



SHIRE OF MORAWA

ORDINARY COUNCIL MEETING

(ATTACHMENTS)

Tuesday, 29 September 2026



WESTERN AUSTRALIA'S
WILDFLOWER COUNTRY

Agenda – Attachments

Shire of Morawa

Ordinary Council Meeting

29 September 2026



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Attachment 1 – 11.1.2a Planning Application.

Attachment 2 – 11.1.2b Cover Letter.

Attachment 3 – 11.1.2c Site Plan.

Attachment 4 – 11.1.2d Floor Plan.

Item 11.1.2 – Proposed Outbuilding – Lot 170 (No 63) Yewers Avenue, Morawa

**SHIRE OF MORAWA**

Phone: (08) 9971 1204

Email: admin@morawa.wa.gov.au

PO Box 14, MORAWA WA 6623

26 Winfield Street, MORAWA WA 6623

8.30am - 4.30pm, Monday to Friday

SHIRE OF MORAWA**Development Approval Application****INFORMATION TO BE PROVIDED:**

- ☐ All details within this form are to be completed to avoid a returned or cancelled Application.
- ☐ Plans are to be submitted with this application in accordance with section 5.
- ☐ Payment of an applicable fee is required when submitting the Application.
- ☐ Signatures of both property owner and applicant are required to process the Application.
- ☐ Please complete and submit 'The Essential Documents Checklist' with the Application.

Owner Details

Name BENJAMIN WHITMORE

Postal Address 63 YEWERS AVENUE MORAWA 6623

Phone Number 0448 376 558

Mobile Number 0448 376 558

Email Ben.Whitmore.official@gmail.com

Signature 

Date 27-08-26

Applicant Details

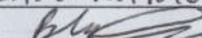
Name BENJAMIN WHITMORE

Postal Address 63 YEWERS AVENUE MORAWA 6623

Phone Number

Mobile Number 0448 376 558

Email Ben.Whitmore.official@gmail.com

Signature 

Date 27-08-26

Property Details

Lot Number 170, 171

House/Street Number 63/65

Location Number

Street Name YEWERS AVENUE

Suburb MORAWA

Nearest Intersection YEWERS AVENUE, CAULFIELD ROAD

*Certificate Of Title Volume/Folio No. 2133/261

Diagram/Plan No. 150062

*Title Encumbrances (If Any) Q145509 MORTGAGE TO NATIONAL AUSTRALIA BANK LTD

*Information (including copy of title, volume and folio numbers and encumbrances) can be sourced from Landgate on the following web address- <https://www.landgate.wa.gov.au/>**Proposed Development**

Nature of development

☐ Works☐ Use☒ Works and Use

Description of proposed works and/or land use INSTALL NEW PATIO + CARPORT

Estimated cost of proposed development \$10,434.60 + \$16,156.21

Estimated time of completion 4 WEEKS

Office Use Only

Date Received

Document Number

Fees Paid

Officer

Receipt Number

Response

Application Number

Assessment Number

To Whom It May Concern,

We are seeking approval to construct a two-car carport and storage shed on the southern side of our property.

We believe this is the most suitable location for the proposed structure, as it is appropriately set back from the street boundaries and makes practical use of the currently underutilised space on this side of the block. The proposed location will also help maintain a consistent streetscape and minimise the visual impact of the structure from the road.

The existing driveway and carport are located in a difficult-to-access position and provide limited visibility when reversing onto the street. The current arrangement also provides inadequate parking and presents practical safety concerns.

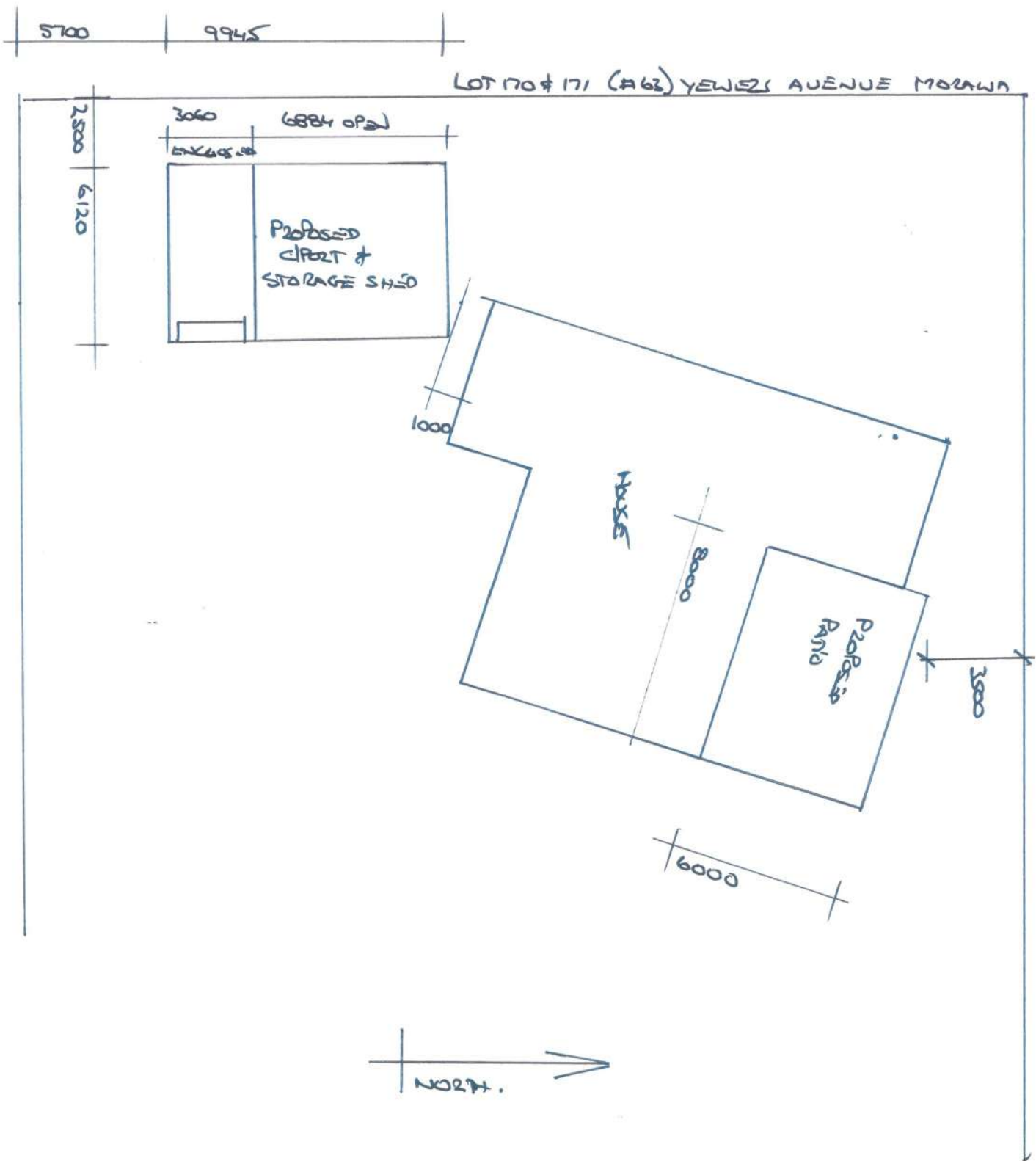
The proposed two-car carport would allow us to keep our vehicles safely off the street, providing improved parking, privacy and security for our household. Relocating the carport to the southern side of the property will also improve vehicle access and manoeuvrability while making better use of the available space on the block.

Relocating the carport would also provide greater opportunities for our landscaping plans. Removing the existing carport and driveway arrangement would give us additional usable space for garden beds, planting and grassed areas, allowing us to improve the overall appearance and presentation of the property.

We believe the proposed carport and storage shed will provide a practical and safe solution while making better use of the property, improving the landscaping and maintaining the overall appearance and character of the streetscape.

Thank you for considering our proposal.

Kind regards,
Benjamin Whitmore



SHORELINE OUTDOOR WORLD

66 Flores Road, Geraldton WA 6530

P.O.Box 3223, Geraldton WA 6531

Tel: (08) 9921 2151 or (08) 9964 4447

Facsimile: (08) 9921 7119

Email: shorodw@wn.com.au

ABN: 57 437 733 515

Proposed patio
Area - 48.m2
FFL 9.90

North



Lot 170 and 171 (#63) Yewers Avenue, Morawa, Ben Whitmore

Proposed open carport with storage shed
Open area 42.14 m2, enclosed storage area 18.73 m2

Drainage note - total area of patio and shed is 108.87 m2
x 0.9/60= 1640 ltrs. All rain water to be directed well away from
foundations and boundaries by owner vis bubbler

Shoreline Out Door World

66 Flores Road , Geraldton . WA 6530

PO Box 3223 , Bluff Point , Geraldton WA

Tel. 99644447 Fax 99217119

leon@shorelineodw.com.au

Owner - Ben Whitmore

Address - Lots 170 and 171 (#63 Yewers Avenue , Morawa

Proposed - patio and carport with storage shed

Scale 1: 100 m2

Block area 1012 +1012 m2 = total 2024 m2

Drainage note - Roof area m2 =

0

x 0.9 / 60

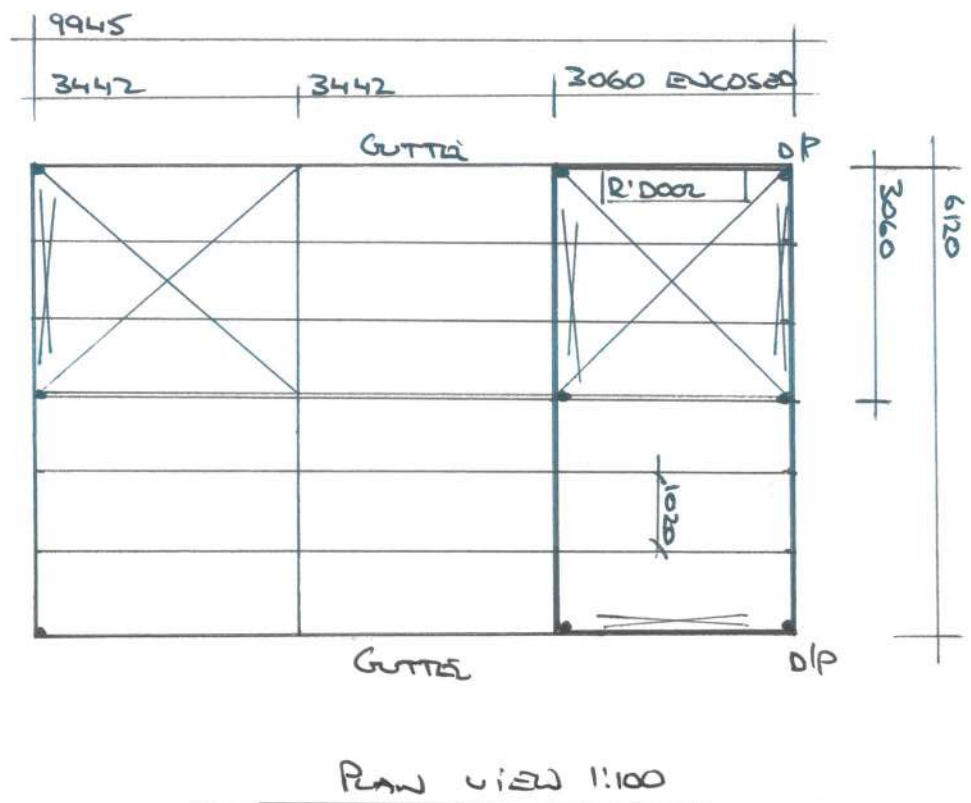
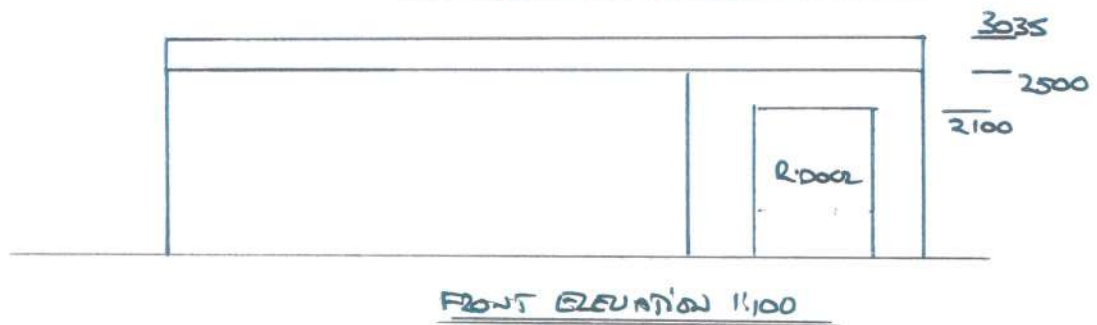
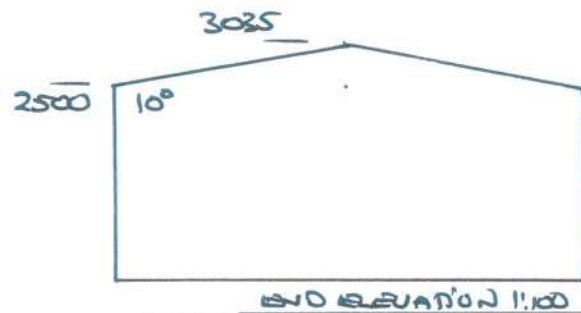
Total litres

0

All rain water to be directed away from foundations and boundaries via

0

By owner



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Attachment 1 – 11.1.3a Cover Letter.

Attachment 2 – 11.1.3b Site Plan.

Attachment 3 – 11.1.3c Advertising submission.

Item 11.1.3 – Proposed Feedlot – Lot 1 (No. 216) old Three Springs, Morawa

Proposed Weelaway Feed lot

To Morawa Shire Council, we are seeking planning approval for a 5000 SSU head sheep feed lot. The throughput of sheep will be up to 20,000 SSU per annum per year. They will be on confined feeding and stocking rates will be well below DPIRD stocking density rates. An approval from DWER is being submitted, with the assistance from DPIRD

The area of the feed lot is 40,000 m², which includes 10 pens at 2000m² (20,000m²), Plus a 20000m² for composting and sheep yards etc.

Drawings are provided with proposed planning. This Also shows storm water runoff drainage line and Dam.

Note* SSU = Standard Sheep Unit =60kg Sheep

Regards Andrew Moore

216 Old Three Springs Rd Morawa

Path or polygon

Click points on the map to draw a path or polygon

Perimeter
841.59 m

Area
40,215.05 m²

Advanced measurements ⓘ

Elevation estimate
Min: 320.44 m | Median: 325.71 m | Max:
333.91 m

☐ Save to project

North.



3D



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+



SHIRE OF MORAWA

Development application submission

Reference:	TP 26/03	
Land Description:	Lot 1 Old Three Springs Road	
Name:	Brent Payne	
Postal Address:	PO Box 286	
Mobile Number:		
Email Address:		
SUBMISSION		
Support	Objection	Indifferent
Comments: Fine by us if this is what Jack + Rebecca would like to do.		
Submissions Close: 5.00 pm on Wednesday, 26 August 2026		
Date: 11/8/2026	Signature: BP	

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Attachment 1 – 11.1.4a Planning Application.

Item 11.1.4 – Proposed Feedlot Business Signage and Front Façade Painting – Lot 38 (No. 40) Windfield Street



SHIRE OF MORAWA

Phone: (08) 9971 1204

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SHIRE OF MORAWA

Development Approval Application

INFORMATION TO BE PROVIDED:

- ☐ All details within this form are to be completed to avoid a returned or cancelled Application.
- ☐ Plans are to be submitted with this application in accordance with section 5.
- ☐ Payment of an applicable fee is required when submitting the Application.
- ☐ Signatures of both property owner and applicant are required to process the Application.
- ☐ Please complete and submit 'The Essential Documents Checklist' with the Application.

Owner Details		
Name <i>Joseph and Francisca Asselin</i>		
Postal Address <i>PO Box 135, Morawa, WA, 6623</i>		
Phone Number <i>9971 1347</i>	Mobile Number <i>0409 588 555</i>	
Email <i>Katscural@outlook.com.au</i>		
Signature <i>[Signature]</i>	Date <i>16.2.26</i>	
Applicant Details		
Name <i>Joe Asselin</i>		
Postal Address		
Phone Number	Mobile Number	
Email		
Signature <i>[Signature]</i>	Date <i>16.2.26</i>	
Property Details		
Lot Number	House/Street Number <i>40</i>	Location Number
Street Name <i>Winfield</i>	Suburb <i>Morawa</i>	
Nearest Intersection <i>Prater St</i>		
*Certificate Of Title Volume/Folio No.		Diagram/Plan No.
*Title Encumbrances (If Any)		
*Information (including copy of title, volume and folio numbers and encumbrances) can be sourced from Landgate on the following web address- https://www.landgate.wa.gov.au/		
Proposed Development		
Nature of development	☐ Works	☒ Use ☐ Works and Use
Description of proposed works and/or land use <i>Painting external</i>		
Estimated cost of proposed development <i>\$500</i>		
Estimated time of completion <i>March 2026</i>		
Office Use Only		
Date Received	Document Number	
Fees Paid	Officer	
Receipt Number	Response	
Application Number	Assessment Number	

Essential Documents Checklist	Applicant	Officer
Application		
Required information completed including Owner and Applicant details with signatures	☐	☐
Plans listed are copied at a scale of not less than 1:500	☐	☐
Payment of the applicable fee is made when submitting this application	☐	☐
Site Plan at a scale of not less than 1:500 details		
Street name/s; lot number/s; north point; lot dimensions; location of all existing and proposed structures and environmental features, boundary setback distances to existing and proposed buildings, use of new buildings, existing and proposed access	☒	☐
Location, number, dimensions and layout of car parking spaces, location and dimensions of service areas, landscaping, open storage or trade display areas if applicable	☐	☐
Floor Plan at a scale of not less than 1:500 details		
Dimensions of specific rooms and outdoor living areas identified including vehicle parking under main roof	☐	☐
Elevation Plan at a scale of not less than 1:500 details		
Reference to natural ground level, height of walls, and total height to roof pitch	☐	☐
Details of external wall cladding, colours and materials	☒	☐
Stormwater Drainage Plans		
Include method of disposal. Note: Local Government encourages on-site retention methods to reduce the amount of water entering the local drainage network.	☐	☐
Optional Plan	Applicant	Officer
Landscaping Plan		
To include location and area of landscaping to be shown with species and types of plants and their height	☐	☐
Fees		
As per the Shire of Morawa Fees & Charges		

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Attachment 1 – 11.1.5a Major Land Transaction Business Plan – Morawa Early Childhood Education & Family Centre.

Attachment 2 – 11.1.5b Childcare Facility Needs Analysis Report (2022).

Attachment 3 – 11.1.5c Morawa Child & Family Centre Business Case.

Attachment 4 – 11.1.5d Cost Benefit Analysis.

Attachment 5 – 11.1.5e Council Resolution – 20 July 2023.

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Attachment 8 – 11.1.5h Agreement with ACEQA approved provider.

Item 11.1.5 – Major Land Transaction – Morawa Early Childhood Education & Family Centre



MAJOR LAND TRANSACTION BUSINESS PLAN

Morawa Early Childhood Education & Family Centre

Prepared under Section 3.59, Local Government Act 1995



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1. Executive Summary

The Shire of Morawa proposes to undertake a Major Land Transaction involving the construction of the Morawa Early Childhood Education and Family Centre on Lot 409 (No.26) Prater Street, Morawa, and the subsequent lease of part of the facility to Regional Early Education and Development Inc. (REED), a not-for-profit ACECQA-approved Early Childhood Education and Care (ECEC) provider.

The project responds to long-identified community needs including:

- Critical shortage of childcare places
- High levels of developmental vulnerability (AEDC 2021)
- Lack of indoor play and family support spaces
- No permanent home for playgroup
- Workforce attraction and retention challenges
- Cultural and social inclusion needs for Aboriginal families

The project has received Development Approval (TP09/24) and is supported by a comprehensive Business Case, Needs Analysis, Cost Benefit Analysis, and Council resolutions.

The total project cost is \$4,200,000, with the Shire contributing \$1,253,225 and external grant funding of \$2,946,775 secured.



2. Legislative Framework

This Business Plan has been prepared in accordance with:

- Section 3.59 of the Local Government Act 1995
- Regulations 7 and 8A of the Local Government (Functions and General) Regulations 1996
- Section 5.56 of the Local Government Act 1995 (Strategic Community Plan and Corporate Business Plan)

This proposal constitutes a Major Land Transaction because the total value of the development and associated property transaction exceeds the prescribed threshold.



3. Description of the Proposed Transaction

3.1 Nature of the Transaction

The Shire proposes to:

1. Construct a new Early Childhood Education and Family Centre on Shire-owned land (Lot 409).
2. Lease the ECEC portion of the facility to REED under a peppercorn lease or licence (\$1 per term).
3. Retain ownership of the land and building.
4. Operate the Family Centre component as a Shire-managed community facility.

This constitutes a Major Land Transaction because:

- The capital expenditure exceeds \$2 million, and
- The lease constitutes a disposal of property under s3.58 and s3.59 of the Act.

3.2 Land Details

- Lot 409 on Deposited Plan 210931
- Certificate of Title Volume 1811 Folio 34
- Street Address: 26 Prater Street, Morawa
- Registered Proprietor: Shire of Morawa

3.3 Proposed Lease or Licence Terms (REED)

As outlined in the Partnership Agreement:

- Peppercorn rent: \$1 per term of agreement
- Shire provides:
 - Building insurance
 - Pest control
 - Fire safety testing
 - Electrical test & tag



- Basic garden maintenance
 - Maintenance of capital items
 - Access to subsidised staff accommodation
- REED provides:
 - 5-day-per-week childcare service
 - After-school care
 - Integration with Morawa District High School
 - Annual reporting to the Shire
 - Cultural engagement with MEEDAC and Aboriginal families
 - Responsibility for basic amenity maintenance such as paint refreshes, light globes, toys and consumables



4. Project Description

The Centre will include:

- Licensed Long Day Care (up to 19 children, expandable to 22)
- Out-of-School Hours Care
- Indoor play space
- Playgroup room
- Wellness room
- Consultation rooms for allied health
- Multipurpose community meeting rooms
- Culturally appropriate spaces for Aboriginal families
- Outdoor play areas
- Landscaping and shade structures

The facility is located adjacent to the Morawa Kindergarten and opposite Morawa District High School, enabling seamless early-years transition and school-readiness programs.



5. Project Cost and Funding

5.1 Total Project Cost

The final contracted construction cost is:

- \$4,200,000 (ex GST)

This figure reflects:

- Final builder contract
- Updated escalation
- Updated design and scope
- Confirmed professional fees and contingencies

5.2 Shire Contribution

Council has resolved to contribute:

- \$1,253,225

Funding source:

- Community & Economic Development Reserve: \$353,225
- WA Treasury Corporation 10-Year Loan: \$900,000

5.3 External Funding

The Shire has secured three separate grants to fund the majority of the project:

- Growing Regions Program – Round 2: Major funding component
- Lotterywest Grant: Community infrastructure and social outcomes support
- Regional Economic Development (REDs) Grant: Regional development and workforce participation support

Total external funding awarded:

- \$2,946,775

These grants collectively cover the major portion of project costs and ensure the project is fully financed.



6. Expected Effect on the Local Government

6.1 Financial Impacts

- Capital expenditure incorporated into the Long Term Financial Plan
- Operational costs limited to:
 - Building insurance
 - Pest control
 - Fire safety testing
 - Electrical test & tag
 - Basic garden maintenance
 - Maintenance of capital items
- REED responsible for all operational and staffing costs
- No negative long-term financial impact identified

6.2 Asset Management

The Centre will be included in:

- Strategic Asset Management Plan
- Asset Renewal Programs
- Long Term Financial Plan



7. Expected Effect on Strategic Planning Documents

The proposal supports the objectives of:

- Strategic Community Plan 2022-2032
- Corporate Business Plan
- Long Term Financial Plan
- Workforce and Economic Development objectives

Shire of Morawa Strategic Community Plan - 2022-2032

Enhance partnerships and alliances

Morawa will need to build and maintain strong partnerships with commercial operators, government agencies, and other large organisations to ensure the area is well connected to take advantage of opportunities as they arrive. Various alliances already exist but improvements in the way in which businesses and organisations in Morawa work with others will be paramount to generating ideas, opportunities, innovation and growth

Enhance health service provisions

To prosper a community needs strong health care services to ensure its members are healthy and able to contribute towards the success of the area. Morawa is currently well serviced as a subregional centre with quality primary health care services, doctor, District Hospital, and a regular mobile dental clinic. The Morawa lodge and aged care units offer support to aging residents but enhancements to support aging in place would be welcomed. As would increases in the availability of allied and non-critical health services. Mental health support continues to be a focal point across the district and broader region.

Ensure the Shire and its assets are well resourced and sustainable

The Shire of Morawa is essentially the major public service provider in the district. Overtime the State Government has withdrawn its physical presence from regional areas and the onus has been placed on Local Government to support the needs of the community. The Shire maintains a vast array of public use assets and infrastructure. A well run and well-resourced local government is paramount to the development of the community and district.

The benefits of a well-run and resourced local government in a remote area will go beyond the standard operational outputs but will contribute to the maintenance of the social fabric of the town. It is important that the Shire continual reviews all operations and assets with a



continuous improvement and affordability mindset to enhance value for the community wherever possible.

Foster passion and belief in younger residents

Morawa hosts quality educational facilities and the district high school's motto to grow good people seems to resonate around the community. Morawa is genuinely committed to seeing the younger generation prosper and fulfill their potential. Overcoming the alienation and dis-engagement of the younger generation will be key to achieving a vibrant and inclusive community. For families to move to or back to Morawa they must see it as a good fit for their children to grow into passionate, engaged, and proactive young adults. This goes beyond the education system and falls on to the broader community engage and empower young people to be an integral part in the future of Morawa.



8. Ability of the Shire to Perform the Transaction

The Shire has:

- Secured all grant funding;
- Entered into a building contract;
- Obtained development approval;
- Incorporated the project into its Long Term Financial Plan;
- Established a partnership framework with REED; and
- Allocated internal project management and governance resources.

Accordingly, the Shire is satisfied it possesses the capacity and resources necessary to complete and manage the transaction.



9. Expected Effect on Other Persons Providing Facilities and Services in the District

The proposal is expected to complement rather than compete with existing service providers.

The facility will increase the availability of early childhood education and care services within Morawa and assist existing employers, including the Morawa District High School, Morawa Hospital, local businesses and government agencies, to attract and retain staff.

The Centre will provide accommodation for allied health, parenting programs and family support services which are currently delivered on a visiting basis or from dispersed locations.

No significant adverse impacts on existing providers have been identified.



10. Expected Community and Economic Benefits

10.1 Cost Benefit Analysis (Whitney Consulting, 2024)

Net Present Value (NPV):

Discount Rate	NPV
4%	\$17.10m
7%	\$13.96m
10%	\$11.81m

Benefit Cost Ratio (BCR):

Discount Rate	BCR
4%	5.78
7%	5.12
10%	4.65

10.2 Key Benefits

- Increased workforce participation
- Attraction and retention of essential workers
- Improved early childhood development outcomes
- Reduced long-term social costs
- Strong benefits for Aboriginal families
- Increased GRP and local business turnover
- Enhanced community wellbeing and social cohesion
- Indoor play and family support spaces
- Permanent home for playgroup
- Culturally safe environment for families



11. Rationale for the Transaction

The Needs Analysis (Jill Cameron & Associates, 2022) identified:

- Existing FDC service nearing end-of-life
- Insufficient childcare places
- High developmental vulnerability
- Lack of suitable indoor play spaces
- Limited support for isolated parents
- No permanent playgroup venue
- No suitable space for allied health services
- Strong demand from employers
- Aboriginal families not accessing current services

REED is the only regional not-for-profit provider specialising in small rural centres.



12. Risks and Mitigation

Risk	Mitigation
Construction cost escalation	Final contract executed; contingencies included
Workforce shortages	REED recruitment pathways; MDHS VET partnerships
Demand fluctuations	Flexible 19–22 place design; OSHC services
Operational sustainability	REED break-even model; peppercorn lease



13. Public Consultation Requirements

In accordance with s3.59 of the Local Government Act 1995, the Shire will:

1. Give statewide public notice of this Business Plan.
2. Make the Business Plan available for inspection for at least 6 weeks.
3. Invite written submissions from the public.
4. Consider all submissions at a Council meeting.
5. Decide whether to:
 - Proceed with the transaction
 - Proceed with amendments
 - Not proceed



14. Submission Details

Submissions must be lodged on or before 4:00pm, 16 November 2026.

Shire of Morawa PO Box 14, Morawa WA 6623 Email: admin@morawa.wa.gov.au



15. Attachments

1. Business Case – Morawa Child & Family Centre
2. Cost Benefit Analysis
3. Needs Analysis Report
4. Development Approval (TP09/24)
5. Partnership Agreement with REED
6. Certificate of Title – Lot 409
7. Builder Contract Summary (confidential extract)
8. Council Resolutions (20 July 2023, 18 December 2023, & 19 September 2024)



16. Council Consideration

Following the close of the public submission period, Council will consider all submissions received and determine whether to:

- Proceed with the Major Land Transaction
- Proceed with modifications to the proposal
- Not proceed with the Major Land Transaction

Attachment 2 – 11.1.5b Childcare Facility Needs Analysis Report (2022).

SHIRE OF MORAWA
NEEDS ANALYSIS -
EARLY CHILDHOOD EDUCATION AND CARE
(DAY CARE) CENTRE

JILL CAMERON AND ASSOCIATES
OCTOBER 2022

DISCLAIMER:

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EXECUTIVE SUMMARY

The Shire of Morawa has received requests from community members to investigate the development of an Early Childhood Education and Care (ECEC) Centre in Morawa and wishes to gain a better understanding as to whether the current family day care service fully meets community demand for early childhood education and care or if the economic contribution of families is limited by a lack of early childhood options. The Shire has concerns that an ECEC centre may not be sustainable in the longer term.

Jill Cameron and Associates were engaged by the Shire to undertake a study to assess the level of unmet need for early childhood education and care/childcare in the Shire of Morawa.

Findings and recommendations were informed by:

- a) desktop review of Commonwealth and State government policies relevant to ECEC and recent relevant reports,
- b) desktop review of ABS demographic data and Education Department data,
- c) identification of and consultation with the providers of ECEC services within 1 hour drive of Morawa,
- d) distribution of a surveymonkey questionnaire to parents of K-Yr6 children attending Morawa DHS,
- e) site visit to existing Family Day Care operating as an “in venue” service,
- f) targeted consultation with key stakeholders (by telephone and face to face), and
- g) analysis and preparation of a written report.

CONTEXT

There is substantial evidence that early childhood services have a strong impact on children's learning and development and that children who participate in these services do better on measures of educational performance when they attend primary school. This is particularly true for children from disadvantaged backgrounds. Early childhood services can provide some children with opportunities for learning and development which may exceed those available solely in their families. In these cases, the provision of early childhood services provides government with an opportunity to break the cycle of poverty and inequality that begins in early childhood.

Evidence is now emerging that high quality centre-based child care programs can successfully change this downward trajectory. A positive early childhood experience provides personal and economic benefits to the individual and then to the society as a whole. In addition, an ECEC centre providing quality ECEC services is important for attracting and retaining essential workers in the community.

FINDINGS

Current in-venue Family Day Care service

- Morawa families use a mix of informal child care provided by grandparents, other relatives and friends and formal early childhood education and care provided by ‘Wild Things’ family day care service.

- The Family Day Care Educator who has provided the Wild Things service at Morawa for some five years is highly regarded by the Ngala Coordination Unit. Given the average period of operation for a sole trader family day care provider is around two years, this demonstrates a long term commitment by the current provider to ensuring ECEC services are available to the Morawa community.
- While the Morawa premises are not 'perfect' and would be unlikely to meet the standard required for centre-based care, the Ngala Coordinator is satisfied that the physical environment meets all of the requirements for a family day care premises.
- Notwithstanding the small number of children attending the family day care service, and the preference some parents have for centre-based care, the family day care service is a critical resource in the Morawa community, particularly for parents employed at the hospital, school and shire who do not have extended family members able to provide informal care.
- It does not appear to be well understood that the family day care educator is a self-employed sole trader who operates in a complex ECEC system within clearly defined legislation, policies and rules, in a venue which is not without some limitations. Availability of an ECEC centre operating within a strict legal framework would not necessarily meet all community expectations. For example, opening hours are determined by the Approved Provider taking account of potential utilisation, the regulated staff:child ratio, cost and impact on financial viability. Days and hours of operating will therefore vary between centres (refer to p13).
- The family day care service is generally not accessed by Aboriginal families who are among the most disadvantaged and most developmentally vulnerable members of the community.

Considerations for the future

- While the Shire owned facility in which the family day care service currently operates has been assessed as suitable for family day care, it is unlikely to be fit for purpose in the medium to long term as standards and expectations increase. The quality of the ageing family day care premises is already a likely disincentive for some parents to use the existing service. Similarly, it has been found that an ECEC centre that is ageing and not fit for purpose can have difficulty attracting and retaining educators. The premises currently used for in-venue family day care will not be suitable for any future centre-based service.
- Availability of a contemporary ECEC centre is increasingly important for attracting and retaining staff for essential services such as education, health and police and for attracting migrants to relocate to regional areas.
- The Australian Early Development Census (AEDC) measures the development of children in Australia in their first year of full-time school. The AEDC provides important information for communities, governments and schools to support their planning and service provision. In 2021 40% of Morawa/Perenjori children were identified as vulnerable in one or more domain and 20% were vulnerable in two or more domains compared with 9.4% across Western Australia as a whole. AEDC data also showed that nationally, the percentage of developmentally vulnerable children was higher in communities with small populations compared with children in communities with larger populations.

The following table describes the domains and identifies the percentage of children in Morawa/Perenjori assessed as being 'on track' in their development, 'at risk' and 'vulnerable'. Because of the small number of children in each community, the 2021 AEDC results for Morawa and Perenjori schools have been combined into a single Community Profile.

2021 AEDC COMMUNITY PROFILE: MORAWA AND PERENJORI

Domain	Description	% of children 'On track'	% of children 'at risk'	% of children 'vulnerable'
Physical health and wellbeing	Children's physical readiness for the school day, physical independence and gross and fine motor skills.	73.3%	6.7%	20%
Social competence	Children's overall social competence, responsibility and respect, approach to learning and readiness to explore new things	66.7%	13.3%	20%
Emotional maturity	Children's pro-social and helping behaviours and absence of anxious and fearful behaviour, aggressive behaviour and hyperactivity and inattention.	66.7%	13.3%	20%
Language and cognitive skills (school-based)	Children's basic literacy, advanced literacy, basic numeracy, and interest in literacy, numeracy and memory	60%	6.7%	33.3%
Communication skills and general knowledge	Children's communication skills and general knowledge based on broad developmental competencies and skills measured in the school context	80%	6.7%	13.3%

- The establishment of an ECEC centre in Morawa could have a critical role in reducing the level of developmental vulnerability of children, including Aboriginal children, as well as providing a centre-based service for current and future workers in essential services as well as community, business and professional services.
- **School enrolment data and a focus on 'Closing the Gap' for Aboriginal children together with evidence that the FDC service does not address all unmet need for ECEC in the Morawa district is sufficient to support the recommendation that consideration should be given to establishing a not-for-profit ECEC centre in Morawa.**
- Should the Shire make the decision to proceed with the establishment of an ECEC centre, given the time involved in sourcing funding, particularly in a challenging financial environment, and the time needed for planning and establishing a new service, it will be important to support the current family day care educator to ensure Morawa is not without an ECEC service that meets required standards and benefits both local services and young children's development. Consideration could also be given to giving assistance to the recruitment of a relief Educator.
- Given the limited availability of resources, external funding would need to be sourced for a project officer for the management of the planning and development process as well as community engagement with Morawa families and organisations including MEEDAC and MDHS and a potential future Approved Provider of the service.

Factors for success

Location

- The Shire of Morawa owns property across the road from MDHS, next to the school's kindergarten. However, the co-location of a new ECEC centre with MDHS, adjacent to the pre-primary centre which is also used by the playgroup attended by a number of Aboriginal families, has many benefits and is consistent with national trend to co-locate ECEC centres with schools.
- Location of an ECEC centre on school grounds contributes to utilisation when the ECEC centre provides outside school hours care for pre-primary and primary school aged children which contribute to service viability. It also gives a clear message that ECEC is a service that promotes young children's learning and development and is not 'just babysitting'.
- In Western Australia, where ECEC centres have been located on school grounds in both metropolitan and regional areas, a parcel of land has been excised from the school site and vested in the local Shire. This is a straightforward process. Examples are the ECEC centres at Three Springs and Perenjori.

Parent fees

- Fees are one of the key drivers of a parent's decision about use and quantity of use of child care. Decisions about the number of approved places and grouping of children must therefore consider the potential impact on the operating budget and parent fees. There is no direct government subsidy available for child care services outside of the family income-based child care subsidy so a provider must operate on a break-even basis. Parent fees are the sole source of income unless an additional source of external financial support is acquired. Subject to the passage of legislation in Federal Parliament a more generous child care subsidy will be introduced from 1st July 2023, making fees affordable for Aboriginal families and making it more attractive for higher income parents to enter the workforce. Availability of Closing the Gap and other emerging funding initiatives for a service with a clear goal of addressing Aboriginal disadvantage could provide additional funding. In addition, a Productivity Commission Inquiry could bring about additional changes by the time a service becomes operational.

Size

- A 19 place centre would provide the flexibility needed in the Morawa community and would be viable if the ratio of staff:children is well managed by a not-for-profit Approved Provider with experience managing small ECEC services in small rural communities with fluctuating birth rates.

Staffing

- The challenges faced by ECEC service providers in recruiting appropriately qualified educators are common across Australia and can be particularly difficult in rural and remote communities because of the smaller population base. A local ECEC centre provides an opportunity to provide training and employment opportunities for local Morawa young people including Aboriginal young people who want to continue living in their local community. MDHS could be an important entry point to the pathway to a rewarding career in ECEC.

Governance and management

Four options considered for a potential Approved Provider with responsibility for governance and management were Local Government (the Shire of Morawa), a local community based Incorporated Association, a private for profit provider, and a number of experienced not for profit organisations including one dedicated to the delivery of small ECEC services in small rural communities.

The number of Local Government Approved Providers of ECEC services in Western Australia has decreased significantly over the past 10 years. Experience shows that private-for-profit entities have no interest in operating small ECEC services that cannot generate profits. Some large not-for-profit entities providing regional ECEC services are Approved Providers of a mix of large and smaller services in both regional and metropolitan areas. A number have withdrawn from providing small services in small communities. Regional Early Education and Development Inc (REED) is the only not-for-profit organisation established and dedicated solely to provision of ECEC services in small regional and rural communities. Given the support provided by the State Government and Lotterywest for the establishment of REED and REED's track record of providing regional ECEC services, Morawa Shire could confidently make a decision to select REED as the Approved Provider for a Morawa ECEC centre which could be included in REED's recently formed Mid West Cluster.

Additional innovative opportunities

- In the estimated 2-3 years between making a decision to establish an ECEC centre and a centre becoming operational, there is an opportunity to address other issues identified in the 2016 Morawa Ten Year Education and Training Masterplan.
- **VET AT MDHS**
A local ECEC centre can provide an opportunity for Aboriginal young people to start on a pathway to employment in a future ECEC centre. An ECEC centre with Aboriginal staff member/s has been found to increase participation of Aboriginal children which contributes to 'closing the gap' targets in addition to providing real employment opportunities and assisting financial viability of the centre. MDHS could have a key role in progressing this opportunity.
- **ABORIGINAL WOMEN'S CULTURAL AND LEARNING CENTRE**
The unused donga adjacent to the family day care premises could be relocated to the Shire owned land next to the MDHS kindergarten and repurposed to establish an Aboriginal Women's Cultural and Learning Centre. This could provide a culturally safe environment for women to study Certificate III in Early Childhood Education and Care (and any other available courses of their choice such as aged care, disability services and agriculture) online through TAFE Central Regional – Geraldton as a pathway to employment for women, many of whom have had limited access to employment. The Centre would effectively provide an innovative intergenerational program and new opportunities for Aboriginal women.

Funding

Given the issues the Shire of Morawa is seeking to address, Lotterywest and other WA State and Commonwealth Government agencies with relevant community initiative funding may have an interest in contributing a significant level of funding for an innovative package including the ECEC centre, Aboriginal Women's Cultural and Learning Centre, and salaries for the two identified positions, for a 2-3 year period. Lotterywest (and other agencies) would expect the Shire to

contribute in some way to funding the initiatives. Shire land and the existing unused donga could form part of the Shire contribution. Consideration could be given to varying the current criteria for eligibility for local grants. Funding to support Closing the Gap initiatives is another potential source of funding.

RECOMMENDATIONS

Recommendation 1: That the Shire of Morawa support the establishment of a purpose-built Early Childhood Education and Care Centre in Morawa to address the needs of developmentally vulnerable children and unmet needs of essential workers for access to a quality service for their children.

Recommendation 2: That a parcel of land be excised from the grounds of Morawa District High School and vested in the Shire of Morawa for the establishment of an Early Childhood Education and Care Centre.

Recommendation 3: That the Shire of Morawa maintain support for the current Family Day Care Educator and make efforts to assist Ngala with recruitment of a relief Educator to ensure continuity of Early Childhood Education and Care for essential workers pending the establishment and approval of a new centre.

Recommendation 4: That the Shire of Morawa consider selection of Regional Early Education and Development Inc (REED) as the Approved Provider of Early Childhood Education and Care Centre and include REED in the planning and development of the centre.

Recommendation 5: That the Shire of Morawa seek funding for an ECEC centre and for a position to manage the planning and development process for the centre and for community engagement with Morawa families and organisations including MEEDAC and MDHS and the selected Approved Provider.

ADDITIONAL INNOVATIVE OPPORTUNITIES

Recommendation 6: That the Shire of Morawa consider relocation of the existing unused building next to the family day centre to Shire owned land adjacent to the kindergarten for repurposing as an Aboriginal Women's Cultural and Learning Centre in consultation with Elders and women in the community.

Recommendation 7: That subject to acceptance of Recommendation 6, the Shire of Morawa seek funding for the relocation of the existing unused building next to the family day care centre and for a coordinator for the Aboriginal Women's Cultural and Learning Centre for an initial 2-3 year establishment phase.

Recommendation 8: That Morawa District High School and Central Regional TAFE be requested to provide training opportunities for a future workforce for an Early Childhood Education and Care Centre.

WORKING GROUP

Recommendation 9: Subject to support in principle for the establishment of an ECEC Centre in Morawa and an Aboriginal Women's Cultural and Learning Centre, it is recommended that the Shire of Morawa establish a Working Group to progress these initiatives. Membership of the Working Group should include the Shire, MDHS, MEEDAC, Elders and other relevant stakeholders and the Approved Provider following their selection.

1. BACKGROUND

The Shire of Morawa has received requests from community members to investigate the development of an Early Childhood Education and Care (ECEC) Centre in Morawa.

Morawa District High School (MDHS) and Western Australian College of Agriculture – Morawa provide regional education services with the primary school catering for local children. Early childhood education and care is provided by a family day care educator, who is approved to cater for up to 7 children depending on their age, in Shire owned premises.

The Shire wishes to gain a better understanding as to whether the current family day care service fully meets community demand for early childhood education and care or if the economic contribution of families is limited by a lack of early childhood options.

Community members point to the provision of ECEC services in Mingenew, Three Springs and Perenjori which have smaller populations but similar economic drivers as a reason for an ECEC centre to be located in Morawa.

The Shire has concerns that an ECEC centre may not be sustainable in the longer term.

Jill Cameron and Associates were engaged by the Shire to undertake a study to assess the level of unmet need for early childhood education and care/childcare in the Shire of Morawa.

2. APPROACH

The approach was underpinned by the Shire's wish:

- to ascertain the need for an Early Childhood Education and Care centre in Morawa,
- to identify the opportunities, barriers to success,
- to assess whether further investigation is warranted, and
- to prepare a written report.

Tasks undertaken included:

- a) desktop review of Commonwealth and State government policies relevant to ECEC and recent relevant reports,
- b) desktop review of ABS demographic data and Education Department data,
- c) identification of and consultation with the providers of ECEC services within 1 hour drive of Morawa,
- d) distribution of a surveymonkey questionnaire to parents of K-Yr6 children attending Morawa DHS,
- e) site visit to existing Family Day Care operating as an "in venue" service,
- f) targeted consultation with key stakeholders (by telephone and face to face), and
- g) analysis and preparation of a written report.

3. CONTEXT

3.1 Early Childhood Education and Care/childcare in Australia

3.1.1 Benefits of ECEC

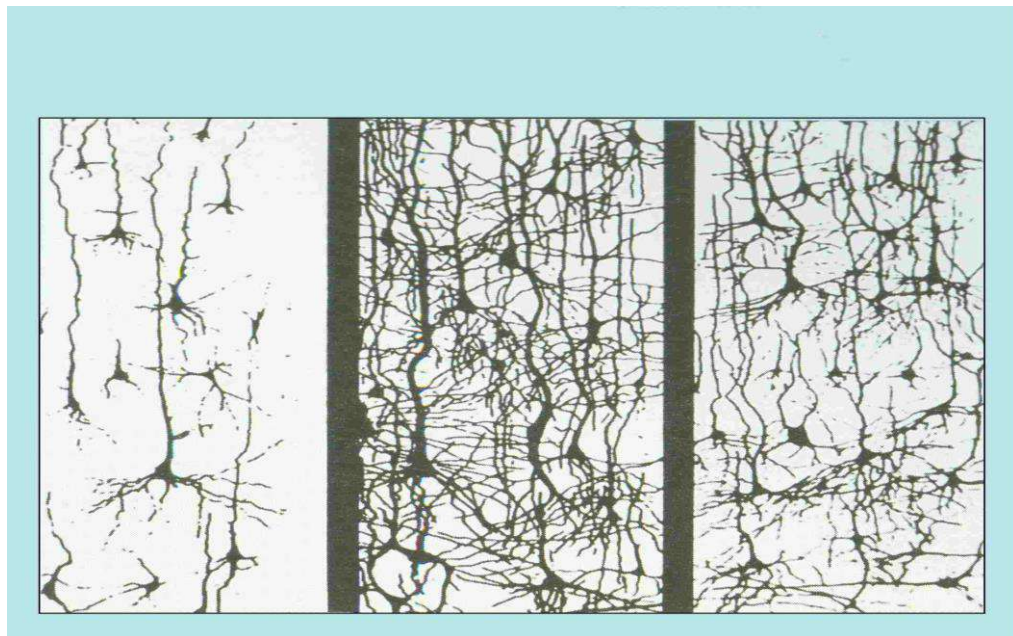
There is substantial evidence that early childhood services have a strong impact on children's learning and development and that children who participate in these services do better on measures of educational performance when they attend primary school. This is particularly true for children from disadvantaged backgrounds.

Provision of ECEC in the 21st century is responding to the reality that women will continue to participate strongly in the workforce. However, it is important that the rationale for providing good quality early childhood services is not confined solely to its value in supporting female workforce participation.

Research has demonstrated that the skills and abilities acquired in early childhood are fundamental to a person's success and well-being in later life. A positive early childhood provides personal and economic benefits to the individual and then to the society as a whole.¹ Research has also shown that 90% of a child's brain develops by the time they are 5 years old.²

The following image of brain development³ highlights firstly, just how rapidly brains develop in the first few years of life, with proliferation of connections and secondly, how later development – the 'pruning' of connections that reflects learning of particular skills – builds on the network that develops in the earlier years. Social disadvantage continues to limit children's chances – early childhood is a time when some children fall behind and the early years provides a particular window of opportunity; it is much harder and much more expensive to help children later on.

THE DEVELOPING BRAIN



AT BIRTH

AT 6 YEARS OLD

AT 14 YEARS OLD

Early learning not only supports the development of cognitive, social, emotional and motivational skills, but also drives later learning and achievement, which in turn

¹ National Scientific Council on the Developing Child (2004b) *Children's emotional development is built into the architecture of their brains*. Working Paper No. 2. Available online: <http://www.developingchild.net/pubs/wp.html>.

² <https://www.startingblocks.gov.au/other-resources/factsheets/brain-development-in-children>

³ Image presented at a conference in Melbourne in 2006 by Prof J Shonkoff, a paediatrician who leads Harvard University Center on the Developing Child, a researcher 'who brought about the brain science revolution in understanding child development'.

contributes to the “*human capital*” which underpins the economic wellbeing of the broader community.⁴

There is substantial evidence that early childhood services delivering high quality centre-based child care programs can provide some children with opportunities for learning and development which may exceed those available solely within in their families. In these cases, the provision of early childhood services provides government with an opportunity to break the cycle of poverty and inequality that begins in early childhood.⁵

3.1.2 ECEC business model

The business model for the provision of early childhood services in Australia is essentially one in which organisations must manage income to ensure that it exceeds the full cost of providing the service. At its core the model demands organisations be well-managed so that they are financially viable and are maintained as ongoing concerns. Approved Providers, both for-profit and not-for-profit, are independent, autonomous business owners and operators.

The task of managing any early childhood education and care service is now a significant business process operating within a complex legislative framework and Government requirements. Human resources management, capital works, maintenance and legal and professional responsibilities, all occurring within the context of ensuring child and staff development and safety, require sophisticated business management skills.

3.1.3 ECEC service types

Early Childhood Education and Care (ECEC) is delivered in:

- *Long Day Care (LDC) centres*. The Australian Children’s Education and Care Quality Authority (ACECQA)⁶ approves Not-for-Profit (NfP) and Private-for-Profit (PfP) providers of centre-based ECEC for children of pre-school age and before school, after school and/or vacation care for children of school age. Special conditions may apply where programs are provided for school age children. Financial viability of a LDC service can be improved by inclusion of programs for children of school age.
- *Family Day Care (FDC)*. A Family Day Care Service is an approved service provider (NfP or PfP) comprising of a co-ordination unit and a network of registered and qualified educators who operate a business from their own home for children aged from birth to 13 years. In regional Western Australia, ‘In Venue’ FDC may be provided by a self-employed Educator in a community facility leased from or provided by a Shire. This is an important service option in rural communities too small for the operation of a viable LDC centre or where FDC in a home is not feasible because of a widely dispersed population and/or home premises that don’t meet the National Quality Standard. In Morawa, Ngala Family Day Care Service is the Approved Provider and coordination unit, with “Wild Things” being the operated by the self-employed Educator.
- *Outside School Hours Care (OSHC)* is approved to provide before school care, after school care and/or vacation care. The number of stand-alone OSHC services in regional Western Australia is a relatively small.

⁴ Heckman, J. (2000a) “*The real question is how to use the available funds wisely. The best evidence supports the policy prescription: Invest in the Very Young.*” Ounce of Prevention Fund and the University of Chicago Harris School of Public Policy Studies: Chicago

⁵ Organisation for Economic Co-operation and Development (OECD) (2006) *Starting Strong II, Early Childhood Education and Care*. OECD Publications. Paris.

⁶ <https://www.acecqa.gov.au>

3.2 National Quality Framework and Legislation ⁷

Early childhood education and care in Australia is governed by interrelated Commonwealth and state and territory laws. The National Law sets a standard for early childhood education and care across Australia. Providers must be approved under the National Law to operate a service however it is the Regulatory authorities in each state and territory that grant this approval.

Details of the National Quality Framework and Legislation are provided in Appendix 1.

3.3 Family Assistance Law

Family Assistance Law sets the rules for administering the Commonwealth Government's Child Care Subsidy (CCS). Providers must be approved under Family Assistance Law to administer the Child Care Subsidy at their service. The Australian Government grants this approval.

3.3.1 Child Care Subsidy ⁸

Australian families receive help with the cost of child care through the Child Care Subsidy (CCS). CCS is paid directly to providers and passed on to families as a fee reduction. Families pay the gap between the daily fee and their approved level of subsidy. To be approved to administer CCS, providers must be approved to provide early childhood education and care and administer the Child Care Subsidy (CCS) in Australia. The standard or advertised daily fee is determined by each Approved Provider and varies significantly between services.

Approval to operate a service and administer CCS requires approval from:

- **The relevant state or territory government.** This deems providers suitable to ensure the health, safety, wellbeing and educational outcomes of children. This is known as National Law approval or state regulatory approval.
- **The Australian Government.** This deems providers suitable under Family Assistance Law to administer CCS.
- **The Child Care Subsidy System (CCSS).** This is the online system used to administer CCS payments. It holds records like enrolments and session reports. This information is used to calculate payments for families. It is also where a range of mandatory obligations and tasks are monitored.

3.3.2 Additional Child Care Subsidy

Additional Child Care Subsidy provides additional fee assistance to support vulnerable or disadvantaged families and children. This support recognises the preventative and protective influence of quality child care on a child's health, wellbeing and development; and the importance of continuity of care (see 3.1.1).

There are four different payments under Additional Child Care Subsidy:

- Additional Child Care Subsidy (child wellbeing)—to help children who are at risk of serious abuse or neglect.
- Additional Child Care Subsidy (grandparent)—to help grandparents on income support who are the principal caregiver of their grandchildren.
- Additional Child Care Subsidy (temporary financial hardship)—to help families experiencing financial hardship.
- Additional Child Care Subsidy (transition to work)—to help low-income families transitioning from income support to work.

⁷ Sources: <https://www.communities.wa.gov.au>; <https://www.acecqa.gov.au>

⁸ <https://www.servicesaustralia.gov.au/child-care-subsidy>

3.3.3 Eligibility for Child Care Subsidy

Families must meet eligibility criteria to get Child Care Subsidy (CCS). The amount of CCS a family can get depends on their circumstances. Parents must:

- care for their child at least two nights per fortnight or have 14% share of care
- be liable for child care fees at an approved child care service
- meet residency requirements.

Their child must:

- meet immunisation requirements
- not be attending secondary school (unless an exemption applies)
- be 13 or under (except in certain circumstances).
- From 11 July 2022, children who haven't attended a session of care in 26 consecutive weeks will no longer be eligible for CCS.

3.3.4. Family income

Services Australia works out a family's CCS percentage based on their **family income estimate**. The CCS percentage is the amount they'll subsidise. It will apply to the hourly fee or the relevant hourly rate cap, whichever is lower. Details of CCS rates and hourly caps are provided as Attachment 2.

3.3.5 Activity level

The hours of subsidised care a family can get each fortnight depends on their **activity level**. The higher the level of activity, the more hours of subsidised care families can get.

In two parent households, Services Australia looks at both parents' activity level. They use the parent with the lower activity level to determine a family's hours of subsidised care.

There are 4 activity levels:

Hours of activity each fortnight	Hours of subsidised care, per child, each fortnight
Less than 8 hours	0 hours if you earn above \$72,466 24 hours if you earn \$72,466 or below
8 hours to 16 hours	36 hours
More than 16 hours to 48 hours	72 hours
More than 48 hours	100 hours

Families need to do a recognised activity to get CCS. The amount of CCS a family can get depends on the **type of care** they use. A family's CCS percentage will apply to the lowest of either:

- the hourly rate cap
- the hourly fee charged at a service.

NOTE: Some exemptions apply for parents who cannot meet activity test requirements

3.3.6 Residence rules

A parent or their partner must be living in Australia and have one of the following continue to meet the residence rules for as long as they get this subsidy:

- Australian citizenship
- a permanent visa
- a Special Category visa

- a certain temporary visa type, for example a Partner Provisional or Temporary Protection visa.

3.3.7 Government policy changes from July 2023

Changes to take place from July 2023, subject to the passage of legislation in federal parliament, will:

- lift the maximum Child Care Subsidy (CCS) rate to 90% for families earning up to \$80,000 for their first child in care,
- increase CCS rates for around 96% of families with a child currently in care earning under \$530,000, and
- keep higher CCS rates for families with two or more children aged 5 years or under in care.

3.3.8 Third party payment of gap fees

The following information regarding third party payment of gap fees addresses the concern expressed that an ECEC service may not be affordable for Aboriginal families.

“A key principle and requirement under Family Assistance Law is that all parents who receive Child Care Subsidy (CCS) must make a co-contribution to their child care fees by paying the gap fee. The gap fee is the remaining total of the fees, after the CCS amount has been applied. Where a third party helps a family pay their child care fees, the amount of CCS paid reduces, maintaining a gap fee. However, state and territory governments (and their agencies) can pay some or all of the gap fee, without the CCS payment diminishing, for disadvantaged and vulnerable children. This helps remove barriers to disadvantaged and vulnerable children accessing child care.

The requirement for a parent to make a co-contribution does not apply if the family is eligible for Additional Child Care Subsidy (ACCS) (child wellbeing) or ACCS (grandparent) for the child as this generally covers 100 per cent of the fee charged”.⁹

3.3.9 Universal Access

During 2021, a new *Preschool Reform Agreement 2022 – 2025* (PRA) was negotiated between the Commonwealth Government and States and Territories. The WA Minister for Education and Training signed the PRA on behalf of the State of WA on 9 February 2022.

Under the PRA, from 2023, the Commonwealth requires PRA funding to flow to all sectors that have children enrolled in 600 hours of preschool per year. This will be the first time that such funding will be available to the WA ECEC sector. Previous Commonwealth funding delivered under successive Universal Access National Partnership Agreement have only been available to WA school-based kindergartens. While implementation of the PRA in Western Australia is still being developed, the outcome should be financially beneficial for families and the Approved Provider of ECEC services.

⁹ <https://www.education.gov.au/child-care-package/child-care-subsidy/child-care-fees/third-party-payments>

4 SHIRE OF MORAWA

4.1 Overview

Morawa in the Mid West region is located approximately 4 hours by road from Perth and 1.5 hours from Geraldton.

The local economy is mixed, with broadacre cropping, mining, education, healthcare and associated services providing most of the employment in the Shire. Morawa has a swimming pool, community resource centre, police and St John ambulance services with a supermarket, pharmacy, post office, newsagency, agricultural suppliers, bakery and café, clothing and hardware stores providing a range of community, retail and commercial services. The town and surrounding region is a popular tourist destination during the wildflower season from late winter through to early October when the hotel, bed and breakfast accommodation and caravan park with quality self-contained units are heavily booked.

The impact of Severe Tropical Cyclone Seroja which crossed the coast between Kalbarri and Geraldton on Sunday 11 April 2021 on the Mid West region including Morawa was significant and is ongoing.

Morawa is described as a family-orientated town with a strong sense of community with affordable housing ¹⁰. ABS data 2010-2020 ¹¹ shows a downward trend in the annual estimated residential population and a range from 6 to 22 births, with such fluctuations being a common feature of small rural communities.

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Estimated residential population	886	911	892	872	835	800	762	731	698	675	661
Number of births	19	22	7	21	9	12	12	8	6	14	13

Morawa Perenjori Health Service (Hospital) includes a 24 hour emergency department, occupational therapy and physiotherapy services, respite care and permanent residential aged care, Aged Care Information and Referral Service, paediatric medical services and an Integrated Family Service.

A well-used Youth Centre for youth aged between 8 and 18 years provides an After School Program each week during the school term. A School Holiday Program operates for set days during each school holiday period.

The Shire is part way into a six month trial to attract migrants to relocate to Morawa to develop a more culturally diverse population and address workforce shortages. To date, single males have participated in the trial but none have relocated family members. Should the program develop beyond the trial stage, it is anticipated that families with children will become a part of the Morawa community.

Morawa Shire owns land across the road from Midland District High School, next to the school's off-site kindergarten. A plan of the school is provided as Appendix 3.

¹⁰ <https://www.morawa.wa.gov.au/community/about-your-community/liveability-in-morawa.aspx>

¹¹ <https://www.abs.gov.au/statistics/people/population/births-australia/latest-release#data-download>

4.2 Education

4.2.1 Morawa District High School (MDHS)¹²

Morawa town is the location of the district high school (Kindergarten-Year 12) and the agricultural college (Years 10-12) offering farm skills, automotive, engineering and plant/animal science-based subjects and providing residential facilities. Students come from within Morawa itself, nearby towns and adjacent farming areas.

Students in Year 11 and Year 12 have a flexible senior school programme, with the school endeavouring to meet the needs of all students by using different ways of delivery. Both VET and ATAR courses are offered. ATAR English and Maths subjects are offered face to face in conjunction with the WA College of Agriculture Morawa.

The choice of senior school pathways offered include WACE, ATAR, Wholly School Assessed Subjects and Vocational Education and Training Cert IIs in ICT, Kitchen Operations and Hospitality and Engineering and Automotive. Students have the opportunity to transition between campuses, classes, training programs and further education with ease, maintaining continuity in their career pathway.

In Semester 1, 2021, the school catered for a population of 38.3% Aboriginal students, and had a 43.1% student transiency rate.¹³ At the start of Semester 1, 2022, there were 70 Aboriginal students representing 37% of MDHS enrolments. The school has close links with local Elders.

*“Our local Aboriginal culture is celebrated in Morawa annually as we proudly host the Midwest NAIDOC Event. This is a collaboration between the Australian Government, the Shire of Morawa, MEEDAC and the NAIDOC Working Group. We are privileged to have local Widi Elders living and working in our community, making a real difference. The key to this event, is successfully engaging our community by building authentic relationships with our Aboriginal and Non Aboriginal families and community members alike”.*¹⁴

WA Education Department school census data shows an increasing school population.¹⁵

Morawa District High School Student Numbers - Trends

Semester 1	2018	2019	2020	2021	2022
Primary (Excluding Kindergarten)	81	79	80	88	85
Lower Secondary	58	67	67	74	74
Upper Secondary	19	18	16	11	20
Total	158	164	163	173	179

Variations in enrolments in each year group reflect fluctuations in the birth rate in the community.

Number of students enrolled at Morawa District High School in Semester 1 2022¹⁶

Kindergarten	Pre-primary	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Total
7	12	14	16	7	11	9	16	88

Note: Kindergarten children attend part-time

¹² <https://www.det.wa.edu.au/schoolsonline/overview>

¹³ Information provided from MDHS records

¹⁴ MDHS Newsletter 2022 Issue 5 accessed on <https://sway.office.com/ehJ1KlyIVjUzkNUo?ref=Link>

¹⁵ https://www.det.wa.edu.au/schoolsonline/student_trends.do?schoolID=4086&pageID=SP03

¹⁶ https://www.det.wa.edu.au/schoolsonline/student_current.do?schoolID=4086&pageID=SP01

4.2.2 Australian Early Development Census (AEDC)

The Australian Early Development Census (AEDC) measures the development of children in Australia in their first year of full-time school. The AEDC provides important information for communities, governments and schools to support their planning and service provision.

“Communities can influence the earliest years of children’s lives. The AEDC results give communities a snapshot of children’s development as they arrive at school. The results can support communities to understand the local levels of developmental vulnerability and where that vulnerability exists within their community.

The AEDC provides communities with an opportunity to reflect on what the influences may have been for children before arriving at school.

Recognising the influences that can impact on children’s development can provide communities with the opportunity to consider what is working well and what needs to be improved or developed to better support children and their families. By providing a common ground on which people can work together, the AEDC results can enable communities to form partnerships to plan and implement activities, programs and services to help shape the future and wellbeing of children in Australia.

Investing time, effort and resources in children’s early years – when their brains are developing rapidly – brings lifelong benefits to them and to the whole community. American economist and Nobel prize winner James Heckman argues that once children fall behind in their learning, they are likely to remain behind. Gaps in children’s performance levels open up early, and stay mostly constant after eight years of age. Beyond eight years, school environments can only play a small role in reducing these differences.

Investing in the early years can reduce expenditure on special education, criminal justice and welfare, and can increase national productivity by improving the skills of the workforce, reducing disadvantage and strengthening the global competitiveness of the economy.”¹⁷

The instrument used to collect information consists of approximately 100 questions across five key domains, which are closely linked to child health, education and social outcomes.

Because of the small number of children in each community, the 2021 AEDC results for Morawa and Perenjori schools have been combined into a single Community Profile.¹⁸

The following table describes the domains and identifies the percentage of children in Morawa/Perenjori assessed as being ‘on track’ in their development, ‘at risk’ and ‘vulnerable’.

¹⁷ <https://www.aedc.gov.au/about-the-aedc/why-the-aedc-is-important>

¹⁸ <https://www.aedc.gov.au/resources/community-profiles>

2021 AECD COMMUNITY PROFILE: MORAWA AND PERENJORI

Domain	Description	% of children 'On track'	% of children 'at risk'	% of children 'vulnerable'
Physical health and wellbeing	Children's physical readiness for the school day, physical independence and gross and fine motor skills.	73.3%	6.7%	20%
Social competence	Children's overall social competence, responsibility and respect, approach to learning and readiness to explore new things	66.7%	13.3%	20%
Emotional maturity	Children's pro-social and helping behaviours and absence of anxious and fearful behaviour, aggressive behaviour and hyperactivity and inattention.	66.7%	13.3%	20%
Language and cognitive skills (school-based)	Children's basic literacy, advanced literacy, basic numeracy, and interest in literacy, numeracy and memory	60%	6.7%	33.3%
Communication skills and general knowledge	Children's communication skills and general knowledge based on broad developmental competencies and skills measured in the school context	80%	6.7%	13.3%

40% of Morawa/Perenjori children were vulnerable in one or more domain and 20% were vulnerable in two or more domains compared with 9.4% across Western Australia as a whole. AEDC data also showed that nationally, the percentage of developmentally vulnerable children was higher in communities with small populations compared with children in communities with larger populations.

