

SOUTH WEST METROPOLITAN REGION

The economic
gateway to the West.





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INTRODUCTION

The South West Group, formed in November 1983, is a Voluntary Regional Organisation of Councils (VROC) comprising the following member Councils:

- City of Cockburn
- Town of East Fremantle
- City of Fremantle
- City of Kwinana
- City of Melville
- City of Rockingham

Collectively, the member Councils represent the South West Metropolitan Region of Perth with a recorded population of 425,514 and a growth rate of 14% over the period 2011 to 2016.

The South West Group's Vision taken from the 2015 to 2025 Strategic Plan (May 2015) is:

“ *South West Metropolitan Region*
The economic gateway to the West. ”

We will collaborate and co-operate to achieve our vision by focusing our strategic efforts in five key focus areas that will be central to our continued regional success and viability:

- Liveable communities;
- Climate change adaptation;
- Trade, freight and logistics;
- Knowledge and education; and
- Industry and employment, including tourism.

The Vision is supported by the South West Group's Mission

Be informed, responsive and respected as the economic gateway to the West.

The South West Group will collaborate to maximise quality of life within the region by influencing and informing future planning and infrastructure delivery.



SOUTH WEST GROUP Role and Function

The South West Group acts as a regional advocate for increased investment, sustainable development, employment creation and the future wellbeing of South West Metropolitan Region of Perth and its residents.

The South West Group seeks to position local government as a facilitator, leader and senior partner in the future development and decision-making processes that impact on the region.

This approach seeks to place local government in a more influential position in determining positive outcomes for the region and the community it serves.

The South West Group undertakes an internal collaboration role on matters specific to the organisation and member Councils, and an external lobbying and advocacy role involving regional stakeholders such as State and Federal Government agencies and Members of Parliament (MPs), private sector organisations, business associations and industry groups.

BOARD OF MANAGEMENT

Chair's Report



The 2016/17 period involved targeted and sustained lobbying and advocacy activities across the region in the lead up to, and following, the Federal election on 2 July 2016 and State election on 11 March 2017.

Strengthening current relationships and establishing new relationships with Members of Parliament, both at Federal and State levels, assisted in raising the awareness of regional issues and gaining favour for regional projects requiring commitment and funding support.

The Federal budget announcements in May 2017 confirmed Federal and State Government funding commitments for most of the priority projects advocated by the South West Group as testament to the successful advocacy and relationship building work undertaken by the Board and the member Councils.

The South West Group continued to implement key initiatives outlined in the Strategic Plan 2015 to 2025 and associated annual work plans approved by the Board. The South West Group Director worked closely with member Council Directors (Planning, Engineering and Corporate Services) and other stakeholders to achieve alignment of objectives, strategies, priorities and actions as far as practicable.

“ THE SOUTH WEST GROUP HAS STRENGTHENED ITS POSITION AND HIGHLIGHTED THE IMPORTANCE OF THE REGION AS THE ‘POWERHOUSE’ OF THE PERTH METROPOLITAN AREA. SUBMISSIONS AND ADVOCACY FORMED AN IMPORTANT ACTIVITY DURING 2016/17 WITH RESPONSES TO TRANSPORT PLANS AND REPORTS PROVIDING THE MAIN FOCUS. ”

The South West Group Board economic development tour to Sydney and Newcastle in April 2017 examined a range of relevant topics for the region including:

- Density done well
- Innovation precincts and hubs
- Light rail planning
- Re-use and re-purposing of historic buildings
- Integration of retail and commercial development with medium density residential development

These are issues that the region and member Councils are currently dealing with or likely to be examined in the future to address population growth and traffic congestion pressures.

The State Government progressed its flagship Metronet rail program and was planning to submit business cases to the Federal Government for high priority projects, such as the Thornlie to Cockburn Central south circle connection as a critical link between the Mandurah and Armadale rail lines.

The South West Group is monitoring progress on this and other important infrastructure projects in the region, with a view of submitting a list of projects as input into the development of the State's 20 Year Infrastructure Strategy.

The South West Group Board members met with Federal MPs and candidates prior to the 2 July 2016 Federal election and also presented to the State ALP MPs at Parliament House in October 2016 in the lead up to the 11 March 2017 State election. These briefings provided the opportunity for the South West Group to outline regional projects and to seek feedback from MPs on regional issues of interest.

