



ANNUAL REPORT 2022-2023





Pictured: Artwork by Jade Dolman, a Whadjuk/Ballardong Nyoongar, Eastern Arrernte, Irish woman from Perth.

Acknowledgement of Traditional Owners

WALGA acknowledges the continuing connection of Aboriginal people to Country, culture and community. We embrace the vast Aboriginal cultural diversity throughout Western Australia, including Boorloo (Perth), on the land of the Whadjuk Noongar People, where WALGA is located and we acknowledge and pay respect to Elders past and present.

WALGA is committed to supporting the efforts of WA Local Governments to foster respectful partnerships and strengthen relationships with local Aboriginal communities.

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CEO'S REPORT

The past 12 months have been transformative, both for the Western Australian Local Government Association (WALGA) and the Members we represent.

This year's agenda has been dominated by implementation of the State Government's Local Government reform package, the first tranche of which passed through Parliament in May, and which will largely be given effect through the 2023 Local Government elections.

While acknowledging some concerns remain, advocacy from WALGA and our Members has secured a balanced approach to reforming the Local Government Act with work now underway on development of tranche two of the reforms.

Outside of the reforms this year's State Budget submission was one of our most successful ever, both in terms of the way it was developed and the outcomes it delivered.

Our submission led directly to funding commitments in the State Budget to help Local Governments grow their urban canopies, a \$15 million boost for community sport and recreation facilities, and assistance for mid-tier transport planning, as well as major regional health and housing commitments which have long been advocated by WALGA and its Members.

This was made possible by the priorities agreed by our Members, the hard work of the WALGA team to turn these priorities into formal submissions, and the strong relationships between our sector and the State Government, ensuring Local Government was well and truly in the picture as the State Budget was drawn up.

We approached this year's budget process with a soundly researched evidence base and sophisticated economic analysis that we are confident will continue to serve us well into the future. This approach was aided by the adoption of a Priority Policy Framework by WALGA's State Council that sets out clear objectives for the Local Government sector.

The framework was developed following consultation with the sector and hard work by our team at WALGA to refine it into an effective instrument to guide our policy and advocacy focus. I look forward to reviewing the priorities as we work towards Federal and State elections in 2025.

A substantial change you may have noticed within WALGA is the wide-ranging expansion of our Member Services portfolio, including a more diverse range of training offerings.

This development, and integration of all Member Services into one consolidated portfolio, has been guided by the steady and experienced hand of Tony Brown.

Consequently, there is a much-improved level of collaboration and information-sharing across our Member Services portfolio, meaning more comprehensive, timely and tailored support for our Members.

I'd also like to acknowledge the efforts this year of the wider WALGA Executive Team. Ian Duncan, Nicole Matthews and Narelle Cant provide outstanding leadership across the organisation and have played a critical role in our ongoing transformation.

Finally, I'd like to acknowledge the initiative and courage of Karen Chappel in her role as WALGA President during a challenging but ultimately rewarding year. Supported by WALGA Deputy President Paul Kelly the advocacy at a State and Commonwealth level by our office bearers has been significant and worthy of recognition.

Nick Sloan
Chief Executive Officer

PRESIDENT'S REPORT



I would like to acknowledge and commend everyone who is committed to Local Government, from Elected Members to the teams in individual Councils. We have all responded to the increasing expectations of our communities and the changing societal, economic and environmental circumstances in which we operate.

Local Government is about people – those who work in it and those who we work for. In an environment of almost continual change, some of it foreseen, some of it unexpected, the people working in the sector and their commitment to supporting and serving our communities remains a constant.

That support comes in many guises in a State as diverse as Western Australia with 139 Local Governments. From responding to and recovering from natural disasters, as we have seen this year with the floods in the Kimberley, to dealing with project cost blowouts, to keeping a lid on rate rises to ease cost of living pressures, to navigating legislative, policy and political reform.

WALGA's role in representing, supporting and advocating on behalf of Local Governments across a diverse sector with such a breadth of responsibility and activity, is important and often challenging.

In my second year as WALGA President, I continue to be impressed by the professionalism, innovation, commitment and drive shown by WALGA staff. They are a dedicated group of people with outstanding expertise across many areas, led capably by CEO Nick Sloan.

Our Members are strongly supported and guided by robust evidence-based policy positions that are State Council-endorsed. WALGA has had a number of advocacy 'wins' for the sector, including securing ongoing funding for roads and Roadwise Councils, reducing street lighting tariffs, in planning reforms, tender exemptions for GPs, additional funding for urban forests and the Community Sport and Recreation Facilities Fund, to name a few.

This year has also seen WALGA expand its training offerings, and deliver procurement, governance and employee relations advice in a dynamic economic and legislative environment. I would like to give a special mention to the WALGA Employee Relations team that has assisted many Councils navigate the significant shifts in industrial relations (IR) in Western Australia with the transition from the Commonwealth to the State IR System.

Like many organisations in our tight labour market, WALGA has experienced some staff turnover this year. The organisation has responded with numerous initiatives and our People and Culture team has ensured we can attract and retain high-quality people, including implementing a working-from-home policy, leadership programs and professional development opportunities.

This Annual Report is a 'highlights reel' of WALGA's activities and outcomes and as such can only serve to provide a snapshot of all that the WALGA team does. As WALGA President, I am extremely proud of their work for and on behalf of Members and thank them for their efforts.

In a Local Government election year, I would also like to thank and acknowledge the outgoing Mayors, Presidents and Councillors who have served their communities. It is no small thing to put your hand up to represent your community on Council.

I hope our departing colleagues get to reflect with warmth and positivity on their collective achievements.

A handwritten signature in black ink, appearing to read 'Karen Chappel'.

Cr Karen Chappel JP
President

KEY OUTCOMES 2022-2023



ADVOCATING AND FACILITATING SECTOR SOLUTIONS AND POLICY



Government Relations

- **55 MEETINGS** with State and Federal Ministers and Members of Parliament



Policy and Advocacy Highlights

- Funding commitments in the State Budget for 10 initiatives identified in WALGA's Budget Submission, including an Urban Forest grant program and increased funding for the Community Sport and Recreation Facilities Fund
- Western Power's proposed 44% hike in streetlighting network tariffs **REJECTED**
- Provisions for a new five-year State Road Funds to Local Government **AGREEMENT**
- **TENDER EXEMPTION** for Local Governments for General Practitioner (**GP**) services
- WALGA **INSTRUMENTAL** in shaping *Local Government Amendment Bill 2023*
- **STRONG SECTOR REPRESENTATION** on *Aboriginal Cultural Heritage Act* implementation
- **ROAD CONDITIONS SURVEY** of Wheatbelt North and Wheatbelt South regions to support advocacy for road funding
- **ADOPTION** of 7-star thermal performance standard in the National Construction Code
- WALGA **ISSUES ADDRESSED** in independent review of biosecurity legislation



Advocacy Positions

- **16** new advocacy positions endorsed by State Council
- **17** existing advocacy positions updated



Submissions to State and Federal Government

- **25 SUBMISSIONS** to State and Federal Government inquiries and reviews



Media and Publications

- **1,616 MEDIA REPORTS**, with more than 1,300 positive or neutral
- WALGA media mentions up 11% from previous year
- **15** regular digital and traditional publications
- WALGA social media following **UP 20%**



Marketing

- Rates campaign with website visits **UP 24%** and almost **120,000 PEOPLE** entering the “Win Your Rates” competition
- **LOCAL GOVERNMENT ELECTIONS CAMPAIGN** commenced
- **BRAND REFRESH** commenced
- 450 people attended 2022 WALGA convention
- 35% increase in attendance at Aboriginal Engagement and Reconciliation Forum
- Urban Forest Conference supported successful advocacy for increased funding for urban forest



Organisational Capability

- **BEST PRACTICE** Governance Review completed
- Reconciliation Working Group developed new Acknowledgement of Country
- Three to five-year **TECHNOLOGY TRANSFORMATION PLAN** developed
- **WEBSITE REFRESH** commenced
- Implementation of a **NEW RECORDS MANAGEMENT SYSTEM**



MEMBER-CENTRIC QUALITY SERVICES



Preferred Supplier Panel

- **\$395 MILLION** goods, services and works
- **1,105 SUPPLIERS** across **13 PANELS** and 150 categories
- **NEW** Construction and Built Environments Panel



Economic Advice

- **FOUR EDITIONS** of the Local Government Cost Index and Economic Briefing
- **288 NEW SUBSCRIBERS** to the Economic Briefing
- **NEW** Economic Briefing design and video content used on social media, increasing subscribers to the publication



LGIS

- **ALL WALGA MEMBERS** subscribed to LGIS membership in 2022-23
- Protection for **\$19.2 BILLION** worth of assets, around 15,000 motor vehicles, almost 20,000 Local Government workers and more than 17,000 volunteer bushfire fighters



Governance and Procurement Advice

- **2,316** enquiries
- **FIVE** guides/templates produced



Training

- **2,831** participants
- **COMMENCED DELIVERING** the Nationally Recognised Certificate III in Local Government
- 10 graduates from the Local Government Elected Member Program
- **SIX** new Officer Short Courses



Tax Service

- Tax services provided to **113** Members



Sustainable Energy Project

- **48** Local Governments participating
- More than **\$9 MILLION** in cost savings
- **30,000** tonnes of carbon offset



Employee Relations Advice

- **13** Industrial claims in the Fair Work Commission and WA Industrial Relations Commission
- **58** ER Alerts
- **15** State Industrial Relations (IR) Transition Bulletins
- **SUPPORT** for the transition to the State IR system
- **5,043** contacts



Community planting, Town of East Fremantle; bike riding in Dwellingup (photo credit: Sarah Coote)

ADVOCATING AND FACILITATING SECTOR SOLUTIONS AND POLICY

While there is a wide range of issues facing the sector, it is critical that WALGA advocates on those of most importance to Members to avoid diluting our effectiveness in influencing key decision-makers in State and Federal Government and to maximise sector outcomes.

An overarching focus for this financial year has been to ensure that WALGA has relevant, contemporary and fit-for-purpose policy positions to support our advocacy across all priority areas.

This year, the State Council endorsed a register of policy priorities to inform WALGA's advocacy activities. The register will be updated annually.

The State Council also endorsed 16 new advocacy positions, and updated 17 existing positions. These positions have underpinned WALGA's policy development and advocacy during the year.

Agile and Empowered Local Government

Local Government Legislative Reform

The former Minister for Local Government, Hon John Carey MLA, commenced consultation on Local Government reforms in 2021-22.

WALGA Members indicated majority support for most of the proposed reforms, many of which aligned with previously endorsed WALGA policy positions.

In early 2023, the State Government advised that it would be introducing the legislative reform proposals in two tranches. The first tranche passed through Parliament in May 2023 and covered the following areas.

- Local Government elections
 - Number of Elected Members
 - Preferential voting
 - Filling extraordinary vacancy without extraordinary election
- Caretaker period
- Publication of information relating to CEO's performance
- Community Engagement
- Council/CEO Communications agreements
- Fees paid and expenses reimbursed to committee members.

The second tranche is expected to be introduced in late 2023 and will cover the following:

- Office of the Local Government Inspector
- Monitors
- Conduct Panel
- Elected Member Superannuation
- WALGA's role in the Local Government Act.

WALGA successfully advocated for many of the reforms contained in the *Local Government Amendment Bill 2023* and was instrumental in helping shape the first tranche of the legislation. Two significant 'wins' were the retention of seven Elected Members for Local Governments with a population of fewer than 5,000, and automatic election of the unsuccessful candidate with the most votes should an Elected Member resign in the first 12 months.

Financial Reporting

WALGA successfully advocated to the State Government for the production of a model set of financial and budget statements for Local Governments, to ensure consistency in approach, formulation and application of Accounting Standards. In addition, regulations were introduced in June 2023 to require different financial reporting for Bands 1 and 2 Local Governments and lesser requirements for Bands 3 and 4, reflecting WALGA's advocacy position supporting tiered reporting.

State Industrial Relations (IR) Transition Advocacy

In the lead up to and following the transition to the State IR system in January, WALGA has been actively advocating to State and Federal Governments for support for Local Governments. This has included many meetings and engagements with government representatives (at both Ministerial and agency level), proposing amendments to draft legislation, and seeking resources and support from the State Government and the Western Australian Industrial Relations Commission.



Roundabout in Stirling St, Doubleview; "The Mermaid's Muse" sculpture at Busselton Jetty (photo credit: Laura Nicol); the Shire of Coorow's painted windmills

WALGA successfully secured the development of a new State transitional regulation which ensures that for a period of up to two years after the transition, a Local Government with a new State instrument doesn't have to apply the State awards.

WA and Federal IR Tribunal Advocacy

WALGA plays an important role in monitoring proposed amendments to the Federal Local Government Industry Award 2020 on behalf of all Local Government Associations across Australia, to ensure a contemporary Federal award is maintained. In November 2022, WALGA filed submissions regarding amendments to the Federal award shut-down provisions.

In the WA Industrial Relations Commission, WALGA monitors all new award and general order applications and makes submissions where the interests of the Local Government sector require representation and promotion. This has emerged as an important role for WALGA after the State IR transition as Local Governments are now the second largest employer in the State IR system. This year, the ER team has filed written submissions regarding the introduction of a new Special Public Holiday General Order and the 2023 State Wage Case.