4.2.3 Ten Year Education and Training Plan for the Morawa Shire and Wider North Midlands Region (August 2016)

The Shire of Morawa funded development of a *Morawa Ten Year Education and Training Masterplan*. The plan developed by Peter Browne Consulting and Barbara Browne Consulting in August 2016 identified issues *"each representing a major challenge to be addressed by all levels of Government and local communities to ensure the viability of the schools and quality education for all children in the North Midlands"*.¹⁹

The Issues facing Morawa and the wider North Midlands schools were identified as:

1. Early Childhood Education
2. Declining School Populations
3. Limited Residential Accommodation
4. Student Welfare
5. Disengaged students
6. Aboriginal Education
7. Attraction and Retention of Staff
8. Breadth and Depth of Learning Opportunities
9. Infrastructure and Facilities

¹⁹ Ten Year Education and Training Plan for the Morawa Shire and Wider North Midlands Region, Peter Browne Consulting and Barbara Browne Consulting, August 2016, p.3

- 10. Career Pathways and Post School Options
- 11. Digital Infrastructure and IT
- 12. Reputational Management

Given the importance of addressing disadvantage in children's early years, it is significant that the Ten Year Education and Training Masterplan identified Early Childhood Education as the first of the 12 issues facing Morawa and the wider North Midlands schools.

The plan included the following recommendations for Early Childhood Education in Morawa, Perenjori, Mingenew and Three Springs.

"1.1 That Midland District High School (MDHS) lobby for a Child and Parent Centre (Family Centre) to be built on the school site as soon as possible;

NOTE: While the WA State Government is not funding any new Child and Parent Centres, it was noted that MDHS has a strong focus on early childhood education, providing a venue and support for a playgroup and parenting programs delivered by Ngala. In 2021, the school was funded for an additional Education Assistant to support teachers in Kindergarten to Year 2 which enabled the continued employment of two 0.4 FTE Education Assistants who are timetabled across the early childhood classes to assist with small group and individual instruction, and oversee early intervention Literacy and Numeracy programs. Education Assistants have benefited from undertaking professional learning.

1.2 That MDHS be proactive in forming an Early Childhood Cluster/Hub with Perenjori, Mingenew and Three Springs;

1.3 That MDHS continues implementing early intervention initiatives to decrease the number of developmentally vulnerable children entering Kindergarten;

1.4 That MDHS establish a partnership with the Child and Parent Centre-Rangeway attached to Rangeway PS in Geraldton;

1.5 That MDHS continue with implementing the Bright Stars Family Day Care model; and

*1.6 That MDHS visit the Bid-Bidi Centre in Mt Magnet."*²⁰

The family day care model as described in 4.3.2 below has been maintained (recommendation 1.5), however, stakeholders interviewed for this report identified the provision of an early childhood education and care (ECEC) centre in Morawa as a potential significant driver for decreasing the number of developmentally vulnerable Morawa children entering Kindergarten (recommendation 1.3).

4.3 Early Childhood Education and Care (ECEC)/childcare provision in Morawa and the wider Mid-West Region

4.3.1 Morawa History

The current centre, operating as an in-venue Family Day Care, at 27 Dregghorn Street, Morawa, was originally the Infant Health Centre built in 1956-57. The centre became a day care centre in 1995 when the infant health centre relocated.

Information provided by a number of people consulted indicated that the centre was initially managed as a community based not-for-profit child care centre. When the child care centre was not equipped to cater for babies, parents raised funds to purchase and locate an air-conditioned 'donga' on land adjacent to the centre to accommodate babies. The donga is still there but not currently in use.

²⁰ Ten Year Education and Training Plan for the Morawa Shire and Wider North Midlands Region, Peter Browne Consulting and Barbara Browne Consulting, August 2016

The community-based centre discontinued when the core group of children progressed to school and the management committee was no longer viable, a pattern consistent with the challenge of maintaining committees and centres in many small rural communities.

A private for-profit provider who operated at least one other centre in the Geraldton area appears to have subsequently operated the Morawa centre for a period of time. Evidence shows that small rural services are not financially viable for private providers which is a likely reason for the operator withdrawing and the centre closing.

The Tiny Tigers childcare centre re-opened in the facility owned by the Shire, on 26 April 2016 *'filling the large gap in local childcare'*.²¹ The Morawa service was provided as an 'in-venue' family day care service with Ngala becoming Approved Provider for the Bright Stars Family Day Care service for which the City of Greater Geraldton was the previous Approved Provider. The City of Greater Geraldton had identified Bright Stars Family Day Care as a business activity to which Competitive Neutrality principles applied. Noting that *'The City's former Bright Stars Family Day Care unit that supported the provision of quality home based child care transitioned its services to Ngala, a specialist business provider of Early Parenting and Early Childhood services. Council recognised this transition as an excellent outcome for the community with services to operate under the same business model'*.²²

It is understood that for a period of time, prior to the current Family Day Care Educator operating 'Wild Things' family day care, two individual family day care educators may have operated in the two adjacent premises.

4.3.2 Ngala Family Day Care Service – "Wild Things"

The Family Day Care Educator who has provided the Wild Things service at Morawa for some five years is highly regarded by the Ngala Coordination Unit. Given the average period of operation for a sole trader family day care provider is around two years, this demonstrates a long term commitment to ensuring ECEC services are available to the Morawa community.

While the Morawa premises are not 'perfect' and would be unlikely to meet the standard required for centre-based care, the Ngala Coordinator is satisfied that the physical environment meets all of the requirements for a family day care premises. A kitchen recently installed by the Shire is a welcome improvement. It is estimated that time for cleaning and administration in addition to providing the service from 8am-5pm, and completing Certificate 111 study, the Educator would generally work a 50 hour week. Efforts to recruit a relief Educator to cover the current Educator during absences from the service such as for illness or to attend business hours appointments have been unsuccessful.

Ngala Family Day Care Educators:

- provide a safe and welcoming homely environment for children,
- develop and tailor a program for each child based on their learning and development needs,
- keep a development record for each child in their care,
- manage their own business, administration and hours of work,
- must hold or at least be 'actively working towards' an approved Certificate III level education and care qualification,
- must meet first aid qualification requirements.

²¹ <https://www.morawa.wa.gov.au/documents/1363/20152016-annual-report>, p4

²² <https://www.cgg.wa.gov.au/council-meetings/ordinary-council-meeting/17-october-2017/117/documents/12-ccs290-attachment.pdf>, p17

Trained Ngala staff regularly visit the Wild Things Educator to monitor the children's progress and provide support, resources and ongoing training in contemporary childcare and education practice, as well as assisting in establishing the business.

4.3.3 Overview of ECEC services in the Mid West Region (except in the City of Greater Geraldton)

ECEC SERVICES IN THE MID WEST (EXCL. THE CITY OF GREATER GERALDTON)

Service	Approved Provider	Number of places	Days/hours
Carnamah Child Care Centre	Carnamah Child Care Centre Inc	12	Mon-Thurs: 8.00am-5.00pm
REED - Mingenew	Regional Early Education and Development Inc	11	Mon-Thurs: 8.00am-5.00pm
REED-Northampton	Regional Early Education and Development Inc	20	Tues-Fri: 8.00am-4.30pm
REED - Perenjori	Regional Early Education and Development Inc	19	Mon-Thurs: 7.00am-5.00pm
Three Springs Early Childcare Centre	Three Springs Childcare Inc	19	Mon-Thurs: 8.00am-5.00pm Fri: 8.00am-4.00pm
Denham - In venue Family Day Care	Ngala Children's Services	Up to 7 depending on age N/A	N/A
Morawa – In venue Family Day Care	Ngala Children's Services	Up to 7 depending on age	Mon-Thurs: 8.00am – 5.00pm

This table shows a mix of Approved Providers being Family Day Care supported by Ngala Children's Services, community-based services managed via a volunteer management committee or those managed by Regional Early Education and Development Inc.

4.3.4 Regional Early Education and Development Inc (REED)²³

Currently REED is the Approved Provider for Mid West ECEC services in Perenjori, Mingenew and Northampton. These services are supported by a dedicated Cluster Manager, who performs a managing and coordinating role across and between services in their designated cluster area.

The establishment of REED was a response to the urgent need for a service delivery model to address the sustainability of ECEC services in regional Western Australia, which had been a challenge for more than a decade.

REED is governed by an independent skills-based Board and committee structure and managed by a qualified, experienced General Manager, senior management team members and cluster managers. REED recognises that provision of ECEC services in regional areas is not only about attracting and keeping essential workers and their families in communities and contributing to the viability of other services and businesses in regional communities but also supporting child developmental needs. Increasing the number of younger families in the regions ensures that schools, health, medical and other essential services and businesses are maintained and skilled workforces supported, as well as maintaining the population in a livable community.

²³ <https://reedwa.org.au>

Since Regional Early Education and Development Inc (REED) was officially launched by Hon Simone McGurk MLA, Minister for Child Protection; Women's Interests; Prevention of Family and Domestic Violence; Community Services on 16th March 2018, REED has to date become the Approved Provider or Licensee for 22 child care centres, a family day care service and an outside school care service in the Wheatbelt, South West and Mid West regions.

Prior to joining REED, these centres operated with a locally based volunteer management committee or were being managed by the relevant local Shire. Many did not have the income to cover staff salaries, and volunteer management committees of Incorporated Associations did not always have the expertise to identify the problems and take the actions necessary to resolve this situation.

Shires have opted to transition ECEC services to REED in acknowledgement that being the Approved Provider of an ECEC service is outside its core business operations. REED services for which a Shire was the former Approved Provider include the Shires of Cunderdin, Darkan, Quairading and Perenjori. Other Shires that had previously supported volunteer management committees by taking responsibility for functions such as financial or payroll management were able to transfer this responsibility to REED.

5. FEEDBACK FROM STAKEHOLDERS

- People consulted included representatives from the Shire, the hospital, MDHS, Child Health, Ngala, Wild Things Family Day Care, REED and Approved Providers of ECEC services in neighbouring Shires.
- A number of people said that an ECEC centre is needed to meet the needs of a new generation of parents whose preference is for a centre-based service rather than the smaller family day care service. Community expectations are changing, and in the future many grandparents are likely to be in the workforce and unavailable to provide informal care.
- The view was expressed by a number of people that the current family day care service in Morawa is not flexible enough – that it should be available earlier than 8am and close later than 5pm, provide childcare/babysitting on a casual basis and be available for babies younger than 6 months, for example. It is inconvenient for employers and parents when the Educator is not available and the service closes for a day or longer - sometimes at short notice and the parent is unable to work.
- Some people who recognised that it is unrealistic for the family day care educator to extend hours of operation beyond her current 9 hour day, suggested that alternative options could be discussed and negotiated to accommodate specific circumstances and needs with major employers such as the hospital and the Shire. For example,
 - a 'buddy system' could be developed to fill the gap between the commencement of a nurse's shift at 7.00am and the opening of the family day care service at 8.00am,
 - the hospital could negotiate a special arrangement with the Family Day Care service and Educator to cater for circumstances when a nurse is called in at short notice to fill a shift, during the covid pandemic, for example, if the arrangement is legally compliant for both the educator and the parent,
 - the hospital, Shire and school could jointly purchase an equivalent full-time place to be available within the family day care operating hours for when a staff member is required at short notice.

- There is a view that because the adjacent Shires of Perenjori and Three Springs have purpose built multifunctional centres that include a 19 place ECEC service, Morawa with a larger population than these two communities should have an ECEC centre of comparable quality.
- Because health services for Morawa children and families are located in the high quality health service (hospital), and playgroup is accommodated in MDHS, Morawa needs only a stand-alone ECEC centre without the additional dedicated rooms provided in the Three Springs and Perenjori centres.
- A new ECEC centre should be welcoming for members of the Morawa community, regardless of their financial status or ethnicity.
- An ECEC centre would have an important role in reducing the level of developmental delay among Aboriginal children and lifting overall school academic performance.
- A centre should be accessible for children, parents and staff with disabilities and meet the developmental needs of children with disabilities.

Location of an ECEC centre in Morawa would be very unlikely to impact negatively on utilisation of existing centres in Perenjori, Three Springs, Mingenew or Carnamah.

The consultants are aware that the low response rate to a parent survey was impacted by poor telecommunication connectivity and lack of computer access for many families. While the survey did not provide statistically valid results, responses did provide some useful insights:

- There is a mix of parents using formal ECEC (family day care in Morawa or a centre in another location) while others use informal care (eg. grandparents, other relatives, friends, babysitter).
- Families living in Morawa town and parents who have used formal childcare elsewhere appeared more likely to use the formal family day care service in Morawa.
- Parents who work in education, health and local government are the most likely employees to use formal ECEC now and in the future.
- The most important factors that equally influence parents' decisions to place their child/ren in a child care centre or family day care were that 'it's important for my child/ren's learning and development' and 'it allows me to work or study'.

6. COMPARATIVE SCHOOL DATA²⁴

ECEC Approved Places	Kindergarten	Pre Primary	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Morawa District High School								
5 (FDC)	7	12	14	16	7	11	9	16
Perenjori Primary School								
19	6	7	4	8	4	5	6	7
Three Springs Primary School								
19	5	9	9	6	8	10	10	8
Mingenew Primary School								
11	10	11	8	13	13	9	7	4
Carnamah District High School								
12	4	5	3	4	3	6	6	3
Coorow Primary School								
	8	8	4	4	6	3	5	3
Mullewa Primary School								
	5	7	3	8	3	5	5	7

NOTE: There is no ECEC centre in Coorow or Mullewa.

7. FINDINGS

7.1 Current in-venue Family Day Care service

Morawa families use a mix of informal child care provided by grandparents, other relatives and friends and formal early childhood education and care provided by 'Wild Things' family day care service.

Notwithstanding the small number of children attending Wild Things family day care service, and the preference some parents have for centre-based care, the family day care service is a critical resource in the Morawa community, particularly for parents employed at the hospital, school and Shire who do not have extended family members able to provide informal care.

It does not appear to be well understood that the family day care educator is a self-employed sole trader who operates in a complex ECEC system within clearly defined legislation, policies and rules, in a venue which is not without some limitations. Availability of an ECEC centre operating within a strict legal framework would not necessarily meet all community expectations. For example, opening hours are determined by the Approved Provider taking account of potential utilisation, the regulated staff:child ratio, cost and impact on financial viability. Days and hours of operating will therefore vary between centres. (Refer p.13).

As a self-employed sole trader, the family day care educator does not have sick leave or paid annual leave and will inevitably need to close the service, sometimes at short notice, when she is ill or has important business to attend to. It is understood that this can be inconvenient for parents and their employers. It is common for ECEC services to close for 2-4 weeks during the Christmas/New Year period when utilisation of services is usually very low.

Efforts could be made within the Morawa community to recruit a relief educator. While income for a relief educator would not be regular, this role would provide a valuable community service.

²⁴ <https://www.det.wa.edu.au/schoolsonline>

Ngala Family Day Care service would provide support for anyone willing to be recruited to the role.

The family day care service is not accessed by Aboriginal families who are among the most disadvantaged and most developmentally vulnerable members of the community.

7.2 Considerations for the future

While the Shire owned facility in which the family day care service currently operates has been assessed as suitable for family day care, it is unlikely to be fit for purpose in the medium to long term as standards and expectations increase. The facility would not meet standards for a centre-based service.

The quality of the ageing family day care premises is already a likely disincentive for some parents to use the existing service. This is unlikely to change in the future. Similarly, it has been found that an ECEC centre that is ageing and not fit for purpose can have difficulty attracting and retaining educators. Therefore, the premises currently used for in-venue family day care will not be suitable for any future centre-based service.

Availability of a contemporary ECEC centre is increasingly important for attracting and retaining staff for essential services such as education, health and police and for attracting migrants to relocate to regional areas.

There is strong evidence that establishment of an ECEC centre in Morawa could have a critical role in reducing the level of developmental vulnerability of Aboriginal children as well as providing a centre-based service for current and future workers in essential services, and for business and professional services. The availability of before and after school care and vacation care at a future ECEC service will meet the needs of school aged children who are not old enough to attend the Youth Centre.

School enrolment data and a focus on ‘Closing the Gap’ for Aboriginal children together with evidence that the FDC service does not address all need for ECEC in the Morawa district is sufficient to support the recommendation that consideration should be given to establishing a not-for-profit ECEC centre in Morawa.

Should the Shire make the decision to proceed with the establishment of an ECEC centre, given the time involved in sourcing funding, particularly in a challenging financial environment, in addition to the time needed for planning and establishing a new service, it will be important to support the current family day care educator to ensure Morawa is not without an ECEC service that meets required standards and benefits both local services and young children’s development. Availability of funding aimed at Closing the Gap for a service with a clear goal of addressing Aboriginal disadvantage could provide additional funding.

Given the limited availability of resources within the Shire, funding would need to be sourced for a (time limited) project officer for the management of the planning and development process as well as community engagement with Morawa families and organisations including MEEDAC, MDHS and a potential Approved Provider of the service. The project officer would also have a key role in preparation of funding applications for construction and equipping an ECEC centre, communication with the selected Approved Provider and navigating the funding system in preparation for supporting families whose children will be attending the ECEC centre.

7.3 Factors for success

Location

The Shire of Morawa owns property across the road from MDHS, adjacent to the school's kindergarten. However, the co-location of a new ECEC centre with MDHS, close to the pre-primary centre which is also used by the playgroup attended by a number of Aboriginal families, has many benefits and is consistent with national trends to co-locate ECEC centres with schools.

Location of an ECEC centre on school grounds contributes to utilisation when the ECEC centre provides outside school hours care for pre-primary and primary school aged children which contributes to service viability. It also gives a clear message that ECEC is a service that promotes young children's learning and development and is not 'just babysitting'. Additionally, it reduces child safety risks and minimises operating costs for the Approved Provider who does not need to provide additional staff to support the safe transition of children from school to the out of school hours care location when these are located separately.

In Western Australia, where ECEC centres have been located on school grounds in both metropolitan and regional areas, a parcel of land has been excised from the school site and vested in the local Shire. This is a straightforward process. Examples are the ECEC centres at Three Springs and Perenjori where, based on their prior experience operating in sub-optimal facilities separate from the school, the communities had a strong preference for co-location with their school.

Parent fees

Fees are one of the key drivers of a parent's decision about use and quantity of use of child care. Decisions about the number of approved places and grouping of children must therefore consider the potential impact on the operating budget and parent fees.

There is no direct government subsidy available for child care services outside of the family income-based child care subsidy so a provider must operate on a break-even basis. Parent fees are the sole source of income unless an additional source of external financial support is acquired.

Subject to the passage of legislation in Federal Parliament a more generous child care subsidy will be introduced from 1st July 2023, making fees affordable for Aboriginal families and making it more attractive for higher income parents to enter the workforce. In addition, a Productivity Commission Inquiry could bring about additional changes by the time a service becomes operational.

It should be noted that fees are set by the Approved Provider of the service, however an understanding of the fee structure set by the Approved Provider should be an important consideration for the Shire when considering selection of an appropriate Approved Provider to operate a service in Shire owned premises.

Size

A 19 place centre would provide the flexibility needed in the Morawa community and would be viable if the ratio of staff:children is well managed by a not-for-profit Approved Provider with experience managing small ECEC services in small rural communities. In rural and regional communities, the numbers of children attending approved ECEC are low compared to the metropolitan and major regional centres where 80 – 100 approved place centres are common. This can be exacerbated by year to year population fluctuations in the relevant age group.

Therefore, while a service may have capacity to accommodate the maximum number of approved places, the Approved Provider has the flexibility to adjust numbers depending on family demand and staff availability. As experienced in most small centres, each approved place is likely to be utilised by different children each day the centre is open, due to the part-time pattern of enrolments. It is likely that enrolments would build up over time and unlikely that all 19 places would be used every day.

Generally, around 80% of the operating budget in a not-for-profit approved child care service is staffing costs. Therefore, for viability purposes, it is imperative that the staff-to-child ratios in the regulations are optimised and child vacancies kept to a minimum. Some points considered when an Approved Provider is determining the most appropriate configuration for numbers in each age group or in mixed age groups to ensure an efficient staffing budget include:

- Children from birth to 24 months require a 1:4 educator-to-child ratio. This is the most expensive group to provide care to on a per child basis. With parental leave policies now in place, there is generally not a high level of demand for care for babies younger than 6 months.
- Children from 24–36 months require a 1:5 educator-to-child ratio. The service for this age group is less expensive care to provide than the younger group on a per child basis. This age group has the highest level of demand in Western Australia generally.
- Children from 36 months and over require a 1:10 educator-to-child ratio and a qualified educator/staff member is not required until there are 10 children. This is the least expensive care to provide on a per child basis. A higher number of enrolments for children 36 months and over can help balance the higher cost of the younger children. However, with Universal Access to kindergarten and pre-primary programs, and co-location of kindergartens with schools, the level of demand for children 36 months and over has decreased significantly in Western Australia. The impact of availability of Universal Access (See 3.3.9) funding to eligible ECEC services, particularly those in small services is not yet clear.

Staffing

The challenges faced by ECEC service providers in recruiting appropriately qualified educators are common across Australia and can be particularly difficult in rural and remote communities because of the smaller population base. A local ECEC centre provides an opportunity to provide training and employment opportunities for local Morawa young people including Aboriginal young people who want to continue living in their local community.

While recruitment of staff is a responsibility of the Approved Provider of the service, the ability to access locally based staff, supplemented by a professional recruitment and development program supports continuity of operations.

Governance and management

The four options considered for potential Approved Provider with responsibility for governance and management were Local Government (the Shire of Morawa), a private for profit provider, a local community based Incorporated Association and a number of experienced not for profit organisations including one dedicated to the delivery of small ECEC services in small rural communities.

- i. The number of Local Government Approved Providers of ECEC services in Western Australia has decreased significantly over the past 10 years. In rural areas, both Shires that assumed the role of Approved Provider when there was no other choice, and community based Incorporated Associations have been found to be unsustainable and operating at a loss, in part because of a lack of relevant skills and knowledge to operate in a complex ECEC operating environment.

- ii. Experience has demonstrated that private-for-profit providers have no interest in operating small ECEC services that cannot generate profits.
- iii. Experience has demonstrated that community based Incorporated Associations have lacked relevant skills and knowledge to operate in a complex ECEC operating environment. Establishment of Regional Early Education and Development Inc (REED) was funded by the WA State Government and Lotterywest to address this problem.
- iv. Some large not-for-profit Approved Providers of ECEC services provide a mix of large and smaller services in both regional and metropolitan areas. There are examples of large not-for-profit providers withdrawing from services which were found to be 'unprofitable' because of their small size. While Ngala provides a multiple range of services for families in the metropolitan and regional areas, including the family day care service in Morawa and other family day care services in the wider Mid West region, it is unlikely that Ngala would have an interest in managing a small Morawa ECEC centre in the future.

Conclusion: REED is the only not-for-profit organisation dedicated solely to provision of ECEC services in small regional and rural communities. As an established ECEC Approved Provider operating in the Mid West, REED is working to overcome staffing challenges by implementing a concerted ECEC workforce development program:

- to increase regional and rural job opportunities,
- to increase participation of Aboriginal people in the workforce which will also increase participation of Aboriginal children in ECEC²⁵,
- to raise the standard of knowledge and skills in the regional ECEC workforce.

This strong focus on providing development opportunities and career pathways leads to empowering Educators with knowledge, ensuring the delivery of high quality services and job satisfaction for its workforce.

Given the support provided by the State Government and Lotterywest for the establishment of REED and REED's track record of providing regional ECEC services, Morawa Shire could confidently make a decision to select REED as the Approved Provider for a Morawa ECEC centre which could be included in REED's recently formed Mid West Cluster.

8. ADDITIONAL INNOVATIVE OPPORTUNITIES

In the estimated 2-3 years between making a decision to establish an ECEC centre and the opening of a centre, there is an opportunity to progress other issues identified in the Morawa Ten Year Education and Training Masterplan.

8.1 VET at MDHS

The employment of educators from the local community can be a real strength for an ECEC service, particularly in a challenging employment environment when there is a severe national shortage of early childhood educators. MDHS has a significant Aboriginal student population. A local ECEC centre can provide an opportunity for Aboriginal young people to start on a pathway to employment in a future ECEC centre. An ECEC centre with Aboriginal staff member/s has been found to increase participation of Aboriginal children which contributes to 'closing the gap' targets in addition to providing real employment opportunities and assisting financial viability of the centre. MDHS could have a key role in progressing this opportunity.

²⁵ <https://mailchi.mp/8db5590d8609/reedthenewssept2022>

When the current Family Day Care Educator completes her Certificate III at the end of 2022, she will be able to provide work experience for MDHS students. Negotiation with Central Regional TAFE to expand the range of available VET courses at MDHS to include Early Childhood Education and Care would enable Aboriginal and non-Aboriginal students to make a start on the pathway to a rewarding career in ECEC in regional Western Australia and beyond.

8.2 ABORIGINAL WOMEN'S CULTURAL AND LEARNING CENTRE

Another possibility is to consider seeking funding to relocate the unused donga adjacent to the family day care premises to the Shire owned land adjacent to the MDHS kindergarten for conversion to an Aboriginal Women's Cultural and Learning Centre and for employment of a local Aboriginal woman to establish and manage the centre.

An Aboriginal Women's Cultural and Learning Centre could provide a culturally safe environment for women to study a Certificate III in Early Childhood Education and Care (or other areas of their choice such as aged care, disability services and agriculture) online through TAFE Central Regional – Geraldton, as a pathway to employment for women many of whom have had limited access to employment.

The donga is equipped with a kitchen and bathroom with junior toilets. Grandmothers could provide informal care for young children while their mothers complete their coursework with support from each other. The centre could prepare food for breakfast and lunch for children attending the ECEC centre without having adequate nutrition. Programs involving school students in collection of bush tuck with Elders who could prepare bush tucker meals in the kitchen would also be a possibility. The Centre would effectively provide an innovative intergenerational program and new opportunities for Aboriginal women with a further opportunity to capitalise on the growing tourism industry within the Shire.

9. FUNDING

While the Shire of Morawa manages two local funding opportunities²⁶ it is clear that additional externally sourced funding would be needed to progress implementation of the ECEC centre and an Aboriginal Women's Cultural and Learning Centre in consultation with Elders and women in the community.

Given the issues the Shire of Morawa is seeking to address, Lotterywest and other WA State and Commonwealth Government agencies with relevant community initiative funding may have an interest in contributing a significant level of funding for an innovative package including the ECEC centre, Aboriginal Women's Cultural and Learning Centre, and salaries for the two identified positions, for a 2-3 year period.

Lotterywest (and other agencies) would expect the Shire to contribute in some way to funding the initiatives. Shire land and the existing unused donga could form part of the Shire

²⁶ <https://www.morawa.wa.gov.au/community/grants-assistance/the-community-funding-grant.aspx>

The Community Small Grants Fund is a pool of funding discreet to the funding opportunities already provided by the Morawa Sinosteel Future Fund. The total funding amount available for this grant across a financial year (1 July to 30 June) is capped at a total of \$5,000. No single application can exceed \$1000 and once the total \$5,000 limit is reached no other applications will be considered in that financial year.

Morawa Sinosteel Future Fund Grant. Morawa Sinosteel Future Fund seeks to provide funding to grass-roots community organisations, including sporting groups, educational organisations and community support organisations.

contribution. Consideration could be given to varying the current criteria for eligibility for local grants. Funding to support Closing the Gap initiatives is another potential source of funding.

10. RECOMMENDATIONS

Recommendation 1: That the Shire of Morawa support the establishment of a purpose-built Early Childhood Education and Care Centre in Morawa to address the needs of developmentally vulnerable children and unmet needs of essential workers for access to a quality service for their children.

Recommendation 2: That a parcel of land be excised from the grounds of Morawa District High School and vested in the Shire of Morawa for the establishment of an Early Childhood Education and Care Centre.

Recommendation 3: That the Shire of Morawa maintain support for the current Family Day Care Educator and make efforts to assist Ngala with recruitment of a relief Educator to ensure continuity of Early Childhood Education and Care for essential workers pending the establishment and approval of a new centre.

Recommendation 4: That the Shire of Morawa consider selection of Regional Early Education and Development Inc (REED) as the Approved Provider of Early Childhood Education and Care Centre and include REED in the planning and development of the centre.

Recommendation 5: That the Shire of Morawa seek funding for an ECEC centre and a position to manage the planning and development process for the centre and for community engagement with Morawa families and organisations including MEEDAC and MDHS and the selected Approved Provider.

ADDITIONAL INNOVATIVE OPPORTUNITIES

Recommendation 6: That the Shire of Morawa consider relocation of the existing unused building next to the family day centre to Shire owned land adjacent to the kindergarten for repurposing as an Aboriginal Women's Cultural and Learning Centre in consultation with Elders and women in the community.

Recommendation 7: That subject to acceptance of Recommendation 6, the Shire of Morawa seek funding for the relocation of the existing unused building next to the family day care centre and for a coordinator for the Aboriginal Women's Cultural and Learning Centre for an initial 2-3 year establishment phase.

Recommendation 8: That Morawa District High School and Central Regional TAFE be requested to provide training opportunities for a future workforce for an Early Childhood Education and Care Centre.

WORKING GROUP

Recommendation 9: Subject to support in principle for the establishment of an ECEC Centre in Morawa and an Aboriginal Women's Cultural and Learning Centre, it is recommended that the Shire of Morawa establish a Working Group to progress these initiatives. Membership of the Working Group should include the Shire, MDHS, MEEDAC, Elders and other relevant stakeholders and the Approved Provider following their selection.

APPENDICES

APPENDIX 1. NATIONAL QUALITY FRAMEWORK AND LEGISLATION

The National Quality Framework

The National Quality Framework for Early Childhood Education and Care is a national approach to regulation and quality assessment of ECEC services including most long day care (including family day care) and outside school hours care services. The Framework includes a:

- national legislative framework that creates a uniform national approach to the regulation and quality assessment of education and child care services in Australia,
- National Quality Standard that sets a national benchmark for the quality of education and care services,
- national quality rating and assessment process that rates services against the National Quality Standard.

The Australian Children's Education and Care Quality Authority (ACECQA) is the national body that oversees and implements the National Quality Framework. Under the National Quality Framework, state and territory Regulatory Authorities are responsible for the approval process within their own jurisdiction. In Western Australia, the Department of Communities approves and monitors education and care services through its Education and Care Regulatory Unit (ECRU).

The National Quality Framework in Western Australia is comprised of the:

- i. Education and Care Services National Law (WA) Act 2012
- ii. Education and Care Services National Regulations 2012
- iii. National Quality Standard
- iv. Rating and Assessment process.

The National Law and Regulations

Under the *Education and Care Services National Law (WA) Act 2012* and *Education and Care Services National Regulations 2012*, long day care, outside school hours care, and occasional care are regulated as centre-based services. The National Law determines three interrelated approval processes for entities and individuals:

- i. Provider approval which is nationally recognised and enables providers to apply for one or more service approvals.
- ii. Service approval which authorises an Approved Provider to operate an Approved Service. Each Approved Service must have a Nominated Supervisor.
- iii. A supervisor certificate which is a nationally recognised approval that allows a person to be appointed as the Nominated Supervisor for an Approved Service or to be temporarily placed in charge when the Approved Provider or Nominated Supervisor is absent. An Approved Provider may obtain a Supervisor Certificate and be the Nominated Supervisor for their service or the Approved Provider may employ an educator with a Supervisor Certificate who consents to fill the Nominated Supervisor role.

The National Quality Standard

The National Quality Standard comprises seven quality areas which include standards each with multiple elements.²⁷

1) *Educational program and practice*

Standard 1.1 Program: The educational program enhances each child's learning and development.

Standard 1.2 Practice: Educators facilitate and extend each child's learning and development.

Standard 1.3 Assessment and planning: Educators and coordinators take a planned and reflective approach to implementing the program for each child.

2) *Children's health and safety*

Standard 2.1 Health: Each child's health and physical activity is supported and promoted.

Standard 2.2 Safety: Each child is protected.

3) *Physical environment*

Standard 3.1 Design: The design and location of the facilities is appropriate for the operation of a service.

Standard 3.2 Use: The service environment is inclusive, promotes competence and supports exploration and play-based learning.

4) *Staffing arrangements*

Standard 4.1 Staffing arrangements: Staffing arrangements enhance children's learning and development.

Standard 4.2 Professionalism: Management, educators and staff members are collaborative, respectful and ethical.

5) *Relationships with children*

Standard 5.1 Relationships between educators and children: Respectful and equitable relationships are maintained with each child.

Standard 5.2 Relationships between children: Each child is supported to build and maintain sensitive and responsive relationships.

6) *Collaborative partnerships with families and communities*

Standard 6.1 Supportive relationships with families: Respectful relationships with families are developed and maintained and families are supported in their parenting role.

Standard 6.2 Collaborative partnerships: Collaborative partnerships enhance children's inclusion, learning and wellbeing.

7) *Governance and leadership*

Standard 7.1 Governance: Governance supports the operation of a quality service.

Standard 7.2 Leadership: Effective leadership builds and promotes a positive organisational culture and professional learning community.

The Early Years Learning Framework

Under the National Law and Regulations, services are required to base their educational program on an approved learning framework. This should focus on addressing the developmental needs, interests and experiences of each child, while taking into account individual differences. National learning frameworks recognise children learn from birth. The Early Years Learning Framework for Australia (Belonging, Being and Becoming) is an early childhood curriculum framework that guides early childhood educators in developing quality, early childhood education programmes.

²⁷ <https://www.acecqa.gov.au/nqf/national-quality-standard>

The framework describes the principles, practice and outcomes to support and enhance young children's learning from birth to five years, as well as their transition to school. The Framework for School Age Care guides before and after school hours care and vacation care programs. Embedded in the frameworks is recognition of the importance of responding to student diversity and ensuring the participation of all students as learners.

APPENDIX 2: CHILD CARE SUBSIDY THRESHOLDS AND HOURLY RATE CAPS FOR 2022-2023

The following table outlines the CCS family income thresholds for 2022–23.

Family income	CCS percentage
Up to \$72,466	85 %
More than \$72,466 to below \$177,466	Decreasing to 50% Subsidy gradually decreases by 1% for each \$3000 of family income.
\$177,466 to below \$256,756	50%
\$256,756 to below \$346,756	Decreasing to 20% Subsidy gradually decreases by 1% for each \$3000 of family income.
\$346,756 to below \$356,756	20%
\$356,756 or more	0%

Families with more than one child aged 5 or under in care will get a higher subsidy for their second child and younger children.

They'll get an extra 30% on top of their income tested rate for eligible children, up to a maximum of 95%.

The following table outlines the different hourly rate caps for 2022–23.

Service type	Hourly rate cap (children below school age)	Hourly rate cap (school-age children)
Centre Based Day Care	\$12.74	\$11.15
Outside School Hours Care	\$12.74	\$11.15
Family Day Care	\$11.80	\$11.80

CHANGES TO CCS TO TAKE EFFECT FROM JULY 2023 SUBJECT TO THE PASSAGE OF LEGISLATION. ²⁸

The Australian Government is committed to:

- lifting the maximum Child Care Subsidy (CCS) rate to 90% for families earning \$80,000 or less
- increasing CCS rates for around 96% of families with a child currently in care earning under \$530,000
- keeping higher CCS rates for families with two or more children aged 5 years or under in care.

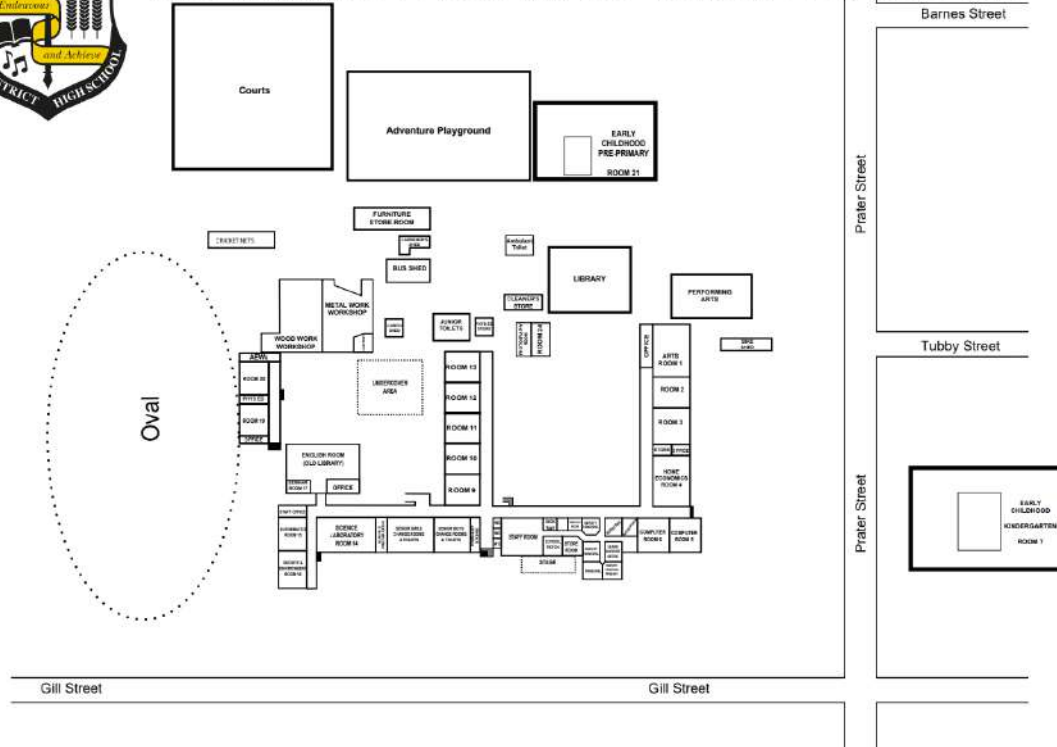
In addition, the Productivity Commission will conduct a comprehensive review of the child care sector. This will include consideration of a universal 90% child care subsidy rate.

²⁸ <https://www.education.gov.au/early-childhood/cheaper-child-care>

APPENDIX 3



MORAWA DISTRICT HIGH SCHOOL



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Morawa Child and Family Centre

BUSINESS CASE

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1 EXECUTIVE SUMMARY

The Shire of Morawa is a small rural community in Western Australia's Mid West, 390km north of Perth. Morawa is the sub-regional centre for the North Midlands sub region, which includes the shires of Morawa, Carnamah, Coorow, Perenjori, Three Springs and Mingenew. The Shire of Morawa has many families with children who live either in the town of Morawa or on farms in the surrounding district. The Shire also has an Aboriginal population larger than the national average.

For almost a decade the Shire of Morawa and the local community has recognised the shortage of available Early Childhood Education and Care (ECEC) services as a serious challenge for the town. Morawa's only ECEC provider is a family day care service operated by a sole trader in a run-down old building. The service operates from 8am-5pm Monday/Fridays, 9am-5pm Tuesdays/Thursdays and is closed on Wednesdays. It offers up to four children below age five and three school age places per day and does not provide vacation care.

The lack of available childcare places in Morawa and the inconsistent nature of the existing family day care service represents a significant impediment to parents seeking to re-enter the workforce, and also makes it difficult for employers in the town to attract and retain staff, to the detriment of the local economy. An analysis commissioned by the Shire also identified that the Shire's Aboriginal population does not engage with the current family day care service.

Morawa also suffers with poor early childhood development outcomes. The 2021 Australian Early Development Census found the number of children in the Morawa/Perenjori region identified as vulnerable was nearly double the rate of developmentally vulnerable children in Western Australia as a whole. Developmental issues in early childhood can lead to numerous difficulties later in life, including health problems and welfare dependency, however there is substantial evidence that early childhood services have a strong impact on children's learning and development and play a key role in laying the foundations for a successful future.

In addition to the need for more ECEC places, the Morawa community has identified the town also lacks suitable spaces for community meetings, playgroup, child and family-oriented workshops and events, and that child health services such as speech pathology and child psychology are currently provided in the library or other rooms at Morawa District High School, which are inappropriate for this purpose.

Parents in Morawa have also reported that there is no indoor space for children to play during Morawa's hot and dry summers, and no suitable place where isolated parents can bring their children to meet up to socialise, share parenting experiences and support each other.

To address these needs, the Shire of Morawa is seeking funding to construct the Morawa Child and Family Centre - a multipurpose venue that will offer both a formal ECEC service as well as an informal indoor space where children can play, and parents can meet and interact. The Centre will also include meeting rooms, which will provide the necessary space for community groups to meet and run workshops and events, while the wellness room will allow child health and family services to be offered in a safe and private setting.

Aligning with Morawa's demographics and identified needs, the Centre will have a strong Indigenous focus, both in providing culturally appropriate ECEC services for Aboriginal children and space for cultural parenting workshops, storytelling sessions and other traditional practices. It will also create opportunities for employment and training in early childhood education for Aboriginal people.

The total cost of the project is estimated to be \$3,284,775, with the Shire of Morawa contributing \$1,050,000 from existing cash reserves and seeking \$2,234,775 from the Federal Government's Growing Regions Program. Due to the Shire of Morawa's remote location, the Shire is categorised as Group 2, meaning up to 70% of eligible project costs can be funded through the Growing Regions Program.

The Centre will be built on Shire-owned land in close proximity to the Morawa District High School, kindergarten and youth centre, and has already received development approval. The ECEC service will be operated by an approved, not-for-profit provider on a break-even basis (the provider has already been identified), while ongoing maintenance and operational costs will be accounted for in the Shire's Strategic Asset Management Plan and Long Term Financial Plan.

A recent Cost Benefit Analysis found the project had a Net Present Value (NPV) ranging between \$17.10 million at the 4% discount rate and \$11.81 million at the 10% discount rate, which indicates the project is expected to provide a positive economic impact and social return to the community. The analysis also indicated that the project's Benefit Cost Ratio (BCR) would be 5.78 at the 4% discount rate, 5.12 at the 7% discount rate, and 4.65 at the 10% discount rate, demonstrating the project presents a very strong return on investment.

The Morawa Child and Family Centre addresses many critical needs for the Morawa community. Not only will it boost workforce participation by alleviating the shortage of childcare places in Morawa, but it will also help to overcome the district's poor childhood development outcomes, create a safe and welcoming environment for the Shire's Aboriginal population, provide fit-for-purpose spaces for child health and family services and be a place where isolated families from across the Shire can meet up and play.



2 PROJECT SCOPE AND EVALUATION

2.1 Project Needs Assessment

2.1.1 Background

The Shire of Morawa is a small rural local government in Western Australia's Mid West region. It is approximately 170 kilometres southeast of the unofficial regional capital Geraldton and 390 kilometres north of the state capital Perth. Spanning 3,538 square kilometres, the land-locked Shire is bordered by Mullewa to the north, Perenjori to the south, Mingenew and Three Springs to the west and Yalgoo to the east.

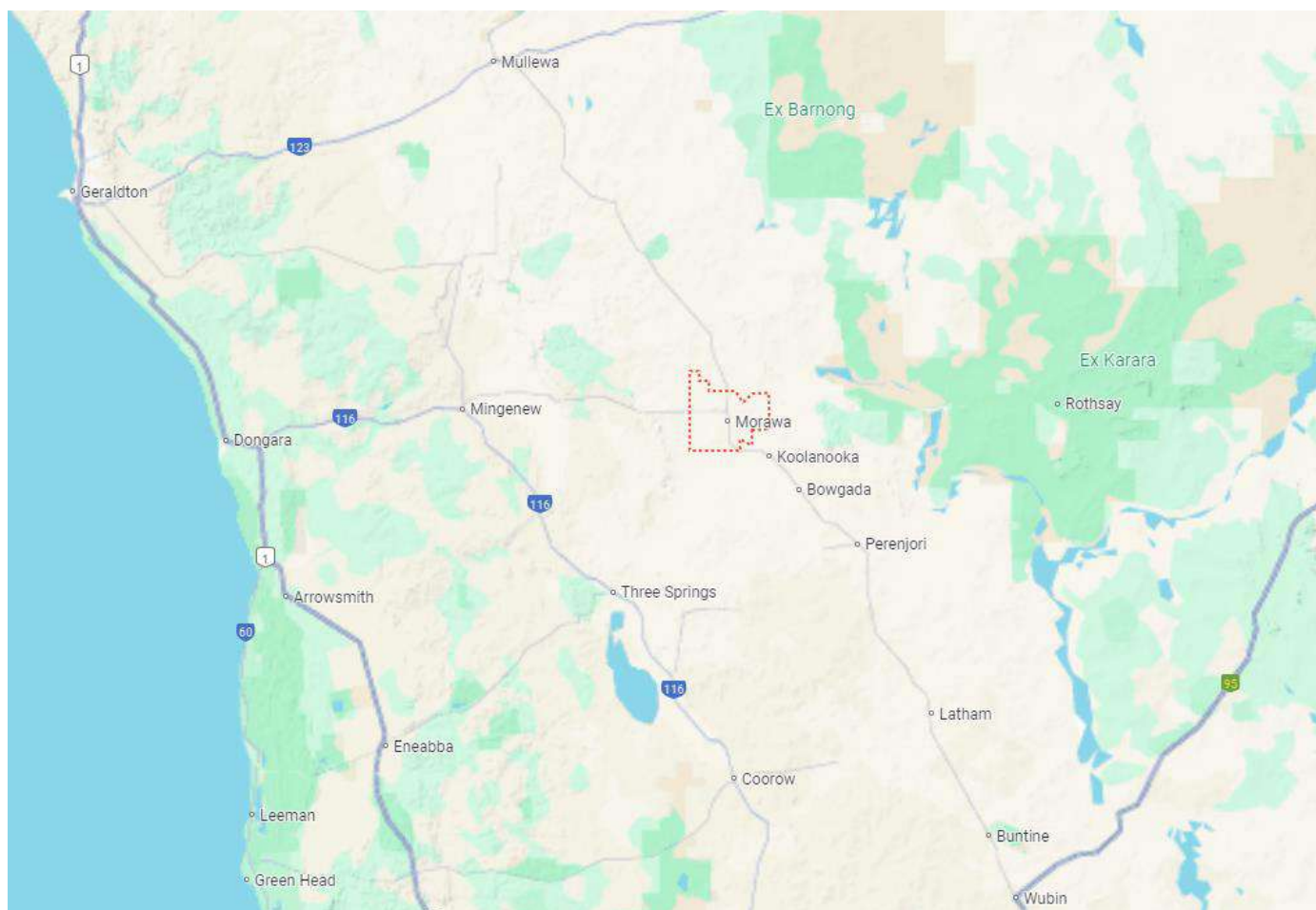


Figure 1 – Mid West Region, with the Shire of Morawa highlighted

The Morawa townsite is the identified sub-regional centre for the North Midlands sub region, which includes the shires of Morawa, Carnamah, Coorow, Perenjori, Three Springs and Mingenew. As such, Morawa is a sub-regional hub offering education and health care services that benefit residents outside of the Morawa district¹. These include a hospital, district high school and residential agricultural college. The town also provides a range of community services including a swimming pool, recreation centre, community gym, community resource centre, police and St John ambulance services, as well as retail and commercial services including a supermarket, pharmacy, post office, newsagency, agricultural suppliers, bakery and café, clothing and hardware stores.

Morawa features a semi-arid climate with hot and dry summers and mild to cool winters. Over the summer months of December to February the average maximum temperature is well over 35°C, while in the coolest month of July the

¹ <https://www.morawa.wa.gov.au/documents/12153/corporate-business-plan-2023-2033>

average maximum temperature is just 18.9°C². The highest temperature ever recorded in Morawa is 47.7°C on 18 February 2024.

The Morawa economy is driven by agricultural and mining activities, supported by medical, retail, and government services. The town and surrounding region are also popular tourist destinations during the wildflower season from late winter through to early October. According to the 2021 Census the Agriculture, Forestry and Fishing sector is the largest employer in the Shire, accounting for 105 workers out of the total workforce of 333³. Education and Training is the next largest employer with 66 workers, followed by Health Care and Social Assistance with 35 and Mining with 25. Although agriculture is the largest employer in the Shire, mining has the largest annual economic output, with mining generating annual output of \$85.2 million while agriculture generates \$69 million⁴.

The 2021 Census recorded the Shire of Morawa's population as 660 people, with 50.5% male and 49.5% female⁵. The Shire has 140 families, with an average of two children per family. The number of children in the Shire aged between 0-4 is 43, which represents 6.5% of the Shire's population. This is higher than the Western Australian rate of 6.1%.

The Shire of Morawa has a large Aboriginal population. The 2021 Census recorded that 10.9% of the Shire's population was Aboriginal, which is considerably higher than the Western Australian rate of 3.3%. However, for 18.5% of the Shire's population their Indigenous status was not stated in the 2021 Census. It should be noted the Shire of Morawa, Morawa District High School and other local organisations dispute the 2021 Census figures due to a poor response rate, particularly in the Aboriginal community. Anecdotal evidence related to new residents, school attendance, and other factors suggests the area's Indigenous population is at least double the official statistics. For example, the 2021 Census recorded a total of nine school-aged Aboriginal children (between 5-14 years), however the Morawa District High School has 71 students that identify as Aboriginal, which represents 42% of the school population.

Project Background

The need for a multipurpose Child and Family Centre in Morawa was identified in 2016 in the 'Ten Year Education and Training Plan for the Morawa Shire and the Wider North Midlands Region'. This plan was commissioned by the Morawa Education, Industry and Training Alliance, which was a partnership between the Western Australia College of Agriculture Morawa, the Morawa District High School and the Shire of Morawa. The plan highlighted that Early Childhood Education and Care (ECEC) was a key issue for Morawa and recommended that a Child and Parent Centre (Family Centre) be built as soon as possible.

In May 2022, following requests from community members to further investigate the development of an early childhood education and day care centre, the Shire instigated a Needs Analysis report. Completed in October 2022, the report's findings included:

- Morawa families used a mix of informal childcare provided by grandparents, other relatives and friends and formal early childhood education and care provided by the existing family day care service.
- The Morawa family day care premises were not 'perfect' and would be unlikely to meet the standard required for centre-based care.
- The family day care service was a critical resource in the Morawa community, particularly for parents employed at the hospital, school and Shire who did not have extended family members able to provide informal care.
- The family day care service was generally not accessed by Aboriginal families who are among the most disadvantaged and most developmentally vulnerable members of the community.
- Availability of a contemporary ECEC centre was increasingly important for attracting and retaining staff for essential services such as education, health and police; and for encouraging people to relocate to regional areas.

² www.bom.gov.au/climate/averages/tables/cw_008296_All.shtml

³ abs.gov.au/census/find-census-data/community-profiles/2021/LGA55670

⁴ app.remplan.com.au/midwestregion/economy/industries/outputY

⁵ abs.gov.au/census/find-census-data/quickstats/2021/LGA55670

- The establishment of a ECEC centre in Morawa could have a critical role in reducing the level of developmental vulnerability of children, including Aboriginal children, as well as providing a centre-based service for current and future workers in essential services as well as community, business and professional services.

The report recommended the Shire of Morawa support the establishment of a purpose-built Early Childhood Education and Care Centre in Morawa to address the needs of developmentally vulnerable children and unmet needs of essential workers for access to a quality service for their children.

In April 2023, Morawa Shire Council resolved to direct the Shire's CEO to scope and cost an early childhood education facility in Morawa and review funding opportunities, while also acknowledging the continued importance of the current family day care provider.

A working group (Project Working Group) consisting of representatives from the Morawa District High School, Morawa District High School Parents and Citizens Association, Mid West Employment and Economic Development Aboriginal Corporation (MEEDAC), Morawa Play Group and the Shire of Morawa was established in May 2023. This group, based on discussions with the community, highlighted the need for a family centre, in addition to ECEC services. Preliminary schematic designs for the Centre were completed by Eastman Poletti Sherwood Architects in October 2023, with detailed designs completed in August 2024.

2.1.2 Needs Analysis

The need for this project has been well established through consultation and needs assessments over many years, as summarised above.

The need for this project is centred around:

- Lack of ECEC facilities in Morawa
- Poor early childhood development outcomes in Morawa
- Lack of suitable indoor play spaces for children
- Limited support and social interaction for parents
- Lack of a permanent home for Morawa Playgroup
- Lack of a suitable space for child health services, such as speech pathology and child psychology.
- Lack of culturally appropriate child and family services in Morawa

Lack of ECEC facilities in Morawa

The only Australian Children's Education & Care Quality Authority (ACECQA) approved Early Childhood Education and Care (ECEC) centre in Morawa is a Family Day Care educator providing an in-venue service at 27 Dregghorn Street, Morawa. This building was built in 1956-57 as an Infant Health Centre and does meet the quality standard that would be expected for a centre-based long day care service.

Morawa Family Day Care Services is operated by sole-trader Theresa English. Ms English started the family day care service in 2022 due to needing childcare for her own young child in order to return to the workforce, but the previous educator was leaving town so there was no available childcare in Morawa.

The service operates from 8am-5pm Monday/Fridays, 9am-5pm Tuesdays/Thursdays and is closed on Wednesdays. It offers up to four children below age five and three school age places per day. The service does not provide vacation care, which (in addition to its very small capacity) limits its ability to meet the full range of ECEC needs in the community.

It is noted that the current family day care building is nearing end of life and would require considerable funds to bring it up to code to meet increasingly strict FDC compliance standards. In addition, Ms English's child no longer requires childcare and, as such, Ms English has indicated she may not be able to continue with the only existing childcare in Morawa after January 2025. Ms English has indicated to the Shire that she is keen to cease operating but is 'holding on' until the community has another childcare option.

Morawa's youth centre⁶ provides a safe space for youth aged between 8 and 18 years with an after school program each week during the school term and a school holiday program for set days during each school holiday period. There

⁶ www.morawa.wa.gov.au/services/ratepayers-residents/morawa-youth-centre.aspx

is no ACECQA approved before and after school care or vacation care for younger children of primary school age. The Morawa District High School Principal has indicated there is a high need for before and after school care.

Findings in a Victoria University report in 2022 ‘Deserts and Oases: How accessible is childcare in Australia?’⁷ include:

- childcare places were concentrated in the wealthiest areas and close to major job centres, with a correlation between areas with higher childcare fees and childcare availability,
- greater numbers of women with a child under five were in the workforce in locations where more childcare places were available,
- for many regional towns, Australia’s policy approach to early learning results in a complete absence of provision, especially for towns with a population of less than 1500 people where it is not viable for (many) providers to offer childcare,
- parents in regional Australia have the most developmentally vulnerable children but the poorest access to childcare,
- children from disadvantaged backgrounds benefit the most, but research showed these children are the ones most likely to live in an area with a shortage of childcare places,
- a third of Australian families live in regions classified as a “childcare desert”, where more than three children aged four and under are vying for each childcare spot within a 20-minute drive,
- 77.9% of children in the Mid West Region of Western Australia live in a ‘childcare desert.’

Mapping in the report showed that Morawa has 0.225 places per child aged 0-4 years, however since the study was undertaken the number of places has reduced further following a change of Approved Provider and FDC Educator.

The lack of ECEC facilities in Morawa is a significant impediment for parents seeking to re-enter the workforce. To access the nearest available ECEC places in the neighbouring town of Perenjori, parents must travel 41km each way, a total of 164km per working day. This is not practical or financially sustainable for most parents, even if Perenjori were to have sufficient childcare places to cover both local government areas, which it does not.

Local employers, including the Shire, school and hospital, have reported the limited childcare facilities in Morawa makes it difficult to retain existing staff and attract new staff to fill vacancies. This not only impacts on the delivery of vital community services in Morawa but is also restricting growth in the local economy by hindering workforce participation.

Poor early childhood development outcomes

The Australian Early Development Census (AEDC) measures the development of children in Australia in their first year of full-time school. The AEDC provides important information for communities, governments and schools to support their planning and service provision. In 2021, the most recent data available, 40% of Morawa/Perenjori children were identified as vulnerable in one or more domain and 20% were vulnerable in two or more domains⁸. This is nearly double the rate of developmentally vulnerable children in Western Australia as a whole. AEDC data also showed that nationally, the percentage of developmentally vulnerable children was higher in communities with small populations compared with children in communities with larger populations.

Geography	Physical 1	Social 1	Emotional 1	Language 1	Communication 1	Vuln 1 1	Vuln 2 1
Australia	9.8	9.6	8.5	7.3	8.4	22.0	11.4
Western Australia	9.4	7.6	7.8	7.2	8.0	20.3	10.2
Morawa/Perenjori	20.0	20.0	20.0	33.3	13.3	40.0	20.0

Figure 2 - Percentage of children developmentally vulnerable in AEDC 2021

⁷ www.vu.edu.au/mitchell-institute/early-learning/childcare-deserts-oases-how-accessible-is-childcare-in-australia

⁸ www.aedc.gov.au/data-explorer/?id=181774

Developmental issues in early childhood can lead to numerous difficulties later in life, such as health problems (including alcoholism, stress, depression heart disease and diabetes) and welfare dependency. If nothing is done to address disadvantage in the early years, it becomes further entrenched by the education system, creating intergenerational cycles of disadvantage⁹.

Research has demonstrated that the skills and abilities acquired in early childhood are fundamental to a person's success and well-being in later life. A positive early childhood provides personal and economic benefits to the individual and then to the society as a whole.¹⁰

There is substantial evidence that early childhood services (including ECEC, parenting classes and support services) have a strong impact on children's learning and development and that children who participate in these services do better on measures of educational performance when they attend primary school. This is particularly true for children from disadvantaged backgrounds. It is clear therefore that there is a correlation between the lack of early childhood services available in Morawa and the high percentage of developmentally vulnerable children in the area.

Lack of indoor play spaces for children

As noted in *Section 2.1.1 Background*, Morawa has a semi-arid climate and experiences extremely hot temperatures for much of the year. While the town does have a number of small outdoor parks and playgrounds for children, it is often too hot to use them.

Babies and young children can become unwell in the heat more easily than others¹¹. This is because they can overheat and dehydrate quickly and are less able to make choices to stop themselves overheating. A child's body normally keeps itself cool by sweating and moving more blood towards the skin. In extreme heat, or if a child is physically active in hot weather, their body's natural cooling system can begin to fail. Their body temperature can increase to dangerous levels, leading to severe heat-related illness including heat stroke and heat exhaustion.

However, there is no indoor, air-conditioned place for children and babies in Morawa to play and interact, despite temperatures being so high for much of the year.

An informal indoor play space as proposed in this project would provide a place for families to meet and a safe environment for children to play in when it's too hot to play outside. The proposed Child and Family Centre would also be available as a hireable indoor space that could be used for children's birthday parties and other social events, furthering the opportunity for social interaction amongst young families.

Limited support and social interaction for parents

As noted in *Section 2.1.1 Background*, Morawa is predominantly a rural community, with agriculture being the Shire's largest employer. As a result, a large number of families live on farms, away from extended family and friends and with long distances between themselves and their nearest neighbours. Many people who live on farms come into town infrequently and only for a specific purpose such as shopping or medical appointments. This can be isolating, especially for new parents with young children.

Research undertaken in Australia and internationally suggests that around 15-22% of women experience depression during pregnancy and/or following the birth of their baby¹². Current research about perinatal anxiety suggests one in five women report anxiety symptoms during pregnancy, and between 4-20% of women experience symptoms of an anxiety disorder after giving birth. Between 4.2-9.3% of women will experience both anxiety and depression. Therefore, up to one in every five women may experience symptoms of anxiety, depression, or both during pregnancy and/or following birth. Though there is far less research available on paternal perinatal mental health, the last decade of research suggests up to 10%, or one in 10 expecting or new fathers will experience depression and/or anxiety during the perinatal period. A recent review estimates that the prevalence of anxiety in men in the perinatal period is 3.4%-25%. Similar to research findings about maternal mental health, often men experience both anxiety and depression during the perinatal period. Talking to other parents about their experiences, reaching out for help or seeking treatment or advice from a health professional are important ways for new parents to manage anxiety and depression.

⁹ www.vu.edu.au/sites/default/files/educational-opportunity-in-australia-2020.pdf

¹⁰ National Scientific Council on the Developing Child (2004b) *Children's emotional development is built into the architecture of their brains*. Working Paper No. 2.

¹¹ www.health.nsw.gov.au/environment/factsheets/Pages/beat-the-heat-children.aspx

¹² panda.org.au/articles/how-common-are-mental-health-issues-in-the-perinatal-period/

Many parents with young children in Morawa have reported that, having concluded their business, there is no reason to stay in town and no place to meet up with friends and other parents. The Child and Family Centre proposed in this project would provide an informal place where families can come together, children can play in a safe environment and parents can interact, share their experiences and support each other. It will also provide the opportunity for parents to access information and advice from parenting support services like Ngala in an informal, less intimidating setting.

No permanent home for playgroup

Across Western Australia there are hundreds of playgroups¹³ - groups of parents, caregivers and extended family who come together with their babies and young children to learn together through play. Playgroups provide a supportive environment for children and their family or carer. There is a sense of belonging to the community, opportunities to form friendships and share ideas and information.

While at playgroup, children have the opportunity to learn through play and develop social, emotional, physical and cognitive skills in a safe and stimulating environment. They are also a lot of fun for children as they learn through play and interact with other children and adults. Importantly, playgroup also provides the opportunity for parents and children to play together, which is critical to children's healthy development. By creating a space where parents and caregivers have the opportunity to spend time with their children, playgroups can enhance relationships through play.

Playgroups meet in a variety of venues depending on the needs of the group and the availability of suitable premises. Often, they will be in, or close to, other community services like community centres, schools, healthcare centres and libraries. While it is true children can play anywhere, playgroup has an added benefit of providing opportunities for playing with other children and practising important social skills.

The Morawa Playgroup currently meets every Monday from 9-11am in the same building used by the Morawa Kindergarten. This building, at 28 Prater Street, was previously used by Morawa District High School for pre-primary, but when enrolments became too large for the building, pre-primary was relocated and the kindergarten moved in. During the COVID-19 pandemic the playgroup was unable to use the building as the school required more space to accommodate social distancing requirements. While the school is currently supportive of the playgroup using the building, if kindergarten enrolments continue to increase, the school will have to open up more kindergarten days. This would require the playgroup to find another venue, however no suitable alternative venues currently exist in Morawa. The Child and Family Centre proposed in this project would provide a permanent home for the Morawa playgroup.

In addition, Playgroup WA is funded by the National Indigenous Australians Agency to facilitate Aboriginal Playgroups to provide culturally appropriate playgroups in locations across WA. With the construction of a dedicated Child and Family Centre suitable for playgroups, there would be the potential for an Aboriginal playgroup to commence in Morawa, given the high indigenous population in the area.

Lack of space for child health services

The Morawa Perenjori Health Service, located in the Morawa District Hospital, provides 24-hour acute and emergency care, allied health services, community health and palliative care. Morawa also has a community doctor based at the Morawa Medical Centre. However, some child health services, such as the visiting speech pathologist and child psychologist, operate from the library or rooms at Morawa District High School as there is no other suitable venue. This is not ideal as the school rooms were not designed for this purpose and lack privacy.

Additionally, the lack of suitable rooms is a deterrent to other visiting specialists establishing child health services in Morawa.

The proposed Child and Family Centre includes a wellness room in which speech pathology, child psychology and other similar services can be offered in a safe and private environment.

¹³ www.playgroupwa.com.au/

Lack of culturally appropriate child and family services

As noted in *Section 2.1.1 Background*, Morawa has a large Indigenous population with almost 11% of respondents in the 2021 Census identifying as Aboriginal or Torres Strait Islander and the likely actual percentage being much higher. However, the Needs Analysis undertaken in 2022 identified the existing family day care service in Morawa was generally not accessed by Aboriginal families, who are among the most disadvantaged and most developmentally vulnerable members of the community.

The Child and Family Centre proposed in this project would offer a culturally appropriate space for Aboriginal children to participate in early learning, which will lay a strong foundation for their future academic and personal development.

The inclusion of wellness and meeting rooms within the family centre will provide spaces for cultural parenting workshops and traditional practices. These programs are critical for preserving and passing on cultural knowledge and ensuring Aboriginal heritage continues to thrive. Furthermore, these facilities will create an environment that nurtures social and emotional connections, allowing families to share experiences and receive mutual support. The Centre will also provide opportunities for storytelling sessions with Elders, which are an essential aspect of cultural education. These sessions will help young children connect with and appreciate their cultural roots, while fostering meaningful intergenerational relationships.

2.2 Project Description

The Morawa Child and Family Centre will be located on Shire-owned land at 26 Prater Street. The site is well located adjacent to the local Kindergarten and Youth Centre and across the road from the District High School.