I would like to thank all the Mayors and CEOs from the region for their support over the past twelve months in efforts to address the challenges facing a rapidly growing region and look forward collaborating on initiatives and opportunities over the coming years.

Mayor Carol Adams
Chair, South West Group

BOARD OF MANAGEMENT

Director's Report



The South West Group activities over the past twelve months has examined a diverse range of regional issues such as integrated transport and land use planning, infrastructure provision, light rail, industrial land development, major projects, ports, affordable housing, energy efficiency, climate change adaptation and natural resource management.

The South West Metropolitan Region has experienced significant growth over the last five years, with the provisional regional population of 425,514 as at June 2016 (ABS 3218.0 released 30 March 2017), representing an increase in 52,137 persons (or 14%) since June 2011.

The South West Group estimates that the population in the region is expected to reach 544,644 by 2026, with much of this growth to be accommodated in new urban developments in Rockingham, Kwinana and Cockburn and infill development in suburbs and around activity centres throughout the region.

There were 32,262 registered businesses in the region (ABS Counts of Australian Businesses, 2016), 170,792 local jobs (NIEIR, 2016), 211,834 employed residents (NIEIR, 2016) and a Gross Regional Product (GRP) of \$25.46 billion (NIEIR 2016) recorded for 2016.

This growth was matched with jobs in key employment areas in the region such as the Australian Marine Complex (AMC), Kwinana Industrial Area (KIA), the city centres of Fremantle and Rockingham, Murdoch Activity Centre, Cockburn Central and Jandakot City. Major shopping centre expansions either completed, under construction or planned in the region include Kwinana Marketplace, Rockingham City, Baldivis, Cockburn Gateway and Garden City in Booragoon.

The relocation of the Department of Housing and parts of the Departments of Transport and Corrective Services into a new building to be constructed in Kings Square will result in 1,500 additional jobs in the centre of Fremantle by 2021.

These investments and major developments place the region in a strong position to support jobs in the retail, commercial and community service sectors, which continue to provide employment opportunities in the region.

The Defence industry sector continues to be a major economic driver with an annual investment of about \$1 billion and support for around 5,000 jobs in the region. Continued investment by the Federal Government on the upgrading of HMAS Stirling at Garden Island and the securing of work associated with major procurement programs (submarines, frigates, offshore patrol vessels etc.), together with ongoing sustainment work, ensures the region and precincts such as AMC in Henderson play key roles in supporting defence programs.

The South West Group has been a strong advocate for integrated transport and land use planning, public transport and emerging modes of mass transit such as light rail. The South West Group's submission on the draft Perth and Peel Transport Plan for 3.5 Million and Beyond, developed by the previous State Government, was comprehensive and incorporated member Council projects and positions on a range of issues and proposals. The status of this plan is yet to be made clear following the change of State Government in March 2017.

The South West Group commissioned consultants to assess transit route options for the South West Metropolitan Region as part of its light rail research, resulting in the identification of priority route options for further investigation and evaluation including the Murdoch train station to Fremantle (via South Street) and Rockingham train station to the Rockingham foreshore (via the Rockingham city centre).

The South West Group also led a consortium of fourteen Councils in the preparation of a City Deal Proposal for Perth's Southern Corridors (SC14) under the Federal Government's Smart Cities Plan. The City Deal proposal identified a range of road, rail, public transport and activity centre projects requiring increased infrastructure investment in order to improve productivity and mobility. As of June 2017, three successful City Deal Proposals had been announced by the Federal Government (Townsville in Queensland, Launceston in Tasmania and Western Sydney in NSW) and enquiries on the status of the SC14 City Deal proposal are continuing.

The Regional Natural Resource Management (NRM) Strategy implementation is a partnership project with member Councils involving initiatives for enhancing the protection and management of natural assets in the region. More recently the South West Group worked on partnership proposals seeking grant funding for weed control and revegetation on Council reserves, secured funding to train member Council staff in visual fuel load assessments and hosted a series of community workshops on bird friendly gardens.

I wish to thank Board Chair, Mayor Carol Adams and Chair of the CEO Forum, Joanne Abbiss for their support, leadership and direction. I would also like to give a special thanks to Joanna Ong, Executive Assistant to the South West Group, who continues to provide fantastic support and uses her well-developed organisational skills for the smooth operation of the group.

