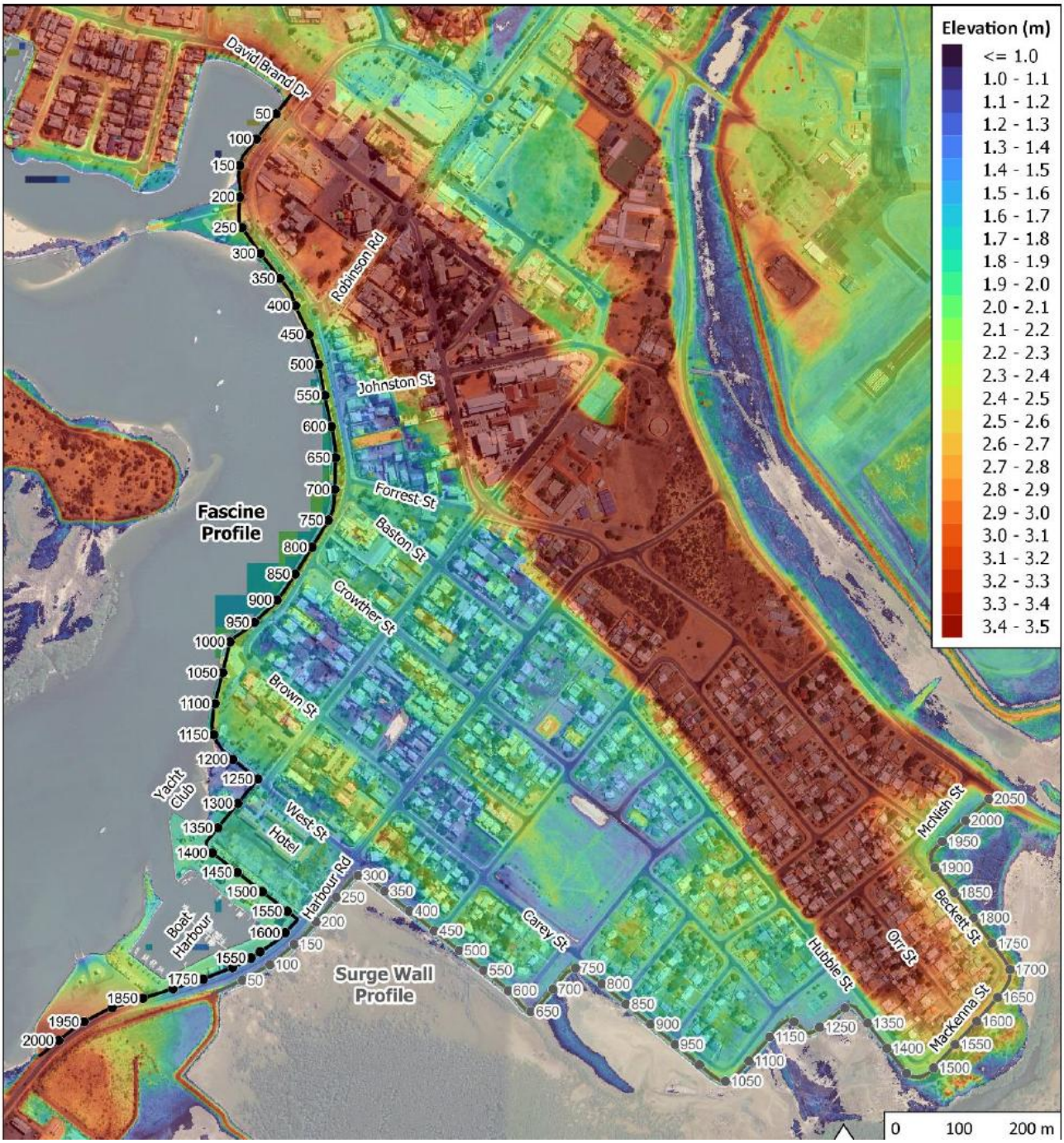

Figure 1 – South Carnarvon topography and the existing Fascine and Surge Wall protection system. Source: Seashore Engineering, Concept Design Report, Figure 3-1.

The evidence of risk

The available technical work identifies Carnarvon as one of three Western Australian locations assessed as having "extreme" present-day coastal inundation risk. That classification is driven primarily by the concentration of homes and residents in low-lying South Carnarvon and the way water can enter through the Yacht Club/West Street gap and spread across the internal road and drainage network.

Indicative water level	What the preliminary modelling shows
Approximately +1.6 m AHD	Localised seawater inundation can reach the Yacht Club/West Street/Hotel area through the protection gap. The preliminary report associates this with an event in the order of a 20–50 year annual recurrence interval under present-day conditions.
Approximately +1.8 m AHD	Inundation can spread rapidly into low-lying residential streets; the technical exposure assessment identifies approximately 120 residential buildings and an estimated 252 residents exposed.
Approximately +1.9 m AHD	Widespread inundation is modelled across South Carnarvon, with approximately 190 residential buildings, one commercial building and an estimated 417 residents exposed.
Approximately +2.3 m AHD	Most of the vulnerable low-lying area is affected; the technical assessment identifies approximately 291 residential buildings, three commercial buildings and an estimated 646 residents exposed, with combined building and contents exposure reported at approximately $256 million.
Above the design level	Risk remains. Exceptional events can overtop or breach structures, and water may still enter through drainage, wave overtopping, local low points or other pathways. Structural protection reduces risk; it does not eliminate it.

The statewide screening assessment cited in the preliminary report estimated potential building damage of approximately $2.3 million for a “high” event and $24 million for an “extreme” event, and average annual damage of approximately $1.2 million for the broader Carnarvon assessment. A later, refined South Carnarvon analysis estimated present-day average annual building damage at approximately $585,000 under its base assumptions. These figures are modelled estimates, not forecasts of the exact cost of a future event, and they are sensitive to assumptions such as building floor levels, event likelihood and future sea level.

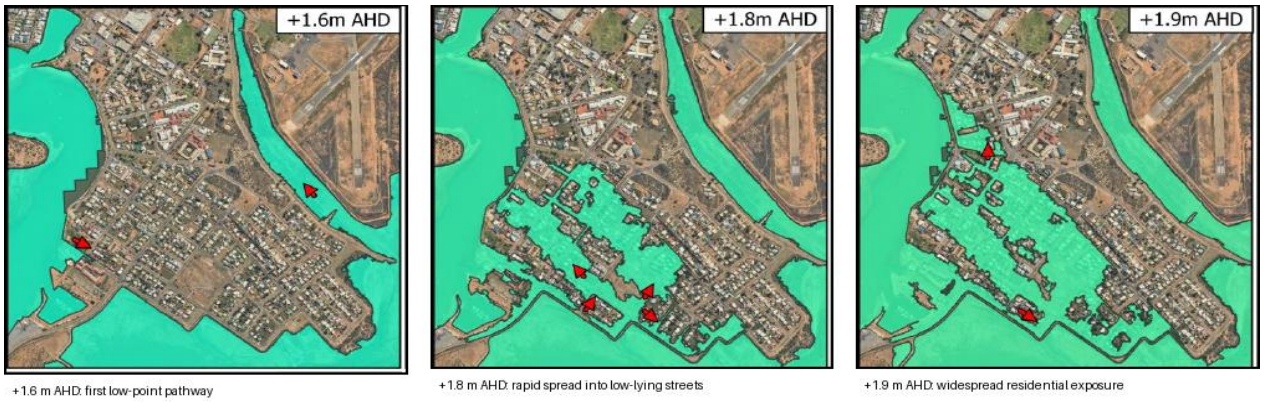

Figure 2 – Modelled progression from the initial low-point pathway to widespread South Carnarvon inundation. Source: Seashore Engineering, Concept Design Report, Figure 3-8.

How to read the technical numbers
AHD is an elevation datum, not the visible height of a wall above the ground. A target crest of +2.8 m AHD does not mean a 2.8 metre-high wall at every location. The visible height would vary with the existing ground level and final alignment. A “100-year” annual recurrence interval means an estimated 1% chance in any year; it does not mean an event can occur only once every 100 years. These terms and the uncertainty around them must be explained in all community material.

