SPECIAL COUNCIL MEETING

5 March 2020

Attachment Booklet

ATTACHMENT 1: CEO01-03/20S

Medical Centre Consultation Report

MEDICAL CENTRE CONSULTATION REPORT

PROJECT | MEDICAL CENTRE

CLIENT | SHIRE OF IRWIN

DATE | 28.02.20

VERSION | FINAL 2.0

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EXECUTIVE SUMMARY

In December 2019 the Shire was informed that Batavia Health had decided to stop the provision of a General Practice (GP) service in Dongara. Since this time, the Shire has been exploring options for the provision of GP services in Dongara both in the interim and for the long term.

Given the state-wide shortage of GPs, it is becoming more common for Shires to play an enabling role and helping to secure health services.

In January 2020, the Shire started a consultation with the community through a survey, two community forums and two information sessions. This report is the collation of these activities.

Note: As the Shire is moving quickly to identify options, there are some variances between the information presented to the community in the survey and both community forums.

Dominant Themes

It is clear from the survey and consultation forums that the community both wants and expects the Shire to intervene in some way to secure the provision of medical services in Dongara.

There was a clear expression of the need for medical services and a recognition of the utility of having a medical centre with GP services and allied health professionals. It was made clear that, with an ageing population, a medical centre was seen as a critical need for Dongara.

As the level of detail provided in the two forums and through the survey was slightly different and that difference resulting in a changing response from the community, it is hard to provide a conclusive outcome.

Initially. two options were presented to the community and by the second community forum four options were presented. The other two options (options 3 and 4 below) were developed with the community at the first forum, so not formally canvassed in the online survey. However, some survey comments aligned to options 3 and 4.

The four options were as follows:

1. Purchasing the centre through a 20-year loan funded by a 4% rate rise
2. Purchasing the centre through a 20-year loan funded by redirecting funds for discretionary projects for the life of the loan
3. Lease from a private owner (e.g. Batavia Health or other)
4. Renovate another site (e.g. motel, recreation centre, Kennedy Heights)

In the first forum and through the online survey, there was a very clear preference for option 2, where the Shire re-directs funding for other projects to fund the purchase of the medical centre.

The second forum explored in more detail the pros and cons of four options, including the indicative rate rise and the cost of either leasing the existing centre or renovating a different faciality. With this information, and with a younger demographic in attendance, the community response sat more towards a blend of options one and two, which would target a rate rise of less than 4% and use some but not all the discretionary funds for the loan repayment.

It was noted that there is currently no mechanism for the Shire to issue a flat rate levy on rate payers to raise funds for the property purchase.

Also of note is that in both the survey and through the forums there was a level of bitterness towards the previous provider (Batavia Health), the nature of service provided and the exclusion of community members from receiving services. It was evident during the consultation sessions that this bitterness shaped some of the views towards purchasing the existing medical centre, in that people did not want the Shire to give the provider any more money.

Looking to the future, people want to ensure there were sufficient GPs to service the community followed by servicing existing Accident and Emergency at the Health Centre and providing residential care.

Most people would tend to visit a GP weekly to monthly and expected to be able to secure an appointment within two to three days.

METHODOLOGY

There are three data sources for this report:

- **Survey**: The survey was available in print and online format. The print surveys were posted to all households in the Shire and also handed to people at the consultation forums, if they had not completed one already. People were also notified of the online survey through the SOI website, Social media and the local print media.
    - There were 941 responses in total. 663 print versions were returned and 278 through the online format
    - With a population of 3734, this represents a 99% confidence interval
    - Given 90% of the responses where from ratepayers, no further analysis was done to disaggregate the responses from ratepayers and non-rate payers.
- **Consultation forums**: On February 6th 2020, feedback and key questions gathered at two consultation forums.
    - There were approximately 310 people in the morning forum and a further 150 in the evening forum
- **Post-Forum Survey**: At the end of each forum, a form was circulated to capture the groups' view of the options available to them. The form used in the first session was different to the form used in the second session, as it captured two options generated by the community in the first session.
- **Information Session**: On February 27th two information sessions were held to provide the community with an update of progress to date and to feedback some of the results of this consultation
    - There were approximately 40 people in the afternoon session and a further 30 in the evening session
    - As this was an information session and not a consultation session any comments from this session that we not previously captured in the consultation process (survey and/or forums) have been integrated into the body of the consultation feedback in this report.

OPTIONS TO SECURE THE SERVICE AND PREMISES

Anticipating the community's desire for the Shire to intervene in some way and secure a GP service, the Shire has been working on two fronts since being notified of the pending closure of Batavia Health.

1. Securing a service provider
2. Securing premises

1. Securing a Service Provider

The Shire is working with Rural Health West (RHW) on the recruitment of a principal GP and shaping a service level agreement to suit the needs of the local community.

The favoured model for securing a service provider is to secure a principal GP, who would become the owner and operator of the centre. This approach differs from the previous model, where Batavia Health employed GPs. The owner and operator model is considered more likely to produce a financially sustainable business model, as there are no additional margins.

This means that securing a suitable GP, requires a GP who is sufficiently experienced to not require supervision, has skills in general practice and emergency medicine and is interested in a regional practice.

Given there is a state-wide shortage of GPs and the fact that GPs operate in an open market, securing a GP can be challenging. RHW noted that it currently has 140 vacancies for GPs across Western Australia.

As such, Shires have begun offering a range of packages and incentives to attract GPs to regional WA. These packages can include the provision of:

- A vehicle
- Housing
- Attractive lease terms for premises

RHW also noted other government incentives that are in place to encourage and support regional GPs.

2. Securing Premises

The Dongara Medical Centre is a purpose-built accredited facility that presents an attractive and ready-made option for the provision of medical services. RHW reported that GPs find medical centres, like the one in Dongara, more attractive than traditional consulting rooms due to the quality of equipment, the flexibility they provide in service delivery and the ability to attract additional funding for operating an accredited service.

The Dongara Medical Centre is fully owned (all land and buildings) by Batavia Health, which purchased the land in 2015 and built the property. There is a caveat on the building that stipulates the building must be used for a medical centre. Batavia Health are now looking to sell the facility. The Shire has been given the first right of refusal on the purchase of the centre and an independent valuation has valued the property at $1,250,000.

In June 2017, the Shire contributed $356,170 (ex GST) for the refurbishment of the car park and this would be factored into any negotiation of the purchase price.

Due to the cost and time required to fit out another building to the same standard, purchasing the Dongara Medical Centre was the option take to the community consultation.

FUNDING THE PURCHASE OF PREMISES

The survey presented two primary options:

1. Increase rates per ratepayer to cover loan repayments and some operational costs
2. Re-direct funds from the foreshore project for the next five years (this will delay any progress on the foreshore and other potential community projects).

By the time of the first consultation session, the two options provided in the survey were more fleshed out and considerations given to the pros and cons of each option. This information was presented to the community forum. Additionally, at the first forum the community also offered additional options.

Council Presented Options	**1. 20-year loan – 4% rate rise** - Funding the purchase of the Medical Centre and associated costs* through a 20-year loan, paid for by a 4% rate rise - The rate rise would be a one off in year one (on top of the annual rise) and then future rates would be subject to the annual rise, not a further 4% for the medical centre - This rate rise will differ depending on the value of the property. As such it could range from $40pa - $3000pa *Associated costs are the various incentives required to attract GPs to the town
	2. 20-year loan – Limited discretionary projects for the life of the loan - Funding the purchase of the Medical Centre and associated costs* through a 20-year loan, paid for out of the Shire's discretionary budget that is used to fund a range of other projects around the Shire *Associated costs are the various incentives required to attract GPs to the town
Community Generated Options	**3. Shire to lease from Batavia Health** - This would involve the Shire leasing the Medical Centre from the current owners, either in the short term to allow the Shire to sort through funding options or for the long term
	4. Renovate another site (e.g. motel, recreation centre, Kennedy Heights) - This would involve the Shire fitting out other premises to the standard of the current facility or into consulting rooms
	5. Put transportable on spare land (e.g.: near sea rescue lots) - This would involve erecting a demountable facility on some spare land owned by the Shire
	6. Get a private buyer and lease from them - This is essentially the same as option three but is dependent on finding another buyer for the centre first

As options #3 and #6 were essentially the same, just with a different owner, they were combined; option #5 was considered not feasible from a financial point of view and unlikely to be conducive to attracting a GP.

This meant that the second community forum was presented with four options, the two provided by the community and the two original options presented by council. The pros and cons of the options were explored in the session.

Council Presented Options	1. 20-year loan – 4% rate rise
	2. 20-year loan – Limited discretionary projects for the life of the loan
Community Generated Options	3. Lease from a private owner (e.g. Batavia Health or other)
	4. Renovate another site (e.g. motel, recreation centre, Kennedy Heights)

Community Feedback

OPTION 1. 20-year loan – 4% rate rise	
Pros	**Cons**
• Secures the facility • Smallest possible rate rise • Greater chance of securing a loan (asset ratio) • Retains the Shire's capacity to do other projects over the life of the loan • Retains the Shire's ability to attract $ for $ funding for other projects	• Rate rise locked in for a longer period of time • Unequal burden* – business and farmers end up paying more than town residents

***Note:** At the second meeting, a range was provided to attendees to give a better indication of the quantum of increase. Giving a range is an estimate only as the rates are based on the value of each property and can be a guide only. It was estimated that homeowners in town would incur an estimated rate rise of around $80pa. Whereas some businesses and farms would incur an estimated rate rise of around $500 - $2,000.

Community Feedback on option 1

- There was concern about the lack of equity in the rate rise, as the block value is not an indication of the number of users of the medical centre on each property
- There was interest in the Shire finding a way to better balance the burden across the ratepayer base
- The impact on business and farms was noted and some individuals are multiple property owners and so would be paying the same levy twice
- There was considerable ill will towards the current property owners with a reluctance to negotiate with them at all or to negotiate hard,
- Community members wanted confidence that the Shire would negotiate a good deal on behalf of the community. It was suggested that, based on the caveat, which stipulates the premises must be used as a medical centre, the property is worth less without a GP practice current there as a going concern.
- If there were any rate rises, community members would want some kind of guarantee of service levels.
- If there were any rate rises, community members would to see a commitment to remove the rate rise once the loan is repaid and the implementation of some kind of publicly visible tracking of the progress of loan repayments

OPTION 2. 20-year loan – Limited discretionary projects for the life of the loan	
Pros	**Cons**
• Secures the facility • No rate rise	• May not be able to secure a loan – it may not be attractive to lenders to be using so much capital • No funds for other projects • Examples: - Foreshore upgrades - Moreten Terrace upgrades - Bowling club greens upgrades - Economic development initiatives - Tourism and area promotion (entry statements etc.) - Youth precinct (skate park) • No ability to leverage funding for project ready funding • Examples: - Pump track

Community Feedback on option 2

- There was concern about the lack of ability to fund other projects, but the community questioned if other sources of funding could be used to secure these projects
- Some suggested that health and medical services were more important than the kind of projects indicated

OPTION 3. Shire leases from owner (e.g. Batavia Health or other)	
Pros	**Cons**
• Secures the facility	• Cost Approximately $115,000pa – This is 25% more than the annual loan repayment cost • To provide security to GP's the lease would need to be for at least 5 years • The 5yr lease would be a cumulative cost to shire and dead money – money doesn't go into a community asset • Part of the incentive to GP's is a peppercorn lease – not attractive to private buyers

Community Feedback on option 3

- The lease option was seen as attractive, even as a short-term approach to give the Shire more time to explore the funding options and find a better balance

OPTION 4. Renovate another site	
Pros	**Cons**
• Don't need to negotiate with Batavia Health • Purpose-designed facility	• Time lost in getting the facility refurbished • Fit out to the required standards for accreditation = $800,000 • Cheaper refurbishment is less attractive to GPs • The lower income generated by consulting rooms, could cost the Shire by way of subsidy

Community Feedback on option 4

- In the first session, there were several options provided as possible sites, the second session outlined the difference between consultation rooms and a medical centre and identified the following cons against this option:
    - The additional time to have a service in place
    - The savings may not be significant, depending on the final sale price of the existing medical centre and the fit-out specifications to achieve a medical centre standard that would get accreditation

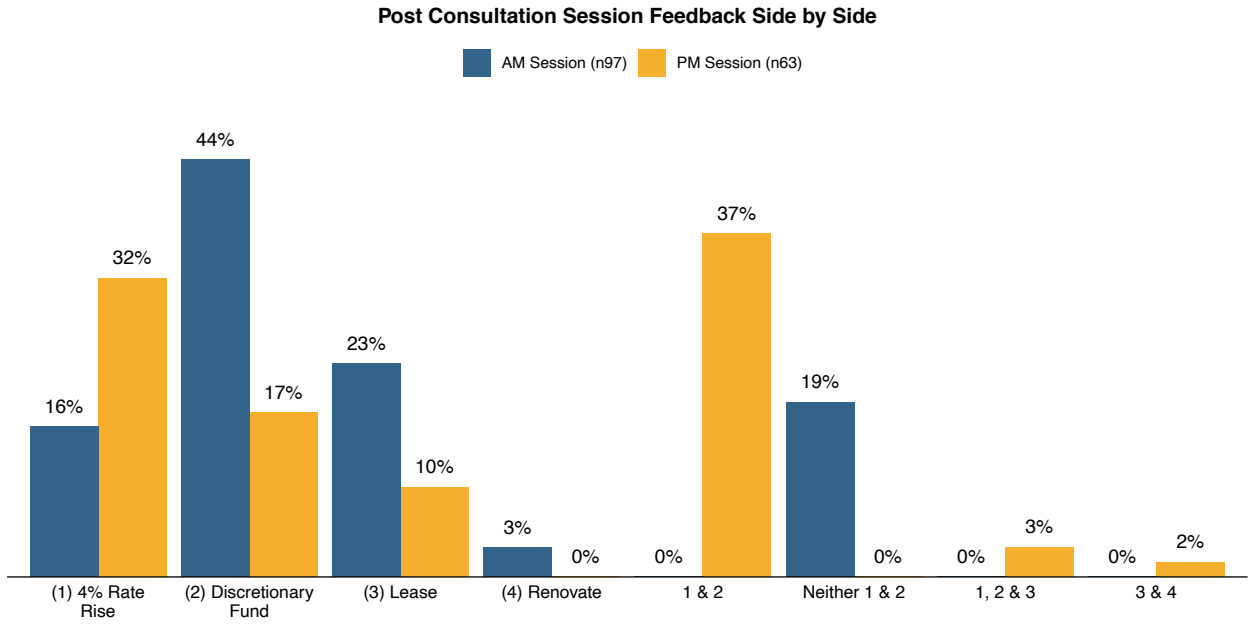
Post Community Sessions Feedback

At the end of both sessions, participants were given a form to indicate their preferences for the options discussed. There was a difference between the first and second forum (see Appendix One), as the community had contributed other options by the time of the second forum.

While only two options are printed on the first forms, participants were invited to select any of the options discussed during that forum. The comments from both forums were coded into the same set of four options, presented at the second session.

1. 20-year loan – 4% rate rise
2. 20-year loan – Limited discretionary projects for the life of the loan
3. Lease from a private owner (e.g. Batavia Health or other)
4. Renovate another site (e.g. motel, recreation centre, Kennedy Heights)

As can be seen on the chart, there was a clear variance of views between the AM and the PM forums, suggesting the overall middle ground is some combination of options 1 and 2. Of note is that this forum had more information provided and there was different demographic in attendance (tending to a comparatively younger audience that the forum held earlier in the day).



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QUESTIONS RAISED DURING THE COMMUNITY SESSIONS

The following are some of the clarifying questions raised during the community forum:

1. **"What happens if we take out the loan and we can't get a doctor?"**
    - It was agreed that securing the services and the premises are concurrent activities.
    - The Shire may have found a doctor willing to take on a 5-year contract; however, there is a risk that we may not attract a doctor after that.

2. **"Can we lease off Batavia Health?"**
    - Yes, this would cost around $100,000.00 annually and we would have no asset at the end of it.
    - This is considered an option but may not be a responsible use of ratepayer funds.

3. **"Can WA Country Health Service (WACHS) buy the building and lease the rooms back to a GP?"**
    - WACHS responds: This can be taken away as a question and a response will be forthcoming.

4. **"What is the loan amount?"**
    - The amount will depend on the final sale price, which is estimated to be between $1.25M – $1.4M. There would also be $200,000.00 for operating costs and incentives (e.g. housing, vehicle etc.).

5. **"Can we find a private buyer to buy the building and lease to a GP?"**
    - Although this is possible, the Shire would still be paying a commercial lease fee, as one of the incentives offered to secure a doctor is cheap or free lease.

6. **"How will we retain a GP and will they make a profit?"**
    - Rural Health West responded – A doctor is a private general practice and can bill how they choose; there are incentives for them to bulk bill, there is a Rural Incentive Payment (RIP) scheme as well as upskilling incentives.
    - The model being proposed is a principal GP who owns and runs the practice; the previous model had a GP appointed on salary, which has different overheads and profitability margins.

7. **"What is the annual cost of keeping a GP?"**
    - Each GP will negotiate their own terms. There are incentives offered to attract GPs in a highly competitive market place such as: cars, rental subsidies, subsidising income, administrative costs, etc.

8. **"Is there a way that we can have a rate across the board?"**
    - We have looked at this option and will continue to do so; however, we have not found a way to do this through rates at this time.

9. **"Are we guaranteed to be able to use the services?"**
    - The Shire is aware that there was the equivalent of 1.6 GPs servicing 40% of the community and that some residents were excluded from receiving services.
    - The proposed model is to build the practice to two to three full-time GPs to service the community.

10. **"Can you be exempt from paying the rate increase if you choose not to use the facility?"**
    - No, if the rate rise is levied it would be applicable to all property owners.

11. **"Who would write the contract for the GP?"**
    - The Shire would use a lawyer.

12. **"Is it a possibility to rent out some of the facility and make some rental income from the Shire purchase?"**
    - The Shire would own the building and the practice would be owned by the principal GP. Therefore, the GP would be able to attract and collect rent from and of the consultation rooms that are rented out.
    - There could be some clause in the lease that seeks some kind of return to the Shire, above a certain level of profitability.

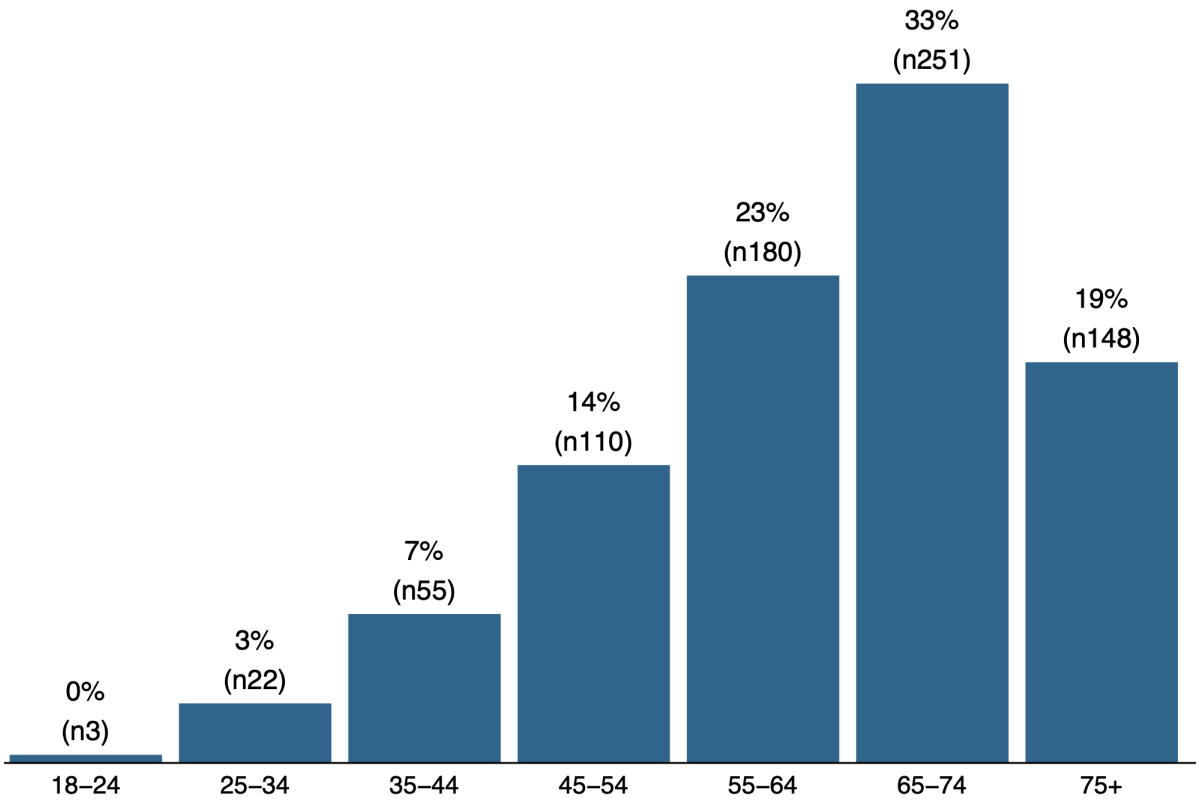
13. **"What can the community do to love and support the GP and encourage them to stay?"**
    - This was a comment made in both forums, encouraging the community to support any GP that comes to town.

Survey Results

The following presents the findings from the printed and electronic surveys made available to residents of the Shire.

Demographics of Respondents

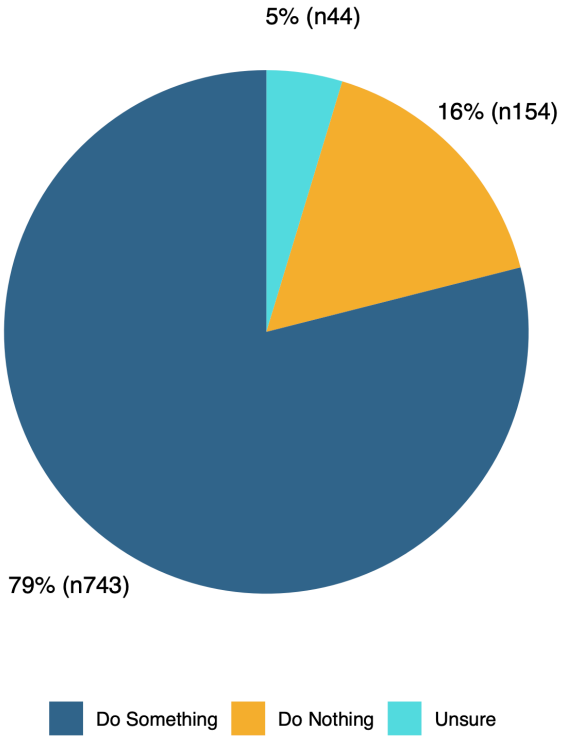
Of those surveyed, 90% were ratepayers at the Shire. 61% identified as female and 38% as male. The age distribution of respondents is shown below. The most common age range was 65-74 at 33%, while 23% were 55-64 and 19% were 75 or older. Fewer than 10% of people were 44 or younger.



78% of people said that they, or someone in their household, were a client of the Dongara Medical Centre when it was operated by Batavia Health. 20% of people said no one in their household were previously a client and 2% of people were unsure.

Shire Responsibility for Intervening

People were initially asked, “Which of these two options described [is] your most preferred outcome?” The majority of people (79%) preferred that action be taken, whereas 16% preferred doing nothing and 5% were unsure.

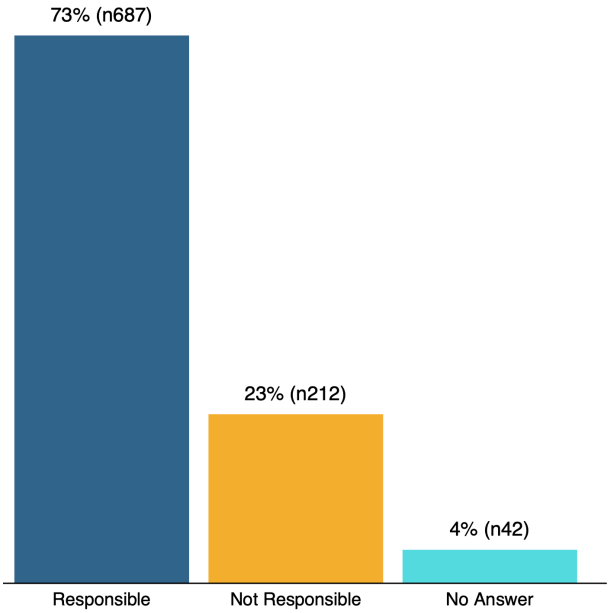


The survey also provided an open-ended question to better understand people’s responses to the preferred outcome. Four key themes emerged from the responses and are graphed below.

The majority of comments emphasised the need for a medical centre in the Shire or emphasised the strategy that the Shire should use, including how the funds should be sourced or managed, ways to recruit a suitable GP and what services should be offered.

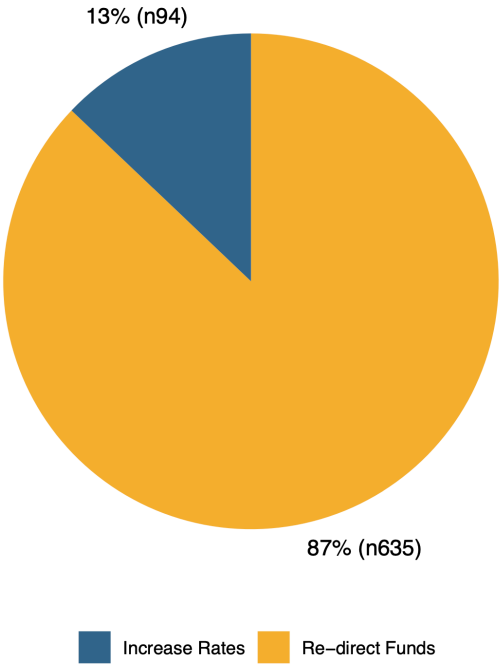
Other responses emphasised the current lack of accessibility to GP services and how the older population of the Shire is negatively impacted by not having a local medical centre. Some comments described who is responsible for ensuring that a medical centre is available.

Respondents were asked if they feel the Shire had responsibility to support access to GP services. 73% of people agreed that, “The Shire has a responsibility to support the provision of GP services in Dongara”, whereas 25% agreed that “It is not the Shire’s responsibility to support the provision of GP services in Dongara”.



Funding Options

In the online survey, the Shire presented two approaches to fund the purchase of the medical centre. 87% of people preferred the redirection of funds from the foreshore project over the next five years, whereas only 13 % preferred increasing rates per ratepayers to cover loan repayments and operational costs.

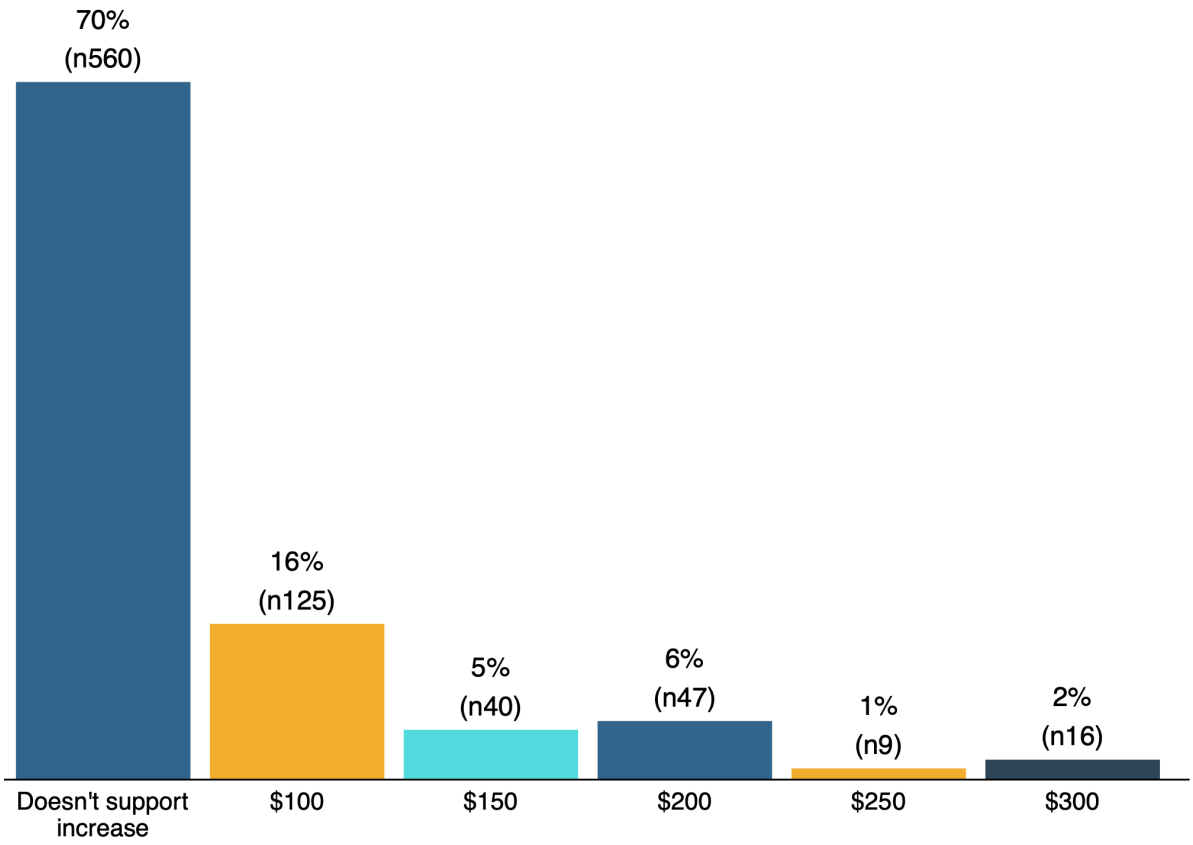


People we given an open-ended question regarding the approaches to fund the purchase of the medical centre. From this, several themes emerged and responses were coded into each theme. The comments were consistent with the trends the two-choice question presented above, where 37% of responses reiterated their support for option 2 (redirecting funding) and 8% their support for option one. There were also 17% that opposed option 1 (rate rise).

Other comments fell into the categories of having specific questions for the Shire to answer, expressed the inequality of increasing rates, supported both options 1 and 2 or opposed both options 1 and 2. The ‘other’ category included comments which suggested alternative sources of funding; these comments were largely on having the State Government provide funding or using fundraising to support the purchase of a medical centre. The ‘other’ option also included some albeit rare comments consistent with options 3 and 4 listed on page 10.

People were asked to list what level of rate increase per ratepayer, per year would be acceptable if a rate increase was the preferred option. 70% of people did not support a rate increase and 16% supported a $100 increase in rates. 6% or less supported an increase of $150 or more.

Note on data analysis: *More than one response was allowed and so the number of preferences exceeds the number of survey responses.*



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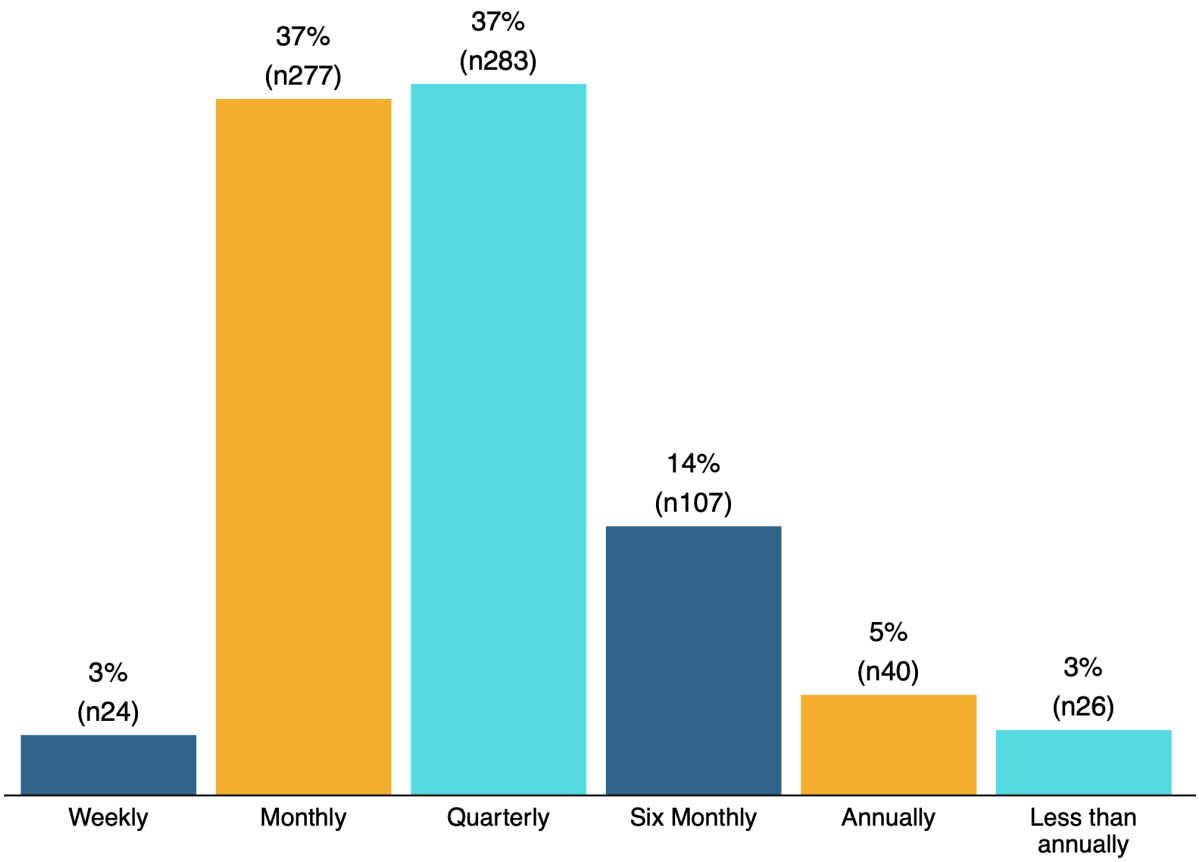
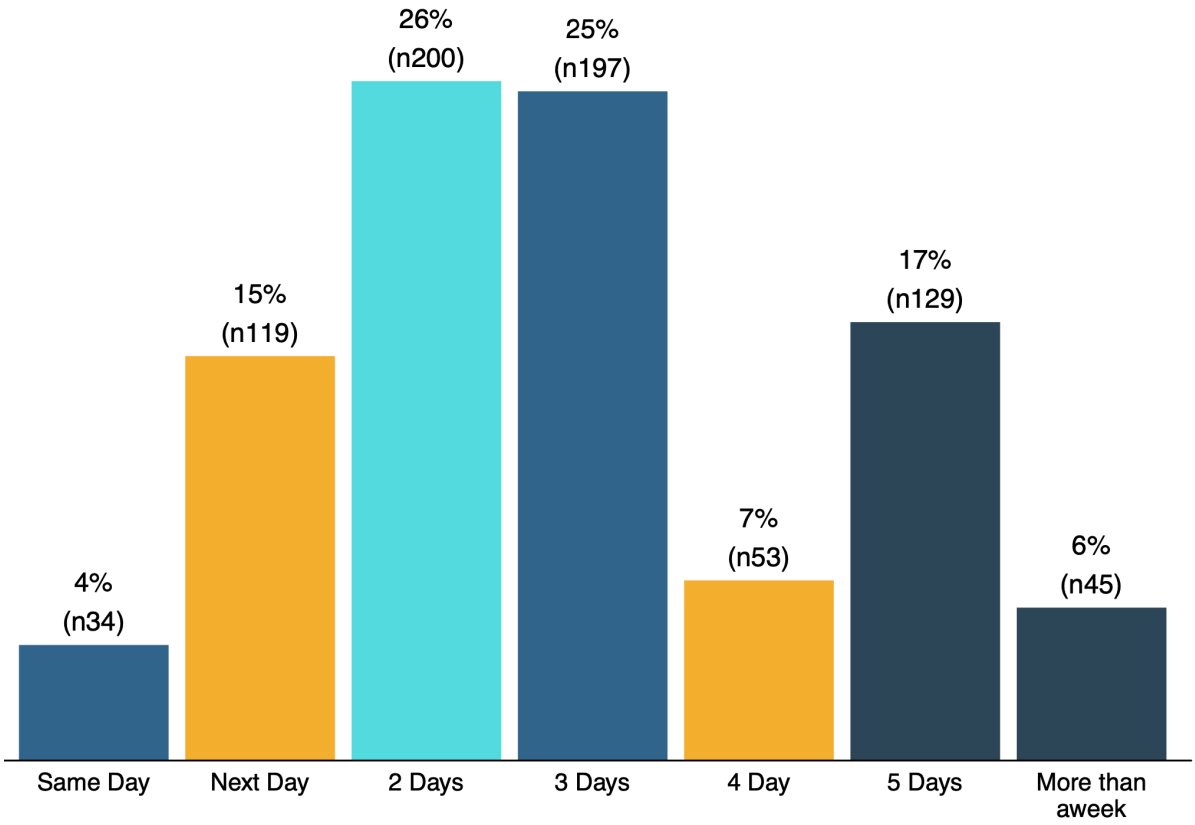
Access to Medical Services

People were asked how many times a year on average they would access a local GP. 37% said they would access a GP monthly or quarterly and 14% said every six months on average. Less than 10% of people would visit a GP weekly, annually or less than annually.



People were also asked how many members of their household would access a medical centre in Dongara. 78% said 1-2, 18% said 3-4 and less than 5% said 5 or more people would access the centre.

People were asked to rate how long would be considered reasonable to wait to see a GP for non-emergency health matters. 25% of people said waiting two or three days was most reasonable, 17% voted for five days and 15% said that waiting until the next day was reasonable. Less than 10% of votes suggested that waiting four days, over a week or seeing a GP on the same day were reasonable.



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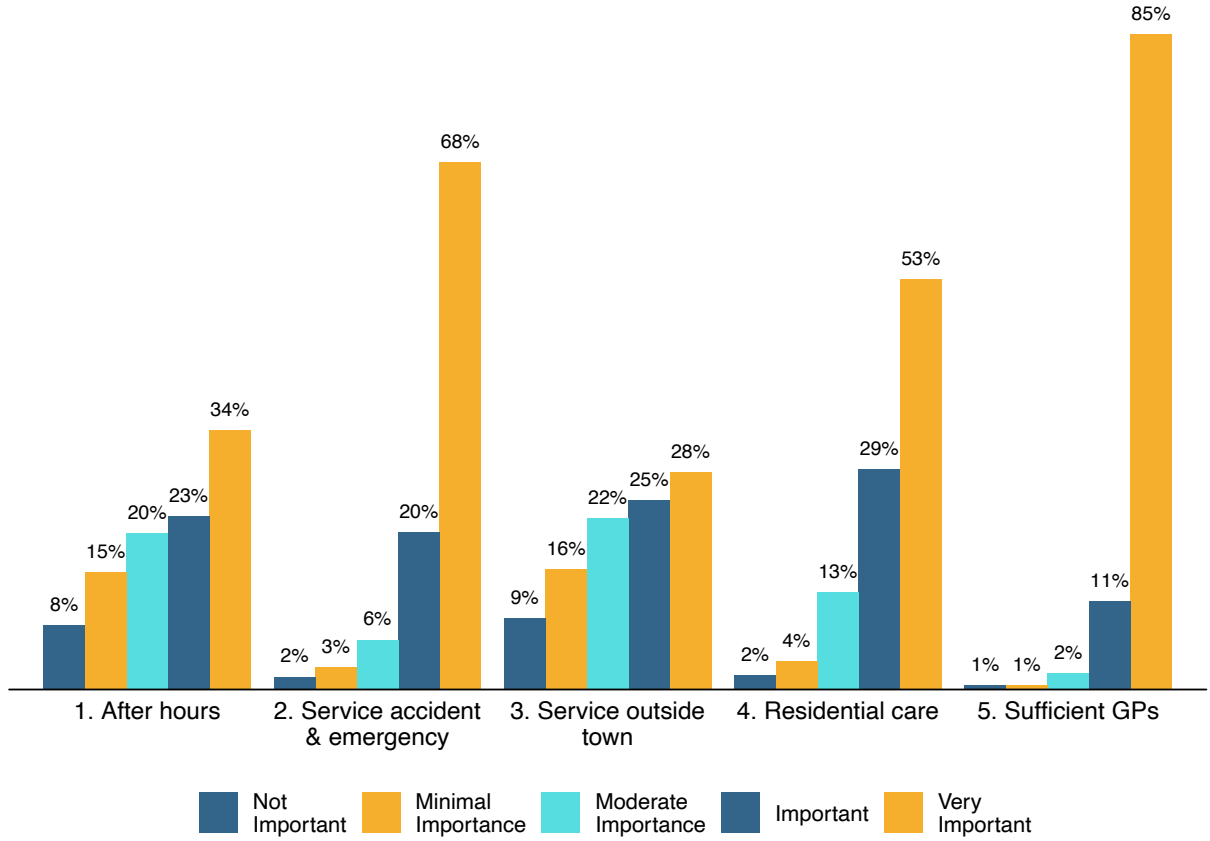
Types of Medical Services

People were asked to rate the level of importance of five services if they were to be made available through a medical centre.



