



ATTACHMENTS

Ordinary Council Meeting

20 March 2024

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ACTIVE RESOLUTIONS AS AT 20 MARCH 2024

LACHLAN SHIRE COUNCIL REPORT TO COUNCIL MEETING TO BE HELD 20 MARCH 2024				
AUTHOR: GENERAL MANAGER				
	Dept.	Resolution	Action Taken to Date	Expected Completion
February 2024	GM	18/2024 14.1 CORRESPONDENCE RESOLVED THAT: <ol style="list-style-type: none"> 1. The Correspondence Report No. R24/9 be received and noted. 2. Council to make representation for improved telecommunications for rural communities in black outs. 3. Mayor Phillips, and Councillor Brady as alternate, are hereby nominated to attend the Murry Darling Associations Inc. 80th National Conference Tamworth. <p style="text-align: right;">Rees/Brady</p>	Discussed with Telstra Regional General Manager and letter sent to Telstra Regional Liaison Officer. Complete	Complete
February 2024	GM	2024/9 9.1.1 ELECTION OF NON-VOTING COUNCILLOR TO THE AUDIT, RISK AND IMPROVEMENT COMMITTEE EFFECTIVE 1 JULY 2024; TEMPORARY EXTENSION OF THE ARIC CHAIR APPOINTMENT, AND UPDATE ON INDEPENDENT ARIC MEMBERS. RESOLVED THAT: <ol style="list-style-type: none"> 1. The General Manager’s Report No. R24/26 be received and noted. 2. Council nominate Cr Medcalf as the non-voting Councillor delegate to the ARIC effective 1 July 2024 and Councillor Harris as an observer. 3. The tenure of the ARIC Chair, Graeme Fleming PSM, be temporarily extended from 23 March 2024 until 30 June 2024 to allow time for his Performance Review to be undertaken. <p style="text-align: right;">Harris/Mortimer</p>	Complete.	Complete.

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February 2024	GM	<p>2024/7 5.3 MAYORAL MINUTE - COST SHIFTING ONTO LOCAL GOVERNMENT</p> <p>RESOLVED THAT:</p> <ol style="list-style-type: none"> 1. Mayoral Minute No. R24/32 be received and noted. 2. Council receive and note the findings of the LGNSW Cost Shifting report for the 2021/2022 financial year; and 3. A copy of the cost shifting report be placed on Council’s website so that our communities can access it; and 4. Council write to the Premier, the NSW Treasurer and the NSW Minister for Local Government seeking that they urgently seek to address these costs through a combination of regulatory reform, budgetary provision and appropriate funding. <p style="text-align: right;">Metcalf/Bartholomew</p>	Complete.	Complete.
February 2024	GM	<p>2024/6 5.2 MAYORAL MINUTE - THE NEED FOR A PUBLIC POST OFFICE BANK</p> <p>RESOLVED THAT:</p> <ol style="list-style-type: none"> 1. The Mayoral Minute Report No. R24/25 be received and noted. 2. The generic draft resolution attached to this report (attachment 1) be noted. 3. The actions recommended in the generic draft resolution be undertaken. <p style="text-align: right;">Brady/Metcalf</p>	Complete.	Complete.
November 2023	GM	<p>2023/254 9.1.1 PAYMENT OF EXPENSES AND PROVISION OF FACILITIES FOR COUNCILLORS - COUNCILLOR EXPENSE CLAIM</p> <p>RESOLVED THAT:</p> <ol style="list-style-type: none"> 1. The General Manager’s Report No. R23/319 be received and noted. 2. Council approve the refund of the actual travel expenses incurred by Cr Carter for fuel only, subject to the submission of receipts or a reasonable estimate of the fuel costs. <p style="text-align: right;">Harris/Metcalf</p>	Email sent to Cr Carter informing him of Council’s resolution and requesting copies of receipts or details of his trip so an estimate of the fuel cost can be calculated and refunded. Awaiting response.	April 2024

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<p>March 2023</p>	<p>GM</p>	<p>2023/58 17.6 50 LACHLAN STREET CONDOBOLIN - OFFER TO PURCHASE</p> <p>RESOLVED THAT:</p> <ol style="list-style-type: none"> 1. The General Manager’s Report No. R23/63 be received and noted. 2. The General Manager be authorised to negotiate the sale of 50 Lachlan Street Condobolin (lots 1//DP319876; B//DP408388; Y//DP448903; 3/4/5//10//DP758271; and 6//DP81908) at the price recommended in the independent market appraisal attached to the report. 3. Council’s legal representative be engaged to prepare a contract of sale. 4. The sale contract include appropriate conditions regarding timeframes for the lodgment of a development application and commencement of construction etc., as contemplated in the offer to purchase, in addition to conditions outlined in the report. 5. Proceeds from the sale of the property be proportionally refunded to the Plant and Gravel Pit Rehabilitation Reserves. 6. The Mayor and General Manager be authorised to sign the contract of sale documents and affix the Council seal. 7. A further report on negotiations be reported to Council. <p style="text-align: right;">Phillips/Harris</p>	<p>Negotiations have progressed favourably and Councils legal representative is preparing a contract of sale.</p> <p>A meeting with the purchaser is planned for late May to continue negotiation discussions.</p> <p>Meeting held with prospective purchaser. Agreement reached on conditions of sale and option agreements.</p> <p>Purchaser is preparing concept plans to inform subdivision needs.</p> <p>Site meeting with purchaser and architect. Preliminary plans received mid-August.</p> <p>Proponent finalising subdivision layout plan.</p> <p>Concept plans with required lot dimensions</p>	<p>May 2023.</p>

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			received in late October. Detail provided to Council's surveyor for preparation of the necessary plan of subdivision. Once subdivision plans prepared contracts of sale can be finalised. Contracts issued for signature, exchange expected within 2 weeks.	
October 2022	GM	<p>2022/276 5.3 MAYORAL MINUTE – COUNTRY WOMAN'S ASSOCIATION</p> <p>RESOLVED THAT:</p> <ol style="list-style-type: none"> 1. Mayoral Minute Report No. R22/354 be received and noted. 2. That Council place a plaque recognising the 100 years of the Condobolin and District CWA organisation in front of the Lachlan Shire Council Chambers. 3. That the cost of installing the plaque, estimated to be \$1,000, be charge to Council's special events donations budget which has a balance of \$22,355. <p style="text-align: right;">Phillips/Harris</p>	Plaque received. Ceremony arranged for 11 April 2024.	April 2024.
February 2024	DEP	<p>28/24 17.8 TYRE DISPOSAL/ RECYCLE AT COUNCIL'S WASTE FACILITIES</p> <p>RESOLVED THAT:</p> <ol style="list-style-type: none"> 1. The Acting Director Environment and Planning Report No. R24/34 be received and noted. 	<p>Change in practice has commenced.</p> <p>Tyres are now being stockpiled, not landfilled.</p>	Complete

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		<p>2. Council express its interest in the coming regional tyre recycling/processing tender to obtain the best competitive price and increase Council’s fees and charges (if required) for tyre disposal at the waste facilities.</p> <p>3. Council implement a tyre recycling/reuse process using the Netwaste Regional tender/Contract.</p> <p style="text-align: right;">Medcalf/Bartholomew</p>	<p>Council has expressed its interest in the Netwaste Regional Tender. Complete</p>	
February 2024	DEP	<p>23/2024 17.3 53-59 BATHURST STREET, CONDOBOLIN - FORMER TARGET BUILDING</p> <p>RESOLVED THAT:</p> <p>1. The Acting Director of Environmental and Planning Report No. R24/7 be received and noted.</p> <p>2. Council endorse option 3 of the report, and 3. A further report be presented to Council in regard the outcome of option 3.</p> <p style="text-align: right;">Bartholomew/Mortimer</p>	<p>Not yet commenced.</p>	<p>June 2024</p>
February 2024	DEP	<p>2024/14 9.3.2 ELECTRONIC FUNDS TRANSFER AT POINT OF SALE (EFTPOS) FOR WASTE FACILITIES.</p> <p>RESOLVED THAT:</p> <p>1. The Acting Director of Environment and Planning Report No. R24/23 be received and noted.</p> <p>2. Implement EFTPOS only payment for relevant waste disposal and provide a transition period of one month before ceasing cash transactions at the Condobolin, Lake Cargelligo and Tottenham Waste Facilities.</p> <p style="text-align: right;">Medcalf/Turner</p>	<p>Media Release issued on 8 March 2024.</p> <p>Staff informed of proposed change.</p> <p>Signage has been ordered. Complete</p>	<p>Complete</p>
November 2023	DEP	<p>2023/287 17.16 1 MCINNES STREET LAKE CARGELLIGO - MASTER PLAN UPDATE</p> <p>RESOLVED THAT:</p>	<p>Preferred contractor advised of outcome of Council meeting. Investigations have progressed and further</p>	<p>April 2024</p>

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		<ol style="list-style-type: none"> 1. The Acting Director of Environment, Tourism and Economic Development Report No. R23/341 be received and noted. 2. Council endorse the undertaking of urban design concepts, water and sewer main investigation, stormwater investigation, electrical and telecommunication/NBN connection investigation by the preferred consultant. 3. A further report be presented to Council in the first quarter of 2024 with an update on the budget, the findings of the investigations and the progression of the planning proposal. <p style="text-align: right;">Harris/Medcalf</p>	report will be provided at April 2024 meeting.	
November 2023	DEP	<p>2023/276 17.5 GOANNA MANOR - LIONEL HUNT PARK, 125 BATHURST STREET, CONDOBOLIN</p> <p>RESOLVED THAT:</p> <ol style="list-style-type: none"> 1. The Acting Director of Environment, Tourism and Economic Development Report No. R23/261 be received and noted. 2. The condition of the building be noted, the premises remain vacant, and \$60,000 from the current SRV building budget for 2023/2024 be allocated for the demolition of the building, including undertaking a historic and photographic record. 3. Stakeholder consultation be undertaken prior to the demolition of the building, subject to any regulatory requirements. 4. The Callara Cultural and Heritage Aboriginal Corporation be advised that the building is not available for their requested use. <p style="text-align: right;">Harris/Medcalf</p>	<p>EOI developed for demolition and currently open. Discussions held with Heritage advisor in February regarding best method to complete historic and photographic record.</p> <p>Stakeholder consultation to be undertaken. CCHAC have been advised that the building is not available for their requested use.</p>	June 2024
November 2023	DEP	<p>2023/265 9.3.3 DRAFT LACHLAN HOUSING STRATEGY</p> <p>RESOLVED THAT:</p> <ol style="list-style-type: none"> 1. The Acting Director of Environment, Tourism and Economic Development Report No. R23/337 be received and noted. 	Public exhibition has finalised. Consultation with state agencies now completed and	April/May 2024

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		<p>2. The draft Lachlan Housing Strategy be placed on public exhibition for a minimum period of 28 days until 5 February 2024.</p> <p style="text-align: right;">Harris/Medcalf</p>	<p>submissions are being considered. Strategy to be updated with appointed consultant in March and April 2024. A report to Council for adoption of the Strategy will be provided to Council in April or May 2024.</p>	
September 2023	DEP	<p>2023/216 9.3.1 TEMPORARY AND SEASONAL WORKERS' ACCOMMODATION TOOLKIT</p> <p>RESOLVED THAT:</p> <ol style="list-style-type: none"> 1. The Director Environment, Tourism and Economic Development Report No. R23/253 be received and noted. 2. Council lodge a submission as per Option 1 of this report. 3. Investigate adding local provisions into Lachlan LEP 2013 around temporary workers accommodation and rural workers' dwellings as part of the housing strategy and determine what zones should permit temporary workers accommodation; and 4. A further report be presented to Council following these investigations to ensure that Council is ready to respond within the three (3) months. <p style="text-align: right;">Phillips/Bartholomew</p>	<p>A submission was made as per Option 1 of the report. Investigations will now commence around adding local provisions into Lachlan LEP 2013 around temporary workers accommodation and rural workers' dwellings as part of the housing strategy. A further report be presented to Council following these investigations to ensure that Council is ready to respond within the three (3) months.</p>	April 2024

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<p>July 2023</p>	<p>DEP</p>	<p>2023/175 17.5 WILLOW BEND SPORTS CENTRE IMPROVEMENTS</p> <p>RESOLVED THAT:</p> <ol style="list-style-type: none"> 1. The Director Environment, Tourism and Economic Development Report No. R23/195 be received and noted. 2. That Council proceed with Option 3 as outlined in this report. <p style="text-align: right;">Harris/Mortimer</p>	<p>A variation request will be lodged for the LRCI grant as per Council’s resolution. Purchase Orders have been placed for the cubicle works and flooring. Works schedule has been finalised with contractor for commencement by end of November. Operator has been notified of works schedule for amenities. The majority of works have been undertaken and finalisation is expected shortly.</p>	<p>May 2024</p>
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<p>July 2023</p>	<p>DEP</p>	<p>2023/177 17.7.1 MCINNES STREET LAKE CARGELLIGO MASTER PLAN</p> <p>RESOLVED THAT:</p> <ol style="list-style-type: none"> 1. The Director of Environment, Tourism and Economic Development Report No. R23/211 be received and noted. 2. A planning proposal be prepared and lodged with Department of Planning and Environment to re-zone the site RU5 Village under Lachlan Local Environmental Plan 2013. 3. Detailed contamination and geotechnical soil investigations be undertaken by the preferred consultant. 4. A further \$100,000 from the Housing and Development reserve be approved to continue investigations into 1 McInnes Street to determine the development potential of the site and prepare the preliminary design for the site. 5. A further report be presented to Council in the final quarter of 2023 with an update on the budget, the findings of the investigations and the progression of the planning proposal. <p style="text-align: right;">Carter/Phillips</p>	<p>The contamination and geotechnical investigations were undertaken by Barnson and detailed reports were received in September. A planning proposal is currently being prepared and is expected to be lodged with the Department of Planning and Environment in December. A report is provided in this business paper - Fee proposals for preliminary site layout and essential services investigations have been received by suitably qualified consultants and subject to Council resolution are likely to commence in December. Subject to this a further report is expected be provided in the first quarter 2024. Planning proposal to re-zone the site RU5-Village was lodged with Department of</p>	<p>Ongoing.</p>
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			<p>Planning in March 2024. Investigations have progressed and are now with Calare Civil. An update report will be provided at the April 2024 council meeting.</p>	
July 2023	DEP	<p>2023/174 17.4 PROPERTY VALUATION</p> <p>RESOLVED THAT:</p> <ol style="list-style-type: none"> 1. The Director of Environment, Tourism and Economic Development Report No. R23/190 be received and noted. 2. The General Manager be authorised to commence negotiations with the landowner with a view to purchasing of the property in accordance with option 1 of the report. 3. A further report be provided advising Council on the outcome of the negotiations. <p style="text-align: right;">Harris/Bartholomew</p>	<p>The General Manager has commenced negotiations with the property owner. Request for zoning information and any planning proposals received from landowners solicitor and response sent.</p>	April 2024.

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<p>May 2023</p>	<p>DEP</p>	<p>2023/116 11.2 NOTICE OF MOTION - MEMORIAL TO DAVID DOYLE AND NEIL DUNNE</p> <p>RESOLVED THAT:</p> <ol style="list-style-type: none"> 1. Notice of Motion Report No. R23/115 be received and noted. 2. Council investigate and liaise with the families of the late David Doyle & Neil Dunne of D&D Technologies in honoring them for the life saving device they developed which has saved countless children’s lives world-wide. 3. Council communicate with the Doyle and Dunne families and D&D Technologies to see what type of memorial they would prefer and determine if they will finance the memorial and support Council with this proposed project. <p style="text-align: right;">Brady/Carter</p>	<p>Investigation/research is currently in progress.</p>	<p>June 2024</p>
<p>May 2023</p>	<p>DEP</p>	<p>2023/127 17.6 CONSIDERATIONS IN THE FUTURE DELIVERY OF WASTE SERVICES FOR BURCHER RESIDENTS.</p> <p>RESOLVED THAT:</p> <ol style="list-style-type: none"> 1. The Director Environment Tourism and Economic Development Report No. R23/135 be received and noted. 2. Stakeholder consultation be undertaken regarding the future delivery of waste services in Burcher in accordance with a stakeholder consultation plan. 3. A further report be provided to Council, outlining stakeholder feedback and to seek a final decision from Council on the delivery of waste services in Burcher. <p style="text-align: right;">Phillips/Bartholomew</p>	<p>Stakeholder consultation has been completed. Information collected during the consultation period is now being collated and a further report is expected to be presented to the Council meeting in March, seeking a decision from Council on the delivery of waste services in Burcher. Further public consultation to be organised in April/May</p>	<p>June/July 2024.</p>

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			2024. Project has been added to funding list requested by Roy Butler MP for consideration in the State Budget.	
August 2022	DEP	<p>2022/252 9.3.1 ACTIONS FROM THE INDUSTRIAL AND RURAL LANDS STRATEGY - LODGEMENT OF PLANNING PROPOSALS FOR IDENTIFIED SITES</p> <p>RESOLVED THAT:</p> <ol style="list-style-type: none"> 1. The Director of Environment, Tourism and Economic Development Report No. R22/274 be received and noted. 2. Council endorse the investigations in accordance with the Actions (C1) of Council’s Industrial and Rural Lands Strategy. 3. A further report be tabled once the investigations are complete and individual planning proposals are prepared. <p style="text-align: right;">Brady/Bendall</p>	Investigations are ongoing and a number of planning proposals are being prepared and lodged including in Lake Cargelligo and Tottenham. Reports on individual planning proposals will be provided to Council as an ongoing matter. Complete	Complete
July 2022	DEP	<p>2022/222 NSW FLOOD PLANNING PACKAGE</p> <p>RESOLVED THAT:</p>	The Draft DCP is being prepared.	June/July 2024

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		<p>Council resolve to amend Lachlan DCP 2018 to include flood planning controls and mapping and that a further report be presented outlining the proposed changes before the draft DCP is placed on public exhibition.</p> <p style="text-align: right;">Harris/Bendall</p>		
MAY 21	DEP	<p>92/2021 HONOUR ROLL/ACKNOWLEDGEMENT BOARD</p> <p>RESOLVED THAT:</p> <p>That an Acknowledgement Board project be considered, along with other meritorious projects, for a funding application under the Stronger Country Communities Fund – Round 4.</p> <p>Subject to Council approval, and a successful grant application for the Acknowledgement Board project, expressions of interest be invited from community members to assist with the determination of appropriate criteria for a person’s name to be considered for inclusion on the board. The advisory group is also to make recommendations to Council on the initial list of people’s names for inclusion on the board.</p> <p>A further report be presented to Council following determination of the project funding application.</p> <p style="text-align: right;">Harris/Brady</p>	<p>The project was not supported by Council for funding under the Stronger Country Communities Fund – Round 4 or the LRCI4A funding programs. Other funding opportunities will now need to be identified.</p>	<p>Ongoing.</p>
FEB 18	DEP	<p>28/18 LAKE CARGELLIGO WASTE FACILITY – LAND ACQUISITION</p> <p>RESOLVED THAT:</p> <p>Approve the proposal to acquire 72,700 square metres of crown land comprising part lot 7308 DP 1151003, lot 7009 DP 1057453 and lots 7005 and 7006 DP: 1029763.</p> <p>Authorise the General Manager to lodge a Compulsory Acquisition Consent to Acquire Crown Land Application to the Department of Industry – Lands.</p> <p>The DIS provide an estimated cost of the access road to the March Ordinary Council meeting.</p>	<p>Now that the acquisition process is complete, an estimated cost will be determined for the construction of the access road for funding consideration.</p>	<p>June/July 2024</p>

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			Phillips/Hall		
DEC 2017	DEP	<p>326/17 HERITAGE COMMITTEE MEETING 22 NOVEMBER 2017</p> <p>RESOLVED THAT: Adopt the recommendations made by the Heritage Advisory Committee as follows;</p> <p>a) That Council implement a Conservation Management Plan for small rural cemeteries within the Shire.</p> <p>b) That Council award \$6,000 to Meredith Ervin for works to the NAB and residence in Lake Cargelligo; \$6,000 to Katrina & Jim Thomas for restoration works at Melrose Homestead, and \$2,000 to the Tottenham & Albert Cemetery Committee for headstone restoration.</p>	Rees/ Frankel	<p>Melrose Homestead – funds acquitted. Cemetery funds acquitted. Ervin – works not complete and funds now no longer available. The Heritage Advisor has provided a quote for the preparation of the CCMP for \$9,900. The Heritage Advisor was initially to prepare the plan for Condobolin in December 2018. However, the heritage advisor was focused on the completion of the Beech Periscope in Memorial Park and ensuring that Council submitted applications for a number of grants which were available in the heritage space, including the grant for</p>	<p>June/July 2024, subject to funding</p>

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			the Aboriginal Heritage Study. The Heritage Advisor visited Tottenham, Albert and Fifield cemeteries in May 2020. Draft Plans for Albert, Tottenham, Tullibigeal and Fifield have been provided by the Heritage Advisor and are being reviewed by Council Officers.	
February 2024	C&CS	<p>27/2024 17.7 OUTSTANDING RATES AND WATER RECOVERY</p> <p>RESOLVED THAT:</p> <ol style="list-style-type: none"> 1. The Director of Corporate and Community Services Report R24/21 be received and noted. 2. Council approve the commencement of debt recovery action including enforcing any legislative rights for the recovery of outstanding rates, charges, interest and water consumption on property assessments (as attached) commonly referred to in Council’s Authority system as Major Agents 9 & 29. <p style="text-align: right;">Brady/Turner</p>	<p>Revenue Officer advised to proceed to debt recovery.</p> <p>Complete</p>	Complete
February 2024	C&CS	<p>21/2024 17.1 ARIC FEES REMUNERATION REVIEW</p> <p>RESOLVED THAT:</p> <ol style="list-style-type: none"> 1. The Director Corporate & Community Services Report R23/359 be received and noted. 2. That Council resolves to pay the Audit, Risk and Improvement Committee Chair a fee of \$1,385 per meeting from 1 July 2024. 3. That Council resolves to pay the Audit, Risk and Improvement Committee Independent members a fee of \$855 per meeting from 1 July 2024. 	<p>ARIC members notified. Policy to be updated effective 1 July 2024.</p> <p>Complete</p>	Complete

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		<p>4. The ARIC Fees, Reasonable Expenses and Facilities Policy be updated to reflect changes to the remuneration structure.</p> <p style="text-align: right;">Brady/Bartholomew</p>		
February 2024	C&CS	<p>2024/12 9.2.3 COMMUNITY DONATION AND EVENT SUPPORT PROGRAM</p> <p>RESOLVED THAT:</p> <ol style="list-style-type: none"> 1. The Director of Corporate and Community Services Report R24/31 be received and noted. 2. Provide a financial donation of \$792 to the Aboriginal Evangelical Fellowship NSW. This donation is to be funded from the Annual Budget for General Donation Elected Members and is conditional on the event proceeding. 3. Provide sponsorship of \$250 to Condobolin Junior Rugby League Football Club. This donation is to be funded from the Annual Budget for General Donations Elected Members. 4. Provide sponsorship of \$500 for the Lower Lachlan Community Services Lake’s Long Lunch event. This sponsorship is to be funded from the Annual Budget for General Donations Elected Members and is conditional on the event proceeding. 5. Provide the Mayfield Hotel Post Tullibigeal Picnic Race event with In-Kind support estimated to be worth \$1,306. The in-kind support is to be funded from the Special Events budget and is conditional on the event proceeding. 6. Provide Tottenham Races with in-kind support estimated to be worth \$12,330 for its race day. The in-kind support is to be funded from the Special Events budget and is conditional on the event proceeding. 	<p>In progress.</p> <p>Correspondence issued & Payment made 29/02/24 2.15.2.0 COMPLETED On hold Correspondence issued 22/2/24 Event potentially postponed or event change 2.15.2.0 Correspondence issued 22/2/24 – 2.15.2.0 COMPLETED Correspondence issued 22/2/24 – 2.15.2.0 COMPLETED</p>	<p>In progress. April 2024.</p> <p>COMPLETED</p> <p>On hold</p> <p>COMPLETED</p> <p>COMPLETED</p>

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December 2023	C&CS	<p>2023/312 17.6 OUTSTANDING RATES, CHARGES AND WATER CONSUMPTION - LAKE CARGELLIGO SPORTS CLUB ASSESSMENT 1034724</p> <p>RESOLVED THAT:</p> <ol style="list-style-type: none"> 1. The Director of Corporate and Community Services Report No. R23/366 be received and noted. 2. With regards to the Lake Cargelligo Sports Club assessment number 1034724, due to the extenuating circumstances, advise Recovery and Reconstructions to: <ol style="list-style-type: none"> a) place the Examination Notices on hold for 90 days; and b) to seek a written resolution of Lachlan Shire Council before taking any further debt recovery action. <p style="text-align: right;">Brady/Medcalf</p>	<p>Email sent 14.12.23 advising RSM, Administrators for the Club and Council’s debt recovery agent to place the Examination notices on Hold for 90 days.</p> <p>Report to be submitted to Council for March 2024, providing an update.</p> <p>In Progress</p>	<p>April 2024</p>
December 2023	C&CS	<p>2023/310 17.4 WATER LEAK ALLOWANCE APPLICATION ASSESSMENT 1040018</p> <p>RESOLVED THAT:</p> <ol style="list-style-type: none"> 1. The Director of Corporate and Community Services Report No. R23/352 be received and noted. Ordinary Council Meeting Minutes 13 December 2023 Page 12 2. The property owner be advised the entire pipeline from the property owner’s side of the water meter to any connected property/ies on the property owner’s land must be replaced to avoid potential ongoing water leak problems. 3. The ratepayer be advised, that due to faulty Council water infrastructure, the terms of the Undetected Water Leak and Faulty Water Meter Policy, will be applied on this occasion. 	<p>Correspondence issued 14.12.23 - D23/20350 Credit applied to assessment.</p> <p>Complete</p>	<p>Completed</p>

ACTIVE RESOLUTIONS AS AT 20 MARCH 2024

		<p>4. The ratepayer to be advised that the previous 2017 successful application for an undetected water leak is the first and only application that will be permitted for an undetected water leak caused solely by the property owner’s infrastructure.</p> <p>5. Council apply a reduction of \$13,455.40 to the water consumption account for assessment number 1040018.</p> <p style="text-align: right;">Brady/Medcalf</p>		
December 2023	C&CS	<p>2023/308 17.2 REQUEST FOR WATER ACCOUNT ADJUSTMENT 1031899</p> <p>RESOLVED THAT:</p> <p>1. The Director of Corporate and Community Services Report R23/353 be received and noted.</p> <p>2. Due to the extenuating circumstances, Council approve a reduction of the water account for the 2023 FY period 2 totaling \$3,383.45 as calculated under Council’s adopted Undetected Water Leak and Faulty Water Meter Policy.</p> <p>3. The ratepayer be advised this is the first and only application allowable under the Undetected Water Leak and Faulty Water Meter Policy.</p> <p style="text-align: right;">Harris/Brady</p>	<p>Correspondence issued 14.12.23 - D23/20348 In Progress</p> <p>Credit applied to account. Complete</p>	Complete
November 2023	C&CS	<p>2023/272 17.1 LEASE - 35 BATHURST ST., CONDOBOLIN - HISTORICAL SOCIETY BUILDING</p> <p>RESOLVED THAT:</p> <p>1. The Director Corporate & Community Services’ Report No. R23/191 be received and noted.</p> <p>2. The rent for the property at 35 Bathurst St., Condobolin be set at \$10 for the 10 year period (\$1 per year), with rent to be paid in advance.</p> <p>3. <u>No</u> outgoings (consisting of Council rates, water, sewer and drainage charges) be recouped for the entire 10 year lease period.</p>	<p>1.12.23 Solicitors advised to update the lease. Waiting on the lease to be returned to Council from the solicitor. Follow up email to solicitor 16.1.24 Dual signed Lease returned to Council 13.2.24</p>	April 2024

ACTIVE RESOLUTIONS AS AT 20 MARCH 2024

		<p>4. In order to encourage conservative water consumption, one hundred (100%) of water consumption charges be recouped for the entire 10 year lease period, as per clause 5.23 in Annexure B.</p> <p>5. The General Manager be authorised to amend and sign the lease document.</p> <p style="text-align: right;">Brady/Turner</p>	<p>Email sent to Moore & Co for registering.</p> <p>In progress</p>	
February 2024	IS	<p>25/2024 17.5 RNSW841 TOTTENHAM WATER SUPPLY - TELEMETRY UPGRADE</p> <p>RESOLVED THAT:</p> <p>1. The Director Infrastructure Services Report R24/24 be received and noted.</p> <p>2. The proposal from Alliance Automation Pty Ltd to undertake the Telemetry Upgrade in Tottenham be accepted.</p> <p>3. The Mayor and General Manager be authorised to execute the necessary contract documents and affix the Council seal.</p> <p>4. \$400,000 be allocated from the water reserve to complete the project.</p> <p style="text-align: right;">Medcalf/Mortimer</p>	<p>Contract Documents sent for execution</p>	<p>April 2024</p>
February 2024	IS	<p>24/2024 17.4 SSWP401 CONDOBOLIN WATER TREATMENT WORKS CONCEPT DESIGN</p> <p>RESOLVED THAT:</p> <p>1. The Director Infrastructure Services Report R24/20 be received and noted.</p> <p>2. The proposal from NSW Public Works to undertake the Condobolin Water Treatment Plant Concept Design be accepted.</p> <p>3. The General Manager be authorised to execute the necessary contract documents.</p> <p>4. \$187,500 be allocated from the water reserve to complete the project.</p> <p style="text-align: right;">Brady/Medcalf</p>	<p>Contract Documents sent for execution</p>	<p>April 2024</p>

