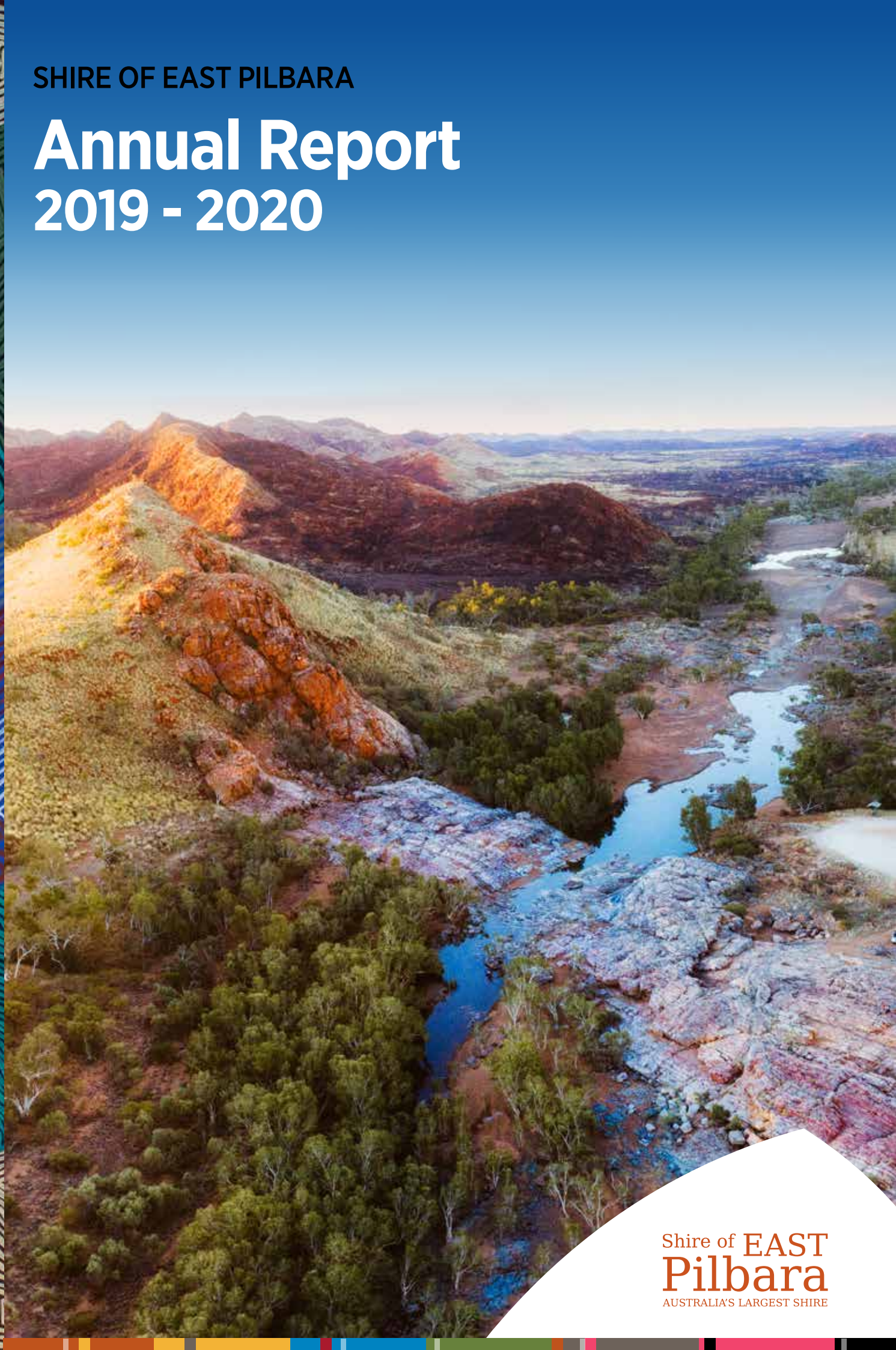


SHIRE OF EAST PILBARA

Annual Report 2019 - 2020



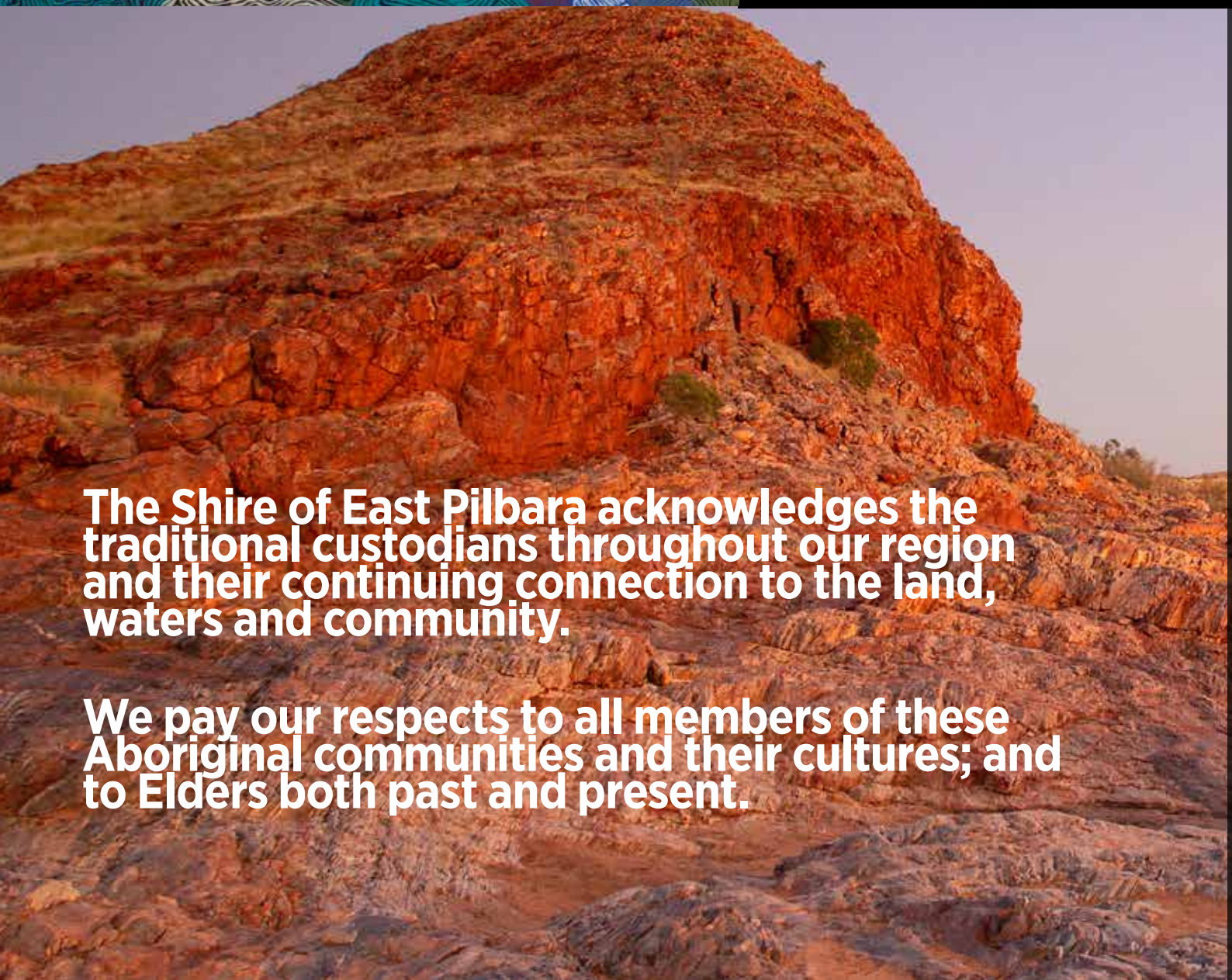
Shire of EAST
Pilbara
AUSTRALIA'S LARGEST SHIRE



**Karlamilyi
Desmond Taylor**

"This painting represents Karlamilyi National Park east of Newman. The blue part in the middle is the river and the different designs in the river represent the ripples in the water. On the outside of the river that's the land and the design represents the mosaic of how the country was and how it was developed over time. And as you fly over that country you will see the designs on the ground in the different formations and colours. That's the land of my family who are the ancestral owners of Karlamilyi".

This painting depicts Karlamilyi, also known as Rudall River National Park. It is situated in between the communities of Parngurr and Punmu and is a very beautiful and important area. Rudall River runs through Karlamilyi into Nyayartakujarra, or Lake Dora, a very large salt warla (lake). Karlamilyi is Warman country.



The Shire of East Pilbara acknowledges the traditional custodians throughout our region and their continuing connection to the land, waters and community.

We pay our respects to all members of these Aboriginal communities and their cultures; and to Elders both past and present.

Our vision

A diverse community thriving in a vast landscape that offers a world of opportunity and rich heritage and culture.

The Shire is characterised by a rich diversity of people, landscapes and heritage. It offers a unique place to live and call home, and a world of opportunities as a thriving economic region.

The Shire is a place for all people to live harmoniously – feeling included and connected with access to services that meet community needs.

The Shire is committed to diverse and sustainable economic growth, balanced with the conservation and enhancement of its unique environmental assets, and rich history and heritage.

Contents

Our history	1
President's Report	2
Chief Executive Officer's Report	4
Your East Pilbara Shire Councillors	6
Strategic Community Plan	8
Four Year Summary & Finance Overview	14
COVID-19 Response	16
2019-2020 Highlights	20
Customer and Community Services	
>Community Wellbeing	28
>Community Wellbeing - Rural	29
>Library	30
>Newman Youth Centre	31
>Recreation	32
>Events	34
>Community Safety	36
Commercial Services:	
>Building and Planning	39
>Strategic Planning	40
>Contracts and Procurement	41
>Environmental Health	42
>Airports	44
Infrastructure Services:	
>Infrastructure and Technical Services	45
>Projects and Assets	46
>Waste Services	47
Corporate Services	
>Governance & Statutory Compliance	49
>Business Systems	50
>Human Resources	51
>Martumili Artists	52
Financial Report	54

2019/2020 from Chief Executive Officer Jeremy Edwards

See page 4 for the CEO Report.



Shire President's Report

See page 2 for more



2019-2020 Highlights

See page 20 for more



Department Updates

See page 24 for more



Progress Report Strategic Community Plan

See page 8 for more



Finance Report 2019/2020

Read on page 54



Our history

The Shire of East Pilbara is the largest Shire in the southern hemisphere, hosting lands larger than Victoria, ACT and Tasmania combined.

1972

Shire established

10,500

Estimated Shire population

\$48 B

in exports, which is 27% of the State's recorded exports

The Shire of East Pilbara is considered the heart of the Pilbara, covering approximately 372,571 square kilometres. Driving will take 2 days to cross from east to west and 6 hours from north to south. Its main town sites are Newman, Marble Bar and Nullagine, with a number of Aboriginal Communities namely Jigalong, Punmu and Parngurr and Kunawarritji.

Nullagine is Newman's nearest neighbour being 192 kilometres away, along the Marble Bar Road. The Shire of East Pilbara is rich in minerals. Nullagine was the site of Australia's first diamond discovery and was a thriving town during the gold rush period of the 1880s. Remnants of that era are still evident in the region.

The Marble Bar Road is predominantly gravelled for the 303 kilometres between Marble Bar and Newman. Marble Bar has the reputation of being Australia's hottest town and is the gateway to explore areas such as Coppin's Gap, Kitty's Gap as well as Doolena and Carrowine Gorges.

In the centre of the Shire is Karlamilyi National Park, rich in Aboriginal culture and with an abundance of wildlife. The park is 1,283,706 hectares; the largest National Park in WA and one of the largest in the world. It is also one of the most remote places in the world.

The Canning Stock Route has approximately 500 kilometres of track running through the Shire. The Shire is abundant in plants and wildlife and offers some of the best night sky viewing platforms in the country. Aboriginal artworks in original condition are dotted throughout.

The region is rich in mining and pastoral activities, providing a significant economic contribution to the State and National economies.



Newman

Newman lies some 15 kilometres north of the Tropic of Capricorn. It is the largest town in the East Pilbara and Australia's Largest Shire. Newman is sometimes referred to as the Heart of the Pilbara; the Gateway to the Western Desert.

While the area has a long and rich history, rich with Aboriginal culture, the current mining town of Newman was built just over 50 years ago to service the employees of Mt Newman Mining Company, mining iron-ore at the adjacent Mt Whaleback, and their families. The town was built to accommodate the associated industries and business needed to service the community.

Newman is the gateway to some of Australia's best outback 4WD tracks and some of Western Australia's most beautiful National Parks.



Marble Bar

Marble Bar has the infamous reputation of being Australia's hottest town. It is located about 300 kilometres north of Newman, with a population of approximately 250 people.

Marble Bar is another Pilbara town which sprang up during the gold rush period, with the settlement officially declared a town in 1893. It derives its name from the immense bar of jasper, similar in appearance to marble, which cuts through the Coongan River about six kilometres from the town.

Visitors to Marble Bar can visit the famous Iron Clad Hotel or explore the surrounding gorges such as Coppin's Gap, Kitty's Gap and Doolena Gorge.

Nullagine

Nullagine is located on the Nullagine River, approximately 200 kilometres north of Newman and 100 kilometres from Marble Bar along a partially sealed road.

Nullagine became a thriving town during the gold rush of the 1880s. Its population peaked between 1895 and 1914 at 3,000 people. During this period the town boasted three hotels and a number of stores.

Nullagine was the site of Australia's first diamond discovery and has since attracted prospectors and gold miners looking to find their fortune.



President's Report

It has been my privilege to lead the Shire of East Pilbara as the Shire President for another year. It has been a year of immense challenges, with the onset of the COVID 19 pandemic in the second half of the year, after as a community we had already recently faced, and recovered from two cyclones.

As people all over the world have grappled with the challenges brought by COVID I have been particularly proud of the way that Council responded.

The 'Regenerate Together' package, endorsed by Council delivered over \$1.5 million of immediate relief measures targeting those hardest hit by the crisis, designed to help individuals and small business ease the burden from forced closures and job losses as a result of the COVID-19 pandemic. Our response also went far beyond the immediate relief, with Council committing to bring forward \$7 million dollars of capital works to upgrade Marble Bar airport. The Marble Bar Airport is one of the most significant investment decisions I've seen in my time on the Shire's Council and the airport will open opportunities for larger chartered flights such as 100 seater Jet planes to come in and out of Marble Bar.

The project is a partnership with a local gold mining company – Calidus Resources Limited, and will not only stimulate our local and regional economy by creating immediate jobs, but will also but open up a raft of opportunities across the Shire of East Pilbara.

The work of the Administration during the COVID-19 pandemic was also recognised at a State Level, with Chief Executive Officer Jeremy Edwards winning the Change Leadership Award, from LG Professionals WA. Recognising the important role of Local Government in community recovery, this award acknowledges a Western Australian Local Government senior leader that has been vital to their organisation and community during 2020 and the COVID-19 pandemic. Selected from a competitive field I am proud Jeremy's leadership during this time, has been recognised above all other Local Governments in the State.

In 2019 following the 2019 Local Government Ordinary Election, we welcomed four new Councillors, Lou Lockyer and Holly Pleming in our South Ward, Stacey Smith in Lower Central Ward and Adrienne Mortimer in the North West Ward. Voter participation in our elections was strong. The Lower Central Ward had a response rate of 34% which is above the state of average of 27%. North West Ward had a response rate of 15%; the highest rate in 16 years. The South Ward's rate of 21% is also considered a success.

The famous Fortescue Festival was celebrated with the opening of a time capsule at Newman Visitors Centre that was sealed in 1992, in acknowledgement of Newman's 50 years as a mining town to service the employees of Mt Newman Mining Company and the associated industries and business needed to service the community. On reflection, it has been amazing to see how far Newman has developed over the past 50 years and know that this special town will continue to thrive and remain a fantastic place to live and work for many years to come.

In August we also welcomed the Aviair inter-regional flight from Karratha to Newman, signalling a new era of air travel for residents and visitors across the Pilbara region.

The ground breaking Inter-regional Flight Network Route between Aviair, the Shire of East Pilbara and the City of Karratha recognises that air travel between key centres in the Pilbara will open up business opportunities, increase regional access to government and health services and offer greater connection to residents and visitors of the Pilbara region. While this initiative was put on hold during the COVID pandemic, we look forward to all the economic benefits this partnership will bring in future years.

Congratulations to the town of Nullagine – the Shire of East Pilbara has won the Keep Australia Beautiful's Tidy Towns Sustainable Communities Awards for General Appearance. Nullagine has been hard hit by some of the weather events such as cyclones over the year, making this award an even greater accolade for the Shire team working there, and the community.

This year we also received funding from the State Government as a containers for change recycling point. This is an important initiative for our residents and I look forward to updating you on our progress in future years.

Although it is outside of the Annual Report reporting period, there are a number of additional items that cannot go unmarked.

During the preparation of this Annual Report, we have said goodbye to two ward Councillors, Cr Dean Hatwell representing the Central Ward, and Cr Carol Williams representing East Ward. I would like to thank Dean and Carol for their commitment to Council and their service to the people of the Shire of East Pilbara.

I would like to take the opportunity to acknowledge the former East Ward Councillor Karen Knuckey, who passed away recently. Karen was a dedicated part of the East Pilbara Shire Council and the community benefited from having her involved, and her legacy has lived on in Newman. Vale Karen.

In our Annual Community Survey, we asked you about service improvements you want us, as your elected members, to advocate for to both State and Federal Government on your behalf. These priorities are different for each of our towns and, while we have already been representing you vocally on many of these issues, we will use this new feedback and information to continue to push for the interests and the needs of the East Pilbara.

For the last year, the Councillors have have been speaking out on issues like health and social services needed in across our region. We have used feedback from our community surveys to talk to ministers and beauracrats about what our communities need, and the value that the Pilbara brings. In parallel we have been talking more closely to Industry and community to create new relationships so we are all on same page when we are advocating for our towns.

Our current advocacy priorities are:

- + Newman Service Hub
- + Newman to Marble Bar Road
- + Marble Bar Airport expansion
- + Industrial land at Newman Airport
- + Improved State Government Services
- + East Newman Revitalisation Plan
- + Accessible Airfares
- + Newman Futures
- + Affordable Housing

More information on these is contained in this report, so you can see how we are representing you.

Finally, I would like to thank my fellow Councillors for their support and dedication during this unprecedented year, and also thank the Administration team led by our Chief Executive Officer Jeremy Edwards for their tireless and dedicated work.

Cr Lynne Craigie OAM
Shire President



Chief Executive Officer's Report

I am pleased to present the Shire of East Pilbara 2019-2020 Annual Report, and share with you how we have been tracking our performance, our achievements, our challenges and outline the major initiatives and priorities our community can expect in the coming year.

Before summarising some of our achievements, I would like to acknowledge that throughout this report, you will see reference to the impact of the COVID-19 pandemic on the activities undertaken, and the results achieved. While the Shire of East Pilbara still performed well across the entire financial year, the impact of COVID-19 was significant in the first half of 2020, both within our organisation and across the region.

As with many organisations the Shire was faced with the management of operational and financial risks from the changed environment, changes to plans and objectives, the impact of changed work arrangements for employees, and the effect of travel restrictions.

To add to the challenges of the COVID-19 pandemic, as a Local Government, the Shire was unable to receive Government support for staff in the form of Job Keeper at the same time as many facilities and services were closing in line with Government requirements. However, as an organisation, the Shire of East Pilbara decided early on to protect, support and retain Shire employees. During this time, staff members either worked from home or on alternative programs, designed to provide communities in each of our towns with practical support.

Before providing those details, I would like to share some of the key agreements achievements, recognitions received and pay homage to a longstanding colleague.

Firstly, during the preparation of this annual report, Shire President Cr Lynne Craigie OAM was awarded the Local Government medal at the WA Local Government Association's Annual General Meeting, in recognition of her 17 years of dedicated service to the Local Government sector. This medal is the highest award in their honours program, only bestowed upon those providing exceptional service to the sector, in addition to demonstrating an extensive personal commitment to their community. Lynne is a highly respected community advocate and a tireless committed and engaging leader. We are fortunate to have Lynne as our leader, and congratulate her on this well-deserved award, which is well-deserved.

On a sad note, in the period this Annual Report was being prepared, our long term employee Tracy Wild passed away, at her home in Nullagine. Tracy was been a valued member of our team, and a key member of the Nullagine Community over the last 19 years and will be greatly missed. Tracy worked in Nullagine at our Library, our Youth Services, and as the caretaker of our Caravan Park. She has also been a Shire and DFES Volunteer as the Secretary of the Nullagine Brigade for many years. Vale Tracy.

In the first half of the reporting year, significant progress was made against a number of key initiatives with work beginning on a number of key strategic pieces that will set the future direction for the Shires enabling economic frameworks and livability. These included groundwork for our Economic Development and Tourism Strategy, Local Planning Strategy, East Newman Precinct Planning. It also included the inception of both the Newman Futures partnership and the Aviair regional flight network – both of which will be key economic enablers.

In sharp contrast, the second half of the year was defined by our emergency management responses, with the year beginning with the impact of Tropical Cyclone Blake in January, Severe Tropical Cyclone Damien in February, and then the onset of the global pandemic in March.

Our COVID-19 Response

The Shire's response to the COVID-19 pandemic has been detailed throughout this report to provide an overview of the response, and impact of the pandemic on our community.

Council developed a Regenerate Together package, consisting of \$1.5m of immediate relief measures for those affected by closures and job losses, and a further \$7m economic stimulus package in the form of a joint venture airport development at Marble Bar with Calidus Resources. This airport development is designed to improve the economic viability of a number of pipelined resource projects, bringing them to fruition, with long term ongoing economic benefits.

These pieces are separate to our operational response designed to other programs and initiatives the support the community and keep industry operating. With \$48 billion in commodities mined out of the East Pilbara in 2019, this was critical to the recovery of our region, and our state. To do this, the Shire worked alongside our partners on programs such as Newman Futures - Stronger Together with Creating Communities, Newman Airport Social Distancing with BHP, and suite of programs developed with community partners.

Our Performance

During the 2019/20 financial year, the Shire continued to deliver against many of the key result areas of our Strategic Community Plan. This report covers not only on the progress towards the measurable outcomes for each objective and strategy, but also on satisfaction information related to each specific area drawn from our 2020 Community Satisfaction Survey.

This survey is an independent Community Perception Survey to measure how we were tracking against our Strategic Community Plan. The survey also measured priorities for our community and perceptions of how the community feels the Shire is performing, and is the beginning of benchmarking and tracking the importance and satisfaction with services over time.

I am pleased to report, that despite the impact of the COVID-19 pandemic, overall satisfaction with the Shire's performance remained consistently high at 71%, maintaining the strong gains since 2016. Although some services received mixed results, generally trends have remained consistent with 2019 in community satisfaction across almost all of the Shire services which were measured. Where there were decreases, many of these can be attributed to the impact of the pandemic, such as events, and service for tourists. Where this has occurred, it has been described throughout the report.

While the COVID-19 pandemic impacted some satisfaction ratings, a separate statewide independent survey measured the community satisfaction with how each Local Government responded to, and supported their community during COVID-19. Our community in the Shire of East Pilbara rated our overall response to COVID-19 at 89%, 19% higher than the average score for Local Governments across WA (average State-wide score of 68%).

In this survey, the Shire performed higher than the State average in all areas, including trust, decisions, empathy, risk management and innovations. These outcomes are really positive and it is a testament to the conscious work of all staff during the pandemic.

Our People

Our services cannot be delivered without the committed and professional team from the Shire of East Pilbara, and increasingly attraction and retention has been a key focus, as a critical enabler to our success.

Last year, the Executive and I undertook the first steps of a significant strategic workplace review to reflect current workplace trends and plan actions for the Shire of East Pilbara to undertake if we are to attract and retain talent, and strive to be an employer of choice. In the last financial year, we undertook a significant whole of organisation structural review of remuneration and conditions, which will form the underpinning platform for our attraction and retention going forward. This involved the consistent classification and matrixing of every position across the organisation, which was a significant achievement. Getting this fundamentally right will stand us in good stead to build on the next steps in the years ahead.

Looking Forward

Despite the impact of COVID-19, the last 12 months we have continued with our push to deliver on our priorities and focus on areas of economic development. The Shire of East Pilbara is positioning itself to deliver on the economic future and livability of our towns by focusing on economic development in our region.

Economically, the value of minerals and petroleum commodity sales out of the Shire of East Pilbara local government area in 2019 was valued at over \$48 billion, which is a significant portion of WA's mineral and petroleum industry sales, making the regional critically important to both State and National GDP.

The Shire has a critical role to play in facilitating investment to secure the long term economic viability of our towns and is repositioning as a service hub for the mining industry. To do this, we will drive and promote economic diversification to remain an attractive and vibrant place to live and work.

To match this economic focus, the Shire will also advocate for improved services in our towns and region recognising liveability, and the attraction and retention of a safe, stable and diverse community, is viewed as a priority for our future.

Critical to us being able to achieve a sustainable future for each of our towns is our ability to access services from State and Federal Governments and also secure funding for our own local services.

Achieving this is intertwined with both the financial sustainability of our revenue streams, and our ability to remain connected across our region and state.

Our current priorities are:

- + Creating an enabling environment for businesses to providing support services to the mining industry. This will increase our residential workforce, local employment and economic diversification. As a well-placed service hub the Shire will facilitate land use planning and development, capital works programs, and other enablers such as airport and airside services.
- + Lobbying State and Federal governments for an increased presence and commitment to improve services to address social, health and livability issues in our area. To do this we focus on representing the value coming out of the East Pilbara for both State and National GDP.
- + Lobbying for major projects that cannot be delivered by Local Government but are vital to our community.
- + Addressing community advocacy priorities seen as barriers to living in the regions, and lobbying for actions across both Government and Industry that will facilitate a residential workforce.
- + Partnering on the Newman Futures Project, an initiative to grow jobs and economic prosperity in the Shire of East Pilbara through a holistic, place-based approach to growth.

While mining is likely to continue to drive growth creating significant opportunities, the Shire is faced with challenges to ensure we stay economically viable; particularly as the mining industry automates.

On a personal note, this will be my final Annual Report for the Shire of East Pilbara, and I am proud to present these results. This year has been all about being flexible and responsive to ensure we supported our community while keeping our business running as usual. The diverse and talented team – not only our staff, but also our Councillors has delivered this well, and ensured another strong year for the East Pilbara.



Jeremy Edwards
Chief Executive Officer

Your East Pilbara Shire Councillors

SOUTH WARD



Lynne Craigie

Shire President

0407 985 058
shirepresident@eastpilbara.wa.gov.au



Gerry Parsons

Deputy Shire President

0429 011 170
G.Parsons@eastpilbara.wa.gov.au



Anita Grace

0417 979 302
A.Grace@eastpilbara.wa.gov.au



Holly Fleming

0407 996 571
H.Fleming@eastpilbara.wa.gov.au



Lou Lockyer

0427 986 902
L.Lockyer@eastpilbara.wa.gov.au



Anthony Middleton

0405 666 482
A.Middleton@eastpilbara.wa.gov.au

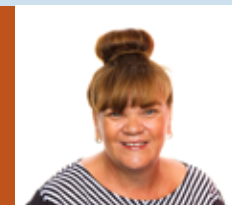
NORTH WARD



Langtree (Lang) Coppin

0429 956 692
L.Coppin@eastpilbara.wa.gov.au

NORTH WEST WARD



Adrienne Mortimer

0477 459 143
A.Mortimer@eastpilbara.wa.gov.au

CENTRAL WARD



Dean Hatwell

0439 568 118
D.Hatwell@eastpilbara.wa.gov.au

LOWER CENTRAL WARD



Stacey Smith

0427 412 135
S.Smith@eastpilbara.wa.gov.au

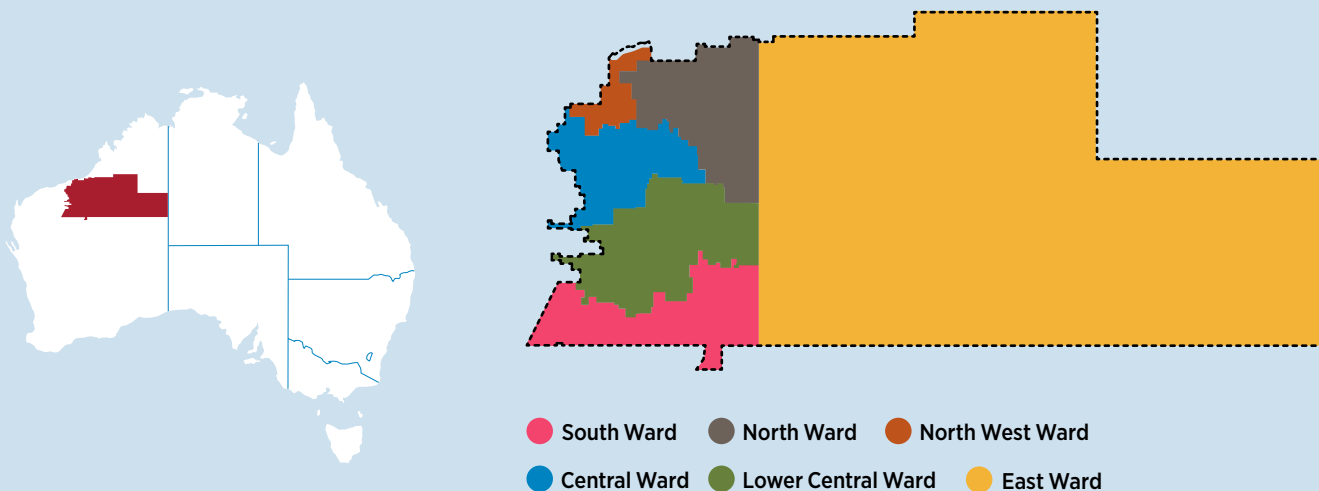
EAST WARD



Carol Williams

Parngurr Community 9176 9009
C.Williams@eastpilbara.wa.gov.au

Shire of East Pilbara Wards



Councillor's Meeting Attendance

		26 Jul 2019	23 Aug 2019	25 Sep 2019	24 Oct 2019	25 Oct 2019	22 Nov 2019	13 Dec 2019	24 Jan 2020	28 Feb 2020	27 Mar 2020	24 Apr 2020	22 May 2020	26 June 2020
Location of Meeting		Newman	Cancelled	Cancelled	SCM Marble Bar	SCM	Newman	Newman	SCM	Newman	Newman	Newman	Newman	Nullagine
South Ward														
Lynne Craigie	2023	Y			Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Gerry Parsons	2021	Y			Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Anita Grace	2021	Y			Y	Y	A	A	L	Y	A	Y	Y	Y
Anthony Middelton	2021	A			Y	Y	Y	Y	Y	Y	Y	Y	Y	A
Lou Lockyer	2023				Y	Y	Y	Y	L	Y	Y	Y	Y	Y
Holly Pleming	2023				Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
North Ward														
Langtree Coppin	2021	Y			Y	Y	Y	A	Y	Y	Y	Y	Y	Y
North West Ward														
Adrienne Mortimer	2023				Y	A	Y	Y	Y	Y	Y	Y	Y	Y
Central Ward														
Dean Hatwell	2021	Y			Y	Y	Y	Y	A	Y	Y	Y	Y	A
Lower Central Ward														
Stacey Smith	2023				Y	Y	Y	L	L	Y	Y	Y	Y	Y
East Ward														
Carol Williams	2021	Y			Y	Y	Y	Y	N	N	Y	Y	Y	N

LEGEND	Y Yes	A Apology	C Cancelled	L Leave of absence	N Absent
---------------	-------	-----------	-------------	--------------------	----------



Progress against our Strategic Plan

The next few pages provide an update on the Shire progress towards the measures of success identified in the Strategic Community Plan 2018-2028, highlights achieved in 2019-20, and significant activities planned in the coming year.