The local history and the warning from Severe Tropical Cyclone Narelle

The hazard is not theoretical or solely a future climate issue. The preliminary report records significant historical water levels and localised flooding near the Yacht Club area during earlier cyclones, including Tropical Cyclones Glynis, Vanessa and Hazel. It also refers to historical flooding of Olivia Terrace during a 1934 cyclone. The precise scale and consequence of every historical event differ, but the record demonstrates that elevated sea levels and cyclone-driven surge have affected Carnarvon before.

Severe Tropical Cyclone Narelle in March 2026 provided a contemporary warning. The Bureau of Meteorology reported a storm surge measured at approximately three metres at Exmouth, with coastal inundation occurring even though the surge coincided with tides well below high tide. Narelle later passed east of Carnarvon. The Shire undertook temporary levee works between the Yacht Club and the West Street levee in response to the forecast inundation risk.

Carnarvon did not experience the same level of townsite inundation as Exmouth. That outcome should not be interpreted as proof that Carnarvon is adequately protected. It reflected the final cyclone track, timing and local conditions. In risk-management terms, Narelle was a “near miss” for the specific South Carnarvon seawater inundation scenario and demonstrated both the credibility of the hazard and the operational importance of the existing protection gap.

Project development and proposed response

The project arose from statewide coastal inundation work, the Shire’s coastal hazard risk management and adaptation planning, and preliminary engineering commissioned by the Department of Transport in collaboration with the Shire. The technical direction is a staged protection approach for the next approximately 50 years, supported by drainage, emergency management, land and building-level adaptation and future review.

The preliminary concept considered limestone walls, earth bunds, trafficable crossovers and raising sections of the existing Surge Wall. A target in the order of +2.8 m AHD was used for the grant concept because it broadly matches the existing Fascine crest level and materially improves the protection standard. The report also identifies lower and higher protection options, each with different risk reduction, cost, visual, access, land and maintenance consequences.

Concept pathway	Implication
Infill only / approximately +2.3 m AHD	Closes the major Yacht Club/West Street gap but remains limited by the lower parts of the existing Surge Wall. Lower cost and impact, but materially lower risk reduction over the project life.
Integrated protection / approximately +2.8 m AHD	Infill works, raising and widening the existing Surge Wall and addressing the Robinson Road/Olivia Terrace low point. This is the current grant concept basis, not a final approved design.
Higher protection	Would require more extensive raising of existing structures, potentially including the Fascine Wall, with greater cost, visual impact, access implications and whole-of-life liability.

The technical report is explicit that the concept drawings represent a conservative grant-costing case and that the preferred set of options requires further survey, site investigation, option evaluation and community consultation. The final alignment, height, materials and treatment have not been selected.

Known design and community impact issues

The proposed seawall may provide significant protection for community assets and infrastructure. It may also result in local impacts that should be clearly identified and objectively assessed as part of Council’s consideration.

The matters currently identified include:

- Visual and amenity impacts
  wall or levee height may affect views and the character of the Fascine, West Street and Olivia Terrace.

The Carnarvon Yacht Club - a central design stakeholder

The Yacht Club sits within the principal gap that defines the project. Its water access, views, vehicle access, parking, land interface and building operations are directly affected by the available alignments. The concept report states that an alignment in front of the Club is unlikely to be practical or acceptable because water access and views are fundamental to its operations, and it identifies that the Club building may remain outside the protected area under some options.

Direct and documented engagement with the Yacht Club must begin before feasible options are narrowed and continue through detailed design. The Club does not hold a veto over a public-safety project, but no preferred alignment adjacent to or affecting its operations should be presented as settled until the Club's requirements, impacts, mitigation measures and any unresolved matters are reported transparently to Council.

Other General Considerations

- **Access and parking –** raised crossovers may be needed at the Yacht Club, West Street carpark, Harbour Road and boat ramp. Parking configuration and capacity may change.
- **Pedestrian and universal access –** continuous, safe and accessible movement between West Street, Baxter Park and the Fascine must be retained or improved.
- **Harbour Road and maritime access –** Harbour Road is low and provides the only road access to Pickles Point maritime facilities. Construction staging must maintain essential access and manage disruption.
- **Private land and tenure –** some options may require access to or encroachment on non-Shire land. No land arrangement or compensation is authorised by this report.
- **Services –** water, sewer, power and telecommunications infrastructure is present in the proposed work areas and may materially affect design and cost.
- **Drainage and backflow –** raising coastal protection without addressing internal drainage can create trapped water or backflow risk. The technical report identified a damaged flap valve near Baston Street; its current condition must be verified and any necessary repair completed.
- **Residual risk –** the project will not prevent all inundation and must not be presented as replacing evacuation, emergency response, drainage management or property-level preparedness.

The decision before Council

This decision authorises	This decision does not authorise
Acceptance of the $5,582,831 Commonwealth Disaster Ready Fund grant, subject to the agreement.	A final wall or levee alignment, final crest level, materials, appearance or construction methodology.
Execution of the Funding Agreement and commencement of the funded planning, investigation, design and engagement phase.	The award of the principal construction contract or expenditure beyond an adopted budget and available project funding.
Development and public testing of feasible options that meet the funded risk-reduction objective.	Acquisition or use of private land, permanent property encroachment or compensation arrangements.

This decision authorises	This decision does not authorise
A governed project process, financial controls, quarterly reporting and further Council decision gates.	A guarantee that every property, building or access route will be protected, or that inundation risk will be eliminated.
Submission of minor administrative changes needed to finalise the agreement.	A material change to scope, funding, Shire contribution, delivery timeframe or liability without a further Council decision.

This distinction is essential. Executing the funding agreement commits the Shire to the funded project objective and the endorsed Implementation Plan. It also commits Council to the obligation to consider the preferred design, community feedback, affordability, approvals and residual risk before the Shire enters into any principal construction contract.

Funding Agreement – key obligations and exposure

The Funding Agreement is between DFES, as Grantor, and the Shire, as Grantee. The National Emergency Management Agency administers the Commonwealth Disaster Ready Fund in partnership with DFES in Western Australia. The agreement incorporates the Funding Agreement, Implementation Plan, Grant Guidelines, Audit and Reporting Framework and the Commonwealth Standard Grant Conditions. Together, those documents form the binding arrangement and supersede prior representations and understandings.

Agreement matter	What it means for the Shire
Grant amount	$5,582,831, with no GST applied to the grant.
Payment structure	Five instalments: an initial payment of approximately 50%; three milestone-based payments; and a final payment after completion and satisfactory acquittal. The final payment is not automatic and is limited by actual eligible project cost and required co-contribution.
Commencement	Commonwealth grant expenditure must not be incurred until the Implementation Plan is endorsed in writing and the Funding Agreement is executed. Prior expenditure is at the Shire's risk unless accepted within the approved co-contribution arrangements.
Scope and variation	Grant funds must be spent in accordance with the endorsed Implementation Plan. Any change to expenditure, milestones, scope or timing requires prior written approval from DFES and the Commonwealth.
Cost and eligibility risk	The Shire is responsible for ineligible expenditure, unauthorised variations and cost overruns. DFES may withhold or recover funding where obligations are not met.
Reporting and audit	Quarterly performance reporting, evidence of expenditure, final reporting and financial acquittal are required. An independent audit may be requested. Records must be retained for at least five years after project completion.
Indemnity and insurance	The agreement contains an indemnity in favour of the Grantor and requires the Shire to maintain adequate insurance while obligations continue.
Asset ownership and maintenance	The Shire is responsible for maintaining the assets created or upgraded and for post-project costs. Ongoing maintenance is not an eligible grant-funded cost after completion.

Agreement matter	What it means for the Shire
Intellectual property and publicity	The agreement addresses ownership and use of project material and requires acknowledgement of the Australian Government and DFES in project communications.

Funding and cost position

Cost assurance has been strengthened by an independent review. BMT commissioned Robinswood Partners, a registered quantity surveyor, to review the Seashore Engineering Class 3 estimate against the concept drawings. Robinswood concluded that the business-case estimate was accurate and within the range expected at this stage. BMT's reviewed estimate was approximately $5,582,830 excluding GST and $6,141,112 including GST, approximately 6% above the Department of Transport business-case estimate of $5,793,008 including GST.

The independent review is a material assurance, but it is not a fixed tender price. It is based on concept drawings and limited detail and records material cost movements across wall quantities, bund raising, design and project management, marine-grade handrails, imported materials, contractor preliminaries, overhead and contingency. Detailed survey, geotechnical and service investigations, final option selection, approvals, local market conditions and procurement may change the cost.