Figure 3 - Aerial view with 26 Prater Street highlighted

FLOOR PLAN

SHIRE OF MORAWA
THIS PLAN IS CERTIFIED AS
THE APPROVED PLAN FOR DEVELOPMENT
APPROVAL

PROPOSED MORAWA EARLY CHILDHOOD EDUCATION & FAMILY CENTRE
LOT 409 (26) PRATER ST CNR CROFT ST MORAWA W.A.

DEVELOPMENTS		JOB NO.
FLOOR PLAN		2317
DRAWN BY: BB	CHECKED BY: CAP	DATE: AUG 2024
SCALE: 1:100	DATE: 15/08/24	BY: A.OI

EASTMAN POLETTI SHERWOOD architect

Morawa Child and Family Centre | Business Case

The Centre will be a multipurpose venue with two main components. The first component is a formal Early Childhood Education and Care (ECEC) service providing long day care for up to 19 children aged 0-6 with after school care for children older than six. The second is a family centre with an informal indoor play space where families can drop in, children can play, and parents can meet and socialise. In addition, the wellness room and meeting rooms will provide fit-for-purpose spaces for children's and family services such as speech pathology, occupational therapy and child psychology, space for parenting groups and programs, family focused activities and a hub for a range of other community interest groups. The Centre will also provide the opportunity for family support services such as Ngala to engage with parents in a casual, less-intimidating setting where they feel safe and comfortable. Other opportunities to be considered include professional development, education and training of Early Childhood professionals and establishment of a hub for First Nations people undertaking training in preparation for employment.

The formal ECEC service will be provided by Regional Early Education and Development Inc. (REED). REED is a not-for-profit organisation established in 2018 with the aim of building a sustainable early childhood education and care system in regional WA. After initially receiving funding from the WA Government's Department of Communities and Lotterywest, REED now operates 23 ECEC services in the Mid West and Wheatbelt. Its services include long day care in centres leased from local governments, family day care provided in an educator's home or community venue, and outside school hours care either in schools, at a childcare centre or family day care. REED also works in partnership with local Indigenous organisations to increase participation of Aboriginal children in early childhood education and care.

The Board of REED has endorsed the establishment of the Morawa Child and Family Centre and agreed to manage the service as an ACECQA Approved Provider. The Shire of Morawa and REED signed a partnership agreement in December 2023 which outlines a mutually beneficial arrangement between the two parties with the view of providing quality early childhood education and care services within an appropriately accredited ECEC centre. The agreement commits the Shire and REED to working together on the design of the facility, identifying funding opportunities and delivering the project.

Once the Centre is complete, REED has agreed to provide a five days a week ECEC service with an after school care component, active integration with Morawa District High School and a commitment to working with Midwest Aboriginal Employment and Economic Development Inc. (MEEDAC) and the local Indigenous community to maximise the development outcomes for young Indigenous community members. The Shire has agreed to a peppercorn lease of \$1 per term for REED to lease the facility, the provision of basic weekly garden maintenance, rubbish collection and sewerage services at no cost, and to provide a house at below market rent for REED staff working at the Centre.

This project will provide a critical piece of community infrastructure to enable the provision of early childhood education and care services, parenting and family support programs and aligned health and wellbeing services. This will improve child development outcomes, economic and social opportunities for parents, and provide access to support services for families, each of which will contribute to the enhanced liveability and sustainability of the Morawa community.

2.2.1 Project Benefits

The Morawa Child and Family Centre will be a multi-use venue that provides a number of economic and social benefits to a broad section of the community. In particular, the project will:

- Increase workforce participation by parents by improving access to early childhood education and care.
- Create new employment opportunities in early childhood education.
- Increase local wages through closing the gender-based pay gap.
- Deliver economic growth by enabling local businesses to attract staff, thereby increasing turnover for local businesses and therefore Gross Regional Product (GRP).
- Improve child development outcomes through improved access to early childhood education, particularly for Aboriginal children.
- Increase social inclusion by providing an informal meeting place for parents and children.
- Enhance livability and amenity by providing a safe and comfortable indoor play space.
- Increase access to community services including childcare, playgroup and child health services.
- Support Indigenous heritage and culture by providing spaces for cultural parenting workshops and traditional practices.

2.3 Policy and Strategic Framework

The project has been considered with respect to local, regional, state, and national plans, priorities, and strategies, with several areas of alignment identified.

2.3.1 Alignment with Federal Government Policies and Organisations

National Agreement on Closing the Gap

This agreement between all Australian Governments and the Coalition of Aboriginal Peak Bodies seeks to overcome entrenched inequality so that life outcomes for Aboriginal and Torres Strait Islander people are equal to all Australians’.

The agreement outlines 5 outcomes:

1. Shared decision-making
2. Building the community-controlled sector
3. Improving mainstream institutions
4. Aboriginal and Torres Strait Islander-led data
5. Socio-economic outcomes (including 17 targets)

The proposed Centre supports the achievement of the outcomes via incorporating leadership from First Nations people and organisations in the Mid West in the co-design and planned future usage of the facility. As a result of First Nations people involvement, the concept and designs for the Centre have considered First Nations’ needs to create culturally safe spaces that are responsive to the needs of Aboriginal people.

Of the 17 socio-economic outcomes, the Centre will provide particular support for:

- *Closing the life expectancy gap by 2031* – This is served through the Centre’s focus on early engagement and skill development in an inclusive and supportive environment. A range of permanent/ongoing, short-term, and visiting programs and services that will be available at the Centre, including early childhood programs, parenting programs, health and wellbeing activities, and allied health services.
- *Increasing the number of Aboriginal people with a tertiary qualification to 70% by 2031* – the Centre will enable alternative education, literacy and numeracy programs, education completion mentoring, and create lifelong learning spaces. The availability of child care at the Centre will assist in making re-engagement with education possible for families that have primary care responsibilities for children and no other support options.
- *Increasing the proportion of Aboriginal youth in employment, education or training to 67% by 2031* – The Centre will provide a space for the delivery of alternative education and re-engagement programs. It will have an intentional focus on early engagement and offer tailored programs and services that ease the transition into and through education, training and employment. The location in proximity to the school precinct enhances the Centre’s capacity to engage with young people and improve youth outcomes.
- *Reducing the rate of Aboriginal young people (10-17 years) in detention by at least 30% by 2031* – The Centre will provide a space for targeted diversion programs, inter-agency collaboration, coordinated holistic case management, family programs and services, and access to support services.
- *Increasing social and emotional wellbeing and significantly reducing death by suicide among Aboriginal people* – this will be achieved with the aid of the services already mentioned, as well as the Centre being used for peer support networks and access to mentors and role models.
- *Increasing the number and strength of Aboriginal languages being spoken* – this will be facilitated by the planned use of the Centre by MEEDAC for the delivery of cultural parenting workshops, traditional practices, storytelling sessions with Elders and promoting cultural awareness (refer to Attachment B – Letters of Support).

The Australian Government's Regional Investment Framework

The Regional Investment Framework is a new approach to how the Australian Government delivers regional investment – valuing local voices and priorities, being informed by and building the evidence, operating with flexibility, integrity and transparency, and coordinating across governments to make investments work better for regions. It provides an integrated and coordinated framework for regional development regardless of a region's economic circumstances.

This project aligns with two of the Framework's guiding principles being:

- Realising the Government's ambition of "no one held back and no one left behind" requires specific regional investment across all portfolios.
- Place-based decision making that draws on the experience of local government alongside regional bodies must guide investment in our regions.

It also supports achievement of three of the four priority focus areas being:

- Investing in People - Putting people at the forefront of growth, with local voices influencing decision making.
 - Listening to local voices and partnering with communities.
 - Targeted investment in skills, education, training and local leadership capacity.
- Investing in Places - Targeted and place-based investment that enables communities to thrive.
 - Supporting adaptive, accessible, sustainable and liveable regions.
 - Delivering infrastructure where and when it is needed.
- Investing in Services - Investment in regional services with a focus on improving quality and accessibility.
 - Enhancing connectivity, accessibility and equity of services.

National Preventive Health Strategy 2021-2030

This strategy presents an opportunity for addressing the increasing burden of disease, reducing health inequity and increasing preparedness for emerging health threats.

Two of the priority populations requiring support to increase their health outcomes that are addressed in the strategy and also served by the proposed Centre in Morawa are:

- rural, regional and remote people
- Aboriginal people.

The preventive health strategy is based on 6 principles, and of particular note are the strong ties between the project and the principles of:

- Multi-sector collaboration - Integrated and coordinated action by different sectors at all levels, within and outside of health.
- Community participation - Place-based and codesigned approaches are led by communities.
- The equity lens - Preventive health action considers the inequities that exist across Australia and promotes equitable access to health care that is culturally safe and tailored to diverse community needs.

One of the 3 elements of the strategy is to boost action in certain focus areas. The proposed project directly contributes to action in 5 of the 7 focus areas identified being:

- Reducing tobacco use and nicotine addiction
- Improving access to and the consumption of a healthy diet
- Increasing physical activity
- Reducing alcohol and other drug harm
- Promoting and protecting mental health.

The programs, services, facilities, opportunities for collaboration, and access to information and referrals provided by the Centre form a key means of achieving the national preventive health strategy in Morawa.

Regional Development Australia (Mid West and Gascoyne) Mid West Regional Blueprint

Regional Development Australia works to strengthen regional economies, promote economic opportunity and build capacity. The Mid West Blueprint provides a '2050 growth and development strategy for an intergenerational, global, innovative and dynamic Mid West region that attracts and retains talent and investment'.

Two of the five key pillars for realising the 2050 vision are directly addressed by the proposed Centre. The project will assist in achieving:

- Highly Desirable Communities
- Knowledge and Learning

The Centre will contribute to creating a vibrant and inclusive community through the provision of infrastructure and services that support the social fabric and wellbeing of the Morawa community. Through early intervention and the delivery and promotion of a diverse range of education and training opportunities, the Centre will support the vision of a community that is well-educated, trained and skilled which are key drivers of economic growth, a higher standard of living, and social cohesion.

The National Plan to End Violence against Women and Children 2022-2032 - The First Action Plan (2023 - 2027)

The action plan outlines how all parts of society must work together to end gender-based violence, via 4 domains: prevention, early intervention, response, and recovery and healing.

It includes several actions that the Centre and its integrated services, education programs, mentoring and community spaces will support:

- Action 3: Increasing the delivery of quality services, activities and programs across the four domains.
- Action 4: Building the capacity of services to better support victim-survivors for long-term recovery, health and wellbeing (this includes children and youth).
- Action 7: Working with Aboriginal people to ensure policies and services meet their needs.
- Action 8: Providing age-appropriate programs across all four domains, informed by children and young people, that are culturally safe, to intervene early to address violence supportive behaviours and support recovery and healing from trauma.

Playgroup Australia Strategic Plan 2023-2025

Playgroups have a vital role in providing play-based learning and social-emotional development for children, social support for parents and carers, and connections that build communities.

Playgroup Australia has a vision for every child and family in Australia to have access to a quality playgroup. Projects such as the Morawa Centre are critical to realising this vision.

2.3.2 Alignment with State Government Policies and Organisations

WA 2050, People Place and Prosperity

WA 2050 aims to create a shared understanding of emerging issues affecting Western Australia's future. The issues fall under the themes of people, place and prosperity.

The emerging issues of particular relevance for both the Mid West Region and Morawa, WA are:

1. Decolonising Indigenous health: How and why WA can take the lead.
2. Preparing WA's social Infrastructure for the next 20 years.
3. Shaping the untapped career potentials of WA underprivileged.

This project seeks to address these issues through:

- Providing formal and informal education, training and life skills programs starting from early childhood, to help inspire and support the next generation of the workforce
- Better service integration and collaboration
- Intergenerational and cross-cultural learning
- Co-designing the facility with Aboriginal communities.

Mid West Development Commission Strategic Focus

The Mid West Development Commission has five key areas of strategic focus which respond to regional need and align with Government priorities and the legislative framework. The Centre will contribute to the achievement of two of these strategic priorities, being:

- Regional Liveability - Making our region a good place to live is critical for the wellbeing of regional residents and underpins labour market and community resilience.
- Aboriginal Empowerment and Prosperity - Partnerships and engagement with Aboriginal people, strong accountability and culturally responsive working will enable our region to realise a 'future in which all Aboriginal people, families and communities are empowered to live good lives and choose their own futures from a secure foundation.'

Department of Communities Strategic Direction Statement 2022-2025

The statement outlines the department's purpose as: "Working together to provide responsive services that build safe, inclusive and empowered communities."

Of the 5 strategic directions designed to fulfill this purpose, the 2 most clearly aligned with this project are:

- Integrate supports for children, individuals, families and communities.
- Tackle problems early for the best return on investment. Earlier intervention and prevention improves long-term outcomes for the individuals, children and families we serve, often at a lower cost.

The intentional design of the Centre to create opportunities for collaboration in a space that is inclusive, culturally appropriate, and welcoming goes a long way towards achieving these strategic directions.

WA At Risk Youth Strategy, 2022–2027

When youth face multiple and complex problems in their daily lives they are at greater risk of not being able to transition positively into adulthood.

This strategy seeks to improve long-term outcomes for at risk young people across 4 focus areas, and the proposed project has direct alignment with all 4:

1. At risk youth are identified and responded to through an integrated, collaborative cross-agency approach.
2. At risk young people can access early, timely and targeted interventions to improve long-term outcomes (including targeted initiatives to address health, mental health and education needs and training and employment pathways.)
3. Strengthen the services system, including reducing barriers to seeking help or staying engaged with support services.
4. Aboriginal at-risk young people have access to culturally responsive, place-based supports that are culturally safe and secure.

The design, services and programs of the Centre are closely aligned with these focus areas, and its focus on engaging and supporting the entire family (not just parents and young children) will provide an environment where opportunities to help improve outcomes for youth are maximised.

WA Health Promotion Strategic Framework 2022-2026

The strategic framework seeks to achieve equitable and sustainable improvements in health behaviours, and environments so that Western Australians lead healthier lives.

The design of the Centre has strong alignment with all of the 4 guiding principles:

- Comprehensive, whole-of-population approach
- Intervening early and throughout life
- Promoting equity and inclusivity
- Collaborative partnerships and strategic coordination.

Through the provision of integrated services and programs, early childhood programs, early intervention programs, life skills education and access to information, the Centre will be vital to ensuring many of the priority areas can be addressed in Morawa. These actions include:

- Increase the knowledge and skills necessary to choose healthy food and drinks
- Encourage and support active living across the lifespan
- Increase availability and accessibility of quality, affordable and nutritious food for all
- Promote environments that support healthy eating and active living
- Increase community awareness of alcohol-related health risks and harms
- Prevent and delay uptake of alcohol by children and young people
- Develop supportive environments to reduce demand for alcohol
- Reduce tobacco use in WA, particularly among populations at higher risk of harm due to tobacco use.

This project acts as a key conduit for the realisation of health promotion principles in Morawa.

Aboriginal Empowerment Strategy for WA 2012-2029

The strategy directs the WA government's efforts to ensure that Aboriginal people, families and communities are empowered to live good lives and choose their own futures from a secure foundation.

Of the 10 key elements of the strategy, the 4 that this project most closely supports are:

- Investing in building strengths, prevention, and earlier intervention
- Supporting and promoting culture
- Reshaping Government services and systems to work with culture
- Partnerships, shared decision-making, and engagement.

This project will provide integrated, culturally safe services, including early-intervention, intentionally designed with input and leadership from Aboriginal communities to ensure they directly align with the strategy.

Playgroup WA Strategic Plan

Construction of the Centre will support Playgroup WA's planned increase in access to playgroups for all families - including Aboriginal, and regional and remote families.

This goal is based on the principles that:

- the first 1,000 days are the most critical development window for children
- playgroup provides a great opportunity to enhance community life.

2.3.3 Alignment with Regional and Local Policies

Shire of Morawa Strategic Community Plan 2022- 2033

In August 2022, the Shire of Morawa formally adopted the Shire of Morawa Strategic Community Plan 2022- 2033. The Plan's vision is for Morawa to be a welcoming and inclusive community that embraces what makes it unique, offering liveability, variety, and opportunity for all.

The key deliverables in the Plan that this project will directly contribute towards achieving are:

- Champion Inclusion and Engagement
- Invest in Socialisation and Belonging
- Enhance Partnerships and Alliances
- Enhance Health Service Provisions
- Foster Passion and Belief in Younger Residents

Ten Year Education and Training Plan for Morawa Shire and wider North Midlands Region

In 2016, the Shire of Morawa with other partners developed a Ten-Year Education and Training Plan for Morawa Shire and wider North Midlands Region. The key issues identified were early childhood education, student welfare, aboriginal education, and infrastructure, with a major recommendation being the development of a Child, Parent and Family Centre in Morawa.

With continued communication and consultation, the need for a broader focus than education and a greater emphasis on early intervention and collaboration between diverse program and service providers became clear. This project aligns directly with the report's recommendations by delivering a multi-use Child and Family Centre that will facilitate community connectedness and social cohesion through the delivery of a range of locally relevant programs and services including education and training.

Mid West Regional Children's Services Plan

The Mid West Children's Services Plan proposes a way towards a sustainable Education and Care Sector, focusing on community managed services, through ways that support the viability of all education and care and early childhood services in the region.

This project assists in achieving the objectives of the Plan in the following ways:

- Collaboration - Strengthen ECEC and early years' services working together for collective solutions and impact.
- Sustainable ECEC Sector - Support ECEC services' capacity through sustainable governance, leadership and operational models.
- Access to Services - Enhance access to responsive children's services for families and children in all communities.

Regional Australia Institute – Liveability in Australian Mid-Sized Towns

Research undertaken by the Regional Australia Institute in 2019 and 2020 found that people in mid-sized regional towns associate the concept of liveability with good public services, a wide variety of community activities, and easy access to nature.

This project broadly aligns to five of the six of the key identifiers of regional liveability being:

- Easy access to an array of health services – this project creates space in a community facility for the provision of allied health services that would otherwise not be readily available
- Education services – the Centre will provide critical pathways for engagement and inclusion that will support a seamless transition from early childhood through primary and secondary school, and open up opportunities and possibilities for alternate education pathways including for mature aged students.

- **Amenity** – the Centre will facilitate the cultural aspect of amenity through strong connections with First Nations people and the offering of a range of cultural activities including storytelling sessions with local/regional Elders.
- **Connection to Community** – the Centre will facilitate social inclusion and community connection in a friendly and welcoming environment.
- **Lifestyle and Opportunity** – the Centre will provide opportunities to reassess personal values so as to focus on “the important things” that help bring about a better quality of life.

2.4 Stakeholder Engagement and Consultation

The Shire of Morawa has undertaken extensive stakeholder consultation as part of the planning for this project. The Needs Analysis undertaken in 2022 included a survey of parents of children attending Morawa District High School from kindergarten to Year 6, a site visit to the existing family day care service in Morawa, identification and consultation with all childcare providers within a one-hour drive of Morawa and targeted consultation with key stakeholders including the school, Shire, hospital, Ngala and REED.

The Child and Family Centre working group established in 2023 included representatives from the Morawa District High School, Morawa District High School Parents and Citizens Association, Mid West Employment and Economic Development Aboriginal Corporation (MEEDAC), Morawa Play Group and the Shire of Morawa.

Numerous letters of support have been provided in support of the project, including from Regional Development Australia (RDA) Mid West-Gascoyne, Mid West Development Commission, Morawa District High School, MEEDAC, Morawa District High School P&C, Morawa Playgroup, REED and the current family day care provider (see Attachment B – Letters of Support).

The operator of Morawa Family Daycare Services, Theresa English, wholeheartedly supports this project and believes it will significantly enhance the quality of care provided to the children and families in the community. Ms English has observed considerable unmet demand for childcare in the community and states that, as the town's sole provider, it is incredibly challenging to meet this demand. She says she regularly has parents approach her for places, but she is forced to turn them away because she is at full capacity. Ms English also highlights the challenges of operating a family day care service in her existing premises, including outdoor toilets, a leaking roof and general wear and tear on the building.

Morawa District High School Principal Tonia Carslake explains the school currently has a 42% Aboriginal population, who are at risk of not thriving at school due to lack of school readiness programs. Ms Carslake states early childhood assessments conducted in kindergarten and pre-primary demonstrate that up to 35% of students in the area are developmentally at risk. She says Morawa District High School continues to focus on developing a strong early intervention program for students coming into school who are not school ready, however the community would greatly benefit from more support services targeting the 0-4 age group to further support their development. Ms Carslake confirms the school would prefer the Centre to be located near the Morawa District High School site as this would ensure vulnerable families in the school community have access to specialist parenting programs and aligned health services, as well as quality early childhood and after school care.

The General Manager of MEEDAC, Mary Ripper, expressed her strong endorsement of the project, stating the initiative marked an important advancement in addressing the specific needs of the Indigenous community by offering a variety of services that will greatly benefit families and children in the Morawa area. Ms Ripper says the programs to be offered at the Centre are critical for preserving and passing on cultural knowledge and ensuring that Indigenous heritage continues to thrive. She believes that by introducing children to early learning environments, the Centre will lay a strong foundation for their future academic and personal development, and that offering culturally relevant workshops and activities will not only enrich the educational experiences of families but also reduce the stigma often associated with childcare and early education.

Morawa District High School P&C Acting President Aimee North says the Centre is very much needed to support the families of the school community and will also be a major attraction when families consider moving to Morawa. Ms North states the Centre will allow more parents to engage in local employment and also allow parents of school age children to work longer hours if required, knowing their children will be in safe care before or after school. She says the additional meeting rooms and communal spaces in the Centre would be a welcome addition as they can be used for services that would usually utilise rooms at the school, such as the child health nurse or visiting speech pathologist,

while the meeting room could also be used for P&C meetings with the additional play space to occupy children during meetings.

Morawa Playgroup President Nadine Payne explains the only form of childcare currently available in town is a family day care, located in a run-down property, and with limited capacity. She states that with such limited childcare spaces available this stops many local mothers from returning to work until their children are in kindergarten, which in turn places strain on local businesses who find it difficult to attract employees. Ms Payne confirms the Playgroup will support the Centre if it is constructed, in addition to the Centre being used as a centralised social space for community members as an alternative to playgrounds during the hot and dry summers.

RDA Mid West-Gascoyne Director of Regional Development Mark Holdsworth explains the prohibitive distances to major regional centres in the Mid West means small shires such as Morawa must establish their own community facilities, which are an important part of ongoing sustainability and the retention and attraction of residents. Mr Holdsworth says the Centre will help to minimise barriers to workforce participation and recognises that available and flexible quality early childhood education is a crucial enabler to broad based workforce participation.

The Mid West Development Commission's Chief Executive Officer Nils Hay confirms the project aligns with the Commission's Strategic Plan, namely section 1.3.3 'Facilitate workforce development for regional economic growth' and section 1.3.6 'Raising regional quality of life'.

2.5 Project Deliverables

This project will deliver the outputs and outcomes as detailed in the tables below.

	Outputs	Performance Measure	Performance Measure method
1	A new Morawa Child and Family Centre as per <i>Section 2.2 Project Description</i>	Completed in accordance with timeframes, budget, scope, building codes and regulations.	- Photographs - Builder's practical completion certificate - Inspection by Project Manager to certify works comply with tender documents

Table 1 - Outputs

	Outcomes	Performance Measure	Performance Measure method
1	Multi-use infrastructure that benefits the community by improving access, equity and social inclusion.	The completed Centre provides additional ECEC places; rooms for community events; Indigenous cultural workshops and family services; and informal play and kitchen spaces to promote social interaction for parents and children.	- ECEC enrolment numbers - Facility bookings and visitation data - User surveys
2	Enhanced amenity and liveability in the Shire	The completed Centre provides a safe and comfortable indoor play space for children and social space for parents.	- Facility bookings and visitation data - User surveys
3	Increased workforce participation	More Morawa parents are engaged in the workforce.	- ABS employment data - Job vacancy data - ECEC enrolment data and user surveys

4	Improved child development outcomes	More children are 'school-ready' and less are considered developmentally vulnerable.	• Australian Early Development Census data • ECEC enrolment numbers • Facility bookings and visitation data
5	Enhanced support for Indigenous culture and heritage	The Centre is used for Indigenous cultural workshops, storytelling and culturally appropriate early learning and child and family services.	• Facility bookings and visitation data • User surveys
6	Increased Indigenous employment	The Centre employs Indigenous employees and trainees.	• Centre employment records
7	Improved access to child health and family services	The Centre is used to provide child health and family services.	• Meeting room bookings • User surveys

Table 2 - Outcomes

2.6 Cost Benefit Analysis

Considerable research is available that proves the importance of early intervention in preventing or reducing socio-economic and health risks that often present as a child starts school and increase in prevalence as a child reaches adolescence. As noted earlier in this document, results from the 2021 Australian Early Development Census (AEDC) demonstrate that 40% of Morawa/Perenjori children are vulnerable in one or more domain and 20% are vulnerable in two or more domains. This is nearly double the rate of developmentally vulnerable children in Western Australia as a whole.

Developmental issues in early life are a reliable indicator of poor health and socio-economic outcomes during adolescence and later in life, including vulnerability related to mental health, misuse of alcohol and other drugs, homelessness, and risk-taking behaviours among young people. Whilst not diminishing the impacts on the life of the individual person, there is also a significant economic impact when a child misses out on early intervention, fails to thrive, and becomes increasingly disengaged and disenfranchised. This presents in a reduced capacity to enter the workforce, a reliance on income support, a need for housing assistance, above average usage of healthcare and hospital interventions that may otherwise have been preventable, and a need for other complex and tertiary services that are publicly funded.

The Centre will provide an appropriate space to address the existing vulnerability and disadvantage being faced by children and their families in Morawa. It will provide a space for early intervention where people and families of all ages and stages can engage in programs, services and supports, free of stigma, that will equip them with the tools and support they need to be active participants in improving their quality of life. By growing the capacity and resilience of the community, and by creating a safe and inclusive pathway from the first years of life, into early childhood education and care programs, followed by a supported and seamless entry into school, the Centre will make a direct contribution to improving economic outcomes within the Shire.

The social, and therefore by default economic benefits of community hubs, such as the Morawa Child and Family Centre, were arguably best summarised by a report published by Community Hubs Australia (CHA) in 2023. CHA engaged Deloitte Access Economics to complete a social return on investment evaluation of the Australian Community Hubs program. What the evaluation found was that a much higher than anticipated \$65.7 million of social benefits were derived in 2023 alone through people engaging with community hubs. This was calculated as being a return of \$3.50 on every \$1.00 invested. The report noted that while community hub participation was of high value for all people within the community, the capacity of community hubs to include and engage people from diverse backgrounds, and to reduce their levels of isolation and vulnerability was of note. This is of particular importance to the Morawa Centre given the previously noted high percentage of First Nations people in the Shire and the extent of social isolation experienced by many people living within the Shire. The table below provides a concise snapshot of the social benefits identified by Deloitte in the development of the report.

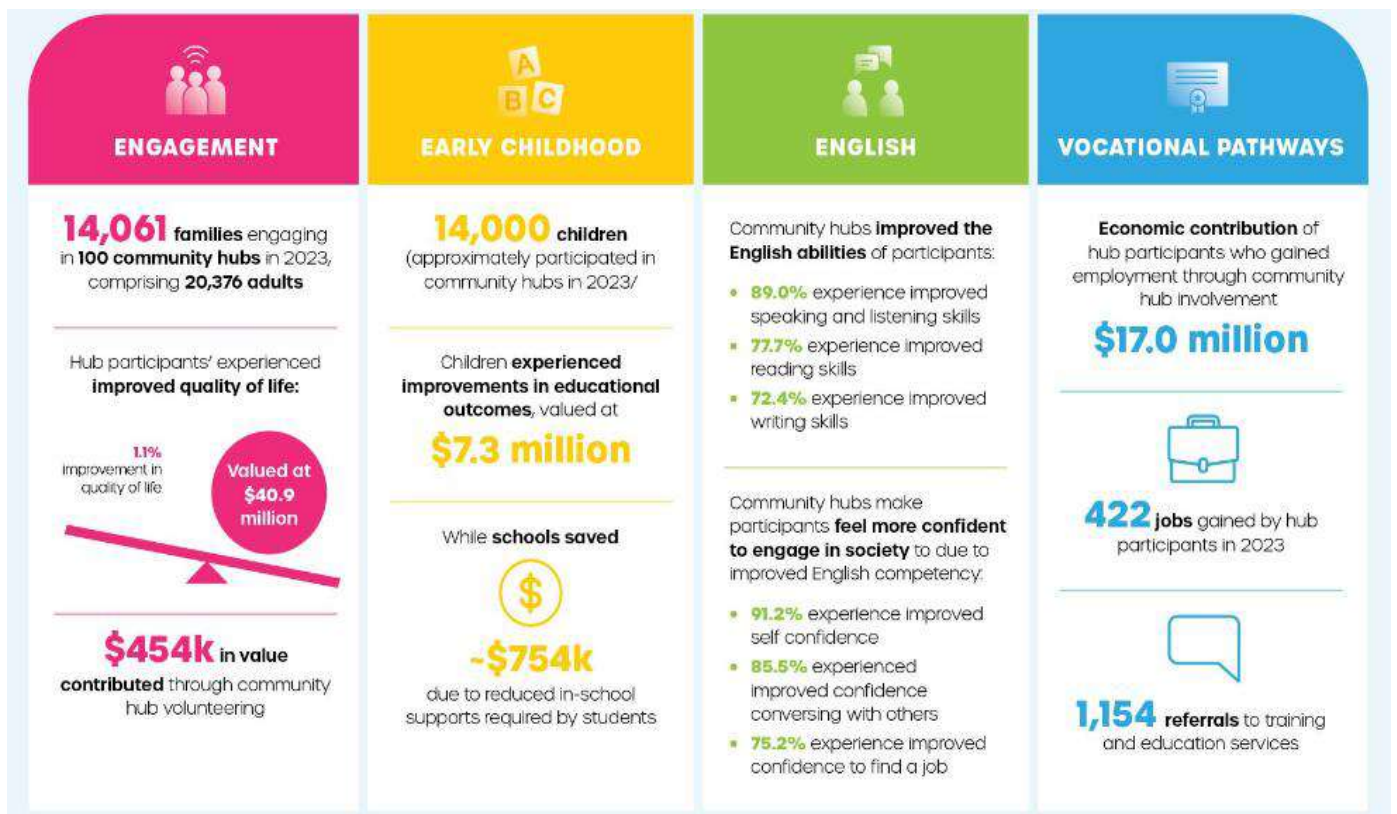


Figure 6 - Community Hub Social Return on Investment Summary

In September 2024 the Shire commissioned a Cost Benefit Analysis (CBA) for the Centre project (see Attachment C – Cost Benefit Analysis). The CBA found that the project is expected to generate a range of economic benefits, including:

- Increased workforce participation.
- Increased local wages through closing of the gender-based pay gap.
- Creation of new employment opportunities.
- Ability to attract and retain residents.
- Increased turnover for local businesses and increased Gross Regional Product (GRP).
- Reduction in long-term social costs, including costs associated with education, medical expenses, child protection and crime.
- Increase in property values.
- Residual value of the building.

It also found that the Centre is anticipated to contribute to several positive social outcomes:

- Improved long-term educational and employment outcomes, particularly for Aboriginal and disadvantaged children, improving their long-term prospects.
- Benefits from social inclusion and cohesion within a safe and supportive environment.
- Stronger community ties, cultural education and appreciation of Indigenous traditions.
- Further improved health outcomes in the long term.

The CBA found that the project had a Net Present Value (NPV) ranging between \$17.10 million at the 4% discount rate and \$11.81 million at the 10% discount rate. Any value greater than \$0 indicates that a project will generate more benefits than costs, and with a positive NPV at all discount rates, this project is expected to provide a positive economic impact and social return to the community.

Analysis also indicated that the project's Benefit Cost Ratio (BCR) would be 5.78 at the 4% discount rate, 5.12 at the 7% discount rate, and 4.65 at the 10% discount rate. Any ratio above 1 means that the project's benefits exceed the costs with a ratio above 2 indicating that a project is particularly robust. This project achieved a BCR above 4 at all three discount rates, achieving above 5 at the 4% discount rate. This demonstrates that the project presents a very strong return on investment.

Economic impact on the Gross Regional Product (GRP) arising from the project was considered significant. It was estimated that the initial investment of \$3.61 million could be expected to multiply by a factor of 1.14 leading to an overall economic impact output for the Shire of \$4.12 million. The project is also expected to add \$1.51 million to the Shire's GRP through increased business activities and capital works.

The employment impact of a project is also a key indicator of its social and economic benefit. The CBA found that this project would be expected to generate 7 new jobs in the Shire of Morawa during the construction stage with a further 2 ongoing jobs being created to assist in the ongoing management of, and delivery of programs and service at, the Centre.

2.7 Assessment of Options

Option 1 – Do Nothing

By doing nothing, none of the benefits of this project will be realised. Morawa will continue to have a lack of ECEC places which will prevent parents from returning to the workforce and make it difficult for employers to attract and retain new staff. Early childhood development outcomes will continue to be poor, and Aboriginal families will not have access to culturally appropriate early learning and child and family services. Isolated parents and children will not have a safe and comfortable indoor play space where they can come together for social interaction and support.

Option 2 – Early Childhood Education and Care Centre only

Consultation undertaken to assess the need for this project identified that while there is a critical need for more formal early childhood education and care places in Morawa, there is also a need for an informal space where parents and children can drop in to socialise and interact. There is also a lack of suitable spaces in Morawa to cater for community meetings, Indigenous cultural workshops and child health and family services. While a standalone early childhood education and care centre would meet the need for more ECEC places in Morawa, it would not provide the community with these additional and much-needed benefits.

Option 3 – Child and Family Centre at 26 Prater Street

This is the preferred option for the reasons outlined in this business case.

Option 4 – Child and Family Centre at alternative location

The Project Working Group was consulted about the preferred location and design of a future Child and Family Centre in Morawa. A few options were considered, including redeveloping the existing site, subdividing part of the school land, and using an old shire hall that is state heritage listed.

After considering factors such as connectivity through proximity to the kindergarten and Morawa District High School, the potential for the best level of integration and future flexibility, cost and the potential for speed and ease of development, the Working Group unanimously recommended the Shire-owned vacant block at 26 Prater Street Morawa as the preferred site.

2.8 Funding Strategy

The total project cost is estimated to be \$3,284,775 (excl. GST). The project is intended to be funded through contributions from the Shire of Morawa's existing cash reserves and the Federal Government's Growing Regions Program. As the Shire of Morawa is a 'remote' location the Growing Regions Program guidelines categorise the Shire as Group 2, meaning up to 70% of eligible project costs can be funded through the program.

Funding contributions are hoped to consist of:

Source of Funds	Amount (\$)	Status of Funding Commitment
Shire of Morawa	1,050,000	Secured and received
Growing Regions Program	2,234,775	Subject to funding application
Total	\$3,284,775	

Table 3 – Source of Funds

Evidence of the secured financial commitment from the Shire is provided at Attachment D - Evidence of Financial Contribution.

2.8.1 Project Budget

The total project cost is estimated to be \$3,284,775 (excl. GST). This estimate is based on pre-tender quantity surveyor (QS) estimates obtained in September 2024. A copy of this cost estimate, which details the breakdown of the cost of works, is provided at Attachment E – Project Cost Estimate.

Item of Expenditure	Budget (\$)
Siteworks	363,700
Building construction	1,538,100
External services	181,100
Regional loading	520,725
Design and construction contingencies	195,300
Furniture and play equipment	50,000
Headworks	15,750
Professional fees	312,500
Cost escalation (3.4%)	107,600
Total Budget	\$3,284,775

Table 4 – Project Budget

2.8.2 Sustainability and Ongoing Viability

On completion of construction, the Shire of Morawa will enter into a 10-year peppercorn lease with ACECQA Approved Provider REED for management of the early childhood education and care component of the Centre. REED will manage the ECEC service on a break-even basis with ongoing funding from the Shire for basic maintenance support and provision of staff accommodation. The Shire of Morawa will be responsible for management and operational funding of the Family Centre component and will hire the facility/meeting rooms out to the providers of services.

REED has a proven track record of exemplary governance and effective management of ECEC services in small regional and rural communities with small, variable population of children of preschool age. It is the only Western Australian Approved Provider providing services exclusively in regional areas. REED is currently the ACECQA Approved Provider for the centres in the Mid West towns of Perenjori, Mingenew, Northampton and Kalbarri.

The Shire will collaborate closely with REED, Morawa District High School, health services and MEEDAC to manage shared use of the Family Centre areas for community activities including classes, workshops, counselling, health

services, and other services such as parenting support and education to improve the capabilities and wellness of families across the community.

Confidence in the ongoing viability and sustainability of the Morawa Child and Family Centre is underpinned by:

- successful operation by REED of well managed ECEC centres in Perenjori and Mingenew which have similar socio-economic drivers, similar or smaller populations and fewer sub-regional services and employment opportunities than Morawa.
- the increasing importance of a contemporary ECEC centre and quality service for attracting and retaining staff for essential services such as education, health and police and for attracting migrants and their families to relocate to regional areas.
- evidence of the increasing family preference for centre-based ECEC over family day care.
- REED's demonstrated commitment and success in managing small ECEC services in small communities with fluctuating cohorts of children.
- consultation with existing visiting child health service providers who advise the current rooms at the school are not suitable for their purposes.
- consultation with community groups such as the school P&C, playgroup and MEEDAC with regard to intended use of the facility.
- the Shire's experience in managing similarly sized assets such as the youth centre, provide an understanding of the expected ongoing operational and maintenance costs of the facility.

The expected annual income of the Centre is detailed below:

Income Item	Amount	Comments
Lease to REED	\$4 (\$1 per term)	The ECEC component of the facility would be leased to a not for profit provider for a peppercorn rent. The provider would cover the costs of delivering the ECEC service and receive associated income.
Facility Hire	\$2000	The Shire will look to keep the facility hire fee low or free for certain groups or community members. It is assumed the facility will be hired one or two days a week by paying users offering services, such as allied health service providers.
Total	\$2004	

Table 5 – Expected Income

The ongoing annual management costs of the facility are provided below:

Expense	Amount	Comments
Cleaning (156 hours @ \$40 per hour)	\$ 6,240	Shire staff wages and overheads, assuming the facility is cleaned 2-4 times a week depending on usage.
Utilities	\$ 5,000	Power, water, internet etc. based on facilities of similar size.
Garden Maintenance (80 hours @ \$40 per hour)	\$ 3,200	Shire staff wages and overheads assuming the garden areas will need to be maintained 1-2 times per day
Total	\$14,440	

Table 6 – Expected Costs

The Shire of Morawa acknowledges that the income from the Centre will not be sufficient to fully recover ongoing maintenance and operating costs, as is the case with most local government community facilities. These costs will be funded as part of the Shire's annual budget process and accounted for in the Shire's Strategic Asset Management Plan

and Long Term Financial Plan. For the last 2 years the Shire have budgeted \$50,000 annually towards the project planning and development of the Child and Family Centre project. Once the project is completed, the Shire will allocate these design funds to operation of the centre with no budgetary impact. As such, the Shire is able to fund all ongoing costs.

2.9 Risk Analysis

The Shire of Morawa has effective governance in place for the identification and management of risks in projects such as this. The Shire's Risk Management policy mandates the Shire's commitment to risk management and defines the fundamental principles that will be put in place to establish and maintain a robust, integrated, and effective risk management system across all strategic and operational functions and projects. The Shire accepts that not all risks can be eliminated, but they must all be managed to maximise opportunities, whilst minimising potential negative exposures.

The Shire's stance on risk is that it is not the responsibility of a specific area but a shared responsibility that spans the entire organisation. Being risk aware and appropriately managing risk is viewed as a fundamental component of good business practice.

The following seven key risk principles have been adopted to ensure that organisational risk is observed, understood, embraced, and addressed in a continuous organisation wide system of risk management.

1. Statutory Compliance – Compliance with Regulation 17 of the Local Government (Audit) Regulations 1996.
2. Working towards Industry Best Practice - Alignment with the principles and practises as detailed in the Risk Management Standard - AS/NZS ISO 31000:2018 Risk Management - Guidelines.
3. Strategic Integration – Integrating risk management across the Shire's strategic documents including the Corporate Business Plan, Strategic Community Plan, Project and Event Planning, and other Strategic documents as relevant.
4. Decision Making - Identification, analysis, and response to risk must be addressed across all strategic and operational decision-making functions at Council and Executive Level – specifically incorporating risk analysis into Council reports.
5. Understanding - Executive Policies and procedures that clearly articulate employee obligations and business rules when reporting and registering risk. Training provided to employees and Councillors/committee members in risk management.
6. Organisation Culture – Develop a culture of risk identification and analysis in any given situation.
7. Tools and Processes - Tools and processes that are fit for purpose and accessible to all staff to ensure risk is identified, analysed, evaluated, recorded, and mitigated appropriately.

The Shire's Risk Management Framework works through a simple five step process that aligns with best practice principles.

1. Risk Identification – the Council wants to identify and manage as many high-level risks as possible. To achieve this goal the whole organisation must actively work to identify risks across the Shire's broad range of activities.
 - a. Strategic Risk workshops will be conducted at least annually involving the Audit Committee, and the Executive Leadership Team
 - b. The Chief Executive Officer is responsible for developing appropriate Executive Policies and procedures to manage the identification of operational risks
2. Risk Analysis – to appropriately manage risks they must be ranked and prioritised. To measure a risk, the Shire will compare risk consequence against risk likelihood.
3. Risk Evaluation – based on the Risk Analysis the Shire must determine the appropriate response to the Risk based on the Shire's risk appetite, noting that the Shire has a medium risk appetite, generally accepting low level risks with minimal controls but requiring risks deemed High or Extreme to be monitored, evaluated, and mitigated with highly effective controls at the Executive and Audit Committee level.
4. Risk Mitigation – whilst some risks may be inherently low risk and acceptable to the organisation, most risks, even those classified as low impact, can be treated, or controlled. Risk mitigation occurs through the

implementation of controls. Risk mitigation may involve the use of multiple controls from varied categories. Once Risk Mitigation controls have been selected the risk should be re-analysed to ensure controls are sufficient to deem the risk acceptable.

5. Monitor – Risks and their controls should be regularly monitored at intervals set depending on the risk, likelihood, control effectiveness, and other factors to ensure controls and ratings remain relevant, and the organisation remains cognisant of the risks.

The below risk matrix has been used to assess the risks associated with this project and the ongoing use of the new facility.

	CONSEQUENCE				
LIKELIHOOD	Insignificant (1)	Minor (2)	Moderate (3)	Major (4)	Extreme (5)
Rare (1)	Low	Low	Low	Low	Low
Unlikely (2)	Low	Low	Low	Medium	Medium
Possible (3)	Low	Low	Medium	Medium	Medium
Likely (4)	Low	Medium	Medium	High	High
Almost certain (5)	Low	Medium	Medium	High	Extreme

Risk	Likelihood	Consequence	Risk Score	Mitigation
All funding not secured	Possible	Extreme	Medium	- Complete project business case to enable other funding applications to be made and sponsorship sought. - Maintain open communication with funding bodies. - Project may need to be re-scoped to reduce costs, thereby reducing benefits.
Cost overruns	Possible	Moderate	Medium	- Contingency allowance is in place - Ensure Tender Contract is comprehensive - Investigate construction cost savings - Seek in-kind contributions

Risk	Likelihood	Consequence	Risk Score	Mitigation
				- Seek additional funding from Shire Council or other sponsorship - Investigate options to reduce scope
Building does not meet required building standards to obtain ACECQA approval for an ECEC service.	Unlikely	Major		- ACECQA/ECEC requirements included in the Architect brief - Building plans reviewed by REED - Construction brief to include ACECQA/ECEC requirements - Project Architect to be responsible for building code and regulatory compliance during the construction phase.
Significant delays due to weather	Possible	Moderate	Medium	- Ensure sufficient contingency in construction schedule - Schedule works taking into account known weather patterns and temperatures - Investigate options to increase staff or rearrange construction schedule to accommodate weather - Ensure all insurances are kept up to date
Contractor/builder bankruptcy	Unlikely	Major	Medium	- Obtain bank guarantees from contractor/builder - Conduct due diligence on financial status of contractor/builder prior to contract award - Ensure all insurances are kept up to date
Quality of work is unacceptable	Unlikely	Moderate	Low	- Ensure Tender Contract is comprehensive and clearly details expectations - Complete reference and due diligence checks prior to contract award - Project Manager regularly completing inspections - Ensure bank guarantees and insurances are in place

Risk	Likelihood	Consequence	Risk Score	Mitigation
Contractors not adhering to safety standards	Unlikely	Major	Medium	• Ensure OSH guidelines are in place • Complete reference and due diligence checks prior to contract award • Project Manager regularly completing inspections • Project Manager to maintain and update Risk Register • Complete site risk assessments/inspect contractors risk assessment records • Ensure contract specifies default notice processes
Unable to source sufficient materials/equipment	Unlikely	Moderate	Low	• Ensure open communication with contractor • Investigate alternate options to source materials/equipment with the contractor • Investigate options to rearrange construction schedule to reduce impact of delay in materials
Natural disaster	Unlikely	Extreme	Medium	• Ensure adequate insurances are in place
Facility User accident or injury	Possible	Moderate	Medium	• Ensure OSH policies and procedures are in place • Ensure OSH training for all facility staff is up to date • Ensure facility use hire agreements include relevant clauses • First Aid equipment and telephone to be accessible to all facility users • All clubs/organisations hiring the facility to have adequate insurance for their activities
Anti-social behaviour, drunkenness etc.	Possible	Minor	Low	• Telephone to be accessible to all facility users • Ensure facility use hire agreements include relevant clauses related to behaviour

Risk	Likelihood	Consequence	Risk Score	Mitigation
Facility fire or other accidental damage	Unlikely	Major	Medium	• Ensure OSH guidelines are in place • Ensure all insurances are kept up to date • Ensure facility use hire agreements include relevant clauses related to use of spaces and any equipment • Telephone to be accessible to all facility users • Emergency Evacuation Plans displayed and processes to be in place
Facility security issues/ Vandalism/Theft	Likely	Minor	Medium	• Ensure facility has sufficient security and lockable areas for valuables, bikes, etc. • Ensure facility use hire agreements include relevant clauses related to securing the facility after use • Limit the amount and number of valuables left in the facility • Adequate lighting for facility • Ensure insurances are kept up to date
General public liability matters	Unlikely	Moderate	Low	• Ensure all insurances are kept up to date • Ensure all staff are inducted/trained in OSH requirements, procedures and policies • Ensure OSH practices are followed • Ensure facility use hire agreements include relevant clauses related to use of the spaces and any equipment • As relevant, ensure appropriate training and instruction is provided to new users in relation to use of spaces and equipment
Facility usage is low	Unlikely	Minor	Low	• Maintain community and key stakeholder engagement and communication to attract and retain users • Liaise with community and key stakeholder groups to determine cause

Risk	Likelihood	Consequence	Risk Score	Mitigation
				Undertake marketing activities
Facility is not culturally appropriate	Unlikely	Major	Medium	- Engagement with First Nations People undertaken during the planning and design stage - Continued engagement during construction to ensure any unanticipated issues are addressed without avoidable delay - First Nations art and other culturally relevant features to be included in the aesthetics and design of the facility
Family Day Care ceases to be delivered prior to building completion or there is a gap in delivery of Family Day Care	Possible	Moderate		- Shire to maintain ongoing engagement with the current provider and offer support to maintain service if required. - Shire to seek assistance from REED to identify suitable alternative temporary options.
Qualified Early Childhood Staff cannot be secured to deliver the ECEC programs and services	Possible	Moderate		- Agreement in place with REED to run the ECEC programs and services including staff recruitment and retention with identification of staff to commence at the commencement of construction - Seek support from MEEDAC to deliver relevant local training during the construction of the Centre
Shire of Morawa and REED are unable to reach agreement on terms for the operation of the ECEC programs and services from the Centre	Rare	Moderate		- An in-principle agreement has already been brokered - Approx 25 successful negotiations have already been completed between REED and regional Shires - General Manager REED to be included on the Project Board to ensure any issues are identified and addressed early
Cost of ECEC at the new Centre is beyond the reach of the community and ECEC income is insufficient	Rare	Moderate		REED is experienced in managing centres with fluctuations in enrolments and adopts a staff:child ratio approach to manage fee affordability

Risk	Likelihood	Consequence	Risk Score	Mitigation
to sustain the programs and services				- Eligible community members will be assisted to register for Child Care Support payments. - Ongoing communication during construction will encourage early enrolments and promote available programs and services
Technology/Data not fit-for-purpose	Unlikely	Moderate	Low	- IT infrastructure and cybersecurity measures to be addressed during construction and fit out - User-group input included in the planning process - Protections for events such as power failures addressed during construction and fit out

Table 7 - Risk Assessment



3 IMPLEMENTATION STRATEGY

3.1 Project Timeframe and Key Milestones

Main Activities / Milestone	Milestone Date
Prebuild activities and siteworks commence	February 2025
Building construction commences	October 2025
Construction complete	July 2026
Fit out and landscaping complete	October 2026
Building occupation	October 2026
Project acquittal	December 2026

Table 8 – Key Milestones

3.2 Communication Plan

In collaboration with REED as the future Approved Provider of the ECEC service, the Shire will adopt a considered approach to ongoing communication about the progress of the project. In the first instance this will include:

- updates to parents via REED and school newsletters (ongoing)
- parent meetings convened by REED staff
- updates to the broader community via the Shire website (ongoing)

Section 2.4 *Stakeholder Engagement and Consultation* details the communications undertaken in the development of the project to date. The communication management approach and the communications requirements for the implementation of this project are detailed in the tables below.

Stakeholder	Level of Interest	Level of Influence	Comments
Shire Council and Management	H	H	Make policy and funding decisions and have the ultimate authority over the project
Project Team	H	H	Responsible for the day-to-day management of the project. Bring expertise in specialist areas. Contact point for all project queries
Project Working Group	H	H	Oversees direction and progress of project
Facility potential user groups	H	M	May have specific project requirements to enable use.
Community	M	M	Need to be informed of the project and its progress
Funding bodies	H	H	Major stakeholder. Specific grant requirements need to be met.

Table 9 - Stakeholders

The key communications types and frequency proposed for each stakeholder is detailed in the table below.

Communications Type	Description	Frequency	Format	Stakeholders	Responsibility
Project Status Report	Report detailing the status of the project	Weekly	Email	Council; Project Working Group	Project Manager
Project Team Meeting	Meeting to discuss project actions, review status report	Weekly	In person	Project Team	Project Manager
Technical Design Review	Review of technical designs	As needed	Email	Project Team and consultants	Project Manager
Social Media updates	Short project updates	Monthly	Social Media platforms	Community; Facility users	Project Manager
Shire newsletter	Short project updates within the broader Shire newsletter	Monthly	Online In-print	Community; Facility users	Project Manager

Table 10 – Communications Plan

3.3 Project Management and Governance

The Shire of Morawa has a proven track record for the successful delivery of capital works projects. Each year capital works projects to the value of approx. \$5 million are delivered on time, on budget and to a high level of quality.

The Shire's approach to asset management results in an annual program of building refurbishment and asset renewal projects being delivered, which in recent years has included upgrades and improvements to the aerodrome, cemetery, recreation centre, and function rooms.

Each year approx. \$2 million is directed towards the Shire's road construction program with the majority of these projects being scoped, managed and delivered by the Shire.

Examples of recent non-routine capital and construction projects that have been successfully planned and delivered by the Shire include:

- Caravan Park Camp Kitchen

All aspects of this project including initial scoping, planning and construction were managed by the Shire. At a total cost of \$200K, the project delivered a brand-new camp kitchen including concrete pad and steel structure, and internal kitchen fit out.

- Renovation of Old Road Board Building

This \$500K multi-year upgrade to a State Heritage listed building included internal and external improvements, the construction of a storage unit in the courtyard to service the facility and the town hall, and the construction of a disability accessible access ramp and bathroom to achieve compliance with building and disability access codes. The Shire's project manager oversaw the work of the renovation contractors and worked with an Architect to meet heritage guidelines.

- Renovation of Golf and Bowling Club

At a total project cost of \$400K, the focus of this project was a holistic upgrade to a 1960s built facility. The project resulted in the renovation of a commercial kitchen and installation of new air conditioning. The Shire managed a range of contractors including painters, electricians, carpenters, plumbers, and air conditioner technicians.

- Construction of Disability Accessible bathrooms at the Caravan Park

For the delivery of this \$250K project, the Shire undertook a tender process to source a suitably qualified contractor to construct 3 new disability accessible bathroom units at the Caravan Park. The Shire acted as superintendent for the project and managed all deliverables to the required level of quality, on time and within budget.

Once funding is secured, a project management framework similar to the PRINCE2 methodology and a Project Board will be established. The Shire CEO will fulfill the function of Project Owner and an inhouse contract administrator will be appointed by the Shire to support the project architect with project management and documentation. The Project Board will oversee the final development and implementation phase of the project. Risk identification and management will be a standing item on their meeting agendas, with the ongoing review and management of risks, issues, or variations a key function of this oversight group.

At a minimum, Project Board members will include:

- Shire of Morawa CEO
- Project Architect
- Regional Early Education and Development Inc (REED), General Manager

The Shire's CEO routinely provides strategic oversight of the Shire's capital works and other complex projects and therefore this is a skill set that Council proactively seeks when recruiting and appointing to this position. The current CEO, Scott Wildgoose, has extensive project oversight and management experience in both metropolitan and regional local government projects including managing community engagement, and a range of other stakeholders to achieve positive outcomes. Scott is a qualified PRINCE2 Practitioner, and has project managed the implementation of the LitterBusters system at the City of Rockingham, which was a finalist in a WA Pinnacles business excellence award category. He also project managed the roll out of the three-bin system at both the City of Rockingham and City of Joondalup, with both projects costing over \$6m and involving a complex logistical plan with materials imported from the Eastern States. His regional experience includes project management and strategic oversight of several facility maintenance and renewal projects at both the Shire of Narembeen and Shire of Morawa, with works ranging from \$500K to \$5m. Whilst Scott will be leaving the role of CEO at Morawa in the coming months, the recruitment process for the new CEO will be targeted towards suitable candidates that can demonstrate the successful delivery of projects of a similar size and scope to the planned Morawa Child and Family Centre.

The General Manager of REED will provide the Project Board with specialist knowledge on the early childhood components of the project. REED is committed to making sure that the best quality early childhood education and care services are provided for regional Western Australian children, families and communities. Whilst they have specific qualifications, skill and knowledge relating to early childhood education and care the philosophy of REED, and what is at the heart of their work, is their belief in the importance of families and communities developing partnerships that are built on respect and integrity, with the underlying understanding that "it takes a village to raise a child". REED has been intentionally selected to be part of the Board for several reasons. They have a proven understanding that each regional community is different, and an ability to be flexible and apply their expertise in ways that meet the unique needs of the community they are working with. They are a Child Safe Organisation and are committed to upholding the principles outlined in the Education and Care National Law WA Act (2012), the Child Care Services Act (2007), the Early Years Learning Framework and the Framework for School Aged Care. This will ensure that the project is informed from the perspective of both the best interests of children and their families and from a safety and compliance perspective. REED also has an exceptional reputation for respectful and inclusive engagement of First Nations children and their families.

The project architect was secured as part of a Request for Quote process at the concept design stage and will provide the Project Board with technical skill, construction expertise and an in depth understanding of each of the core components of the Centre's detailed design. The project architect will have day-to-day interactions with the Shire's project manager, working with the Shire's project manager to ensure progression of the project in accordance with the tender specifications and working collaboratively to inform and update the Board.

Brett Atkinson will be the Shire's dedicated project manager. Brett is currently completing a Professional Certificate in Asset Management Planning and has existing qualifications in plumbing and gasfitting, civil plant operations, budget management, and local government project management. He is known for his excellence in project planning and managing teams and stakeholders. Each year Brett manages the Shire's \$2 million road construction projects with responsibilities including planning projects, liaising with contractors, sourcing materials, managing staff, tracking budgets, maintaining records, adhering to timeframes with delivery of projects and stakeholder engagement.

3.4 Procurement Strategy

The Shire's Purchasing Policy ensures a best practice approach to procurement. The Shire is committed to delivering best practice in the purchasing of goods, services and works that align with the principles of transparency, probity and good governance. Procurement activities are undertaken with the objective of achieving the best value outcome in the most practical manner. Shire employees engaged in purchasing activities are required to display the highest standards of ethics and integrity, always acting in an honest and professional manner.

The Shire has established ten procurement principles to drive purchasing activities.

1. Best Value

Price alone will not drive procurement decisions. Price will be assessed alongside other factors including quality, timeliness of service, experience, and lifetime management costs. Best Value assessments always consider the total cost and benefits of ownership, the technical merits and measurable quality of the goods/services being purchased, the financial viability and capacity to supply of the supplier and ensuring a competitive purchasing environment is promoted and maintained.

2. Uniformity

Suppliers, contractors and persons dealing with the Shire are always treated consistently in a fair and equitable manner.

3. Accountability

A fair and equitable competitive purchasing processes that engage potential suppliers impartially, honestly, and consistently is always applied.

4. Full Disclosure

Probity and integrity, including the avoidance of bias and of perceived and actual conflicts of interest is a fundamental requirement of all purchasing activities. Any actual or perceived conflicts of interest are proactively identified, disclosed and appropriately managed.

5. Confidentiality

Any information provided to the Shire by a supplier is treated as commercial-in-confidence and not released unless authorised by the supplier or relevant legislation.

6. Local Economy

Where possible procurement activities promote and foster local economic development by maximising the participation of local businesses. In alignment with the requirement for open and fair competition, local businesses are provided with every opportunity to bid for work. This is achieved without compromise to the principle of Best Value and being cognisant that not all procurement activities will be well matched with the goods and services offered by local businesses.

7. Organisational Awareness

Adequate training will always be provided to employees undertaking purchasing activities.

8. Method

Where possible an electronic transaction with full accountability such as EFT or credit card is used for purchasing activities. All procurement activities are required to be fully traceable, accountable, auditable, and appropriately authorised in line with the Local Government (Financial Management) Regulations 11, 12 and 13.

9. Record

Purchasing activities are always clearly recorded in accordance with the State Records Act 2000 and the Shire of Morawa's Record Keeping Plan so that the process and decision making can easily be reviewed or audited if required.

10. Corporate Social Responsibility

Council recognises that the Shire represents a large purchaser for the Morawa District and as such where possible, whilst always giving due consideration to principle one (Best Value), the Shire tries to use its resources to promote a sense of Corporate Social Responsibility by preferencing organisations that:

- a) Demonstrate a commitment to minimising their environmental impact – energy efficiency, water efficiency, waste reduction etc.
- b) Invest in the capability of the local community
- c) Are a registered WA Disability Enterprise
- d) Are a registered Indigenous or Aboriginal Business

The Shire has a mandatory process in place to govern the Public Tender process. The tender process for this project will be conducted in accordance with this mandatory process and will include the following requirements:

- Before the tender for the project is publicly invited, the Shire will record the decision to invite Tenders in the Tender Register and will determine in writing the criteria for deciding which tender should be accepted.
- An Evaluation Panel comprising at least three members will be established prior to the advertising of the Tender and include a mix of skills and experience relevant to the project.
- A Tender Notice will be advertised in a State-wide publication such as "The West Australian" newspaper. This will be timed to appear preferably on a Wednesday or Saturday.
- The Tender will remain open for at least 14 days after the date the Tender is advertised.
- The Tender Notice will include:
 - a) a brief description of the project and the scope of works being sought;
 - b) information as to where and how Tenders may be submitted;
 - c) the Shire of Morawa Policy Manual;
 - d) the date and time after which Tenders cannot be submitted; and
 - e) a contact person to supply more detailed information if required.

Other parameters that govern all Public Tender processes undertaken by the Shire, including the one that will be conducted for this project include:

- Tenders must not be made available (counter, mail, internet, referral, or other means) without a robust process to ensure the recording of details of all parties who acquire the documentation. If clarifications, addendums or further communication are required prior to the close of Tenders, all potential Tenderers must have equal access to this information in order for the Shire not to compromise its duty to be fair.
- If, after the Tender has been publicly advertised, any changes, variations or adjustments to the Tender document and/or the Conditions of Tender are required, the Shire may vary the initial information by taking reasonable steps to give each person who has sought copies of the Tender documents notice of the variation.
- A Tender response that is not received in full in the required format by the advertised Tender Deadline must be rejected.
- No tenders are to be removed from the Tender Box or opened (read or evaluated) prior to the Tender Deadline.
- Tenders are to be opened in the presence of the Chief Executive Officer's delegated nominee and preferably at least one other Local Government officer. The details of all Tender responses received and opened must be recorded in the Tenders Register. Tender responses are to be opened in accordance with the advertised time and place. There is no obligation to disclose or record tendered prices at the Tender opening, and price information should be regarded as commercial-in-confidence to the Shire. Members of the public are entitled to be present.

- The Tenderer's offer form, price schedule and other appropriate pages from each Tender shall be date stamped and initialled by at least two (2) Local Government officers or representatives present at the opening of Tender responses.
- Each Tenderer shall be notified of the outcome of the Tender following Council resolution or appropriate delegated authority.

For projects of the size and scope of this project, selection of the successful tender will be based on value for money and an assessment of which tender responses are most advantageous to the Shire.

In order to comply with the requirements of Regulation 18(4) of the Local Government (Functions and General) Regulations 1996, the Tender evaluation process will include a written assessment of the extent that each Tender response satisfies the criteria which was set prior to advertising the Tender. The written assessment of the evaluation process will include qualitative factors such as quality, stock availability, accreditation, time for completion or delivery, warranty conditions, technology, maintenance requirements, organisation's capability, previous relevant experience, environmental and social impacts, corporate social responsibility and any other relevant factors as part of the assessment of the Tender response. This underpins the requirement for due diligence when conducting a public Tender and complies with record keeping and audit requirements.

4 Supporting Documents

The below supporting documents are attached to this business case.

- Attachment A: Detailed Design Drawings
- Attachment B: Letters of Support
- Attachment C: Cost Benefit Analysis
- Attachment D: Evidence of Financial Contribution
- Attachment E: Project Cost Estimate





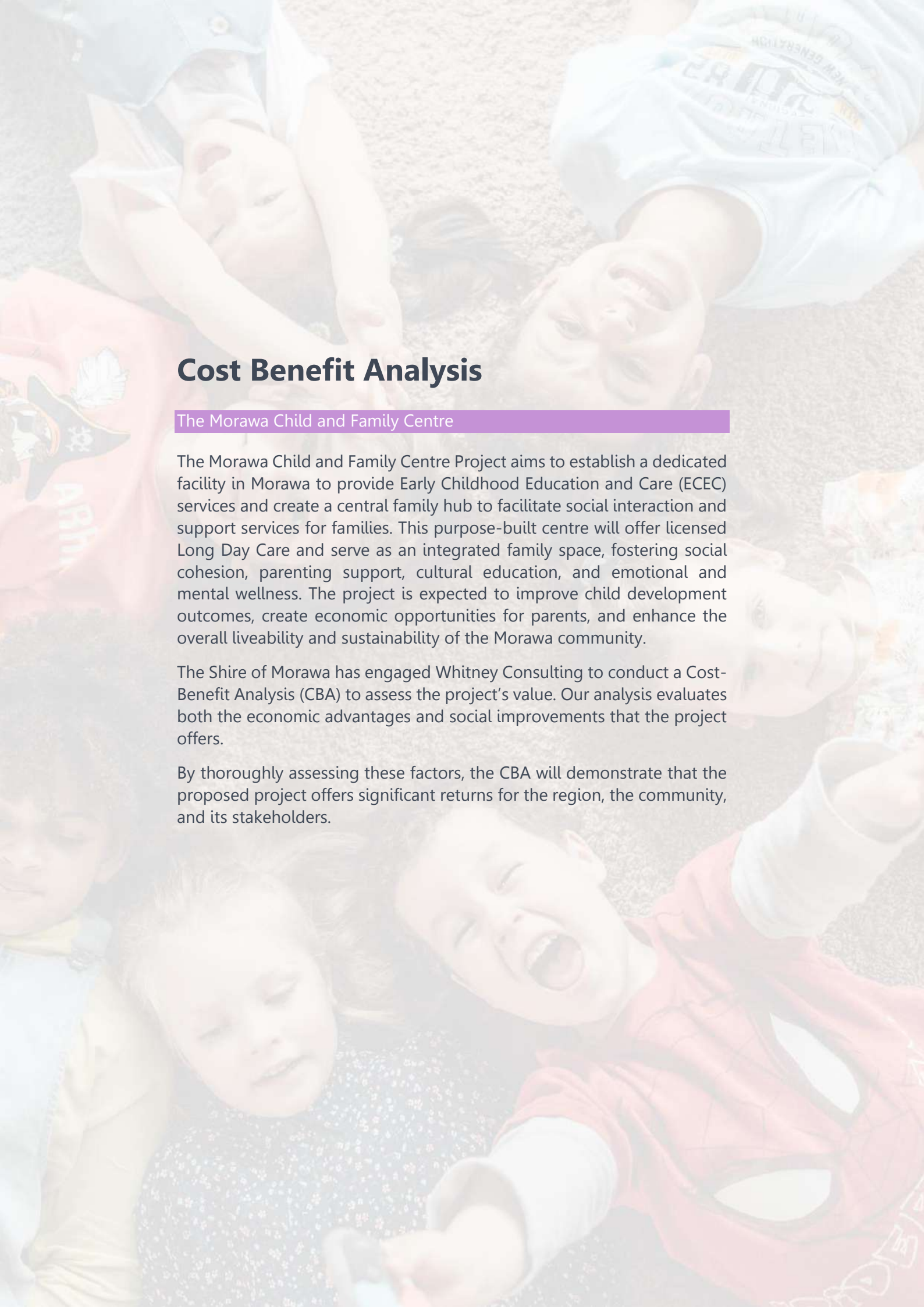
Attachment 4 – 11.1.5d Cost Benefit Analysis.