Resilient, Capable and Inclusive Communities

Aboriginal Cultural Heritage (ACH) Act

WALGA continued its advocacy on a new *Aboriginal Cultural Heritage Act*, with input via a submission into phase three of the Act development, which was informed by sector feedback and WALGA's ACH reference group.

WALGA also successfully pursued funding for the establishment and ongoing functioning of the new Aboriginal heritage system, with the State Government including additional funding of \$77 million for costs associated with the *Aboriginal Cultural Heritage Act* and to fund Local Aboriginal Cultural Heritage Services.

A focus of WALGA's work has been supporting Local Government in preparation for the commencement of the legislation from 1 July 2023. In May, WALGA and the Department of Planning, Lands and Heritage co-hosted an education workshop for the sector, attended by 80 Local Government participants. WALGA has also established an Aboriginal Cultural Heritage Act network group to share peer to peer advice, learnings and explore opportunities for partnership and collaboration between Local Governments.



Planning at the City of Swan (photo credit: Matt Biocich)

Planning Reform

WALGA continues to engage extensively in the State Government's Planning Reform Agenda, through multiple working groups and lodgement of nine submissions to Government. WALGA takes a positive and proactive approach to advocacy around planning reform, seeking to influence outcomes beneficial to the sector through early and ongoing engagement with Government. WALGA supports direct Local Government involvement in the Planning Reform Agenda through various working and reference groups. This involvement highlights on-the-ground impacts of reform proposals and supports evidence-based sector-wide responses from WALGA.

Reform is ongoing with concurrent legislative, regulatory and policy changes being developed. Of particular significance is reform to the Local Planning Scheme Regulations 2015 which seeks to use the regulations to create greater consistency across local planning frameworks, through standardisation of zones, land-use definitions, zone objectives and car-parking standards. These changes have the potential to reduce contextually appropriate responses at a local level, and WALGA commits considerable resources to participating and responding to these reforms.

WALGA has also sought to inform and guide planning reform through the preparation of papers such as the *Local Development Plan Background Paper* and the *Public Open Space Issues Paper*. The papers were developed with significant involvement of the sector and are used to inform future amendments to advocacy positions and submissions.

GP Tender Exemptions

WALGA was successful in its advocacy to the State Government for the inclusion of a tender exemption for Local Governments for General Practitioner (GP) services. Following engagement with the Minister for Local Government, via

meetings and roundtable discussions with Local Government Presidents and CEOs, the Minister provided the exemption, acknowledging that it would make it easier for Local Governments to vary and extend contracts relating to the provision of medical services. Local Governments will still need to go through a public tender process when first engaging a General Practitioner.

This decision followed media coverage of regional Local Governments having to offer wide-ranging incentives to attract and retain GPs and other health professionals to their communities. The WALGA President did a series of interviews with media outlets on the issue, resulting in State-wide attention on the need for equitable access to healthcare services.

Coastal Hazard Risk Management and Adaptation Planning

Funding through the State Government's CoastWA program for the CoastWA Local Government Facilitator position was extended for an additional three years. The Facilitator, based at WALGA, provides support to Local Governments undertaking coastal hazard risk management and adaptation planning. In 2022-23, the Facilitator visited 18 coastal Local Governments undertaking site visits, meeting with staff to discuss challenges, priorities and forward planning, and identifying potential funding opportunities.



Coastal seawall in the Shire of Gingin

Building Reform

Energy efficiency has been a focus for WALGA over the past year, with advocacy to the State Government supporting changes to the National Construction Code's energy efficiency provisions.

WALGA hosted an energy-efficiency webinar with more than 100 participants and, following industry concerns regarding increasing construction costs, released a 7-Star Homes Cost Investigation.

Western Australia has now adopted a 7-star thermal performance standard for new homes and a whole-of-home energy budget.

A priority has been providing training for Local Government building teams on how to effectively evaluate the compliance of energy assessment reports submitted with building permit applications. WALGA worked with LGIS to release guidance to Local Government building teams and worked with the Department of Mines, Industry Regulation and Safety (DMIRS) to provide training.

The State Government is considering the implementation of mandatory construction inspections in WA and WALGA has been working to support Local Governments in advance of the introduction of this significant reform. A discussion paper to identify the challenges and opportunities for Local Governments has been drafted and a Local Government officers working group established to develop a preferred model for inspections in conjunction with DMIRS.

Concerns around the overall sustainability of the building surveying profession in Western Australia continue and advocacy efforts have highlighted impacts this skills shortage has on Local Governments' ability to meet statutory obligations. The implementation of the State Government's proposed building reforms in response to the Building Confidence Report has also been raised. A request for funding to train building surveyors was identified as a priority initiative in the 2023-24 State Budget Submission.

Planning and Building Performance Monitoring Project

The 2023 Local Government Performance Monitoring Project and accompanying dashboard again demonstrated the high performance of the sector in undertaking its planning and building functions. 36 Local Governments participate in the project, representing approximately 80% of WA's population. Collectively, they provide a strong indication of how the WA Local Government sector is performing in the areas of strategic and statutory planning and building regulation.

Key findings from the 2023 update are:

- 65,544 applications (development applications, subdivision referrals and building permits) determined by Local Governments, a 12% increase on the previous year
- 89% of all applications were determined or responded to within statutory timeframes
- 99% of all development applications were approved
- 98% of all development applications were determined under delegated authority.

The project continues to add value to WALGA's advocacy efforts on planning reform and is used by participating Local Governments to improve internal processes, KPI setting, and to support internal business cases.



The City of Albany's public library



... a vibrant and sustainable 21st century public library network at the heart of the Western Australian community where people can connect, learn and grow"

Public Libraries

WALGA CEO Nick Sloan is a member of the Public Libraries Working Group (PLWG) that facilitates a partnered approach by State and Local Government to implement the WA Public Library Strategy 2022-2026, and achieve the shared vision of *'a vibrant and sustainable 21st century public library network at the heart of the Western Australian community where people can connect, learn and grow'*.

WALGA has also established a Public Library Online Network to connect stakeholders, share advice and learnings, disseminate information and explore opportunities for partnership and collaboration.

Voice to Parliament

WALGA State Council considered the issue of Constitutional Recognition through a Voice to Parliament in March 2023 and resolved that WALGA:

1. Supports respectful conversations about constitutional recognition of Aboriginal and Torres Strait Islanders and the Voice to Parliament.
2. Requests that the Commonwealth Government ensure that Local Governments and communities are kept informed on the proposal.

Childcare Attraction and Retention Grant Program

WALGA partnered with the Department of Communities to deliver the Childcare Attraction and Retention Grant program for regional Local Governments. The grant program has now delivered \$530,000 to 17 regional Local Governments for tailored incentives to attract childcare workers to their town.

Child Safeguarding

WALGA has supported the Local Government sector with policy change resulting from the Royal Commission into Institutional Responses to Child Sexual Abuse recommendations (Royal Commission) and continued to advocate for the building of capacity and capability for Local Government, and for the establishment of an Independent Oversight Body.

Key activities include:

- Working with the Department for Local Government, Sport and Cultural Industries to develop a Child Safe Awareness Policy Template
- Membership of Supporting Communities Forum – Child Safe Organisations Working Group
- Support for the Local Government Child Safety Community of Practice, ongoing engagement in the Child Safe Organisations Campaign, and the Local Government Child Safeguarding pilot.

Climate Action

Urban Forest

WALGA convenes the Urban Forest Working Group, comprising representatives from over 30 metropolitan and regional Local Governments. With the assistance of the Working Group, WALGA has procured legal advice in response to the scenarios and questions raised in the Tree Retention Issues Paper that identified barriers to the retention and enhancement of tree canopy cover in urban areas of Western Australia.

WALGA's urban forest advocacy was instrumental in the announcement of a \$3.75 million tree canopy grant program in the 2023-24 State Budget.

Climate Change Declarations

WALGA is continuing to advocate on behalf of the sector to support Local Governments to take action on climate change. During the year, a further three Local Governments made Climate Change Declarations to reduce emissions and develop adaptation plans, bringing the total to 51 Local Governments, representing 83% of the State's population.

Regional Climate Alliance Pilot Program

The Regional Climate Alliance Pilot Program has entered program evaluation stage and WALGA is working with the State Government to demonstrate the value of the program being expanded and fully funded under the next budget.



Urban tree canopy



Windfarm in the Shire of Dandaragan



Volunteer firefighters, Shire of Wagin

Communities that are prepared, safe and resilient from natural disasters

Emergency Management Advocacy Positions

WALGA State Council endorsed a suite of updated emergency management advocacy positions based on our consultation with Members and recommendations from reviews and inquiries. The revised positions are a more contemporary reflection of the emergency management issues facing the Local Government sector, and support WALGA's advocacy at the State and Commonwealth level.

The revised emergency management positions are:

- 8.1 Emergency Management Principles
- 8.2 State Emergency Management Framework
- 8.3 Sustainable Grant Funding Model for Emergency Management
- 8.4 Consolidated Emergency Services Act
- 8.5 Resource Sharing
- 8.6 Lessons Learnt Management
- 8.7 Emergency Services Levy
- 8.8 Local Government Grants Scheme (LGGS)
- 8.9 Expansion of the Community Emergency Service Management Program
- 8.10 Management of Bush Fire Brigades

In preparing a sector advocacy position on management arrangements for Bush Fire Brigades, WALGA consulted with the sector and received a total of 89 submissions from Local Governments, representing 64% of the Local Government sector and 77% of Local Governments that manage Bush Fire Brigades.

LEMA Review Project

WALGA was allocated \$140,000 in AWARE grant funding to consult with Local Governments on the current Local Emergency Management Arrangements (LEMA) model and recommend improvements to its design. 100 Local Governments contributed to the consultation, which informed a LEMA Improvement Plan that will be submitted to the State Emergency Management Committee (SEMC) in early 2023-24.

Through the LEMA Review project, WALGA is advocating for a simpler and more streamlined State emergency management framework, more clarity around Local Government emergency management responsibilities, and increased resources to build the emergency management capacity and capability of the sector.



A sticky trap used to measure the spread of the invasive shot hole borer



Charging an electric vehicle

Sustainable management of the environment

Biosecurity

The State Government commenced an independent review of the *Biosecurity and Agriculture Management Act 2007 (BAM Act)* in 2022. This is the first review of the legislation, and a once in 10-year opportunity to recalibrate how biosecurity is managed in WA. Through the three-stage consultation on the BAM Act, WALGA has actively engaged Local Government to develop positions and submissions and provided constructive input into the review process. Many of the issues raised by WALGA and the Local Government sector were taken into account and addressed in the Independent Review Panel final report.

Local Government Biodiversity and Native Vegetation Management Project

WALGA received \$401,932 from the State NRM Community Stewardship Grants Program to assist Local Governments in the southwest ecoregion to conserve biodiversity. This will be



Tree planting in East Fremantle

achieved in 2023 and 2024 by funding ecological assessments of roadsides and reserves, and developing local biodiversity strategies and policies. The project builds the capacity of Local Government to consider biodiversity in decision-making processes through the use of accurate data, prioritisation of natural areas for management, and the development of guidance on sustainable land uses and practices. Through the project, WALGA will also coordinate the development of a roadside vegetation management training package.

ARENA Future Fuels Program – Accelerating the Local Government Transition to Battery Electric Vehicles (BEVs) in WA

WALGA is submitting a funding application to the Australian Government’s ARENA Future Fuels Program for nearly \$3 million to purchase charging stations for a pilot group of 22 Local Governments to support the deployment of 135 light passenger BEVs in their corporate fleets. The State Government has committed \$1 million to the project should the funding application be successful. WALGA is able to aggregate the needs of multiple smaller fleets to meet the grant’s minimum threshold of \$1 million, use a bulk procurement approach to achieve the best value for money, and provide a knowledge hub to build capacity and assist the sector in the transition journey.

Household Hazardous Waste (HHW) Program

WALGA delivers the HHW Program, funded by the State Government and administered through the Waste Authority. The program provides free HHW disposal for the community. Over 484 tonnes of material was collected from 15 permanent HHW facilities across WA in 2022-23. WALGA will continue to deliver the program for a further five years from 2023-24.



In May, WALGA moved swiftly to advocate strongly against Western Power’s proposed 44% increase in the network tariff for street lighting”

Infrastructure to meet the needs of our economy and communities

State Road Funds to Local Government Agreement

Provisions for a new five-year agreement between the State Government and Local Government to provide a share of motor vehicle licence fee revenue for use on local roads were agreed. When enacted, the Agreement provides for a continuation of 20% of revenue being allocated to Local Government roads, and will deliver wider government policy objectives through investment in the road and path network. This will mean improved safety, reduced environmental footprint from construction and maintenance activities, and increased employment opportunities for Aboriginal people and businesses.

WALGA continues to support the 10 Regional Road Groups and their technical and sub-groups.

A State-Local Government Agreement provides for 20% of motor vehicle licence revenue to be used on local roads

Streetlighting

In May, WALGA moved swiftly to advocate strongly against Western Power’s proposed 44% increase in the network tariff for streetlighting. WALGA wrote to the Economic Regulation Authority (ERA), Minister for Energy and Minister for Local Government, expressing the sector’s concerns about the magnitude, unexpectedness and lack of justification of and for the increase.