ACTIVE RESOLUTIONS AS AT 20 MARCH 2024

<p>February 2024</p>	<p>IS</p>	<p>2024/16 9.4.2 PART ROAD CLOSURE - LACHLAN VALLEY WAY, FAIRHOLME</p> <p>RESOLVED THAT:</p> <ol style="list-style-type: none"> 1. The Director Infrastructure Services Report No. R24/36 be received and noted. 2. Council resolve to close of part of MR 377 Lachlan Valley Way, Fairholme, as identified in the report. 3. Council undertake the necessary public notifications to close part of a public road. 4. Council resolve to have the land in the road reserve vest in Council when closed. 5. Council authorise the Mayor and General Manager to execute the necessary documents and affix the Council seal. <p style="text-align: right;">Harris/Mortimer</p>	<p>Public advertisement underway and authority notification complete.</p>	<p>April 2024</p>
<p>December 2023</p>	<p>IS</p>	<p>2023/301 9.4.1 HOLT STREET STORMWATER UPDATE</p> <p>RESOLVED THAT:</p> <ol style="list-style-type: none"> 1. The Director Infrastructure Services Report No. R23/376 be received and noted. 2. The status of the drainage easement through Lot 4 section 26, DP 758595 be confirmed. 3. Council nominate the preferred stormwater treatment option. 4. Council modify the 2 page summary and report prepared by the consultant to be more “user friendly” and seek feedback from the community. Council will hold an information session with the impacted residents and present the finding of the investigation face-to-face providing an opportunity for the residents to ask direct questions. <p style="text-align: right;">Harris/Medcalf</p>	<p>See Council report. Complete</p>	<p>COMPLETE</p>

ACTIVE RESOLUTIONS AS AT 20 MARCH 2024

November 2023	IS	<p>2023/280 17.9 CONTRACTS FOR THE SUPPLY AND DELIVERY OF ROAD SIGNS</p> <p>RESOLVED THAT:</p> <ol style="list-style-type: none"> 1. The Director Infrastructure Services Report No. R23/323 be received and noted 2. Contracts for the supply and delivery of road signs from the following suppliers be accepted: <ol style="list-style-type: none"> (a) Artcraft, (b) Barrier Signs, (c) DeNeefe Signs and (d) Hi-Vis Group 3. The General Manager be authorised to sign the contract documents and affix the Council seal. <p style="text-align: right;">Harris/Medcalf</p>	Contract documents sent for execution. Awaiting response	April 2024
September 2023	IS	<p>2023/228 17.4 LAKE CARGELLIGO STP - SEWER LAGOONS</p> <p>RESOLVED THAT:</p> <ol style="list-style-type: none"> 1. The Director Infrastructure Services Report No. R23/278 be received and noted. 2. The EPA’s clean-up notice be received, noted and followed. <p style="text-align: right;">Phillips/Bartholomew</p>	Updated EPA Notice has been received. Response provided. Complete.	COMPLETE

ACTIVE RESOLUTIONS AS AT 20 MARCH 2024

<p>March 2023</p>	<p>IS</p>	<p>2023/49 9.4.1 ROAD ENCROACHMENT ORANGE STREET, CONDOBOLIN</p> <p>RESOLVED THAT:</p> <ol style="list-style-type: none"> 1. The Director Infrastructure Services Report No. R23/62 be received and noted. 2. The Council acquire part of Lot 3, Sec A, DP 16964 pursuant to section 177 of the Roads Act 1993 for the purpose of road widening at the intersection of Orange, Tasker and Fay Streets, Condobolin. 3. The Council will acquire the Land by compulsory process pursuant to section 30 of the Land Acquisition (Just Terms Compensation) Act 1991. 4. The Council instructs its solicitors to make application to the Minister of Local Government to approve the acquisition under the Land Acquisition (Just Terms Compensation) Act 1991. <p style="text-align: right;">Brady / Rees</p>	<p>Solicitor has been advised and requested to progress the matter.</p>	<p>June 2024.</p>
<p>February 2023</p>	<p>IS</p>	<p>2023/26 17.5 LAND ACQUISITION - LACHLAN VALLEY WAY FOR ROAD WIDENING AND CONDOBOLIN BORE FIELDS</p> <p>RESOLVED THAT:</p> <ol style="list-style-type: none"> 1. The General Manager’s Report No R23/38 be received and noted. 2. Council note the conditions of the draft Deed of Agreement for the Acquisition of Land and Grant of Easement and Water Use. 3. Council authorise General Manager to negotiate and accept any minor variations to the agreement requested by the landowner that do not materially change the agreement. 4. The Mayor and General Manager be authorised to sign the Deed of Agreement for the Acquisition of Land and Grant of Easement and Water Use upon acceptance by the landowner. 5. Upon signing the Deed of Agreement Council acquire the land shown as New Road Land in Schedule 2 of the Deed of Agreement 	<p>See Resolution 2024/16</p>	<p>April 2024.</p>

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ACTIVE RESOLUTIONS AS AT 20 MARCH 2024

		<p>under the Land Acquisition (Just Terms Compensation) Act 1991 (NSW).</p> <p>6. Upon signing the Deed of Agreement Council close and transfer the redundant road reserve shown as Verge Land in Schedule 2 of the Deed of Agreement to the landowner under Section 44 of the Roads Act 1993.</p> <p>7. The Mayor and General Manager be authorised to sign all necessary documents, applications and plans associated with the acquisition, closure, transfer and registration of the land matters contemplated in this report and affix the Council seal as necessary.</p> <p style="text-align: right;">Phillips/Mortimer</p>		
OCT 21	IS	<p>243/2021 FY21/22 UTILITIES MONTHLY UPDATE FOR SEPTEMBER</p> <p>RESOLVED THAT:</p> <p>Refer the RNSW842 Sewage Effluent Reuse Management System project costings for Tottenham to the Project Steering Committee for further discussion, highlighting the high ongoing cost for the proposed system.</p> <p style="text-align: right;">Harris/Hall</p>	<p>Additional water sampling information has been provided Report received. Recommendation not to proceed with Racecourse irrigation. Rather focus on farmland irrigation. Report to be presented to stakeholders</p>	<p>April 2024.</p>
JUNE 21	IS	<p>147/2021 BURCHER WATER TREATMENT UPDATE</p> <p>RESOLVED THAT:</p> <p>The outcomes from the stakeholder information session held on 1 June 2021 be noted.</p> <p>Council provide guidance on the matter of water supply for the community of Burcher.</p> <p style="text-align: right;">Harris/Bendall</p>	<p>Ongoing.</p>	<p>Ongoing.</p>

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ACTIVE RESOLUTIONS AS AT 20 MARCH 2024

MAY 21	IS	<p>107/2021 DENISON STREET FOOTPATH CONSTRUCTION REQUEST</p> <p>RESOLVED THAT</p> <p>Consideration be given to allocating \$15,000 for the full replacement of the paved footpath on the eastern side of Denison Street from Molong Street to Oxley Street from a future round of the Local Road and Community Infrastructure Fund.</p> <p>Landscaping, irrigation and turf work in Denison Street, adjacent to the Railway Hotel be completed and maintained by the proprietor of the property subject to the Director of Infrastructure’s approval of any proposed work.</p> <p style="text-align: right;">Harris/Phillips</p>	Complete	Complete
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Investment Report

01/02/2024 to 29/02/2024



Portfolio Valuation as at 29/02/2024

Issuer	Rating	Type	Alloc	Interest	Purchase	Maturity	Rate	Capital Value	Face Value	Accrued	Accrued MTD
Westpac	AA-	TD	GENERAL	Quarterly	23/03/2022	26/03/2024	2.3200	1,000,000.00	1,000,000.00	4,131.51	1,843.29
BOQ	BBB+	TD	GENERAL	Annual	31/03/2022	27/03/2024	2.6000	1,000,000.00	1,000,000.00	23,934.25	2,065.75
MyState Bank	BBB	TD	GENERAL	At Maturity	09/05/2023	09/04/2024	4.7500	1,000,000.00	1,000,000.00	38,650.68	3,773.97
P&N Bank	BBB	TD	GENERAL	Annual	09/05/2023	07/05/2024	4.9500	1,000,000.00	1,000,000.00	40,278.08	3,932.88
ING Direct	A	TD	GENERAL	At Maturity	24/05/2022	28/05/2024	3.7600	1,000,000.00	1,000,000.00	66,649.86	2,987.40
ING Direct	A	TD	GENERAL	At Maturity	06/06/2023	06/06/2024	5.1000	1,000,000.00	1,000,000.00	37,586.30	4,052.05
ING Direct	A	TD	GENERAL	At Maturity	13/06/2023	13/06/2024	5.4100	500,000.00	500,000.00	19,416.71	2,149.18
ING Direct	A	TD	GENERAL	At Maturity	13/06/2023	13/06/2024	5.4100	750,000.00	750,000.00	29,125.07	3,223.77
Westpac	AA-	TD	GENERAL	Quarterly	18/06/2021	18/06/2024	0.8000	1,500,000.00	1,500,000.00	2,432.88	953.42
Warwick Credit Union	Unrated	TD	GENERAL	Annual	28/06/2023	26/06/2024	5.7800	1,000,000.00	1,000,000.00	39,113.97	4,592.33
ING Direct	A	TD	GENERAL	Annual	28/06/2023	27/06/2024	5.6200	2,000,000.00	2,000,000.00	76,062.47	8,930.41
BOQ	BBB+	TD	GENERAL	Annual	28/06/2023	27/06/2024	5.5800	1,000,000.00	1,000,000.00	37,760.55	4,433.42
Westpac	AA-	TD	GENERAL	Quarterly	06/07/2021	09/07/2024	0.8000	1,000,000.00	1,000,000.00	1,161.64	635.62
Commonwealth Bank	AA-	TD	GENERAL	Semi-Annual	20/07/2022	23/07/2024	4.3700	1,000,000.00	1,000,000.00	4,669.32	3,472.05
Heritage and Peoples Choice Limited	BBB	TD	GENERAL	Annual	25/07/2023	24/07/2024	5.7000	1,000,000.00	1,000,000.00	34,356.16	4,528.77
NAB	AA-	TD	GENERAL	Annual	26/07/2023	30/07/2024	5.5000	600,000.00	600,000.00	19,800.00	2,621.92
AMP Bank	BBB	TD	GENERAL	Annual	08/08/2023	13/08/2024	5.4500	1,000,000.00	1,000,000.00	30,758.90	4,330.14
AMP Bank	BBB	TD	GENERAL	Annual	15/08/2023	20/08/2024	5.3000	1,000,000.00	1,000,000.00	28,895.89	4,210.96





Issuer	Rating	Type	Alloc	Interest	Purchase	Maturity	Rate	Capital Value	Face Value	Accrued	Accrued MTD
Westpac	AA-	TD	GENERAL	Quarterly	23/08/2022	23/08/2024	4.3800	500,000.00	500,000.00	420.00	420.00
Australian Military Bank	BBB+	TD	GENERAL	Quarterly	29/08/2022	29/08/2024	4.4500	1,000,000.00	1,000,000.00	121.92	121.92
NAB	AA-	TD	GENERAL	At Maturity	31/08/2023	03/09/2024	5.2200	1,000,000.00	1,000,000.00	26,171.51	4,147.40
Westpac	AA-	TD	GENERAL	Quarterly	30/08/2022	03/09/2024	4.4400	1,000,000.00	1,000,000.00	121.64	121.64
BOQ	BBB+	TD	GENERAL	At Maturity	30/08/2022	03/09/2024	4.4000	1,000,000.00	1,000,000.00	66,180.82	3,495.89
NAB	AA-	TD	GENERAL	Quarterly	05/09/2023	10/09/2024	5.2000	1,000,000.00	1,000,000.00	12,394.52	4,131.51
P&N Bank	BBB	TD	GENERAL	Quarterly	08/09/2022	10/09/2024	4.4000	1,500,000.00	1,500,000.00	14,646.58	5,243.84
P&N Bank	BBB	TD	GENERAL	Annual	13/09/2022	13/09/2024	4.4500	500,000.00	500,000.00	10,363.01	1,767.81
NAB	AA-	TD	GENERAL	Annual	13/09/2023	17/09/2024	5.2400	1,500,000.00	1,500,000.00	36,608.22	6,244.93
AMP Bank	BBB	TD	GENERAL	Annual	20/10/2022	21/10/2024	4.9000	1,000,000.00	1,000,000.00	17,854.79	3,893.15
ING Direct	A	TD	GENERAL	Annual	07/11/2023	05/11/2024	5.4800	1,000,000.00	1,000,000.00	17,265.75	4,353.97
AMP Bank	BBB	TD	GENERAL	Annual	22/11/2022	19/11/2024	4.7000	750,000.00	750,000.00	9,657.53	2,800.68
AMP Bank	BBB	TD	GENERAL	Annual	29/11/2022	03/12/2024	4.6500	1,000,000.00	1,000,000.00	11,847.95	3,694.52
Westpac	AA-	TD	GENERAL	Quarterly	05/12/2023	05/12/2024	5.3000	750,000.00	750,000.00	9,474.66	3,158.22
BOQ	BBB+	TD	GENERAL	Annual	11/12/2023	10/12/2024	5.3200	1,500,000.00	1,500,000.00	17,709.04	6,340.27
Bank of Sydney	Unrated	TD	GENERAL	Annual	12/12/2023	12/12/2024	5.3500	500,000.00	500,000.00	5,863.01	2,125.34
Westpac	AA-	TD	GENERAL	Quarterly	13/02/2024	18/02/2025	5.1200	500,000.00	500,000.00	1,192.33	1,192.33
P&N Bank	BBB	TD	GENERAL	Annual	21/02/2023	25/02/2025	5.0000	1,000,000.00	1,000,000.00	1,232.88	1,232.88
Bank of Sydney	Unrated	TD	GENERAL	At Maturity	27/02/2024	26/02/2025	5.1700	500,000.00	500,000.00	212.47	212.47
ING Direct	A	TD	GENERAL	Annual	02/03/2023	04/03/2025	5.1000	500,000.00	500,000.00	25,500.00	2,026.03





Issuer	Rating	Type	Alloc	Interest	Purchase	Maturity	Rate	Capital Value	Face Value	Accrued	Accrued MTD
Police Credit Union SA	Unrated	TD	GENERAL	At Maturity	14/03/2023	18/03/2025	4.9400	1,000,000.00	1,000,000.00	47,775.89	3,924.93
Summerland Bank	Unrated	TD	GENERAL	Annual	29/03/2023	01/04/2025	4.8700	1,000,000.00	1,000,000.00	45,097.53	3,869.32
Auswide Bank	BBB	TD	GENERAL	Annual	04/04/2023	08/04/2025	4.9000	900,000.00	900,000.00	40,112.88	3,503.84
AMP Bank	BBB	TD	GENERAL	Annual	09/05/2023	06/05/2025	5.0000	1,000,000.00	1,000,000.00	40,684.93	3,972.60
ING Direct	A	TD	GENERAL	Annual	28/06/2023	26/06/2025	5.5500	1,000,000.00	1,000,000.00	37,557.53	4,409.59
P&N Bank	BBB	TD	GENERAL	Annual	11/07/2023	09/07/2025	5.8000	1,000,000.00	1,000,000.00	37,183.56	4,608.22
BOQ	BBB+	TD	GENERAL	Annual	10/08/2021	12/08/2025	1.0000	1,000,000.00	1,000,000.00	5,589.04	794.52
ING Direct	A	TD	GENERAL	Annual	05/09/2023	09/09/2025	5.0500	500,000.00	500,000.00	12,313.70	2,006.16
Westpac	AA-	TD	GENERAL	Quarterly	12/09/2023	16/09/2025	5.0200	1,500,000.00	1,500,000.00	16,504.11	5,982.74
ING Direct	A	TD	GENERAL	At Maturity	28/09/2023	30/09/2025	5.2500	1,000,000.00	1,000,000.00	22,294.52	4,171.23
ING Direct	A	TD	GENERAL	At Maturity	04/10/2023	07/10/2025	5.3000	1,000,000.00	1,000,000.00	21,635.62	4,210.96
P&N Bank	BBB	TD	GENERAL	Annual	29/11/2023	28/11/2025	5.4500	1,000,000.00	1,000,000.00	13,886.30	4,330.14
ING Direct	A	TD	GENERAL	Annual	30/11/2023	02/12/2025	5.4200	1,000,000.00	1,000,000.00	13,661.37	4,306.30
Warwick Credit Union	Unrated	TD	GENERAL	Annual	20/12/2023	18/12/2025	5.2000	2,000,000.00	2,000,000.00	20,515.07	8,263.01
Suncorp	A+	TD	GENERAL	Annual	23/01/2024	27/01/2026	5.0500	2,000,000.00	2,000,000.00	10,515.07	8,024.66
Suncorp	A+	TD	GENERAL	Annual	06/02/2024	10/02/2026	4.9300	2,000,000.00	2,000,000.00	6,483.29	6,483.29
P&N Bank	BBB	TD	GENERAL	Annual	18/04/2023	20/04/2027	5.0000	1,000,000.00	1,000,000.00	43,561.64	3,972.60
P&N Bank	BBB	TD	GENERAL	Annual	14/02/2023	15/02/2028	5.2000	500,000.00	500,000.00	1,139.73	1,139.73
NAB	AA-	CASH	GENERAL	Monthly	29/02/2024	29/02/2024	3.7500	3,473,446.13	3,473,446.13	10,315.73	10,315.73
Macquarie Bank	A+	CASH	GENERAL	Monthly	29/02/2024	29/02/2024	4.1500	3,832,203.67	3,832,203.67	12,593.26	12,593.26





Issuer	Rating	Type	Alloc	Interest	Purchase	Maturity	Rate	Capital Value	Face Value	Accrued	Accrued MTD
NAB	AA-	CASH	GENERAL	Monthly	29/02/2024	29/02/2024	2.8500	3,676,414.72	3,676,414.72	8,587.52	8,587.52
TOTALS								67,732,064.52	67,732,064.52	1,287,631.17	228,932.47



Counterparty Compliance as at 29/02/2024

Long Term Investments

Compliant	Bank Group	Term	Rating	Invested	Invested (%)	Limit (%)	Limit (\$)	Available
✓	Commonwealth Bank	Long	AA-	1,000,000.00	1.48	25.00	-	15,933,016.13
✓	NAB	Long	AA-	11,249,860.85	16.61	25.00	-	5,683,155.28
✓	Westpac	Long	AA-	7,750,000.00	11.44	25.00	-	9,183,016.13
✓	Suncorp	Long	A+	4,000,000.00	5.91	20.00	-	9,546,412.90
✓	Macquarie Bank	Long	A+	3,832,203.67	5.66	20.00	-	9,714,209.23
✓	ING Direct	Long	A	11,250,000.00	16.61	20.00	-	2,296,412.90
✓	BOQ	Long	BBB+	5,500,000.00	8.12	15.00	-	4,659,809.68
✓	Australian Military Bank	Long	BBB+	1,000,000.00	1.48	15.00	-	9,159,809.68
✓	Heritage Bank	Long	BBB	1,000,000.00	1.48	15.00	-	9,159,809.68
✓	AMP Bank	Long	BBB	5,750,000.00	8.49	15.00	-	4,409,809.68
✓	MyState Bank	Long	BBB	1,000,000.00	1.48	15.00	-	9,159,809.68
✓	P&N Bank	Long	BBB	7,500,000.00	11.07	15.00	-	2,659,809.68
✓	Auswide Bank	Long	BBB	900,000.00	1.33	15.00	-	9,259,809.68

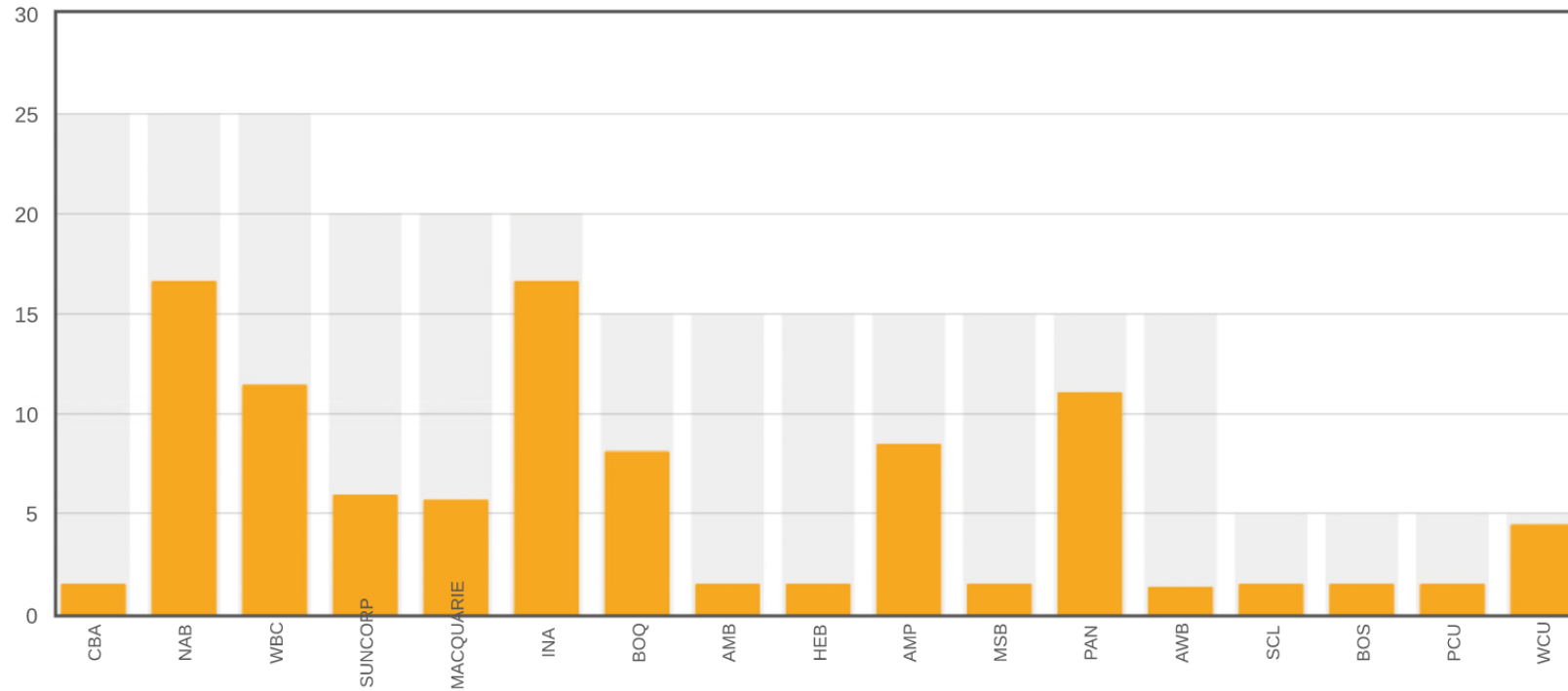




Compliant	Bank Group	Term	Rating	Invested	Invested (%)	Limit (%)	Limit (\$)	Available
✓	Summerland Credit Union	Long	Unrated	1,000,000.00	1.48	5.00	-	2,386,603.23
✓	Bank of Sydney	Long	Unrated	1,000,000.00	1.48	5.00	-	2,386,603.23
✓	Police Credit Union SA	Long	Unrated	1,000,000.00	1.48	5.00	-	2,386,603.23
✓	Warwick Credit Union	Long	Unrated	3,000,000.00	4.43	5.00	-	386,603.23
TOTALS				67,732,064.52	100.00			



Counterparty Compliance - Long Term Investments



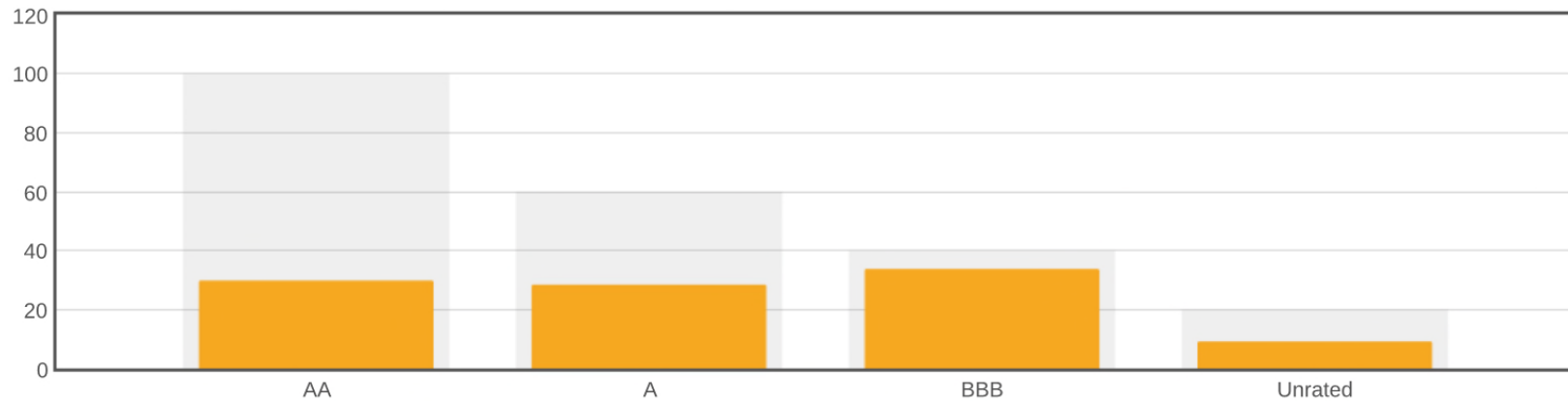


Credit Quality Compliance as at 29/02/2024

Long Term Investments

Compliant	Rating	Invested (\$)	Invested (%)	Limit (%)	Available
✓	AA	19,999,860.85	29.53	100.00	47,732,203.67
✓	A	19,082,203.67	28.17	60.00	21,557,035.04
✓	BBB	22,650,000.00	33.44	40.00	4,442,825.81
✓	Unrated	6,000,000.00	8.86	20.00	7,546,412.90
TOTALS		67,732,064.52	100.00		

Credit Quality Compliance - Long Term Investments

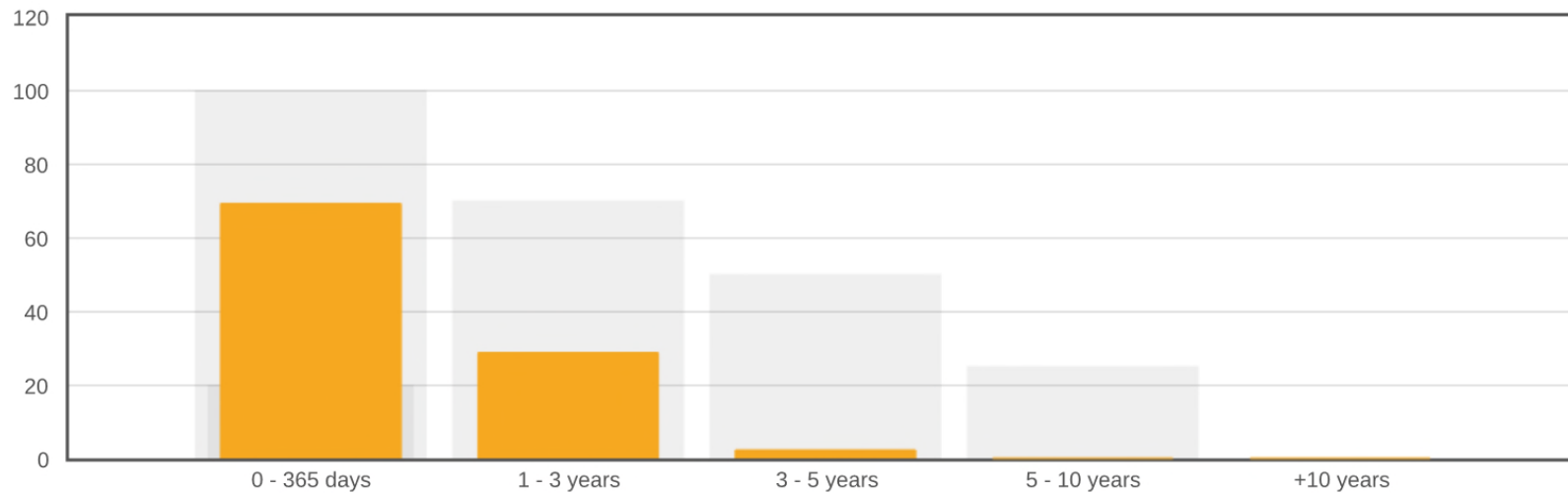




Maturity Compliance as at 29/02/2024

Compliant	Term	Invested	Invested (%)	Min Limit (%)	Max Limit (%)	Available
✓	0 - 365 days	46,832,064.52	69.14	20.00	100.00	20,900,000.00
✓	1 - 3 years	19,400,000.00	28.64	0.00	70.00	28,012,445.16
✓	3 - 5 years	1,500,000.00	2.21	0.00	50.00	32,366,032.26
✓	5 - 10 years	-	0.00	0.00	25.00	16,933,016.13
✓	+10 years	-	0.00	0.00	0.00	-
TOTALS		67,732,064.52	100.00			

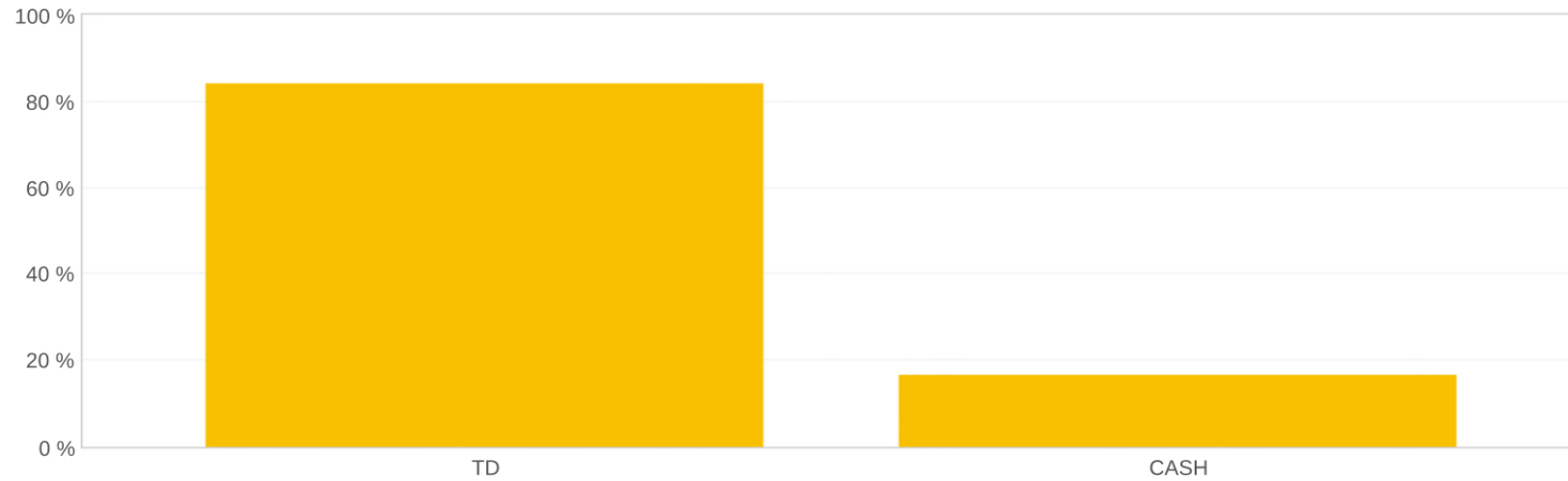
Maturity Compliance





Asset Class as at 29/02/2024

Code	Number of Trades	Invested	Invested (%)
TD	56	56,750,000.00	83.79
CASH	3	10,982,064.52	16.21
TOTALS	59	67,732,064.52	100.0








LACHLAN SHIRE
COUNCIL

Wiradjuri Country


Delivery Program

1: Community Services




1.1: Connecting with our Aboriginal communities.