1. **After hours clinic:** 34% of people said the service is very important, whereas 23% said it is important and 20% said it is moderately important.

2. **Servicing existing Accident and Emergency at the Health Centre:** 69% of people said the service is very important and 21% said it is important.

3. **Ability to service areas outside town**: Between 22% and 28% said that the service is moderately important to very important. 16% said it was minimally important and 9% said it was not important.

4. **Residential care services for Blake House**: 53% of people said the service is very important, 29% said it is important and 13% said it is moderately important.

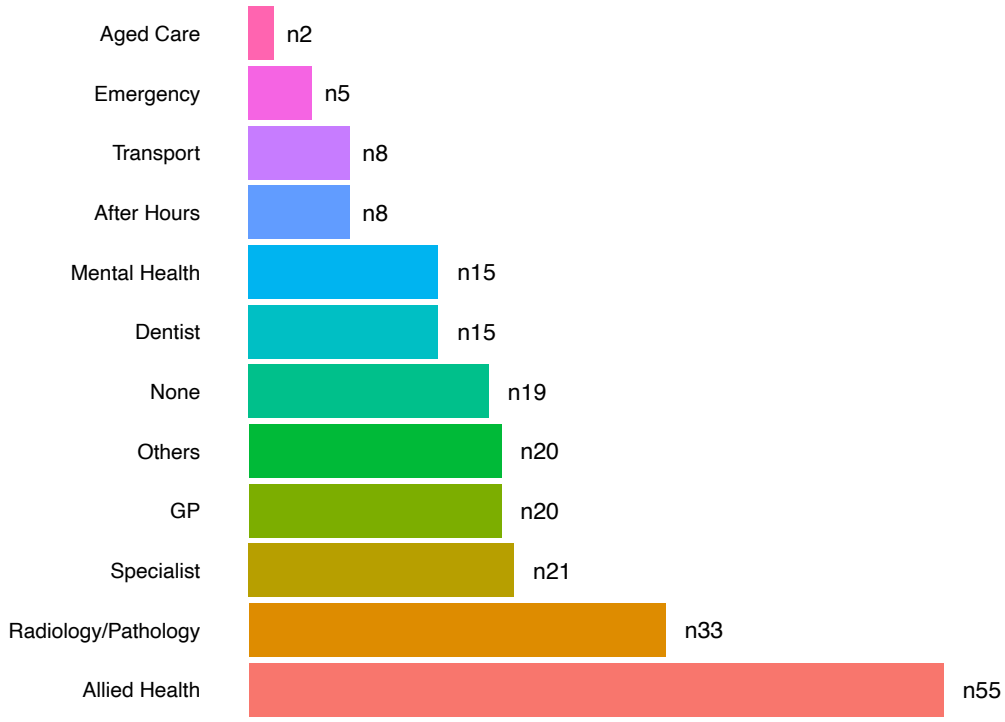
5. **Sufficient GPs to service the community**: 85% of people said it is very important and 12% said it is important.

Sufficient GP services to the community had the highest vote of 'very important' followed by servicing existing Accident and Emergency at the Health Centre. The ability to service areas outside of town had the lowest percentage of being a 'very important' service.

Other Medical Services

The survey included an open-ended question asking whether there are any other services that should be considered. The responses provided were coded into dominant themes. The graph below shows the frequency of these themes.

The most frequent was Allied Health, which included services such as physiotherapy, optometry, hydrotherapy and nurses. Radiology and pathology services were also common. Specialist services largely included comments on having doctors who specialise in women's and men's health. Other areas mentioned included having a service for quickly turning over medical certificates and telephone/online doctors.



Other Comments from the Survey

There were two other open comment fields in the survey. People were given an open-ended question regarding them being a current ratepayer. Comments ranged from some people expressing the need for local GP services, citing their age, health and/or the distance to Geraldton to see a GP.

Comments included descriptions of the current rates being paid and the personal consequences of a potential increase in rates.

Other comments stated that this was not the responsibility for the Shire to become involved and mentioned the inequity of a rates model to fund the purchase, especially for multiple landowners and those who have made other arrangements for medical treatments.

There was antagonism towards the former providers (Batavia Health), with people expressing concerns about their treatment and exclusion from accessing medical services altogether.

Others provided historical background to how services were provided and some suggested that the Blenheim Road Centre be used to house GPs.

Finally, at the end of the survey, people were given a comment box to provide any other comments that they wished to make. The comments covered a range of topics, though dominant themes covered the following:

- The importance and urgency of having a local medical centre, particularly for the ageing population as well as the negative implications for retirees or those looking to retire in the Shire
- The additional services that should be made available, including the importance of having a bulk billing doctor and allied health professionals
- The economic advantages of opening a medical centre such as attracting new residents and businesses to the Shire
- The personal economic disadvantages of increasing rates, including having to consider moving and deterring potential future residents
- The strategies the Shire could use to attract GPs, including current services or solutions used by other towns and what offers should be made to potential GPs
- Other sources of funding or methods to fund the medical centre, emphasising how the medical centre is a higher priority than other local developments
- Whose responsibility it is to provide a medical centre and commending the Shire for taking action
- Commending the Shire for taking action

CONCLUSION

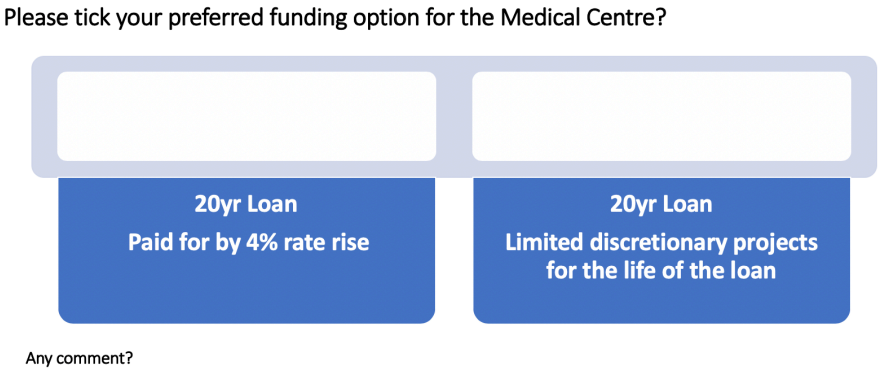
From the survey it was clear that the majority of residents felt that it was necessary to take action regarding the provision of a local medical centre. People largely felt that it was the Shire's responsibility to take action.

People frequently emphasised the need for medical services, particularly for the ageing population of the Shire. In line with this, people felt that providing sufficient GPs was very important, as well as servicing the Accident and Emergency Centre and providing residential care. People suggested that sufficient GP services included being able to see a GP within two to three days and expressed their preferences towards also providing allied health services.

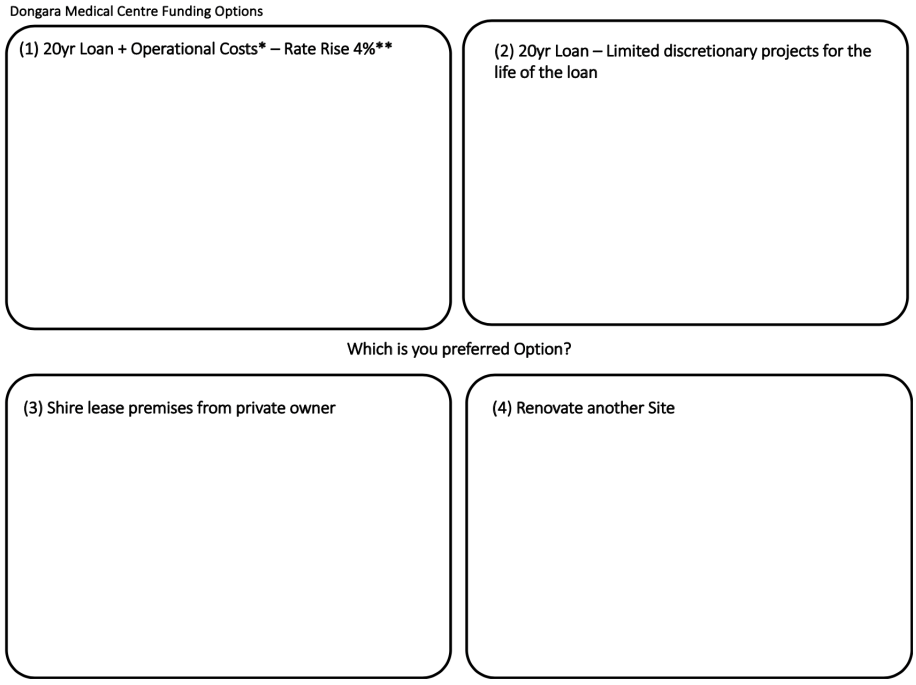
In terms of funding the purchase of the medical centre, the majority of people across all channels were not in favour of a rate rise, preferring instead to re-direct the discretional project funding. That said, the community forums showed that, as the community was provided with more information, the need for some form of rate rise became more accepted, though not to the level of 4%.

APPENDIX A: Forms Used in the Forums

This was the form used in the AM session to canvass views on the options discussed. Respondents were invited to use the comment section to add preferences developed during the session.



This was the forum used in the PM ssession to canvass views on the options discussed.



This was the handout used in the PM session to explore the pros and cons of the four options.

Dongara Medical Centre Funding Options

(1) 20yr Loan + Operational Costs* – Rate Rise 4%**

PRO's
- Secures the facility
- Smallest possible rate rise
- Greater chance of securing a loan (Asset ratio)
- Retains Shire capacity to do other project over the life of the loan
- Retains Shire's ability to attract $ for $ funding for other project

Con's
- Rate Rise locked in for a longer period of time
- Unequal burden* – Business and Farmers end up paying more that Town residents

*Operational Costs = Packages to attract GPs to the areas (eg: Housing)
**4% cost = Approximately Residential Average $80pa ← →
Business/Farmer $3000pa

(2) 20yr Loan – Limited discretionary projects for the life of the loan

PRO's
- Secures the facility
- No Rate Rise

CON's
- May not be able to secure a loan
- No funds for other projects. Examples:
  - Foreshore Upgrades
  - Moreten Terrace Upgrades
  - Bowling Club Green Upgrades
  - Economic Development Initiatives
  - Tourism and area promotion (entry statements etc)
  - Youth Precinct (Skate Park)
- No ability to leverage funding for project ready funding

(3) Shire lease premises from private owner

PRO's
- Secures the facility
- Less annual cost

CON's
- Cost Approximately $80-100,000pa
- Dead money – money doesn't go into a community asset
- Cumulative cost to shire
- Part of the incentive to GP's is a peppercorn lease – not attractive to private buyers
- Potential medical records loss

(4) Renovate another Site

PRO's
- Don't need to negotiate with Batavia Health
- Purpose design a facility
- s

CON's
- Time lost in getting the facility refurbished
- Fit out to the required standards for accreditation = $800,000
- Cheaper refurbishment is less attractive to GP's
- Loss of medical records
- Consult room approach
- Existing medical centre vacant

End of document.

ATTACHMENT 2: CEO01-03/20S

Valuation Report – 290 Point Leander Drive, Dongara

5 February 2020

Brendan Jeans
Shire of Irwin
11-13 Waldeck Street
Dongara WA 6525

Dear Sir/Madam,

Re: Lot 13, 290 Point Leander Drive,
Port Denison, Western Australia
Matter: Shire of Irwin

In accordance with your instructions please find attached a copy of our abbreviated valuation report for the property for pre-purchase purposes.

Thank you for engaging Opteon to provide you with professional, independent property advice. Opteon is Australia's largest national provider of market-leading valuation and property advice. We work closely with our clients to deliver innovative property solutions.

Opteon provides expert property advice for all property sectors including residential, commercial, industrial, retail, hospitality, or rural property. We also offer plant and equipment valuations, quantity surveying or tax depreciation services.

We appreciate your instructions and please do not hesitate to contact us if we can be of further service to you.
Kind regards,



Michael Maurici AAPI CPV
Senior Valuer
API No: 78200 WA Lic No: 44792

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Valuation Report

Lot 13, 290 Point Leander Drive
Port Denison, Western Australia 6525

File Ref: 10228356

VALUATION REPORT



Lot 13, 290 Point Leander Drive
Port Denison, Western Australia 6525

Prepared For	Shire of Irwin
Report Purpose	Pre-purchase purposes
Valuation Date	30 January 2020
Our Reference	10228356
Client Reference	Not advised

Opteon Property Group Pty Ltd
ABN 78 144 732 589
P.O. Box 308 Geraldton WA 6531

P 1300 901 047 **E** info@opteonsolutions.com
F 1300 547 350 **W** www.opteonsolutions.com

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1.0 Valuation Summary

1.1 Instructions

Instructing Party	Brendan Jeans, Shire of Irwin
Client / Authorised Party	Shire of Irwin
Client Reference	tba
Valuation Purpose	Pre-purchase purposes

1.2 Property Details

Property Address	Lot 13, 290 Point Leander Drive, Port Denison, Western Australia 6525
Property Description	The subject comprises a 5,217sqm Town Centre zoned allotment improved with a circa 2016 constructed medical centre with a building area of 426sqm.
Title Reference	Lot 13 Diagram 88837 Volume 2218 Folio 361
Tenure Type	Freehold
Registered Proprietor	QUIRKO INVESTMENTS PTY LTD OF 361 MARINE TERRACE GERALDTON
Total Site Area	5,217 sqm
Site Utilisation	8.16%
Encumbrances	1. *H957185 MEMORIAL. HERITAGE OF WESTERN AUSTRALIA ACT 1990. AS TO PORTION ONLY. LODGED 13/12/2001. 2. *N198743 CAVEAT BY SHIRE OF IRWIN LODGED 10/12/2015
Lettable Area	401 sqm
Zoning	Town Centre

1.3 Property Profile

Market

Marketability	The property is modern and presents well however there are very few transactions of professional medical services properties within the Midwest and the subject price point is also thinly traded. As a result, there are few potential purchasers and marketability is considered below average.
Market Activity	Low sales volumes and limited activity.
Recent Market Direction	Appears steady.
Prior Sale Comment	vacant land purchase.

Asset

Highest & Best Use	The highest and best use for the property is considered to be the existing use.
Capital Expenditure	During our inspection we did not note any items requiring immediate capital expenditure, other than items which would normally be undertaken as part of an ongoing regular maintenance program.

Occupancy/Cash Flow

Occupancy Status	Owner occupied

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Asset Management

Asset Complexity	The property is a standard asset class.

Assumptions & Recommendations:

Verifiable Assumptions	• The instructions and information supplied contain a full disclosure of all information that is relevant. • Our valuation conclusion has excluded any added value from the subject car park

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1.4 Valuation Details

Market Value As Is:

Market Value with Vacant Possession:	**$1,250,000**
Including a Notional Land Value:	**$400,000**
Market Net Rental Value:	**$110,275 pa**

This valuation is exclusive of GST

Interest Valued	Fee simple with vacant possession
Date of Inspection	30 January 2020
Date of Valuation	30 January 2020
Date Issued	3 February 2020
Date Amended Report Issued	5 February 2020
Currency of Valuation	90 days from the date of valuation, or such earlier date if you become aware of any factors that have any effect on the valuation.
Pecuniary Interest	We confirm that the valuer does not have any pecuniary interest that would conflict with the proper valuation of the property.
Signatories	 **Michael Maurici** AAPI CPV Senior Valuer API No: 78200 WA Lic No: 44792 **Primary Valuer** PH 0401 729 920 michael.maurici@opteonsolutions.com

Valuation Summary	*This Valuation Summary has been prepared with acknowledgement by the client that it is a synopsis of the property and the valuation on the understanding the client is familiar with the property or have taken their own investigations and due diligence on the property. A more detailed valuation report can be provided if required. All information obtained and researched on the property has been retained on our files for future reference if required. This report is provided on the basis and understanding that this report is only to be used for the specified purpose, and is specifically* ***not suitable for mortgage security purposes****. Should a financier be provided with a copy of this report we request the financier refer the client back to us or instruct us to prepare a valuation for mortgage security purposes.*
Third Party Disclaimer	*This report has been prepared for the private and confidential use of our client, Shire of Irwin for the specified purpose. It should not be reproduced in whole or part without the express written authority of Opteon Property Group Pty Ltd or relied upon by any other party for any purpose and the valuer shall not have any liability to any party who does so. Our warning is registered here, that any party, other than those specifically named in this paragraph should obtain their own valuation before acting in any way in respect of the subject property.*

2.0 Report Amendment

This report has been amended following subject building cost details provided after the original valuation was completed 3rd February 2020. The information provided differed from what was originally provided and subsequently the report requires amendment. Due to a considerable higher construction cost, the amended report indicates a higher subject value. We have also provided more relevant sales and leasing evidence noting the above. The property has not been re-inspected.

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3.0 Location

Location	The subject property is within a central location with usual urban amenities either close-by or easily accessible.
Neighbourhood	Properties in the immediate vicinity include predominantly office and retail properties.

Location Map



Sourced from maps.googleapis.com

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Specific Location Map



Sourced from maps.googleapis.com

4.0 Tenure

4.1 Title Particulars:

Title Reference	Tenure	Registered Proprietor	Title Area
Lot 13 Diagram 88837 Volume 2218 Folio 361	Freehold	QUIRKO INVESTMENTS PTY LTD OF 361 MARINE TERRACE GERALDTON	5,217 sqm
Total Site Area			**5,217 sqm**

4.2 Easements, Encumbrances & Other Interests Noted on Title

Encumbrances	1. *H957185 MEMORIAL. HERITAGE OF WESTERN AUSTRALIA ACT 1990. AS TO PORTION ONLY. LODGED 13/12/2001. 2. *N198743 CAVEAT BY SHIRE OF IRWIN LODGED 10/12/2015

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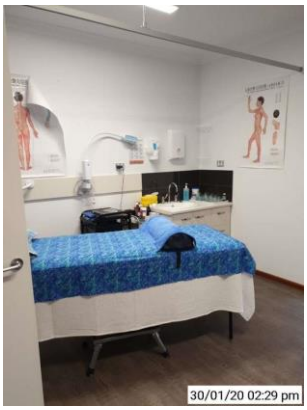
5.0 Improvements

5.1 Medical Centre



Front



consulting room



Lunch room



Ablutions



Reception / waiting room



Car park

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Rear

Main Building Type	Medical Centre
Accommodation	The building provides a large reception/waiting room, 6 various consulting rooms, larger treatment room, lunch/staff room, secondary small waiting room, separate male/female ablutions, unisex ablutions and disabled ablutions. OUTDOOR ACCOMMODATION; Porch/covered entry at the east and west entrances.

Construction:

Floors	Concrete
Main External Walls	Brick
Windows	Aluminium
Roof	Colorbond corrugated iron
Main Interior Linings	Plasterboard
Ceilings	Plasterboard
Construction Year	Circa 2016

Building Services

Lighting	Down lighting.
Air-conditioning / Ventilation	Split system and ceiling cassette air conditioning throughout.
Fire Services	Firefighting equipment includes, fire extinguishers, a monitored fire alarm and panel, emergency exit signs, and emergency exits.
Security Systems	A building security alarm system is installed.
Disability Access	Level or ramp access is provided for disabled persons.
Building Services Comment	The building appears to provide a modern standard of building services.

5.2 Plant & Equipment

Included within our valuation is all plant and equipment (such as air-conditioning plant and equipment, fire services, or the like) which forms an integral part of the property. Our valuation excludes all non-integral plant and equipment, fit-out, furniture and equipment and personal items/contents.

5.3 Building Areas

Total Lettable Area	401 sqm

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Building Area Measurement Basis	IPMS 3 – Office (Net Lettable Area)
Source of Areas	The building areas have been calculated from building plans of the property, together with check measurements taken on site.

Accommodation:	Measurement Basis:	Lettable Area:
Medical Centre	IPMS 3 – Office (Net Lettable Area)	401 sqm
Total Lettable Area:		**401 sqm**

5.4 Condition and Repairs

Internal Condition	Generally appears in very good condition
External Condition	Generally appears in very good condition
Repairs & Maintenance	At the time of inspection the building appeared to be in reasonable condition with no significant requirements for repairs being noted other than items which would normally be undertaken as part of regular repairs and maintenance.
Essential Health & Safety	Annual maintenance certificate not sighted
Pest Infestation	Our inspection of the subject property did not reveal any visible signs of pest infestation. It is recommended that regular inspections (and chemical treatments if necessary) are undertaken by a suitably certified pest control firm to ensure the property remains free of any pests.

6.0 Occupancy and Lease Details

Occupancy Status	Owner occupied

7.0 General Comments

The subject comprises a 5,217sqm Town Centre zoned allotment located on Point Leander Drive approximately 100 meters south of the Point Leander Drive / Moreton Terrace intersection.

The subject land was purchased by the current owner in September 2015 for $550,000.

The building was constructed in 2015/16. Building costs after allowance for non-integral building plant and equipment, analysis indicates construction cost of approximately $950,000 which reflects a building lettable area rate of $2,381 per square meter. This cost is within industry parameters and considered to be reasonable. Considered inferior to the subject overall.

We note the car park was constructed at a cost of $391,787. This was reimbursed by the Shire and we have excluded the car park from this valuation.

The building provides the following accommodation: large reception/waiting room, 6 various consulting rooms, larger treatment room, lunch/staff room, secondary small waiting room, separate male/female ablutions, unisex ablutions and disabled ablutions.

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8.0 Market Commentary

Market conditions as they pertain to the Mid-West have generally been subdued and in decline over the previous 36 - 48 months.

Disposal rates for commercial property historically occur at very low levels within the Shire of Irwin and at higher, but generally low levels within the Geraldton. Within Dongara and Port Denison there has been just 1 commercial sale over the previous 24 months. There are at least 10 properties advertised for sale, around half comprising vacant land. Demand for commercial property is subdued within the area.

Within the Geraldton CBD over the previous 24 months there has been between 5 and 7 non-residential per year. Within the CBD and central Geraldton, there are around 10 properties advertised for sale reflecting around 2 years supply.

Office rental transactions rarely occur within the Shire of Irwin and we are not aware of any modern office rental transactions. Within the Geraldton market, there have been no directly comparable 'medical' rental transactions, although we are aware of modern office rental transactions which we have had regard to.

The office rental market within Geraldton has been very soft characterised by significant reductions in market rents, increase in incentives and surplus supply of rental stock. The market within Dongara and Port Denison is thinly traded and we are unable to specifically comment on this market.

Yields within the Midwest have appeared to firm, following the downward interest rate trend. Although investment sales occur infrequently, we have observed yields of generally between 6.00% and 7.00%.

There is some evidence to suggest that the property market is nearing, or at the bottom of the cycle. This is more readily identifiable in the residential market due to the larger volume of evidence. The commercial market is more subjective.

There have been no modern medical services sales within the Midwest for at least the last 5 years that we are aware of and accordingly we have relied on a broader range of sale evidence.

9.0 Market Evidence

9.1 Rental Evidence

Address	Date	Term & Options	Total Rent	Lettable Area	Overall Rate
1/30 Chapman Road, Geraldton, WA	Jan 2019	Term: 5 yrs Options: 5 yrs	$105,040 pa Net	404 sqm	$260
Comments: The tenancy is located within a circa 2015 constructed commercial complex and comprises an office with a lettable area of 404sqm, fronting Chapman Road with exclusive use of 5 car bays.					
3/209 Foreshore Drive, Geraldton, WA	Jul 2019	Term: 3 years Options: 1 option of 3 years	$28,658 pa Net	98 sqm	$292
Comments: The tenancy is located on the ground floor of a good quality 3 level office building . The building was constructed circa 2011 of concrete walls and iron roof. The tenancy has a lettable area of 98.2sqm. Common facilities include separate male, female and disabled ablutions and a lift. The lease includes 3 car bays.					

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7/273 Foreshore Drive, Geraldton, WA	Jul 2017	Term: 13 months Options: 5 yrs	$30,000 pa Net	221 sqm	$136

Comments: The property comprises a modern two level office tenancy of brick elevations and iron roof cover construction. The property provides a total lettable area of 221 sqm apportioned as 94 sqm of ground floor office accommodation and 127 sqm of upper floor accommodation. An additional 29 sqm of strata area is provided and allocated to a double garage.

Rental Analysis:
Ground Floor Office 94 sqm @ $160 psmpa
Upper Floor Office 127 sqm @ $120 psmpa
Rental Analysis: Face Rental Analysis: Ground Floor Office 94 sqm @ $160.00 = $14,760 First Floor Office 127 sqm @ $120.00 = $15,240 Incentives: $0.00 psm or 0.0%

7/28 Degrey Place, Karratha, WA	Dec 2017	Term: 5 yrs Options: 5 yrs	$77,459 pa Net	205 sqm	$378

Comments: Comprises a circa 2007 built attached strata commercial unit of concrete tilt panel and iron construction. Situated within a single level 7 unit complex the subject strata building area is 205 sqm. Utilised as medical consulting rooms with the adjoining Unit 6. Complex provides for front paved carparking and ramp/disabled access.
Rental Analysis: Face Rental Analysis: Incentives: $0.00 psm or 0.0%

Power Centre, 86-90 West Street, West Busselton, WA	Nov 2017	Term: 10 yrs Options: 5+5+5 yrs	$487,034 pa Gross	1,719 sqm	$283

Comments: Constructed upon Lot 181 within the Power Centre is an Aldi Supermarket that incorporates a main retail floor area and back storage area, along with three immediately adjoining tenancies. Aldi features a main retail floor with 5 checkouts and back-of-house area utilised for storage, accessible via a rear loading dock with panel lift door entry and dock leveller. A cool room is constructed in this back of house area. Towards the front of the shop and adjacent to the checkouts are an office, lunchroom and two toilets.

2-26 Robinson Street, Broome, WA	May 2016	Term: 7 yrs Options: 7 yrs	$102,600 pa Net	283 sqm	$363

Comments: This tenancy comprises a 283 sqm medical clinic positioned within the Broome Medical Centre development positioned adjacent the Broome Hospital. This tenancy provides five consulting rooms, a waiting area, reception, archives/office areas, treatment room, nurses room, procedure room, staff room and amenities. The most recent review was via a CPI increase in May 2016.

Market Rent Conclusions:

There are no recent comparable office 'medical' rental transactions that we are aware of within the Midwest that we are aware of. As a result we have had regard to office leases within Geraldton as well as medical services leases througout the state.

Our local office evidence relfwects rates of between $136psm and $260psm. Our medical services evidence reflects rates between $283psm and $378psm. We have adopted a subject rate of $275psm reflecting $110,275 pa net which we consider reasonable.

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Market Income Assessment						
Level/Tenancy		Market Rental Rate	Net or Gross	Market Rent	Recoverable Outgoings	Market Income
Offices	401 sqm	@ $275	Net	$110,275	$10,500	$120,775
Totals:		**@ $301**		**$110,275**	**$10,500**	**$120,775**

9.2 Sales Evidence

Property	**7/273 Foreshore Drive, Geraldton, WA**			
Sale Price	$610,000			
Sale Date	05-Apr-19			
Sale Status	Settled			
Site Area	256 sqm			
Zoning	MARINA			



Lettable Area	256 sqm			
Property Description	The property comprises a good condition 2003 constructed two level office with a lettable area of 256sqm including 2 car bays situated on a Regional Centre zoned allotment of 256sqm.			
Analysis	Market Net Yield	5.36%	Reversionary Yield	5.88%
	Site Rate	$2,383/sqm	Lettable Area Rate	$2,383/sqm
Comparability	Considered inferior to the subject overall.			

Property	**141 Durlacher Street, Geraldton, WA**			
Sale Price	$520,000			
Sale Date	11-Oct-18			
Sale Status	Settled			
Site Area	555 sqm			
Zoning	R12/50			



Lettable Area	128 sqm			
Property Description	The property comprises a 555sqm corner located Mixed use zoned allotment improved with a circa 1954 constructed converted medical practice with a lettable area of 128sqm.			
Analysis	Land Value	$265,000	Land Value Rate	$477/sqm
	Market Net Yield	5.47%	Reversionary Yield	5.66%
	Site Rate	$937/sqm	Gross Building Area Rate	$4,063/sqm
	Lettable Area Rate	$4,063/sqm		
Comparability	Considered inferior to the subject overall.			

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Property	**56 Durlacher Street, Geraldton, WA**
Sale Price	$700,000
Sale Date	12-Jul-18
Sale Status	Settled
Site Area	890 sqm
Zoning	CITCTR



Lettable Area	409 sqm
Property Description	The property comprises a 890sqm Regional Centre zoned allotment improved with a circa 1990 constructed brick and iron office which can be let to single or multiple occupants with a lettable area of 409sqm.

Analysis

Market Rent Net	$53,170	Land Value	$295,000
Land Value Rate	$331/sqm	Market Net Yield	6.76%
Reversionary Yield	7.60%	Site Rate	$786/sqm
Lettable Area Rate	$1,711/sqm		

The sale indicates a land value of $295,000 reflecting $331psm.

Comparability	Considered inferior to the subject overall.

Property	**37 Moreton Terrace, Dongara, WA**
Sale Price	$530,000
Sale Date	25-Nov-15
Sale Status	Settled
Site Area	634 sqm
Zoning	TOWN CENTRE



Lettable Area	240 sqm
Property Description	The sale property comprises a circa 1985 constructed commercial building with concrete floors, brick walls and an iron roof with an area of 275sqm. The improvements are situated on a Town Centre zoned allotment with a land area of 634sqm. The property is located on the Corner of Moreton Terrace and Martin Street.

Analysis

Passing Rent Net	$41,695	Land Value	$215,000
Land Value Rate	$318/sqm	Initial Net Yield	7.86%
Site Rate	$836/sqm	Lettable Area Rate	$2,208/sqm

The property was sold pursuant to a lease to Westpac bank expiring 25 November 2018 with two options of 5 years

Comparability	Considered inferior to the subject overall.

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Property	**27 Moreton Terrace, Dongara, WA**
Sale Price	$550,000
Sale Date	10-Feb-15
Sale Status	Settled
Site Area	690 sqm
Zoning	TOWN CENTRE



Property Description	The sale comprises a multi-tenanted commercial premises constructed circa 1980 of concrete floors, brick walls and an iron roof. The building appears to have been extended since originally constructed. The property is occupied by 3 tenants. The improvements appears to be in average condition. Situated on a town centre allotment with a land area of 690sqm on the corner of Moreton Terrace and Hepburn Street.

Analysis				
	Passing Rent Net	$54,110	Land Value	$230,000
	Land Value Rate	$330/sqm	Initial Net Yield	9.84%
	Site Rate	$797/sqm	Gross Building Area Rate	$1,528/sqm
	.			

Comparability	Considered inferior to the subject overall.

Property	**167 North West Coastal Highway, Wonthella, WA**
Sale Price	$1,460,000
Sale Date	07-Jun-18
Sale Status	Settled
Site Area	3,246 sqm
Zoning	LIGHT INDUSTRIAL



Lettable Area	1,429 sqm
Property Description	The subject property comprises a 3,247sqm Service Commercial zoned allotment located on the south west corner of North West Coastal Highway and Gale Road with a high level of exposure. The property is improved with a circa 1995 constructed, multi-tenanted commercial building, in fair condition, with 4 tenancies providing a lettable area of 1,429sqm.

Analysis				
	Passing Rent Net	$86,948	Market Rent Net	$123,395
	WALE	0.9 years	Land Value	$725,000
	Land Value Rate	$223/sqm	Initial Net Yield	5.96%
	Market Net Yield	7.65%	Reversionary Yield	8.45%
	Site Rate	$450/sqm	Lettable Area Rate	$1,015/sqm
	The sale indicates a land value of $725,000 reflecting $233psm.			

Comparability	Considered superior to the subject overall.

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Property	**134 Marine Terrace, Geraldton, WA**			
Sale Price	$1,512,500			
Sale Date	16-Mar-18			
Sale Status	Settled			
Site Area	966 sqm			
Zoning	City Centre			
Lettable Area	950 sqm			
Property Description	The property comprises a 966sqm slightly irregular 'L' shaped allotment with main frontage to the Marine Terrace mall and secondary frontages to Cathderal Avenue and Foreshore Drive (carpark). The property is improved with a circa 1950 constructed attatched single level retail building with mezzanine retail building. The building is in average condition and would likely require some internal/external works. The property provides a lettable area of circa 950sqm.			
Analysis	Market Rent Net	$142,500	Land Value	$770,000
	Land Value Rate	$800/sqm	Market Net Yield	7.85%
	Reversionary Yield	9.42%	Site Rate	$1,566/sqm
	Gross Building Area Rate	$1,380/sqm	Lettable Area Rate	$1,592/sqm
Comparability	Considered superior to the subject overall.			

Property	**122 Spencer Street, South Bunbury, WA**			
Sale Price	$3,700,000			
Sale Date	06-Nov-17			
Sale Status	Settled			
Site Area	1,980 sqm			
Zoning	Mixed Business R60			
Lettable Area	890 sqm			
Property Description	This property comprises a regular shaped lot which is located on the western side of Spencer Street in the locality of South Bunbury and approximately 2 kilometres south of the Bunbury Central Business District. The property is improved with a circa 2004 constructed, single level medical centre of tilt panel concrete and colorbond construction providing a total Net Lettable Area of 890 square metres. The property is currently occupied pursuant to a Lease Agreement with the tenant utilising the majority of the premises as the 'Forrest Family Practice' with a portion of the premises further sub-leased and currently utilised as pharmacy. The sale price was $1,110,000 which was a '30% share' between inter-related parties at market indicating a market value overall of $3,700,000.			
Analysis	Passing Rent Net	$348,769	Market Rent Net	$348,769
	Market Net Yield	9.42%	Site Rate	$1,869/sqm
	Lettable Area Rate	$4,157/sqm		
Comparability	Considered superior to the subject overall.			

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Property	**Lots 1-2, 3 Warambie Road, Karratha, WA**			
Sale Price	$1,700,000			
Sale Date	11-Aug-18			
Sale Status	Unsettled			
Site Area	676 sqm			
Zoning	City Centre - Precinct 2 Commercial			
Lettable Area	653 sqm			
Property Description	Comprises a circa 1986 built 2 level strata commercial building of rendered brick/concrete panel and iron construction. Includes ground floor Lot 1 and first floor Lot 2. Utilised as a medical clinic with appropriate fit out for this purpose. Lettable area is 653 sqm and total strata area is 676 sqm. Ample common area bitumen sealed car parking is provided to the rear of the building. Under Offer with a long term settlement period, having been purchased by an Aboriginal Corporation who will owner/operate the premises as a Medical clinic. Settlement due 12 August 2019			
Analysis	Market Net Yield	9.79%	Reversionary Yield	10.56%
	Site Rate	$2,515/sqm	Gross Building Area Rate	$2,515/sqm
	Lettable Area Rate	$2,603/sqm		
Comparability	Considered superior to the subject overall.			



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Property	**2/3 Bulwark Avenue, Alkimos, WA**
Sale Price	$3,100,000
Sale Date	14-Nov-19
Sale Status	Unsettled
Site Area	382 sqm
Zoning	Commercial (Residential R40)



Lettable Area	382 sqm
Property Description	A 2015 built strata ground floor commercial unit of a combination of concrete and metal clad elevations and metal deck roof cover construction currently being utilised as a medical centre. Accommodation includes reception/waiting area, consulting rooms with vanities and treatment rooms. Communal ablutions shared with unit 1 (currently being utilised as a pharmacy). The unit is positioned with frontage to a busy Shorehaven Boulevard near the intersection with Bulwark Avenue. The site is zoned Commercial (Residential R40). Marketed via 'Offers'. Sold as a Going Concern with a lease in place to Alkimos Medical Centre Pty Ltd until 16 August 2030 with no further options. Rent reviews are annual to a fixed 4%. Three (3) month rent guarantee in place. Passing rent was $198,875 per annum net of GST and outgoings. Commencement rent was $170,000 in August 2015 with no outstanding incentives provided (initially 3 months net rent free which since has expired). Profit rental over the lease term is approximately $700,000 which has consideration to the fixed 4% annual rental increases and assumes a steady market movement of 1.5% per annum.

Analysis

WALE	10.8 years	Initial Net Yield	6.42%
Market Net Yield	5.97%	Reversionary Yield	4.62%
Site Rate	$8,115/sqm	Gross Building Area Rate	$8,115/sqm
Lettable Area Rate	$8,115/sqm		

Comparability	Considered superior to the subject overall.

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Property	**2 Grasstree Bend, Banksia Grove, WA**			
Sale Price	$1,000,000			
Sale Date	28-Mar-19			
Sale Status	Settled			
Site Area	1,041 sqm			
Zoning	Business (Residential R40)			



Lettable Area	300 sqm			
Property Description	The property comprises a 2013 built freestanding medical centre of concrete tilt panel elevations and metal deck roof cover construction. Accommodation is of a conventional quality with eight (8) partitioned consulting rooms with vanities, reception and Western Diagnostics room. The improvements are situated on a corner allotment with frontages to Grasstree Bend and Tumbleweed Drive. The remainder of the site comprises of fencing and access / car parking areas (18 spaces). Sold with vacant possession. Available for sale or for lease at the respective asking prices of $1,250,000 plus GST and $90,000 ($300 psm) per annum net. The asking rental appears to be within market levels and as such, adopted within our analysis. Our analysis includes a 6 month letting up period and a 2 month net rent free new tenant incentive.			
Analysis	Market Net Yield	8.31%	Reversionary Yield	9.00%
	Site Rate	$961/sqm	Gross Building Area Rate	$3,333/sqm
	Lettable Area Rate	$3,333/sqm		
Comparability	Considered inferior to the subject overall.			