The funding envelope and the cost estimates are not directly interchangeable. The grant is stated exclusive of GST, while the independent estimate is reported both exclusive and inclusive of GST, and the non-Commonwealth contributions include historical and in-kind value rather than only construction cash. A reconciled project-control budget must separately identify eligible cash expenditure, GST treatment, historical contributions, in-kind contributions, contingency and Shire-funded whole-of-life costs.

Funding/cost item	Amount	Comment
Commonwealth Disaster Ready Fund grant	$5,582,831 excluding GST	Funding Agreement and Implementation Plan
State funding and contributions	$430,000	Current final draft Implementation Plan
Other funding and contributions	$200,000	Current final draft Implementation Plan; includes Shire in-kind contribution
Total agreed project funding	$6,207,831	Controlling financial baseline for this agenda
Earlier Department of Transport business-case estimate	$5,793,008 including GST	Estimate reviewed by BMT/Robinswood
Independent BMT/Robinswood estimate	$5,582,830 excluding GST; $6,141,112 including GST	Approximately 6% above the earlier business-case estimate; concept-stage assurance, not a tender price
Earlier Seashore Engineering Class 3 concept estimate	$4,531,000 excluding GST; $4,984,100 including GST	Retained to show estimate development; subject to stated exclusions and -20%/+30% target accuracy range

Stakeholder and Public Consultation

No community consultation has yet been undertaken on a final design because no final design has been prepared. The grant application was supported by preliminary technical work and partner support letters. Those materials establish the case for investigation; they are not a substitute for detailed consultation with people who may experience visual, access, parking, operational, land, drainage or construction impacts.

The Implementation Plan provides a planning, design, procurement and stakeholder-engagement phase before the main construction program. That period must be used for genuine two-way option development, including at least two in-person South Carnarvon sessions: an early listening session before options are narrowed and a later session presenting feasible options during the minimum 42-day formal consultation.

Community engagement commitment
The community will have adequate time and usable information to influence the design. Consultation will include at least two in person South Carnarvon sessions, direct affected party meetings and a minimum 42 day formal consultation before the preferred design is presented to Council and before the principal contract is awarded.

Proposed Engagement Framework:

Stage	Commitment
1. Early local knowledge and affected-party engagement	Direct notification and meetings with immediately affected residents and landowners, South Carnarvon residents, adjacent accommodation operators, maritime and boat-ramp users, businesses, Traditional Owners, emergency services, service agencies, accessibility representatives and relevant State agencies. This stage will include an early South Carnarvon listening session and separate, documented engagement with the Carnarvon Yacht Club before feasible options are narrowed.
2. Feasible option development	Engineering, survey, drainage, services, land tenure and cost work to identify options that are technically credible and capable of meeting the funded risk-reduction objective.
3. Minimum 42-day public consultation	Formal advertising of the feasible options for at least six weeks, supported by an online portal, written submissions, a later South Carnarvon feasible-options drop-in session and a public information forum. Together with the early listening session, this provides a minimum of two in-person community sessions.
4. Information people can understand	Plain-language maps; actual visible heights above local ground; cross-sections; site height markers where practicable; three-dimensional or photomontage views; access, parking, drainage and land impacts; capital and maintenance costs; “do nothing” and mitigation modelling; and clear explanation of residual risk.
5. Transparent response	Publication of a consultation outcomes report summarising submissions, key issues, officer and technical responses, design changes and matters not adopted with reasons, subject to privacy and lawful confidentiality.
6. Further Council decision	The preferred option, updated cost, completed economic assessment, approvals pathway, maintenance implications and residual-risk statement will return to Council before the principal construction contract is awarded.

Consultation can and should influence alignment, materials, appearance, access, parking treatment, landscaping, staging, construction management and impact mitigation. It must also be honest about constraints: the Shire cannot promise an option that fails to provide meaningful risk reduction, is structurally unsound, exceeds available funding without an approved funding solution, or conflicts with the conditions of the grant.

Any material change to the funded project requires written approval from DFES and the Commonwealth and, under the recommendation, a further Council decision.

Statutory Environment

Local Government Act 1995
Section 2.7 *– Council governs the local government's affairs, oversees allocation of finances and resources, plans strategically and must make decisions on the evidence, merits and law while taking account of the Shire's finances and resources.*

Section 9.49A *– A document is duly executed if the common seal is affixed as authorised and attested by the President and CEO, or if it is signed by a person authorised by Council resolution. The recommendation expressly authorises execution of this agreement and limits administrative amendment authority.*

Section 6.8 *– Expenditure for an additional purpose not included in the annual budget must be authorised in advance by an absolute majority, except in the limited circumstances set out in that section. This report does not authorise unbudgeted construction expenditure; project expenditure must be included in an adopted budget or separately authorised.*

Local Government (Functions and General) Regulations 1996
Provides for procurement and purchasing requirements in conjunction with Shire procurement processes, including compliance with tender, purchasing, probity and conflict-of-interest requirements. Acceptance of the grant does not constitute acceptance of any tender.

Work Health and Safety Act 2020
Requires the Shire to ensure risks to workers, contractors and the public are eliminated or minimised so far as reasonably practicable during investigation, construction and operation.

Planning, environmental, coastal and heritage approvals
Applicable approvals may be required depending on the final design, land tenure and disturbance footprint, including the Planning and Development Act 2005, Environmental Protection Act 1986, Aboriginal Heritage Act 1972, State Planning Policy 2.6 and relevant agency approvals. No approval is assumed by execution of the funding agreement.

Relevant Plans and Policy

State Planning Policy 2.6 – State Coastal Planning Policy and Coastal Hazard Risk Management Guidance

National Disaster Risk Reduction Framework and Relevant National and Western Australian Implementation Plans

Shire Of Carnarvon
Long-Term Financial Plan (LTFP)
Asset Management Plans
Annual Budget
CF001 – Purchasing & Procurement Policy
Risk-Management Framework
Community Strategic Plan 2022–2032
Coastal Hazard Risk Management & Adaptation Planning, and Associated Implementation Work

Financial Implications

Execution provides access to a substantial external funding opportunity and permits the first grant payment process to commence once the Implementation Plan and agreement are accepted. It also creates material financial obligations for the Shire.

- **Project contribution –** the Shire has committed $200,000 in in-kind staff and technical support in principle. The contribution schedule must be reconciled and incorporated into workforce and project planning.
- **Cashflow –** payments are milestone-based. The Shire must maintain sufficient project cashflow and evidence eligible expenditure before subsequent claims and final acquittal.
- **Cost overrun –** the agreement makes the Shire responsible for overruns. No construction commitment should be entered into beyond the approved project funding and contingency without a further Council resolution and identified funding source.
- **Ineligible or unauthorised expenditure –** funds spent outside the approved Implementation Plan, before approval or without an approved variation may be withheld or recovered.
- **Final payment –** the final instalment is subject to completion, satisfactory reporting and actual eligible project cost; it should not be treated as unconditional cash available at project commencement.
- **Whole-of-life cost –** the Shire will own or maintain the upgraded assets and bear inspection, repairs, re-mortaring, post-event restoration, drainage and future adaptation costs. The preliminary report suggests walls may require regular inspection and re-mortaring nominally every five to seven years.
- **Budget authority –** expenditure must be included in the 2026/27 and later budgets and Long-Term Financial Plan. Any additional-purpose expenditure must comply with section 6.8 of the Local Government Act 1995.

Risk Assessment

STEP 3 – Risk Tolerance Chart Used to Determine Risk						
Consequence →		Insignificant 1	Minor 2	Major 3	Critical 4	Extreme 5
Likelihood ↓						
Almost certain	A	High	High	Extreme	Extreme	Extreme
Likely	B	Moderate	High	High	Extreme	Extreme
Possible	C	Low	Moderate	High	Extreme	Extreme
Unlikely	D	Low	Low	Moderate	High	Extreme
Rare	E	Low	Low	Moderate	High	High

Risk Category	Description	Rating	Mitigating Action/s
Financial	Tender prices, design changes, exclusions, remote mobilisation or service conflicts cause the project to exceed the $6.207831 million funding envelope. Ineligible costs or unauthorised variations may be recovered. Ongoing maintenance is a Shire cost.	B-2 High	Confirm the consistent $6.207831 million financial baseline before execution; establish a separate project ledger; reconcile GST, cash, historical and in-kind contributions; maintain an updated independently reviewed cost plan; market test; retain contingency; stage procurement; enter no contract beyond available funding without Council approval; obtain prior written grant variations.