DP Action Code	Delivery Plan Action (2022/2026)	Operational Plan Action	Responsible Department	Comments	Traffic Lights
1.1.1	Connecting with our Aboriginal communities.	Consult with Aboriginal community groups and other focus groups to identify priority issues.	Corporate & Community Services	Q1 - Communications Coordinator offers consultation for all relevant groups including Aboriginal community groups.	
1.1.2	Celebrating Aboriginal heritage and achievements.	Support NAIDOC week celebrations.	Corporate & Community Services	Q1 - Donation support yearly and as requested	
1.1.3	Increase opportunities for Indigenous employment in Council's workforce.	Develop strategies to maintain the level of Indigenous employment within Council.	General Management	Q1 - Cultural Awareness training sessions have been undertaken by staff. The roll out of the e-Recruitment software has resulted in more applications coming in due to the accessibility and ease when applying for positions with Council.	
		Increase the level of Indigenous employment with Council.	General Management	Q1 - Indigenous employees commenced work with Council during this period.	

1.2: Successful transition from school, to training, to employment.





DP Action Code	Delivery Plan Action (2022/2026)	Operational Plan Action	Responsible Department	Comments	Traffic Lights
1.2.1	Offer employment opportunities to young people at Lachlan Shire Council.	Host school based traineeships, work experience and offer work placement opportunities.	General Management	Q1 - Students have undertaken work experience and school based traineeships at Lachlan Children's Services, HACC Service and at Council's Administration Office.	




1.3: Council supported strategic education and training.

DP Action Code	Delivery Plan Action (2022/2026)	Operational Plan Action	Responsible Department	Comments	Traffic Lights
1.3.1	Increase traineeships and cadetships in Council employment.	Foster the growth of a local workforce through traineeship, apprenticeships and ongoing training.	General Management	Q1 - A Certificate III Traineeship in Childhood Education and Care and a School Based Traineeship are currently progressing at Lachlan Children Services and a Business Administration Trainee is employed in Human Resources.	
1.3.2	Work with schools to provide work experience in Local Government.	Work closely with regional high schools to host school based traineeships, work experience and work placement programs.	General Management	Q1 - Currently hosting a School Based Traineeship at Lachlan Children Services. Work experience students were hosted at HACC services and at Council's Administration Office in Information Services.	
1.3.3	Utilise library programs to encourage reading and literacy training.	Continuation of Baby Rhyme Time and Story Time programs.	Corporate & Community Services	Q1 - Baby Rhyme Time and Story Time programs are offered twice a week and occur on Wednesdays and Fridays during school term. Ongoing.	

DP Action Code	Delivery Plan Action (2022/2026)	Operational Plan Action	Responsible Department	Comments	Traffic Lights
		Establish a Coding Club for young children at Condobolin Library.	Corporate & Community Services	Q1 - Majority of equipment has been purchased and a facilitator has been sourced. A coding club will be offered during Term 1 of school in 2024.	
1.3.4	Ensure targeted education and training is delivered across the Shire.	Explore Registered Training Organisation options.	General Management	Q1 - Training is being undertaken utilising registered training organisations which meet Council's training requirements.	
		Lobby and advocate State Government on the need to retain skill-based training programs delivered at Condobolin and Lake Cargelligo TAFE Campuses.	General Management	Q1 - Council continues to assist TAFE NSW and other training providers to market their courses across the Lachlan Shire. Course information is posted to Facebook. Courses include business administration, welding, leadership and management, community services, and first aid.	



1.4: Childcare services and facilities that meet the needs of families and care givers.





DP Action Code	Delivery Plan Action (2022/2026)	Operational Plan Action	Responsible Department	Comments	Traffic Lights
1.4.1	Operate viable preschool and long day care in Condobolin.	Continue to apply for grant funding.	Corporate & Community Services	Q1 - Lachlan Children's Services was successful in receiving a Professional development grant for our Educators to the value of \$5,827.52. This grant has allowed us to send Educators to face to face training as well as purchase a variety of webinars for Educators to keep abreast of the ever changing regulations and laws within the Child Care sector. Council continues to receive State and Federal government funding for all services.	
		Continue viable after school, and long day care services in Condobolin.	Corporate & Community Services	Q1 - Enrolment drive, advertising in local papers as well as social media to assist with boosting numbers in our preschool program which runs from Monday to Thursday during school terms	
		Maintain accreditation of Council owned preschool.	Corporate & Community Services	Q1 - A spot check for our Preschool was carried out in mid 2023. Assessor checked compliancy within both services and looked over programs. We will be due for an Assessment and Rating visit in 2024. Currently working on changing from the QIP to the self assessment tool which is all online.	
		Maintain community satisfaction.	Corporate & Community Services	Q1 - Lachlan Children's Services has received a community satisfaction survey result of 83%. This demonstrates that predominantly the service is meeting the needs of families and caregivers.	






DP Action Code	Delivery Plan Action (2022/2026)	Operational Plan Action	Responsible Department	Comments	Traffic Lights
		Offer traineeships.	Corporate & Community Services	Q1 - Lachlan Children's Services currently has 1 trainee and 1 school based trainee employed. Trainee has just completed her Certificate 111 in Early Childhood Education and care and we will be enrolling her into the Diploma this year 2024. School based trainee is in her final year and is due to complete a Certificate 111 in Early Childhood Education and Care at the end of 2024.	
1.4.2	Provide mobile childcare services to remote communities where viable.	Maintain accreditation for mobile childcare services.	Corporate & Community Services	Q1 - Mobile childcare services received a spot check visit in mid 2023. During this visit the Assessor checked compliancy over the 7 quality areas as well as observing in the Mobile play room how Educators interacted with the children, meal and nappy change times. The Mobile Service is due for another Assessment and ratings visit at the end of 2024. We are currently transitioning from the QIP to the online self assessment tool.	
1.4.3	Ensure the mobile services are financially viable.	Continue to apply for grant funding.	Corporate & Community Services	Q1 - Lachlan Children's Services currently receives grant funding for OOSH from CCCF Sustainability funding. Start strong funding for our Preschool Children this allows for all children going to School to be able to access Preschool at least 3 days per week at no cost to families. Our Mobile service receives grant funding from CCCFR.	

DP Action Code	Delivery Plan Action (2022/2026)	Operational Plan Action	Responsible Department	Comments	Traffic Lights
		Investigate the restructuring of the service.	Corporate & Community Services	Q1 - Restructuring of mobile service is complete with services only offered where there are sufficient enrolments. Attraction and retention of staff continues to be a constraint on adding new services. Salary structure reviewed to offer more opportunities and higher pay to attract and retain qualified staff. Community satisfaction with childcare services was over 80% in the Community Research survey, demonstrating it is currently meeting the needs of families and caregivers.	

1.5: Increase community participation in arts and cultural activities.



DP Action Code	Delivery Plan Action (2022/2026)	Operational Plan Action	Responsible Department	Comments	Traffic Lights
1.5.1	Support the Penrith Alliance in facilitating arts training for young people, sporting and cultural exchanges, staff training and exchanges with Lachlan Shire Council	Actively foster and support sporting and cultural exchanges.	General Management	Q1 - Further discussion held with Penrith City Council (PCC) General Manager about holding a workshop to refresh the Friendship Agreement and identify further opportunities for sporting and cultural exchanges. Unable to identify a mutually convenient date for a workshop in late 2023 so further consideration will be given to a date in 2024.	
		Promote staff training or exchanges.	General Management	Q1 - The Governance and Risk Officer and the Revenue Coordinator are working from the Penrith City Council Offices.	





DP Action Code	Delivery Plan Action (2022/2026)	Operational Plan Action	Responsible Department	Comments	Traffic Lights
1.5.2	Support Arts Out West and local art competitions.	Maintain involvement and partner in Arts Out West activities.	General Management	Q1 - Arts Out West (AOW) is the regional arts and cultural development organisation for the Central West NSW and is supported through Council representation and annual financial support. Council Officers meet with AOW staff regularly to discuss opportunities for the shire. AOW has rolled out several programs and initiatives in the Shire including: Cultural tourism maps, Lachlan Arts Council - Glazed & Fire Up and Condobolin Hospital Art Exhibition program.	
		Support Waste to Art initiative.	Environment, Tourism & Economic Development	Q1 - Competition held 26th - 23rd June 2023. 9 entries qualified to the regional exhibition in Lithgow.	
1.5.3	Build tourism precinct.	Continue Sculpture Trail in collaboration with Forbes Art Society and Forbes Shire Council.	General Management	Q1 - Council continues to support and promote the Sculpture Down the Lachlan Art Trail. All sculptures in the Lachlan Shire have now been installed and discussions will be held with Forbes Art Society, Forbes Shire Council and other stakeholders mid 2024 to discuss joint marketing opportunities and the success of the trail.	
1.5.4	Increase usage of Council's library service.	Consult community in relation to creation of a sensory play area at Condobolin Library.	Corporate & Community Services	Q1 - Investigating sensory toys and equipment available.	



DP Action Code	Delivery Plan Action (2022/2026)	Operational Plan Action	Responsible Department	Comments	Traffic Lights
		Expand range of community activities and events offered.	Corporate & Community Services	Q1 - Purchased various Lego and a Lego table and now offer this as part of the vacation care program and will some will also be used for the Coding Club. The Library also plans on holding Lego competitions throughout the year. Also investigating the purchase of some sensory toys.	
		Expand range of Library resources.	Corporate & Community Services	Q1 - Continue to purchase library resources to expand particular collections including, Adult Fiction, Indigenous, large print and non fiction collections. The Library now offers access to approximately 130 magazine titles online via Borrow Box.	
		Maintain community satisfaction.	Corporate & Community Services	Q1 - The Library maintained a 95% satisfaction rating in the most recent research community survey.	
1.5.5	Maintain sustainable library service.	Continue to apply for grant funding to expand resources and services offered.	Corporate & Community Services	Q1 - The Lachlan Shire Library received in excess of \$82,000 in grant funding from the State Library for the year 2023/24 to support and expand library resources and services offered to the community.	
		Foster the growth of a local workforce through traineeship and work placement opportunities.	Corporate & Community Services	Q1 - The Condobolin Library continues to host work experience placement during the current reporting period.	

DP Action Code	Delivery Plan Action (2022/2026)	Operational Plan Action	Responsible Department	Comments	Traffic Lights
		Offer volunteer program.	Corporate & Community Services		

1.6: Improved health care for the community.





DP Action Code	Delivery Plan Action (2022/2026)	Operational Plan Action	Responsible Department	Comments	Traffic Lights
1.6.1	Support programs to attract and retain medical and allied health professionals.	Advocate for improved access to healthcare across shire.	General Management	Q1 - Continuing attendance and participation in MLHD Lake Cargelligo Health and Section 19(2) finance meetings. Ongoing advocacy to Member for Barwon, Roy Butler MP, and Transport for NSW regarding transport difficulties for residents to travel to other regional centres for health services and the negative health outcomes this has on the Lachlan community. RFDS establishment of a GP services in Condobolin. Preparation and signing of a residential lease with WNSWLHD for housing and doctor accommodation in Tottenham.	
		Facilitate annual Bush Bursary program.	Corporate & Community Services	Q1 - Council resolved in May 2023 not to facilitate the program for the 2023-2024 financial year. Future requests for support for the Bush Bursary program will be submitted to Council for a decision at that time.	

DP Action Code	Delivery Plan Action (2022/2026)	Operational Plan Action	Responsible Department	Comments	Traffic Lights
1.6.2	Support sustainable aged care services.	Continue to apply for grant funding to maintain services offered.	Corporate & Community Services	Q1 - Council continues to receive Federal government grant funding through HCCP. Additional grants have been applied for but were unsuccessful,	
		Foster the growth of a local workforce through traineeship and work placement opportunities.	Corporate & Community Services	Q1 - Looking into opportunities for a trainee, further research to be completed. Have also had interest for school students to complete Work experience at centre.	
		Maintain community satisfaction.	Corporate & Community Services	Q1 - Regular engagement occurs with community members via newsletters, letters, and through home visits, at all 3 centres. Ongoing	
		Offer volunteer program.	Corporate & Community Services	Q1 - Volunteer program in place for Meals on Wheels in all 3 centres, and volunteers provide Community Transport in Tottenham. Ongoing.	
		Sustainable service provided in Condobolin, Lake Cargelligo and Tottenham.	Corporate & Community Services	Q1 - Sustainable service is currently provided. Investigating the provision of additional funded services in all 3 centres.	
1.6.3	The wellbeing of carers.	Provide sustainable respite care in Condobolin, Lake Cargelligo and Tottenham.	Corporate & Community Services	Q1 - Respite Care provided across all 3 centres - Condobolin, Lake Cargelligo & Tottenham. Ongoing.	

DP Action Code	Delivery Plan Action (2022/2026)	Operational Plan Action	Responsible Department	Comments	Traffic Lights
1.6.4	Optimise the efficiency of the Home and Community Care funding.	Review the allocation of spending on services between each town.	Corporate & Community Services	Q1 - Allocation of spending adequate for activities provided by each town.	
1.6.5	Advocate for domestic violence services, emergency housing and healthy lifestyle programs.	Engage with relevant Federal and State agencies, community groups and non-government organisations.	Corporate & Community Services	Q1 - Engagement as appropriate, and advocacy is supported on request.	






1.7: Improved social outcomes for people with disability.

DP Action Code	Delivery Plan Action (2022/2026)	Operational Plan Action	Responsible Department	Comments	Traffic Lights
1.7.1	Advocate for the provision of aged and disability care services across the Shire.	Engage with relevant Federal and State agencies, community groups and Non Government Organisations to support aged and disability services.	Corporate & Community Services	Q1 - Have maintained engagement with existing groups and agencies while also communicating with other organisations providing Aged care services across all 3 centres.	
1.7.2	Recreational and learning facilities for people with disability.	Construction of a sensory playground at Bill Hurley Park Condobolin.	Infrastructure Services	Q1 - Project complete.	

DP Action Code	Delivery Plan Action (2022/2026)	Operational Plan Action	Responsible Department	Comments	Traffic Lights
1.7.3	Disability access in all Council buildings.	Installation of disabled toilets in Council buildings. Subject to grant funding.	Environment, Tourism & Economic Development	Q1 - Identifying suitable premises	
		Installation of hearing loops in major Council public buildings.	Environment, Tourism & Economic Development	Q1 - PO issued, installation scheduled for February 2024	
1.7.4	Community Transport provided.	Provide community car for HACC clients in Condobolin.	Corporate & Community Services	Q1 - Community Transport is frequently utilised by clients. Ongoing.	
		Provide community car for Tottenham.	Corporate & Community Services	Q1 - Community Transport through Tottenham HACC is frequently utilised by clients to be transported to larger suburbs. Ongoing.	

1.8: Wellbeing of youth.




DP Action Code	Delivery Plan Action (2022/2026)	Operational Plan Action	Responsible Department	Comments	Traffic Lights





DP Action Code	Delivery Plan Action (2022/2026)	Operational Plan Action	Responsible Department	Comments	Traffic Lights
1.8.1	Continue implementation of Youth Strategy 2021-2030 Realising Our Potential.	Offer all abilities and accessible youth programs.	Corporate & Community Services	Q1 - Youth Services contractor provides accessible and inclusive programs. Quarerly reporting to Council on progress to meeting the objectives in the Youth Strategic Plan.	
		Review of Youth Strategy to determine if outcomes are being achieved.	Corporate & Community Services	Q1 - Scheduled for a review before 2025.	
1.8.2	Increase awareness about youth programs offered.	Advertise programs through social media platforms and on Council's website.	Corporate & Community Services	Q1 - Council shares information provided by Youth Services contractor regarding programs on offer. Council also shares other community organisation information when provided.	
1.8.3	Support youth development programs within the shire.	Support Community Drug Action Team (CDAT) initiatives.	Corporate & Community Services	Q1 - Council staff attend meetings when resources allow.	
		Update the youth area at Condobolin Library with new all abilities furniture and facilities.	Corporate & Community Services	Q1 - The Youth area at Condobolin Library was updated with new furniture, and a smart TV in 2022. The condition of the furniture is reviewed each twelve months and replaced accordingly.	



2: Tourism & Economic Development






2.1: A vibrant tourism industry.

DP Action Code	Delivery Plan Action (2022/2026)	Operational Plan Action	Responsible Department	Comments	Traffic Lights
2.1.1	Promote Lachlan Shire as a tourist destination.	Advertise locations within the shire as attractive camping spots.	General Management	Q1 - Brochures promoting the Shire's camping and fishing locations are available from the visitor information centres. The locations have also been promoted via Council's tourism website www.visitlachlan.com.au , in the On the Road and Caravanning Australia magazines. Facebook and Instagram posts are scheduled regularly to advise travellers of their options. These brochure will be updates in 2024 to carry the new "Lachlan Shire - Heart of NSW" brand.	
		Promote specific towns in Lachlan Shire as a tourist stop point.	General Management	Q1 - All marketing material and the official Lachlan Shire Visitor Guide are being prepared incorporating the new "Lachlan Shire - Heart of NSW" tourism brand.	

DP Action Code	Delivery Plan Action (2022/2026)	Operational Plan Action	Responsible Department	Comments	Traffic Lights
		Update Lachlan Shire brochures with new branding.	General Management	Q1 - Work continues on the development of the new Lachlan Shire visitor guide. Discussions will be held with the Lake Cargelligo, Tottenham, and Condobolin Visitor Information Centre volunteers and other stakeholders to deliver a shire-wide brochure. Sale of advertising space in the guide will commence in March 2024. An audit of all current marketing material has been completed and will carry the new "Lachlan Shire - Heart of NSW " brand. The review and development of marketing material is an ongoing activity.	
		Work with Central NSW Tourism to encourage visitors to the Central region of NSW to come west and visit our towns.	General Management	Q1 - Lachlan Shire is an active member of the Central NSW Joint Organisation Tourism Group. The group has developed a series of central west maps and marketing initiatives including 'Come Out, We're Open'.	
2.1.2	Increase things to see and do for visitors to the shire.	Attempt to create farm tours with willing farmers.	General Management	Q1 - Council has been working with the NSW State Government to change overarching planning controls to make it easier for farm tours to operate. Destination NSW through the Central West Destination Network are currently undertaking an agritourism project which is likely to provide material and possible agritourism training opportunities.	
				Q1 - Project Completed	



DP Action Code	Delivery Plan Action (2022/2026)	Operational Plan Action	Responsible Department	Comments	Traffic Lights
		Build a truck stop and tourist precinct.	Environment, Tourism & Economic Development		
2.1.3	Provide purpose built visitor information centre in Condobolin.	Construction of new visitor centre that supports tourism across the shire.	Environment, Tourism & Economic Development	Q1 - New Centre Completed and officially opened 25 November 2023	
2.1.4	Participate in regional promotion.	Remain members of Central NSW Tourism and join the Newell Highway Tourism Committee.	General Management	Q1 - We remain active in the Central NSW JO Tourism Group. Representations were made to ensure Lachlan Shire was part of the new Central West Destination Network. Membership to the Newell Highway Committee will be pursued by the new Manager - Tourism to leverage tourism opportunities.	
2.1.5	Promote the Wiradjuri Centre as a location for tourists to visit.	Promote the Wiradjuri Centre as a tourist destination.	General Management	Q1 - Council officers continued to work with the Wiradjuri Cultural Centre, Condobolin during the reporting period to promote the centre as a key tourist attraction. The WCC participated in the opening of the new Lachlan Shire Visitor Information Centre and local artworks are on display/sale at the new centre.	




DP Action Code	Delivery Plan Action (2022/2026)	Operational Plan Action	Responsible Department	Comments	Traffic Lights
2.1.6	Improve the marketing of existing events.	Creation of a calendar of events.	General Management	Q1 - A community event calendar has been created on Council's corporate and the new visitlachlanshire website. The event information is also promoted via the Australian Tourism Database Warehouse (ATDW) portal that feeds multiple tourism websites including visitnsw	
		Creation of a text notification database which is used to promote events.	General Management	Q1 - Initial investigations show Council doesn't have software to undertake this so would have to use a third party provider. This requires further investigation around data storage. More detailed investigation will be undertaken prior to July to determine the community appetite for the service and the cost of sending texts. The value of sending texts also needs to be evaluated given our current reach using social media and other communication channels. The collection and store of mobile phone data etc. will have implications under the Privacy and Personal Information Act 1998 that must also be considered.	
		Events promoted on social media platforms	General Management	Q1 - Council continued to utilise digital channels (Facebook and Instagram) to market local events. Information is also featured in the events calendar on Council's corporate and the new visitlachlanshire websites. The digital display board at the entry to the new visitor information centre carries a QR code linking to the event calendar, while the electronic noticeboard in Bathurst Street Condobolin features event details.	

DP Action Code	Delivery Plan Action (2022/2026)	Operational Plan Action	Responsible Department	Comments	Traffic Lights
2.1.7	Increase visitors to the shire.	Promote free camping locations within the shire.	General Management	Q1 - Council featured in the Caravanning Australia Magazine and the Free Camp Guide which is compiled every two years. Free camping locations featured on free camping websites and a separate freedom camping section has been included in Council's new tourism website.	
		Provide town parking for motor homes and caravans.	Infrastructure Services	Q1 - Tourism precinct open with RV and caravan parking.	
2.1.8	Improve caravan park facilities in Lake Cargelligo, Burcher, Tottenham and Condobolin.	Investigate the viability of leasing caravan parks to private operators with conditions attached for capital improvements.	Environment, Tourism & Economic Development	Q1 - Review undertaken in 2022/23. Further review to occur nearing end of current leases being Nov 2025	
		Undertake enhancement works at the Tottenham Caravan Park.	Environment, Tourism & Economic Development	Q1 - Majority of works have been underway. Minor works to be undertaken to complete project	
2.1.9	Develop Forbes to Condobolin Sculpture Trail.	Continue to work with Forbes Art Society and Forbes Shire Council to develop the sculpture trail from Forbes to Condobolin on Lachlan Valley Way.	General Management	Q1 - The Sculpture Down the Lachlan Art Trail is a key tourism driver for the Lachlan Shire. During the reporting period, Council continued its strong working relationship with the Forbes Art Society and the Forbes Shire Council tourism staff. Marketing and development meetings are planned for mid 2024 to discuss the potential expansion of the trail and broader marketing opportunities.	


DP Action Code	Delivery Plan Action (2022/2026)	Operational Plan Action	Responsible Department	Comments	Traffic Lights
2.1.10	Support the Lake Cargelligo Foreshore Development.	Support the development of a licensed community club and function centre near the existing boat club and recreation ground.	General Management	Q1 - No progress on licencing of the community club and function centre.	
2.1.11	Support potential environmental and eco-tourism projects.	Continue to be a member of the Central West Council's Environment and Waterways Alliance.	Environment, Tourism & Economic Development	Q1 - Council is an active member of the Central West Council's Environment and Waterways Alliance	




2.2: A diverse range of employment opportunities.




DP Action Code	Delivery Plan Action (2022/2026)	Operational Plan Action	Responsible Department	Comments	Traffic Lights
2.2.1	Encourage residents to shop local.	Support the Condobolin Chamber of Commerce in running the Why Leave Town Program.	General Management	Q1 - 'Why Leave Town Program' promoted through the Condobolin Chamber of Commerce continues to be rolled out. Council provided financial support to the initiative.	
		Support the Condobolin Chamber of Commerce to hold a Christmas event.	General Management	Q1 - In 2023, Council continued its support of the Condobolin Chamber of Commerce Christmas event and assisted with digital marketing.	



DP Action Code	Delivery Plan Action (2022/2026)	Operational Plan Action	Responsible Department	Comments	Traffic Lights
2.2.2	A strong retail sector.	Assist and facilitate an effective chamber of commerce in Condobolin and Lake Cargelligo.	Environment, Tourism & Economic Development	Q1 - Assisted and facilitated an effective chamber of commerce in Condobolin and Lake Cargelligo.	
		Discuss the possibility of increased business opening hours with businesses (including public holidays and weekends).	General Management	Q1 - Condobolin Chamber of Commerce has approached businesses regarding weekend openings, however there has been only a small increase in operational hours. Staff shortages have been a major factor.	
		Facilitate the running of workshops that assist retailers.	Environment, Tourism & Economic Development	Q1 - No recent action due to staff vacancies and other priority projects. Workshops to be investigated and scheduled in FY24.25.	

2.3: Encourage business activity.



DP Action Code	Delivery Plan Action (2022/2026)	Operational Plan Action	Responsible Department	Comments	Traffic Lights
2.3.1	Review the Economic Development Strategy.	Preparation of a revised Economic Development Strategy for the Shire.	General Management	Q1 - Due to staff resourcing, the production of the new Lachlan Shire Economic Development Strategy will commence in the 2024/2025 reporting period.	

DP Action Code	Delivery Plan Action (2022/2026)	Operational Plan Action	Responsible Department	Comments	Traffic Lights
2.3.2	Zone more land for industrial development.	Prepare a Rural and Industrial Land Use Strategy.	Environment, Tourism & Economic Development	Q1 - Industrial and Rural Land Strategy adopted 25 May 2022.	
		Provision of more land zoned for industrial land uses.	Environment, Tourism & Economic Development	Q1 - Planning Proposal process commenced for re-zoning of certain identified sites in Industrial and Rural Land Strategy. Further Planning Proposals for re-zoning will be commenced over the next financial year.	
2.3.3	Encourage value added agricultural industries.	Provision of more land zoned for agricultural industries.	Environment, Tourism & Economic Development	Q1 - Undertaking re-zoning in accordance with Industrial and Rural Land Use Strategy.	
2.3.4	Attract new industries and businesses to the Shire.	Follow up on the possibility of starting more feedlots in the shire.	Environment, Tourism & Economic Development	Q1 - To be investigated where possible.	
		Support the provision of a solar farm in the shire.	Environment, Tourism & Economic Development	Q1 - Two Development Applications have been approved for Solar Farms in Lachlan Shire Council. One has commenced the first stage of construction in Lake Cargelligo.	


DP Action Code	Delivery Plan Action (2022/2026)	Operational Plan Action	Responsible Department	Comments	Traffic Lights
2.3.5	Improve marketing of businesses in the shire.	Fund an annual training session on marketing.	General Management	Q1 - Lower Lachlan Community Service (Lake Cargelligo) has hosted successful marketing workshops and events during the reporting period. A grant application under the NSW Small Business Month program to roll out marketing and visual merchandising workshops in Condobolin and Lake Cargelligo was unsuccessful. Council will revisit the visual merchandising workshops in the later part of 2024.	
2.3.6	Support mining operations in the Shire.	Encourage and support the proposal of Platina Resources at Owendale and support Sunrise Energy Metals at Fifield.	General Management	Q1 - Updates provided to Councillors at Strategic Briefings. Platina Resources project purchased by Rio Tinto. Discussion with Rio Tinto regarding their proposed community benefit program have not progressed since September 2023. Value adding opportunities such as renewable energy projects discussed with mining proponents.	
2.3.7	Access to residential land.	Complete the Scott Street subdivision in Condobolin	Infrastructure Services	Q1 - Works underway. Revised completion date is June 2024	






DP Action Code	Delivery Plan Action (2022/2026)	Operational Plan Action	Responsible Department	Comments	Traffic Lights
		Investigate the viability of a new residential sub-division in Lake Cargelligo.	Environment, Tourism & Economic Development	<p>Q1 - 1 McInnes Street Master Plan Investigations nearing completion. The following have been undertaken or are currently being undertaken:</p> <ul style="list-style-type: none"> • Geotechnical and preliminary contamination investigation; • Detailed contour and feature survey; • Water main investigation - including the capacity of the existing network and relocating the Murrin Bridge Main running through the site; • Sewer main investigation - including the connection to the existing pump station and capacity of network; • Electrical - existing network capacity and works required; • Telecommunication / NBN connections; • Basic road design and in particular the intersection connections to the existing road network; • Stormwater investigations - how will stormwater be managed from the site; 	
		Prepare a residential housing strategy.	Environment, Tourism & Economic Development	Q1 - Draft Lachlan Shire Housing Strategy on public exhibition and expected to be adopted by June 2024.	

2.4: Access to reliable current technologies.

DP Action Code	Delivery Plan Action (2022/2026)	Operational Plan Action	Responsible Department	Comments	Traffic Lights
2.4.1	Advocate for complete mobile phone coverage throughout the Shire.	Make representations to service providers and Federal Government for increased mobile coverage throughout the Shire.	General Management	Q1 - Blackspot and connectivity issues in Lachlan Shire regularly raised with Telstra representatives. Telstra are developing a Lachlan Shire Council Connectivity Action Plan in consultation with Council staff to overcome some of the service difficulties while also identifying alternate technologies to improve services in our region. Councillors updated at Pre-meeting Briefings.	
2.4.2	Public access computers and printing service offered.	Provide computer and printer access at Tottenham Library.	Corporate & Community Services	Q1 - Tottenham Library has access to a laptop with internet and printing services.	

2.5: Improve the appearance of each town.

DP Action Code	Delivery Plan Action (2022/2026)	Operational Plan Action	Responsible Department	Comments	Traffic Lights
2.5.1	Improve the appearance of each towns central business district.	Encourage businesses to paint shop awnings.	General Management	Q1 - Local business owners across the shire are being encouraged to seek funding under the Local Heritage Fund to undertake maintenance including painting shop awnings. During the reporting period, there have been several Condobolin shopfronts painted which has enhanced the street appeal.	