2019/2020 Update

During the 2019/20 financial year, the Shire continued to deliver against many of the key result areas of our Strategic Community Plan, which are outlined in the following pages. These pages report not only on the progress towards the measurable outcomes for each objective and strategy, but also on satisfaction information related to each specific area drawn from our 2020 Community Satisfaction Survey, which is an independent assessment of community views and priorities. Other data representing service use has also been reported.

Our report shows 2019/20 results have been mixed. Some projects highlighted from last year's annual report as part of our planned 'Looking Forward' initiatives have not been achieved, and are now scheduled for the 2020/21 year. Additionally, some service scores have reduced. Much of this can be attributed to the impact of the COVID-19 pandemic, and compulsory Government measures which impacted operations for extended periods.

The onset of the pandemic, saw a series of border closures and state-wide regional lock-downs in Western Australia from March onwards. Many events cancelled, and other protective measures had a widespread impact on the ability of the organisation to deliver of projects, and operate facilities for the remainder of the financial year. During this time, the Shire of East Pilbara redirected resources away from existing projects, services and deliverables, to focus on supporting the community. Where a service or result has been directly impacted by the COVID-19 response, this has been identified. Despite the challenges of the year, the Shire of East Pilbara is progressing well against the outcomes identified in its Key Result Areas, and I am pleased to share these results.

Jeremy Edwards

Chief Executive Officer

Our Strategic Community Plan sets out our vision and aspirations and provides a clear strategic direction for the Shire over the next 10 years and beyond, updated and reviewed every two years.

Importantly, this plan is a product of a process that our community participated in. Through consultation with our community we have captured their views and thoughts about the East Pilbara and how they want it to look in the future. It is a product of many parts, such as the diverse views, needs, wants and expectations of the community and our key stakeholders, all of which have combined to create our shared vision.

Key Result Areas

Strategic Priority 1: Economic

Strategic Priority 2: Social

Strategic Priority 3: Built Environment

Strategic Priority 4: Natural Environment

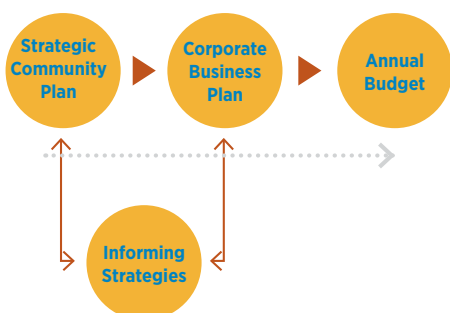
Strategic Priority 5: Governance

How The Plan Is Used

The Strategic Community Plan articulates the Shire's and its community's vision for its future by harnessing the community's values and aspirations. This informs the strategic directions the Shire takes in delivering its future planning, projects and services.

The Shire intends to utilise the Strategic Community Plan to do the following:

- + Guide Council decision making
- + Inform and target the allocation of resources
- + Guide local planning initiatives
- + Inform potential partners and investors of the ways in which want to grow and develop
- + Engage industries, businesses, government agencies, non government organisations, community groups and residents in various ways to contribute to the Shire's future
- + Form mutually beneficial partnerships with other organisations
- + Monitor progress against our vision and priorities.



1. Economic

Strategic Priority 1: Economic

Outcome: A diverse and sustainable regional economy

OBJECTIVE	STRATEGY	OUTCOME	2019/2020 UPDATE
Develop and promote a diverse and sustainable economy	Actively support local businesses.	Satisfaction with business support services offered by the Shire.	Satisfaction with business support services offered by the Shire was 65% in the 2020 Community Satisfaction Survey, a decrease from 61% in 2019.
	Lobby, advocate and facilitate corporate partnerships to support economic growth opportunities.		
The Shire is a great place for tourists	Explore partnership opportunities to promote the region.	Satisfaction with tourism information and services.	To deliver this outcome the Shire provides a combination of funding and direct support to the Newman Visitor Centre and Marble Bar Tourism Association. Satisfaction with tourism and information services scored 69%. This has reduced from 78% in 2019, however the Shire had limited option for tourists in 2020 due to COVID-19.
	Facilitate, support and promote the Shire's unique arts, culture and history.	Attendance at Arts and Culture events. Attendance at East Pilbara Arts Centre. Attendance at local libraries.	~6,500 attended Shire events + NAIDOC - 450 + Twilight Movie Series - 740 + Outback Fusion Festival - 2,700 + Welcome to Newman - 700 + Newman Family Fun Run & Half Marathon - 130 + Newman library - 9,153 visits (This result has been impacted by COVID-19 closures.).
	Develop events relevant to the region to attract visitors	Number of regional events and attendance.	Outback Fusion Festival 2019 attracted over 1500 people at its the 'World Stage', double the attendees from the previous year.

Highlights

- + The Shire was actively involved in advocating and lobbying for partnerships to support economic growth. This has included lobbying on airport and air services.
- + Martumili Artists delivered 1569 new artworks, sold 1266 artworks and engaged 109 new artists.
- + The Arts and Culture program highlights included; Outback Fusion Festival, Fusion Photography Competition, NAIDOC celebrations and art workshops in Marble Bar and Nullagine.
- + Eleven Regional Events were held in Marble Bar and Nullagine communities, which included International Women's Day, Lighting of the Christmas Tree and Snake Handling courses.
- + Commenced the development of a new Economic Development and Tourism Strategy which will encourage economic growth across the Shire.
- + Shire appointed consultants to prepare the Newman Town Centre Strategy to identify contemporary avenues for incentives to encourage business and investment in the area
- + East Newman Precinct Planning began in order to improve aesthetics, livability and investment.
- + Development of an Airport Masterplan for Newman commenced.
- + Developed and provided an extensive business support package during COVID-19 pandemic valued at over \$400,000.

Looking Forward

- + Newman Caravan Park, a new facility due to open in June 2021.
- + East Newman Precinct Planning Plan design to improve the livability of the area will be developed.
- + Newman Town Centre Strategy as part of the precinct planning will be finalised and adopted.
- + Develop and begin delivery of the Economic Development and Tourism Strategy, this strategy was delayed due to COVID.
- + Recruitment for dedicated Economic Development Manager.

2. Social

Strategic Priority 2: Social

Outcome: Harmonious communities sharing strong community connections

OBJECTIVE	STRATEGY	OUTCOME	2019/2020 UPDATE
Promote and facilitate safe and healthy communities	Support healthy and safe lifestyle choices.	Satisfaction with community safety initiatives. Satisfaction with recreation activities.	Satisfaction with community safety initiatives (60%) has slightly improved in 2020 compared to 2019 (56.7%). These issues remain a priority with Newman residents rating improved action to address anti-social behavior, theft and property crime as the highest priority for Council to lobby State and Federal Government to improve (59%). Since 2016 there have been significant increase in satisfaction with the Fitness centres from 71.0% in 2016 to 80.4% in 2020. Library service satisfaction also increased from 61.3% in 2016 to 80.2% in 2020.
	Support local sporting clubs and community organisations.		
Build a vibrant community	Facilitate community connectedness and inclusion.	Satisfaction with community events and programs.	<ul style="list-style-type: none"> + Hosted the annual NAIDOC Week activities in Newman + Hosted the 2019 Fusion Photography Competition + Outback Fusion Festival had over 2,700 attendees Art and Culture support and activities had high satisfaction levels at 75%. Shire events had a high satisfaction score of 73%, but it has reduced from 82% in 2019 (this is likely due to wide-spread cancellation of events due to COVID-19). Services for Young People, and Children and Family Services also reduced, however overall remained high at 70% satisfaction.
Advocate and partner to improve access to services	Facilitate services for families and children, youth and aged (inclusive of all demographic types including people living with disability, Aboriginal and Torres Strait Islander, Culturally and Linguistically Diverse and LGBTI).	Satisfaction with services available by demographic.	<ul style="list-style-type: none"> + Provided the Regional inter-town transport services + Developed and adopted the new Access Inclusion Plan 2020- 2025 Overall satisfaction with the Shire's performance is high at 71%. This has improved significantly from 65% in 2016 but reduced from 73.1% in 2019. The COVID-19 pandemic and facility closures may have impacted this score. Facilitating services for the Aboriginal community had an overall satisfaction rating of 66.2% consistent with 2019 score. The percentage of very satisfied increased from 37.7% in 2019 to 46.4% in 2020. Facilitating services for people from diverse cultural backgrounds has remained at a rating of 66.6%.
	Continue to develop or advocate for new services or programs to meet unmet needs.		

Highlights

- + The Shire continues to advocate to State Government for action to address housing and social issues as well as to increase wrap around services in Newman.
- + The start of the Newman Futures strategy. In partnership with BHP and the community the Newman Futures Strategy aims to build a diverse, and sustainable future for Newman.
- + Council commitment to Art at the Heart, a four-year artist in residency program.
- + Developed and adopted a new Access and Inclusion Plan 2020-2025.
- + The Shire supported community groups with over \$45,000 in community assistance grant funding.
- + Entered into a Memorandum of Understanding with Foodbank WA and assist with promoting their activities within the Shire.
- + COVID-19 response and service provision.

Looking Forward

- + 2020 - 2021 will see the development of a Strategic Recreation Master Plan, including investigating proposed facility upgrades.
- + CCTV and lighting – crime prevention through environmental design project. This project will be designed and delivered during 2020/2021.
- + Development of a Reconciliation Action Plan for the Shire.

3. Built Environment

Strategic Priority 3: Built Environment

Outcome: Connected and accessible communities

OBJECTIVE	STRATEGY	OUTCOME	2019/2020 UPDATE
Optimise places to live, work and enjoy	<p>Improve local amenity</p> <p>Provide and maintain open spaces for the community to recreate and connect.</p>	Satisfaction with public spaces and amenities.	Satisfaction with parks and ovals remained high with 79% satisfaction and satisfaction with Community Buildings scored 77%. This is consistent with the previous year. Expenditure of \$1.1 million on the renewal of public buildings.
	Maintain and facilitate community infrastructure and urban heritage, including roads and buildings.	<p>Satisfaction levels with ease of movement throughout the Shire and within towns.</p> <p>Satisfaction with roads, paths and buildings.</p>	<p>Over \$294,900 was expended to seal roads and maintenance grading expenditure was \$1,248,900 in 2019/2020.</p> <ul style="list-style-type: none"> + Ease of movement satisfaction rating of 74%. + Road provision and maintenance satisfaction rating of 77% + Footpath provision and maintenance satisfaction rating of 75%.
Plan for the future	Create liveable places through local area planning.	Satisfaction levels with public spaces.	Satisfaction measures with public spaces remained high with satisfaction of footpaths at 75%, parks and ovals at 79% and oval lighting in Newman 77%
	Facilitate the release of land for diverse and inclusive housing options, industrial and commercial use.	Percentage of land zoned for industrial and commercial use that has been developed.	In 2019/2020 a review of the local planning strategy, Newman Airport Industrial Land, East Newman Precinct Planning and Newman Town Centre Strategy was undertaken. These reviews lay the foundation for future development opportunities across the Shire.

Highlights

- + Design and construction of a new playground at the Capricorn Oval.
- + Purchase of twelve BHP houses and refurbishment of 8 of these.
- + Design and installation of new park signs in Newman.
- + Ongoing utilisation of recycled wastewater for the Shire's public open spaces and ovals through the Newman Recycled Water Network.
- + Ongoing reconstruction of our rural unsealed road network.
- + Replacement of small to heavy fleet and plant.

Note deliverables planned to improve the built environment in the 2019/2020 financial year were impacted by COVID-19.

Looking Forward

- + Planned capital works including:
 - + Construction of new coaches shelters at the Capricorn Oval
 - + Design and installation of a new screen for the Dingo Park pump house utilizing local martu artwork to improve the aesthetic.
 - + Installation of change room and shower facilities for volunteers at the Nullagine Bush Fire Brigade
 - + Planning, design and construction of a new caravan park for Newman
 - + Renewal of \$600k worth of asphalt road seals in Newman
 - + Design and construction of a new playground and shade structure at Gallop Park in Nullagine
 - + Cape Keraudren reverse osmosis water treatment plant to be installed by June 2021 providing visitors and staff with potable water
 - + Installation of new irrigation and lawn along the carpark verge near the Parnawarri IGA Carpark
 - + Replacement of ageing pipe work on North Newman Reserve to reduce water consumption and leaks
 - + Completion of an investigation into the feasibility of installing water reuse systems in housing to reduce the flows to the waste water treatment plant

4. Natural Environment

Strategic Priority 4: Natural Environment

Outcome: Valued iconic Pilbara environmental assets and biodiversity

OBJECTIVE	STRATEGY	OUTCOME	2019/2020 UPDATE
Protect and sustain our natural resources	Ensure efficient, effective and innovative waste services to reduce, reuse and recycle.	% of waste diverted from landfill. Waste recycled.	Newman was approved to have a refund point for the new state-wide Container Deposit Scheme this Shire operated project protects and sustains our natural resources by increasing the percentage of waste diverted from landfill and waste recycled. Satisfaction with the Shire's tips and refuse sites remain high scoring 82%. This is consistent with the previous year. Appointment of a waste sustainability officer to improve engagement with recycling.
	Increase community awareness of appropriate water and energy use.	Increase in use of renewable energy sources for Shire facilities.	
Preserve the unique local ecological biodiversity and ecosystems	Conserve natural vegetation, green spaces and bushland.	Geographical area of bushland and rehabilitated green space.	Outcomes for this objective will be reported over the four year reporting period of the Strategic Community Plan.
	Lobby for the protection of environmental assets and sites of indigenous significance.	Creation of a register of sites of Indigenous significance.	

Highlights

- + Were approved by State Government to be the only local government in the Pilbara to run a container deposit refund point.
- + Continued installation of solar panels across our housing portfolio to reduce emissions and energy costs.
- + A waste section on the Shire's website has been launched to educate the community on waste management. This includes the rollout of a quarterly newsletter.
- + Newman Sustainable Litter Collection - this year the program funded 10 community groups who collected almost 500 bags of litter with over 320 volunteers.
- + Ongoing compliance with annual environmental reporting, licensing and collection and distribution of waste data across the waste water treatment plant and landfills.
- + Successful funding obtained from the state government (\$1m) and BHP (\$1.65m) towards the renewal of Newmans waste water treatment plant.
- + Collaboration with Murdoch University for masters and graduate students to complete a water balance model and feasibility study for the Newman Recycled Water Network.

Looking Forward

- + Preliminary design of the Newman waste water treatment plant.
- + From the 1st of October 2020 residents and industry can return their eligible empty beverage containers to the Shire's Container Deposit Scheme Refund Point located at the Newman Refuse Site. It is anticipated that the Shire's involvement in the Scheme will increase recycling, divert beverage containers from being disposed as litter and to landfill, create fundraising opportunities and jobs.
- + The waste services team are working with current recycling contractors to develop a solution to kerbside recycling for Newman. Currently, kerbside recycling bin contamination levels are too high for contractors to recover resources effectively.
- + The detailed design of the Newman Liquid Waste Facility upgrade. The design will include a duty standby arrangement that optimises annual capacity and treatment leading to an increase in current revenue for the facility.
- + Construction of a groundwater bore at the Newman Refuse site which will provide a water source at the site for fire mitigation and dust suppression.
- + Construction of perimeter fencing at our refuse sites to meet the Department of Water and Environmental Regulation requirements.
- + Receipt of a \$5k grant from the Keep Australia Beautiful Council for the East Pilbara Bin Art Project: The project aims to educate the community and visitors on the importance of not littering through artwork made by primary school students from Newman, Marble Bar and Nullagine, to be placed on kerbside bins.

5. Governance

Strategic Priority 5: Governance

Outcome: Demonstrated accountability and corporate governance

OBJECTIVE	STRATEGY	OUTCOME	2019/2020 UPDATE
Provide efficient, accountable and ethical governance	Enhance governance capability to deliver sustainable outcomes, roads, and buildings.	Community satisfaction with Shire's future direction. Community satisfaction that Shire understands the community needs and prioritises appropriately. Asset and Financial Health Ratios.	The overall community satisfaction with the Shire's performance is 71%, reduced from 73% in 2019 this was possibly impacted by COVID-19. 58% believe the Shire is efficient and well managed which has increased significantly since 2016 (47%). Debt service cover ratios of 9.16 (industry standard is 5 or higher). During the 2019/2020 year the Shire has focused on improving staff satisfaction through:
	Strengthen customer service.	Satisfaction with Shire's responsiveness to queries and problems.	Satisfaction rating of 62% for the Shire's responsiveness to queries and problems.
	Provide a great place to work.	Staff satisfaction. Reduction in Lost Time Injury (LTI) frequency rates.	<ul style="list-style-type: none"> + Training and Development including support to its employees in undertaking post-graduate studies, participation in leadership professional development programs and attendance at industry relevant conferences. + Facilitating the employee recognition program + Focusing on having all employees complete cultural awareness training + Developed a classification and remuneration framework that was successfully implemented across the Shire's organisational structure
Strong Shire identity and regional capacity	Increase the Shire's identity and profile through communication, partnerships and lobbying/ advocacy.	Community satisfaction that there are opportunities to participate and be informed.	The level of satisfaction with how the community is informed about local issues is high at 64%. This is reduced from 66% in 2019. Community consultation and engagement is high at 68% which is high compared to other Local Government Areas.
	Preserve, enhance and celebrate the Shire's history and culture.	Number of events that promote and support local history and culture.	A number of events have been held in 2019/2020 which promote and support local history and culture. These include NAIDOC, Outback Fusion Festival and Martumili open days and Christmas events.

Highlights

- + Since 2016 the quality of life score for the Shire of East Pilbara has decreased from 64% to 59%, which includes how individuals rate the Shire as a place to live. This may be attributed to COVID-19 and both the related facility closures and reduced services.
- + In 2020, 70% of people feel connected and part of the local community.
- + In the community leadership area, 71% agree council decisions are being made in the interest of the community.
- + During 2020 a training program was deployed to all staff throughout the Shire concentrating on Integrity and Accountable and Ethical Decision Making.

Looking Forward

- + A Waste Plan will be developed to provide the Shire with strategic direction aligning with the State Government's Waste Avoidance and Resource Recovery Strategy 2030.
- + Two Extraordinary Local Government election will be held to replace Councillors who retired in 2020.



Four Year Summary Statistics

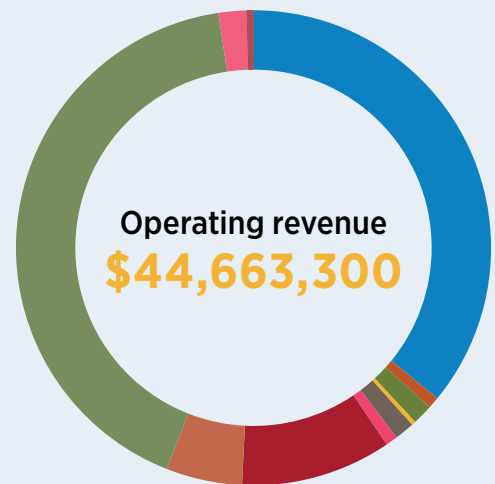
Shire of East Pilbara	2016/2017	2017/2018	2018/2019	2019/2020	Trend
Total Number of Rateable Properties	7603	7768	8016	7894	▼
Minimum General Residential Rate	663	663	663	663	▲
Rates Levied (excluding services)	\$11,123,639.00	\$11,626,519.00	\$12,187,430.00	\$13,201,598.00	▲
Operating Revenue	\$39,315,192.00	\$38,356,597.00	\$41,204,360.00	\$41,607,458.00	▲
Total Current Assets	\$283,205,845.00	\$312,010,187.00	\$305,298,118.00	\$308,142,602.00	▲
Capital Grants Revenue	\$5,209,006.00	\$9,254,769.00	\$4,964,819.00	\$5,235,309.00	▲
Operating Grants Revenue	NA	\$5,644,957.00	\$5,396,173.00	\$5,650,891.00	▲
Debt service Cover Ratio (Target is 5 or higher)	10.86	9.02	9.51	9.16	▼
Full Time Equivalent Staff	82	97.5	111.3	103.2	▼
Contracts Awarded	\$6,920,000	\$8,690,000	\$9,400,000	\$9,320,000	▼
Planning Applications Approved	40	38	43	34	▼
Building Applications Approved	52	87	96	64	▼
Community Assistant Grant Funding Provided	\$57,579.50	\$44,500.00	\$49,596.53	\$45,539.45	▼
Customer Service Requests for Public Assets	484	460	442	434	▼
Customer Calls Received	NA	34,315	39,011	36,035	▼
Facility Bookings	1900	1977	3390	1678	▼
Employment - Aboriginal Australian	6.85%	19%	19.7%	17.14%	▼
Employment - Women	65.5%	63.1%	63.5%	66.28%	▲
Airport Passengers	313,011	313,748	346,118	333,339	▼



Finance 2019/2020

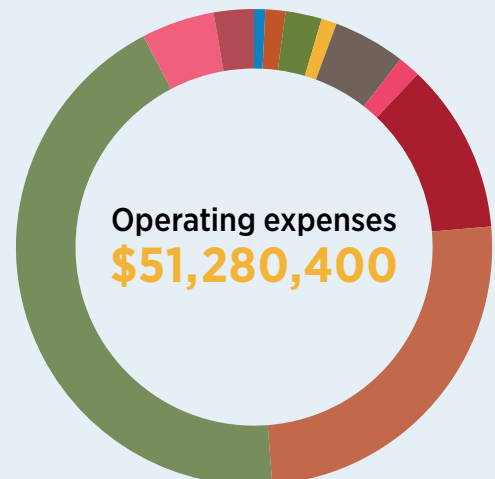
Operating revenue \$

General Purpose Funding	16,043,600
Governance	349,900
Law, Order and Public Safety	621,200
Health	125,000
Education and Welfare	601,800
Housing	358,800
Community Amenities	4,575,900
Recreation and Culture	2,316,100
Transport	18,614,000
Economic Services	852,000
Other Property and Services	205,000
Total operating revenue	\$44,663,300



Operating expenses \$

General Purpose Funding	389,400
Governance	700,200
Law, Order and Public Safety	1,262,300
Health	536,200
Education and Welfare	2,518,900
Housing	781,300
Community Amenities	5,922,800
Recreation and Culture	12,903,300
Transport	22,320,700
Economic Services	2,546,600
Other Property and Services	1,398,700
Total operating expenses	\$51,280,400



Project Highlights 2020/2021

✓ **Over \$6 million**
allocated to waste
water treatment
plant

✓ **\$3.8 million**
airport capital
works

✓ **\$250,000**
rural playgrounds

Responding to COVID-19

~\$7 million stimulus

Marble Bar Airport Joint Venture

.....

~\$1.5 million relief

Economic Relief Package

.....



We asked our community how satisfied they were with the Shire's response to COVID-19. The Shire's overall satisfaction score was 89%, compared to the average score of 68% achieved by Local Governments across WA.

The Shire performed higher than the State average in all areas, including trust, decisions, empathy, risk management and innovations.

Our community had higher wellbeing scores in work and financial, compared to other parts of the State, however, the Shire has lower scores in mental health, diet and exercise and social relationships.

-Independent survey 2020

COVID-19 Economic Relief Package

Approx \$1.5 million

The Shire of East Pilbara rolled out an unprecedented \$8.5 million COVID-19 response relief package, with a suite of measures designed to provide financial relief and economic stimulus approved by Council in April 2020. The package delivered over \$1.5 million of immediate relief measures targeting those hardest hit by the crisis, to help individuals and small business ease the burden from forced closures and job losses as a result of the COVID-19 pandemic.

In a stimulus measure, Council also committed to bring forward \$7 million dollars of capital works to upgrade Marble Bar Airport. The project is a partnership with a local gold mining company – Calidus Resources Limited, designed to provide a significant economic boost, by not only stimulating our local and regional economy, but also by opening up a raft of opportunities across the Shire of East Pilbara.

Both measures were designed to support East Pilbara residents and the local economy respond to, and recover from the COVID-19 pandemic.



\$616,000

Rates

Froze rate increases for the 2020-21 financial year
Waived fees associated with rates installment payments*
Waived penalty interest on 2020-21 rates*
Increased flexible payment options*
No decrease to rate concession percentages
Suspend debt collection for six months
*For eligible ratepayers



\$357,000

Fees and Charges

Froze increases to fees and charges for the 2020-21 financial year
Suspended debt collection for six months
Defer/ place on hold annual fees and charges for six (6) months from the start of their next payment
Increased flexible payment options for debtors facing financial hardship



\$257,000

Rental Relief

Rental payment waivers of 50% for 6 months for eligible Airport tenants
Rental payment waivers of 50% for 6 months for Newman House tenants



\$150,000

COVID-19 Grants Program

\$150,000 COVID-19 Support and Recovery Grants Program.



\$50,000

Buy Local Project

Developed a buy local 'East Pilbara Dollars' Project supporting local businesses.



\$100,000

Business Support

New \$100,000 for one-on-one support for local small businesses



Development Support

Express turnover of development approval applications
Free extension of development approval applications
Flexible approach to the servicing and supply of supermarkets



Memberships

Froze all Shire recreational memberships



Bookings

Full refund on cancelled bookings at Shire owned facilities



Regenerate Together / COVID

In response to the COVID-19 pandemic, Shire of East Pilbara created an \$8.5 million Regenerate Together stimulus package and various projects and initiatives, with the aim of supporting the wider community through the crisis. The package delivered over \$1.5 million of immediate relief measures targeting those hardest hit by the crisis, designed to help individuals and small business ease the burden from forced closures and job losses as a result of the COVID-19 pandemic.

Council also committed to bring forward \$7 million dollars of capital works to upgrade Marble Bar airport, in partnership with a local gold mining company – Calidus Resources Limited. This will stimulating our local and regional economy, and opening up a raft of opportunities across the Shire of East Pilbara.”

Relief

\$1.5 million of economic relief measures focused on financial assistance schemes and sweeping changes to the payments of rates and fees.

Highlights include a zero rate increase in the coming budget, a freeze to almost all fees and charges, a 5% rates refund to owner occupiers, small businesses and pastoralists and a series of measures and grants schemes designed to help small business.

Measures include:

- + Freezing rates for the 2020-21 financial year and a 5% refund to eligible ratepayers
- + Endorsement of Financial Hardship (rates relief) Policy
- + Waiver fees associated with rates installment payments for ratepayers facing financial hardship
- + Waiver penalty interest on 2020-21 rates for ratepayers facing financial hardship
- + Increased flexible payment options for ratepayers and debtors facing financial hardship
- + Suspension of any new debt collection activities for 6 months
- + Deferral of select annual fees and charges for 6 months
- + Rental payment waivers of 50% for 6 months for eligible Airport tenants
- + Rental payment waivers of 50% for 6 months for Newman House tenants, for eligible tenants
- + New \$50,000 buy local 'East Pilbara Dollars' Project
- + New \$100,000 for one-on-one support for local small businesses
- + New \$150,000 COVID-19 Support and Recovery Grants Program
- + Full refund on cancelled bookings at Shire owned facilities
- + Freezing all Shire recreational memberships
- + Express turnover of development approval applications
- + Free extension of development approval applications

Stimulus

Agreement to bring forward the project of the redevelopment of the Marble Bar airport at a cost of \$6,925,984.

This significant project will provide a range of economic benefits for the western edge of the Shire, and it is hoped construction will begin before the end of the year, and be operational by the second half of 2021. Council has agreed to allocate \$3 million of initial funding in the 2020/21 budget for the project, the remaining funding will be allocated during 2020/21 with a \$2 million contribution from Calidus Resources Limited.

Many other programs and initiatives were delivered by the Shire alongside our partners, to support our community, during the COVID-19 pandemic. These other programs such as Newman Futures - Stronger Together with Creating Communities, Newman Airport Social Distancing with BHP, and suite of programs developed with community partners, will continue to provide communities in each of our towns with practical support.



Shire of East Pilbara - Response

Airport

The Shire of East Pilbara reacted in two days with a solution to ensure the Newman Airport could operate with social distancing requirements and meet the safety requirements of the mining companies' staff. Staying open was important, as \$48 billion of commodities was mined out of the East Pilbara in 2019 and there are 25,000 FIFO beds, in addition to the residential population, so keeping the industry and airport open was critical for economic importance.

The terminal was only able to cater for about 120 people safely due to COVID, and on busy days, in excess of 2,000 people traversed out of the airport. Many flights came in clusters, with airlines not able to move schedules, so the number of people through the facility were almost 1,000 per hour at times.

East Pilbara Dollars Project

The project aimed to regenerate the local economy by incentivising local spending at local small businesses in response to the COVID-19 pandemic and to assist affected local small businesses. This was achieved by the Shire of East Pilbara purchasing gift cards/vouchers to become 'East Pilbara Dollars', which were distributed to the community to spend.

\$50,000 East Pilbara Dollars was made available to spend at registered and approved small local businesses.

Western Desert Aboriginal Communities - Return to Country

During the COVID-19 pandemic, the Shire of East Pilbara's 5 remote Aboriginal communities were placed in biosecurity zones, in addition to local restrictions so six different layers of lockdowns applied.

Through a coordinated effort between different services, the Shire of East Pilbara made it possible to be able to get the Martu people back to their homes in these remote communities before restrictions came into effect to stop people travelling in and out of the Western Desert communities.

The Shire of East Pilbara, with assistance from partners and the Government, coordinated support services such as buses, medical checks before leaving, fuel for vehicles and ensuring that agencies provided food and hygiene packs for people moving to remote communities.

The Shire also organised a Local Area Coordination Service for Martu people living in Newman, which linked them with service providers to have their issues supported and solved. An onsite medical presence, as well as rugs and clothing for winter months, was also organised.

The Shire of East Pilbara performed above the State in most areas

During COVID, a Statewide survey was conducted to check how each Local Government area had met the needs of their community during the pandemic, and in the recovery afterwards.

The community rates the Shire's overall response to COVID-19 at 89%, which is very high - the average score for Local Governments across WA was 68%.

The Shire performed higher than the state average in all areas, including trust, decisions, empathy, risk management and innovations.

Our community had higher wellbeing scores in work and financial compared to other parts of the state, however, the Shire has lower scores in mental health, diet and exercise and social relationships. These reduced health outcomes are consistent with being in the regions with limited access to health services, and social factors such as regional and state borders being closed must be considered.

Other Regenerate Together initiatives

Many initiatives involved with Regenerate Together came about through the understanding that supporting a community meant supporting its residents. Including:

- + Mental Health and Wellbeing of Community: When a local mining company pledged to keep its fly in/fly out staff within its local accommodation and not to mix with the community, the Shire of East Pilbara negotiated for one of the local sporting fields to be exclusively dedicated to the company's staff.
- + Mental Health and Wellbeing of staff: In an effort to retain as many Shire services as possible, working from home was offered as an option where possible, 3 days (pro-rata) COVID leave and redeploying of closed facilities' casual staff to different sites.
- + Stakeholder coordination: Regular meetings with stakeholders from not-for-profit, industry and Aboriginal companies to hear their concerns and coordinate responses.