COST-BENEFIT ANALYSIS

THE MORAWA CHILD
AND FAMILY CENTRE

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Cost Benefit Analysis

The Morawa Child and Family Centre

The Morawa Child and Family Centre Project aims to establish a dedicated facility in Morawa to provide Early Childhood Education and Care (ECEC) services and create a central family hub to facilitate social interaction and support services for families. This purpose-built centre will offer licensed Long Day Care and serve as an integrated family space, fostering social cohesion, parenting support, cultural education, and emotional and mental wellness. The project is expected to improve child development outcomes, create economic opportunities for parents, and enhance the overall liveability and sustainability of the Morawa community.

The Shire of Morawa has engaged Whitney Consulting to conduct a Cost-Benefit Analysis (CBA) to assess the project's value. Our analysis evaluates both the economic advantages and social improvements that the project offers.

By thoroughly assessing these factors, the CBA will demonstrate that the proposed project offers significant returns for the region, the community, and its stakeholders.

Executive Summary

The Morawa Child and Family Centre Project aims to establish a dedicated facility in Morawa to provide Early Childhood Education and Care (ECEC) services and create a central family hub to facilitate social interaction and support services for families. This purpose-built centre will offer licensed Long Day Care and serve as an integrated family space, fostering social cohesion, parenting support, cultural education, and emotional and mental wellness. The project is expected to improve child development outcomes, create economic opportunities for parents, and enhance the overall liveability and sustainability of the Morawa community.

The Shire of Morawa engaged Whitney Consulting to conduct a Cost-Benefit Analysis (CBA) to evaluate the economic and social impact of the proposed project. Our assessment considered both the monetisable economic and social benefits and the non-monetisable benefits.

Monetisable benefits considered in this project include:

- Economic benefits from increased workforce participation
- Income increases through closing the gender pay gap
- Increased turnover for local businesses, increased Gross Regional Product and employment opportunities.
- Reduction in long-term social costs, associated with poor school outcomes, medical costs during childhood, child protection costs, and crime-related costs.
- Improved educational and employment outcomes, particularly for Aboriginal and disadvantaged children, improving their long-term prospects, and
- Improved long-term health outcomes.

Non-monetisable benefits considered in this project include:

Benefits from social inclusion and cohesion within a safe and supportive environment.

- Ability to attract and retain residents.
- Increase in property values
- Stronger community ties, cultural education and appreciation of Indigenous traditions.
- Further improved health outcomes in the long term due to social inclusion and cohesion.

The CBA of the Morawa Child and Family Centre Project revealed strong and significantly positive outcomes. The analysis estimates the present value (PV) of the total benefits of the project to be between \$20.69 million at a 4% discount rate and \$15.05 million at a 10% discount rate over a 20-year assessment period. The central PV estimate of benefits, at a 7% discount rate, is \$17.35 million.

The primary benefits, as assessed at a 7% discount rate, derive mainly from:

- Increased workforce participation (38% of the total benefits)
- Economic impact of capital works (22% of the total benefits)
- Improved long-term educational and employment outcomes (14% of the total benefits)
- Improved long term health outcomes (8.5% of the total benefits).

The analysis shows that the project is projected to yield net present values (NPVs) of \$17.10 million, \$13.96 million, and \$11.81 million at discount rates of 4%, 7% and 10% respectively. NPVs under all modelled discount rates are large and positive. This indicates that the project is expected to deliver substantial economic and social returns to the community.

What the Benefit Cost Ratios (BCR's) indicate is that the proposed Child and Family Centre will yield returns that far outweigh the costs. At discount rates of 4%, 7% and 10%, the estimated BCRs are 5.78, 5.12 and 4.65, respectively. As an example, this means that a \$1 investment will yield a return of \$5.12 at a discount rate of 7%. The outlay for this project is likely to be around \$3.39 in PV terms at a discount rate of 7%, including

some accommodation for ongoing maintenance costs. The project is therefore estimated to return benefits to the tune of \$7.35 million in PV terms over the 20-year analysis window.

Summary of results

Discount rate	Benefit (\$ mn)	Cost (\$ mn)	NPV (\$ mn)	BCR
4%	20.69	3.58	17.10	5.78
7%	17.35	3.39	13.96	5.12
10%	15.05	3.24	11.81	4.65

These results are in line with prior expectations derived from a review of domestic¹ and international literature² on the impact of early childhood education, as well as feedback from stakeholders.

Whitney Consulting's CBA indicates that the Project is a financially and socially sound investment, with a strong positive impact anticipated for the community and region. The findings strongly support the view of the Shire of Morawa, which has prioritised this project, recognising the project's potential to stimulate economic activity and enhance community well-being in the short- and long-run.

¹ <https://www.pc.gov.au/inquiries/completed/childhood/report>

² Elango, S., Garcia, J. L., Heckman, J. J., & Hojman, A. (2015). Early childhood education. SSRN Electronic Journal. <https://doi.org/10.2139/ssrn.2690725>

Introduction

This section provides an overview of the background, purpose, and organisation of the report. It also clarifies the statistical geography for the assessment of economic impact and introduces some of the terms and abbreviations used in the report.

Background and Context

The Morawa Child and Family Centre Project seeks to provide parents with access to reliable childcare services and create a central family hub to facilitate social interaction and support services for families. By offering licensed Early Childhood Education and Care (ECEC) services, including Long Day Care, the Centre will enable parents to return to work or pursue further education, contributing to increased workforce participation, bridge gender-based wage gap, and stimulate economic growth in the region.

In addition to childcare, the Centre will serve as a hub for family support, offering parenting classes, cultural education, and mental/emotional wellness programs, as well as a place for families to socialise indoors and host events such as birthday parties or casual gatherings. These services and activities will promote social cohesion, strengthen family units, and foster a nurturing environment where children can thrive. The Centre will also support vulnerable and disadvantaged families, particularly those from Indigenous backgrounds, helping to bridge gaps in educational readiness and contribute to long-term positive outcomes for both children and their families.

The Shire of Morawa has engaged Whitney Consulting to develop an *ex-ante* Cost-Benefit Analysis (CBA) to evaluate the project. By carefully weighing potential economic and social benefits, and the required outlay of investment, our CBA provides an understanding of the project's value, demonstrating that the proposed investment will yield tangible returns for the children, parents, Morawa community and other involved stakeholders.

Report Purpose and Organisation

This report presents the results of an *ex-ante* CBA for the Morawa Child and Family Centre Project, offering a comprehensive evaluation of its anticipated costs, benefits, and overall net impact. By calculating the project's Net Present Value (NPV) and Benefit-Cost Ratio (BCR), this analysis provides critical insights into the project's potential to contribute to Morawa (and the broader region) and value for money.

The NPV measures the project's expected profitability by comparing the present value of future benefits with the present value of costs. This metric helps determine whether the investment will deliver a positive return and represents a sound financial decision. The BCR, on the other hand, assesses the project's efficiency by illustrating the ratio of benefits generated for every dollar spent. This ratio is particularly valuable for prioritising investments when resources are limited, helping decision-makers allocate funds to projects with the highest potential return.

In addition to these financial metrics, the report also examines the potential economic impact of the project by presenting three key indicators:

- **Output:** A measure of the project's contribution to economic activity and turnover.
- **Value added:** The net economic value generated, reflecting its contribution to Gross State Product (GSP).
- **Employment:** The number of jobs expected to be created because of the project.

These indicators provide a broader understanding of the project's impact on the local Morawa economy, beyond just the financial returns.

The analysis was conducted through thorough desktop research, supplemented by a rapid literature review. While no primary data collection was undertaken, the analysis is grounded in established methodologies and assumptions. It is important to note that these assumptions are embedded in the analysis and should be carefully considered when interpreting the results.

This report is structured as follows:

- Introduction: An overview of the report's purpose, scope, and structure.
- Profile: A detailed look at the Shire of Morawa, including key economic indicators and a project overview.
- Cost-benefit analysis: A discussion of the CBA methodology, assumptions, and key findings.
- Economic impact assessment: A summary of the economic impact assessment methodology, assumptions, and results.
- Conclusions and findings: A synthesis of the analysis, highlighting the key outcomes and their implications.

This report aims to provide decision-makers with a robust basis to support decision making on the Project's funding, ensuring that public resources are allocated effectively to maximise economic and social returns.

Statistical Geography

For the purpose of this assessment, Morawa (SA2) has been used as the primary statistical geography (Image 1 below). This is a wider geography than the Shire of Morawa. This aligns with the expectation that the users of the proposed facility could be from the wider region. In Economic Impact Analysis, Mid West (SA3) is also used to better capture the impacts. Where required, statistics relevant to the Shire of Morawa are also presented.



Image 1: Morawa (SA2)

The street address of the proposed site for the project is 26 Prater Street. The site’s location within the Shire of Morawa is shown in image 2 below. The location of this project is a vacant block of land adjacent to the local Kindergarten and across the road from the District High School. This proximity will enhance the pre-school development of local children and create a conduit for the school to implement school ready programs as part of Centre activities.

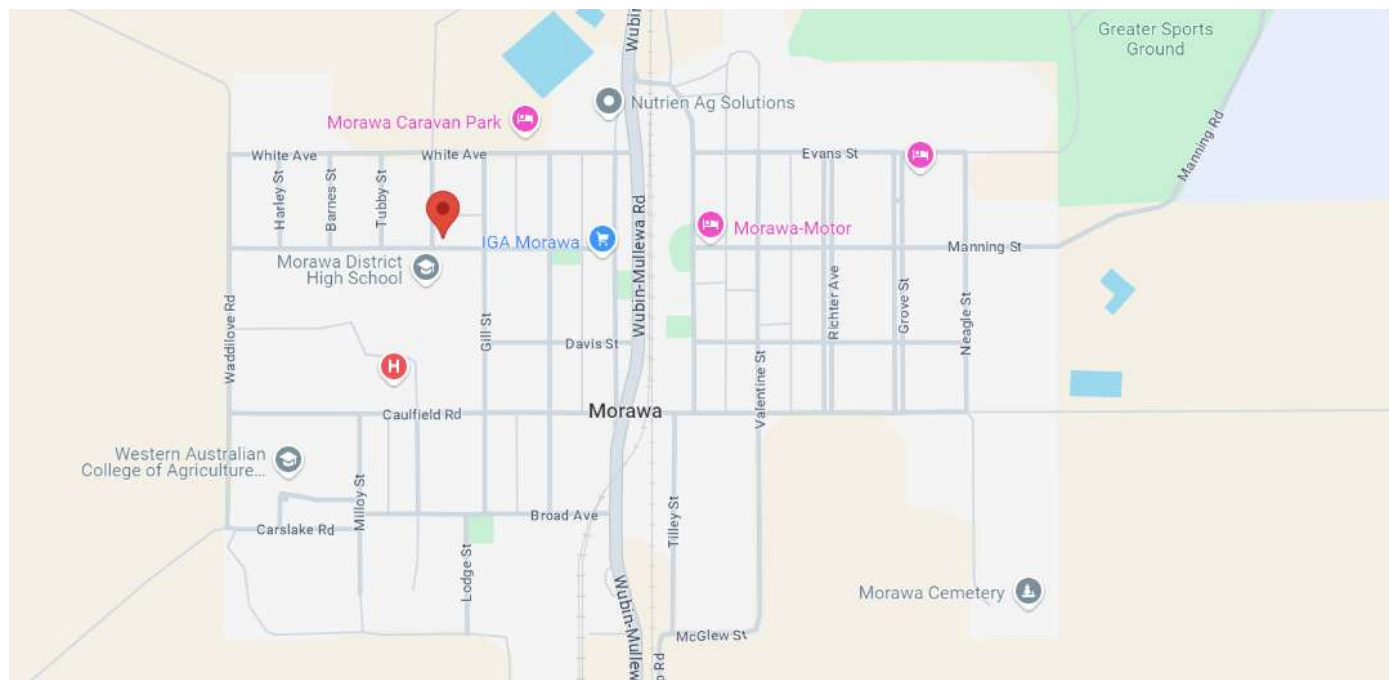


Image 2: Project site within the Shire of Morawa

Key Terms And Abbreviations

The following terms and abbreviations have been used in this report:

Table1: Key terms and abbreviations

Acronym	Full Term
ABS	Australian Bureau of Statistics
BCR	Benefit Cost Ratio
CBA	Cost Benefit Analysis
CPI	Consumer Price Index
EIA	Economic Impact Assessment
ERR	Economic Rate of Return
FTE	Full Time Equivalent
FY	Financial Year
GRP	Gross Regional Product
GSP	Gross State Product
GVA	Gross Value Added
IO	Input Output
LGA	Local Government Area
NPV	Net Present Value
PV	Present Value
SA	Statistical Area
WA	Western Australia
\$Mn	Millions of dollars

Project Profile

This section gives an overview of the context of the Project, including a profile of the Shire of Morawa, Morawa region (SA2), key economic indicators, and details of the elements of the Business Case as it relates to potential economic and social benefits from the Project.

Project Description

The Shire of Morawa is in Western Australia, approximately 170 kilometres southeast of Geraldton and 390 kilometres north of Perth. Spanning 3,538 square kilometres, the Shire includes agricultural, pastoral, mining, and Crown land, as well as reserves, and townsites. It is bordered by Mullewa to the North, Perenjori to the South, Mingenew and Three Springs to the West and Yalgoo to the East, all of which fall within the Morawa SA2 region.³

Historically, Morawa's economy has been driven by cereal and legume crops, as well as wool production. The Shire of Morawa has also identified a range of future business opportunities such as stock feed manufacture, chilled lamb exports, jojoba oil production and pistachio processing and packaging. The Shire has an incentive scheme to attract new business, including provision of ready to occupy Small Business Units most suited for new light industrial businesses.⁴ Morawa seeks to support regional industry's needs, and offers quality housing and amenities to attract workers seeking a better lifestyle, whether it is reduced travel time, a relaxed rural lifestyle or the ability to spend more time with their families.⁵ The Shire also benefits from tourism, particularly during the wildflower season, and astro-tourism is gaining popularity due to the region's dark skies.⁶

Morawa SA2 has an estimated residential population of 4,024⁷, with around 950 residents in the townsite.⁸ Population growth is expected to more than double in the coming decades⁹, with a Growth and Implementation Plan aiming to position Morawa as a future regional centre for the North Midlands and a primary industry hub for the Midwest.¹⁰ The region's employment opportunities, investment potential, and lifestyle make it an attractive place to live and work.

The Morawa Shire Council is committed to supporting this growth by providing essential infrastructure.¹¹ One key project planned by the Council is the construction of a new Child and Family Centre, which will address a critical gap in Morawa's social infrastructure. Currently, family day care services are offered from an aging, retrofitted house that is inadequate for providing long day care services. The community also lacks a central hub for essential services such as child health, parenting support, and family wellness programs. Presently, the local school's library is used for some child health services, but it is not designed to support early childhood or family-focused needs.

The proposed Centre will help address these challenges by offering licensed Early Childhood Education and Care (ECEC) services, with a focus on supporting children from disadvantaged and Indigenous backgrounds. As context, the local school's student population includes 42% Aboriginal students¹², and investment in early education will support Federal efforts to close the gap in educational and social outcomes. Located at 26 Prater Street, adjacent to the local Kindergarten and across from the District High School, the Centre will include 511sqm of space, with 381sqm enclosed. This proximity of the Centre to the local school will enhance the pre-school development of local children and create a conduit for the school to implement school ready programs as part of Centre activities. The Centre will also provide the much-needed facility for family education, health services, and community cohesion.

³ <https://www.morawa.wa.gov.au/shire/overview.aspx>

⁴ https://www.morawa.wa.gov.au/profiles/morawa/assets/clientdata/shire_of_morawa_prospectus_land0726.pdf

⁵ https://www.morawa.wa.gov.au/profiles/morawa/assets/clientdata/shire_of_morawa_prospectus_land0726.pdf

⁶ <https://www.morawa.wa.gov.au/community/about-your-community/liveability-in-morawa.aspx>

⁷ <https://www.remplan.com.au/> (based on ABS, 2023).

⁸ https://www.morawa.wa.gov.au/profiles/morawa/assets/clientdata/shire_of_morawa_prospectus_land0726.pdf

⁹ This expectation is stated in https://www.morawa.wa.gov.au/profiles/morawa/assets/clientdata/shire_of_morawa_prospectus_land0726.pdf, has been independently verified using population modelling tools in ABS stat data explorer.

See, <https://explore.data.abs.gov.au/>

¹⁰ https://www.morawa.wa.gov.au/profiles/morawa/assets/clientdata/shire_of_morawa_prospectus_land0726.pdf

¹¹ Ibid.

¹² Information provided by the local school in their letter of support (included as an attachment to the business case).

The absence of quality ECEC services in Morawa has been a barrier to attracting and retaining families and professionals, particularly in essential sectors such as education, healthcare, and law enforcement. By establishing a modern Child and Family Centre, Morawa will better meet the needs of its current residents while becoming more attractive to newcomers. This project will strengthen both the social fabric and economic sustainability of the region.

Key Economic And Demographic Profile

Economic Profile

Morawa plays an important role in the Mid West economy of Western Australia, via its mining industry and other service sectors, including education and training. The region's Gross Regional Product (GRP) is \$1.57 billion, with a per capita GRP of \$403,858 and a GRP per worker¹³ of \$657,988. These figures are extraordinary and highlight Morawa's strong economic importance to the Mid West region and Western Australia. For context, the Mid West region's GRP stands at \$9.81 billion, with a per capita GRP of \$178,460 and a GRP per worker of \$345,600. The GRP, GRP per capita and GRP per worker of Greater Perth is \$290.39 billion, \$137,193 and \$285,831 respectively. The comparator figures for WA are \$445.35 billion, \$167,422 and \$340,272 respectively. The data above clearly illustrates that Morawa significantly outperforms the rest of the Mid West in per capita terms, and its per capita GRP surpasses Greater Perth by almost three times and Western Australia (WA) by 2.4 times. With an annual population growth rate of 1.89% since 2021¹⁴ and a projected population increase of more than 100% in the coming decades¹⁵, Morawa has substantial economic potential to become one of the engines of growth for WA subject to adequate investments in physical and social infrastructure. The Shire of Morawa, where the project is located, is a Local Government Area (LGA) (ABS defined) within the Morawa region. The Shire accounted for a GRP of \$110 million and the per capita GRP and per worker GRP of the town stood at \$164,671 and \$267,640 respectively. These numbers closely align with the WA averages and are impressive for a townsite.

Value Added - Morawa (SA2) (2023 Release 2)

Morawa's total economic output is estimated at \$2.48 billion, with major contributions from the following sectors:

- Mining: \$1.67 billion (67.1%)
- Agriculture, Forestry and Fishing: \$0.42 billion (17.0%)
- Construction: \$0.07 billion (2.6%)
- Other: \$0.33 billion (13.3%)

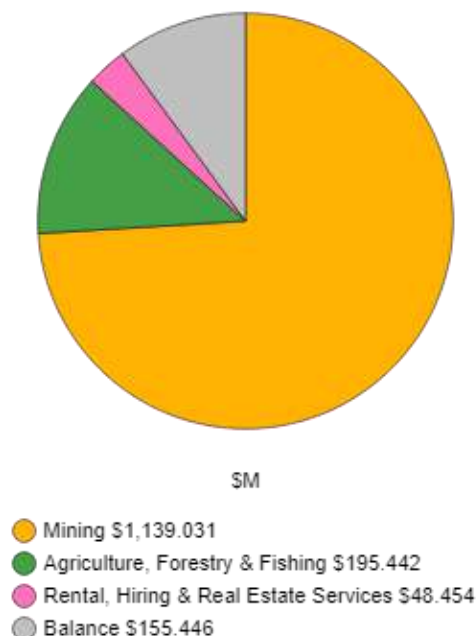


Figure 1: Gross Output of Morawa, by sectors (source: REMPLAN)

¹³ Per worker GRP can be loosely interpreted as a measure of productivity.

¹⁴ Calculated using REMPLAN data (see, <https://www.remplan.com.au/>)

¹⁵ https://www.morawa.wa.gov.au/profiles/morawa/assets/clientdata/shire_of_morawa_prospectus_land0726.pdf

Output - Morawa (SA2) (2023 Release 2)

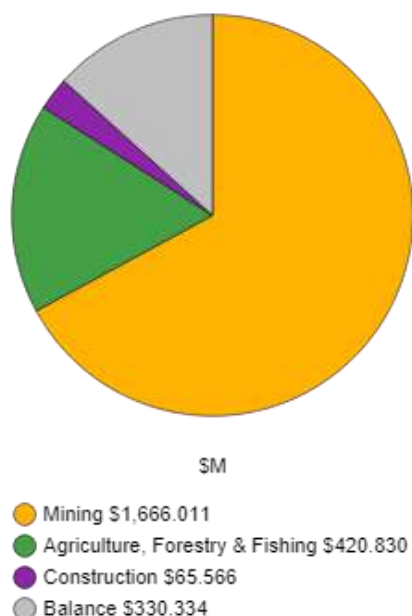


Figure 2: Value Added of Morawa, by sectors (source: REMPLAN)

Mining is, by a large margin, the region's largest sector in terms of revenue generated. This reflects the impact of iron ore mining on Morawa, and the role Morawa plays in Mid West's and WA's resource-driven economy.

The value added (GRP)¹⁶ of Morawa is \$1.57 billion, with significant contributions from:

- Mining: \$1.14 billion (74.0%)
- Agriculture, Forestry and Fishing: \$0.19 billion (12.7%)
- Rental, Hiring and Real Estate Services: \$0.05 billion (3.1%)
- Other: \$0.16 billion (10.1%)

Employment - Morawa (SA2) (2023 Release 2)

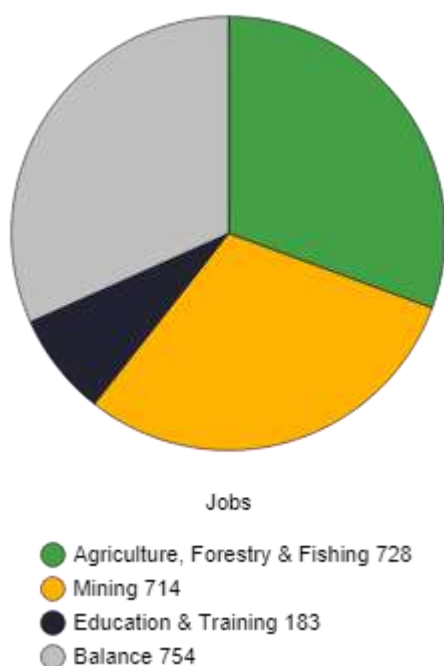


Figure 3: Employment in Morawa, by sectors (source: REMPLAN)

As expected, the value-added figures are also dominated by the mining sector. However, when looking at the GRP numbers, one finds that the services sector (Education and Training (jobs) and Rental, Hiring and Real Estate Services) also have a significant role to play in the economy. This reiterates the city's role as a potential industry and logistical hub, supporting both regional and state-level economic activities.

Morawa supports 2,379 jobs, with key sectors including:

- Agriculture, Forestry and Fishing: 728 jobs (30.6%)
- Mining: 714 jobs (30.0%)
- Education and Training: 183 jobs (7.7%)
- Others: 754 jobs (31.7%)

The employment figures show how the mining and agriculture and allied activities sectors are holding up the region. The importance of the education and training sector as a critical service provider is also evidenced.

The industry sectors which are the key drivers of the Morawa (SA2) region's economy in terms of regional exports, employment, value-added and local expenditure on goods and services (backward linkages) are detailed in Table 2 below.

¹⁶ Value added represents the marginal economic value that is added by each industry sector in a defined region. Value added is calculated by subtracting local expenditure and expenditure on regional imports from the output generated by an industry sector. Value added by industry sector is the major element in the calculation of GRP, and it is, therefore, common to use value added to represent GRP.

Table 2: Key sectors in Morawa

Industry Sectors	Backward Linkages	Exports	Employment	Value-Added
Agriculture, Forestry & Fishing	✓	✓	✓	✓
Mining		✓	✓	✓
Manufacturing		✓		
Electricity, Gas, Water & Waste Services	✓			
Construction	✓		✓	
Rental, Hiring & Real Estate Services				✓
Public Administration & Safety		✓	✓	✓
Education & Training		✓	✓	✓
Arts & Recreation Services	✓			
Other Services	✓			

Demographic Profile

The population of Morawa (SA2) is estimated at 4,204, with a notable proportion of residents in the 0-4 age group (256), accounting for 6.36% of the population.¹⁷ This cohort is one of the largest alongside the 35-39 age group, apart from retirees and near-retirees, indicating a strong presence of young families in the area, and pointing to a latent demand for services catering to young families and children. The Indigenous population represents 8% of the region's residents, significantly higher than the state (3.3%) and national (3.2%) averages, underscoring the need for services that address the specific challenges faced by this community.¹⁸ Notably, indigenous children account for 42% of the enrolment in the local school.¹⁹

Family composition in Morawa reveals that 34% of families are couples with dependent children, and 9% are single-parent families.²⁰ Among couple families, only 23% have both partners working full-time, with many relying on part-time or single-income arrangements.²¹ This suggests that a considerable number of parents, likely women, are not fully participating in the workforce. Supporting this, Morawa's labour force participation rate is only 53.6%, compared to state and national averages above 60%.²² Additionally, 38.4% of the population reported providing unpaid childcare²³, limiting economic participation and career opportunities. This is particularly worrisome as the region has a high level of educational attainment, with 9.6% of residents holding a Bachelor degree or higher and 37.5% of the population over 15 having completed Year 12 or higher.

As of the 2021 Census, only four children were enrolled in preschool programs within centre-based daycare, underscoring a significant gap in early childhood education services. The lack of adequate family support services is likely a contributing factor to the town's difficulty in attracting and retaining skilled professionals in critical sectors such as mining, education, healthcare, and agriculture. With the population expected to double in the coming decades²⁴, the need for investment in Early Childhood Education and Care (ECEC) is clear.

¹⁷ <https://www.remplan.com.au/> (based on ABS 2023).

¹⁸ *ibid.*

¹⁹ Information provided by the local school in their letter of support (included as an attachment to the business case).

²⁰ <https://www.abs.gov.au/census/find-census-data/quickstats/2021/511041291>

²¹ *ibid.*

²² *ibid.*

²³ *ibid.*

²⁴ https://www.morawa.wa.gov.au/profiles/morawa/assets/clientdata/shire_of_morawa_prospectus_land0726.pdf

Project Drivers and Potential Benefits

The core drivers of the project as identified in the business case is presented below:

Economic Impacts: The project is expected to generate a range of economic benefits, including:

- Increased workforce participation.
- Increased local wages through closing of the gender-based pay gap.
- Creation of new employment opportunities.
- Ability to attract and retain residents.
- Increased turnover for local businesses and increased Gross Regional Product (GRP).
- Reduction in long-term social costs, including costs associated with education, medical expenses, child protection and crime.
- Increase in property values.
- Residual value of the building.

Social Benefits: The Centre is anticipated to contribute to several positive social outcomes:

- Improved long-term educational and employment outcomes, particularly for Aboriginal and disadvantaged children, improving their long-term prospects.
- Benefits from social inclusion and cohesion within a safe and supportive environment.
- Stronger community ties, cultural education and appreciation of Indigenous traditions.
- Further improved health outcomes in the long term.

Potential Benefits Based on the Business Case

As per the prepared business case, the project offers a range of economic and social benefits. Identified benefits are presented and discussed in table 3 below:

Table 3: Potential benefits from the project

Potential Benefits	Rationale For Consideration
Economic	
Increased workforce participation of parents (predominantly mothers) with children in the new childcare facility	There is a substantial level of Australian and international evidence to suggest that workforce participation by parents and carers is influenced by the availability of affordable early childhood education and care (Elango et. al., (2015) ²⁵ ; PWC, 2019 ²⁶ ; Doiron & Kalb, 2005 ²⁷ ; Gong & Breunig, 2012 ²⁸ ; Rammohan & Whelan, 2007 ²⁹ ; Productivity Commission, 2014 ³⁰). Our CBA model determines the number of additional hours parents or carers may work due to access to childcare.
Increases in wages of mothers, through reduction of gender-based pay gap	KPMG (2022) ³¹ , in a rigorous econometric study, found that Gender discrimination; care, family responsibilities and workforce participation; and gender segregation by job type continue to be the three main contributors to the gender pay gap in Australia.

²⁵ Elango, S., Garcia, J. L., Heckman, J. J., & Hojman, A. (2015). Early childhood education. SSRN Electronic Journal. <https://doi.org/10.2139/ssrn.2690725>

²⁶ https://www.thefrontproject.org.au/images/downloads/ECO_ANALYSIS_Full_Report.pdf

²⁷ Doiron, D., & Kalb, G. (2005). Child Care and Mothers' Employment Decisions. The Economic Record, Volume 1, No. 254, 228

²⁸ Gong, X., & Breunig, R. (2012). Child care assistance: Are subsidies or tax credits better? Institute for the Study of Labor, Discussion paper no. 6606

²⁹ Rammohan, A., & Whelan, S. (2007). The impact of childcare costs on the full-time/part-time employment decisions of Australian mothers. Australian Economic Papers, Volume 46, Issue 2, 152-169.

³⁰ Productivity Commission. (2014). Modelling the effects of childcare policy changes. Technical supplement to the draft report: Childcare and early childhood learning. Commonwealth Government, 3.

³¹ KPMG, She's Price(d)less: The Economics of the Gender Pay Gap, Prepared with Diversity Council Australia (DCA) and the Workplace Gender Equality Agency (WGEA), Sydney, KPMG, 2022

	Childcare accounted for 33% of the pay gap. Our CBA model determines the number of additional income that mothers would be able to generate with adequate access to childcare.
Creation of new employment opportunities	The childcare facility will create new employment opportunities, but it's important to distinguish between two types of job creation: a) direct employment generated during the construction phase, b) ongoing employment in the childcare centre for educators and c) employment resulting from families potentially relocating to Morawa due to the availability of childcare services. According to our model, the construction phase of the childcare facility is expected to directly create seven new jobs in the region. The economic impact of these jobs has been factored into the analysis through projected increases in gross output. Two additional educator jobs are expected to be generated. This would be ongoing.³² While the availability of childcare may encourage families to relocate to Morawa, we are taking a conservative approach and do not assume that migrating families will move solely because of childcare. Additionally, the absence of suitable childcare services could currently be deterring families from staying in the region, particularly those motivated by the caregiving parent's desire or need to pursue a job or career. We cannot precisely predict how many families the new Centre may stop from leaving Morawa due to this. As such, these benefits have not been quantified.
Economic impact of capital works	To estimate the economic impact of the construction project, we applied REMPLAN's Input-Output (IO) multipliers. First, we calculated the direct impact by multiplying the budgeted cost by the relevant output multiplier, capturing the immediate economic output from spending on materials, labour, and services. Then, we calculated the indirect impact, which reflects additional economic activity in the supply chain due to increased demand for these inputs. By summing the direct and indirect impacts, we derived a conservative estimate of the project's economic benefits. We deliberately excluded the induced impact (like consumption effects), which is consistent with the conservative approach applied through this analysis. The attribution of first and second order of economic activity from the capital works to this project is 100%. This is appropriate as the project is about the capital works.
Reduction in long-term social costs	These are cost savings from resources freed for alternative uses. These arise from reduced education costs, child protection cost savings, medical cost savings and justice cost savings.³³ Potential cost savings are included in the CBA.

³² Estimation based on data in <https://www.acecqa.gov.au/nqf/educator-to-child-ratios>.

³³ For a discussion of these factors and associated literature review, see Daly, A., Barrett, G. & Williams, R (2019) Cost Benefit Analysis of Community Playgroup, Playgroup Australia, Canberra.

	Reduced education costs: This is a key benefit of early childhood education. Research shows that early childhood education can lead to reduced absenteeism, better academic performance, and improved behaviour, all of which decrease the likelihood of students repeating grades or requiring remedial education. Child protection cost savings: Early childhood education has been shown to reduce the need for child protection services, which in turn lowers the costs to society. Early childhood education services help parents maintain stable families, reducing reliance on more expensive child protection processes. Medical cost savings: Association with early childhood education has been shown to help disadvantaged families access appropriate healthcare, reducing the need for general practice visits. Justice cost savings: Justice cost savings are achieved by reducing the likelihood of disadvantaged children interacting with the justice system. Research evidence shows that early childhood education can reduce such interactions, allowing public resources to be redirected to other uses, thus resulting in cost savings.
Increase in property values	While childcare availability may attract families to relocate to Morawa, potentially increasing demand for housing and raising property values, we are taking a conservative approach and do not assume that all relocating families will move solely due to the presence of childcare services. So, property value increases driven by family relocation and childcare availability are not directly modelled. However, it is likely that the presence of such a facility will contribute to making Morawa more attractive for families, indirectly supporting housing demand.
Residual value of the asset (constructed facility)	Including the residual value of assets in a CBA is essential because it accounts for the remaining economic value of an asset at the end of the evaluation period. This ensures a more accurate representation of the long-term benefits, as the asset continues to provide value beyond the analysis timeframe. By considering residual value, the CBA reflects the full financial efficiency of the investment and supports more informed decision-making. Excluding it would underestimate the total benefits and fail to capture the ongoing contribution of the asset, particularly in long-term infrastructure or public projects.
SOCIAL	
Improved outcomes for children	One of the key benefits of early childhood education and family support services are the positive impacts on children's cognitive development. This is extensively documented, including by the Nobel Laureate James Heckman in the Heckman equation. ³⁴ Enhanced cognitive abilities in early years lead to stronger academic performance throughout schooling, reducing the likelihood of early school dropout and increasing the chances of pursuing higher education. Educational attainment is a critical

³⁴ <https://heckmanequation.org/>

	factor in determining future income levels and improving various social outcomes, providing broad, long-term benefits to individuals.
Social inclusion and cohesion	NVEAC defines social inclusion as “ensuring people have the opportunity and support they need to develop their potential and participate fully in economic and community life.”³⁵ Manca (2014) defines social cohesion as “the extent of connectedness and solidarity among groups in society. It identifies two main aspects: the sense of belonging of a community and the relationships among members within the community itself.”³⁶ The economic and social benefit of social inclusion and cohesion are likely to be significant. However, as observed in Deloitte Access Economics and National VET Equity Advisory Council (2011), these phenomena are difficult to quantify. To that extent, the BCRs in this report are likely to be underestimated. This is consistent with our preference towards conservative estimates of BCRs.
Stronger community ties, and a hub for cultural education	The proposed facility is expected to provide significant qualitative benefits, including enhancing community connectivity, fostering cultural growth, and creating safer communities. Similar projects have been shown to enhance community connectedness, foster cultural growth by reinforcing ties to land, language, and traditions, and improve perceptions of safety by reducing threats like theft and violence (see, ACIL Allen (2021) ³⁷ . Although these outcomes are highly valuable, they are difficult to quantify in monetary terms (ACIL Allen, 2021). We recognise the importance of these benefits but have not included them in the cost-benefit analysis.
Improved health outcomes in the long term	Low educational attainment is a major risk factor for a variety of health metrics such as smoking, and obesity, as well as involvement in crime, and mental health problems (Australian Institute of Health and Welfare, 2016)³⁸. PWC (2019) demonstrates the link between early childhood education attendance and increased educational attainment.³⁹ There is substantial Australian evidence on the relationship between education and lifetime health and wellbeing.⁴⁰ Previous studies, primarily from the United States, have established a more direct connection between early childhood education and various social and health benefits.⁴¹ The evidence suggests that early childhood education can improve health behaviour in the long run, lowering the risk factors that lead to the prevalence of diseases, particular those associated with later life disadvantage such as obesity and smoking-related disease.⁴²

³⁵ Deloitte Access Economics & National VET Equity Advisory Council 2011, The economic and social benefit of increased participation by disadvantaged students in VET, [NVEAC], [Melbourne].

³⁶ Manca, A.R. (2014). Social Cohesion. In: Michalos, A.C. (eds) Encyclopedia of Quality of Life and Well-Being Research. Springer, Dordrecht. https://doi.org/10.1007/978-94-007-0753-5_2739

³⁷ ACIL Allen (2021), Social and Economic Impact Assessment of Community First Development, Report commissioned by Community First Development. See, <https://www.communityfirstdevelopment.org.au/impactstatement>

³⁸ Australian Institute of Health and Welfare. (2016). Australia's Health. Commonwealth Government.

³⁹ https://www.thefrontproject.org.au/images/downloads/ECO_ANALYSIS_Full_Report.pdf

⁴⁰ <https://www.education.gov.au/integrated-data-research/benefits-educational-attainment/healthy-behaviour#:~:text=Using%20the%202014%2D15%20National,income%20and%20country%20of%20birth.>

⁴¹ For a meta-analysis, see, Elango, S., Garcia, J. L., Heckman, J. J., & Hojman, A. (2015). Early childhood education. SSRN Electronic Journal. <https://doi.org/10.2139/ssrn.2690725>

⁴² Kamerman, S.B., Gatenio-Gabel, S. Early Childhood Education and Care in the United States: An Overview of the Current Policy Picture. ICEP 1, 23–34 (2007).

Cost-Benefit Analysis

This section presents a Cost-Benefit Analysis (CBA) for the Morawa Child and Family Centre Project. The purpose of the CBA is to determine to what extent the proposed project offers sufficient economic, social, and environmental benefits to justify the investment.

Methodology

The Australian Government promotes the use of CBA to assess policy proposals and support informed decision-making.

A CBA systematically evaluates the impacts of a proposal, considering all effects on the community and economy, beyond immediate or direct effects, financial outcomes, or impacts on specific groups. The analysis seeks to quantify the gains and losses in monetary terms to the greatest extent possible.

The primary goal of a CBA is to provide decision-makers with comprehensive information relevant to their decisions. It offers an objective framework for evaluating different impacts, including those that occur over varying timeframes. This objectivity is enhanced by converting all impacts into present value terms. Even when full quantification is challenging, CBA remains valuable in offering a clear decision-making framework.

A critical aspect of CBA is conducting the analysis relative to a counterfactual scenario. In this report, the modelled scenario (construction of the facility) is evaluated based solely on the incremental, or additional, benefits and costs compared to a base case, which is the status quo, i.e., the current not-fit-for purpose facility, with a much lower intake capacity, continues to be used.⁴³ This approach is most suitable for assessing the net economic benefits directly attributable to the selected intervention, in this case the construction of the proposed facility.

Steps In The CBA

The CBA process involves the following steps:

1. Obtain estimates of budgeted costs.
2. Monetise the identified benefits to the extent possible.
3. Calculate the monetary value of the quantified incremental costs and benefits in net present value (NPV) terms using appropriate discount rates.
4. Determine the benefit-cost ratio (BCR) by comparing the total present value of net benefits to the present value of costs, assessing the extent to which incremental net benefits exceed (or fall short of) incremental costs associated with the chosen scenario.
5. Conduct a sensitivity analysis. Sensitivity analysis provides information about how changes in different variables will affect the overall costs and benefits of the proposed regulation. It shows how sensitive predicted net benefits are to different values of uncertain variables and to changes in assumptions.

Choice Of Discount Rates

Discounting is the process of adjusting the value of future costs and benefits to reflect their present value at a common time dimension—the base date. In this case, FY ending 2023-24 is used as the base date given that it reflects the most recent FY. Discounting accounts for the social time preference, which is the tendency to prefer immediate benefits over future ones, and considers the opportunity cost of capital, ensuring that the value of money is appropriately reflected over time.

⁴³ It is possible to use any of the other considered scenarios as the base case. However, such an exercise would be relevant only where the focus is on the decision on which option to pursue (this decision has already been made).

Analysts conducting a CBA have the choice of whether to include future cash flows in terms of their actual monetary value at the future date (the ‘nominal’ value) or in terms of their current dollar value (the ‘real’ value). However, since all cash flows need to be converted to current dollar terms to be comparable in a CBA, it is usually simplest to adopt the latter approach. That is the approach taken in this report.

Recognising the diverse audiences for business cases, we have applied real discount rates of 4%, 7%, and 10%, in line with recommendations from the Office of Best Practice Regulation (OBPR) at the Federal Government level⁴⁴ and WA Treasury Project Evaluation Guidelines and Standard Business Case template.⁴⁵

The timeframe over which the benefits and costs of an infrastructure proposal are assessed in a CBA is typically 30 operational years plus the construction period.⁴⁶ However, due to the inherent uncertainty in forecasting costs and benefits over extended periods, caution is advised when using an evaluation period longer than 20 years.⁴⁷ Therefore, in this CBA, quantifiable benefits and costs are modeled over a 20-year period following the completion of the development phase.

Cost Of Capital Approach

The CBA conducted in this report represents a “cost of capital” assessment, focusing primarily on the up-front capital costs of the project while giving limited consideration to ongoing operational costs (beyond whole-of-lifecycle maintenance cost impacts at 1% of capital cost per year).

This approach is used for two main reasons:

- It aligns with the stage of the project and concept being tested—the early-stage concepts typically have capital cost estimates but may lack detailed cash flow or maintenance cost projections.
- The economic business case specifically aims to validate the potential capital investment in the project. The CBA provides evidence of the potential return on investment (in the form of economic and social benefits) to inform this capital decision.

Comparison With The Base Case (Status Quo)

For these assessments, we have conducted a cost-benefit analysis of the project’s net additional benefits and costs relative to the status quo. The NPVs and BCRs generated from the CBA reflect the net increase in economic and social benefits beyond the current state of the precinct.

Costs

The probable costs associated with the design and delivery for the project during the set-up and implementation phases are presented in table 4 below⁴⁸:

Table 4: Budgeted Costs Of The Project

Costs (\$m)	Total
Professional /Consulting Fees	\$0.378
Headworks and Construction	\$2.857
Furniture and Play Equipment	\$0.050
Total Cost	\$3.285

⁴⁴ <https://oia.pmc.gov.au/sites/default/files/2021-09/cost-benefit-analysis.pdf>
⁴⁵ OBPR requires the calculation of net present values (NPVs) using an annual real discount rate of 7%. In addition to this central rate, NPVs should also be calculated using real discount rates of 3% and 10% to test sensitivity. The appropriateness of the 7% central rate has been debated. In March 2018, the Grattan Institute suggested a 3.5% discount rate for low-risk infrastructure projects. Similarly, the Building Up and Moving Out report (2018) recommended that the Australian Government adopt a 4% discount rate, with the suggestion that Infrastructure Australia could also apply this rate in its analyses. These recommendations were made during a period of historically low interest rates. Given the current economic conditions, using 7% as the central rate, with 4% and 10% for sensitivity tests, appears to be a reasonable approach.
⁴⁶ <https://www.infrastructureaustralia.gov.au/sites/default/files/2021-07/Assessment%20Framework%202021%20Guide%20to%20economic%20appraisal.pdf>
⁴⁷ <https://oia.pmc.gov.au/sites/default/files/2021-09/cost-benefit-analysis.pdf>
⁴⁸ Government funding for childcare is not modelled as a cost of the project as it is not a part of the project outlay.

This table outlines the probable costs associated with consultancy and construction over the duration of the projects, culminating in a project cost of \$3,284,775.⁴⁹ We have included a further annual maintenance cost of 1% of the headworks and construction, which amounts to \$32,350 per year (consulting and professional fees are capitalised, whereas furniture and equipment costs are not).

Benefits

The drivers of the project and its potential benefits have been identified in table 2 of the report. However, given the results of the analysis are significantly influenced by the data and underpinning assumptions relating to the benefits, the quantification (monetising) of the benefits is discussed below.⁵⁰

Increased workforce participation of parents with children in the new childcare facility:

The establishment of this childcare facility is expected to provide 15 additional childcare places⁵¹, enabling parents (expected to be predominantly mothers) to either return to the workforce full-time or increase their working hours.

Among couple families in Morawa, the ratio of families with one partner working full-time and the other working part-time, compared to those with one partner working full-time and the other not working, is approximately 1.28:1. Based on this, it is assumed that 8 parents were previously working part-time and will now transition to full-time work, while 7 parents will enter the workforce after not working previously. Given the Shire of Morawa advises that, anecdotally, the parents returning to full time work will be mothers, the assessment has been based on women being enabled to return to work.

Using the average wages in Morawa⁵², \$65,613 (adjusted for inflation⁵³), and applying the ratio of women's wages in Western Australia (0.869 of the overall average)⁵⁴, it is estimated that the 7 women entering full-time work will earn \$57,047 annually. For the 8 mothers increasing their work hours from part-time to full-time, it is assumed they will earn an additional \$28,524 annually, based on the difference between half-time and full-time wages.

The additional income over the time frame of analysis (20 years is aggregated) and included in the CBA in PV terms.

Increases in wages of mothers, through reduction of gender-based pay gap:

WA's gender pay gap stands at 19.4%⁵⁵, with women earning significantly less than men. In Morawa, where the average wage is \$65,612⁵⁶ (adjusted for inflation⁵⁷), the wage gap between men and women is approximately \$11,608.

Of this gap, 33% (or \$3,831) is attributed to unpaid childcare responsibilities. This is based on a rigorous econometric study undertaken by KPMG in 2022.⁵⁸ With the establishment of a new childcare centre, it is anticipated that 15 mothers will increase their annual earnings by an average of \$3,831 due to enhanced workforce participation. The additional income over the time frame of analysis (20 years is aggregated) and included in the CBA in PV terms.

Increases employment and wages through ongoing employment in childcare:

It is assumed that currently one educator is in employment. As per the recommended ratio of ACECQA (1 educator: 7 children)⁵⁹, there will be a need for two more educators on an ongoing basis. It is assumed that

⁴⁹ It is assumed that the budgeted amounts do not have an anticipated inflation built into them. Accommodation for escalation is assumed to be different than inflation.

⁵⁰ There are always multiple approaches to monetise benefits, each with its own set of advantages and disadvantages. We have chosen methods that, in our opinion, appear to be the most logical and fitting for this analysis. It is acknowledged that economists sometimes argue that certain benefits, while important, cannot be monetized. Arguably, monetisation is inherently speculative to some extent, but it can sometimes be more useful to arrive at a reasonable estimate rather than relying solely on qualitative assessments of significance. This is the approach we have adopted in this report.

⁵¹ The centre is being designed for 19 places, census data records that 4 children access daycare in Morawa.

⁵² <https://dbr.abs.gov.au/region.html?lyr=sa2&rgn=511041291>

⁵³ <https://www.abs.gov.au/statistics/economy/price-indexes-and-inflation/consumer-price-index-australia/latest-release>

⁵⁴ <https://www.forbes.com/advisor/au/personal-finance/average-salary-by-state-australia/>

⁵⁵ <https://www.wgea.gov.au/data-statistics/ABS-gender-pay-gap-data#:~:text=The%20national%20gender%20pay%20gap,men%20and%20%241782.8%20for%20women.>

⁵⁶ <https://dbr.abs.gov.au/region.html?lyr=sa2&rgn=511041291>

⁵⁷ <https://www.abs.gov.au/statistics/economy/price-indexes-and-inflation/consumer-price-index-australia/latest-release>

⁵⁸ KPMG, She's Price(d)less: The Economics of the Gender Pay Gap, Prepared with Diversity Council Australia (DCA) and the Workplace Gender Equality Agency (WGEA), Sydney, KPMG, 2022.

⁵⁹ See, <https://www.acecqa.gov.au/nqt/educator-to-child-ratios>.

the salary of the workers in 2024 is \$65,000.⁶⁰ Conservatively, we assume that the wages of the educators increase by 3% annually in real (inflation adjusted) terms.

Economic impact of capital works:

To estimate the economic impact of the construction project, we applied REMPLAN's Input-Output (IO) multipliers. First, we calculated the direct impact by multiplying the budgeted cost by the relevant output multiplier, capturing the immediate economic output from spending on materials, labour, and services. Then, we calculated the indirect impact, which reflects additional economic activity in the supply chain due to increased demand for these inputs. By summing the direct and indirect impacts, we derived a conservative estimate of the project's economic benefits.

We deliberately excluded the induced impact (like consumption effects), which is consistent with the conservative approach applied through this analysis.

The attribution of first and second order of economic activity from the capital works to this project is 100%. This is appropriate as the project is about the capital works.

Reduction in long-term social costs:

- Reduced education costs: Based on the work of PWC (2019)⁶¹, it is estimated that the cost of grade retention is \$20,898 (adjusted for inflation⁶²) per year repeated. We assume that 10% of students avoid grade retention during their schooling years because of exposure to early childhood education.⁶³ It is not possible to predict at what point a student may repeat a year. To be conservative, we assume grade retention in year 10.
- Child protection cost savings: Based on the work of Daly, Barret & Williams (2019)⁶⁴, we conservatively estimate a net cost saving of \$3,629 per annum (adjusted for inflation⁶⁵) for each child that avoids child protection services. We assume that 2 children per year (around 10% of children who are enrolled in the childcare) avoid requiring child protection services, during the enrolment in early childhood education.
- Medical cost savings: Based on the work of Daly, Barret & Williams (2019)⁶⁶, each avoided general practice doctor visit is valued at \$121, adjusted for inflation⁶⁷. It is assumed that around 50% of the children attending the childcare, along with one of their parents, will each avoid one doctor visit annually, when enrolled in childcare.⁶⁸ Long term health benefits are modelled separately.
- Justice cost savings: PWC (2019)⁶⁹ estimated the savings from avoided crime costs to be \$48,390⁷⁰ per person (adjusted for inflation⁷¹). We assume that 10% of students could be averted from adverse engagement with the justice system.⁷² It is not possible to predict at what point a student may repeat a year. To be conservative, we assume engagement with crime at age 18.

Residual value of the asset (constructed facility):

With a \$3.235 million investment (includes consulting fees but excludes furniture and equipment) depreciating at a rate of 2.5% annually⁷³, the residual value of the asset after 20 years can be estimated using straight-line depreciation. Over this period, the investment would lose 50% of its value, leaving a residual value of \$1.62 million. This assumes no other factors affecting depreciation, such as wear and tear beyond the normal rate. The PV of the residual value of the building will be included in the model as a benefit.

Improved outcomes for children:

⁶⁰ <https://www.seek.com.au/career-advice/role/early-childhood-educator/salary>

⁶¹ https://www.thefrontproject.org.au/images/downloads/ECO_ANALYSIS_Full_Report.pdf

⁶² <https://www.abs.gov.au/statistics/economy/price-indexes-and-inflation/consumer-price-index-australia/latest-release>

⁶³ While 10% is a higher end estimate for the overall population, this is considered reasonable in this case given the high proportion of indigenous children in the region.

⁶⁴ Daly, A., Barrett, G. & Williams, R (2019) Cost Benefit Analysis of Community Playgroup, Playgroup Australia, Canberra.

⁶⁵ <https://www.abs.gov.au/statistics/economy/price-indexes-and-inflation/consumer-price-index-australia/latest-release>

⁶⁶ Daly, A., Barrett, G. & Williams, R (2019) Cost Benefit Analysis of Community Playgroup, Playgroup Australia, Canberra.

⁶⁷ <https://www.abs.gov.au/statistics/economy/price-indexes-and-inflation/consumer-price-index-australia/latest-release>

⁶⁸ While 50% is a higher end estimate for the overall population, this is considered reasonable in this case given the high proportion of indigenous children in the region.

⁶⁹ https://www.thefrontproject.org.au/images/downloads/ECO_ANALYSIS_Full_Report.pdf

⁷⁰ The number was derived from eyeballing the graphical image.

⁷¹ <https://www.abs.gov.au/statistics/economy/price-indexes-and-inflation/consumer-price-index-australia/latest-release>

⁷² While 10% is a higher end estimate for the overall population, this is considered reasonable in this case given the high proportion of indigenous children in the region.

⁷³ <https://www.ato.gov.au/businesses-and-organisations/income-deductions-and-concessions/depreciation-and-capital-expenses-and-allowances/capital-works-deductions>

PWC (2019)⁷⁴ estimated the benefit-cost ratio of investments in early childhood education, showing an average total annual cost per child of \$10,683 for the whole of Australia. However, for Western Australia, the annual cost per child is estimated to be higher, at approximately \$13,912⁷⁵ (adjusted for inflation⁷⁶). The PWC report indicated that 48% of the investment (amounting to \$33,354 in 4% discounted PV terms) is recouped through higher earnings. Using this estimate, the cumulative benefit for 76 children is calculated (\$2,534,904 in 4% discounted PV terms) and included in the CBA. 76 is a very conservative estimate based on 19 children staying in childcare for 5 years each over a 20 year time period. The actual number is expected to be much higher.

Improved health outcomes in the long term:

PWC (2019)⁷⁷ estimated the benefit-cost ratio of investments in early childhood education, showing an average total annual cost per child of \$10,683 for the whole of Australia. However, for Western Australia, the annual cost per child is estimated to be higher, at approximately \$13,912⁷⁸ (adjusted for inflation⁷⁹). The PWC report indicated that 29% of the investment (amounting to \$19,818 in 4% discounted PV terms) is recouped through improved health outcomes. Using this estimate, the cumulative benefit for 76 children is calculated (\$1,506,168 in 4% discounted PV terms) and included in the CBA.

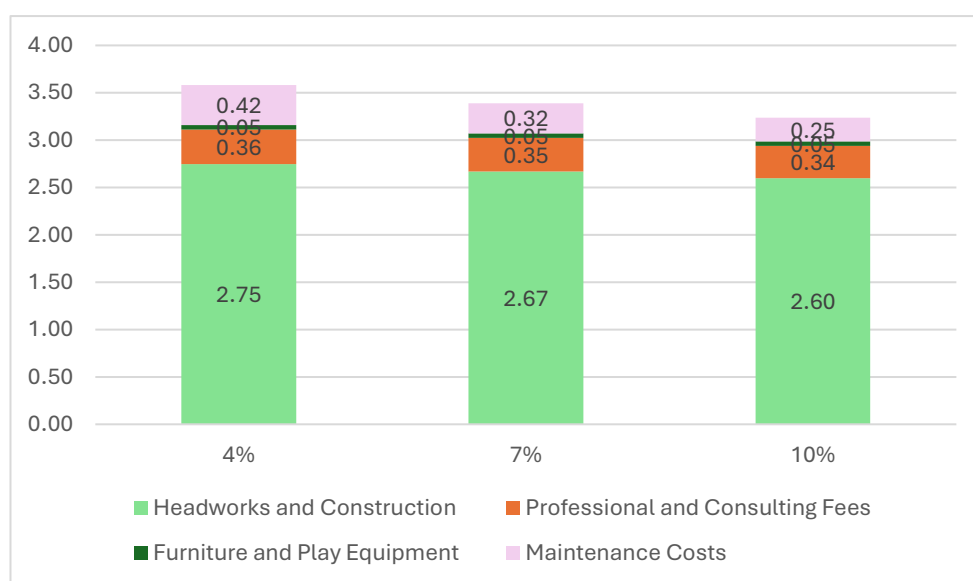
CBA Results

This section presents an overview of the present value and breakdown of costs and benefits for the Project, including a summary of the Benefit-Cost Ratios (BCRs) and Net Present Value (NPV) outcomes. This part of the report provides a financial snapshot of the project, allowing stakeholders to make informed decisions about the project's viability and prioritisation. It illustrates whether the project is expected to deliver value for money and helps in comparing it with any expectations funders might have as regards return on investment.

Costs

Considering the probable costings of building the facility and an assumed 1% average annual maintenance cost (to capture whole of lifecycle costs), the present value of the costs (FY 2023-24, in constant 2023-24 dollars) is estimated to range between 3.24 million and 3.58 million, depending on the discount rate applied. This is illustrated in figure 4 below.

Figure 4 Present Value of Costs (in \$ millions), Professional/Consulting Fees , Headworks and Construction, Furniture and Play Equipment and Maintenance, at alternative discount rates of 4, 7 and 10%



⁷⁴ https://www.thefrontproject.org.au/images/downloads/ECO_ANALYSIS_Full_Report.pdf

⁷⁵ The number was derived from eyeballing the graphical image.

⁷⁶ <https://www.abs.gov.au/statistics/economy/price-indexes-and-inflation/consumer-price-index-australia/latest-release>

⁷⁷ https://www.thefrontproject.org.au/images/downloads/ECO_ANALYSIS_Full_Report.pdf

⁷⁸ The number was derived from eyeballing the graphical image.

⁷⁹ <https://www.abs.gov.au/statistics/economy/price-indexes-and-inflation/consumer-price-index-australia/latest-release>

Unsurprisingly, the main expenditure associated with this project is capital works. Most of this is scheduled in 2025 and construction related, while the balance relates to headworks charges.

Benefits

A review of the benefits of the Project indicates a benefit value at between \$20.69 m at the 4% discount rate and \$15.05 m at the 10% discount rate. This is illustrated in Figure 5 below.

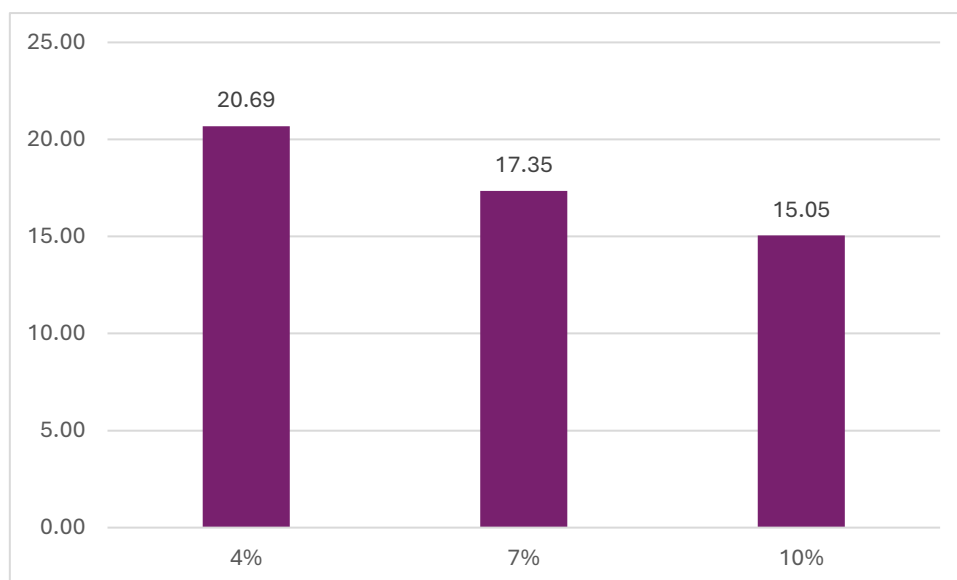


Figure 5 Present Value of Benefits

Table 6 lists the different sources of benefits accruing from the project, each monetised and discounted at a 7% rate. It also shows the proportion that each benefit category contributes to the total value of the benefits.

Source of Benefit	Mn \$ (discounted at 7%)	%
Workforce participation	6,647,966	38.32
Closing of pay gap	434,055	2.50
Educator's employment and wages	1,785,110	10.29
Economic impact of capital works	3,849,634	22.19
Reduced education costs	63,436	0.37
Child protection cost savings	76,891	0.44
Medical cost savings	25,638	0.15
Justice cost savings	119,904	0.69
Residual value of asset	417,993	2.41
Improved outcomes for children	2,463,832	14.20
Improved health outcomes	1,463,939	8.44
Total	17,348,398	100.00

Table 6: List of monetised benefits

As illustrated in Table 6, the most substantial benefits expected over the 20-year project assessment period (at a 7% discount rate) are predominantly economic, deriving chiefly from enhanced workforce participation, which accounts for 38% of the total benefits. This aligns with existing literature, which strongly emphasises that the gains from increased workforce participation generally surpass governmental investments in areas

such as childcare⁸⁰, with the investment in this facility being only a fraction of what is typically expended by the government.

The second largest source of benefits stems from the trickle-down effects associated with capital works, which contribute 22% to the total benefits and are expected to significantly propel economic growth in the region. The impact of capital works—encompassing construction and infrastructure development—is a critical driver of economic activity. These investments stimulate demand across various sectors, thereby creating employment and income opportunities for local residents. The economic influence of such activities extends throughout the local economy due to distinct supply chain linkages, which enhances the overall economic benefits derived from the project.

Two other important economic benefits are:

- Residual value of the asset: Representing 2.4% of the total benefits, the residual value of the asset (the building/facility) quantifies the lasting economic value of the capital works (after the 20-year period).⁸¹
- Additional employment and wages for two educators over the 20-year period: Representing 10% of the total benefits, educator wages are modelled to increase at 3% in real terms annually, which is a conservative estimate.

Alongside the major economic impacts outlined previously, the project also forecasts significant benefits from the Improved Outcomes for Children, and Improved Health Outcomes.

- Improved outcomes for children: Accounting for 14% of total benefits, this category specifically pertains to the long-term economic benefits stemming from enhanced educational attainment among children. Participation in early care education improves educational outcomes that, in turn, lead to higher wage earnings as these children enter adulthood. The benefit calculation reflects the increased lifetime earnings of the children in their adult life.
- Improved health outcomes: Making up 8.5% of the total benefits, improved health outcomes focus on the long-term health benefits that children will enjoy as they grow up. These outcomes likely include reduced incidence of chronic diseases, lower healthcare costs, and improved quality of life, which translate into economic benefits through decreased medical expenses and good health.

The project's impact is therefore anticipated to be predominantly economic, but social benefits are also extremely significant. In fact, even the social benefits in themselves outweigh the project cost.

Results

As illustrated in Figure 6, the project has an NPVs of \$17.10 million, \$13.96 million and \$11.81 million at discount rates of 4%, 7% and 10% respectively. The fact that NPVs remain consistently remarkably large and positive across various discount rates underscores the project's ability to deliver a strong economic and social return to the community, with outcomes that are robust to different assumptions. Importantly, the potential benefits have been modeled conservatively, evidencing that even with cautious estimates, the project presents a compelling case as an extremely sound investment.

⁸⁰ <https://www.vu.edu.au/mitchell-institute/early-learning/landmark-report-a-third-of-australians-living-in-childcare-deserts>

⁸¹ For example, if the childcare is discontinued or relocated after 20 years, the building will still have an alternative use and can be potentially sold. It is known that the sale price will be in excess of the residual value in most cases. But our approach is deliberately conservative.

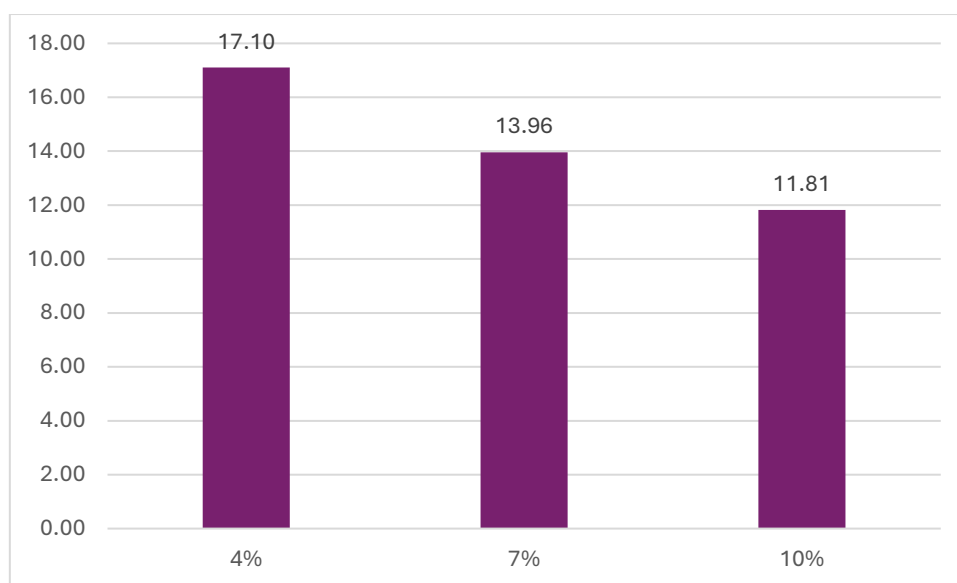


Figure 6 Present Value of Net Benefits

Table 7 summarises the results of the CBA. It includes the calculated Benefit Cost Ratios (BCRs). With a 7% discount rate as the central case, the BCR for the project is 5.12, indicating that for every dollar invested, \$5.12 in benefits are expected. At the lower discount rate of 4%, the BCR is even higher at 5.78, reflecting an even greater return on investment. At the higher discount rate of 10%, the BCR remains strong at 4.65, showing that the project's benefits still significantly outweigh its costs. These figures across different discount rates underscore the project's robust economic viability.