Health & Safety	Failure to act leaves residents, road users and responders exposed to a known inundation hazard. Construction and future structures also create worksite, traffic, access and public-interface risks.	B-2 High	Progress risk reduction; integrate WHS into design and procurement; maintain public and emergency access; independent design verification; construction management plans; emergency and evacuation planning; inspect and maintain structures and drainage.
Reputation	Community may believe Council has predetermined a wall, concealed impacts, exaggerated risk or accepted funding without understanding obligations. Conversely, failure to act after a known near miss may damage confidence.	B-2 High	Publish the full evidence and limitations; clearly distinguish funding acceptance from final design approval; minimum 42-day consultation; direct affected-party engagement; publish outcomes and reasons; quarterly public reporting.
Service disruption	Works may disrupt Harbour Road, boat-ramp, Yacht Club, parking, pedestrian access, services and nearby businesses. A cyclone or major rainfall event may disrupt the program.	C-2 Moderate	Staged construction; temporary access; traffic and business continuity plans; seasonal programming; early service-location work; stakeholder communication; contractual weather and delay planning.
Compliance	Failure to comply with the agreement, Implementation Plan, procurement, approvals, reporting or audit obligations may result in withheld or recovered funding, breach or termination.	B-2 High	Named project governance; compliance register; quarterly reporting calendar; procurement/probity plan; legal review; CFO oversight; prior written approval of variations; document retention and audit-ready records.
Property	Design may affect private land, views, access, parking, drainage or property amenity. An event exceeding the design could still damage property.	B-2 High	Survey and tenure review; no property commitment without further authority; direct landowner negotiation; option assessment; drainage modelling; residual-risk disclosure; construction condition surveys and appropriate insurance.
Environment	Earthworks, walling, material sourcing, vegetation disturbance and altered drainage may affect the Fascine, foreshore and tidal environment.	C-2 Moderate	Environmental assessment and approvals; minimise footprint; erosion and sediment controls; material testing; rehabilitation and landscaping plan; monitoring during and after works.
Fraud	Misstatement of in-kind contributions, unsupported claims, conflicts of interest or misuse of grant funds could compromise acquittal.	C-1 Low	Separate ledger and cost codes; evidence-based valuation of in-kind support; procurement probity and declarations; segregation of duties; CFO certification; independent audit if requested.

Community and Strategic Objectives

The proposal aligns with the following desired objectives as expressed in the *Community Strategic Plan 2022-2032*:

OBJECTIVES

In 2040 Carnarvon is a place where:

- *N/A*
- *Our equitable community is actively involved in and are responsible for developing innovative, local solutions that transcend our region for a safe and unified 6701*
- *Our sustainable livelihoods create a community that can flourish into the future*
- *Our community is engaged, inclusive and supportive*

ADDITIONAL FOCUS AREAS:

- *Improve the trust between citizens and the Shire of Carnarvon*
- *Monitor the implementation of our Community Strategic Plan*

BIG IDEAS FOR THE FUTURE OF CARNARVON:

- *Fascine Waterway Improvement*

Comments

There are two failures Council must avoid. The first is failing to act on a credible and potentially severe risk because Carnarvon avoided the worst outcome during the last event. The second is accepting funding and allowing the project to move directly from a preliminary concept to construction without adequate design assurance, cost control and community influence. The recommended pathway avoids both.

The Shire will manage the project, and internal governance and financial risks through the establishment of a project sponsor and manager, a project steering group, a separate financial ledger and cost codes, a procurement and probity plan, development of live risk and issues registers, developing a grant compliance calendar, and initiating document-control arrangements and quarterly reporting to Council and the community. The grant covers 85% of these costs. The committed in-kind contribution by the Shire will cover the shortfall.

The case for action is strong. South Carnarvon's low levels, the incomplete protection perimeter, the number of homes and residents exposed, the consequences for access and services, and the experience of Severe Tropical Cyclone Narelle all support progressing a permanent mitigation solution. Preparedness is cheaper and safer than improvisation during a cyclone warning.

The case for a staged decision is equally strong. The community must also be told what protection can and cannot achieve. A levee or wall can substantially reduce the likelihood and consequences of many events. It cannot remove residual risk, guarantee property values or insurance, replace emergency warnings and evacuation, solve all river flooding or drainage problems, or protect every structure in every scenario. The project is one part of a wider risk-management system.

Executing the agreement now is recommended because it secures the funding and enables the investigation, design and engagement work needed to answer the unresolved questions. The recommendation prevents the execution decision from being mischaracterised as final design approval and reserves the major construction commitment for a later, fully informed Council decision.

OFFICER'S RECOMMENDATION

That Council by Simple Majority,

1. ***Accepts the Commonwealth Disaster Ready Fund grant of $5,582,831 for the project "Mitigate the Risk of Seawater Inundation of South Carnarvon WA Gascoyne Coast", noting the current Implementation Plan records total project funding of $6,207,831;***
2. ***Endorses Funding Agreement DRF2526-001 and the associated Implementation Plan, subject to the Chief Executive Officer being satisfied that:***
    a. ***the final agreement and Implementation Plan are consistent;***
    b. ***any legal and insurance matters relating to indemnity, insurance, intellectual property, cancellation, asset maintenance and financial liability are appropriately addressed;***
3. ***Authorises, under section 9.49A(4) of the Local Government Act 1995, the Chief Executive Officer to sign the Funding Agreement on behalf of the Shire of Carnarvon and, if use of the Common Seal is determined appropriate, authorises the Shire President and Chief Executive Officer to affix and attest the Common Seal in accordance with section 9.49A(2) and (3);***
4. ***Authorises the Chief Executive Officer to agree to minor administrative amendments that do not materially alter the project scope, total grant, Shire contribution, project timeframe, property impacts or Shire liability, and requires any material amendment to be presented to Council before it is agreed or submitted as a grant variation;***
5. ***Notes that execution of the Funding Agreement:***
    a. ***secures funding and authorises the investigation, design and engagement phase; and***
    b. ***does not approve the final alignment, crest level, materials, appearance, construction methodology, private-land arrangements, principal construction contract, additional municipal contribution or a guarantee that inundation risk will be eliminated;***
6. ***Endorses a community engagement process that includes:***
    a. ***early direct engagement with affected residents, landowners, adjacent businesses and accommodation operators, maritime users, Traditional Owners, emergency services, service agencies and accessibility representatives;***
    b. ***separate, documented engagement with the Carnarvon Yacht Club before feasible options are narrowed and throughout design;***
    c. ***a minimum of two in-person South Carnarvon sessions, comprising an early listening session and a later feasible-options session;***
    d. ***a minimum 42-day formal public consultation period on feasible options;***
    e. ***plain-language maps, visible-height information, cross-sections, visualisations, access, parking, drainage, land, cost and residual-risk information; p***
    f. ***public access to the "do nothing" and mitigation modelling; and***
    g. ***publication of a consultation outcomes and officer-response report, subject to privacy and lawful confidentiality;***
7. ***Requires the preferred design to be returned to Council before award of the principal construction contract, together with:***
    a. ***the engagement outcomes and design response;***
    b. ***verified survey and option assessment;***
    c. ***an independently reviewed cost plan reconciled to the $6,207,831 funding envelope;***
    d. ***project cashflow and contingency;***
    e. ***land tenure, property, services and approvals requirements;***
    f. ***whole-of-life inspection and maintenance implications; and***
    g. ***drainage, emergency-management and residual-risk assessments;***
8. ***Requires that no construction contract be entered into where the forecast project cost exceeds available approved project funding, or where an additional Shire cash contribution is required, without a further Council resolution identifying the funding source;***
9. ***Directs the Chief Executive Officer to establish project governance including a named project sponsor and manager, a project steering group, separate financial ledger and cost codes, procurement and probity plan, live risk and issues registers, grant compliance calendar, document-control arrangements and quarterly reporting to Council and the community;***

10. ***Requests that the project and the Shire's in-kind contribution be incorporated into the 2026/27 and future annual budgets and Long-Term Financial Plan, and notes that any expenditure for an additional purpose not included in an adopted budget must be separately authorised in accordance with section 6.8 of the Local Government Act 1995;***
11. ***Notes that structural works will reduce but cannot eliminate seawater inundation risk and that complementary drainage, flap-valve maintenance, emergency warning, evacuation, recovery, property-level preparedness and long-term coastal adaptation measures remain necessary.***