WALGA President Karen Chappel also issued a media statement and did numerous media interviews resulting in extensive media coverage of the issue.

As decision-maker, the ERA rejected the proposed increase, moderating it to 7.5%. In making its decision, the ERA acknowledged Local Governments’ concerns on streetlighting tariffs. Energy Minister Hon Bill Johnston MLA also acknowledged WALGA’s advocacy on the issue.

WALGA will continue to work with the State Government to agree a sustainable cost-effective strategy for providing streetlighting in the State.

WALGA contributed to workshops and other consultations with Western Power and the ERA in development of the Access Arrangement that will govern services provided and prices charged by Western Power over the next five years.



City of Nedlands; driving through the Boranup Forest

Early submissions identified by Local Governments included electric vehicle charging, reliability of supply (particularly in regional areas), smart cities technology, unmetered supply, and streetlighting.

New RoadWise

WALGA’s RoadWise is refocusing from a community-based promotional activity aimed mostly at individual road users, to being solely focused on Local Governments. RoadWise Councils, which will launch in early 2023-24, is a fresh approach by WALGA to proactively engage, motivate, prepare and position Local Governments to make an effective and sustainable contribution to the achievement of road safety goals and targets in WA. This approach will also involve a new initiative to formally recognise and showcase better road safety practices by Local Governments.

LG Stars – Safety Ratings Tool for Local Government Roads

With Federal funding from the Office of Road Safety, WALGA has designed a safety ratings tool for Local Governments that provides an easy-to-use, reliable and cost-effective method for assessing the safety of Local Government managed roads. The online tool will provide Local Governments with an assessment and understanding of the safety standard of local roads. This will assist and support the inclusion of road safety considerations in long-term works programs and investment decisions.

Child Car Seat Fitter Training and Support

More than one quarter of child car seats inspected by trained Fitters in WA are found to be incorrectly installed. The accredited course in Type 1 Child Car Restraint (CCR) Fitting was revamped in 2022-23, offering students a more refined learning experience. During the year, 23 new fitters completed their training and are now qualified to offer fitting services to the community.

In total, WALGA's RoadWise has trained nearly 1,200 fitters who have collectively inspected and installed 35,000 child car seats correctly.

Road Condition Surveys

As part of a five-year program to complete condition surveys for all regionally significant Local Government roads, WALGA managed a project to survey 6,861 km of sealed roads and 2,241 km of unsealed roads in the Wheatbelt North and Wheatbelt South regions during 2022-23. The survey provides:

- Local Governments with information to support investment planning
- Evidence of existing function and condition in the event of a disaster destroying the road
- Information to underpin advocacy for Federal and State funding for roads
- Data to assist Regional Road Group decision-making.

Local Government Transport and Roads Research and Innovation Program

Three new guidelines, designed specifically to meet the needs of WA Local Governments in dealing with high-priority issues were developed and published with funding support from the State Road Funds to Local Government Agreement:

- Guidelines for the Implementation of Low-Cost Road Safety Improvements on Rural Roads
- Service Standards on Unsealed Low Volume Local Government Roads – A Guide to Timeliness of Upgrade (Seal)
- Local Government guidelines for sustainable road construction practices in WA.



Repairing the Great Northern Highway at Willare as part of the Kimberley Flood Response

Business Case for Safety Improvements on High Speed Sealed Local Government Roads

WALGA worked in partnership with the RAC, Main Roads WA and consultants NTRO to prepare a business case for Federal and State Government investment in improving safety of high-speed sealed Local Government roads. In peri-urban, rural and remote areas single vehicle, run-off road crashes account for the majority of deaths and serious injuries. There is a suite of proven treatments that can be applied to significantly reduce these types of crashes.

Prioritising Regional Road Investments

WALGA progressed the development of a new multi-criteria analysis framework and tool to support Regional Road Groups in meeting requirements of the State Road Funds to Local Government Agreement. The Agreement requires that recommendations put forward by each Regional Road Group demonstrate the highest regional priorities are being addressed and the program also contributes to improved safety and reduced environmental impact from construction and maintenance activities.

Road Assets and Expenditure Reporting

A comprehensive report on Local Government expenditure on the road and path network during 2021-22 was compiled and published. Local Government road investment exceeded \$1 billion per year for the first time. Outside the metropolitan area, nearly 75% of expenditure on Local Government roads was funded by Federal and State Governments. There has been significant increase in road construction costs over the past two years. The network does not deliver safety objectives, suffers from increasing demand from freight movements, and has seen a deterioration in road conditions. The need to advocate for appropriate indexation of the funding programs is highlighted in the report.

In 2021-22, Local Government road investment exceeded
\$1 billion per year
for the first time

Targeted Underground Power Program

WALGA advocated for a new underground power program in line with its endorsed advocacy position. A new Targeted Underground Power Program was announced in late June 2022 and WALGA actively contributed to the development of program guidelines and the establishment of a program Steering Committee during the year. Design and costing work is underway for most of the first tranche of projects across 12 Local Governments under the new program. WALGA also supported Local Governments and worked with other stakeholders in the delivery of projects funded under previous programs that continued during the year.

Thriving Economies and Local Job Opportunities

Economic Development

WALGA continues to provide expertise and support to Local Governments to undertake economic development activities.

The WALGA Economic Development Framework is being updated to reflect the latest research and best practice about the role of the sector in driving sustainable economic development.

WALGA has also commenced preparation of important economic development resources for the sector, including economic development strategy and business case templates.

These resources will be available in early 2023-24.

Activities to Support WALGA's Advocacy

Government Relations

Engagement with Government, including Members of Parliament, Ministerial Advisers and State and Federal agencies is critical to WALGA's advocacy success.

The WALGA President and CEO (or their representatives) participated in 55 formal meetings, roundtables and workshops with State Government and Federal Government Ministers and State and Federal Members of Parliament.

Key Submissions to Government Reviews and Inquiries

State and Federal Budget Submissions

WALGA's submission to the 2023-24 State Budget set out a number of important funding priorities, on which WALGA advocated on behalf of Local Governments. That advocacy included meetings with key State Government decision-makers at both Ministerial and agency level, supported by a media and communications campaign across traditional and digital channels before and after the State Budget in May.

WALGA was successful in achieving funding in the 2023-24 Budget for a number of these initiatives, including:

- \$3.75 million to deliver an urban forest grant program over 2023-24 and 2024-25 to increase tree canopy cover and improve biodiversity within Western Australia's urban centres
- An additional \$15 million for the Community Sport and Recreation Facilities Fund to be spent over 2023-24 and 2024-25, bringing the Fund to \$20 million each year
- Ongoing funding commitment to the State Road Funds to Local Government Agreement to assist Councils with the management of the local road network



Federal Minister for Regional Development, Local Government and Territories, the Hon Kristy McBain MP, with WALGA President Cr Karen Chappel

- Additional expenditure of \$77 million for the ongoing operational costs associated with the *Aboriginal Cultural Heritage Act 2021* and to fund Local Aboriginal Cultural Heritage Services
- Increased spending on regional health and mental health initiatives
- Additional funding for the Regional Development Assistance Program for residential, industrial, commercial and tourism-related land and infrastructure projects
- \$3.6 million for mid-tier transport planning
- \$5.5 million to integrate climate adaptation into policy and planning frameworks.

At the Federal level, WALGA supported ALGA's Federal Budget Submission with a social media campaign. WALGA also wrote to the Federal Government highlighting priority initiatives for WA Local Governments ahead of the Federal Budget in May.

Other Submissions

WALGA provided 25 submissions to Government during 2022-23. These submissions provided the opportunity to put forward the sector's views through on a range of important matters.

- | | | |
|---|---|---|
| <ul style="list-style-type: none"> • Special Public Holiday General Order • 2023 State Wage Case • Aboriginal Cultural Heritage Act Co-Design process – Phase Two • Disability Services Act review • State Planning Policy 2.6: State Coastal Planning Policy Health Check • State Planning Policy 3.7 - Bushfire • Operational Policy 2.3 - Planning for Public Open Space • Operational Policy 1.12 - Proposals Adjoining Regional Roads • Consistent Local Planning Schemes • Consistent Scheme car parking requirements • Structure Plan Guidelines • Use and Application of Discretion Guidelines • Child Care Premises Position Statement • Review of the WA Planning Commission • Regional Scheme Regulations | <ul style="list-style-type: none"> • Environmental Protection Authority Regulations • Draft Building Amendment Regulations – Swimming Pool and Safety Barrier Control • Community Disaster Resilience Strategy Local Emergency Management Committee handbook • Restricted Access Permit System Guideline • Western Australian Emergency Management Capability Framework • State Emergency Management Policy 5.12 Funding for Emergency Management • State Support Plan Emergency Relief and Support • State Hazard Plan Search and Rescue Emergency • State Hazard Plan Severe Weather • State Hazard Plan Heatwave • Consultation Regulatory Impact Statement: Nitrous Oxide Supply • Environmental Regulation Reform Discussion Paper | <ul style="list-style-type: none"> • PFAS National Environmental Management Plan 3.0 • Review of the Container Deposit Scheme Minimum Network Standards Third Review • Western Australia's Plan for Plastics Stage 2 • Driving NSW's Circular Economy Discussion Paper on Enhancing the NSW Container Deposit Scheme • Discussion Paper: Proposal to expand the scope of eligible container in Queensland's Container Refund Scheme – Containers for Change • Discussion Paper: Container Deposit Scheme – Expanding the Scope of Eligible Beverage Containers • Draft Western Australia State Waste Infrastructure Plan • Department of Water and Environmental Regulation's E-Waste to Landfill Ban Consultation Paper. |
|---|---|---|

Media

There were 1,616 separate media items mentioning WALGA and/or Local Government in 2022-23, up 6% from the previous year. This included 434 online, 603 in the press, 105 on television and 474 in radio. Of these, more than 1,300 were positive or neutral stories. There were 156 specific mentions of WALGA in 2022-23, up 11% on 2021-22.

WALGA produces 15 regular digital and traditional publications, including LGDirect and Western Councillor magazine.



WALGA President Cr Karen Chappel

Marketing

Rates Campaign

In mid-2022, WALGA again ran a competition and paid media campaign with Seven West Media on rates. The campaign aimed to showcase Local Government as delivering value for money, by demonstrating the positive impact of rates. The campaign was also supported by digital marketing through WALGA's website, social media and electronic newsletters, and media interviews with the WALGA President on rates.

The 2022 campaign outperformed all 2021 campaign metrics with 15% less investment. Hits to the campaign page on the WALGA website increased by 24%, and there was a 19% increase in entries to the "Win Your Rates" Competition.

Local Government Election Campaign

WALGA and the Department of Local Government, Sport and Cultural Industries have partnered to deliver a marketing campaign in the lead up of the 2023 Western Australia Local Government elections in October. The campaign will be rolled out in two phases in the second half of 2023, focusing on increasing both voter turnout and the number and diversity of candidates standing for elections.



Reconciliation Walk, City of Busselton

Brand Refresh

In line with recommendations from a Stakeholder Engagement and Member Segmentation Project, WALGA has commenced a refresh of the organisation’s brand that will more clearly articulate WALGA’s purpose in representing and supporting Members. This includes a refresh of our logo and tagline but, more importantly, extends to the development of an organisational narrative which WALGA can use to speak about itself coherently, confidently and consistently.

This narrative will form the basis of how we communicate to our diverse stakeholders through our marketing, media and communications, events and engagement.

Events

WALGA Convention

Themed “Embracing Change”, the 2022 WALGA Convention attracted around 450 people over two days and featured inspiring speakers including Thai cave diver, Craig Challen, former Australian Men’s Cricket coach Justin Langer and demographer Bernard Salt.

In addition to sessions relevant to Local Government, the Convention included a well-attended Heads of Agencies breakfast, the 2022 AGM and an address by then Local Government Minister Hon John Carey MLA.

Aboriginal Engagement and Reconciliation Forum 2022

More than 200 people (a 35% increase on 2021) attended the 2022 Aboriginal Engagement and Reconciliation Forum held on Wednesday 5 October at Optus Stadium.

The forum was themed ‘Kanan – Dhabagarn – Wabiriny’ (Truth – Justice – Healing). It was a day of learning and a celebration of the partnership between Local Governments and their Aboriginal communities.

The audience heard from a diverse range of speakers, including Aboriginal elders, the Federal Minister for Indigenous Australians, Hon Linda Burney and the State Minister for Aboriginal Affairs, Hon Dr Tony Buti, as well as representatives from Local Government.

Urban Forest Conference

Held in February 2022 at Curtin University with the theme of Valuing Canopy, the Urban Forest Conference attracted people from a diversity of professions.

Nearly 350 people attended the event to hear about latest research, effective policy and planning interventions and innovative approaches to incorporating green space into the urban environment.

The momentum generated by the Conference supported WALGA’s successful advocacy to the State Government to increase urban canopy.



WALGA 2022 Convention

Transport and Roads Forum

Nearly 170 people attended the Transport and Roads Forum in March 2023 to hear from an impressive line-up of government representatives and industry experts from across the country. The keynote speaker was Brendan Moon, Coordinator General of the National Emergency Management Agency who spoke about the challenges of increasing resilience in the face of natural disasters and responding effectively.