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Property	**219 Berrigan Drive, Jandakot, WA**			
Sale Price	$3,580,000			
Sale Date	07-Mar-18			
Sale Status	Settled			
Site Area	1,955 sqm			
Zoning	Local Centre			
Lettable Area	553 sqm			
Property Description	This property is located on Berrigan Drive approximately 600 metres east of Kwinana Freeway. Improved with a 2015 built standalone medical centre of tilt panel construction with a glazed frontage and inclusive of pharmacy. The development provides 553sqm of floor space plus open bituminised car parking for 29 vehicles. The property was sold at public auction subject to a 12.5 year lease with a net passing income of $219,988 per annum or $398/sqm. Rent reviews are annual to CPI + 1% which is assumed to be market movements over the over the remaining lease term for the purpose of our analysis. Previously sold for $3,605,000 in November 2015 reflecting a $25,000 decline in value. Profit rental component reflects approximately $215,000 over the lease term.			
Analysis	WALE	12.6 years	Land Value Rate	$1,831/sqm
	Initial Net Yield	6.14%	Market Net Yield	5.75%
	Reversionary Yield	5.41%	Site Rate	$1,831/sqm
	Gross Building Area Rate	$6,474/sqm	Lettable Area Rate	$6,474/sqm
Comparability	Considered superior to the subject overall.			

Property	**7/28 Degrey Place, Karratha, WA**			
Sale Price	$530,000			
Sale Date	04-Apr-19			
Sale Status	Settled			
Site Area	205 sqm			
Zoning	City Centre – Precinct 2 Commercial			
Property Description	Comprises a 2017 built concrete tilt panel constructed attached commercial unit within a 7 unit strata complex. Strata building area is 205 sqm. Fitted out for medical/consultancy room use. Ancillary improvements include open onsite sealed car parking. Sold vacant possession in conjunction with the neighbouring Unit 6, though each being separately transacted.			
Analysis	Market Net Yield	9.27%	Reversionary Yield	9.67%
	Site Rate	$2,585/sqm	Gross Building Area Rate	$2,585/sqm
	Lettable Area Rate	$2,585/sqm		
Comparability	Considered inferior to the subject overall.			

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Property	**149 Spencer Street, South Bunbury, WA**			
Sale Price	$850,000			
Sale Date	09-Nov-18			
Sale Status	Settled			
Site Area	893 sqm			
Zoning	Mixed Use Residential			
Lettable Area	235 sqm			
Property Description	The property comprises a regular shaped site occupying a prominent location improved with a 2004 constructed brick and Colorbond building developed with 4 consulting rooms. The site includes 16 car bays with 4 being undercover. The property sold with vacant possession. The sale price was $935,000 inclusive of GST.			
Analysis	Land Value Rate	$952/sqm	Market Net Yield	6.55%
	Reversionary Yield	6.91%	Site Rate	$952/sqm
	Lettable Area Rate	$3,617/sqm		
Comparability	Considered inferior to the subject overall.			



Sales Evidence Conclusions:

Our sales disclose prices of between $530,000 and $3,580,000. There are no directly comparable sales within the Midwest that we are aware of. As a result, we had had regard to a larger range of property types and also had regard to professional services sales from other regional locations as well as from the metropolitan Perth area.

After consideration of our listed sales evidence and with particular regard to the characteristics of the subject property we have adopted a subject value of $1,250,000 which reflects a lettable area rate of $3,117psm and land area rate of $240psm. The lettable area rate is toward the middle/upper end of our evidence however this is considered reasonable noting the modern and purpose built nature of the improvements.

As a tertiary analysis we have also had regard to the cost approach, the subject improvements (excluding car-park) cost approximately $950,000 to construct in 2016. The improvements are approximately 4 years old, adopting an approximate 2.5% p.a depreciation rate results in depreciated improvements value of approximately $860,000. Our land comparison analysis indicates a subject value of $400,000. This analysis indicates a subject value of $1,250,000 (after rounding) which is supported by our other analysis methods.

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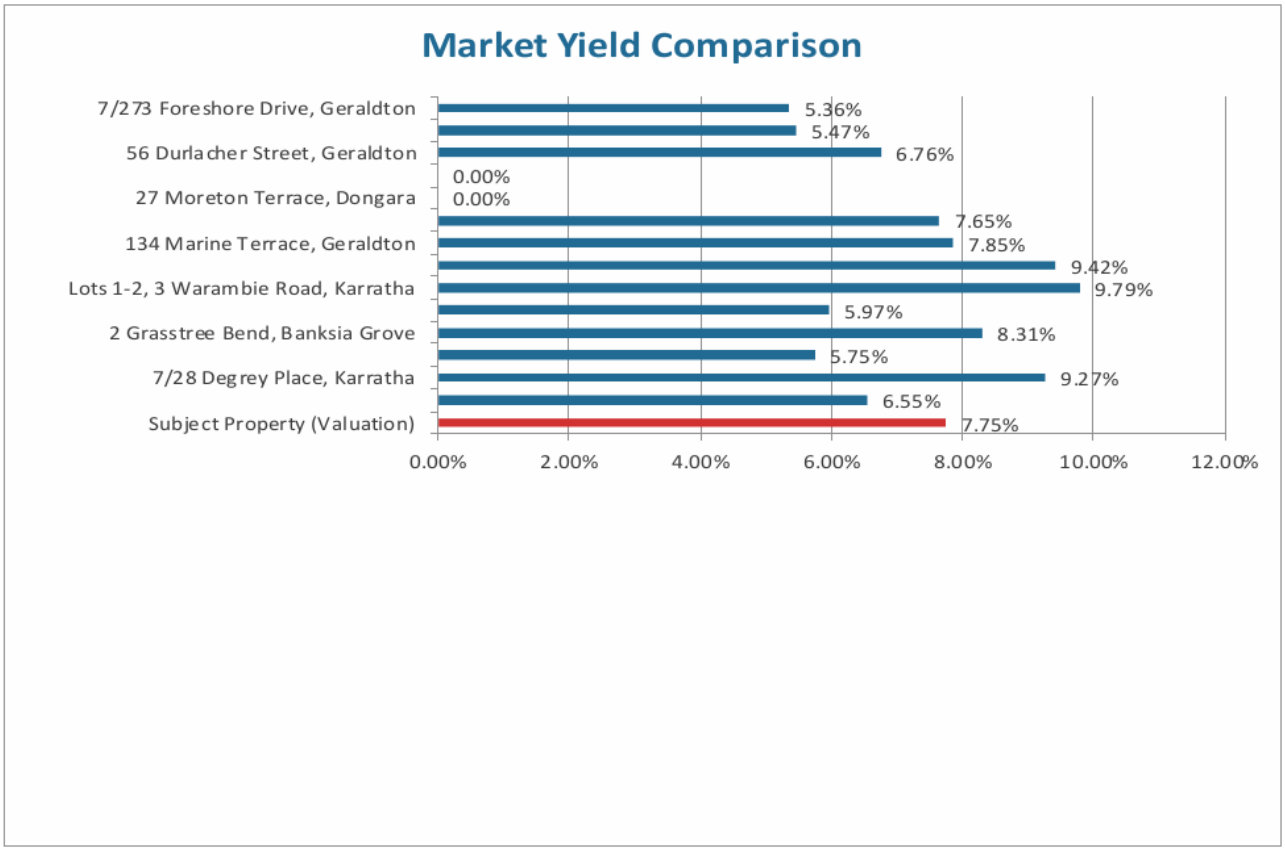

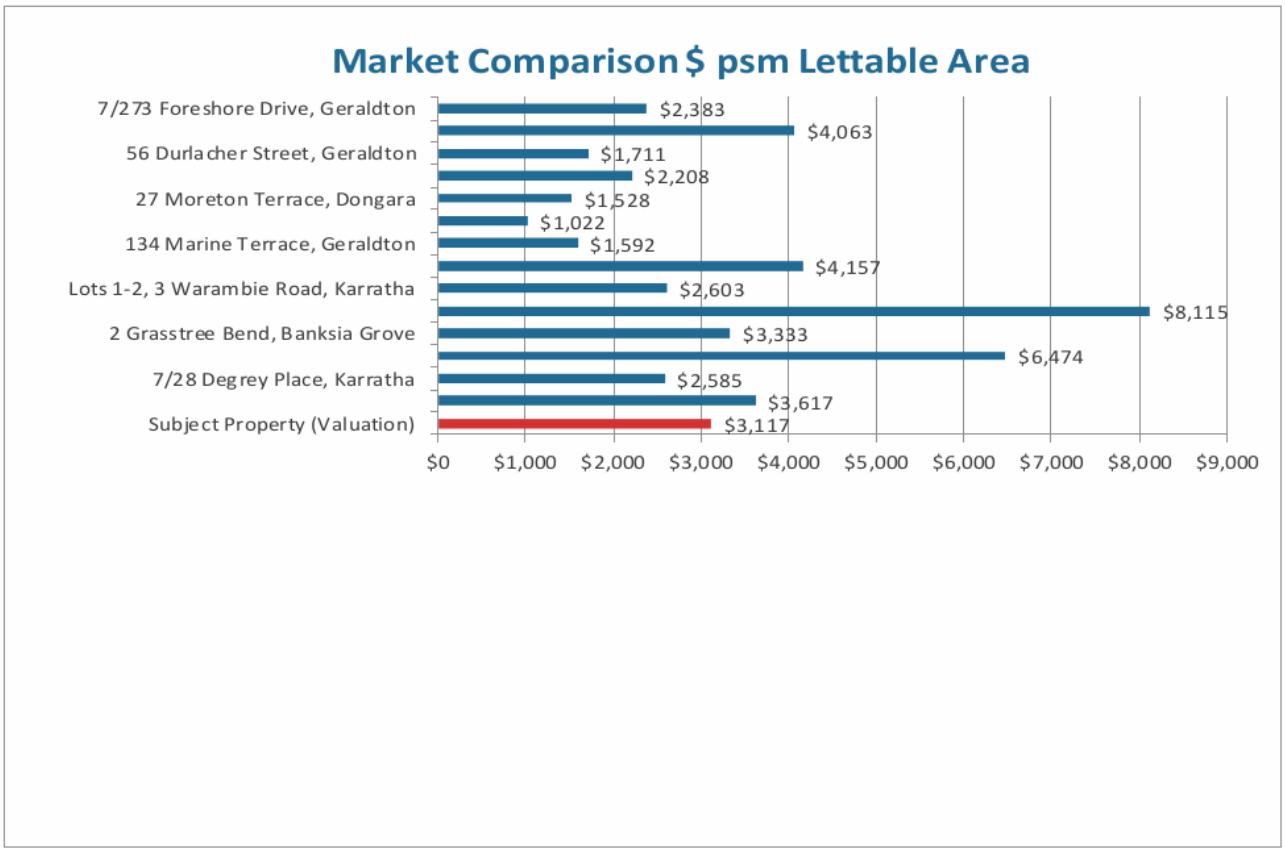

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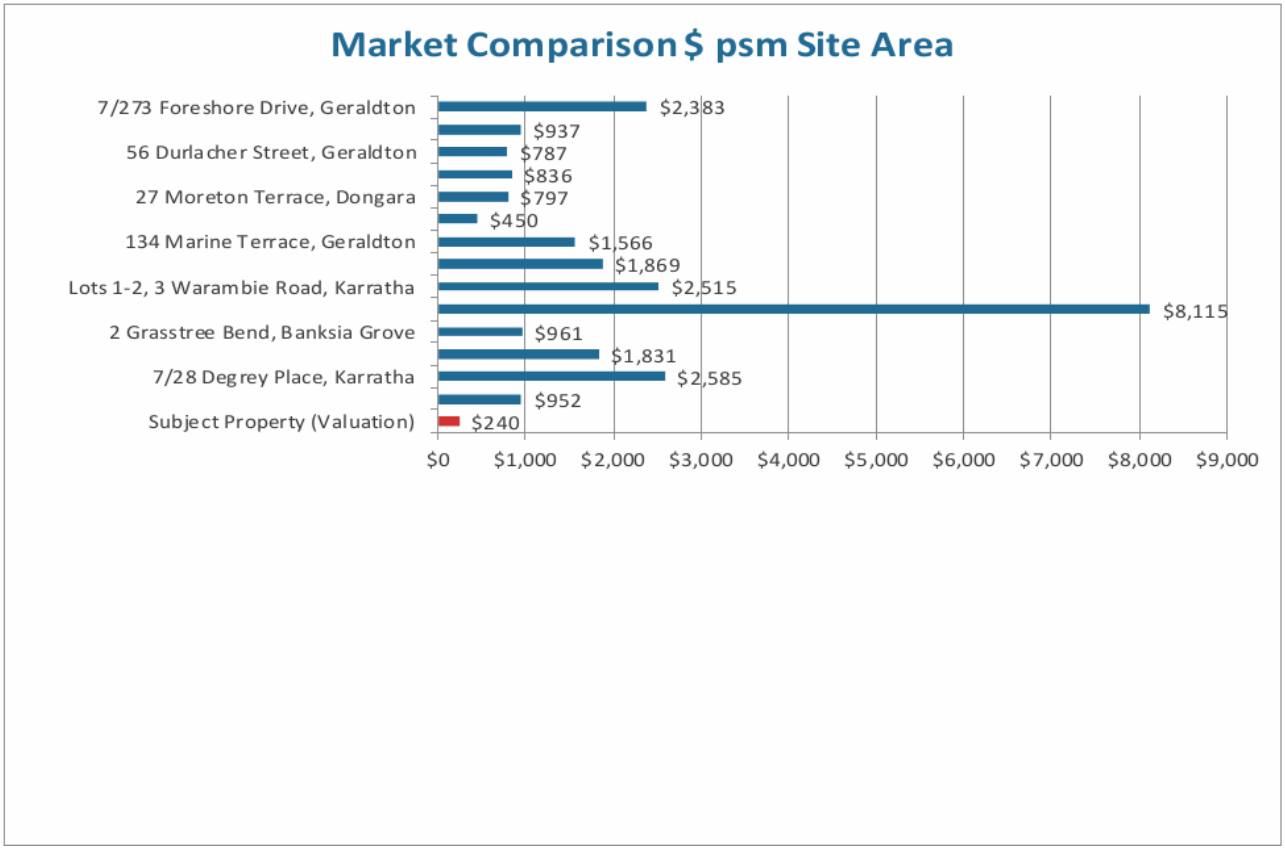

Sales Analysis Summary

Address	Sale Price	Date	Site Area	Lettable Area	$ psm Site	$ psm Lettable	Market Yield	WALE
7/273 Foreshore Drive, Geraldton	$610,000	Apr-19	256 sqm	256 sqm	$2,383	$2,383	5.36%	
141 Durlacher Street, Geraldton	$520,000	Oct-18	555 sqm	128 sqm	$937	$4,063	5.47%	
56 Durlacher Street, Geraldton	$700,000	Jul-18	890 sqm	409 sqm	$787	$1,711	6.76%	
37 Moreton Terrace, Dongara	$530,000	Nov-15	634 sqm	240 sqm	$836	$2,208		
27 Moreton Terrace, Dongara	$550,000	Feb-15	690 sqm	360 sqm	$797	$1,528		
167 North West Coastal Highway, Wonthella	$1,460,000	Jun-18	3,246 sqm	1,429 sqm	$450	$1,022	7.65%	0.90 yrs
134 Marine Terrace, Geraldton	$1,512,500	Mar-18	966 sqm	950 sqm	$1,566	$1,592	7.85%	
122 Spencer Street, South Bunbury	$3,700,000	Nov-17	1,980 sqm	890 sqm	$1,869	$4,157	9.42%	
Lots 1-2, 3 Warambie Road, Karratha	$1,700,000	Aug-18	676 sqm	653 sqm	$2,515	$2,603	9.79%	
2/3 Bulwark Avenue, Alkimos	$3,100,000	Nov-19	382 sqm	382 sqm	$8,115	$8,115	5.97%	10.80 yrs
2 Grasstree Bend, Banksia Grove	$1,000,000	Mar-19	1,041 sqm	300 sqm	$961	$3,333	8.31%	
219 Berrigan Drive, Jandakot	$3,580,000	Mar-18	1,955 sqm	553 sqm	$1,831	$6,474	5.75%	12.60 yrs
7/28 Degrey Place, Karratha	$530,000	Apr-19	205 sqm	205 sqm	$2,585	$2,585	9.27%	
149 Spencer Street, South Bunbury	$850,000	Nov-18	893 sqm	235 sqm	$952	$3,617	6.55%	
Subject Property (Valuation)	**$1,250,000**	**Jan-20**	**5,217 sqm**	**401 sqm**	**$240**	**$3,117**	**7.75%**	**VP**

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10.0 Valuation Calculations

10.1 Primary Valuation Method

Comparable Transactions Method/Direct Comparison

Calculations

Direct Comparison Valuation Method (Land Value)					
					Market Value
Land Area:	Low	5,217 sqm	@ $70		$365,190
	High	5,217 sqm	@ $80		$417,360
	Adopt	5,217 sqm	@ $75		$391,275
Indicates Total Land Value:			*Rounding*	*$25,000*	**$400,000**

Direct Comparison Valuation Method (rate psm Lettable Area)					
					Market Value
Lettable Area:	Low	401 sqm	@ $3,000		$1,203,000
	High	401 sqm	@ $3,200		$1,283,200
	Adopt	401 sqm	@ $3,100		$1,243,100
Indicates Total Market Value:			*Rounding*	*$25,000*	**$1,250,000**

10.2 Secondary Valuation Method

Summation Method

Calculations

Summation Valuation Method					
					Market Value
Land Value:		5,217 sqm	@ $77		$401,709
Added Value of Improvements:					
Main Building:		401 sqm	@ $2,000		$802,000
Total Value of Improvements:					$802,000
Total Market Value:					$1,203,709
Indicates Total Market Value:			*Rounding*	*$25,000*	**$1,200,000**

10.3 Tertiary Valuation Method

Depreciated Replacement Cost Method

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Calculations

Depreciated Replacement Cost				
				Market Value
Land Value:	5,217 sqm	@ $77		$401,709
Added Value of Improvements:				
Replacement Cost	401 sqm	@ $2,381		$954,781
Less Depreciation @ 2.50% (4 years)				-($95,478)
Total Value of Improvements:				$859,303
Total Market Value:				$1,261,012
Indicates Total Market Value:		*Rounding*	*$25,000*	**$1,250,000**

11.0 Valuation

Subject to the assumptions, conditions and limitations contained within this report, we are of the opinion the Market Value of the interest in the property as at the Date of Valuation is as follows:

Market Value - Vacant Possession

$1,250,000

(One Million, Two Hundred and Fifty Thousand Dollars)

12.0 Assumptions, Conditions & Limitations

Area Disclaimer	*In the event actual surveyed areas of the property are different to the areas adopted in this valuation the survey should be referred to the valuer for comment on any valuation implications. We reserve the right to amend our valuation in the event that a formal survey of areas differs from those detailed in this report.*
Asbestos Disclaimer	*We are not experts in the identification of Asbestos and therefore, in the absence of an environmental consultant's report concerning the presence of any asbestos fibre within the subject property, this valuation is made on the assumption that there is no: asbestos material present; health risk from asbestos within the property; or there is any material expense relating to the repair, management or replacement of asbestos materials in the foreseeable future. Should an expert's report establish that there is an asbestos related health risk or a requirement to undertake asbestos remediation works then we reserve the right to review this valuation.*
Building Services Disclaimer	*No documentation or certification has been sighted to verify the condition of building services, and we have assumed that all building services are: adequate in specification; in good operational condition; and satisfactorily maintained.*
Encroachments	*The valuation is made on the basis that there are no encroachments (unless otherwise noted) by or upon the property and this should be confirmed by a current survey report and/or advice from a land surveyor. If any encroachments are noted by the survey report the valuer should be consulted to assess any effect on the value stated in this report.*
Environmental Disclaimer	*This report is not an environmental audit and no advice is given in any way relating to environmental or pollution matters. Any comments given as to environmental or pollution factors in relation to the property are not given in the capacity as an expert. This assessment of value is on basis that the property is free of contamination or environmental issues affecting the property not made known to the valuer. In the event the property is found to contain contamination the matter should be referred to this office for comment. Given contamination issues can have an impact on the Market Value of the property, we reserve the right to review and if necessary vary our valuation if any contamination or other environmental hazard is found to exist.*

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Full Disclosure Disclaimer	*Whilst we have attempted to confirm the veracity of information supplied, the scope of work did not extend to verification of all information supplied or due diligence. Our valuation and report has been prepared on the assumption the instructions and information supplied has been provided in good faith, is not in any way misleading or deceptive, contains a full disclosure of all information that is relevant, there are no undisclosed agreements in place that affect the property. The valuer and valuation firm does not accept any responsibility or liability whatsoever in the event the valuer has been provided with insufficient, false or misleading information.*
Future Value	*Any comments are made in relation to future values are based on general knowledge and information currently available. These comments should not be construed as a prediction of future value levels or a warranty of future performance as the property market is susceptible to potential rapid and unexpected change caused by multiple factors. Ultimately current expectations as to trends in property values may not prove to be accurate.* *Due to possible changes in the property market, economic conditions, occupancy status and property specific factors, we recommend the value of the property be reassessed at regular intervals*
Geotechnical	*We have not sighted a geotechnical engineers' survey of the property. We are not experts in the field of civil or geotechnical engineering and we are therefore unable to comment as to the geotechnical integrity of the ground and soil conditions. It is specifically assumed that there are no adverse geotechnical conditions that compromise the utility of the property for the current or highest and best use. In the event there is found to be adverse ground conditions we recommend the matter be referred to this Company for comment.*
GST	*All amounts and values in this report are exclusive of GST unless otherwise specified. If there is any uncertainty as to the treatment of GST we recommend you seek advice from a qualified accountant.*
Heritage Disclaimer	*Our valuation has been assessed having regard to the nature of any buildings on the property and any known heritage listings. However we have not obtained formal confirmation of heritage listings beyond what is available in the public domain and identified in this report. Our valuation assumes, unless otherwise specified, that any heritage issues (including Aboriginal) do not impact on the continued and/or highest and best use of the property. If there is doubt in relation to such issues we recommend written application be made to the relevant authorities.*
Identification	*The property has been identified as per details provided within this report. The identification comments are not provided in the capacity of an expert, and a surveyor (not a valuer) would be able to confirm the identification of the property and/or any encroachments by way of undertaking a site survey.*
Inconsistencies in Assumptions	*If there is found to be any variance, inconsistency or contradiction in any of the assumptions within this report then this may have an impact on the market value of the property and we recommend this valuation be referred back to the Valuer for comment.*
Market Change	*This valuation is current as at the Date of Valuation only. The value assessed herein may change significantly and unexpectedly over a relatively short period (including as a result of general market movements or factors specific to the particular property). We do not accept liability for losses arising from such subsequent changes in value. Where the valuation is being relied upon for mortgage purposes, without limiting the generality of the above comment, we do not assume any responsibility or accept any liability where this valuation is relied upon after the expiration of 90 days from the date of the valuation, or such earlier date if you become aware of any factors that have any effect on the valuation. We recommend the valuation be reviewed at regular intervals.*
Market Evidence Information Availability	*In preparing this valuation we have undertaken those investigations reasonably expected of a professional valuer having regard to normal industry practice so as to obtain the most relevant, available, comparable market evidence. Whilst we believe the market information obtained to be accurate, all details may not have been formally verified.*
Market Value	*"Market Value is the estimated amount for which an asset or liability should exchange on the Valuation date between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion".*
Native Title Assumption	*We are not experts in native title or the property rights derived there from and have not been supplied with appropriate expert advice or reports. Therefore, this valuation is made assuming there are no actual or potential native title interests affecting the value or marketability of the property.*
Planning Disclaimer	*Town planning and zoning information was informally obtained from the relevant local and State Government authorities and is assumed to be correct. Should the addressee require formal confirmation of planning issues then we recommend formal application be made to the relevant authorities to confirm planning details.*
Publication of Report	*The publication of the valuation or report in whole or any part, or any reference thereto, or the names and professional affiliations of the valuers is prohibited without the prior written approval of the valuer as to the form and context in which it is to appear.*

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Site Survey Disclaimer	*This report is not a site survey and no advice is given in any way relating to survey matters. Any comments given in relation to the property are not given in the capacity as an expert, however, are based on our inspection of the property and review of the Certificate of Title plans. Should the addressee require absolute certainty in relation to the site area, dimensions or possible encroachments we recommend that a surveyor be engaged to provide appropriate advice and a survey of the property if considered necessary. In the event there are any fundamental inconsistencies between any site survey undertaken and site detail adopted in this valuation, the survey should be referred to the valuer for comment on any valuation implications (including amendment of our valuation if considered necessary).*
Structural Disclaimer	*This report is not a structural survey and no advice is given in any way relating to structural matters. Any opinion given as to the condition of the improvements on the property is not given in the capacity as an expert. A structural report on the building and/or its plant and equipment has not been sighted, and nor have we inspected unexposed or inaccessible portions of the premises. Therefore we cannot comment on the structural integrity, any defects, rot or pest infestation (or damage from pest infestation) of the improvements, any use of asbestos or other materials now considered hazardous or areas of non-compliance with the Building Code of Australia, other than matters which are obvious and which are noted within this report. This valuation assumes the building is structurally sound; that building services are adequate and appropriately maintained; the building complies with applicable Council, building, health, safety and fire regulations, laws, bylaws, rules, licences, permits and directives; and is free of asbestos or other defects, unless specified otherwise. Should an expert's report establish that there is any damage of the varieties noted above then we reserve the right to review this valuation.*
Third Party Disclaimer	*This report has been prepared for the private and confidential use of our client, Shire of Irwin for the specified purpose. It should not be reproduced in whole or part without the express written authority of Opteon Property Group Pty Ltd or relied upon by any other party for any purpose and the valuer shall not have any liability to any party who does so. Our warning is registered here, that any party, other than those specifically named in this paragraph should obtain their own valuation before acting in any way in respect of the subject property.*
Title and Unregistered Instruments	*For the purpose of this report we have assumed that the title information provided to us is correct. Our Valuation has been assessed assuming the property is only affected by encumbrances noted on Title with the exception of registered instruments (eg. mortgages or caveats) that are normally and expected to be discharged prior to transfer of the property. If there are any encumbrances, encroachments, restrictions, leases or covenants which are not noted on the title, they may affect the assessment of value. If there are errors or omissions found to exist on the title documents we should be notified and we reserve the right to review our valuation.*

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APPENDIX 1

INSTRUCTIONS

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QUOTE

5 February 2020

Thank you for the opportunity to provide you with a quote for our services.

Opteon is pleased to provide you with a quote for services. This quote is based on the instructions you have provided to us and is the basis on which we will provide our services.

OUR REFERENCE	10228356
CLIENT(S)	Shire of Irwin
CLIENT ABN	96 734 531 282
CLIENT CONTACT	Brendan Jeans
CLIENT EMAIL	bjeans@irwin.wa.gov.au
PROPERTY	**Lot 13, 290 Point Leander Drive,** **Port Denison, Western Australia**
PURPOSE	Pre-purchase purposes and should not be relied upon for any other purpose.
SCOPE	Service: Market Valuation As Is; The service requested is a: • property valuation. The basis of value is Market Value as defined in International Valuation Standards and as adopted by the Australian Property Institute. Unless otherwise specified: • The valuation is to be completed on the premise of highest and best use. • The date of valuation will be the date of inspection. A written report will be prepared. Our quoted fee and turnaround time assumes a commercial basis and no access delays/issues. Should the actual property use or market value substantially vary, we reserve the right to review and amend our quote accordingly.
TYPE OF PROPERTY	Office Premises (single occupancy/single title/single stratum)
VALUATION BASIS	Unless otherwise requested, the basis of value is Market Value as defined in International Valuation Standards and as adopted by the Australian Property Institute and the valuation is to be completed on the premise of highest and best use.
DATE OF VALUATION	Unless otherwise specified the date of valuation will be the date of inspection.
SPECIAL INSTRUCTIONS	
REPORT FORMAT	Unless otherwise agreed, a written report will be prepared.
REPORT DELIVERY MODE	Email
REQUIRED INFORMATION	If you have any information about the property or information which is relevant to the purpose of this advice please supply this information to us, preferably by email.
ADDRESS INVOICE TO	Shire of Irwin, 11-13 Waldeck Street , Dongara WA 6525
PROFESSIONAL FEES	$2,450.00 inclusive of GST.
PAYMENT OF FEES	We require payment of our professional fees within the terms as shown on the invoice but you agree that we retain the right to withhold any valuation or deliverable until payment is made.
CURRENCY OF QUOTE	Please note that this quote is only valid for 30 days. If you wish to proceed after 30 days, please contact us to confirm our fee and availability.
CURRENCY OF THE SERVICES	The value assessed in any of our services is in Australian dollars.
SERVICE DELIVERY	We estimate completing the valuation in 20 business days. If we are unable to meet the estimated

	timeframe, we will consult with you as to an updated time for delivery.
TERMS OF ENGAGEMENT	Our Services and report are provided subject to Opteon's Standard Terms and Conditions* which are enclosed. (*Terms not applicable if an enforceable and current contract concerning the services which are the subject of this engagement is in place and binding on the parties as at the date of this quote.)

This quote has been provided on the basis of the information you have provided to us in the quote request. Should our understanding of any of the details below be ambiguous or incorrect, you must immediately advise us and we reserve the right to vary this quote by a reasonable amount to account for any changes.

In order to accept the quote and to engage Opteon kindly respond in one of three ways; either accept it via our online portal, reply via email, stating that you accept this quote as per the details contained herein or write to us with your confirmed and detailed instructions.

If you have any questions or for assistance please feel free to contact us on 1300 901 047 or email quotes@opteonsolutions.com and quote the following reference number **10228356**. Thank you again for your business and we look forward to being of service to you.

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Standard Terms and Conditions –Valuation Services

1. This Agreement

This Agreement sets out the terms on which we will provide the Services to you.

2. Our Services

2.1 We will provide the Services to you with the degree of skill, care and diligence reasonably expected of a professional providing services of the same kind and in accordance with this Agreement, the ABFI Standing Instructions (where relevant) and any relevant requirements or instructions issued by the API.

2.2 We will use all reasonable efforts to complete the Services within any agreed time frame.

2.3 At our election, the Services may be performed by a Franchisee where the property, premises or asset to be valued is located in that Franchisee's territory. We will be responsible for all acts and omissions of the Franchisees and Valuers as if they were our acts or omissions. You agree that you will not bring any Claim in connection with the Services or this Agreement directly against any Franchisee or Valuer.

2.4 Unless otherwise agreed, we will be the sole point of contact for any issues in relation to this Agreement.

3. Your Obligations

3.1 You will provide us with instructions requesting a Valuation via a Valuation Request.

3.2 You must provide us with all data, Information and access as is necessary or reasonably required for us to perform the Services.

3.3 You acknowledge and agree that:

3.3.1 we are entitled to and will rely on Information provided by you or your representatives and/or agent and any instructions and approvals given by you or your representatives and/or agent (and that we are released from any liability to the extent of any inaccuracy, inconsistency or omission in same); and

3.3.2 although the Services may include advice, all decisions made, or action taken, in reliance upon that advice are solely your responsibility and are made by you based on your own judgement and knowledge of your circumstances.

4. Our Valuations

4.1 Our Valuations are prepared solely for you (and any other person expressly specified in the Letter or Valuation Request) to use for the Permitted Purpose. You are not authorised to use a Valuation for any other purpose without our prior written consent. We do not accept a duty of care to any other person and you agree to the Valuation specifically disclaiming legal responsibility to any other person that might read the Valuation. In the event that you wish to provide the Valuation to any third party, including any financier, for any reason, before any disclosure occurs, you must first obtain our consent to disclosure of the report being made, and if consent is given (which remains at our discretion and may be given with extra conditions), you must (i) provide a copy of this Agreement to the third party, (ii) obtain a signed deed poll from the third party acknowledging that it will not rely on the Valuation for any purpose and releases us from any liability (including negligence), and (iii) provide us with the original signed deed.

4.2 You indemnify us against any Loss we may suffer or incur in respect of any Claim by a third party that arises as a result of any use or distribution of a Valuation to that party or their reliance thereon. Furthermore, if we incur liability to any third party as a result of any use or distribution of, or reliance on, a Valuation by any third party:

4.2.1 You will ensure that we can enforce the protections afforded to us under or out of this Agreement (and in particular clause 11) directly against that third party, or if that is not possible or does not occur for any reason, you will do everything necessary to place us in a position as if the protections had been directly enforceable or enforced against that third party also; and

4.2.2 Without limiting the foregoing, you acknowledge and agree, and will do all things necessary to place us in a position so that, the limitation in clauses 11.1 and 11.2 apply so as to limit our liability to you and/or to that third party, severally and/or collectively, on an aggregate basis.

4.3 A Valuation is current at the date of the Valuation only. The value of a property, premises or asset may change significantly and unexpectedly over a relatively short period of time (including as a result of general market movements or factors specific to the particular property, premises or asset). As such, you release us from any liability for Claim or Loss arising from such subsequent changes in value, or if the Valuation is for mortgage purposes, liability for Loss where a Valuation is relied upon more than 90 days after the date of valuation (or such earlier date if you become aware of any factors that have any effect on the Valuation) provided always that the 90 day period does not guarantee the value for that period; it always remains a valuation at the date of valuation only.

4.4 Our Valuations will contain certain assumptions, qualifications, limitations and disclaimers (**Notices**). You agree that it is your responsibility to become aware of these Notices and to ensure that the Valuations are only used in the context of, and subject to, such Notices.

4.5 You acknowledge and agree that our Valuations:

4.5.1 cannot be relied upon as advice about taxation, investment or financial strategy nor considered to be legal or accounting advice; and/or

4.5.2 are not a recommendation to take or not take any particular course or action in respect of a transaction or investment opportunity, and will not be relied upon (in whole or in part) to assess or make decisions about, any private placement, capital raising or securities offering of any kind whatsoever.

4.6 If the Services comprise a desktop or kerbside assessment of any kind or you have instructed us not to undertake a full external

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and internal inspection, you hereby provide your written agreement to our non-inspection and/or partial inspection of the relevant property or asset being valued and you accept the inherent risk of inaccuracy arising therefrom (including, to the extent relevant to the particular valuation, any risk or risk allocation noted in any applicable API memorandum or guideline).

5. Our Fees

5.1 You agree to pay us the Fees for the Services.

5.2 Other than in respect of a change to Fees in accordance with clause 5.3, we will give you at least 30 days' notice of any proposed changes to the Fees.

5.3 If the Agreement applies to Services to be provided from time to time on an ongoing basis, on each anniversary of the Commencement Date, the Fees will be automatically indexed and increased by CPI or 2.5% whichever is higher.

5.4 If a Valuation Request is expected to involve complexity or disproportionate resources, we may request a higher fee for the Valuation. Any higher fee will be agreed with you prior to us proceeding with the Valuation Request.

5.5 Where the property, premises or asset you would like us to value falls outside of the types, zones or value ranges listed in our Fee Schedule, we will provide you with a quote for the Fee prior to commencing the Valuation. The quote will be valid for a period of 30 days from the date of issue unless the quote specifies otherwise.

5.6 Where we have provided you with a quote for the Fee for a Valuation and you instruct us to proceed with the Valuation or pay the Fee, you have accepted the quoted Fee for that Valuation (and these terms).

5.7 Unless stated otherwise, the Fees are expressed exclusive of GST. You agree to pay any GST imposed on us, now or in the future, in relation to this Agreement. Where GST is payable on any taxable supply made under this Agreement, you agree that the Fee payable for this supply will be increased by an amount equal to the GST payable by us in respect of that supply.

6. Invoicing

6.1 Where we have agreed that you do not need to prepay for our Services, we will invoice you in arrears for the Fees once we provide you with the Valuation (unless agreed otherwise) and you will pay our invoice within 14 days of receiving it (unless agreed otherwise). If you dispute an invoice, you will still pay the undisputed amount and we will work together to resolve the dispute. Where amounts remain due and unpaid, we may charge you interest at an annual rate of 2% over the Bank Bill Swap Rate published in the Australian Financial Review on the date payment is due.

6.2 Without limiting any other rights we may have, we may suspend (for a time or indefinitely) or terminate the Services, in whole or part, or withhold any Valuation if our Fees (in whole or part) have not been paid by you (or anyone else responsible for payment thereof).

7. Unexpected delay

7.1 We will not be responsible to you or anyone else (and you will not assert we are in breach or liable) for any failure in providing the Services or any Valuation to the extent such failure is caused by an Unexpected Delay. We will notify you if there is a delay that will affect the provision of the Services or any Valuation and the cause of the delay.

7.2 If it is necessary or we are required to perform additional services or incur additional costs because of an Unexpected Delay, where those additional services are required or costs are incurred due to your act or omission, you will pay us additional Fees for those services or costs and in other cases, we may charge you additional Fees as are reasonable.

8. Confidentiality

8.1 Each of us agrees to protect and keep confidential any Confidential Information that is given to us by the other. Except as set out in this Agreement, or where both of us agree otherwise in writing, we will only use or disclose your Confidential Information as necessary to provide the Services to you.

8.2 Where relevant, we may use, disclose and transfer your Information (even if Confidential Information) to our Franchisees and Representatives who will use and disclose it only to provide the Services to you. In addition, we may disclose your Information to our professional advisers, any regulating body or insurers on a confidential basis.

8.3 Subject to clause 8.4, either of us may disclose any Confidential Information to the extent that it is required to be disclosed by law, order of any court, tribunal, authority or regulatory body, rules of any stock exchange or any professional obligations or requirements.

8.4 A party disclosing Confidential Information under clause 8.3 must, where practical and to the extent permitted by law, notify the other of the requirement to disclose and only disclose the minimum Confidential Information required to comply with the law or requirement.

8.5 You agree that we may aggregate your Information and use and disclose that information in de-identified form as part of research and advice, including without limitation, benchmarking services or for valuation purposes.

8.6 We will return to you or destroy your Information at any time at your request, however, we are entitled to retain a copy of your Confidential Information or any Information you give to us for any lawful record keeping purposes, provided that we continue to keep this Information confidential in accordance with this Agreement.

9. Personal information and privacy

9.1 We will handle Personal Information in accordance with the Privacy Legislation and our privacy policy available at www.opteonsolutions.com/au/privacy-policy/.

9.2 You agree to work with us to ensure that both of us meet any obligations that each of us may have under the Privacy Legislation including, where relevant, notifying the individual to whom the Personal Information relates of who we are and how we propose to use and disclose their information.

9.3 Where you provide us with any Personal Information, you confirm that you have collected the Personal Information in accordance with the Privacy Legislation, that you are entitled to provide the Personal Information to us and that we may

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collect, use and disclose the Personal Information for the purpose of providing the Services to you or as otherwise permitted by this Agreement.

10. Intellectual Property

10.1 We own (and despite anything to the contrary, may commercialise or exploit for our economic benefit and for any purpose whatsoever) the Intellectual Property Rights in the Valuations and Our Data.

10.2 We grant, or will procure from any third party the right to grant, to you an irrevocable, perpetual, worldwide, non-exclusive, royalty-free licence to use and reproduce the Valuations for the Permitted Purpose and your internal business purposes.

11. RELEASE, INDEMNITY AND OUR LIMITATION OF LIABILITY

11.1 Except to the extent that legislation does not permit Us to limit our liability, you acknowledge and agree that:

11.1.1.1 Our maximum aggregate liability for any Claim or Loss, whether arising under indemnity, negligence or otherwise at law, is limited to the amount that is the greater of ten times our Fees and $100,000; and

11.1.1.2 To the extent that clause 11.1.1 is not enforceable for any reason whatsoever, our maximum aggregate liability for any Claim or Loss arising in connection with the Services or the subject matter of this Agreement (including negligence) is limited in the manner provided by the APIV Limitation of Liability Scheme as amended from time to time.

11.2 Without limiting clause 11.1:

11.2.1 we will only be liable to you for that proportion of the total Loss caused or contributed to by us;

11.2.2 we will not be liable to you (nor will you assert any Claim against us) for any Consequential Loss; and

11.2.3 we will not be liable unless you notify us of that Loss within 12 months of it occurring.