Table 7 shows the summary of results for the project.

Table 7: Summary of Results, CBA for the Morawa Child and Family Centre project:

Discount rate	Benefit (\$ mn)	Cost (\$ mn)	NPV (\$ mn)	BCR
4%	20.69	3.58	17.10	5.78
7%	17.35	3.39	13.96	5.12
10%	15.05	3.24	11.81	4.65

The high BCRs resulting from the Cost-Benefit Analysis (CBA) underscore the tangible and significant returns expected from this project. These quantitative findings are consistent with qualitative insights from literature reviews and stakeholder interviews, reinforcing the critical importance of the Early Childhood Education and Family Centre to the Morawa region. The alignment between these results and the Morawa Shire's strategic priorities highlights the project's vital role in the community's/region's development.

Economic Impact Analysis

In the CBA, we modeled benefits related to increased business turnover and capital work activity. These benefits were derived from an Economic Impact Assessment (EIA), which provided the foundation for quantifying the expected economic gains from the project. This section now presents the EIA in detail, focusing on the effects on sales, Gross Regional Product, and employment.

Scope

The costs associated with professional/consulting fees, furniture and play equipment, and construction over the project duration has been budgeted at \$3,284,775 (excluding GST). In addition, we have allowed for an annual maintenance cost of 1% of the capital works, which amounts to \$32,350 per year. For the EIA, we exclude the annual maintenance cost, as it is standard practice in the literature to model EIAs as a one-off stimulus.

Model And Methodology

Whitney Consulting developed an economic model to provide an ex-ante estimation of the economic contribution of the Morawa Child and Family Centre project. This analysis measures the project's impact on output, value added, and employment within the local economy, reflecting both direct expenditures from the capital works and the subsequent flow-on effects throughout Morawa and the broader Mid West economies.

The applied model bases its analytical approach on input-output (IO) analysis. The IO analysis, as conceptualised in its theoretical form by Leontief (1985), is a quantitative economic technique that models the relationships between different sectors of an economy. It illustrates how the output from one sector can become an input to another, revealing the complex web of economic activities and their interdependencies. At the core of this methodology are the IO tables, which detail the supply and demand connections between industries within an economy. Multipliers, a pivotal component of the IO analysis, are derived from these tables. They quantify the ripple effects of initial expenditures across the economy, demonstrating how spending in one area can lead to increased output, earnings, and employment in various other sectors. The IO method has been identified as being relatively reliable for tracing the multiplier effects of initial spending within an economy. This methodology is often preferred over alternatives such as ad-hoc multipliers for its ability to operate within the broader general equilibrium framework and accommodate economic interdependencies between industries and regions.

Our model integrates data from the probable costing schedule and ABS to quantify the direct expenditures associated with the project, such as construction costs, and estimates their ripple effects across the local economy. The analysis focuses on transactions triggered by capital works, including those benefiting sectors like construction, mining, manufacturing, wholesale, transport, and services within the Morawa region.

The model incorporates a range of industries expected to be impacted by the project, including:

- Construction
- Wholesale Trade
- Mining
- Manufacturing
- Transport
- Professional Services

Multipliers derived from the REMPLAN IO modelling software enable the estimation of direct value added, employment, and the flow-on economic effects generated by the project.

Model Limitations

While IO analysis is a valuable tool for estimating economic contributions, it has limitations that require careful consideration:

- **Lack of supply-side constraints:** The most significant limitation of economic impact analysis using multipliers is the implicit assumption that the economy has no supply-side constraints. That is, it is assumed that extra output can be produced in one area without taking resources away from other activities, thus overstating economic impacts. The actual impact is likely to be dependent on the extent to which the economy is operating at or if it is near capacity. In the case of the City of Belmont, it is observed that the unemployment rate is consistently higher than that of Greater Perth and WA.
- **Fixed prices:** Constraints on the availability of inputs, such as skilled labour, require prices to act as a rationing device. In assessments using multipliers, where factors of production are assumed to be limitless, this rationing response is assumed not to occur. Prices are assumed to be unaffected by policy and any crowding out effects are not captured.
- **Fixed ratios for intermediate inputs and production:** EIAs using multipliers implicitly assumes that there is a fixed input structure in each industry and fixed ratios for production. As such, impact analysis using multipliers can be seen to describe average effects, not marginal effects. For example, increased demand for a product is assumed to imply an equal increase in production for that product. However, it may be more efficient to increase imports or divert some exports to local consumption rather than increasing local production by the full amount.
- **No allowance for purchasers' marginal responses to change:** EIAs using multipliers assumes that households consume goods and services in exact proportions to their initial budget shares. For example, the household budget share of some goods might increase as household income increases. This equally applies to industrial consumption of intermediate inputs and factors of production.
- **Absence of budget constraints:** Assessments of economic impacts using multipliers that consider consumption induced effects (type two multipliers) implicitly assume that household and government consumption is not subject to budget constraints. Notably, we have excluded induced effects from our economic model, lending it greater credibility.
- **Not applicable for small regions:** Multipliers that have been calculated from the national IO table are not appropriate for use in economic impact analysis of Projects in small regions. For small regions multipliers tend to be smaller than national multipliers since the inter-industry linkages are normally relatively shallow. Inter-industry linkages tend to be shallow in small regions as they usually do not have the capacity to produce the wide range of goods used for inputs and consumption, instead importing a sizable proportion of these goods from other regions. For this reason, we have modelled the impacts on the City of Belmont, rather than the smaller BAR area.

Despite these limitations, IO analysis remains a reasonable choice for this project, providing a consistent methodological approach that aligns with previous assessments undertaken for establishing the viability of development projects in WA. This consistency enhances the credibility of the findings and supports informed decision-making.

Results

The Morawa Child and Family Centre Project is projected to generate significant economic contributions across Morawa, Mid West, and the wider Western Australia (WA) economy. Our ex-ante model estimates that the project's initial investment of \$3.61 million (including GST, as per standard practice) could multiply by a factor of 1.14, leading to substantial economic benefits for the Morawa region. This section presents the detailed economic impact analysis, focusing on the effects on output, Gross Regional Product (GRP), and employment within Morawa, Mid West, and WA.

Table 8 shows the impact of the project on the region's output (overall economic activity).

Table 8: Economic Impact on Output

Region	Output (\$Mn's)
Morawa	4.12
Mid West	5.11
Western Australia	6.36

The projected increase in economic output reflects the initial investment and the resulting activities. In Morawa, output is expected to rise to \$4.12 million, driven by direct economic activities related to the project. The ripple effects extend to Mid West, with an increase in output reflecting the SA3 region's broader economic base. Across WA, the total output gain of \$6.36 million highlights the broader economic benefits, as the project's influence spreads through various industries and supply chains. Our estimates exclude second-order induced effects, which are projected to increase economic activity by an additional \$0.41 million in Morawa.

Table 9 shows the impact on value added (Gross Regional Product).

Table 9: Economic Impact on Value Added

Region	Value added (\$Mn's)
Morawa	1.51
Mid West	1.69
Western Australia	2.15

Value added represents the project's contribution to the GRP of each area. In Morawa, the project is expected to add \$1.51 million to the local GRP, reflecting the value generated through increased business activities and capital works. Mid West sees a slightly larger increase in value added, amounting to \$1.69 million. Across WA, the value-added impact reaches \$2.15 million, underscoring the project's small but relevant contribution to the state's overall economic growth. Our estimates exclude second-order induced effects, which are projected to increase GRP by an additional \$0.27 million in Morawa.

Table 10 shows the extent of job creation because of the proposed development.

Table 10: Economic Impact on Employment

Region	Employment (jobs)
Morawa	7
Mid West	9
Western Australia	11

The employment impact of the project is a key indicator of its social and economic benefits. In Morawa, the project is expected to create 7 new jobs, directly supporting local employment and income generation. The employment impact extends to Mid West, with 9 jobs projected. Across WA, the total employment impact is estimated at 11 jobs. Our estimates exclude second-order induced effects, which are projected to add an additional job in Morawa.

Tables 8 through 10 collectively illustrate the broad and substantial economic impact that the Morawa Child and Family Centre Project is expected to have across Morawa, Mid West, and Western Australia. By driving increases in output, value added, and employment, the project is poised to play a small but relevant role in fostering economic growth and prosperity in the region.

Conclusion

The Morawa Child and Family Centre Project represents a crucial investment in the future of Morawa and the broader Mid West region.

Morawa has an estimated residential population of 4,024, with around 950 residents in the townsite. Population growth is projected to more than double in the coming decades, supported by a Growth and Implementation Plan that aims to position Morawa as a future regional centre for the North Midlands and a primary industry hub for the Midwest. The Morawa Council is committed to facilitating this development by providing essential infrastructure. One key initiative is the construction of the new Child and Family Centre, addressing a critical gap in social services. Currently, family day care services operate from an aging, retrofitted house inadequate for long day care, and there's a lack of centralised facilities for child health, parenting support, and family wellness programs.

The detailed CBA reveals that the project is expected to generate substantial economic and social returns, with benefits far outweighing the initial investment.

The economic analysis provides a clear summary of the project's financial viability under different discount rates. At a 4% discount rate, the project has a total cost of \$3.58 million, generating \$20.69 million in benefits, resulting in a Net Present Value (NPV) of \$17.10 million and a Benefit-Cost Ratio (BCR) of 5.78. At a 7% discount rate, the cost is \$3.39 million with \$17.35 million in benefits, yielding an NPV of \$13.96 million and a BCR of 5.12. Even at a higher discount rate of 10%, the project remains viable with a cost of \$3.24 million, benefits of \$15.05 million, an NPV of \$11.81 million, and a BCR of 4.65. These figures underscore the strong economic case for proceeding with the project.

The economic impact analysis undertaken further demonstrates the project's significant benefits. The projected increase in economic output reflects the initial investment and the subsequent activities it stimulates. In Morawa, output is expected to rise to \$4.12 million, driven by direct economic activities related to the project. The ripple effects extend to Mid West, where output is projected to increase to \$5.11 million, reflecting the region's larger economic base. Across Western Australia, the total output gain is estimated at \$6.36 million, highlighting the broader economic benefits as the project's influence spreads through various industries and supply chains. These estimates exclude second-order induced effects, which are projected to increase economic activity by an additional \$0.41 million in Morawa.

In terms of value added (Gross Regional Product), the project is expected to contribute \$1.51 million to Morawa's GRP, \$1.69 million to Mid West's GRP, and \$2.15 million to Western Australia's GRP. These figures underscore the project's role in generating economic growth across different regions, with significant contributions from increased business activities and capital works. The estimates exclude second-order induced effects, which could further increase GRP by an additional \$0.27 million in Morawa.

Regarding employment, the capital works associated with the project is anticipated to create 7 new jobs in Morawa and 9 and 11 jobs across Mid West and Western Australia, respectively. There will also be 2 new continuing jobs for educators in line with the increased capacity of the facility. This job creation highlights the project's importance in supporting local employment and income generation, further contributing to the social and economic well-being of the community.

In conclusion, the Morawa Child and Family Centre Project is a sound financial and social investment. The findings of this report strongly support the Shire's prioritisation of this project and the advancement of the project to realise substantial benefits for the community and region.

ORDINARY MEETING OF COUNCIL – MINUTES

20 July 2023

11.1.4 Early Childhood Education and Care in Morawa**Author:** Chief Executive Officer**Authorising Officer:** Chief Executive Officer

Disclosure of Interest: The Author declares an impartiality interest in this item due to currently sitting on the Board of Regional Early Education and Development Inc. (REED), a not-for-profit operating ECEC centres in country areas. At this stage the CEO believes REED may be the only feasible delivery option for an ECEC centre in Morawa, given they run the Perenjori, Mingenew, and Northampton centres, and they were established as a solution to regional care shortages. This is a voluntary role, and the CEO has no financial gain from any mergers undertaken by REED.

Motion to Suspend Standing Orders**MOVED:** Cr Stokes**SECONDED:** Cr J Coaker**ACCEPTED 6/0****Standing Orders Suspended at 3:07pm**

Councillors took an opportunity to ask questions in relation to the Shire President and CEO's meeting with REED, as well as ensure they had a full understanding of the financial implications of the decision.

Motion to Resume Standing Orders**MOVED:** Cr Stokes**SECONDED:** Cr Katona**ACCEPTED 6/0****Standing Orders Resumed at 3:20pm****OFFICER'S RECOMMENDATION/RESOLUTION****230705****Moved:** Cr Stokes**Seconded:** Cr J Coaker**That Council:**

1. Direct the CEO to submit an Expression of Interest for the Growing Regions Grant Program for the Morawa Early Childhood Education and Family Centre – prior to the 1 August closing date.
2. That Council authorize the Chief Executive Officer to approve a development application for an Early Childhood Education and Family Centre on Lot 409 on Deposited Plan 210931, being 26 Prater Street Morawa, subject to appropriate notice being given in accordance with clause 64 of the deemed provisions.

3. Accept the opinion of probable cost of construction for Morawa Early Childhood Education and Family Centre as detailed in Attachment 2 and accept that the Shire's cash contribution towards the project, if successful in obtaining 70% growing regions program funding, would be up to \$1,050,000.
4. Approve the Shire President to write to REED's board of management to formally request negotiations on a facility lease and terms of reference for a partnership arrangement commence to allow for formal Council acceptance in line with growing regions grant funding. Noting that all agreements are subject to funding being received and the project being delivered and does not tie the Shire to the delivery of the project in anyway and to any timeframe.

CARRIED BY SIMPLE MAJORITY 6/0

PURPOSE

For Council to review progress so far relating to Early Childhood Education and Care (ECEC) in Morawa and to endorse the way forward.

DETAIL

In April 2023, Council resolved:

That Council:

1. *Direct the CEO to further develop the ECEC centre concept utilizing a collaborative approach to scope the facility, develop a cost estimate, construct the business case, and identify funding opportunities to present back to Council before December 2023.*
2. *Support the CEO undertaking a market analysis of potential ECEC service providers and allowing Council and other key stakeholders to meet with organisations with capabilities in this field.*
3. *Acknowledge the continued importance of the current family day care service and offer support for its continuation during ECEC development discussions.*

Considerable progress on this matter has been made since April and the CEO wishes ensure Council are informed of and give approval for the way forward.

After the April 2023 resolution, the CEO formed a working group of interested parties made up of representatives from the Morawa District High School, the Parents and Citizen's Association, Morawa Play Group, MEEDAC, and the Shire CDO. It is the CEO's intention to ensure this core group remain consulted throughout the project and that other parties may participate at key points throughout the process. It is also noted that several general community members have become aware of the project and voiced their support and willingness to contribute letters of support if needed.

Some of the key decisions/concepts explored by the group thus far:

- The old hairdresser site represents the simplest and most build ready land available. With its proximity to the kindergarten creating a smooth transition from an education perspective.
- Desire to establish the facility as the Morawa Early Childhood Education and Family Centre

- offering both the childcare services as well as spaces for other family and child support services.
- A 20 place ECEC centre would meet the community's needs – noting that due to childcare regulations and staff ratios the actual numbers of children in attendance will be limited by staff availability.
- Playgroup may utilise the space but due to the block size the groups preference is to utilise their existing facility for as long as possible – need to ensure the new facility has capacity for small parent and children's groups.

Under Town Planning Scheme No.3, the chosen block, being 26 Prater Street, is commercially zone. Under the commercial zoning category, a childcare premises is an A (discretion with advertising) use, however community purpose, educational establishment and family day care are Discretionary use.

Community Purpose means premises designed or adapted primarily for the provision of educational, social, or recreational facilities or services by organisations involved in activities for community benefit.

It can be argued that the overarching aim of the Morawa Early Childhood Education and Family Centre would align with the Community Purpose definition however, given the dual use nature of the facility it is good practice for the Shire to advertise the proposed development in accordance with clause 64 of the deemed provisions before exercising its discretionary approval powers. For grant purposes, this report asks that Council gives in principal support for the land use in line with the development proposal and state's its intention to exercise discretionary approval for a Child Care and Community Purpose facility on the land once advertising requirements have been met and approve the Chief Executive Officer to exercise delegated authority to grant the necessary development application approvals, once all statutory requirements have been met.

Based on the initial working group discussions, the Shire appointed an architect to develop a concept design as to how the Morawa Early Childhood Education and Family Centre may fit on the chosen block. The working group reviewed the initial concept design, and a second draft has been developed (Attachment 1) to allow an opinion of probable construction costs to be formulated.

The opinion of probably cost (OPC) was reviewed by the Shire on the 13 July 2023 (attachment 3). The OPC is based on a conventional build concrete slab on ground, timber framed, fibre cement clad facility, and includes all costs for a turnkey proposal. The OPC has been escalated to allow for a July 2024 construction and high-level contingencies that should make the OPC an upper estimate of the actual project cost.

At this stage, based on the OPC it is anticipated that if the Shire constructs the facility in the next 18 months it would cost \$3.5m.

The identification of funding opportunities was another key part of the April 2023 resolution. On the 6 May 2023, the Federal Government released the guidelines for the "Growing Regions Program" (attached). The Growing Regions Program provides grants of between \$500,000 and \$15 million to local government entities and not-for-profit organisations, for capital works projects that deliver community and economic infrastructure projects across regional and rural Australia. There will be a two-stage application process. Under Stage One, applicants will be required to submit Expressions of Interest which will be assessed to ensure projects meet eligibility requirements, project readiness and program suitability, and are aligned with regional priorities for the area.

Based on officer research and discussion with the Midwest Gascoyne Regional Development Association, it seems likely that an Early Childhood Education and Family Centre would be seen as aligning with regional priorities.

Based on the Growing Regions Program – Geographic Eligibility Criteria – Morawa is classified as remote Australia and therefore would be able to apply for up to 70% of eligible project costs.

If the Shire was successful with obtaining the 70% funding, then based on the current cost estimate the project would still require a \$1,050,000 contribution from the Shire.

The business case in relation to the establishment of an Early Childhood Education and Family Centre, would not be built on commercial viability terms as the facility establishment and running costs in a small country town will generally never stack up to make the service provision commercially viable. However, looking beyond commercial terms, the facility would align with the community vision in terms of enhancing liveability and opportunity, it would be a future focussed project aimed at fostering passion and belief in younger residents, it would provide a support service for small and large businesses and their staff, and it would work towards cementing strong foundations for future growth. The development vulnerability statistics in the Morawa Perenjori region won't be solved by this facility alone but it will provide the catalyst for change and bring Morawa in line with neighbouring communities in terms of early years facilities. High quality childcare is becoming a norm in well-functioning developing communities and Morawa is seen as a sub-regional hub in many areas, especially for education, as such an Early Childhood Education and Family Centre provides for a natural progression to value add to existing State education services.

Historically there has been broad support for enhanced ECEC services in Morawa, and it is assumed that much of the community would see the Shire investing in this long-term asset as similar to the provision of a medical centre and GP, or Aquatic Facility, whereby commercial viability isn't questioned as the Shire investment is driven by quality-of-life factors.

When examining the Shire's contribution to the project it is expected that funds would need to be found from reserve, debt leveraging, and alternative grants.

When establishing its Cash Reserves Management Policy in December 2021, Council identified a Strategic Capacity focus area whereby the reserves under this focus area could be leveraged to allow the Shire to take advantage of strategic opportunities and provide financial contributions to secure grants. One such reserve is the Community and Economic Development Reserve – as of 3 July 2023 the reserve has a balance of \$1,277,988.96. In the Cash Reserves Management Policy, Council makes a firm commitment to not expend the reserve balance below a minimum value of \$1m. The purpose of the reserve is to fund significant community or economic development projects within the Shire of Morawa, that will deliver a tangible realisable benefit to the community and/or economy. It is the opinion of the author that the construction of an Early Childhood Education and Family Centre in Morawa would benefit both the community and economy and the project is of a significant enough scale to warrant expending funds from this reserve. It is proposed that \$350,000 be assigned to this project from the Community and Economic Development Reserve, with the expectation that the reserve balance would be capable of accommodating this withdrawal once interest and other transfers are accounted for prior to fund withdrawal thus keeping the balance above \$1m or close to it.

The Shire currently has very minimal debt and has the capacity to borrow. Given this project will directly benefit future generations and has a design life associated with the facility of 50 years, it seems reasonable that a portion of the construction costs are passed on to future generations of

ratepayers in the form of debt servicing. Whilst interest rates have risen significantly over the last 12 months, they are still low in comparative terms when compared to historical rates, as such it could be expected that the Shire would be able to secure a rate of around 6-7% if a loan was required in the next 12-18 months. The Shire can borrow from the WA Treasury Corporation at reduced rates and under fixed terms. A \$700,000 loan would affect the Shire's future ability to borrow, as such Council would need to be confident that the Morawa Early Childhood Education and Family Centre represents a high priority project and that other loan dependent projects in the Corporate Business Plan would need to be delayed to accommodate the debt servicing associated with this project.

The Shire is hopefully of securing other funding for establishing the facility, but this isn't guaranteed. As such when submitting an expression of interest for Federal funding, the Shire will need to commit to covering the co-funding requirement.

In summary the expected project cost is \$3.5m and the administration proposes that this is funded by way of a 70/30 Federal Government and Shire split, with the Shire split being 2/3rd loan and 1/3rd reserve transfer.

Operationally, the Shire CEO reached out to five potential providers in terms of the ECEC component of the facility. At this stage only one organisation Regional Early Education and Development Inc. (REED) has replied in a positive manner to progress further discussions. If the Shire can't secure a suitably qualified and experienced ECEC provider to operate the facility, then the onus would fall on the Shire to incorporate the service within its business operations. Whilst several Local Governments do operate ECEC services, there has been a steady move away from this method due to the complexities involved and risks associated with working with children.

REED have indicated that they are willing to consider a potential partnership with the Shire to deliver ECEC services in the Morawa Early Childhood Education and Family Centre, however, have indicated that the viability of the partnership is likely to depend on the Shire providing:

- A long-term peppercorn lease (\$1) rent to REED as a not-for-profit provider.
- Shire assistance with annual compliance inspections and maintenance such as pest, fire testing, electrical test and tag etc.
- Housing to enable REED to accommodate at least one diploma qualified educator to add value to any local labour and maximise the potential centre occupancy based on staff to child ratios.
- Support with start-up costs/processes as REED usually merge existing centres so a brand-new facility will be a new initiative for them.

More information in relation to REED and their services is available as Attachment 3. If the Shire was to try and run the ECEC component of the facility itself, it would likely need to allocate staff housing, overheads, annual compliance inspections, and other operational costs within its Annual Budget – it is generally assumed that a centre of the sized proposed would fluctuate between years of minor profit and minor loss depending on child to staff utilisation ratios. Whilst the Shire could pursue this option and be marginally better of financially that engaging a not-for-profit provider on similar terms to the ones proposed by REED, the major drawback would be that the Shire would inherit all the risk of operating in a heavily regulated and evolving sector with no existing operational knowledge or established policies compliant with childcare practices. As such it is the opinion of the author that the risks associated with in house management outweigh the costs associated with engaging an external approved provider and assisting them with essential services and staff attraction initiatives.

It is recommended that Council approve the Shire President to write to REED's board of management to request a whole of Council service presentation, to commence negotiations on a facility lease and terms of reference for a partnership arrangement for formal Council acceptance, and request REED involvement on the project working group as the facility progresses to detailed design. Noting that all agreements are subject to funding being received and the project being delivered, and does not tie the Shire to the delivery of the project in anyway and to any timeframe.

The Shire administration is aware of the Labour Governments 2021 election commitment to improve regional families' access to childcare by supporting the viability and sustainability of providers and the attraction and retention of childcare workers. As such it is recommended that the Shire reach out to the State Government, once a EOI for the Federal Grant has been made, to seek support for the establishment of a childcare service in Morawa and support for initial start-up cost offsets, staff attraction incentives, and other facility activation initiatives.

The administration has allocated \$50,000 in the 2023/2024 budget towards the design of a new centre and other pre-construction costs. It is suggested that the Shire retain an allocation of approximately this amount for at least the first 5 years of the centre to appropriately support a qualified provider to establish the facility and services. This may also go towards showing ongoing commitment from the Shire to leverage State funding support.

The Shire's existing childcare facilities are ageing and in need of repair/upgrade and whilst the cost of renovating may be less than a new Early Childhood Education and Family Centre, the benefits of early years education and routine in terms of development outcomes exceed the capabilities of the current facilities.

LEVEL OF SIGNIFICANCE

Medium significance – this project has been on the Shire's strategic list for a decade and the Growing Regions Program represents a significant opportunity to secure sound funding for the project delivery.

CONSULTATION

Eastman Poletti Architects
Morawa District High School
Shire President
Regional Early Education and Development Inc.
Morawa ECEC Working Group

LEGISLATION AND POLICY CONSIDERATIONS

The ECEC sector is heavily legislated, and this will be a strong consideration should the development of a centre progress.

POLICY IMPLICATIONS

Nil

FINANCIAL AND RESOURCES IMPLICATIONS

The cost considerations are documented throughout the report but overall, it could feasible be expected that the Shire allocate funds of \$4m over the next 5 years to bring the project to life, as

well as consider the provision of Shire housing to enable the facility to be staffed. It would be assumed that any ECEC lease would be at a peppercorn rent and so the facility is unlikely to generate any income for the Shire.

In terms of the proposed Loan, it is expected that a \$700,000 loan taken out over 30 years at a fixed rate of 6% interest would attract payments of approximately \$50,000 per annum – resulting in a total repayment of approximately \$1,500,000 over the life of the loan. With the corporate business plan capping debt outstanding as a percentage of revenue at 45% and net loan repayments as a percentage of revenue at 8% - the Shire can afford to obtain a loan of this size in the 23/24 or 24/25 financial years, however other proposed loans in the corporate business plan may need to be delayed.

RISK MANAGEMENT CONSIDERATIONS

This project has been identified by the community and strategic planning, but a risk always remains with such a significant investment that it is understaffed, underutilised, or for whatever other reason becomes a waste of resources. The counter argument to this could be put in terms of the opportunity costs associated with Morawa not having a centre of this type in 5 years' time and what development opportunities may be missed.

The other major risk is that the OPC is inaccurate, and the project costs are significantly higher than expected. This has been mitigated at this stage by the administration requesting a high level top end estimate with contingencies, loading, and escalation accounting for approximately \$1.24m of the project cost.

CONCLUSION

The administration recommends that Council supports the application to the Growing Better Regions fund and resolves to allocate Shire funding towards the project. The Council further supports all other necessary steps to formalize the project including planning approvals, and the further engagement of REED as an approved provider.

ATTACHMENTS

Attachment 1 – 11.1.4a Design of proposed Morawa Early Childhood Education and Family Centre

Attachment 2 – 11.1.4b Opinion of Probable Cost Morawa Early Childhood Education and Family Centre

Attachment 3 - 11.1.4c Grant Opportunity Guidelines for Growing Regions Program

Attachment 4 - 11.1.4d Regional Early Education and Development Inc. Service Summary

ORDINARY MEETING OF COUNCIL – MINUTES**18 December 2023****11.1.4 Project Development Update – Morawa Early Childhood Education and Family Centre****Author:** Governance and Executive Support Officer**Authorising Officer:** Chief Executive Officer

Disclosure of Interest: The Author declares an impartiality interest in this item due to currently sitting on the Board of Regional Early Education and Development Inc. (REED), a not-for-profit operating ECEC centres in country areas. At this stage the CEO believes REED may be the only feasible delivery option for an ECEC centre in Morawa, given they run the Perenjori, Mingenew, and Northampton centres, and they were established as a solution to regional care shortages. This is a voluntary role, and the CEO has no financial gain from any mergers undertaken by REED.

OFFICER'S RECOMMENDATION/RESOLUTION**231207****Moved: Cr Collins****Seconded: Cr Coaker****That Council:**

1. Endorse the Regional Early Education and Development Inc. (REED) Partnership Agreement as per Attachment 1 and approve the Shire President and CEO to sign the agreement on behalf of the Shire.
2. Request the CEO submit a Full Application for the Growing Regions Program Grant program before the closing date of Monday, 15 January 2024.
3. Reconfirm the Shire's willingness and capacity to fund the funding gap of 30% of the project costs, if alternate funding isn't available.
4. Direct the CEO to seek State Government funding commitments towards the project.
5. Accept the Preliminary Facility designs as presented in Attachment 2 and authorise the CEO to undertake the necessary tender advertising process as soon as grant funding is approved.

CARRIED BY SIMPLE MAJORITY 6/0**PURPOSE**

For Council to consider approving the proposed partnership agreement between the Regional Early Education and Development Inc. (REED) and the Shire of Morawa for the purposes of fostering an ongoing relationship for the benefit of REED operating a Shire facilitated Early Childhood Education and Care centre (ECEC).

DETAIL

In July 2023, Council resolved:

That Council:

1. *Direct the CEO to submit an Expression of Interest for the Growing Regions Grant Program for the Morawa Early Childhood Education and Family Centre – prior to the 1 August closing date.*
2. *That Council authorize the Chief Executive Officer to approve a development application for an Early Childhood Education and Family Centre on Lot 409 on Deposited Plan 210931, being 26 Prater Street Morawa, subject to appropriate notice being given in accordance with clause 64 of the deemed provisions.*
3. *Accept the opinion of probable cost of construction for Morawa Early Childhood Education and Family Centre as detailed in Attachment 2 and accept that the Shire's cash contribution towards the project, if successful in obtaining 70% growing regions program funding, would be up to \$1,050,000.*
4. *Approve the Shire President to write to REED's board of management to formally request negotiations on a facility lease and terms of reference for a partnership arrangement commence to allow for formal Council acceptance in line with growing regions grant funding. Noting that all agreements are subject to funding being received and the project being delivered and does not tie the Shire to the delivery of the project in anyway and to any timeframe.*

A submission for the Expression of Interest (EOI) for the Growing Regions Program grant for the Morawa Early Childhood Education and Family Centre was completed and lodged in July 2023. A response was received on 24 November 2023 declaring our EOI submission successful and inviting the Shire of Morawa to apply for the next stage. Round 1, Stage 2 will open for applications on Monday, 27 November 2023 and close on Monday, 15 January 2024.

One of the components of the Stage 2 grant application is justifying the long-term viability of the federal investment. Therefore, a partnership agreement with an approved provider will be a key signal that the Shire has already planned for the operations of the facility.

Following negotiations with REED, a partnership agreement has been drafted for consideration of both parties (*Attachment 1*). REED presented the draft agreement at their Board Meeting on 12 December 2023, and the REED General Manager and Chair have been approved to execute the document.

Attachment 2 to this report represents the preliminary design of the facility that has been developed by the Shire's architect with inputs from REED, the working group, and aligned to the Australian Children in Education and Care Quality Authority standards. The facility design allows for a clear separation between the ECEC components of the facility and the more multi use family centre components. The ECEC centre layout has been developed with input from REED and will be able to accommodate a 19-place approved centre and may even be able to accommodate a couple more places depending on the finished product. The family centre has a space for parents to meet as well as wellness/meeting spaces for parent/child support services that wrap around such as speech, health nurse etc.

LEVEL OF SIGNIFICANCE

High significance - One of the components of the Stage 2 grant application is justifying the long term viability of the project. Therefore, a partnership agreement with an approved ECEC provider will be a key component to the applications success.

CONSULTATION

Senior Management Team
REED
Council Forum

LEGISLATION AND POLICY CONSIDERATIONS

N/A

STRATEGIC COMMUNITY PLAN 2022 - 2032

Be future focused in all we do:

- Ensure the Shire and its assets are well resourced and sustainable.
- Foster passion and belief in younger residents

Activate a vibrant small business sector:

- Maintain strong support systems and services

Embrace cultural and social diversity:

- Invest in socialisation and belonging

FINANCIAL AND RESOURCES IMPLICATIONS

The Shire has previously reviewed the financial implications of this project and at this stage no new funding impacts are apparent. As well as the upfront costs of the project, the Shire can expect to incur annual costs aligned to the partnership agreement when supporting REED service delivery. This has yet to be budgeted but is unlikely to come into effect until the 2025-2026 financial year.

RISK MANAGEMENT CONSIDERATIONS

Minimal risk considerations due to the framing of the agreement noting that all agreements are subject to funding being received and the project being delivered and does not tie the Shire to the delivery of the project in anyway and to any timeframe.

CONCLUSION

That Council considers and approves the Shire President and CEO to sign acceptance of the partnership agreement between the Shire and Regional Early Education and Development Inc. (REED). This agreement will secure an ECEC facilitator and increase the prospect of success with the Round 1, Stage 2 Growing Regions Program grant.

ATTACHMENTS

Attachment 1 – 11.1.4a Draft REED & Shire of Morawa Partnership Agreement

Attachment 2 – 11.1.4b Preliminary Design

11.2.4 Development Approval – Lot 409 (No.26) Prater Street, Morawa

Author: Coordinator Planning & Compliance Services

Authorising Officer: Executive Manager Corporate & Community Services

Disclosure of Interest: The Author and Authorising Officer declare that they do not have any conflicts of interest in relation to this item.

OFFICER'S RECOMMENDATION/RESOLUTION

240909

Moved: Cr North

Seconded: Cr Chadwick

That Council:

Resolve to grant development approval for the proposed Morawa Early Childhood Education and Family Centre at Lot 409 (No.26) Prater Street, Morawa subject to the following conditions:

- 1. Accept that the Shire would be the proponent for the delivery of the proposed development, with works subject to appropriate grant funding being secured to finance the project.**
- 2. Accept that the Shires contribution towards the project may be \$1.5m.**
- 3. Resolve to grant development approval for the proposed Morawa Early Childhood Education and Family Centre at Lot 409 (No.26) Prater Street, Morawa subject to the following conditions:**
 - a. Development shall be in accordance with the approved plan(s). The endorsed plans shall not be modified or altered without the prior written approval of the local government.**
 - b. The development/land use is to be located entirely within the property boundary.**
 - c. The use of second hand materials is not permitted.**
 - d. All stormwater is to be disposed of on-site to the approval of the local government.**
 - e. The landowner/proponent is responsible to ensure the provision of reticulated sewerage to the development/land use.**
 - f. Prior to commencement of the development/land use, all land indicated as landscaped area on the attached approved plan(s) are to be landscaped effectively and maintained thereafter to the approval of the local government.**

- g. Any lighting device is to be positioned and shielded as not to cause any direct, reflected or incidental light to encroach beyond the property boundaries or cause any glare nuisance to any nearby residents or passing motorists.
- h. All mechanical service systems (including air conditioners, pool filters etc.) are to be designed and installed to prevent emitted noise levels from exceeding the relevant decibel levels as set out in the Environmental Protection (Noise) Regulations 1997 (as amended).
- i. Provision for carparking on Lot 408 (No.4) Croot Street should parking be deemed necessary in the future a dedicated parking area can be generated on Lot 408 (No.4) Croot Street (Reserve 29344 Plan 2910931).

CARRIED BY SIMPLE MAJORITY 6/0

PURPOSE

For Council to grant development approval for the proposed Morawa Early Childhood Education and Family Centre at Lot 409 (No.26) Prater Street, Morawa.

DETAIL

The Shire of Morawa is seeking funding from the Department of Infrastructure, Transport, Regional Development, Communications and the Arts (DITRDCA) Growing Regions Program – Round 2 for the construction of an Early Childhood Education and Family Centre (the Centre) in the town of Morawa.

The project aims to provide a critical piece of community infrastructure to enable the provision of early childhood education and care services via approved/licensed Long Day Care (LDC) and Out of School Hours Care services, parenting and family support programs and aligned health and wellbeing services. This will improve child development outcomes, economic opportunities for parents, and provide access to support services for families, each of which will contribute to the enhanced liveability and sustainability of the Morawa community.

The architect has converted the concept design into a suitable design for development approval (Attachment 1). Lot 409 (No.26) Prater Street, Morawa is 1,246m². A portion of the Morawa Early Childhood and Family Centre is proposed to be an Australian Children's Education and Care Quality Authority (ACECQA) approved Early Childhood Education and Care centre for up to 19 children. The design of the centre provides capacity to increase the number of places to 22 if there is sufficient demand over time. Along with a Family Centre which will provide a space for children and family services to operate from, including but not limited to speech pathology, occupational therapy and health services provided for in a consultation room, a wellness room and space for parenting groups and programs, family focused activities and a hub for a range of other community interest groups. Other opportunities to be considered include professional development, education and training of Early Childhood professionals and establishment of a hub for First Nations people with children undertaking training in preparation for employment.

The Shire of Morawa is seeking development approval for Morawa Early Childhood Education and Family Centre at Lot 409 (No.26) Prater Street, Morawa. This property is zoned

Commercial under the Shire of Morawa Town Planning Scheme No.3 (the Scheme).
The proposed Morawa Early Childhood Education and Family Centre is defined as ‘community purpose’ meaning premises *designed or adapted primarily for the provision of educational, social or recreational facilities or services by organisations involved in activities for community benefit.*

Under Table 3 – zoning table of the Scheme, community purpose development in a commercial zone is listed as a ‘D’ use meaning *that the use is not permitted unless the local government has exercised its discretion by granting development approval.*

The applicant (Shire of Morawa) is seeking to reduce the onsite parking requirements as required under Clause 41 Car parking and servicing of the Scheme.

Commercial Use	Scheme Requirements	Required	Proposed
Community purpose	1 per 4m ² of eating, drinking or lounge area, plus 1 per 4m ² of public assembly and/or seating area, with other uses as determined by the local government	21	0

The proposed nil onsite carparking for the Morawa Early Childhood Education and Family Centre is not considered to have an impact on the development or the overall functionality of the proposal.

In this location the car parking has not historically been a scarce resource with sufficient street parking on Croot Street and Prater Street, the Town Hall parking area being able to accommodate the basis of provisions of onsite parking, as well as the adjacent lot to the north being 240m² of public open space.

However, should parking be deemed necessary in the future a dedicated parking area can be generated on Lot 408 (No.4) Croot Street (Reserve 29344 Plan 2910931).

The Centre will look to employ local workers, facilitate local childcare training and development pathways for school leavers, empower parents to rejoin the workforce, and attract new residents to the region contributing towards regional economic development and population goals.

This project to construct an Early Childhood Education and Family Centre in Morawa presents a pivotal opportunity to positively impact economic opportunity, social development and inclusion within our community.

The Shire is requesting this preapproval to better allow them to apply for funding for the project as most funding bodies require a DA to be in place before an application will be accepted.

LEVEL OF SIGNIFICANCE

High significance – Round 2 Department of Infrastructure, Transport, Regional Development, Communications and the Arts (DITRDCA) Growing Regions Program.

CONSULTATION

Eastman Poletti Architects

LEGISLATION AND POLICY CONSIDERATIONS

Shire of Morawa Town Planning Scheme No.3

POLICY IMPLICATIONS

Nil

FINANCIAL AND RESOURCES IMPLICATIONS

The Shire will be applying for Growing Regions funding for an amount of 50-70% of the project cost dependent on Cost Benefit Analysis outcomes. The Shire is budgeted to have \$1.4m in the Community and Economic Development Reserve by 30 June 2025 which is sufficient to cover the gap between funding and the project costs.

RISK MANAGEMENT CONSIDERATIONS

Nil

CONCLUSION

That Council supports the development application.

ATTACHMENTS

Attachment 1 – 11.2.4a Development Application Plans

Partnership Agreement
Between

Shire of Morawa (SoM)

26 Winfield Street, Morawa, WA 6623

And

REGIONAL EARLY EDUCATION AND
DEVELOPMENT INC. (REED)

6 William Kennedy Way Narrogin Western
Australia 6312

This partnership agreement seeks to outline the mutually beneficial arrangement between the Shire of Morawa (SoM) and Regional Early Education and Development Inc. (REED), with the view of providing quality early childhood education and care (ECEC) services within an appropriately accredited ECEC centre.

This agreement covers off on three levels of partnership between the two organisations, namely:

1. Pre-funding confirmation ECEC centre development
2. Post funding confirmation ECEC centre development
3. Post ECEC centre construction

The two parties agree that until this agreement is superseded by an alternative arrangement or documentation, the two parties will undertake an annual review meeting and work to adjust the agreement as necessary to achieve the best possible outcomes.

Pre-funding confirmation ECEC Centre development

Prior to capital funding confirmation, both SoM and REED agree to work together collaboratively to ensure the conceptual and detailed designs for any future ECEC facility will meet the needs of REED as the service provider as well as the Morawa community.

REED agree to provide representation on the Morawa ECEC working group facilitated by the SoM and agree to provide inputs to the SoM and the Shire's architect as requested during the design process.

The SoM is committed to developing a facility that meets contemporary ECEC standards and offers suitable amenities for staff and children utilizing the facility.

The SoM and REED will work together to identify and source grant funding opportunities that could offset the costs involved in developing a new ECEC centre's service delivery model.

Post-funding confirmation ECEC Centre Development

Once appropriate funding is sourced and confirmed, the SoM commits to establishing a facility for ECEC services in the Morawa Townsite.

SoM agrees to work with REED to pursue operational fundings sources to offset any set up costs involved with REED establishing and accrediting a new ECEC centre.

REED agrees to be an active participant and stakeholder during the project delivery stage, attending site meetings, online discussions, or providing inputs as required to ensure the construction delivers the desired result.

Both parties agree to negotiate suitable lease and service delivery agreements, in good faith with the goal to formally complete all documentation at least 6 months before construction completion to ensure a smooth practical completion handover process.

Post ECEC Centre Construction

Both parties agree to work in good faith to deliver the best possible outcomes for the Morawa community and in particular children and families within the community.

All of the below items are given with in principle support at stage pending formal lease and other agreement discussions.

SoM is willing to provide:

- a) Peppercorn \$1 per term of agreement rent for the lease of the ECEC facility, noting REED holds not for profit status and disposal of property exemptions under the Local Government Act 1995 apply to leases of this type.
- b) Annual pest spraying, fire safety testing, and electrical test and tagging through its established contracts for the new facility at no cost to REED as the Lessee. Outside of these annual compliance/asset management activities REED will be required to keep the facility pest free and well maintained. The Shire will cover extermination costs unless the infestation is linked to poor cleanliness and maintenance linked to usage.
- c) Basic weekly garden maintenance (mowing, whipper snipping, debri removal, reticulation maintenance etc.) through its parks and garden team, at no cost to REED as the Lessee. It is envisaged that this basic maintenance would be around 1 hour per week and would focus on the use of machinery that isn't readily available to REED staff. Simple items such as weeding, pruning, sweeping etc. would still be under the responsibilities of REED as the Lessee.
- d) Rubbish collection and sewerage provision services using established assets and contractors at no cost to REED as the Lessee. REED is required to maintain the property in a clean and tidy condition without the accumulation of rubbish etc. Rubbish above that which will fit within the normal general waste bin must be disposed of by REED using an alternative method such as a local Landfill or Transfer Station.
- e) Building and Contents insurance coverage over the facility – however this would not cover REED's operational aspects
- f) Maintenance and support for maintaining capital items such as airconditioning units and fixed items, with REED taking responsibility for basic amenity maintenance such as paint refreshes, light globes, toys and consumables.
- g) An unfurnished residential premise consisting of at least 2 bedrooms and one bathroom, for the purpose of REED accommodating staff members working at the Morawa centre. Charged to REED at a rental rate below market rent (At this time a rate of \$100 below market rate seems reasonable) for the premise. REED would be responsible for all utility costs and standard Lessee maintenance requirements associated with a residential property tenancy. The Shire would continue to insure and perform annual inspections and routine maintenance of the property (airconditioning, pest management etc.) at the Shire's cost.

REED is willing to provide

- a) As far as is practical given staffing constraints, 5 days a week service with an after school care component
- b) Active integration and a positive working relationship with the Morawa District High School and in particular the kindergarten, pre-primary, and primary school environments. This partnership may also extend to the provision of Year 11 and 12 placements if an Early Years Education Unit can be incorporated within high school topics.
- c) A commitment to working with MEEDAC and the local Indigenous community to maximise the development outcomes for young Indigenous community members, either through regular utilization of ECEC services or through collaboration in the family space incorporated within the holistic centre complex.
- d) Annual reports to the Shire on the participation at the Centre and outcomes achieved, and commit to a positive working relationship focused on maximizing the community benefit from the service and the centre.

Agreed to on behalf of the REED Board and Operations by:

Deputy
Board Chair:



General Manager:



Agreed to on behalf of the Morawa Council and administration by:

Shire President:



CEO:



Ordinary Council Meeting 29 September 2026

Attachment 1 – 11.1.6a Local Government Briefing Paper – Future Wild Dog Management on Yamatji Conservation Estate (August 2026).

Attachment 2 – 11.1.6b Wild Dog Management in Midwest 2017-2023.

Attachment 3 – 11.1.6c State Barrier Fence Map.

Item 11.1.6 – Wild Dog Management on the Yamatji Conservation Estate



Future Wild Dog Management on Yamatji Conservation Estate

Prepared for:

Shire of Morawa, Shire of Perenjori, Shire of Koorda, Shire of Dalwallinu

Executive Summary

The Central Wheatbelt Biosecurity Association (CWBA) is providing this briefing to member Local Governments to inform elected members and senior staff of recent changes affecting wild dog/dingo management on lands managed by the Department of Biodiversity, Conservation and Attractions (DBCA) within their Local Government areas.

For over a decade, CWBA Local Pest Management Technicians have undertaken coordinated wild dog control across both private land and selected DBCA managed lands under permit arrangements.

Following a decision of the Yamatji Nation Joint Management Body (JMB) in June 2026, DBCA has advised that these permits will not be extended on the Yamatji Conservation Estate and control activities will cease.

The CWBA Board met with representatives from DBCA on 22 July 2026 to better understand the decision and discuss the future of coordinated wild dog management across the region. Meetings have also been held with the Minister for Agriculture and DPIRD.

This paper summarises the recent decision by DBCA, outlines the issues identified by the Board, and invites ongoing discussion with Local Governments regarding future landscape scale management.

Timeline of key events:

June 2019	CWBA undertakes wild dog control on DBCA managed lands under permit arrangements
August 2023	CWBA meeting with Yamatji JMB in Geraldton
November 2025	CWBA meeting with Yamatji JMB in Three Springs
June 2026	DBCA advises CWBA permits will not be renewed.
21 July 2026	CWBA Chairman meets with Minister for Agriculture to discuss the decision and wild dog management in WA.
22 July 2026	CWBA Board meets with representatives from DBCA to discuss the decision and future management.

Background

Wild dogs remain one of the most significant declared pest issues affecting pastoral and agricultural enterprises throughout the Central Wheatbelt. The CWBA coordinates and delivers a wild dog control for the region focusing on land inside the State Barrier Fence.

Successful management relies upon coordinated control across land tenure boundaries.

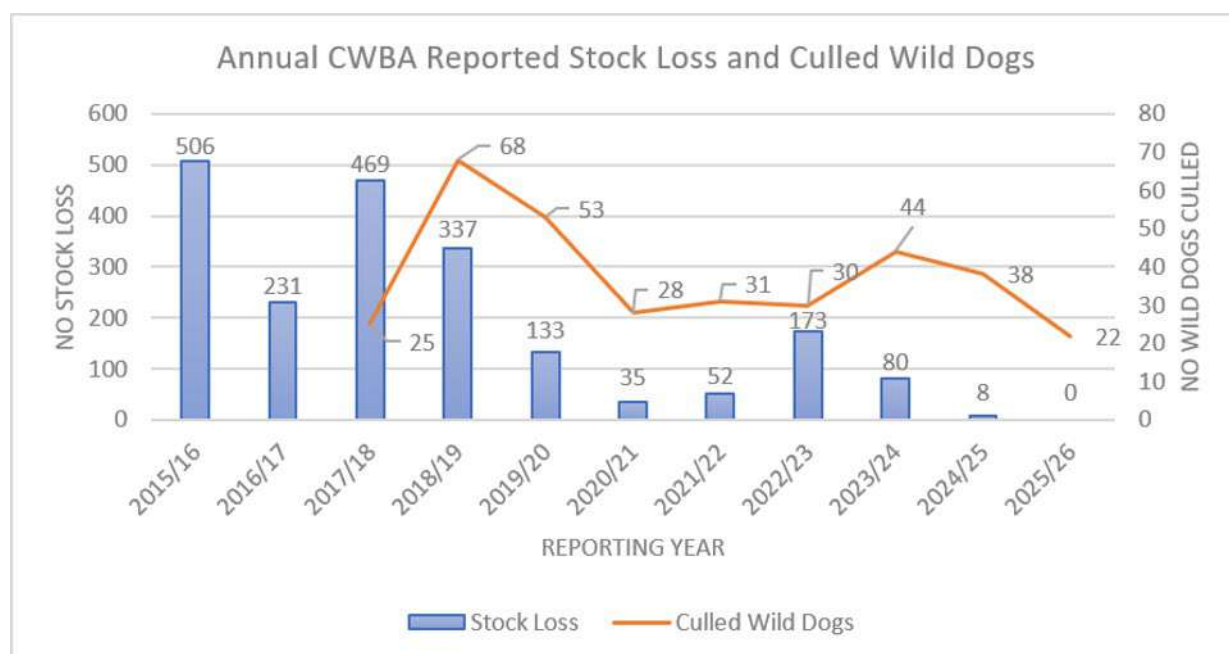
For many years CWBA has undertaken:

- surveillance
- trapping
- baiting
- aerial baiting
- camera monitoring
- coordinated responses with neighbouring landholders

on both private land and DBCA managed lands under permit.

These activities have formed part of an integrated landscape scale management program. Funding to do this is resourced through the raising of a Declared Pest Rate on landholders in each Local Government area and the receiving of funding through the Royalties for Regions funded Wild Dog Action Plan for Western Australia.

Graph 1: CWBA reported stock loss and culled wild dogs 2015 - 2026



Recent Changes

DBCA has advised CWBA that permits issued to Recognised Biosecurity Groups for "Dingo Dog" control within the Yamatji Conservation Estate will not be extended or reissued at present.

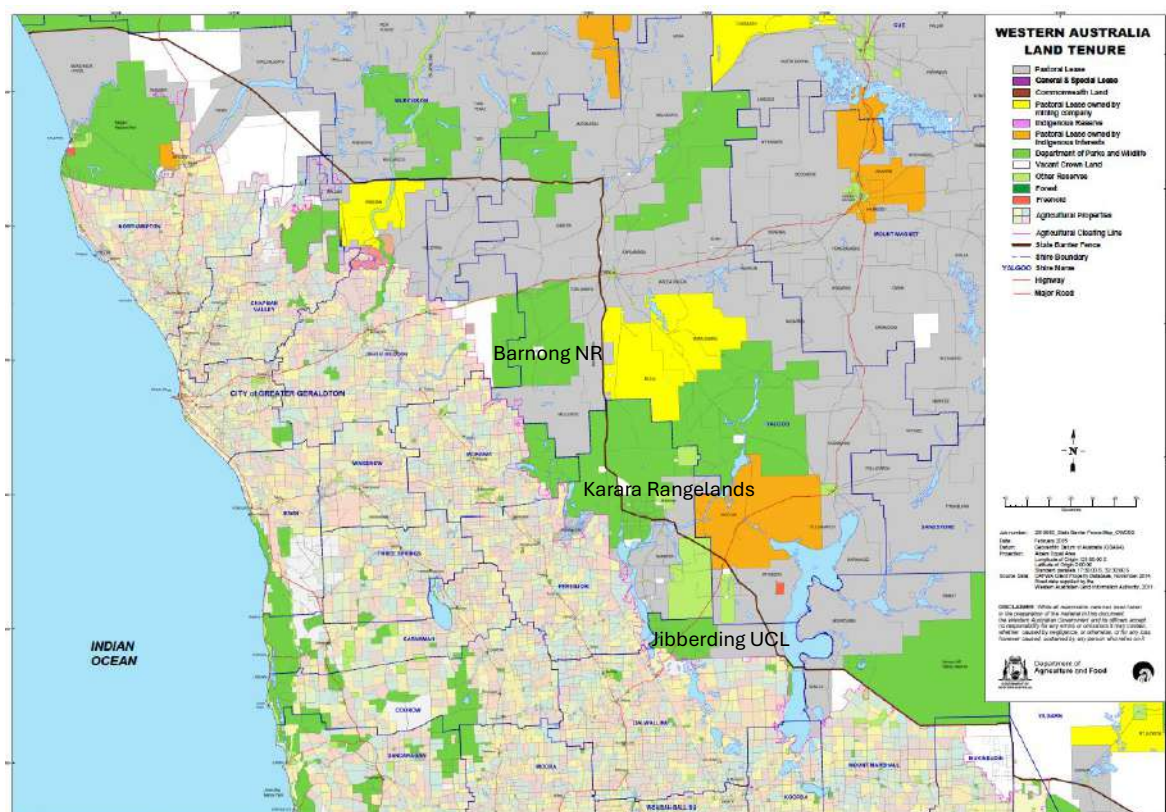
According to DBCA, this decision followed:

- approximately three years of discussion through the Yamatji Nation Joint Management Body; (note the CWBA have concerns about the rigour of this discussion and consultation)
- consultation with Yamatji community representatives;
- consideration of the transition of former Unallocated Crown Land to conservation reserve under the Conservation and Land Management Act 1984; and
- the Joint Management Body's statutory responsibilities for conservation and Aboriginal cultural heritage.

The decision effects more than 340,000 hectares of DBCA managed land within and adjacent to the Shires of Dalwallinu, Morawa and Perenjori inside the State Barrier Fence. This includes Karara Rangelands, Buntine Nature Reserve, Weelhamby Reserve, Bowgada Reserve, Jibberding UCL, Goorly Lakes UCL, Hollywell Road UCL and several Unallocated Crown Land (UCL) timber reserves within the CWBA region, as well as Barnong Nature Reserve and the former Barnong Pastoral Lease in the NBG region, which borders properties in the Shire of Morawa.

DBCA Government managed land in the Shire of Koorda and Dalwallinu has been reissued with 4 permits to continue Wild Dog control activities to 30 June 2029 for the areas known as Lake Moore, Mollerin Nature Reserve, Carlyarn Nature Reserve and Goodlands Nature Reserve.

Map 1: Land tenure identifying key JMB lands



Information Provided by DBCA

DBCA advised that the Joint Management Body considered several matters when making its decision.

These included:

- the significant cultural connection between Yamatji people and Dingoes through "Dingo Dreaming";
- obligations under the Conservation and Land Management Act to protect Aboriginal cultural heritage values;
- current scientific research indicating that many animals within the WA rangelands are genetically pure dingoes;
- the protected status of dingoes under the Biodiversity Conservation Act 2016;
- the ecological role of dingoes within conservation estates;
- community expectations that dingoes should persist in some parts of the landscape; and
- the obligation to manage conservation estate primarily for biodiversity conservation.

The Joint Management Body also distinguished between:

- dingoes, which it considers a protected native species with ecological and cultural significance; and
- wild dogs, being domestic dogs and hybrids, which it considers should be selectively removed from the landscape.

On this basis, the Joint Management Body resolved not to extend licences permitting Recognised Biosecurity Groups to undertake "Dingo Dog" control within the Yamatji Conservation Estate.

DBCA has advised that this decision does not preclude future discussions with Recognised Biosecurity Groups and other stakeholders regarding collaborative management approaches.

Legislative Responsibilities for Declared Pest Management

The Biosecurity and Agriculture Management Act 2007 (BAM Act) establishes the legislative framework for managing declared pests in Western Australia.

Wild dogs (including Dingoes) are declared pests under the BAM Act and are subject to management requirements across the State.

Under the BAM Act:

- Land managers have a responsibility to manage declared pests on land under their control.
- Declared pests are managed to minimise their impact on agriculture, the environment and the wider community.
- Recognised Biosecurity Groups (RBGs) support landholders and government agencies in achieving coordinated, landscape scale pest management outcomes.
- Effective management relies on cooperation between private landholders, State agencies, Local Government and other land managers.

The CWBA Board recognises that DBCA also has obligations under other legislation, including the Conservation and Land Management Act 1984 and the Biodiversity Conservation Act 2016, which require consideration of biodiversity conservation and Aboriginal cultural heritage.

The Board understands that balancing these legislative responsibilities presents a complex management challenge.

However, the Board considers it important to understand how declared pest management obligations under the BAM Act will continue to be met across the Yamatji Conservation Estate while also recognising the conservation and cultural objectives identified by the Joint Management Body going forward. This was one of the key matters discussed during the recent meetings between the CWBA Board, DBCA and DPIRD representatives.

Legislation	Primary Purpose	Relevance
Biosecurity and Agriculture Management Act 2007	Management of declared pests	Requires declared pests, including wild dogs and dingoes where declared, to be effectively managed.
Conservation and Land Management Act 1984	Management of conservation estate	Requires conservation lands to be managed for biodiversity and recognises Aboriginal cultural values through Joint Management.
Biodiversity Conservation Act 2016	Protection of native flora and fauna	Recognises dingoes as a protected native species.
Yamatji Nation Indigenous Land Use Agreement	Joint management of conservation estate	Provides for Traditional Owner involvement in land management decisions through the Joint Management Body.

CWBA Board Discussion

The CWBA Board acknowledges the cultural, conservation and legislative considerations presented by DBCA.

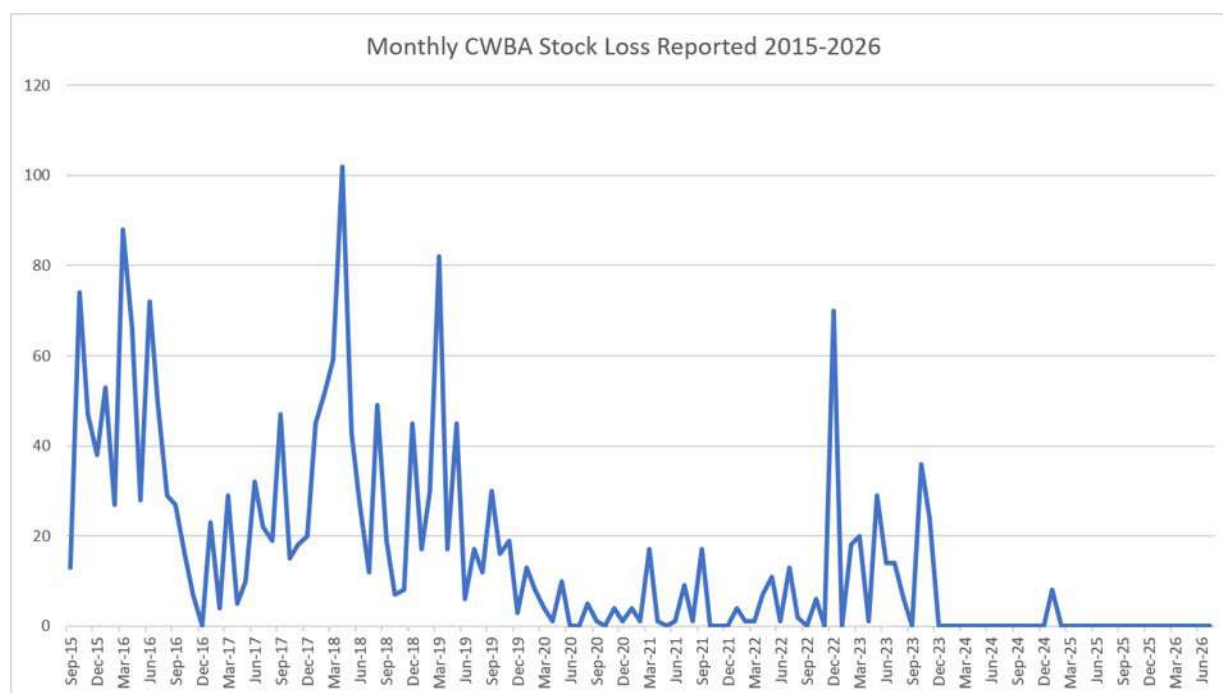
At the same time, Board members expressed concern regarding the practical implications for neighbouring agricultural landholders and landscape scale pest management.

Key discussion points included:

- maintaining effective protection for livestock enterprises;
- ensuring coordinated management across land tenure boundaries;
- preventing reinvasion from unmanaged areas;
- maintaining long standing partnerships between agencies and landholders;
- understanding future operational arrangements; and
- ensuring local knowledge continues to contribute to regional pest management.

For context the stock loss graph below shows the impact and effect of coordinated control programs for wild dog control in the region. The CWBA became a Recognised Biosecurity Group in 2017-2018. Our first permits to undertake control activities on government managed lands were in 2019. In June 2022 our permits were not renewed and control activities ceased. CWBA entered discussions and advocated to DBCA for their reinstatement and they were then reissued in the December 2022. As you can see on the graph below this correlated with an increase in stock attacks in this period and just after.

Graph 2: Reported Stock Losses in CWBA region from 2015-2026



Evidence based management and Camera Monitoring

The absence of reported livestock losses does not necessarily mean the absence of wild dogs in the landscape.

CWBA supports an evidence based approach to wild dog management, where surveillance and monitoring data are used alongside landholder reports, stock losses and control outcomes to inform where and when management activities are undertaken.

As part of this approach, CWBA has worked in partnership with the Department of Primary Industries and Regional Development (DPIRD) using the **eVorta remote camera monitoring network** to improve understanding of wild dog presence and activity across the region.

Remote cameras provide an important additional source of information because they can detect wild dog activity regardless of whether livestock attacks or landholder sightings are occurring. This enables CWBA to identify areas of ongoing activity, monitor changes over time and better understand movement across different land tenures.

Remote cameras provide an important additional source of information because they can detect wild dog activity regardless of whether livestock attacks or landholder sightings are being reported. This assists CWBA to identify areas of activity, monitor changes over time and better understand wild dog presence across the landscape.

The eVorta cameras rely on access to a reliable 4G mobile telecommunications signal to transmit monitoring data. This significantly influences where cameras can be practically deployed and means that large areas of the CWBA operational area, particularly more remote locations and areas with limited mobile coverage, cannot currently be effectively monitored through this network.

Camera locations are therefore influenced by telecommunications coverage as well as operational considerations and are not distributed evenly across the landscape.

Consequently:

- an absence of camera detections in an area should **not** be interpreted as evidence that wild dogs are absent
- areas without cameras or adequate mobile coverage are under represented in the dataset
- the relative number of detections between locations needs to be considered in the context of camera placement and monitoring effort
- the monitoring network does not provide a population estimate or comprehensive distribution map for wild dogs across the region.

The data is therefore best used as one source of evidence within a broader surveillance framework, alongside landholder observations, reported livestock attacks, tracks and other field signs, trapping results and Local Pest Management Technician observations.

What the monitoring data is showing

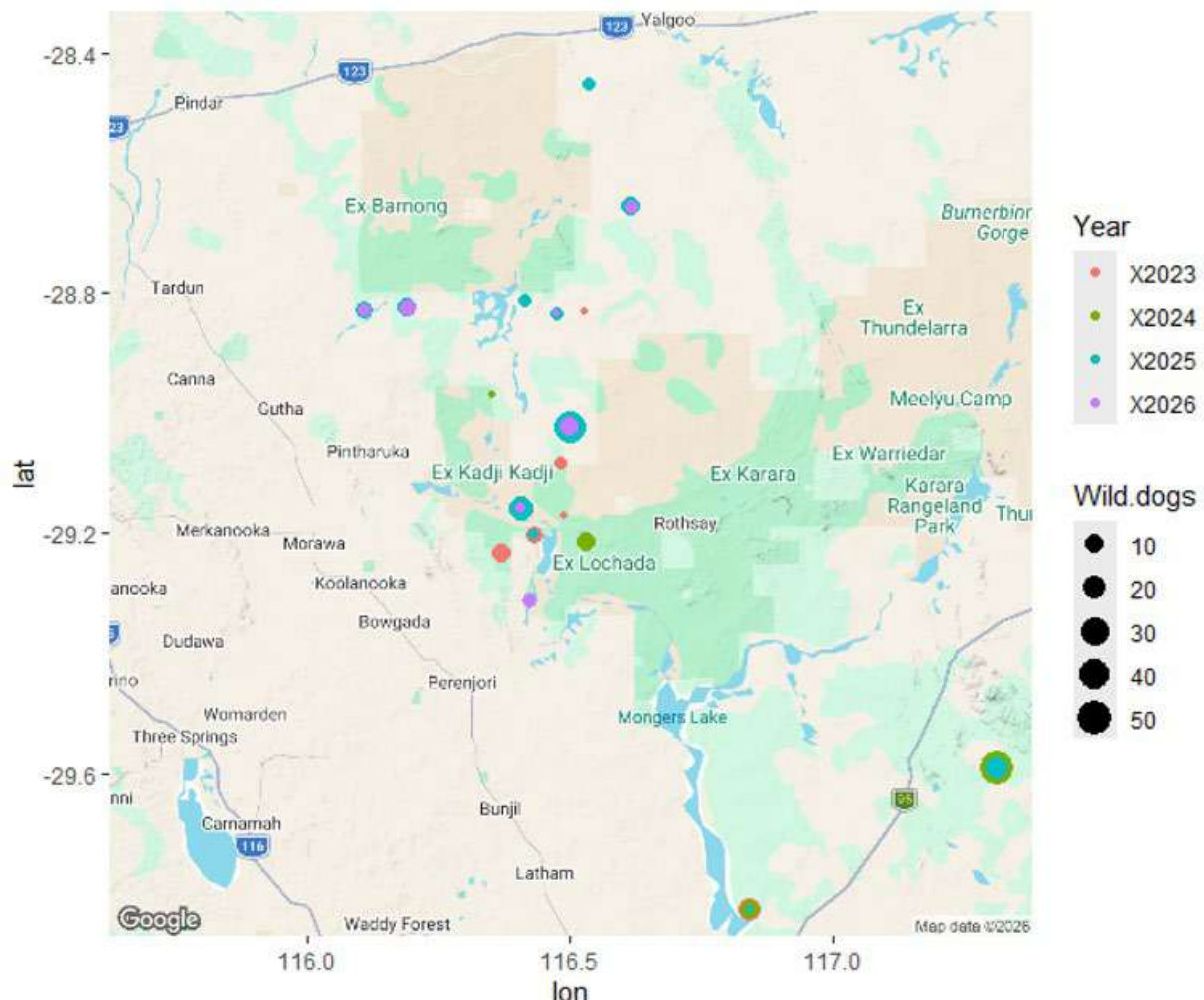
Within these limitations, the eVorta monitoring network provides valuable evidence of wild dog activity at monitored locations.