Planning Showcase

Held alongside the WALGA Convention, the Local Government Planning Showcase highlights excellence and innovation in Local Government planning. With its focus on sharing practical relevant information, the 2022 event saw more than 150 officers attend and hear from speakers on a range of topics.

Waste and Recycle Conference

The sold-out annual WALGA Waste and Recycle Conference, had over 400 registrations. The event was themed RE-thinking WA by reducing, recovering and remanufacturing. A highlight speaker was the inimitable Dr Karl Kruszelnicki. The WALGA Waste and Recycle Conference continues to be the only WA event focussed on waste management.



Recycling at the City of Swan

Organisational Capability

Agile Workforce

Capability Framework

A new organisation-wide Capability Framework is being developed that will:

- define how WALGA performs based on the combination of how people, processes and systems are integrated to deliver for our Members
- provide a people-oriented view of “what good looks like at WALGA”
- review what opportunities there are to grow while remaining aligned with WALGA’s vision, purpose and strategy
- guide our targeted training and development initiatives.

Employee Engagement

WALGA conducted an employee experience engagement and feedback survey. A number of initiatives have been implemented as a result of the feedback, including:

- New Intranet for improved communication and information sharing
- New Flexible Working Arrangements Policy
- Creation of a working group to look at ways to improve collaboration and innovation across WALGA
- Review of the Performance, Development, and Review (PDR) process.

Leadership Development Program

A Leadership Development Program was implemented, with the aim of building the skills of managers and leaders within the organisation.

The program aims to build leadership capability, self-development and promote retention and career opportunity. Planning for a second program aimed at senior and emerging leaders is underway.

Reconciliation Working Group

The Reconciliation Working group has maintained a full membership with representation from across the WALGA portfolios. Most of the year has been spent planning for the 2023-2025 Reflect RAP, which is scheduled to be presented to Reconciliation Australia for endorsement by the end of 2023. Other activities have included: Acknowledgement of Country training for all staff; a review of WALGA’s Acknowledgement of Country and Welcome to Country protocols, including endorsement of a new Acknowledgement of Country for use across the organisation; development of a new guide to assist in meaningful delivery of Acknowledgement of Country; and a Reconciliation Week Breakfast event in which local Bibbulmun Noongar Kobi Arthur Morrison joined us for a time of yarning and sharing.

Policy

A new Family and Domestic Violence Support Policy has been implemented and training provided to all staff.

Contemporary Systems

Best Practice Governance Review

WALGA State Council commissioned the Best Practice Governance Review and appointed a Steering Committee in March 2022.

Following the endorsement of a set of Governance Principles by Members at the 2022 Annual General Meeting (AGM), the Steering Committee put forward a Consultation Paper. Informed by the Governance Principles, the Paper detailed five possible model options for WALGA's governance structure (including the current model). A total of 99 Council-endorsed submissions were received in response to the Paper.

After considering both the submissions received and results of independent research conducted with the sector, the Steering Committee produced its Final Report and recommendation to State Council in February 2023.

In May, State Council resolved that two sets of Constitutional changes be developed: one that gives effect to the alternate model; and another that refines the current Constitution but otherwise maintains the existing governance model.

Two versions of the Association Constitution were presented to State Council for consideration in July:

1. A new Constitution, giving effect to an alternate governance model, as per the Best Practice Governance Review Final Report; and
2. A marked-up version of the current Constitution, which retains the current governance model, with necessary changes.

At the July State Council meeting, it was resolved that both versions should be put to Members for consideration at the 2023 AGM. Any changes to the Association Constitution requires a special majority of both State Council and Members at a General Meeting.

Digital Transformation

In line with WALGA's Corporate Strategy 2020-2025, which identifies contemporary systems as a priority and that the Association ensures systems and processes are simplified and digitised, WALGA progressed three major, cross-organisation digital projects in 2022-23:

Technology Roadmap

A new Technology Roadmap for WALGA was developed that will deliver a three-to-five-year strategic transformation plan, with clear and actionable outcomes, focussed on technology as a core enabler.

The Roadmap was informed by expert external advice and an internal staff survey and workshops to assist in the prioritisation of technology initiatives.

Website

WALGA commenced a rebuild of its website so that it better serves Members and is a contemporary and effective tool for external engagement, advocacy and promotion of WALGA activities and the Local Government sector.

M-Files Records Management System

The implementation of a new electronic records management system, M-Files, was completed, with the new system going live in December 2022. M-Files, with its user-friendly and intuitive features and powerful search, is improving records management.



Aboriginal Engagement and Reconciliation Forum 2022



The forum... was a day of learning and a celebration of the partnership between Local Governments and their Aboriginal communities.”

MEMBER-CENTRIC QUALITY SERVICES

WALGA provides an extensive range of services and programs to support Local Governments deliver on their responsibilities and to help them succeed. We work with our Members to provide timely and reliable information, advice and support across a range of subject areas, and build strong pathways for knowledge sharing.

Preferred Supplier Program

The Preferred Supplier Program was used for the purchase of approximately \$395 million of goods, services and works by Members in 2022-23.

Members have access to 1,105 suppliers across 13 different Panels over 150 categories. The program provides Members with direct procurement cost savings, as well as administration savings, contractual benefits, risk mitigation and advice and support from WALGA.

In response to Member demand, a new Panel – Construction and Built Environments – was added to the program. The panel's current categories include modular and prefabricated dwellings, new building construction, building refurbishment and remediation, building demolition, earthworks, and site remediation. Future additions will include categories for architectural and design services, aquatic infrastructure construction and refurbishment and supply of construction materials. WALGA hosted a briefing on the new Construction contracts and guidance on the legal structure that has been developed.

WALGA LGIS Mutual Indemnity Scheme

All WALGA Members subscribed to LGIS membership in 2022-23. The Scheme protects \$19.2 billion worth of assets, around 15,000 motor vehicles, almost 20,000 Local Government workers and more than 17,000 volunteer bushfire fighters.

Against large increases in insurance costs in the commercial market, gross contributions for LGIS membership in 2022-23

had minimal increases. The year provided a challenging set of circumstances with high workers' compensation claims experience and significant inflationary impacts on property and motor claims, but improved returns from investments.

Despite the year's challenges, the financial results for 2022-23 fell within budget.

LGIS' prudent financial management and long-term focus has placed the Scheme in a strong financial position and remains within the target capital range.

The Scheme's commitment to proactive risk management was demonstrated this financial year with a number of initiatives including:

- Launch of the Psychological Safe program in August 2022, accessed by 76 members and 492 staff.
- Revamped health and wellbeing program, including new financial wellbeing seminars accessed by 1,051 Local Government staff.
- Completion of the first phase of a cyber-risk program, which benchmarked the sector's capability and capacity to inform the development of new resources and services to support Members.
- Delivery of a motor fleet pilot program to identify issues in fleet management and develop strategies to reduce Member-at-fault claims and improve risk management consistency.
- Risk-focused events including the Risk Forum in September, and Mayors and Presidents Forum in November 2022. Both events explored topical issues including emergency management, climate change, cyber risk, and the impacts of new work, health and safety legislation on the management of volunteer bushfire fighters.



WALGA training seminar

Training

WALGA Training

In the 2022-23 financial year, WALGA Training received a total of 2,831 enrolments. Around 38% participated via eLearning, 14.4% via our Virtual classroom (Zoom) and 47.4% attended in person at WALGA in West Leederville. A total of 43 courses were delivered at Local Governments: 76.7% in regional WA; 16.3% in the metropolitan area; and 7% in the Northern Territory.

As a Registered Training Organisation (RTO), WALGA commenced delivering the Certificate III in Local Government program in early 2023. This is a 12-month, nationally recognised training (NRT) program available as a Traineeship or Fee for Service for existing workers. WALGA's other NRT program – the bespoke Diploma of Local Government Elected Member program – will see 10 graduating students at the WALGA Convention.

WALGA Training has also added the Health and Safety Representative course registered with the Department of Mines, Industry Regulation and Safety and developed six new Officer short courses: Delegation and Authorisation – Essentials, State Employment Law Essentials, HR Toolkit for Managers, Residential Design Codes (R-Codes), LG Climate Risk Assessment Training and one eLearning course on Environment and Sustainability.

In June 2023, WALGA offered a new, bespoke training course, State Employment Law Essentials. No other training provider offers this course.

Employee Relations Advice

The Employee Relations (ER) service recorded 5,043 contacts providing advice on Industrial Relations (IR) and Human Resources (HR) issues.

In addition, the ER service:

- Sent 58 ER Alerts to Members covering key HR/IR issues and legislative and award changes, new ER resources, ER events and initiatives
- Represented Local Governments in 13 industrial claims in the Fair Work Commission and Western Australian Industrial Relations Commission
- Presented seven webinars and hosted metropolitan and regional HR forums
- Assisted Local Governments in a consultancy capacity with four enterprise agreement negotiations, four bespoke training workshops and 16 position description classifications
- Launched a new WALGA People and Culture Network LinkedIn Group and convened five meetings with members to seek feedback on key IR issues and to encourage information sharing and collaboration across the sector
- Revised a number of key policies around bullying, harassment and grievances in response to new legislation and prepared a new policy on family and domestic violence leave
- Launched 11 new template documents on workplace investigations.

State Industrial Relations Transition

The ER service developed a toolkit of resources to build the capacity of the sector around the State employment framework and to transition from the Federal to State IR system on 1 January 2023.

WALGA resources developed in 2022-23 include 15 monthly State IR Transition Bulletins and key updates, 18 new resources such as factsheets, checklists, award comparison guides and template employee engagement resources. Three webinars were presented to specifically advise on steps to prepare for the transition.

WALGA Salary and Workforce Survey 2022-23

The annual WALGA Salary and Workforce Survey was completed by a record 78 Local Governments employing 17,616 people in 2022-23. The data contained remuneration information on 160 job roles, workforce composition and diversity, and key HR and workforce planning metrics such as turnover rate, which was 27.6% in 2022 (up from 23% in 2021). The survey report confirmed that current workforce priorities for Local Governments include workplace health and safety, organisational culture and change and employee engagement.

City of Wanneroo staff



Economic Advice

Quarterly Economic Briefings and Local Government Cost Index

The WALGA Economics team produces a quarterly Economic Briefing to provide members with the latest information and analysis on the global and domestic economy the implications for Local Governments. Each quarter the Economic Briefing explores specific issues that are of concern to Members.

The Economic Briefing also reports on the Local Government Cost Index (LGCI), a bespoke economic indicator developed by WALGA to assist Local Governments with budget and planning activities. The LGCI is similar to the Consumer Price Index but it measures the movements in prices for the goods and services purchased by WA Local Governments, rather than households.

In line with WALGA's shift to more contemporary and integrated campaign strategies, throughout 2022-23, WALGA's Quarterly Economic Briefing was promoted through a newly designed website, publication and infographics, written and video blogs on social media and the WALGA website, and articles in WALGA's electronic newsletters.

The campaign has achieved the key objectives of increasing audience numbers and reach, promoting the value of the publication for Local Governments, and profiling the economics expertise in WALGA.

Governance and Procurement Advice

Governance Resources

In addition to managing a total of 2,316 enquiries throughout 2022-23, the Governance and Procurement team developed a number of resources to assist Local Governments.

- CEO Recruitment Guide
- Delegation and Authorisation Training Module
- Engaging with Solicitors Guide
- Introduction to Specification Writing' Procurement Training
- Template eMeetings Policy.

Bush Fire Brigade Local Laws

WALGA Local Laws Service obtained independent legal advice that the establishment of a Bush Fire Brigade also requires the adoption of an associated Bush Fire Brigades Local Law. WALGA's advice also clarified that the appointment of Bush Fire Control Officers means that Local Governments can effectively ensure the conduct of normal brigade activities, including responding to bush fires and directing firefighting assets and volunteers. Our legal advice provided further reassurances that volunteers will be covered for compensation and protected from liability if conducting normal brigade activities under the direction of a Bush Fire Control Officer.

ICT/ Cyber Security Project

In response to Office of the Auditor General performance audits on Local Government information systems security over recent years, WALGA is exploring the potential for Local Government access to the WA Cyber Security Unit, operated by the Office of Digital Government (DGOV).

WALGA has consulted the sector to gather data on systems, processes and experiences of our Members to inform a business case and demonstrate the benefits of providing Cyber Security Operations Centre resources for WALGA and its Members.

Work on presenting the business case to the State Government will continue early in 2023-24.

Sustainable Energy Project

The WALGA Sustainable Energy Project formally commenced on 1 April 2022, representing one of the largest joint procurements of renewable energy in Australia by Local Governments. WALGA facilitated the aggregated renewable energy purchase on behalf of 48 participating Local Governments, requiring renewable energy to be supplied from within Western Australia.

The project is delivering participating WALGA Members access to renewable energy at secured contract rates. The first-year data shows participating Local Governments have collectively realised cost savings of over \$9 million, which is partially reflective of significant increases in energy costs in the open market since the time of the project tender. The data analysis also shows that the project participants have collectively saved over 30,000 tonnes of carbon.

WALGA have commenced discussions for the scoping of future phases of the project to ensure more Local Governments can access renewable energy, which diversifies supply options, leverages the best price outcomes and helps Local Governments achieve their renewable energy and carbon emissions targets.