11.3 You indemnify us for and in respect of all Loss which we may suffer or incur arising from or in any way connected with any breach by you of this Agreement.

11.4 Nothing in this Agreement shall restrict, modify or limit your rights under the Australian Consumer Law.

11.5 You represent and agree that:

11.5.1 You waive unconditionally any right, and will not seek, to Claim against Us in excess of any limitation applicable under clause 11.1 or in a manner that is contrary to the protections afforded under clause 11.2;

11.5.2 This clause 11 or any other clause that provides protection to us in respect of our exposure to Claims or Loss are reasonably necessary to protect our legitimate interests; and

11.5.3 We have entered into this Agreement relying on your representations in this regard.

12. Insurance

We will maintain appropriate insurance in relation to the Services, including professional indemnity insurance with a reputable insurer with an indemnity limit of $1 million during the term of this Agreement and for a period of seven years after last performing the Services for you.

13. Conflict of interest

If we identify a conflict of interest in respect of the Services at any time, in addition to anything else that we consider necessary to manage the issue, we will notify you and seek your consent to our (or our continued) engagement, or at our sole and binding election, we may notify that we decline to, or will not continue to, act (in which case you will pay for any Fees incurred to that date).

14. Termination

14.1 You may terminate this Agreement by giving us at least 30 days prior written notice at any time. If the Agreement is terminated for any reason, you must pay our Fees for the Services performed and any other charges incurred, up to the time of termination.

14.2 We may terminate this Agreement:

14.2.1 by giving you notice of at least 30 days;

14.2.2 if any payment due by you under this Agreement is not paid on the due date;

14.2.3 if, by continuing to act for you, we would be required to act contrary to any legal, regulatory or professional conduct obligation or similar just cause; or

14.2.4 if there is any change in your financial or legal status.

14.3 Clauses 4, 5, 6, 8, 9, 10, 11, 12, 15 and this clause 14.3 survive the termination of this Agreement. Nothing in this clause prevents any other provision of the Agreement, as a matter of interpretation, also surviving the discharge, expiration or termination of this Agreement.

15. Dispute resolution

15.1 Each of us agrees to use reasonable endeavours to resolve any dispute that arises in connection with this Agreement.

15.2 If we are unable to resolve a dispute within 14 days of either of us giving the other notice in writing of a dispute, either of us may refer the dispute to mediation to be conducted in Melbourne, Victoria under the Australian Disputes Centre (**ADC**) guidelines for commercial mediation which are operating at the time the dispute is referred to the ADC.

15.3 If the dispute is not resolved by mediation within 28 days of the appointment of a mediator, either of us may commence court proceedings.

15.4 Despite the existence of a dispute, each of us must continue to perform all of our obligations under this Agreement.

15.5 Nothing in this clause prevents either of us applying to a court for urgent interlocutory relief.

16. General

16.1 We are engaged as an independent contractor. Neither of us is an agent or representative of or has the authority to bind the other. This Agreement is not intended and will not be taken

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to constitute a partnership, agency, employment, joint venture or fiduciary relationship between us.

16.2 This Agreement is the entire agreement between us for the Services. It supersedes all prior communications, negotiations, arrangements and agreements, either oral or written between us in relation to its subject matter.

16.3 These *"Standard Terms and Conditions"* prevail to the extent of any omission or inconsistency with anything contained in the Letter, a Valuation Request or a Valuation.

16.4 We may amend these "Standard Terms and Conditions" from time to time. Our prevailing "Standard Terms and Conditions" can be viewed at all times on our website: opteonsolutions.com.

16.5 Neither of us may transfer, assign or novate this Agreement without the prior written consent of the other. However we may elect to subcontract the performance of the Services (in whole or part) without giving notice to you but at all times, we remain liable to you for the acts or omissions of our subcontractors.

16.6 If any of the terms of this Agreement are not legally enforceable then that term or the relevant part of it will be either amended as appropriate to make it enforceable or ignored, but in all other respects this Agreement will have full effect.

16.7 This Agreement is governed by the law applying in Victoria and the parties submit to the non-exclusive jurisdiction of the courts of Victoria.

16.8 A waiver by one of us of a breach by the other of any term of this Agreement does not operate as a waiver of another term or a continuing breach by the other of the same or any other term of this Agreement.

16.9 To the extent permitted by law, we disclaim all warranties, either express or implied, in relation to the Services and the Valuations other than any written warranty made in this Agreement.

17. Interpretation

In this Agreement:

17.1 headings and sub-headings are for ease of reference only and do not affect the interpretation of this Agreement;

17.2 words denoting the singular include the plural and vice versa;

17.3 the word 'includes' in any form is not a word of limitation;

17.4 where a word or phrase is defined, another part of speech or grammatical form of that word or phrase has a corresponding meaning;

17.5 a person includes a firm, partnership, joint venture, association, corporation or other body corporate;

17.6 '$' is a reference to Australian dollars;

17.7 'this Agreement' is to this Agreement as amended from time to time;

17.8 a clause, schedule or attachment is a reference to a clause, schedule or attachment in or to this Agreement;

17.9 any document (such as a deed, agreement or other document) is to that document (or, if required by the context, to a part of it) as amended, novated, substituted or supplemented at any time; and

17.10 any legislation (including subordinate legislation) is to that legislation as amended, re-enacted or replaced and includes any subordinate legislation issued under it.

18. Definitions

In this document, the following words have the following meanings:

ABFI Standing Instructions means the standing instructions issued by the Australian Banking and Finance Industry as amended from time to time.

Agreement means the agreement between us and you comprising these *"Standard Terms and Conditions"*, the Letter and in respect of a particular Valuation Request, that Valuation Request and the relevant Valuation.

API means the Australian Property Institute.

APIV Limited Liability Scheme means the Australian Property Institute Valuers Limited's Limitation of Liability Scheme as amended from time to time.

Commencement Date means the date on which you first instruct us to provide our Services under this Agreement.

Claim means any claim made (whether in the form of an allegation, demand, suit, action or other proceeding of any kind) under or in connection with this Agreement or its subject matter whether arising under contract (including under any warranty or indemnity or any other breach, actual or anticipatory), in equity, restitution, negligence or any other tort, strict liability under statute or otherwise at all

Confidential Information means any information or material which is proprietary to a party or acquired by either of us solely as a result of the Services and is designated as confidential or the recipient ought know or assume is confidential, but excludes any information that:

(a) is or becomes publicly available, except by a breach of this Agreement;
(b) is disclosed to either of us by a third party provided that the recipient reasonably believes the third party is legally entitled to disclose such information;
(c) was known to either of us before we received it from the other or is developed by either of us independently;
(d) is disclosed with the other's consent; or
(e) is required to be disclosed as contemplated by clause 8.3.

Consequential Loss means any loss of actual or anticipated profit or revenue, extraordinary or unexpected financing costs, anticipated savings or business opportunity, loss or corruption of data or systems, or damage to goodwill whether arising at law as direct or indirect loss, and any indirect, consequential, special, punitive, exemplary or incidental loss or damages, whether foreseeable or not and whether we were advised of the possibility of such damages.

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CPI means the annual Consumer Price Index (All Groups), Australia (weighted average of eight capital cities) as published by the Australian Bureau of Statistics.

Fees means the fees for the Services set out in the Letter or any quote provided under clause 5.5, as calculated in accordance with our Fee Schedule or any higher fee applicable under clauses 5 or 7.2.

Fee Schedule means our schedule of fees as supplied to you and as amended from time to time.

Franchisee means individuals, partnership or company that has entered into a franchise agreement with our franchisor entity Opteon Franchising Pty Ltd.

GST has the meaning given to it under *A New Tax System (Goods and Services Tax) Act 1999* (Cth).

Information means any information, documents, material, facts, instructions or Confidential Information provided to us by you or your Representatives or anyone else at your request or on your behalf.

Intellectual Property Rights means all intellectual property rights throughout the world and includes rights in respect of copyright, trade marks, designs, trade secrets and know-how.

Letter means the engagement letter, quote or any other written communication between us which confirms our engagement in respect of the Services.

Loss means any loss, liability, Claim, damages, costs or expenses of whatsoever kind (including, where applicable, Consequential Loss).

Our Data means all data, photographs, field notes, sales data, reports, systems and other materials that we produce, collect, develop or otherwise bring into existence in the provision of the Services (other than data and materials provided by you to us).

Permitted Purpose means the purpose set out in the Letter, a Valuation Request or otherwise as set out in writing and accepted by us.

Personal Information means information or an opinion (including information or an opinion forming part of a database), whether true or not, and whether recorded in writing or spoken, about an individual whose identity is apparent, or can reasonably be ascertained, from the information or opinion.

Privacy Legislation means the *Privacy Act 1988* (Cth) and any other law that applies to either of us that relates to privacy or to the collection, use, disclosure or handling of information about individuals (including a law of a State or Territory relating to privacy).

Representatives means any officer, employee, consultant, agent, adviser or contractor of either of us.

Services means property or asset valuation services or other property or asset advisory or consultancy services requested by you and agreed by us in accordance with this Agreement.

Unexpected Delay means any delay in providing the Services that is caused or contributed to by an act or event (including the non-performance of your obligations) that is beyond our control or not reasonably foreseeable by us at the time of accepting a Valuation Request.

Us and We means Opteon Property Group Pty Ltd (including if the context requires it, our related bodies corporate as defined by the *Corporations Action 2001* (Cth) and any Franchisee providing the Services).

Valuation means a valuation report in respect of a property, premises or asset prepared by a Valuer pursuant to a Valuation Request.

Valuation Request means the instructing document provided by you in the form agreed by us requesting Services under this Agreement.

Valuer means the valuation professional employed (or engaged) by Us or a Franchisee who is a current financial member of the API (or other equivalent or relevant professional body) with the skills, qualifications and experience necessary to provide the Services.

You means the client engaging us to provide the Services.

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APPENDIX 2

LOT 13 POINT LEANDER DRIVE VALUATION PLANS.PDF

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Batavia Health - Old Depot Site, Dongara

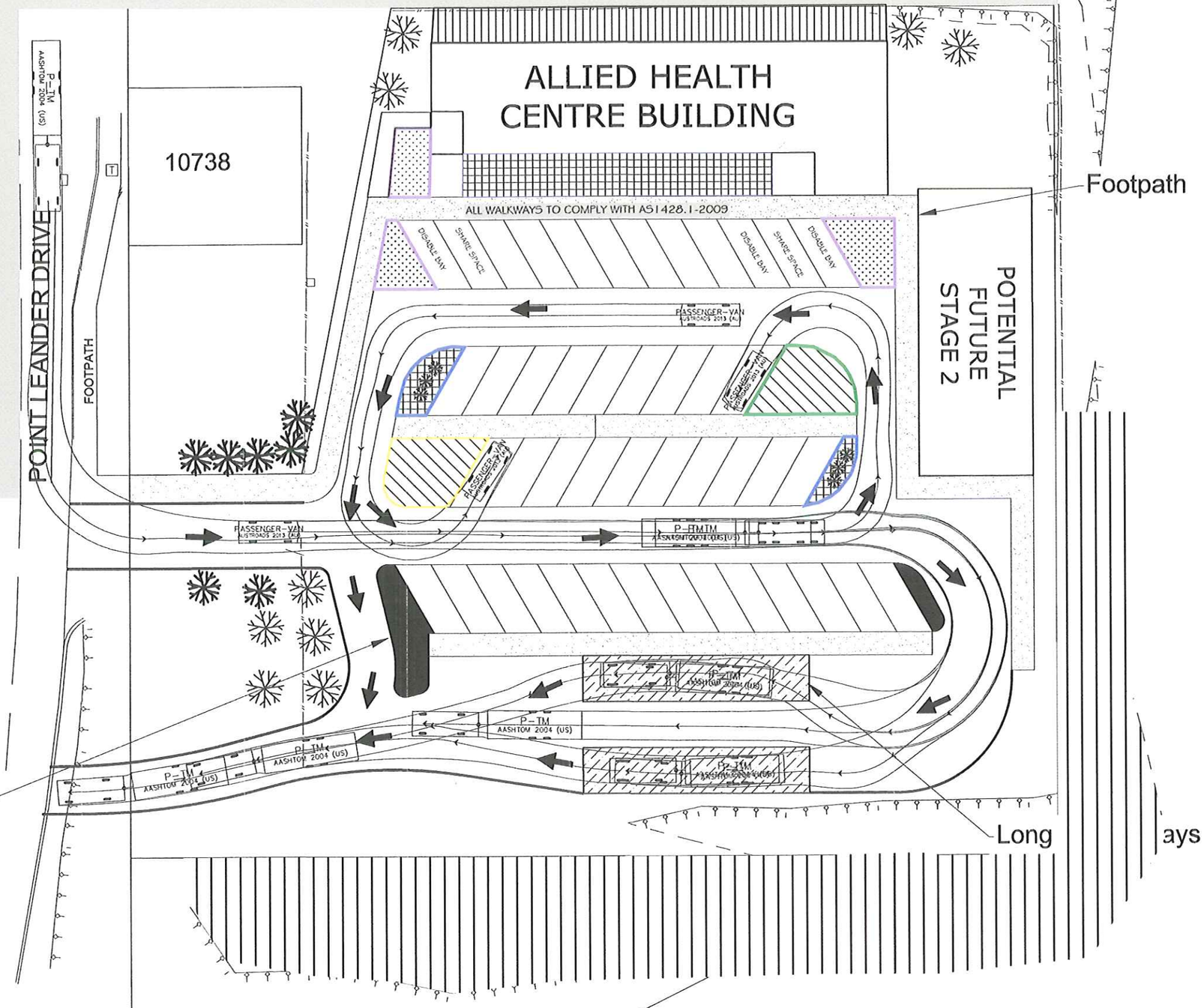
LANDSCAPE PLAN

SHRUBS

CALLISTEMON CAPT. COOK B BRUSH
CALLISTEMON KINGS PARK B BRUSH
CALLISTEMON VIMINALIA B BRUSH
GREVILLEA ROBUSTA
GERALDTON WAX
COSTAL ROSEMARY
NATIVE MORNING GLORY

SMALL TREES

ACCACIA UTTOREA
ACCACIA TRUNCATA
MELALUCA LANCEALATA
MELALUCA NEOFILLA



10 20 30

ALL DISTANCES ARE IN METRES

NATURAL GROUND LEVEL COVER WITH CRUSHED ROCKS RANGING IN SIZES WITH AN UNIFORM SHAPE TO PREVENT WATER RUN OFF.

200mm OF NATURE GROUND LEVEL LIMESTONE RAISED BED FILL WITH SMALL SHRUBS

200mm OF NATURE GROUND LEVEL LIMESTONE RAISED BED FILL WITH LIMESTONE CRUSHED ROCK. AND PLACEMENT OF ENTRY SIGNAGE AND ABORIGINAL STATEMENT IF REQUIRED

200mm OF NATURE GROUND LEVEL LIMESTONE RAISED BED FILL WITH WOOD CHIPS AND SMALL SHRUBS

200mm OF NATURE GROUND LEVEL LIMESTONE RAISED BED FILL WITH CRUSH LIMESTONE ROCK

CDC No° 150049

Greenfield Technical Services
1/81 Forrest St, Geraldton WA 6530

NCC Volume 2 2013 /AS notes:
Insulation to be supplied and installed in accordance with Part 3.12.1.1
Building sealing to be in accordance with Part 3.12.3
Services to be installed in accordance with Part 3.12.5.
WA Additions
Plumbing fixtures and fittings to be in accordance with WA 2.3.1
Hot water system installation to be in accordance with WA 2.3.3

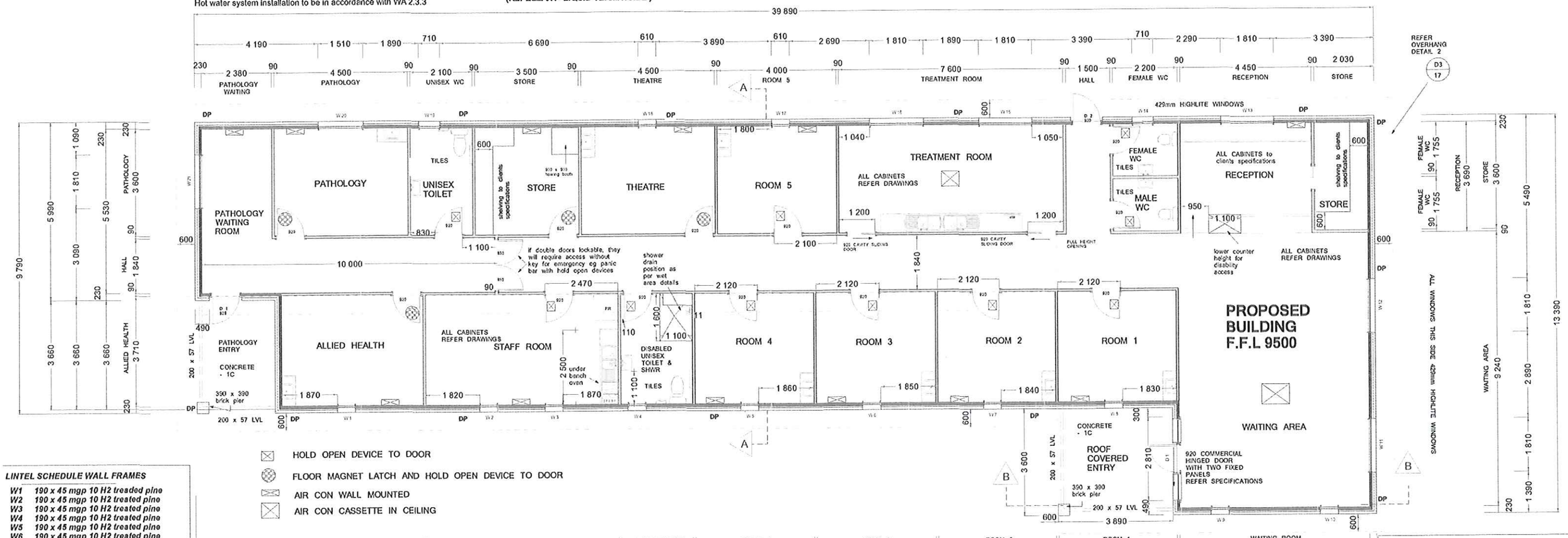
PLAN NOTES TO BE READ IN CONJUCTION WITH PLANS

GLAZING SUPPLIED AND INSTALLED TO MEET NCC VOL 2. 2013 PART 3.6 GLAZING STANDARDS

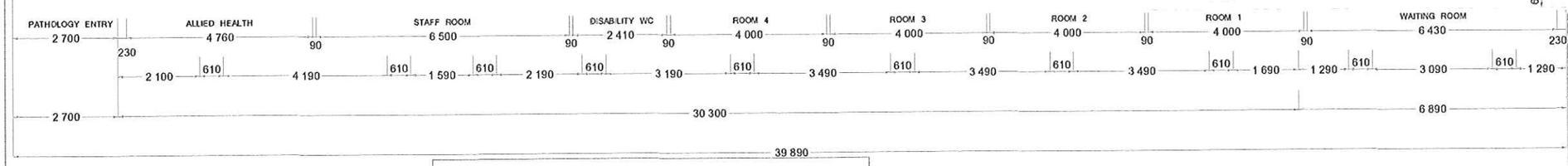
WET AREA WATERPROOFING TO MEET NCC VOL 2 2013 PART 2.2 DAMP & WATERPROOFING

TERMITE TREATMENT APPLIED AS PER NCC VOL 2. 2013 PART 3.1.3 TERMITE RISK TREATMENT & A.S 3660.1.2000 (REPELLANT- LIQUID TERMITICIDE)

SECURED AREA FOR WASTE BINS
4 M WIDE BY 1 M DEEP



HOLD OPEN DEVICE TO DOOR
FLOOR MAGNET LATCH AND HOLD OPEN DEVICE TO DOOR
AIR CON WALL MOUNTED
AIR CON CASSETTE IN CEILING



LINTEL SCHEDULE WALL FRAMES

W1	*190 x 45 mgp 10 H2 treated pine*
W2	*190 x 45 mgp 10 H2 treated pine*
W3	*190 x 45 mgp 10 H2 treated pine*
W4	*190 x 45 mgp 10 H2 treated pine*
W5	*190 x 45 mgp 10 H2 treated pine*
W6	*190 x 45 mgp 10 H2 treated pine*
W7	*190 x 45 mgp 10 H2 treated pine*
W8	*190 x 45 mgp 10 H2 treated pine*
W9	*190 x 45 mgp 10 H2 treated pine*
W10	*190 x 45 mgp 10 H2 treated pine*
W11	*190 x 45 mgp 10 H2 treated pine*
W12	*190 x 45 mgp 10 H2 treated pine*
W13	*190 x 45 mgp 10 H2 treated pine*
W14	*190 x 45 mgp 10 H2 treated pine*
W15	*190 x 45 mgp 10 H2 treated pine*
W16	*190 x 45 mgp 10 H2 treated pine*
W17	*190 x 45 mgp 10 H2 treated pine*
W18	*190 x 45 mgp 10 H2 treated pine*
W19	*190 x 45 mgp 10 H2 treated pin*
W20	*190 x 45 mgp 10 H2 treated pine*
W21	*190 x 45 mgp 10 H2 treated pine*
SD 1	*2 X 190 X 45 mgp 10 H2 treated pine nail laminate*
D 1	*190 X 45 mgp 10 H2 treated pine*
D 2	*190 X 45 mgp 10 H2 treated pine*

N

AREAS:	
LIVING AREA	401.0 m2 approx
MAIN ENTRY AREA	14.40 m2 approx
PATHOLOGY ENTRY AREA	10.20 m2 approx
TOTAL AREA	425.60 m2 approx

NOTES:
EXTERNAL WALLS- BRICK VENEER
INTERNAL WALLS - TIMBER FRAME WITH SONA ACOUSTIC R 2 INSULATION
CEILING HEIGHT - 2700mm
CONCRETE FLOOR SLAB
COLOUR- BOND ROOF WITH ALUMINIUM GUTTER & FASCIA

TIMBER FRAME WALLS -INTERNAL
Ply bracing refer details
Cavity Sliders 2150h x 1660 w
Door Jambs openings
Height
2090
width
920 = 975
820 = 875
720 = 775
620 = 675
Double 820 = 1705w & 2090 h
-Allow for timber reveals to all windows except wet areas
Noggins @ 900c/c (not in centre of wall frames)
-Note; All windows revealed (except wet areas)
wall framing openings are +50mm to windows sizes.

CDC No. 150049

SHEET:	SCALE:	DATE:
1		8/08/2015

DRAWINGS PROVIDED BY: ©
NORDIC BUILDERS PTY LTD
Bonniefield
PO Box 235
Dongara WA 6525

PROPOSED DONGARA ALLIED HEALTH CENTRE
Lot 13 Point Leander Drive, DONGARA

FLOOR PLAN
Scale 1 : 130

NOTE:
ALL DIMENSIONS & RELATIVE INFORMATION TO BE CHECKED & CONFIRMED BY BUILDER PRIOR TO COMMENCEMENT OF CONSTRUCTION. NORDIC BUILDERS PTY LTD DOES NOT TAKE RESPONSIBILTY AFTER DRAWING HAS BEEN CHECKED & CONFIRMED BY THE BUILDER OR CONSTRUCTION HAS COMMENCED.



HOLD OPEN DEVICE TO DOOR

FLOOR MAGNET LATCH AND HOLD OPEN DEVICE TO DOOR

AIR CON WALL MOUNTED

AIR CON CASSETTE IN CEILING

LINTEL SCHEDULE WALL FRAMES

W1	*190 x 45 mgp 10 H2 treaded pine*
W2	*190 x 45 mgp 10 H2 treated pine*
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W4	*190 x 45 mgp 10 H2 treated pine*
W5	*190 x 45 mgp 10 H2 treated pine*
W6	*190 x 45 mgp 10 H2 treated pine*
W7	*190 x 45 mgp 10 H2 treated pine*
W8	*190 x 45 mgp 10 H2 treated pine*
W9	*190 x 45 mgp 10 H2 treated pine*
W10	*190 x 45 mgp 10 H2 treated pine*
W11	*190 x 45 mgp 10 H2 treated pine*
W12	*190 x 45 mgp 10 H2 treated pine*
W13	*190 x 45 mgp 10 H2 treated pine*
W14	*190 x 45 mgp 10 H2 treated pine*
W15	*190 x 45 mgp 10 H2 treated pine*
W16	*190 x 45 mgp 10 H2 treated pine*
W17	*190 x 45 mgp 10 H2 treated pine*
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W21	*190 x 45 mgp 10 H2 treated pine*
SD 1	*2 X 190 X 45 mgp 10 H2 treated pine nail laminate*
D 1	*190 X 45 mgp 10 H2 treated pino*
D 2	*190 X 45 mgp 10 H2 treated pino*

N

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MAIN ENTRY AREA	**14.40 m2 approx**
PATHOLOGY ENTRY AREA	**10.20 m2 approx**
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NOTES:
EXTERNAL WALLS- BRICK VENEER
INTERNAL WALLS - TIMBER FRA[illegible] ACOUST[illegible]
CEILING HEIGHT - 2700mm
CONCRETE FLOOR SLAB
COLOUR- BOND ROOF WITH AL[illegible] TER & FAS[illegible]

CDC No: 150049

SHEET: 2

SCALE:

DATE: 8/08/2015

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NORDIC BUILDERS PTY LTD
Bonniefield
PO Box 235
Dongara WA 6525

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PROPOSED DONGARA ALLIED HEALTH CENTRE
Lot 13 Point Leander Drive, DONGARA

FLOOR PLAN
Scale 1 : 100

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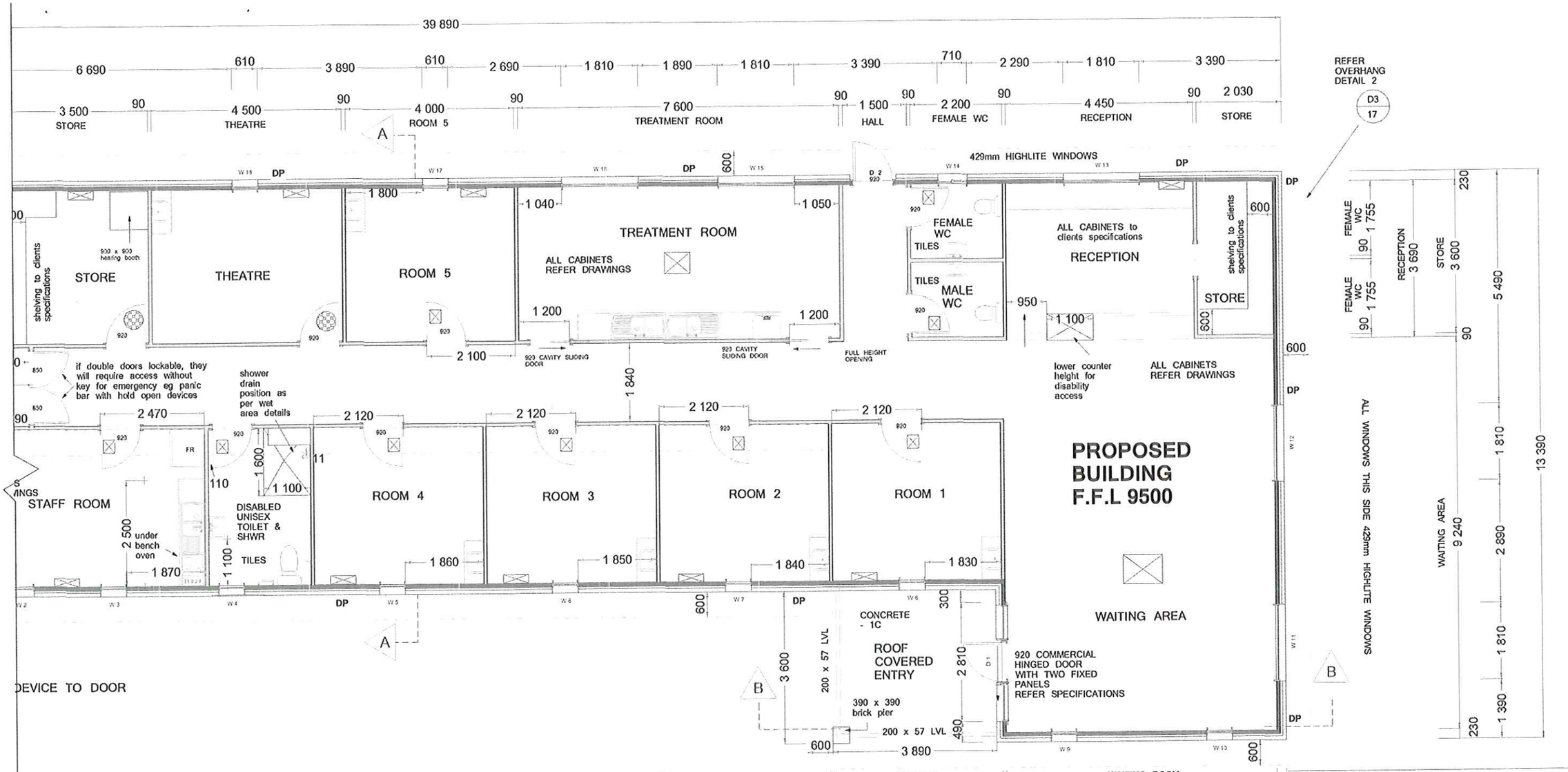

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-Note; All windows revealed (except wet areas)
wall framing openings are +50mm to windows sizes.

CDC No 150049

SHEET:	SCALE:	DATE:
3		8/08/2015

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PROPOSED DONGARA ALLIED HEALTH CENTRE
Lot 13 Point Leander Drive, DONGARA

FLOOR PLAN
Scale 1 : 100

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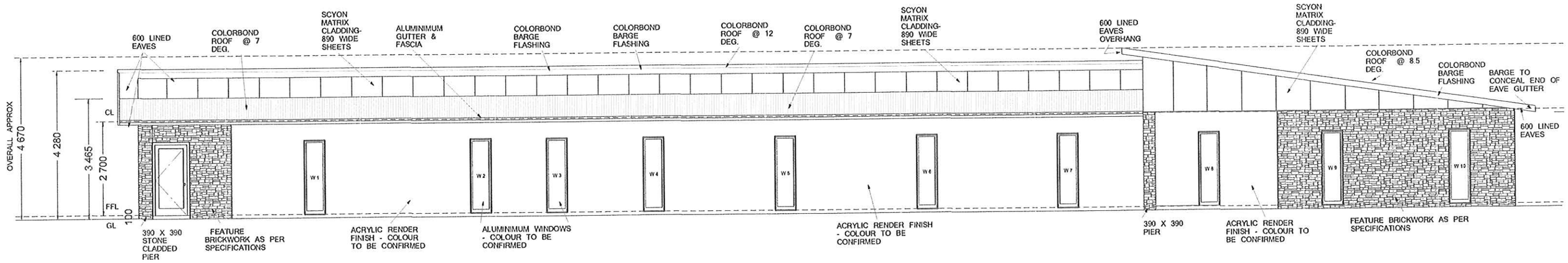
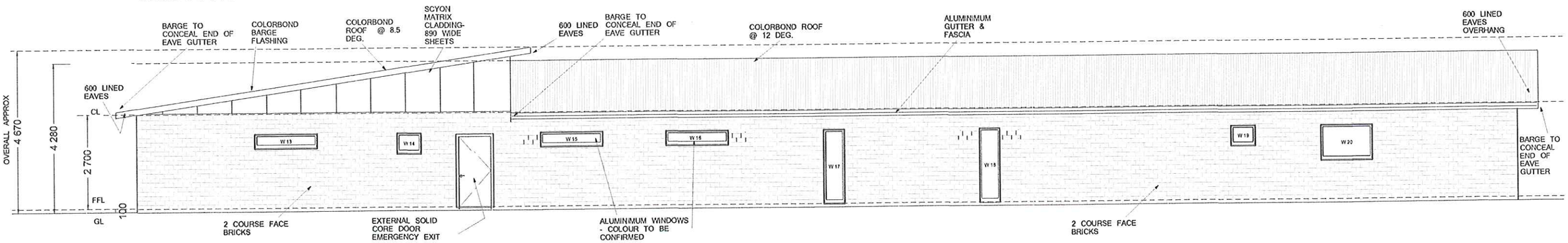
ALL DIMENSIONS & RELATIVE INFORMATION TO BE CHECKED & CONFIRMED BY BUILDER PRIOR TO COMMENCEMENT OF CONSTRUCTION.
NORDIC BUILDERS PTY LTD DOES NOT TAKE RESPONSIBILTY AFTER DRAWING HAS BEEN CHECKED & CONFIRMED BY THE BUILDER OR CONSTRUCTION HAS COMMENCED.



SOUTH ELEVATION
Scale 1 : 100



NORTH ELEVATION
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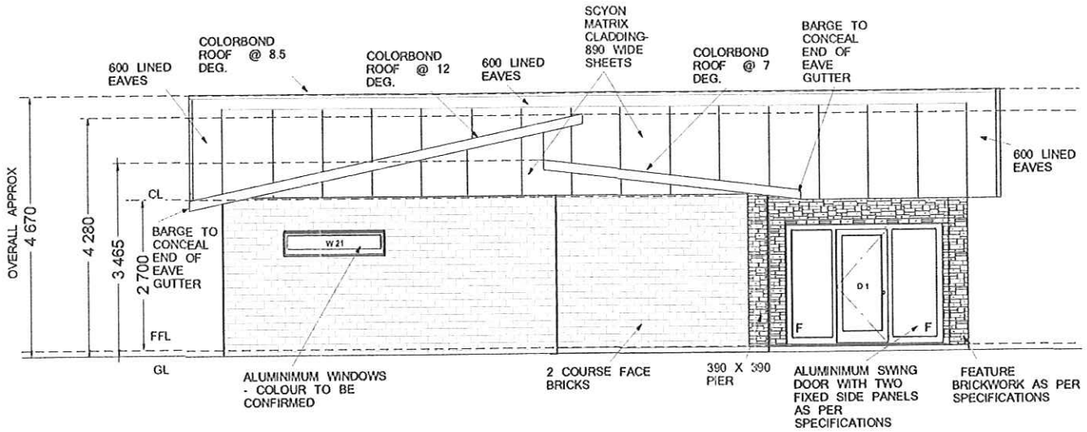
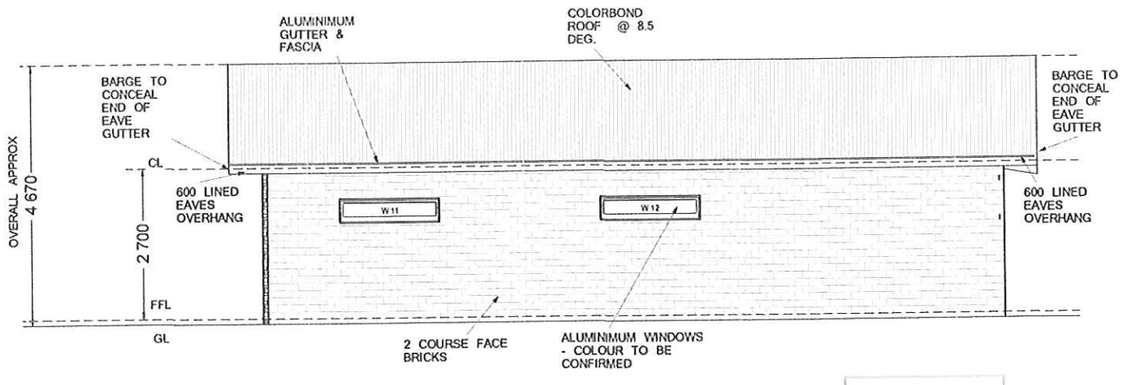


WEST ELEVATION
Scale 1 : 100



EAST ELEVATION
Scale 1 : 100

CDC No: 150049

SHEET: 4	SCALE:	DATE: 8/08/2015	DRAWINGS PROVIDED BY: © NORDIC BUILDERS PTY LTD Bonnlefield PO Box 235 Dongara WA 6525	**PROPOSED DONGARA ALLIED HEALTH CENTRE Lot 13 Point Leander Drive, DONGARA**

ELEVATIONS
Scale 1 : 100

NOTE:
ALL DIMENSIONS & RELATIVE INFORMATION TO BE CHECKED & CONFIRMED BY BUILDER PRIOR TO COMMENCEMENT OF CONSTRUCTION. NORDIC BUILDERS PTY LTD DOES NOT TAKE RESPONSIBILTY AFTER DRAWING HAS BEEN CHECKED & CONFIRMED BY THE BUILDER OR CONSTRUCTION HAS COMMENCED.

APPENDIX 3

CERTIFICATE OF TITLE

Liability limited by a scheme approved under Professional Standards Legislation

WESTERN AUSTRALIA

REGISTER NUMBER	
13/D88837	
DUPLICATE EDITION	DATE DUPLICATE ISSUED
1	16/12/2015

VOLUME 2218 FOLIO 361

RECORD OF CERTIFICATE OF TITLE

UNDER THE TRANSFER OF LAND ACT 1893

The person described in the first schedule is the registered proprietor of an estate in fee simple in the land described below subject to the reservations, conditions and depth limit contained in the original grant (if a grant issued) and to the limitations, interests, encumbrances and notifications shown in the second schedule.

REGISTRAR OF TITLES

REGISTRAR OF TITLES WESTERN AUSTRALIA

LAND DESCRIPTION:

LOT 13 ON DIAGRAM 88837

REGISTERED PROPRIETOR:
(FIRST SCHEDULE)

QUIRKO INVESTMENTS PTY LTD OF 361 MARINE TERRACE GERALDTON

(T N198741) REGISTERED 10/12/2015

LIMITATIONS, INTERESTS, ENCUMBRANCES AND NOTIFICATIONS:
(SECOND SCHEDULE)

1. *H957185 MEMORIAL. HERITAGE OF WESTERN AUSTRALIA ACT 1990. AS TO PORTION ONLY. LODGED 13/12/2001.
2. *N198743 CAVEAT BY SHIRE OF IRWIN LODGED 10/12/2015.

Warning: A current search of the sketch of the land should be obtained where detail of position, dimensions or area of the lot is required.
* Any entries preceded by an asterisk may not appear on the current edition of the duplicate certificate of title.
Lot as described in the land description may be a lot or location.

----------END OF CERTIFICATE OF TITLE----------

STATEMENTS:

The statements set out below are not intended to be nor should they be relied on as substitutes for inspection of the land and the relevant documents or for local government, legal, surveying or other professional advice.

SKETCH OF LAND:	D88837
PREVIOUS TITLE:	1299-643, 1841-282
PROPERTY STREET ADDRESS:	290 POINT LEANDER DR, DONGARA.
LOCAL GOVERNMENT AUTHORITY:	SHIRE OF IRWIN

LANDGATE COPY OF ORIGINAL NOT TO SCALE 31/01/2020 01:28 PM Request number: 60275231

Landgate
www.landgate.wa.gov.au

ATTACHMENT 3: CEO01-03/20S

Business Plan for a Major Land Transaction



Business Plan

Proposed Major Land Transaction

Shire of Irwin - March 2020

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1 Executive Summary

Batavia Health Pty Ltd closed the Dongara Medical Centre on 24 January 2020 which has had a significant impact on residents, particularly as the Shire has a significant aged demographic and other critical medical requirements within the community. With the very short notice of the pending closure, the Shire began looking at options to maintain a medical service in town. There is also at the same time a critical shortage of GPs in regional WA. The critical elements for attracting GPs to Dongara is the ability to provide them the appropriate medical facility through a peppercorn lease together with other incentives such as housing assistance and a vehicle.