Highlights in 2019/2020

71% Satisfaction

\$57m value of local tourism

131 Shire employees



Community satisfaction with the Shire's overall performance has remained high at 71%.

The proportion of residents who feel Council decisions are made in the interest of the community remain high at 71%.

-Community Perception Survey 2020



2020 Community Satisfaction Results

Satisfaction Trend Data

	2016	2019	2020
Aquatic	82%	86%	78%
Tips / Refuse	90%	83%	82%
Parks and Ovals	85%	83%	79%
Community Safety	61%	57%	60%
Children and Family Services	74%	84%	70%
Fitness Centres	71%	83%	80%
Services for Young People	67%	75%	70%
Road provision and maintenance	80%	76%	77%
Free oval lighting for Newman	76%	78%	77%
Footpath provision	80%	78%	75%
Airport Services	69%	78%	77%
Library Services	61%	85%	80%

LEADERSHIP LEVEL OF SATISFACTION

- + Council's decisions being in the interest of the community 71%
- + How the communities are informed about local issues 70%
- + Community consultation and engagement 68%
- + Councillors are involved with the community 65%

QUALITY OF LIFE LEVEL OF SATISFACTION

- + Overall score 59%
- + Connectedness to the community 69%
- + Affordability of living comfortably in the Shire 61%
- + Availability of things to do 51%

KEY ISSUES

Respondents were asked "what are the key issues which you think the Shire needs to address when planning for the future"

The most frequently raised topics were:



- + Medical and allied health services 17%
- + Anti-social behaviour 13%
- + Clean up rubbish 11%
- + Child care and after-school care 7%
- + Cheaper airfares 6%
- + Repair run down housing 6%
- + Activities for children and young people 6%
- + Crime 5%

71%

OVERALL SATISFACTION
2019 score 73%

ADVOCACY PRIORITIES

The key areas in which the community identified that the Shire should advocate to State and Federal Governments to improve were:

-  **Anti-social behaviour**
59%
-  **Medical and Health Services**
53%
-  **Damaged properties in a state of disrepair**
33%
-  **Aviation services and road infrastructure**
38%
-  **Children's Services**
20%

Marble Bar and Nullagine Priorities:

- + Improving road infrastructure
- + Housing opportunities
- + Mental health services
- + Aviation services

Reasons people leave town

Family

Education

End of Work Contract

Financial Reason

Medical Reasons



Economic Overview

The Shire's economic strategy provides a focus on achieving a diverse and sustainable regional economy. The economic policies in place support this development and will drive the sustainability of our towns.

Shire of East Pilbara – Economic Overview

About 10,000 people call the Shire home and this population has grown over 40% in the last decade. The region is rich in culture, home to many remote communities including Jigalong, Parnngurr, Punmu, Kunawarritji, Kiwirrkurra and Warralong.

The Shire is rich in mining and pastoral activity which provides a significant economic contribution to the State and National economy.

The value of commodities extracted from the Shire totaled \$48 billion in 2019, which is 27% of WA's recorded sales. Mines within the Pilbara are the largest contributor of iron ore in Australia and contribute 29% of the global supply.

Shire of East Pilbara – Economic Diversification

This year the Shire committed to funding for the Marble Bar Airport project to help off-set the economic impacts of COVID-19. The project will have significant economic benefits to the region's supply chains and consumption sectors. The presence of a jet-capable airstrip in this area of the Pilbara has the potential to unlock further economic benefits for the region. It is anticipated that the new airport infrastructure will increase viability of marginal projects and extend the life of projects which would otherwise cease, due to higher costs associated with maintaining own airstrips or transporting workers greater distances.

There has been 16 major projects identified in the Shire of East Pilbara which are either under consideration or committed but yet to begin construction. Together these projects represent a private capital investment of over \$24.5 billion AUD and will create more than 4000 jobs in construction and close to 1000 jobs in ongoing operations.

Shire of East Pilbara – COVID-19

COVID-19 impacted the Shire during the 2019/2020 on both an economic and community level. Firstly council lost revenue due to facilities and services closing. Secondly, in the community, events were canceled, sporting seasons cancelled or postponed and tourism halted.

To recover from the effect of COVID-19, Council produced a Regenerate Together: Economic Stimulus and Relief package. The package consisted of \$1.5 million in relief, including grants, business support and 0% increase in rates. The stimulus also included a \$7 million capital works commitment to the Marble Bar Airport.

Due to the significant loss of income and investment to assist the community and our residents' recovery from COVID-19, the Shire's overall income for 2019/2020 was reduced and the budget for 2020/2021 has been impacted.



Looking Forward

Looking forward, our residents can expect the Shire of East Pilbara to focus on:

- + Breaking ground on the Marble Bar Airport
- + East Newman Precinct Planning - to improve aesthetics, livability and investment in the area.
- + Newman Airport Industrial Land - This year saw the progression of an Airport Masterplan for the Newman Airport, which identified land for industrial land use. The Shire intends to provide leasehold tenure at the site in the future.
- + Newman Caravan Park construction
- + Newman Town Centre Strategy - Next year the plan will be drafted to identify contemporary avenues for incentives to encourage business and investment in the area



Our workforce

Our current organisational structure consists of four Directorates and the Office of the Chief Executive Officer (Executive Services). Each Directorate is responsible for delivering services in line with the key strategies from the Strategic Community Plan.

**Chief Executive Officer
Jeremy Edwards**

- + Strategic and Corporate Planning
- + Governance
- + Administration of Council Resources (Financial Sustainability)
- + Implementation of Council policies and decisions
- + Land Use Strategy

**Executive Manager
Corporate Services**

Sian Appleton

- + Strategic Workforce and Corporate business plans
- + Asset and risk management
- + IT Strategy and Management
- + Systems support
- + Financial services
- + Records management
- + Economic development
- + Management of Martumili Artists
- + Management of Human Resources

24.6 FTE=

22 Employees

**Executive Manager
Customer and Community
Services**

Lisa Clack

- + Strategic Customer and Community Business Plans
- + Management of Community Wellbeing
- + Management of Community Safety
- + Management of Recreation and Events
- + Management of Customer Services and Media Relations
- + Management of Newman Visitors Centre

49.42 FTE=

30 Employees

**Executive Manager
Infrastructure Services**

Raees Rasool

- + Management of infrastructure services business plans
- + Newman Infrastructure and Operations
- + Rural Infrastructure and Operations
- + Fleet Management
- + Project Management
- + Asset Management
- + Development Engineering
- + Waste Management
- + Public Buildings and Property Management

40.1 FTE=

33 Employees

**Executive Manager
Commercial Services**

Ben Lewis

- + Strategic Commercial Service Business Plans
- + Procurement, Contracts and Leases
- + Compliance and Development Services (health, building and planning)
- + Management of Airport Services

13 FTE=

12 Employees

FTE excludes casuals and short term fixed contracts



The Shire in 2019/2020

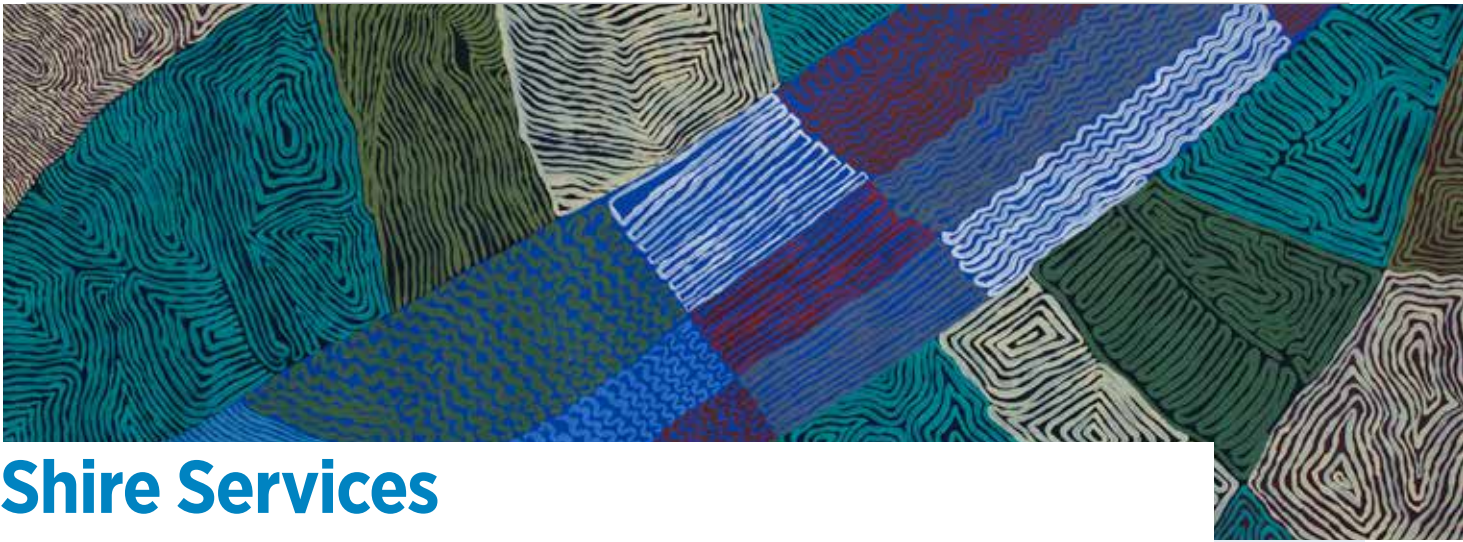
Customer & Community Services

Commercial Services

Infrastructure Services

Corporate Services





Shire Services

The following pages represent a comprehensive look at each of the Shire's four directorates and details the major projects and works undertaken in the 2019/20 financial year.

Customer and Community Services

- + Community Wellbeing
- + Library Services
- + Youth Services
- + Recreation Services
- + Events
- + Community Safety

Commercial Services

- + Planning and Buildings
- + Strategic Planning
- + Contracts and Procurement
- + Environmental Health
- + Airports

Infrastructure Services

- + Infrastructure and Technical Services
- + Projects and Assets
- + Waste Services

Corporate Services

- + Governance and Statutory Compliance
- + Business Systems
- + Human Resources
- + Martumili Artists

Customer & Community Services

\$45,000

grants and in-kind support provided to the community.

↑ Facilitating services for the Aboriginal community

has increased from 37.7% very satisfied in 2019 to 46.4% very satisfied in 2020.

↑ 428 hours

of additional summer school holiday activities, proudly supported by BHP

UPDA





36,035

Phone enquiries

60,399

website visitors

~6500

number of people who attended events

1678

number of facilities bookings

Pictured:
Zap Circus at the 2019 Outback Fusion Festival in August

Satisfaction with Community Services

Community is satisfied with community services:

- + Fitness Centres (80%)
- + Library Services (80%)
- + Aquatic Services (78%)
- + Art and Culture Support and Activities (75%)
- + Events (73%)
- + Services for Young People and Children and Families (70%)



Blue Tree - Newman

Community Wellbeing

Community Wellbeing is a large portfolio of community development, art and culture, grants and events to build a vibrant community in the Shire of East Pilbara.

Activities

The Shire continued to facilitate the following programs

East Pilbara Interagency

The interagency meeting brings together people from across the Shire working in the community. The interagency meeting shares information between organisations and brings awareness to upcoming projects.

Newman Sustainable Litter Collection

Community groups raise vital fundraising dollars by collecting litter in Newman. This year the program funded 10 community groups.

Together the program had:

- + Over 320 volunteers
- + Almost 500 bags of litter collected

Strategy

Disability Access and Inclusion

Our social strategy places a focus on improving our services to be inclusive for more people across our community, this includes the continual development and execution of the Disability Access and Inclusion Plan. This financial year, the Shire organised pool hoists for the public pools in Marble Bar and Newman.

The major focus this year was on the Shire developing its new Access and Inclusion Plan (AIP) for the period 2020-2025. The AIP was developed from community consultation undertaken within the towns of Newman, Nullagine and Marble, and builds on the previous work undertaken through the DAIP.

Community Assistance Grants Program

Reflecting our Social Strategy to improve community wellbeing, the Shire provided support to local sporting clubs and community organisations through our grant program.

Grant 1

\$1,612.45

Grant 2

\$2,380

Grant 3

\$41,547

Arts and Cultural Development Fusion Photo Competition

Photographers were invited to capture their Pilbara perspective for the Shire's annual Photography competition. An overwhelming number of entries were received amongst the four categories. The Fusion Photography Competition was exhibition at Martumili Gallery showcasing images captured from across the East Pilbara.

Community Wellbeing Events

NAIDOC 2019

The 2019 NAIDOC celebrations officially began with an opening ceremony where students participating in Newman Senior High School's Follow the Dream program raised the Aboriginal and Torres Strait Islander flags alongside Senior Constable Em Morrison who raised the National flag. Prior to the flag raising, Noongar woman and long-term local resident, Phyllis Lockyer performed alongside both primary and high school students.

To end NAIDOC Week a free community concert which included live entertainment support by Desert Feet. There were plenty of kids activities including a rock climbing wall, bouncy castle and an inflatable obstacle course; and stew and damper being made by the community.

Mental Health Week 2019

To celebrate Mental Health Week, the community came together to shine a light on mental health. The community covered the tree outside the Shire's main administration office in Newman with blue knitted and crocheted squares as a symbol of hope for those struggling with their mental health. Each knitted square of blue wool was hand stitched by a member of the community.



People's Choice:
Tamisha Williams,
'Handprint shadow'



High School category:
Ryan Quince,
'Willie Wagtail'



Open category:
Sarah Hyde,
'Bath time!'



Professional category:
Liam Bryne,
'Waru Work - On Country
Burning With Martu'



Primary School category:
Caleb Lewis,
'Nature Kids'

Community Wellbeing - Rural

Community Wellbeing – Rural is responsible for a wide range of activities including operations in Marble Bar and Nullagine in relation to Administration, Library, youth, events, programs, disaster recovery and stakeholder engagement.

Events

The Shire is committed to its social strategy to facilitate community connectedness and inclusion. Throughout the year, the Shire planned and facilitated a variety of events in Marble Bar and Nullagine.

These include:

- + Thank a Volunteer
- + Lighting of the Christmas Tree
- + Australia Day
- + Library Lovers
- + Rottnest Swim
- + International Womens Day
- + Art and Craft Workshops
- + First Aid Training
- + Snake Handling Training

Regular Passenger Transport Service

To connect our towns across the region, the Regular Passenger Transport (RPT) service offers a low cost travel option for community. The bus travels to Newman, Nullagine, Marble Bar and Hedland.

School Holiday Programs

The Shire's school holiday programs foster creativity, sport and incidental learning through a variety of opportunities that engages many children in these locations. Activities are always fun and free, making them accessible and creating a safe space. The Shire provides computers, healthy meals, sporting resources and access to various technology and facilities to enable young people to explore during this time. Partnership with Ngurra Kujungka allows for more activities programming and greater numbers for the kids.

Rec Shed – Marble Bar

The Marble Bar Rec Shed provides recreation activities for children and youth, including games, pool tables, computers, gaming consoles as well as includes regular sports and programmed cooking times. The Rec Shed was able to work closely to support visiting engagement groups through the town further enabling community to access visiting football players, health professionals and services.

Recovery

Community Wellbeing – Rural play a role in recovery after emergencies such as cyclones. Recovery seeks to position the community to return back to normal as soon as possible after being impacted by emergency events or disasters. The team in Marble Bar played a key role in the recovery of Tropical Cyclone Blake and Severe Tropical Cyclone Damien. TC Blake caused significant flooding across the Shire, leaving Marble Bar isolated from neighbouring towns for many weeks.

Stakeholder Engagement

The Shire's Community Wellbeing – Rural team undertakes a wide range of key stakeholder liaison responsibilities. The team often works in partnership with the local schools, community organisations, resident groups, emergency services and industry groups to share information, facilitate events and activities and develop plans for improved amenity and service provision.

Shire staff attended a number of regular meetings throughout the year including the Marble Bar Progress Association; Marble Bar Race Club; Marble Bar Community Resource Centre; Nullagine Community Resource Centre; Marble Bar Tourist Association; Marble Bar Interagency Meetings and the Local Emergency Management Meetings.

Community Engagement during COVID-19:

The diversification of the Shire's rural services were required during COVID-19 and saw many services and activities being adapted to online including the online library resources and activity booklets created for various age groups. In addition, buddy packs were created and supplied to our most vulnerable residents to ensure information was being provided to the community while community members were encouraged to remain connected while in isolation.





Library

The library services across the East Pilbara region provide book services, as well as recreational activities that facilitate connectedness and inclusion. The Shire operates libraries in Newman, Nullagine and Marble Bar.

Events and Activities

Library Lovers Week Competition

All libraries within the Shire of East Pilbara brought Library and Information Week to their readers. This year's theme of the International Library Lovers Day was 'uncover something new'. The Newman Library wrapped donated books and included bookmarks with the library information and placed the books around town for community to enjoy.

Online Storytime

To keep the community connected during the COVID library closures, the Shire adapted its services to an online format. This included virtual Storytime. The CEO and Shire staff read stories to the community via Facebook.

Newman Library Events

NATSI (National Aboriginal and Torres Strait Islander Children's) Day

In August 2019, the Newman Library was part of a successful NATSI event with over 80 students and adults participating in an Indigenous themed scratchboard art. The Library also presented a craft and book display stall at the event to encourage students to read.

Special Library visit from Jigalong School students

In December, an enthusiastic group of students from Jigalong took up the opportunity to visit the Newman Library for the first time. Upon arrival, the students were greeted by a staff member who took them on a tour around the Library and explained how the Library operates. After the briefing, staff read an Australia-themed Christmas story to the students and finished off the visit with painting a tree activity.

Newman Library Performance

3,608 books

Books loaned

120

New library members

9,153

People visited Newman library

Newman Library Regular Programs

- + Storytime
- + Legoclub
- + Book club
- + Music Play - in partnership with Save the Children



Science Week in Marble Bar 2019

Newman Youth Centre

Newman Youth Centre is a service provided to achieve our social strategy to provide strong community connections. The centre provides a fun, safe, and welcoming place for young people to hang out and engage in activities. The drop in space offers pool tables, foosball, gaming, sports equipment, movies, free WiFi and more. All Youth Centre activities are free of charge.

Drop in Service

The primary service provided by Newman Youth Centre is an inclusive drop-in program to connect youth with services and programs throughout the year. Young people aged 10-17 are free to attend and spend time with friends, use free WiFi, play sport, use gaming consoles, make healthy meals or play on computers.

428 hours of summer school holiday activities, proudly supported by BHP

7 vacation staff members came from Perth

5 young people achieved a TAFE level qualification in Newman's first alternative education program

3 Nerf Gun Nights

Offsite Education Program

In 2019, the Shire partnered with the Department of Education to provide Newman's first alternative program for young people who had been disengaged from school. Over the course of this program, a number of young people who had not been engaged in school for several years attended, with five receiving a Certificate I and two achieving a Certificate II in Leadership. All participating students achieved some units of competency towards accredited qualification. Improvements in mental wellbeing, self-confidence and personal wellbeing were reported for the majority of participants.

Summer Holidays - Extended Hours Program

During the 2019-2020 Summer School Holidays, the Youth Centre delivered a School Holiday Program supported by BHP, providing an extra 302 hours of programs and activities for local youth. The Centre provided activities every day except for public holidays. Drop-off and pick-up of young people was provided each day along with healthy meals and a range of activities.

Ten new staff were employed to increase the capacity of the Youth Centre over this time, including 3 locals and 7 from Perth, giving them an incredible regional experience. This program engaged a total of 114 young people and led to increased levels of school engagement when school re-commenced.

Since November 2019, Newman Youth Centre has extended their hours with thanks to BHP funding. This has included opening on Friday nights until 9pm and on Saturday afternoons to provide a safe, fun and social place for young people to spend time. This increased contact with young people helps provide a consistent space for them with the aim to help prevent anti-social behaviour and build strong social networks for youth in the Newman community.

Youth sports engagement program

Newman Youth Centre was funded by BHP to support young people to engage in organised sport. Along with YMCA Remote School Attendance Strategy, young people were supported with fees for sport, transport to and from games and training, uniforms, clothing for training sessions and a familiar adult to assist at training to help youth feel comfortable.



Newman Youth Centre



Recreation

The Shire of East Pilbara promotes and facilitates safe and healthy communities through services and events that meet our social strategic priority. Our clubs, aquatic centres and fitness centres across the region support active, healthy lifestyles.

Newman Aquatic Centre

The Newman Aquatic Centre features a six lane pool and toddler's splash pool, grassed areas, dry play areas, kiosk and swim shop. Equipment and lockers are available for hire as well as free BBQ facilities and Wi-Fi.

	2019/20	2018/19	2017/18
Visitors	21,602	28,115	25,638
Admissions revenue (\$)	66,488.95	90,355.02	79,957.90
Kiosk sales (\$)	30,543.13	33,079.82	31,774.05
Swim Shop revenue (\$)	11,867.76	13,915.56	11,867.00
Swim school revenue (\$)	25,683.00	41,050.80	35,985.00
Equipment hire (\$)	3,271.00	6,142.68	10,128.23

A number of successful community events and other initiatives were held at the NAC during the past year including:

- + Virtual Rottneest Channel Swim
- + Department of Education VacSwim
- + Department of Education In Term Swimming Lessons
- + Swim School Program
- + Martu Swimming Lessons (RLSSWA Swim for Fruit program)
- + Children's school holiday program
- + Numerous pool parties including Christmas, Australia Day
- + Australia Day Citizenship Ceremony

Marble Bar Aquatic Centre

The Marble Bar Aquatic Centre features a 25 metre lap pool and a shaded toddler pool as well as grassed areas, seating and kiosk. The pool provides a vital recreational opportunity for the community in the hottest town in Australia. Marble Bar, Warralong and Nullagine Schools regularly attend swimming lessons and physical education classes.

The Marble Bar Aquatic Centre hosted many successful community events over the year including:

- + Community Swim to Rottneest presented by Act Belong Commit
- + Social Water Polo Competition presented by Act Belong Commit
- + Australia Day Celebration

The centre is an ageing facility and numerous maintenance items were uncovered during a risk audit. In order to make the centre safe and pleasant for the community well into the future, remedial works are scheduled to be carried out by both the Department of Education and the Shire of East Pilbara. Works identified include the repair of concrete, electrical compliance, pool shell and pipework maintenance as well as replacement of certain fixtures.

The Marble Bar Pool generates no revenue from admissions as entry to the facility is free.

	2019/20	2018/19	2017/18
Kiosk sales (\$)	\$1870	3,559.82	7,607.69
Visitors	1,984	4,720	3,527



Newman Aquatic Centre is an oasis in the desert.

Newman Recreation Centre

Newman Recreation Centre hosts recreation activities and fitness facilities that support healthy lifestyles. It has a fully equipped fitness centre with; free weights, cardio and a circuit room. The centre allows members to have 24 hour access and two full size gymnasiums are available for casual court hire or as a venue for special events.

428 active members

132,069 total revenue

2,518 crèche visits

There is currently 427 active members at this facility comprising of:

- + Fitness centre members - 208
- + Group fitness - 14
- + Dual centre members - 157
- + Combined Recreation and Aquatic members - 48

Membership Sales		2019/20	2018/19	2017/18
Fitness centre	(\$)	60,136.55	124,819.07	145,060.90
Group fitness	(\$)	3,474.04	5,218.71	6,748.18
Rec Centre Membership	(\$)	36,281.54	35,773.95	72,241.20
Combined Rec & Aquatic	(\$)	17,077.58	9,915.39	--
Number of memberships sold		1,753	739	1,244
Casual visits (Fitness centre)		232	385	1,113
Casual revenue (Fitness centre)	(\$)	3,252.5	5,207.50	12,670.46
Casual visits (Group fitness)		782	580	486
Casual revenue (Group fitness)	(\$)	8,607.5	8,917.50	6,497.50
Rec Centre Visit Pass Revenue	(\$)	3,240	3,780	2,133
Total Membership Revenue	(\$)	132,069.71	193,632.12	244,539.66

Creche

Crèche services facilitate community inclusion and wellbeing and is well utilised by members and staff.

	2019/20	2018/19	2017/18
Crèche visits	2,518	2,652	2,879
Crèche revenue (\$)	11,339.57	11,792	13,474

Junior Programs

A number of low priced activities are run for children at the Newman Recreation Centre:

- + Funky Movement
- + Junior Basketball
- + Junior Futsal

Adult Programs

Various sporting programs for adults were available at the Newman Recreation Centre:

- + Men's basketball competition
- + Women's netball competition
- + Mixed volleyball competition
- + Find Yourself in Wellness

	2019/20	2018/19	2017/18
Adult program revenue (\$)	9,830	4,339	5,514

Rural Fitness Centres

The Shire operates an unmanned Fitness Centre in both Marble Bar and Nullagine. The community accesses the facilities by applying for a membership and receiving a key.

Club Development

The Shire of East Pilbara received funding from the EveryClub Program through the Department of Local Government, Sport and Cultural Industries to deliver the following workshop/events:

- + Meet & Greet Hon Mick Murray MLA – Minister for Seniors and Ageing; Volunteering; Sport & Recreation
- + Taping Workshop – Sports Medicine Australia
- + Level 1 Sports Trainer – Sports Medicine Australia
- + Let build your clubs Tidy HQ Platform
- + Ins and Outs of being a Secretary
- + Kiddo Professional Learning Workshop

The Shire of East Pilbara hosted two sundowners to provide clubs with an update, and further extend the opportunity to provide feedback and shared their calendar of events.



Les Mills SPRINT™ is one of the most popular classes at the Centre.



Events

The Shire of East Pilbara develops events for our community to feel a sense of connectedness and inclusion. All community events meet the necessary health, planning and safety compliance requirements, while meeting our social strategic objective. The public event team meet monthly to review event applications and identify risks to Council. Each year the team develops a broad calendar of well attended community events.

Nullagine Colour Pinirringu (Run) 2019 Presented By Act-Belong-Commit

A variety of obstacle courses was set up to promote health and active engagements. Lunch was also provided to all 30 participants on the day.

Newman Family Fun Run & Half Marathon 2019 Presented By Act-Belong-Commit

Newman Family Fun Run 2019 was a major success with almost 150 people participating.

Bark In The Park 2019

This year Bark in the Park was held in September with a change to its program. This year's Bark in the Park consisted of long and short walks around Newman starting and finishing at Dingo Park. One dog was adopted on the day.

Welcome to Newman 2 November 2019

Welcome to Newman was held in partnership with Martu Farm, Newman Recreation Centre, The Junction Co., and Red Desert Events to deliver free group fitness classes, free art and craft workshops, community markets and outdoor movie screening.

22 February 2020

In partnership with Newman Chamber of Commerce and Industry (NCCI), Welcome to Newman was held to offer its local residents and visitors a chance to experience NCCI Innovation Family Day, a fun filled family day celebrating inventions from Firetech, Scitech, and Monadelphous. Following the day activities, a Community

Night Out was held on Capricorn Oval where local residents and visitors were able to participate in Sporting clubs Come and Try Night and walk through series of community markets stall as well as participate in the activities available on the night for a chance to go into a draw to win a free iPad.

Stars Of The East Pilbara - Sport Star Award 2019

This was the first Sports Star Awards ceremony in Newman, to recognise the outstanding contribution of individuals in their sports and communities. The night was filled with platters, music, and a special award ceremony. Guests were able to have a Q&A session with special guest Greg Hire regarding his career as a part of the National Basketball League Championship, the Perth Wildcats.

Awards:

- + Junior Sportsman of the Year: Taison Scott
- + Junior Sportswoman of the Year: Lauren Taylor
- + Sportsman of the Year: Brent Stein
- + Sportswoman of the Year: Louise Boshoff
- + Coach of the Year : Trudy Leger
- + Official of the Year: Trina Bateman
- + Sporting Group of the Year: Newman VETS Football Club

Christmas Festivities 2019

The Lighting of the Christmas Tree took place on 1 December 2019. The Volunteer Fire and Rescue Service made an appearance with Santa and his big red truck, taking photos and handing out Christmas lolly bags to families.

The Christmas Pool Party was held on 15 December and offered free entry, inflatables and a community BBQ.

Thank a Volunteer Day 2019

Held on 5 December, nominees, community groups and sports clubs were invited to attend the annual Thank a Volunteer Day Event. The event commenced with an awards ceremony, followed by refreshments.

Newman Australia Day Celebrations Ceremony

The Australia Day Ceremony took place at The Square with breakfast being served. There was an official welcome by Shire President Lynne Craigie, Deputy President Gerry Parsons and Cr Anthony Middleton, followed by the Citizenship Ceremony where 12 Newman residents took their pledge to become an Australian Citizen.

The following were award recipients of the Australia Day Awards:

- + Citizen of Year: Linda Lewis
- + Citizen of the Year - Youth: Lauren Macmillan
- + Citizen of the Year - Senior: Janice Young
- + Active Citizenship (Group or Event): Newman Volunteer Fire and Rescue Service

Pool Party

On Australia Day the aquatic centre offered free entry and inflatables to the public. There were over 200 attendees throughout the day.

Fireworks

Fireworks display was held on Emu Oval.

OUTBACK FUSION FESTIVAL 2019

The annual multicultural festival was held from 30 August to 1 September celebrating the cultural diversity of our community, and the magnificent outback, using multiple sites across Newman.

Official opening and launch of Outback Fusion Festival together with the Fusion Photography Showcase

The event included a Welcome to Country speech by Nyiyaparli elder Thelma Parker, Official Welcome from the State Government, and speeches from Member for the Pilbara, Kevin Michel, and BHP Principal Sponsor as well as the announcement of the photo competition winners.

The opening was open to the public with food being served by Newman Hotel. Overall, a great start to the festival showcasing the collaboration between Shire of East Pilbara, Martu artists' and local photographers.

Cocktails & Comedy with Dane Simpson

Dane Simpson is one of Australia's rapidly rising stars, who toured around Australia doing various comedy shows. In partnership with Newman Hotel, the Cocktails and Comedy night was hosted at Newman Hotel - Beer Garden. Dane successfully engaged the crowd with his hilarious Dad puns and shared his "Origins" with the crowd.

East Pilbara Arts Centre Open Day

The East Pilbara Arts Centre Open Day was an action-packed morning. The event was open to the public to engage with a variety of artists as they provided art and craft demonstrations and workshops. The Martumili Gallery held a session of basket weaving with Martumili Artists. Activities available in the Void included Spring Talismans with Emma Grace, tie-dying with Newman Youth Centre, East Pilbara Independent Support kangaroo stew, bouncy castles, and live music from The Jab.

Newman World Stage

The stage came to life with local cultural groups sharing their traditional dances. The evening kicked-off with country taste as local Pilbara Artist Jemma Beech performed. The evening continued with the fusion different performances including Downsyde, Zap Circus and Gina Williams & Guy Ghouse. Around 1500 people attended the event.