7.3.2 SHIRE OF CARNARVON LOCAL PLANNING SCHEME NO. 13 - AMENDMENT 11

File No:	P29/25
Location/Address:	Gnaraloo Homestead (Part Lot 137 on P187582; Lot 802 on P415912; Lots 912, 913 and 914 on P415911)
Name of Applicant:	Dowling Giudici and Associates
Name of Owner:	Portframe Enterprises Pty Ltd
Author(s):	Stefan Louw, Executive Manager, Community Planning and Sustainability
Authoriser:	Amanda Dexter, Chief Executive Officer
Declaration of Interest:	Nil
Voting Requirement:	Absolute Majority
Previous Report:	22 July 2025
Schedules:	1. Scheme amendment documentation 2. Schedule of submissions

Authority/Discretion:

☐	**Advocacy**	When Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.
☐	**Executive**	The substantial direction setting and oversight role of the Council. E.g., adopting plans and reports, accepting tenders, directing operations, setting and amending budgets
☑	**Legislative**	Includes adopting local laws, town planning schemes and policies.
☐	**Information**	Includes items provided to Council for information purposes only that do not require a decision of Council (i.e. – for noting).
☐	**Quasi-judicial**	When Council determines an application / matter that directly affects a person's right and interest. The judicial character arises from the obligations to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licenses, applications for other permits / licenses

Summary of Report

This report follows Council's resolution to advertise the amendment and now seeks Council's resolution to support the proposed standard amendment and forward the amendment to the Western Australian Planning Commission (WAPC) with the request for the Minister for Planning to grant approval.

Background

The proposed amendment was presented to Council on 22 July 2025 for initiation and to publicly advertise the amendment for a period of 42 days. Please refer to the Council's resolution below.

COUNCIL RESOLUTION OCM 11/07/25

Moved: **Cr Marco Ferreirinha**
Seconded: **Cr Dudley Maslen**

That Council by Absolute Majority,

1. *Pursuant to Section 75 of the Planning and Development Act 2005, resolves to adopt amendment 11 of Shire of Carnarvon Local Planning Scheme No. 13 by:*
   - *I. Rezoning Lot 802 on Deposited Plan 415912 from 'Rural' to 'Tourism' zone;*
   - *II. Reclassify the residual land for the former Gnaraloo Road reserve contained within Lot 137 on Deposited Plan 187582 from 'Local Distributor Road' reserve to 'Tourism' zone;*
   - *III. Reclassify Lots 912, 913 and 914 on Deposited Plan 415911 from 'Foreshore' reserve to 'Tourism' zone;*
   - *IV. Within Schedule 3, No 9 insert Lots 802, 912, 913 and 914 within the Description of land column; and*
   - *V. Update the scheme map accordingly.*

2. *Pursuant to Regulation 35(2) of the Planning and Development (Local Planning Schemes) Regulations 2015 (The Regulations), resolves that the Local Planning Scheme Amendment No. 11 is a standard scheme amendment on the basis that it is:*
   - *I. An amendment relating to a zone or reserve that is consistent with the objective identified in the scheme for that zone or reserve;*
   - *II. An amendment that is consistent with a local planning strategy for the scheme that has been endorsed by the Commission;*
   - *III. An amendment that would have minimal impact on land in the scheme area that is not the subject of the amendment;*
   - *IV. An amendment that does not result in any significant environmental, social, economic or governance impacts on land in the scheme area;*

3. *Note that pursuant to Regulation 35(A) of the Planning and Development (Local Planning Schemes) Regulations 2015, the amendment to the Shire of Carnarvon Local Planning Scheme No. 13 affects the following structure plans: No Structure Plans applicable.*

4. *Resolves to endorse the signing of the amendment documentation.*

5. *Pursuant to Section 81 and 82 of the Planning and Development Act 2005, resolves to refer the Local Planning Scheme No. 13 Amendment 11 to the Environmental Protection Authority for the level of assessment to be set pursuant to Section 48A of the Environmental Protection Act 1986;*

6. *Pursuant to Regulation 46A of the Planning and Development Regulations 2015, resolves to forward the amendment to the Western Australian Planning Commission (WAPC) seeking approval to advertise the proposed amendment;*
   - *I. Upon receipt of confirmation from the WAPC pursuant to Regulation 47 of the Planning and Development Regulations 2015 to advertise the amendment, proceed to advertise the amendment for a period of 42 days through the placement of an advertisement in the local newspaper, placement of a notice in the Shire Office and posting of notices to affected parties.*

Item 7.3.1 Page 55

Ordinary Council Meeting Minutes 22 July 2025

FOR: Mr Eddie Smith, Cr Burke Maslen, Cr Marco Ferreirinha, Cr Paul Kelly, Cr Dudley Maslen and Cr Adam Cottrell
AGAINST: Nil
ABSENT: Crs L Vandeleur, Luke Skender

CARRIED BY ABSOLUTE MAJORITY 6/0

With the advertising period now closed, Amendment 11 must be considered having regard to the submission received. Please refer to Stakeholder and Public Consultation section of this report for details.

Stakeholder and Public Consultation

Following Council's resolution to initiate the standard scheme amendment, the amendment was referred to the EPA for comment. EPA advised that the amendment was not required to be assessed under *Part IV Division 3 of the Environmental Protection Act 1986 (EP Act).*

Following advice received from the EPA the amendment was advertised for 42 days in accordance with *Regulation 47 of the Planning and Development (Local Planning Schemes) Regulations 2015*. The amendment was advertised on the Shire's website; notices were sent to surrounding property owners and published in the Midwest Times.

Multiple submissions were received with no objection to the proposed amendment. Refer to schedule 2.

Statutory Environment

Shire of Carnarvon Local Planning Scheme No. 13
Provides the statutory framework for the planned future development of land within Carnarvon.

Planning and Development Act 2005
Section 75 - Provides for the amendment of local planning schemes.

Planning and Development (Local Planning Schemes) Regulations 2015
Section 34 - defines scheme amendments in the three (3) following ways: basic, standard or complex amendment. It is considered that the amendment falls within the 'Standard amendment' category.

(a) an amendment relating to a zone or reserve that is consistent with the objective identified in the scheme for that zone or reserve;

(b) an amendment that is consistent with a local planning strategy for the scheme that has been endorsed by the Commission;

(e) an amendment that would have minimal impact on land in the scheme area that is not the subject of the amendment;

(f) an amendment that does not result in any significant environmental, social, economic or governance impacts on land in the scheme area;

(g) any other amendment that is not a complex or basic amendment.

Relevant Plans and Policy

Shire of Carnarvon Local Planning Strategy
State Planning Policy (SPP) 6.3 – Ningaloo Coast
Ningaloo Coast Regional Strategy – Carnarvon to Exmouth 2004
Gascoyne Planning and Infrastructure Framework
State Planning Policy (SPP) 3.7 - Bushfire

Financial Implications

There is no financial implication associated with this proposal.

Risk Assessment

Consequence → / Likelihood ↓		STEP 3 – Risk Tolerance Chart Used to Determine Risk				
		Insignificant 1	Minor 2	Major 3	Critical 4	Extreme 5
Almost certain	A	High	High	Extreme	Extreme	Extreme
Likely	B	Moderate	High	High	Extreme	Extreme
Possible	C	Low	Moderate	High	Extreme	Extreme
Unlikely	D	Low	Low	Moderate	High	Extreme
Rare	E	Low	Low	Moderate	High	High

Risk Category	Description	Rating	Mitigating Action/s
Financial	N/A	N/A	N/A
Health & Safety	N/A	N/A	N/A
Reputation	N/A	N/A	N/A
Service disruption	N/A	N/A	N/A
Compliance	N/A	N/A	N/A
Property	Unauthorised use of land not zoned tourism, as the landowner's ability to utilise the entire tourism node for tourism purposes is constrained by current reserve classification in the scheme.	C1 - Low	The scheme amendment will address the zoning constraint to facilitate future development of the site.
Environment	Clearance of native vegetation and impact on the coast due to expansion of tourism area.	C1 - Low	Amendment was referred to EPA with no objections received. Clearance permits would be required for any removal of native vegetation.
Fraud	N/A	N/A	N/A

Community and Strategic Objectives

The proposal aligns with the following desired objectives as expressed in the *Community Strategic Plan 2022-2032*:

OBJECTIVES

In 2040 Carnarvon is a place where:

- *Our economy fosters investment and productivity in industries befitting Carnarvon's physical and natural environment and that grows our horizons*

ADDITIONAL FOCUS AREAS:

- *Supports the needs of areas outside the Township of Carnarvon (Coral Bay and outlying areas)*

BIG IDEAS FOR THE FUTURE OF CARNARVON:

- *N/A*

Comments

In conclusion the following planning justification is provided in support of the rezoning request:

- It will reflect the designation of the Gnaraloo Homestead Node for tourism use/development as expressed in the overarching land use planning framework i.e. State Planning Policy (SPP) 6.3 - Ningaloo Coast (incorporating the Ningaloo Coast Regional Strategy - Carnarvon to Exmouth 2004), the Gascoyne Planning and Infrastructure Framework (GPIF), and the Shire of Carnarvon Local Planning Strategy (March 2017);
- Lot 137 is already zoned as Tourism;
- It will provide for classes of land use capable of achieving or conforming to the objectives of the 'Tourism' zone in LPS 13;
- It will also enable the development of the uses permitted by the Special Purpose Lease (SPL 60267) within the lease area (subject to relevant design considerations and approval processes);
- It will allow for land uses deemed unlikely to generate any significant adverse environmental, social, economic or governance impacts within or around the Gnaraloo Homestead Node; and
- It will require future use and development within the Gnaraloo Homestead Node to accord with an adopted Local Development Plan, predicated upon the application of the Planning and Environmental Guidelines for Sustainable Tourism on the Ningaloo Coast contained within the Ningaloo Coast Regional Strategy - Carnarvon to Exmouth 2004.

OFFICER'S RECOMMENDATION

That Council, by Simple Majority, pursuant to Section 75 of the Planning and Development Act 2005 and Part 5, r50 of the Planning and Development (Local Planning Schemes) Regulations 2015 resolves to:

1. ***Support without modification Scheme Amendment No. 11 to amend Shire of Carnarvon Local Planning Scheme No. 13 as per Schedule 1 attached to this report;***
2. ***Note that pursuant to Regulation 35(A) of the Planning and Development (Local Planning Schemes) Regulations 2015, the amendment to the Shire of Carnarvon Local Planning Scheme No. 13 affects the following structure plans: No Structure Plans applicable;***
3. ***Authorise the affixing of the Common Seal to and endorse the signing of the amendment documentation; and***
4. ***Forward the amendment documentation, to the Western Australian Planning Commission with a request that the Minister for Planning grant approval to the amendment.***

7.3.3 SHIRE OF CARNARVON LOCAL PLANNING SCHEME NO. 13 - AMENDMENT 12

File No:	P30/25
Location/Address:	3 Mile Camp, Gnaraloo (Lot 556 on DP415840)
Name of Applicant:	Dowling Giudici and Associates
Name of Owner:	Portframe Enterprises Pty Ltd
Author(s):	Stefan Louw, Executive Manager, Community Planning and Sustainability
Authoriser:	Amanda Dexter, Chief Executive Officer
Declaration of Interest:	Nil
Voting Requirement:	Absolute Majority
Previous Report:	22 July 2025
Schedules:	1. Scheme amendment documentation 2. Schedule of submissions

Authority/Discretion:

☐	**Advocacy**	When Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.
☐	**Executive**	The substantial direction setting and oversight role of the Council. E.g., adopting plans and reports, accepting tenders, directing operations, setting and amending budgets
☑	**Legislative**	Includes adopting local laws, town planning schemes and policies.
☐	**Information**	Includes items provided to Council for information purposes only that do not require a decision of Council (i.e. – for noting).
☐	**Quasi-judicial**	When Council determines an application / matter that directly affects a person's right and interest. The judicial character arises from the obligations to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licenses, applications for other permits / licenses

Summary of Report

This report follows Council's resolution to advertise the amendment and now seeks Council's resolution to support the proposed standard amendment and forward the amendment to the Western Australian Planning Commission (WAPC) with the request for the Minister for Planning to grant approval.

Background

The proposed amendment was presented to Council on 22 July 2025 for initiation and to publicly advertise the amendment for a period of 42 days. Please refer to the Council's resolution below.

COUNCIL RESOLUTION OCM 12/07/25

Moved: **Cr Paul Kelly**
Seconded: **Cr Marco Ferreirinha**

That Council by Absolute Majority,

1. *Pursuant to Section 75 of the Planning and Development Act 2005, resolves to adopt Amendment 12 of Shire of Carnarvon Local Planning Scheme No. 13 by:*
   - *I. Reclassify Lot 556 on Deposited Plan 415840 from 'Foreshore' reserve to 'Tourism' zone;*
   - *II. Within Schedule 3, No 12 insert Lot 556 within the Description of land column; and*
   - *III. Update the scheme map accordingly.*

2. *Pursuant to Regulation 35(2) of the Planning and Development (Local Planning Schemes) Regulations 2015 (The Regulations), resolves that the Local Planning Scheme Amendment No. 12 is a standard scheme amendment on the basis that it is:*
   - *I. An amendment relating to a zone or reserve that is consistent with the objective identified in the scheme for that zone or reserve;*
   - *II. An amendment that is consistent with a local planning strategy for the scheme that has been endorsed by the Commission;*
   - *III. An amendment that would have minimal impact on land in the scheme area that is not the subject of the amendment;*
   - *IV. An amendment that does not result in any significant environmental, social, economic or governance impacts on land in the scheme area;*

3. *Note that pursuant to Regulation 35(A) of the Planning and Development (Local Planning Schemes) Regulations 2015, the amendment to the Shire of Carnarvon Local Planning Scheme No. 13 affects the following structure plans: No Structure Plans applicable.*

4. *Resolves to endorse the signing of the amendment documentation.*

Item 7.3.2 Page 63

Ordinary Council Meeting Minutes 22 July 2025

5. *Pursuant to Section 81 and 82 of the Planning and Development Act 2005, resolves to refer the Local Planning Scheme No. 13 Amendment 12 to the Environmental Protection Authority for the level of assessment to be set pursuant to Section 48A of the Environmental Protection Act 1986;*

6. *Pursuant to Regulation 46A of the Planning and Development Regulations 2015, resolves to forward the amendment to the Western Australian Planning Commission (WAPC) seeking approval to advertise the proposed amendment;*
   - *I. Upon receipt of confirmation from the WAPC pursuant to Regulation 47 of the Planning and Development Regulations 2015 to advertise the amendment, proceed to advertise the amendment for a period of 42 days through the placement of an advertisement in the local newspaper, placement of a notice in the Shire Office and posting of notices to affected parties.*

FOR: Mr Eddie Smith, Cr Burke Maslen, Cr Marco Ferreirinha, Cr Paul Kelly, Cr Dudley Maslen and Cr Adam Cottrell
AGAINST: Nil
ABSENT: Crs L Vandeleur, Luke Skender

CARRIED BY ABSOLUTE MAJORITY 6/0

With the advertising period now closed, Amendment 12 must be considered having regard to the submission received. Please refer to Stakeholder and Public Consultation section of this report for details.

Stakeholder and Public Consultation

Following Council's resolution to initiate the standard scheme amendment, the amendment was referred to the EPA for comment. EPA advised that the amendment was not required to be assessed under *Part IV Division 3 of the Environmental Protection Act 1986 (EP Act).*

Following advice received from the EPA the amendment was advertised for 42 days in accordance with *Regulation 47 of the Planning and Development (Local Planning Schemes) Regulations 2015*. The amendment was advertised on the Shire's website; notices were sent to surrounding property owners and published in the Midwest Times.

Multiple submissions were received with no objection to the proposed amendment. Refer to schedule 2.

Statutory Environment

Shire of Carnarvon Local Planning Scheme No. 13
Provides the statutory framework for the planned future development of land within Carnarvon.

Planning and Development Act 2005
Section 75 *- Provides for the amendment of local planning schemes.*

Planning and Development (Local Planning Schemes) Regulations 2015
Section 34 *- defines scheme amendments in the three (3) following ways: basic, standard or complex amendment. It is considered that the amendment falls within the 'Standard amendment' category.*

(a) an amendment relating to a zone or reserve that is consistent with the objective identified in the scheme for that zone or reserve;

(b) an amendment that is consistent with a local planning strategy for the scheme that has been endorsed by the Commission;

(e) an amendment that would have minimal impact on land in the scheme area that is not the subject of the amendment;

(f) an amendment that does not result in any significant environmental, social, economic or governance impacts on land in the scheme area;

(g) any other amendment that is not a complex or basic amendment.