The benefit to the Dongara / Port Denison community lies not just with the provision of local medical services but the flow-on effect to local business, population growth and the local economy as a whole.

During February 2020, the Shire held comprehensive community consultation and feedback sessions together with a community survey. There is an overwhelming mandate from the community for the Shire to act, acquire the Dongara Medical Centre and fund the associated medical services to be offered, rather than pursue projects such as the development of the foreshore. However, the contentious issue was the source of the funding, and in particular, if it were to potentially affect rates. As stated in the report, the results from the consultation sessions were inconclusive.

Based on the strong community mandate to purchase the Dongara Medical Centre, the proposed purchase would be financed through the State's central financial services provider, Western Australian Treasury Corporation (WATC). The Shire's Debt Service Ratio is at the minimum level for WATC's risk assessment team to approve the loan. To ensure approval of the loan, it is proposed to include a rate increase to service the loan repayments. On the loan necessary to acquire the Dongara Medical Centre, the rate increase to service the loan would be approximately 1.9%. Any proceeds from the sale of Shire assets, co-contributions from industry or any other funding source nominated for the Dongara Medical Centre will proportionally reduce the rate increase.

It is recommended that Council acquires the Dongara Medical Centre, equipment, furniture and medical records from Quirko Investments Pty Ltd for $1,450,000 using a WATC loan by:

- Complying with the appropriate acts and regulations;
- Considering any submissions resulting from the public notice period under Section 3.59 of the *Local Government Act 1995*;
- Writing to the Minister and lobby the necessary agencies for approval to charge a flat fee on the notice of rates, specifically for the Dongara Medical Centre. This would negate the need for the percentage rate increase and instead appear as a transparent annual fee that can easily be adjusted during the life of the loan and terminated at the end of the loan term;
- Should the percentage rate increase be the only option available to the Shire, investigate opportunities to apply differential rates to assist with rate equity;
- Reducing the borrowing amount by attracting corporate contributions;
- Placing Shire-owned Kennedy Heights properties on the market and using the proceeds to offset the loan; and
- Dependent on the above outcomes, secure a loan up to $1,450,000 on the basis of a rate increase on the 2019/20 total rate revenue in the 2020/21 Budget to service the loan repayments.

2 Introduction

The purpose of this Business Plan is to:

- Advise the community that the Shire proposes to undertake a Major Land Transaction in respect to the proposed acquisition of the medical facility to meet the community's needs for a local general practitioner.
- Provide the opportunity for the community to make submissions on the Business Plan; and
- Satisfy the requirements of Sections 3.58 and 3.59 of the Local Government Act 1995.

3 Background

3.1 General

Batavia Health closed the Dongara Medical Centre on 24 January 2020 which has had a significant impact on residents. With very short notice of the pending closure, the Shire began looking at options to maintain a medical service in town. There is a critical shortage of GPs in regional WA and a critical element of attracting GPs to Dongara is the ability to provide them a great facility at effectively no cost, together with other incentives.

The benefit to the Dongara / Port Denison community lies not just with the provision of local medical services but the flow-on effect to local business, population growth and the local economy as a whole.

In the past, General Practitioner (GP) services within the Shire have been privately owned and operated. The facilities for the GP services over the years included the use of Shire-owned buildings, also renting suitable space in the WA Country Health Services (WACHS) health centre on Blenheim Road.

In 2014, Batavia Health Pty Ltd (Quirko Investments Pty Ltd as trustee for the Quirke Family Trust) together with the support of the Shire, decided to build a privately-owned medical centre at 290 Point Leander Drive, Dongara. In December 2014, after a series of Council meetings, a 5,220 square metre portion of Shire-owned land was authorised by Council to be sold to Quirko Investments Pty Ltd for a medical centre. Construction of the medical centre commenced in November 2015 and was completed in January 2017. The occupancy permit was issued in March 2017.

Since opening in 2017, the practice has had only one full-time GP as Batavia Health was unable to recruit additional GP's that were prepared to work in Dongara. The full-time GP was based in Geraldton and travelled between Geraldton and Dongara on a daily basis to provide services to the local community. Batavia Health had also been supporting the Dongara Medical Centre with visiting doctors from its Geraldton practice, who attended three days a week as a short-term solution. However, this arrangement proved unsustainable in the longer term. Dongara's only full-time GP left the Dongara Medical Centre on 24 January 2020, after which the Dongara Medical Centre's owner, Batavia Health, ceased operations in the Shire of Irwin due to the major challenge of attracting doctors. The Shire was first notified on Monday 16 December 2019 of Batavia Health's intent to close the medical practice in Dongara.

Given the Shire's aged demographic and other critical medical requirements within the community, Council held a confidential (due to commercially sensitive information) Special Council Meeting on 19 December 2019. This meeting was held to address this crisis situation and resolved to support the continuation of this essential service for the community in the short term, by retaining existing medical centre staff and associated services and attempting to recruit locum (temporary) doctors.

In parallel, the Shire commenced work on a more permanent solution, which included two community

consultation and feedback sessions held 6 and 27 February 2020 respectively. The purpose of the consultation was to gather the necessary information in order to present a recommendation to Council for the preferred solution at the 24 March 2020 Ordinary Council Meeting, or sooner if possible.

3.2 Community Consultation

To understand the views of the community and to ensure that the option selected reflects its needs, the Shire together with Aha Consulting developed a survey. The survey contained 15 questions and was available for completion either online or by hand with a closing date of Wednesday, 12 February 2020. The surveys were mailed to residents on 30 January 2020.

To assist residents in completing the survey, the Shire arranged two community consultation sessions held Thursday, 6 February at 10:30am and 6:00pm at the Irwin Recreation Centre Function Room. Approximately 500 community members attended the consultation sessions and over 900 completed surveys were received.

Subject matter experts that participated in the consultation sessions included:

- WA Country Health Services – Regional Medical Director & Acting Operations Manager, Midwest Murchison
- Rural Health West – General Manager, Workforce & Manager Workforce Solutions
- St John Ambulance – Local volunteers T Wisewould and S Rogers.

The main areas of feedback contained in the survey were:

- Should the Shire do something and specifically acquire the existing Dongara Medical Centre and fund the associated services to be offered by a medical centre?;
- For doing something, should the funding be additional rates or redirecting Shire reserves for the building acquisition and services to be offered?;
- If funding was additional rates, what level of rate increase?;
- The importance of what services to be provided through the medical centre;
- The expectation of GP appointment wait times in days;
- General questions regarding the expected use of the medical centre; and
- Miscellaneous demographic questions.

Referring to the attached Medical Centre Consultation Report by the independent consultant Aha Consulting, there was an overwhelming response that the Shire:

- Acquires the Dongara Medical Centre and offers a peppercorn lease to a suitable GP business in establishing the Dongara Medical Centre; and
- Funds the acquisition and associated services to be offered by redirecting existing Shire funds instead of increasing rates.

In terms of the services to be supported by the Medical Centre, high importance was placed by the majority in regards to the following:

- Sufficient GPs to service the community with 1 to 5 day appointment wait times;
- Support WACHS health centre Emergency Department; and
- Support WACHS residential care services for Blake House.

The *unknowns* discussed at the consultation sessions included:

- Selling of Shire-owned residence on Kennedy Heights
    - What it will sell for?
    - How long it would take to sell?
    - When is the best time to sell?
- Drought funding
    - The conditions of use for that funding?
- Co-contribution from large industry in the region
    - Who and how much money would be involved?

The Shire provided the option for community members to complete another survey at the consultation sessions, these results provided different outcomes to the postal survey when residents were furnished with additional information. The first major outcome was the consideration of different options for the medical facility. Listed below are those options, which includes feedback from the Shire provided at the sessions:

- Use of the Blenheim Road Health Centre rooms:
    - Not possible during their proposed refurbishment works commencing later in 2020 for a period of two or more years.
    - WACHS to provide feedback as to whether there would be rooms available in the new layout for GPs, but this would be after the completion of the refurbishment works.

- Leasing the Medical Centre from Batavia Health:
    - Approximately 2% of rates would be going outside the Shire to Batavia Health. It would be better for these rates to stay in the community, which would mean acquiring the facility as a community asset;
    - Short-term leasing will impact the ability to recruit GPs and locums, unless it was a 5 year lease which is the standard term for local government contracts with GPs;
    - A 5 year lease for the Dongara Medical Centre would cost ratepayers approximately $600,000;
    - The only real benefit of leasing is to allow sufficient time to renovate another site.

- Renovate another site – examples include the Irwin Recreation Centre's Ocean Room:
    - Whilst a cheaper option than buying the Medical Centre, the loan repayment saving is not the dominant factor as it is estimated to be less than $50,000 per year. The major issue with this option is that it restricts the GP's ability to generate sufficient revenue possibly resulting in the practice running at a loss, which in turn will become a rate burden on the community. The impact on rates could be $250,000 or higher to maintain the desired levels of service as requested in the postal survey results, or risk repeating the situation where less than half of the population have access to the local GP.

- Quirko Investments Pty Ltd to sell to a private buyer/GP:
    - The price to a private buyer would be in the vicinity of $2,000,000 due to the inclusion of the carpark. Without Shire involvement, the rate of return on investment would be around 2%, which is not an attractive investment opportunity particularly when considering the risks associated with this type of investment;
    - A number of larger medical practices have been approached, but there has been little interest;
    - It appears that the population threshold for a self-sustaining practice is around 5,000.

Referring to the attached consultation report, there was a large variation of views between the morning and evening consultation sessions once the community was furnished with the above information and participated in associated discussion. The evening session accepted the rate rise, or a combination of a smaller rate rise together with the input of Shire funds, as a reasonable course to acquire the Dongara Medical Centre and fund the associated medical services to be offered. The morning session favoured the Shire using discretionary funds only. There was little support from both sessions to renovate a Shire building, though there was some support to lease the Dongara Medical Centre for a period to allow time to investigate other options.

As a courtesy to those who attended the consultation sessions held 6 February 2020 and others that may be interested, the Shire arranged two community consultation feedback sessions held 27 February 2020 at 3:30pm and 6:30pm at the Irwin Recreation Centre's Function Room. There were approximately 60 attendees across both sessions, where Aha Consulting provided the community with public feedback from the consultation report findings.

In summary, there is a strong mandate from the community for the Shire to acquire the Dongara Medical Centre and fund the associated medical services to be offered, rather than pursue projects such as the development of the foreshore. However, the contentious issue was the source of the funding, and in particular, if it were to potentially affect rates. As stated in the report, the results from the consultation sessions were inconclusive.

3.3 Medical Centre Facility

The Shire commissioned Opteon, as per the attached report, to independently value the Dongara Medical Centre at 290 Point Leander Drive, Dongara. The value came back at $1,250,000 for the land and building, but excludes the carpark, furniture, equipment, consumables and professional practice goodwill (9 years of medical records for 2,883 patients).

The overall price breakdown including furniture, equipment, consumables and professional practice goodwill, but excluding the carpark is as follows:

$1,250,000	Land and building excluding carpark
$136,777	Furniture and medical equipment less depreciation
$34,926	IT hardware, computer and phone systems less depreciation
$144,150	Professional practice goodwill (9 years of medical records for 2883 patients)
$7,474	Consumables
$1,573,327	

To acquire the Dongara Medical Centre, Quirko Investments Pty Ltd have set the sale price to $1,450,000 which includes the land, building, furniture, equipment, carpark and professional goodwill (medical records with history). This is a walk out / walk in sale where the facility is effectively brand new, fully equipped and certified. The practice includes pathology and surgery rooms. With the purchase of the facility, the Shire will be able maintain a medical service in town including the pathology service.

As noted above, the Shire is seeking co-contribution from large industry in the region towards the purchase price of the facility.

Based on the strong community mandate to purchase the Dongara Medical Centre, the proposed purchase would be financed through the State's central financial services provider, Western

Australian Treasury Corporation (WATC), who offer interest rates in the vicinity of 1.2% to 2.4% depending on the loan term. The estimated annual repayment for a loan term of 20 years is approximately $90,000. The Shire's Debt Service Ratio is at the minimum level for WATC's risk assessment team to approve the loan. To ensure approval of the loan, it is proposed to include a rate increase on the 2019/20 total rate revenue in the 2020/21 Budget to service the loan repayments. On a $1,450,000 loan, the rate increase to service the loan would be approximately 1.9%. Any proceeds from the sale of Shire assets, co-contributions from industry or any other funding source nominated for the Dongara Medical Centre will proportionally reduce the rate increase. The Shire will ensure the proposed loan has flexibility to be paid off early or that the interest payable over the life of the loan is affordable should the loan be paid off early.

It is proposed that this rate increase is for the life of the loan and a proportional adjustment is made at the end of the loan to reduce the rates by the amount of the increase for the medical centre.

The proposed loan would require local public notice for a period of one month under Section 6.20 (2) (a) of the *Local Government Act 1995*. This local public notice is non-binding and does not commit the Council to proceeding with the loan at the end of the notice period.

The proposed purchase is considered a major land transaction under Section 8A (1) (b) of Part 3 in the *Local Government (Functions and General) Regulations 1996*. In accordance with Section 3.59 of the *Local Government Act 1995*, the Shire must, before entering into a major land transaction:

- Give statewide public notice for a period of 6 weeks of its proposal to enter into a major land transaction;
- Prepare a business plan and make it available during this period;
- Accept any public submissions about the proposed transaction during this period; and
- Consider any public submissions before a final recommendation to Council

It is recommended that Council acquires the Dongara Medical Centre, equipment, furniture and medical records from Quirko Investments Pty Ltd for $1,450,000 using a WATC loan by:

- Complying with the appropriate acts and regulations;
- Considering any submissions resulting from the public notice period under Section 3.59 of the *Local Government Act 1995*;
- Writing to the Minister and lobby the necessary agencies for approval to charge a flat fee on the notice of rates, specifically for the Dongara Medical Centre. This would negate the need for the percentage rate increase and instead appear as a transparent annual fee that can be easily be adjusted during the life of the loan and terminated at the end of the loan term;
- Should the percentage rate increase be the only option available to the Shire, investigate opportunities to apply differential rates to assist with rate equity;
- Reducing the borrowing amount by attracting corporate contributions;
- Placing Shire-owned Kennedy Heights properties on the market and using the proceeds to offset the loan; and
- Depending on the above outcomes, secure a loan up to $1,450,000 on the basis of a rate increase on the 2019/20 total rate revenue in the 2020/21 Budget to service the loan repayments

3.4 Site Information

The subject site is located close to the main highway entry of the Dongara Town Centre, as indicated in the below figure. The site is accessed from Point Leander Drive just south of the Moreton Terrace/Point Leander Drive roundabout and just north of the Irwin River bridge.

In 2016 the site was developed with the construction of the medical centre building and public carpark. The 401 sqm building provides a large reception/waiting room, six consulting rooms, a large treatment room, lunch/staff room, secondary small waiting room and ablutions.



Site Land information

The following information relates to the Dongara Medical Centre site in its entirety:

Land Details

Freehold Lot 13 on Diagram 88837, Volume 2218 Folio 361

Site area is 5,217 sqm.

Land Ownership

The Registered Proprietor is Quirko Investments Pty Ltd of 361 Marine Terrace, Geraldton WA 6530 with an ownership date from 10 December 2015.

Encumbrances

The following notations are registered on the Certificate of Title:

1. H957185 Memorial – Heritage of Western Australia Act 1990. As to portion only. Lodged 13 December 2001.

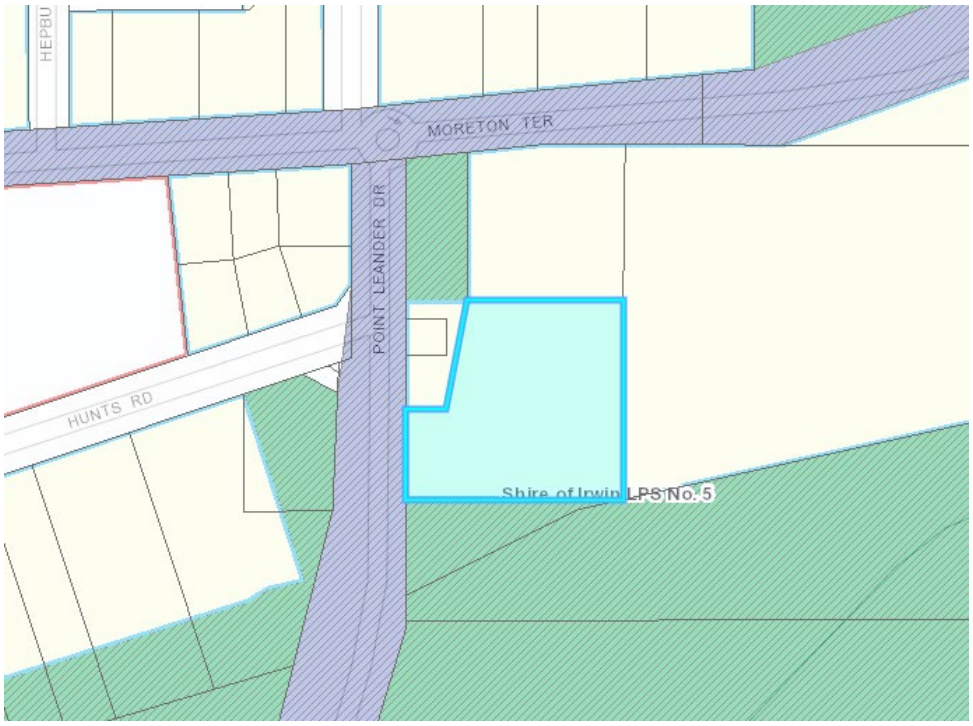
2. N198743 Caveat – relating to deed titled ‘Sale of Lot 13 Point Leander Drive, Dongara’. Lodged 10 December 2015.



The deed contained within the Caveat details the restricted use of the site for the provision of medical and allied health services for a minimum of 10 years being 2025.

Land Zoning

Under the Shire of Irwin’s current Local Planning Scheme No 5 the subject property is zoned ‘Town Centre’.



Current Use

The site has been operating as the Dongara Medical Centre from 2016.

Heritage

The memorial placed on the title relates to the State Heritage listed Moreton Bay Fig Trees and the well which is located next to the former Irwin Roads Board building. In 2015 the land parcels were rearranged which resulted in the State Heritage listed places no longer being contained within the subject site. The memorial remains on the title of Lot 13, however, only now relates to these heritage significant places adjacent to the site.

4 Legislative Requirements

4.1 Preparation of a business plan

In accordance with Section 3.59 of the *Local Government Act 1995*, before a local government enters into a major land transaction the local government is to prepare a Business Plan.

The clear purpose of Section 3.59 is to demonstrate that a proposed major transaction will not compromise the ability of the local government to deliver its core functions. The requirements of a Business Plan ensure's the impact of the transaction on the Shire's operations is considered and the Shire's ability to manage the transaction is assessed prior to proceeding with the transaction.

The Business Plan is to include an overall assessment of the major land transaction and is to include details of:

a) Its expected effect on the provision of facilities and services by the local government;
b) Its expected effect on other persons providing facilities and services in the district;
c) Its expected financial effect on the local government;
d) Its expected effect on matters referred to in the local government's forward plan;
e) The ability of the local government to manage the performance of the transaction; and
f) Any other matter prescribed for the purpose of this subsection.

The *Local Government Act 1995* also requires the local government to:

(4) The local government is to —

(a) give Statewide public notice stating that —

(i) the local government proposes to commence the major trading undertaking or enter into the major land transaction described in the notice or into a land transaction that is preparatory to that major land transaction; and

(ii) a copy of the business plan may be inspected or obtained at any place specified in the notice; and

(iii) submissions about the proposed undertaking or transaction may be made to the local government before a day to be specified in the notice, being a day that is not less than 6 weeks after the notice is given;

and

(b) make a copy of the business plan available for public inspection in accordance with the notice; and

(c) publish a copy of the business plan on the local government's official website.

A major land transaction means the acquisition, disposal or development of land where the value of the transaction is more than the amount prescribed by regulation. In the case of the Shire of Irwin,

that amount is defined in the *Local Government (Functions and General) Regulations 1996* as the lesser of –

a) $2,000,000; or
b) 10% of the operating expenditure incurred by the Shire from its municipal fund in the last completed financial year.

The proposed acquisition of the medical centre will constitute a major land transaction, in accordance with the *Local Government Act 1995.*

4.2 Absolute Majority

Once Council has considered any public submissions, it may then resolve to proceed with the major land transaction, in accordance with Section 3.59(5) of the *Local Government Act 1995.* The voting requirement for this decision is required to be by absolute majority.

5 Assessment of Major Land Transaction

5.1 Effect on the provision of facilities and services by the Shire

The provision of a medical centre and private General Practice (GP) providers has no effect on other Shire facilities and services, as it will be the only service of its kind in the Shire.

5.2 Effect on other persons providing facilities and services in the district

There are no other private General Practice (GP) providers in the Shire. The Shire acquiring the Dongara Medical Centre and employing residential GP's provides a wholistic approach to the provision of medical services within the Shire. An important requirement is for the private GP to support the WA Country Health Services (WACHS) health centre Emergency Department and Blake House.

5.3 Expected financial effect on the Shire of Irwin

The financial implications include:

- The 2019/20 Budget Review adopted by Council at the 25 February 2020 Ordinary Council Meeting captured funding for:
    - Principal GP vehicle purchase - $65,000;
    - Housing allowance - $2,170 per month; and
    - Medical Centre lease, locum rental cars and housing - $38,000 per month until 30 June 2020
- 2020/21 Budget - $95,000 allowance for medical centre loan repayment plus operating costs, housing subsidy and use of the car.

5.4 Effect on matters referred to in the plan for the future

Strategic Community Plan 2017 - 2027
3.1.2 Advocate for retention of existing and enhanced facilities and health and social support services

4.1.3 Maintain effective working relationships with relevant stakeholders

5.5 Ability of the Shire to manage the undertaking

The critical success factors for the Shire to manage the undertaking will be administered inside a formal contract between the Shire and the Principal GP and includes the following:

- Target three GPs with a minimum of two being residential in the Shire;

- GP key performance indicators (KPIs) – centre operating hours, patient waiting times, GP sessions;
- GPs to provide support to WACHS health centre including the Emergency Department and Blake House;
- Shire provides the building under a peppercorn lease arrangement;
- The principal GP receives all the billing revenue, which is the primary source of income;
- GP responsibilities include: admin staff wages, nurses wages, engagement of locums when required, medical consumables, staff amenities, cleaning, needle disposal, shredding, sanitary waste, billing revenue, other administration costs (accounting, bank charges, freight, laundry, stationery, postage);
- The Shire provides up to three GPs a suitable vehicle including operating costs;
- The Shire provides up to three GPs a housing allowance;
- The Shire will own and maintain the IT system and software including medical records, however, access to medical records will be restricted to the Principal GP and approved medical centre staff;
- The Shire will own and maintain the building, furniture and equipment;
- The Shire will be responsible for the pathology service including receiving rental revenue;
- The Shire will be responsible for allocating rooms to WACHS Allied Health Services during the refurbishment of the Health Centre including receiving rental revenue;
- Encourage regional support to surrounding towns;
- Customer complaints to be managed by the Shire;
- Where patients pose a hazard to the safety or wellbeing of practice staff, the principal GP must consult with the Shire CEO before any long-term remedial action is taken, such as banning the patient from the medical centre; and
- Regular meetings with the Shire CEO and Council to ensure service delivery KPIs are being achieved and to monitor the overall financial viability of the medical centre.

6 Business Plan Advertising and Submissions

Section 3.59 of the *Local Government Act 1995* requires the Shire to give statewide public notice of the major land transaction under consideration and inviting public submissions for a minimum period of six weeks.

A notice will be placed in the West Australian on Saturday, 14 March 2020 and in the Dongara Denison Local Rag on Wednesday, 11 March 2020. This notice and business plan will also be available to view on the Shire's website www.irwin.wa.gov.au and available for inspection at the Shire's Administration Centre.

Submissions are to be made in writing to the Chief Executive Officer and received no later than 12.00pm, 27 April 2020.

Submissions are to be addressed to:

Chief Executive Officer
Shire of Irwin
PMB Box 21
DONGARA WA 6525

ATTACHMENT 4: CEO01-03/20S

Rural Health West – Annual Workforce Update November 2018

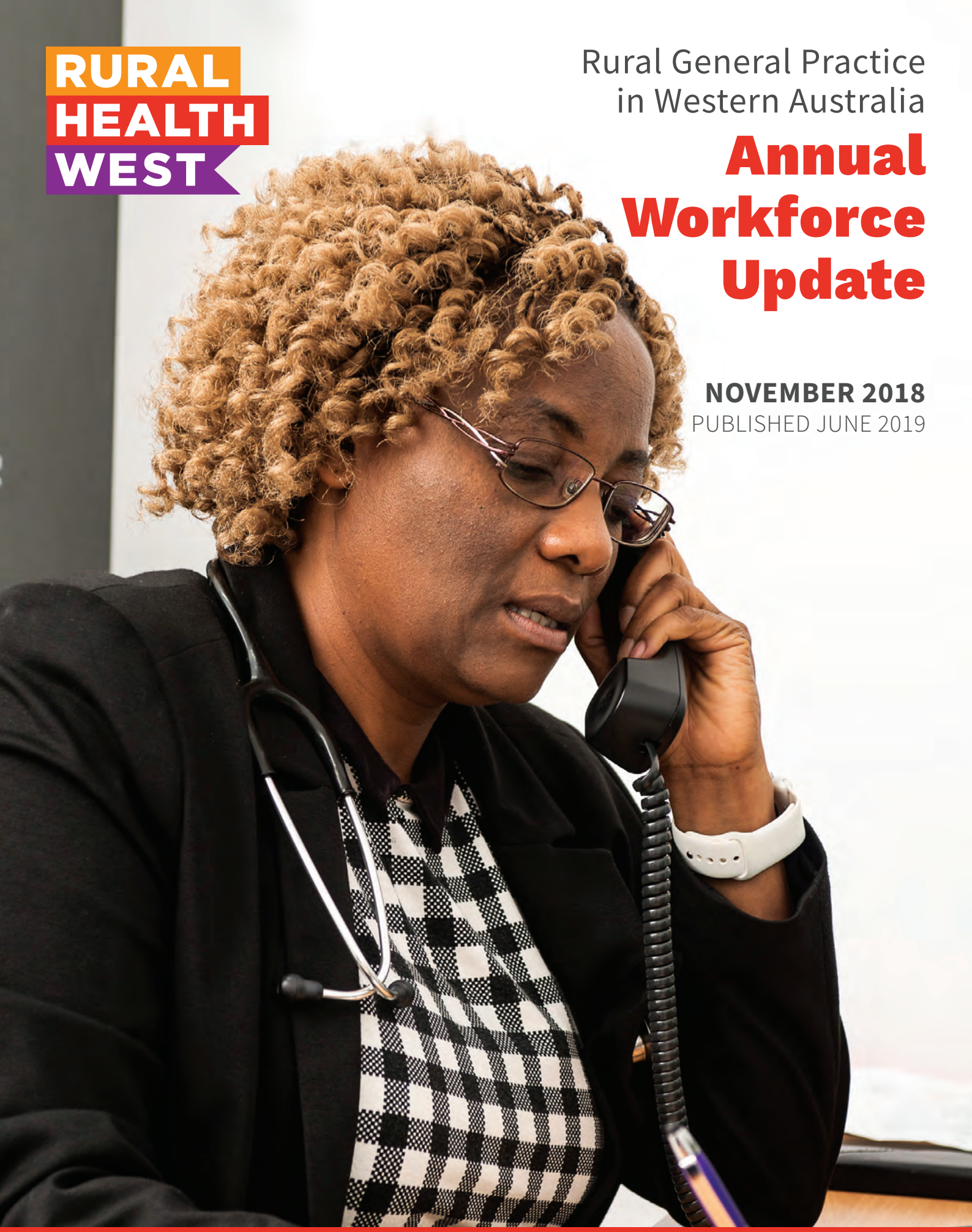
RURAL HEALTH WEST

Rural General Practice in Western Australia

Annual Workforce Update

NOVEMBER 2018

PUBLISHED JUNE 2019



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Rural Health West

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Limitations

Rural Health West acknowledges there are limitations with data collection for various reasons. Data specific to doctors who provide primary care services to country hospitals may be under-represented.

The information in this report was current at the census date of 30 November 2018.

Website

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June 2019

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Acronyms

ACCHO	Aboriginal Community Controlled Health Organisation
ACRRM	Australian College of Rural and Remote Medicine
ASGC-RA	Australian Standard Geographical Classification – Remoteness Area
DMO	District Medical Officer
GP	General Practitioner
IMG	International Medical Graduate
MDS	Minimum Data Set
MM	Modified Monash
MMM	Modified Monash Model
RFDS	Royal Flying Doctor Service
RRMA	Rural, Remote and Metropolitan Areas
RVTS	Remote Vocational Training Scheme
SMO	Senior Medical Officer
WA	Western Australia
WACHS	WA Country Health Service
WAGPET	Western Australian General Practice Education and Training Limited

1 Introduction

Rural Health West has been part of the rural health landscape since 1989. We believe that everyone, everywhere is entitled to good health and that distance should be no obstacle in accessing healthcare.

We are an independent non-government organisation committed to ensuring that rural communities in WA have ready access to qualified and experienced health professionals.

We work towards this vision by attracting, recruiting and retaining medical and health professionals to rural locations through a range of programs and services. Over 30 years, we have developed strong relationships with rural health professionals and practices.

Rural Health West maintains a robust database of GPs providing primary care services across rural WA. It is the most comprehensive database of rural GPs working in WA.

This database in updated through ongoing contact with rural GPs and practices and through annual GP and bi-annual practice surveys. There was a 64.7% response rate to the 2019 GP survey and a 78% response rate to the practice survey. This response rate provides a high level of confidence in the validity of the information provided.

Each year, the information Rural Health West maintains is collated, de-identified and compiled into a detailed annual report titled *Rural General Practice in Western Australia – Annual Workforce Update* (formerly known as the *Minimum Data Set (MDS) Report and Workforce Analysis Update*).

The Update provides an overview of findings, changes and trends in the rural general practice workforce to inform workforce planning and policy decisions.

The information in this report was current at the census date of 30 November 2018.

Please note:

- The Modified Monash Model uses MM 2 to 7 category locations to describe the rural workforce, therefore Mandurah (and other RA 2/MM 1 category locations) have been removed from the 2018 update. The implications to the dataset caused by this change are that approximately 170 GPs (predominantly from the Peel region) are excluded from this report as they have been classified as MM 1.
- Rural Health West uses ‘rural’ in place of ‘rural, regional and remote’ for brevity. All references to ‘rural’ should be taken as the broader definition.

2 Executive Summary

This section of the report sets out brief comparisons and trends for the rural general practice workforce in MM 2 to 7 categories in WA at the most recent census date of 30 November 2018.

Number of overall rural GPs

- As at 30 November 2018, the number of GPs known to be practising in MM 2 to 7 category locations was 838. This represented an increase of 0.8% from November 2017. Although still an increase in GPs, this growth in significantly lower than previous years.
- The fastest growing category of the workforce is GPs who fly-in/fly-out or drive-in/drive-out to their rural practices from the Perth metropolitan area or interstate. This year, there was growth of 29 GPs in this category. This cohort has been the fastest growing group since Rural Health West began separating them from their resident counterparts in 2012
- GP registrars undertaking their training in rural locations decreased by 17 at the November 2018 census date.
- There were approximately 170 doctors working in Mandurah (and other RA 2/MM 1 category locations) at the census date. These doctors are no longer classified by the Australian Government as part of the rural general practice workforce and this is reflected in a drop in the number of resident GPs and GP registrars overall.

Age and gender

- The average age of the rural general practice workforce was 47.8 years, 0.1 year higher than 2017.
- The average age of the overall rural general practice workforce has increased 3.5 years since 2001.
- GPs aged 55 and over made up 28.5% of the rural general practice workforce in 2018 compared to 26.6% in 2017.
- The proportion of female GPs reached a new peak in 2018; they now represent 43% of the rural general practice workforce.
- The Mandurah (and other RA 2/MM 1 category locations) cohort comprised a consistently high number of male doctors compared to other rural areas. Removing Mandurah (and other RA 2/MM 1 category locations) doctors from this dataset reveals that the proportion of female GPs in the overall rural general practice workforce has been increasing since 2008.

Location/Region

- The South West region was the most populous region with 256 GPs. This represents 30.6% of the rural general practice workforce.
- The Goldfields region experienced a loss of 10.1% (n=8) of its workforce between November 2017 and November 2018, while the Wheatbelt lost 3.6% (n=3) of its workforce.

Turnover

(Excludes WAGPET GP registrars)

- Turnover of the rural general practice workforce between 30 November 2017 and 30 November 2018 was 13.9%, an increase of 2.3% from the previous period.
- The percentage increase in the permanent workforce was only 1.4% between 2017 and 2018. This is in contrast to increases in previous years which included Mandurah (and other RA 2/MM 1 category locations) of 6.6% in 2017 and 4.4% in 2016.
- 100 GPs departed the rural general practice workforce during this period (16 more than in 2017) of which the most common destination was Perth (33.0%).
- 110 GPs joined the permanent rural general practice workforce during this period (15 fewer than 2017). The most common origin was Perth (31.8%).
- There were 10 fewer GPs who arrived directly from overseas than in 2017 (n=26). Of the 51 doctors who commenced working in rural WA for the very first time 35 (68.6%) were IMGs.
- 22 GPs joined the permanent rural general practice workforce from the WAGPET GP training program, representing 20% of all new arrivals. In 2011, only 5.4% of new arrivals were GP registrars choosing to stay on once Fellowed.
- Male and female GPs departed the rural general practice workforce at similar levels in 2018. However, there was proportionally more female GPs (3.8% increase in female GPs) than male GPs (-0.2%) commencing in the rural general practice workforce between November 2017 and November 2018. This continues the trend of increasing representation of female GPs in the rural general practice workforce.
- The Pilbara region experienced the greatest rate of GP departures, with 31.1% of its general practice workforce leaving between November 2017 and November 2018.The majority of these GPs returned overseas or moved to Perth. The Midwest region experienced the least outbound movement, with 10.1% of the region's GPs departing.
- 20.2% of all new arrivals established themselves in the South West region. Conversely, only 5.6% of new GPs went to the Goldfields and 7.3% to the Wheatbelt region.

Working hours

- The average self-reported hours worked in 2018 was 39.7 hours per week, compared to 40.4 hours in 2017, a drop of 0.7 hours.
- Male GPs in all age groups continued to work longer clinical hours per week than their female counterparts.
- The proportion of the respondents working part-time has increased 0.5% from 2017.
- GPs in the Midwest and Pilbara regions and GPs working MM 7 category locations work longer hours on average than the rest of the rural general practice workforce.

Length of employment *(excludes WAGPET GP registrars)*

- The average length of employment in current rural general practice was 7.6 years, 0.4 years higher than in 2017.
- The Great Southern region had the highest proportion of long-stay (>5 years) GPs (60.5% of its workforce) and the Goldfields region again the lowest proportion (8.7%).
- The majority of long-stay rural GPs were in MM 3 and 4 category locations. MM 6 and 7 category locations had the the lowest proportion of long-stay rural GPs.

Proceduralists

- There were 188 rural GP proceduralists (practising general anaesthetics, obstetrics or general surgery) as at 30 November 2018, 6 more than in 2017.
- GP anaesthetist numbers increased by 4 while GP obstetrician numbers decreased by 5 in 2018.
- The number of rural GP proceduralists performing more than 1 procedure has decreased markedly in the past decade. In 2007, 14 GPs practised all 3 procedures and 68 practised 2 procedures. In 2018, just 2 GPs practise all 3 procedures and 36 practise 2 procedures. Of those who practised 2 or more procedures, obstetrics was the most common procedural skill to be ceased.
- The GP proceduralist proportion of the overall workforce rose in 2018 by 0.5% to 22.4%. This is the first percentage rise since 2012.
- There are again more female proceduralists than in any previous year.

IMGs

- At November 2018, 53.6% of the rural general practice workforce in WA had obtained their medical qualification overseas.
- The number of IMGs arriving in rural WA dropped from 73 in 2017 to 53 in 2018.
- The largest proportion of IMGs arriving in 2018 gained their basic medical qualification in the United Kingdom/Ireland or India.
- 63.0% of the IMG workforce in 2018 were Fellowed, an increase of 3.0% from 2017. 14.7% were on a Rural Health West supported program (Five Year Overseas Trained Scheme, Rural Locum Relief Program and Forward to Fellowship), 13.4% were on an accredited training program, and 8.9% were not on any program towards Fellowship.
- In 2018, a greater proportion of IMG GPs were Australian Citizens and Permanent Residents, than in 2017.

GP registrars

- There were 112 rural GP registrars in the rural general practice workforce at 30 November 2018, training under two GP training organisations – WAGPET and the Remote Vocational Training Scheme (RVTS). This is 17 fewer rural GP registrars than 2017.
- 51.8% of the rural GP registrar workforce completed their primary medical qualification overseas, the highest proportion to date.
- Of the rural GP registrars who completed their primary medical qualification in Australia, 75.9% graduated from WA universities.

ACCHO practices *(excludes WAGPET GP registrars)*

- 67 GPs worked in a rural ACCHO as their primary practice, an increase of 7 from 2017. The proportion of ACCHO employed GPs, increased from 8.3% in 2017 to 9.2% in 2018.
- The proportion of IMGs in rural ACCHO practices decreased from 35.0% in 2017 to 34.3% in 2018 and remains much lower than that of the non-ACCHO employed workforce.
- 18.3% of GPs working in ACCHO practices departed between November 2017 and November 2018. This was slightly lower turnover than the previous 12-month period, which saw 19.0% of ACCHO employed GPs depart. Although the turnover rate of GPs working in ACCHOs has declined since 2013, this turnover rate remains higher than the non-ACCHO employed workforce.
- Rural ACCHO practices continued to have a consistently greater proportion of female GPs compared to the overall workforce (59.7%).

3 Data collection and analysis strategies

Since 2001, Rural Health West has maintained a robust database of the rural general practice workforce in WA. Rural Health West collects information about rural general practice workforce participation on an ongoing basis from sources including:

- Annual Rural General Practice Workforce Survey
- Bi-annual Practice Survey
- WAGPET
- RVTS
- Australian Health Practitioner Regulation Agency registers
- Personal contact with rural practices and GPs

Historically, the locations from which data was collected and reported on were defined as Rural, Remote and Metropolitan Areas (RRMA) Classifications 4 to 7. In July 2010, the Australian Standard Geographical Classification – Remoteness Area (ASGC-RA) system replaced RRMA and thus Rural Health West then used ASGC-RA 2 to 5 locations to report on the rural general practice workforce. Medicare Local boundaries were used in the 2012 to 2014 reports, but were excluded in 2015 in light of the ceasing of these entities. WACHS regional boundaries were added in 2015.

In July 2017, a new rural classification system – Modified Monash Model (MMM) – was introduced by the Australian Government. Accordingly, the *Rural General Practice in Western Australia Annual Workforce Update 2017* reported using RA 2 to 5 locations to determine the scope of the workforce, but Modified Monash (MM) 2 to 7 category locations and WACHS regions to describe the workforce. In this 2018 report, the workforce is now described by MM 2 to 7 category locations and WACHS regions only.

The implications to the dataset caused by this change are that approximately 170 GPs (predominantly from the Peel region) are excluded from this report as they have been classified as MM 1.