DP Action Code	Delivery Plan Action (2022/2026)	Operational Plan Action	Responsible Department	Comments	Traffic Lights
		Update the management plans for each village.	Environment, Tourism & Economic Development	Q1 - Appointed consultant to undertake project.	
		Upgrade Foster Street in accordance with the master plan	Infrastructure Services	Q1 - Majority of works completed. Only final seal and line marking remaining.	
2.5.2	Improve the appearance of town entries.	Appropriate tree planting at the entrance of each town.	Infrastructure Services	Q1 - Tree planting continuing. Additional funding made available through LRCI 4.	
		Improve Lake Cargelligo town entrance.	Infrastructure Services	Q1 - Tree planting continuing.	
		Update town entrance signage (as funds permit).	Infrastructure Services	Q1 - Works completed.	




2.6: Attract and retain residents to the Shire.







DP Action Code	Delivery Plan Action (2022/2026)	Operational Plan Action	Responsible Department	Comments	Traffic Lights





DP Action Code	Delivery Plan Action (2022/2026)	Operational Plan Action	Responsible Department	Comments	Traffic Lights
2.6.1	Promote the benefits of a rural lifestyle.	Complete the Scott Street, Condobolin sub-division.	Infrastructure Services	Q1 - Works underway. Revised completion date is June 2024	
		Investigate changing Council's Local Environmental Plan (LEP) to allow for more rural living lots.	Environment, Tourism & Economic Development	Q1 - Draft Lachlan Shire Housing Strategy on public exhibition and expected to be adopted by June 2024. Planning Proposal for residential key site identified in Industrial and Rural Land Use Strategy lodged. Further planning proposals for re-zoning to create residential land to be undertaken in 2024/2025.	


3: Transport

3.1: Improved transport networks that meet community and business needs.




DP Action Code	Delivery Plan Action (2022/2026)	Operational Plan Action	Responsible Department	Comments	Traffic Lights
3.1.1	Implement road maintenance, renewals and improvements in accordance with Transport Asset Management Plan.	Complete annual maintenance, renewals and improvements program.	Infrastructure Services	Q1 - Unsealed road maintenance has continued with an emphasis on restoring storm damaged roads prior to harvest in 2023. The sealed roads resealing program is programmed to commence in Q3.	
		Implement road sealing program.	Infrastructure Services	Q1 - Sealing work undertaken on SR 1033 Boreamble Road - 1.8 km, SR 1169 Bobadah Road 2 km, MR 57S Gipps Way - Murie Creek culvert 465m, SR 3 Tabratong Crossing Road heavy patches, MR 57NN The Bogan Way/Jumble Plains Road intersection 1.5 km, Walker St - Lake Cargelligo 440 metres. Resealing program will commence in Q3.	
		Prepare and implement truck rest areas near each village.	Infrastructure Services	Q1 - New truck rest area has been constructed in Condobolin in conjunction with the new Visitor Information Centre. The truck rest area on Lansdale Road at Tottenham is upgraded in conjunction with the widening of Lansdale Road. Maintenance has been undertaken on the Tullibigeal truck rest area on intersection of Lake Cargelligo Road and Tullibigeal Road to improve the storm water drainage at the entranceway.	





DP Action Code	Delivery Plan Action (2022/2026)	Operational Plan Action	Responsible Department	Comments	Traffic Lights
		Reinstate flood damaged roads.	Infrastructure Services	Q1 - Submission for permanent restoration work was submitted to TfNSW by 30 September 2023. TfNSW have not approved any restoration work at this stage. Shepherd Services Pty Ltd have been engaged to project manage the delivery of the permanent restoration work.	
3.1.2	Operate and maintain airports at Condobolin, Tottenham and Lake Cargelligo to meet statutory standards.	Complete Condobolin Airport Master Plan.	Infrastructure Services	Q1 - completed	
		Implement the actions in the Condobolin Master Plan.	Infrastructure Services	Q1 - Condobolin Master Plan adopted by LEMC in place. Lake Cargelligo under review by CASA Tottenham aerodrome remains operational.	
		Reseal Condobolin Aerodrome.	Infrastructure Services	Q1 - complete	
		Reseal Tottenham Aerodrome.	Infrastructure Services	Q1 - Completed	
		Resheet Lake Cargelligo Aerodrome.	Infrastructure Services	Q1 - Aerodrome has been grade/water/rolled. Funding application submitted for gravel resheeting. Can not complete this work as budget is not available	

DP Action Code	Delivery Plan Action (2022/2026)	Operational Plan Action	Responsible Department	Comments	Traffic Lights
3.1.3	Progressively widen existing narrow seals in accordance with Transport Asset Management Plan.	Complete reconstruction and widening of segments as a progressive program.	Infrastructure Services	Q1 - 2 km of widening on SR 1169 Bobadah Road and 1.8 km of widening on SR 1033 Boreamble Road completed. 1 km of reconstruction and widening on SR 60 Springvale Road and 2 km of reconstruction and widening on SR 5 Lansdale Road. Reconstruction and widening of SR 45 Boona Road and SR 64 Platina Road will commence in Q3.	
3.1.4	Truck by-pass for Condobolin, Lake Cargelligo and Tottenham.	Advocate to Transport for New South Wales, for a truck by-pass of Condobolin and Tottenham and develop a truck bypass for Lake Cargelligo.	Infrastructure Services	Q1 - Condobolin - Maitland St, Melrose Road, Kiacatoo Road complete. Advocating TfNSW to upgrade Jones Lane/Henry Parkes Way intersection. Preferred option agreed. Detailed design to be finalised and funding secured. Lake Cargelligo - Rodeo, Grace and Foster completed Tottenham - Heavy Vehicle route in place.	
3.1.5	Road Safety Program.	Participate in the Local Government Road Safety Program in partnership with Parkes and Forbes Shires.	Infrastructure Services	Q1 - Ongoing participation subject to continued funding.	
3.1.6	Traffic calming and road safety in Lake Cargelligo, Tottenham and Condobolin.	Intersection upgrades of William and Lachlan Streets, Condobolin and intersection of Foster and Canada Streets, Narrandera Street and Rankin Springs Road, Lake Cargelligo.	Infrastructure Services	Q1 - Intersection upgrades of William and Lachlan Streets, Condobolin - yet to commence Foster and Canada Streets, Complete Narrandera Street and Rankin Springs Road, Lake Cargelligo - not funded.	

DP Action Code	Delivery Plan Action (2022/2026)	Operational Plan Action	Responsible Department	Comments	Traffic Lights
		Main street improvements in Condobolin, Lake Cargelligo and Tottenham.	Infrastructure Services	Q1 - Lake Cargelligo 90% complete. Condobolin - not budget to complete design. Tottenham - scope not identified.	



3.2: Improved pedestrian and cycle paths.

DP Action Code	Delivery Plan Action (2022/2026)	Operational Plan Action	Responsible Department	Comments	Traffic Lights
3.2.1	Implement the Disability Inclusion Access Plan.	Construct shared pathways around recreational facilities at sites identified in the Active Travel Plan, including Gum Bend Lake and the balance of the Lake Cargelligo Walkway stages.	Infrastructure Services	Q1 - Completed	
		Deliver footpath and kerb and gutter replacement program.	Infrastructure Services	Q1 - Work have commenced and contractors engaged to continue work as identified.	
		Improve access for pedestrians and mobility aid users in areas lacking footpaths.	Infrastructure Services	Q1 - Foster Street parking and path improvements in Lake Cargelligo has been completed.	

DP Action Code	Delivery Plan Action (2022/2026)	Operational Plan Action	Responsible Department	Comments	Traffic Lights
		Install pedestrian lay-backs in key areas around the schools in Lake Cargelligo and Condobolin.	Infrastructure Services	Q1 - Condobolin Primary and Catholic School Complete. Lake Cargelligo Prior St complete. Condobolin High school yet to commence	
		Staged implementation of the Active Travel Plan (ATP) for Tottenham, Lake Cargelligo and Condobolin.	Infrastructure Services	Q1 - Improvement works and maintenance has commenced and is continuing.	
3.2.2	Develop disability parking zones in all main towns.	Complete a map of disability parking spots after community consultation.	Infrastructure Services	Q1 - Not commenced due to staff vacancies.	
		Upgrade existing, and install new complaint disability parking spaces as identified by the Disability Inclusion Action Plan.	Infrastructure Services	Q1 - New Disabled Carpark is currently being constructed at the Condobolin SRA Grounds, and Foster street parking improvements in Lake Cargelligo has been completed.	





3.3: Upgrade street lighting.






DP Action Code	Delivery Plan Action (2022/2026)	Operational Plan Action	Responsible Department	Comments	Traffic Lights


DP Action Code	Delivery Plan Action (2022/2026)	Operational Plan Action	Responsible Department	Comments	Traffic Lights
3.3.1	Conduct an audit of street lighting requirements, and develop a street lighting works program.	Complete audit and deliver works program including adjoining roads and caravan parks.	Infrastructure Services	Q1 - Tottenham Complete. Scope of works in Condobolin and Lake Cargelligo caravan park to be confirmed.	
		Install street lights near Lake Cargelligo Caravan Park.	Infrastructure Services	Q1 - Scope to be confirmed	

4: Governance & Financial Control

4.1: Involved and active community groups.

DP Action Code	Delivery Plan Action (2022/2026)	Operational Plan Action	Responsible Department	Comments	Traffic Lights
4.1.1	Support and develop the capacity of Council's S355 Committees and other committees that manage Council facilities, events and initiatives.	Actively seek representation of people with disability on Council committees and consultation groups.	Corporate & Community Services	Q1 - Consultation offered on an inclusive basis.	
		Correspondence regarding terms of reference and financial reporting.	Corporate & Community Services	Q1 - Council supports S355 committees in meeting their legislative obligations. Point of contact staff member works with the committees.	
		Ongoing liaison with committees.	Corporate & Community Services	Q1 - After the end of each financial year contact is made regarding financial information and other contact made as needed.	
		Provide point of contact and selected information.	Corporate & Community Services	Q1 - Ongoing contact and support as requested	





DP Action Code	Delivery Plan Action (2022/2026)	Operational Plan Action	Responsible Department	Comments	Traffic Lights
4.1.2	Council deliver one main Australia Day celebration in the shire each year.	Creation of an Australia Day Shire wide committee.	General Management	Q1 - Australia Day policy developed and adopted by Council. Australia Day committee formed to select winners of the various Australia Day awards. A member from a community group in the towns and villages is invited to participate in the voting for the Australia Day winners. Each community in the Shire work to host Australia Day events relevant to their respective community with financial assistance provided by Council.	
		Host one main Australia Day event	General Management	Q1 - Planning and arrangements for the 2024 Australia Day celebration are well advanced.	
		Provide support to other Lachlan Shire town Australia Day celebrations.	General Management	Q1 - Planning well advanced for the 2024 Australia Day event and local celebrations are being planned by community groups across the shire.	
4.1.3	Celebrate diversity and inclusion through Council imagery, publications and promotions.	Council publications and promotions are accessible and include imagery of people with disability.	General Management	Q1 - All new brochures and website content will include images of people with disability.	
4.1.4	Celebrate diversity and inclusion activities	Support celebrations held on International Day of People with Disability on 3 December each year.	Corporate & Community Services	Q1 - No support requested.	



DP Action Code	Delivery Plan Action (2022/2026)	Operational Plan Action	Responsible Department	Comments	Traffic Lights
4.1.5	Encourage community events.	Improve the community event approval process.	General Management	Q1 - Part time Event and Administration Assistant position advertised. Application form under review. Due for completion June 2024.	

4.2: Strong effective and responsive Council.



DP Action Code	Delivery Plan Action (2022/2026)	Operational Plan Action	Responsible Department	Comments	Traffic Lights
4.2.1	Council is financially sustainable and provides services at a level expected by the community.	Annual review of Investment Policy.	Corporate & Community Services	Q1 - Email sent 3/1/2024 to Arlo Advisory, for review of the Investment Policy and requesting that a confirmation letter be sent regarding their Advisory status. Investment Policy updated & adopted at February 24 Council Meeting.	
		Complete quarterly reporting against budget.	Corporate & Community Services	Q1 - QBR1 & QBR2 lodged with Council within statutory time frames.	
		Complete statutory accounts.	Corporate & Community Services	Q1 - Council is financially stable. Statutory accounts completed within legislative timeframes for the 2023 financial year and is on track for the 2024 financial year.	



DP Action Code	Delivery Plan Action (2022/2026)	Operational Plan Action	Responsible Department	Comments	Traffic Lights
		Operate an effective Audit, Improvement and Risk Committee (ARIC).	Corporate & Community Services	Q1 - Council has an effective and functioning ARIC which has met 3 times this financial year. ARIC is compliant with all legislative requirements.	
		Tender Council's banking service.	Corporate & Community Services	Q1 - Tender document drafted. No further progress until recruitment of a Governance & Risk Officer.	
4.2.2	Council's decision making is equitable and ethical.	Decision making and operational activities meet legislative compliance.	General Management	Q1 - OLG compliance calendar reference included on ELT meeting agenda. Compliance with the calendar has been included on the agenda for future ARIC meetings.	
		Schedule policy reviews throughout Council term or within legislative requirements.	General Management	Q1 - Policies such as the Code of Meeting Practice, Code of Conduct, Payment of Expenses and Provision of Facilities to Councillors and the Local Approvals Policy have been reviewed. Reviewed policies are being regularly and progressively submitted to Council for adoption.	
		Training for Councillors.	General Management	Q1 - Local Government NSW Training calendar distributed to all Councillors for information and nomination of training preferences. Training booked for Councillors when requested.	

DP Action Code	Delivery Plan Action (2022/2026)	Operational Plan Action	Responsible Department	Comments	Traffic Lights
4.2.3	Strengthen regional cooperation to the benefit of local residents.	Council demonstrates strong leadership and supports developing initiatives with Central West Joint Organisation, MLA and other strategic alliances such as Penrith City Council.	General Management	Q1 - Lachlan Shire staff participate in numerous JO committees such as Governance and Risk, Asset Management, Water, Roads, Energy and Human Resources. GM participation on JO Renewable Energy and Net Zero business case working group. Feedback from the JO is positive on the input from LSC employees who are held in high regard. Relationships maintained with senior staff at PCC and discussions have been held with the PCC General Manager regarding opportunities for further collaboration in areas with recruitment difficulties that may impact Council operations.	
4.2.4	Community/Customer satisfaction monitoring system in place and operational.	Community Satisfaction Survey undertaken to measure Council responsiveness and services.	Corporate & Community Services	Q1 - Satisfaction Survey completed and reported to Council in October 2023.	
		Customer Request Management system reports reviewed monthly and reported to Council quarterly.	Corporate & Community Services	Q1 - Monthly reporting to the Executive Leadership Team and quarterly reporting to Council is in place. CRM is monitored and staff response to actions is appropriate within resourcing constraints.	
4.2.5	Council's exposure to risk is minimised.	Active management of staff who suffer workplace incidents.	General Management	Q1 - Recover at work plans have been developed and suitable duties made available to those staff that have sustained workplace injuries.	




DP Action Code	Delivery Plan Action (2022/2026)	Operational Plan Action	Responsible Department	Comments	Traffic Lights
		Council's Enterprise Risk Management Framework actions implemented.	Corporate & Community Services	Q1 - Work continues to progress elements contained within the Enterprise Risk Management Framework.	
		Hold Work Health and Safety Committee meetings.	General Management	Q1 - Health and Safety Committee meeting have been held with 80% attendance	
		Provide a safe workplace to all employees.	General Management	Q1 - Three Injured staff have required to have operations which have required a substantial amount of lost time hours. The impact of this has resulted in not meeting our target of below 600 hours and may impact Council's premium for the next financial year.	
		Review Council's Salary Structure.	General Management	Q1 - Council's Salary Structure has been reviewed.	
		Workplace safety awareness training.	General Management	Q1 - WHS training has been provided to all workers.	
4.2.6	Effective and efficient management of fixed assets.	Implementation of the Asset Management System which will support financial accounting in Authority.	Infrastructure Services	Q1 - Software has been ordered and supplied. Working with vendor to import our data	

DP Action Code	Delivery Plan Action (2022/2026)	Operational Plan Action	Responsible Department	Comments	Traffic Lights
4.2.7	Operational buildings which enable Council to efficiently perform its functions.	Construction of new depot at Condobolin.	Environment, Tourism & Economic Development	Q1 - Works to recommence March 2024	
		Relocate Lake Cargelligo Depot if funding permits.	Environment, Tourism & Economic Development	Q1 - No funding allocation within 2023/2024 Budget	
		Upgrade Council Chambers.	Environment, Tourism & Economic Development	Q1 - Repeat of 6.2.2	
4.2.8	Ensure that Council has a skilled and competent workforce to achieve its strategic outcomes.	Conduct exit interviews on all exiting staff.	General Management	Q1 - Exit Interviews are being undertaken for exiting staff.	
		Conduct once per Council term employee opinion survey which measures employee engagement.	General Management	Q1 - Employee opinion survey to be undertaken before July 2024.	




DP Action Code	Delivery Plan Action (2022/2026)	Operational Plan Action	Responsible Department	Comments	Traffic Lights
		Develop succession plans for crucial positions identified in the Workforce Management plan.	General Management	Q1 - Discussions were held with OMT to incorporate Career discussions with employees when undertaking their staff appraisals to identify those staff who wish to progress further through the organisation.	
		Ensure that staff have access to independent consultants to discuss personal issues.	General Management	Q1 - Council entered into a contract through the Central West JO to secure Lifeline Central West to deliver the Employee Assistance Program for Council staff.	
		Promote Council as an employer of choice.	General Management	Q1 - Content under review.	
		Provide professional development, and required training to staff.	General Management	Q1 - Training is being delivered to staff as identified on their training plans.	
4.2.9	Better staff engagement.	Hold staff inductions.	General Management	Q1 - Staff Inductions are being undertaken	
		Regular staff meetings.	General Management	Q1 - All staff meeting held on 7 December 2023 prior to all staff Christmas Party.	

DP Action Code	Delivery Plan Action (2022/2026)	Operational Plan Action	Responsible Department	Comments	Traffic Lights
		Review of Council recruitment and induction procedure to identify individuals with disability or support needs.	General Management	Q1 - Council has implemented an online e-Recruitment software that includes the ability for individuals to identify if they have support needs or a disability and require assistance to complete their application.	
		Staff newsletter.	General Management	Q1 - A quarterly staff newsletter is published.	


4.3: Enhanced communication with residents.



DP Action Code	Delivery Plan Action (2022/2026)	Operational Plan Action	Responsible Department	Comments	Traffic Lights
4.3.1	Enhanced communication with the community	Accessible content displayed on Council's website.	Corporate & Community Services	Q1 - Website protocol requires all uploaded documents to be checked for accessibility. Self-explanatory programs provided to check accessibility	
		Continued enhancement of Council website.	Corporate & Community Services	Q1 - New website live. Enhancements are underway as identified and resources available. Admin refresher training to be organised yearly.	
		Development of community contact database.	General Management	Q1 - Historic Database located and reviewed. Some information is no longer current. Review process continuing.	

DP Action Code	Delivery Plan Action (2022/2026)	Operational Plan Action	Responsible Department	Comments	Traffic Lights
		Enhanced communication with community.	General Management	Q1 - Council customer satisfaction survey undertaken by Micromex in May 2023. Actions from the report are being implemented across the organisation .	
		Further develop and enhance public communication materials.	General Management	Q1 - The new user-friendly Lachlan Shire Council website www.lachlanshire.nsw.gov.au launched in 2023 provided the platform for Council to deliver a plethora of information to the broader community, potential developers and visitors. Council continued its social media presence and utilised the electronic noticeboard in Condobolin and digital screens in the administration offices. Hard copy posters and invitations have been used to support the digital material for Council events and activities.	
		Increase posts to Council's social media platforms. Average of 30 posts per month.	General Management	Q1 - During the six month reporting period, Council continued its social media presence, with 4,429 Facebook followers, 15,073 page visits and 56,105 reaches (The number of people who saw any content from Council's Page or about Council's Page). On average Council upload approximately 60 posts per month.	
		Media releases to update on Council activities and Information.	General Management	Q1 - Council continued to communicate and engage with the community through a range of print and electronic platforms. This included the production and dissemination of regular media releases, public notices, surveys, council columns, advertisements, promotional material and face to face consultation.	

DP Action Code	Delivery Plan Action (2022/2026)	Operational Plan Action	Responsible Department	Comments	Traffic Lights
		Publish a monthly Council column in the local newspapers.	General Management	Q1 - Council utilises various mediums to inform the community about Council activities. During this reporting period the monthly Council Column and Talking Tottenham Column were delivered.	
4.3.2	Actively seek representation of the views of people with disability.	Accessible communication mediums offered.	General Management	Q1 - Council continued engagement opportunities to individuals or groups within the disability sector during the reporting period.	
4.3.3	Celebrate diversity and inclusion through Council imagery, publications and promotions.	Council promotions and publications include images of people with disability.	General Management	Q1 - The new marketing material will include images of people with disability.	



4.4: Strategic management of villages and Crown Reserves.

DP Action Code	Delivery Plan Action (2022/2026)	Operational Plan Action	Responsible Department	Comments	Traffic Lights
4.4.1	Develop Village Management Plans.	Update the Village Enhancement Plans.	Environment, Tourism & Economic Development	Q1 - Plans are under review with the consultant IPlan	

DP Action Code	Delivery Plan Action (2022/2026)	Operational Plan Action	Responsible Department	Comments	Traffic Lights
4.4.2	Develop Plans of Management for all Crown Reserves.	Develop a Plan of Management for the SRA Grounds.	Infrastructure Services	Q1 - The plan of management draft has been revised again and is almost ready for resubmission to DPE.	
		Develop generic Plans of Management for all Crown Reserves and then customise for each specific reserve.	Infrastructure Services	Q1 - Plans of management complete, waiting on feedback from Crown Lands	




5: People and Environment



5.1: Modern waste management system including recycling and rationalisation of waste management facilities.

DP Action Code	Delivery Plan Action (2022/2026)	Operational Plan Action	Responsible Department	Comments	Traffic Lights
5.1.1	Review and implement Council's Waste Management Strategy.	Implement shire wide Waste Management Strategy.	Environment, Tourism & Economic Development	Q1 - Actions from the strategic waste management plan are continually being implemented. CRC shed completed and officially opened 2023. Burcher Waste Facility closure and proposed transfer station conversation community consultation completed. Waste contracts with TG FB ROSS extended in accordance with extension provisions of existing contract. Closure design completed for Burcher waste facility. Lake Cargelligo and Condobolin filling plans completed in accordance with Geotechnical designs and reviewed by Robert Amaral.	
5.1.2	Provide solid waste collection and disposal services.	Ensure that town streets are free from rubbish.	Environment, Tourism & Economic Development	Q1 - Transfer stations at Fifield, Derriwong and Albert continued to be operational and effective. Street bins are serviced ongoing by JR Richards and Council staff on routine basis. Kerbside collection (bulky waste) as domestic waste self hauled to facilities is free of charge.	

DP Action Code	Delivery Plan Action (2022/2026)	Operational Plan Action	Responsible Department	Comments	Traffic Lights
		Maintain effective collection and disposal services.	Environment, Tourism & Economic Development	Q1 - JR Richards contract extended in accordance with the terms of current contract.	
5.1.3	Maintain recycling services.	Continue to deliver recycling services.	Environment, Tourism & Economic Development	Q1 - Kerbside and Waste Facility recycling services continued to be implemented and reviewed as required. Recycling includes kerbside collection, scrap metal, CRC Shed material.	
5.1.4	Develop and implement a Trade Waste Policy.	Create and implement a Trade Waste Policy.	Infrastructure Services	Q1 - To commence following adoption on the IWCM.	
5.1.5	Investigation into the viability of Tullibigeal and Burcher waste management facilities.	Profit and loss summary for overall waste management.	Environment, Tourism & Economic Development	Q1 - Ongoing monitoring of operational and capital budgets. Facilities remain unmanned with weekly, monthly and quality servicing implemented to manage waste.	

5.2: Care for our community land.






DP Action Code	Delivery Plan Action (2022/2026)	Operational Plan Action	Responsible Department	Comments	Traffic Lights
5.2.1	Control of weeds and feral pests.	Conduct weed and feral pest inspection program and control operations.	Environment, Tourism & Economic Development	Q1 - Compliance and Weed Officers undertake these action on an ongoing/daily basis	
		Create a formal spraying program for footpaths.	Environment, Tourism & Economic Development	Q1 - Charter's engaged to review Council GIS mapping program and to assist in developing formal spraying program. Charter have undertaken initial review for new program December 2023.	
		Undertake pest and weed control programs on Council managed reserves.	Environment, Tourism & Economic Development	Q1 - Charter's engaged to review Council GIS mapping program and to assist in developing formal pest and weed control program. Charter have undertaken initial review for new program December 2023. Weed and control program carried out as part of the Weeds Action Plan (WAP).	

DP Action Code	Delivery Plan Action (2022/2026)	Operational Plan Action	Responsible Department	Comments	Traffic Lights
5.2.2	Develop initiatives to reduce Council's carbon footprint.	Implement actions from Council's Energy Sustainability Plan utilising funds from the Revolving Energy Fund.	Environment, Tourism & Economic Development	Q1 - 2020 Energy Sustainability Plan reviewed and new projects and target items have been identified. Council has exceed all short term targets including emissions reduced by 1870 tonnes, 41% reduction in Grid consumption and an increase in renewable energy by 53%.	
5.2.3	Address weed issues at Gum Bend Lake.	Establish a weed control program at Gum Bend Lake.	Environment, Tourism & Economic Development	Q1 - Regular spraying of the facility undertaken to control broad variety of weeds. No aquatic weeds have been targeted this period.	

5.3: Ensure that animals are properly controlled.



DP Action Code	Delivery Plan Action (2022/2026)	Operational Plan Action	Responsible Department	Comments	Traffic Lights
5.3.1	Provide animal management services and encourage responsible ownership.	Hold discounted micro chipping and de-sexing programs each year.	Environment, Tourism & Economic Development	Q1 - Desexing program unable to be undertaken due to availability of vets. Rangers have completed their microchipping training to allow Council to undertake discount microchipping days.	
		Provision of a companion animal surrender cage facility in Lake Cargelligo.	Environment, Tourism & Economic Development	Q1 - Provision of Companion Animal Drop Off shelter was completed 30 November 2023.	

5.4: Community safety.

DP Action Code	Delivery Plan Action (2022/2026)	Operational Plan Action	Responsible Department	Comments	Traffic Lights
5.4.1	Management of swimming pools.	100% compliance with swimming pool regulations.	Infrastructure Services	Q1 - Compliance with swimming pool regulations has been successful. Complete	
5.4.2	Provide advocacy support to Federal and State agencies and non-government organisations for management of drug and alcohol issues.	Advocate for the establishment of a drug and alcohol rehabilitation centre.	General Management	Q1 - Discussion with service providers around provision of drug and counselling services and education programs that are continuing to be delivered in the Lachlan Shire.	
		Support Community Drug and Alcohol Team (CDAT) initiatives.	Corporate & Community Services	Q1 - Meetings attended when staff resources are available.	
5.4.3	Mitigation of crime.	Advocate for increased Police presence at Community Precinct meetings.	General Management	Q1 - Mayor and General Manager attend Community Precinct (CP) meetings. Issues such as station numbers, replacement of police vacancies, designation of local commands as special remote under the NSW Police Transfer Policy and local crime statistics are examples of issues raised and discussed at CP meetings. At the December 2023 meeting the issue of increased Police imposed conditions on event applications for small community events was discussed.	
		Advocate for Neighbourhood Watch program.	General Management	Q1 - Regularly discussed at Police Community Precinct meeting. Police support the re-introduction of a Neighbourhood Watch program however must be initiated by community to be successful.	

DP Action Code	Delivery Plan Action (2022/2026)	Operational Plan Action	Responsible Department	Comments	Traffic Lights
		Develop shire wide Community Safety Plan.	Corporate & Community Services	Q1 - No progress on this is required. Scheduled for a future year.	
		Update CCTV network in Condobolin when funding is available.	Corporate & Community Services	Q1 - CCTV Cameras have been upgraded to provide better visibility in the CBD. Link between Condobolin Police Station and Community Centre Upgraded.	

5.5: Celebrating and preserving our heritage.


DP Action Code	Delivery Plan Action (2022/2026)	Operational Plan Action	Responsible Department	Comments	Traffic Lights
5.5.1	Promote and celebrate heritage and achievements	Complete Heritage walks in Condobolin and Lake Cargelligo. Subject to funding.	General Management	Q1 - The Condobolin Heritage Walk is complete and new promotional material is in progress. Refurbished signage panels will be installed in Lake Cargelligo. The plaque frames have been painted in readiness for the new anodized panels.	
5.5.2	Protect and manage our heritage.	Lodge applications to seek funding to allow Council's Local Environmental Plan (LEP) to be updated with significant local buildings.	Environment, Tourism & Economic Development	Q1 - Lodged available grant applications seeking funding for works.	

DP Action Code	Delivery Plan Action (2022/2026)	Operational Plan Action	Responsible Department	Comments	Traffic Lights
5.5.3	Support our natural and built heritage.	Identify significant buildings and apply for grants under relevant programs for these buildings.	Environment, Tourism & Economic Development	Q1 - Available grants have been applied for.	

6: Recreation

6.1: Increased recreational use of lakes and rivers.

DP Action Code	Delivery Plan Action (2022/2026)	Operational Plan Action	Responsible Department	Comments	Traffic Lights
6.1.1	Complete the Lake Cargelligo and Gum Bend Lake shared paths to improve access.	Extend Gum Bend Lake walkway.	Infrastructure Services	Q1 - Works completed on footpath under budget.	
		Implement Gum Bend Lake Committee 6 Year Improvement Plan.	Infrastructure Services	Q1 - Works are progressing as set out in the 6 year improvement plan.	
		Improve access tracks and signage to bird hides.	Infrastructure Services	Q1 - Complete.	
		Improved accessible paths of travel.	Infrastructure Services	Q1 - River Walk in Condobolin Complete. Officers parade walkway almost complete	
		Installation of walkway and directional signage at Mt Tilga.	Infrastructure Services	Q1 - LRCI 4 has funded this project in FY24/25. Initial approvals underway from NSW Government.	


DP Action Code	Delivery Plan Action (2022/2026)	Operational Plan Action	Responsible Department	Comments	Traffic Lights
6.1.2	Secure a reliable water supply for Gum Bend Lake.	Lobby and participate in regional group meetings. Provide information and submissions as applicable e.g. involvement and advocacy in development of next water sharing plan. Investigate ground water options.	Infrastructure Services	Q1 - Ongoing	




6.2: Upgrade community buildings.