Relevant Plans and Policy

Shire of Carnarvon Local Planning Strategy
State Planning Policy (SPP) 6.3 – Ningaloo Coast
Ningaloo Coast Regional Strategy – Carnarvon to Exmouth 2004
Gascoyne Planning and Infrastructure Framework
State Planning Policy (SPP) 3.7 - Bushfire

Financial Implications

There are no financial implications associated with this proposal.

Risk Assessment

Consequence → / Likelihood ↓		STEP 3 – Risk Tolerance Chart Used to Determine Risk				
		Insignificant 1	Minor 2	Major 3	Critical 4	Extreme 5
Almost certain	A	High	High	Extreme	Extreme	Extreme
Likely	B	Moderate	High	High	Extreme	Extreme
Possible	C	Low	Moderate	High	Extreme	Extreme
Unlikely	D	Low	Low	Moderate	High	Extreme
Rare	E	Low	Low	Moderate	High	High

Risk Category	Description	Rating	Mitigating Action/s
Financial	N/A	N/A	N/A
Health & Safety	N/A	N/A	N/A
Reputation	N/A	N/A	N/A
Service disruption	N/A	N/A	N/A
Compliance	N/A	N/A	N/A
Property	Unauthorised use of the land, as the landowner's ability to utilise the entire tourism node for tourism purposes is constrained by current reserve classification in the Scheme.	C1 - Low	The scheme amendment will address the zoning constraint to facilitate future development of the site.
Environment	Clearance of native vegetation and impact on the coast due to expansion of tourism area.	C1-Low	Amendment was referred to EPA with no objections received. Clearance permits would be required for any removal of native vegetation.
Fraud	N/A	N/A	N/A

Community and Strategic Objectives

The proposal aligns with the following desired objectives as expressed in the *Community Strategic Plan 2022-2032*:

OBJECTIVES

In 2040 Carnarvon is a place where:

- *Our economy fosters investment and productivity in industries befitting Carnarvon's physical and natural environment and that grows our horizons*

ADDITIONAL FOCUS AREAS:

- *Supports the needs of areas outside the Township of Carnarvon (Coral Bay and outlying areas)*

BIG IDEAS FOR THE FUTURE OF CARNARVON:

- *N/A*

Comments

In conclusion the following planning justification is provided in support of the rezoning request:

- Submissions were satisfactorily addressed and do not require any modifications to the amendment.
- It will reflect the designation of the 3 Mile Camp Node for low-level and low-impact tourism use/development as expressed in the overarching land use planning framework — State Planning Policy (SPP) 6.3 – Ningaloo Coast (incorporating the Ningaloo Coast Regional Strategy – Carnarvon to Exmouth 2004), the Gascoyne Planning and Infrastructure Framework (GPIF), and the Shire of Carnarvon Local Planning Strategy (March 2017);
- Adjoining Lot 161, which is also part of the 3 Mile Camp Node, is already zoned as Tourism;
- It will provide for classes of land use capable of achieving or conforming to the objectives of the 'Tourism' zone in LPS 13;
- It will also enable the development of the uses permitted by the Special Purpose Lease (SPL 62063) within the lease area (subject to relevant design considerations and approval processes); and
- It will require future use and development within the 3 Mile Camp Node to accord with an adopted Local Development Plan, predicated upon the application of the 'Planning and Environmental Guidelines for Sustainable Tourism on the Ningaloo Coast' contained within the Ningaloo Coast Regional Strategy – Carnarvon to Exmouth 2004.

OFFICER'S RECOMMENDATION

That Council, by Simple Majority, pursuant to Section 75 of the Planning and Development Act 2005 and Part 5, r50 of the Planning and Development (Local Planning Schemes) Regulations 2015 resolves to:

1. ***Support without modification Scheme Amendment No. 12 to amend Shire of Carnarvon Local Planning Scheme No. 13 as per Schedule 1 attached to this report;***
2. ***Note that pursuant to Regulation 35(A) of the Planning and Development (Local Planning Schemes) Regulations 2015, the amendment to the Shire of Carnarvon Local Planning Scheme No. 13 affects the following structure plans: No Structure Plans applicable;***
3. ***Authorise the affixing of the Common Seal to and endorse the signing of the amendment documentation; and***
4. ***Forward the amendment documentation, to the Western Australian Planning Commission with a request that the Minister for Planning grant approval to the amendment.***

7.3.4 SHIRE OF CARNARVON MOBILE TRADING POLICY

File No:	ADM0181
Location/Address:	Public land - Carnarvon
Name of Applicant:	Shire of Carnarvon
Name of Owner:	Shire of Carnarvon
Author(s):	Stefan Louw, Executive Manager, Community Planning and Sustainability
Authoriser:	Amanda Dexter, Chief Executive Officer
Declaration of Interest:	Nil
Voting Requirement:	Simple Majority
Previous Report:	Nil
Schedules:	1. Review of mobile trading policy 2. Draft Shire of Carnarvon Mobile Trading Policy

Authority/Discretion:

☐	**Advocacy**	When Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.
☐	**Executive**	The substantial direction setting and oversight role of the Council. E.g., adopting plans and reports, accepting tenders, directing operations, setting and amending budgets
☑	**Legislative**	Includes adopting local laws, town planning schemes and policies.
☐	**Information**	Includes items provided to Council for information purposes only that do not require a decision of Council (i.e. – for noting).
☐	**Quasi-judicial**	When Council determines an application / matter that directly affects a person's right and interest. The judicial character arises from the obligations to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licenses, applications for other permits / licenses

Summary of Report

This report presents the outcomes of a review **(Schedule 1)** of the Shire of Carnarvon Mobile Trading Policy (Policy D001) and seeks Council approval to release a revised draft policy **(Schedule 2)** for public consultation.

The review found that while the existing policy remains legally sound, it is overly prescriptive, heavily reliant on fixed trading locations, and does not fully support contemporary mobile trading practices or broader economic and tourism objectives.

The proposed draft policy retains the current regulatory framework for licensing, safety and amenity, but introduces a more flexible, modern approach by:

- Establishing Carnarvon Airport as the primary and preferred mobile trading location;
- Reclassifying other sites as secondary or discretionary locations subject to assessment; and
- Aligning mobile trading with tourism activation, event support and economic development outcomes.

Approval of the draft policy will enable community and stakeholder feedback to be obtained prior to final consideration by Council.

Background

The Shire of Carnarvon Mobile Trading Policy (Policy D001), see Schedule 2, was last reviewed and adopted by Council in June 2020. The policy provides a framework for licensing and regulating mobile traders operating on public land within the Shire, excluding Coral Bay.

Since adoption, mobile trading, particularly food trucks, has become increasingly prominent across Western Australia as a tool for: tourism activation; small business support, event and destination servicing; temporary and flexible service delivery.

A review of contemporary mobile trading policies, see Schedule 1, across Western Australian local governments indicates a clear shift toward: preferred or hub-based trading locations; reduced reliance on fixed, prescriptive location schedules; greater alignment with tourism and economic development objectives; improved certainty for traders and reduced conflict with permanent businesses.

The current review of the Shire of Carnarvon's Mobile Trading Policy applies solely to the Carnarvon townsite and does not extend to Coral Bay. Council has previously resolved to prohibit mobile trading within Coral Bay until such time as the Coral Bay Settlement Structure Plan has been reviewed. Should an application for mobile trading in Coral Bay be submitted, it will be referred to Council for determination. It is also noted that existing mobile traders in Coral Bay continue to operate under the renewal of their current licences.

Stakeholder and Public Consultation

Internal
This matter was discussed with Council at the April Corporate Information Session (CIS). The following two issues were raised:

- mobile traders requiring having police clearance certificates in place to trade, and
- removing the Blowholes aquarium trading site and replace it with a trading site at the picnic area carpark, which is located a few hundred meters south of the Blowholes carpark.

In response to point one above, this review has not highlighted the need for police clearances as a prerequisite for mobile traders to operate, and secondly, the Shire of Carnarvon Public Places and Local Government Property Local Law 2021 regulate this activity and does not require the provision of police clearances.