The accompanying multi year map shows detections recorded during 2023, 2024, 2025 and 2026. The different colours identify the year of detection, while the size of each point provides an indication of the number of wild dogs detected at that monitoring location.

The mapping demonstrates repeated detections at a number of monitored locations and identifies areas where activity has persisted or occurred across multiple years.

Importantly, the map should not be interpreted as showing all locations where wild dogs are present. It shows where wild dogs have been detected by the available camera network.

Map 2: Wild dog camera detections by year, 2023 to 2026



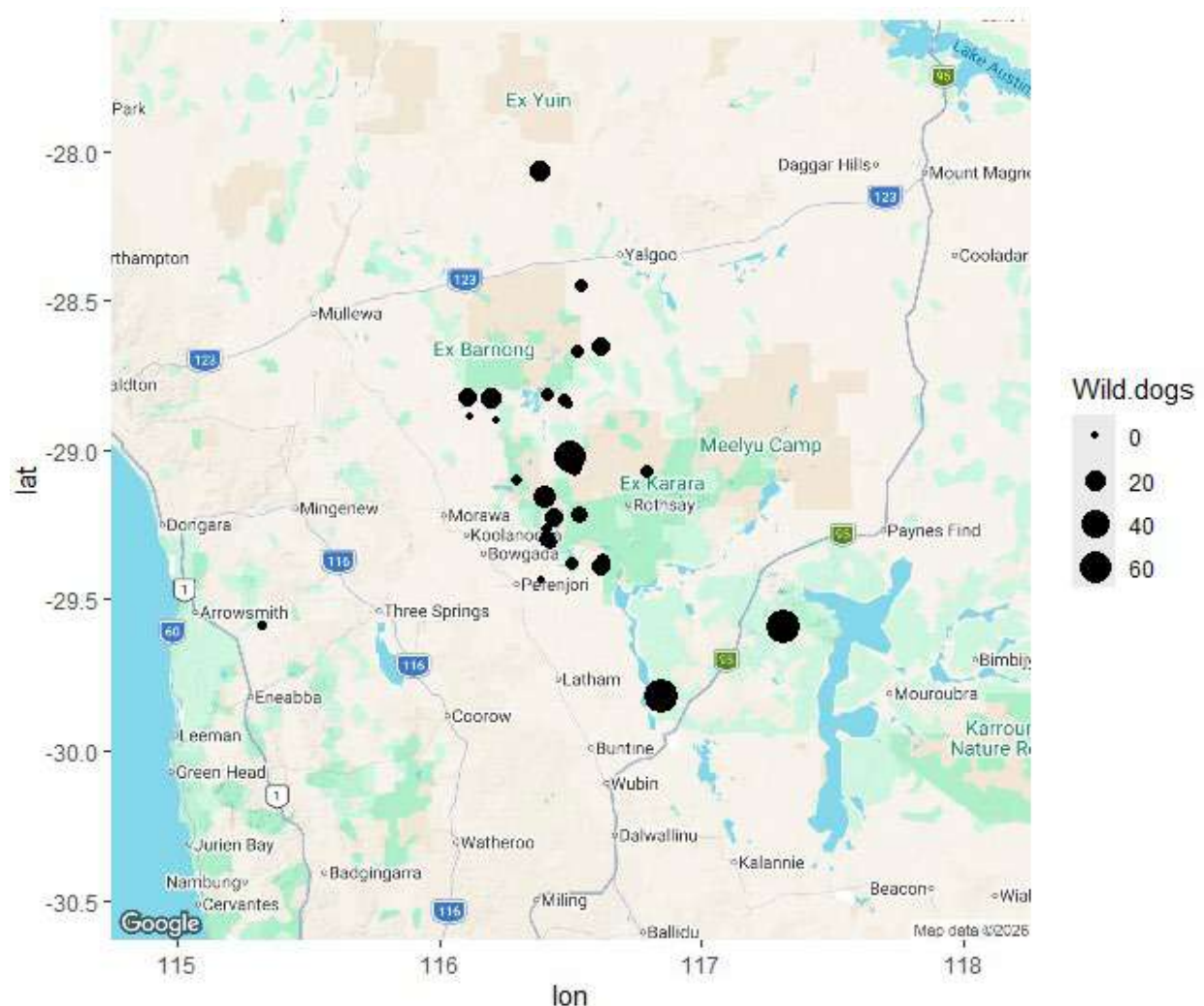
Current Surveillance Snapshot

The current monitoring map provides a further snapshot of the relative number and distribution of detections across monitored locations.

Several locations show comparatively high levels of activity, including areas within the broader landscape surrounding significant government managed land.

However, differences in telecommunications coverage and camera distribution mean direct comparisons between monitored and unmonitored areas should be made cautiously.

Map 3: Current eVorta wild dog monitoring data



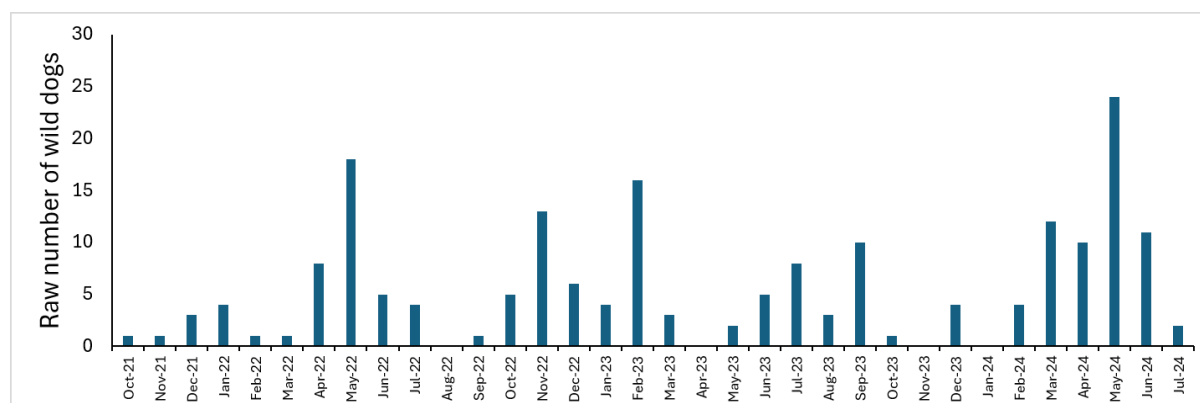
Monitoring Activity Over Time

Historical camera monitoring also demonstrates the value of maintaining surveillance over extended periods.

Monthly detection data between October 2021 and July 2024 shows considerable variation in wild dog detections, including periods of substantially increased activity.

This demonstrates that wild dog activity at monitored locations can fluctuate significantly over time.

Graph 3: Monthly wild dog camera detections, October 2021 to July 2024



Monitoring is One Part of the Evidence Base

The limitations of the camera network reinforce the importance of using **multiple sources of information** when making management decisions.

CWBA considers that future management wild dog management should draw upon:

- eVorta camera detections
- landholder sightings and reports
- livestock attacks and stock losses
- tracks, scats and other field evidence
- trapping and control results
- observations from Local Pest Management Technicians
- historical knowledge of wild dog movement and activity.

When considered together, these sources provide a much stronger evidence base for identifying emerging risks, prioritising management activities and evaluating and deciding the effectiveness of management activities moving forward.

CWBA considers that evidence based management requires both surveillance and the capacity to respond when that surveillance identifies an unacceptable risk. The withdrawal of control permits from 30 June 2026, which has included not permitting monitoring cameras to remain on the affected JMB managed lands, reduces both the Association's ability to monitor wild dog activity and its capacity to respond to that activity.

CWBA believes there is an opportunity to work collaboratively with DBCA, the Yamatji Nation Joint Management Body and DPIRD to establish an agreed monitoring framework for these lands. Such a framework could provide objective data on wild dog activity, establish agreed thresholds or triggers for management intervention, and provide greater transparency regarding the effectiveness of future management arrangements.

Matters Requiring Further Clarification

While the Joint Management Body decision provides context, several operational questions remain.

These include:

- How will declared pest obligations under the BAM Act be met on the affected DBCA managed land and conservation estate?
- What operational arrangements will be implemented to manage declared wild dogs where they threaten neighbouring agricultural land?
- How will DBCA determine when management intervention is required?
- What monitoring and reporting framework will be used to demonstrate that declared pest responsibilities are being met?
- How will neighbouring landholders and Recognised Biosecurity Groups be engaged where cross boundary impacts occur?
- Given that CWBA's existing camera monitoring access has also ceased, what surveillance and monitoring will DBCA and the JMB undertake on the affected lands, how will this information be reported, and is there an opportunity for CWBA and DPIRD to continue participating in a collaborative monitoring program?

These matters formed part of discussions between the CWBA Board and agency representatives.

Implications for Local Government

Local Governments have a strong interest in effective regional biosecurity.

Potential implications include impacts on:

- livestock production
- agricultural confidence
- regional economic activity
- the environment and biodiversity
- human and community safety
- effective use of Declared Pest Rate funding
- community expectations regarding biosecurity
- maintaining collaborative regional partnerships.

CWBA Position

CWBA respects the statutory responsibilities of the Joint Management Body together with the cultural and conservation values recognised through the Yamatji Native Title Agreement.

The Association also recognises the importance of protecting agricultural industries, community and human safety and maintaining effective landscape scale biosecurity outcomes.

CWBA believes these objectives are not mutually exclusive.

The Association remains committed to working collaboratively with:

- Yamatji Nation representatives
- DBCA
- DPIRD
- Local Governments
- neighbouring landholders
- pastoralists
- other Recognised Biosecurity Groups

to develop practical management arrangements that respect cultural values while maintaining effective protection for agriculture and community and human safety.

Opportunities Moving Forward

The Board considers there is an opportunity to build a collaborative management model that:

- respects cultural values;
- protects biodiversity;
- protects agricultural enterprises;
- protect community and human safety;
- supports evidence-based management; and

maintains landscape scale coordination across all land tenures.

We have formed a position that it is not acceptable to do no control activities on government managed lands (regardless of tenure/management arrangements) for wild dog/dingo control inside the State Barrier Fence. We ask that there is support for:

1. Targeted management programs to resume with permits being issued to CWBA; and/or,
2. The implementation of agreed buffer control options on government managed lands; or
3. The erection of exclusion fencing to fence government managed lands if there are no active management programs for wild dog/dingo control occurring.

Discussion with Local Governments

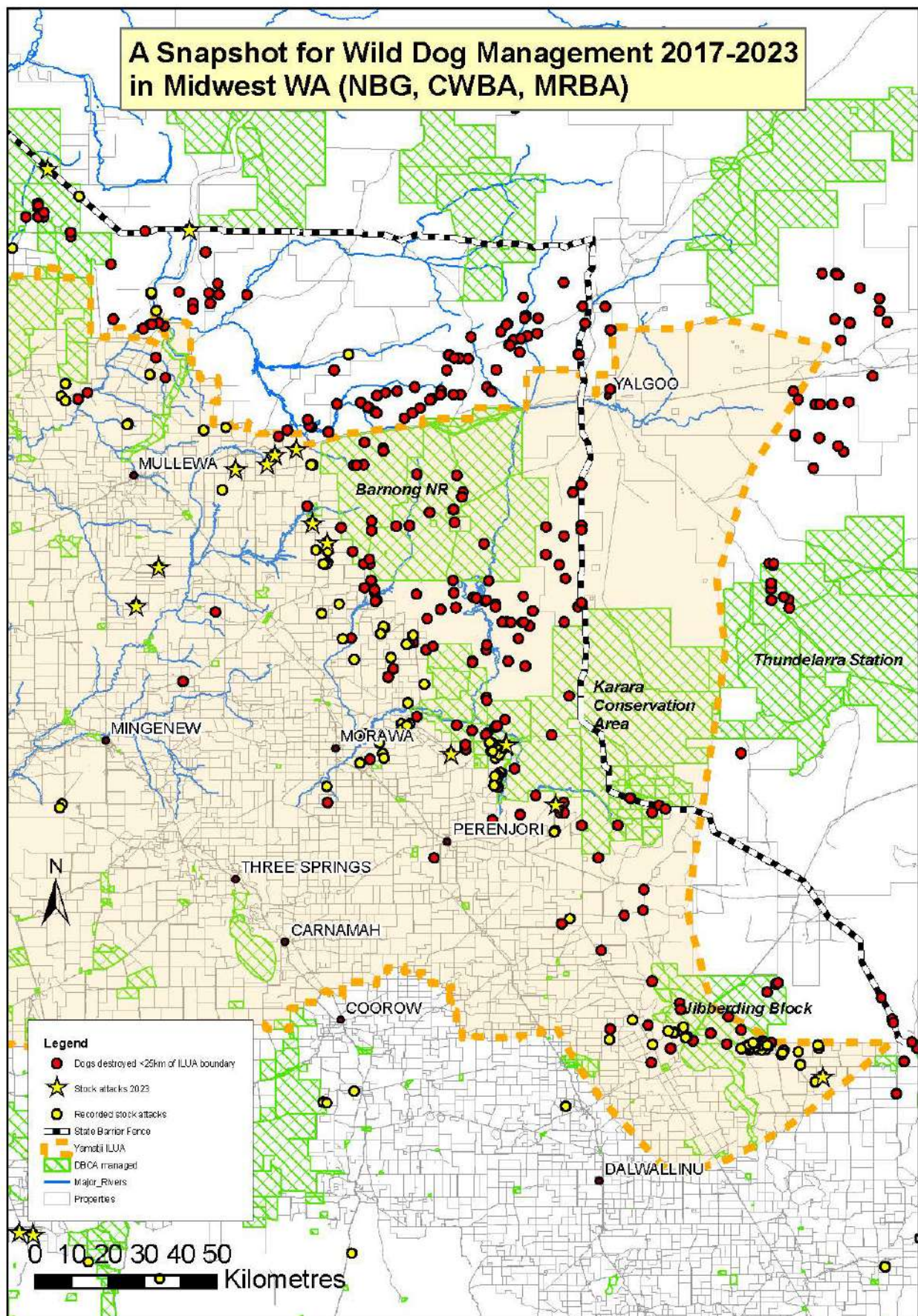
CWBA welcomes discussion with member Local Governments regarding:

- potential impacts on local communities;
- issues being raised by landholders;
- opportunities for advocacy;
- future collaboration with State agencies; and
- maintaining effective regional biosecurity outcomes.

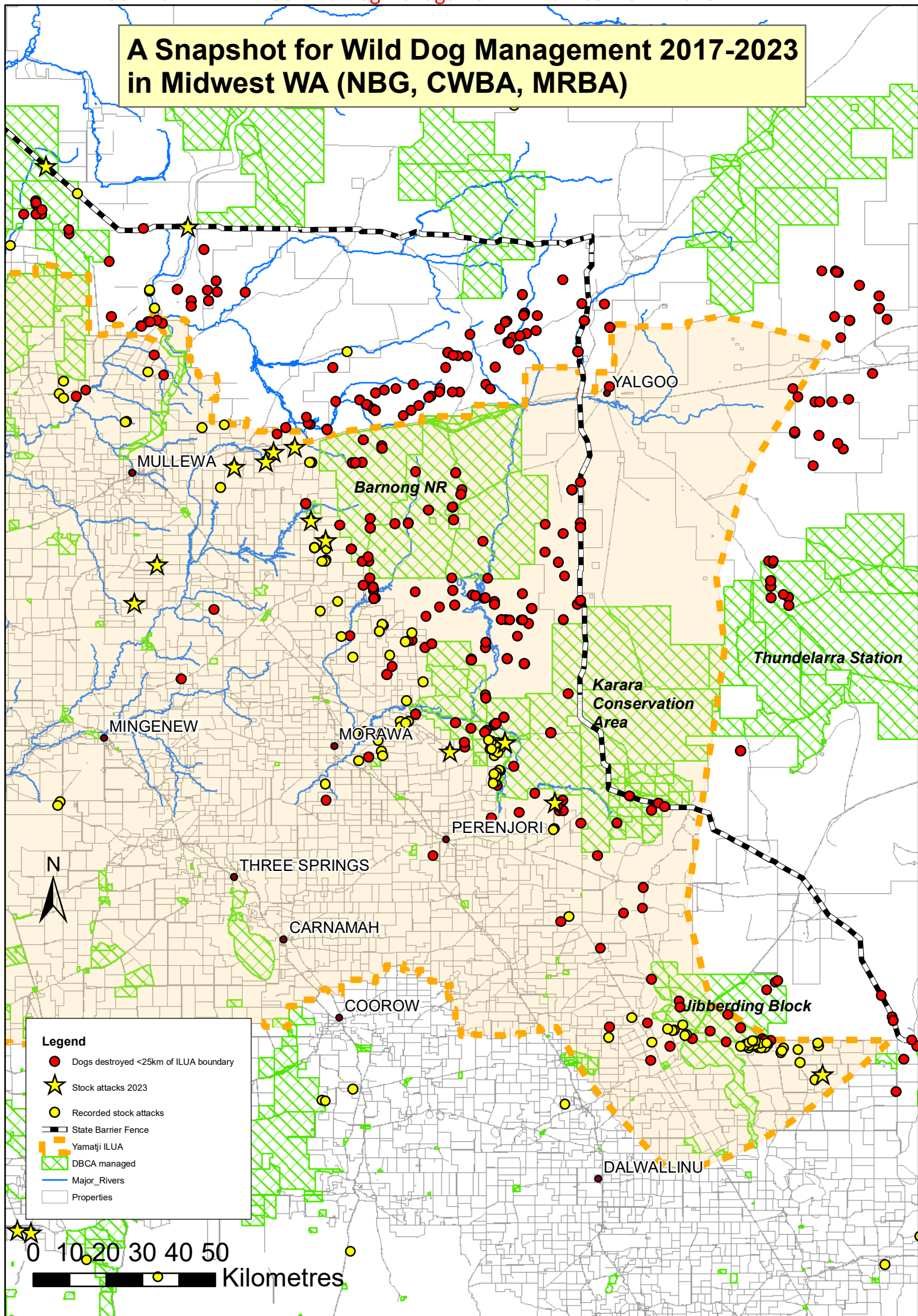
CWBA Board Contact Details

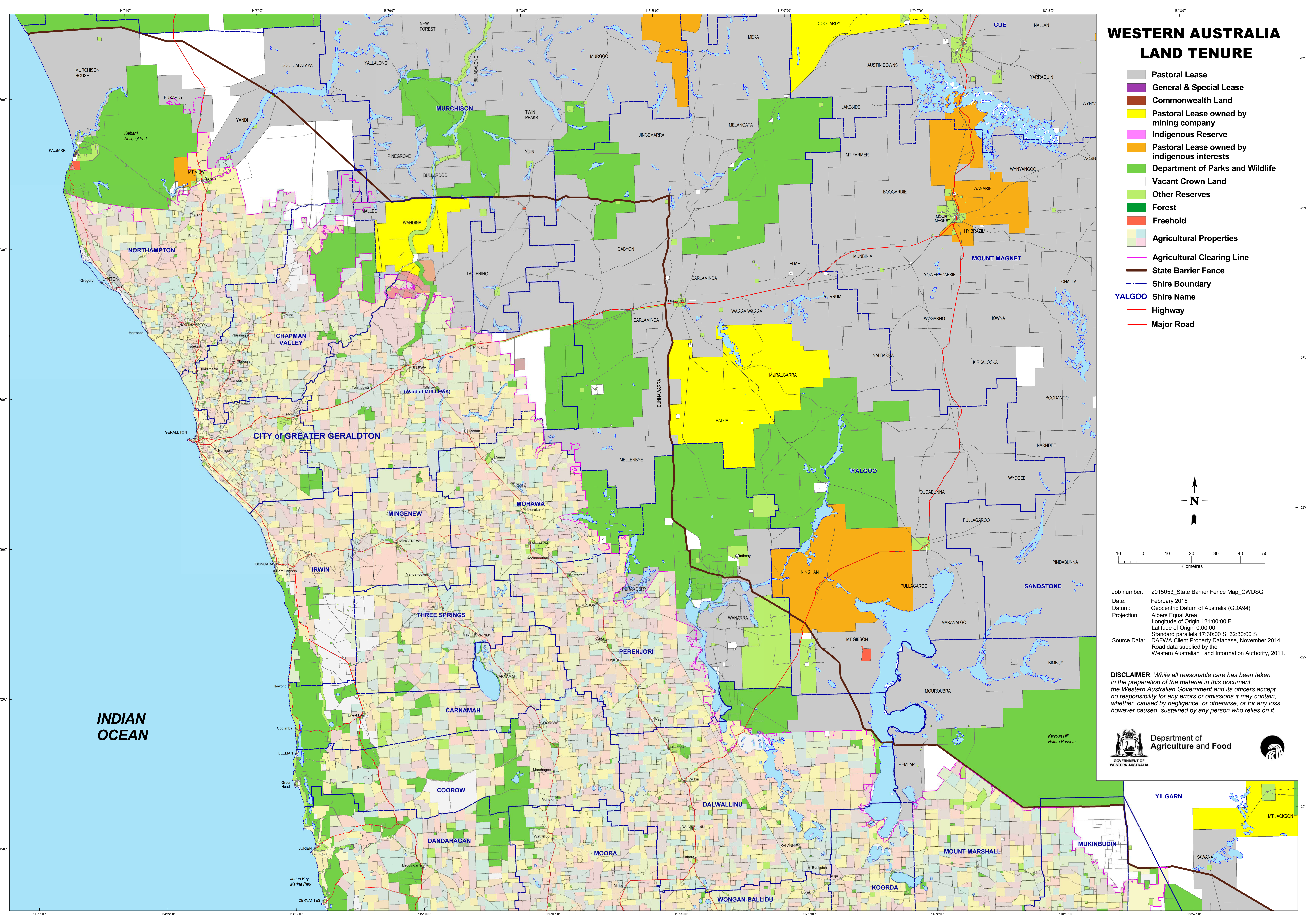
Member	LG Area Board Member	Contact
Chris Patmore Chairman	Perenjori & Morawa	c.patmore@bigpond.com 0427 552 018
Peter North Deputy Chairman	Morawa	northpete@hotmail.com 0428 717 040
Linda Vernon Executive Officer		eocwba@outlook.com 0473 163 050
Doug Cail	Dalwallinu	0439 671 006
Ashley Sanderson	Dalwallinu	0459 663 008
Don Nankivell	Dalwallinu	0427 960 009
Mark Sutton	Koorda	0428 844 034
Carl Fuchsbichler	Koorda	0429 651 081
Brad Collins	Morawa	0428 150 208
Carl Forward	Morawa	0427 275 018

Appendices 1: Map of Midwest Wild Dog Management 2017-2023



A Snapshot for Wild Dog Management 2017-2023 in Midwest WA (NBG, CWBA, MRBA)





Ordinary Council Meeting 29 September 2026

Attachment 1 – 11.2.1a Monthly Financial Report as at 31 July 2026.

Item 11.2.1 – Monthly Financial Report – July 2026

SHIRE OF MORAWA

MONTHLY FINANCIAL REPORT
(Containing the Statement of Financial Activity)
For the Period Ended 31 July 2026

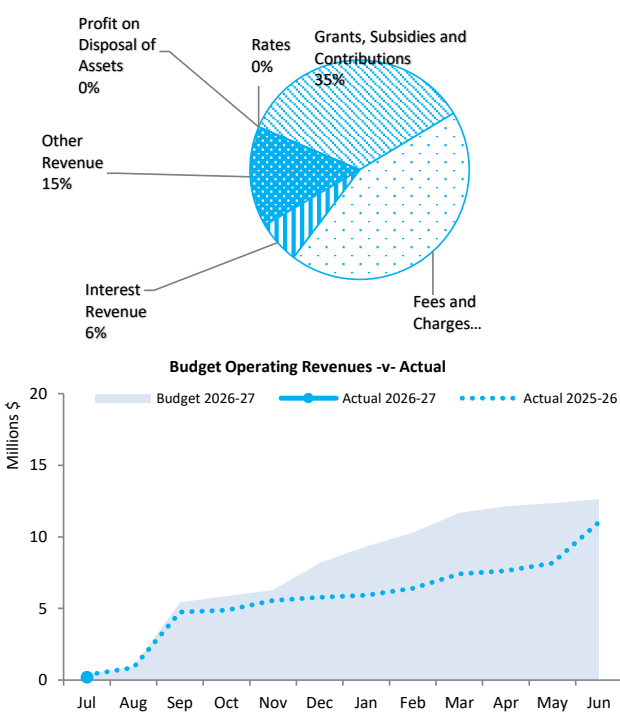
LOCAL GOVERNMENT ACT 1995
LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) REGULATIONS 1996

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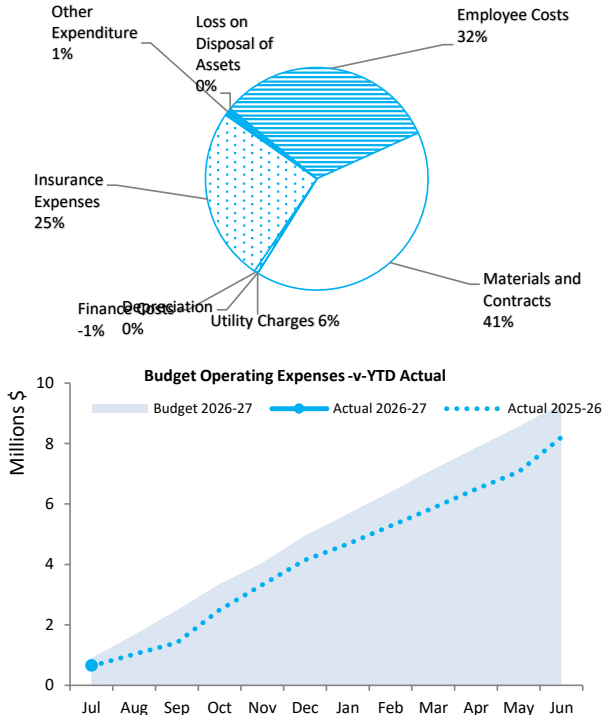
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OPERATING ACTIVITIES

OPERATING REVENUE

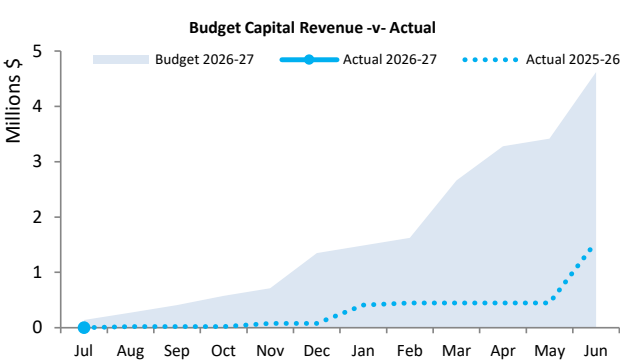


OPERATING EXPENSES

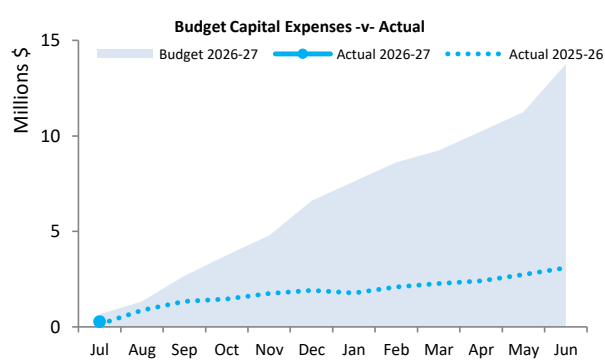


INVESTING ACTIVITIES

CAPITAL REVENUE

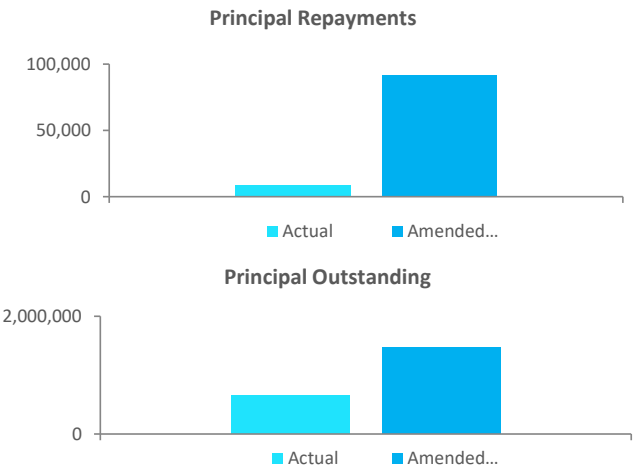


CAPITAL EXPENSES

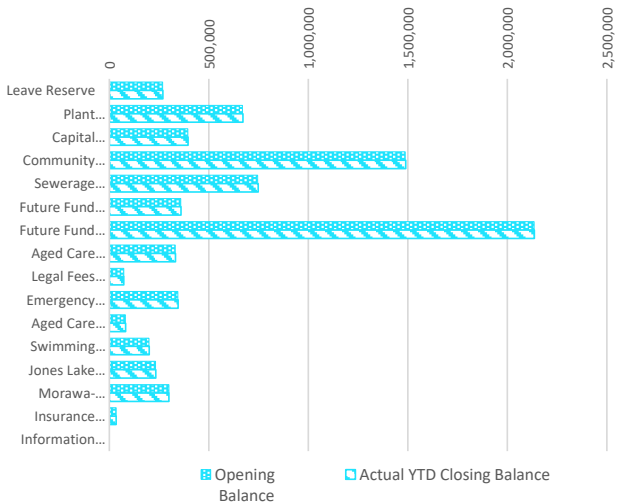


FINANCING ACTIVITIES

BORROWINGS



RESERVES



This information is to be read in conjunction with the accompanying Financial Statements and Notes.

Funding surplus / (deficit) Components

	Funding surplus / (deficit)			
	Amended Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)
Opening	\$4.28 M	\$4.28 M	\$4.33 M	\$0.05 M
Closing	\$0.00 M	\$3.46 M	\$3.56 M	\$0.11 M

Refer to Statement of Financial Activity

Cash and cash equivalents			Payables			Receivables		
	\$11.92 M	% of total		\$0.51 M	% Outstanding		\$0.64 M	% Collected
Unrestricted Cash	\$4.25 M	35.6%	Trade Payables	\$0.37 M		Rates Receivable	\$0.61 M	0.9%
Restricted Cash	\$7.67 M	64.4%	0 to 30 Days		99.8%	Trade Receivable	\$0.03 M	% Outstanding
			30 to 90 Days		0.2%	30 to 90 Days		46.7%
			Over 90 Days		0%	Over 90 Days		6.2%

Refer to Note 2 - Cash and Financial Assets

Refer to Note 5 - Payables

Refer to Note 3 - Receivables

Key Operating Activities

Amount attributable to operating activities			
Amended Budget	YTD Budget (a)		Var. \$ (b)-(a)
(\$0.79 M)	(\$0.42 M)	(\$0.46 M)	(\$0.04 M)

Refer to Statement of Financial Activity

Rates Revenue			Grants and Contributions			Fees and Charges		
YTD Actual	(\$0.00 M)	% Variance	YTD Actual	\$0.07 M	% Variance	YTD Actual	\$0.09 M	% Variance
YTD Budget	(\$0.00 M)	(99.7%)	YTD Budget	\$0.16 M	(55.0%)	YTD Budget	\$0.10 M	(7.9%)

Refer to Note 6 - Rate Revenue

Refer to Note 13 - Operating Grants and Contributions

Refer to Statement of Financial Activity

Key Investing Activities

Amount attributable to investing activities			
Amended Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)
(\$12.97 M)	(\$0.66 M)	(\$0.28 M)	\$0.37 M

Refer to Statement of Financial Activity

Proceeds on sale			Asset Acquisition			Capital Grants		
YTD Actual	\$0.00 M	%	YTD Actual	\$0.28 M	% Spent	YTD Actual	\$0.00 M	% Received
Amended Budget	\$0.76 M	(100.0%)	Amended Budget	\$12.97 M	0.0%	Amended Budget	\$6.54 M	(100.0%)

Refer to Note 7 - Disposal of Assets

Refer to Note 8 - Capital Acquisitions

Refer to Note 8 - Capital Acquisitions

Key Financing Activities

Amount attributable to financing activities			
Amended Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)
\$2.16 M	\$0.08 M	(\$0.03 M)	(\$0.10 M)

Refer to Statement of Financial Activity

Borrowings			Reserves			Lease Liability		
Principal repayments	\$0.01 M		Reserves balance	\$7.67 M		Principal repayments	\$0.00 M	
Interest expense	(\$0.00 M)		Interest earned	\$0.02 M		Interest expense	\$0.00 M	
Principal due	\$0.66 M					Principal due	\$0.00 M	

Refer to Note 9 - Borrowings

Refer to Note 11 - Cash Reserves

Refer to Note 10 - Lease Liabilities

This information is to be read in conjunction with the accompanying Financial Statements and notes.

KEY TERMS AND DESCRIPTIONS FOR THE PERIOD ENDED 31 JULY 2026

REVENUE

RATES

All rates levied under the *Local Government Act 1995*. Includes general, differential, specified area rates, minimum rates, interim rates, back rates, ex-gratia rates, less discounts and concessions offered. Exclude administration fees, interest on instalments, interest on arrears, service charges and sewerage rates.

GRANTS, SUBSIDIES AND CONTRIBUTIONS

Refers to all amounts received as grants, subsidies and contributions that are not non-operating grants.

CAPITAL GRANTS, SUBSIDIES AND CONTRIBUTIONS

Amounts received specifically for the acquisition, construction of new or the upgrading of identifiable non financial assets paid to a local government, irrespective of whether these amounts are received as capital grants, subsidies, contributions or donations.

REVENUE FROM CONTRACTS WITH CUSTOMERS

Revenue from contracts with customers is recognised when the local government satisfies its performance obligations under the contract.

FEES AND CHARGES

Revenues (other than service charges) from the use of facilities and charges made for local government services, sewerage rates, rentals, hire charges, fee for service, photocopying charges, licences, sale of goods or information, fines, penalties and administration fees. Local governments may wish to disclose more detail such as rubbish collection fees, rental of property, fines and penalties, other fees and charges.

SERVICE CHARGES

Service charges imposed under *Division 6 of Part 6 of the Local Government Act 1995*. *Regulation 54 of the Local Government (Financial Management) Regulations 1996* identifies these as television and radio broadcasting, underground electricity and neighbourhood surveillance services. Exclude rubbish removal charges. Interest and other items of a similar nature received from bank and investment accounts, interest on rate instalments, interest on rate arrears and interest on debtors.

INTEREST REVENUE

Interest and other items of a similar nature received from bank and investment accounts, interest on rate instalments, interest on rate arrears and interest on debtors.

OTHER REVENUE / INCOME

Other revenue, which can not be classified under the above headings, includes dividends, discounts, rebates etc.

PROFIT ON ASSET DISPOSAL

Excess of assets received over the net book value for assets on their disposal.

NATURE DESCRIPTIONS

EXPENSES

EMPLOYEE COSTS

All costs associate with the employment of person such as salaries, wages, allowances, benefits such as vehicle and housing, superannuation, employment expenses, removal expenses, relocation expenses, worker's compensation insurance, training costs, conferences, safety expenses, medical examinations, fringe benefit tax, etc.

MATERIALS AND CONTRACTS

All expenditures on materials, supplies and contracts not classified under other headings. These include supply of goods and materials, legal expenses, consultancy, maintenance agreements, communication expenses, advertising expenses, membership, periodicals, publications, hire expenses, rental, leases, postage and freight etc. Local governments may wish to disclose more detail such as contract services, consultancy, information technology, rental or lease expenditures.

UTILITIES (GAS, ELECTRICITY, WATER, ETC.)

Expenditures made to the respective agencies for the provision of power, gas or water. Exclude expenditures incurred for the reinstatement of roadwork on behalf of these agencies.

INSURANCE

All insurance other than worker's compensation and health benefit insurance included as a cost of employment.

LOSS ON ASSET DISPOSAL

Shortfall between the value of assets received over the net book value for assets on their disposal.

DEPRECIATION

Depreciation expense raised on all classes of assets.

FINANCE COSTS

Interest and other costs of finance paid, including costs of finance for loan debentures, overdraft accommodation and refinancing expenses.

OTHER EXPENDITURE

Statutory fees, taxes, allowance for impairment of assets, member's fees or State taxes. Donations and subsidies made to community groups.

**STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 JULY 2026**

BY NATURE

	Ref	Adopted Annual Budget	Amended Annual Budget	YTD Budget	YTD Actual	Variance \$	Variance %	Var.
	Note	(a)	(d)	(b)	(c)	(c)-(b)	(c)-(b)/(b)	▲▼
		\$	\$	\$	\$	\$	%	
OPERATING ACTIVITIES								
Revenue from operating activities								
General rates	6	3,337,797	3,337,797	0	0	0	0.00%	
Rates excluding general rates	6	2,780	2,780	(833)	(2)	831	(99.73%)	
Grants, subsidies and contributions	13	1,080,815	1,080,815	156,529	70,446	(86,083)	(54.99%)	▼
Fees and charges		1,054,047	1,054,047	96,034	88,439	(7,595)	(7.91%)	
Service charges		0	0	0	0	0	0.00%	
Interest revenue		353,781	353,781	28,102	12,651	(15,451)	(54.98%)	
Other revenue		127,139	127,139	10,196	29,817	19,621	192.44%	
Profit on disposal of assets	7	132,834	132,834	8,726	0	(8,726)	(100.00%)	
Gain on FV Adjustment of Financial Assets through P&L		0	0	0	0	0	0.00%	
		6,089,193	6,089,193	298,754	201,351	(97,403)		
Expenditure from operating activities								
Employee costs		(2,925,585)	(2,925,585)	(313,421)	(215,378)	98,043	31.28%	▲
Materials and contracts		(2,861,147)	(2,861,147)	(233,446)	(270,190)	(36,744)	(15.74%)	
Utility charges		(412,280)	(412,280)	(35,399)	(255)	35,144	99.28%	
Depreciation		(2,436,313)	(2,436,313)	(203,015)	0	203,015	100.00%	▲
Finance costs		(61,988)	(61,988)	(5,164)	3,454	8,618	166.89%	
Insurance expenses		(254,237)	(254,237)	(99,490)	(167,969)	(68,479)	(68.83%)	▼
Other expenditure		(215,453)	(215,453)	(7,380)	(7,373)	7	0.10%	
Loss on disposal of assets	7	(144,528)	(144,528)	(6,510)	0	6,510	100.00%	
		(9,311,530)	(9,311,530)	(903,825)	(657,710)	246,115		
Non-cash amounts excluded from operating activities	1(a)	2,436,691	2,436,691	189,483	971	(188,512)	(99.49%)	▼
Amount attributable to operating activities		(785,646)	(785,646)	(415,588)	(455,387)	(39,799)		
INVESTING ACTIVITIES								
Inflows from investing activities								
Proceeds from capital grants, subsidies and contributions	14	6,540,051	6,540,051	124,836	0	(124,836)	(100.00%)	▼
Proceeds from disposal of assets	7	763,000	763,000	48,749	0	(48,749)	(100.00%)	▼
Proceeds from financial assets at amortised cost - self supporting loans	9	9,079	9,079	0	0	0	0.00%	
		7,312,130	7,312,130	173,585	0	(173,585)		
Outflows from investing activities								
Payments for financial assets at amortised cost - self supporting loans	9	0	0	0	0	0	0.00%	
Payments for infrastructure	8	(3,285,453)	(3,285,453)	(15,833)	(2,936)	12,897	(81.46%)	
Payments for property, plant and equipment	8	(9,682,186)	(9,682,186)	(639,380)	(279,843)	359,537	(56.23%)	▲
		(12,967,639)	(12,967,639)	(655,213)	(282,779)	25,264		
Non-cash amounts excluded from investing activities	1(b)	0	0	0	0	0	0.00%	
Amount attributable to investing activities		(5,655,509)	(5,655,509)	(481,628)	(282,779)	198,849		
FINANCING ACTIVITIES								
Inflows from financing activities								
Proceeds from new borrowings	9	900,000	900,000	0	0	0	0.00%	
Transfer from reserves	11	2,956,705	2,956,705	87,838	0	(87,838)	(100.00%)	▼
		3,856,705	3,856,705	87,838	0	(87,838)		
Outflows from financing activities								
Repayment of borrowings	9	(91,562)	(91,562)	(4,763)	(8,584)	(3,821)	(80.22%)	
Payments for principal portion of lease liabilities	10	0	0	0	0	0	0.00%	
Transfer to reserves	11	(1,604,362)	(1,604,362)	(8,046)	(18,898)	(10,852)	(134.87%)	
		(1,695,924)	(1,695,924)	(12,809)	(27,482)	(14,673)		
Amount attributable to financing activities		2,160,781	2,160,781	75,029	(27,482)	(102,511)		
MOVEMENT IN SURPLUS OR DEFICIT								
Surplus or deficit at the start of the financial year	1(c)	4,280,375	4,280,375	4,280,375	4,329,624	49,249	1.15%	
Amount attributable to operating activities		(785,646)	(785,646)	(415,588)	(455,387)	(39,799)	9.58%	
Amount attributable to investing activities		(5,655,509)	(5,655,509)	(481,628)	(282,779)	198,849	(41.29%)	
Amount attributable to financing activities		2,160,781	2,160,781	75,029	(27,482)	(102,511)	(136.63%)	
Surplus or deficit after imposition of general rates	1(c)	1	1	3,458,188	3,563,976			

KEY INFORMATION

▲ ▼ Indicates a variance between Year to Date (YTD) Actual and YTD Actual data as per the adopted materiality threshold.

Refer to Note 16 for an explanation of the reasons for the variance.

This statement is to be read in conjunction with the accompanying Financial Statements and Notes.

STATEMENT OF FINANCIAL POSITION
FOR THE PERIOD ENDED 31 JULY 2026

	30 Jun 2026	31 Jul 2026
	\$	\$
CURRENT ASSETS		
Cash and cash equivalents	12,615,448.90	11,919,699.53
Trade and other receivables	545,718.10	579,063.54
Other financial assets	9,078.82	9,078.82
Inventories	13,214.40	13,214.40
Contract assets	82,540.33	82,540.33
Other assets	69,109.17	(901.56)
TOTAL CURRENT ASSETS	13,335,109.72	12,602,695.06
NON-CURRENT ASSETS		
Trade and other receivables	61,920.66	61,920.66
Other financial assets	222,304.62	222,304.62
Property, plant and equipment	30,780,436.97	31,060,279.76
Infrastructure	63,759,534.69	63,762,470.58
TOTAL NON-CURRENT ASSETS	94,824,196.94	95,106,975.62
TOTAL ASSETS	108,159,306.66	107,709,670.68
CURRENT LIABILITIES		
Trade and other payables	495,709.10	510,915.71
Other liabilities	922,437.75	922,537.75
Borrowings	57,190.67	48,607.00
Employee related provisions	194,416.99	194,416.99
TOTAL CURRENT LIABILITIES	1,669,754.51	1,676,477.45
NON-CURRENT LIABILITIES		
Borrowings	610,057.67	610,057.67
Employee related provisions	41,422.39	41,422.39
TOTAL NON-CURRENT LIABILITIES	651,480.06	651,480.06
TOTAL LIABILITIES	2,321,234.57	2,327,957.51
NET ASSETS	105,838,072.09	105,381,713.17
EQUITY		
Retained surplus	41,889,734.20	41,414,477.35
Reserve accounts	7,652,058.93	7,670,956.86
Revaluation surplus	56,296,278.96	56,296,278.96
TOTAL EQUITY	105,838,072.09	105,381,713.17

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

BASIS OF PREPARATION

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

The *Local Government Act 1995* and accompanying Regulations take precedence over Australian Accounting Standards where they are inconsistent.

The *Local Government (Financial Management) Regulations 1996* specify that vested land is a right-of-use asset to be measured at cost. All right-of-use assets (other than vested improvements) under zero cost concessionary leases are measured at zero cost rather than at fair value. The exception is vested improvements on concessionary land leases such as roads, buildings or other infrastructure which continue to be reported at fair value, as opposed to the vested land which is measured at zero cost. The measurement of vested improvements at fair value is a departure from AASB 16 which would have required the Shire to measure any vested improvements at zero cost.

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

THE LOCAL GOVERNMENT REPORTING ENTITY

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

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

All monies held in the Trust Fund are excluded from the financial statements. A separate statement of those monies appears at Note 15 to these financial statements.

SIGNIFICANT ACCOUNTING POLICES

CRITICAL ACCOUNTING ESTIMATES

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

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

GOODS AND SERVICES TAX

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). Receivables and payables are stated inclusive of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with receivables or payables in the statement of financial position. Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows.

ROUNDING OFF FIGURES

All figures shown in this statement are rounded to the nearest dollar.

PREPARATION TIMING AND REVIEW

Date prepared: All known transactions up to 31 July 2026

(a) Non-cash items excluded from operating activities

The following non-cash revenue and expenditure has been excluded from operating activities within the Statement of Financial Activity in accordance with Financial Management Regulation 32.

	Notes	Adopted Budget	Amended Budget	YTD Budget (a)	YTD Actual (b)
Non-cash items excluded from operating activities					
		\$	\$	\$	\$
Adjustments to operating activities					
Less: Profit on asset disposals	7	(132,834)	(132,834)	(8,726)	0
Less: Movement in liabilities associated with restricted cash		(11,316)	(11,316)	(11,316)	971
Add: Loss on asset disposals	7	144,528	144,528	6,510	0
Add: Depreciation on assets		2,436,313	2,436,313	203,015	0
Total non-cash items excluded from operating activities		2,436,691	2,436,691	189,483	971

(b) Adjustments to net current assets in the Statement of Financial Activity

The following current assets and liabilities have been excluded from the net current assets used in the Statement of Financial Activity in accordance with *Financial Management Regulation 32*.

		Last Year Closing 30 June 2026	This Time Last Year 31 Jul 2025	Year to Date 31 Jul 2026
Adjustments to net current assets				
Less: Reserves - restricted cash	11	(7,652,059)	(7,758,045)	(7,670,957)
Less: - Financial assets at amortised cost - self supporting loans	4	(9,079)	0	(9,079)
Add Back: Component of Leave Liability not Required to be Funded	12	268,215	258,873	269,187
Add: Borrowings	9	57,191	29,841	48,607
Total adjustments to net current assets		(7,335,732)	(7,469,330)	(7,362,242)

(c) Net current assets used in the Statement of Financial Activity

Current assets				
Cash and cash equivalents	2	12,613,924	9,536,545	10,318,174
Financial assets at amortised cost	2	0	0	1,600,000
Rates receivables	3	553,636	558,897	548,187
Receivables	3	(7,918)	850,194	30,877
Other current assets	4	173,943	128,391	103,932
Less: Current liabilities				
Payables	5	(494,334)	(1,155,220)	(509,641)
Borrowings	9	(57,191)	(29,841)	(48,607)
Contract and Capital Grant/Contribution liabilities	12	(922,288)	(512,050)	(922,288)
Provisions	12	(194,417)	(194,417)	(194,417)
Less: Total adjustments to net current assets	1(b)	(7,335,732)	(7,469,330)	(7,362,242)
Closing funding surplus / (deficit)		4,329,624	1,713,169	3,563,976

CURRENT AND NON-CURRENT CLASSIFICATION

In the determination of whether an asset or liability is current or non-current, consideration is given to the time when each asset or liability is expected to be settled. Unless otherwise stated assets or liabilities are classified as at current if expected to be settled within the next 12 months, being the Council's operational cycle.

Liabilities under transfers to acquire or construct non-financial assets to be controlled by the entity

Description	Classification	Unrestricted	Restricted	Total Cash	Trust	Institution	Interest Rate	Maturity Date
		\$	\$	\$	\$			
Cash on hand								
Cash On Hand	Cash and cash equivalents	400		400			NIL	On Hand
At Call Deposits								
Muni Bank Trading - NAB (Current)	Cash and cash equivalents	3,057,383		3,057,383		NAB	0.00%	At Call
Muni Professional Fund - NAB	Cash and cash equivalents	1,189,434		1,189,434		NAB	4.10%	At Call
CAB - Future Fund Grant (Interest) Reserve	Cash and cash equivalents	0	419,550	419,550		NAB	4.10%	At Call
CAB - Leave Reserve Account	Cash and cash equivalents	0	269,187	269,187		NAB	4.10%	At Call
CAB - Swimming Pool Reserve	Cash and cash equivalents	0	200,359	200,359		NAB	4.10%	At Call
CAB - Plant Replacement Reserve	Cash and cash equivalents	0	671,356	671,356		NAB	4.10%	At Call
CAB - Capital Works Reserve	Cash and cash equivalents	0	395,674	395,674		NAB	4.10%	At Call
CAB - Sewerage Reserve	Cash and cash equivalents	0	747,702	747,702		NAB	4.10%	At Call
CAB - Community & Economic Development Reserve	Cash and cash equivalents	0	989,931	989,931		NAB	4.10%	At Call
CAB - Future Funds (Principal) Reserve	Cash and cash equivalents	0	476,882	476,882		NAB	4.10%	At Call
CAB - Legal Reserve	Cash and cash equivalents	0	72,476	72,476		NAB	4.10%	At Call
CAB - Emergency Response Reserve	Cash and cash equivalents	0	346,158	346,158		NAB	4.10%	At Call
CAB - Aged Care Units 1-4 (JVA) Reserve	Cash and cash equivalents	0	81,341	81,341		NAB	4.10%	At Call
CAB - Aged Care Units (Excl. 1-4) Reserve	Cash and cash equivalents	0	332,645	332,645		NAB	4.10%	At Call
CAB - Jones Lake Road Rehab Reserve	Cash and cash equivalents	0	233,072	233,072		NAB	4.10%	At Call
CAB - Morawa-Yalgoo Road Maintenance Reserve	Cash and cash equivalents	0	299,964	299,964		NAB	4.10%	At Call
CAB - Insurance Works Reserve	Cash and cash equivalents	0	34,660	34,660		NAB	4.10%	At Call
Term Deposits		0						
TD: ... 5010 (Future Funds 1)	Financial assets at amortised cost	0	800,000	800,000		NAB	5.30%	28/02/2027
TD: ... 8706 (Future Funds 2)	Financial assets at amortised cost	0	800,000	800,000		NAB	5.30%	28/02/2027
TD: ... 4783 (Community Development Fund)	Cash and cash equivalents	0	500,000	500,000		NAB	4.95%	28/08/2026
Trust Deposits								
Trust Bank	Cash and cash equivalents				1,525	NAB	0.00%	At Call
Total		4,247,218	7,670,957	11,918,174	1,525			
Comprising								
Cash and cash equivalents		4,247,218	6,070,957	10,318,174	1,525			
Financial assets at amortised cost		0	1,600,000	1,600,000	0			
		4,247,218	7,670,957	11,918,174	1,525			

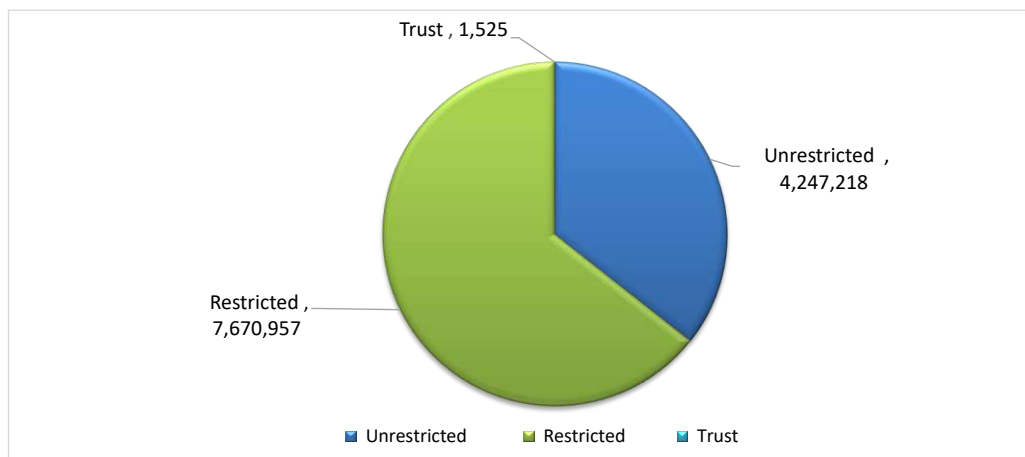
KEY INFORMATION

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

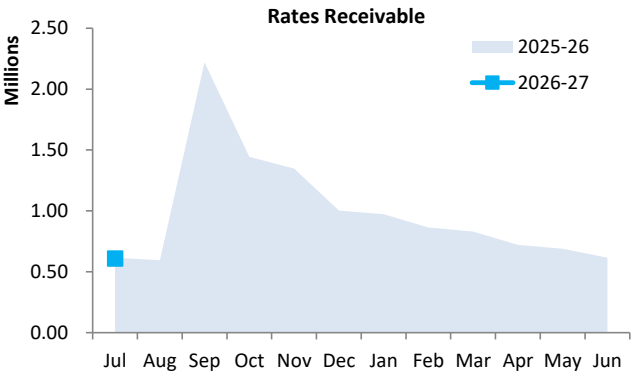
The local government classifies financial assets at amortised cost if both of the following criteria are met:

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

Financial assets at amortised cost held with registered financial institutions are listed in this note other financial assets at amortised cost are provided in Note 4 - Other assets.



Rates receivable	30 Jun 2026	31 Jul 2026
	\$	\$
Opening arrears previous years	642,923	615,557
Levied this year	3,761,290	0
Less - collections to date	(3,788,656)	(5,450)
Equals current outstanding	615,557	610,107
Net rates collectable	615,557	610,107
% Collected	86%	0.9%

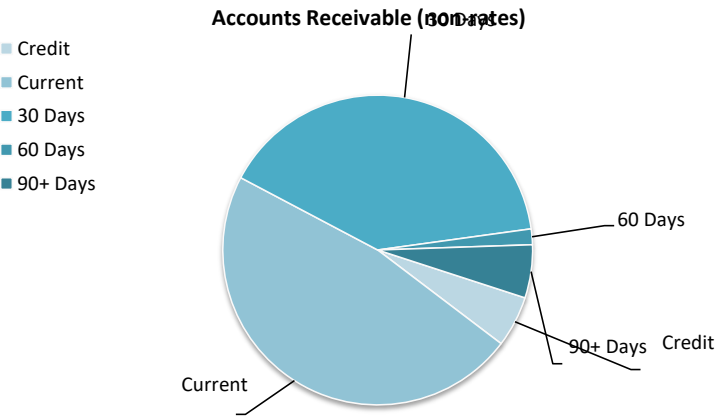


Receivables - general	Credit	Current	30 Days	60 Days	90+ Days	Total
	\$	\$	\$	\$	\$	\$
Receivables - general	(2,672)	23,756	20,093	822	2,778	44,775
Percentage	(6.0%)	53.1%	44.9%	1.8%	6.2%	
Balance per trial balance						
Sundry receivable						44,775
GST receivable						71,699
Increase in Allowance for impairment of receivables from contracts with customers						(87,522)
Rates Pensioner Rebate Allowed/Received						1,925
Total receivables general outstanding						30,877

Amounts shown above include GST (where applicable)

KEY INFORMATION

Trade and other receivables include amounts due from ratepayers for unpaid rates and service charges and other amounts due from third parties for goods sold and services performed in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets. Collectability of trade and other receivables is reviewed on an ongoing basis. Debts that are known to be uncollectible are written off when identified. An allowance for impairment of receivables is raised when there is objective evidence that they will not be collectible.



	Opening Balance 1 July 2026	Asset Increase	Asset Reduction	Closing Balance 31 Jul 2026
Other current assets	\$	\$	\$	\$
Inventory				
Fuel, Oils and Materials on Hand	13,214	0	0	13,214
Other current assets				
Prepayments	11,089	0	(11,089)	0
Accrued income	58,020	0	(58,922)	(902)
Total other current assets	173,942	0	(70,011)	103,931
Amounts shown above include GST (where applicable)				

KEY INFORMATION

Inventory

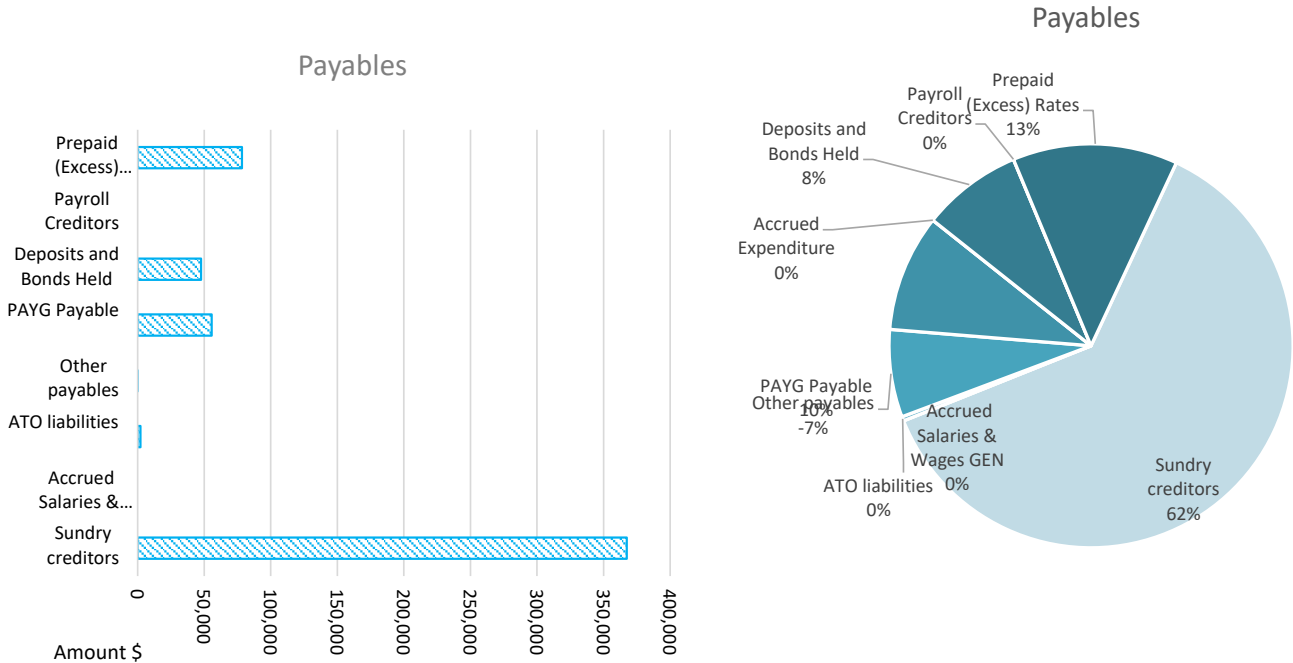
Inventories are measured at the lower of cost and net realisable value.

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

Payables - general	Credit	Current	30 Days	60 Days	90+ Days	Total
	\$	\$	\$	\$	\$	\$
Payables - general	0	366,680	660	0	0	367,340
Percentage	0%	99.8%	0.2%	0%	0%	
Balance per trial balance						
Sundry creditors						367,340
Accrued Salaries & Wages GEN						0
ATO liabilities						2,036
Other payables						(41,574)
PAYG Payable						55,600
Accrued Expenditure						0
Deposits and Bonds Held						47,673
Payroll Creditors						0
Prepaid (Excess) Rates						78,316
Total payables general outstanding						509,391
Amounts shown above include GST (where applicable)						

KEY INFORMATION

Trade and other payables represent liabilities for goods and services provided to the Shire that are unpaid and arise when the Shire becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured, are recognised as a current liability and are normally paid within 30 days of recognition.



NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 JULY 2026

OPERATING ACTIVITIES

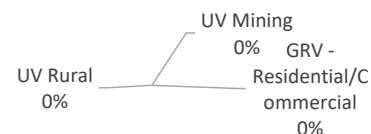
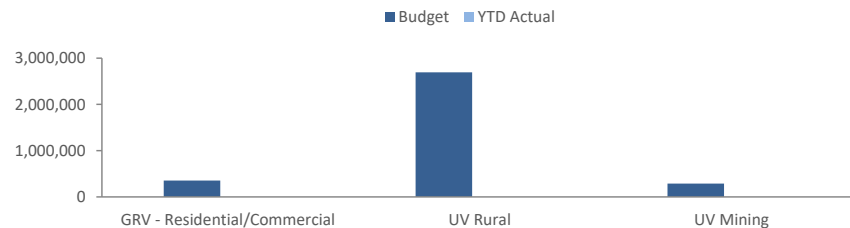
NOTE 6

RATE REVENUE

General rate revenue	Budget					YTD Actual			
	Rate in \$ (cents)	Number of Properties	Rateable Value	Rate Revenue	Total Revenue	Rate Revenue	Interim Rates	Back Rates	Total Revenue
RATE TYPE				\$	\$	\$	\$	\$	\$
General Rate									
Gross rental valuations									
GRV - Residential/Commercial	0.095865	265	3,705,874	355,264	355,264	0	0	0	0
Unimproved value									
UV Rural	0.014570	201	184,982,000	2,695,188	2,695,188	0	0	0	0
UV Mining	0.317030	26	914,723	289,995	289,995	0	0	0	0
Sub-Total		492	189,602,597	3,340,447	3,340,447	0	0	0	0
Minimum payment									
Minimum \$									
Gross rental valuations									
GRV - Residential/Commercial	386	52	30,512	20,072	20,072	0	0	0	0
Unimproved value									
UV Rural	386	12	162,730	4,632	4,632	0	0	0	0
UV Mining	742	13	16,357	9,646	9,646	0	0	0	0
Sub-total		77	209,599	34,350	34,350	0	0	0	0
		569	189,812,196	3,374,797	3,374,797	0	0	0	0
Discount					(37,000)				0
Amount from general rates					3,337,797				0
Rates Written Off					(10,000)				(2)
Ex-gratia rates		0	0	0	12,780				0
Total general rates					3,340,577				(2)

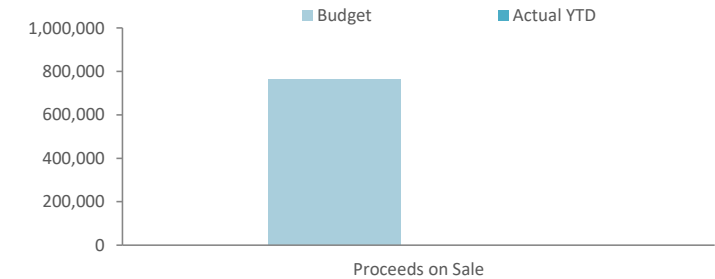
KEY INFORMATION

Prepaid rates are, until the taxable event for the rates has occurred, refundable at the request of the ratepayer. Rates received in advance give rise to a financial liability. On 1 July 2023 the prepaid rates were recognised as a financial asset and a related amount was recognised as a financial liability and no income was recognised. When the taxable event occurs the financial liability is extinguished and income recognised for the prepaid rates that have not been refunded.