Depending on their location, WACHS District Medical Officers (DMOs) and Senior Medical Officers (SMOs), are considered to perform GP-type services in their communities and are included in this analysis. Those in the larger regional centres of Albany, Bunbury, Geraldton, Kalgoorlie and Northam are excluded because these doctors are not considered to be performing primary GP services, due to the size of the hospitals and the number of community-based GPs in these locations.

The Rural General Practice Workforce Survey was distributed in September 2018 to all doctors on the Rural Health West database identified as working in rural WA.

Overall, there was a 64.7% response rate to the rural GP survey. This high response rate enables Rural Health West to offer contemporary valid data about trends in the WA rural general practice workforce to support workforce policy and planning. This report presents data as at 30 November 2018, and where appropriate, makes comparisons with data from previous years.

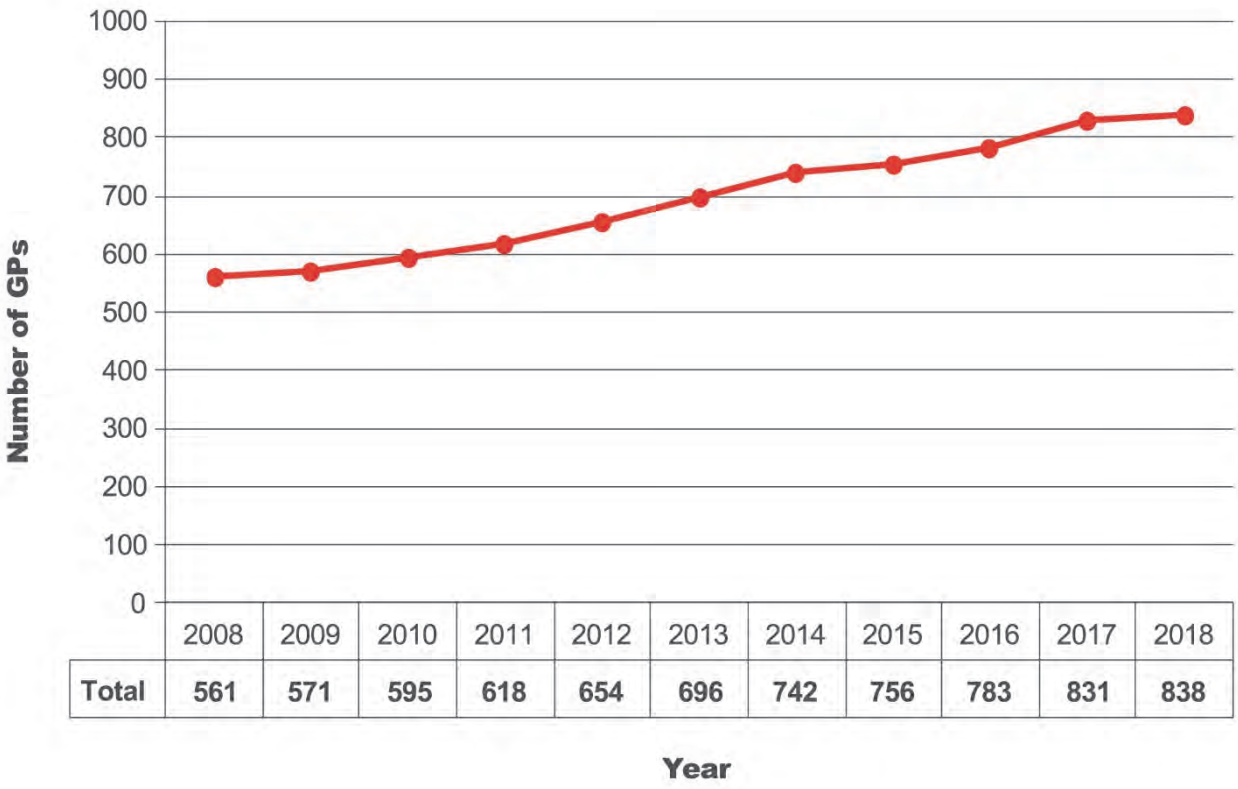
It is acknowledged that by its nature the data collated is a census at a particular point in time and as such, caution should be taken when drawing inference from the data.

4 Demographics of the overall rural general practice workforce as at 30 November 2018

This section describes the overall rural general practice workforce by year, service model, age, gender and location and includes private practice GPs, GP registrars, Royal Flying Doctor Service (RFDS) Western Operations GPs, ACCHO employed GPs and regional hub hospital DMOs and SMOs. GPs working in the former RA 2 locations that are now MM1 category locations (predominantly Mandurah and other RA 2/MM 1 category locations) have been removed from all previous years' data to enable a valid comparison.

Figure 1 shows the number of GPs working in rural WA at the census date of November 30 each year from 2008 to 2018.

Figure 1 Rural general practice workforce 2008 to 2018



	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Total	561	571	595	618	654	696	742	756	783	831	838

As at 30 November 2018, there were 838 GPs known to be practising in MM 2 to 7 category locations. This represented an increase of 0.8% from 30 November 2017.

Although still an increase in the number of rural GPs, it shows a possible slowing of growth given that in previous years rural GP numbers have increased by approximately 3% to 8% per annum. Previous workforce analyses have noted rural GP increases of approximately 3% to 8% per annum. A possible reason for the lesser increase is the removal of the MM 1 (former rural) category locations, which experienced large increases each year.

Models of service provision in rural WA

Table 1 indicates the number of GPs in each primary model of service provision in rural WA, based on the national MDS data dictionary classifications.

Table 1 Rural GP numbers by primary model of service provision 2017 v 2018

Primary model of service provision	2017	2018	Difference	
Resident GP	482	486	4	*0.8%*
Fly-in/fly-out*	104	133	29	*27.9%*
Member of a primary health care team**	45	46	1	*2.2%*
Hospital-based GP (DMO/SMO)	69	59	-10	*-14.5%*
GP registrar	129	112	-17	*-13.2%*
Other	2	2	0	*0.0%*
Total	**831**	**838**	**7**	***0.8%***

* Includes fly-in/fly-out and drive-in/drive-out GPs working for the RFDS Western Operations, WACHS DMOs and SMOs, ACCHO practices and private GPs

** Primarily ACCHO practices

Overall, the rural general practice workforce grew by 0.8% between November 2017 and November 2018.

The category that recorded the most growth was GPs who fly-in/fly-out or drive-in/drive-out to their rural practices from the metropolitan area or interstate. This year showed an additional 29 GPs in this category, which represents a 27.9% growth in this cohort between November 2017 and November 2018. This cohort has been the largest growing group in rural WA since Rural Health West began separating them from their resident counterparts in 2012.

Rural GP registrar numbers decreased by 17 doctors at the November 2018 census date. This is partially due to the removal of the Mandurah (and other RA 2/MM 1 category locations) from the dataset (in 2017 there were 24 MM 1 registrars – mostly Mandurah-based) and Australian College of Rural and Remote Medicine (ACRRM) GP registrars, who are now included in the fly-in/fly-out, drive-in/drive-out, ACCHO or WACHS categories. As at 30 November 2018, there were 112 registrars in rural WA, 106 training with WAGPET and 6 training with RVTS.

These figures do not include short-term locums who may be temporarily covering vacancies in the permanent rural general practice workforce.

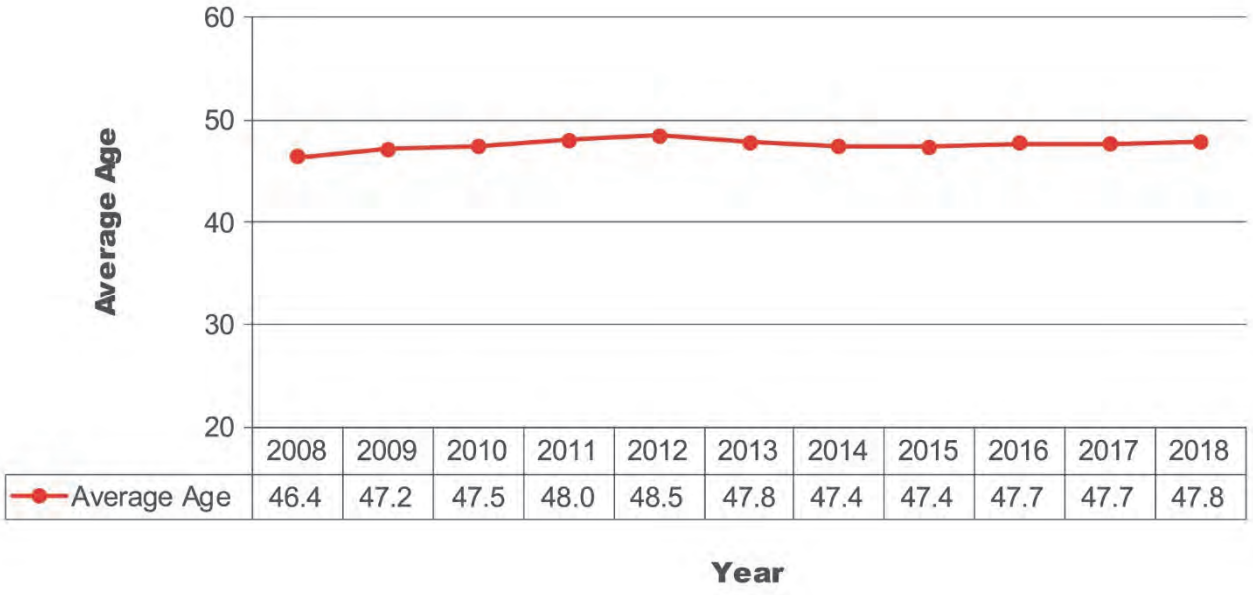
Rural GPs by age and gender

Average age of rural GPs

The average age of rural GPs at 30 November 2018 was 47.8 years, 0.4% higher than that in November 2017.

Figure 2 compares the average age of all rural GPs since 2008. The average age of rural GPs at November 2018 was higher than the average age in November 2008. The average age of rural GPs peaked in 2012, but has gradually decreased and been relatively stable since then. This lower average age since 2012 is attributable to increasing numbers of GP registrars entering the workforce who form a younger cohort (see Figure 19). Since Rural Health West began collecting data in 2001, the overall workforce has aged 3.5 years.

Figure 2 Average age of the rural general practice workforce 2008 to 2018



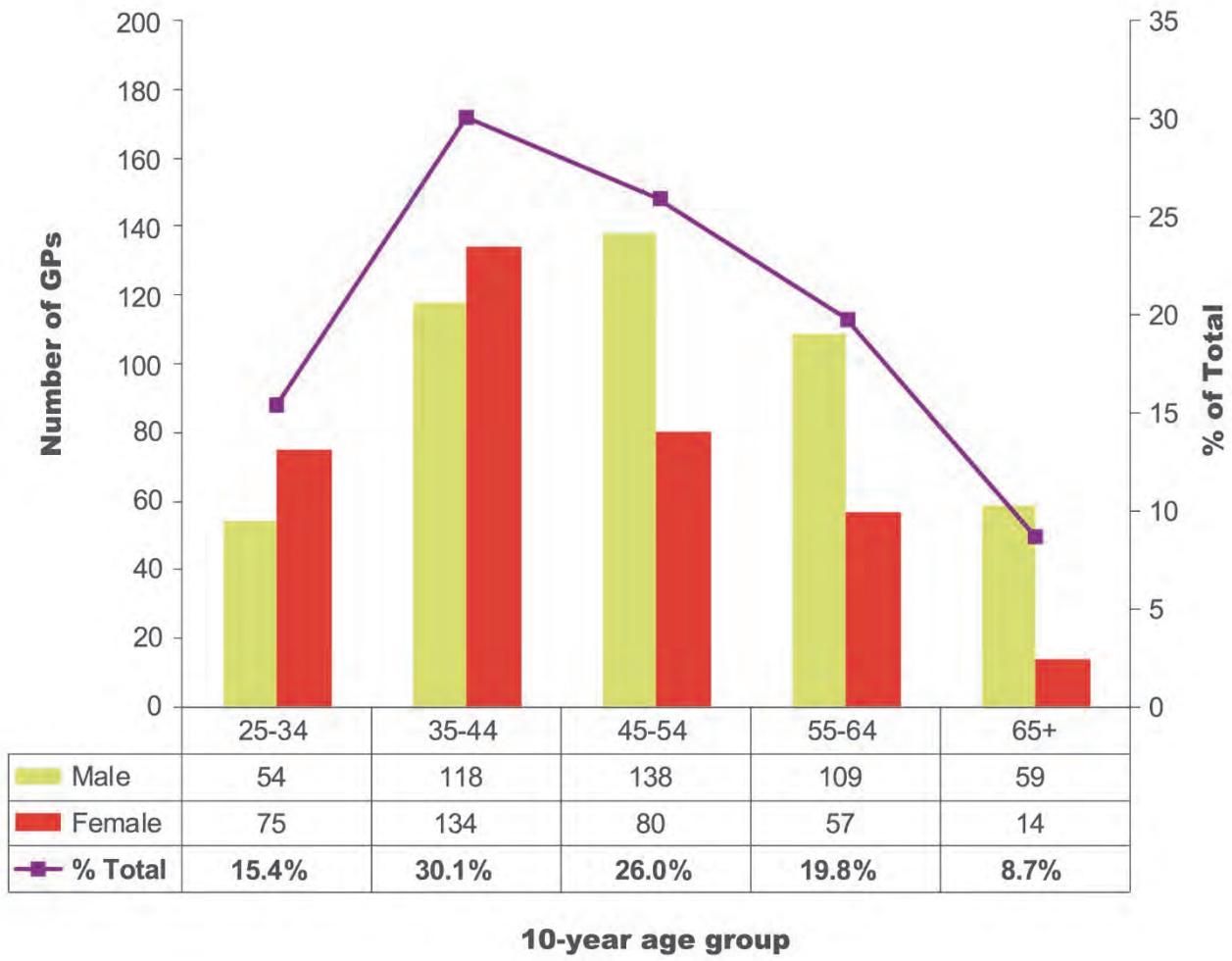
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Average Age	46.4	47.2	47.5	48.0	48.5	47.8	47.4	47.4	47.7	47.7	47.8

The average age for male GPs decreased 0.2 years, from 50.4 years in 2017 to 50.2 years in 2018. The average age for female GPs increased by 0.7 years, from 43.9 in 2017 to 44.6 years in 2018.

Rural GPs by age distribution and gender

Figure 3 indicates that the majority of the rural general practice workforce (56.1%) was aged between 35 and 54 years, similar to previous years.

Figure 3 Composition of the rural general practice workforce by ten-year age group and gender as at 30 November 2018

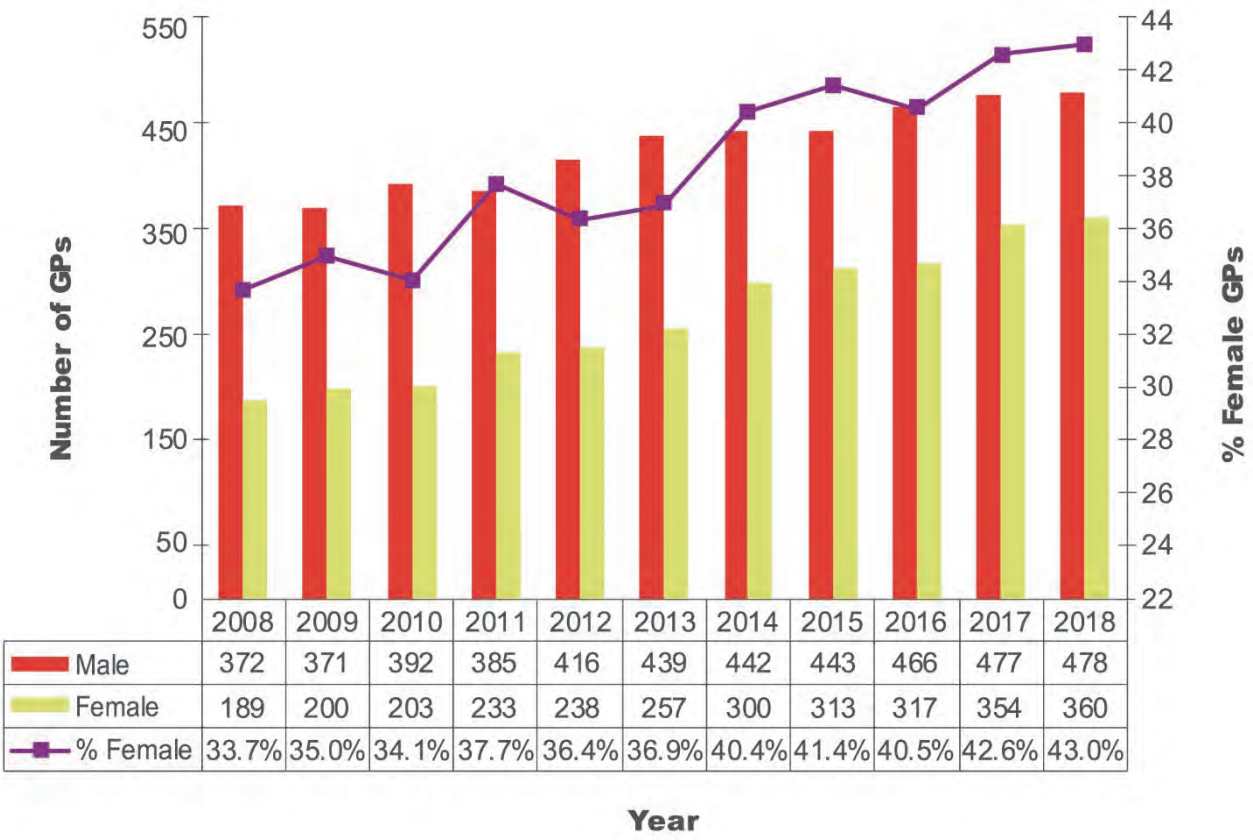


	25-34	35-44	45-54	55-64	65+
Male	54	118	138	109	59
Female	75	134	80	57	14
% Total	**15.4%**	**30.1%**	**26.0%**	**19.8%**	**8.7%**

As at 30 November 2018, there were more male GPs in the age groups 45 years and over and more females in the younger 25 to 44 year groups; similar patterns to previous years.

GPs aged 55 and over made up 28.5% of the rural general practice workforce in 2018 compared with 26.6% in 2017, 26.7% in 2016 and 26.0% in 2015.

Figure 4 Number of rural GPs by gender and percentage of female GPs 2008 to 2018



	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Male	372	371	392	385	416	439	442	443	466	477	478
Female	189	200	203	233	238	257	300	313	317	354	360
% Female	33.7%	35.0%	34.1%	37.7%	36.4%	36.9%	40.4%	41.4%	40.5%	42.6%	43.0%

Figure 4 shows increasing female GP representation in the rural general practice workforce since 2008. In November 2018, 43.0% of rural GPs were female; the highest proportion to date.

Removal of the Mandurah (and other RA 2/MM 1 category locations) cohort from the dataset has meant an increased proportion of female GPs in almost all years since 2008 when compared with data that included Mandurah (and other RA 2/MM 1 category locations).

Rural GP numbers by location/region

With the phasing out of the ASGC-RA system and the closure of the Medicare Locals, GP location is now being described using WACHS regional boundaries and the MMM category boundaries. The Greater Mandurah region was included in the Peel region in the 2017 Update and in the South West region in previous reports, but under the MMM classification system, Mandurah is MM 1 category, and thus is no longer reported in the workforce analyses.

Rural GP numbers by region

The following table compares rural GP numbers within regions in 2017 and 2018.

Table 2 Rural GP numbers by region 2017 v 2018

Region	2017	2018	Difference	
Goldfields	79	71	-8	*-10.1%*
Great Southern	100	103	3	*3.0%*
Indian Ocean Territories	4	3	-1	*-25.0%*
Kimberley	103	103	0	*0.0%*
Metropolitan (RFDS Western Operations)	13	15	2	*15.4%*
Midwest	92	96	4	*4.3%*
Outer Metropolitan (MM 2)*	34	45	11	*32.4%*
Pilbara	63	66	3	*4.8%*
South West	260	256	-4	*-1.5%*
Wheatbelt	83	80	-3	*-3.6%*
Totals	**831**	**838**	**7**	***0.8%***

* Practices located within metropolitan health region boundaries but located in MM 2 category locations (for example Alkimos, Yanchep, Pinjarra, Waroona)

As at 30 November 2018, the South West region contained the highest number of GPs (256 recorded GPs) which represents 30.6% of the rural general practice workforce in WA.

Outer Metropolitan (MM 2) category locations appear to have experienced a significant increase, however, this category now includes the Pinjarra and Waroona doctors, who were previously included in the South West region. Minor proportional increases between 2017 and 2018 occurred in the Great Southern, Midwest and Pilbara (3%, 4.3% and 4.8% respectively) regions. The Goldfields general practice workforce shrank by 10.1% between November 2017 and November 2018; with GP numbers also decreasing by 3.6% in the Wheatbelt.

5 Changes in the permanent rural general practice workforce

The following section describes turnover (GP movement in and out of rural locations) of the permanent rural general practice workforce. WAGPET GP registrars are not included in this section as the length of their terms of employment generally ranges from 6 to 12 months and as such, they are not part of the permanent workforce. Their numbers are included in the arrivals section if they have continued working in rural WA on completion of their traineeship. RVTS registrars are included in the turnover figures as they spend their whole training time in a rural area and are relied upon as permanent staff.

Overall permanent rural general practice workforce turnover

Turnover in the WA permanent rural general practice workforce between November 2017 and November 2018 was 13.9% as per Table 3. This was an increase of 2.3% from the previous period. The percentage increase in the permanent workforce was only 1.4%. This is in contrast to increases in previous years which included the Mandurah (and other RA 2/MM 1 category locations) of 6.6% in 2017 and 4.4% in 2016.

Table 3 ***Rural GP turnover November 2017 to November 2018***
(excluding WAGPET GP registrars)

Number of permanent rural GPs November 2017	722
Number of departures	100
Turnover	**13.9%**
Number of arrivals	110
Number of permanent rural GPs November 2018	732
Percentage increase	**1.4%**

Table 4 shows the destinations of GPs who departed rural WA between November 2017 and November 2018 and compares this with the departure destinations for the previous period.

Table 4 Destination of departing GPs 2017 v 2018

	2017		2018	
Destination	**Number**	**%**	**Number**	**%**
Perth	38	*45.2%*	33	*33.0%*
Interstate	19	*22.6%*	16	*16.0%*
Extended leave	8	*9.5%*	14	*14.0%*
Retirement	7	*8.3%*	10	*10.0%*
Overseas	5	*6.0%*	13	*13.0%*
Locum	4	*4.8%*	6	*6.0%*
Other	3	*3.6%*	8	*8.0%*
Total	**84**	***100.0%***	**100**	***100.0%***

Overall, 100 rural GPs departed between November 2017 and November 2018. There were 16 additional departures in the 12-month period to November 2018 than for the preceding 12 months. The most common destination for all GPs leaving rural WA in 2018 was Perth, with 33 GPs departing (33.0% of total departures).

Table 5 shows the origins of GPs joining or re-joining the permanent rural general practice workforce between November 2017 and November 2018.

Table 5 Origins of GPs joining the permanent rural general practice workforce 2017 v 2018

	2017		2018	
Origin	**Number**	**%**	**Number**	**%**
Perth	38	*30.4%*	35	*31.8%*
Overseas	26	*20.8%*	16	*14.5%*
Interstate	21	*16.8%*	27	*24.5%*
Trainee program	13	*10.4%*	22	*20.0%*
Extended leave	14	*11.2%*	3	*2.7%*
Other	10	*8.0%*	5	*4.5%*
Rural locum	3	*2.4%*	2	*1.8%*
Total	**125**	***100.0%***	**110**	***100.0%***

110 new GPs joined the permanent rural general practice workforce in rural WA between November 2017 and November 2018; this was 15 fewer than in the previous reporting period.

Prior to 2013, the proportion of arrivals from overseas, interstate and Perth was similar. In subsequent years, these figures have varied. In 2013 and 2014 more GPs arrived directly from overseas than from any other location. Since 2015, the majority of arrivals have been from Perth, with the number of new GPs arriving directly from overseas decreasing annually (20.8% in 2017 and 14.5% in 2018).

51 doctors (46.4%) who commenced between November 2017 and November 2018 had not previously worked in rural WA. Of these, 35 (68.6%) were IMGs, indicating that IMG arrivals to the workforce remain significant.

WAGPET GP registrars who stay on as permanent doctors after achieving their Fellowship comprise doctors whose origin is ‘Trainee program’. As at November 2018, there were 22 registrars who stayed rural, 9 more than the previous period.

The increased intake of rural GP registrars since 2012 has had a positive impact on the number of trainees staying on in rural WA when Fellowed (10.4% in 2017 and 20.0% in 2018). The *Rural General Practice in Western Australia Annual Workforce Update 2017* reported 20 registrars staying on after completion, however, 7 (35.0%) of these were working in what are now MM 1 category locations and thus are no longer included in the figures.

Permanent rural general practice workforce changes by gender

Table 6 summarises changes in the permanent rural general practice workforce by gender between 30 November 2017 and 30 November 2018, excluding WAGPET GP registrars.

Table 6 ***Changes in the permanent rural general practice workforce by gender 2017 v 2018*** *(excluding WAGPET GP registrars)*

Gender	Number of GPs Nov 2017	Departures	% departed	Arrivals	Number of GPs Nov 2018	% increase
Male	435	58	***13.3%***	57	434	***-0.2%***
Female	287	42	***14.6%***	53	298	***3.8%***
Totals	**722**	**100**	***13.9%***	**110**	**732**	***1.4%***

The female rural general practice workforce experienced a slightly higher departure rate in 2018 than the male workforce (14.6% and 13.3% respectively).

The male workforce experienced a decrease of 1 GP, whereas the female workforce gained 11 GPs (a gain of 3.8% overall). This continues to show a trend of increasing female GP representation in the permanent rural general practice workforce.

Permanent rural general practice workforce changes by region

Table 7 illustrates the changes in the permanent rural general practice workforce by region. This table shows movements in and out of the permanent rural general practice workforce, as well as movements within the State between varying regions.

Table 7 ***Changes in the permanent rural general practice workforce by region 2017 v 2018*** *(excluding WAGPET GP registrars)*

		Movements OUT of rural WA				Movements INTO rural WA				
Region	**N per region Nov 2017**	**Left rural WA**	**Moved to another rural region**	**Total out**	**% departed from region**	**Arrived from outside rural WA**	**Arrived from another rural region**	**Total in**	**N per region Nov 2018**	**% arrived into region**
Goldfields	74	11	1	12	***16.2***	7	0	7	69	***10.1***
Great Southern	83	9	1	10	***12.0***	13	0	13	86	***15.1***
Kimberley	85	15	2	17	***20.0***	15	4	19	87	***21.8***
Midwest	79	6	2	8	***10.1***	12	1	13	84	***15.5***
Pilbara	61	18	1	19	***31.1***	16	4	20	62	***32.3***
South West	220	23	2	25	***11.4***	25	0	25	220	***11.4***
Wheatbelt	76	12	2	14	***18.4***	6	3	9	71	***12.7***
Other*	44	6	3	9	***20.5***	16	2	18	53	***34.0***
Overall	**722**	**100**	**14**	**114**		**110**	**14**	**124**	**732**	

* RFDS Western Operations in Jandakot and outer metropolitan locations are classified as ‘Other’.

Between November 2017 and November 2018, 100 GPs left rural WA and a further 14 GPs moved from one rural region to another, totalling 114 GP departures from all regions. Over the same period, 124 GPs moved into rural regions, including 110 from outside rural WA and 14 who moved from one rural region to another.

The Pilbara region experienced the greatest proportional movements out, with 31.1% of GPs departing between November 2017 and November 2018. Most of these GPs returned overseas or relocated to Perth. 82.4% of these GPs were IMGs. The Midwest region experienced the least outbound movement, with 10.1% of the region’s GPs departing.

The South West region received 20.2% of all new GP arrivals, with the majority of these doctors being Fellowed Australian or United Kingdom trained doctors going to Bunbury and Busselton. Conversely, only 5.6% of new GPs went to the Goldfields and 7.3% to the Wheatbelt region.

6 Clinical workloads

Estimates of full-time equivalents as used by Medicare Australia in calculating GP medical service provision are based solely on the number and dollar value of claims made by a provider over a given reference period (usually 12 months).

While this is a useful measure of overall service provision under Medicare, it does not reflect the number of hours worked by rural GPs in providing medical services that are not claimed or are not claimable through Medicare. Specific services not included are after-hours work in the hospital setting and obstetric and anaesthetic services provided to public patients by GPs.

An alternative measure of service provision is the number of clinical hours worked. For the purposes of this report, clinical hours worked include:

- Hours worked in a general practice
- Hours worked in a hospital
- Hours worked on call-outs (not hours available on-call)
- Hours worked in population health
- Hours travelled between principal practice and other places of primary care provision

Hours reported cannot be interpreted as total hours worked because non-clinical tasks such as teaching, administration and supervision are not included.

It is important to note that unlike previous sections of this report where data was available for 100% of rural GPs (via surveys and other ongoing strategies); the Clinical Workload section only includes data from the Rural General Practice Workforce Survey. Thus, there is no workload information recorded for the 35.3% of GPs who did not return their surveys.

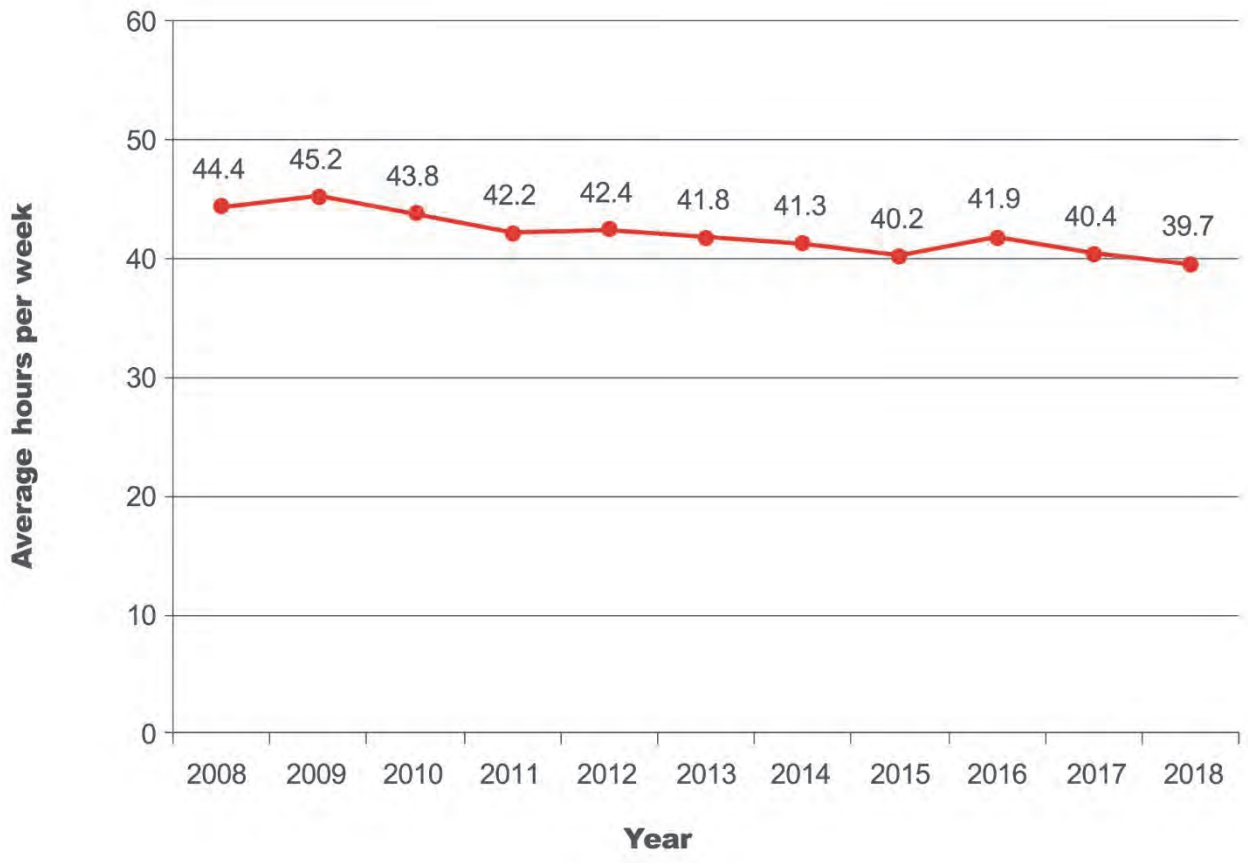
GPs working for RFDS Western Operations have also not been included in this analysis because exact clinical hours and on-call hours are difficult to distinguish due to the nature of their service. This section therefore covers 518 GPs, including GP registrars, and encompasses 61.8% of the rural general practice workforce for this reporting period.

Average hours worked per week

At November 2018, the average self-reported clinical workload for rural GPs was 39.7 hours per week, compared to 40.4 hours per week in November 2017.

Figure 5 displays the average hours worked each year from 2008 to 2018. Aside from an increase in 2016, the average working hours continues to decrease.

Figure 5 Average hours worked per week from 2008 to 2018

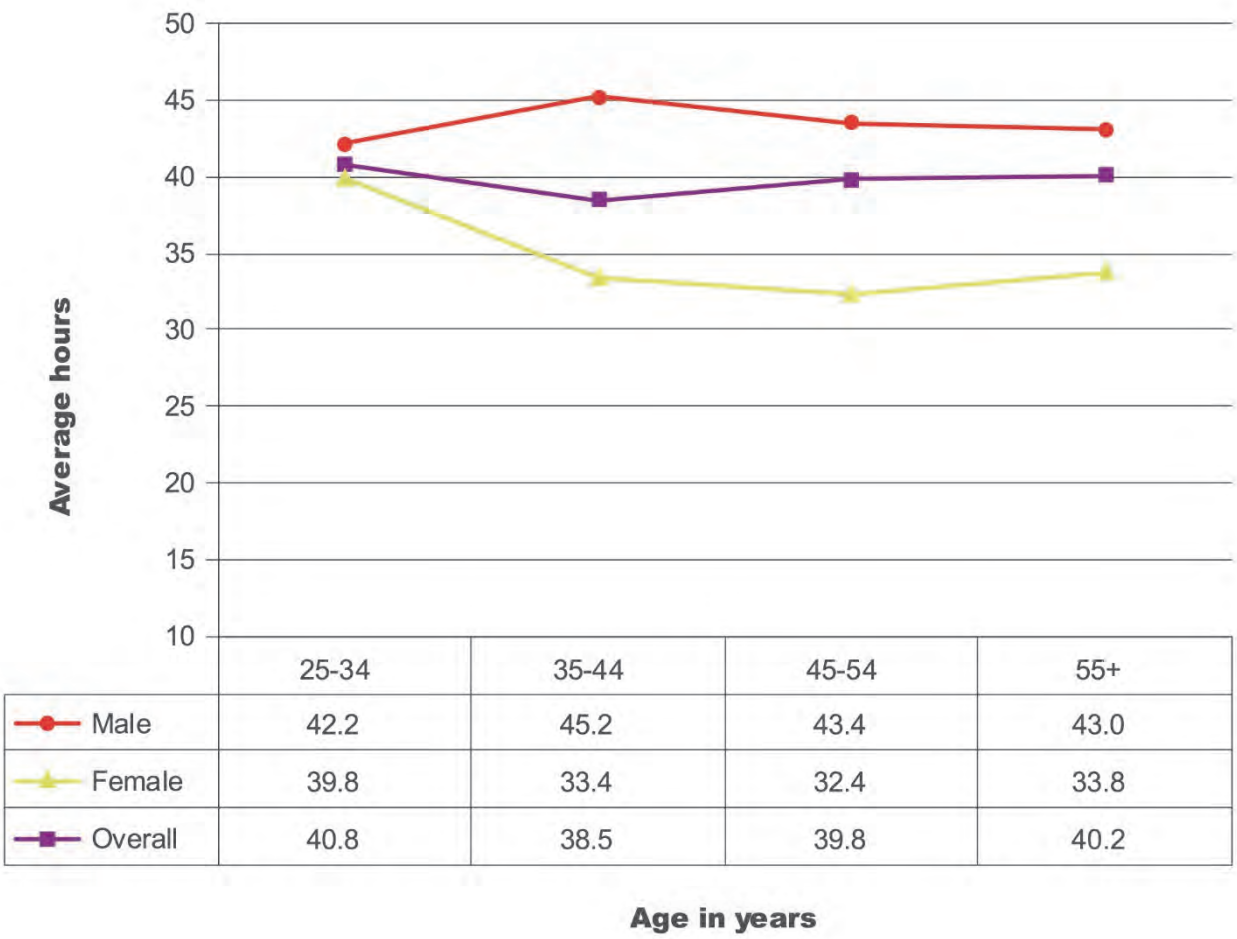


Removing the Mandurah (and other RA 2/MM 1 category locations) from the dataset has caused an average of 0.4 hours increase to the working hours per annum for all years dating back to 2008.

Average hours worked by gender and age group

Figure 6 provides a breakdown of average weekly clinical hours worked by gender and age group. It shows that male GPs in all age groups continued to report working longer clinical hours per week than their female counterparts.

Figure 6 Average hours worked per week by gender and ten-year age groups



	25-34	35-44	45-54	55+
Male	42.2	45.2	43.4	43.0
Female	39.8	33.4	32.4	33.8
Overall	40.8	38.5	39.8	40.2

Full-time and part-time workloads

The Australian Bureau of Statistics defines full-time work as being 35 hours per week or more and part-time work as less than 35 hours per week. It is this measure that has been chosen by Rural Health West to differentiate between full-time and part-time service provision. Using this benchmark, Table 8 provides a comparison between full-time and part-time workloads by gender.

Table 8 Comparison between full-time and part-time workloads by gender

Type of workload	Male	Female	Total	% of respondents
Full-time	258	119	377	*72.8%*
Part-time	43	98	141	*27.2%*
Total respondents	**301**	**217**	**518**	***100.0%***

377 rural GPs (72.8% of respondents) self-reported working full-time in the provision of routine clinical GP services. Of these full-time GPs in 2018, the majority were male (258 male and 119 female).

Conversely, 141 rural GPs (27.2% of respondents) self-reported as working part-time. Of these part-time GPs, 98 were female and 43 male.

Table 9 looks specifically at the part-time rural general practice workforce, comparing by gender those who self-reported as working part-time in the current reporting period.