WALGA Tax Service

In 2022-23, the WALGA Tax Service provided advice to 113 Local Governments. This comprised of individual tax advice, online and in-person training workshops, and regular newsletters to more than 200 officers.

CouncilConnect

The CouncilConnect subscription service designs and hosts Local Government websites. The service hosts over 170 websites and has over 50 modules for online service delivery designed specifically for Local Governments. Recent additions include Trails, Near Me and the Bin Day modules.

Appointments to Boards and Committees

State Council's Selection Committee undertook a rigorous, merit-based nominations and selection process to recommend or appoint Local Government representatives to State Government and other boards and committees. During the year 32 nominations were received and recommendations or appointments were made for positions on 10 boards and committees.

Local Government Honours Program 2022

State Council's Honours Panel oversees WALGA's annual Honours Program. Through the 2022 Program, 25 nominees were recognised with awards, including seven Local Government officers and 18 current and former Elected Members.

Solar Farm, Shire of Merredin



ZONE REPRESENTATIVES TO STATE COUNCIL 2022-2023

5 ordinary meetings and 1 special meeting of the WALGA State Council were held between 1 July 2022 and 30 June 2023 with attendance as follows:

Members	Attendance	Members	Attendance
WALGA President		East Metropolitan Zone	
President Cr Karen Chappel AM JP	6	Cr Catherine Ehrhardt	5
WALGA Deputy President		Cr John Daw	6
Cr Paul Kelly	5	Cr Paige McNeil (Deputy)	1
Avon-Midland Country Zone		Gascoyne Country Zone	
Cr Ken Seymour	5	President Cr Cheryl Cowell	3
President Cr Rosemary Madacsi (Deputy)	1	Goldfields Esperance-Country Zone	
Central Country Zone		President Cr Laurene Bonza	5
President Cr Phillip Blight	6	Great Eastern Country Zone	
Central Metropolitan Zone		President Cr Stephen Strange	5
Cr Helen Sadler	5	Great Southern Country Zone	
Cr Kerry Smyth (Deputy)	2	President Cr Chris Pavlovich	5



South West Zone meeting in Bunbury

Members	Attendance	Members	Attendance
Kimberley Country Zone		Pilbara Country Zone	
Cr Chris Mitchell JP	6	Mayor Peter Long	4
		Mayor Peter Carter (Deputy)	1
Murchison Country Zone		South East Metropolitan Zone	
Cr Les Price	6	Cr Carl Celedin (resigned December 2022)	3
North Metropolitan Zone		Mayor Ruth Butterfield	6
Cr Frank Cvitan JP	5	Mayor Patrick Hall (commenced February 2023)	2
Mayor Mark Irwin (resigned December 2022)	4	South Metropolitan Zone	
Cr Russel Fishwick JP	6	Mayor Cr Carol Adams OAM	6
Cr David Lagan (commenced February 2023)	2	Mayor Logan Howlett JP	6
Northern Country Zone		Cr Doug Thompson	5
President Cr Moira Girando JP	4	Cr Cliff Collinson (Deputy)	1
Cr Isabelle Scott (Deputy)	1	South West Country Zone	
Peel Country Zone		President Cr Tony Dean	6
President Cr Michelle Rich	6		



LOCAL GOVERNMENT MEDAL RECIPIENTS AND HONORARY LIFE MEMBERS

WALGA runs the Local Government Honours Program to recognise some of the most valuable and committed members of our community.

WALGA President Cr Karen Chappel with
Shire of Coolgardie President Cr Malcolm Cullen,
recipient of the 2022 WALGA Life Membership Award

Honorary Life Members (Alphabetical order)

Archer OAM, Ms Elsie	Hardwick AM JP, Mrs Christine	Reynolds AM JP, Mr Linton
Bajada, Mr Alex	Henderson, Ms Heather	Richardson, Mr Lyal – 1989
Barrett-Lennard OAM JP, Mr Irwin	Kelly, Cr Paul	Robartson AM OAM, Cr Clive
Boothman JP, Cr David	Kenyon JP, Mr Terence	Roberts JP, Mayor Tracey
Broad, Mr Simon	Kilpatrick, Mr Gordon – 1988	Rowell OBE, Mr Rob
Chappel AM JP, President Cr Karen	Kyle AM, Mr Peter	Sabatino, Mr Michael
Chown, Mr Ted	Lang OAM, Mr Murray	Sabourne OAM JP, Mr John
Clements, Mr Ken	Lynch, Mr John	Snook, Mr Gary
Cook OAM JP, Mr Jim	Mickel AM JP, Mr Ian	Star AM, Mrs Jan
Cooper JP, Mr Phil	Mitchell AM JP, Mr William (Bill)	Strugnell SC, Mr Peter
Cowan, Mr Halley	Mitchell JP, Cr Chris	Stubbs AM, Mr Roger
Craigie OAM, Cr Lynne	Monagle OAM, Mr Peter	Trent OAM RFD JP, Mr Kevin
Cullen, President Cr Malcolm	Morris AM JP, Mrs Pat	Tyzack, Mr Terence
Donaldson, Hon Mr Bruce	Norris, Mr Ron	Yuryevich AM RFD, Mr Ron
Donohoe, Mr Ken	Park OAM, Mr Humphery	Zelones OAM JP, Mr Henry
Fishwick JP, Cr Russel	Paterson JP, Dr John	
Foulkes-Taylor OAM, Mr Michael	Patroni OAM JP, Mr Romolo	

In Memoriam – Honorary Life Members (Alphabetical order)

Brockman OAM, Mr Frank (Deceased)	Frost, Mr Bill (Deceased)	North AM JP, Mr Joe (Deceased)
Campbell JP, Mr Peter (Deceased)	Georgeff, Mr Carl (Deceased)	Parry AM JP, Dr John (Deceased)
Cole, Mrs Delys (Deceased)	Goadby, Mrs Jean (Deceased)	Pearce, Mr Colin (Deceased)
Cox OAM JP, Mr John (Deceased)	Gregorini, Mr Charlie (Deceased)	Pech AM JP, Mr Ken (Deceased)
De San Miguel OAM JP, Mr Don (Deceased)	Killick, Mr Fred (Deceased)	Pickard, Mr Troy (Deceased)
D’Orazio, Mr John (Deceased)	Knight AM JP, Mrs Annette (Deceased)	Price, Mr James (Deceased)
Fairclough Mr Doug (Deceased)	Lee, Mr Mick (Deceased)	Strickland, Mr George (Deceased)
Farr, Mr Robert (Deceased)	Leggo, Mr Richard (Deceased)	Tuckey, Mr Dudley (Deceased)
Finlayson AM MM JP, Mr Ray (Deceased)	Manea AM, Dr Ern (Deceased)	Ward, Mr Ray (Deceased)
	Maslen AM AFSM, Mr Rich (Deceased)	Wilmott, Mr Peter (Deceased)

COMMENTARY ON FINANCIAL RESULTS

WALGA is in a healthy financial position through effective financial management and support and guidance from the Finance and Services Committee and WALGA State Council.

Statement of Profit or Loss and Other Comprehensive Income

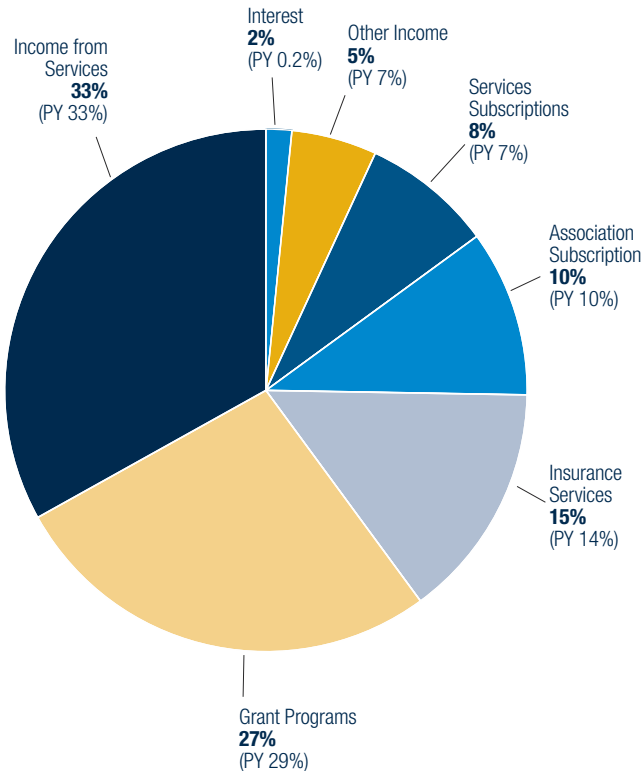
This Statement reports a surplus of \$179,103 for the year ended 30 June 2023. This surplus represents the combined result of Non-Grant and Grant Programs from a total income of \$22.8 million.

The diversity of WALGA's income, illustrated in the graph below, is based upon the income reported in the Statement of Profit or Loss and Other Comprehensive Income. Reliance on Association subscription income is low at 10 percent of total income.

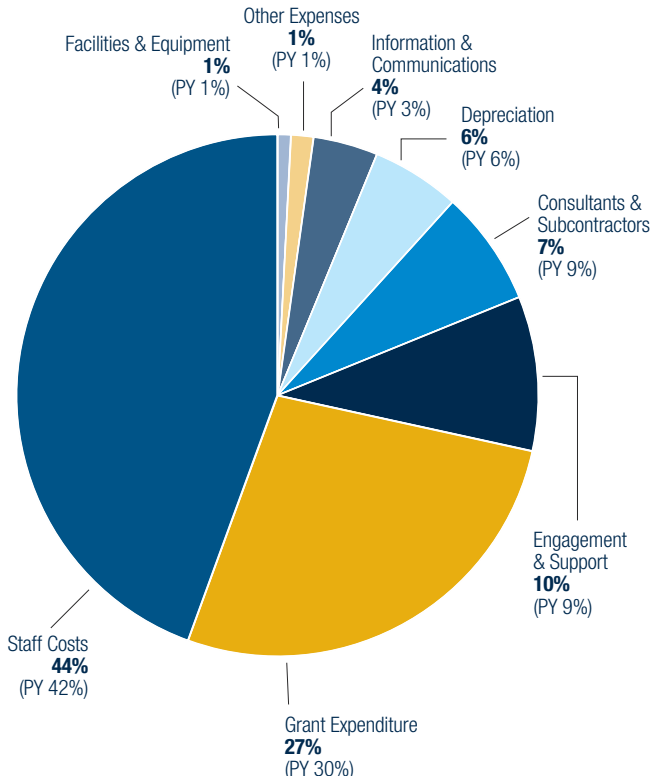
Analysis of overall expenditure as shown in the graph below shows that:

- Staff Costs are the largest cost component, consistent with WALGA being a Member service-based organisation
- Grant Program expenditure relates to grant funding received
- Engagement and support includes the cost of WALGA's governance function, engaging with Members and staging the Local Government Convention and other events.

INCOME



EXPENSES



Financial Position

Our Balance Sheet reports net assets and Members' equity at \$6.96 million, which can be considered reasonable for a Member organisation of our size. WALGA's Current Asset Ratio, a key indicator of capacity to pay debts as they fall, is 2.07, meaning that current assets are more than double the current liabilities. As at 30 June, WALGA's unrestricted cash reserves is \$5.8 million. The largest liability is the lease liability

at \$6.7 million, primarily attributable to future building lease commitments. This is substantially offset by the related right-of-use asset of \$4.9 million, as required by leasing standard AASB 16. WALGA remains free of loan debt and reserves are cash-backed. The Association, therefore, remains in a sound financial position.

2022 WALGA Convention





FINANCIAL REPORT

For the year ended 30 June 2023



Independent Auditor's Report to the Members of Western Australian Local Government Association

Opinion

We have audited the financial report of Western Australian Local Government Association (the "Association") which comprises the statement of financial position as at 30 June 2023, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes comprising a summary of significant accounting policies, and the statement by the President and the Chief Executive Officer.

In our opinion, the accompanying financial report presents fairly, in all material respects, the Association's financial position as at 30 June 2023 and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards – Simplified Disclosures and the Association's Constitution.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Association in accordance with the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) (the "Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Association's annual report for the year ended 30 June 2023, but does not include the financial report and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial report does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the management and use our professional judgement to determine the appropriate action.

Responsibilities of Management and the Finance and Services Committee for the Financial Report

Management of the Association is responsible for the preparation of the financial report in accordance with Australian Accounting Standards – Simplified Disclosures and the Association's Constitution and for such internal control as management determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the ability of the Association to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intend to liquidate the Association or to cease operations, or have no realistic alternative but to do so.

The Finance and Services Committee is responsible for overseeing the Association's financial reporting process.

Liability limited by a scheme approved under Professional Standards Legislation.

Member of Deloitte Asia Pacific Limited and the Deloitte organisation.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group's audit. We remain solely responsible for our audit opinion.