Asset Ref.	Asset description	Updated Budget				YTD Actual			
		Net Book	Proceeds	Profit	(Loss)	Net Book	Proceeds	Profit	(Loss)
		Value				Value			
		\$	\$	\$	\$	\$	\$	\$	\$
Land									
546	LAND - Lot 1 (2) Broad Avenue	9,000	0	0	(9,000)	0	0	0	0
536	LAND - Lot 350 (17) Broad Avenue - Graeme	10,000	0	0	(10,000)	0	0	0	0
Buildings									
278	BLDG - Lot 1 (2) Broad Avenue	116,583	150,000	33,417	0	0	0	0	0
158	BLDG - Lot 350 (17) Broad Avenue	78,717	150,000	71,283	0	0	0	0	0
165	BLDG - Lot 375 (20) Barnes Street	284,434	250,000	0	(34,434)	0	0	0	0
Plant and equipment									
Health									
231	P&E - P231 Ford Everest 4x4 (1IAD416) Dr's Vehicle	34,982	35,000	18	0	0	0	0	0
Transport									
661	P&E - P268 DMAX Crew Cab 4 x 2 (Roads) - MO44	33,188	15,000	0	(18,188)	0	0	0	0
251	P&E - P251 - Toyota Hilux - Gardeners Ute	15,000	10,000	0	(5,000)	0	0	0	0
53	P&E - P154 Tri Axle Low Loader	10,000	25,000	15,000	0	0	0	0	0
428	P&E - P220 Roadserve 3000 Series Semi Water Cart	33,521	25,000	0	(8,521)	0	0	0	0
429	P&E - P221 2011 Caterpillar CT630B Truck	74,688	40,000	0	(34,688)	0	0	0	0
43	P&E - P168 2003 IVECO 6700 Truck	19,884	33,000	13,116	0	0	0	0	0
Other property and services									
671	P&E - P275 Ford Everest 2025 SUV Trend 2.0L (MO0) - CEO	54,698	30,000	0	(24,698)	0	0	0	0
		774,694	763,000	132,834	(144,528)	0	0	0	0

The Shire has no asset disposals to report as at 31 July 2026.



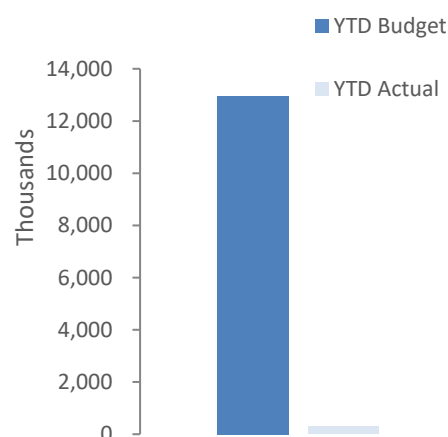
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 JULY 2026**

**INVESTING ACTIVITIES
NOTE 8
CAPITAL ACQUISITIONS**

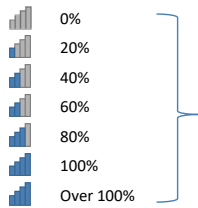
Capital acquisitions	Adopted Budget	Amended Budget	YTD Budget	YTD Actual	YTD Actual Variance
		\$	\$	\$	\$
Land and Buildings	8,437,585	8,437,585	631,881	279,509	(352,372)
Furniture and equipment	10,000	10,000	833	0	(833)
Plant and equipment	1,234,601	1,234,601	6,666	334	(6,332)
Infrastructure - roads	2,956,913	2,956,913	0	968	968
Infrastructure - Footpaths	78,540	78,540	0	0	0
Infrastructure - Sewerage	50,000	50,000	0	0	0
Infrastructure - Other	200,000	200,000	15,833	1,968	(13,865)
Payments for Capital Acquisitions	12,967,639	12,967,639	655,213	282,779	(372,434)
Capital Acquisitions Funded By:					
		\$	\$	\$	\$
Capital grants and contributions	6,540,051	6,540,051	124,836	0	(124,836)
Borrowings	900,000	900,000	0	0	0
Other (disposals & C/Fwd)	763,000	763,000	48,749	0	(48,749)
Cash backed reserves					
Plant Replacement Reserve	911,601	911,601	0	0	0
Capital Works Reserve	483,982	483,982		0	0
Community & Economic Development Reserve	1,022,792	1,022,792	0	0	0
Sewerage Reserve	75,000	75,000	0	0	0
Aged Care Units (Excl. 1-4) Reserve	35,000	35,000		0	0
Contribution - operations	2,236,213	2,236,213	481,628	282,779	(198,849)
Capital funding total	12,967,639	12,967,639	655,213	282,779	(372,434)

SIGNIFICANT ACCOUNTING POLICIES

All assets are initially recognised at cost. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition. For assets acquired at no cost or for nominal consideration, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by the local government includes the cost of all materials used in the construction, direct labour on the project and an appropriate proportion of variable and fixed overhead. Certain asset classes may be revalued on a regular basis such that the carrying values are not materially different from fair value. Assets carried at fair value are to be revalued with sufficient regularity to ensure the carrying amount does not differ materially from that determined using fair value at reporting date.



Capital expenditure total
Level of completion indicators



Percentage Year to Date Actual to Annual Budget expenditure where the expenditure over budget highlighted in red.

Level of completion indicator, please see table at the end of this note for further detail.

Account/Job Description	Adopted Budget	Amended Budget	YTD Budget	YTD Actual	Variance (Under)/Over
	\$	\$	\$	\$	\$
Buildings					
Building Capital Works - Early Childhood Education Centre	(4,200,000)	(4,200,000)	(350,000)	(279,446)	70,554
Youth Centre Building Capital Expenditure	(150,000)	(150,000)	(12,500)	0	12,500
24 Harley Street, Morawa	(30,000)	(30,000)	(2,500)	0	2,500
2 Caulfield St Old Docs House Capital	0	0	0	0	0
Regional Key Worker Housing Construction X 6	(2,717,603)	(2,717,603)	(226,466)	0	226,466
Unit 5 - Aged - Yewers Ave Capital	(35,000)	(35,000)	(2,916)	0	2,916
Town Hall & Old Chambers	(355,000)	(355,000)	0	0	0
Recreation Centre - Renewals	(16,000)	(16,000)	0	0	0
New Depot Construction	(483,982)	(483,982)	0	(62)	(62)
Standalone Caravan Park Laundry	(50,000)	(50,000)	(4,166)	0	4,166
Admin Office Upgrade/Renewal	(400,000)	(400,000)	(33,333)	0	33,333
	(8,437,585)	(8,437,585)	(631,881)	(279,509)	352,372
Plant & Equipment					
Purchase Of Doctor'S Vehicle	(80,000)	(80,000)	(6,666)	0	6,666
Purchase Plant & Equipment - Sewerage	(25,000)	(25,000)	0	0	0
Purchase Of New Tri Axle Trailer (Old P154)	(120,000)	(120,000)	0	0	0
Purchase Of New Truck	(334,601)	(334,601)	0	0	0
Purchase Of Street Sweeper	0	0	0	(334)	(334)
Purchase Of New Roadserve 3000 Series Semi Water Cart P220	(140,000)	(140,000)	0	0	0
Purchase Of New Caterpillar Ct630B Truck P221	(380,000)	(380,000)	0	0	0
Purchase Of Team Leader Roads Ute	(75,000)	(75,000)	0	0	0
Purchase Of Ceo Vehicle	(80,000)	(80,000)	0	0	0
	(1,234,601)	(1,234,601)	(6,666)	(334)	6,332
Furniture & Equipment					
Furniture & Equipment - Other Health	(10,000)	(10,000)	(833)	0	833
	(10,000)	(10,000)	(833)	0	833
Infrastructure Other					
War Rock - Fire Water Tank	0	0	0	(1,968)	(1,968)
Old Town Dam - Fire Water Tank	0	0	0	0	0
Infrastructure Other	(160,000)	(160,000)	(12,500)	0	12,500
Led Tourism Information Signage	(40,000)	(40,000)	(3,333)	0	3,333
	(200,000)	(200,000)	(15,833)	(1,968)	13,865
Infrastructure Sewerage					
Sewerage Upgrade	(50,000)	(50,000)	0	0	0
	(50,000)	(50,000)	0	0	0
Infrastructure Roads					
Black Spot Evaside Rd Stage 2 Expenditure	(537,000)	(537,000)	0	0	0
Pintharuka West Road 2026/27 Gravel Resheet 6Km	(586,880)	(586,880)	0	(968)	(968)
Nanekine Road 2024/25 Section	(483,033)	(483,033)	0	0	0
Nanekine Road 2025/26 Reconstruct	(450,000)	(450,000)	0	0	0
Morawa Yalgoo Road 2025/26 Reconstruction Section 1	(450,000)	(450,000)	0	0	0
Nanekine Road 2026/27 Reconstruct Slk 1.72 To 2.79	(450,000)	(450,000)	0	0	0
	(2,956,913)	(2,956,913)	0	(968)	(968)
Infrastructure Footpaths					
Prater Street Dual Use Path	(78,540)	(78,540)	0	0	0
	(78,540)	(78,540)	0	0	0
	0	0	0	0	0
	(12,967,639)	(12,967,639)	(655,213)	(282,779)	372,434

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 JULY 2026**

**FINANCING ACTIVITIES
NOTE 9
BORROWINGS**

Repayments - borrowings

Information on borrowings			New Loans			Principal Repayments			Principal Outstanding			Interest Repayments		
Particulars	Loan No.	1 July 2026	Actual	Adopted Budget	Amended Budget	Actual	Adopted Budget	Amended Budget	Actual	Adopted Budget	Amended Budget	Actual	Adopted Budget	Amended Budget
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Education and welfare														
Early Childhood and Family Centre	143	0	0	900,000	900,000	0	34,372	34,372	0	865,628	865,628	0	30,888	30,888
Housing														
24 Harley Street - Staff Housing	136	200,014	0	0	0	0	17,744	17,744	200,014	182,270	182,270	(322)	9,052	9,052
Recreation and culture														
Netball Courts Redevelopment	139	132,234	0	0	0	0	12,982	12,982	132,234	119,252	119,252	(712)	2,968	2,968
Tennis Courts Renewal Project	142	220,000	0	0	0	8,584	17,385	17,385	211,416	202,615	202,615	339	12,381	12,381
		552,248	0	900,000	900,000	8,584	82,483	82,483	543,665	1,369,765	1,369,765	(696)	55,289	55,289
Self supporting loans														
Recreation and culture														
Self Supporting Loan - Tennis Club - Court Renewal	141	115,000	0	0	0	0	9,079	9,079	115,000	105,921	105,921	(2,759)	6,699	6,699
		115,000	0	0	0	0	9,079	9,079	115,000	105,921	105,921	(2,759)	6,699	6,699
Total		667,248	0	900,000	900,000	8,584	91,562	91,562	658,665	1,475,686	1,475,686	(3,454)	61,988	61,988
Current borrowings		57,191							48,607					
Non-current borrowings		610,058							610,058					
		667,248							658,665					

All debenture repayments were financed by general purpose revenue.

Self supporting loans are financed by repayments from third parties.

KEY INFORMATION

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Fees paid on the establishment of loan facilities that are yield related are included as part of the carrying amount of the loans and borrowings.

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 JULY 2026

Information on leases			New Leases			Principal Repayments			Principal Outstanding			Interest Repayments		
Particulars	Lease No.	1 July 2026	Actual	Amended Budget	Adopted Budget	Actual	Amended Budget	Adopted Budget	Actual	Amended Budget	Adopted Budget	Actual	Amended Budget	Adopted Budget
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$

The Shire has no lease liabilites to report as at 31 July 2026

KEY INFORMATION

At inception of a contract, the Shire assesses if the contract contains or is a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. At the commencement date, a right of use asset is recognised at cost and lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Shire uses its incremental borrowing rate.

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

Cash backed reserve

Reserve name	Opening Balance	Budget Interest Earned	Actual Interest Earned	Budget Transfers In (+)	Actual Transfers In (+)	Budget Transfers Out (-)	Actual Transfers Out (-)	Budget Closing Balance	Actual YTD Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Leave Reserve	268,215	8,684	971	0	0	(20,000)	0	256,899	269,187
Plant Replacement Reserve	668,933	21,659	2,423	539,139	0	(911,601)	0	318,130	671,356
Capital Works Reserve	394,246	12,726	1,428	500,000	0	(483,982)	0	422,990	395,674
Community & Economic Development Reserve	1,486,358	48,008	3,573	0	0	(1,022,792)	0	511,574	1,489,931
Sewerage Reserve	745,004	24,119	2,698	60,000	0	(75,000)	0	754,123	747,702
Future Fund Grants (Interest) Reserve	358,956	11,135	1,305	58,830	0	(40,000)	0	388,921	360,261
Future Fund (Principal) Reserve	2,134,240	69,212	1,930	0	0	(58,830)	0	2,144,622	2,136,170
Aged Care Units (Excl. 1-4) Reserve	331,517	10,736	1,128	10,000	0	(35,000)	0	317,253	332,645
Legal Fees Reserve	72,215	2,339	262	10,000	0	(10,000)	0	74,554	72,476
Emergency Response Reserve	344,909	11,167	1,249	0	0	0	0	356,076	346,158
Aged Care Units 1-4 (JVA) Reserve	80,975	2,621	366	0	0	0	0	83,596	81,341
Swimming Pool Reserve	199,636	6,466	723	20,000	0	0	0	226,102	200,359
Jones Lake Road Rehab Reserve	232,231	7,521	841	20,000	0	0	0	259,752	233,072
Morawa-Yalgoo Road Maintenance Reserve	299,964	0	0	50,000	0	(299,500)	0	50,464	299,964
Insurance Works Reserve	34,660	0	0	0	0	0	0	34,660	34,660
Information Technology Reserve	0	0	0	100,000	0	0	0	100,000	0
	7,652,059	236,393	18,898	1,367,969	0	(2,956,705)	0	6,299,716	7,670,957

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 JULY 2026

OPERATING ACTIVITIES
NOTE 12
OTHER CURRENT LIABILITIES

Other Current Liabilities	Note	Opening Balance 1 Jul 2026	Liability Increase	Liability Reduction	Closing Balance 31 Jul 2026
		\$	\$	\$	\$
Other liabilities					
- Contract liabilities	12	12,119	0	0	12,119
- Capital grant/contribution liabilities	13	910,169	0	0	910,169
Total other liabilities		922,288	0	0	922,288
Provisions					
Annual leave		86,244	0	0	86,244
Long service leave		108,173	0	0	108,173
Total Provisions		194,417	0	0	194,417
Total Other Current Liabilities					1,116,705
Amounts shown above include GST (where applicable)					

KEY INFORMATION

PROVISIONS

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

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

EMPLOYEE BENEFIT PROVISIONS

Short-term employee benefits

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

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

Other long-term employee benefits

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

Long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Any remeasurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the changes occur. The Shire's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the Shire does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

CONTRACT LIABILITIES

An entity's obligation to transfer goods or services to a customer for which the entity has received consideration (or the amount is due) from the customer.

CAPITAL GRANT/CONTRIBUTION LIABILITIES

Grants to acquire or construct recognisable non-financial assets to identified specifications be constructed to be controlled by the Shire are recognised as a liability until such time as the Shire satisfies its obligations under the agreement.

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 JULY 2026

NOTE 13
GRANTS, SUBSIDIES AND CONTRIBUTIONS

Provider	Unspent Grant, Subsidies and Contributions Liability				Grants, Subsidies and Contributions Revenue			
	Liability 1 Jul 2026	Increase in Liability	Liability Reduction (As revenue)	Current Liability 31 Jul 2026	Adopted Budget Revenue	Amended Annual Budget	Amended YTD Budget	YTD Actual Revenue
	\$	\$	\$	\$	\$	\$	\$	\$
Grants and Subsidies								
General purpose funding								
Grants- FAGS WALGGC - General	0	0	0	0	383,279	383,279	95,819	0
Grants- FAGS WALGGC - Local Roads	0	0	0	0	184,080	184,080	46,020	0
Law, order, public safety								
DFES Operating Grant - Bush Fire Brigade	0	0	0	0	24,060	24,060	6,015	6,015
DFES Bush Fire Mitigation Activity Funds 2026/27	0	0	0	0	28,342	28,342	2,361	0
Health								
DPIRD Grant - Local Government Rodent Control Assistance Program	0	0	0	0	0	0	0	0
Education and welfare								
COTA WA Seniors Week Grant Income	0	0	0	0	1,000	1,000	83	0
YAC WA Grant Income	119	0	0	119	0	0	0	0
Bike Week/Transport-WestCycle Grant Income	0	0	0	0	1,000	1,000	83	0
Dept of Communities Youth Week WA Grant Income	0	0	0	0	3,000	3,000	250	0
CBH Grass Roots Grant - Morawa Youth Centre Rejuvenation Income	12,000	0	0	12,000	12,000	12,000	1,000	0
Recreation and culture								
NADC Australia Day Grant	0	0	0	0	16,500	16,500	0	0
Direct Grant (MRWA)	0	0	0	0	213,754	213,754	0	0
	12,118.53	0	0	12,119	867,015	867,015	151,631	6,015
Contributions								
Education and welfare								
Other Income	0	0	0	0	500	500	41	0
Community amenities								
Drummuster Contribution	0	0	0	0	30,000	30,000	2,500	0
Community Benefit Contribution	0	0	0	0	20,000	20,000	1,666	0
Recreation and culture								
Event Income - Other Culture	0	0	0	0	1,800	1,800	150	0
Transport								
Street Lighting Subsidy (MRWA)	0	0	0	0	6,000	6,000	500	0
Maintenance Contribution - Silverlake - Morawa Yalgoo Road	0	0	0	0	100,000	100,000	0	64,431
Road Maintenance Contribution	0	0	0	0	55,000	55,000	0	0
Other property and services								
Income related to Unclassified	0	0	0	0	500	500	41	0
	0	0	0	0	213,800	213,800	4,898	64,431
TOTALS	12,119	0	0	12,119	1,080,815	1,080,815	156,529	70,446

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 JULY 2026

NOTE 14
CAPITAL GRANTS, SUBSIDIES AND CONTRIBUTIONS

Provider	Unspent Non Operating Grants, Subsidies and Contributions Liability				Non Operating Grants, Subsidies and Contributions Revenue			
	Liability 1 Jul 2026	Increase in Liability	Liability Reduction (As revenue)	Current Liability 31 Jul 2026	Adopted Budget Revenue	Amended Annual Budget	Amended YTD Budget	YTD Actual Revenue
	\$	\$	\$	\$	\$	\$	\$	\$
Capital Grants and Subsidies								
Law, order, public safety								
DWER War Rock - Fire Water Tank Income	17,819	0	0	17,819	0	0	0	0
DWER Old Town Dam - Fire Water Tank Income	20,000	0	0	20,000	0	0	0	0
Education and welfare								
Growing Regions Program - Early Childhood Education Centre Income	0	0	0	0	2,234,775	2,234,775	0	0
Lotterywest - Early Childhood Education Centre Income	512,150	0	0	512,150	512,000	512,000	0	0
Regional Economic Development - Early Childhood Education Centre Income	0	0	0	0	200,000	200,000	0	0
Regional Economic Development - Regional Key Worker Housing Income	0	0	0	0	1,498,036	1,498,036	124,836	0
Transport								
MRWA Grant - RRG - Nanekine Rd - Reconstruct 25/26	192,000	0	0	192,000	300,000	300,000	0	0
MRWA Grant - RRG - Morawa Yalgoo Rd - Reconstruction Section 1 25/26	0	0	0	0	300,000	300,000	0	0
MRWA Grant - RRG - Nanekine Road - Widen & Seal	30,990	0	0	30,990	210,990	210,990	0	0
MRWA Grant - RRG - Nanekine Road - 2026/27 Reconstruct	0	0	0	0	300,000	300,000	0	0
RTR Grant - Pintharuka West Road 2026/27 Gravel Resheet 6km	0	0	0	0	586,880	586,880	0	0
MRWA Black Spot Grant - Evaside Road Stage 2	137,210	0	0	137,210	358,000	358,000	0	0
WA Bicycle Network Grant - Prater Street Dual Use Path	0	0	0	0	39,370	39,370	0	0
	910,169	0	0	910,169	6,540,051	6,540,051	124,836	0
Total Non-operating grants, subsidies and contributions	910,169	0	0	910,169	6,540,051	6,540,051	124,836	0

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 JULY 2026**

**NOTE 15
TRUST FUND**

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

Description	Opening Balance 1 July 2026	Amount Received	Amount Paid	Closing Balance 31 Jul 2026
	\$	\$	\$	\$
Drug Action Group	660	0	0	660
Youth Fund Raising	865	0	0	865
	1,525	0	0	1,525

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 JULY 2026

The material variance thresholds are adopted annually by Council as an indicator of whether the actual expenditure or revenue varies from the year to date Actual materially.

The material variance adopted by Council for the 2026-27 year is \$40,000 or 10.00% whichever is the greater.

NOTE 16
EXPLANATION OF MATERIAL VARIANCES

Reporting Program	Var. \$	Var. %	Explanation of positive variances		Explanation of negative variances	
			Timing	Permanent	Timing	Permanent
	\$	%				
Revenue from operating activities						
Grants, subsidies and contributions	(86,083)	(54.99%)	▼	Vault Minerals RAV community benefit contribution received ahead of budget phasing. The	The MRWA Direct grant has not been received is budgeted to be received.	
Fees and charges	(7,595)	(7.91%)			Caravan park and rubbish collection income running behind budget.	
Interest revenue	(15,451)	(54.98%)			Interest on term deposits to be recognised when they mature.	
Expenditure from operating activities						
Employee costs	98,043	31.28%	▲	Various Salaries and Wages expenditure behind budget phasing.		
Materials and contracts	(36,744)	(15.74%)		Various Materials and Contract expenditure behind budget phasing.		
Utility charges	35,144	99.28%		Utility expenditure behind budget phasing.		
Insurance expenses	(68,479)	(68.83%)	▼		Insurance premium expenditure incurred of budget phasing.	
Investing activities						
Proceeds from Capital grants, subsidies and contributions	(124,836)	(100.00%)	▼		Actual capital grant revenue recognised is behind budget phasing. Revenue recognition is generally tied to capital works which the funding is associated with. Capital works is currently behind budget	
Proceeds from disposal of assets	(48,749)	(100.00%)	▼		Some budgeted asset disposals are running behind budget.	
Payments for property, plant and equipment	359,537	56.23%	▲	Capital Works currently behind budget phasing. See Note 8 for project details.		
Financing activities						
Transfer from reserves	(87,838)	(100.00%)	▼		Transfers from reserve relating to some capital projects have not been done due to the capital projects not yet started.	

Amendments to original budget since budget adoption. Surplus/(Deficit)

GL Code	Description	Council Resolution	Classification	Non Cash Adjustment	Increase in Available Cash	Decrease in Available Cash	Amended Budget Running Balance
				\$	\$	\$	\$
	Budget adoption		Opening surplus				0
							0
	Change in opening surplus since budget adoption					-	0
				0	0	0	0

Ordinary Council Meeting 29 September 2026

Attachment 1 – 11.2.2a Monthly Financial Report as at 31 August 2026.

Item 11.2.2 – Monthly Financial Report – August 2026

SHIRE OF MORAWA

MONTHLY FINANCIAL REPORT
(Containing the Statement of Financial Activity)
For the Period Ended 31 August 2026

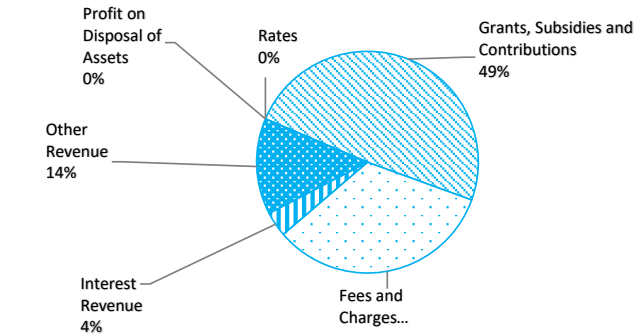
LOCAL GOVERNMENT ACT 1995
LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) REGULATIONS 1996

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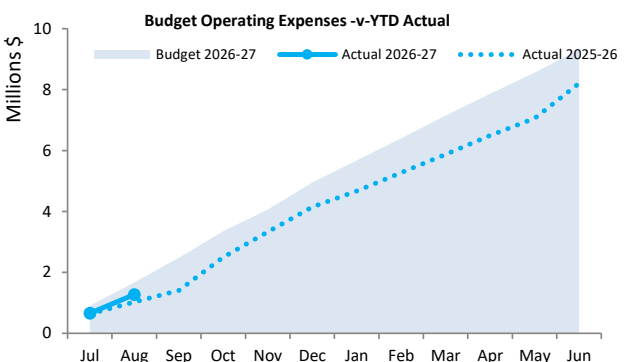
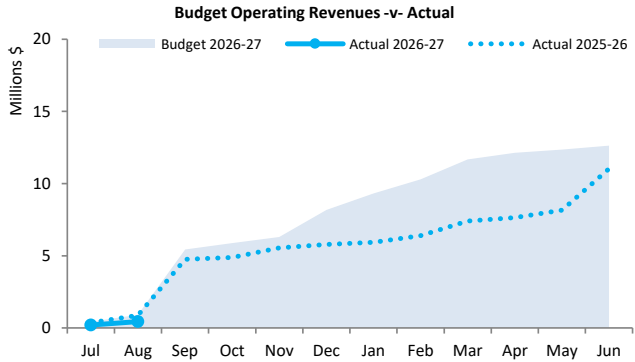
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OPERATING ACTIVITIES

OPERATING REVENUE

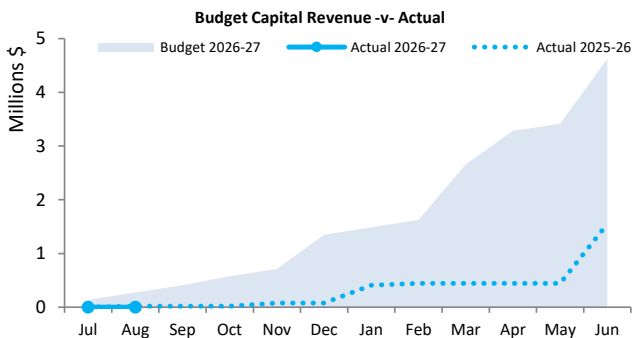


OPERATING EXPENSES

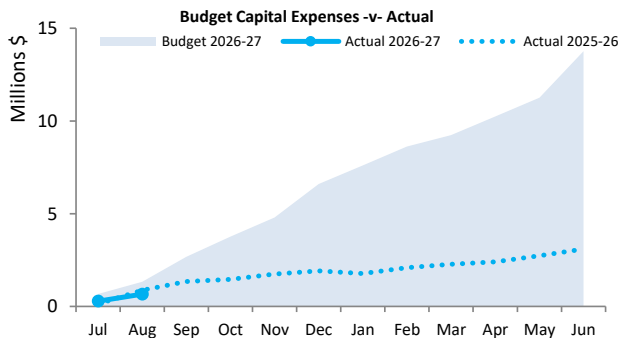


INVESTING ACTIVITIES

CAPITAL REVENUE



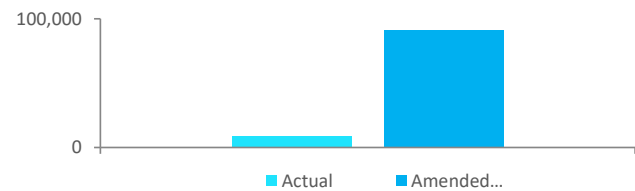
CAPITAL EXPENSES



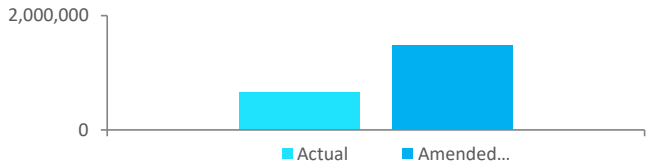
FINANCING ACTIVITIES

BORROWINGS

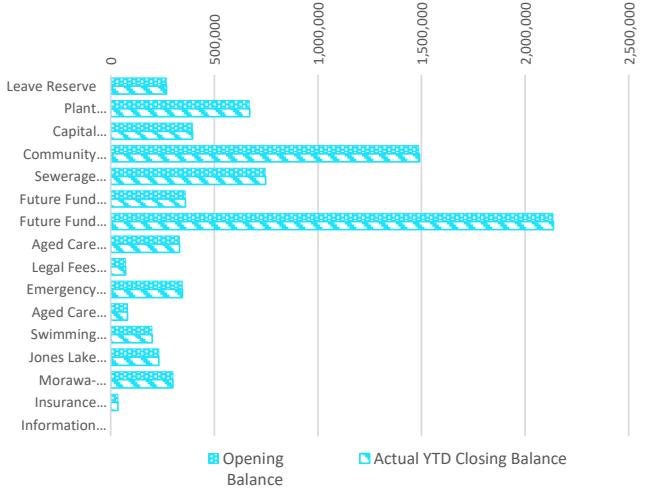
Principal Repayments



Principal Outstanding



RESERVES



This information is to be read in conjunction with the accompanying Financial Statements and Notes.

Funding surplus / (deficit) Components

Funding surplus / (deficit)				
	Amended Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)
Opening	\$4.28 M	\$4.28 M	\$4.33 M	\$0.05 M
Closing	\$0.00 M	\$2.85 M	\$3.24 M	\$0.39 M
Refer to Statement of Financial Activity				

Cash and cash equivalents		
	\$11.45 M	% of total
Unrestricted Cash	\$3.78 M	33.0%
Restricted Cash	\$7.67 M	67.0%
Refer to Note 2 - Cash and Financial Assets		

Payables		
	\$0.46 M	% Outstanding
Trade Payables	\$0.22 M	
0 to 30 Days		71.9%
30 to 90 Days		28.1%
Over 90 Days		0%
Refer to Note 5 - Payables		

Receivables		
	\$1.08 M	% Collected
Rates Receivable	\$0.60 M	2.1%
Trade Receivable	\$0.47 M	% Outstanding
30 to 90 Days		3.2%
Over 90 Days		0.8%
Refer to Note 3 - Receivables		

Key Operating Activities

Amount attributable to operating activities			
Amended Budget	YTD Budget (a)		Var. \$ (b)-(a)
(\$0.79 M)	(\$0.62 M)	(\$0.44 M)	\$0.18 M
Refer to Statement of Financial Activity			

Rates Revenue		
YTD Actual	(\$0.00 M)	% Variance
YTD Budget	(\$0.00 M)	(99.7%)
Refer to Note 6 - Rate Revenue		

Grants and Contributions		
YTD Actual	\$0.20 M	% Variance
YTD Budget	\$0.38 M	(47.6%)
Refer to Note 13 - Operating Grants and Contributions		

Fees and Charges		
YTD Actual	\$0.13 M	% Variance
YTD Budget	\$0.19 M	(30.1%)
Refer to Statement of Financial Activity		

Key Investing Activities

Amount attributable to investing activities			
Amended Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)
(\$12.97 M)	(\$1.31 M)	(\$0.66 M)	\$0.65 M
Refer to Statement of Financial Activity			

Proceeds on sale		
YTD Actual	\$0.00 M	%
Amended Budget	\$0.76 M	(100.0%)
Refer to Note 7 - Disposal of Assets		

Asset Acquisition		
YTD Actual	\$0.66 M	% Spent
Amended Budget	\$12.97 M	0.0%
Refer to Note 8 - Capital Acquisitions		

Capital Grants		
YTD Actual	\$0.03 M	% Received
Amended Budget	\$6.54 M	(99.5%)
Refer to Note 8 - Capital Acquisitions		

Key Financing Activities

Amount attributable to financing activities			
Amended Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)
\$2.16 M	\$0.15 M	(\$0.03 M)	(\$0.18 M)
Refer to Statement of Financial Activity			

Borrowings	
Principal repayments	\$0.01 M
Interest expense	(\$0.00 M)
Principal due	\$0.66 M
Refer to Note 9 - Borrowings	

Reserves	
Reserves balance	\$7.67 M
Interest earned	\$0.02 M
Refer to Note 11 - Cash Reserves	

Lease Liability	
Principal repayments	\$0.00 M
Interest expense	\$0.00 M
Principal due	\$0.00 M
Refer to Note 10 - Lease Liabilities	

This information is to be read in conjunction with the accompanying Financial Statements and notes.

KEY TERMS AND DESCRIPTIONS FOR THE PERIOD ENDED 31 AUGUST 2026

REVENUE

RATES

All rates levied under the *Local Government Act 1995*. Includes general, differential, specified area rates, minimum rates, interim rates, back rates, ex-gratia rates, less discounts and concessions offered. Exclude administration fees, interest on instalments, interest on arrears, service charges and sewerage rates.

GRANTS, SUBSIDIES AND CONTRIBUTIONS

Refers to all amounts received as grants, subsidies and contributions that are not non-operating grants.

CAPITAL GRANTS, SUBSIDIES AND CONTRIBUTIONS

Amounts received specifically for the acquisition, construction of new or the upgrading of identifiable non financial assets paid to a local government, irrespective of whether these amounts are received as capital grants, subsidies, contributions or donations.

REVENUE FROM CONTRACTS WITH CUSTOMERS

Revenue from contracts with customers is recognised when the local government satisfies its performance obligations under the contract.

FEES AND CHARGES

Revenues (other than service charges) from the use of facilities and charges made for local government services, sewerage rates, rentals, hire charges, fee for service, photocopying charges, licences, sale of goods or information, fines, penalties and administration fees. Local governments may wish to disclose more detail such as rubbish collection fees, rental of property, fines and penalties, other fees and charges.

SERVICE CHARGES

Service charges imposed under *Division 6 of Part 6 of the Local Government Act 1995*. *Regulation 54 of the Local Government (Financial Management) Regulations 1996* identifies these as television and radio broadcasting, underground electricity and neighbourhood surveillance services. Exclude rubbish removal charges. Interest and other items of a similar nature received from bank and investment accounts, interest on rate instalments, interest on rate arrears and interest on debtors.

INTEREST REVENUE

Interest and other items of a similar nature received from bank and investment accounts, interest on rate instalments, interest on rate arrears and interest on debtors.

OTHER REVENUE / INCOME

Other revenue, which can not be classified under the above headings, includes dividends, discounts, rebates etc.

PROFIT ON ASSET DISPOSAL

Excess of assets received over the net book value for assets on their disposal.

NATURE DESCRIPTIONS

EXPENSES

EMPLOYEE COSTS

All costs associate with the employment of person such as salaries, wages, allowances, benefits such as vehicle and housing, superannuation, employment expenses, removal expenses, relocation expenses, worker's compensation insurance, training costs, conferences, safety expenses, medical examinations, fringe benefit tax, etc.

MATERIALS AND CONTRACTS

All expenditures on materials, supplies and contracts not classified under other headings. These include supply of goods and materials, legal expenses, consultancy, maintenance agreements, communication expenses, advertising expenses, membership, periodicals, publications, hire expenses, rental, leases, postage and freight etc. Local governments may wish to disclose more detail such as contract services, consultancy, information technology, rental or lease expenditures.

UTILITIES (GAS, ELECTRICITY, WATER, ETC.)

Expenditures made to the respective agencies for the provision of power, gas or water. Exclude expenditures incurred for the reinstatement of roadwork on behalf of these agencies.

INSURANCE

All insurance other than worker's compensation and health benefit insurance included as a cost of employment.

LOSS ON ASSET DISPOSAL

Shortfall between the value of assets received over the net book value for assets on their disposal.

DEPRECIATION

Depreciation expense raised on all classes of assets.

FINANCE COSTS

Interest and other costs of finance paid, including costs of finance for loan debentures, overdraft accommodation and refinancing expenses.

OTHER EXPENDITURE

Statutory fees, taxes, allowance for impairment of assets, member's fees or State taxes. Donations and subsidies made to community groups.

**STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 AUGUST 2026**

BY NATURE

	Ref Note	Adopted Annual Budget (a) \$	Amended Annual Budget (d) \$	YTD Budget (b) \$	YTD Actual (c) \$	Variance \$ (c)-(b)	Variance % (c)-(b)/(b)	Var. ▲▼
OPERATING ACTIVITIES								
Revenue from operating activities								
General rates	6	3,337,797	3,337,797	0	0	0	0.00%	
Rates excluding general rates	6	2,780	2,780	(1,666)	(5)	1,661	(99.70%)	
Grants, subsidies and contributions	13	1,080,815	1,080,815	378,958	198,694	(180,264)	(47.57%)	▼
Fees and charges		1,054,047	1,054,047	191,949	134,184	(57,765)	(30.09%)	▼
Service charges		0	0	0	0	0	0.00%	
Interest revenue		353,781	353,781	56,204	14,686	(41,518)	(73.87%)	▼
Other revenue		127,139	127,139	20,384	56,687	36,303	178.09%	▲
Profit on disposal of assets	7	132,834	132,834	17,452	0	(17,452)	(100.00%)	▼
Gain on FV Adjustment of Financial Assets through P&L		0	0	0	0	0	0.00%	
		6,089,193	6,089,193	663,281	404,245	(259,036)		
Expenditure from operating activities								
Employee costs		(2,925,585)	(2,925,585)	(581,060)	(319,601)	261,460	45.00%	▲
Materials and contracts		(2,861,147)	(2,861,147)	(466,356)	(349,617)	116,739	25.03%	▲
Utility charges		(412,280)	(412,280)	(70,377)	(255)	70,122	99.64%	▲
Depreciation		(2,436,313)	(2,436,313)	(406,030)	(430,708)	(24,678)	(6.08%)	
Finance costs		(61,988)	(61,988)	(10,328)	3,454	13,782	133.45%	▲
Insurance expenses		(254,237)	(254,237)	(110,570)	(167,969)	(57,399)	(51.91%)	▼
Other expenditure		(215,453)	(215,453)	(14,760)	(8,389)	6,371	43.17%	
Loss on disposal of assets	7	(144,528)	(144,528)	(13,020)	0	13,020	100.00%	▲
		(9,311,530)	(9,311,530)	(1,672,501)	(1,273,084)	399,417		
Non-cash amounts excluded from operating activities	1(a)	2,436,691	2,436,691	390,282	431,680	41,398	10.61%	▲
Amount attributable to operating activities		(785,646)	(785,646)	(618,938)	(437,159)	181,779		
INVESTING ACTIVITIES								
Inflows from investing activities								
Proceeds from capital grants, subsidies and contributions	14	6,540,051	6,540,051	249,672	34,085	(215,587)	(86.35%)	▼
Proceeds from disposal of assets	7	763,000	763,000	97,498	0	(97,498)	(100.00%)	▼
Proceeds from financial assets at amortised cost - self supporting loans	9	9,079	9,079	0	0	0	0.00%	
		7,312,130	7,312,130	347,170	34,085	(313,085)		
Outflows from investing activities								
Payments for financial assets at amortised cost - self supporting loans	9	0	0	0	0	0	0.00%	
Payments for infrastructure	8	(3,285,453)	(3,285,453)	(31,666)	(58,943)	(27,277)	86.14%	
Payments for property, plant and equipment	8	(9,682,186)	(9,682,186)	(1,278,760)	(603,510)	675,250	(52.81%)	
		(12,967,639)	(12,967,639)	(1,310,426)	(662,452)	21,804		
Non-cash amounts excluded from investing activities	1(b)	0	0	0	0	0	0.00%	
Amount attributable to investing activities		(5,655,509)	(5,655,509)	(963,256)	(628,367)	334,889		
FINANCING ACTIVITIES								
Inflows from financing activities								
Proceeds from new borrowings	9	900,000	900,000	0	0	0	0.00%	
Transfer from reserves	11	2,956,705	2,956,705	175,676	0	(175,676)	(100.00%)	▼
		3,856,705	3,856,705	175,676	0	(175,676)		
Outflows from financing activities								
Repayment of borrowings	9	(91,562)	(91,562)	(9,526)	(8,584)	942	9.89%	
Payments for principal portion of lease liabilities	10	0	0	0	0	0	0.00%	
Transfer to reserves	11	(1,604,362)	(1,604,362)	(16,092)	(18,898)	(2,806)	(17.44%)	
		(1,695,924)	(1,695,924)	(25,618)	(27,482)	(1,864)		
Amount attributable to financing activities		2,160,781	2,160,781	150,058	(27,482)	(177,540)		
MOVEMENT IN SURPLUS OR DEFICIT								
Surplus or deficit at the start of the financial year	1(c)	4,280,375	4,280,375	4,280,375	4,329,624	49,249	1.15%	
Amount attributable to operating activities		(785,646)	(785,646)	(618,938)	(437,159)	181,779	(29.37%)	
Amount attributable to investing activities		(5,655,509)	(5,655,509)	(963,256)	(628,367)	334,889	(34.77%)	
Amount attributable to financing activities		2,160,781	2,160,781	150,058	(27,482)	(177,540)	(118.31%)	
Surplus or deficit after imposition of general rates	1(c)	1	1	2,848,239	3,236,616			

KEY INFORMATION

▲ ▼ Indicates a variance between Year to Date (YTD) Actual and YTD Actual data as per the adopted materiality threshold.

Refer to Note 16 for an explanation of the reasons for the variance.

This statement is to be read in conjunction with the accompanying Financial Statements and Notes.

STATEMENT OF FINANCIAL POSITION
FOR THE PERIOD ENDED 31 AUGUST 2026

	30 Jun 2026	31 Aug 2026
	\$	\$
CURRENT ASSETS		
Cash and cash equivalents	12,615,448.90	11,456,116.13
Trade and other receivables	545,718.10	1,013,312.83
Other financial assets	9,078.82	9,078.82
Inventories	13,214.40	13,214.40
Contract assets	82,540.33	82,540.33
Other assets	69,109.17	(901.56)
TOTAL CURRENT ASSETS	13,335,109.72	12,573,360.95
NON-CURRENT ASSETS		
Trade and other receivables	61,920.66	61,920.66
Other financial assets	222,304.62	222,304.62
Property, plant and equipment	30,780,436.97	31,243,768.97
Infrastructure	63,759,534.69	63,527,946.92
TOTAL NON-CURRENT ASSETS	94,824,196.94	95,055,941.17
TOTAL ASSETS	108,159,306.66	107,629,302.12
CURRENT LIABILITIES		
Trade and other payables	495,709.10	463,510.25
Other liabilities	922,437.75	1,267,969.24
Borrowings	57,190.67	48,607.00
Employee related provisions	194,416.99	194,416.99
TOTAL CURRENT LIABILITIES	1,669,754.51	1,974,503.48
NON-CURRENT LIABILITIES		
Borrowings	610,057.67	610,057.67
Employee related provisions	41,422.39	41,422.39
TOTAL NON-CURRENT LIABILITIES	651,480.06	651,480.06
TOTAL LIABILITIES	2,321,234.57	2,625,983.54
NET ASSETS	105,838,072.09	105,003,318.58
EQUITY		
Retained surplus	41,889,734.20	41,036,082.76
Reserve accounts	7,652,058.93	7,670,956.86
Revaluation surplus	56,296,278.96	56,296,278.96
TOTAL EQUITY	105,838,072.09	105,003,318.58

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

BASIS OF PREPARATION

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

The *Local Government Act 1995* and accompanying Regulations take precedence over Australian Accounting Standards where they are inconsistent.

The *Local Government (Financial Management) Regulations 1996* specify that vested land is a right-of-use asset to be measured at cost. All right-of-use assets (other than vested improvements) under zero cost concessionary leases are measured at zero cost rather than at fair value. The exception is vested improvements on concessionary land leases such as roads, buildings or other infrastructure which continue to be reported at fair value, as opposed to the vested land which is measured at zero cost. The measurement of vested improvements at fair value is a departure from AASB 16 which would have required the Shire to measure any vested improvements at zero cost.

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

THE LOCAL GOVERNMENT REPORTING ENTITY

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

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

All monies held in the Trust Fund are excluded from the financial statements. A separate statement of those monies appears at Note 15 to these financial statements.

SIGNIFICANT ACCOUNTING POLICES

CRITICAL ACCOUNTING ESTIMATES

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

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

GOODS AND SERVICES TAX

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). Receivables and payables are stated inclusive of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with receivables or payables in the statement of financial position. Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows.

ROUNDING OFF FIGURES

All figures shown in this statement are rounded to the nearest dollar.

PREPARATION TIMING AND REVIEW

Date prepared: All known transactions up to 31 August 2026

(a) Non-cash items excluded from operating activities

The following non-cash revenue and expenditure has been excluded from operating activities within the Statement of Financial Activity in accordance with Financial Management Regulation 32.

	Notes	Adopted Budget	Amended Budget	YTD Budget (a)	YTD Actual (b)
Non-cash items excluded from operating activities					
		\$	\$	\$	\$
Adjustments to operating activities					
Less: Profit on asset disposals	7	(132,834)	(132,834)	(17,452)	0
Less: Movement in liabilities associated with restricted cash		(11,316)	(11,316)	(11,316)	971
Add: Loss on asset disposals	7	144,528	144,528	13,020	0
Add: Depreciation on assets		2,436,313	2,436,313	406,030	430,708
Total non-cash items excluded from operating activities		2,436,691	2,436,691	390,282	431,680

(b) Adjustments to net current assets in the Statement of Financial Activity

The following current assets and liabilities have been excluded from the net current assets used in the Statement of Financial Activity in accordance with *Financial Management Regulation 32*.

		Last Year Closing 30 June 2026	This Time Last Year 31 Aug 2025	Year to Date 31 Aug 2026
Adjustments to net current assets				
Less: Reserves - restricted cash	11	(7,652,059)	(7,773,608)	(7,670,957)
Less: - Financial assets at amortised cost - self supporting loans	4	(9,079)	0	(9,079)
Add Back: Component of Leave Liability not Required to be Funded	12	268,215	259,646	269,187
Add: Borrowings	9	57,191	29,841	48,607
Total adjustments to net current assets		(7,335,732)	(7,484,121)	(7,362,242)

(c) Net current assets used in the Statement of Financial Activity

Current assets				
Cash and cash equivalents	2	12,613,924	10,001,187	9,854,591
Financial assets at amortised cost	2	0	0	1,600,000
Rates receivables	3	553,636	538,289	540,914
Receivables	3	(7,918)	70,125	472,399
Other current assets	4	173,943	125,336	103,932
Less: Current liabilities				
Payables	5	(494,334)	(1,530,743)	(462,335)
Borrowings	9	(57,191)	(29,841)	(48,607)
Contract and Capital Grant/Contribution liabilities	12	(922,288)	(396,437)	(1,267,619)
Provisions	12	(194,417)	(194,417)	(194,417)
Less: Total adjustments to net current assets	1(b)	(7,335,732)	(7,484,121)	(7,362,242)
Closing funding surplus / (deficit)		4,329,624	1,099,377	3,236,616

CURRENT AND NON-CURRENT CLASSIFICATION

In the determination of whether an asset or liability is current or non-current, consideration is given to the time when each asset or liability is expected to be settled. Unless otherwise stated assets or liabilities are classified as at current if expected to be settled within the next 12 months, being the Council's operational cycle.

Liabilities under transfers to acquire or construct non-financial assets to be controlled by the entity

Description	Classification	Unrestricted \$	Restricted \$	Total Cash \$	Trust \$	Institution	Interest Rate	Maturity Date
Cash on hand								
Cash On Hand	Cash and cash equivalents	400		400			NIL	On Hand
At Call Deposits								
Muni Bank Trading - NAB (Current)	Cash and cash equivalents	2,593,800		2,593,800		NAB	0.00%	At Call
Muni Professional Fund - NAB	Cash and cash equivalents	1,189,434		1,189,434		NAB	4.10%	At Call
CAB - Future Fund Grant (Interest) Reserve	Cash and cash equivalents	0	419,550	419,550		NAB	4.10%	At Call
CAB - Leave Reserve Account	Cash and cash equivalents	0	269,187	269,187		NAB	4.10%	At Call
CAB - Swimming Pool Reserve	Cash and cash equivalents	0	200,359	200,359		NAB	4.10%	At Call
CAB - Plant Replacement Reserve	Cash and cash equivalents	0	671,356	671,356		NAB	4.10%	At Call
CAB - Capital Works Reserve	Cash and cash equivalents	0	395,674	395,674		NAB	4.10%	At Call
CAB - Sewerage Reserve	Cash and cash equivalents	0	747,702	747,702		NAB	4.10%	At Call
CAB - Community & Economic Development Reserve	Cash and cash equivalents	0	989,931	989,931		NAB	4.10%	At Call
CAB - Future Funds (Principal) Reserve	Cash and cash equivalents	0	476,882	476,882		NAB	4.10%	At Call
CAB - Legal Reserve	Cash and cash equivalents	0	72,476	72,476		NAB	4.10%	At Call
CAB - Emergency Response Reserve	Cash and cash equivalents	0	346,158	346,158		NAB	4.10%	At Call
CAB - Aged Care Units 1-4 (JVA) Reserve	Cash and cash equivalents	0	81,341	81,341		NAB	4.10%	At Call
CAB - Aged Care Units (Excl. 1-4) Reserve	Cash and cash equivalents	0	332,645	332,645		NAB	4.10%	At Call
CAB - Jones Lake Road Rehab Reserve	Cash and cash equivalents	0	233,072	233,072		NAB	4.10%	At Call
CAB - Morawa-Yalgoo Road Maintenance Reserve	Cash and cash equivalents	0	299,964	299,964		NAB	4.10%	At Call
CAB - Insurance Works Reserve	Cash and cash equivalents	0	34,660	34,660		NAB	4.10%	At Call
Term Deposits		0						
TD: ... 5010 (Future Funds 1)	Financial assets at amortised cost	0	800,000	800,000		NAB	5.30%	28/02/2027
TD: ... 8706 (Future Funds 2)	Financial assets at amortised cost	0	800,000	800,000		NAB	5.30%	28/02/2027
TD: ... 4783 (Community Development Fund)	Cash and cash equivalents	0	500,000	500,000		NAB	4.95%	28/08/2026
Trust Deposits								
Trust Bank	Cash and cash equivalents				1,525	NAB	0.00%	At Call
Total		3,783,634	7,670,957	11,454,591	1,525			
Comprising								
Cash and cash equivalents		3,783,634	6,070,957	9,854,591	1,525			
Financial assets at amortised cost		0	1,600,000	1,600,000	0			
		3,783,634	7,670,957	11,454,591	1,525			

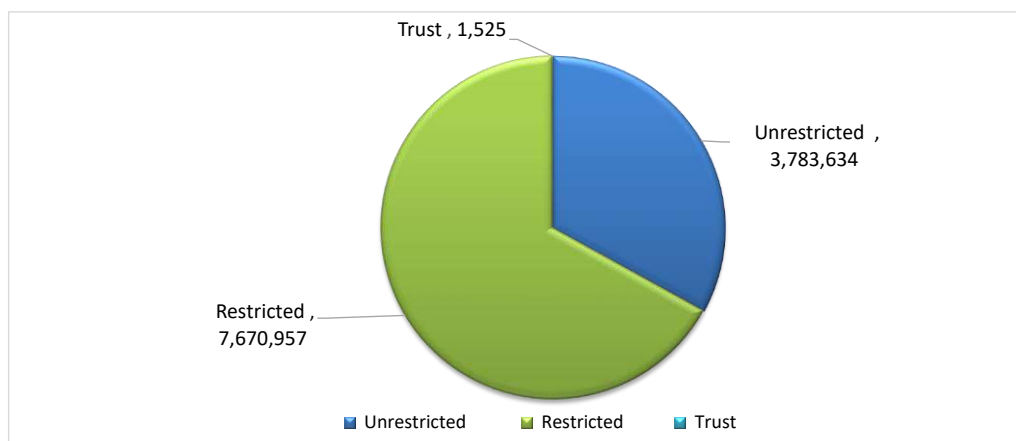
KEY INFORMATION

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

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

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

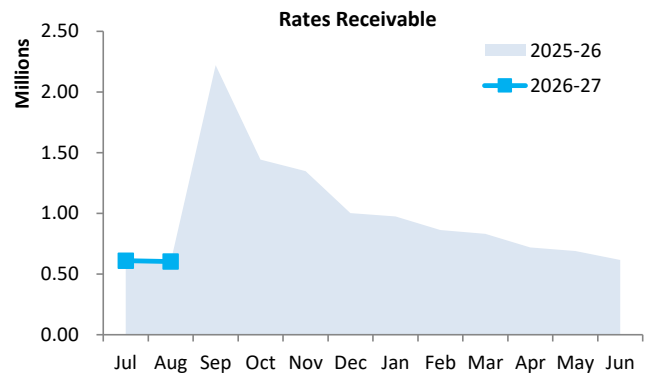
Financial assets at amortised cost held with registered financial institutions are listed in this note other financial assets at amortised cost are provided in Note 4 - Other assets.



**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 AUGUST 2026**

**OPERATING ACTIVITIES
NOTE 3
RECEIVABLES**

Rates receivable	30 Jun 2026	31 Aug 2026
	\$	\$
Opening arrears previous years	642,923	615,557
Levied this year	3,761,290	0
Less - collections to date	(3,788,656)	(12,723)
Equals current outstanding	615,557	602,834
Net rates collectable	615,557	602,834
% Collected	86%	2.1%

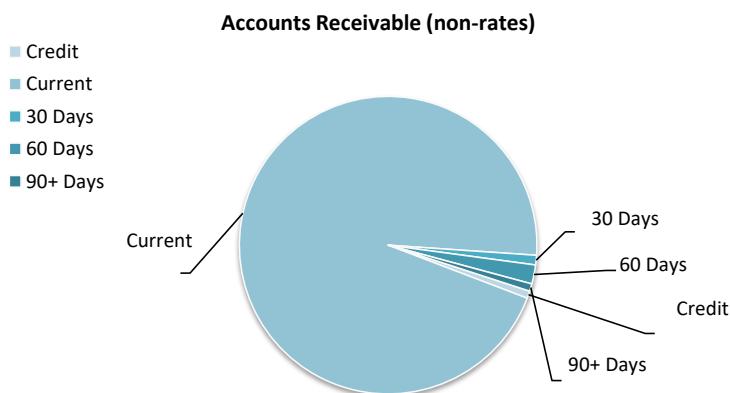


Receivables - general	Credit	Current	30 Days	60 Days	90+ Days	Total
	\$	\$	\$	\$	\$	\$
Receivables - general	(3,570)	425,379	4,666	9,212	3,599	439,286
Percentage	(0.8%)	96.8%	1.1%	2.1%	0.8%	
Balance per trial balance						
Sundry receivable						439,286
GST receivable						118,711
Increase in Allowance for impairment of receivables from contracts with customers						(87,522)
Rates Pensioner Rebate Allowed/Received						1,925
Total receivables general outstanding						472,399

Amounts shown above include GST (where applicable)

KEY INFORMATION

Trade and other receivables include amounts due from ratepayers for unpaid rates and service charges and other amounts due from third parties for goods sold and services performed in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets. Collectability of trade and other receivables is reviewed on an ongoing basis. Debts that are known to be uncollectible are written off when identified. An allowance for impairment of receivables is raised when there is objective evidence that they will not be collectible.



	Opening Balance 1 July 2026	Asset Increase	Asset Reduction	Closing Balance 31 Aug 2026
Other current assets	\$	\$	\$	\$
Inventory				
Fuel, Oils and Materials on Hand	13,214	0	0	13,214
Other current assets				
Prepayments	11,089	0	(11,089)	0
Accrued income	58,020	0	(58,922)	(902)
Total other current assets	173,942	0	(70,011)	103,931
Amounts shown above include GST (where applicable)				

KEY INFORMATION

Inventory

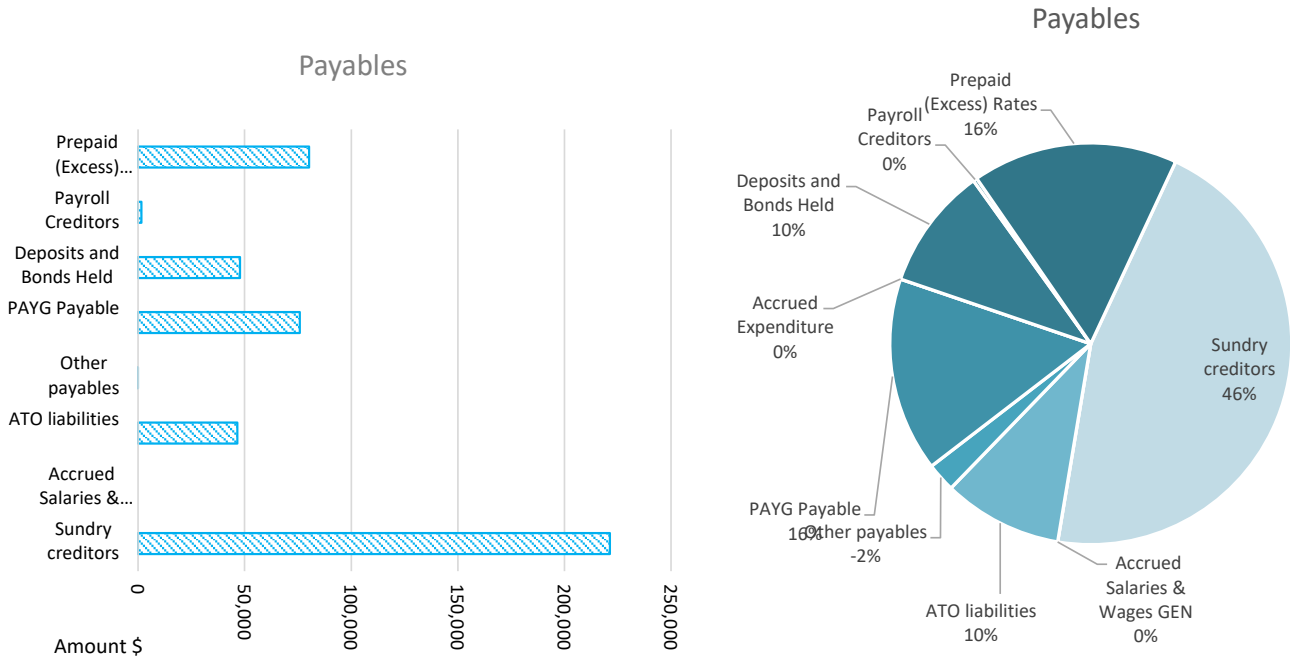
Inventories are measured at the lower of cost and net realisable value.

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

Payables - general	Credit	Current	30 Days	60 Days	90+ Days	Total
	\$	\$	\$	\$	\$	\$
Payables - general	0	159,068	61,786	534	0	221,387
Percentage	0%	71.9%	27.9%	0.2%	0%	
Balance per trial balance						
Sundry creditors						221,387
Accrued Salaries & Wages GEN						0
ATO liabilities						46,562
Other payables						(11,276)
PAYG Payable						75,824
Accrued Expenditure						0
Deposits and Bonds Held						47,763
Payroll Creditors						1,536
Prepaid (Excess) Rates						80,188
Total payables general outstanding						461,984
Amounts shown above include GST (where applicable)						

KEY INFORMATION

Trade and other payables represent liabilities for goods and services provided to the Shire that are unpaid and arise when the Shire becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured, are recognised as a current liability and are normally paid within 30 days of recognition.



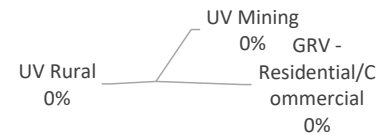
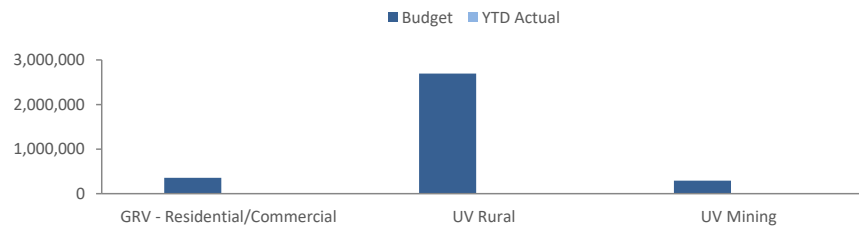
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 AUGUST 2026

OPERATING ACTIVITIES
NOTE 6
RATE REVENUE

General rate revenue	Budget					YTD Actual			
	Rate in \$ (cents)	Number of Properties	Rateable Value	Rate Revenue	Total Revenue	Rate Revenue	Interim Rates	Back Rates	Total Revenue
RATE TYPE				\$	\$	\$	\$	\$	\$
General Rate									
Gross rental valuations									
GRV - Residential/Commercial	0.095865	265	3,705,874	355,264	355,264	0	0	0	0
Unimproved value									
UV Rural	0.014570	201	184,982,000	2,695,188	2,695,188	0	0	0	0
UV Mining	0.317030	26	914,723	289,995	289,995	0	0	0	0
Sub-Total		492	189,602,597	3,340,447	3,340,447	0	0	0	0
Minimum payment	Minimum \$								
Gross rental valuations									
GRV - Residential/Commercial	386	52	30,512	20,072	20,072	0	0	0	0
Unimproved value									
UV Rural	386	12	162,730	4,632	4,632	0	0	0	0
UV Mining	742	13	16,357	9,646	9,646	0	0	0	0
Sub-total		77	209,599	34,350	34,350	0	0	0	0
		569	189,812,196	3,374,797	3,374,797	0	0	0	0
Discount					(37,000)				0
Amount from general rates					3,337,797				0
Rates Written Off					(10,000)				(5)
Ex-gratia rates		0	0	0	12,780				0
Total general rates					3,340,577				(5)

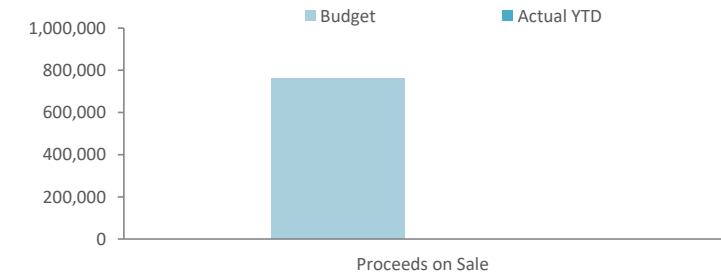
KEY INFORMATION

Prepaid rates are, until the taxable event for the rates has occurred, refundable at the request of the ratepayer. Rates received in advance give rise to a financial liability. On 1 July 2023 the prepaid rates were recognised as a financial asset and a related amount was recognised as a financial liability and no income was recognised. When the taxable event occurs the financial liability is extinguished and income recognised for the prepaid rates that have not been refunded.



Asset Ref.	Asset description	Updated Budget				YTD Actual			
		Net Book	Proceeds	Profit	(Loss)	Net Book	Proceeds	Profit	(Loss)
		Value				Value			
		\$	\$	\$	\$	\$	\$	\$	\$
Land									
546	LAND - Lot 1 (2) Broad Avenue	9,000	0	0	(9,000)	0	0	0	0
536	LAND - Lot 350 (17) Broad Avenue - Graeme	10,000	0	0	(10,000)	0	0	0	0
Buildings									
278	BLDG - Lot 1 (2) Broad Avenue	116,583	150,000	33,417	0	0	0	0	0
158	BLDG - Lot 350 (17) Broad Avenue	78,717	150,000	71,283	0	0	0	0	0
165	BLDG - Lot 375 (20) Barnes Street	284,434	250,000	0	(34,434)	0	0	0	0
Plant and equipment									
Health									
231	P&E - P231 Ford Everest 4x4 (1IAD416) Dr's Vehicle	34,982	35,000	18	0	0	0	0	0
Transport									
661	P&E - P268 DMAX Crew Cab 4 x 2 (Roads) - MO44	33,188	15,000	0	(18,188)	0	0	0	0
251	P&E - P251 - Toyota Hilux - Gardeners Ute	15,000	10,000	0	(5,000)	0	0	0	0
53	P&E - P154 Tri Axle Low Loader	10,000	25,000	15,000	0	0	0	0	0
428	P&E - P220 Roadserve 3000 Series Semi Water Cart	33,521	25,000	0	(8,521)	0	0	0	0
429	P&E - P221 2011 Caterpillar CT630B Truck	74,688	40,000	0	(34,688)	0	0	0	0
43	P&E - P168 2003 IVECO 6700 Truck	19,884	33,000	13,116	0	0	0	0	0
Other property and services									
671	P&E - P275 Ford Everest 2025 SUV Trend 2.0L (MO0) - CEO	54,698	30,000	0	(24,698)	0	0	0	0
		774,694	763,000	132,834	(144,528)	0	0	0	0

The Shire has no asset disposals to report as at 31 July 2026.