Table 9 Part-time rural general practice workforce by gender 2017 v 2018

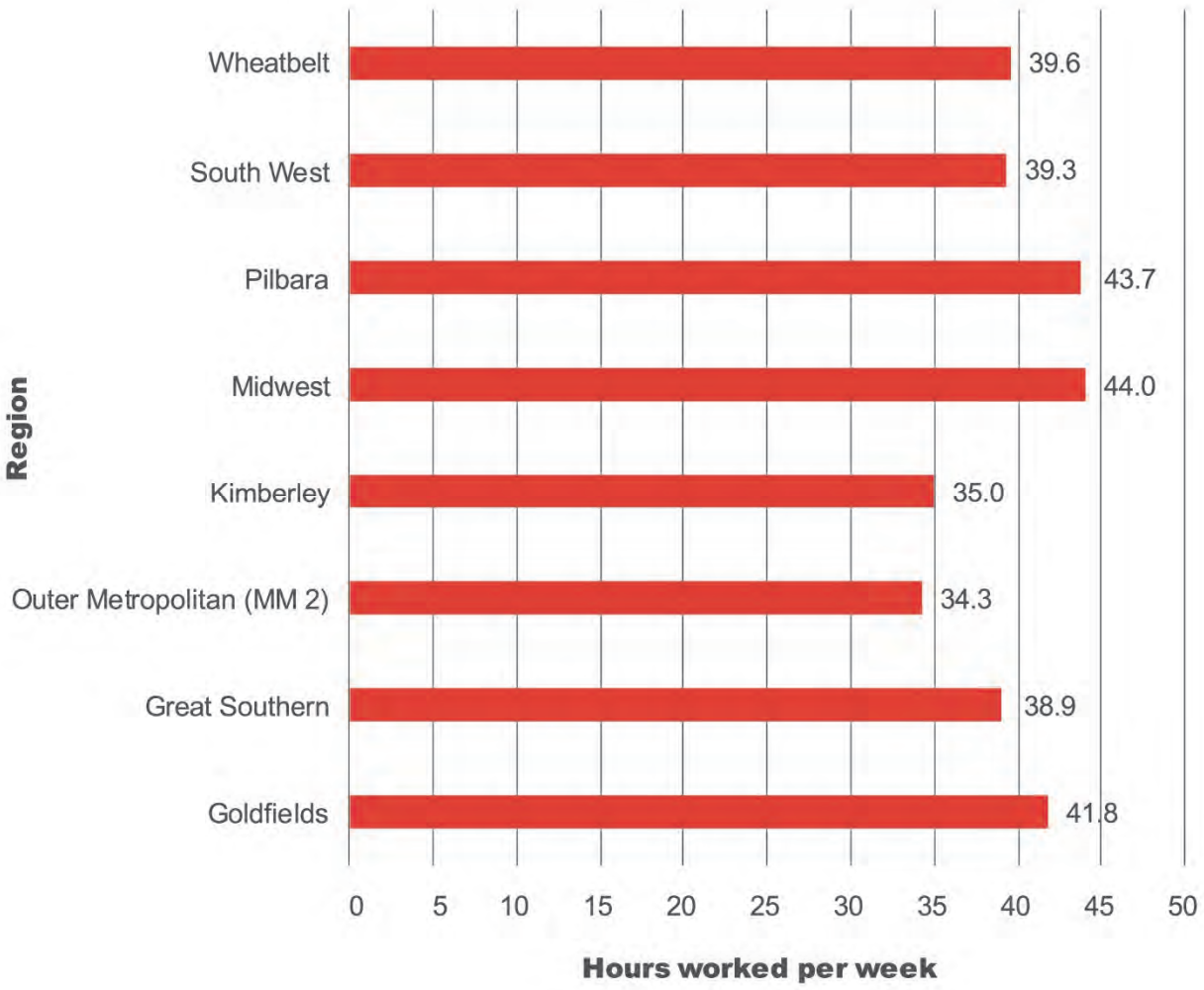
Year	Total males	Males working part-time	% of total males	Total females	Females working part-time	% of total females	Total respondents	% of total respondents working part-time
2017	299	38	***12.7%***	222	101	***45.5%***	521	***26.7%***
2018	301	43	***14.3%***	217	98	***45.2%***	518	***27.2%***

14.3% of male respondents reported working part-time in 2018, a 1.6% increase from 2017. Conversely, female respondents working part-time decreased by 0.3% from 2017. Overall, the proportion of the workforce working part-time increased 0.5% from 2017.

Average hours worked per week by region and MM category location

Figure 7 shows the average hours worked per week by region and shows working hours to be longer in the Midwest and Pilbara regions and shorter in the Outer Metropolitan (MM 2 category) locations closer to Perth. This is a similar pattern to 2017.

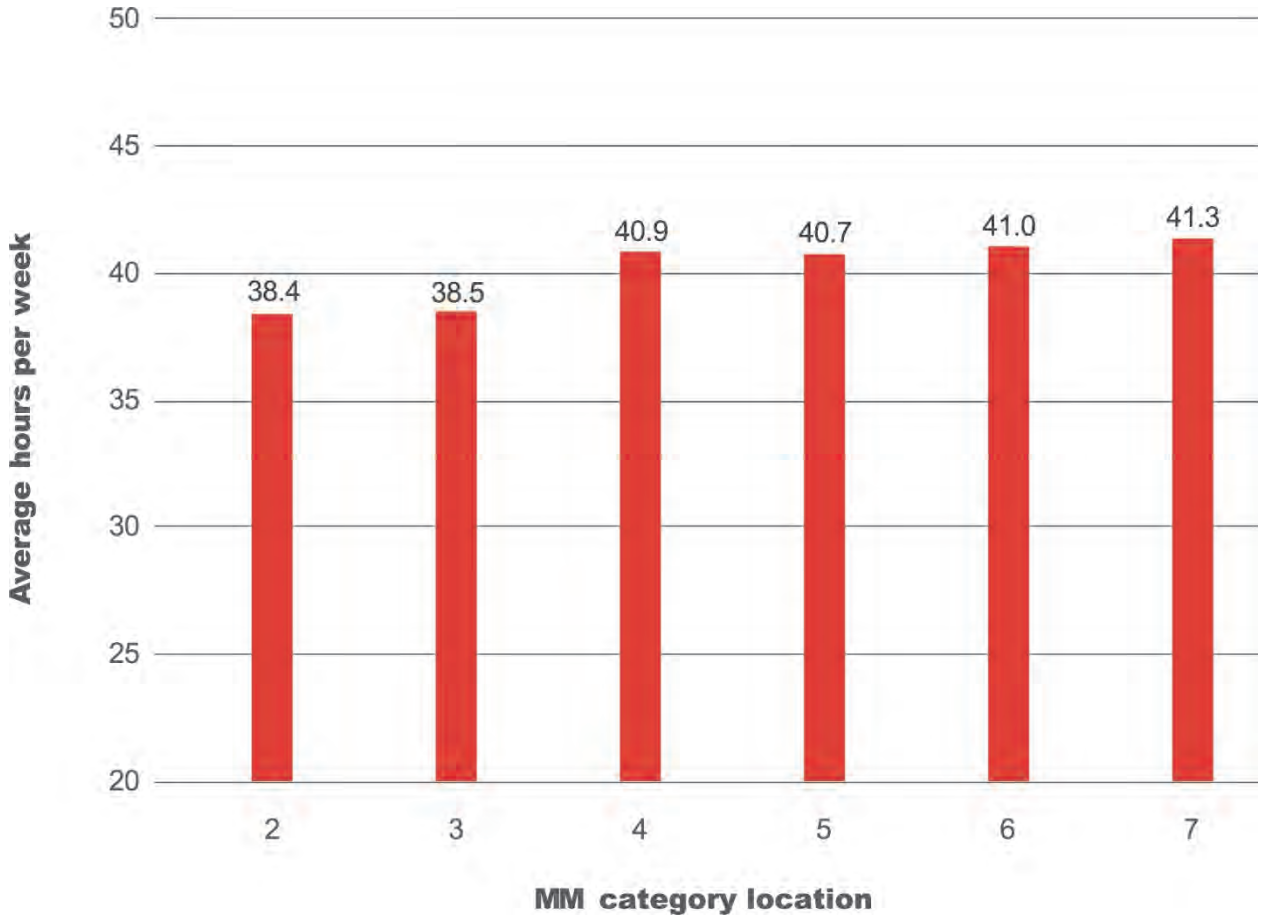
Figure 7 Average hours worked per week by region



Hours worked in the Kimberley region have decreased from 40.9 hours per week in 2016, to 37.6 hours per week in 2017 and 35.0 hours per week in 2018. This may be attributed to a higher number of doctors working part-time clinical hours than the period prior, as well as a higher number of job-share fly-in/fly-out doctors. Future analyses will show whether this is an established trend.

Figure 8 below shows an inverse relationship between hours worked and remoteness. For example GPs working in more remote locations typically work more hours per week on average compared with their colleagues in less remote locations.

Figure 8 Average hours worked per week by MM category location



Hours worked by GPs in MM 7 category locations have decreased from 47.5 per week in 2017 to 41.3 in 2018. This may be attributed to a higher proportion of doctors working part-time clinical hours than the period prior, as well as a higher number of job-share fly-in/fly-out doctors.

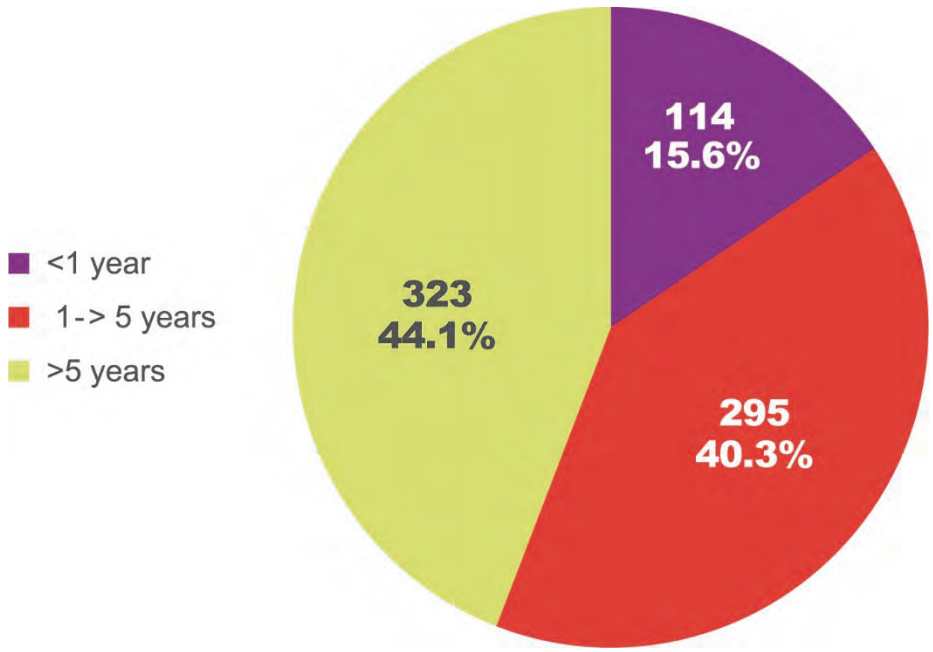
7 Length of employment in current principal practice

Average length of employment

Across rural WA, the average length of employment in current principal practice for GPs (excluding WAGPET GP registrars) was 7.6 years, 0.4 years greater than in November 2017. These figures are calculated on time worked in the current principal practice and do not include time spent in other rural practices.

Figure 9 shows the proportion of the general practice workforce who have been in their current positions in each length of employment category.

Figure 9 Length of employment in current principal practice
(excluding WAGPET GP registrars)



Rural GPs employed for less than 1 year decreased by 4.2%, from 19.8% in 2017 to 15.6% in 2018. Rural GPs employed between 1 and 5 years increased by 3.0% from 2017. Rural GPs employed for more than 5 years increased by 1.2% from 2017.

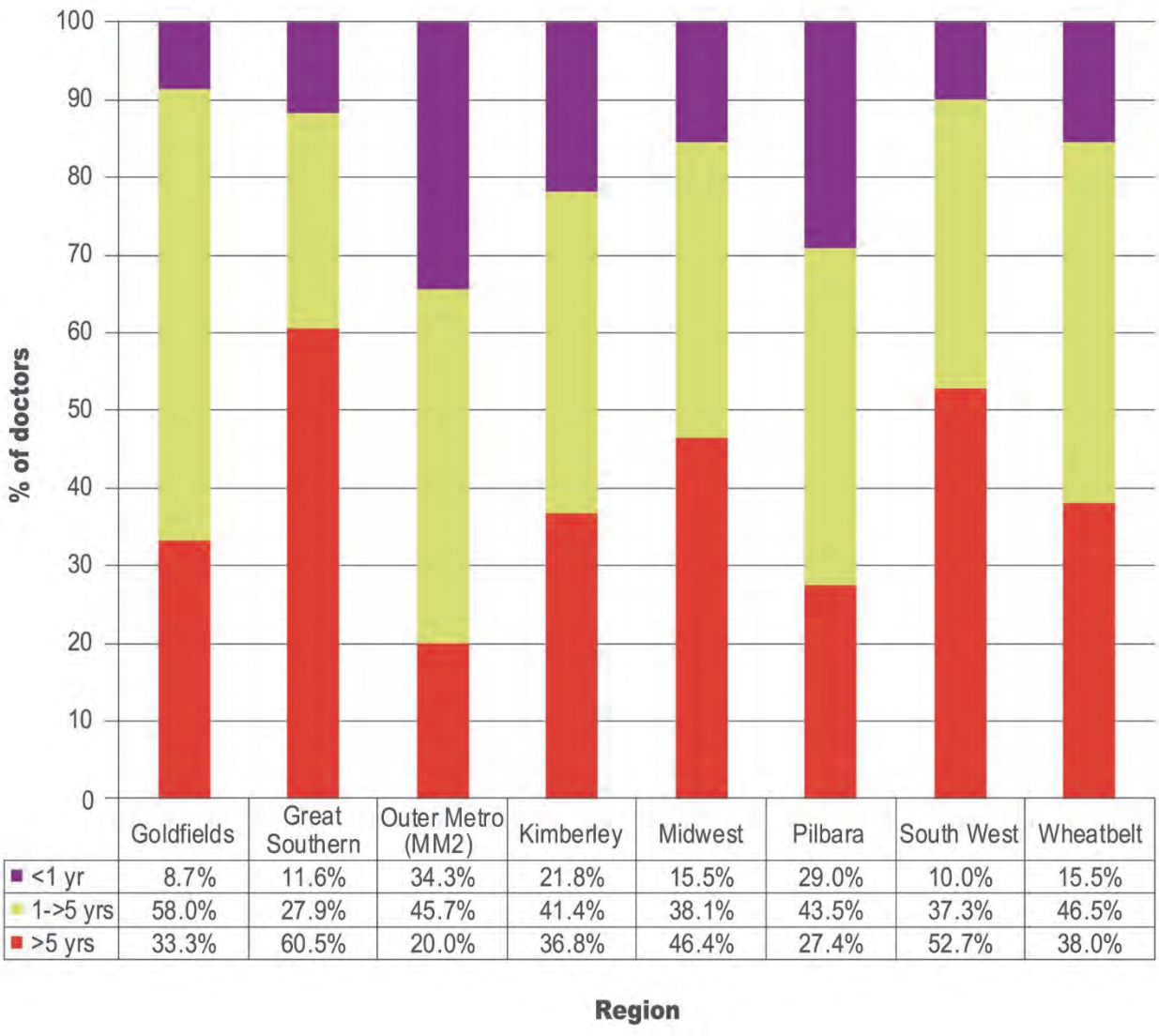
Removal of the Mandurah (and other RA 2/MM 1 category locations) from the dataset has caused the average length of stay to increase.

In 2017, the average length of stay, including Mandurah (and other RA 2/MM 1 category locations) was 7.2 years. However, if these locations were removed, average length of stay would have been 7.4 years, a difference of 0.2 years. The other consequence is the proportional of long-stay has increased, following a decline in recent years. This is due to the influx of new doctors to the locations closest to Perth, who have now been removed from the dataset.

Average length of employment by region and MM category location

Figure 10 below compares the length of employment in current principal practice for rural GPs across regions.

Figure 10 Length of employment in current principal practice by region
(excluding WAGPET GP registrars)



	Goldfields	Great Southern	Outer Metro (MM2)	Kimberley	Midwest	Pilbara	South West	Wheatbelt
<1 yr	8.7%	11.6%	34.3%	21.8%	15.5%	29.0%	10.0%	15.5%
1->5 yrs	58.0%	27.9%	45.7%	41.4%	38.1%	43.5%	37.3%	46.5%
>5 yrs	33.3%	60.5%	20.0%	36.8%	46.4%	27.4%	52.7%	38.0%

Similar to 2017, the Great Southern region had the greatest proportion of long-stay GPs (60.5% of its workforce), again suggesting a very stable workforce.

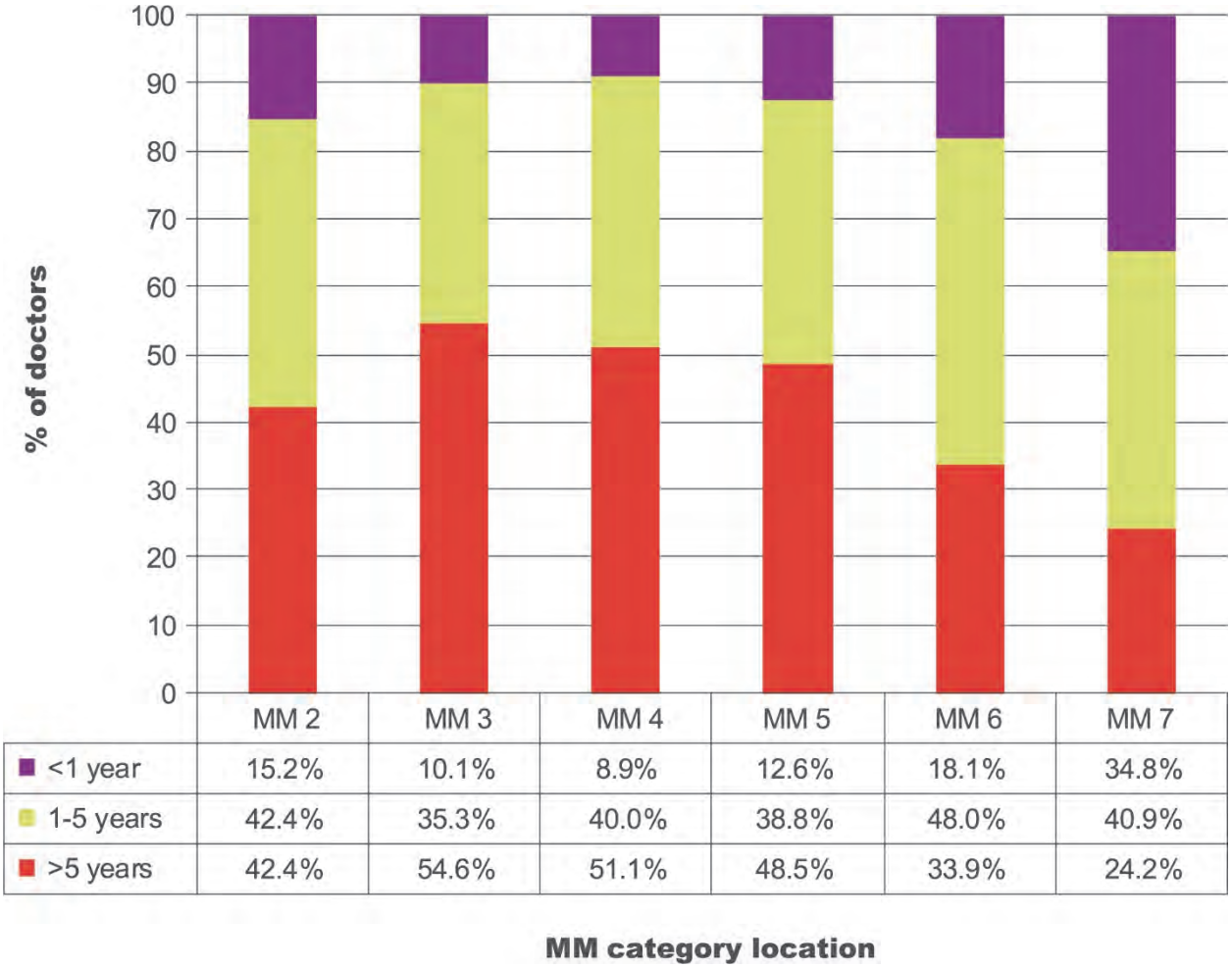
The Outer Metropolitan (comprising outer metropolitan suburbs categorised as MM 2) contained the highest proportion of newly arrived GPs (34.3%) and the lowest proportion of long-stay GPs (20.0%). These figures reflect the addition of 4 new practices (Alkimos and Yanchep) to the dataset.

The Goldfields region had the lowest proportion of newly arrived GPs (8.7%).

Figure 11 compares the length of employment in current principal practice for rural GPs across MMM categories (excluding WAGPET GP registrars).

It shows that the majority of long-stay GPs (>5 years) were in MM 3 and 4 category locations (54.6% and 51.1% respectively). In contrast, MM 6 and 7 category locations had the lowest proportions of long-term GPs (33.9% and 24.2% respectively).

Figure 11 Length of employment in current principal practice by MM category location *(excluding WAGPET GP registrars)*



	MM 2	MM 3	MM 4	MM 5	MM 6	MM 7
<1 year	15.2%	10.1%	8.9%	12.6%	18.1%	34.8%
1-5 years	42.4%	35.3%	40.0%	38.8%	48.0%	40.9%
>5 years	42.4%	54.6%	51.1%	48.5%	33.9%	24.2%

8 Practice type

Table 10 below shows the number of GPs (including GP registrars) working in group and solo practices per region.

There were 769 rural GPs known to be practising in group practices at 30 November 2018.

There were 69 rural GPs working in solo practices in 2018, 12 more than in 2017. This represents 8.2% of the rural general practice workforce and is 2.5% higher than in 2017 (5.7%).

The solo practitioner component of the rural general practice workforce varies widely across geographical locations. 25% of GPs in the Wheatbelt region are solo practitioners, with 13.5% in the Midwest and 11.3% in the Goldfields regions.

Table 10 Number of rural GPs by practice type and region

Region	Group	Solo	Total	% Solo
Goldfields	63	8	71	*11.3%*
Great Southern	96	7	103	*6.8%*
Indian Ocean Territories	2	1	3	*33.3%*
Outer Metropolitan (MM 2)	45	0	45	*0.0%*
Kimberley	99	4	103	*3.9%*
Metropolitan (RFDS Western Operations)	15	0	15	*0.0%*
Midwest	83	13	96	*13.5%*
Pilbara	61	5	66	*7.6%*
South West	245	11	256	*4.3%*
Wheatbelt	60	20	80	*25.0%*
Total	**769**	**69**	**838**	**8.2%**

The number of GPs working in solo practices increased from 55 in 2017 to 69 in 2018. This is attributable to an increase in fly-in/fly-out/drive-in/drive-out GPs who job-share solo GP positions in these practices.

Table 11 below delineates the number of practices in each region (excluding WACHS hospitals and RFDS Western Operations).

The reported number of practices in 2018 was 195, 1 fewer than 2017. There were 53 solo practices in 2018 (27.2% of total practices), 3 greater than in 2017.

Table 11 Number of practices per region *(excluding WACHS hospitals)*

Region	Group	Solo	ACCHO	Number of practices per region	% Solo
Goldfields	10	6	3	19	***31.6%***
Great Southern	14	5	0	19	***26.3%***
Indian Ocean Territories	1	1	0	2	***50.0%***
Outer Metropolitan (MM 2)	6	1	0	7	***14.3%***
Kimberley	7	1	7	15	***6.7%***
Midwest	11	11	4	26	***42.3%***
Pilbara	9	1	3	13	***7.7%***
South West	48	11	1	60	***18.3%***
Wheatbelt	17	16	1	34	***47.1%***
Total	**123**	**53**	**19**	**195**	***27.2%***

Removing Mandurah (and other RA 2/MM 1 category locations) from the dataset (23 practices), has increased the overall proportion of solo practices by 4.0%.

The majority of rural practices overall are group practices (123 practices), 4 fewer than 2017. 30.8% of all practices are located in the South West region.

The Wheatbelt region contained the largest number and proportion of solo practices, with 16 out of the 34 practices being solo (47.1%).

The discrepancy between the total number of solo practitioners (69) and the total number of solo practices (53) is because some solo practices are serviced by more than 1 fly-in/fly-out/drive-in-drive-out doctor. These GPs job share, but there is only ever 1 GP at the solo practice at any time.

9 Rural GP proceduralists

Number of rural GP proceduralists

In the annual census, rural GPs are asked whether they practised in the following clinical areas:

- Anaesthetics
- Obstetrics
- General surgery

There were 188 rural GP proceduralists recorded as at 30 November 2018, 4 greater than in 2017. Many of these proceduralist GPs practise in more than one procedural area.

The number of rural GPs regularly practising each of these procedures is displayed in Table 12 along with the percentage of the total workforce these GPs represented in 2018.

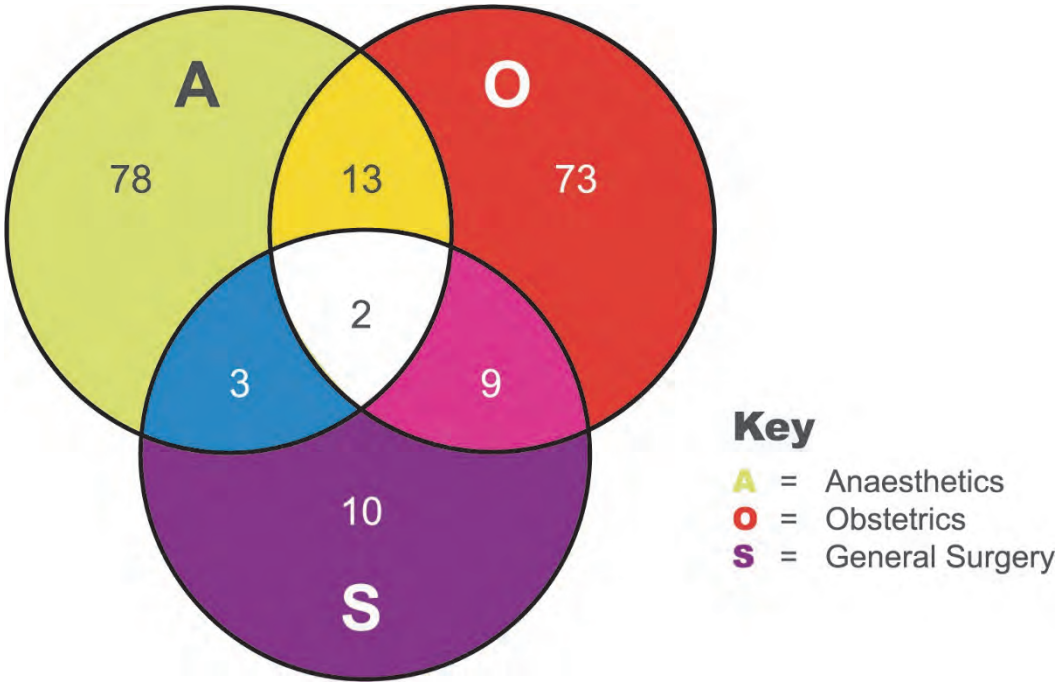
Table 12 Number and proportion of rural GPs practising procedures 2017 v 2018

Procedure	N 2017	% of total GPs 2017	N 2018	% of total GPs 2018
Anaesthetics	92	*11.1%*	96	*11.5%*
Obstetrics	102	*12.3%*	97	*11.6%*
General surgery	25	*3.0%*	24	*2.9%*

The number of GPs performing anaesthetics has increased by 4 doctors, while GP obstetricians decreased by 5 doctors, and GP surgeons decreased by 1 doctor.

A diagram illustrating rural GPs practising in single or multiple procedural areas is shown at Figure 12.

Figure 12 Number of rural GPs undertaking procedural work

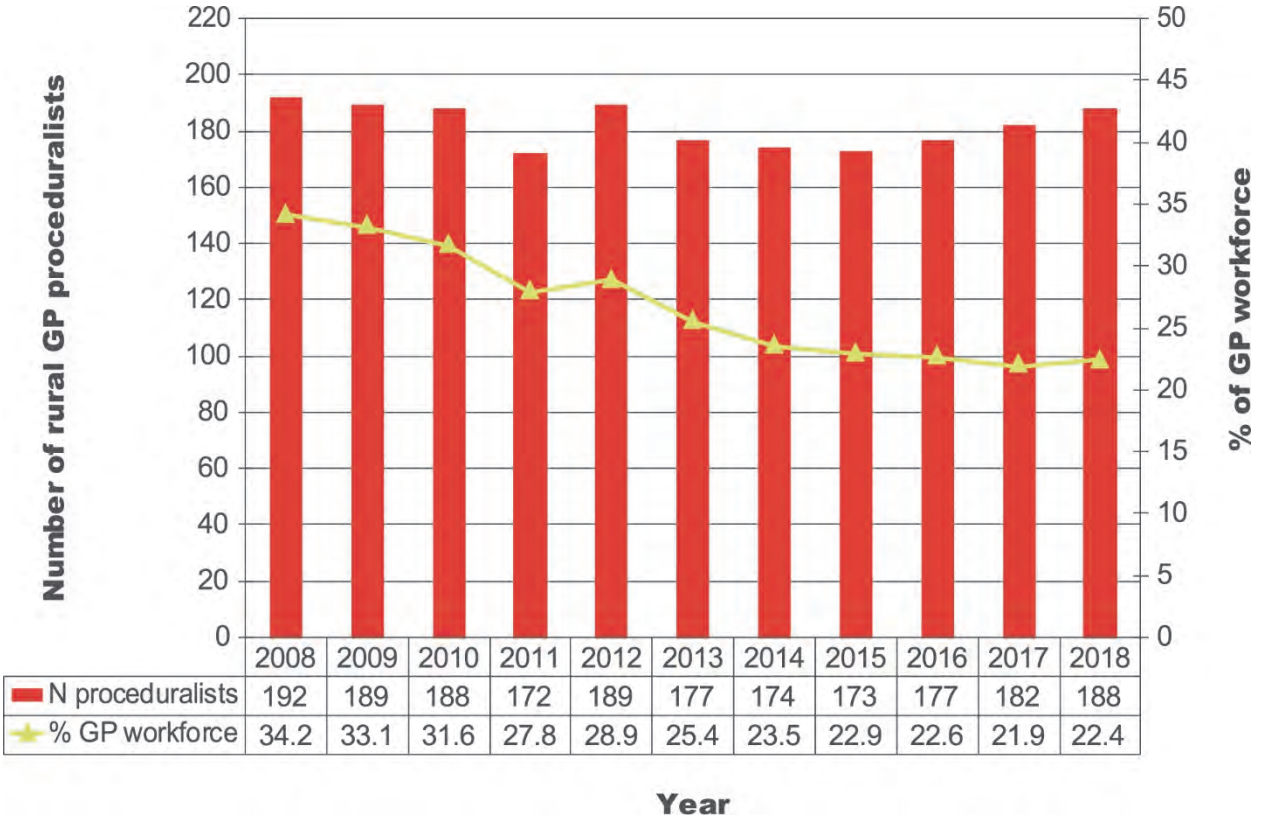


The number of rural GP proceduralists performing more than 1 procedure has decreased markedly in recent years. In 2007, there were 14 GPs who practised all 3 procedures and 68 who practised 2 procedures. In 2017 and 2018, only 2 practised all 3 procedures, with 36 practicing 2 procedures in 2017 and 25 in 2018.

For those who previously practiced 2 procedures, the most common procedure to cease practising was obstetrics.

Figure 13 below illustrates the changes in overall rural GP proceduralist numbers and proportions between 2008 and 2018.

Figure 13 Number and proportion of rural GP proceduralists 2008 to 2018



	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
N proceduralists	192	189	188	172	189	177	174	173	177	182	188
% GP workforce	34.2	33.1	31.6	27.8	28.9	25.4	23.5	22.9	22.6	21.9	22.4

The proportion of the total rural general practice workforce who were practising proceduralists as at November 2018 increased from 21.9% in 2017 to 22.4% in 2018. This slight rise signifies the first increase in GP proceduralist proportion of the overall workforce since 2012.

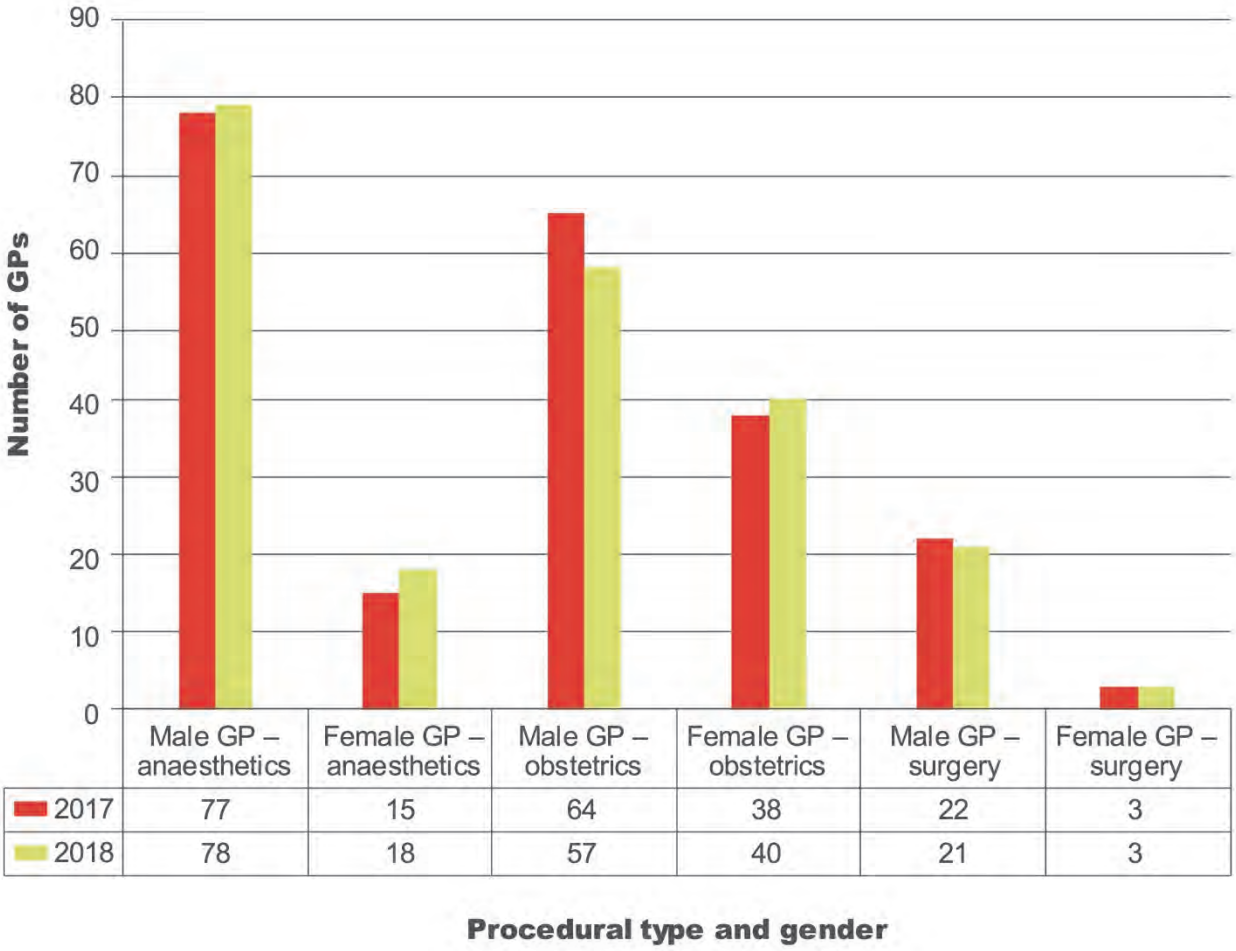
Removing Mandurah (and other RA 2/MM 1 category locations) from the dataset has increased the proportion of the workforce that proceduralists make up each year by between 1% and 3%.

Rural GP proceduralists by type and gender

Figure 14 provides the number and proportion of rural GP proceduralists by gender for 2017 and 2018.

It shows that the number of GPs performing anaesthetics has increased in both genders overall since 2017. Male GP obstetrician numbers have decreased by 7 doctors, while there has been a slight increase in females of 2 doctors. GP surgeon numbers remain relatively similar.

Figure 14 Number of rural GP proceduralists by type and gender 2017 v 2018

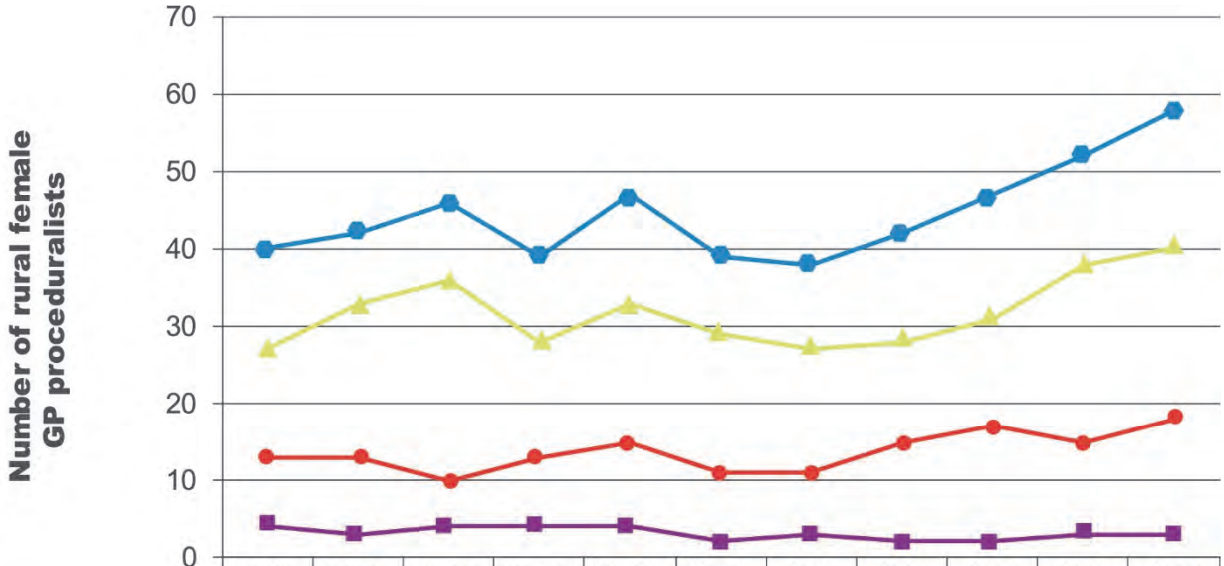


The number of female rural GPs practising in each procedural field is significantly lower to that of the overall WA rural general practice workforce. 43.0% of the overall rural general practice workforce was female in 2018 (see Figure 4), while only 30.9% of the rural GP proceduralist population was female.

The portion of the procedural workforce who are female has risen 10.1% since 2008 (20.8% to 30.9%).

Figure 15 compares the total number of rural female GP proceduralists and the range of procedures they practised between 2008 and 2018. It shows that the numbers have increased in all procedural areas since 2013 and the total number of rural female GP proceduralists is the highest recorded (58 GPs).