It was followed by these local performances:

- + Newman Dance Company
- + Newman Thai Dancers
- + Tiriki Henare
- + Lachy John
- + Traditional Thai Massage Demonstration

Tai Chi in the Park

Chinese Lion Dance and Kung Fu held a session of Tai Chi at Kiripirna Park to engage participants in ancient Chinese mind and body low-impact movement to help maintain strength, flexibility, and balance. Approximately 20 participants.

Family Fun Day

The Family Fun Day included lots of activities for the whole family with food, live music, and free workshops, in particular, Emma Grace Monster Pots received large amount of interest utilising over 200 succulent plants.

Red Desert Events partnered with the Shire of East Pilbara to deliver a community market. There was live entertainment on stage by:

- + Jemma Beech
- + Tiriki Henare
- + Lachy John

Artist Residency - Emma Grace

Emma Grace facilitated community workshop programs by incorporating sustainability into her crafts. Various workshops were held across the week leading to the Outback Fusion Festival weekend.

- + BEERings
- + Colourful Kites
- + Sugar Skulls
- + Fabric Cactus
- + Monster Pots

Indigenous Language Song Workshops

In celebration of 2019 as the International Year of Indigenous Languages, award-winning music duo Gina Williams and Guy Ghouse facilitated workshops that engaged students from various age groups with the writing process of translating their welcoming songs Wanjoo into the participants' languages.



Zap Circus



Downsyde



Gina Williams & Guy Ghouse



Newman World Stage



Community Safety

The Community Safety department takes care of our community, responsible for Community Safety, Ranger Services, Emergency and Bushfire Management, Cape Keraudren Coastal Reserve and Nullagine Caravan Park.

Ranger Services

Newman

Rangers have been working to reduce the amount of litter dumped within the Newman town site in an effort to keep the town clean. Covert cameras have been deployed to known dumping hotspots. This operation resulted in infringements being issued to numerous individuals.

50 abandoned vehicle wrecks located in and around Newman have been removed and impounded by Rangers. The vast majority of vehicle wrecks have been disposed of at the Newman refuse site. Patrols of these illegal dumping hotspots have been increased in an effort to discourage behaviour.

Ranger Services have conducted 15 animal welfare investigations to ensure dogs, cats and livestock are being appropriately cared for. Over the year, 127 dogs have been impounded with 90% of the dogs being returned to their owners or rehomed.

Nullagine

The RSPCA reported a number of malnourished dogs residing in the Irungadji community in July 2019. Rangers attended with a large supply of dog food, tick and worming treatments. Follow up visits have shown the dogs to be in far better condition.

Marble Bar

Reports from residents and patrols of the outskirts of Marble Bar led to regular wild dog sightings. Rangers have been working to reduce the number of wild dogs that frequent the town to ensure residents' safety. These efforts have significantly reduced the number of reported issues in Marble Bar over the last 12 months.

Positive communications with residents have resulted in regular contact with Rangers to assist in the animal control process which prevents out of control breeding.

Western Desert Communities

COVID-19 restrictions halted the Ranger Services western desert scheduled visits. Stakeholders have been consulted and the trips will recommence in 2021 pending State and Federal advice.

Bushfire

A number of hazard reduction burns have taken place around the Marble Bar and Nullagine town sites. These burns provide strategic buffers in the event of a summer wildfire. Similar burns are not currently required around Newman due to the extensive number of suspiciously lit scrub fires that occur throughout the year.

Nullagine Caravan Park

This year the caravan park has received upgrades and new amenities. Works have been conducted to make the grounds of the park a more enjoyable place to stay.

The yearly income for Nullagine Caravan Park fee income was \$15,882. The total figure is lower than last financial year, however the park was closed for eight months for major upgrades and COVID-19 restrictions.

Emergency Services

Western Desert Communities Engagement Tour

Community Safety staff attended each remote community with the Department of Fire and Emergency services in September 2019.

This trip was developed for the purpose of:

- + Understanding resilience of the community
- + Assessing community bushfire risk
- + Determining existing mitigation activities
- + Learning Aboriginal burning skills
- + Building relationships with Traditional Custodians
- + Developing ongoing communications with communities
- + Build networks with the Department of Fire and Emergency Services relating to Emergency Management.

Ranger tasks 2019 - 2020



	#
Animal control	607
Fire	87
Litter	296
Vehicle & parking	316
Community safety etc	26
Total	1,332

Community Safety

Graffiti removal

Graffiti continues to be prevalent around the Newman town site; Rangers regularly identify graffiti, reporting to both Police for investigation and the Shire Depot staff for prompt removal. Graffiti hotspots were identified around the Capricorn Oval complex and patrols of this area have been increased by Rangers and WA Police. 7 offenders were identified and have been charged with graffiti offences in the reporting period.

Waste control

Rangers continue to work closely with Police, the Shire depot crew and waste removal contractors to identify and remove as much litter as possible from various parts of East Newman. There are currently sections of the suburb with a number of vacant properties that are damaged and/or boarded up, these often harbour antisocial behaviour and quickly become quite unsightly.

Vandalism

There was a spate of vandalism in 2019-20, staff regularly supported Police by way of reporting suspicious behaviour, erecting covert cameras in known hotspots, reviewing and supplying CCTV footage, and logging damage with the relevant Shire departments. WA Police charged offenders with 154 counts of damage property in Newman during the reporting period.

Dog registrations



238

Dog registrations for 2019/2020

Cat registrations



25

Cat registrations for 2019/2020

Emergency Management and Recovery

Local Recovery Training – AWARE Grant

The Shire of East Pilbara was successful in obtaining AWARE funding (provided by DFES) for the purposes of Local Recovery Training. This training was completed in July 2019. This training greatly assisted those who were called upon when tropical cyclone Blake flooded large parts of the Shire 6 months after the training.

Cyclones

Tropical Cyclone Blake was the first system of the year to impact the coast. TC Blake made landfall on the 7th of January 2020 around Wallal Downs as a low intensity category 1 cyclone, passing closely by the Shire of East Pilbara's 3 main towns.

Rainfall totals in excess of 200mm in under 48 hours were seen across the Shire, resulting in significant flooding in the Shire. Towns and communities across the Shire were cut off for significant periods until rivers subsided and works crew were able to begin repairing scoured roads.

The Shire of East Pilbara activated a Local Recovery Group, who worked to document the damages and restore services to community.

Severe Tropical Cyclone Damien was the most powerful Tropical Cyclone to hit the Western Australian coast in 8 years. This severe tropical cyclone brought major impacts to the Pilbara region of Western Australia during February 2020. Whilst this cyclone caused significant damage to neighbouring Local Governments, the Shire of East Pilbara received only steady rainfall.

Infringement Income		2019/2020	2018/2019
Infringement Value	(\$)	8,200	17,405
Final Demand Fees	(\$)	2,045	1,013
Total	(\$)	10,245	18,418

Cape Keraudren

- + The nature based reserve provides year round camping for tourists and off road enthusiasts
- + Due to COVID in 2020 the reserve was closed for a 6 week period due to COVID-19 restrictions.
- + The yearly income for Cape Keraudren camping fees was \$164,403. The figure is lower than last financial year due to COVID-19.

\$164,403

Cape Keraudren total income.

10,040 visitors

Commercial Services

~\$136 million

The construction value of building permits issued by the Shire of East Pilbara.

333,339

Airport passengers

9.3 million

Total cost of awarded contracts



The value of commodities extracted from the Shire totaled \$48 billion in 2019, which is 28% of WA's recorded sales. Mines within the Pilbara are the largest contributor of iron ore in Australia and contribute 29% of the global supply.



Planning and Building

The Shire's planning and building projects optimise places to live, work and enjoy, thereby following our Build Environment strategic objective. The Shire seeks to pursue a balanced approach to development that protects amenity, preserves heritage and provides clarity to developers.

Development Activity

Development activity within the Shire remains steady with a similar number of approvals to previous years. Significant approvals include a \$100M development by Alinta Energy for the installation of additional gas fired energy generation at Newman Power Station, and a development application for a new St John Ambulance centre.

Home Based Business Activity

Home based business within the Shire remains an important element of the local economy. The number of approved home based businesses within the Shire has dropped from 19 in the 2018-19 year, to 16 as of 30 June 2019. Several new home based businesses have commenced, however due to a Notice issued by the Planning Minister they have been given conditional exemption for Planning Approval until after the COVID-19 emergency has finished.

Building

The majority of building activity within the Shire this financial year has been in the mining sector, with approvals for an additional 1688 rooms for Transient Workers Accommodation as well as Central Facilities buildings in various mine camps within the Shire.

Major building approval projects included the new medical centre for Puntukurnu Aboriginal Medical Service.

The construction value of projects was \$136m.

34
34 planning applications

64
building permits approved

\$136 million
construction value

\$213,000
building income

	New dwellings	Extensions, garages, pools etc.	Commercial & industrial	Demolition	Mining
2013-14	146	47	21	9	22
2014-15	24	45	29	2	5
2015-16	0	16	16	4	2
2016-17	0	7	16	7	3
2017-18	2	31	21	6	4
2018-19	2	35	18	15	4
2019-20	2	21	18	11	12

	Number of applications	Construction value \$M	Building income \$1K
2013-14	245	160.26	189.01
2014-15	78	53.34	78.94
2015-16	40	14.59	34.17
2016-17	32	34.16	97.60
2017-18	64	90.00	153.12
2018-19	74	34.45	86.26
2019-20	80	136.38	213.01

Strategic Planning

Strategic Planning Across the Shire of East Pilbara.

Local Planning Strategy

This year the Shire completed an internal review of the draft Land Planning Strategy. The draft Strategy, proposes to include a new Tourist zone and consolidate new industrial zone areas across the Shire. It is expected the draft Strategy will be presented to Council in 2020 where it will consider the document.

Newman Airport Industrial Land

This year saw the progression of an Airport Masterplan for the Newman Airport, which consolidated the Airport land requirements and identified 36ha of land for industrial land use.

The land supply will support our Built Environment Strategy, developing opportunities to further develop our industrial and commercial industries.

It is anticipated that the land supply will meet the needs of business who require larger lot sizes than is present in Newman and would ideally suit the freight and logistics industry, given the site is adjacent to Great Northern Highway.

The Shire has increasing enquiries for the need for business to locate in Newman and is acutely aware of the shortage of industrial land supply.

In May 2020 Council considered the matter and resolved to provide funding portion and support for the project of which will ultimately need to be approved by the Minister for Planning. It will be the intention of the Shire to provide leasehold tenure at the site in the future.

Newman Caravan Park

In March 2020, Council received approval to transfer BHP Kurra Village to a Caravan Park and Short Stay Accommodation at the site. There has been a mutual agreement for infrastructure to remain at the site that will assist progress the development of the Caravan Park. The Caravan Park will support the economic strategy to strengthen tourism in the region, and is expected to be operational by June 2021.

East Newman Precinct Planning

East Newman housing area is located adjacent to the entrance to Newman and an effort is being made by the Shire to understand the dynamics in the area in order to improve aesthetics, livability and investment.

The Shire is currently working with all stakeholders to develop a way forward at East Newman which is likely to result in formalized pathways, improved lighting and landscaping improvements.

It is hoped that the plan will also be complimented by alternate housing design that incorporates climate design and is supported by cultural values. It is expected that the plan will be completed in the coming year. The precinct planning supports our Built Environment Strategy, to optimise places to live, work and enjoy.

Newman Town Centre Strategy

This year the Shire appointed consultants to prepare the Newman Town Centre Strategy. The Strategy will consolidate all previous planning work that has been undertaken for the town centre and identify pathways to continue improving how the town centre functions. Included in the plan is to identify contemporary avenues for incentives to encourage business and investment in the area to achieve a diverse and sustainable regional economy. Next year the Strategy will be presented to Council and the community.

Tourism Development

In 2020 Nullagine Caravan Park was officially re-opened following a redevelopment with new shower and ablutions facilities. Unfortunately the park was closed for an extended period of time due to COVID-19.

Economic Development and Tourism Strategy

The Shire also appointed consultants to review and update the Council's Economic Development and Tourism Strategy. The previous strategy was developed in 2012 and significant changes to the economic landscape in the Pilbara have occurred. Development of the plan has included substantial consultation with the communities within the Shire including listening posts and workshops and one on one meeting with stakeholders.





Contracts and Procurement

Our Contracts and Procurement department provides the Shire with confidence that we engage with service providers that best meet our project objectives. This key function supports our strategic priorities while ensuring that we meet regulatory and budgetary requirements.

The contracts and procurement department at the Shire of East Pilbara is responsible for:

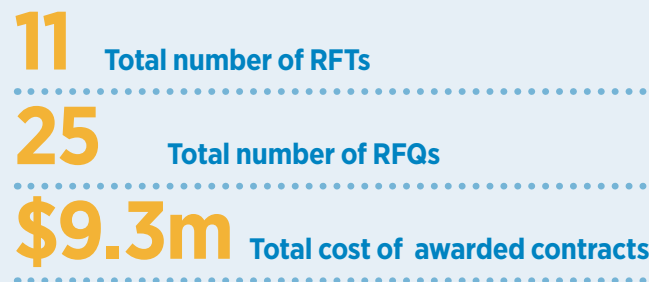
- + Procurement
- + Contract management
- + Contractor management

Leases and Licences

The Shire of East Pilbara has entered into new agreements with the following organisations this year:

- + East Pilbara Race (Turf) Club
- + Aurora Petroleum (Bar 68)
- + Ethnic Disability Advocacy Centre
- + World Vision
- + Mission Australia
- + Western Desert Lands Aboriginal Corporation

Tenders and quotes requested



Other agreements

The Shire of East Pilbara has entered into new Agreements with the following organisations this year:

Joint Venture:

- + NEMMS Joint Venture for office accommodation at Newman House.

Memorandum of Understanding:

- + Marble Bar Tourist Association funding agreement
- + BHP Billiton Iron Ore dust monitoring
- + Newman Community Radio funding and maintaining Triple J

Agreement:

- + Fuji Xerox for purchase of photocopier
- + Newman Senior High School for senior school engagement program
- + Dept Planning, Lands & Heritage for waste collection at Parnpajinya community
- + WA Return Recycle Renew Ltd for container refund point
- + Calidus Resources Ltd for a commitment towards the Marble Bar Airport upgrade

Deed:

- + City of Karratha/Aviair for the Regular Public Transport aireservices

Letter of Engagement for COVID-19 small business support:

- + Insight Consulting
- + Grants Empire
- + Business Foundations

	Contracts Awarded (millions)	RFTs	RFQs
2016-17	6.92	17	29
2017-18	8.69	14	27
2018-19	9.4	13	20
2019-20	9.32	11	36



Environmental Health

Health and safety are key to the Shire's community wellbeing. The Shire's Environmental Health Department meets the social and economic strategic objectives through overseeing standards and legislation. The department is committed to a safer, healthier future for our residents and visitors.

Regulatory Compliance and Control

Food safety management

Food premises inspections and provide an opportunity to raise awareness on the importance of having food safety programs, as well as ensuring the safety and suitability of food sold to the community. A total of 140 onsite food business assessments were carried out to verify compliance with applicable food safety standards.

Regulation of food and home businesses

More small businesses including residential premises businesses run by both individuals and community groups continue to be registered. The Shire has continued to provide guidance and proactive strategies to a number of residents to achieve compliance.

In an effort towards health promotion and food safety, a comprehensive booklet was created to provide information in an easy to read format to assist proprietors who want to operate a food business from temporary or registered premises. It highlights the key elements of food safety as well as the laws that affect the production and trade of food in the Shire of East Pilbara.

COVID-19

In response to the evolving COVID-19 pandemic, the Shire has continued to play a supportive role to State Government in implementing emergency directives during the course of the pandemic. Locally, the Shire completed an increased number of premises inspections and has provided a forum for stakeholders to seek advice on COVID -19 requirements to ensure that the safety and health of residents within the shire is maintained.

Additionally, the Environmental Health department continues to provide advice to local businesses and organisations on reopening of public buildings, public event management, food safety and drinking water quality. The department has used information provided by the State Government and the Department of Health to support a risk based approach to decision making on appropriate public health action.

Environmental Health Protection

Mosquito Management Program

The Shire plays a vital role in working to prevent mosquito borne disease in our community. The team determines the likelihood of mosquito borne diseases in all areas and facilitates appropriate management strategies.

This past year, East Pilbara residents were continuously encouraged to cover up, repel and clean up in an effort to reduce the incidence of mosquito borne diseases.

Arbovirus monitoring program

The arbovirus surveillance program is essential for predicting outbreaks of mosquito-borne viruses. The program also allows us to warn residents and travellers throughout the State to take personal protective measures when required. The Shire's programme has provided many other benefits, an early warning system for mosquito-borne diseases. Greater analysis of the data observed has helped to predict environmental conditions necessary for elevated mosquito and virus activities

Compliance Monitoring

Liquid waste disposal

The Environmental Health Department ensures the wastewater does not pose a threat to the health of both the public and the environment. The department enforced the requirements, ensuring that all on-site effluent disposal systems are installed, operated and maintained in accordance with the legislative requirements.



55 Permits were processed and approved

The Shire has continued to assess trading activities, this is to ensure that trading is conducted with public safety in view.

The department plays a key advisory role in the temporary food trader sector as well issuing as permits for the operation of stalls and trading activities.

The reduced number of traders' permits issued during the 2019/2020 has been attributed to COVID-19.



Airports

Our airports are key to the economic and social development of our region. The Shire of East Pilbara owns and operates Newman Airport, one of the busiest regional airports in Australia, as well as the airstrips at Marble Bar and Nullagine.

Newman Airport

Newman Airport has again experienced a busy year with a consistent rate of aircraft operating into and out of Newman. The Shire owned airports at Newman, Nullagine and Marble Bar provide support to the local community for a variety of services, to the mining industry and residents of our towns. All airports are performing above expectations and we look forward to the recovery phase from the pandemic and to the bright future that awaits.

Regular Public Transport (RPT) flights include those provided by Qantas, Qantas Link, Virgin Australia (VA), Virgin Australia Regional Airlines and Aviair. Whilst these airlines also provide charter services Alliance Airlines (AA) is the main charter operator who provide service to BHP during mine maintenance shutdowns at Whaleback, Eastern Ridge and Jimblebar.

Other aircraft movements experienced at Newman include light aircraft and helicopters operating from the General Aviation apron. The Royal Flying Doctor Service (RFDS) operates into Newman regularly each week providing a much needed medical service to this remote region in Western Australia.

Defence Support to Regional Australia

This year also saw the Royal Australian Air Force (RAAF) operating a C130 Hercules into Newman with a contingent from the Army Construction Squadron which was tasked with providing an upgrade to facilities at Jigalong as part of Defence support to regional Australia.

Regional Air Services – Aviair

In September the inaugural flight of the Intra-Regional Air Service by Aviair commenced on routes between Newman, Karratha and Port Hedland. This was a great boost for regional travel as the main airlines only fly Perth-Newman-Perth. These flights provide the opportunity for regional travel by air rather than travel by road on long and tiring trips.

The Beech200 Super King Air and the Cessna 208 Caravan also undertakes the regional mail services to Jigalong, Cotton Creek and other remote destinations on a weekly basis.

Airport Café

Another big event for this year was the installation and opening of the café in the departures lounge of the passenger terminal. The café opened in March and is providing a much needed service to the travelling public. The café is licenced and trades as Bar68.

Services provided by the café include hot beverages and meal snacks, and has a range of goods for travellers. Situated in the north east corner of the lounge, the café affords a view of the apron where patrons can enjoy a cup of coffee and a croissant and watch the activities around aircrafts.

Nullagine and Marble Bar Airports

Nullagine and Marble Bar provide a vital air service capability to their respective local communities. They are well maintained by the local Shire staff who are supported by maintenance staff from Newman.

Both aerodromes have lights for night operations for the RFDS and the runways can cater for aircraft up to 30 seat aircraft at Nullagine and nine seat aircraft at Marble Bar.

COVID-19

With COVID-19 pandemic in February and the associated travel restrictions that were imposed by the Government, the numbers of RPT flights were reduced from 50 per week to an average of four per week. However, the remainder of the RPT flights were replaced by charter flights from Qantas, VA and AA to service the Fly-In Fly-Out (FIFO) mine workers and associated contractor staff.

While many other regional airports across the country were severely impacted by COVID-19, Newman was still servicing around 30 aircraft per week.

There were changes to passenger processing that had to be implemented to adhere to the social distancing as required by Government. As such permanent and casual Shire staff from the Recreational Centre, Swimming Pool and Library - which had been closed - were gainfully employed at the airport to implement and manage these measures.

This included the setting up of passenger staging areas to ensure that the departures lounge was at 50% capacity (120 seats) at any given time during the check-in, security screening and aircraft boarding process.

333,339 Passengers

5,600 Total aircraft

Infrastructure Services

As Australia's largest Shire, the East Pilbara maintains a vast road network extending from Cape Keraudren through to the Northern Territory border. Due to our outback location it is no surprise that the length of our unsealed roads vastly outweighs those of our sealed roads.

3,158

kilometres of unsealed roads.

140

kilometres of sealed roads.

\$1,248,900

The maintenance grading expenditure for the 2019/2020 financial year.

Rural Roads

Road	Budget (\$)
Marble Bar Woodstock /Hillside Road	\$225,000
Goldsworthy Road	\$1,225,000
Woodie Woodie Road	\$300,000
Munjina Roy Hill Road	\$300,000
Total	\$2,020,000

Aboriginal Access Roads

Road	Budget (\$)
Kiwirrkurra Access Road	\$570,000
Punmu Access Road	\$180,000
Talawana Track	\$980,000
Jupiter Well Access Road	\$75,000
Desert Road	\$820,000
Jigalong Road	\$570,000
Total	\$3,195,000



Infrastructure & Technical Services

The Infrastructure and Rural Services department supports our environment, built and social strategic objectives. Divided into two service teams - Newman and Rural Services, the departments keep our public infrastructure and community spaces clean and safe.

Newman

The Newman Townsite maintenance team delivers services to ensure Newman's streets and drains are operating efficiently and safely.

The Infrastructure Services department in Newman is responsible for the ongoing operations and maintenance of parks, footpaths, kerbs, fencing, playgrounds, drains, roads, gardens, trees, verges, signage, tanks, irrigation, solar lighting, and bins. This area also assists with project delivery and operates the Newman Waste Water Treatment Plant and distribution network that provides irrigation for many of the parks and ovals in town.

Additional responsibilities extend to providing the on ground assistance to the events team for the calendar of events, management of the Newman Depot and working collaboratively with the Projects Assets and Waste Services departments for effective delivery of projects and operations within Newman.

Achievements

Key achievements for the 2019/2020 financial year include:

- + Assistance with the setup and pack down of the COVID airport arrangements
- + Operational assistance to improve the Wastewater Treatment Plant process and recommence irrigation
- + Renewal of cricket pitch on Emu Oval
- + Removal of large amounts of graffiti and rectifying vandalism across the Shire assets

Rural Services

Rural Services is responsible for the town site maintenance, waste kerbside collection and rubbish tips in Marble Bar and Nullagine, including the operation of the respective works depots. They also manage the plant replacement program for the Shire, as well as the overall management of rural roads.

Management includes road surveillance and assessment activities relating to road conditions following significant weather events, heavy vehicle access requests to the Shire's road network, road access requests and issues relating to the mining industry, pastoralists and road access to remote Aboriginal communities.

The Shire maintains a road network comprising of approximately 3,158 kilometres of unsealed roads and 140 kilometres of sealed roads. The road network extends from Cape Keraudren (north of Port Hedland) through to the Northern Territory border.

The Shire's road network is maintained by a small dedicated team comprising of a maintenance crew responsible for the operation of four maintenance graders that service Council's extensive remote road network, and a contract construction crew responsible for the renewal and upgrade of Council's rural road network. Both crews operate out of fully functional modern self-contained camps and are able to service Council's entire remote network, extending from the coast at Cape Keraudren to the Western Australia/Northern Territory Border.

Council's maintenance grading program focuses on high priority roads servicing Marble Bar and Nullagine, as well as Aboriginal communities, to minor access roads servicing pastoral leases and mining tenements. The maintenance graders operate within set perimeters and area boundaries ensuring a continuous coverage is achieved. Contract graders are utilised to conduct maintenance grading operations in remote areas servicing the access roads to the communities of Punmu, Kunawarritji and Kiwirrkurra. The maintenance grading expenditure for the 2019/2020 financial year was \$1,248,900.



Satisfaction measures with public spaces scored highly, including parks and ovals at 79%, footpaths at 75% and free oval lighting 77%.

-Community Perception Survey 2020



Projects and assets plays a major role in the planning, maintenance and construction services for the Shire.

The projects and assets department at the Shire of East Pilbara is responsible for:

- + Asset management
- + Building management
- + Property management
- + Project management
- + Reviewing development applications

Assets

The assets team are responsible for the long term planning of the Shire’s infrastructure assets, balancing levels of service, cost and risk. The building assets team help maintain the Shire’s building and housing assets through the contract management of construction services, to ensure compliance with current regulations and provide functional, clean, well maintained facilities for public and staff use.

The assets team are also responsible for the engineering review of Development Applications to ensure new public developments fit within the Shire’s existing policies and relevant standards.

Projects

The Projects team are responsible for the delivery and handover of all infrastructure related Capital projects.

Some of the significant projects that the Projects and Assets team delivered within the 2019/2020 financial year include:

- + **The installation of new playground at Capricorn Oval to replace the existing playground which was damaged in a fire.**
- + **The purchase and refurbishment of 12 houses to provide for Shire staff housing.**
- + **The continued upgrade of the Shire’s houses with Solar Panel systems to provide more sustainable assets into the future.**
- + **Upgrades to several of the Shire’s public buildings.**
- + **Upgrade of several meeting spaces within the Shire’s Administration, to help it provide remote service delivery during COVID-19.**
- + **The establishment of contracts ready for the upgrade of Shire’s Waste Water Treatment Plant**
- + **Replacement of the Pump house wall.**
- + **Replacement of several park signs throughout Newman that were deteriorating.**

\$1,540,000

Approximate total spent on maintenance to housing

\$1,100,000

Approximate total spent on maintenance to public buildings

\$297,155,000

Approximate value of capital assets

434

Approximate recorded public maintenance requests



New Dingo Park Sign



New Skate Park Sign



New Emu Oval Playground



Dingo Park



Waste Services

The Waste Services team aim to ensure effective and efficient management of waste assets and service delivery, whilst increasing resource recovery and environmental sustainability.

The Waste Services area is responsible for waste management services within Newman and providing strategic advice to Marble Bar and Nullagine. Initiatives currently underway address our Natural Environment Strategy to reduce, reuse and recycle.

This includes:

- + Kerbside waste collection,
- + Newman Liquid Waste Facility (LWF)
- + Newman Wastewater Treatment Plant (WWTP).

The Newman Wastewater Treatment Plant incoming wastewater has remained consistent. The plant is outdated, requiring an upgrade which is currently in progress, with the detailed design and construction to commence in the 2020-2021 financial year before completion in the 2021-2022 financial year by the Projects Assets department. In the interim, it is expected that the plant will function at a lower treatment quality than desired. However, treatment will remain at a level that is sufficient for treated effluent to be utilised for irrigation in the Newman Recycled Water Network.

The Newman Liquid Waste Facility intake decreased in comparison to 2018-2019 limits, with a total revenue of \$1.1 million in the 2019-2020 financial year. Intake capacity of the facility has been limited to 20kL per day due to the disposal of contaminates leading to a limited treatment process. A major upgrade will be proposed for the site to ensure that treatment remains at levels consistent with the licence. It is planned that the detailed design will commence in the 2020-2021 financial year.

Key achievements for the 2019/2020 financial year include:

- + Received approval and funding for the State's Container Deposit Scheme site in Newman.
- + Partnered with Murdoch University's Environmental Engineering Department to develop a sustainable and innovative water balance model for Newman's recycled water distribution network. Currently, the Shire only utilises approximately 50 percent of the wastewater treatment plant's treated effluent for irrigation of Newman's parks and ovals. The partnership provided solutions for the Shire to utilise 100% of treated effluent and reduce water consumption.
- + Completion of the Newman Liquid Waste Facility condition assessment, which documented the current condition of the facility. It also provided an operational and maintenance manual, preliminary design and costing for the proposed renewal of the facility.
- + Ongoing operations of the Newman Wastewater Treatment Plant, which faced a number of contamination issues this year and have been rectified through operational alterations to the plant to allow a higher level of treatment than previously provided, including contingencies for maintenance.

9,527,290 L

Liquid Waste Accepted

14,125 tonnes

Landfill Waste Accepted

469,755 kL

Wastewater Treated



The waste water treatment plant refuse water keeping the ovals green!

Corporate Services

\$51.3 million

Operational expenses

25% staff turnover

Turnover is comparatively low for Local Government in the Pilbara

10,734

Records captured

1266

Artworks sold at Martumili



Community satisfaction with the Shire's overall performance has remained at 71%.

The proportion of residents who feel the Shire is efficient and well managed has increased from 47% in 2016 to 58% in 2020.

-Community Perception Survey 2020



Governance & Statutory Compliance

The Shire of East Pilbara has a number of statutory requirements it publicly needs to report on annually.

Corporate Business Plan

The 2018-22 CBP was reviewed during for the 2019/20 year as per legislative requirements pursuant to LG Act 1995 Division 3 – Planning for the future S19DA. The review included infomraiton and discussions undertake at the annual Strategic Planning Day as well as allowing for the effects of COVID-19 on the organisation.

National Competition Policy

In 1995, the Council of Australian Governments entered into a number of agreements, collectively known as the National Competition Policy. Local Government is affected mainly where it operates significant business activities which compete, or could compete, with private sector businesses. Local Governments will also be affected where local laws unnecessarily affect competition. The Shire is required to comply with certain policies contained within the National Competition Policy Statement and report on progress in connection with Competitive Neutrality Principles and review of local laws.

Competitive Neutrality

It is the Shire’s responsibility to determine whether it is engaged in “significant business activities” within the context of its operations and therefore whether it is required to apply the competitive neutrality principles. Local Government is only required to implement the above principles to the extent that the benefits to be realised from implementation outweigh the costs in respect of individual business activities exceeding an annual income of \$500,000. Within these criteria, the Shire has identified the following business activities:

- + Newman Airport Operations; and
- + Liquid Waste Disposal and Newman Landfill.

The public benefit tests for these activities revealed that competitive advantages and disadvantages existed in each of these activities and it was beneficial to the local community to continue the operational subsidies to enable the service to be maintained in the future.

Official Conduct Report

The Local Government Act 1995 requires the Shire of East Pilbara to report on the number of official conduct complaints recorded under section 5.121 during a financial year. The Shire of East Pilbara received no complaints of this nature during the 2019/2020 financial year.





Business Systems

Information is an important resource that underpins the key functions and decision-making processes of a Local Government. The way information is managed, including the technology used to support it, is therefore central to Local Government's business practices.

Information and Communication Technology (ICT)

Information and Communication Technology underpins all aspects of the Shire of East Pilbara's work. It is integral to the delivery of Local Government services: from the provision of information and advice, to providing better analysis of environmental, demographic and social change.