DP Action Code	Delivery Plan Action (2022/2026)	Operational Plan Action	Responsible Department	Comments	Traffic Lights
6.2.2	Upgrade and maintain community halls and facilities.	Install refrigerated air conditioning at Tullibigeal Hall.	Environment, Tourism & Economic Development	Q1 - Works completed 28/8/2023	
		Provision of public address system and enhancement of functionality of SRA pavilion.	Environment, Tourism & Economic Development	Q1 - Awaiting grant funding opportunities	


DP Action Code	Delivery Plan Action (2022/2026)	Operational Plan Action	Responsible Department	Comments	Traffic Lights
		Upgrade and maintain public toilets.	Environment, Tourism & Economic Development	Q1 - Investigating Options.	
		Upgrade Council Chambers and Committee Room.	Environment, Tourism & Economic Development	Q1 - Works undertaken	
6.2.3	Provide swimming pools in each main town.	Effectively operate and maintain pools at each main town.	Infrastructure Services	Q1 - Swimming pools are continuing to be maintained and are operational in each main town.	

6.3: New and visually appealing streetscapes.

DP Action Code	Delivery Plan Action (2022/2026)	Operational Plan Action	Responsible Department	Comments	Traffic Lights
6.3.1	Implement the Street Tree Replacement program.	Develop a plan of existing street trees and species list, and implement a themed street tree replacement program.	Infrastructure Services	Q1 - Tree management and guideline plans have been on public exhibition and have been adopted by Council.	



DP Action Code	Delivery Plan Action (2022/2026)	Operational Plan Action	Responsible Department	Comments	Traffic Lights
6.3.2	Upgrade Foster Street Lake Cargelligo and Bathurst and William Streets Condobolin.	Design and implement streetscape upgrades.	Infrastructure Services	Q1 - Works completed.	
6.3.3	Street tree plan for all towns.	Plant street trees in accordance with Streetscape Plan.	Infrastructure Services	Q1 - Tree planting has commenced in accordance to the adopted Tree Management Policy and Guidelines.	
		Tree maintenance and watering of all street trees.	Infrastructure Services	Q1 - Tree maintenance and watering is ongoing.	

6.4: Improved parks, gardens and sporting ovals.




DP Action Code	Delivery Plan Action (2022/2026)	Operational Plan Action	Responsible Department	Comments	Traffic Lights
6.4.1	Improved infrastructure in parks.	Five year strategic plan developed for parks and reserves works program developed including roll out of softfall at existing and new play equipment and repairs to entry way/gates at memorial parks.	Infrastructure Services	Q1 - Work complete.	

DP Action Code	Delivery Plan Action (2022/2026)	Operational Plan Action	Responsible Department	Comments	Traffic Lights
		Install automated underground irrigation to all parks.	Infrastructure Services	Q1 - All budgeted works have been completed. Condobolin Cemetery, Utes in the paddock and Wiradjuri Park have been completed.	
6.4.2	Upgrade and maintain recreational and sporting facilities.	Five-year strategic plan for parks and reserves.	Infrastructure Services	Q1 - AMP developed and adopted	
		Improvements to Lake Cargelligo sporting facilities.	Infrastructure Services	Q1 - Resurfacing of Netball Courts is planned for early 2024. LRCI 4 has funded this project in FY24/25. Initial stakeholder discussions are underway.	
		Install cricket nets at Lake Cargelligo Recreation Reserve or Central School.	Infrastructure Services	Q1 - Installation completed at the Complex.	
		Upgrades to Willow Bend Sports Centre.	Environment, Tourism & Economic Development	Q1 - Works have been carried out. Minor works remain and expect to be completed by March 2024	

6.5: The provision of neat, accessible and respectful cemeteries.






DP Action Code	Delivery Plan Action (2022/2026)	Operational Plan Action	Responsible Department	Comments	Traffic Lights
6.5.1	Improvements at cemeteries.	Expand footpath network to the Condobolin Cemetery.	Infrastructure Services	Q1 - Works have not yet commenced. No funding allocation within 2023/2024 Budget	
		Install seats at Condobolin cemetery.	Infrastructure Services	Q1 - Not commenced due to staff vacancies	





6.6: Community gardens in the towns.

DP Action Code	Delivery Plan Action (2022/2026)	Operational Plan Action	Responsible Department	Comments	Traffic Lights
6.6.1	Develop community gardens in Lake Cargelligo and Condobolin.	Construct community garden.	Infrastructure Services	Q1 - No funding allocation within 2023/2024 Budget	
		Identify interest and establish S355 committees for community gardens.	Infrastructure Services	Q1 - No funding allocation within 2023/2024 Budget	
		Identify sites for community gardens.	Infrastructure Services	Q1 - No funding allocation within 2023/2024 Budget	

7: Service Infrastructure



7.1: Water, sewer and energy utilities meet best practice standards with up to date technology.

DP Action Code	Delivery Plan Action (2022/2026)	Operational Plan Action	Responsible Department	Comments	Traffic Lights
7.1.1	Complete effluent reuse systems in the shire.	Implement recommended option in accordance with grant conditions.	Infrastructure Services	Q1 - Tottenham effluent reuse project is currently in the stakeholder's engagement stage.	
7.1.2	Implement the asset maintenance and renewal program for water and sewerage services.	Complete annual maintenance and renewals program.	Infrastructure Services	Q1 - Gradual replacement of water and sewer assets.	
		Review Asset Management Plan and link with Long Term Financial Plan.	Infrastructure Services	Q1 - Asset management plan has been adopted by Council. Asset maintenance and renewal is gradually progressing.	
7.1.3	Construction of the new Condobolin Water Treatment Plant.	Complete the construction of the new Condobolin Water Treatment Plant in accordance with grant conditions.	Infrastructure Services	Q1 - Scoping study is completed. Now progressing into the Concept Design stage.	
7.1.4	Construction of the new Condobolin Sewage Treatment Plant.	Complete the construction of the new Condobolin Sewage Treatment Plant in accordance with grant conditions.	Infrastructure Services	Q1 - Scoping study is completed. Currently in the concept design stage.	


DP Action Code	Delivery Plan Action (2022/2026)	Operational Plan Action	Responsible Department	Comments	Traffic Lights
7.1.5	Telemetry upgrade in the water and sewer assets across the Shire.	Develop a program to undertake the electrical and SCADA upgrades based on the criticality of each site.	Infrastructure Services	Q1 - Upgrade of electrical and SCADA across water and sewer sections within the shire is progressing.	
7.1.6	Council to improve energy efficiency of facilities and plant.	Implement replacement of street lighting with energy efficient LED.	Infrastructure Services	Q1 - Complete	
		Progressive investigations and implementation of more energy efficient facilities and plant.	Infrastructure Services	Q1 - Lake Cargelligo Solar Panels back on line. Lake Cargelligo WTP DAF, GAP and chemical separation underway. Condobolin WTP augmentation out to Tender.	
7.1.7	Encourage the generation of alternate energy in the Shire.	Support and facilitate installation of renewable energy & energy projects within the shire.	Environment, Tourism & Economic Development	Q1 - Installation of direct metering agreement, installation of solar and battery on Council's residential house. 39KW solar system installed at Condobolin Visitor Information Centre.	


7.2: Ensure water security for all towns and villages.

DP Action Code	Delivery Plan Action (2022/2026)	Operational Plan Action	Responsible Department	Comments	Traffic Lights

DP Action Code	Delivery Plan Action (2022/2026)	Operational Plan Action	Responsible Department	Comments	Traffic Lights
7.2.1	Progress the Bore Fields 2 Project.	Implement project in stages.	Infrastructure Services	Q1 - Pipeline and underbore have been constructed. Transfer Pump Station is 80% completed. Modifications to Condobolin WTP is out for tender. Land acquisition is progressing.	
7.2.2	Complete Tottenham water security project.	Implement agreed option in accordance with grant conditions.	Infrastructure Services	Q1 - Contract for new Albert Reservoir has been awarded. Contract for the upgrade of Leg O Mutton Dam has been awarded.	
7.2.3	Upgrade potable water standpipes.	Install a new potable water standpipe at Lake Cargelligo. Redesign and install a potable water standpipe at Tottenham.	Infrastructure Services	Q1 - Locations for the new standpipes in Lake Cargelligo and Tottenham have been chosen. Requesting quotes to construct the water mains to service both standpipes.	

7.3: Adequate town drainage.

DP Action Code	Delivery Plan Action (2022/2026)	Operational Plan Action	Responsible Department	Comments	Traffic Lights
7.3.1	Ensure that towns have adequate drainage.	Improve drainage in Foster Street Lake Cargelligo.	Infrastructure Services	Q1 - Drainage upgrade works complete.	

DP Action Code	Delivery Plan Action (2022/2026)	Operational Plan Action	Responsible Department	Comments	Traffic Lights
		Maintain existing drainage network.	Infrastructure Services	Q1 - Holt Street drainage consultation underway on concept design.	



Policies, Procedures and Guidelines

CHILD SAFE ORGANISATION COMMITMENT STATEMENT

Lachlan Shire Council (Council) is committed to being a child safe organisation by being compliant with the Child Safe Standards as legislated, and outlined in the *Children’s Guardian Amendment (Child Safe Scheme) Bill 2021*.

Children and young people interact with Council in a variety of ways; through attending child specific programs and services, by accessing community services such as libraries, leisure and community centres, by participating in community events or by enjoying parks and open spaces.

Council support and respect all children and young people who live, visit, learn and play within our Shire. We strive to ensure our community is a place where all are valued, respected and above all safe.

Council are working to embed the NSW Child Safe Standards into our organisational culture, leadership and governance structure. We also aim to adopt strategies and act in a manner which puts the interests and rights of children first.

In doing this we will ensure that:

- Children and young people are an important cohort in our community whose opinions will be sought and respectfully considered about matters that affect them.
- Children and young people in our community will have safe and happy experiences when accessing Council facilities, programs, events and activities, or being in the care of our services.
- The physical and online environments Council offers to children and young people will promote safety and wellbeing, whilst minimising the opportunity for children and young people to be harmed.
- A culture of safety for children and young people that takes into account their diverse needs will be embedded in Council’s governance structure, leadership and staff policies, and promoted to all staff including volunteers and contractors providing direct services to children.
- We will promote equity and respect diversity by considering the individual needs of all children and young people particularly First Nations children, children with a disability, LGBTQIA+ children, and children from culturally and linguistically diverse backgrounds.

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Policies, Procedures and Guidelines

CHILD SAFE ORGANISATION COMMITMENT STATEMENT

- Staff, volunteers and contractors who routinely work directly or near children and young people are screened to ensure they are suitable persons for this work. They will receive appropriate training and support to assist them to keep children and young people safe, and enhance their wellbeing.
- Processes are in place to respond to complaints and concerns about the treatment of children and young people, be that in Council’s service or witnessed by our service.
- Council will promote child-safety and wellbeing in the community, in families and in the workplace.
- Induction and training are part of our commitment. All new employees and contractors will be provided information about our commitment to child safety including our child safe policy and practices. We will support ongoing education and training to our employees, volunteers, and contractors to ensure appropriate practice.
- Council will undertake formal reviews of policies and procedures as well as safety audits to identify potential risks to children and young people associated with our service delivery
- Our Child Safe Statement of Commitment applies to all employees, volunteers, work experience students, contractors, contract employees and councillors.
- Council also encourages the community to speak up when they are concerned or suspect child abuse in any of our workplaces.

Signed:

Signed:

Greg Tory
General Manager

Cr Paul Phillips
Mayor

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Child Safe Standards Action Plan				
Project, Activities, Tasks	Time Frame	Responsibility	Progress/ Evidence	Notes
Discuss Standards OMT	December 2023	DCCS Project Officer	Completed	Remind OMT about Child Safe Standards Updated Action Plan
Working Party – reconvene	2024 February	Project Officer	Meeting scheduled Tuesday 5 March 2024	Working party – Child Services, People & Culture, Events, Governance & Risk Officer, Sport & Rec, Procurement, Communication & Community Engagement Coordinator, Parks & Open Space (Broaden Membership) <i>(Confirm Action Plan & Draft Commitment Statement)</i>
Policy Review		Project Officer	In progress	Cath to review Draft policies relating to Standards 1,5,6,7
Council to adopt Commitment Statement, Child Safe Standards & Action Plan	20 March	DCCS Project Officer	In progress	Cath to have report written in correct format by 7 March for DCCS P to proof (include 1 page Child safe Standards)
All members of the working party complete online assessment. Share information	March	Working Party		Share information – identify areas that need attention Action items from shared information Child Safe eLearning
Councillors - Children’s Guardian Act & Standards Education	August	DCCS Project Officer		Written report Power point / slide show
Staff - Children’s Guardian Act & Standards Education	September	Working Party		Emails, Posters/ Flyers



Child Safe Standards Action Plan

Project, Activities, Tasks	Time Frame	Responsibility	Progress/ Evidence	Notes
		Project Officer		Meetings to discuss roles & responsibilities Webinars Induction
Child Safe Standards 1. <i>Child Safety is embedded in the Organisation</i>	March	Governance & Risk Officer Working Party Project Officer Communication & Community Engagement Coordinator	In progress Evident Draft Commitment Statement – March Council Working Party Reconvened Child Safe Standards – Induction item Child Safe Promotion commenced – posters /	Review and update existing policies (complaints) & code of conduct Meeting Agendas and minutes show Child Safety is a standing agenda item Organisation makes a public commitment to Child Safety Child safety is a shared responsibility at all levels – increased membership working party Staff Induction & ongoing training Risk Management Promote & Display Child Safety material



Child Safe Standards Action Plan				
Project, Activities, Tasks	Time Frame	Responsibility	Progress/ Evidence	Notes
			payslip attachment	
Child Safe Standards 2. <i>Children participate in the decision.</i>	April	Communication & Community Engagement Coordinator Project Officer		Community consultation needs to include young people Child Safe Polies promote children’s rights and participation Age appropriate information is provided to children Adults understand what safety means to a child
Child Safe Standards 3. <i>Families & Communities are informed & involved</i>	May	Child Related Services Project Officer to coordinate		Advertise Child Protection through Signage & Posters. Make Child protection flyers available in Child related services Families and Communities are informed about LSC organisations operations & procedures Families backgrounds are respected and acknowledged
Child Safe Standards 4. <i>Equity is upheld & diverse needs considered</i>	June	Whole of Council		Disability Inclusion Action Plan Child Safe policy describes how children should have individual needs recognised View all documents through a child lens Staff feel confident working with children in diverse groups



Child Safe Standards Action Plan

Project, Activities, Tasks	Time Frame	Responsibility	Progress/ Evidence	Notes
				Records of events that demonstrate diversity & inclusion Projects / infrastructure that supports children with disabilities is prioritised
Child Safe Standards <i>5. People working with Children are suitable and supported</i>	February	HR Project Officer Office of Children's Guardian Project Officer HR	In progress Staff induction days will include Child Safe talk & materials. Policy to be reviewed	Add child safe standards / commitment to Position Descriptions & job advertising Child safety questions in interview Working With Children Check required by certain staff – records kept Child safe to be included in Induction LSC Child Safe Training Requirements for Employees Doc Child Safety Code of Conduct – Employees Child and Youth Safe Procedure
Child Safe Standards <i>6. Response to complaints of child abuse are child focussed</i>	March	Whole of Council	Draft policy to be reviewed	Complaints and Allegations Policy Procedure is available & advertised New legislation for mandatory reporting is in place
Child Safe Standards <i>7. Staff equipped with knowledge, skills and awareness</i>	March	Project Officer	LSC Child Safe Training Documents and Policies	LSC Child Safe Training Requirements for Employees DOC Child and Youth Safe Procedure Provide ongoing education & Training



Child Safe Standards Action Plan

Project, Activities, Tasks	Time Frame	Responsibility	Progress/ Evidence	Notes
		Office of Children’s Guardian Executive Leadership Team	to be reviewed	E learning modules Face to face Record staff participation in training
Child Safe Standards 8. <i>Physical & online environment minimise the opportunity for abuse to occur</i>	July	Governance & Risk Officer IT Communication & Community Engagement Coordinator WHS		Do a risk assessment on any environments where adults have opportunities to interact with children unsupervised e.g. libraries /parks/ chat lines / buildings/ on off events On line safety training resources made available to staff & Community
Child Safe Standards 9. <i>Policies & procedures document how the organisation is child safe</i>	September	Project Officer Governance & Risk Officer		Child safe policy addressing all Child Safe Standards is drafted – Executive Leadership Team then Council



Child Safe Standards Action Plan				
Project, Activities, Tasks	Time Frame	Responsibility	Progress/ Evidence	Notes
Issue draft policies	Ongoing final child safe policy September	DCCS Governance & Risk Officer		
Adoption of policies for standards	September	DCCS Governance & Risk Officer		Information onto website Training
Policies issued to all staff & discussed at staff meetings.	October November	Governance & Risk Officer Working party		
Public Awareness	On-going	Communication & Community Engagement Coordinator to issue Project Officer to prepare & coordinate		Advertising/articles Flyers Posters Signs, Competitions

The Child Safe Standards

 <p>STANDARD 1 Child safety is embedded in organisational leadership, governance and culture</p>		
		<p>STANDARD 2 Children participate in decisions affecting them and are taken seriously</p>
<p>STANDARD 3 Families and communities are informed and involved</p>	<p>STANDARD 4 Equity is upheld and diverse needs are taken into account</p>	
<p>STANDARD 5 People working with children are suitable and supported</p>		<p>STANDARD 6 Processes to respond to complaints of child abuse are child focused</p>
		
 <p>STANDARD 7 Staff are equipped with the knowledge, skills and awareness to keep children safe through continual education and training</p>		<p>STANDARD 8 Physical and online environments minimise the opportunity for abuse to occur</p>
<p>STANDARD 9 Implementation of the Child Safe Standards is continuously reviewed and improved</p>		 <p>STANDARD 10 Policies and procedures document how the organisation is child safe</p>



Office of the Children’s Guardian

For more information on the Child Safe Standards or to arrange an information session please visit www.kidsguardian.nsw.gov.au, contact childsaf@kidsguardian.nsw.gov.au or phone 02 9286 7225

The Child Safe Standards recommended by the Royal Commission into Institutional Responses to Child Sexual Abuse provide a framework so organisations can create cultures and adopt strategies to keep children safe from harm.

They:

- help drive cultural change in organisations
- are principle-based and outcome-focused
- are flexible enough that they can be adapted by organisations of varying sizes and characteristics
- avoid placing undue burden on organisations
- help organisations address multiple risks
- balance caution and caring
- are a benchmark against which organisations can assess their child safe capability and set performance targets
- are of equal importance and are interrelated



Standard 1



Child safety is embedded in organisational leadership, governance and culture

- The organisation publicly commits to child safety and leaders champion a child safe culture
- Child safety is a shared responsibility at all levels of the organisation
- Risk management strategies focus on preventing, identifying and mitigating risks to children
- Staff and volunteers comply with a code of conduct that sets clear behavioural standards towards children
- Staff and volunteers understand their obligations on information sharing and record keeping

Standard 2



Children participate in decisions affecting them and are taken seriously

- Children are able to express their views and are provided opportunities to participate in decisions that affect their lives
- The importance of friendships is recognised and support from peers is encouraged, helping children feel safe and be less isolated
- Children can access abuse prevention programs and information
- Staff and volunteers are attuned to signs of harm and facilitate child-friendly ways for children to communicate and raise their concerns



Standard 3

Families and communities are informed and involved

- Families have the primary responsibility for the upbringing and development of their child and participate in decisions affecting their child
- The organisation engages in open, two-way communication with families and communities about its child safety approach and relevant information is accessible
- Families and communities have a say in the organisation's policies and practices
- Families and communities are informed about the organisation's operations and governance



Standard 4

Equity is upheld and diverse needs are taken into account

- The organisation actively anticipates children's diverse circumstances and responds effectively to those with additional vulnerabilities
- All children have access to information, support and complaints processes
- The organisation pays particular attention to the needs of Aboriginal and Torres Strait Islander children, children with disability, and children from culturally and linguistically diverse backgrounds



Standard 5

People working with children are suitable and supported

- Recruitment, including advertising and screening, emphasises child safety
- Relevant staff and volunteers have Working With Children Checks
- All staff and volunteers receive an appropriate induction and are aware of their child safety responsibilities, including reporting obligations
- Supervision and people management have a child safety focus



Standard 6

Processes to respond to complaints of child sexual abuse are child focused

- The organisation has a child-focused complaint-handling system that is understood by children, staff, volunteers and families
- The organisation has an effective complaint-handling policy and procedure which clearly outline roles and responsibilities, approaches to dealing with different types of complaints and obligations to act and report
- Complaints are taken seriously, responded to promptly and thoroughly, and reporting, privacy and employment law obligations are met







Standard 7

Staff are equipped with the knowledge, skills and awareness to keep children safe through continual education and training


- Relevant staff and volunteers receive training on the nature and indicators of child maltreatment, particularly organisational child abuse
- Staff and volunteers receive training on the organisation’s child safe practices and child protection
- Relevant staff and volunteers are supported to develop practical skills in protecting children and responding to disclosures



Standard 8

Physical and online environments minimise the opportunity for abuse to occur

- Risks in the online and physical environments are identified and mitigated without compromising a child’s right to privacy and healthy development
- The online environment is used in accordance with the organisation’s code of conduct and relevant policies




Standard 9

Implementation of the Child Safe Standards is continuously reviewed and improved

- The organisation regularly reviews and improves child safe practices
- The organisation analyses complaints to identify causes and systemic failures to inform continuous improvement




Standard 10

Policies and procedures document how the organisation is child safe

- Policies and procedures address all Child Safe Standards
- Policies and procedures are accessible and easy to understand
- Best practice models and stakeholder consultation inform the development of policies and procedures
- Leaders champion and model compliance with policies and procedures
- Staff understand and implement the policies and procedures





Lachlan Shire Council

PRIVACY MANAGEMENT PLAN 2024

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1. OBJECTIVE

To inform our community about how personal information will be collected, used, stored, disclosed and accessed.

To advise council officers of their obligations in relation to the handling of personal information and when they can and cannot collect, use, store or disclose it.

2. BACKGROUND

The Privacy and Personal Information Protection Act 1998 (PPIP Act) requires all councils to prepare a Privacy Management Plan outlining their policies and practices to ensure compliance with the requirements of that Act and the Health Records and Information Privacy Act 2002 (HRIP Act).

Both the PPIP Act and the HRIP Act impose responsibilities on the collection, storage, use and disposal of personal information. Both Acts also provide the public rights to ensure that personal information is not used for unlawful purposes and provides internal and external review mechanisms to protect those rights.

3. DEFINITIONS

DEFINITIONS Code	Privacy Code of Practice for Local Government
Council	Lachlan Shire Council (LSC)
GIPA Act	Government Information (Public Access) Act 2009 (NSW)
HPPs	Health Privacy Principles
HRIP Act	Health Records and Information Privacy Act 2002 (NSW)
IPPs	Information Protection Principles
LG Act	Local Government Act 1993 (NSW)
LG Regulation	Local Government (General) Regulation 2021
Personal Information	in this plan refers to both personal and health information, except where specific references are made to health information under the HRIP Act
Plan	Privacy Management Plan
PPIP Act	Privacy and Personal Information Protection Act 1998 (NSW)
SRA	State Records Act 1998 (NSW)

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4. SCOPE OF POLICY

This policy applies to:

- Council employees
- Councillors
- Council committees, including any community members of those committees
- Consultants and contractors.

Any reference to employees in this Plan includes permanent (whether full-time or part-time), temporary and casual employees together with agency contractors, consultants, volunteers, trainees and apprentices, and students on work placements.

5. RELATED DOCUMENTATION

- Government Information (Public Access) Act 2009 (NSW)
- Government Information (Public Access) Regulation 2018
- Health Records and Information Privacy Act 2002 (NSW)
- Health Records and Information Privacy Code of Practice 2005
- Privacy and Personal Information Protection Act 1998 (NSW)
- Privacy Code of Practice for Local Government

6. LACHLAN SHIRE COUNCIL RELATED DOCUMENTATION

- Code of Conduct
- Code of Meeting Practice
- Complaints Management Policy
- Data Breach Response Plan

7. INTRODUCTION

The purpose of this Privacy Management Plan (Plan) is to explain how Lachlan Shire Council (Council) manages personal and health information in accordance with NSW privacy laws. This includes the:

- Privacy and Personal Information Protection Act 1998 (NSW) (PIIP Act)
- Health Records and Information Privacy Act 2002 (NSW) (HRIP Act).

This Plan also explains who our community should contact about the personal and health information collected and held by council, how the information can be accessed and amended and how privacy complaints are handled. Additionally, this Plan is used to guide council employees in how to deal with personal information.

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7.1 What this plan covers

The council is required to have a Plan under section 33 of the PPIP Act which must include:

- information about how council develops policies and practices to ensure compliance with the PPIP Act and the HRIP Act
- how people within council are made aware of these policies and practices
- council internal review procedures
- anything else council considers relevant to the Plan in relation to privacy and the personal and health information it holds.

7.2 About Lachlan Shire Council

Council has responsibilities under the Local Government Act 1993 and other Commonwealth and NSW laws including the Environmental Planning and Assessment Act 1979, the Public Health Act 2010, the Companion Animals Act 1998, the State Records Act 1998 and the Government Information (Public Access) Act 2009.

Councils exist to:

- provide a representative, informed and responsible decision-making body
- develop the local community and its resources in a socially just and environmentally responsible way
- ensure that local public services and facilities respond effectively to community needs
- provide strong and effective representation, leadership, planning and decision-making
- carry out functions in a way that provides the best possible value for residents and ratepayers

7.3 Lachlan Shire Council Functions

- to provide adequate, equitable and appropriate services and facilities for the community and manage them efficiently and effectively
- to exercise community leadership
- to provide and plan for the needs of the community
- to manage, develop, protect, restore, enhance and conserve the environment
- to effectively account for and manage the income and assets for which it is responsible
- to facilitate the involvement of the community in local government processes and decision making
- to inform the community about its activities
- to act consistently and without bias
- to be a responsible employer.

More detailed information about our functions is available on Council's website.

7.4 What is personal information?

Personal information is defined in section 4 of the PPIP Act as follows:

Personal information is defined to mean information or an opinion about an individual whose identity is apparent or can reasonably be ascertained from the information or opinion. This information can be on a database and does not necessarily have to be recorded in a material form.

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7.5 What is not personal information?

There are some kinds of information that are not personal information. These include:

- information about someone who has been dead for more than 30 years
- information about someone that is contained in a publicly available publication
- information or an opinion about a person’s suitability for employment as a public sector official.

7.6 What is health information?

Health information is a more specific type of personal information and is defined in section 6 of the HRIP Act.

Health information includes information or an opinion about a person’s physical or mental health or disability, or a person’s express wishes about the future provision of their health services or a health service provided to an individual.

Examples of the types of health information held by council. Information about staff:

- sick leave applications (with or without medical certificates)
- workers compensation records
- rehabilitation records
- vaccination status.

Information about residents:

- medical or health information supplied with enrolment in an activity or program, e.g. learn to swim
- medical or health information provided to council to support an investigation.
- medical records in LSC custody covered by the [Health Practitioner Regulation \(New South Wales\) 2016](#). The Regulation requires a medical practitioner or medical corporation to keep patient records for at least 7 years from the date of last entry in the record or until the patient attains or would have attained the age of 25 years.

7.7 How does Lachlan Shire Council manage your personal and health information?

Council is committed to building good privacy practices into its decision making, as well as the design and structure of its information systems, business processes and services.

Council will consider privacy at all stages of initiatives, from conception through to the development and implementation phase. We are committed to developing an organisation-wide awareness of privacy and support the principles of data minimisation and informed consent.

7.8 What personal and health information do we collect?

Council collects personal and health information in a variety of ways to perform services and functions. Council assesses the level of information that is appropriate to be collected and aims to minimise the amount of personal and health information it collects and manages.

Council supports this commitment through a range of tools including organisation wide training on this Plan and our privacy requirements including a commitment to data minimisation and advice from the Privacy Officer on individual privacy protection notices and privacy requirements.

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Council will take steps to make sure the information it collects is relevant, accurate, complete, up to date and not excessive. This includes collecting the information directly from the individual wherever possible, reconfirming details, and maintaining up to date databases.

Personal and health information may be collected from:

- members of the public
- NSW and Commonwealth public sector agencies
- businesses
- non-government organisations
- employees.

Contractors acting on council’s behalf may also collect personal and health information. Council intends to regularly review clauses in its contracts that require contractors to comply with relevant privacy obligations.

Council has a range of functions requiring or involving the collection of personal and health information, including:

- levying and collecting rates
- providing services, for example, community facilities and waste collection
- consultation with the community, businesses and other stakeholders
- assessing development and major project applications
- recording, investigating and managing complaints and allegations
- site inspections and audits
- incident management
- enforcing regulations and legislation
- issuing approvals, consents, licences and permits
- providing funding grants
- maintaining the non-residential register of electoral information
- employment
- fitness for work.

Personal and health information may be collected by council in many ways including:

- incident reports
- medical assessment reports
- immunisation history statements
- submissions
- application forms
- CCTV footage
- public registers
- financial transaction records
- contracts
- customer enquiries
- telematics such as GPS and surveillance devices used to locate and monitor council operational vehicles
- online services

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- images, video footage and/or audio recordings from council events

Personal and health information may be collected electronically, in writing, over the telephone or in person.

7.9 When do we collect your personal and health information?

Individuals may provide council with personal or health information. This can include names, contact details, opinions, financial information, work or education details. Individuals may also provide personal information about other people.

Council regards all information concerning our customers as information protected by the PPIP Act.

Whilst information provided by our customers is not deemed to have been collected by council (IPP 2), the access, storage, use and disclosure privacy and health principles in this plan will apply to that information.

Council may collect personal information from other public sector agencies where it is authorised by law to do so.

Where we cannot collect personal information directly from a person we will ensure one of the following:

- authority has been obtained from the person, or
- it is permitted under an Act or law, or
- for those under the age of 16 years it is received from a parent or guardian, or
- is permitted under codes of practice, for example Privacy Code of Practice for Local Government.

The only other exception to the above is in the case where council is given unsolicited information.