Figure 15 Number of rural female GP proceduralists 2008 to 2018



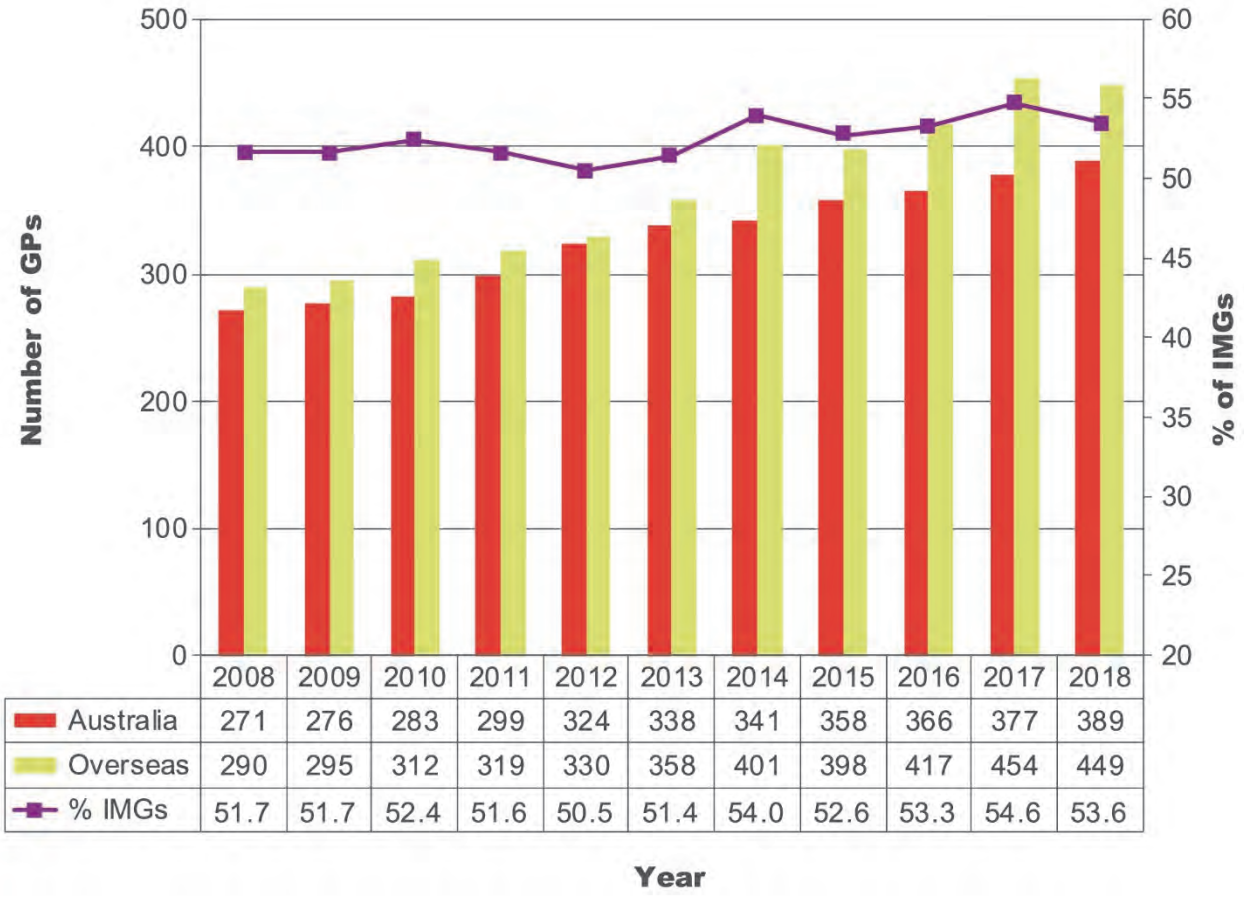
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Anaesthetics	13	13	10	13	15	11	11	15	17	15	18
Obstetrics	27	33	36	28	33	29	27	28	31	38	40
Surgery	4	3	4	4	4	2	3	2	2	3	3
Total	40	42	46	39	47	39	38	42	47	52	58

Year

10 Country of training

Figure 16 displays the number of rural GPs who trained in Australia compared with overseas and the percentages of the total workforce who were IMGs from 2008 to 2018.

Figure 16 Number and percentage of rural IMGs 2008 to 2018



	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Australia	271	276	283	299	324	338	341	358	366	377	389
Overseas	290	295	312	319	330	358	401	398	417	454	449
% IMGs	51.7	51.7	52.4	51.6	50.5	51.4	54.0	52.6	53.3	54.6	53.6

At 30 November 2018, 53.6% of the rural general practice workforce in WA obtained their basic medical qualification overseas, 1.0% lower than 2017.

Removing Mandurah (and other RA 2/MM 1 category locations) GPs from the dataset has produced a proportional decrease of approximately 1% to 3% each year.

Rural WA remains heavily dependent on IMGs.

Many IMGs are Australian citizens or permanent residents who have practised medicine in Australia for many years and contribute significantly to the health of rural communities. IMGs who are vocationally registered and have been in rural WA for 10 years or more made up 16.0% of the overall workforce at November 2018.

In the 12 months to 30 November 2018, there were 53 IMG arrivals to rural WA compared with 73 in 2017 (excluding those returning from an extended leave). Of these 53 IMGs, the largest proportion gained their basic medical qualification from the United Kingdom/Ireland (20) or India (6).

Residency status

Table 13 displays the residency status of the rural IMG general practice workforce at 30 November 2018.

Table 13 Residency status of the rural IMG workforce

Residency	Number	%
Australian citizen	201	*44.8%*
Permanent resident	181	*40.3%*
Temporary resident	64	*14.3%*
New Zealand citizen	3	*0.7%*
Total	**449**	**100.0%**

As at 30 November 2018, 44.8% of the rural IMG workforce were Australian citizens (an increase from 43.8% in 2017), 40.3% had permanent residency (an increase from 38.8% in 2017), and 14.3% were temporary residents (a decrease from 17.4% in 2017).

Fellowship status

There were 30 GPs practising under the 5 Year Overseas Trained Doctors Scheme on 30 November 2018 (7 fewer than in 2017).

During the previous year, 5 GPs joined the Scheme and 10 GPs departed. Of those who left, 4 completed the Scheme having gained permanent residency and GP Fellowship (3 remained rural and 1 moved to Perth). 6 GPs left the Scheme without completing it, of whom 2 moved to ineligible locations in rural WA, 2 returned overseas, 1 moved interstate and 1 moved to Perth.

As at 30 November 2018, there were also 49 GPs on the Rural Locum Relief Program (RLRP). This is an Australian Government program administered by Rural Health West whereby GPs who are Australian citizens or permanent residents are assisted to receive Medicare provider numbers to enable them to work in rural WA and bill Medicare.

The previous workforce update reported 90 GPs on the RLRP program; however, half of those work in the RA 2/MM 1 category locations such as Mandurah, and are no longer reported here.

Doctors on the above programs are supported by Rural Health West towards achieving Fellowship. 12 IMGs on a Rural Health West Fellowship support program achieved Fellowship during the period November 2017 to November 2018.

Table 14 shows the Fellowship status of all IMG GPs working in rural WA.

Table 14 Fellowship status of the rural IMG workforce

Fellowship status	Number	%
Fellowed IMG GPs	283	*63.0%*
Currently WAGPET/RVTS registrars	60	*13.4%*
Currently on a Rural Health West program*	66	*14.7%*
Not on any program	40	*8.9%*
Total	**449**	***100.0%***

*GPs on the 5 Year Overseas Trained Doctors Scheme, Rural Locum Relief Program and Forward to Fellowship program

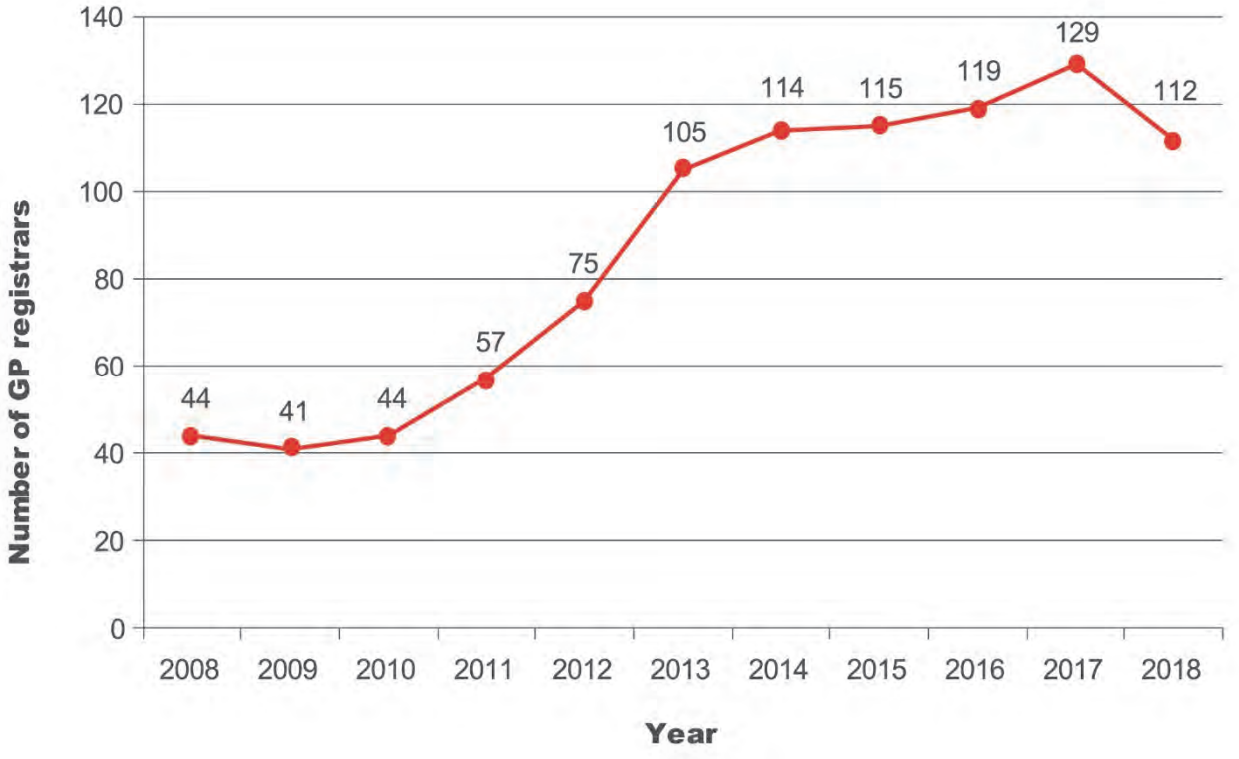
63.0% of the IMG workforce in 2018 were Fellowed, an increase of 3.0% from 2017. 13.4% of IMGs were on an accredited training program, 14.7% were on a Rural Health West supported program, and 8.9% were not on any program towards Fellowship.

Of the 283 Fellowed IMGs in the workforce, 40% Fellowed through a Rural Health West program, 22% were granted Fellowship ad eundem gradum, 10% Fellowed through WAGPET and the remaining through other programs.

11 Rural GP registrars

The following section analyses the rural GP registrar workforce in rural WA. Figure 18 compares rural GP registrar numbers over the period 2008 to 2018 at the census date of 30 November each year.

Figure 17 Total number of rural GP registrars 2008 to 2018



The total number of GP registrars in the rural WA workforce at the census date of 30 November 2018 was 112, which was 17 fewer than 2017.

GP registrars represented 13.4% of the rural general practice workforce in 2018, compared to 7.8% in 2008.

The *Rural General Practice in Western Australia Annual Workforce Update 2017* reported 153 registrars, however, 23 of these were in the Mandurah (and other RA 2/MM 1 category locations) and are no longer reported. A further 18 were ACRRM independent pathway registrars, and are now included in the non-registrar workforce.

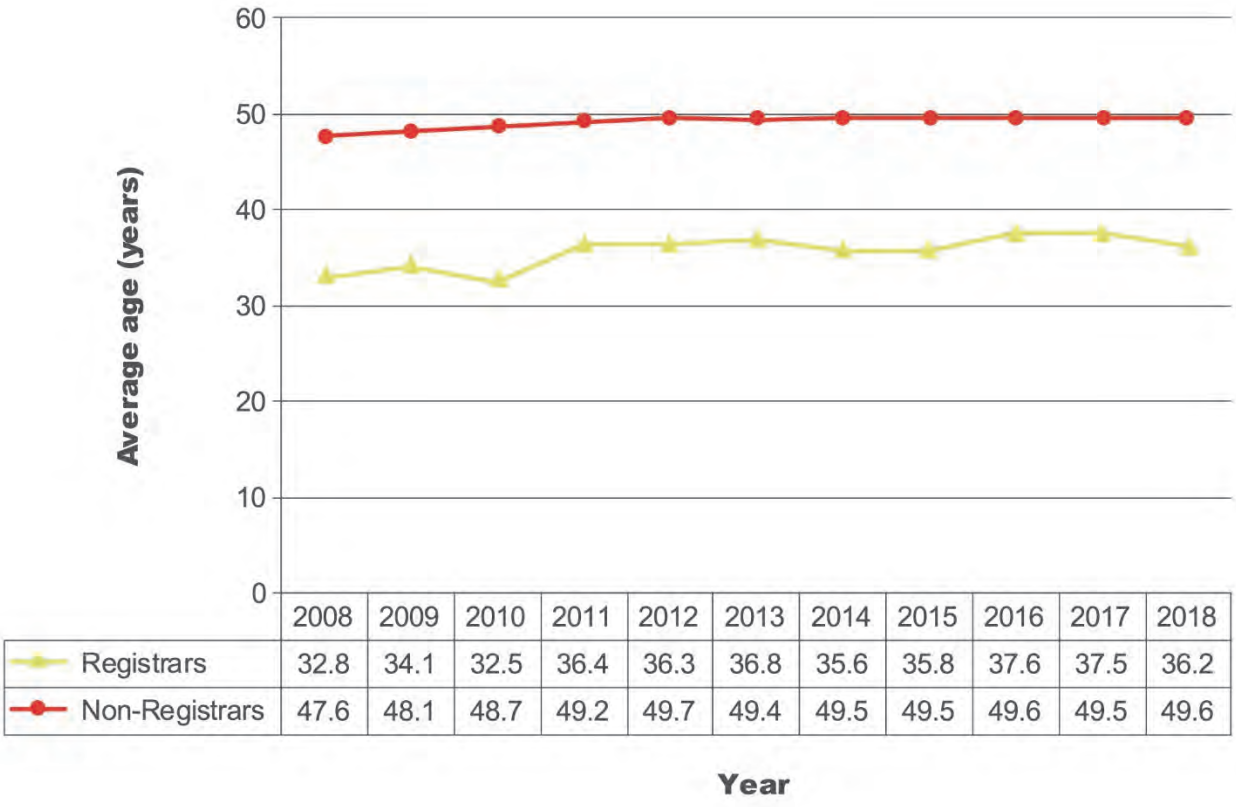
In 2018, 106 rural GP registrars were with WAGPET (a decrease of 3 from 2017), and 6 were with RVTS (an increase of 2).

57.1% of all rural GP registrars were female (a decrease from 58.1% in 2017).

As expected, the average age of rural GP registrars remains well below that of the non-registrar general practice workforce as shown in Figure 18.

The average age of GP registrars has increased by 3.4 years since 2008. This compares with an average increase of 1.9 years among the non-registrar workforce,.

Figure 18 Average age of rural GP registrars 2008 to 2018

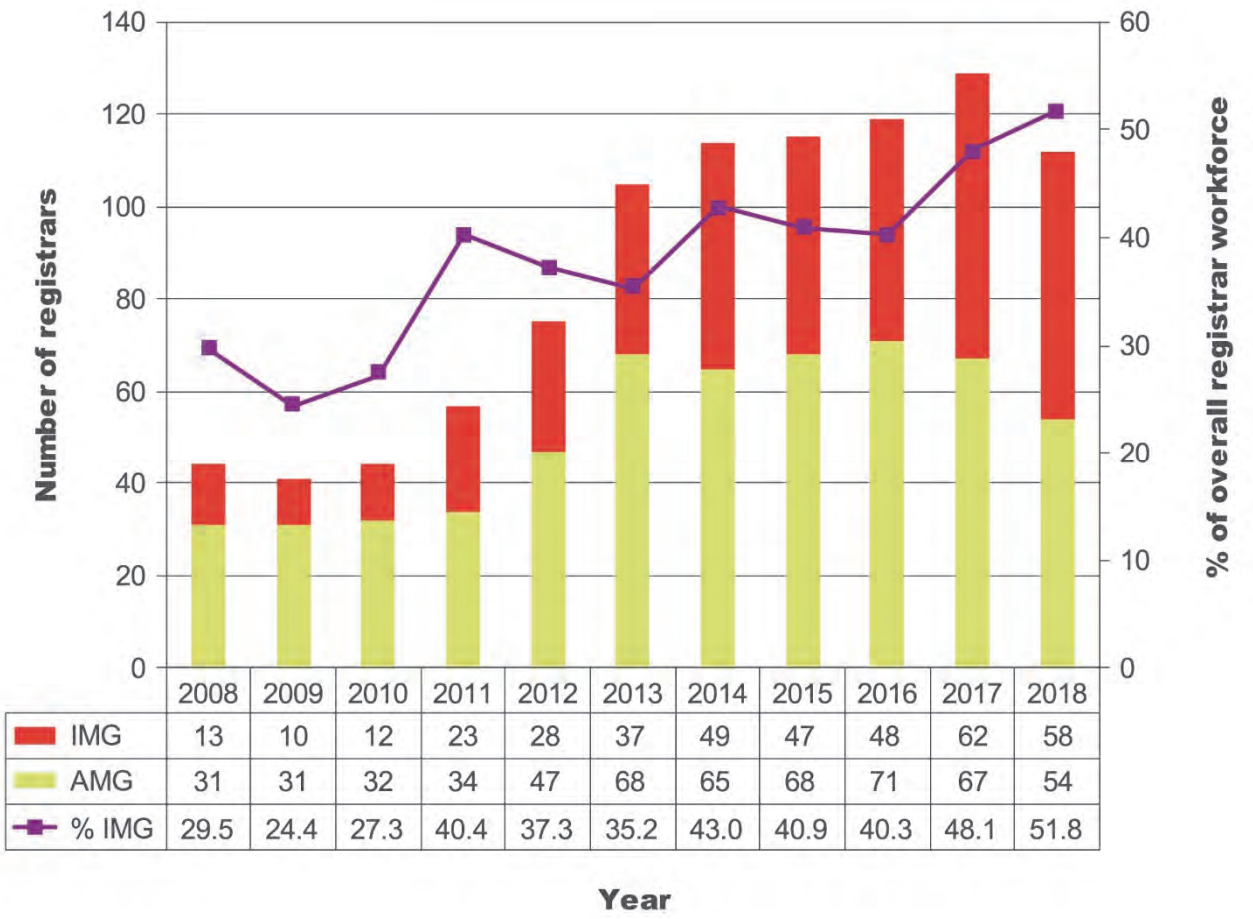


	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Registrars	32.8	34.1	32.5	36.4	36.3	36.8	35.6	35.8	37.6	37.5	36.2
Non-Registrars	47.6	48.1	48.7	49.2	49.7	49.4	49.5	49.5	49.6	49.5	49.6

Removing Mandurah (and other RA 2/MM 1 category locations) registrars has produced a decrease in registrar ages by an average of 1.4 years over the 10 year period.

Figure 19 provides a comparative breakdown of rural GP registrar figures from 2008 to 2018, according to where they received their primary medical qualification.

Figure 19 Number and proportion of overseas trained rural GP registrars 2008 to 2018



	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
IMG	13	10	12	23	28	37	49	47	48	62	58
AMG	31	31	32	34	47	68	65	68	71	67	54
% IMG	29.5	24.4	27.3	40.4	37.3	35.2	43.0	40.9	40.3	48.1	51.8

The proportion of registrars who were IMGs is now over 50.0% and the highest proportion to date.

Of the IMG GP registrars, 15 completed their basic medical qualification in the United Kingdom/Ireland, 14 in India, 4 in Pakistan, 4 in Myanmar, 4 in South Africa and the remainder in 14 other countries.

The following table shows the university at which Australian trained GP registrars working in rural WA obtained their basic medical degree.

Table 15 University of basic medical training of Australian trained GP registrars working in rural WA 2018

University of basic medical training	Number of GPs
The University of Western Australia	27
The University of Notre Dame Australia, Fremantle	14
University of Sydney	3
University of Adelaide	2
University of Queensland	2
University of Tasmania	2
James Cook University	1
Monash University	1
University of New England	1
University of Wollongong	1
Total	**54**

This table shows that 50.0% of all Australian trained GP registrars working in rural WA completed their basic medical training at The University of Western Australia and 25.9% completed their basic medical training at The University of Notre Dame Australia, Fremantle. Overall, 75.9% completed their basic medical training in WA.

12 Rural ACCHO practices

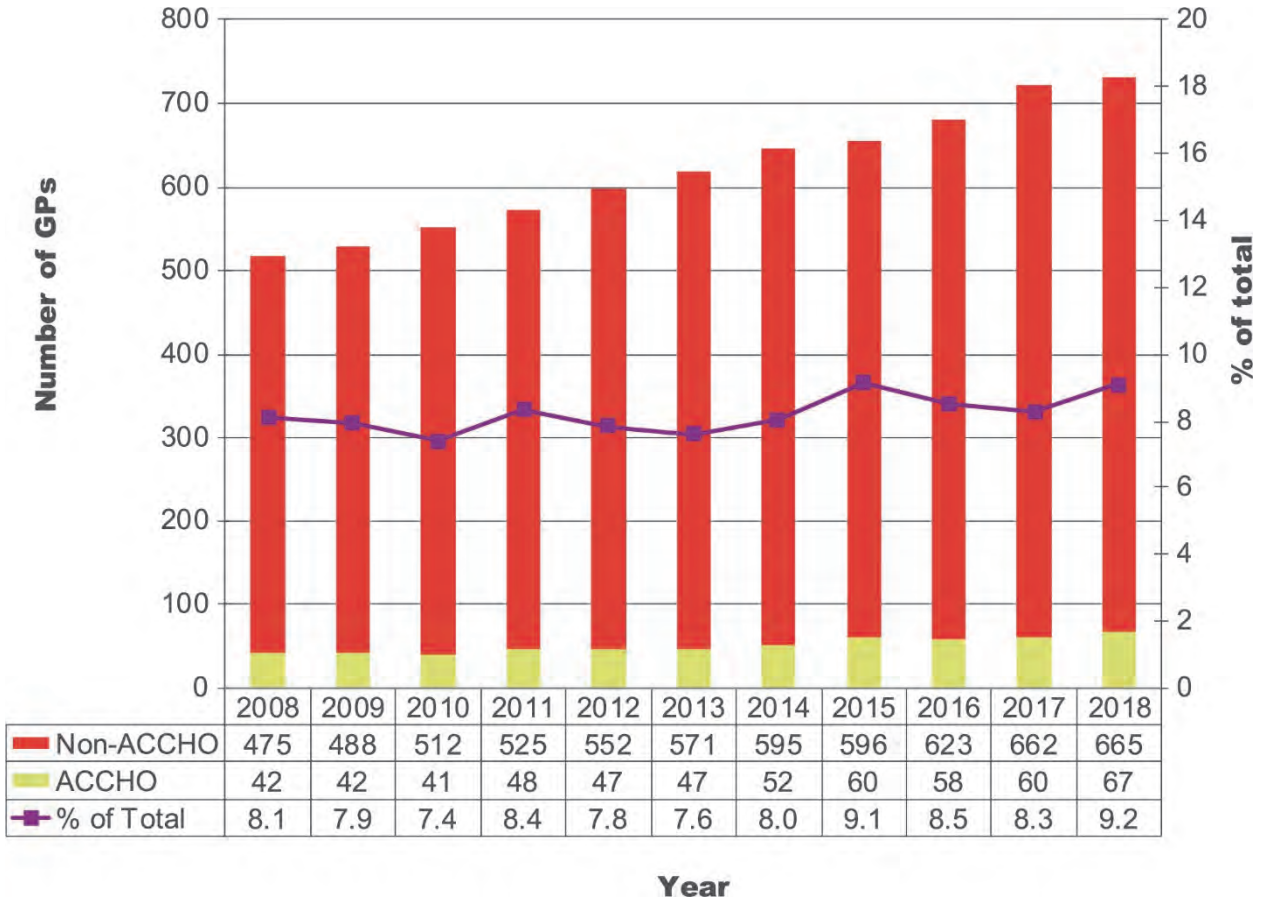
The following section analyses the general practice workforce in rural ACCHO practices. This workforce comprised a total of 75 GPs in 2018 (2 greater than 2017), of which 8 were WAGPET registrars, 3 were RVTS registrars, 18 were fly-in/fly-out/drive-in-drive-out GPs and 46 were resident GPs.

The 8 WAGPET GP registrars who identified as working in a rural ACCHO practice as their primary practice are excluded from the remainder of this analysis. Also excluded from this analysis are 9 private practice GPs who worked at a rural ACCHO practice as a secondary practice. These GPs are not include in the 75 GPs mentioned above.

Figure 20 charts the number of GPs who identified a rural ACCHO practice as their primary practice from 2008 to 2018.

In 2018, there were 67 GPs, an increase of 7 GPs from 2017. The ACCHO employed workforce has increased by 59.5% since 2008, 19.5% higher than the increase in the non-ACCHO general practice workforce over the same 10 year period. As a proportion of the total workforce, GPs working in ACCHO practices have increased from 8.1% in 2008 to 9.2% in 2018.

Figure 20 Number of GPs in rural ACCHO practices v overall 2008 to 2018
(excluding WAGPET GP registrars)

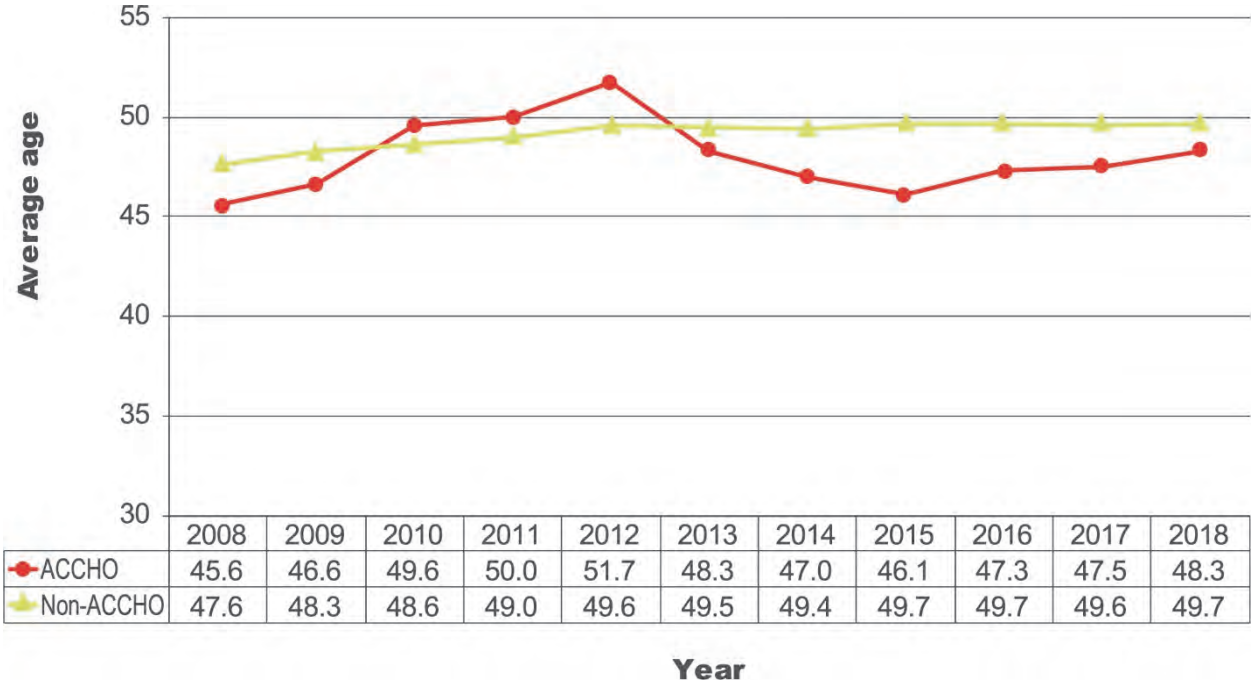


	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Non-ACCHO	475	488	512	525	552	571	595	596	623	662	665
ACCHO	42	42	41	48	47	47	52	60	58	60	67
% of Total	8.1	7.9	7.4	8.4	7.8	7.6	8.0	9.1	8.5	8.3	9.2

Figure 21 identifies the average age of GPs in rural ACCHO practices from 2008 to 2018 compared to the overall age of the non-ACCHO general practice workforce in rural WA.

In 2018, the average age of ACCHO practice GPs was younger than that of the overall workforce, as it has been since 2012.

Figure 21 Average age of GPs in rural ACCHO practices v overall 2008 to 2018 *(excluding WAGPET GP registrars)*



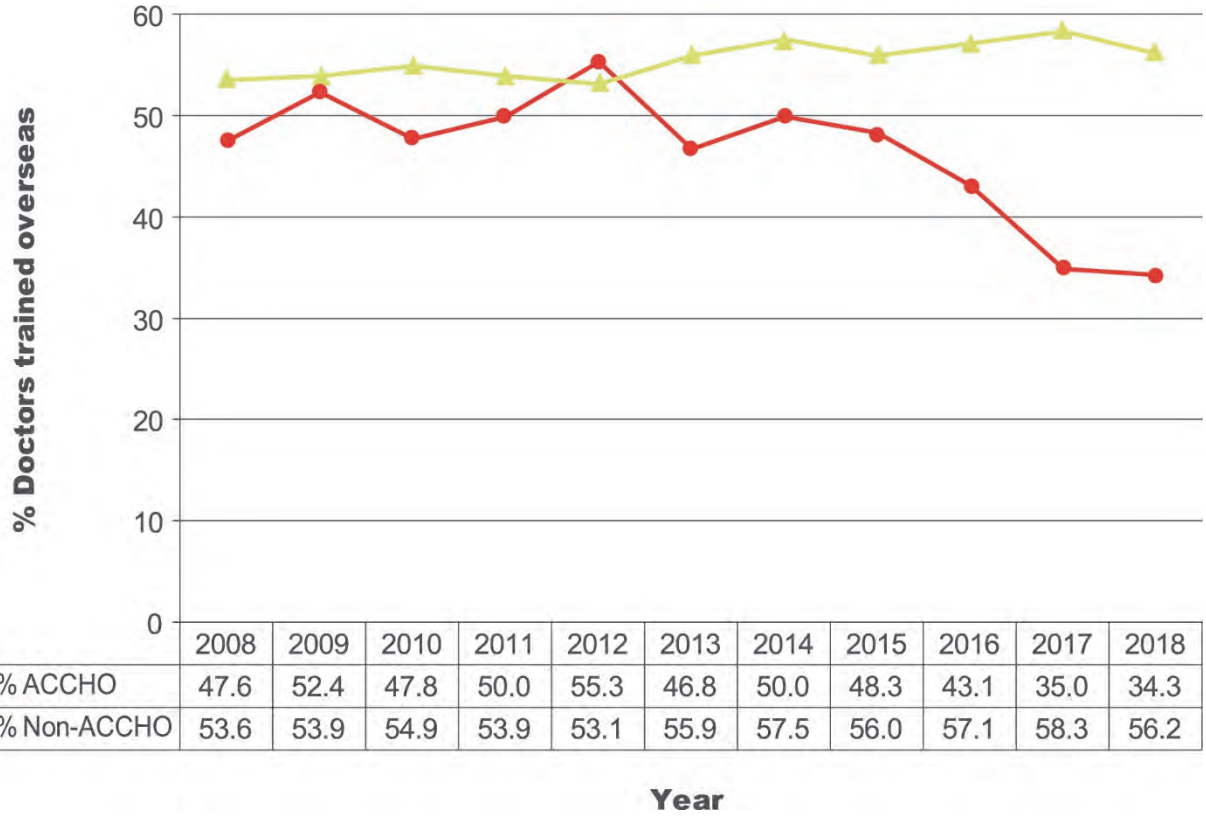
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
ACCHO	45.6	46.6	49.6	50.0	51.7	48.3	47.0	46.1	47.3	47.5	48.3
Non-ACCHO	47.6	48.3	48.6	49.0	49.6	49.5	49.4	49.7	49.7	49.6	49.7

The overall average age for each year will differ from that reported in Section 4 at Figure 1 due to the inclusion of WAGPET GP registrars in the overall age profile, whereas WAGPET GP registrars are excluded from the calculations in Figure 21.

Figure 22 charts the percentage of IMGs in rural ACCHO practices compared with the overall rural general practice workforce between 2008 and 2018.

It shows that the percentage of IMGs working in ACCHO practices as their primary practice has mostly been decreasing annually since 2008, a fall of 13.3%, compared to an increase of 2.6% in IMGs amongst the overall non-registrar non-ACCHO employed workforce.

Figure 22 Percentage of IMGs in rural ACCHO practices v overall 2008 to 2018
(excluding WAGPET GP registrars)



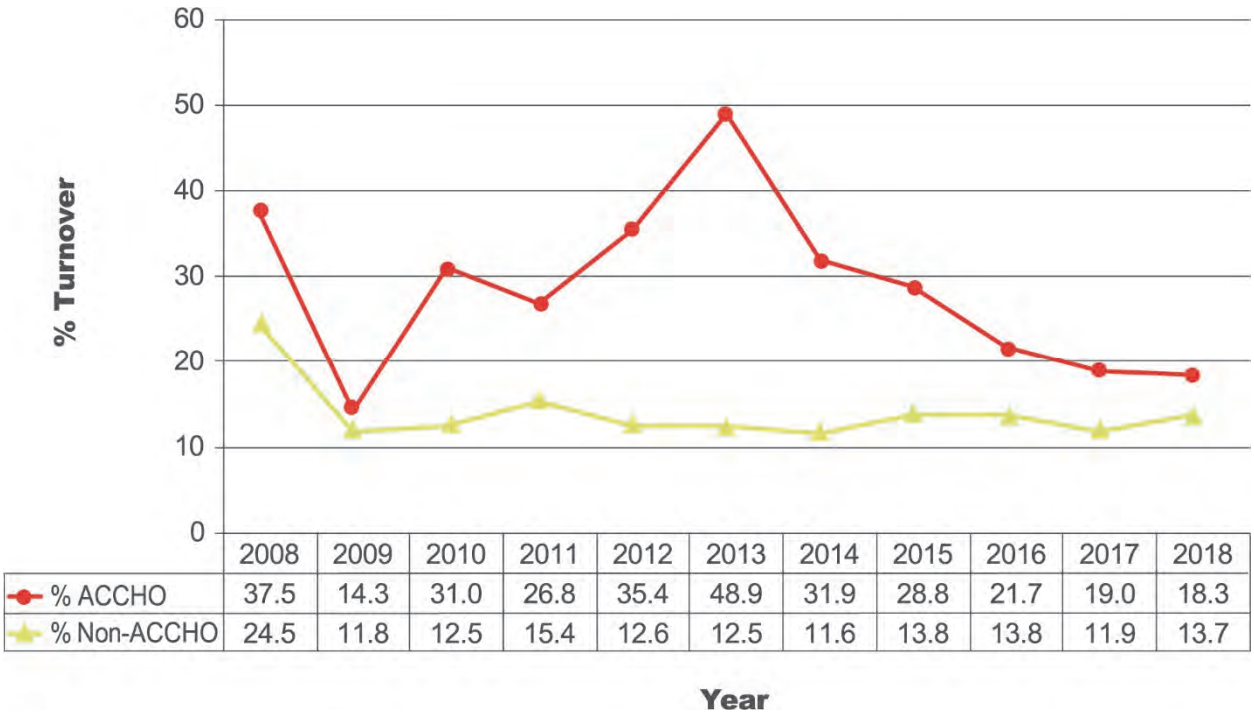
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
% ACCHO	47.6	52.4	47.8	50.0	55.3	46.8	50.0	48.3	43.1	35.0	34.3
% Non-ACCHO	53.6	53.9	54.9	53.9	53.1	55.9	57.5	56.0	57.1	58.3	56.2

Figure 23 compares the GP turnover in rural ACCHO practices with the non-ACCHO employed GP turnover between 2008 and 2018.

Turnover in ACCHO practices is higher than turnover among the overall workforce, however it has been decreasing since it peaked in 2013.

Turnover in ACCHO practices between November 2017 and November 2018 decreased 0.7% from the prior period. By comparison, turnover in non-ACCHO practices increased 1.8% in the same period.

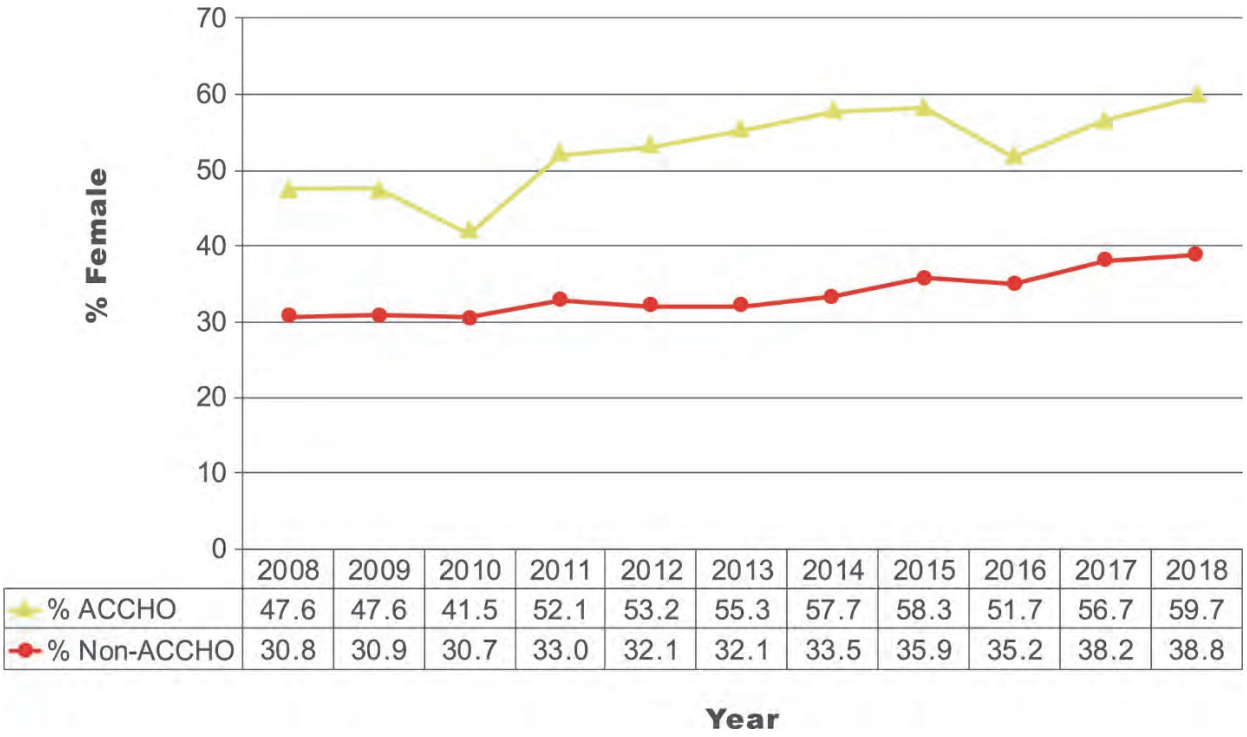
Figure 23 Turnover in rural ACCHO practices v overall 2008 to 2018
(excluding WAGPET GP registrars)



	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
% ACCHO	37.5	14.3	31.0	26.8	35.4	48.9	31.9	28.8	21.7	19.0	18.3
% Non-ACCHO	24.5	11.8	12.5	15.4	12.6	12.5	11.6	13.8	13.8	11.9	13.7

Figure 24 charts the percentage of female GPs in rural ACCHO practices compared with the overall rural general practice workforce between 2008 and 2018.

Figure 24 Percentage of female GPs in rural ACCHO practices v overall 2008 to 2018 *(excluding WAGPET GP registrars)*



	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
% ACCHO	47.6	47.6	41.5	52.1	53.2	55.3	57.7	58.3	51.7	56.7	59.7
% Non-ACCHO	30.8	30.9	30.7	33.0	32.1	32.1	33.5	35.9	35.2	38.2	38.8

The proportion of female GPs working in rural ACCHO practices increased 3.0% in 2018 from 2017. ACCHO practices continued to have a consistently greater proportion of female GPs than the overall non-ACCHO rural general practice workforce with a variance of 20.9% in 2018.

RURAL HEALTH WEST

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