I am looking forward to continuing the productive and challenging role with the South West Group and thank the South West Group Board and member Councils for their support and ongoing contribution to the organisation and the region.

Mick McCarthy
Director, South West Group

“ THE SOUTH WEST GROUP BOARD MEMBERS WERE ACTIVELY INVOLVED IN VARIOUS STAKEHOLDER ENGAGEMENT ACTIVITIES THROUGHOUT 2016/17, PARTICULARLY FOLLOWING THE FEDERAL ELECTION ON 2 JULY 2016 AND IN THE LEAD UP TO THE STATE ELECTION ON 11 MARCH 2017. THESE ELECTIONS RESULTED IN THE RENEWAL OF RELATIONSHIPS WITH RE-ELECTED MPS AND THE INITIATION OF RELATIONSHIPS WITH NEWLY ELECTED MPS. ”



Town of East Fremantle

Fremantle Port

City of Fremantle

City of Melville

City of Cockburn

Garden Island

City of Kwinana

City of Rockingham

SOUTH WEST METROPOLITAN REGION

SOUTH WEST GROUP

BOARD & COMMITTEE STRUCTURE

BOARD MEMBERS



- 1. Mayor Brad Pettitt (City of Fremantle)
- 2. Mayor Russell Aubrey (City of Melville)
- 3. Mayor Carol Adams (City of Kwinana)
- 4. Mayor Barry Sammels (City of Rockingham)
- 5. Mayor Logan Howlett (City of Cockburn)
- 6. Mayor Jim O'Neill (Town of East Fremantle)
- 7. Philip St John (CEO City of Fremantle)
- 8. Shayne Silcox (CEO City of Melville)
- 9. Joanne Abbiss (CEO City of Kwinana)
- 10. Andrew Hammond (CEO City of Rockingham)
- 11. Stephen Cain (CEO City of Cockburn)
- 12. Gary Tuffin (CEO Town of East Fremantle)

COMMITTEE STRUCTURE

Chair: Mayor Carol Adams

- 6 Mayors
- 6 CEOs
- SWCDeF Inc. President (Observer)



CEOs Forum



CHAIR:
Ms Joanne Abbiss

- 6 CEOs

SWCDeF Inc Management Committee



CHAIR:
Cr Duncan Macphail

- 6 Elected Members / Officers
- External Members

South West Reference Group



CHAIR:
Cr Clive Robertson

- 6 Elected Members / Officers
- External Members

Technical Directors Committee

CHAIR:
Mr Mick McCarthy

- 6 Directors of Engineering
- 6 Directors of Planning

Corporate Services Directors Group

CHAIR:
Mr Stuart Downing

- 6 Corporate Services Directors



STRATEGIC PRIORITIES & GOALS

The strategic priorities, goals and objectives from the South West Group Strategic Plan 2015 to 2025.

● LIVEABLE COMMUNITIES

GOAL

Sustainable, diverse and liveable communities through the provision of community infrastructure, enhanced natural environment, affordable housing and activity centres for our growing population.

>> OBJECTIVES

- Urban development and housing
- Activity centres and corridors
- Natural environment
- Regional community infrastructure and services

● CLIMATE CHANGE ADAPTATION

GOAL

Resilient and adaptive communities and infrastructure capable of responding to climate change impacts and trends.

>> OBJECTIVES

- Climate change research and mapping
- Strategic planning for climate change adaptation

● TRADE, FREIGHT AND LOGISTICS

GOAL

Efficient and optimised freight and logistics networks, supported by investment in infrastructure and services.

>> OBJECTIVES

- Transport and moving people
- Freight and logistics

● KNOWLEDGE AND EDUCATION

GOAL

Growth and expanded employment and training opportunities across the knowledge and education sectors.

>> OBJECTIVES

- Skills development and training
- Employment and work experience

● INDUSTRY AND EMPLOYMENT

GOAL

Recognition of our region as the economic gateway to WA, as a major tourist destination and as a provider of regional employment centres.

>> OBJECTIVES

- Employment and innovation hubs
- Promotion and economic development
- Tourism investment

“ THE GOALS AND OBJECTIVES ARE SUPPORTED BY A RANGE OF STRATEGIES AND ACTIONS TO DELIVER THE STRATEGIC PLAN, WHICH ARE IMPLEMENTED THROUGH ANNUAL WORK PLANS. ”

SUSTAINABLE DIVERSE AND LIVEABLE COMMUNITIES FOR OUR GROWING POPULATION



REGIONAL ACTIVITIES IN 2016 / 17

The South West Group endorsed activities in the work plan and identified the **15 top ranked priorities for 2016/17**.