The Business Systems team provides support with the Shire's servers, desktops, laptops, switches, routers, telephone systems, communication links and software applications spread across 14 separate sites within the Shire. Work over 2019-20 has focused on a major hardware maintenance program, providing Wi-Fi upgrades to the Airport accommodations, review of the ICT management plan and opportunities for the Shire to provide services in new ways, and to interact through new modes. The Business System team recognised that remote working caused by the COVID-19 pandemic created added pressure in providing appropriate and timely facilities, infrastructure and services to effectively support the introduction of virtual meetings and remote working by Shire employees. The Business Systems team were able to implement increased levels of digital connectivity, provide virtual meeting facilities, equipment and services.

Records Management

The Shire of East Pilbara is committed to the reliable and systematic management of government records, in accordance with legislative requirements and best practice standards.

The Shires current record-keeping plan, RKP 2018028, was submitted to the State Records Office and subsequently approved on 12 December 2019. In accordance with the State Records Act 2000, the plan is to be reviewed within the next five years and submitted to the State Records Office by 12 December 2024.

Freedom of Information

The Freedom of Information Act 1992 gives the public a right to apply for access to documents held by the Shire of East Pilbara, subject to the exemptions in the Act.



10,734

records captured in 2019/2020



improved communication technology



Human Resources

People and Culture at the Shire

The Shire of East Pilbara invests in a number of initiatives to ensure our employees have the skills and experience to deliver all the Shire services.

CAMMS Talent – Performance Appraisals

Over the course of 2019/2020 the Shire has utilised CAMMS Talent through which employees and managers will undertake their Annual and Probationary Performance review process, and further adapted it to the Shire’s needs. The new process will ensure performance reviews are simplified and can be completed more efficiently. The CAMMS Talent system encourages a meaningful communication process between an employee and manager, with the employee to self-assess along with the evaluation of an employee’s performance against agreed objectives.

Training and Development

The Shire has been committed to the ongoing development of its employees and provided support to its employees in undertaking post-graduate studies, participation in leadership professional development programs and attendance at industry relevant conferences.

To complement the online Performance Appraisal Process, the Shire is compiling and implementing a Training Needs Analysis (TNA), capturing role essential training, as well as workplace goals and further learning and development of all staff. This allows us to ensure compliance with our policies and legislative requirements, as well as ensure staff are equipped with essential and current knowledge and skills.

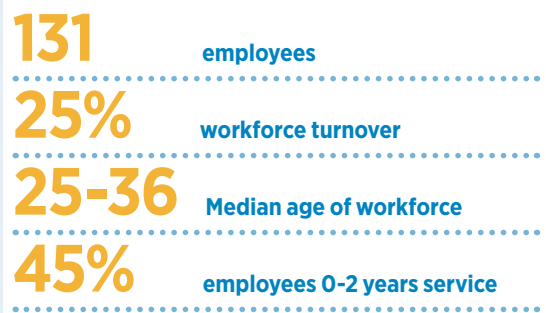
Cultural Awareness Training

The Shire continuing is committed to working with Kanyirninpa Jukurrpa (KJ) to provide their cultural awareness program which is uniquely focused on Martu people, their history, culture and society. The goal is to have all employees attend this training over the course of 2020/21.

COVID-19 Response

COVID-19 had significant impacts on the Shire’s workforce and in March 2020, and the Shire implemented a range of actions to maintain employment for permanent, fixed term and casual employees including:

- + redeployment of employees to alternate duties
- + flexible work arrangements
- + working-from-home option for employees with children, those at risk for health reasons and employees considered critical to the Shire’s ability to function
- + casual staff were guaranteed average hours’ payments through to 01 May 2020
- + all employees’ access to an additional 3 days paid COVID-19 leave



Employee Remuneration - Salary Range

Salary Range	Total
100,000 - 110,000	1
110,000 - 120,000	5
120,000 - 130,000	1
130,000 - 140,000	4
140,000 - 150,000	1
150,000 - 160,000	0
160,000 - 170,000	0
170,000 - 180,000	0
180,000 - 190,000	3
190,000 - 200,000	0
200,000 - 210,000	0
210,000 - 220,000	1
220,000 - 230,000	0
230,000 - 240,000	1
Total	17

Above: regulation 19B of the Local Government Regulations 1996 requires the reporting of the number of employees within the Shire of East Pilbara with an annual salary of \$100,000 or more.

Highlight

In 2019/20 we developed a classification and remuneration framework that was successfully implemented across the Shire’s organisational structure.



Martumili Artists

Operating since 2006, Martumili Artists is an Aboriginal Arts Centre representing Martu artists from seven communities across the East Pilbara: Newman (Parnpajinya), Nullagine (Irrungadji), Parnngurr, Jigalong, Punmu, Warralong and Kunawarritji.

Martumili's base is within The East Pilbara Arts Centre (EPAC) which provides Martumili with purpose-built facilities from which to run their operations. There is studio and office space, plus a state-of-the-art Gallery space in which to display exhibitions and share their work with the wider community.

Martumili was established by Martu people to support a strategic approach to the production, marketing and sale of art. The organisation currently has two main objectives:

- + Give Martu people access to social, cultural and economic benefits through the production and equitable and ethical sale of works of art
- + Support Martu culture, and the intergenerational transmission of cultural knowledge

Martumili keeps a very busy schedule of fieldwork, workshops and skills development with artists and staff in Newman and across the six remote communities. Martumili Artists continue to deliver a curated exhibition program in the Martumili Gallery, as well as participating in exhibitions, projects and industry events nationally and internationally.



Kumpaya Girgirba in the Parnngurr art shed, photograph by Joel Boardman.

↑ **1569**
new artworks created

↑ **1266**
artworks sold

↑ **109**
New artist engaged

↑ **23**
exhibitions, events,
marketplaces

2019/2020 Highlights

Bugai

4th July - September 2019, The Goods Shed, Claremont, WA

Bugai Whyoulter is an internationally acclaimed pujiman (desert-born) artist, from Kunawarrtji (Well 33). In association with Martumili Artists, FORM presented Bugai, a solo exhibition of significant recent and historical works showing why Bugai's artwork continues to resonate across cultures, generations and borders.

Nyurnma (burnt Country)

July 2019, Paul Johnstone gallery, Darwin, NT

Martu artists paint Country in all its different seasonal stages. Important to Martu, and to Martu Country, is the practice of waru (fire burning); a practice that assists with hunting, regenerates growth, and encourages greater diversity in plant and animal life. When Martu Country burns, mosaic fire scars are left on the Country, and patches of regeneration form a pattern across the land. This is called nyurnma - burnt Country.

Martumili Wangka

July 2019, Punmu community

Over 30 artists and staff attended the annual artist meeting held in Punmu, hosted at the Rawa school Punmu campus. Artists and staff discussed Martumili business, money story and exhibition opportunities, in 3 days of meeting and painting.

In Cahoots - Artists Collaborate Across Country

4th Oct - Nov 22nd, Martumili Gallery, East Pilbara Arts Centre, Newman 'In Cahoots: artists collaborate across Country' was an expansive exhibition that launched its national tour at the Martumili Gallery in Newman. The works were the result of 18 months of artists' residencies in remote and regional Aboriginal art centres across Australia in partnership with the Fremantle Arts Centre.

Artists from six key Aboriginal art centres have invited leading independent artists – both Aboriginal and non-Aboriginal – from around the country to work with them. The resulting collaborative artworks are significant, striking and bold in their inventive use of materials.

Featuring sculptural works, installations and films drawing together the ideas of artists from diverse backgrounds, In Cahoots presented these fascinating, potent collaborations happening across Country today.

Martumili ngurra - our country

24 October - 3 November 2019, Aboriginal Contemporary, Bronte, NSW.

Curated by Gallery owner Nichola during a recent visit, this group exhibition paid homage not only to Martumili's senior and emerging artists, but also to the vast beauty of Martu Country – from Jigalong in the West to Kunawarrtji in the East.

Martumili Annual Christmas Sale

29th November - 15th December 2019, Martumili Gallery, East Pilbara Arts Centre,

Martumili Artists and Bertrand Estrangin presented 40 artworks from the senior and emerging talents of the art centre. Curated following gallerist Bertrand's visit to Martu Country, this selection of work demonstrated the deep knowledge of Country that Martu are communicating to younger generations, and with the wider global community, through their art-making.

Strong Country

2 April - 2 May 2020, Paul Johnstone Gallery, Darwin, NT

After his first, very welcoming visit to the Martumili Artists gallery and studio in Newman, Paul Johnstone returned home to Darwin and awaited the selected artwork to arrive for this very exhibition. Within that small time frame of three weeks the world had changed quite dramatically, especially for the indigenous arts sphere. Now, is yet another time for Martumili community and its artists to illustrate its strengths in all of its forms.

Martumili Kuulkaja (Martu schools)

July - October 2019, Martumili Gallery, East Pilbara Arts Centre, Newman

Martu children attend school in the remote communities of Punmu, Parnngurr, Kunawarrtji, Irrungadji and Warralong. This exhibition recognises the Kuulkaja as being at the heart of each community, and celebrates the important role they play in keeping culture, Country and language strong.



Corban Clause Williams at Kaalpa (Well 23, Canning Stock Route), photograph by Tamisha Williams

SHIRE OF EAST PILBARA
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

TABLE OF CONTENTS

Statement by Chief Executive Officer	2
Statement of Comprehensive Income by Nature or Type	3
Statement of Comprehensive Income by Program	4
Statement of Financial Position	5
Statement of Changes in Equity	6
Statement of Cash Flows	7
Rate Setting Statement	8
Index of Notes to the Financial Report	9
Independent Auditor's Report	60

COMMUNITY VISION

A diverse community thriving in a vast landscape that offers a world of opportunity and rich heritage and culture.

Principal place of business:
Cnr Kalgan & Newman Drive
Newman WA 6753

**SHIRE OF EAST PILBARA
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020**

*Local Government Act 1995
Local Government (Financial Management) Regulations 1996*

STATEMENT BY CHIEF EXECUTIVE OFFICER

The attached financial report of the Shire of East Pilbara for the financial year ended 30 June 2020 is based on proper accounts and records to present fairly the financial position of the Shire of East Pilbara at 30 June 2020 and the results of the operations for the financial year then ended in accordance with the Local Government Act 1995 and, to the extent that they are not inconsistent with the Act, the Australian Accounting Standards.

Signed on the 11 day of DECEMBER 2020



Chief Executive Officer

Jeremy Edwards

Name of Chief Executive Officer

SHIRE OF EAST PILBARA
STATEMENT OF COMPREHENSIVE INCOME
BY NATURE OR TYPE
FOR THE YEAR ENDED 30 JUNE 2020

	NOTE	2020 Actual \$	2020 Budget \$	Restated* 2019 Actual \$
Revenue				
Rates	25(a)	13,396,215	13,619,600	12,187,430
Operating grants, subsidies and contributions	2(a)	5,650,891	5,691,200	5,396,173
Fees and charges	2(a)	20,946,714	17,462,200	20,572,246
Interest earnings	2(a)	768,492	1,206,500	1,200,933
Other revenue	2(a)	845,146	909,000	1,847,578
		41,607,458	38,888,500	41,204,360
Expenses				
Employee costs		(12,805,990)	(14,117,150)	(12,041,589)
Materials and contracts		(12,394,268)	(14,651,750)	(12,208,192)
Utility charges		(1,884,932)	(2,299,800)	(1,842,516)
Depreciation on non-current assets	11(c)	(17,570,690)	(16,549,200)	(17,611,068)
Interest expenses	2(b)	(261,321)	(386,000)	(320,876)
Insurance expenses		(1,024,568)	(986,400)	(950,842)
Other expenditure	2(b)	(1,601,509)	(933,700)	(1,867,816)
		(47,543,278)	(49,924,000)	(46,842,899)
		(5,935,820)	(11,035,500)	(5,638,539)
Non-operating grants, subsidies and contributions	2(a)	5,235,309	5,647,200	4,964,819
Profit on asset disposals	11(a)	100,687	128,600	35,334
(Loss) on asset disposals	11(a)	(430,762)	(31,100)	(778,870)
		4,905,234	5,744,700	4,221,283
		(1,030,586)	(5,290,800)	(1,417,256)
Net result for the period				
Other comprehensive income				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in asset revaluation surplus	13	0	0	0
		0	0	0
Total other comprehensive income for the period				
		(1,030,586)	(5,290,800)	(1,417,256)
Total comprehensive income for the period				

*See Note 29 for details regarding the impact for the treatment of remediation costs.

This statement is to be read in conjunction with the accompanying notes.

SHIRE OF EAST PILBARA
STATEMENT OF COMPREHENSIVE INCOME
BY PROGRAM
FOR THE YEAR ENDED 30 JUNE 2020

	NOTE	2020 Actual \$	2020 Budget \$	Restated* 2019 Actual \$
Revenue				
	2(a)			
Governance		193,039	349,900	176,574
General purpose funding		15,899,905	16,043,600	15,136,650
Law, order, public safety		115,097	121,200	129,721
Health		85,600	90,000	84,914
Education and welfare		90,866	585,100	296,241
Housing		335,620	359,800	391,733
Community amenities		5,104,087	4,575,900	4,609,937
Recreation and culture		2,086,859	2,316,100	2,436,282
Transport		16,357,847	13,508,200	16,476,824
Economic services		815,362	733,700	487,334
Other property and services		523,176	205,000	978,150
		41,607,458	38,888,500	41,204,360
Expenses				
	2(b)			
Governance		(272,730)	(259,600)	(1,178,303)
General purpose funding		(397,600)	(486,500)	(1,347,025)
Law, order, public safety		(1,498,462)	(1,480,300)	(1,089,004)
Health		(514,690)	(694,900)	(628,235)
Education and welfare		(2,288,243)	(2,998,400)	(1,884,166)
Housing		(1,173,484)	(753,800)	(878,592)
Community amenities		(6,633,108)	(5,416,200)	(5,714,646)
Recreation and culture		(10,856,847)	(12,382,500)	(9,619,364)
Transport		(20,766,820)	(22,239,700)	(20,983,699)
Economic services		(1,832,007)	(2,123,700)	(2,011,203)
Other property and services		(1,047,966)	(702,400)	(1,187,786)
		(47,281,957)	(49,538,000)	(46,522,023)
Finance Costs				
	2(b)			
Governance		(3,614)	(7,300)	(11,394)
Housing		(88,130)	(94,000)	(102,614)
Community amenities		(108,205)	(219,800)	(117,119)
Recreation and culture		(1,411)	0	0
Transport		(59,961)	(64,900)	(89,749)
		(261,321)	(386,000)	(320,876)
		(5,935,820)	(11,035,500)	(5,638,539)
Non-operating grants, subsidies and contributions	2(a)	5,235,309	5,647,200	4,964,819
Profit on disposal of assets	11(a)	100,687	128,600	35,334
(Loss) on disposal of assets	11(a)	(430,762)	(31,100)	(778,870)
		4,905,234	5,744,700	4,221,283
Net result for the period		(1,030,586)	(5,290,800)	(1,417,256)
Other comprehensive income				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in asset revaluation surplus	13	0	0	0
Total other comprehensive income for the period		0	0	0
Total comprehensive income for the period		(1,030,586)	(5,290,800)	(1,417,256)

*See Note 29 for details regarding the impact for the treatment of remediation costs.

This statement is to be read in conjunction with the accompanying notes.

SHIRE OF EAST PILBARA
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2020

	NOTE	2020	2019	1 July 2018*
		\$	Restated	Restated
		\$	\$	\$
CURRENT ASSETS				
Cash and cash equivalents	3	48,219,955	27,596,044	20,032,777
Trade and other receivables	6	2,868,691	3,812,022	3,689,535
Other financial assets	5(a)	11,461,978	20,943,296	23,779,510
Inventories	7	69,830	124,599	148,926
Other assets	8	430,705	322,388	126,575
Right of use assets	12(a)	28,464	0	0
TOTAL CURRENT ASSETS		63,079,623	52,798,349	47,777,323
NON-CURRENT ASSETS				
Trade and other receivables	6	5,535	4,097	4,783
Other financial assets	5(b)	89,027	87,586	0
Property, plant and equipment	9	81,587,509	84,362,968	87,106,633
Infrastructure	10	226,460,531	233,147,383	238,162,044
TOTAL NON-CURRENT ASSETS		308,142,602	317,602,034	325,273,460
TOTAL ASSETS		371,222,225	370,400,383	373,050,783
CURRENT LIABILITIES				
Trade and other payables	14	5,720,739	3,333,189	4,123,504
Contract liabilities	15	1,176,451	0	0
Lease liabilities	16(a)	27,489	0	0
Borrowings	17(a)	937,917	1,003,337	947,906
Employee related provisions	18	1,326,800	1,181,636	1,179,241
TOTAL CURRENT LIABILITIES		9,189,396	5,518,162	6,250,651
NON-CURRENT LIABILITIES				
Borrowings	17(a)	2,859,245	3,797,161	4,800,498
Employee related provisions	18	141,381	156,110	164,263
Other provisions	19	19,307,381	18,795,147	18,284,312
TOTAL NON-CURRENT LIABILITIES		22,308,007	22,748,418	23,249,073
TOTAL LIABILITIES		31,497,403	28,266,580	29,499,724
NET ASSETS		339,724,822	342,133,803	343,551,059
EQUITY				
Retained surplus		156,894,315	165,448,782	174,751,896
Reserves - cash/financial asset backed	4	51,330,020	44,034,534	36,148,676
Revaluation surplus	13	131,500,487	132,650,487	132,650,487
TOTAL EQUITY		339,724,822	342,133,803	343,551,059

*See Note 29 for details regarding the impact for the treatment of remediation costs.

This statement is to be read in conjunction with the accompanying notes.

SHIRE OF EAST PILBARA
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2020

		RESERVES CASH/FINANCIAL			
	NOTE	RETAINED SURPLUS	ASSET BACKED	REVALUATION SURPLUS	
		\$	\$	\$	
				TOTAL EQUITY	
				\$	
Balance as at 1 July 2018		174,751,896	36,148,676	132,650,487	343,551,059
Comprehensive income					
Net result for the period - Restated		(1,417,256)	0	0	(1,417,256)
Other comprehensive income	13	0	0	0	0
Total comprehensive income		(1,417,256)	0	0	(1,417,256)
Transfers from reserves	4	4,845,547	(4,845,547)	0	0
Transfers to reserves	4	(12,731,405)	12,731,405	0	0
Balance as at 30 June 2019		165,448,782	44,034,534	132,650,487	342,133,803
Change in accounting policies	30(b)	(228,395)	0	(1,150,000)	(1,378,395)
Restated total equity at 1 July 2019		165,220,387	44,034,534	131,500,487	340,755,408
Comprehensive income					
Net result for the period		(1,030,586)	0	0	(1,030,586)
Other comprehensive income	13	0	0	0	0
Total comprehensive income		(1,030,586)	0	0	(1,030,586)
Transfers from reserves	4	6,618,942	(6,618,942)	0	0
Transfers to reserves	4	(13,914,428)	13,914,428	0	0
Balance as at 30 June 2020		156,894,315	51,330,020	131,500,487	339,724,822

This statement is to be read in conjunction with the accompanying notes.

SHIRE OF EAST PILBARA
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2020

	NOTE	2020 Actual \$	2020 Budget \$	2019 Actual \$
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts				
Rates		12,903,362	14,735,466	11,843,326
Operating grants, subsidies and contributions		8,234,919	4,973,453	5,478,410
Fees and charges		20,946,714	21,952,300	20,572,246
Interest received		768,492	1,181,500	1,200,933
Goods and services tax received		2,011,987	783,684	2,634,273
Other revenue		843,705	934,000	1,759,992
		45,709,179	44,560,403	43,489,180
Payments				
Employee costs		(12,600,920)	(14,174,725)	(12,466,892)
Materials and contracts		(10,100,226)	(16,856,761)	(12,750,448)
Utility charges		(1,884,932)	(2,299,800)	(1,842,516)
Interest expenses		(268,613)	(427,875)	(320,876)
Insurance paid		(1,024,568)	(986,400)	(950,842)
Goods and services tax paid		(2,240,596)	(700,000)	(2,494,207)
Other expenditure		(1,089,275)	(933,700)	(1,356,981)
		(29,209,130)	(36,379,261)	(32,182,762)
Net cash provided by (used in) operating activities	20	16,500,049	8,181,142	11,306,418
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for financial assets at amortised cost		0	0	2,836,214
Payments for purchase of property, plant & equipment	9(a)	(4,409,685)	(12,582,000)	(3,753,995)
Payments for construction of infrastructure	10(a)	(5,358,809)	(7,160,700)	(7,234,165)
Non-operating grants, subsidies and contributions	2(a)	5,235,309	5,647,200	4,964,819
Proceeds from financial assets at amortised cost - term deposits	5	9,481,318	0	0
Proceeds from sale of property, plant & equipment	11(a)	247,944	268,000	391,882
Net cash provided by (used in) investment activities		5,196,077	(13,827,500)	(2,795,245)
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayment of borrowings	17(b)	(1,003,336)	(1,149,882)	(947,906)
Payments for principal portion of lease liabilities	16(b)	(68,879)	0	0
Proceeds from new borrowings	17(b)	0	5,500,000	0
Net cash provided by (used in) financing activities		(1,072,215)	4,350,118	(947,906)
Net increase (decrease) in cash held		20,623,911	(1,296,240)	7,563,267
Cash at beginning of year		27,596,044	47,079,259	20,032,777
Cash and cash equivalents at the end of the year	20	48,219,955	45,783,019	27,596,044

This statement is to be read in conjunction with the accompanying notes.

SHIRE OF EAST PILBARA
RATE SETTING STATEMENT
FOR THE YEAR ENDED 30 JUNE 2020

	NOTE	2020 Actual \$	2020 Budget \$	Restated 2019 Actual \$
OPERATING ACTIVITIES				
Net current assets at start of financial year - surplus/(deficit)	26 (b)	4,020,595	4,245,019	6,836,737
		4,020,595	4,245,019	6,836,737
Revenue from operating activities (excluding rates)				
Governance		193,039	349,900	176,574
General purpose funding		1,888,888	1,800,308	2,949,220
Law, order, public safety		146,784	121,200	129,721
Health		122,657	125,000	86,683
Education and welfare		90,866	585,100	296,241
Housing		335,620	359,800	391,733
Community amenities		5,104,087	4,575,900	4,609,937
Recreation and culture		2,086,859	2,316,100	2,436,282
Transport		16,376,308	13,566,800	16,503,068
Economic services		815,362	768,700	494,655
Other property and services		536,657	205,000	978,150
		27,697,127	24,773,808	29,052,264
Expenditure from operating activities				
Governance		(287,865)	(277,900)	(1,216,976)
General purpose funding		(397,600)	(486,500)	(1,347,025)
Law, order, public safety		(1,558,912)	(1,484,300)	(1,126,873)
Health		(514,690)	(694,900)	(628,235)
Education and welfare		(2,288,243)	(2,998,400)	(1,885,494)
Housing		(1,414,830)	(847,800)	(981,206)
Community amenities		(6,871,281)	(5,636,000)	(6,131,367)
Recreation and culture		(10,871,337)	(12,382,500)	(9,746,185)
Transport		(20,845,272)	(22,320,700)	(21,358,119)
Economic services		(1,876,044)	(2,123,700)	(2,012,503)
Other property and services		(1,047,966)	(702,418)	(1,187,786)
		(47,974,040)	(49,955,118)	(47,621,769)
Non-cash amounts excluded from operating activities	26(a)	18,395,392	16,451,700	18,259,551
Amount attributable to operating activities		2,139,074	(4,484,591)	6,526,783
INVESTING ACTIVITIES				
Non-operating grants, subsidies and contributions	2(a)	5,235,309	5,647,200	4,964,819
Proceeds from disposal of assets	11(a)	247,944	268,000	391,882
Purchase of property, plant and equipment	9(a)	(4,409,685)	(12,582,000)	(3,753,995)
Purchase and construction of infrastructure	10(a)	(5,358,809)	(7,160,700)	(7,234,165)
Amount attributable to investing activities		(4,285,241)	(13,827,500)	(5,631,459)
FINANCING ACTIVITIES				
Repayment of borrowings	17(b)	(1,003,336)	(1,149,882)	(947,906)
Proceeds from borrowings	17(c)	0	5,500,000	0
Payments for principal portion of lease liabilities	16(b)	(68,879)	0	0
Transfers to reserves (restricted assets)	4	(13,914,428)	(8,587,054)	(12,731,405)
Transfers from reserves (restricted assets)	4	6,618,942	8,377,431	4,845,547
Amount attributable to financing activities		(8,367,701)	4,140,495	(8,833,764)
Surplus/(deficit) before imposition of general rates		(10,513,868)	(14,171,596)	(7,938,440)
Total amount raised from general rates	25(a)	14,011,017	14,243,292	12,187,430
Surplus/(deficit) after imposition of general rates	26(b)	3,497,149	71,696	4,248,990

This statement is to be read in conjunction with the accompanying notes.

SHIRE OF EAST PILBARA
INDEX OF NOTES TO THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

Note 1	Basis of Preparation	10
Note 2	Revenue and Expenses	11
Note 3	Cash and Cash Equivalents	15
Note 4	Reserves - Cash/ Financial Asset backed	16
Note 5	Other Financial Assets	18
Note 6	Trade and Other Receivables	19
Note 7	Inventories	20
Note 8	Other Assets	21
Note 9	Property, Plant and Equipment	22
Note 10	Infrastructure	24
Note 11	Fixed Assets	26
Note 12	Leases	29
Note 13	Revaluation Surplus	30
Note 14	Trade and Other Payables	31
Note 15	Contract Liabilities	32
Note 16	Lease Liabilities	33
Note 17	Information on Borrowings	34
Note 18	Employee Provisions	36
Note 19	Other Provisions	37
Note 20	Notes to the Statement of Cash Flows	38
Note 21	Total Assets Classified by Function and Activity	39
Note 22	Contingent Liabilities	40
Note 23	Commitments	41
Note 24	Related Party Transactions	42
Note 25	Rating Information	44
Note 26	Rate Setting Statement Information	47
Note 27	Financial Risk Management	48
Note 29	Correction of error	53
Note 30	Change in Accounting Policies	55
Note 31	Trust Funds	56
Note 32	Other Significant Accounting Policies	57
Note 33	Activites/Programs	58
Note 34	Financial Ratios	59

1. BASIS OF PREPARATION

The financial report comprises general purpose financial statements which have been prepared in accordance with Australian Accounting Standards (as they apply to local governments and not-for-profit entities) and Interpretations of the Australian Accounting Standards Board, and the *Local Government Act 1995* and accompanying regulations.

AMENDMENTS TO LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) REGULATIONS 1996

The *Local Government (Financial Management) Regulations 1996* take precedence over Australian Accounting Standards. Prior to 1 July 2019, *Financial Management Regulation 16* arbitrarily prohibited a local government from recognising as assets Crown land that is a public thoroughfare, i.e. land under roads, and land not owned by but under the control or management of the local government, unless it is a golf course, showground, racecourse or recreational facility of State or regional significance. Consequently, some assets pertaining to vested land, including land under roads acquired on or after 1 July 2008, were not recognised in previous financial reports of the Shire. This was not in accordance with the requirements of AASB 1051 *Land Under Roads* paragraph 15 and AASB 116 *Property, Plant and Equipment* paragraph 7.

From 1 July 2019, the Shire has applied AASB 16 *Leases* which requires leases to be included by lessees in the statement of financial position. Also, the *Local Government (Financial Management) Regulations 1996* have been amended to specify that vested land is a right-of-use asset to be measured at cost. All right-of-use assets (other than vested improvements) under zero cost concessionary leases are measured at zero cost (i.e. not included in the statement of financial position) rather than at fair value. The exception is vested improvements on concessionary land leases such as roads, buildings or other infrastructure which continue to be reported at fair value, as opposed to the vested land which is measured at zero cost. The measurement of vested improvements at fair value is a departure from AASB 16 which would have required the Shire to measure any vested improvements at zero cost.

The Shire has accounted for the removal of the vested land values associated with vested land previously recognised by removing the land value and associated revaluation reserve as at 1 July 2019. The comparative year amounts have been retained as AASB 16 does not require comparatives to be restated in the year of transition.

Therefore the departure from AASB 1051 and AASB 16 in respect of the comparatives for the year ended 30 June 2019 remains.

Accounting policies which have been adopted in the preparation of this financial report have been consistently applied unless stated otherwise. Except for cash flow and rate setting information, the report has been prepared on the accrual basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and liabilities.

NEW ACCOUNTING STANDARDS FOR APPLICATION IN FUTURE YEARS

On 1 July 2020 the following new accounting standards are to be adopted:

- AASB 1059 *Service Concession Arrangements: Grantors*
- AASB 2018-7 *Amendments to Australian Accounting Standards - Materiality*

AASB 1059 *Service Concession Arrangements: Grantors* is not expected to impact the financial report.

Specific impacts of AASB 2018-7 *Amendments to Australian Accounting Standards - Materiality*, have not been identified.

CRITICAL ACCOUNTING ESTIMATES

The preparation of a financial report in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that effect the application of policies and reported amounts of assets and liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances; the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

THE LOCAL GOVERNMENT REPORTING ENTITY

All funds through which the Shire controls resources to carry on its functions have been included in the financial statements forming part of this financial report.

In the process of reporting on the local government as a single unit, all transactions and balances between those funds (for example, loans and transfers between funds) have been eliminated.

All monies held in the Trust Fund are excluded from the financial statements. A separate statement of those monies appears in Note 31 to these financial statements.