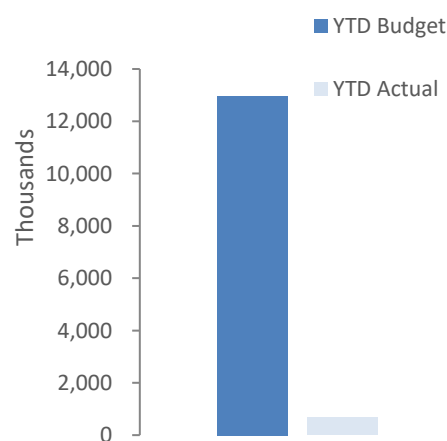
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 AUGUST 2026**

**INVESTING ACTIVITIES
NOTE 8
CAPITAL ACQUISITIONS**

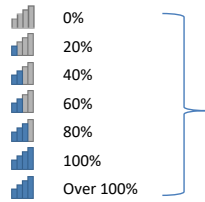
	Adopted Budget	Amended Budget	YTD Budget	YTD Actual	YTD Actual Variance
Capital acquisitions					
		\$	\$	\$	\$
Land and Buildings	8,437,585	8,437,585	1,263,762	329,607	(934,155)
Furniture and equipment	10,000	10,000	1,666	0	(1,666)
Plant and equipment	1,234,601	1,234,601	13,332	273,903	260,571
Infrastructure - roads	2,956,913	2,956,913	0	10,696	10,696
Infrastructure - Footpaths	78,540	78,540	0	0	0
Infrastructure - Sewerage	50,000	50,000	0	0	0
Infrastructure - Other	200,000	200,000	31,666	48,246	16,580
Payments for Capital Acquisitions	12,967,639	12,967,639	1,310,426	662,452	(647,974)
Capital Acquisitions Funded By:					
		\$	\$	\$	\$
Capital grants and contributions	6,540,051	6,540,051	249,672	34,085	(215,587)
Borrowings	900,000	900,000	0	0	0
Other (disposals & C/Fwd)	763,000	763,000	97,498	0	(97,498)
Cash backed reserves					
Plant Replacement Reserve	911,601	911,601	0	0	0
Capital Works Reserve	483,982	483,982		0	0
Community & Economic Development Reserve	1,022,792	1,022,792	0	0	0
Sewerage Reserve	75,000	75,000	0	0	0
Aged Care Units (Excl. 1-4) Reserve	35,000	35,000		0	0
Contribution - operations	2,236,213	2,236,213	963,256	628,367	(334,889)
Capital funding total	12,967,639	12,967,639	1,310,426	662,452	(647,974)

SIGNIFICANT ACCOUNTING POLICIES

All assets are initially recognised at cost. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition. For assets acquired at no cost or for nominal consideration, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by the local government includes the cost of all materials used in the construction, direct labour on the project and an appropriate proportion of variable and fixed overhead. Certain asset classes may be revalued on a regular basis such that the carrying values are not materially different from fair value. Assets carried at fair value are to be revalued with sufficient regularity to ensure the carrying amount does not differ materially from that determined using fair value at reporting date.



Capital expenditure total
Level of completion indicators



Percentage Year to Date Actual to Annual Budget expenditure where the expenditure over budget highlighted in red.

Level of completion indicator, please see table at the end of this note for further detail.

Account/Job Description	Adopted Budget	Amended Budget	YTD Budget	YTD Actual	Variance (Under)/Over
	\$	\$	\$	\$	\$
Buildings					
Building Capital Works - Early Childhood Education Centre	(4,200,000)	(4,200,000)	(700,000)	(282,254)	417,746
Youth Centre Building Capital Expenditure	(150,000)	(150,000)	(25,000)	0	25,000
24 Harley Street, Morawa	(30,000)	(30,000)	(5,000)	0	5,000
2 Caulfield St Old Docs House Capital	0	0	0	(193)	(193)
Regional Key Worker Housing Construction X 6	(2,717,603)	(2,717,603)	(452,932)	0	452,932
Unit 5 - Aged - Yewers Ave Capital	(35,000)	(35,000)	(5,832)	0	5,832
Town Hall & Old Chambers	(355,000)	(355,000)	0	(5,102)	(5,102)
Recreation Centre - Renewals	(16,000)	(16,000)	0	0	0
New Depot Construction	(483,982)	(483,982)	0	(42,057)	(42,057)
Standalone Caravan Park Laundry	(50,000)	(50,000)	(8,332)	0	8,332
Admin Office Upgrade/Renewal	(400,000)	(400,000)	(66,666)	0	66,666
	(8,437,585)	(8,437,585)	(1,263,762)	(329,607)	934,155
Plant & Equipment					
Purchase Of Doctor'S Vehicle	(80,000)	(80,000)	(13,332)	0	13,332
Purchase Plant & Equipment - Sewerage	(25,000)	(25,000)	0	0	0
Purchase Of New Tri Axle Trailer (Old P154)	(120,000)	(120,000)	0	0	0
Purchase Of New Truck	(334,601)	(334,601)	0	(273,569)	(273,569)
Purchase Of Street Sweeper	0	0	0	(334)	(334)
Purchase Of New Roadserve 3000 Series Semi Water Cart P220	(140,000)	(140,000)	0	0	0
Purchase Of New Caterpillar Ct630B Truck P221	(380,000)	(380,000)	0	0	0
Purchase Of Team Leader Roads Ute	(75,000)	(75,000)	0	0	0
Purchase Of Ceo Vehicle	(80,000)	(80,000)	0	0	0
	(1,234,601)	(1,234,601)	(13,332)	(273,903)	(260,571)
Furniture & Equipment					
Furniture & Equipment - Other Health	(10,000)	(10,000)	(1,666)	0	1,666
	(10,000)	(10,000)	(1,666)	0	1,666
Infrastructure Other					
War Rock - Fire Water Tank	0	0	0	(40,519)	(40,519)
Old Town Dam - Fire Water Tank	0	0	0	(7,727)	(7,727)
Infrastructure Other	(160,000)	(160,000)	(25,000)	0	25,000
Led Tourism Information Signage	(40,000)	(40,000)	(6,666)	0	6,666
	(200,000)	(200,000)	(31,666)	(48,246)	(16,580)
Infrastructure Sewerage					
Sewerage Upgrade	(50,000)	(50,000)	0	0	0
	(50,000)	(50,000)	0	0	0
Infrastructure Roads					
Black Spot Evaside Rd Stage 2 Expenditure	(537,000)	(537,000)	0	(8,539)	(8,539)
Pintharuka West Road 2026/27 Gravel Resheet 6Km	(586,880)	(586,880)	0	(2,158)	(2,158)
Nanekine Road 2024/25 Section	(483,033)	(483,033)	0	0	0
Nanekine Road 2025/26 Reconstruct	(450,000)	(450,000)	0	0	0
Morawa Yalgoo Road 2025/26 Reconstruction Section 1	(450,000)	(450,000)	0	0	0
Nanekine Road 2026/27 Reconstruct Slk 1.72 To 2.79	(450,000)	(450,000)	0	0	0
	(2,956,913)	(2,956,913)	0	(10,696)	(10,696)
Infrastructure Footpaths					
Prater Street Dual Use Path	(78,540)	(78,540)	0	0	0
	(78,540)	(78,540)	0	0	0
	0	0	0	0	0
	(12,967,639)	(12,967,639)	(1,310,426)	(662,452)	647,974

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 AUGUST 2026**

FINANCING ACTIVITIES

NOTE 9

BORROWINGS

Repayments - borrowings

Information on borrowings			New Loans			Principal Repayments			Principal Outstanding			Interest Repayments		
Particulars	Loan No.	1 July 2026	Actual	Adopted Budget	Amended Budget	Actual	Adopted Budget	Amended Budget	Actual	Adopted Budget	Amended Budget	Actual	Adopted Budget	Amended Budget
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Education and welfare														
Early Childhood and Family Centre	143	0	0	900,000	900,000	0	34,372	34,372	0	865,628	865,628	0	30,888	30,888
Housing														
24 Harley Street - Staff Housing	136	200,014	0	0	0	0	17,744	17,744	200,014	182,270	182,270	(322)	9,052	9,052
Recreation and culture														
Netball Courts Redevelopment	139	132,234	0	0	0	0	12,982	12,982	132,234	119,252	119,252	(712)	2,968	2,968
Tennis Courts Renewal Project	142	220,000	0	0	0	8,584	17,385	17,385	211,416	202,615	202,615	339	12,381	12,381
		552,248	0	900,000	900,000	8,584	82,483	82,483	543,665	1,369,765	1,369,765	(696)	55,289	55,289
Self supporting loans														
Recreation and culture														
Self Supporting Loan - Tennis Club - Court Renewal	141	115,000	0	0	0	0	9,079	9,079	115,000	105,921	105,921	(2,759)	6,699	6,699
		115,000	0	0	0	0	9,079	9,079	115,000	105,921	105,921	(2,759)	6,699	6,699
Total		667,248	0	900,000	900,000	8,584	91,562	91,562	658,665	1,475,686	1,475,686	(3,454)	61,988	61,988
Current borrowings		57,191							48,607					
Non-current borrowings		610,058							610,058					
		667,248							658,665					

All debenture repayments were financed by general purpose revenue.

Self supporting loans are financed by repayments from third parties.

KEY INFORMATION

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Fees paid on the establishment of loan facilities that are yield related are included as part of the carrying amount of the loans and borrowings.

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 AUGUST 2026

FINANCING ACTIVITIES
NOTE 10
LEASE LIABILITIES

Information on leases			New Leases			Principal Repayments			Principal Outstanding			Interest Repayments		
Particulars	Lease No.	1 July 2026	Actual	Amended Budget	Adopted Budget	Actual	Amended Budget	Adopted Budget	Actual	Amended Budget	Adopted Budget	Actual	Amended Budget	Adopted Budget
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$

The Shire has no lease liabilities to report as at 31 August 2026

KEY INFORMATION

At inception of a contract, the Shire assesses if the contract contains or is a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. At the commencement date, a right of use asset is recognised at cost and lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Shire uses its incremental borrowing rate.

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

Cash backed reserve

Reserve name	Opening Balance	Budget Interest Earned	Actual Interest Earned	Budget Transfers In (+)	Actual Transfers In (+)	Budget Transfers Out (-)	Actual Transfers Out (-)	Budget Closing Balance	Actual YTD Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Leave Reserve	268,215	8,684	971	0	0	(20,000)	0	256,899	269,187
Plant Replacement Reserve	668,933	21,659	2,423	539,139	0	(911,601)	0	318,130	671,356
Capital Works Reserve	394,246	12,726	1,428	500,000	0	(483,982)	0	422,990	395,674
Community & Economic Development Reserve	1,486,358	48,008	3,573	0	0	(1,022,792)	0	511,574	1,489,931
Sewerage Reserve	745,004	24,119	2,698	60,000	0	(75,000)	0	754,123	747,702
Future Fund Grants (Interest) Reserve	358,956	11,135	1,305	58,830	0	(40,000)	0	388,921	360,261
Future Fund (Principal) Reserve	2,134,240	69,212	1,930	0	0	(58,830)	0	2,144,622	2,136,170
Aged Care Units (Excl. 1-4) Reserve	331,517	10,736	1,128	10,000	0	(35,000)	0	317,253	332,645
Legal Fees Reserve	72,215	2,339	262	10,000	0	(10,000)	0	74,554	72,476
Emergency Response Reserve	344,909	11,167	1,249	0	0	0	0	356,076	346,158
Aged Care Units 1-4 (JVA) Reserve	80,975	2,621	366	0	0	0	0	83,596	81,341
Swimming Pool Reserve	199,636	6,466	723	20,000	0	0	0	226,102	200,359
Jones Lake Road Rehab Reserve	232,231	7,521	841	20,000	0	0	0	259,752	233,072
Morawa-Yalgoo Road Maintenance Reserve	299,964	0	0	50,000	0	(299,500)	0	50,464	299,964
Insurance Works Reserve	34,660	0	0	0	0	0	0	34,660	34,660
Information Technology Reserve	0	0	0	100,000	0	0	0	100,000	0
	7,652,059	236,393	18,898	1,367,969	0	(2,956,705)	0	6,299,716	7,670,957

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 AUGUST 2026**

**OPERATING ACTIVITIES
NOTE 12
OTHER CURRENT LIABILITIES**

Other Current Liabilities	Note	Opening Balance 1 Jul 2026	Liability Increase	Liability Reduction	Closing Balance 31 Aug 2026
		\$	\$	\$	\$
Other liabilities					
- Contract liabilities	12	12,119	(119)	0	12,000
- Capital grant/contribution liabilities	13	910,169	379,535	(34,085)	1,255,619
Total other liabilities		922,288	379,416	(34,085)	1,267,619
Provisions					
Annual leave		86,244	0	0	86,244
Long service leave		108,173	0	0	108,173
Total Provisions		194,417	0	0	194,417
Total Other Current Liabilities					1,462,036
Amounts shown above include GST (where applicable)					

KEY INFORMATION

PROVISIONS

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

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

EMPLOYEE BENEFIT PROVISIONS

Short-term employee benefits

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

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

Other long-term employee benefits

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

Long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Any remeasurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the changes occur. The Shire's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the Shire does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

CONTRACT LIABILITIES

An entity's obligation to transfer goods or services to a customer for which the entity has received consideration (or the amount is due) from the customer.

CAPITAL GRANT/CONTRIBUTION LIABILITIES

Grants to acquire or construct recognisable non-financial assets to identified specifications be constructed to be controlled by the Shire are recognised as a liability until such time as the Shire satisfies its obligations under the agreement.

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 AUGUST 2026

NOTE 13
GRANTS, SUBSIDIES AND CONTRIBUTIONS

Provider	Unspent Grant, Subsidies and Contributions Liability				Grants, Subsidies and Contributions Revenue			
	Liability 1 Jul 2026	Increase in Liability	Liability Reduction (As revenue)	Current Liability 31 Aug 2026	Adopted Budget Revenue	Amended Annual Budget	Amended YTD Budget	YTD Actual Revenue
	\$	\$	\$	\$	\$	\$	\$	\$
Grants and Subsidies								
General purpose funding								
Grants- FAGS WALGGC - General	0	0	0	0	383,279	383,279	95,819	89,688
Grants- FAGS WALGGC - Local Roads	0	0	0	0	184,080	184,080	46,020	30,656
Law, order, public safety								
DFES Operating Grant - Bush Fire Brigade	0	0	0	0	24,060	24,060	6,015	6,015
DFES Bush Fire Mitigation Activity Funds 2026/27	0	0	0	0	28,342	28,342	4,722	0
Health								
DPIRD Grant - Local Government Rodent Control Assistance Program	0	0	0	0	0	0	0	7,904
Education and welfare								
COTA WA Seniors Week Grant Income	0	0	0	0	1,000	1,000	166	0
YAC WA Grant Income	119	(119)	0	0	0	0	0	0
Bike Week/Transport-WestCycle Grant Income	0	0	0	0	1,000	1,000	166	0
Dept of Communities Youth Week WA Grant Income	0	0	0	0	3,000	3,000	500	0
CBH Grass Roots Grant - Morawa Youth Centre Rejuvenation Income	12,000	0	0	12,000	12,000	12,000	2,000	0
Recreation and culture								
NADC Australia Day Grant	0	0	0	0	16,500	16,500	0	0
Direct Grant (MRWA)	0	0	0	0	213,754	213,754	213,754	0
	12,118.53	(119)	0	12,000	867,015	867,015	369,162	134,262
Contributions								
Education and welfare								
Other Income	0	0	0	0	500	500	82	0
Community amenities								
Drummuster Contribution	0	0	0	0	30,000	30,000	5,000	0
Community Benefit Contribution	0	0	0	0	20,000	20,000	3,332	0
Recreation and culture								
Event Income - Other Culture	0	0	0	0	1,800	1,800	300	0
Transport								
Street Lighting Subsidy (MRWA)	0	0	0	0	6,000	6,000	1,000	0
Maintenance Contribution - Silverlake - Morawa Yalgoo Road	0	0	0	0	100,000	100,000	0	64,431
Road Maintenance Contribution	0	0	0	0	55,000	55,000	0	0
Other property and services								
Income related to Unclassified	0	0	0	0	500	500	82	0
	0	0	0	0	213,800	213,800	9,796	64,431
TOTALS	12,119	(119)	0	12,000	1,080,815	1,080,815	378,958	198,694

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 AUGUST 2026

NOTE 14
CAPITAL GRANTS, SUBSIDIES AND CONTRIBUTIONS

Provider	Unspent Non Operating Grants, Subsidies and Contributions Liability				Non Operating Grants, Subsidies and Contributions Revenue			
	Liability 1 Jul 2026	Increase in Liability	Liability Reduction (As revenue)	Current Liability 31 Aug 2026	Adopted Budget Revenue	Amended Annual Budget	Amended YTD Budget	YTD Actual Revenue
	\$	\$	\$	\$	\$	\$	\$	\$
Capital Grants and Subsidies								
Law, order, public safety								
DWER War Rock - Fire Water Tank Income	17,819	0	(17,819)	0	0	0	0	17,819
DWER Old Town Dam - Fire Water Tank Income	20,000	0	(7,727)	12,273	0	0	0	7,727
Education and welfare								
Growing Regions Program - Early Childhood Education Centre Income	0	0	0	0	2,234,775	2,234,775	0	0
Lotterywest - Early Childhood Education Centre Income	512,150	0	0	512,150	512,000	512,000	0	0
Regional Economic Development - Early Childhood Education Centre Income	0	0	0	0	200,000	200,000	0	0
Regional Economic Development - Regional Key Worker Housing Income	0	0	0	0	1,498,036	1,498,036	249,672	0
Transport								
MRWA Grant - RRG - Nanekine Rd - Reconstruct 25/26	192,000	126,512	0	318,512	300,000	300,000	0	0
MRWA Grant - RRG - Morawa Yalgoo Rd - Reconstruction Section 1 25/26	0	126,512	0	126,512	300,000	300,000	0	0
MRWA Grant - RRG - Nanekine Road - Widen & Seal	30,990	0	0	30,990	210,990	210,990	0	0
MRWA Grant - RRG - Nanekine Road - 2026/27 Reconstruct	0	126,512	0	126,512	300,000	300,000	0	0
RTR Grant - Pintharuka West Road 2026/27 Gravel Resheet 6km	0	0	0	0	586,880	586,880	0	0
MRWA Black Spot Grant - Evaside Road Stage 2	137,210	0	(8,539)	128,671	358,000	358,000	0	8,539
WA Bicycle Network Grant - Prater Street Dual Use Path	0	0	0	0	39,370	39,370	0	0
	910,169	379,535	(34,085)	1,255,619	6,540,051	6,540,051	249,672	34,085
Total Non-operating grants, subsidies and contributions	910,169	379,535	(34,085)	1,255,619	6,540,051	6,540,051	249,672	34,085

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 AUGUST 2026**

**NOTE 15
TRUST FUND**

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

Description	Opening Balance 1 July 2026	Amount Received	Amount Paid	Closing Balance 31 Aug 2026
	\$	\$	\$	\$
Drug Action Group	660	0	0	660
Youth Fund Raising	865	0	0	865
	1,525	0	0	1,525

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 AUGUST 2026**

The material variance thresholds are adopted annually by Council as an indicator of whether the actual expenditure or revenue varies from the year to date Actual materially.

The material variance adopted by Council for the 2026-27 year is \$10,000 or 10.00% whichever is the greater.

**NOTE 16
EXPLANATION OF MATERIAL VARIANCES**

Reporting Program	Var. \$	Var. %	Explanation of positive variances		Explanation of negative variances	
			Timing	Permanent	Timing	Permanent
Revenue from operating activities						
Grants, subsidies and contributions	(180,264)	(47.57%)	▼	Vault Minerals RAV community benefit contribution received ahead of budget phasing. The	The MRWA Direct grant has not been received is budgeted to be received.	
Fees and charges	(57,765)	(30.09%)	▼		Caravan park and rubbish collection income running behind budget.	
Interest revenue	(41,518)	(73.87%)	▼		Interest on term deposits to be recognised when they mature.	
Other revenue	36,303	178.09%	▲	Income from sale of scrap metal received and not budgeted for.		
Profit on disposal of assets	(17,452)	(100.00%)	▼		Some budgeted asset disposals are running behind budget.	
Expenditure from operating activities						
Employee costs	261,460	45.00%	▲	Various Salaries and Wages expenditure behind budget phasing.		
Materials and contracts	116,739	25.03%	▲	Various Materials and Contract expenditure behind budget phasing.		
Utility charges	70,122	99.64%	▲	Utility expenditure behind budget phasing.		
Finance costs	13,782	133.45%	▲	Finance costs behind budget phasing.		
Insurance expenses	(57,399)	(51.91%)	▼		Insurance premium expenditure incurred of budget phasing.	
Loss on disposal of assets	13,020	100.00%	▲	Some budgeted asset disposals are running behind budget.		
Investing activities						
Proceeds from Capital grants, subsidies and contributions	(215,587)	(86.35%)	▼		Actual capital grant revenue recognised is behind budget phasing. Revenue recognition is generally tied to capital works which the funding is associated with. Capital works is currently behind budget.	
Proceeds from disposal of assets	(97,498)	(100.00%)	▼		Some budgeted asset disposals are running behind budget.	
Payments for Infrastructure	(27,277)	(86.14%)	▼		Capital Works currently ahead of budget phasing. See Note 8 for project details.	
Payments for property, plant and equipment	675,250	52.81%	▲	Capital Works currently behind budget phasing. See Note 8 for project details.		
Financing activities						
Transfer from reserves	(175,676)	(100.00%)	▼		Transfers from reserve relating to some capital projects have not been done due to the capital projects not yet started.	

Amendments to original budget since budget adoption. Surplus/(Deficit)

GL Code	Description	Council Resolution	Classification	Non Cash Adjustment	Increase in Available Cash	Decrease in Available Cash	Amended Budget Running Balance
				\$	\$	\$	\$
	Budget adoption		Opening surplus				0
							0
	Change in opening surplus since budget adoption					-	0
				0	0	0	0

Ordinary Council Meeting 29 September 2026

Attachment 1 – 11.2.3a List of Accounts Paid for the period ending 31 Aug 2026.

Attachment 2 – 11.2.3b Bank Reconciliation for the period ending 31 Aug 2026.

Item 11.2.3 – List of Payments – August 2026

Attachment 1 – 11.2.3a List of Accounts Paid for the period ending 31 Aug 2026.

Shire of Morawa List of Payments Report For Period Ending 31 August 2026					
Chq/EFT	Date	Name	Description	Amount	Bank
EFT20719	14/08/2026	WA Machinery Brokers	2x Left Hand Skids 2x Right Hand Skids for 200m Flail Mower	400.00	6
EFT20720	14/08/2026	Rip-It Security Shredding	Collection/Storage of Secure Archive Documents - July 2026	104.50	6
EFT20721	14/08/2026	Metal Artwork Badges	10 x New staff name badges	137.50	6
EFT20722	14/08/2026	Refuel Australia	Supply Fuel for the Depot Fuel Pod	17947.84	6
EFT20723	14/08/2026	Canine Control	Ranger Services - 23 July 2026	2344.82	6
EFT20724	14/08/2026	WALGA	2026 WALGA Convention	2017.40	6
EFT20725	14/08/2026	Greenfield Technical Services	Variation; Clearing Permit work for Evaside Road - June 2026	858.00	6
EFT20726	14/08/2026	Jason Signmakers	Updated Tourism Signage	3368.31	6
EFT20727	14/08/2026	Local Government Professionals Australia WA	2026-27 Bronze Local Government Subscription	660.00	6
EFT20728	14/08/2026	Aerodrome Management Services Pty Ltd	Periodic Compliance Support - July 2026	3373.62	6
EFT20729	14/08/2026	Total Toilets	Toilet Hire for Period 1/7/26-/31/7/26	1064.50	6
EFT20730	14/08/2026	LGISWA	LGIS Employee Assistance Program	2715.41	6
EFT20731	14/08/2026	Jupps Floor Coverings & Tile Specialists	13x Block out Roller Blinds for Town Hall and Lesser Hall	4180.00	6
EFT20732	14/08/2026	Officeworks	Purchase of Monitor Arm	176.00	6
EFT20733	14/08/2026	RJ & LJ King	1Grader plus Disposal and Stem	2280.30	6
EFT20734	14/08/2026	Great Southern Fuel Supplies	Fuel Card Purchases - July 2026	711.43	6
EFT20735	14/08/2026	DMIRS (Department of Mines, Industry	Building Services Levy - July 2026	56.65	6
EFT20736	14/08/2026	Infinitum Technologies Pty Ltd	Managed Service Agreement - July 2026	3448.29	6
EFT20737	14/08/2026	Avon Waste	Collection of General Waste Transfer Bins - Missed off Monthly Invoices	11220.00	6
EFT20738	14/08/2026	Mitchell and Brown Communications	Quarterly Security Monitoring - Medical Centre - August 2026	176.01	6
EFT20739	14/08/2026	Astrotourism WA (Stargazers Club)	Astrotourism Towns Membership 26/27	3850.00	6
EFT20740	14/08/2026	Bob Waddell Consultant	Assitance with 26/27 Budget, 25/26 EOY & AFR	10736.00	6
EFT20741	14/08/2026	Bookeasy Australia Pty Ltd	Booking Software for Caravan Park for July 2026	134.31	6
EFT20742	14/08/2026	Midmech Pty Ltd	Carry out Service - P294/P273/P274/P268	2902.39	6
EFT20743	14/08/2026	Vitrum Works	Replace Broken Glass Door at the Bowling Club	2695.00	6
EFT20744	14/08/2026	LG Best Practices Pty Ltd	Rates Services - July 2026	5175.50	6
EFT20745	14/08/2026	Ikonyx Medical Services Pty Ltd	Motor Vehicle Allowance - Q2 2026	8250.00	6
EFT20746	14/08/2026	Wallace Plumbing and Gas	Replace toilet at Rec Centre/ Backflow Check/ Depot Toilet	1809.60	6
EFT20747	14/08/2026	GSA Engineering	Period - July 2026 - Construction Phase	1100.00	6
EFT20748	14/08/2026	Before You Dig Australia	Dial Before You Dig Membership Fees 26/27	1101.32	6
EFT20749	14/08/2026	ATC Work Smart	School Based Trainee - Period 13/07/2026 to 26/07/2026	133.00	6
EFT20750	14/08/2026	Australia Post	Postage Fees & Charges - July 2026	15.12	6
EFT20751	14/08/2026	Integrated ICT	Adobe Annual Licence FY 26/27	13433.76	6
EFT20752	14/08/2026	Marty Symmons	Reimbursement for LG Professionals Membership Fee	560.00	6
EFT20753	14/08/2026	Benjamin John Luff	10x Portrait of Councillors and Executive Team	500.00	6

Shire of Morawa
List of Payments Report
For Period Ending 31 August 2026

Chq/EFT	Date	Name	Description	Amount	Bank
EFT20754	14/08/2026	Morawa Hotel (Country Sips Pty Ltd)	Dinner for Council	389.00	6
EFT20755	14/08/2026	ACORP CONSTRUCTION PTY LTD	Morawa ECEC - Claim 01	247383.39	6
EFT20756	14/08/2026	First Move Alert Direct Traffic Group	Traffic Management to repair damaged reticulation pipe	550.00	6
EFT20757	14/08/2026	Winc	Photocopier Usage Charges - July 2026	343.97	6
EFT20758	14/08/2026	Patience Sandland Pty Ltd	Supply and Delivery of Cream Sand for Playgrounds/School	2184.00	6
EFT20759	19/08/2026	Department of Human Services	Payroll Deductions/Contributions	82.52	6
EFT20760	19/08/2026	Daimler Trucks Geraldton	Purchase of New 6 x 4 Two Tip Truck	300733.40	6
EFT20761	19/08/2026	Spring Hill Logistics	Maintenance Grade Collins Road	6853.00	6
EFT20762	21/08/2026	WALGA	WALGA 2026 Convention Registration	363.00	6
EFT20763	21/08/2026	Geraldton Party Hire	Morawa Art Show Event Hire Equipment	1973.40	6
Total EFT Payments				670,492.26	
DD10908.1	13/08/2026	Beam Super	Superannuation on Payrun #166 - FN End 12.08.2026	11752.94	6
DD10937.1	13/08/2026	Beam Super	Superannuation on Payrun #166 - FN end 12.08.26 (Salary Sacrifice)	1536.03	6
DD10937.2	27/08/2026	Beam Super	Superannuation on Payrun #167 - FN end 26.08.26	14245.04	6
DD10947.1	17/08/2026	Synergy	Electricity Usage from 18/06/26 - 15/07/26	9258.90	6
DD10947.2	17/08/2026	Telstra Corporation Limited	Monthly Charges - Mobiles, Dongles, Data SIM's - August 2026	1315.38	6
DD10948.1	24/08/2026	Water Corporation	Water use and Service charge	1057.14	6
DD10948.2	24/08/2026	Telstra Corporation Limited	Monthly Telephone Expenses - Operational Landlines - August 2026	422.11	6
DD10949.1	27/08/2026	Water Corporation	Water Use & Service Charge 15 Jun 26 to 10 Aug 26	1561.09	6
DD10950.1	04/08/2026	Synergy	Electricity Supply & Usage Charges 02 May 26 - 01 Jul 26	192.90	6
DD10950.2	04/08/2026	Exetel Pty Ltd	Monthly Charge - Corporate Internet - August 2026	1689.00	6
DD10950.3	04/08/2026	Telstra Corporation Limited	SMS Alert Account - August 2026	597.48	6
DD10950.4	06/08/2026	Synergy	Electricity Usage & Supply Charges - 25 Apr 26 to 25 Jun 26	254.52	6
DD10950.5	11/08/2026	Synergy	Electricity Usage & Supply Charges - 16 Jun 26 to 30 Jul 26	245.20	6
DD10951.1	26/08/2026	Synergy	Streetlights Tarrif - 210 - 25 Jun 26 to 24 Jul 26	4367.55	6
DD10951.2	26/08/2026	Water Corporation	Water Use & Service Charge - 11 Jun 26 to 6 Aug 26	310.92	6
DD10949.2	27/08/2026	Water Corporation	Water Use & Service Charge - 15 Jun 26 to 10 Aug 26	51.82	6
DD10952.1	28/08/2026	Water Corporation	Water Use & Service Charge - 11 Jun 26 to 6 Aug 26	4699.00	6
DD10952.2	31/08/2026	Water Corporation	Water Use & Service Charge - 11 Jun 26 to 6 Aug 26	55.07	6
Total Direct Debit Payments				53,612.09	

Shire of Morawa
List of Payments Report
For Period Ending 31 August 2026

Chq/EFT	Date	Name	Description	Amount	Bank
	31/08/2026	Centrelink	Centrelink Fees - August 2026	15.84	6
	31/08/2026	Shire of Morawa	Caravan Park Cancellations/Refunds - August 2026	549.00	6
	31/08/2026	Shire of Morawa	Gym Toggle Bond Reimbursements	60.00	6
166	12/08/2026	Shire of Morawa	Payroll Deductions Payrun 166	530.00	6
APPAY166	13/08/2026	Shire of Morawa	Net Pay Journal Payrun 166	68959.81	6
167	26/08/2026	Shire of Morawa	Payroll Deductions Payrun 167	430.00	6
APPAY167	27/08/2026	Shire of Morawa	Net Pay Journal Payrun 167	72745.73	6
2526-02.06	31/08/2026	Department of Transport	Transport Direct Debits - August 2026	26,534.70	6
2526-02.07	31/08/2026	NAB	Nab Bank Account, Connect, Merchant & BPAY Fee's - August 2026	470.63	6
Total Bank Transfers/ Payments				170,295.71	
Included in	Fuel Cards - CEO - P275 (MO 0)				
EFT20722		Refuel	Fuel Card Purchases	887.73	6
EFT20734		Great Southern Fuel Supplies	Fuel Card - July 2026	126.57	6
Included in	Fuel Cards - EMCCS - P295 (0 MO)				
EFT20722		Refuel	Fuel Card Purchases	259.51	6
Included in	Fuel Cards - MWS - P296 (02 MO)				
EFT20722		Refuel	Fuel Card Purchases	190.82	6
EFT20734		Great Southern Fuel Supplies	Fuel Card - July 2026	489.30	6
Included in	Fuel Card - Depot - P999				
EFT20734		Great Southern Fuel Supplies	Fuel Card - July 2026	95.56	6
TOTAL Fuel Cards				2,049.49	

TOTAL PAYMENTS FOR COUNCIL APPROVAL	894,400.06
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Attachment 2 – 11.2.3b Bank Reconciliation for the period ending 31 August 2026.

Shire of Morawa Bank Reconciliation Report For Period Ending 31 August 2026					
	Municipal Account	Municipal Online Saver	Trust Account	Reserve Account	Term Deposits - Reserves
Balance as per Bank Statement	2,485,367.37	1,193,576.00	1,525.11	5,596,460.79	2,100,000.00
Balance as per General Ledger	2,474,218.78	1,193,576.00	1,525.11	5,596,460.79	2,100,000.00
Outstanding Deposits					
Outstanding Deposits NAB	\$0.00				
Outstanding Unreconcile transactions*	(\$11,148.59)				
Difference	2,474,218.78 0.00	1,193,576.00 0.00	1,525.11 0.00	5,596,460.79 0.00	2,100,000.00 0.00

* A reconciliation discrepancy was identified due to a system error that failed to recognise the latest transaction record, resulting in an unreconciled transaction balance.

Ordinary Council Meeting 29 September 2026

Attachment 1 – 11.2.4a Morawa – Tennis Club – Loan # 141

Item 11.2.4 – Early Repayment request – Tennis Club Self Supporting Loan (Loan # 141)

Client: Shire of Morawa - Loan 141

Pricing Date: 15 September 2026

Settlement Date: 21 September 2026

Settlement Amount: \$50,000.00

Indicative Partial Total Amount

Payment Date	Principal Amount	Accrued Interest	Premium / (Discount)	Total Payment
21 Sep 2026	\$49,514.06	\$1,760.84	-\$1,274.90	\$50,000.00

Indicative Partial Capital

Payment Date	Principal Amount	Accrued Interest	Premium / (Discount)	Total Payment
21 Sep 2026	\$50,000.00	\$1,778.12	-\$1,287.42	\$50,490.70

Note:

This valuation has been prepared assuming a hypothetical settlement date of 21 September 2026 and is based on interest rates prevailing on 15 September 2026.

Indicative Loan Repayment Schedule

Shire of Morawa

Facility:	Annuity Lending
Client Account:	General
Client Reference:	141
WATC Reference:	761539

This Indicative Rate Quote for Advance is based on rates applying at 07 January 2026.

Terms of Advance

Amount of Advance:	\$65,485.94
Date of Advance:	12 January 2026
Maturity Date:	12 January 2036
Interest Rate ¹ :	5.1509% p.a. (Annual Compounding)
Schedule Basis:	10 Annual repayments

Repayment Schedule

Payment Date	Balance of Advance Outstanding	Capital Repayment	Interest Repayment	Total Fixed Payment
12 Jan 2027	5,169.87	5,169.87	3,373.12	8,542.99
12 Jan 2028	10,606.04	5,436.17	3,106.82	8,542.99
12 Jan 2029	16,322.22	5,716.18	2,826.81	8,542.99
14 Jan 2030	22,332.84	6,010.62	2,532.37	8,542.99
13 Jan 2031	28,653.06	6,320.22	2,222.77	8,542.99
12 Jan 2032	35,298.83	6,645.77	1,897.22	8,542.99
12 Jan 2033	42,286.91	6,988.08	1,554.91	8,542.99
12 Jan 2034	49,634.94	7,348.03	1,194.96	8,542.99
12 Jan 2035	57,361.46	7,726.52	816.47	8,542.99
14 Jan 2036	65,485.94	8,124.48	418.48	8,542.96
	Totals:	65,485.94	19,943.93	85,429.87

Note

- (1) The Interest Rate does not include Government Guarantee Fee, which is invoiced separately by WATC on behalf of the Treasurer of the State of Western Australia and is subject to change in accordance with government policy

From: Aimee North
To: Kristy Van Kuyl
Subject: ICR264958 - RE: Tennis club
Date: Tuesday, 8 September 2026 10:30:08 AM
Attachments: jmaoe001.png
jmaoe002.png

Hi Kristy,

As discussed this morning, at the Tennis Club's AGM yesterday, a motion was passed to make a \$50,000 payment towards the project loan.

As far as the Tennis Club has been advised, we are able to make additional payments towards the loan and pay it down as quickly as we wish, without incurring any penalties.

Could you please confirm this and advise what is required from the Club to arrange the \$50,000 payment?

Kind regards,

Aimee North
Coordinator Planning & Compliance Services
Shire of Morawa



The Shire acknowledges the traditional custodians, the Yamatji people, and recognises the contribution of Yamatji elders past, present and future, in working together for the future of Morawa.

Email: po@morawa.wa.gov.au **Address:** 26 Winfield Street Morawa WA 6623
Phone: (08) 9971 1204 **Postal Address:** PO BOX 14 Morawa WA 6632
Web: www.morawa.wa.gov.au **Facebook:** www.facebook.com/shireofmorawa

From: Kristy Van Kuyl <kristy.kuyl@morawa.wa.gov.au>
Sent: Monday, 7 September 2026 12:58 PM
To: Aimee North <po@morawa.wa.gov.au>
Subject: RE: Tennis club

Hi Aimee,

Yes, the Shire will send an invoice 30 days or early November before each repayment is due, as outlined in the loan agreement signed on 13/01/2026.

In regard to Schedule 1 and Schedule 2 of the Deed of Loan, these schedules be amended and replaced to reflect the final West Australian Treasury Corporation Loan Interest Rate, GFEE Payments, and Repayment Schedule as below:

SCHEDULE 1

Loan Terms	
Loan Amount	AUD \$115,000.00 and such additional amounts which may be advanced by the Lender to the Borrower from time to time.
Loan Date	30 June 2025.
Interest Rate	5.1509% per annum (Annual Compounding)
Repayment of Principal	Ten (10) annual repayments on each Repayment Date pursuant to the Repayment Schedule contained in Schedule 2.
Interest Payment Dates	Ten (10) annual repayments on each Repayment Date pursuant to the Repayment Schedule contained in Schedule 2.
Final Repayment Date	Midnight, 25 June 2035.
Prepayment	No.
Nominated Account	Name: Shire of Morawa Bank: National Australia Bank BSB: 086 643 Account: 365 576 942
Relevant Jurisdiction	Western Australia.

Schedule 2

Schedule 2
Repayment Schedule

Payment Date	Balance of Advance Outstanding	Capital Repayment	Interest Repayment	GFEE Payment	Total Fixed Payment
12-Dec-26	105,921.18	9,078.82	5,903.60	789.74	15,783.10
12-Dec-27	96,374.71	9,546.47	5,455.89	743.26	15,745.72
12-Dec-28	86,335.51	10,038.20	4,984.16	678.48	15,680.84
14-Dec-29	75,781.26	10,555.25	4,447.31	606.47	15,608.83
13-Dec-30	64,682.32	11,098.94	3,903.42	533.10	15,535.46
12-Dec-31	53,011.68	11,670.64	3,331.72	455.33	15,457.09
12-Dec-32	40,739.90	12,271.78	2,735.58	374.56	15,379.92
12-Dec-33	27,836.01	12,903.88	2,098.47	287.77	15,293.13
12-Dec-34	14,297.46	13,568.95	1,413.81	197.68	15,199.54
14-Dec-35	0	14,257.48	734.9	102.74	15,105.10
	Totals	115,930.00	35,023.60	4,759.11	154,783.73

Kind regards,

Kristy Van Kuyl
Executive Manager Corporate & Community Services
Shire of Morawa

Ordinary Council Meeting 29 September 2026

***Attachment 1 – 11.3.1a Adopted 2024 – Ten-Year Forward Works Program
2025-2035***

Attachment 2 – 11.3.1b Updated Road Maintenance Schedule 2026-27

***Item 11.3.1 – Annual Road Maintenance Grading Program
Update***

Attachment 1 - Adopted 2024 - Ten Year Forward Works Program 2025-2035.

	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34	34/35	
	Road work Length										
Road											
Broad Av	0.49										
Grove St (both sides)		1									
Dreghorn St			0.68								
Richter Av (both sides)				1							
White Av					0.8						
Harley St					0.17						
Granville St					0.68						
Prater St						0.75					
Gill St							0.68				
Winfield St								0.6			
Stokes Rd									0.83		
Caulfield Rd										0.75	
Totals	0.49	1	0.68	1	1.65	0.75	0.68	0.6	0.83	0.75	8.43

		KM Target Per Annum										
Road	SLKs	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34	34/35	Total KM Re-sheeted per road
Collins Road	0.00 to 2.00	2										2
Pintharuka West Road	2.48 to 25.14		6	2	3	3	3	4				23
Moffet Road	0.00 to 3.50										4	4
Fabling Road	0.42 to 9.12									5	4	9
Franco Road	0.00 to 9.97							5	5			10
Yammapool Road	0.00 to 9.30								4	4	1	9
Old Three Springs Road	5.90 to 14.13				3	3	3					9
Malcolm Road	0.03 to 5.06	5										5
Arrinooka Road	1.06 to 14.20		5	2	3							13
Canna North East Road	12.66 to 19.57					3	3	1				7
Norton Road	6.16 to 7.90	2										2
Olden Road	0.00 to 1.00	1										1
Total Re-sheeting per annum		10	11	4	9	9	9	10	9	9	9	94

Roads receiving 1 grade per year			
Road Name	Start	End	Length (Km)
Barr Rd	Yammapool Rd	East Boundary	2.05
Bayliss Rd	Neates Rd	End of Road	3.06
Caldwell Rd	Pallotine Rd	Northern Shire Boundary	1.66
Catto Rd	Yammapool Rd	Yongarloo Rd	3.48
Cox Rd	Indar Rd	End of Road	2.16
Heitman Rd	Nanekine Rd	Streets Rd	7.84
Knight Rd	Koolanooka South Rd	Gaston Rd	2.16
Kowald Rd	Offszanka Rd	End of Road	5.09
Malcolm Rd (B)	Wubin Mullewa Rd	Malcolm Rd	0.87
McGlew St	Rubbish Tip Rd	Valentine St	0.19
Moore Rd	Fallon Rd	End of Road	1.75
Murray Rd	Munckton Rd	Slk 1.8	1.8
Newnham Rd	Gerber Rd	End of Road	5.31
Old Neagle St	Stokes Rd	Cemetary Gates	0.4
Powell St	Burton Rd	Start of Seal	0.03
Ross Rd	Wubin Mullewa Rd	Evaside Rd	3.49
Rubbish Tip Access Rd	Stokes Rd	Rubbish Tip	2.59
Ryan Rd	Moffet Rd	Boss Rd	4.83
Sparks Rd	Morawa Yalgoo Rd	End of Road	2.85
Taseff Rd	Fitzgerald Rd	Gutha East Rd	8.13
Unknown Rd 160	Gutha East Rd	Evaside Rd	0.38
Unknown Rd 162	Koolanooka Springs Rd	End of Road	1.45
Valentine St	McGlew Rd	Start of Seal	0.02
Waddilove Rd	End of Seal	End of Road	0.13
Wilton Rd	Nanekine Rd	Western Shire Boundary	3.1
Yewers Av	Start of Road	Start of Seal	0.02
Total Road KMs receiving 1 Grade Per Annum			64.84
Roads receiving 2 grades per year			
Road Name	Start	End	Length (Km)
Arrinooka Rd	Wubin Mullewa Rd	Mullewa Shire Boundary	13.18
Barnes Rd	Robinson Rd	Gutha West Rd	4.61
Baxter Rd	Jones Lake Rd	Norton Rd	4.64
Bell Rd	End of Seal	Evaside Rd	19.02
Bickford Rd	Gutha East Rd	Sermon Rd	7.6
Bligh Rd	Neates Rd	Three Springs Shire Boundary	2.04
Bore Rd	Johnson Rd	Gutha East Rd	8.05
Broad Rd	White Rd	Pintharuka West Rd	4.36

Road Name	Start	End	Length (Km)
Burma Rd	Morawa Mingenew Rd	White Rd	6.47
Burton Rd	End of Seal	Powell St	0.57
Calver Rd	Morawa South Rd	Perenjori Shire Boundary	10.7
Club Rd	End of Seal	End of Road	0.53
Coaker Rd	Boss Rd	White Rd	3.73
Croot Rd	North East Canna Rd	Northern Shire Boundary	5.74
Fallon Rd	Perenjori Shire boundary	Koolanooka Springs Rd	8.13
Fallon Rd	Slk 11.07	Krummel Rd	5.44
Fitzgerald Rd	Morawa Yalgoo Rd	Ludlow Rd	10.31
Gaston Rd	Calver Rd	Wubin Mullewa Rd	4.06
Gerber Rd	North East Canna Rd	End of Road	5.59
Healy Rd	Wooltana Rd	Mingenew Morawa Rd	4.16
Hoey Rd	Jones Lake Rd	Munckton Rd	4.65
Holder Rd	Toohey Rd	Gutha East Rd	5.22
James Rd	Mingenew Morawa Rd	Start of Seal	4.08
Jenkins Rd	Gerber Rd	Northern Shire Boundary	8.57
Johnson Rd	Bell Rd	Morawa Yalgoo Rd	11.43
Jones Lake Rd	Slk 9.08	Slk 10.27	1.19
Jones Lake Rd	Slk 10.68	Judge Rd	1.38
Judge Rd	Jones Lake Rd	Fallon Rd	5.27
Kadji Lake Rd	Morawa Yalgoo Rd	Kadji Rd	11.47
Koolanooka Dam Rd	Koolanooka South Rd	Jones Lake Rd	5.47
Koolanooka South Rd	Norton Rd	Southern Shire Boundary	7.16
Krummel Rd	Fallon Rd	Kadji Lake Rd	5.61
Letterbox Rd	White Rd	Pintharuka West Rd	3.65
Lochara Rd	Fallon Rd	Perenjori Shire Boundary	8.31
Ludlow Rd	Kadji Lake Rd	Gutha East Rd	11.71
Malcolm Rd	End of Seal	Southern Shire Boundary	5.01
Moffet Rd	Pintharuka West Rd	Morawa Mingenew Rd	11.37
Muthingootha Rd	Gutha East Rd	Bell Rd	5.03
Neates Rd	End of Seal	Yongarloos Rd	13.5
North Rd	Bell Rd	Johnson Rd	5.01
Old Mullewa Rd	Bell Rd	Morawa Yalgoo Rd	3.03
Old Three Springs Rd	End of Seal	Three Springs Morawa Rd	14
Orango Rd	White Rd	Pintharuka West Rd	3.7

Road Name	Start	End	Length (Km)
Pallotine Rd	North East Canna Rd	Western Shire Boundary	4.36
Pintharuka Dam Rd	Wubin Mullewa Rd	Bell Rd	5.12
Pintharuka East Rd	Wubin Mullewa Rd	Bell Rd	4.42
Pulbrook Rd	Mcdonald Rd	Gerber Rd	5.1
Robinson Rd	Indar Rd	Wubin Mullewa Rd	11.42
Rothsay Rd	Wubin Mullewa Rd	Morawa Yalgoo Rd	7.99
Rubbish Tip Rd	McGlew St	Jones Lake Rd	1.66
Stokes Rd	End of Seal	Rubbish Tip Access Rd	1.02
Streets Rd	Western Shire Boundary	Nanekine Rd	12.13
Swanson Rd	Williamson Rd	Toohey Rd	5.35
Tait Rd	Olden Rd	Fallon Rd	2.78
Tilley St	End of Seal	McGlew St	0.28
Toohey Rd	Holder Rd	Stephens Rd	8.23
Tubby Rd	Robinson Rd	Mickie Rd	3.03
Valentine Rd	Three Springs Morawa Rd	Three Springs Morawa Rd	8.13
Vandeleur Rd	Moffet Rd	Wubin Mullewa Rd	7.96
Ways Rd	Fabling Rd	Canna North East Rd	6.98
White Rd	Moffet Rd	Orango Rd	12.74
Williams Rd	Wubin Mullewa Rd	Moffet Rd	7
Winterbourne Rd	Mingenew Morawa Rd	Vandeluer Rd	4.13
Wooltana Rd	Old Three Springs Rd	Three Springs Morawa Rd	4.07
Wornes Rd	Wubin Mullewa Rd	Williams Rd	2.63
Yammapool Rd	Neates Rd	Mingenew Morawa Rd	9.3
Yandanoo Springs Rd	Gutha West Rd	Indar Rd	2
Yongarloo Rd	Mingenew Morawa Rd	Shire boundary	4.99
Total Road Distance Receiving 2 Grades Per Annum			427.57
Roads receiving 3 grades per year			
Road Name	Start	End	Length (Km)
Agar Rd	White Rd	Morawa Mingenew Rd	6.81
Boss Rd	Ryan Rd	Agar Rd	4.17

Road Name	Start	End	Length (Km)
Canna North East Rd	Fabling Rd	Jenkins Rd	19.12
Carslake Rd	Pintharuka West Rd	Pintharuka West Rd	6.97
Collins Rd	Carslake Rd	Gutha West Rd	7.79
Dreghorn Rd	End of Seal	Coaker Rd	3.62
Evaside Rd	End of Seal	Slk 8.7	8.43
Fabling Rd	Offszanka Rd	Williamson Rd	12.2
Franco Rd	Pintharuka West Rd	Morawa Mingenew Rd	9.97
Gutha East Rd	Ludlow Rd	Wubin Mullewa Rd	22.22
Gutha West Rd	Wubin Mullewa Rd	Slk 10.84	10.84
Gutha West Rd	Slk 11.17	End of Road	4.33
Indar Rd	End of Seal	Gutha West Rd	14.86
Madden Rd	Morawa Yalgoo Rd	Holder Rd	8.96
McDonald Rd	Morris Rd	End of Road	8
McWhirter Rd	Madden Rd	End of Road	8.1
Mickie Rd	Wubin Mullewa Rd	End of Road	5.47
Milloy Rd	Gutha West Rd	Pintharuka West Rd	12.11
Morris Rd	Williamson Rd	McWhirter Rd	8.08
Norton Rd	Wubin Mullewa Rd	Olden Rd	7.91
Olden Rd	Norton Rd	Tait Rd	1.92
Pintharuka West Rd	End of Seal	Western Shire Boundary	29.09
Sermon Rd	Morawa Yalgoo Rd	Eastern Shire Boundary	7.2
Stephens Rd	Evaside Rd	Fablings Rd	10.42
Tropiano Rd	Gutha West Rd	Pintharuka West Rd	6.12
Williamson Rd	Fablings Rd	Morris Rd	11.23
Total Distance of Roads Receiving 3 Grades Per Annum			255.94
Roads receiving 4 grades per year			
Road Name	Start	End	Length (Km)
Fallon Rd	Koolanooka Springs Rd	Slk 10.99	2.86
Koolanooka Springs Rd	Start of Road	End of Road	9.46
Mungada Rd	Koolanooka South Rd	East Shire Boundary	12.74
Total Distance of Roads Receiving 4 Grades Per Annum			25.06

Road Name	Start	End	Length (Km)
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Resourcing

Frequency of Grade per Annum	Distance (km)	Total (Distance times Frequency) (km)
Once	64.84	64.84
Twice	427.57	855.08
Three Times	255.94	767.82
Four Times	25.06	100.24
Total Maintenance Grading Program		1,788

SEALED ROAD MAINTENANCE

	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34	34/35
	Approx Length (km)									
Road Name										
Jones Lake Rd Stage 1	4.8									
Jones Lake Rd Stage 2										
Munckton Rd Stage 1										
Canna North East Rd			0.45							
Gutha East Rd			0.49							
Morawa Yalgoo Rd (southern end)* Stage 1			5.5							
Munckton Rd Stage 2			6							
Offszanka Rd			3.06							
Fabling Rd				0.56						
Gutha West Rd*				0.33						
Morawa Yalgoo Rd (southern end)* Stage 2				5						
Morawa Yalgoo Rd (southern end)* Stage 3		8.13			5					
Morawa Yalgoo Rd (southern end)* Stage 4						5				
James Rd							0.02			
Morawa Yalgoo Rd (southern end)* Stage 5							4.5			
Arrinooka Rd								1.01		
Nanekine Rd* Stage 1, Carry-over 24/25		800						5		
Nanekine Rd* Stage 2, 25/26		800							4.5	
Nanekine Rd* Stage 3, 26/27		700								4.4

Attachment 2 – 11.3.1b Updated Road Maintenance Schedule 2026-27.

Road Name				Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec	SLK	Notes
Roads receiving 1 grade per year																	
Road Name	Start	End	Length (Km)														
Barr Rd	Yammapool Rd	East Boundary	2.05													0-2.05	
Bayliss Rd	Neates Rd	End of Road	3.06													0-3.06	
Caldwell Rd	Pallotine Rd	Northern Shire Boundary	1.66													0-1.66	
Catto Rd	Yammapool Rd	Yongarloo Rd	3.48													0-3.48	
Cox Rd	Indar Rd	End of Road	2.16													0-2.16	
Heitman Rd	Nanekine Rd	Streets Rd	7.84													0-7.84	
Knight Rd	Koolanooka South Rd	Gaston Rd	2.16													0-2.16	
Kowald Rd	Offszanka Rd	End of Road	5.09													0-5.09	
Malcolm Rd (B)	Wubin Mullewa Rd	Malcolm Rd	0.87													0-0.87	
McGlew St	Rubbish Tip Rd	Valentine St	0.19													0-0.19	vegetation management/ guide posts
Moore Rd	Fallon Rd	End of Road	1.75													0-1.75	
Murray Rd	Munckton Rd	Slk 1.8	1.8													0-1.8	
Newnham Rd	Gerber Rd	End of Road	5.31													0-5.31	guides posts
Old Neagle St	Stokes Rd	Cemetary Gates	0.4													0-0.4	
Powell St	Burton Rd	Start of Seal	0.03													0-0.03	
Ross Rd	Wubin Mullewa Rd	Evaside Rd	3.49													0-3.49	
Rubbish Tip Access Rd	Stokes Rd	Rubbish Tip	2.59													0-2.59	
Ryan Rd	Moffet Rd	Boss Rd	4.83													0-4.83	vegetation management/ guide posts
Sparks Rd	Morawa Yalgoo Rd	End of Road	2.85													0-2.85	
Taseff Rd	Fitzgerald Rd	Gutha East Rd	8.13													0-8.13	
Unknown Rd 160	Gutha East Rd	Evaside Rd	0.38													0-0.38	
Unknown Rd 162	Koolanooka Springs Rd	End of Road	1.45													0-1.45	
Valentine St	McGlew Rd	Start of Seal	0.02													0-0.02	
Waddilove Rd	End of Seal	End of Road	0.13													0-0.13	
Wilton Rd	Nanekine Rd	Western Shire Boundary	3.1													0-3.1	
Yewers Av	Start of Road	Start of Seal	0.02													0-0.02	
Total Road KMs receiving 1 Grade Per Annum			64.84														
Roads receiving 2 grades per year																	
Road Name	Start	End	Length (Km)														
Arrinooka Rd	Wubin Mullewa Rd	Mullewa Shire Boundary	13.18													0-13.18	guide posts
Barnes Rd	Robinson Rd	Gutha West Rd	4.61													0-4.61	
Baxter Rd	Jones Lake Rd	Norton Rd	4.64													0-4.64	guide posts
Bell Rd	End of Seal	Evaside Rd	19.02													0-19.02	
Bickford Rd	Gutha East Rd	Sermon Rd	7.6													0-7.6	
Bligh Rd	Neates Rd	Three Springs Shire Boundary	2.04													0-2.04	
Bore Rd	Johnson Rd	Gutha East Rd	8.05													0-8.05	
Broad Rd	White Rd	Pintharuka West Rd	4.36													0-4.36	
Burma Rd	Morawa Mingenew Rd	White Rd	6.47													0-6.47	
Burton Rd	full sealed		0.57													0-0.57	fully sealed
Calver Rd	Morawa South Rd	Perenjori Shire Boundary	10.7													0-10.7	
Club Rd	End of Seal	End of Road	0.53													0-0.53	
Coaker Rd	Boss Rd	White Rd	3.73													0-3.73	vegetation management/ guide posts
Croot Rd	North East Canna Rd	Northern Shire Boundary	5.74													0-5.74	
Fallon Rd	Perenjori Shire boundary	Koolanooka Springs Rd	8.13													0-8.13	
Fallon Rd	Slk 11.07	Krummel Rd	5.44													0-5.44	
Fitzgerald Rd	Morawa Yalgoo Rd	Ludlow Rd	10.31													0-10.31	
Gaston Rd	Calver Rd	Wubin Mullewa Rd	4.06													0-4.06	
Gerber Rd	North East Canna Rd	End of Road	5.59													0-5.59	
Healy Rd	Wooltana Rd	Mingenew Morawa Rd	4.16													0-4.16	
Hoey Rd	Jones Lake Rd	Munckton Rd	4.65													0-4.65	
Holder Rd	Toohey Rd	Gutha East Rd	5.22													0-5.22	
James Rd	Mingenew Morawa Rd	Start of Seal	4.08													0-4.08	
Jenkins Rd	Gerber Rd	Northern Shire Boundary	8.57													0-8.57	
Johnson Rd	Bell Rd	Morawa Yalgoo Rd	11.43													0-11.43	crest,80km bend signs missing guid posts faded
Jones Lake Rd	Slk 9.08	Slk 10.27	1.19													0-1.19	
Jones Lake Rd	Slk 10.68	Judge Rd	1.38													0-1.38	
Judge Rd	Jones Lake Rd	Fallon Rd	5.27													0-5.27	
Kadji Lake Rd	Morawa Yalgoo Rd	Kadji Rd	11.47													0-11.47	
Koolanooka Dam Rd	Koolanooka South Rd	Jones Lake Rd	5.47													0-5.47	hollow could use a little bit og gravel, vegitiaion
Koolanooka South Rd	Norton Rd	Southern Shire Boundary	7.16													0-7.16	
Krummel Rd	Fallon Rd	Kadji Lake Rd	5.61													0-5.61	
Letterbox Rd	White Rd	Pintharuka West Rd	3.65													0-3.65	road sign on white road is missing
Locharda Rd	Fallon Rd	Perenjori Shire Boundary	8.31													0-8.31	
Ludlow Rd	Kadji Lake Rd	Gutha East Rd	11.71													0-11.71	

2026

2027

Complete

Road Name				Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec	SLK	Notes
Malcolm Rd	End of Seal	Southern Shire Boundary	5.01													0-5.01	full resheet 2026
Moffet Rd	Pintharuka West Rd	Morawa Mingenew Rd	11.37													0-11.37	
Muthingootha Rd	Gutha East Rd	Bell Rd	5.03													0-5.03	
Neates Rd	End of Seal	Yongarloo Rd	13.5													0-13.5	
North Rd	Bell Rd	Johnson Rd	5.01													0-5.01	rd name sign faded/guide posts
Old Mullewa Rd	Bell Rd	Morawa Yalgoo Rd	3.03													0-3.03	
Old Three Springs Rd	End of Seal	Three Springs Morawa Rd	14													0-14	
Orango Rd	White Rd	Pintharuka West Rd	3.7													0-3.7	
Pallotine Rd	North East Canna Rd	Western Shire Boundary	4.36													0-4.36	
Pintharuka Dam Rd	Wubin Mullewa Rd	Bell Rd	5.12													0-5.12	
Pintharuka East Rd	Wubin Mullewa Rd	Bell Rd	4.42													0-4.42	
Pulbrook Rd	Mcdonald Rd	Gerber Rd	5.1													0-5.1	
Robinson Rd	Indar Rd	Wubin Mullewa Rd	11.42													0-11.42	
Rothsay Rd	Wubin Mullewa Rd	Morawa Yalgoo Rd	7.99													0-7.99	
Rubbish Tip Rd	McGlew St	Jones Lake Rd	1.66													0-1.66	
Stokes Rd	End of Seal	Rubbish Tip Access Rd	1.02													0-1.02	hole forming in culvert
Streets Rd	Western Shire Boundary	Nanekine Rd	12.13													0-12.13	
Swanson Rd	Williamson Rd	Toohey Rd	5.35													0-5.35	
Tait Rd	Olden Rd	Fallon Rd	2.78													0-2.78	
Tilley St	End of Seal	McGlew St	0.28													0-0.28	
Toohey Rd	Holder Rd	Stephens Rd	8.23													0-8.23	guide posts
Tubby Rd	Robinson Rd	Mickie Rd	3.03													0-3.03	
Valentine Rd	Three Springs Morawa Rd	Three Springs Morawa Rd	8.13													0-8.13	
Vandeleur Rd	Moffet Rd	Wubin Mullewa Rd	7.96													0-7.96	
Ways Rd	Fabling Rd	Canna North East Rd	6.98													0-6.98	
White Rd	Moffet Rd	Orango Rd	12.74													0-12.74	guide posts
Williams Rd	Wubin Mullewa Rd	Moffet Rd	7													0-7	
Winterbourne Rd	Mingenew Morawa Rd	Vandeluer Rd	4.13													0-4.13	
Wooltana Rd	Old Three Springs Rd	Three Springs Morawa Rd	4.07													0-4.07	
Wornes Rd	Wubin Mullewa Rd	Williams Rd	2.63													0-2.63	
Yammapool Rd	Neates Rd	Mingenew Morawa Rd	9.3													0-9.3	some gravel patching done 26,needs resheet
Yandanoo Springs Rd	Gutha West Rd	Indar Rd	2													0-2	vegetation management/ guide posts
Yongarloo Rd	Mingenew Morawa Rd	Shire boundary	4.99													0-4.99	
Total Road Distance Receiving 2 Grades Per Annum			427.57														
Roads receiving 3 grades per year																	
Road Name	Start	End	Length (Km)														
Agar Rd	White Rd	Morawa Mingenew Rd	6.81													0-6.81	
Boss Rd	Ryan Rd	Agar Rd	4.17													0-4.17	vegetation management/ guide posts
Canna North East Rd	Fabling Rd	Jenkins Rd	19.12													0-19.12	
Carslake Rd	Pintharuka West Rd	Pintharuka West Rd	6.97													0-6.97	
Collins Rd	Carslake Rd	Gutha West Rd	7.79													0-7.79	fully resheeted
Dreghorn Rd	End of Seal	Coaker Rd	3.62													0-3.62	vegetation management/ guide posts/signage
Evaside Rd	End of Seal	Slk 8.7	8.43													0-8.43	
Fabling Rd	Offszanka Rd	Williamson Rd	12.2													0-12.2	culvert need replacing/ guide posts
Franco Rd	Pintharuka West Rd	Morawa Mingenew Rd	9.97													0-9.97	
Gutha East Rd	Ludlow Rd	Wubin Mullewa Rd	22.22													0-22.22	
Gutha West Rd	Wubin Mullewa Rd	Slk 10.84	10.84													0-10.84	
Gutha West Rd	Slk 11.17	End of Road	4.33													0-4.33	
Indar Rd	End of Seal	Gutha West Rd	14.86													0-14.86	
Madden Rd	Morawa Yalgoo Rd	Holder Rd	8.96													0-8.96	
McDonald Rd	Morris Rd	End of Road	8													0-8	
McWhirter Rd	Madden Rd	End of Road	8.1													0-8.1	
Mickie Rd	Wubin Mullewa Rd	End of Road	5.47													0-5.47	
Milloy Rd	Gutha West Rd	Pintharuka West Rd	12.11													0-12.11	
Morris Rd	Williamson Rd	McWhirter Rd	8.08													0-8.08	
Norton Rd	Wubin Mullewa Rd	Olden Rd	7.91													0-7.91	full resheet 25/26
Olden Rd	Norton Rd	Tait Rd	1.92													0-1.92	1km resheeted 2026
Pintharuka West Rd	End of Seal	Western Shire Boundary	29.09													0-29.09	
Sermon Rd	Morawa Yalgoo Rd	Eastern Shire Boundary	7.2													0-7.2	
Stephens Rd	Evaside Rd	Fablings Rd	10.42													0-10.42	guide posts
Tropiano Rd	Gutha West Rd	Pintharuka West Rd	6.12													0-6.12	
Williamson Rd	Fablings Rd	Morris Rd	11.23													0-11.23	
Total Distance of Roads Receiving 3 Grades Per Annum			255.94														

[illegible]

Ordinary Council Meeting 29 September 2026

Attachment 1 – 11.3.2a RFT-03-2026-27 Tender Register.

Item 11.3.2 – RFT-03-2026-27 Two-Way Trip Truck

Tender Register 2025

Shire of Morawa



TENDER REGISTER #		03-2026-27		
Description of Goods / Services Sought		6 X 4 Two-Way Tip Truck		
Tender Closing Date:		September 18th at 2pm		
	Advertising [Reg.17(2)(c)& (d)]:	Decision to Invite [Reg.17(2)(b)]:		
Expressions of Interest:				
Invitation to Tender:	Via WALGA E-Quotes			
EXPRESSIONS OF INTEREST				
Opened:	14/09/2026			
Officers Present:	CEO, Executive Manager of Works			
Submitter Name [Reg.17(2)(C)(iii)]:	Rec'd Prior To Closing Date & Time [Reg.23(1)]	Complies with Notice Specifications [Reg.23(2)]	Considered Capable of Satisfactorily Supplying [Reg.23(3)]	CEO Accepted / Rejected [Reg.23(4)]
WA Hino	Y	Y	Y	A
Daimler Trucks	Y	Y	Y	R
TENDER				
Opened:	21/09/2026			
Officers Present:	CEO, Executive Manager of Works			
Tenderer Name(s) [Reg.17(2)(e)]:	WA Hino and Daimler Trucks			
Successful Tenderer [Reg.17(2)(f)]:	WA Hino			
\$ Value [REG.17(3)]	\$280,364.13 (ex GST)			
Resolved by:	Council			

Tender Register 2025

Shire of Morawa



Copy of advertisement