Where Council collects personal information directly from an individual, we will advise:

- the purposes for which the information is being collected;
- the intended recipients of the information;
- whether the supply of the information is required by law or is voluntary;
- any consequences if the information (or any part of it) is not provided;
- the name of the section of council that is collecting the information; and
- the collection of personal information by use of security cameras or other devices will be accompanied by appropriate signage as required by law.

Privacy law requires us to take reasonable steps to give notice to people when collecting their personal information, that is, a privacy collection notice.

A privacy collection notice will be included on all forms (paper or electronic) that collect personal information from individuals, to explain why we are collecting their personal information, and how it will be used. This allows the individual to make an informed choice about whether to provide us with their information.

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An example of a template for a paper-based form is provided below;

This completed form contains your personal information we are collecting for the purpose of <describe the primary purpose of collection>.
*The information supplied is required under the <name of Act>. **OR** Provision of the information is voluntary; however, if insufficient information is provided, we will be unable to process your application. The information will be stored in council's business systems.*
We will not disclose your personal information to anybody else, unless you have given consent, or we are authorised or required to do so by law. Our Privacy Management Plan explains the lawful grounds on which we collect, use, disclose and transfer personal information. It also explains how you can seek access to, or amendment of the personal information we hold about you, and who to contact if you have a privacy enquiry or complaint.

7.10 What about the storage, access and accuracy of personal and health information?

Personal information and health information is stored electronically and in hard copy files. The following applies to information council holds:

- only authorised employees and third parties can access personal information
- electronic information is stored on secure information systems that require individual logins. Security protocols and access controls are applied to ensure only authorised staff can access sensitive information.
- hard copy files and sensitive information are securely stored
- new systems will be assessed for compliance with the PPIP Act and HRIP Act
- employees will take reasonable steps to ensure personal information is accurate before using it
- reasonable steps to ensure accuracy of information include the collection directly from an individual wherever possible, and the sourcing of personal information from official council business systems.
- a person may access or request the amendment of their personal and health information by contacting the LSC Customer Service Team
- personal information will be kept no longer than necessary and disposed of appropriately in accordance with council’s Records Management Plan.

Please refer to Managing personal and health information under legislation below for details of exemptions, directions and codes of practice that may affect the above.

7.11 How does Lachlan Shire Council use and disclose personal and health information?

Council will use your personal information for the purpose for which it was collected and may use it as is necessary for the exercise of other council functions where it is satisfied that the personal information is reasonably necessary for the exercise of such functions.

For example, your personal information may be used to understand community and customer needs to improve our services. Council may also use your information to let you know about services or other information available (e.g. newsletters) and may share your information within other divisions of council and authorised outsourced service providers to expedite services to customers.

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Employees use the personal information collected to:

- deliver services
- conduct research
- provide advice
- continually improve services.
- Council will only use health information for the purpose it was collected for unless;
- it has consent for its use for other purposes, or
- the secondary purpose is directly related to the primary purpose, or
- it is permitted under legislation such as an emergency or serious threat to health or welfare.
- Council does not disclose personal or health information without consent, unless the disclosure is:
- for a purpose directly related to the reason it was collected and council has no reason to believe the individual would object, or
- necessary to prevent or lessen a serious and imminent threat to someone’s health or safety, or
- permitted under the PPIP Act, the HRIP Act or other legislation.
- Council is prohibited from providing access to another person’s personal and health information, however;
- under section 26 of the PPIP Act, a person can give consent for the disclosure of their personal information to someone that would not normally have access to it;
- under section 7 and section 8 of the HRIP Act, an “authorised person” can act on behalf of someone else; and
- council may be authorised to disclose health information, such as in the event of a serious and imminent threat to the life, health and safety of an individual, to find a missing person or for compassionate reasons.

Council will not disclose sensitive personal and health information about a person’s ethnic or racial origin, political opinions, religious or philosophical beliefs, trade union membership, health or sexual activities without consent, unless such disclosure is necessary to prevent or lessen a serious and imminent threat to life or health.

Council will allow people to remain anonymous where it is lawful and practicable. For example, where possible our online surveys and other community engagement initiatives allow for feedback to be given anonymously.

8. PUBLIC REGISTERS

The PPIP Act governs how council should manage personal information contained in public registers. Under the PPIP Act a public register is a register of personal information that is required by law to be made, or is made publicly available or open to public inspection.

Part 6 of the PPIP Act prevents the disclosure of personal information held on public registers, unless the information is to be used for a purpose relating to the purpose of the register.

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Lachlan Shire Council’s public registers include:

- Assets Register
- Cemetery Register
- Contracts Register
- Donations Register
- DA Register
- Disclosure Log of Formal Access Applications under GIPA
- Land Register
- Roads Register

Note: This list is not exhaustive. Other public registers may be held to which PPIPA applies.

8.1 *Suppression of personal information*

Any person whose personal information is recorded in a public register has the right to request that their personal details be suppressed.

Council will comply with the request if it is satisfied the person’s safety or wellbeing would be affected by not suppressing the information. Applications to suppress personal details from a public register should be made in writing to Council’s Public Officer. A statutory declaration as required by section 739 of the Local Government Act may be required in certain circumstances.

9. DATA BREACHES

The Mandatory Notification of Data Breach Scheme (MNDB scheme) came into effect on 28 November 2023 - *Mandatory Notification of Data Breach Scheme: Exemptions from notification requirements*

The MNDB requires public sector agencies bound by the Privacy and Personal Information Protection Act 1998 (PPIP Act) to notify the Privacy Commissioner and affected individuals of data breaches of personal or health information likely to result in serious harm.

The MNDB scheme will require public sector agencies to notify the Privacy Commissioner and affected individuals if a data breach affecting personal or health information that is likely to result in serious harm occurs. Councils are also required to maintain an internal data breach incident register and have a publicly accessible data breach policy.

Council will conduct a review and determine if the subject information is likely to result in serious harm. If the information is likely to do so, Council will notify the Privacy Commissioner and affected individuals.

Council is also required via the MNDB scheme to satisfy other data management requirements, including to maintain an internal data breach incident register, and to regularly update Councils data breach policy within this Privacy Management Plan (PMP).

10. REVIEW RIGHTS AND COMPLAINTS

Council encourages the informal resolution of privacy issues before undertaking the formal internal review process under Section 53 of the PPIP Act.

Issues can be raised informally and initially managed under the Complaint Management Policy.

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10.1 Internal review

Individuals have the right to seek an internal review under Part 5 of the PPIP Act if they believe that council has breached the PPIP Act or HRIP Act relating to their own personal and health information.

Individuals cannot seek an internal review for a breach of someone else’s privacy, unless they are authorised representatives of the other person.

An internal review is an internal investigation that the council conducts into a privacy complaint. Council will assess whether or not it has complied with its privacy obligations, and then tell the applicant of its findings and if it will take any further action.

10.2 Internal review process

Applications for an internal review must:

- be in writing
- be addressed to the Public Officer, Lachlan Shire Council
- specify a postal or email address in Australia to which the review response may be sent
- be made within six months from first becoming aware of the conduct that is the subject of the application.

Council recommends that applicants use the *Information and Privacy Commission’s Privacy Complaint: Internal Review Application Form* when submitting a written request for a review.

The Public Officer or their delegate will conduct the internal review. If the internal review is about the conduct of the Public Officer, the General Manager will appoint another person to conduct the internal review.

The Public Officer will refer to the Privacy Commissioner’s guidance materials including the *Information and Privacy Commission Checklist: Internal review* when carrying out an internal review.

Council aims to:

- acknowledge receipt of an internal review within **3 working days**
- complete an internal review as soon as is practicable, and within **60 days**.

Once the review is completed, council may take no further action, or it may do one or more of the following:

- make a formal apology
- take remedial action
- provide undertakings that the conduct will not occur again
- implement administrative measures to reduce the likelihood of the conduct occurring again.

The Public Officer will notify the applicant in writing within 14 days of completing an internal review of:

- the findings of the review
- the action proposed to be taken by council and the reasons for taking that action (if any)
- the right of the applicant to have those findings, and the proposed action, administratively reviewed by the NSW Civil and Administrative Tribunal.

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10.3 The Privacy Commissioner’s role in internal reviews

The Privacy Commissioner has an oversight role in how agencies handle privacy complaints and is entitled to make submissions regarding internal reviews.

If council receives an internal review application, it will:

- notify the Privacy Commissioner as soon as practicable after receiving the application
- keep the Privacy Commissioner informed of the progress of the internal review
- inform the Privacy Commissioner of the findings of the review and the action proposed to be taken in relation to the matter.

An individual can also make a complaint directly to the Privacy Commissioner about an alleged breach of their privacy.

10.4 External review by the NSW Civil and Administrative Tribunal (NCAT)

If an internal review is not completed within 60 days, or the applicant is not satisfied with the findings of an internal review or the action taken in relation to the review, the applicant may apply to NCAT within 28 days to review the conduct or decision complained about.

NCAT’s role is to assess whether or not council has complied with its privacy obligations.

11. PROMOTING PRIVACY

11.1 Employee awareness

Council ensures that its employees are aware of and understand this Plan and how it applies to the work they do, so that they understand what their privacy obligations are, how to manage personal and health information in their work and what to do if they are unsure.

Council promotes awareness of privacy obligations among employees by:

- publishing this Plan and information about privacy on the council’s website
- communicating regularly with employees about privacy
- ensuring council policies comply with privacy legislation through policy authors consulting with the Privacy Officer
- including the Plan in the council’s new starter induction
- providing induction and refresher training
- providing targeted advice to employees and business units
- highlighting and promoting the Plan at least annually, during Privacy Awareness Week.

When employees have questions about how to manage personal and health information under this Plan, they may consult with their manager, or the Privacy Officer.

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11.2 Public awareness

This Plan provides information to members of the public about how the council manages personal and health information. Council promotes public awareness of the Privacy Management Plan by:

- publishing the Plan on the council’s website
- referring to the Plan in its privacy notices
- informing people about the Plan when responding to enquiries about personal and health information.

12. MANAGING PERSONAL AND HEALTH INFORMATION UNDER LEGISLATION

This section contains a general summary of how council must manage personal and health information under the Privacy and Personal Information Protection Act 1998 (PIPA Act), the Privacy and Personal Information Protection Regulation 2019, the Health Records and Information Privacy Act 2002 (HRIPA Act) and other relevant legislation.

12.1 The Privacy and Personal Information Protection (PIPA) Act

The PIPA Act sets out how council must manage personal information.

12.2 Information protection principles

Part 2, Division 1 of the PIPA Act contains 12 Information Protection Principles (IPPs) with which council must comply. The following is an overview of the principles (IPP 1-12) as they apply to council:

Collection

- Council collects personal information only for a lawful purpose that is directly related to council’s functions and activities.
- Council collects personal information directly from the person concerned. Council will not collect personal information from third parties unless the individual has authorised collection from someone else or, in the case of information relating to a person under the age of 16 years, the information has been provided by a parent or guardian.
- Council informs people why their personal information is being collected, what it will be used for, and to whom it will be disclosed. Council will tell people how they can access and amend their personal information and any possible implications if they decide not to give their personal information to us.
- Council ensures that personal information is relevant, accurate, is not excessive and does not unreasonably intrude into people’s personal affairs.

Storage

- Council will store personal information securely, keep it no longer than necessary and dispose of it securely and in accordance with council’s obligations under the State Records Act 1998 and any other requirements for the retention and disposal of personal information. Personal information is protected from unauthorised access, use or disclosure.

Access and accuracy

- Council is transparent about the personal information it holds, why it is used, and the right to access and amend it.
- Council allows people to access their own personal information without unreasonable delay or expense.

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- Council allows people to update, correct or amend their personal information where it is necessary.
- Council will take reasonable steps to ensure that personal information is relevant and accurate before using it.

Use

Council only uses personal information for:

- the purpose for which it was collected and directly related purposes
- to prevent or lessen a serious or imminent threat to the life or health of the individual to whom the information relates or of another person
- other purposes as specified under ‘Exemptions and the Privacy Code of Practice for Local Government’ below, or
- any other purpose only with consent.

Disclosure

Council does not disclose personal information without consent, unless disclosure is:

- for a purpose directly related to the reason we collected it, and where council has no reason to believe the individual would object
- necessary to prevent or lessen a serious and imminent threat to someone’s life or health, or
- permitted under the PPIP Act, Privacy Codes of Practice under the PPIP Act or the HRIP Act or other legislation.

Council does not disclose sensitive personal information without consent, e.g. ethnicity or racial origin, political opinions, religious or philosophical beliefs, sexual activities or trade union membership, unless the disclosure is necessary to prevent a serious and imminent threat to the life or health of the individual concerned or another person.

12.1.2 Exemptions and the Privacy Code of Practice for Local Government

Exemptions to the Information Protection Principles (IPPs)

Part 2, Division 3 of the PPIP Act contains exemptions that may permit council to not comply with IPPs in certain situations. These include the following:

- council is not required to comply with IPPs 2-3, 6-8, or 10-12 if lawfully authorised or required not to do so
- council is not required to comply with IPP 2 if the information concerned is collected in relation to court or tribunal proceedings
- council is not required to comply with IPPs 1-4, 10 or 11 in relation to emergency situations
- council is not required to comply with IPPs 1-4, 10 or 11 if council is providing the information to another public sector agency, in particular to enable inquiries to be referred between the agencies concerned.

For example, section 23(3) of the PPIP Act provides that council is not required to comply with collection requirements if the information concerned is collected for law enforcement purposes such as the issue of a penalty infringement notice.

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Privacy Code of Practice for Local Government

Council must comply with the Privacy Code of Practice for Local Government as prepared by the Office of the Privacy Commissioner and revised on 20 December 2019.

Under the Privacy Code of Practice for Local Government where it is reasonably necessary, the council may indirectly collect and use personal information to confer an award, prize, or similar form of personal recognition on the person about whom the information relates.

The Privacy Code of Practice for Local Government also permits council to use personal information for a purpose other than the purpose for which it was collected where the use is in pursuance of council’s lawful and proper functions and council is satisfied that the personal information is reasonably necessary for the exercise of those functions.

For example, the Rates Register that council holds under section 602 of the Local Government Act 1993 may be used to:

- notify neighbours of a proposed development
- evaluate a road opening or
- evaluate a tree preservation order.
- In addition, council may use personal information for other specific purposes where council is satisfied that the information is reasonably necessary for another function such as:
 - understanding community and customer needs to improve our services
 - letting customers know about services or other information available (e.g. newsletters)
 - sharing personal information within other divisions of council and authorised outsourced service providers to expedite services to customers.

Offences

Offences can be found in section 62-68 of the PPIP Act. It is an offence for council to:

- intentionally disclose or use personal information for an unauthorised purpose
- supply personal information that has been disclosed unlawfully
- hinder the Privacy Commissioner or their employees from doing their job.

13. THE HEALTH AND INFORMATION PRIVACY ACT

The HRIP Act sets out how council must manage health information.

[13.1 Health privacy principles](#)

Schedule 1 of the HRIP Act contains 15 Health Privacy Principles (‘HPPs’) that council must comply with. The following is an overview of the principles as they apply to council.

Collection

- Council collects health information only for a lawful purpose that is directly related to the council’s functions and activities.

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- Council ensures that health information is relevant, accurate, is not excessive and does not unreasonably intrude into people’s personal affairs.
- Council collects health information directly from the person concerned or with consent from the person concerned.
- Council informs people why their health information is being collected, what it will be used for, to whom it will be disclosed, how it can be accessed and amended and any possible implications of not providing health information.

Storage

- Council stores health information securely, keeps it no longer than necessary and destroys it appropriately. Health information is protected from unauthorised access, use or disclosure.

Access and accuracy

- Council is transparent about the health information it holds, why it is used, and the right to access and amend it.
- Council allows people to access their own health information without unreasonable delay or expense.
- Council allows people to update, correct or amend their health information where necessary.
- Council ensures that health information is relevant and accurate before using it.

Use

- Council only uses health information for the purpose it was collected for unless it has consent for its use for another purpose.

Disclosure

- Council does not disclose health information without consent unless disclosure is permitted under the HRIP Act or other legislation.

Identifiers and anonymity

- Council may use unique identifiers for health information.
- Council allows people to remain anonymous where it is lawful and practicable.

Transfers and linkage

- Council does not transfer health information outside of NSW without authority.
- Council does not currently use a health records linkage system.

13.2 Exemptions to the Health Privacy Principles (HPPs)

Exemptions are located mainly in Schedule 1 to the HRIP Act and may permit council not to comply with HPPs in certain situations. For example, council is not required to comply with HPPs 4-8, and 10 if lawfully authorised or required not to do so.

Health Records and Information Privacy Code of Practice 2005

The Health Records and Information Privacy Code of Practice 2005 applies to council. It permits, in certain limited circumstances, the collection, use and disclosure of health information between human services agencies without the consent of the person to whom the health information relates.

A human services agency is a public sector agency that provides welfare services, health services, mental health services, disability services, drug and alcohol treatment services, housing and support services and/or education services.

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Offences

Offences can be found in section 68-70 of the HRIP Act. It is an offence for the council to:

- intentionally disclose or use health information for an unauthorised purpose
- offer to supply health information that has been disclosed unlawfully.

14. LAWS AND STANDARDS

[14.1 Government Information \(Public Access\) Act 2009 \(GIPA Act\) and Government Information \(Public Access\) Regulation 2009](#)

Under this Act and Regulation members of the public can apply for access to information held by council. This information may include personal or health information.

If the personal or health information is about a third party rather than the applicant, the GIPA Act requires that council to take all reasonable steps to consult with them to ensure their information is not released without proper consultation and careful consideration.

[14.2 Public Interest Disclosures Act 2022 \(PID Act\)](#)

Under the PID Act any public official can make a public interest disclosure to council.

The PID Act requires that information that might identify or tend to identify a person who has made a public interest disclosure should be protected.

[14.3 State Records Act 1998 and State Records Regulation 2015](#)

This Act and Regulation authorise the State Records Authority to establish policies, standards and codes to ensure that NSW public sector agencies manage their records appropriately.

[14.4 Local Government Act 1993 \(LG Act\)](#)

Section 299 of the LG Act requires council to collect personal information to prepare and confirm the non-residential electoral rolls.

[14.5 Referrals to external agencies under other relevant legislation](#)

Council is required under legislation to provide information, including personal and health information, to a variety of external agencies, for example;

- NSW Ombudsman
- Independent Commission Against Corruption
- NSW Police.

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15. CONTACT DETAILS

Further information about council’s Privacy Management Plan and the personal and health information council holds can be obtained from council’s Public Officer.

Public Officer – Director Corporate and Community

Email: council@lachlan.nsw.gov.au
 Telephone: 02 68951900
 Address: 58-64 Molong Street, CONDOBOLIN NSW 2877
 Website: www.lachlan.nsw.gov.au

Privacy Officer – Information Services Manager

Email: council@lachlan.nsw.gov.au
 Telephone: 02 68951900
 Address: 58-64 Molong Street, CONDOBOLIN NSW 2877
 Website: www.lachlan.nsw.gov.au

Information and Privacy Commission

Email: ipcinfo@ipc.nsw.gov.au
 Telephone: 1800 472 679
 Address: Level 15, McKell Building, 2-24 Rawson Place, Haymarket NSW 2000
 Postal: GPO Box 7011, Sydney NSW 2001
 Website: <https://www.ipc.nsw.gov.au/>

NSW Civil and Administrative Tribunal

Email: aeod@ncat.nsw.gov.au
 Telephone: 1300 006 228
 Address: Level 10, John Maddison Tower, 86-90 Goulburn Street, Sydney NSW 2000
 Postal: PO Box K1026, Haymarket NSW 1240
 Website: <https://www.ncat.nsw.gov.au/>

16. RIGHT TO VARY

The Privacy Management Plan is to be reviewed every four years. However, Council retains the right to vary or terminate this policy at any time.

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LACHLAN SHIRE COUNCIL
DRAFT
TERMS OF REFERENCE
AUDIT, RISK AND IMPROVEMENT
COMMITTEE
2024
EFFECTIVE 1 JULY 2024

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1. Background

Lachlan Shire Council has established an audit, risk and improvement committee (ARIC) in compliance with section 428A of the *Local Government Act 1993*, the *Local Government (General) Regulation 2021* and the Office of Local Government’s *Guidelines for risk management and internal audit for local government in NSW*. These terms of reference set out the committee’s objectives, authority, composition and tenure, roles and responsibilities, reporting and administrative arrangements.

2. Objective

The objective of council’s audit, risk and improvement committee is to provide independent assurance to council by monitoring, reviewing and providing advice about the council’s governance processes, compliance, risk management and control frameworks, external accountability obligations and overall performance.

3. Independence

The committee is to be independent to ensure it has no real or perceived bias or conflicts of interest that may interfere with its ability to act independently and to provide council with robust, objective and unbiased advice and assurance.

The committee is to have an advisory and assurance role only and is to exercise no administrative functions, delegated financial responsibilities or any management functions of the council. The committee will provide independent advice to the council that is informed by the council’s internal audit and risk management activities and information and advice provided by staff, relevant external bodies and subject matter experts.

The committee must always ensure it maintains a direct reporting line to and from the council’s internal audit function and act as a mechanism for internal audit to report to the governing body and the general manager on matters affecting the performance of the internal audit function.

4. Authority

Council authorises the committee, for the purposes of exercising its responsibilities, to:

- access any information it needs from the council
- use any council resources it needs
- have direct and unrestricted access to the general manager and senior management of the council
- seek the general manager’s permission to meet with any other council staff member or contractor
- discuss any matters with the external auditor or other external parties
- request the attendance of any employee at committee meetings, and

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- obtain external legal or other professional advice in line with councils’ procurement policies that is considered reasonable and able to be provided within Council’s budget constraints, and subject to General Manager approval.

Information and documents pertaining to the committee are confidential and are not to be made publicly available. The committee may only release council information to external parties that are assisting the committee to fulfil its responsibilities with the approval of the general manager, except where it is being provided to an external investigative or oversight agency for the purpose of informing that agency of a matter that may warrant its attention.

5. Composition and tenure

The committee consists of an independent chairperson and two independent members who have voting rights and one non-voting councillor, as required under the *Local Government (General) Regulation 2021*.

The governing body is to appoint the chairperson and members of the committee. Current committee members are:

[name]	Independent chairperson (voting)
[name]	Independent member (voting)
[name]	Independent member (voting)
[name]	Councillor member (non-voting) (if applicable) [cannot be the mayor]

All committee members must meet the independence and eligibility criteria prescribed under the *Local Government (General) Regulation 2021*.

Members will be appointed for up to a four-year term. Members can be reappointed for one further term, but the total period of continuous membership cannot exceed eight years. This includes any term as chairperson of the committee. Members who have served an eight-year term (either as a member or as chairperson) must have a two-year break from serving on the committee before being appointed again. To preserve the committee’s knowledge of the council, ideally, no more than one member should retire from the committee because of rotation in any one year.

The terms and conditions of each member’s appointment to the committee are to be set out in a letter of appointment. New members will be thoroughly inducted to their role and receive relevant information and briefings on their appointment to assist them to meet their responsibilities.

Prior to approving the reappointment or extension of the chairperson’s or an independent member’s term, the governing body is to undertake an assessment of the chairperson’s or committee member’s performance. Reappointment of the chairperson or a committee member is also to be subject to that person still meeting the independence and eligibility requirements prescribed under the *Local Government (General) Regulation 2021*.

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Members of the committee must possess and maintain a broad range of skills, knowledge and experience relevant to the operations, governance and financial management of the council, the environment in which the council operates, and the contribution that the committee makes to the council. At least one member of the committee must have accounting or related financial management experience with an understanding of accounting and auditing standards in a local government environment. All members should have sufficient understanding of the council’s financial reporting responsibilities to be able to contribute to the committee’s consideration of the council’s annual financial statements.

6. Role

As required under section 428A of the *Local Government Act 1993* (the Act), the role of the committee is to review and provide independent advice to the council regarding the following aspects of the council’s operations:

- compliance
- risk management
- fraud control
- financial management
- governance
- implementation of the strategic plan, delivery program and strategies
- service reviews
- collection of performance measurement data by the council, and
- Internal audit.

The committee must also provide information to the council for the purpose of improving the council’s performance of its functions.

The committee’s specific audit, risk and improvement responsibilities under section 428A of the Act are outlined in Schedule 1 to these terms of reference.

The committee will act as a forum for consideration of the council’s internal audit function and oversee its planning, monitoring and reporting to ensure it operates effectively.

The committee has no power to direct external audit or the way it is planned and undertaken but will act as a forum for the consideration of external audit findings.

The committee is directly responsible and accountable to the governing body for the exercise of its responsibilities. In carrying out its responsibilities, the committee must at all times recognise that primary responsibility for management of the council rests with the governing body and the general manager.

The responsibilities of the committee may be revised or expanded in consultation with, or as requested by, the governing body from time to time.

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7. Responsibilities of members

7.1 Independent members

The chairperson and members of the committee are expected to understand and observe the requirements of the Office of Local Government’s *Guidelines for risk management and internal audit for local government in NSW*. Members are also expected to:

- make themselves available as required to attend and participate in meetings
- contribute the time needed to review and understand information provided to it
- apply good analytical skills, objectivity and judgement
- act in the best interests of the council
- have the personal courage to raise and deal with tough issues, express opinions frankly, ask questions that go to the fundamental core of the issue and pursue independent lines of inquiry
- maintain effective working relationships with the council
- have strong leadership qualities (chairperson)
- lead effective committee meetings (chairperson), and
- oversee the council’s internal audit function (chairperson).

7.2 Councillor members

To preserve the independence of the committee, the councillor member of the committee is a non-voting member. Their role is to:

- relay to the committee any concerns the governing body may have regarding the council and issues being considered by the committee
- provide insights into local issues and the strategic priorities of the council that would add value to the committee’s consideration of agenda items
- advise the governing body (as necessary) of the work of the committee and any issues arising from it, and
- assist the governing body to review the performance of the committee.

Issues or information the councillor member raises with or provides to the committee must relate to the matters listed in Schedule 1 and issues being considered by the committee.

The councillor member of the committee must conduct themselves in a non-partisan and professional manner. The councillor member of the committee must not engage in any conduct that seeks to politicise the activities of the committee or the internal audit function or that could be seen to do so.

If the councillor member of the committee engages in such conduct or in any other conduct that may bring the committee and its work into disrepute, the chairperson of the committee may recommend to the council that the councillor member be removed from membership of the committee. Where the council does not agree to the committee chairperson’s recommendation, the council must give reasons for its decision in writing to the chairperson.

7.3 Conduct

Independent committee members are required to comply with the council’s code of conduct.

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Complaints alleging breaches of the council’s code of conduct by an independent committee member are to be dealt with in accordance with the *Procedures for the Administration of the Model Code of Conduct for Local Councils in NSW*. The general manager must consult with the governing body before taking any disciplinary action against an independent committee member in response to a breach of the council’s code of conduct.

7.4 Conflicts of interest

Once a year, committee members must provide written declarations to the council stating that they do not have any conflicts of interest that would preclude them from being members of the committee. Independent committee members are ‘designated persons’ for the purposes of the council’s code of conduct and must also complete and submit returns of their interests.

Committee members and observers must declare any pecuniary or non-pecuniary conflicts of interest they may have in a matter being considered at the meeting at the start of each meeting or as soon as they become aware of the conflict of interest. Where a committee member or observer declares a pecuniary or a significant non-pecuniary conflict of interest, they must remove themselves from committee deliberations on the issue. Details of conflicts of interest declared at meetings must be appropriately minuted.

7.5 Standards

Committee members are to conduct their work in accordance with the International Standards for the Professional Practice of Internal Auditing issued by the Institute of Internal Auditors and Australian Standard ISO:31000 for risk management where applicable.

8. Work plans

The work of the committee is to be thoroughly planned and executed. The committee must develop a strategic work plan every four years to ensure that the matters listed in Schedule 1 are reviewed by the committee and considered by the internal audit function when developing their risk-based program of internal audits. The strategic work plan must be reviewed at least annually to ensure it remains appropriate.

The committee may, in consultation with the governing body, vary the strategic work plan at any time to address new or emerging risks. The governing body may also, by resolution, request the committee to approve a variation to the strategic work plan. Any decision to vary the strategic work plan must be made by the committee.

The committee must also develop an annual work plan to guide its work, and the work of the internal audit function over the forward year.

The committee may, in consultation with the governing body, vary the annual work plan to address new or emerging risks. The governing body may also, by resolution, request the committee to approve a variation to the annual work plan. Any decision to vary the annual work plan must be made by the committee.

When considering whether to vary the strategic or annual work plans, the committee must consider the impact of the variation on the internal audit function’s existing workload and the completion of pre-existing priorities and activities identified under the work plan.

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9. Assurance reporting

The committee must regularly report to the council to ensure that it is kept informed of matters considered by the committee and any emerging issues that may influence the strategic direction of the council or the achievement of the council’s goals and objectives.

The committee will provide an update to the governing body and the general manager of its activities and opinions after every committee meeting.

The committee will provide an annual assessment to the governing body and the general manager on the committee’s work and its opinion on how the council is performing.

The committee will provide a comprehensive assessment every council term of the matters listed in Schedule 1 to the governing body and the general manager.

The committee may at any time report to the governing body or the general manager on any other matter it deems of sufficient importance to warrant their attention. The mayor and the chairperson of the committee may also meet at any time to discuss issues relating to the work of the committee.

Should the governing body require additional information, a request for the information may be made to the chairperson by resolution. The chairperson is only required to provide the information requested by the governing body where the chairperson is satisfied that it is reasonably necessary for the governing body to receive the information for the purposes of performing its functions under the Local Government Act. Individual councillors are not entitled to request or receive information from the committee.

10. Administrative arrangements

10.1 Meetings

The committee will meet at least 4 times per year, including a special meeting to review the council’s financial statements.

The committee can hold additional meetings when significant unexpected issues arise, or if the chairperson is asked to hold an additional meeting by a committee member, the general manager or the governing body.

Committee meetings can be held in person, by telephone or videoconference. Proxies are not permitted to attend meetings if a committee member cannot attend.

A quorum will consist of a majority of independent voting members. Where the vote is tied, the chairperson has the casting vote.

The chairperson of the committee will decide the agenda for each committee meeting. Each committee meeting is to be minuted to preserve a record of the issues considered and the actions and decisions taken by the committee.