SHIRE OF EAST PILBARA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

2. REVENUE AND EXPENSES

REVENUE RECOGNITION POLICY

Recognition of revenue is dependant on the source of revenue and the associated terms and conditions associated with each source of revenue and recognised as follows:

Revenue Category	Nature of goods and services	When obligations typically satisfied	Payment terms	Returns/Refunds/Warranties	Determination of transaction price	Allocating transaction price	Measuring obligations for returns	Timing of revenue recognition
Rates	General Rates	Over time	Payment dates adopted by Council during the year	None	Adopted by council annually	When taxable event occurs	Not applicable	When rates notice is issued
Specified area rates	Rates charge for specific defined purpose	Over time	Payment dates adopted by Council during the year	Refund in event monies are unspent	Adopted by council annually	When taxable event occurs	Not applicable	When rates notice is issued
Service charges	Charge for specific service	Over time	Payment dates adopted by Council during the year	Refund in event monies are unspent	Adopted by council annually	When taxable event occurs	Not applicable	When rates notice is issued
Grant contracts with customers	Community events, minor facilities, research, design, planning evaluation and services	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Set by mutual agreement with the customer	Based on the progress of works to match performance obligations	Returns limited to repayment of transaction price of terms breached	Output method based on project milestones and/or completion date matched to performance obligations as inputs are shared
Grants, subsidies or contributions for the construction of non-financial assets	Construction or acquisition of recognisable non-financial assets to be controlled by the local government	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Set by mutual agreement with the customer	Based on the progress of works to match performance obligations	Returns limited to repayment of transaction price of terms breached	Output method based on project milestones and/or completion date matched to performance obligations as inputs are shared
Grants with no contract commitments	General appropriations and contributions with no reciprocal commitment	No obligations	Not applicable	Not applicable	Cash received	On receipt of funds	Not applicable	When assets are controlled
Fees and Charges - Licences/ Registrations/ Approvals	Building, planning, development and animal management, having the same nature as a licence	Single point in time	Full payment prior to issue	None	Set by State legislation or limited by legislation to the cost of provision	Based on timing of issue of the associated rights	No refunds	On payment and issue of the licence, registration or approval
Fees and Charges - Pool inspections	Compliance safety check	Single point in time	Equal proportion based on an equal annually fee	None	Set by State legislation	Apportioned equally across the inspection cycle	No refunds	After inspection complete based on a 4 year cycle
Fees and Charges - Other inspections	Regulatory Food, Health and Safety	Single point in time	Full payment prior to inspection	None	Set by State legislation or limited by legislation to the cost of provision	Applied fully on timing of inspection	Not applicable	Revenue recognised after inspection event occurs
Fees and Charges - Waste management collections	Kerbside collection service	Over time	Payment on an annual basis in advance	None	Adopted by council annually	Apportioned equally across the collection period	Not applicable	Output method based on regular weekly and fortnightly period as proportionate to collection
Fees and Charges - Waste management entry fees	Waste treatment, recycling and disposal service at disposal sites	Single point in time	Payment in advance at gate or on normal trading terms if credit provided	None	Adopted by council annually	Based on timing of entry to facility	Not applicable	On entry to facility
Fees and Charges - Airport landing charges	Permission to use facilities and runway	Single point in time	Monthly in arrears	None	Adopted by council annually	Applied fully on timing of landing/take-off	Not applicable	On landing/departure event
Fees and Charges - Property hire and entry	Use of halls and facilities	Single point in time	In full in advance	Refund if event cancelled within 7 days	Adopted by council annually	Based on timing of entry to facility	Returns limited to repayment of transaction price	On entry or at conclusion of hire
Fees and Charges - Memberships	Gym and pool membership	Over time	Payment in full in advance	Refund for unused portion on application	Adopted by council annually	Apportioned equally across the access period	Returns limited to repayment of transaction price	Output method Over 12 months matched to access right
Fees and charges for other goods and services	Cemetery services, library fees, reinstatements and private works	Single point in time	Payment in full in advance	None	Adopted by council annually	Applied fully based on timing of provision	Not applicable	Output method based on provision of service or completion of works
Fees and Charges - Sale of stock	Aviation fuel, kiosk and visitor centre stock	Single point in time	In full in advance, on 15 day credit	Refund for faulty goods	Adopted by council annually, set by mutual agreement	Applied fully based on timing of provision	Returns limited to repayment of transaction price	Output method based on goods
Other Revenue - Commissions	Commissions on licencing and ticket sales	Over time	Payment in full on sale	None	Set by mutual agreement with the customer	On receipt of funds	Not applicable	When assets are controlled
Other Revenue - Reimbursements	Insurance claims	Single point in time	Payment in arrears for claimable event	None	Set by mutual agreement with the customer	When claim is agreed	Not applicable	When claim is agreed

SHIRE OF EAST PILBARA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

2. REVENUE AND EXPENSES

(a) Grant revenue

Grants, subsidies and contributions are included as both operating and non-operating revenues in the Statement of Comprehensive Income:

	2020 Actual \$	2020 Budget \$	2019 Actual \$
Operating grants, subsidies and contributions			
Governance	14,170	250,000	0
General purpose funding	2,284,708	2,250,000	2,384,949
Law, order, public safety	42,551	27,200	4,000
Health	16,210	18,000	18,171
Education and welfare	87,289	568,500	21,856
Housing	19,679	0	0
Community amenities	142,635	142,000	140,389
Recreation and culture	1,088,472	1,092,000	1,184,343
Transport	1,392,143	1,233,500	1,525,162
Economic services	130,915	110,000	117,303
Other property and services	432,119	0	0
	5,650,891	5,691,200	5,396,173
Non-operating grants, subsidies and contributions			
Law, order, public safety	0	500,000	0
Recreation and culture	0	0	74,326
Transport	5,235,309	5,047,200	4,890,493
Economic services	0	100,000	0
	5,235,309	5,647,200	4,964,819
Total grants, subsidies and contributions	10,886,200	11,338,400	10,360,992
Fees and charges			
Governance	214	5,000	16,162
General purpose funding	13,668	16,000	32,912
Law, order, public safety	27,590	48,200	44,021
Health	69,390	72,000	65,743
Education and welfare	2,318	2,700	247,006
Housing	301,240	291,000	327,711
Community amenities	4,840,604	4,372,200	4,409,206
Recreation and culture	579,227	717,500	688,531
Transport	14,442,346	11,660,500	14,384,099
Economic services	666,212	267,100	319,739
Other property and services	3,905	10,000	37,116
	20,946,714	17,462,200	20,572,246

The following change was made during the year to the amount of the fees and charges detailed in the original budget:

- Newman Recreation Centre - Delete Direct Debit Joining Fee.

SIGNIFICANT ACCOUNTING POLICIES

Grants, subsidies and contributions

Operating grants, subsidies and contributions are grants, subsidies or contributions that are not non-operating in nature.

Non-operating grants, subsidies and contributions are amounts received for the acquisition or construction of recognisable non-financial assets to be controlled by the local government.

Fees and Charges

Revenue (other than service charges) from the use of facilities and charges made for local government services, sewerage rates, rentals, hire charges, fee for service, photocopying charges, licences, sale of goods or information, fines, penalties and administration fees.

SHIRE OF EAST PILBARA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

2. REVENUE AND EXPENSES (Continued)

(a) Revenue (Continued)

Contracts with customers and transfers for recognisable non-financial assets

Revenue from contracts with customers and transfers to enable the acquisition or construction of recognisable non-financial assets to be controlled by the Shire was recognised during the year for the following nature or types of goods or services:

Non-operating grants, subsidies and contributions	5,235,309	5,647,200	4,964,819
	5,235,309	5,647,200	4,964,819

Revenue from contracts with customers and transfers to enable the acquisition or construction of recognisable non-financial assets to be controlled by the Shire is comprised of:

Contracts with customers included as a contract liability at the start of the period	228,395	0	0
Other revenue from performance obligations satisfied during the year	5,006,914	5,647,200	4,964,819
	5,235,309	5,647,200	4,964,819

Information about receivables, contract assets and contract liabilities from contracts with customers along with financial assets and associated liabilities arising from transfers to enable the acquisition or construction of recognisable non financial assets is:

Trade and other receivables from contracts with customers	2,172,925		0
Contract liabilities from contracts with customers	(1,176,451)		0

Contract assets primarily relate to the Shire's right to consideration for work completed but not billed at 30 June 2020. Assets associated with contracts with customers were not subject to an impairment charge. Impairment of assets associated with contracts with customers are detailed at note 2 (b) under 'Other expenditure'. Contract liabilities for contracts with customers primarily relate to grants with performance obligations received in advance, for which revenue is recognised over time as the performance obligations are met. Information is not provided about remaining performance obligations for contracts with customers that had an original expected duration of one year or less. Consideration from contracts with customers is included in the transaction price. Performance obligations in relation to contract liabilities from transfers for recognisable non financial assets are satisfied as project milestones are met or completion of construction or acquisition of the asset. All associated performance obligations are expected to be met over the next 12 months.

Revenue from statutory requirements

Revenue from statutory requirements was recognised during the year for the following nature or types of goods or services:

General rates	14,011,017	14,243,292	12,187,430
Statutory permits and licences	41,400	45,000	33,838
Fines	9,420	25,500	19,416
	14,061,837	14,313,792	12,240,684

Other revenue

Reimbursements and recoveries	299,492	300,000	342,904
Other	545,654	609,000	1,504,674
	845,146	909,000	1,847,578

Interest earnings

Interest on reserve funds	563,178	1,023,500	669,573
Rates instalment and penalty interest (refer Note 25(c))	162,209	93,000	140,766
Other interest earnings	43,105	90,000	390,594
	768,492	1,206,500	1,200,933

SHIRE OF EAST PILBARA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

2. REVENUE AND EXPENSES (Continued)

SIGNIFICANT ACCOUNTING POLICIES

Interest earnings

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

Interest earnings (continued)

Interest income is presented as finance income where it is earned from financial assets that are held for cash management purposes.

(b) Expenses

Auditors remuneration

- Audit of the Annual Financial Report
- Other services

Interest expenses (finance costs)

- Borrowings
- Lease liabilities

Other expenditure

- Impairment loss on trade and other receivables
- Sundry expenses

Note	2020 Actual	2020 Budget	2019 Actual
	\$	\$	\$
	31,771	40,000	46,903
	1,500	15,000	12,639
	33,271	55,000	59,542
17(b)	259,910	386,000	320,876
16(b)	1,411	0	0
	261,321	386,000	320,876
	1,332,500	0	916,840
	269,009	933,700	950,976
	1,601,509	933,700	1,867,816

SHIRE OF EAST PILBARA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

3. CASH AND CASH EQUIVALENTS

NOTE	2020 \$	2019 \$
Cash at bank and on hand	6,973,097	4,783,603
Term deposits	41,246,858	22,812,441
Total cash and cash equivalents	48,219,955	27,596,044
Restrictions		
The following classes of assets have restrictions imposed by regulations or other externally imposed requirements which limit or direct the purpose for which the resources may be used:		
- Cash and cash equivalents	42,295,220	24,519,571
- Financial assets at amortised cost	11,461,978	20,943,296
	53,757,198	45,462,867

The restricted assets are a result of the following specific purposes to which the assets may be used:

Reserves - cash/financial asset backed	4	51,330,020	44,034,534
Contract liabilities from contracts with customers	15	1,176,451	0
Unspent grants, subsidies and contributions		0	228,395
Unspent loans	17(c)	114,570	142,382
Bond and Deposits Held	14	1,136,157	1,057,556
Total restricted assets		53,757,198	45,462,867

SIGNIFICANT ACCOUNTING POLICIES

Cash and cash equivalents

Cash and cash equivalents include cash on hand, cash at bank, deposits available on demand with banks and other short term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts. Bank overdrafts are reported as short term borrowings in current liabilities in the statement of financial position.

Restricted assets

Restricted asset balances are not available for general use by the local government due to externally imposed restrictions. Externally imposed restrictions are specified in an agreement, contract or legislation. This applies to reserves, unspent grants, subsidies and contributions and unspent loans that have not been fully expended in the manner specified by the contributor, legislation or loan agreement.

SHIRE OF EAST PILBARA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

4. RESERVES - CASH/FINANCIAL ASSET BACKED	2020	2020	2020	2020	2020	2020	2020	2019	2019	2019	2019	
	Actual	Actual	Actual	Actual	Budget	Budget	Budget	Actual	Actual	Actual	Actual	
	Opening	Transfer	Transfer	Closing	Opening	to	Transfer	Opening	to	Transfer	Closing	
	Balance	to	(from)	Balance	Balance		(from)	Balance		(from)	Balance	
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
(a) Alice Springs Road Reserve	213,700	2,172	0	215,872	213,699	5,301	(100,000)	119,000	209,500	4,200	0	213,700
(b) Heavy Road Plant Reserve	2,452,816	25,001	(640,000)	1,837,817	2,445,921	60,779	(850,000)	1,656,700	2,397,846	54,970	0	2,452,816
(c) Cape Keraudren Development Reserve	360,122	3,677	0	363,799	358,508	8,892	(180,000)	187,400	351,462	8,660	0	360,122
(d) Computer Technology Reserve	542,183	176,272	(50,000)	668,455	540,855	13,445	(100,000)	454,300	461,601	80,582	0	542,183
(e) Newman Recreation Centre Maintenance Reserve	127,535	0	(127,535)	0	126,811	0	(126,811)	0	251,763	5,772	(130,000)	127,535
(f) Newman Sewerage Treatment Plant Reserve	115,770	0	(115,770)	0	115,444	0	(115,444)	0	113,175	2,595	0	115,770
(g) Newman Airport Reserve	29,098,198	9,133,159	(2,351,825)	35,879,532	29,802,690	2,755,010	(435,700)	32,122,000	21,700,603	9,528,279	(2,130,684)	29,098,198
(h) Oval Lights Maintenance Reserve	13,201	0	(13,201)	0	12,799	0	(12,799)	0	139,992	3,209	(130,000)	13,201
(i) Long Service Leave Reserve	464,411	0	(464,411)	0	462,985	0	(462,985)	0	496,039	11,372	(43,000)	464,411
(j) Recreation Facilities Maintenance Reserve	2,011,442	525,878	0	2,537,320	2,005,254	0	(2,005,254)	0	2,152,105	49,337	(190,000)	2,011,442
(k) Staff Housing Reserve	1,156,681	208,984	(808,000)	557,665	1,154,133	0	(1,154,133)	0	886,361	520,320	(250,000)	1,156,681
(l) Newman Town Centre Revitalisation Reserve	340,271	6,778	(347,049)	0	339,315	0	(337,015)	2,300	332,645	7,626	0	340,271
(m) Waste Management Reserve	663,964	1,295,439	0	1,959,403	660,692	0	(660,692)	0	1,137,878	26,086	(500,000)	663,964
(n) Public Art Reserve	123,542	1,259	0	124,801	123,195	2,405	0	125,600	120,773	2,769	0	123,542
(o) Town Centre Public Toilet Reserve	0	0	0	0	493,383	0	(493,383)	0	993	0	(993)	0
(p) Annual Leave Reserve	494,774	473,730	0	968,504	0	0	0	0	483,686	11,088	0	494,774
(q) Newman House Reserve	722,810	7,900	0	730,710	720,919	16,681	0	737,600	657,732	65,078	0	722,810
(r) Public Building Maintenance Fund Reserve	2,368,293	522,140	(500,000)	2,390,433	2,361,107	63,293	(200,000)	2,224,400	2,497,699	490,594	(620,000)	2,368,293
(s) Martumili Operations Reserve	990,311	444,170	(992,725)	441,756	1,097,269	13,531	(267,000)	843,800	899,612	776,073	(685,374)	990,311
(t) Martumili Infrastructure Project Reserve	256,257	237,820	(184,143)	309,934	155,818	53,882	0	209,700	152,755	268,998	(165,496)	256,257
(u) Future Infrastructure Reserve	1,493,970	850,049	0	2,344,019	1,194,365	453,335	0	1,647,700	680,717	813,253	0	1,493,970
(v) Community Housing Reserve	24,283	0	(24,283)	0	24,215	0	(24,215)	0	23,739	544	0	24,283
(w) Employee Entitlements Reserve	0	0	0	0	0	980,200	0	980,200	0	0	0	0
(x) Staff and Community Housing Reserve	0	0	0	0	0	1,207,600	(450,000)	757,600	0	0	0	0
(y) Waste Management Reserve	0	0	0	0	0	807,800	(460,000)	347,800	0	0	0	0
(z) Recreation Facilities Maintenance Reserve	0	0	0	0	0	2,144,900	58,000	2,202,900	0	0	0	0
	44,034,534	13,914,428	(6,618,942)	51,330,020	44,409,377	8,587,054	(8,377,431)	44,619,000	36,148,676	12,731,405	(4,845,547)	44,034,534

All reserves are supported by cash and cash equivalents and financial assets at amortised cost and are restricted within equity as Reserves - cash/financial assets backed.

SHIRE OF EAST PILBARA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

4 RESERVES - CASH/FINANCIAL ASSET BACKED (CONTINUED)

In accordance with Council resolutions or adopted budget in relation to each reserve account, the purpose for which the reserves are set aside and their anticipated date of use are as follows:

Name of Reserve	Anticipated date of use	Purpose of the reserve
(a) Alice Springs Road Reserve	Ongoing	To establish a road link to Alice Springs from Marble Bar to the Northern Territory border.
(b) Heavy Road Plant Reserve	Ongoing	To fund the purchase of heavy plant that is needed for the operation of the Shire.
(c) Cape Keraudren Development Reserve	Ongoing	For the maintenance, development & enhancement of the Cape Keraudren Reserve.
(d) Computer Technology Reserve	Ongoing	For the replacement, enhancement and upgrading of computer hardware and software.
(e) Newman Recreation Centre Maintenance Reserve	Ongoing	For the upgrading and enhancement and future extensions of the Newman Recreation Centre.
(f) Newman Sewerage Treatment Plant Reserve	Ongoing	For the maintenance, upgrading and replacement of all Shire plant and equipment associated with the treatment of sewage and the distribution of the treated product
(g) Newman Airport Reserve	Ongoing	For the upgrading, maintenance and enhancement of the Newman Airport .
(h) Oval Lights Maintenance Reserve	Ongoing	To maintain and upgrade the lights at Capricorn Oval, Newman.
(i) Long Service Leave Reserve	Ongoing	Provision for the long service leave entitlements for the employees of the Shire.
(j) Recreation Facilities Maintenance Reserve	Ongoing	For the upgrading and enhancement of recreation facilities.
(k) Staff Housing Reserve	Ongoing	For the upgrading and maintenance of staff housing assets.
(l) Newman Town Centre Revitalisation Reserve	Ongoing	For the revitalisation, upgrade and maintenance of the Newman Town Centre Precinct.
(m) Waste Management Reserve	Ongoing	For the development, maintenance & enhancement of waste management facilities.
(n) Public Art Reserve	Ongoing	For the development, maintenance & enhancement of Public Art within the three towns of the East Pilbara Shire.
(o) Town Centre Public Toilet Reserve	Ongoing	For the development, maintenance & enhancement of Town Centre Public Toilets.
(p) Annual Leave Reserve	Ongoing	To provide for the payment of annual leave entitlements for staff.
(q) Newman House Reserve	Ongoing	For the upgrade, maintenance and enhancement of Newman House.
(r) Public Building Maintenance Fund Reserve	Ongoing	For the upgrading, maintenance and enhancement of Public Buildings.
(s) Martumili Operations Reserve	Ongoing	To hold and utilise the allocation of Martumili's funds.
(t) Martumili Infrastructure Project Reserve	Ongoing	For the upgrading, maintenance and enhancement of Martumili Buildings.
(u) Future Infrastructure Reserve	20/21	For the development of new or replacement infrastructure with total project cost of greater than one (1) million dollars.
(v) Community Housing Reserve	Ongoing	For the maintenance, upgrading and replacement of Community Housing.
(w) Employee Entitlements Reserve	Ongoing	For the provision of annual leave and long service leave entitlements for the employees of the Shire.
(x) Staff and Community Housing Reserve	Ongoing	For the upgrading and maintenance of staff housing and community housing assets.
(y) Waste Management Reserve	Ongoing	For the maintenance, upgrading and replacement of waste facilities within the Shire including plant and equipment associated with the treatment of sewage and the distribution of the treated product.
(z) Recreation Facilities Maintenance Reserve	Ongoing	For the upgrading and enhancement of all recreation facilities.

SHIRE OF EAST PILBARA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

5. OTHER FINANCIAL ASSETS

(a) Current assets

Financial assets at amortised cost

Other financial assets at amortised cost

Term deposits

(b) Non-current assets

Financial assets at fair value through profit and loss

Financial assets at fair value through profit and loss

Units in Local Government House Trust

	2020	2019
	\$	\$
	11,461,978	20,943,296
	<u>11,461,978</u>	<u>20,943,296</u>
	11,461,978	20,943,296
	<u>11,461,978</u>	<u>20,943,296</u>
	89,027	87,586
	<u>89,027</u>	<u>87,586</u>
	89,027	87,586

SIGNIFICANT ACCOUNTING POLICIES

Other financial assets at amortised cost

The Shire classifies financial assets at amortised cost if both of the following criteria are met:

- the asset is held within a business model whose objective is to collect the contractual cashflows, and
- the contractual terms give rise to cash flows that are solely payments of principal and interest.

Financial assets at fair value through profit and loss

The Shire classifies the following financial assets at fair value through profit and loss:

- debt investments which do not qualify for measurement at either amortised cost or fair value through other comprehensive income.
- equity investments which the Shire has not elected to recognise fair value gains and losses through other comprehensive income.

Impairment and risk

Information regarding impairment and exposure to risk can be found at Note 27.

SHIRE OF EAST PILBARA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

6. TRADE AND OTHER RECEIVABLES

Current

Rates receivable	
Trade and other receivables	
GST receivable	
Allowance for impairment of receivables	

Non-current

Pensioner's rates and ESL deferred	
------------------------------------	--

	2020	2019
	\$	\$
	1,785,801	1,321,769
	2,172,925	3,393,237
	242,465	13,856
	(1,332,500)	(916,840)
	<u>2,868,691</u>	<u>3,812,022</u>
	5,535	4,097
	<u>5,535</u>	<u>4,097</u>

SIGNIFICANT ACCOUNTING POLICIES

Trade and other receivables

Trade and other receivables include amounts due from ratepayers for unpaid rates and service charges and other amounts due from third parties for goods sold and services performed in the ordinary course of business.

Trade receivables are recognised at original invoice amount less any allowances for uncollectible amounts (i.e. impairment). The carrying amount of net trade receivables is equivalent to fair value as it is due for settlement within 30 days.

Impairment and risk exposure

Information about the impairment of trade receivables and their exposure to credit risk and interest rate risk can be found in Note 27.

Classification and subsequent measurement

Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Trade receivables are held with the objective to collect the contractual cashflows and therefore measures them subsequently at amortised cost using the effective interest rate method.

Due to the short term nature of current receivables, their carrying amount is considered to be the same as their fair value. Non-current receivables are indexed to inflation, any difference between the face value and fair value is considered immaterial.

SHIRE OF EAST PILBARA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

7. INVENTORIES

Current

Fuels
 History Books
 Baskets

	2020	2019
	\$	\$
	42,948	96,891
	12,140	12,479
	14,742	15,229
	69,830	124,599
	124,599	148,926
	(400,564)	(596,681)
	345,795	572,354
	69,830	124,599

The following movements in inventories occurred during the year:

Carrying amount at beginning of period

Inventories expensed during the year

Additions to inventory

Carrying amount at end of period

SIGNIFICANT ACCOUNTING POLICIES

General

Inventories are measured at the lower of cost and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

**SHIRE OF EAST PILBARA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020**

8. OTHER ASSETS

Other assets - current

Prepayments
Accrued income

	2020	2019
	\$	\$
Prepayments	66,608	65,180
Accrued income	364,097	257,208
	430,705	322,388

SIGNIFICANT ACCOUNTING POLICIES

Other current assets

Other non-financial assets include prepayments which represent payments in advance of receipt of goods or services or that part of expenditure made in one accounting period covering a term extending beyond that period.

SHIRE OF EAST PILBARA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

9. PROPERTY, PLANT AND EQUIPMENT

(a) Movements in Carrying Amounts

Movement in the carrying amounts of each class of property, plant and equipment between the beginning and the end of the current financial year.

	Land - freehold land	Land - vested in and under the control of Council	Total land	Buildings - non- specialised	Buildings - specialised	Total buildings	Total land and buildings	Furniture and equipment	Plant and equipment	Total property, plant and equipment
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2018	5,980,500	1,150,000	7,130,500	2,490,054	67,753,967	70,244,021	77,374,521	1,272,907	8,459,206	87,106,632
Additions	0	0	0	751,140	1,397,175	2,148,315	2,148,315	69,020	1,536,660	3,753,995
(Disposals)	0	0	0	0	(389,160)	(389,160)	(389,160)	(55,254)	(576,694)	(1,021,108)
Depreciation (expense)	0	0	0	(142,662)	(3,507,519)	(3,650,181)	(3,650,181)	(278,442)	(1,547,929)	(5,476,552)
Carrying amount at 30 June 2019	5,980,500	1,150,000	7,130,500	3,098,532	65,254,463	68,352,995	75,483,495	1,008,231	7,871,243	84,362,968
Comprises:										
Gross carrying amount at 30 June 2019	5,980,500	1,150,000	7,130,500	3,370,814	72,107,509	75,478,323	82,608,823	1,676,411	11,976,408	96,261,642
Accumulated depreciation at 30 June 2019	0	0	0	(272,282)	(6,853,046)	(7,125,328)	(7,125,328)	(668,180)	(4,105,166)	(11,898,674)
Carrying amount at 30 June 2019	5,980,500	1,150,000	7,130,500	3,098,532	65,254,463	68,352,995	75,483,495	1,008,231	7,871,242	84,362,968
Change in accounting policy	0	(1,150,000)	(1,150,000)	0	0	0	(1,150,000)	0	0	(1,150,000)
Carrying amount at 1 July 2019	5,980,500	0	5,980,500	3,098,532	65,254,463	68,352,995	74,333,495	1,008,231	7,871,242	83,212,968
Additions	0	0	0	1,751,287	538,245	2,289,532	2,289,532	65,576	2,054,577	4,409,685
(Disposals)	0	0	0	(124,158)	(212,080)	(336,238)	(336,238)	(4,468)	(195,175)	(535,881)
Depreciation (expense)	0	0	0	(638,045)	(3,067,599)	(3,705,644)	(3,705,644)	(270,551)	(1,523,068)	(5,499,263)
Transfers	0	0	0	9,609,154	(9,609,154)	0	0	0	0	0
Carrying amount at 30 June 2020	5,980,500	0	11,961,000	13,696,770	52,903,875	66,600,645	72,581,145	798,788	8,207,576	81,587,509
Comprises:										
Gross carrying amount at 30 June 2020	5,980,500	0	5,980,500	14,598,591	62,737,123	77,335,714	83,316,214	1,722,848	13,542,696	98,581,758
Accumulated depreciation at 30 June 2020	0	0	0	(901,821)	(9,833,248)	(10,735,069)	(10,735,069)	(924,060)	(5,335,120)	(16,994,249)
Carrying amount at 30 June 2020	5,980,500	0	5,980,500	13,696,770	52,903,875	66,600,645	72,581,145	798,788	8,207,576	81,587,509

SHIRE OF EAST PILBARA
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
 FOR THE YEAR ENDED 30 JUNE 2020

9. PROPERTY, PLANT AND EQUIPMENT (Continued)

(b) Fair Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
Land and buildings					
Land - freehold land	2	Market Approach using recent observable market data for similar properties	Independent registered valuer	June 2017	Price per hectare
Land - vested in and under the control of Council	3	Cost approach using depreciated replacement cost	Independent registered valuer	June 2017	Improvement to land using construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Buildings - non-specialised	2	Market approach using recent observable market data or similar properties	Independent registered valuer	June 2017	Price per square metre
Buildings - specialised	3	Cost approach using depreciated replacement cost	Independent registered valuer and management valuation	June 2017	Construction costs and current condition (Level 2), residual useful life assessments (Level 3) inputs
Furniture and equipment	3	Cost approach using depreciation replacement cost	Independent registered valuer	June 2016	Construction costs and current conditions (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Plant and equipment	2	Market approach using recent observable market data or similar items	Independent registered valuer	June 2016	Market price per item

Level 3 inputs are based on assumptions with regards to future values and patterns of consumption utilising current information. If the basis of these assumptions were varied, they have the potential to result in a significantly higher or lower fair value measurement.

During the period there were no changes in the valuation techniques used by the local government to determine the fair value of property, plant and equipment using either level 2 or level 3 inputs.

Following a change to *Local Government (Financial Management) Regulation 17A*, plant and equipment type assets (being plant and equipment and furniture and equipment) are to be measured under the cost model, rather than at fair value. This change is effective from 1 July 2019 and represents a change in accounting policy.

Revaluations carried out previously were not reversed as it was deemed fair value approximates cost at the date of change.

SHIRE OF EAST PILBARA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

10. INFRASTRUCTURE

(a) Movements in Carrying Amounts

Movement in the carrying amounts of each class of infrastructure between the beginning and the end of the current financial year.

	Infrastructure - Roads	Infrastructure - Footpaths	Infrastructure - Drainage	Infrastructure- Parks & Gardens and Infrastructure Other	Infrastructure - Airport Infrastructure	Total Infrastructure
	\$	\$	\$	\$	\$	\$
Balance at 1 July 2018	144,569,065	9,291,780	11,521,409	33,179,990	39,599,800	238,162,044
Additions	4,036,412	0	841,236	1,902,883	453,634	7,234,165
(Disposals)	0	0	0	(86,507)	(27,803)	(114,310)
Depreciation (expense)	(6,920,511)	(423,797)	(325,398)	(2,771,173)	(1,693,637)	(12,134,516)
Carrying amount at 30 June 2019	141,684,966	8,867,983	12,037,247	32,225,193	38,331,994	233,147,383
Comprises:						
Gross carrying amount at 30 June 2019	148,605,477	9,291,780	12,362,646	38,372,375	40,020,834	248,653,112
Accumulated depreciation at 30 June 2019	(6,920,511)	(423,797)	(325,399)	(6,147,182)	(1,688,840)	(15,505,729)
Carrying amount at 30 June 2019	141,684,966	8,867,983	12,037,247	32,225,193	38,331,994	233,147,383
Additions	4,617,260	153,412	21,111	276,190	290,836	5,358,809
(Disposals)	0	0	0	(42,138)	0	(42,138)
Depreciation (expense)	(7,288,229)	(432,267)	(329,936)	(2,810,879)	(1,142,212)	(12,003,523)
Carrying amount at 30 June 2020	139,013,997	8,589,128	11,728,422	29,648,366	37,480,618	226,460,531
Comprises:						
Gross carrying amount at 30 June 2020	153,222,737	9,445,192	12,383,757	38,589,864	40,311,670	253,953,220
Accumulated depreciation at 30 June 2020	(14,208,740)	(856,064)	(655,335)	(8,941,498)	(2,831,052)	(27,492,689)
Carrying amount at 30 June 2020	139,013,997	8,589,128	11,728,422	29,648,366	37,480,618	226,460,531

SHIRE OF EAST PILBARA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

10. INFRASTRUCTURE (Continued)

(b) Fair Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
Infrastructure - Roads	3	Cost approach using depreciated replacement cost	Management Valuation	June 2018	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Infrastructure - Footpaths	3	Cost approach using depreciated replacement cost	Management Valuation	June 2018	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Infrastructure - Drainage	3	Cost approach using depreciated replacement cost	Management Valuation	June 2018	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Infrastructure- Parks & Gardens and Infrastructure Other	3	Cost approach using depreciated replacement cost	Independent Valuation	June 2018	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Infrastructure - Airport Infrastructure	3	Cost approach using depreciated replacement cost	Independent Valuation	June 2018	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs

Level 3 inputs are based on assumptions with regards to future values and patterns of consumption utilising current information. If the basis of these assumptions were varied, they have the potential to result in a significantly higher or lower fair value measurement.

During the period there were no changes in the valuation techniques used to determine the fair value of infrastructure using level 3 inputs.

SHIRE OF EAST PILBARA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

11. FIXED ASSETS

SIGNIFICANT ACCOUNTING POLICIES

Fixed assets

Each class of fixed assets within either plant and equipment or infrastructure, is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses.

Initial recognition and measurement between mandatory revaluation dates

Assets for which the fair value as at the date of acquisition is under \$5,000 are not recognised as an asset in accordance with *Financial Management Regulation 17A (5)*. These assets are expensed immediately

Where multiple individual low value assets are purchased together as part of a larger asset or collectively forming a larger asset exceeding the threshold, the individual assets are recognised as one asset and capitalised.

In relation to this initial measurement, cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition. For assets acquired at zero cost or otherwise significantly less than fair value, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by the Shire includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overheads.

Individual assets that are land, buildings, infrastructure and investment properties acquired between initial recognition and the next revaluation of the asset class in accordance with the mandatory measurement framework, are recognised at cost and disclosed as being at fair value as management believes cost approximates fair value. They are subject to subsequent revaluation at the next anniversary date in accordance with the mandatory measurement framework.