External
No formal public consultation has been undertaken to date. However, it is noted that local business owners and the Carnarvon Chamber of Commerce have previously provided feedback to Council regarding the negative impacts of mobile traders operating within Robinson Street and along the Fascine, particularly in relation to competition and trade disruption.

This feedback prompted Council to request a review of the current Mobile Trading Policy.

Following Council approval of the draft policy, existing traders will be notified, and a notice will be placed in the local newspaper for a period of 14 days to invite further comment.

Statutory Environment

Local Government Act 1995
Section 3.18 *- Provides that decisions of a local government are to be made by a simple majority of the votes cast by the members present at the meeting, unless otherwise required by the Act.*

Shire of Carnarvon Public Places and Local Government Property Local Law 2021

Part 8 – Activities in Streets

Section 8.2 *- Activities allowed with a permit – provides for the conduct or carry on any trading on a street or public place.*

Food Act 2008 (WA)

This is the principal Act governing all food businesses in WA, including mobile food traders.
It applies to fixed, temporary and mobile food premises (e.g. food vans, stalls).

Food Regulations 2009 (WA)

These sit under the Food Act and provide supporting regulatory requirements, including administrative and enforcement provisions.

Australia New Zealand Food Standards Code

This is where the actual operational requirements sit, including:

- *Food safety practices (Standard 3.2.2)*
- *Construction and fit-out of premises (Standard 3.2.3)*

These standards explicitly apply to mobile and temporary food premises.

Relevant Plans and Policy

D001 - Shire of Carnarvon Mobile Trading Policy

Financial Implications

There are no financial implications arising from approval of the draft policy for advertising purposes. However, once adopted the policy may, over time improve fee revenue certainty, reduce enforcement and complaint management costs and support economic activity.

Risk Assessment

STEP 3 – Risk Tolerance Chart Used to Determine Risk						
Consequence →		Insignificant 1	Minor 2	Major 3	Critical 4	Extreme 5
Likelihood ↓						
Almost certain	A	High	High	Extreme	Extreme	Extreme
Likely	B	Moderate	High	High	Extreme	Extreme
Possible	C	Low	Moderate	High	Extreme	Extreme
Unlikely	D	Low	Low	Moderate	High	Extreme
Rare	E	Low	Low	Moderate	High	High

Risk Category	Description	Rating	Mitigating Action/s
Financial	Los of revenue from under-pricing of permits.	C2 - Moderate	Adopt a cost recovery pricing model for licenses and regularly review fees and charges.
Health & Safety	Risk to public safety from traffic conflicts, unsafe food handling, or poor positioned mobile traders.	C3- High	Mandatory compliance with food safety standards and registration. Traffic management and safe siting assessments. Conditions on licences addressing safety concerns.

Reputation	Perception of unfair competition with local businesses or poor regulation of traders.	C3 - High	Clear and transparency policy framework. Defined preferred and secondary locations. Stakeholder engagement with local businesses.
Service disruption	Interference with existing public facilities and parking due to trader presence.	C1 - Low	Restrict trading to approved locations. Conditions to prevent interference with operations. Ability to revoke or relocate approvals if conflicts arise.
Compliance	Non-compliance with Local Laws, planning, health regulations and/or policy.	C1 - Low	Set clear licencing conditions and guidelines. Regular compliance inspections by Rangers.
Property	N/A	N/A	N/A
Environment	Litter, waste and noise at trader locations.	C2 - Moderate	Wate management requirements such as the provision of bins and removal of waste as part of conditions.
Fraud	N/A	N/A	N/A

Community and Strategic Objectives

The proposal aligns with the following desired objectives as expressed in the *Community Strategic Plan 2022-2032*:

OBJECTIVES

In 2040 Carnarvon is a place where:

- *Our equitable community is actively involved in and are responsible for developing innovative, local solutions that transcend our region for a safe and unified 6701*
- *Our economy fosters investment and productivity in industries befitting Carnarvon's physical and natural environment and that grows our horizons*
- *Our sustainable livelihoods create a community that can flourish into the future*

ADDITIONAL FOCUS AREAS:

- *N/A*

BIG IDEAS FOR THE FUTURE OF CARNARVON:

- *N/A*

Comments

Policy Performance

Existing Policy D001 remains legally sound and provides appropriate controls relating to:

- Public safety and traffic management;
- Amenity and waste management;
- Licensing and insurance requirements;
- Distinction between mobile and itinerant vendors.

However, the review identified that the policy:

- Relies heavily on an extensive and static Schedule of Declared Trading Locations;
- Creates ongoing administrative and enforcement complexity;

- Increases the risk of conflict with established businesses in town-centre and waterfront locations; and
- Does not fully leverage strategic infrastructure assets such as Carnarvon Airport.

Carnarvon Airport – Strategic Opportunity

The Carnarvon Airport presents a low-conflict, high-benefit opportunity for mobile trading due to:

- A captive passenger and visitor market;
- Predictable demand linked to flight schedules;
- Limited interface with established retail and hospitality businesses; and
- Strong alignment with tourism, first-impression and regional connectivity objectives.

The review concludes that Carnarvon Airport should be established as the primary and preferred location for mobile traders within the Shire.

The review also identified that the following previous permitted locations be classified as secondary and discretionary locations and may be supported subject to site-specific assessment and conditions:

Secondary Trading Locations

- Corner of Olivia Terrace and Brown Street, in the public car park on the fascine to service recreational users, fishers and visitors;
- Carnarvon Space and Technology Museum, supporting tourism; and
- Blowholes Reserve, at the Blowholes car park and picnic area car park.

Approval at secondary locations may be:

- Limited to specified days and times;
- Limited to specified areas and times;
- Subject to seasonal or peak-demand use; and
- Capped in number to protect amenity and safety.

Discretionary Locations

In addition to the above, any application outside of the preferred and/or secondary trading locations shall be subject to a formal public consultation process. The Shire may also restrict or prohibit mobile trading in sensitive locations, such as near residential areas and Carnarvon town centre.

Mobile trading at locations other than the Preferred and Secondary locations may be approved on a discretionary basis where:

- A clear community or visitor benefit is demonstrated;
- There is minimal impact on existing businesses;
- Traffic, pedestrian safety and amenity impacts are acceptable; and
- The activity aligns with Shire/Council-endorsed events, recreation or tourism initiatives.

Policy Implications

The proposed revised mobile trading policy:

- Retains the existing regulatory framework and licensing controls;
- Establishes Carnarvon Airport as the preferred mobile trading location;
- Treats other locations as secondary, event-based or discretionary;
- Introduces performance-based assessment criteria; and
- Improves flexibility while maintaining public safety and amenity protections.

Conclusion

The review assessed the Shire of Carnarvon's Mobile Trading Policy (Policy D001 – adopted June 2020) against contemporary practice across Western Australian local governments. Overall, the policy remains functional and legally sound, however it is location-heavy, operationally prescriptive, and dated in its approach to activation, economic development and place-making.

The review recommends:

- Retaining the core regulatory framework (licensing, safety, amenity controls);
- Shifting the policy toward a preferred-location and hub-based model, with Carnarvon Airport established as the primary and preferred mobile trading location;
- Simplifying and modernising the Schedule of Declared Trading Locations;
- Strengthening alignment with tourism, events, aviation growth and economic diversification objectives;
- Improving administrative clarity, flexibility and enforceability.

OFFICER'S RECOMMENDATION

That Council, by Simple Majority,

a) Approves the draft Shire of Carnarvon Mobile Trading Policy for public consultation, pursuant to Section 3.18 of the Local Government Act 1995;

b) Requires the policy to be advertised for public consultation for a period of at least 14 days (to enable community and stakeholder feedback to be obtained prior to final consideration by Council) and;

c) Requires that the Chief Executive Officer submits a report to Council for the Policy's final consideration, following the assessment of public comments/submissions received.

7.4 INFRASTRUCTURE SERVICES

Nil

8 APPLICATIONS FOR LEAVE OF ABSENCE

9 MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

Nil

10 QUESTIONS FROM MEMBERS WITHOUT NOTICE

11 URGENT BUSINESS APPROVED BY THE PRESIDING MEMBER OR BY A DECISION OF THE COUNCIL

12 MATTERS FOR WHICH MEETING TO BE CLOSED TO MEMBERS OF THE PUBLIC

Nil

13 DATE OF NEXT MEETING

14 CLOSURE