The mayor, general manager and the internal audit coordinator should attend committee meetings as non-voting observers. The external auditor (or their representative) is to be invited to each committee meeting as an independent observer. The chairperson can request the council’s chief

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finance officer, head of risk management function, senior managers, any councillors, any employee/contractor of the council and any subject matter expert to attend committee meetings. Where requested to attend a meeting, persons must attend the meeting where possible and provide any information requested. Observers have no voting rights and can be excluded from a meeting by the chairperson at any time.

The committee can hold closed meetings whenever it needs to discuss confidential or sensitive issues with only voting members of the committee present.

The committee must meet separately with the internal audit coordinator and the council’s external auditor at least once each year.

10.2 Dispute resolution

Members of the committee and the council’s management should maintain an effective working relationship and seek to resolve any differences they may have in an amicable and professional way by discussion and negotiation.

In the event of a disagreement between the committee and the general manager or other senior managers, the dispute is to be resolved by the governing body.

Unresolved disputes regarding compliance with statutory or other requirements are to be referred to the Departmental Chief Executive of the Office of Local Government in writing.

10.3 Secretariat

The general manager will nominate a staff member to provide secretariat support to the committee. The secretariat will ensure the agenda for each meeting and supporting papers are circulated after approval from the chairperson at least one (1) week before the meeting and ensure that minutes of meetings are prepared and maintained. Minutes must be approved by the chairperson and circulated within one month of the meeting to each member.

10.4 Resignation and dismissal of members

Where the chairperson or a committee member is unable to complete their term or does not intend to seek reappointment after the expiry of their term, they should give six (6) months’ notice to the chairperson and the governing body prior to their resignation to allow the council to ensure a smooth transition to a new chairperson or committee member.

The governing body can, by resolution, terminate the appointment of the chairperson or an independent committee member before the expiry of their term where that person has:

- breached the council’s code of conduct
- performed unsatisfactorily or not to expectations
- declared, or is found to be in, a position of a conflict of interest which is unresolvable
- been declared bankrupt or found to be insolvent
- experienced an adverse change in business status’
- been charged with a serious criminal offence
- been proven to be in serious breach of their obligations under any legislation, or
- experienced an adverse change in capacity or capability.

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The position of a councillor member on the committee can be terminated at any time by the governing body by resolution.

10.5 Review arrangements

At least once every council term, the governing body must review or arrange for an external review of the effectiveness of the committee.

These terms of reference must be reviewed annually by the committee and once each council term by the governing body. Any substantive changes are to be approved by the governing body.

11. Further information

For further information on council’s audit, risk and improvement committee, contact council by email at council@lachlan.nsw.gov.au or by phone [02 68951900](tel:0268951900).

Reviewed by chairperson of the audit, risk and improvement committee

Signed _____

Date _____

Reviewed by council in accordance with a resolution of the governing body.

Signed _____

Date _____

resolution reference _____

Next review date: _____

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Schedule 1 – Audit, Risk and Improvement Committee responsibilities

A. Audit

- Provide overall strategic oversight of internal audit activities
- Act as a forum for communication between the governing body, general manager, senior management, the internal audit function and external audit
- Coordinate, as far as is practicable, the work programs of internal audit and other assurance and review functions
- Review and advise the council:
 - on whether the council is providing the resources necessary to successfully deliver the internal audit function
 - if the council is complying with internal audit requirements, including conformance with the International Professional Practices Framework
 - if the council’s internal audit charter is appropriate and whether the internal audit policies and procedures and audit/risk methodologies used by the council are suitable
 - of the strategic four-year work plan and annual work plan of internal audits to be undertaken by the council’s internal audit function
 - if the council’s internal audit activities are effective, including the performance of the internal audit coordinator and the internal audit function
 - of the findings and recommendations of internal audits conducted, and corrective actions needed to address issues raised
 - of the implementation by the council of these corrective actions
 - on the appointment of the internal audit coordinator and external providers, and
 - if the internal audit function is structured appropriately and has sufficient skills and expertise to meet its responsibilities

B. Risk

B.1 Risk management

Review and advise the council:

- if the council has in place a current and appropriate risk management framework that is consistent with the Australian risk management standard
- whether the council is providing the resources necessary to successfully implement its risk management framework
- whether the council’s risk management framework is adequate and effective for identifying and managing the risks the council faces, including those associated with individual projects, programs and other activities
- if risk management is integrated across all levels of the council and across all processes, operations, services, decision-making, functions and reporting
- of the adequacy of risk reports and documentation, for example, the council’s risk register and risk profile

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- whether a sound approach has been followed in developing risk management plans for major projects or undertakings
- whether appropriate policies and procedures are in place for the management and exercise of delegations
- if the council has taken steps to embed a culture which is committed to ethical and lawful behaviour
- if there is a positive risk culture within the council and strong leadership that supports effective risk management
- of the adequacy of staff training and induction in risk management
- how the council’s risk management approach impacts on the council’s insurance arrangements
- of the effectiveness of the council’s management of its assets, and
- of the effectiveness of business continuity arrangements, including business continuity plans, disaster recovery plans and the periodic testing of these plans.

B.2 Internal controls

Review and advise the council:

- whether the council’s approach to maintaining an effective internal audit framework, including over external parties such as contractors and advisors, is sound and effective
- whether the council has in place relevant policies and procedures and that these are periodically reviewed and updated
- whether appropriate policies and procedures are in place for the management and exercise of delegations
- whether staff are informed of their responsibilities and processes and procedures to implement controls are complied with
- if the council’s monitoring and review of controls is sufficient, and
- if internal and external audit recommendations to correct internal control weaknesses are implemented appropriately.

B.3 Compliance

Review and advise the council of the adequacy and effectiveness of the council’s compliance framework, including:

- if the council has appropriately considered legal and compliance risks as part of the council’s risk management framework
- how the council manages its compliance with applicable laws, regulations, policies, procedures, codes, and contractual arrangements, and
- whether appropriate processes are in place to assess compliance.

B.4 Fraud and corruption

Review and advise the council of the adequacy and effectiveness of the council’s fraud and corruption prevention framework and activities, including whether the council has appropriate processes and systems in place to capture and effectively investigate fraud-related information.

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B.5 Financial management

Review and advise the council:

- if the council is complying with accounting standards and external accountability requirements
- of the appropriateness of the council’s accounting policies and disclosures
- of the implications for the council of the findings of external audits and performance audits and the council’s responses and implementation of recommendations
- whether the council’s financial statement preparation procedures and timelines are sound
- the accuracy of the council’s annual financial statements prior to external audit, including:
 - management compliance/representations
 - significant accounting and reporting issues
 - the methods used by the council to account for significant or unusual transactions and areas of significant estimates or judgements
 - appropriate management signoff on the statements
- if effective processes are in place to ensure financial information included in the council’s annual report is consistent with signed financial statements
- if the council’s financial management processes are adequate
- the adequacy of cash management policies and procedures
- if there are adequate controls over financial processes, for example:
 - appropriate authorisation and approval of payments and transactions
 - adequate segregation of duties
 - timely reconciliation of accounts and balances
 - review of unusual and high value purchases
- if policies and procedures for management review and consideration of the financial position and performance of the council are adequate
- if the council’s grants and tied funding policies and procedures are sound.

B.6 Governance

Review and advise the council regarding its governance framework, including the council’s:

- decision-making processes
- implementation of governance policies and procedures
- reporting lines and accountability
- assignment of key roles and responsibilities
- committee structure
- management oversight responsibilities
- human resources and performance management activities
- reporting and communication activities
- information and communications technology (ICT) governance, and

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- management and governance of the use of data, information and knowledge

C. Improvement

C.1 Strategic planning

Review and advise the council:

- of the adequacy and effectiveness of the council’s integrated, planning and reporting (IP&R) processes
- if appropriate reporting and monitoring mechanisms are in place to measure progress against objectives, and
- whether the council is successfully implementing and achieving its IP&R objectives and strategies.

C.2 Service reviews and business improvement

- Act as a forum for communication and monitoring of any audits conducted by external bodies and the implementation of corrective actions (for example, NSW government agencies, Commonwealth government agencies, insurance bodies)
- Review and advise the council:
 - If the council has robust systems to set objectives and goals to determine and deliver appropriate levels of service to the community and business performance
 - if appropriate reporting and monitoring mechanisms are in place to measure service delivery to the community and overall performance, and
 - how the council can improve its service delivery and the council’s performance of its business and functions generally

C.3 Performance data and measurement

Review and advise the council:

- if the council has a robust system to determine appropriate performance indicators to measure the achievement of its strategic objectives
- if the performance indicators the council uses are effective, and
- of the adequacy of performance data collection and reporting.

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LACHLAN SHIRE COUNCIL
DRAFT
RISK MANAGEMENT POLICY
2024
APPLIES FROM 1 JULY 2024

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1. Purpose

The purpose of this policy is to express Lachlan Shire Council’s commitment to implementing organisation-wide risk management principles, systems and processes that ensure the consistent, efficient and effective assessment of risk in all council’s planning, decision-making and operational processes.

2. Risk management framework

Lachlan Shire Council provides critical services and infrastructure to the residents, ratepayers and visitors to the Lachlan Shire area. Council also has service agreements and contractual obligations with government and non-government agencies and organisations and has its own strategic goals and objectives that it seeks to achieve on behalf of the Lachlan Shire community.

It is therefore incumbent on council to understand the internal and external risks that may impact the delivery of these services, contracts and strategic objectives and have processes in place to identify, mitigate, manage and monitor those risks to ensure the best outcome for council’s staff and the community. It is also our responsibility to ensure the efficient, effective and ethical use of resources and services by ratepayers, residents, staff and visitors.

Council has developed a risk management framework consistent with Australian Standard ISO:31000 to assist it to identify, treat, monitor and review all risks to its operations and strategic objectives and apply appropriate internal controls.

Council is committed to the principles, framework and process of managing risk as outlined in Australian Standard ISO:31000 and commits to fully integrating risk management within the council and applying it to all decision-making, functions, services and activities of the council in accordance with our statutory requirements.

3. Responsibilities

Council aims to create a positive risk management culture where risk management is integrated into all everyday activities and managing risks is an integral part of governance, good management practice and decision-making at council. It is the responsibility of every staff member and business area to observe and implement this policy and council’s risk management framework.

All staff are responsible for identifying and managing risk within their work areas. Key responsibilities include:

- being familiar with, and understanding, the principles of risk management
- complying with all policies, procedures and practices relating to risk management
- alerting management to risks that exist within their area, and
- performing any risk management activities assigned to them as part of their daily role.

Risk management is a core responsibility for all senior staff/management at council. In addition to their responsibilities as staff members, senior staff/management are responsible for:

- ensuring all staff manage their risks within their own work areas. Risks should be anticipated, and reasonable protective measures taken
- encouraging openness and honesty in the reporting and escalation of risks
- ensuring all staff have the appropriate capability to perform their risk management roles
- reporting to the general manager on the status of risks and controls, and

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- identifying and communicating improvements in council’s risk management practices to council’s risk management function.

Council’s risk management function is available to support staff in undertaking their risk management activities.

To ensure council is effectively managing its risk and complying with its statutory obligations, council’s audit, risk and improvement committee and internal audit function is responsible for reviewing the council’s:

- risk management processes and procedures
- risk management strategies for major projects or undertakings
- control environment and insurance arrangements
- business continuity planning arrangements, and
- fraud control plan.

4. Monitoring and Review

Council is committed to continually improving its ability to manage risk. Council will review this policy and its risk management framework at least annually to ensure it continues to meet the requirements of the *Local Government Act 1993*, the *Local Government (General) Regulation 2021*, and the council’s requirements.

5. Further information

For further information on council’s risk management policy, framework and process, contact council by email council@lachlan.nsw.gov.au or by phone 02 68951900.

Signed _____ (General Manager)

Name _____

Date _____

Review Date: _____

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LACHLAN SHIRE COUNCIL DRAFT ATTESTATION TEMPLATE INTERNAL AUDIT AND RISK MANAGEMENT 2024

The Draft Lachlan Shire Council Draft Attestation Template 2024 is prepared in accordance with the *Guidelines for Risk Management and Internal Audit for Local Government in NSW issued under section 23A of the Local Government Act 1993*.

The Internal Audit and Risk Management Attestation Statement is required to be included in Council's Annual Report commencing 2024-2025.

Internal Audit and Risk Management Attestation

Statement for the [years] financial year for Lachlan Shire Council

I am of the opinion that Lachlan Shire Council has an audit, risk and improvement committee, risk management framework and internal audit function that operate in compliance with the following requirements except as may be otherwise provided below:

Audit, risk and improvement committee

	Requirement	Compliance
1.	Lachlan Shire Council has appointed an audit, risk and improvement committee that comprises of an independent chairperson and at least two independent members (section 428A of the <i>Local Government Act 1993</i> , section 216C of the <i>Local Government (General) Regulation 2021</i>).	[compliant or non-compliant]
2.	The chairperson and all members of council's audit, risk and improvement committee meet the relevant independence and eligibility criteria prescribed under the <i>Local Government (General) Regulation 2021</i> and have not exceeded the membership term limits prescribed under the Regulation (sections 216D, 216E, 216F, 216G of the <i>Local Government (General) Regulation 2021</i>).	[compliant or non-compliant]
3.	Council has adopted terms of reference for its audit, risk and improvement committee that are informed by the model terms of reference approved by the Departmental Chief Executive of the Office of Local Government and the committee operates in accordance with the terms of reference (section 216K of the <i>Local Government (General) Regulation 2021</i>).	[compliant or non-compliant]
4.	Council provides the audit, risk and improvement committee with direct and unrestricted access to the general manager and other senior management and the information and resources necessary to exercise its functions (section 216L of the <i>Local Government (General) Regulation 2021</i>).	[compliant or non-compliant]
5.	Council's audit, risk and improvement committee exercises its functions in accordance with a four-year strategic work plan that has been endorsed by the governing body and an annual work plan that has been developed in consultation with the governing body and senior management (Core requirement 1 of the Office of Local Government's <i>Guidelines for Risk Management and Internal Audit for Local Government in NSW</i>).	[compliant or non-compliant]
6.	Council's audit, risk and improvement committee provides the governing body with an annual assessment each year,	[compliant or non-compliant -

	and a strategic assessment each council term of the matters listed in section 428A of the <i>Local Government Act 1993</i> reviewed during that term (Core requirement 1 of the Office of Local Government's <i>Guidelines for Risk Management and Internal Audit for Local Government in NSW</i>).	include date of last strategic assessment provided]
	The governing body of council reviews the effectiveness of the audit, risk and improvement committee at least once each council term (Core requirement 1 of the Office of Local Government's <i>Guidelines for Risk Management and Internal Audit for Local Government in NSW</i>).	[compliant or non-compliant - include date of last review]

Membership

The chairperson and membership of the audit, risk and improvement committee are:

Chairperson	[name]	[start term	[finish term date]
Independent member	[name]	[start term	[finish term date]
Independent member	[name]	[start term	[finish term date]
Councillor member'	[name]	[start term	[finish term date]

Risk Management

	Requirement	Compliance
	Council has adopted a risk management framework that is consistent with current Australian risk management standard and that is appropriate for the council's risks (section 216S of the <i>Local Government (General) Regulation 2021</i>).	[compliant or non-compliant]
	Council's audit, risk and improvement committee reviews the implementation of its risk management framework and provides a strategic assessment of its effectiveness to the governing body each council term (section 216S of the <i>Local Government (General) Regulation 2021</i>).	[compliant or non-compliant - include date of last strategic assessment provided]

Internal Audit

	Requirement	Compliance
10.	Council has an internal audit function that reviews the council's operations and risk management and control activities (section 216O of the <i>Local Government (General) Regulation 2021</i>).	[compliant or non-compliant]
11.	Council's internal audit function reports to the audit, risk and improvement committee on internal audit matters (sections 216M, 216P and 216R of the <i>Local Government (General) Regulation 2021</i>).	[compliant or non-compliant]
12.	Council's internal audit function is independent and internal audit activities are not subject to direction by the council	[compliant or non-compliant]

	Requirement	Compliance
	(section 216P of the <i>Local Government (General) Regulation 2021</i>).	
13.	Council has adopted an internal audit charter that is informed by the model internal audit charter approved by the Departmental Chief Executive of the Office of Local Government and the internal audit function operates in accordance with the charter (section 216O of the <i>Local Government (General) Regulation 2021</i>).	[compliant or non-compliant]
14.	Council has appointed a member of staff to direct and coordinate internal audit activities or is part of a shared arrangement where a participating council has appointed a staff member to direct and coordinate internal audit activities for all participating councils (section 216P of the <i>Local Government (General) Regulation 2021</i>).	[compliant or non-compliant]
15.	Internal audit activities are conducted in accordance with the International Professional Practices Framework (Core requirement 3 of the Office of Local Government's <i>Guidelines for Risk Management and Internal Audit for Local Government in NSW</i>).	[compliant or non-compliant]
16.	Council provides the internal audit function with direct and unrestricted access to staff, the audit, risk and improvement committee, and the information and resources necessary to undertake internal audit activities (section 216P of the <i>Local Government (General) Regulation 2021</i>).	[compliant or non-compliant]
17.	Council's internal audit function undertakes internal audit activities in accordance with a four-year strategic work plan that has been endorsed by the governing body and an annual work plan that has been developed in consultation with the governing body and senior management (Core requirement 3 of the Office of Local Government's <i>Guidelines for Risk Management and Internal Audit for Local Government in NSW</i>).	[compliant or non-compliant]
18.	Council's audit, risk and improvement committee reviews the effectiveness of the internal audit function and reports the outcome of the review to the governing body each council term (section 216R of the <i>Local Government (General) Regulation 2021</i>).	[compliant or non-compliant - include date of last strategic assessment provided]

Non-compliance with the *Local Government (General) Regulation 2021*

I advise that Lachlan Shire Council has not complied with the following requirements prescribed under the *Local Government (General) Regulation 2021* with respect to the operation of its [audit, risk and improvement committee/risk management/internal audit processes](#)] (omit where relevant):

Non-compliance	Reason	Alternative measures being implemented	How the alternative measures achieve equivalent outcomes
[requirement]	[description of: <ul style="list-style-type: none"> • why compliance was unreasonable, or • how compliance would have had a significant impact on the council's budget, and • what attempts were made to enter into an agreement with another council or joint organisation to ensure compliance] 	[description of the alternative arrangement to ensure an equivalent outcome to the requirement]	[description of how the alternative measure will achieve an equivalent outcome]

These processes, including the alternative measures implemented, demonstrate that council has established and maintained frameworks, systems, processes and procedures for appropriately managing audit and risk within council.

[Signed]

[Name and position]_____

(General Manager)

[Date]_____



New South Wales

Local Government (General) Amendment (Audit, Risk and Improvement Committees) Regulation 2023

under the

Local Government Act 1993

Her Excellency the Governor, with the advice of the Executive Council, has made the following regulation under the *Local Government Act 1993*.

RON HOENIG, MP
Minister for Local Government

Explanatory note

The object of this regulation is to make provision about Audit, Risk and Improvement Committees and the internal auditing functions of councils.

This regulation is made under the *Local Government Act 1993*, including sections 428(4)(b), 428A(2)(i), 428B and 748, the general regulation-making power, and Schedule 6, clauses 8A, 13, 18 and 19B.

Published LW 1 December 2023 (2023 No 643)

Local Government (General) Amendment (Audit, Risk and Improvement Committees) Regulation 2023
[NSW]

Local Government (General) Amendment (Audit, Risk and Improvement Committees) Regulation 2023

under the

Local Government Act 1993

1 Name of regulation

This regulation is the *Local Government (General) Amendment (Audit, Risk and Improvement Committees) Regulation 2023*.

2 Commencement

This regulation commences on 1 July 2024.

Local Government (General) Amendment (Audit, Risk and Improvement Committees) Regulation 2023
[NSW]
Schedule 1 Amendment of Local Government (General) Regulation 2021

Schedule 1 Amendment of Local Government (General) Regulation 2021

Part 9 Management and accountability

Insert after Division 6—

Division 6A Auditing and Audit, Risk and Improvement Committees

216A Definitions

In this division—

chairperson, for an Audit, Risk and Improvement Committee, means the chairperson of the committee.

independent member, for an Audit, Risk and Improvement Committee, means a person appointed to the committee under section 216C(1)(b).

internal audit co-ordinator—see section 216P(4).

216B Application of division to joint organisations

This division applies to a joint organisation in the same way as it applies to a council.

216C Composition of Audit, Risk and Improvement Committee—the Act, Sch 6, cl 19B

- (1) The Audit, Risk and Improvement Committee for a council must comprise—
 - (a) a chairperson, and
 - (b) at least 2 independent members.
- (2) One councillor, who must not be the mayor, of the council may also be appointed to the Audit, Risk and Improvement Committee for a council.
- (3) The appointment of a member to the Audit, Risk and Improvement Committee must be made by resolution of the council.
- (4) A councillor appointed to the Audit, Risk and Improvement Committee must not vote on a matter being considered by the committee.
- (5) A person may be appointed to more than 1 Audit, Risk and Improvement Committee if otherwise eligible.

216D Eligibility for appointment as chairperson—the Act, Sch 6, cl 19B

A council must not appoint a person as the chairperson of the council's Audit, Risk and Improvement Committee unless the council is reasonably satisfied the person—

- (a) has leadership qualities, and
- (b) is able to promote effective working relationships in complex organisations, and
- (c) is able to communicate complex and sensitive assessments in a tactful way, and
- (d) has a sound understanding of the principles of good organisational governance, and
- (e) is able to understand local government accountability, including financial reporting, and

Local Government (General) Amendment (Audit, Risk and Improvement Committees) Regulation 2023
[NSW]
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- (f) has a sound understanding of the business of the council or the environment in which it operates, and
- (g) has a sound understanding of the council's internal audit operations, including the selection and review of the internal audit co-ordinator for the council, and
- (h) has a sound understanding of risk management principles, and
- (i) has extensive senior level experience in governance and management of complex organisations, and
- (j) is eligible to be appointed as an independent member of the Audit, Risk and Improvement Committee, and
- (k) is not an employee of a council or a joint organisation.

216E Eligibility for appointment as independent member—the Act, Sch 6, cl 19B

A council must not appoint a person as an independent member of the council's Audit, Risk and Improvement Committee unless the council is reasonably satisfied the person—

- (a) is able to read and understand financial statements, and
- (b) is able to understand the ethical requirements of government, including conflicts of interest, and
- (c) is able to form independent judgements, and
- (d) is willing to constructively challenge and question management practices and information, and
- (e) is professional and ethical in the exercise of the person's duties, and
- (f) is able to devote the necessary time and effort to the person's functions as a member of the committee, and
- (g) has knowledge in one or more of the following that is relevant to the person's role on the Audit, Risk and Improvement Committee—
 - (i) risk management,
 - (ii) performance management,
 - (iii) human resources management,
 - (iv) internal and external auditing,
 - (v) financial reporting,
 - (vi) accounting,
 - (vii) management control frameworks,
 - (viii) internal financial controls,
 - (ix) governance of organisations,
 - (x) business operations, and
- (h) is independent of the council.

216F Persons taken not to be independent of council—the Act, Sch 6, cl 19B

- (1) The following persons are taken not to be independent of a council for the purposes of section 216E(h)—
 - (a) a person who is a councillor of a council in New South Wales,
 - (b) a person who was a candidate for election to the council in the last election of the council,
 - (c) a person who was a councillor during the term of the council ending at the last election of the council,

Local Government (General) Amendment (Audit, Risk and Improvement Committees) Regulation 2023
[NSW]
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- (d) for a joint organisation or council that is a member council of a joint organisation—a person who is a non-voting representative of the board of the joint organisation,
 - (e) for a council that has entered an arrangement under the Act, section 428B with another council or body—a person who is an employee of the other council or body,
 - (f) a person who is employed by the council or was employed by the council in the previous 12 months,
 - (g) a person who conducts audits of the council for the Audit Office of NSW,
 - (h) a person who has a close personal or business relationship with a councillor or a person who has a senior role in the council that may lead to an actual or perceived conflict of interest,
 - (i) a person who provides, or has in the previous three years provided, material goods or services which directly affect matters considered by the Audit, Risk and Improvement Committee,
Example— consultancy, legal, internal audit or advisory services
 - (j) a person who is a shareholder, owner, officer or employee of a company if—
 - (i) the company has a business relationship with the council or a related entity, and
 - (ii) the business relationship comprises—
 - (A) a material business relationship, or
 - (B) a contractual relationship, or
 - (C) a direct financial interest, or
 - (D) a material indirect financial interest, and
 - (iii) the business relationship could reasonably be considered to be an actual or perceived conflict of interest,
 - (k) a person who is a relative of a person referred to in paragraph (i),
 - (l) a person who acts, or has previously acted, as an advocate for the council or a related entity, if the advocacy—
 - (i) relates to a material interest, and
 - (ii) could reasonably be considered to be an actual or perceived conflict of interest.
- (2) In this section—
related entity, of a council, means an entity formed by the council or an entity which the council participated in forming.

216G Term of office—the Act, Sch 6, cl 19B

- (1) A council may appoint a member of the council's Audit, Risk and Improvement Committee for a term of no more than 4 years.
- (2) A person who continues to be eligible for appointment may be reappointed.
- (3) A person must not be a member of an Audit, Risk and Improvement Committee for a particular council for more than 8 years in a 10-year period.
- (4) The Departmental Chief Executive may exempt a person from the requirement in subsection (3) if satisfied the council—

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[NSW]
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- (a) took reasonable steps to find another person to take the place of the person, and
- (b) has been unable to find a suitable person.

216H Removal of members—the Act, Sch 6, cl 19B

- (1) A council may remove a member from the council's Audit, Risk and Improvement Committee at any time.
- (2) The council must give written notice to the Departmental Chief Executive if it removes the chairperson or an independent member from the council's Audit, Risk and Improvement Committee.
- (3) The notice must be given within 28 days after the removal of the person.

216I Remuneration—the Act, Sch 6, cl 19B

A council may pay remuneration to the chairperson and independent members of the council's Audit, Risk and Improvement Committee.

216J Meetings of Audit, Risk and Improvement Committee—the Act, Sch 6, cl 19B

- (1) An Audit, Risk and Improvement Committee must meet at least once in each quarter.
- (2) The chairperson of an Audit, Risk and Improvement Committee may decide on the procedure for—
 - (a) the calling of meetings of the Audit, Risk and Improvement Committee, and
 - (b) the conduct of business at meetings.

216K Terms of reference—the Act, Sch 6, cl 19B

- (1) A council must adopt terms of reference for the council's Audit, Risk and Improvement Committee.
- (2) The adoption must occur by resolution of the council.
- (3) The council must consider model terms of reference approved by the Departmental Chief Executive before adopting terms of reference.
- (4) Terms of reference must be consistent with the Act and this regulation.
- (5) An Audit, Risk and Improvement Committee must exercise its functions in accordance with the adopted terms of reference.

216L Assistance to Audit, Risk and Improvement Committee—the Act, Sch 6, cl 19B

- (1) The general manager of a council must ensure the Audit, Risk and Improvement Committee of the council—
 - (a) has the resources necessary to properly exercise its functions in relation to the council, and
 - (b) is readily able to access the staff, information and records of the council the Audit, Risk and Improvement Committee considers necessary for the exercise of its functions in relation to the council.
- (2) If the council has entered an arrangement under the Act, section 428B with another council or body, this section extends to the general manager of the other council or the chief executive of the other body to the extent the Audit, Risk and Improvement Committee exercises functions in relation to the other council or body.

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216M Matters committee must keep under review—the Act, s 428A

For the Act, section 428A(2)(i), the council's internal audit functions are prescribed.

216N Joint internal audit arrangements—the Act, s 428B

A joint organisation of which a council is a member is prescribed as a body the council may enter into an arrangement with.

216O Internal audit charter—the Act, Sch 6, cl 8A

- (1) A council must adopt an internal audit charter setting out how the council will exercise its internal audit functions.
- (2) The adoption must occur by resolution of the council.
- (3) The council must consider a model internal audit charter approved by the Departmental Chief Executive before adopting an internal audit charter.
- (4) An internal audit charter must be consistent with the Act and this regulation.
- (5) The council must exercise its internal audit functions in accordance with the adopted internal audit charter.

216P Internal audit co-ordinator—the Act, Sch 6, cl 8A

- (1) The general manager of a council must appoint a member of staff of the council to be the internal audit co-ordinator for the council unless—
 - (a) the council has entered an arrangement with another council for the sharing of internal audit activities, and
 - (b) the general manager of the other council has appointed a person under this section, and
 - (c) the person will direct and co-ordinate the internal audit activities in relation to the first council under the arrangement.
- (2) An internal audit co-ordinator who exercises functions under this section for a council—
 - (a) must, in relation to the exercise of the functions—
 - (i) report to the Audit, Risk and Improvement Committee for the council, and
 - (ii) comply with a direction of the Audit, Risk and Improvement Committee, and
 - (b) is not subject to a direction of the council or a member of staff of the council in relation to the exercise of the functions.
- (3) The general manager of a council must consult with the chairperson of the Audit, Risk and Improvement Committee for the council about a proposed decision affecting the employment of the internal audit co-ordinator for the council.
- (4) In this section—

internal audit co-ordinator, for a council, means a person appointed to direct and co-ordinate internal audit activities in relation to the council.

216Q Persons exercising internal audit functions—the Act, Sch 6, cl 8A

The general manager of a council must ensure a person exercising internal audit functions in relation to the council—

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- (a) has the resources necessary to properly exercise the functions, and
- (b) is readily able to access—
 - (i) staff, information and records of the council necessary to properly exercise the functions, and
 - (ii) the Audit, Risk and Improvement Committee for the council.

216R Audit, Risk and Improvement Committee to oversee and report on internal audit activities—the Act, s 428A(2)(i)

The Audit, Risk and Improvement Committee for a council must—

- (a) oversee the internal audit activities carried out in relation to the council, and
- (b) review the performance and efficacy of the activities over each period of 4 years, and
- (c) prepare a report on the review that may include recommendations, and
- (d) give a copy of the report to the governing body of the council.

216S Risk management—the Act, Sch 6, cl 18

- (1) A council must adopt and implement a system for managing risk.
Note— The Act, section 23A requires a council to take relevant guidelines by the Departmental Chief Executive into consideration before exercising its functions.
- (2) The Audit, Risk and Improvement Committee for the council must—
 - (a) monitor and review the implementation of the system, and
 - (b) report to the council on the operation and efficacy of the system.