Revaluation

The fair value of land, buildings, infrastructure and investment properties is determined at least every five years in accordance with the regulatory framework. This includes buildings and infrastructure items which were pre-existing improvements (i.e. vested improvements) on vested land acquired by the Shire.

At the end of each period the valuation is reviewed and where appropriate the fair value is updated to reflect current market conditions. This process is considered to be in accordance with *Local Government (Financial Management) Regulation 17A (2)* which requires land, buildings, infrastructure, investment properties and vested improvements to be shown at fair value.

Increases in the carrying amount arising on revaluation of assets are credited to a revaluation surplus in equity. Decreases that offset previous increases of the same class of asset are recognised against revaluation surplus directly in equity. All other decreases are recognised in profit or loss.

AUSTRALIAN ACCOUNTING STANDARDS - INCONSISTENCY

Land under control prior to 1 July 2019

In accordance with the then *Local Government (Financial Management) Regulation 16(a)(ii)*, the Shire was previously required to include as an asset (by 30 June 2013), vested Crown Land operated by the local government as a golf course, showground, racecourse or other sporting or recreational facility of State or regional significance.

Upon initial recognition, these assets were recorded at cost in accordance with AASB 116. They were then classified as Land and revalued along with other land.

Land under roads prior to 1 July 2019

In Western Australia, most land under roads is Crown Land, the responsibility for managing which, is vested in the local government.

Effective as at 1 July 2008, Council elected not to recognise any value for land under roads acquired on or before 30 June 2008. This accords with the treatment available in *Australian Accounting Standard AASB 1051 Land Under Roads* and the then *Local Government (Financial Management) Regulation 16(a)(i)* which arbitrarily prohibited local governments from recognising such land as an asset. This regulation has now been deleted.

In respect of land under roads acquired on or after 1 July 2008, as detailed above, the then *Local Government (Financial Management) Regulation 16(a)(i)* prohibited local governments from recognising such land as an asset.

Whilst such treatment is inconsistent with the requirements of *AASB 1051, Local Government (Financial Management) Regulation 4(2)* provides, in the event of such an inconsistency, the *Local Government (Financial Management) Regulations* prevail. Consequently, any land under roads acquired on or after 1 July 2008 was not included as an asset of the Shire.

Land under roads from 1 July 2019

As a result of amendments to the *Local Government (Financial Management) Regulations 1996*, effective from 1 July 2019, vested land, including land under roads, are treated as right-of-use assets measured at zero cost. Therefore, the previous inconsistency with AASB 1051 in respect of non-recognition of land under roads acquired on or after 1 July 2008 has been removed, even though measurement at zero cost means that land under roads is still not included in the statement of financial position.

The Shire has accounted for the removal of the vested land values associated with vested land previously recognised by removing the land value and associated revaluation reserve as at 1 July 2019. The comparatives have not been restated.

Vested improvements from 1 July 2019

The measurement of vested improvements at fair value in accordance with *Local Government (Financial Management) Regulation 17A(2)(iv)* is a departure from AASB 16 which would have required the Shire to measure the vested improvements as part of the related right-of-use assets at zero cost.

Refer to Note 12 that details the significant accounting policies applying to to leases (including right of use assets).

SHIRE OF EAST PILBARA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

11. FIXED ASSETS

(a) Disposals of Assets

	2020 Actual Net Book Value	2020 Actual Sale Proceeds	2020 Actual Profit	2020 Actual Loss	2020 Budget Net Book Value	2020 Budget Sale Proceeds	2020 Budget Profit	2020 Budget Loss	2019 Actual Net Book Value	2019 Actual Sale Proceeds	2019 Actual Profit	2019 Actual Loss
Buildings - non-specialised	124,158	0	0	(124,158)	0	0	0	0	0	0	0	0
Buildings - specialised	212,080	0	0	(212,080)	0	0	0	0	389,160	0	0	(389,160)
Furniture and equipment	4,468	0	0	(4,468)	0	0	0	0	55,254	0	0	(55,254)
Plant and equipment	195,175	247,944	100,687	(47,918)	170,500	268,000	128,600	(31,100)	576,694	391,882	35,334	(220,146)
Infrastructure- Parks & Gardens and Infrastructure												
Other	42,138	0	0	(42,138)	0	0	0	0	86,507	0	0	(86,507)
Infrastructure - Airport Infrastructure	0	0	0	0	0	0	0	0	27,803	0	0	(27,803)
	578,019	247,944	100,687	(430,762)	170,500	268,000	128,600	(31,100)	1,135,418	391,882	35,334	(778,870)

The following assets were disposed of during the year.

	2020 Actual Net Book Value	2020 Actual Sale Proceeds	2020 Actual Profit	2020 Actual Loss
Plant and Equipment				
Governance				
Toyota Hilux 1EWJ670	25,772	25,592	0	(180)
Holden Evoke (MFA) Rego 124EPA	15,239	11,381	0	(3,858)
MHR Vehicle - Sedan	14,203	11,188	0	(3,015)
Fuji Xeroz ApeoasPort-V C7780	4,468	0	0	(4,468)
Law, order, public safety				
Newman - SES Head Quarters	60,450	0	0	(60,450)
Toyota Prado 5111 - Rego 1GWJ654	0	31,687	31,687	0
Health				
Toyota Prado 71090	0	37,057	37,057	0
Housing				
28 Gandawarra Crescent	124,158	0	0	(124,158)
Community amenities				
Caravan Park - Ablution Bloack	129,968	0	0	(129,968)
Recreation and culture				
Dingo Park - Metal Double Sided Sign	4,724	0	0	(4,724)
Capricorn Reserve - Emu Oval Signage	2,362	0	0	(2,362)
Capricorn Reserve - Kangaroo Oval - Signage	2,362	0	0	(2,362)
Capricorn Reserve - Emu Oval Junior Park - Sofffall	18,993	0	0	(18,993)
Capricorn Reserve - Junior Sports Playground	2,499	0	0	(2,499)
Capricorn Reserve - Emu Oval - Double Swing	625	0	0	(625)
Capricorn Reserve - Emu Oval - Car Spring Rocker	469	0	0	(469)
Capricorn Reserve - Emu Oval - Shade Sail	6,473	0	0	(6,473)
Newman Skate Park - Metal Stainless Sign	3,630	0	0	(3,630)
Transport				
Marble Bar Airport - Airside Generator	9,673	0	0	(9,673)
Holden Commodore Evoke 121208	0	15,046	15,046	0
Toyota Landcruiser M/Bar Maintenance	39,904	43,319	3,415	0
Holden Colorado 4x4 WWTP	25,915	17,097	0	(8,818)
Economic services				
Toyota 78 Series - 7 seat bus conversion	45,441	23,066	0	(22,375)
Nullagine Caravan Park - 2x2 Donga	1,695	0	0	(1,695)
Nullagine Caravan Park - 6 Room Donga	19,967	0	0	(19,967)
Other property and services				
Toyota Prado DXL Wagon - MTS Newman	19,029	32,511	13,482	0
	578,019	247,944	100,687	(430,762)

(b) Fully Depreciated Assets in Use

The gross carrying value of assets held by the Shire which are currently in use yet fully depreciated are shown in the table below.

	2020 \$	2019 \$
Plant and equipment	581,146	165,249
Infrastructure - Airport Infrastructure	14,600	14,600
	595,746	179,849

SHIRE OF EAST PILBARA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

11. FIXED ASSETS

(c) Depreciation

	2020 Actual	2020 Budget	2019 Actual
	\$	\$	\$
Buildings - non-specialised	638,045	500,000	142,662
Buildings - specialised	3,067,599	2,833,300	3,507,519
Furniture and equipment	270,551	276,000	278,442
Plant and equipment	1,523,068	1,478,400	1,547,929
Infrastructure - Roads	7,288,229	6,933,300	6,920,511
Infrastructure - Footpaths	432,267	345,900	423,797
Infrastructure - Drainage	329,936	265,300	325,398
Infrastructure- Parks & Gardens and Infrastructure Other	2,810,879	1,404,800	2,771,173
Infrastructure - Airport Infrastructure	1,142,212	2,512,200	1,693,637
Right of use assets - plant and equipment	67,904	0	0
	17,570,690	16,549,200	17,611,068

SIGNIFICANT ACCOUNTING POLICIES

Depreciation

The depreciable amount of all fixed assets including buildings but excluding freehold land and vested land, are depreciated on a straight-line basis over the individual asset's useful life from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful life of the improvements.

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of comprehensive income in the period in which they arise.

Depreciation rates

Typical estimated useful lives for the different asset classes for the current and prior years are included in the table below:

Asset Class	Useful life
Buildings - non specialised	10 - 50 years
Buildings - specialised	10 - 50 years
Furniture and Equipment	3 - 5 years
Plant and Equipment	3 - 10 years
Infrastructure - Roads	15 - 50 years
Infrastructure - Footpaths	20 - 50 years
Infrastructure - Drainage	20 - 50 years
Infrastructure - Parks and Gardens	20 - 50 years
Infrastructure - Airport	20 - 50 years
Right of use assets (plant and equipment)	3 - 10 years

Depreciation on revaluation

When an item of property, plant and equipment is revalued, any accumulated depreciation at the date of the revaluation is treated in one of the following ways:

- (a) The gross carrying amount is adjusted in a manner that is consistent with the revaluation of the carrying amount of the asset. For example, the gross carrying amount may be restated by reference to observable market data or it may be restated proportionately to the change in the carrying amount. The accumulated depreciation at the date of the revaluation is adjusted to equal the difference between the gross carrying amount and the carrying amount of the asset after taking into account accumulated impairment losses; or
- (b) Eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset.

Amortisation

All intangible assets with a finite useful life, are amortised on a straight-line basis over the individual asset's useful life from the time the asset is held for use.

The residual value of intangible assets is considered to be zero and the useful life and amortisation method are reviewed at the end of each financial year.

Amortisation is included within Depreciation on non-current assets in the Statement of Comprehensive Income and in the note above.

12. LEASES

(a) Right of Use Assets

Movement in the carrying amounts of each class of right of use asset between the beginning and the end of the current financial year.

	Right of use assets - plant and equipment	Right of use assets Total
	\$	
Carrying amount at 30 June 2019	0	0
Recognised on initial application of AASB 16	96,368	96,368
Restated total equity at the beginning of the financial year	96,368	96,368
Depreciation (expense)	(67,904)	(67,904)
Carrying amount at 30 June 2020	28,464	28,464
(b) Cash outflow from leases		
Interest expense on lease liabilities	1,411	1,411
Lease principal expense	68,879	68,879
Total cash outflow from leases	70,290	70,290

SIGNIFICANT ACCOUNTING POLICIES

Leases

At inception of a contract, the Shire assesses if the contract contains or is a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

At the commencement date, a right-of-use asset is recognised at cost and lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Shire uses its incremental borrowing rate.

All contracts that are classified as short-term leases (i.e. a lease with a remaining term of 12 months or less) and leases of low value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

Leases for right-of-use assets are secured over the asset being leased.

Right-of-use assets - valuation

Right-of-use assets are measured at cost. This means that all right-of-use assets (other than vested improvements) under zero cost concessionary leases are measured at zero cost (i.e. not included in the statement of financial position). The exception is vested improvements on concessionary land leases such as roads, buildings or other infrastructure which are reported at fair value.

Refer to Note 11 for details on the significant accounting policies applying to vested improvements.

Right-of-use assets - depreciation

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset, whichever is the shortest. Where a lease transfers ownership of the underlying asset, or the cost of the right-of-use asset reflects that the Shire anticipates to exercise a purchase option, the specific asset is amortised over the useful life of the underlying asset.

SHIRE OF EAST PILBARA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

13. REVALUATION SURPLUS

	2020 Opening Balance	2020 Change in Accounting Policy	2020 Revaluation Increment	2020 Revaluation (Decrement)	Total Movement on Revaluation	2020 Closing Balance	2019 Opening Balance	2019 Revaluation Increment	2019 Revaluation (Decrement)	Total Movement on Revaluation	2019 Closing Balance
	\$		\$	\$	\$	\$	\$	\$	\$	\$	\$
Revaluation surplus - Land - freehold land	5,980,500	0	0	0	0	5,980,500	5,980,500	0	0	0	5,980,500
Revaluation surplus - Land - vested in and under the control of Council	1,145,000	(1,145,000)	0	0	0	0	1,145,000	0	0	0	1,145,000
Revaluation surplus - Buildings - non-specialised	20,712,197	0	0	0	0	20,712,197	20,712,197	0	0	0	20,712,197
Revaluation surplus - Furniture and equipment	215,604	0	0	0	0	215,604	215,604	0	0	0	215,604
Revaluation surplus - Plant and equipment	3,367,076	0	0	0	0	3,367,076	3,367,076	0	0	0	3,367,076
Revaluation surplus - Infrastructure - Roads	66,828,070	0	0	0	0	66,828,070	66,828,070	0	0	0	66,828,070
Revaluation surplus - Infrastructure - Footpaths	3,361,744	0	0	0	0	3,361,744	3,361,744	0	0	0	3,361,744
Revaluation surplus - Infrastructure - Drainage	8,937,971	0	0	0	0	8,937,971	8,937,971	0	0	0	8,937,971
Revaluation surplus - Infrastructure- Parks & Gardens and Infrastructure Other	1,282,573	0	0	0	0	1,282,573	1,282,573	0	0	0	1,282,573
Revaluation surplus - Infrastructure - Airport Infrastructure	20,819,752	0	0	0	0	20,819,752	20,819,752	0	0	0	20,819,752
	132,650,487	(1,145,000)	0	0	0	131,505,487	132,650,487	0	0	0	132,650,487

Movements on revaluation of property, plant and equipment (including infrastructure) are not able to be reliably attributed to a program as the assets were revalued by class as provided for by AASB 116 Aus 40.1.

SHIRE OF EAST PILBARA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

14. TRADE AND OTHER PAYABLES

Current

Sundry creditors	
Prepaid rates	
Accrued salaries and wages	
ATO liabilities	
Bonds and deposits held	
Accrued interest on long term borrowings	
Other Accruals	

2020	2019
\$	\$
2,987,348	1,640,563
19,354	46,737
78,760	2,160
0	1,965
1,136,157	1,057,556
26,753	34,045
1,472,367	550,163
5,720,739	3,333,189

SIGNIFICANT ACCOUNTING POLICIES

Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Shire prior to the end of the financial year that are unpaid and arise when the Shire becomes obliged to make future payments in respect of the purchase of these goods and services.

The amounts are unsecured, are recognised as a current liability and are normally paid within 30 days of recognition.

Prepaid rates

Prepaid rates are, until the taxable event has occurred (start of the next financial year), refundable at the request of the ratepayer. Rates received in advance are initially recognised as a financial liability. When the taxable event occurs, the financial liability is extinguished and the Shire recognises revenue for the prepaid rates that have not been refunded.

15. CONTRACT LIABILITIES

	2020	2019
	\$	\$
Contract liabilities from contracts with customers	1,176,451	0
	<u>1,176,451</u>	<u>0</u>

Current

Contract liabilities from contracts with customers

Performance obligations from contracts with customers are expected to be recognised as revenue in accordance with the following time bands:

Less than 1 year

	1,176,451
	<u>1,176,451</u>

SIGNIFICANT ACCOUNTING POLICIES

Contract Liabilities

Contract liabilities represent the the Shire's obligation to transfer goods or services to a customer for which the Shire has received consideration from the customer.

With respect to transfers for recognisable non-financial assets, contract liabilities represent performance obligations which are not yet satisfied.

Contract liabilities are recognised as revenue when the performance obligations in the contract are satisfied.

SHIRE OF EAST PILBARA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

17. INFORMATION ON BORROWINGS

	2020	2019
	\$	\$
Current	937,917	1,003,337
Non-current	2,859,245	3,797,161
	<u>3,797,162</u>	<u>4,800,498</u>

(b) Repayments - Borrowings

Particulars	Loan Number	Institution	Interest Rate	30 June 2020					30 June 2020					30 June 2019				
				Actual Principal	Actual New Loans	Actual Principal repayments	Actual Interest repayments	Actual Principal outstanding	Budget Principal	Budget New Loans	Budget Principal repayments	Budget Interest repayments	Budget Principal outstanding	Actual Principal	Actual New Loans	Actual Principal repayments	Actual Interest repayments	Actual Principal outstanding
				1 July 2019					1 July 2019					1 July 2018				
				\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Governance																		
Newman Admin Building Upgrade	65	WATC*	5.99%	117,082	0	117,082	3,614	0	117,082	0	7,300	0	227,453	0	110,371	11,394	117,082	
Housing																		
Staff Housing	67	WATC*	6.47%	282,059	0	88,101	17,457	193,958	282,059	0	88,100	19,600	364,725	0	82,666	23,456	282,059	
Staff Housing	71	WATC*	6.49%	1,052,832	0	123,171	70,673	929,661	1,052,832	0	123,200	74,400	1,168,382	0	115,550	79,158	1,052,832	
Community amenities																		
Sewerage Upgrade	72	WATC*	4.49%	1,474,732	0	119,786	74,758	1,354,946	1,474,731	0	119,800	76,100	1,589,316	0	114,584	80,471	1,474,732	
Sewerage Upgrade	73	WATC*	3.05%	913,063	0	89,608	33,447	823,455	913,063	0	89,600	36,200	1,000,000	0	86,937	36,648	913,063	
Sewerage Upgrade	74	WATC*		0	0	0	0	0	0	5,500,000	146,500	107,500	5,353,500	0	0	0	0	
Transport																		
Airport Upgrade	66	WATC*	6.25%	960,730	0	465,588	59,961	495,142	960,730	0	465,600	64,900	1,398,528	0	437,798	89,749	960,730	
				<u>4,800,498</u>	<u>0</u>	<u>1,003,336</u>	<u>259,910</u>	<u>3,797,162</u>	<u>4,800,497</u>	<u>5,500,000</u>	<u>1,149,882</u>	<u>386,000</u>	<u>9,150,615</u>	<u>5,748,404</u>	<u>0</u>	<u>947,906</u>	<u>320,876</u>	<u>4,800,498</u>

* WA Treasury Corporation

All other loan repayments were financed by general purpose revenue.

SHIRE OF EAST PILBARA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

17. INFORMATION ON BORROWINGS (Continued)

(c) Unspent Borrowings

Particulars	Date Borrowed	Unspent Balance 1 July 2019	Borrowed	Expended	Unspent
			During Year	During Year	Balance 30 June 2020
		\$	\$	\$	\$
Newman Sewerage Farm	73 26/06/2018	142,382	0	(27,812)	114,570
* WA Treasury Corporation		142,382	0	(27,812)	114,570

(d) Undrawn Borrowing Facilities

Credit Standby Arrangements

	2020	2019
Credit card limit	50,000	50,000
Credit card balance at balance date	(10,943)	(11,761)
Total amount of credit unused	39,057	38,239

Loan facilities

Loan facilities - current	937,917	1,003,337
Loan facilities - non-current	2,859,244	3,797,161
Lease liabilities - current	27,489	0
Lease liabilities - non-current	0	0
Total facilities in use at balance date	3,824,650	4,800,498

Unused loan facilities at balance date

NIL NIL

SIGNIFICANT ACCOUNTING POLICIES

Financial liabilities

Financial liabilities are recognised at fair value when the Shire becomes a party to the contractual provisions to the instrument.

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss.

Financial liabilities are derecognised where the related obligations are discharged, cancelled or expired. The difference between the carrying amount of the financial liability extinguished or transferred to another party and the fair value of the consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

Borrowing costs

Borrowing costs are recognised as an expense when incurred except where they are directly attributable to the acquisition, construction or production of a qualifying asset. Where this is the case, they are capitalised as part of the cost of the particular asset until such time as the asset is substantially ready for its intended use or sale.

Risk

Information regarding exposure to risk can be found at Note 27.

18. EMPLOYEE RELATED PROVISIONS

(a) Employee Related Provisions

Opening balance at 1 July 2019

Current provisions
Non-current provisions

Additional provision
Amounts used
Balance at 30 June 2020

Comprises

Current
Non-current

Amounts are expected to be settled on the following basis:

Less than 12 months after the reporting date
More than 12 months from reporting date
Expected reimbursements from other WA local governments

	Provision for Annual Leave	Provision for Long Service Leave	Total
	\$	\$	\$
Opening balance at 1 July 2019			
Current provisions	739,502	442,134	1,181,636
Non-current provisions	0	156,110	156,110
	739,502	598,244	1,337,746
Additional provision	756,566	121,784	878,350
Amounts used	(654,790)	(93,125)	(747,915)
Balance at 30 June 2020	841,278	626,903	1,468,181
Comprises			
Current	841,278	485,522	1,326,800
Non-current	0	141,381	141,381
	841,278	626,903	1,468,181

	2020	2019
	\$	\$
Less than 12 months after the reporting date	966,925	802,636
More than 12 months from reporting date	455,327	474,641
Expected reimbursements from other WA local governments	45,929	60,469
	1,468,181	1,337,746

Timing of the payment of current leave liabilities is difficult to determine as it is dependent on future decisions of employees. Expected settlement timings are based on information obtained from employees and historical leave trends and assumes no events will occur to impact on these historical trends.

SIGNIFICANT ACCOUNTING POLICIES

Employee benefits

Short-term employee benefits

Provision is made for the Shire's obligations for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The Shire's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of current trade and other payables in the statement of financial position.

Other long-term employee benefits

The Shire's obligations for employees' annual leave and long service leave entitlements are recognised as provisions in the statement of financial position.

Long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations.

Other long-term employee benefits (Continued)

Any remeasurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the changes occur.

The Shire's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the Shire does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

Provisions

Provisions are recognised when the Shire has a present legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

19. OTHER PROVISIONS

	Provision for Remediation	
	Costs	Total
	\$	\$
Opening balance at 1 July 2019		
Current provisions	0	0
Non-current provisions	18,795,147	18,795,147
	<u>18,795,147</u>	<u>18,795,147</u>
Additional provision	512,234	512,234
Balance at 30 June 2020	<u>19,307,381</u>	<u>19,307,381</u>
Comprises		
Current	0	0
Non-current	19,307,381	19,307,381
	<u>19,307,381</u>	<u>19,307,381</u>

Provision for remediation costs

Under the licence for the operation of the Newman, Marble Bar and Nullagine landfill sites, the Shire has a legal obligation to restore the sites.

A provision for remediation is recognised when:

- there is a present obligation as a result of waste activities undertaken;
- it is probable that an outflow of economic benefits will be required to settle the obligation; and
- the amount of the provision can be measured reliably.

The estimated future obligations include the costs of restoring the affected areas and continued monitoring of the sites.

The provision for future remediation costs is the best estimate of the present value of the expenditure required to settle the remediation obligation at the reporting date. Future remediation costs are reviewed annually and any changes in the estimate are reflected in the present value of the remediation provision at each reporting date.

Amounts which are reliably expected to be paid out within 12 months of the reporting date are classified as current. Exact timing of payment of non-current obligations is unable to be reliably estimated as it is dependent on the remaining life of the landfill sites.

20. NOTES TO THE STATEMENT OF CASH FLOWS

Reconciliation of Cash

For the purposes of the Statement of Cash Flows, cash includes cash and cash equivalents, net of outstanding bank overdrafts. Cash at the end of the reporting period is reconciled to the related items in the Statement of Financial Position as follows:

	2020 Actual	2020 Budget	2019 Actual
	\$	\$	\$
Cash and cash equivalents	48,219,955	45,783,019	27,596,044
Reconciliation of Net Cash Provided By Operating Activities to Net Result			
Net result	(1,030,586)	(5,290,800)	(1,417,256)
Non-cash flows in Net result:			
Depreciation on non-current assets	17,570,690	16,549,200	17,611,068
(Profit)/loss on sale of asset	330,075	(97,500)	743,536
Recognition of units in Local Government House Trust	0	0	(87,586)
Loss on revaluation of fixed assets	0	0	0
Reversal of loss on revaluation of fixed assets	0	0	0
Adjustments to fair value of financial assets at fair value through profit and loss	(1,441)	0	0
Changes in assets and liabilities:			
(Increase)/decrease in receivables	941,893	4,971,903	(121,801)
(Increase)/decrease in other assets	(108,317)	0	(195,813)
(Increase)/decrease in inventories	54,769	38,002	24,327
Increase/(decrease) in payables	2,387,550	(2,327,603)	(790,315)
Increase/(decrease) in provisions	642,669	(14,860)	505,077
Increase/(decrease) in contract liabilities	948,056	0	0
Non-operating grants, subsidies and contributions	(5,235,309)	(5,647,200)	(4,964,819)
Net cash from operating activities	16,500,049	8,181,142	11,306,418

SHIRE OF EAST PILBARA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

21. TOTAL ASSETS CLASSIFIED BY FUNCTION AND ACTIVITY

	2020	2019
	\$	\$
Governance	10,342,614	9,213,265
Law, order, public safety	2,007,694	2,186,643
Health	95,082	55,314
Education and welfare	8,566,337	8,990,109
Housing	15,886,328	15,541,117
Community amenities	20,090,379	20,507,885
Recreation and culture	37,761,346	40,990,576
Transport	252,893,127	251,196,279
Economic services	9,195,617	9,546,652
Other property and services	3,067,506	3,214,802
Unallocated	11,316,195	8,957,741
	<u>371,222,225</u>	<u>370,400,383</u>

22. CONTINGENT LIABILITIES

The Shire does not have any contingent liabilities as at 30 June 2020.

23. CAPITAL AND LEASING COMMITMENTS

(a) Capital Expenditure Commitments

Contracted for:

- capital expenditure projects

2020	2019
\$	\$
442,374	345,887
442,374	345,887

Payable:

- not later than one year

442,374	345,887
---------	---------

The capital expenditure projects outstanding at the end of the current reporting period represents the Supply & Installation of Solar Panels, Capital Works for various Residential Properties and Public Buildings and the Contract for the Airport Lighting Design.

(b) Operating Lease Commitments

Non-cancellable operating leases contracted for but not capitalised in the accounts (short term and low value leases).

Payable:

- not later than one year

- later than one year but not later than five years

2020	2019
\$	\$
0	70,649
0	0
0	70,649

SIGNIFICANT ACCOUNTING POLICIES

Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not legal ownership, are transferred to the Shire, are classified as finance leases.

Finance leases are capitalised recording an asset and a liability at the lower of the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leases (Continued)

Leased assets are depreciated on a straight line basis over the shorter of their estimated useful lives or the lease term.

Lease incentives under operating leases are recognised as a liability and amortised on a straight line basis over the life of the lease term.

24. RELATED PARTY TRANSACTIONS

Elected Members Remuneration

The following fees, expenses and allowances were paid to council members and/or the President.

	2020 Actual	2020 Budget	2019 Actual
	\$	\$	\$
Meeting fees	150,414	161,000	156,205
President's allowance	66,256	65,600	66,233
Deputy President's allowance	11,110	11,000	10,083
Travelling expenses	22,256	30,000	32,810
Telecommunications allowance	11,309	12,000	11,583
Member's Expenses Reimbursement	0	100	0
	<u>261,345</u>	<u>279,700</u>	<u>276,914</u>

Key Management Personnel (KMP) Compensation Disclosure

The total of remuneration paid to KMP of the Shire during the year are as follows:

	2020 Actual	2019 Actual
	\$	\$
Short-term employee benefits	1,116,331	934,768
Post-employment benefits	155,656	113,227
Other long-term benefits	25,360	23,231
Termination benefits	0	63,432
	<u>1,297,347</u>	<u>1,134,658</u>

Short-term employee benefits

These amounts include all salary, fringe benefits and cash bonuses awarded to KMP except for details in respect to fees and benefits paid to elected members which may be found above.

Post-employment benefits

These amounts are the current-year's estimated cost of providing for the Shire's superannuation contributions made during the year.

Other long-term benefits

These amounts represent long service benefits accruing during the year.

Termination benefits

These amounts represent termination benefits paid to KMP (Note: may or may not be applicable in any given year).

24. RELATED PARTY TRANSACTIONS (Continued)

Transactions with related parties

Transactions between related parties and the Shire are on normal commercial terms and conditions, no more favourable than those available to other parties, unless otherwise stated.

No outstanding balances or provisions for doubtful debts or guaranties exist in relation to related parties at year end.

The following transactions occurred with related parties:	2020 Actual	2019 Actual
	\$	\$
Purchase of goods and services	8,418	13,432

Related Parties

The Shire's main related parties are as follows:

i. Key management personnel

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any elected member, are considered key management personnel.

ii. Other Related Parties

The associate person of KMP was employed by the Shire under normal employment terms and conditions.

SHIRE OF EAST PILBARA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

25. RATING INFORMATION

(a) Rates

RATE TYPE	Rate in \$	Number of Properties	2019/20 Actual Rateable Value \$	2019/20 Actual Rate Revenue \$	2019/20 Actual Interim Rates \$	2019/20 Actual Back Rates \$	2019/20 Actual Total Revenue \$	2019/20 Budget Rate Revenue \$	2019/20 Budget Interim Rate \$	2019/20 Budget Back Rate \$	2019/20 Budget Total Revenue \$	2018/19 Actual Total Revenue \$
Differential general rate / general rate												
Gross rental valuations												
General Rate	0.07366	2,034	75,679,276	5,570,676	811	0	5,571,487	5,567,053	0	0	5,567,053	4,600,810
Unimproved valuations												
UV - Pastrol/ Special Leasese	0.08590	48	5,192,931	407,418	0	0	407,418	446,073	0	0	446,073	328,066
UV - Other/ Mining	0.17180	1,102	40,926,959	7,023,308	177,023	19,031	7,219,362	7,031,252	395,000	0	7,426,252	6,674,291
Sub-Total		3,184	121,799,166	13,001,402	177,834	19,031	13,198,267	13,044,378	395,000	0	13,439,378	11,603,167
Minimum payment												
Minimum \$												
Gross rental valuations												
General Rate	663	688	2,199,824	457,470	0	0	457,470	456,144	0	0	456,144	450,173
Unimproved valuations												
UV - Pastrol/ Special Leasese	230	22	9,687	4,830	0	0	4,830	5,060	0	0	5,060	5,290
UV - Other/ Mining	430	797	869,468	350,450	0	0	350,450	342,710	0	0	342,710	128,800
Sub-Total		1,507	3,078,979	812,750	0	0	812,750	803,914	0	0	803,914	584,263
Total amount raised from general rate		4,691	124,878,145	13,814,152	177,834	19,031	14,011,017	13,848,292	395,000	0	14,243,292	12,187,430
Concessions (Note 25(b))							14,011,017				14,243,292	12,187,430
Totals							(614,802)				(623,692)	0
							13,396,215				13,619,600	12,187,430

SIGNIFICANT ACCOUNTING POLICIES

Rates

Control over assets acquired from rates is obtained at the commencement of the rating period.

Prepaid rates are, until the taxable event has occurred (start of the next financial year), refundable at the request of the ratepayer. Rates received in advance are initially recognised as a financial liability. When the taxable event occurs, the financial liability is extinguished and the Shire recognises revenue for the prepaid rates that have not been refunded.