We communicate with management and the Finance and Services Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU



Nicole Menezes
Partner
Chartered Accountants
Perth, 23 August 2023

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STATEMENT BY THE PRESIDENT AND CHIEF EXECUTIVE OFFICER

In the opinion of the President and the Chief Executive Officer of the Western Australian Local Government Association, the financial report as set out in pages 38 to 69:

- (a) Presents a true and fair view of the financial position of the Western Australian Local Government Association as at 30 June 2023 and its performance for the year ended on that date in accordance with the Constitution of the Association, Australian Accounting Standards, mandatory professional reporting requirements and other authoritative pronouncements of the Australian Accounting Standards Board.
- (b) At the date of this statement there are reasonable grounds to believe that the Association will be able to pay its debts as and when they fall due and payable.

Signed by:



K Chappel
President



N Sloan
Chief Executive Officer

Perth, Western Australia
Dated: 23 August 2023

STATEMENT OF FINANCIAL POSITION

As at 30 June 2023

	Note	30 June 2023 \$	30 June 2022 \$
MEMBERS' EQUITY			
Accumulated surplus	7	2,677,108	2,573,697
Reserves	8	4,284,355	4,208,663
Total Members' Equity		6,961,463	6,782,360
CURRENT ASSETS			
Cash and cash equivalents	9	3,961,109	5,077,786
Trade and other receivables	11	656,398	453,349
Other financial assets	12	8,000,000	8,000,000
Other current assets	13	741,828	656,833
Total Current Assets		13,359,335	14,187,968
NON-CURRENT ASSETS			
Property, plant and equipment	14	599,139	449,280
Right of use assets	15	4,946,822	5,796,135
Intangibles	16	345,761	319,011
Total Non-Current Assets		5,891,722	6,564,426
Total Assets		19,251,057	20,752,394
CURRENT LIABILITIES			
Trade and other payables	17	3,549,492	4,362,784
Lease liabilities	18	1,062,891	978,175
Provisions	19	1,856,499	1,824,169
Total Current Liabilities		6,468,882	7,165,128
NON-CURRENT LIABILITIES			
Lease liabilities	18	5,632,908	6,645,846
Provisions	19	187,804	159,060
Total Non-Current Liabilities		5,820,712	6,804,906
Total Liabilities		12,289,594	13,970,034
Net Assets		6,961,463	6,782,360

The accompanying notes form part of this financial statement.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 June 2023

	Note	30 June 2023 \$	30 June 2022 \$
Association membership subscriptions		2,349,492	2,291,700
Service subscriptions	2a	1,840,116	1,655,982
Income from services	2b	7,535,420	7,610,744
Insurance services	2c	3,336,010	3,270,598
Interest income		361,748	52,212
Other income	2d	1,205,161	1,604,640
Grant revenue	2e	6,147,755	6,761,498
Total income		22,775,702	23,247,374
Staff costs	3a	(10,038,896)	(9,511,346)
Consultants & subcontractors	3b	(1,613,339)	(2,119,685)
Facilities & equipment	3c	(187,919)	(165,979)
Information & communication	3d	(905,863)	(733,015)
Engagement & support	3e	(2,164,846)	(1,940,117)
Depreciation	4	(1,239,061)	(1,274,206)
Other expenses	3f	(313,537)	(287,813)
Grant expenditure		(6,133,138)	(6,803,051)
Total expenditure		(22,596,599)	(22,835,212)
Surplus for the year	7,9	179,103	412,162
Other comprehensive income		-	-
Total comprehensive income for the year		179,103	412,162

The accompanying notes form part of this financial statement.

STATEMENT OF CASH FLOWS

For the year ended 30 June 2023

	Note	30 June 2023 \$	30 June 2022 \$
Cash flows from operating activities			
Receipts from operating activities		24,389,004	26,182,729
Payment of operating expenses and payments to employees		(24,119,358)	(24,567,238)
Interest received		361,748	52,212
Interest paid		(244,606)	(272,924)
Net cash provided by operating activities	9b	386,788	1,394,779
Cash flows from investing activities			
Payments for property, plant and equipment		(295,720)	(298,103)
Payments for intangibles		(198,277)	(299,402)
Net proceeds from financial assets		-	3,500,000
Net cash (used in) / provided by investing activities		(493,997)	2,902,495
Cash flows from financing activities			
Principal Lease payments		(1,009,468)	(926,179)
Net cash used in financing activities		(1,009,468)	(926,179)
Net (decrease) / increase in cash held		(1,116,677)	3,371,095
Cash at the beginning of the financial period		5,077,786	1,706,691
Cash at the end of the financial period	9a	3,961,109	5,077,786

The accompanying notes form part of this financial statement.

STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2023

	Accumulated surplus \$ (Note 7)	Reserves \$ (Note 8)	Total \$
Balance at 30 June 2021	1,557,339	4,812,859	6,370,198
Total comprehensive income for the period	412,162	-	412,162
Net transfer to/(from) reserves	604,196	(604,196)	-
Balance at 30 June 2022	2,573,697	4,208,663	6,782,360
Total comprehensive income for the year	179,103	-	179,103
Net transfer to/(from) reserves	(75,692)	75,692	-
Balance at 30 June 2023	2,677,108	4,284,355	6,961,463

The accompanying notes form part of this financial statement.

NOTES TO THE FINANCIAL STATEMENTS

The financial report covers the Western Australian Local Government Association (the “Association”) as an individual entity. The Western Australian Local Government Association is an association incorporated in Western Australia under the Local Government Act 1995. The financial report was authorised for issue on 23 August 2023.

1. Summary of significant accounting policies

Basis of preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and the Constitution of the Association. The Western Australian Local Government Association is a not-for-profit entity for the purpose of preparing the financial statements.

The financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

The financial statements are presented in Australian dollars.

Significant material accounting policies adopted in the preparation of the financial statements are presented below and have been consistently applied unless otherwise stated.

Statement of compliance

The Association does not have ‘public accountability’ as defined in AASB 1053 *Application of Tiers of Australian Accounting Standards* and is therefore eligible to apply the ‘Tier 2’ reporting framework under Australian Accounting Standards.

The financial statements comply with the recognition and measurement requirements of Australian Accounting Standards, the presentation requirements in those Standards as modified by AASB 1060 *General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* (AASB 1060) and the disclosure requirements in AASB 1060. Accordingly, the financial statements comply with Australian Accounting Standards – Simplified Disclosures.

(a) New and revised standards

New and revised standards that are effective for these financial statements

The Association has adopted all the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (“AASB”) that are relevant to its operations and effective for an accounting period that begins on or after 1 July 2022.

New and revised Standards and amendments thereof and Interpretations effective for the current year that are relevant to the Association include:

- AASB 2020-3 *Amendments to Australian Accounting Standards – Annual Improvements 2018-2020 and Other Amendments*.
- AASB 2022-3 *Amendments to Australian Accounting Standards – Illustrative Examples for Not-for-Profit Entities accompanying AASB 15*.

The adoption of new and revised Standards and Interpretations did not have a material impact on the Association.

1. Summary of significant accounting policies (continued)

New and revised standards that have been issued but are not yet effective for these financial statements

At the date of authorisation of the financial statements, the Association has not applied the following new and revised Australian Accounting Standards, Interpretations and amendments that have been issued but are not yet effective:

Standard / amendment	Effective for annual reporting periods beginning on or after	Expected to be initially applied in the financial year ending
<i>AASB 17 Insurance contracts and amending standards</i>	1 January 2023	30 June 2024
<i>AASB 2020-1 Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-Current, AASB 2020-6 Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-current - Deferral of Effective Date and AASB 2022-6 Amendments to Australian Accounting Standards – Non-current Liabilities with Covenants</i>	1 January 2024	30 June 2025
<i>AASB 2021-2 Amendments to AASs – Disclosure of Accounting Policies and Definition of Accounting Estimates</i>	1 January 2023	30 June 2024
<i>AASB 2021-6 Amendments to Australian Accounting Standards – Disclosure of Accounting Policies: Tier 2 and Other Australian Accounting Standards</i>	1 January 2023	30 June 2024
<i>AASB 2022-5 Amendments to Australian Accounting Standards – Lease Liability in a Sale and Leaseback</i>	1 January 2024	30 June 2025
<i>AASB 2022-7 Editorial Corrections to Australian Accounting Standards and Repeal of Superseded and Redundant Standards</i>	1 January 2023	30 June 2024

The Association is yet to undertake a formal assessment of the impact of the accounting standards that are issued but not yet effective.

1. Summary of significant accounting policies (continued)

(b) Significant economic dependence

The Association is dependent upon the ongoing receipt of State Government grants and continuity of commercial service and supply contracts to ensure the ongoing continuance of its programs. At the date of this report management has no reason to believe that this financial support will not continue.

(c) Income tax

The Association is exempt from income tax under the provisions of Section 50-25 of the *Income Tax Assessment Act 1997*.

(d) Property, plant and equipment

Property, plant and equipment are brought to account at cost, less any accumulated depreciation and impairment. The carrying amount of property, plant and equipment is reviewed annually by the Secretariat to ensure it is not in excess of the recoverable amount of those assets.

The depreciable amounts (cost less the residual amount) of all property, plant and equipment, including capitalised leased assets, are depreciated on a straight line basis over the useful lives of the assets to the Association commencing from the time the asset is held ready for use. Leasehold improvements are amortised over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable asset are:

Class of Property, plant and equipment	Depreciation Rate
Computer Equipment	20 - 33.33%
Office Equipment	5 - 33.33%
Office Furniture	10%
Leasehold Improvements	6.67%
Motor Vehicles	15.60%

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected to arise from its continued use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is derecognised.

(e) Leases

The Association assesses whether a contract is or contains a lease, at inception of the contract. The Association recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (where the lease term is 12 months or less) and leases of low value assets. For these leases, the Association recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Association uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date
- The amount expected to be payable by the lessee under residual value guarantees
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Association remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease

1. Summary of significant accounting policies (continued)

payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).

- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The Association did not make any such adjustments during the periods presented.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Association expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the consolidated statement of financial position.

The Association applies AASB 136 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the 'Impairment' policy included in note 1(g).

Variable rents that do not depend on an index or rate are not included in the measurement the lease liability and the right-of-use asset. The related payments are recognised as an expense in the

period in which the event or condition that triggers those payments occurs and are included in the line "Other expenses" in profit or loss.

The Association has elected to adopt the practical expedient permitting a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement.

(f) Intangibles

Software and intellectual property

Software and intellectual property are recorded at cost. They have a finite life and are carried at cost less any accumulated amortisation and impairment losses. They have an estimated useful life of between three and five years. They are assessed annually for impairment.

(g) Impairment testing of intangible assets and property, plant and equipment

For impairment assessment purposes, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level.

All individual assets or cash-generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's or cash-generating unit's carrying amount exceeds its recoverable amount, which is the higher of fair value less costs to sell and value-in-use. To determine the value-in-use, management estimates expected future cash flows from each cash-generating unit and determines a suitable interest rate in order to calculate the present value of those cash flows. The data used for impairment testing

procedures are directly linked to the Association's latest approved budget, adjusted as necessary to exclude the effects of future reorganisations and asset enhancements. Discount factors are determined individually for each cash-generating unit and reflect management's assessment of respective risk profiles, such as market and asset-specific risks factors.

Where the future economic benefits of an asset are not primarily dependent on the asset's ability to generate net cash inflows and where the entity would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciated replacement cost of the asset.

Any impairment loss is charged pro-rata to the other assets in the cash-generating unit. All assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist. An impairment charge is reversed if the cash-generating unit's recoverable amount exceeds its carrying amount.

(h) Employee Benefits

Wages, Salaries, Annual and Sick Leave

A liability for wages, salaries and annual leave is recognised, and is measured as the amount unpaid at balance date at pay rates, in which the leave is expected to be paid out at, in respect of employees' services up to that date. No material liability exists for sick leave as sick leave is non-vesting.

Long Service Leave

A liability for long service leave is recognised and is measured as the present value of expected future payments to be made in respect of services provided by all employees with more than one year of service up to balance date.

The expected future payments incorporate anticipated future wage and salary levels,

1. Summary of significant accounting policies (continued)

experience of employee departures and periods of service, and are discounted at rates determined by reference to market yields at the end of the reporting period on high quality corporate bonds that have maturity dates that approximate the timing of the estimated future cash outflows. Any re-measurements arising from experience adjustments and changes in assumptions are recognised in profit or loss in the periods in which the changes occur.

The Association presents employee benefit obligations as current liabilities in the statement of financial position if the Association does not have an unconditional right to defer settlement for at least twelve (12) months after the reporting period, irrespective of when the actual settlement is expected to take place.

On Costs

On costs such as superannuation contributions relating to the payment of the above employee benefits have been accrued at balance date and included in the statement of financial position as part of the benefit.

Post-employment benefit plans

The Association provides post-employment benefits through defined contribution plans.

(i) Operating expenses

Operating expenses are recognised in profit or loss upon utilisation of the service or at the date of their origin.

(j) Revenue

Revenue is measured based on the consideration to which the Association expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties. The Association recognises revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods

or services underlying the particular performance obligation is transferred to the customer. All revenue is stated net of the amount of goods and services tax (GST).

Association membership subscriptions and service subscriptions revenue

Subscription revenue is recognised when the Association has established that it has the right to receive the income or when the performance obligation is satisfied. Subscriptions fees have a fixed price over the term of services and are usually billed in advance. Members consume the benefits of the services throughout the service period and therefore the Association recognises the revenue evenly over the term of the contract.