The activities and their status are presented in Table 1 below with reference to new, carry over or ongoing activities and the goal area and activity number identified in the Strategic Plan 2015 to 2025 as applicable.

RANK	ACTIVITY	STATUS
1	Investigate and document social and affordable housing options in the region, including opportunities for more efficient utilisation of available stock (Liveable Communities - 1.1.2)	Working with Department of Housing who have established a database and evaluation process to facilitate appropriate data sharing arrangements
2	Identify and prioritise public transport (BRT and light rail) networks and/or links to service planned regional Activity Centres and Activity Corridors (Liveable Communities - 1.2.2)	Light rail study identified transit route options and more detailed evaluation being advanced for two selected route options
3	Explore shared investment models for transport infrastructure investment (Trade, Freight and Logistics - 3.3.1)	Shared funding models examined as part of light rail study and more detailed evaluation will assess models on investment and corridor development potential for selected route options
4	Facilitate economic development and tourism infrastructure investment in the region (private sector and public sector) in partnership with member Councils (Industry and Employment – 5.2.1)	Fremantle Passenger Terminal identified as a priority tourism infrastructure asset in the region. The State Government and the City of Fremantle are investigating uses at the port along Victoria Quay and South Quay
5	Encourage investment via a “Regional Investment Prospectus” (Industry and Employment – 5.2.2)	Not progressed as role being undertaken by LandCorp and industrial/commercial property agents
6	Identify and define transformational projects in the region that provide wider economic benefits and employment (New work plan activity)	Transformational projects identified and described, with more detailed work required to determine priority and timeframe for further work and advocacy
7	Identify and rank regional projects, including transformational projects, using agreed assessment criteria (New work plan activity)	Regional projects sought from member Councils for consolidation into a submission to the State 20 Year Infrastructure Strategy
8	Undertake detailed assessment and cost benefit analysis of selected regional priorities to support lobbying and advocacy activities (New work plan activity)	Regional priorities will be drawn from the list put forward for the State 20 Year Infrastructure Strategy
9	Progress priority regional actions to support member Councils in their climate change adaptation initiatives (New work plan activity)	Proposal for gathering metropolitan wide climate change data being examined by WALGA, CSIRO, Landgate, and CRCs. WALGA is also investigating a proposal for urban forest management across the metropolitan area
10	Review the South West Group’s integrated transport framework and component programs to align with priority areas identified in the Perth Transport Plan for 3.5 Million (New work plan activity)	Review of framework will be dependent upon the incoming State Government’s transport agenda (Metronet) and their position on the previous State Government’s Perth Transport Plan for 3.5 Million



FACILITATE ECONOMIC DEVELOPMENT AND TOURISM INFRASTRUCTURE INVESTMENT

- | | | |
|-----------|---|--|
| 11 | Implement Communications Plan involving stakeholder engagement activities with State Government and Federal Government Members of Parliament and senior agency staff (Ongoing work plan activity) | Briefing of MPs being arranged for September 2017 and one to one meetings being responded to as requested. Agency staff engaged in activity centre briefing by member Councils undertaken in July 2017. |
| 12 | Prepare and lodge 10 submissions on policy issues that impact on the region (Ongoing work plan activity) | Not able to be completed due to change of government and lack of policies/plans being released for comment. |
| 13 | Prepare and lodge a 2016 to 2020 State and Federal Budget submissions on regional priorities (Ongoing work plan activity) | Budget proposals submitted to Federal and State Government in December 2016 for consideration in 2017/18 budget. |
| 14 | Represent the views of the South West Group in presentations, forums and submissions on transport and integrated land use planning to State and Federal Governments (Ongoing work plan activity) | South West Group represented on a range of presentations and forums through organisations such as Urban Development Institute of WA, Property Council, Freight and Logistics Council, Curtin University and Local Government Planning Association. |
| 15 | Host regional forums and arrange alignment discussions involving State Government agencies and other key stakeholders to increase the profile and investment in regional projects, strategies and infrastructure (Ongoing work plan activity) | Light rail presentations undertaken in April 2017 and a briefing of State Government agencies on Activity Centres undertaken in July 2017. |



ACHIEVEMENTS & HIGHLIGHTS

The South West Group highlights for 2016/17 below provide a summary of key achievements.