SHIRE OF EAST PILBARA
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
 FOR THE YEAR ENDED 30 JUNE 2020

25. RATING INFORMATION (Continued)

Waivers or Concessions

Rate or Fee and Charge to which the Waiver or Concession is Granted	Type	Discount %	Discount \$	2020 Actual \$	2020 Budget \$	2019 Actual \$
GRV - Industrial	Concession	52.00%		493,078	493,078	0
GRV - Mixed Business	Concession	28.00%		28,065	28,065	0
UV - Pastrol/ Special	Concession	23.00%		93,659	102,549	0
				614,802	623,692	0
Total discounts/concessions (Note 25(a))				614,802	623,692	0

Rate or Fee and Charge to which the Waiver or Concession is Granted	Circumstances in which the Waiver or Concession is Granted and to whom it was available	Objects of the Waiver or Concession	Reasons for the Waiver or Concession
GRV - Industrial	All assessments within categories with the exception of minimums	To implement consistency to general rate staged increases	To implement consistency to general rate staged increases
GRV - Mixed Business			
UV - Pastrol/ Special			

25. RATING INFORMATION (Continued)

(c) Interest Charges & Instalments

Instalment Options	Date Due	Instalment Plan Admin Charge \$	Instalment Plan Interest Rate %	Unpaid Rates Interest Rate %
Option One Single full payment	5-Sep-19	0.00	0.00%	8.00%
Option Two First instalment	5-Sep-19	6.00	4.00%	8.00%
Second instalment	7-Nov-19	6.00	4.00%	8.00%
Third instalment	9-Jan-20	6.00	4.00%	8.00%
Fourth instalment	12-Mar-20	6.00	4.00%	8.00%

	2020 Actual \$	2020 Budget \$	2019 Actual \$
Interest on unpaid rates	146,278	75,000	123,417
Interest on instalment plan	15,931	18,000	17,349
Charges on instalment plan	11,109	11,100	12,628
	173,318	104,100	153,394

SHIRE OF EAST PILBARA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

26. RATE SETTING STATEMENT INFORMATION

Note	2019/20 (30 June 2020 Carried Forward) \$	2019/20 Budget (30 June 2020 Carried Forward) \$	2019/20 (1 July 2019 Brought Forward) \$	2018/19 (30 June 2019 Carried Forward) \$	
(a) Non-cash amounts excluded from operating activities					
The following non-cash revenue or expenditure has been excluded from amounts attributable to operating activities within the Rate Setting Statement in accordance with <i>Financial Management Regulation 32</i> .					
Adjustments to operating activities					
Less: Profit on asset disposals	11(a)	(100,687)	(128,600)	(35,334)	(35,334)
Less: Recognition of Unit in Local Government House Trust	5	0	0	(87,586)	(87,586)
Less: Fair value adjustments to financial assets at fair value through profit and loss	5	(1,441)	0	0	0
Movement in pensioner deferred rates (non-current)		(1,437)	0	686	686
Movement in employee benefit provisions (non-current)		(14,729)	0	(8,153)	(8,153)
Movement in other provisions (non-current)		512,234	0	0	0
Add: Loss on disposal of assets	11(a)	430,762	31,100	778,870	778,870
Add: Depreciation on non-current assets	11(c)	17,570,690	16,549,200	17,611,068	17,611,068
Non cash amounts excluded from operating activities		18,395,392	16,451,700	18,259,551	18,259,551
(b) Surplus/(deficit) after imposition of general rates					
The following current assets and liabilities have been excluded from the net current assets used in the Rate Setting Statement in accordance with <i>Financial Management Regulation 32</i> to agree to the surplus/(deficit) after imposition of general rates.					
Adjustments to net current assets					
Less: Reserves - cash/financial asset backed	4	(51,330,020)	(44,619,000)	(44,034,534)	(44,034,534)
Less: Current portion of right of use assets		(28,464)	0	0	0
- Current portion of borrowings	17(a)	937,917	1,149,900	1,003,337	1,003,337
- Current portion of lease liabilities	15(a)	27,489	0	0	0
- Employee benefit provisions		0	(164,379)	0	0
Total adjustments to net current assets		(50,393,078)	(43,633,479)	(43,031,197)	(43,031,197)
Net current assets used in the Rate Setting Statement					
Total current assets		63,079,623	45,277,775	52,798,349	52,798,349
Less: Total current liabilities		(9,189,396)	(1,572,600)	(5,746,557)	(5,518,162)
Less: Total adjustments to net current assets		(50,393,078)	(43,633,479)	(43,031,197)	(43,031,197)
Net current assets used in the Rate Setting Statement		3,497,149	71,696	4,020,595	4,248,990
(c) Adjustments to current assets and liabilities at 1 July 2019 on application of new accounting standards					
Total current assets at 30 June 2019					
- Contract assets	28(a)			52,798,349	0
Total current assets at 1 July 2019				52,798,349	
Total current liabilities at 30 June 2019					
- Contract liabilities from contracts with customers	28(a)			(5,518,162)	(228,395)
Total current liabilities at 1 July 2019				(5,746,557)	

SHIRE OF EAST PILBARA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

27. FINANCIAL RISK MANAGEMENT

This note explains the Shire's exposure to financial risks and how these risks could affect the Shire's future financial performance.

Risk	Exposure arising from	Measurement	Management
Market risk - interest rate	Long term borrowings at variable rates	Sensitivity analysis	Utilise fixed interest rate borrowings
Credit risk	Cash and cash equivalents, trade receivables, financial assets and	Aging analysis Credit analysis	Diversification of bank deposits, credit limits. Investment policy
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities

The Shire does not engage in transactions expressed in foreign currencies and is therefore not subject to foreign currency risk.

Financial risk management is carried out by the finance area under policies approved by the Council. The finance area identifies, evaluates and manages financial risks in close co-operation with the operating divisions. Council have approved the overall risk management policy and provide policies on specific areas such as investment policy.

(a) Interest rate risk

Cash and cash equivalents

The Shire's main interest rate risk arises from cash and cash equivalents with variable interest rates, which exposes the Shire to cash flow interest rate risk. Short term overdraft facilities also have variable interest rates however these are repaid within 12 months, reducing the risk level to minimal.

Excess cash and cash equivalents are invested in fixed interest rate term deposits which do not expose the Shire to cash flow interest rate risk. Cash and cash equivalents required for working capital are held in variable interest rate accounts and non-interest bearing accounts. Carrying amounts of cash and cash equivalents at the 30 June and the weighted average interest rate across all cash and cash equivalents and term deposits held disclosed as financial assets at amortised cost are reflected in the table below.

	Weighted Average Interest Rate %	Carrying Amounts \$	Fixed Interest Rate \$	Variable Interest Rate \$	Non Interest Bearing \$
2020					
Cash and cash equivalents	0.40%	48,219,955	41,246,858	6,973,097	0
Financial assets at amortised cost - term deposits	0.65%	11,461,978	11,461,978	0	0
2019					
Cash and cash equivalents	1.63%	27,596,044	22,812,441	4,783,603	0
Financial assets at amortised cost - term deposits	2.32%	20,943,296	20,943,296	0	0

Sensitivity

Profit or loss is sensitive to higher/lower interest income from cash and cash equivalents as a result of changes in interest rates.

	2020	2019
	\$	\$
Impact of a 1% movement in interest rates on profit and loss and equity*	482,200	456,000

* Holding all other variables constant

Borrowings

Borrowings are subject to interest rate risk - the risk that movements in interest rates could adversely affect funding costs. The Shire manages this risk by borrowing long term and fixing the interest rate to the situation considered the most advantageous at the time of negotiation. The Shire does not consider there to be any interest rate risk in relation to borrowings. Details of interest rates applicable to each borrowing may be found at Note 17(b).

SHIRE OF EAST PILBARA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

27. FINANCIAL RISK MANAGEMENT (Continued)

(b) Credit risk

Trade and Other Receivables

The Shire's major receivables comprise rates annual charges and user fees and charges. The major risk associated with these receivables is credit risk – the risk that the debts may not be repaid. The Shire manages this risk by monitoring outstanding debt and employing debt recovery policies. It also encourages ratepayers to pay rates by the due date through incentives.

Credit risk on rates and annual charges is minimised by the ability of the Shire to recover these debts as a secured charge over the land, that is, the land can be sold to recover the debt. Whilst the Shire was historically able to charge interest on overdue rates and annual charges at higher than market rates, which further encourage payment, the effect of COVID-19 needs to be considered. Financial assistance provided to ratepayers is expected to adversely affect the Shire's cash flow.

The level of outstanding receivables is reported to Council monthly and benchmarks are set and monitored for acceptable collection performance.

The Shire applies AASB 9 simplified approach to measuring expected credit losses using a lifetime expected loss allowance for all trade receivables. To measure the expected credit losses, rates receivables are separated from other trade receivables due to the difference in payment terms and security for rates receivable.

The expected loss rates are based on the payment profiles of rates and fees and charges over a period of 36 months before 1 July 2019 or 1 July 2020 respectively and the corresponding historical losses experienced within this period. Historical credit loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors such as the ability of ratepayers and residents to settle the receivables. Housing prices and unemployment rates have been identified as the most relevant factor in repayment rates, and accordingly adjustments are made to the expected credit loss rate based on these factors. Re-negotiation of repayment terms is expected due to the COVID-19 pandemic.

The loss allowance as at 30 June 2020 for rates receivable was determined as follows and takes into account the waiver of penalty interest due to the impact of COVID 19.

	Current	More than 1 year past due	More than 2 years past due	More than 3 years past due	Unrecoverable	Total
30 June 2020						
Rates receivable						
Expected credit loss	0.00%	1.50%	2.50%	5.00%	100.00%	
Gross carrying amount	22,207	564,393	103,065	86,088	1,015,582	1,791,335
Loss allowance	0	8,466	2,577	4,304	1,015,582	1,030,929
30 June 2019						
Rates receivable						
Expected credit loss	0.00%	0.20%	0.58%	5.05%	100.00%	
Gross carrying amount	29,735	259,647	69,944	53,319	913,221	1,325,866
Loss allowance	0	520	406	2,693	913,221	916,840

The loss allowance as at 30 June 2020 and 30 June 2019 was determined as follows for trade receivables.

	Current	More than 30 days past due	More than 60 days past due	More than 90 days past due	Higher Risk	Total
30 June 2020						
Trade and other receivables						
Expected credit loss	0.00%	0.60%	2.00%	4.00%	52.00%	
Gross carrying amount	1,034,665	416,302	126,695	27,050	568,213	2,172,925
Loss allowance	0	2,484	2,534	1,082	295,471	301,571
30 June 2019						
Trade and other receivables						
Expected credit loss	0.00%	0.00%	0.00%	0.00%	0.00%	
Gross carrying amount	1,602,526	1,380,404	362,948	47,359	0	3,393,237
Loss allowance	0	0	0	0	0	0

27. FINANCIAL RISK MANAGEMENT (Continued)

(c) Liquidity risk

Payables and borrowings

Payables and borrowings are both subject to liquidity risk – that is the risk that insufficient funds may be on hand to meet payment obligations as and when they fall due. The Shire manages this risk by monitoring its cash flow requirements and liquidity levels and maintaining an adequate cash buffer. Payment terms can be extended and overdraft facilities drawn upon if required and disclosed in Note 17(d).

The contractual undiscounted cash flows of the Shire's payables and borrowings are set out in the liquidity table below. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

	Due within 1 year	Due between 1 & 5 years	Due after 5 years	Total contractual cash flows	Carrying values
	\$	\$	\$	\$	\$
2020					
Payables	5,720,504	0	0	5,720,504	5,720,504
Borrowings	1,114,403	2,068,886	1,278,559	4,461,848	3,797,162
Contract liabilities	1,176,451	0	0	1,176,451	1,176,451
Lease liabilities	28,900	0	0	28,900	27,489
	<u>8,040,258</u>	<u>2,068,886</u>	<u>1,278,559</u>	<u>11,387,703</u>	<u>10,721,606</u>
2019					
Payables	3,333,189	0	0	3,333,189	3,333,189
Borrowings	1,114,403	3,183,289	1,278,559	5,576,251	4,800,498
	<u>4,447,592</u>	<u>3,183,289</u>	<u>1,278,559</u>	<u>8,909,440</u>	<u>8,133,687</u>

SHIRE OF EAST PILBARA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

28. INITIAL APPLICATION OF AUSTRALIAN ACCOUNTING STANDARDS

During the current year, the Shire adopted all of the new and revised Australian Accounting Standards and Interpretations which were compiled, became mandatory and which were applicable to its operations.

(a) AASB 15: Revenue from Contracts with Customers

The Shire adopted AASB 15 Revenue from Contracts with Customers (issued December 2014) on 1 July 2019 resulting in changes in accounting policies. In accordance with the transition provisions AASB 15, the Shire adopted the new rules retrospectively with the cumulative effect of initially applying these rules recognised on 1 July 2019. In summary the following adjustments were made to the amounts recognised in the balance sheet at the date of initial application (1 July 2019):

	Note	AASB 118 carrying amount 30 June 2019 \$	Reclassification \$	AASB 15 carrying amount 01 July 2019 \$
Contract liabilities - current				
Contract liabilities from contracts with customers	15	0	(228,395)	(228,395)
Adjustment to retained surplus from adoption of AASB 15	30(b)		(228,395)	

(b) AASB 1058: Income For Not-For-Profit Entities

The Shire adopted AASB 1058 Income for Not-for-Profit Entities (issued December 2016) on 1 July 2019 which will result in changes in accounting policies. In accordance with the transition provisions AASB 1058, the Shire adopted the new rules retrospectively with the cumulative effect of initially applying AASB 1058 recognised at 1 July 2019. Comparative information for prior reporting periods was not restated in accordance with AASB 1058 transition requirements.

Prepaid rates are, until the taxable event for the rates has occurred, refundable at the request of the ratepayer. Therefore the rates received in advance gave rise to a financial liability that is within the scope of AASB 9.

In accordance with the Shire's current accounting policies, prepaid rates were recognised as a liability as at 30 June 2020. Therefore, the initial application of AASB 1058 Income for Not-for-Profit Entities on 1 July 2019 did not have an impact on the recognition and classification of prepaid rates.

Assets that were acquired for consideration, that were significantly less than fair value principally to enable the Shire to further its objectives, may have been measured on initial recognition under other Australian Accounting Standards at a cost that was significantly less than fair value. Such assets are not required to be remeasured at fair value.

SHIRE OF EAST PILBARA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020
28. INITIAL APPLICATION OF AUSTRALIAN ACCOUNTING STANDARDS (Continued)

The table below provides details of the amount by which each financial statement line item is affected in the current reporting period by the application of this Standard as compared to AASB 118 and 1004 and related Interpretations that were in effect before the change.

		2020 \$		2020 \$
	Note	As reported under AASB 15 and AASB 1058	Adjustment due to application of AASB 15 and AASB 1058	Compared to AASB 118 and AASB 1004
Statement of Comprehensive Income				
Revenue				
Rates	25(a)	13,396,215	0	13,396,215
Operating grants, subsidies and contributions	2(a)	5,650,891	1,176,451	6,827,342
Fees and charges	2(a)	20,946,714	0	20,946,714
Non-operating grants, subsidies and contributions	2(a)	5,235,309	0	5,235,309
Net result		(1,030,586)	1,176,451	145,865
Statement of Financial Position				
Contract assets	2(a)	0	0	0
Trade and other payables	14	5,720,739	0	5,720,739
Contract liabilities	15	1,176,451	(1,176,451)	0
Net assets		339,724,822	1,176,451	340,901,273
Statement of Changes in Equity				
Net result		(1,030,586)	1,176,451	145,865
Retained surplus		156,894,315	1,176,451	158,070,766

Refer to Note 2(a) for new revenue recognition accounting policies as a result of the application of AASB 15 and AASB 1058.

(c) AASB 16: Leases

The Shire adopted AASB 16 retrospectively from 1 July 2019 which resulted in changes in accounting policies. In accordance with the transition provisions of AASB 16, the Shire has applied this Standard to its leases retrospectively, with the cumulative effect of initially applying AASB16 recognised on 1 July 2019. In applying AASB 16, under the specific transition provisions chosen, the Shire will not restate comparatives for prior reporting periods.

	Note	2020 \$
Operating lease commitments at 30 June 2019 applying AAS 117		70,649
Impact of lease renewal		27,641
Discount applied using incremental borrowing rate		(1,922)
Lease liability recognised as 1 July 2019 discounted using the Shire's incremental borrowing rate of 2.2%	16(b)	96,368
Lease liability - current		68,879
Lease liability - non-current		27,489
Right-of-use assets recognised at 1 July 2019		96,368

On adoption of AASB 16, the Shire recognised a right-of-use asset in relation to leases which had previously been classified as an 'operating lease' applying AASB 117. The right-of-use asset is deemed to be equal to the lease liability adjusted by the amount of any prepaid or accrued lease payments.

Property, plant and equipment and lease liabilities increased by \$96,368 on 1 July 2020 resulting in no impact on retained surplus.

On adoption of AASB 16 Leases, (issued February 2016), for leases which had previously been classified as an 'operating lease' when applying AASB 117, the Shire is not required to make any adjustments on transition for which the underlying asset is of low value. Assets for which the fair value as at the date of acquisition is under \$5,000 are not recognised as an asset in accordance with Financial Management Regulation 17A (5).

In applying AASB 16 for the first time, the Shire will use the following practical expedient permitted by the standard.

- The exclusion of initial direct costs from the measurement of the right-of-use asset at the date of initial application.

29 CORRECTION OF ERROR

Unrecognised provision for landfill closure and rehabilitation.

During the year a provision for the closure and rehabilitation of the waste cells at the Newman, Marble Bar and Nullagine landfill sites was recognised. As recognition of this should have been made at the inception of the landfill facilities the provision is being recognised as a prior year error.

This error has been corrected by restating each of the affect financial statement line items for the prior period as follows:

	30 June 2018 Original Balance	Increase/ (Decrease)	1 July 2018 Restated
	\$	\$	\$
2018 Statement of Financial Position			
Non Current Assets			
Infrastructure	224,903,554	13,258,490	238,162,044
Non Current Liabilities			
Other Provisions	0	(18,284,312)	(18,284,312)
Equity			
Retained Surplus	179,777,718	(5,025,822)	174,751,896
30 June 2019			
	Original Balance	Increase/ (Decrease)	30 June 2019 Restated
	\$	\$	\$
2019 Statement of Financial Position			
Non Current Assets			
Infrastructure	220,935,150	12,212,233	233,147,383
Non Current Liabilities			
Other Provisions	0	(18,795,147)	(18,795,147)
Equity			
Retained Surplus	172,031,696	(6,582,914)	165,448,782
30 June 2019			
	Original Balance	Increase/ (Decrease)	30 June 2019 Restated
	\$	\$	\$
Statement of Comprehensive Income			
By Nature or Type			
Depreciation on non-current assets	(16,564,811)	(1,046,257)	(17,611,068)
Other Expenditure	(1,356,981)	(510,835)	(1,867,816)
By Program			
Community amenities	(4,157,554)	(1,557,092)	(5,714,646)
30 June 2019			
	Original Balance	Increase/ (Decrease)	30 June 2019 Restated
	\$	\$	\$
Rate Setting Statement			
Net current assets at start of financial year - surplus/(deficit)	6,325,902	510,835	6,836,737
Expenditure from operating activities - community amenities	(4,574,275)	(1,557,092)	(6,131,367)
Non-cash amounts excluded from operating activities	17,213,294	1,046,257	18,259,551

29 CORRECTION OF ERROR (CONTINUED)

	30 June 2019 Original Balance	Increase/ (Decrease)	30 June 2019 Restated
	\$	\$	\$
Note 10 - Infrastructure			
Parks & Gardens and Infrastructure Other			
Balance as at 1 July 2018	19,921,500	13,258,490	33,179,990
Depreciation expense	(1,724,916)	(1,046,257)	(2,771,173)
Carrying amount at 30 June 2019	20,012,960	12,212,233	32,225,193
Comprises			
Gross carrying amount as at 30 June 2019	21,735,058	16,637,317	38,372,375
Accumulated depreciation at 30 June 2019	(1,722,098)	(4,425,084)	(6,147,182)

	30 June 2019 Original Balance	Increase/ (Decrease)	30 June 2019 Restated
	\$	\$	\$
Note 11 - Fixed Asset Depreciation			
Infrastructure- Parks & Gardens and Infrastructure Other	1,724,916	1,046,257	2,771,173

	30 June 2019 Original Balance	Increase/ (Decrease)	30 June 2019 Restated
	\$	\$	\$
Note 20 - Notes to Statement of Cash Flows			
Net Result	139,836	(1,557,092)	(1,417,256)
Depreciation	16,564,811	(1,046,257)	17,611,068
Increase/(decrease) in provisions	(5,758)	510,835	505,077

	30 June 2019 Original Balance	Increase/ (Decrease)	30 June 2019 Restated
	\$	\$	\$
Note 21 - Total Assets Classified by Function & Activity			
Community amenities	8,295,652	(12,212,233)	20,507,885

	30 June 2019 Original Balance	Increase/ (Decrease)	30 June 2019 Restated
	\$	\$	\$
Note 26 - Rate Setting Statement Information			
Non-cash amounts excluded from operating activities			
Adjustments to operating activities			
Add: Depreciation on non-current assets	16,564,811	(1,046,257)	17,611,068

	30 June 2019 Original Balance	Increase/ (Decrease)	30 June 2019 Restated
Note 34 - Financial Ratios			
2018 Financial Statements			
Asset Consumption Ratio	0.70	0.00	0.70
Asset Sustainability Ratio	0.47	(0.03)	0.44
Debt Service Cover Ratio	9.02	(0.45)	8.57
Operating Surplus Ratio	(0.20)	(0.04)	(0.24)
Own Source Revenue Coverage Ratio	0.73	(0.02)	0.71

	30 June 2019 Original Balance	Increase/ (Decrease)	30 June 2019 Restated
2019 Financial Statements			
Asset Consumption Ratio	0.67	0.00	0.67
Asset Sustainability Ratio	0.56	(0.03)	0.53
Debt Service Cover Ratio	9.51	(0.41)	9.10
Operating Surplus Ratio	(0.14)	(0.04)	(0.18)
Own Source Revenue Coverage Ratio	0.78	(0.03)	0.75

30 CHANGE IN ACCOUNTING POLICIES

(a) Change in Accounting Policies due to regulation changes

Effective 6 November 2020, Local Government (Financial Management) Regulation 16 was deleted and Local Government (Financial Management) Regulation 17A was amended with retrospective application. The changes were effective for financial years ending on or after 30 June 2020 so are required to be applied retrospectively with cumulative effect applied initially on 1 July 2019.

In accordance with the changes, the Shire was required to remove the values attributable to certain crown land assets previously required to be recognised, as well as the associated revaluation surplus at 1 July 2019. These assets have been measured as concessionary lease right-of-use assets at zero cost in accordance with AASB 16. For further details relating to these changes, refer to Note 11.

In summary the following adjustments were made to the amounts recognised in the statement of financial position at the date of initial application (1 July 2019):

	Note	Carrying amount 30 June 2019 \$	Reclassification \$	Carrying amount 01 July 2019 \$
Property, plant and equipment	9	84,362,968	(1,150,000)	83,212,968
Revaluation surplus	13	132,650,487	(1,150,000)	131,500,487

Also, following changes to Local Government (Financial Management) Regulation 17A, plant and equipment type assets (being plant and equipment and furniture and equipment) are to be measured under the cost model, rather than at fair value. This change is effective from 1 July 2019 and represents a change in accounting policy. Revaluations carried out previously or during the year were not reversed as it was deemed fair value approximates cost at the date of the change.

(b) Changes in equity due to change in accounting policies

The impact on the Shire's opening retained surplus due to the adoption of AASB 15 and AASB 1058 as at 1 July 2019 was as follows:

	Note	Adjustments	2019 \$
Retained surplus - 30 June 2019			(165,448,782)
Adjustment to retained surplus from adoption of AASB 15	28(a)	(228,395)	
Adjustment to retained surplus from adoption of AASB 1058	28(b)	0	(228,395)
Retained surplus - 1 July 2019			(165,220,387)

The impact on the Shire's opening revaluation surplus resulting from Local Government (Financial Management) Regulation 16 being deleted and the amendments to Local Government (Financial Management) Regulation 17A as at 1 July 2019 was as follows:

	Note	Adjustments	2019 \$
Revaluation surplus - 30 June 2019			132,650,487
Adjustment to revaluation surplus from deletion of FM Reg 16	30(a)	(1,150,000)	
Adjustment to revaluation surplus from deletion of FM Reg 17	30(a)	0	(1,150,000)
Revaluation surplus - 1 July 2019			131,500,487

SHIRE OF EAST PILBARA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

31 TRUST FUNDS

Funds held at balance date which are required to be held in trust and which are not included in the financial statements are as follows:

	1 July 2019	Amounts Received	Amounts Paid	30 June 2020
	\$	\$	\$	\$
Cash in Lieu of Public Open Space	758,224	0	0	758,224
	<u>758,224</u>	<u>0</u>	<u>0</u>	<u>758,224</u>

SHIRE OF EAST PILBARA

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2020

32. OTHER SIGNIFICANT ACCOUNTING POLICIES

a) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows.

b) Current and non-current classification

The asset or liability is classified as current if it is expected to be settled within the next 12 months, being the Shire's operational cycle. In the case of liabilities where the Shire does not have the unconditional right to defer settlement beyond 12 months, such as vested long service leave, the liability is classified as current even if not expected to be settled within the next 12 months. Inventories held for trading are classified as current or non-current based on the Shire's intentions to release for sale.

c) Rounding off figures

All figures shown in this annual financial report, other than a rate in the dollar, are rounded to the nearest dollar. Amounts are presented in Australian Dollars.

d) Comparative figures

Where required, comparative figures have been adjusted to conform with changes in presentation for the current financial year.

When the Shire applies an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in its financial statements that has a material effect on the statement of financial position, an additional (third) statement of financial position as at the beginning of the preceding period in addition to the minimum comparative financial statements is presented.

e) Budget comparative figures

Unless otherwise stated, the budget comparative figures shown in this annual financial report relate to the original budget estimate for the relevant item of disclosure.

f) Superannuation

The Shire contributes to a number of Superannuation Funds on behalf of employees. All funds to which the Shire contributes are defined contribution plans.

g) Fair value of assets and liabilities

Fair value is the price that the Shire would receive to sell the asset or would have to pay to transfer a liability, in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (i.e. the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (i.e. the market that maximises the receipts from the sale of the asset after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

h) Fair value hierarchy

AASB 13 requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurement into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

Level 1

Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2

Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3

Measurements based on unobservable inputs for the asset or liability.

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

Valuation techniques

The Shire selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the Shire are consistent with one or more of the following valuation approaches:

Market approach

Valuation techniques that use prices and other relevant information generated by market transactions for identical or similar assets or liabilities.

Income approach

Valuation techniques that convert estimated future cash flows or income and expenses into a single discounted present value.

Cost approach

Valuation techniques that reflect the current replacement cost of the service capacity of an asset.

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the Shire gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data is not available and therefore are developed using the best information available about such assumptions are considered unobservable.

i) Impairment of assets

In accordance with Australian Accounting Standards the Shire's cash generating non-specialised assets, other than inventories, are assessed at each reporting date to determine whether there is any indication they may be impaired.

Where such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount.

Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard (e.g. AASB 116) whereby any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

For non-cash generating specialised assets that are measured under the revaluation model, such as roads, drains, public buildings and the like, no annual assessment of impairment is required. Rather AASB 116.31 applies and revaluations need only be made with sufficient regulatory to ensure the carrying value does not differ materially from that which would be determined using fair value at the ends of the reporting period.

SHIRE OF EAST PILBARA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

33. ACTIVITIES/PROGRAMS

Shire operations as disclosed in these financial statements encompass the following service orientated activities/programs.

PROGRAM NAME AND OBJECTIVES	ACTIVITIES
<p>GOVERNANCE To provide a decision making process for the efficient allocation of scarce resources.</p>	Members of council, general governance including administration, finance and other corporate services, computer administration and community liaison.
<p>GENERAL PURPOSE FUNDING To collect revenue to allow for the provision of services.</p>	Rates, general purpose government grants, normalication grants and interest revenue.
<p>LAW, ORDER, PUBLIC SAFETY To provide services to help ensure a safer and environmentally conscious community.</p>	Supervision of Local Laws, fire prevention, emergency services and animal control.
<p>HEALTH To provide an operational framework for environmental and community health.</p>	Maintenance of infant health clinic, health inspection services, food and water quality control and immunisation.
<p>EDUCATION AND WELFARE To provide services to children and youth.</p>	Community services and sponsored support of community and youth.
<p>HOUSING To provide and maintain housing.</p>	Aged persons housing, and maintenance of leased properties.
<p>COMMUNITY AMENITIES To provide services required to the community.</p>	Rubbish collection services, maintenance of cemeteries and public toilets, the mainenance of the Newman Waste Water Treatment Plant and planning services.
<p>RECREATION AND CULTURE To establish and effectively manage infrastructure and resources which will help the social and physical wellbeing of the community.</p>	Maintenance of public halls, Newman and Marble Bar aquatic centres, Newman Recreation Centre, public parks and gardens, libraries and recreation services.
<p>TRANSPORT To provide safe, effective and efficient transport services to the community.</p>	Construction and maintenance of roads, footpaths, drainage works, parking facilities, traffic signs, street lighting, depot operations, street cleaning and operation of the Newman airport and Marble Bar and Nullagine airstrips.
<p>ECONOMIC SERVICES To help promote the Shire and its economic wellbeing.</p>	Tourism support, building servcies and controls, caravan parks and bus services.
<p>OTHER PROPERTY AND SERVICES To monitor and control the Shire's overheads and operating accounts.</p>	Private works carried out by the Shire and allocations to works and service of all salaries and wages, overheads and plant costs incurred. Miscellaneous unclassified areas.

34. FINANCIAL RATIOS

	2020 Actual	2019 Actual	2018 Actual
Current ratio	1.60	2.15	2.01
Asset consumption ratio	0.64	0.67	0.70
Asset renewal funding ratio	NA*	NA*	NA*
Asset sustainability ratio	0.45	0.53	0.44
Debt service cover ratio	9.16	9.10	8.57
Operating surplus ratio	(0.17)	(0.18)	(0.24)
Own source revenue coverage ratio	0.75	0.75	0.71

* Some of the Shire's Asset Management Plans do not contain the necessary information regarding the required capital expenditure for the next 10 years. Therefore, this ratio can't be calculated.

The above ratios are calculated as follows:

Current ratio	$\frac{\text{current assets minus restricted assets}}{\text{current liabilities minus liabilities associated with restricted assets}}$
Asset consumption ratio	$\frac{\text{depreciated replacement costs of depreciable assets}}{\text{current replacement cost of depreciable assets}}$
Asset renewal funding ratio	$\frac{\text{NPV of planned capital renewal over 10 years}}{\text{NPV of required capital expenditure over 10 years}}$
Asset sustainability ratio	$\frac{\text{capital renewal and replacement expenditure}}{\text{depreciation}}$
Debt service cover ratio	$\frac{\text{annual operating surplus before interest and depreciation}}{\text{principal and interest}}$
Operating surplus ratio	$\frac{\text{operating revenue minus operating expenses}}{\text{own source operating revenue}}$
Own source revenue coverage ratio	$\frac{\text{own source operating revenue}}{\text{operating expense}}$

Annual Report

2019 - 2020

PMB 22 Newman,
Western Australia 6753
T: (08) 9175 8000