Services revenue

Services revenue comprises various streams of income to the Association, which is recognised as follows:

- Insurance services: Revenue is recognised over time based on the scheme remuneration charged per contract;
- Preferred supplier program: Rebate is received from third party suppliers providing services to Local Government. Revenue is recognised at the point in time when the rebate is earned, and information is available to reliably measure revenue and is highly probable that revenue would not reverse in the future. This is generally when the supplier provides their statements for the preceding quarter;
- Training services: Revenue is recognised at a point in time, when the training courses are provided;
- Events and seminars: Revenue is recognised at a point in time, when the event has taken place;
- Other revenues: Revenue is recognised at a point in time, when the service has been provided.

Grant revenue

Grant revenue arising from an agreement which contains 'enforceable' and 'sufficiently specific' performance obligations is recognised when control of each performance obligation is satisfied, in accordance with AASB 15. Where grant agreements are not enforceable or the performance obligations are not sufficiently specific, this will result in immediate income recognition under AASB 1058.

Grant revenue received is deferred as unexpended grants and recognised when (or as) the performance obligations are satisfied.

The performance obligations are varied based on the agreement, where some performance obligations may transfer control at a point in time and others have continuous transfer of control over the life of the agreement. Where control is transferred over time, generally the revenue is recognised based on either cost or time incurred which best reflects the transfer of control.

Interest

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

(k) Unexpended grants / contract liabilities

Contract liabilities relates to fees received in advance, where the specified services are yet to be delivered. Unexpended grants generally represent unutilised grants funds on the condition that specified services are delivered or conditions are fulfilled.

The services are usually provided or the conditions usually fulfilled within twelve (12) months of receipt of the grant. Where the amount received is in respect of services to be provided over a period that exceeds twelve (12) months after the

1. Summary of significant accounting policies (continued)

reporting date or the conditions will only be satisfied more than twelve (12) months after the reporting date, the liability is discounted and presented as non-current.

(l) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, at banks, deposits held at call with financial institutions, 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.

(m) 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. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

(n) Financial instruments

Initial recognition and measurement

Financial assets and liabilities are recognised when the Association becomes party to the relevant contractual provisions. i.e. when the Association commits itself to either purchase or sell the asset, these are initially measured at fair value plus transaction costs. Fair value represents the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties.

Financial assets

Subsequent measurement

All financial assets are subsequently measured at amortised cost or fair value depending on their classification. The classification of financial assets is determined according to their contractual

cash flow characteristics and the business model under which they are held.

Financial assets at amortised cost

The Association's financial assets comprise trade and other receivables and term deposits. Amortised cost has been used to measure these financial assets as the following two criteria have been met and exist for the Association:

- The business model objective to hold these assets in order to collect the contractual cash flows arising (there is no intention to sell the financial asset); and
- The contractual terms of these give rise to cash flows on specified dates that are solely payments of principal and interest (where applicable) on the amount outstanding.

Impairment

For financial assets carried at amortised cost, a separate allowance account is used to reduce the carrying amount of financial assets. The Association uses the simplified model for determining the impairment of trade receivables, under the lifetime expected credit loss ("ECL") model.

The Association determines the expected credit losses on these items by using a provision matrix, estimated based on historical credit loss experience based on the past due status of the debtors, adjusted as appropriate to reflect current conditions and estimates of future economic conditions. Accordingly, the credit risk profile of these assets is presented based on their past due status in terms of the provision matrix. Note 11 includes further details on the loss allowance for trade receivables.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the Association no longer has any

significant continuing involvement in the risks and benefits associated with the asset. On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in the Statement of profit or loss and other comprehensive income.

Financial liabilities

Subsequent measurements

Financial liabilities are subsequently measured at either fair value through profit or loss ("FVTPL") or amortised cost (using the effective interest rate method).

The Association's financial liabilities comprise trade payables. They are non-derivative in nature, not classified as held for trading or designated as FVTPL and are held at amortised cost.

Derecognition

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

(o) Provisions, contingent liabilities and contingent assets

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. Provisions are discounted to their present values, where the time value of money is material.

1. Summary of significant accounting policies (continued)

Any reimbursement that the Association can be virtually certain to collect from a third party with respect to the obligation is recognised as a separate asset. However, this asset may not exceed the amount of the related provision.

No liability is recognised if an outflow of economic resources as a result of a present obligation is not probable. Such situations are disclosed as contingent liabilities, unless the outflow of resources is remote in which case no liability is recognised.

(p) Comparative amounts

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

(q) Significant management judgements in applying accounting policies

When preparing the financial statements, management undertakes a number of judgements, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.

Estimation uncertainty

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be substantially different.

Impairment

In assessing impairment, management estimates the recoverable amount of each asset or cash-generating unit based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.

Useful lives of depreciable assets

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical obsolescence that may change the utility of certain software and IT equipment.

Long service leave

The liability for long service leave is recognised and measured at the present value of the estimated cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Grant revenue

For many of the grant agreements received, the determination of whether the contract includes 'sufficiently specific' performance obligations was a significant judgement involving discussions with management, review of the documents prepared during the grant application phase and consideration of the terms and conditions.

Grants received by the Association have been accounted for under both AASB 15 and AASB 1058 depending on the terms and conditions and decisions made. If this determination was changed then the revenue recognition pattern would be different from that recognised in this financial report.

Lease liabilities

When measuring lease liabilities and right of use assets the Association makes judgement about the probability of the Association exercising extension options. The probability of exercising the option needs to be considered highly probable by management before including in the calculation of the lease liability.

2. Revenue

	30 June 2023 \$	30 June 2022 \$
2(a) Service subscriptions revenue		
Associate membership	31,751	42,387
Councils Connect	37,928	35,777
Employee Relations	1,192,373	1,013,829
Governance and procurement	499,998	487,357
Tax service	78,066	76,632
Total service subscriptions revenue	1,840,116	1,655,982
2(b) Income from services		
Employee Relations	57,175	78,128
LG Conventions & Events	1,100,670	941,187
Other Services	9,325	120,387
Preferred Supplier	5,287,558	5,324,659
Training Services	1,080,692	1,146,383
Total Income from services	7,535,420	7,610,744
2(c) Insurance services		
Remuneration Fees	3,336,010	3,270,598
Total Insurance services	3,336,010	3,270,598

2. Revenue (continued)

	30 June 2023 \$	30 June 2022 \$
2(d) Other Income		
Cost Recovery	324,323	492,461
Rent Subsidy	518,098	760,010
Parking Contributions	44,200	47,236
Administration LGHT	102,846	69,684
Gain on asset disposal	13,684	22,727
Other Income	1,840	13,022
Contributions	200,170	199,500
Total other income	1,205,161	1,604,640
2(e) Grant revenue		
Recognised under AASB 15	4,692,749	5,787,411
Recognised under AASB 1058	1,455,006	974,087
Total grant revenue	6,147,755	6,761,498

3. Expenditure

	30 June 2023 \$	30 June 2022 \$
3(a) Staff Costs		
Salaries and Superannuation	9,565,330	9,198,555
Annual Leave Accrual	15,134	88,405
Long Service Leave Accrual	110,153	(26,188)
Training and Professional Development	157,829	122,052
Parental Leave	31,179	-
Other Staff Costs	159,271	128,522
Total Staff Costs	10,038,896	9,511,346
3(b) Consultants & Subcontractors		
Consultants and Subcontractors	1,127,156	1,521,020
Legal Advice	81,397	100,523
Audit	71,258	40,688
Insurance	76,133	75,876
Special and Strategy Implementation Projects	257,395	381,578
Total Consultants & Subcontractors	1,613,339	2,119,685
3(c) Facilities & Equipment		
Occupancy Costs	340,673	302,256
Vehicle Expenses	47,498	45,714
Office Equipment and consumables	103,480	104,025
Allocation to grant expenditure	(303,732)	(286,016)
Total Facilities & Equipment	187,919	165,979
3(d) Information & Communication		
Communications	128,478	153,660
Software	663,990	454,479
Data Storage	80,477	88,067
Postage and Courier	32,918	36,809
Total Information & Communication	905,863	733,015

3. Expenditure (continued)

	30 June 2023 \$	30 June 2022 \$
3(e) Engagement & Support		
State Council and Boards	568,948	537,108
Meeting Costs	23,998	49,326
Printing & Publications	94,980	136,382
Travel Expenses	271,029	221,303
Conventions & Events	755,134	617,795
Subscriptions	384,687	337,331
Other Engagement and Support	66,070	40,872
Total Engagement & Support	2,164,846	1,940,117
3(f) Other Expenses		
Sundry Expenses	49,179	6,571
Asset Disposal Proceeds	19,751	8,318
Lease interest expense	244,607	272,924
Total Other Expenses	313,537	287,813

4. Surplus for the year

	30 June 2023 \$	30 June 2022 \$
Surplus for the year has been determined after:		
Depreciation and amortisation of non-current assets:		
- Right of use assets	930,559	923,808
- Property, plant and equipment	145,861	133,193
- Amortisation of intangible assets	162,641	217,205
Interest expense on lease liabilities	244,607	272,924
Employee benefits expense:		
- Wages and salaries	11,430,248	10,870,402
- Post-employment benefits	1,210,125	1,097,304
- Termination payments	61,910	120,803
- Other	181,784	146,088
Total employee benefits expense	12,884,067	12,234,597

5. Auditor's remuneration

	30 June 2023 \$	30 June 2022 \$
Remuneration of the auditor of the association for:		
Audit of the Financial Report	56,900	39,400
Financial statements assistance	5,100	3,300
	62,000	42,700

The auditor of the Association for the current year is Deloitte Touche Tohmatsu.

6. Key management personnel compensation

	30 June 2023 \$	30 June 2022 \$
Short-term employee benefits (including movement in annual leave provision)	1,627,736	1,667,799
Post-employment benefits	184,971	183,151
Other long-term benefits	29,948	68,530
Termination benefits	-	120,803
Total compensation of key management personnel	1,842,655	2,040,283

The individuals determined to be the key management personnel are listed in Note 23.

7. Accumulated surplus

	30 June 2023 \$	30 June 2022 \$
Accumulated surplus at the beginning of the year	2,573,697	1,557,339
Surplus for the financial year	179,103	412,162
Transfers from reserves (Note 8)	(75,692)	604,196
Accumulated surplus at the end of the year	2,677,108	2,573,697

8. Reserves

	30 June 2023 \$	30 June 2022 \$
Balance at the beginning of the year	4,208,663	4,812,859
Add: Transfers to/(from) reserves		
Employee leave benefits reserve	61,075	49,587
Minder Grant Fund Reserve	166,179	(122,682)
Roadwise Strategic Initiatives Grant Reserves	(151,562)	81,130
Capital acquisition reserve	-	(612,231)
	75,692	(604,196)
Total reserves at the end of the year	4,284,355	4,208,663
Represented by:		
Employee leave benefits reserve (a)	2,044,303	1,983,228
Strategic reserve (b)	1,359,334	1,359,334
Minder Grant Fund Reserve (c)	560,522	394,343
Roadwise Strategic Initiatives Grant Reserves (c)	320,196	471,758
	4,284,355	4,208,663

- (a) Employee Leave Benefits Reserve provides for the payment of long service leave and annual leave entitlements for employees and is matched to the total of these provisions.
- (b) Strategic Reserve was established to set aside accumulated surpluses to fund any potential strategic projects.
- (c) The Minder and Roadwise strategic initiative grant reserves were established by WALGA to set aside unspent funds from the respective grants.

The reserves are cash-backed and are matched by amounts included with restricted funds (reserves) in Note 10.

9. Cash and cash equivalents

	30 June 2023 \$	30 June 2022 \$
(a) Reconciliation of cash and cash equivalents		
Cash and cash equivalents at the end of the reporting period as shown in the statement of cash flows can be reconciled to related items in the statement of financial position as follows:		
Cash at bank	501,109	182,765
On call and term deposits	3,460,000	4,895,021
Cash and cash equivalents	3,961,109	5,077,786
(b) Reconciliation of net cash provided by operating activities to surplus for the year:		
Surplus from ordinary activities	179,103	412,162
Add back non-cash items:		
- Depreciation and amortisation	1,239,061	1,274,206
- Write-off of tangible assets	8,886	7,737
- Loss allowance	48,242	-
Change in assets and liabilities		
- (increase) /decrease in receivables	(251,291)	668,051
- increase in other assets	(84,995)	(123,782)
- decrease in trade creditors	(813,292)	(893,182)
- increase in other provisions	61,074	49,587
Net cash provided by operating activities	386,788	1,394,779

There were no non-cash transactions during the year (2022: \$Nil).