Meetings with State Members of Parliament (MPs) and candidates and a briefing of State ALP MPs at Parliament House to discuss regional priorities in the lead up to the State election on 11 March 2017.

Securing funding and commitments from the Federal and State Government to undertake regional priority projects identified by the South West Group in the lead up to elections including:

- Bridge over Kwinana Freeway linking Armadale Road and North Lake Road (\$237 million)
- Additional lane on Kwinana Freeway north from Russell Road to Roe Highway (\$49 million)
- Thornlie rail link connecting the Mandurah and Armadale rail lines (\$474 million)
- Manning Road on ramp to Kwinana Freeway south as part of Canning Bridge upgrades (\$35 million)

Leading and hosting **meetings between member Council and Department of Parks and Wildlife (DPAW)** management and operational staff to facilitate improved coordination of activities across Beeliar, Jandakot and Rockingham Lakes Regional Parks.

The **securing of a State Natural Resource Management (NRM) grant** to undertake a series of Bird Friendly gardens community workshops, in partnership with member Councils.

The **identification and description of transformational projects in the region** that have the potential to provide long term economic and social benefits, including increased employment opportunities.

Economic Development Tour to Sydney in April 2017 examining density done well, urban renewal and the re-purposing of historic buildings, innovation hubs, light rail, and successful examples of development that integrate residential, commercial and retail uses.

Continued implementation of the Regional Natural Resource Management (NRM) Strategy including regional priority projects, grant funded partnership projects and various initiatives in collaboration with member Councils and other land management agencies.

Launching of the **new website for the South West Group** with greater content and functionality.

Facilitation of the Employment and Business Support Service Providers Network and the development of a proposal to host a youth jobs and careers expo in the region.

Fostering productive working relationships between the South West Group and the Melville Cockburn Chamber of Commerce, Rockingham Kwinana Chamber of Commerce, Fremantle Chamber of Commerce, Business Foundations and a range of other not-for-profit organisations in the region.

SUBMISSIONS & ADVOCACY 2016 / 17

The South West Group continued its active role in lobbying and advocacy during 2016/2017 through one to one meetings with Members of Parliament and agency heads, group events, presentations and submissions on policies and plans.

The South West Group was only able to prepare and lodge a limited number of submissions during 2016/2017, given the lack of plans and policies released to the public prior to and after Federal and State elections.



The most relevant submission prepared by the South West Group responded to the release of the draft Perth Transport Plan for 3.5 million and Beyond in July 2016. This South West Group submission on this long awaited plan was comprehensive and involved seeking detailed input from the member Councils on the proposals put forward in the plan by the previous State Government.



Get a Move On!

The South West Group undertook a review of the Committee for Perth's *Get a Move On!* paper in response to proposals gathered using detailed research and surveys across a range of topics including the use of public transport, urban consolidation, employment preferences and key factors associated with the knowledge economy.

The South West Group will continue to lodge submissions on the annual budget proposals and respond to issues that affect the region into the future, with an emphasis on the collaborative approach delivered through our stakeholder engagement activities.



ECONOMIC DEVELOPMENT TOUR TO SYDNEY

Density, Innovation, Retail and Tourism Precincts and Light Rail

The South West Group Board has undertaken a number of economic development tours since 2012 aimed at examining best practice and innovation across a range of topics and issues.

The tours provide the opportunity for the Board, Councillors and member Council Directors to gain first-hand knowledge on the planning, development and implementation of land use developments, major projects and other initiatives relevant to the South West Metropolitan Region.

The tours completed previously include the following key themes and locations:

APRIL 2012:

Activity Centres Tour of Melbourne and Sydney

APRIL 2013:

Economic Development Tour of South East Queensland covering health and knowledge precincts coastal/marina/foreshore developments and civic/library precincts

APRIL 2014:

Civic precincts and activation through events, mall redevelopment, light rail, major projects, urban renewal and redevelopment in Adelaide, South Australia

APRIL 2015:

Climate change adaptation tour of Melbourne and Sydney

APRIL 2016:

Ports, intermodal terminals, toll roads and intelligent transport systems (ITS)

The April 2017 economic development tour to Sydney was based on key themes related to:

- **High density commercial and urban renewal projects**
- **Innovation hubs**
- **Light rail and value capture**
- **Business and commercial development investment attraction**
- **Retail and tourism centres**

The tour included presentations and site visits from project developers and project managers, senior Council staff (CEOs, Directors, Managers) and facilities managers as follows:

Activity centre developments, particularly St Leonards in North Sydney and Parramatta – getting the right mix (residential, commercial, retail)

Innovation hubs - Australian Technology Park and Hunter Innovation Project

Value capture and density uplift – Parramatta light rail

Urban renewal, density done well – Central Park, Stockland Balgowlah, Harold Park

Regional and District scale retail and tourism precincts – Chatswood, Manly Corso

The Sydney Economic Development Tour was a 3 day tour from 3 to 5 April 2017 inclusive and based on a detailed itinerary and background report provided to delegates.



COMMITTEES

SOUTH WEST GROUP

The South West Group Board is supported by a number of internal standing committees, including the Technical Directors Committee and Corporate Services Directors Group which report to the CEOs Forum.

The South West Group also seeks nominations from member Councils for committees comprising of Councillors and officers including the South West Corridor Development Foundation Incorporated (SWCDeF Inc.) and the South West Reference Group.

SOUTH WEST CORRIDOR DEVELOPMENT FOUNDATION Inc

2016/17 President: Cr Duncan Macphail – City of Melville

2016/17

Activities and Highlights

WORKFORCE DEVELOPMENT – Continued implementation of the South West Corridor Workforce Development Plan 2009 – 2024, with a focus on planning to support a regional youth expo event on jobs and career pathways.

REGIONAL TRAMWAY TRAIL PROJECT – continued implementation of the development plan for the 32 kilometre section of a historic tramway reserve extending from the City of Cockburn to the City of Rockingham, including the preparation of signage designs and prescriptions to promote the trail and orientate users.

PARTNERSHIP WITH POINT PERON REHABILITATION COMMITTEE (PPRC) – Agreement to partner with the PPRC and act as proponent for managing grant funds and donations related to the restoration of the historic World War II battery structures at Point Peron. Partnering on the Point Peron historical display and awareness raising event held at the Gary Holland Community Centre for a week during ANZAC Day. SWCDeF Inc. was the proponent for a Conservation Management Plan (CMP) prepared for the historic structures located at the site and was involved in proposals to implement the CMP and establish places of reflection at the site to signify their cultural importance.

PARTNERSHIP WITH CONSERVATION VOLUNTEERS AUSTRALIA (CVA) Agreement formed to manage Beeliar Rockingham Lakes Regional Parks trust funds and enter into partnership for projects of mutual benefit involving environmental restoration and rehabilitation activities. Major proposal involving contributions from member Councils was facilitated to undertake weed control and revegetation on Council managed reserves.

REGIONAL NATURAL RESOURCE MANAGEMENT (NRM) - Supporting grant fund applications for environmental restoration, community awareness and weed/feral animal control projects that align with SWCDeF Inc. objectives.

Role and Function:

- Facilitate and promote development of the South West Metropolitan Region and areas adjacent to the region;
- Enhance and promote the region's attractiveness for industry and enterprise, lifestyle and natural attractions; and
- Enhance and promote the development of skills and expertise within and for the region.



Vice-President: Cr Dennis Wood – City of Kwinana

Treasurer: Cr Doug Thompson – City of Fremantle

Secretary: Mr Mick McCarthy – South West Group

The Committee meets on a bi-monthly basis with representation including:

- Local Governments in the South West Metropolitan Region
- South West Group
- Chambers of Commerce
- Community

THE FOUNDATION WORKS COOPERATIVELY TO PROMOTE AND INITIATE REGIONAL ECONOMIC DEVELOPMENT, EMPLOYMENT, WORKFORCE DEVELOPMENT AND ENVIRONMENTAL PROJECTS.

SOUTH WEST REFERENCE GROUP

Chairperson: Cr Clive Robartson – City of Melville



The South West Reference Group (SWRG) was established as a formal committee of the South West Group in 2012 to provide a regional engagement structure for the South West Group member Councils and other key stakeholders on environmental and natural resource management issues.

2016/17 Activities and Highlights

REGIONAL NRM STRATEGY IMPLEMENTATION – The South West Group and participating member Councils have contributed funding since 2013/14 to implement the Regional NRM Strategy, with the most recent commitment extending the Regional NRM Facilitator contract role through to 2020 (subject to annual reviews and funding).

PROGRESS ON REGIONAL PRIORITY NRM PROJECTS AND INITIATIVES – Priorities identified and further developed a number of partnership projects associated with the Green Network including:

Green Army project – major application valued over \$1 million submitted, however funding program discontinued

State NRM and other grant or externally funded projects – Bird Friendly Gardens, visual fuel load assessment training for Council staff, proposal for feral animal control, Tramway Trail Project and Light Industry Audit/Cleaner Production Pilot Project through the City of Melville and in partnership with the Swan River Trust.

REGIONAL BIODIVERSITY MAPPING AND ANALYSIS – Ongoing utilisation and promotion of the regional Geographic Information System (GIS) database and overlays identifying areas of conservation value and priorities for conservation action. This mapping work was completed by the Western Australian Local Government Association (WALGA) Local Biodiversity Project team and has been commended as valuable conservation resource by the Strategic Assessment of Perth and Peel Regions (SAPPR) project team during the development of the draft Perth and Peel Green Growth Plan.

SUPPORTING MEMBER COUNCILS ON NRM ACTIVITIES – The NRM Facilitator has provided regular advice to member Council staff on grant funding and NRM partnership project opportunities, as well as providing direct assistance in the preparation of grant fund proposals and applications.

NATURAL AREAS MANAGEMENT FORUM AND AGREEMENT OF COOPERATION – The Regional NRM Facilitator has established a Natural Areas Management Forum aimed at improved coordination of natural areas management throughout regional parks and nature reserves. The forum includes separate groups of officers covering operational and management levels. The forum led to the development of the Agreement of Cooperation between the South West Group and key departmental staff from relevant land management agencies (Parks and Wildlife, Main Roads, Water Corporation and Planning).

STAKEHOLDER RELATIONSHIPS - Development of strong relationships with key stakeholders including those involved in the Agreement of Cooperation and other agencies such

as the Department of Premier and Cabinet (Green Growth Plan), NRM WA, Perth Region NRM, Alcoa Australia, Environmental Protection Authority (EPA) Unit, Birdlife Australia, Department of Agriculture and Food WA (DAFWA) and the Swan River Trust.

Role and Function:

- To develop an NRM Governance Model and Business Plan that clarifies the National and State NRM context and establishes a framework for the South West Group and member Councils to work together on regional NRM activities and projects.
- To develop a Regional NRM Strategy that links all of the NRM and environmental work being undertaken by the member Councils to better share limited resources, identify priority projects and attract additional funding for NRM activities that benefit the region and the natural environment.
- To determine the requirements and a pathway for the South West Group and member Councils to collectively undertake regional natural resource and environmental management activities and raise its profile in negotiations with the State and Australian Governments and other key stakeholders.
- To identify and develop required planning layers (Green Map and Blue Map) that link to, and support, planning processes through the Metropolitan Region Scheme and Local Planning Schemes to achieve a sustainable diversity of natural land uses and public amenity for the South West Metropolitan Region.



STATEMENT OF INCOME AND EXPENDITURE

FINANCIAL REPORTS

FOR THE YEAR ENDING 30 JUNE 2017

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SOUTH WEST GROUP
CERTIFICATION BY MEMBERS OF THE BOARD
FOR THE YEAR ENDED 30 JUNE 2017

The Board has determined that the South West Group is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

In the opinion of the Board, the financial report, as attached:

- (i) Present a true and fair view of the financial position of South West Group as at 30 June 2017 and its performance for the year ended on that date.

- (ii) At the date of this statement, there are reasonable grounds to believe that South West Group will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the Board and is signed for and on behalf of the Board by:

Signed: 	Signed: 
Name: <u>Mick McCarthy</u>	Name: <u>Dr Shayne Silcox</u>
Place: <u>Melville</u>	Place: <u>Melville</u>
Date: <u>6/09/17</u>	Date: <u>6:09:2017.</u>

INDEPENDENT AUDITOR'S REPORT**TO: THE MEMBERS OF SOUTH WEST GROUP****Report on the Audit of the Financial Report****Opinion**

We have audited the financial report, being a special purpose financial report, of South West Group ("the entity"), which comprises the assets and liabilities statement as at 30 June 2017, the income and expenditure statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the Certification by Members of the Board on the annual statements giving a true and fair view of the financial position and performance of the entity.