10. Application of funds

	30 June 2023 \$	30 June 2022 \$
The funds available to the Association are as follows:		
Cash and cash equivalents (refer to note 9)	3,961,109	5,077,786
Other financial assets (refer to note 12)	8,000,000	8,000,000
Total funds available	11,961,109	13,077,786
These funds are represented by cash and term deposits held in separate accounts as follows:		
Unrestricted funds		
Operating account	501,109	182,765
On call investments and term deposits	5,278,547	6,746,432
	5,779,656	6,929,197
Restricted funds (grants)		
DLGSC Corporate Partnership	6,530	6,530
RoadWise & RoadWise strategic initiatives	970,080	855,990
Household hazardous waste program	300,000	299,998
State NRM and coastal development conference	112,024	88,800
Waste and recycling conference development fund	161,824	161,824
CIE Bin tagging program	15,392	137,941
Waste Sorted	48,000	7,150
E Waste	50,000	-
Community Sharps Disposal	-	1,992
GAPP	21,418	24,571
Climate resilient councils project	-	(51,286)
Urban forest working group	37,401	17,264
Water Corp Urban Forest Grant	70,424	23,817
Climate Alliance	10,008	64,953
Coast WA Grant	76,884	58,997
Driver Reviver	-	47
Safety Ratings for LG Roads	9,212	58,176
MARAG	2,996	2,996
Animals In Emergencies	3,107	127,266
DFES	-	52,900
Community Stewardship	1,798	-
	1,897,098	1,939,926

10. Application of funds (continued)

	30 June 2023	30 June 2022
	\$	\$
Restricted funds (reserves)		
Employee leave benefits reserve	2,044,303	1,983,228
Strategic reserve	1,359,334	1,359,334
Minder Grants Reserve	560,522	394,343
Roadwise Strategic Initiative Reserve	320,196	471,758
	4,284,355	4,208,663
Total funds available	11,961,109	13,077,786

In order to observe the limitations and restrictions placed on the use of the cash resources of the Association, cash is disclosed as either restricted or unrestricted.

Unrestricted cash is that presently available for use by the Association at the discretion of management in the ordinary course of operations. Restricted cash (grants) is that presently available for disbursement, but expendable only for operating purposes specified by the grantor in respect of grant funds received. Restricted cash (reserves) is that presently available for use by the Association at the discretion of State Council but not normally available for short term operational use.

11. Trade and other receivables

	30 June 2023	30 June 2022
	\$	\$
Trade receivables	704,640	453,349
Loss allowance	(48,242)	-
	656,398	453,349
Ageing of past due:		
60-90 days	24,146	13,724
90-120 days	2,508	13,360
120+ days	51,573	(598)
Total	78,227	26,486

The average credit period is 30 days. No interest is charged on outstanding trade receivables. The Association always measure the loss allowance for trade receivables at an amount equal to the lifetime expected credit loss.

12. Other financial assets

	30 June 2023 \$	30 June 2022 \$
Term deposits	8,000,000	8,000,000

The Association holds term deposits with various financial institutions with various maturity dates and carry interest rates ranging between 1.6% - 5.5%. The held to maturity investments excludes term deposits with original maturity dates 3 months or less which are classified as cash and cash equivalents and included in note 9.

13. Other current assets

	30 June 2023 \$	30 June 2022 \$
Prepayments	431,787	445,773
Accrued income	310,041	211,060
	741,828	656,833

14. Property, plant and equipment

	30 June 2023	30 June 2022
	\$	\$
Office equipment		
Cost	577,902	284,141
Accumulated depreciation	(254,907)	(153,095)
	322,995	131,046
Leasehold improvements		
Cost	195,980	197,167
Accumulated depreciation	(39,573)	(32,832)
	156,407	164,335
Motor vehicles		
Cost	215,106	245,380
Accumulated depreciation	(95,369)	(91,481)
	119,737	153,899
	599,139	449,280

Movements in carrying amounts

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

	Office equipment \$	Leasehold improvements \$	Motor vehicles \$	Total \$
Balance at 30 June 2022	131,046	164,335	153,899	449,280
Additions	293,761	16,767	-	310,528
Depreciation	(101,812)	(14,185)	(29,864)	(145,861)
Disposal	-	(10,510)	(4,298)	(14,808)
Balance at 30 June 2023	322,995	156,407	119,737	599,139

15. Right of use assets

	30 June 2023	30 June 2022
	\$	\$
Motor Vehicle		
- At cost	293,002	227,622
- Accumulated depreciation and impairment	(250,862)	(220,116)
	42,140	7,506
Office equipment		
- At cost	61,466	45,600
- Accumulated depreciation and impairment	(54,855)	(45,600)
	6,611	-
Commercial premises		
- At cost	13,358,375	13,358,375
- Accumulated depreciation and impairment	(8,460,304)	(7,569,746)
	4,898,071	5,788,629
	4,946,822	5,796,135

Movements in carrying amounts

Movement in the carrying amounts for each class of right of use assets between the beginning and the end of the current financial year:

	Motor vehicle \$	Office equipment \$	Commercial premises \$	Total \$
Balance at 30 June 2022	7,506	-	5,788,629	5,796,135
Additions	65,380	15,866	-	81,246
Depreciation	(30,746)	9,255)	(890,558)	(930,559)
Balance at 30 June 2023	42,140	6,611	4,898,071	4,946,822

The Association leases several assets including building, office equipment and motor vehicles. The following lease terms are used in the calculation of depreciation:

Motor vehicles	2 years
Office Equipment	3 years
Commercial premises	15 years

The Association does not have an option to purchase leased assets at the end of the lease term.

Amounts recognised in profit and loss related to leases:

	30 June 2023	30 June 2022
	\$	\$
Depreciation expense on right-of-use assets	930,559	923,808
Interest expense on lease liabilities	244,606	272,924

16. Intangibles

	30 June 2023 \$	30 June 2022 \$
Software		
Cost	529,809	370,248
Accumulated amortisation	(249,231)	(142,096)
	280,578	228,152
Intellectual property		
Cost	182,295	182,295
Accumulated amortisation	(117,112)	(91,436)
	65,183	90,859
	345,761	319,011

Movements in carrying amounts

	Software \$	Intellectual property \$	Total \$
Balance at 30 June 2022	228,152	90,859	319,011
Additions	198,277	-	198,277
Amortisation charge	(136,965)	(25,676)	(162,641)
Write-off	(8,886)	-	(8,886)
Balance at 30 June 2023	280,578	65,183	345,761

17. Trade and other payables

	30 June 2023	30 June 2022
	\$	\$
Creditors and accruals (i)	1,244,633	1,239,267
Contracted professional development	39,631	22,848
Contract liabilities (ii)	382,422	1,091,509
Unexpended grants received and receivable (Note 10)	1,897,098	1,939,928
Net GST (receivable) / payable	(14,292)	69,232
	3,549,492	4,362,784

(i) Trade and other payables are non-interest bearing. The average credit period on purchases of goods and services is 30 days.

(ii) Contract liabilities mostly relates to income from training & Local Government conference received in advance.

18. Lease liabilities

	30 June 2023	30 June 2022
	\$	\$
Unsecured		
Current	1,062,891	978,176
Non-current	5,632,908	6,645,846
	6,695,799	7,624,021

Commercial premise leases are negotiated for an average term of 15 years ending in 2029, with an option to extend upon the same terms and conditions.

Future minimum lease payments		
Not later than one year	1,062,891	978,176
Later than one year and not later than five years	4,916,918	4,561,843
Later than five years	715,990	2,084,002
	6,695,799	7,624,021

The Association does not face a significant liquidity risk with regards to its lease liabilities.

19. Provisions

	30 June 2023 \$	30 June 2022 \$
Current		
Annual leave	1,011,424	986,517
Long service leave	845,075	837,652
	1,856,499	1,824,169
Non-current		
Long service leave	187,804	159,060
	2,044,303	1,983,229

20. Contingent liabilities

	30 June 2023 \$	30 June 2022 \$
Bank guarantee in favour of the Crown secured by a right of set-off over specific assets of the Municipal Workcare Scheme	52,100,000	49,200,000
The Association employs a number of personnel under contracts that include severance entitlements.		
Bank facility used by Local Government House Trust, which WALGA is the Beneficiary of	24,400,000	24,400,000

WALGA is the beneficiary of the Local Government House Trust (LGHT). LGHT has a joint venture with Qube Railway Parade Pty Ltd. This joint venture uses this facility. As at 30 June 2023 there was nil unused in this facility (2022: \$nil). This facility is available until 24 January 2024 or can be terminated early, if required. Interest rate is charged at the sum of the BBSY plus 1.8%. This loan is secured by a registered mortgage over 168-170 Railway Parade, West Leederville.

21. Financial risk management

The Association's financial instruments consist mainly of deposits with banks, short-term investments, accounts receivable and payable.

The totals for each category of financial instruments, as detailed in the accounting policies to these financial statements, are as follows:

	Note	30 June 2023 \$	30 June 2022 \$
Cash and cash equivalents and other financial assets			
- unrestricted funds	10	5,779,656	6,929,197
- restricted funds (reserves)	10	4,284,355	4,208,663
- restricted funds (grants)	10	1,897,098	1,939,928
Trade and other receivables	11	656,398	453,349
Total financial assets		12,617,507	13,531,137
Trade and other payables	17	3,549,492	4,362,784
Total financial liabilities		3,549,492	4,362,784

Fair value for the financial instruments is considered to be equal to the carrying amounts in the Financial Statements.

22. Subsequent events

There were no particular matters or circumstances that have arisen since the end of the financial period up to the date of authorisation of the financial report which significantly affected or may significantly affect the operations of the Association, the results of those operations or the state of affairs of the Association in future financial years.

23. Related parties

Related Party Transactions

During the year ended 30 June 2023, the Association had the following related party transactions:

Related Party	Nature of relationship	Transactions
Local Government House Trust ("LGHT")	Trust in which the Association is the beneficiary	- Rent subsidy received of \$518,098 (2022: \$760,010) - Administration fee income of \$102,846 (2022: \$69,684)
LGHT & Qube Railway Parade Pty Ltd	Joint Venture within which LGHT has a 60% interest	- Lease repayments of \$1,009,469 (2022: \$926,428), interest expense of \$244,607 (2022: \$272,924) associated with the lease of the office premises in West Leederville - Office electricity and outgoings expense of \$69,315 (2022: \$61,196).
Local Government Insurance Scheme ("LGIS")	WALGA is the Trustee for the LGISWA Scheme under the provisions of a Trust Deed made on 19 September 1996	- Management Fees and Brokerage Income Commission of \$3,336,010 (2022: \$3,270,598)

Related party transactions were made on terms equivalent to those that prevail in arm's length transactions.

The following balances were outstanding at the end of the reporting period:

	Amounts owed by related parties		Amounts owed to related parties	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
Local Government Insurance Scheme ("LGIS")	\$ 312,051	\$ 76,010	-	-

The amounts outstanding are unsecured and will be settled in cash. No expense has been recognised in the current or prior years for loss allowance in respect of the amounts owed by related parties.

23. Related parties (continued)

Key management personnel

The Association has determined that key management personnel include State Councillors and senior officers of the Association.

State Council Members

- WALGA President
Cr Karen Chappel AM JP
- WALGA Deputy President
Cr Paul Kelly
- President Cr Phillip Blight
- Cr David Lagan
(Commenced on 01/03/2023)
- President Cr Cheryl Cowell
- President Cr Stephen Strange
- Cr Chris Mitchell JP
- Cr Les Price
- Cr Russ Fishwick JP
- President Cr Michelle Rich
- Mayor Patrick Hall
(Commenced on 01/03/2023)
- Cr Doug Thompson
- Mayor Carol Adams OAM
- Mayor Logan Howlett JP
- President Cr Tony Dean
- Cr Frank Cvitan
- Cr Catherine Ehrhardt
- Mayor Mark Irwin
(Resigned on 8/12/2022)
- President Cr Ken Seymour
- Mayor Peter Long
- Mayor Ruth Butterfield
- Cr Carl Celedin
(Resigned on 8/12/2022)
- Cr Christopher Pavlovich
- Cr Helen Sadler
- Cr John Daw
- President Cr Laurene Bonza
- President Cr Moira Girando JP

Office Bearers

- Cr Paul Kelly
- WALGA President Cr Karen Chappel AM JP

Finance and Services Committee Members

President Cr Karen Chappel AM JP	WALGA President
Cr Paul Kelly	WALGA Deputy President
Mayor Logan Howlett JP	State Councillor
President Cr Moira Girando JP	State Councillor
Mayor Patrick Hall	State Councillor (Commenced on 01/03/2023)
Mr Colin Murphy	Independent Representative
Cr Carl Celedin	State Councillor (Resigned on 08/12/2022)

CEO and Executive Managers

Nick Sloan	Chief Executive Officer
Tony Brown	Executive Director Member Services
Narelle Cant	Executive Manager Advocacy
Ian Duncan	Executive Manager Infrastructure
Nicole Matthews	Executive Manager Policy

23. Related parties (continued)

Total compensation cost of key management personnel to the Association for the reporting period including allowance for movement in leave provisions is presented within the following bands:

Compensation band (\$)	30 June 2023 No.	30 June 2022 No.
0 – 10,000	32	37
10,001 – 20,000	1	1
40,001 – 50,000	-	1
60,001 – 70,000	1	-
70,001 – 80,000	-	1
100,001 – 110,000	-	1
150,001 – 160,000	1	-
200,001 – 210,000	-	1
240,001 – 250,000	-	1
250,001 – 260,000	3	-
260,001 – 270,000	-	2
310,001 – 320,000	1	1
390,001 – 400,000	1	1
	40	47

Other disclosures relating to compensation of key management personnel are disclosed in Note 6.

24. Association details

The principal place of business of the association is:

Western Australian Local Government Association
ONE70
Level 1, 170 Railway Parade,
WEST LEEDERVILLE WA 6007