In our opinion, the accompanying financial report presents fairly, in all material respects, the financial position of the entity as at 30 June 2017 and its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements.

Basis for Opinion

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

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

Emphasis of Matter – Basis of Accounting

We draw attention to Note 1 to the financial report which describes the basis of accounting. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Responsibilities of the Board for the Financial Report

The Board is responsible for the preparation and fair presentation of the financial report and for such internal control as the Board determines is necessary to enable the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Board is responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the Board either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

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


INDEPENDENT AUDITOR'S REPORT (Continued)

Auditor's Responsibilities for the Audit of the Financial Report (continue)

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

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

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


MACRI PARTNERS
CERTIFIED PRACTISING ACCOUNTANTS
SUITE 2, 137 BURSWOOD ROAD
BURSWOOD WA 6100


A MACRI
PARTNER

PERTH
DATED THIS 6TH DAY OF SEPTEMBER 2017.

SOUTH WEST GROUP

ASSETS AND LIABILITIES STATEMENT AS AT 30 JUNE 2017

	Note	2017 \$	2016 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	2	346,166	242,883
Trade and Other receivables	3	880	-
TOTAL ASSETS		347,046	242,883
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	4	120,711	97,291
TOTAL LIABILITIES		120,711	97,291
NET ASSETS		226,335	145,592
MEMBERS' FUNDS			
Retained Surplus	5	226,335	145,592

SOUTH WEST GROUP

INCOME AND EXPENDITURE STATEMENT FOR THE YEAR ENDED 30 JUNE 2017

	Note	2017 \$	2016 \$
INCOME			
Contributions and Donations		486,500	355,500
NRM Facilitator Contributions		117,500	117,500
Visual Fuel Assessment		14,600	-
Interest Received		3,234	3,841
		621,834	476,841
EXPENDITURE			
Employee Costs		253,369	223,698
Travel Expenses	6	19,287	23,205
Secretarial & Office Costs		22,165	23,466
Consultant and Management Fees	7	226,189	205,666
Audit Fees		5,000	5,000
Other Project Costs	8	15,082	2,594
		541,092	483,629
Current year Surplus/(Loss)		80,742	(6,788)

SOUTH WEST GROUP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial report is a special purpose financial report. The Board has determined that the South West Group is not a reporting entity.

The financial report has been prepared on an accruals basis and is based on historic costs and does not take into account changing money values or, except where specifically stated, current valuations of non current assets.

	2017	2016
	\$	\$
NOTE 2 CASH AND CASH EQUIVALENTS		
Cash at Bank	346,166	242,883
	346,166	242,883
NOTE 3 TRADE AND OTHER RECEIVABLES		
<u>CURRENT</u>		
Trade Debtors	880	-
	880	-
NOTE 4 TRADE AND OTHER PAYABLES		
<u>CURRENT</u>		
Trade Creditors	120,711	97,291
	120,711	97,291
NOTE 5 RETAINED SURPLUS		
Opening Funds	145,593	152,380
Current year surplus/(loss)	80,742	(6,788)
Closing Funds	226,335	145,592
	Equity	Share
	\$	%
City of Cockburn	48,739	21.53%
Town of East Fremantle	16,692	7.37%
City of Fremantle	30,044	13.27%
City of Kwinana	26,706	11.80%
City of Melville	50,742	22.42%
City of Rockingham	53,412	23.61%
	226,335	100.00%

SOUTH WEST GROUP
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

NOTE 6 TRAVEL EXPENSES

Travel expenses for 2016/17 include expenses relating to the South West Group Economic Development Tour to Sydney in April 2017.

NOTE 7 CONSULTANT AND MANAGEMENT FEES

	2017	2016
	\$	\$
Accommodation Charge - City of Melville	5,000	5,000
Admin Service Charge - City of Melville	20,050	21,530
Lobbying and Communications Strategy	16,482	12,500
Economy ID Subscription	21,000	21,000
NRM Strategy	99,819	122,897
Economic Development Consultancy	12,161	15,165
Integrated Transport Planning Project	51,677	7,574
	<u>226,189</u>	<u>205,666</u>

NOTE 8 OTHER PROJECT COSTS

Meeting Expenses	5,462	2,594
Visual Fuel Load Assessment	9,620	-
	<u>15,082</u>	<u>2,594</u>



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