216T Attestation in annual report—the Act, s 428(4)(b)

- (1) The annual report for a council under the Act, section 428 must include an attestation signed by the general manager of the council specifying whether the council has complied with this division during the year to which the report relates.
- (2) In preparing the attestation, the general manager must give the chairperson of the Audit, Risk and Improvement Committee for the council an opportunity to comment on the attestation.
- (3) The chairperson, if not satisfied with the attestation in the annual report, may—
 - (a) prepare an alternative attestation signed by the chairperson, and
 - (b) give the alternative attestation to the Departmental Chief Executive.
- (4) This section does not apply to an annual report prepared before 1 July 2025.

216U Contravention of division permitted in certain circumstances—the Act, Sch 6, cl 8A

A council is not required to comply with a provision of this division if—

- (a) the council is unable to comply because compliance—
 - (i) was unreasonable due to a temporary circumstance, or
 - (ii) would have had a significant impact on the council's budget, and
- (b) the council was unable to enter an agreement with another council or joint organisation to ensure compliance, and

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- (c) the council proposes an alternative arrangement to ensure an equivalent outcome to the requirement, and
- (d) the council notifies the Departmental Chief Executive of the failure to comply within 28 days, and
- (e) the annual report of the council contains a statement about the non-compliance with details of the matters set out in paragraphs (a)–(c).



LACHLAN SHIRE COUNCIL SERIOUS INCIDENT RESPONSE POLICY

Example Policy					Page 1 of 7	
Further Information: Lachlan Shire Council ☎ 02 6895 1900 ✉ Email: council@lachlan.nsw.gov.au						
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Council Meeting	Day Month Year	RES Year/	March 2024	N/A	March 2028	Reference Dyr/

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1. BACKGROUND

The Serious Incident Response Scheme (SIRS) is aimed at reducing the risk of abuse and neglect of older Australians receiving aged care services. The SIRS establishes responsibilities for all Commonwealth funded providers of aged care, including approved providers under the Aged Care Act 1997 (the Aged Care Act) to:

- Prevent and manage incidents, focusing on the safety, health and wellbeing of consumers
- Use incident data to drive quality improvement
- Notify reportable incidents to the Aged Care Quality and Safety Commission (Commission) complement the Charter of Aged Care Rights (Charter), the Code of Conduct for Aged Care (Code), and the Aged Care Quality Standards (Quality Standards) and open disclosure requirements.

2. DEFINITIONS

Key Term - Acronym	Definition
Aged Care Quality and Safety Commission (the Commission).	The Commission independently accredit, assess, and monitor aged care services subsidised by the Commonwealth Government
Aged Care Quality Standards (the Standards).	Organisations providing Commonwealth-funded aged care services are required to comply with the Standards. Organisations are assessed and must be able to provide evidence of their compliance with and performance against the Standards
Aged Care Act 1997 (the Act)	Outlines the responsibilities of approved providers and the standards they must meet when delivering aged care services.
Commonwealth Home Support Program (CHSP)	The Commonwealth Home Support Program is an entry-level home support program that helps older Australians to live independently in their homes and communities. It also provides respite services to give carers a break.
Elder abuse	Physical, psychological, or emotional, sexual, or financial abuse of older Australians or intentional or unintentional neglect

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Key Term - Acronym	Definition
Home and community aged care	This report refers to aged care services accessed in the home and community setting. This includes services delivered through the Commonwealth Home Support Program (CHSP), Home Care Packages (HCP) and Flexible Care delivered in home and community settings
Reportable incident	The current Serious Incident Response Scheme for residential aged care defines a ‘reportable incident’ as an incident (actual, alleged, or suspected) committed to a care recipient in connection with the provision of services in a residential aged care setting. Providers are required to notify the Aged Care Quality and Safety Commission of reportable incidents

3. SCOPE

This policy applies to all staff, contractors, volunteers and designated person/s including individuals and companies performing work for Lachlan Shire Council (LSC / Council) HACC, providing services to the aged care community. Where the word staff or employee is used it applies equally to all of the above.

4. OBJECTIVE

This policy is to provide guidance to the HACC Staff, contractors and volunteers with the implementation of the Serious Incident Response Scheme (SIRS), an Australian Government initiative. The aim of the initiative is to reduce the risk of abuse and neglect for people living, or staying, in a residential aged care home or (from 1 December 2022), receiving home care and flexible care in a home or community setting.

The scheme requires aged care providers to identify, record, manage, resolve, and report all serious incidents to the Aged Care Quality and Safety Commission (the Commission) that occur, or are alleged or suspected to have happened, in an aged care service.

The SIRS requires every aged care service to have in place an effective incident management system. This is a documented set of protocols, processes, and standard operating procedures. The incident management system is used to manage and respond to all incidents, and take steps to make sure they do not happen again.

The incident management system covers a broader range of non-reportable incidents and includes incidents that involve staff, contractors, volunteers or visitors.

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5. POLICY IN BRIEF

This policy applies to 8 types of reportable incidents under the SIRS and are required to be lodged on the SIRS tile on the My Aged Care Provider portal:

- **Unreasonable use of force** – for example, hitting, pushing, shoving, or rough handling a person who receives aged care
- **Unlawful sexual contact or inappropriate sexual conduct** – such as sexual threats against a person who receives aged care, stalking, or sexual activities without consent
- **Neglect of a person who receives aged care** – for example, withholding personal care, untreated wounds, or insufficient assistance during meals
- **Psychological or emotional abuse** – such as yelling, name calling, ignoring a person who receives aged care, threatening gestures, or refusing access to care or services as a means of punishment
- **Unexpected death** – where reasonable steps were not taken by the provider to prevent the death, the death is the result of care or services provided by the provider or a failure by the provider to provide care and services
- **Stealing or financial coercion by a staff member** – for example, if a staff member coerces a person to change their will to their advantage, or steals valuables from them
- **Inappropriate use of restrictive practices** – such as:
 - where a restrictive practice is used without prior consent or without notifying the person's representative as soon as practicable
 - where a restrictive practice is used in a non-emergency situation, or
 - when a provider issues a drug to a person to influence their behaviour as a form of restrictive practice
- **Unexplained absence from care** – where the person is absent from the service without explanation and there are reasonable grounds to report the absence to the police

Under the SIRS, an allegation, suspicion, or witness account of any of the above serious incidents must be reported to the Commission.

6. POLICY IN DETAIL

Lachlan Shire Council must maintain an incident management system, a set of processes and procedures used to prevent, manage, and respond to incidents.

This system should support an aged care provider and their staff to take appropriate action when there is an alleged, suspected, or witnessed incident.

Appropriate action includes:

- action to remove a person from harm and to reduce or address the impact on them
- identification and immediate internal reporting of the allegation, suspicion, or witnessed incident
- documenting the incident
- further investigation if warranted
- reporting to external authorities within statutory timeframes, including the police and the Commission.

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All aged care providers must notify the Commission about reportable incidents. The SIRS categorises incidents as either Priority 1 or Priority 2.

6.1 Priority 1

Aged care providers must report all Priority 1 reportable incidents to the Commission within 24 hours of them becoming aware of the reportable incident.

Priority 1 reportable incidents include those that cause, or could reasonably have been expected to have caused, physical or psychological harm and/or discomfort that would usually require some form of medical or psychological treatment, or where there are reasonable grounds to report the incident to police.

All reportable incidents involving instances of unexplained absence from care, unexpected death of a person who receives aged care, unlawful sexual contact, inappropriate sexual conduct, or where there are reasonable grounds to report the incident to the police, are always Priority 1 reportable incidents.

6.2 Priority 2

Aged care providers must report all reportable incidents to the Commission including Priority 2 reportable incidents.

Priority 2 reportable incidents are all those that do not meet the criteria for Priority 1. These must be reported to the Commission within 30 days of a provider becoming aware of the reportable incident.

7. ROLES AND RESPONSIBILITIES

Each of the following has specific assigned responsibilities under this policy:

- Manager Community services
- All HACC employees, contractors and volunteers

7.1 Manager Community Services

To maintain an incident management system that has processes and procedures in place that can be used to prevent, manage, and respond to incidents when they occur so that appropriate action can be taken, including reporting to the Commissioner and the police as required.

7.2 Employees, Contractors and Volunteers

All HACC employees, contractors and volunteers are responsible for recording and reporting any incident that has caused or had the potential to cause serious injury during an aged care service or program. A Serious Incident Report Form should be filled out and provided to the HACC office within 24 hours of the incident occurring so appropriate action can be taken.

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8. FURTHER INFORMATION

Further information about this policy and the management of SIRS can be obtained by referring to

- The Aged Care Quality and Safety Commission
- The Charter of Aged Care Rights
- The Code of Conduct for Aged Care
- Aged Care Quality Standards (Quality Standards)
- Aged Care Act 1997

Related LSC policies include:

- Code of Conduct

Nothing in this policy limits any applicable legislation.

9. RIGHT TO VARY

Lachlan Shire Council reserves the right to vary or terminate this policy at any time.

Greg Tory

GENERAL MANAGER

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Lachlan Shire Council

CONFLICT OF INTEREST

POLICY 2024

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1. BACKGROUND

Lachlan Shire Council is committed to preventing adverse consequences that can arise from conflicts of interest, as well as the appearance of favouritism, undue influence or impropriety.

1. SCOPE

This policy applies to all staff and councillors, designated persons and external appointees, committee members and external council advisors, council consultants, contractors and outsourced service providers including individuals and companies performing work for Lachlan Shire Council (LSC / Council). Where the word staff or employee is used it applies equally to all of the above.

Conflicts of Interest that are to be reported, managed and registered in a Central Register include all actual, potential or perceived possible conflicts. These include summary disclosures of interests, disclosures or reports of conflicts of interest, secondary employment requests and approvals, and any disclosures or declarations of gifts, benefits, and bribes, personal interests, breaches, electoral expenditure, political donations, public interest, pecuniary interest or related party disclosures or any other disclosures/declarations as may arise.

2. OBJECTIVE

This policy sets standards and provides guidance on how to manage conflicts of interest in an ethical manner. It outlines the expected standards of behaviour and declarations required in relation to actual, potential or perceived conflicts of interest. It ensures all possible conflicts are reported, assessed and managed.

3. POLICY IN BRIEF

This policy is to be read in conjunction to, and as being complimented by Lachlan Shire Council policies, in particular:

- Code of Conduct for Council Staff
- Code of Conduct for Councillors
- Fraud and Corruption Policy
- Gifts, Benefits and Bribes Policy
- Secondary Employment Policy
- Privacy Management Plan

In accordance with the definitions in council policies, the term conflict of interest:

- Applies to your own interests and (by extension) those of your family members.
- Includes pecuniary and non-pecuniary conflicts of interest, including those that are financial and/or non-financial in nature.
- Can be actual, possible or perceived

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You must:

- disclose all conflicts of interests in accordance with this policy
- co-operate with your manager / other colleagues / reporting officer to ensure conflicts of interest are properly managed
- not allow your personal interests to affect the way you carry out your duties
- protect the reputation of Lachlan Shire Council by considering how a conflict of interest situation might be perceived
- update your personal interests and disclosures as and when they change, to enable Lachlan Shire Council to maintain an up-to-date conflict of interest register.

4. POLICY IN DETAIL

5.1 What is a Conflict of Interest?

A conflict of interest exists when a reasonable person might perceive that personal interests could be favoured or have influence over public duties or official or work responsibilities.

A conflict of interest is a situation where an individual or company covered by this Policy could be influenced, or be seen to be influenced, by a personal interest in carrying out their official duties or responsibilities. A conflict of interest can arise from avoiding losses or gaining advantage for self or others (whether financial or otherwise) and can be actual, potential or perceived.

- An **actual conflict of interest** involves a conflict between an individual’s duties and responsibilities in serving Council’s interest, and the individual’s existing private interests.
- A **potential conflict of interest** arises where an individual has private interests that could conflict with their official duties in the future.
- A **perceived conflict of interest** exists where it appears, or where it is or could be perceived, that an individual’s private interests could improperly influence the performance of their official duties, whether or not this is in fact the case.

5.2 About conflicts of interest

Managing conflicts of interest is important because the public rightly expect that staff and officials of Lachlan Shire Council, or their close connections and associates, should never be in a position to obtain undue personal benefits. This reflects the view that public office is held for the public good, not the purposes or benefits of the officeholder. In addition to the requirements of your position description, your public duties include a requirement to act in accordance with the policies, procedures, codes and values of Council. Therefore, any conflict of interest that is concealed or mismanaged can damage the reputation of Council.

Note the following important points:

- In most cases, only you will be aware of the potential for a conflict of interest. Consequently, the onus is on you to identify and declare any conflicts in accordance with this policy.
- It can be challenging to objectively assess whether your own personal interests are in conflict with your work duties. Therefore, you should err on the side of caution and make a disclosure if you are unsure about whether you have a conflict of interest.

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For more details, refer to *Appendix 1: Additional Information – personal interests that can conflict with public duties*.

5.3 Avoiding conflicts of interest

While having a conflict of interest is not necessarily wrong, you should avoid placing yourself in conflicting situations where it is practical to do so. This can be achieved by avoiding:

- assignments and tasks that could conflict with your private interests (which you should discuss with your manager)
- investments or financial arrangements that could relate to your duties
- commercial dealings with suppliers and other stakeholders that are not on a normal arm’s length basis
- situations in which professional relationships could develop into personal relationships
- social media activity that could be perceived as compromising your impartiality.

5.4 Disclosure

As soon as possible, you must accurately disclose all conflicts of interest in writing to your manager by completing the Conflict of Interest Declaration Form.

In addition to the requirements in this policy, you should also comply with the requirements of LSC to disclose conflicts of interest during processes relating to procurement, recruitment, and project management and any and all other matters as appropriate. If you are in doubt about whether you need to disclose a matter, speak to your manager for advice.

You must make a new or revised disclosure if there is a significant change in the nature of your conflict of interest. If you change roles or report to a different manager, you should apprise your new manager of the details of your conflict of interest and any plan of management.

Councillors and, where applicable, all other persons, must declare and manage any conflicts of interest in matters being considered at meetings of council and its committees. The Lachlan Shire Council Code of Conduct establishes the requirements for the disclosure of pecuniary interests by councillors and designated persons. This includes disclosures of interests in written returns (returns of interests) and disclosures of pecuniary interests at meetings.

Any failure to disclose a conflict of interest, or conduct which favours a personal interest, is a breach of this policy.

5.5 Managing a conflict of interest

In your role at Council, the interests of Council and the public interest should be put ahead of personal interests. Once your conflict of interest has been disclosed in accordance with this policy you must:

- together with your manager, discuss and document how your conflict of interest will be managed. This should be done by completing the *Conflict of Interest Declaration Form*
- adhere to the agreed, documented approach to managing your conflict of interest

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- promptly notify your manager in writing of any significant changes to your conflict of interest and update the document with your manager or prepare a new document with your manager

For additional information, refer to *Appendix 2: Additional information – options for managing conflicts of interest*.

If you are a manager, you must:

- ensure you review the conflicts of interest register for all existing conflicts of any new staff that are assigned to you if/when you take on new team members
- ensure any new disclosures of interest made to you, are in writing and recorded in the conflicts of interest register by completing a *Conflict of Interest Declaration Form*.
- if necessary, make further enquiries to verify the accuracy and completeness of the disclosure. The disclosure may be understated or lack sufficient detail. Managers may make enquiries and seek documents to satisfy themselves that the disclosure is accurate.
- together with the affected employee/contractor, discuss and document how the conflict of interest will be managed by completing a *Conflict of Interest Declaration Form*. Options for managing conflicts of interest are included in this policy.
- monitor the situation to ensure compliance with the agreed management plan.

Managers, including contract and project managers, should also be aware that the responsibilities set out above also apply to contractors, service providers and other entities acting on behalf of Lachlan Shire Council who disclose conflicts of interest.

Managers also need to disclose their own conflicts of interest, which includes conflicts of interest in relation to any new staff that are assigned to you if/when you take on new team members.

For additional information, refer to *Appendix 2: Additional information – options for managing conflicts of interest*.

5.6 Managing privacy

Conflicts of interest can involve the disclosure of information that may be private in nature, such as details about personal finances and relationships. While you must disclose this information, if required, personal information should only be shared with staff on a genuine need-to-know basis. Refer also to the **Lachlan Shire Council Privacy Management Plan** and **Code of Conduct** policies.

5. FURTHER POLICY REQUIREMENTS

The following additional policy requirements apply:

6.1 Dealing with yourself or your family

You must not process transactions, make decisions or be involved in workplace duties that involve your personal affairs as a citizen interacting with Lachlan Shire Council, without the written authorisation of your manager. The same requirement applies to matters involving members of your immediate family. In addition, you may not self-approve transactions, procedures or policies that provide you with a personal financial or perceived benefit (for example, payroll, overtime, leave, expense reimbursement, staff benefits or salary sacrifice matters).

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6.2 Personal dealings with suppliers and service providers

You should avoid making personal purchases from the suppliers and service providers of Lachlan Shire Council unless they are on an arm’s-length basis. Seeking discounts or favourable terms from suppliers for personal purchases could create a conflict of interest. If you are in any doubt, seek advice from your manager.

6.3 Secondary employment or business

You may not engage in any paid secondary employment or paid business activity without written permission from the General Manager in accordance with the *Lachlan Shire Council Secondary Employment Policy*. Refer to that policy for details.

6.4 Disclosure of personal interests

In accordance with Council’s Code of Conduct, and in accordance with the *Model Code of Conduct for Local Councils in NSW*, certain council officials are required to disclose their personal interests in publicly available returns of interests.

All employees and contractors, even if not a senior executive or designated person, are encouraged to pre-empt any conflict of interest or perceived conflict of interest by declaring any personal interest as outlined in *Appendix I - Personal interests that can conflict with public duties*.

Disclosure of Interests Returns (including nil disclosure) are required annually by Councillors, and Committee members and Council staff identified as designated persons, under the *Local Government Act 1993, Regulation 2021* and the *Lachlan Shire Council Code of Conduct* (in accordance with the Model Code of Conduct). They are tabled at Council Meetings and made publicly available on Council’s website as the returns are prescribed as open access information under the *Government Information (Public Access) (GIPA) Act*. Council will apply the public interest test to each return and where an overriding public interest against disclosure is found, that information will be redacted (For example, residential street number and signatures may be redacted if there is, on balance, an overriding public interest against disclosure).

A register of these returns will be incorporated into the Central Register and the nature of the information redacted will also be recorded.

For further information please see Council’s **Code of Conduct** Policies, and the *OLG’s Model Code of Conduct – A Guide to Completing Returns of Interest* and *IPC’s Guideline 1*

6.5 Gifts, Benefits and Bribes including Hospitality

Refer to Lachlan Shire Council’s *Gifts, Benefits and Bribes Policy*.

6.6 Charity Work / Unpaid Voluntary Work or Involvement

As with paid work, individuals engaged in such activities must ensure this work does not impact adversely on their work for Council and they must not use their LSC position / work to obtain advantage or benefit. Actual, potential or perceived conflicts of interest must also be considered in relation to such work and must be declared.

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6.7 Post-Separation Employment

Post-separation employment refers to a public official or former council employee resigning and obtaining subsequent employment outside Council. The corruption concern is the need to ensure that public officials who are preparing to leave, or thinking of leaving public employment continue to make decisions in the public interest and do not allow their decisions to be influenced by an emerging private interest connected to future employment. Former officials or employees who have already moved out of the sector may also seek to improperly use contacts or confidential information gained during their public employment in their new position. Actual, potential or perceived conflicts of interest must be considered in relation to such work and must be avoided and/or declared.

6.8 Electoral Expenditure and Political Donations

Disclosures must be lodged annually for electoral expenditure and half-yearly for political donations. Disclosures must be made by each political party, local councillor and mayor, registered candidate, group, and third-party campaigner.

Disclosures must be lodged even if no political donations were made or received during the half-yearly period and/or no electoral expenditure was incurred during the annual period.

Further information is available from the *NSW Electoral Commission* website at www.elections.nsw.gov.au

Forms for making disclosures are available on <https://www.elections.nsw.gov.au/About-us/Forms-and-Fact-sheets/Forms/Disclosure-forms>

Publicly available disclosures will also be listed in *LSC’s Conflict of Interest Central Register*.

6.9 Public Interest Disclosures (PID)

Protection is offered to staff and officials in making public interest disclosures in accordance with the *Public Interest Disclosures Act 2022* and associated amendments. Any PIDs will also be summarised and listed in the *Lachlan Shire Council Conflict of Interest Central Register*. Refer also to the *Lachlan Shire Council Internal Reporting Policy* and *Public Interest Disclosures Policy*.

6.10 Volunteer Emergency Services Work

Staff engaged in such activities, particularly activities involving heavy physical work or long hours, must ensure that this does not adversely impact on their fitness for work. Where required, managers and staff may consider emergency leave provisions to ensure they present fit for work. Actual, potential or perceived conflicts of interest must also be considered in relation to such work and must be declared.

6. ROLES AND RESPONSIBILITIES

All Councillors, Committee Members, Management and Staff, Contractors, and Volunteers have roles and responsibilities under this policy, and to ensure adherence and management of this policy.

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7. BREACHES

Breaches of this policy may result in disciplinary action. Breaches that are reasonably suspected to amount to corrupt conduct will be reported to the *NSW Independent Commission Against Corruption (ICAC)*. Breaches that amount to criminal conduct will be reported to the police.

You must report any reasonably suspected breaches of this policy as it relates to:

- your own conflicts of interest. Reporting a breach, especially if it is due to a previous oversight on your part, may be taken into account when investigations are made into the matter
- the conflicts of interests of other staff, councillors, contractors, consultants and service providers, should you become aware of any. Any concerns you may have need to be treated as confidential to protect the rights of the other person.

Regarding the above, refer the matter to your line manager in the first instance. In the unlikely scenario that your concerns are about the conduct of your line manager, please speak to the HR Manager or a member of the Executive Leadership Team.

8. FURTHER INFORMATION

Further information about this policy and the management of conflicts of interest can be obtained by:

- contacting the Director Corporate and Community Services
- contacting the Governance and Risk Officer
- visiting the websites of the *NSW Independent Commission Against Corruption* at www.icac.nsw.gov.au or the *NSW Electoral Commission* at www.elections.nsw.gov.au

Related LSC policies include:

- Code of Conduct for Council Staff
- Code of Conduct for Councillors
- Fraud and Corruption Policy
- Gifts, Benefits and Bribes Policy
- Secondary Employment Policy
- Related Parties Disclosure Policy
- Public Interest Disclosure Policy

Related Legislation includes:

- Public Interest Disclosure Act 2022
- Local Government Act 1993
- Local Government (General) Regulation 2021
- Government Information (Public Access) Act 2009 (GIPA Act)
- Government Information (Public Access) Regulation 2018.
- Privacy & Personal Information Protection Act 1998 (PPIP Act)

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- OLG Model Code of Conduct for Local Councils in NSW
- Electoral Act 2017
- Information and Privacy Commission (IPC) Information Access Guideline¹ (see OLG Circular 19-21)

Nothing in this policy limits any applicable legislation.

9. RIGHT TO VARY

Council retains the right to terminate or vary this policy at any time.

Greg Tory

GENERAL MANAGER

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APPENDIX 1: ADDITIONAL INFORMATION – PERSONAL INTERESTS THAT CAN CONFLICT WITH PUBLIC DUTIES

This section provides some additional material about the types of personal interests that can conflict with public duties. It is descriptive rather than prescriptive and therefore does not sit in the main body of the policy.

Personal interests that may trigger a conflict of interest include:

- financial interests
- people who are more than acquaintances
- connections to people who have provided income or may provide income
- organisations and clubs, and people connected to them
- connections to people and entities who have given benefits or favours
- other close connections.

As a general rule, the personal interests of your family members and close connections are considered to be your personal interests.

Financial interests

Financial interests can be direct or indirect, short-term or long-term, and can stem from both gains and losses. The financial interests of your immediate family members or any other member of your family economic unit are normally deemed to be your interests. Examples of financial interests include:

- sources of income, including secondary employment
- ownership or lease of land, buildings and property
- shares or investments in companies, partnerships or other entities
- beneficial interest in a trust or deceased estate
- loans or debts
- an option to buy or sell an asset or any other anticipated future financial benefit.

People who are more than acquaintances

Any relationship with a person, who is more than an acquaintance, could be a personal interest. This typically includes spouses, relatives (including relatives by marriage), friends, romantic partners, close colleagues, mentors and social connections. It can also include people with whom you formerly had a close relationship; for example, a previous spouse, ex-colleague or an old friend. Feelings of enmity or hatred towards a person can also constitute a personal interest.

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Connections to people who have provided or may provide income

Other sources of income are financial interests. However, the people and entities associated with that income are also likely to be personal interests. Examples can include:

- any current provider of secondary or other employment
- current or former business partners
- customers, significant suppliers or contractors of a private business or other employer
- providers of future employment or business opportunities
- relationships with former employers and colleagues, especially if there is ongoing social contact.

Organisations and clubs, and people connected to them

A personal interest may arise from a connection with organisations or clubs that may be professional, sporting, recreational, community, arts, social and so forth. Hobbies about which you are passionate could also be classed as a personal interest.

Connections to people and entities who have given benefits or favours

Officials may have a personal interest if they could feel indebted or obligated to anyone who has provided gifts, benefits, hospitality or favours. It is not necessarily the gift or benefit itself that causes the conflict of interest, but the potential relationship and sense of obligation or expectation that could arise.

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APPENDIX 2: ADDITIONAL INFORMATION – OPTIONS FOR MANAGING CONFLICTS OF INTEREST

This section sets out options for managing a conflict of interest. It is descriptive rather than prescriptive and therefore does not sit in the main body of the policy.

This policy requires managers to develop and implement a plan for managing conflicts of interest. Managers should be guided by the options set out below.

Options for reducing or amending the involvement of the conflicted employee or contractor include:

- removal from the relevant assignment or task
- limiting involvement to certain aspects of the process, including segregating or reducing duties
- temporary placement in a less senior role
- closer supervision or adding members to the team
- exclusion from certain discussions or meetings
- confinement to an advisory role with no decision-making authority or financial delegations
- exclusion from critical recordkeeping roles
- preventing dealings with external parties (such as tenderers)
- changing reporting lines
- limiting access to certain systems, information and assets
- ensuring that a colleague of equal or greater seniority (to the conflicted person) is involved in the matter
- engaging an independent expert to work on aspects of the matter
- engaging a peer or subject-matter expert to review the work of the conflicted person.

Options for reducing or amending the influence of the conflicted employee or contractor include:

- transferring the matter to another unit or team that is unconnected with the conflicted official
- transferring the conflicted person to another project, branch or unit (temporarily or permanently)
- creating a physical separation between the conflicted person and decision-makers
- removing access to electronic and physical records
- informing relevant colleagues that there is a conflict of interest and instructing them on how to meet probity requirements.

There are subtle differences between managing the involvement and the influence of a conflicted person. Management should be aware that, even if a conflicted officer has been removed from a matter, she or he may still exert influence, which should be avoided if possible.

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Options for managing the personal interest of the conflicted employee or contractor include:

- obtaining agreement to relinquish ownership or control of a financial interest, such as shares or land
- prohibiting secondary employment
- obtaining an undertaking from the conflicted person to refrain from communicating with a particular person during a process, such as a recruitment exercise or a tender.

Options for changing the overall system or process include:

- requiring more detailed documentation
- designing the decision-making process to reduce the level of subjectivity and discretion
- documenting and publishing reasons for the decisions taken
- providing reminders to relevant staff about reporting alleged misconduct
- creating audio or video recordings of key decisions or meetings
- conducting a post-completion audit or review
- ensuring relevant audit and access logs in key IT systems are turned on and reviewed
- enhancing measures to protect information from unauthorised access, use or disclosure
- establishing internal controls to identify deviations from the established process
- appointing probity checkers, probity advisors or probity auditors
- providing additional training and awareness raising sessions.

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Council Meeting	RES 2024/	March 2024	N/A	March 2028	Container 4.12.1.82 Record D23/



Lachlan Shire Council Conflict of Interest Declaration Form

Please complete this form if you believe that you may be involved in a conflict of interest situation or if you are unsure and seek to disclose a potential or perceived conflict of interest. Please complete in conjunction with reading the LSC Conflict of Interest Policy.

This completed form contains your personal information we are collecting for the purpose of a Conflict of Interest Declaration. The information will be stored in council's business systems.

We will not disclose your personal information to anybody else, unless you have given consent, or we are authorised or required to do so by law. Our Privacy Management Plan explains the lawful grounds on which we collect, use, disclose and transfer personal information. It also explains how you can seek access to, or amendment of the personal information we hold about you, and who to contact if you have a privacy enquiry or complaint.

SECTION 1: PERSONAL DETAILS	
NAME:	Click here to enter text.
JOB TITLE / ROLE:	Click here to enter text.
AREA OF RESPONSIBILITY:	
DIRECTORATE:	
PHONE:	Click here to enter text.
EMAIL:	Click here to enter text.

SECTION 2: DISCLOSURE DETAILS												
<p>The actual, potential or perceived conflict of interest relates to: <i>(please tick all appropriate box/es)</i></p> <table style="width: 100%; border: none;"> <tr> <td style="width: 50%; padding: 5px;"><input type="checkbox"/> Relationship with family or friends</td> <td style="width: 50%; padding: 5px;"><input type="checkbox"/> Staff recruitment</td> </tr> <tr> <td style="padding: 5px;"><input type="checkbox"/> Outside work activities (paid/unpaid) <i>Please provide Secondary Employment Form if applicable</i></td> <td style="padding: 5px;"><input type="checkbox"/> Relationship with external parties</td> </tr> <tr> <td style="padding: 5px;"><input type="checkbox"/> Financial interest <i>Please provide Pecuniary Interests Form if applicable</i></td> <td style="padding: 5px;"><input type="checkbox"/> Disposal of Council owned assets</td> </tr> <tr> <td style="padding: 5px;"><input type="checkbox"/> Gifts/benefits <i>Please provide Gifts, Benefits and Bribes Form if applicable</i></td> <td style="padding: 5px;"><input type="checkbox"/> Provision of external consultancy services</td> </tr> <tr> <td style="padding: 5px;"><input type="checkbox"/> Personal Interests</td> <td style="padding: 5px;"><input type="checkbox"/> Procurement of goods and services</td> </tr> <tr> <td colspan="2" style="padding: 5px;"><input type="checkbox"/> Other (if you selected other please provide details)</td> </tr> </table>	<input type="checkbox"/> Relationship with family or friends	<input type="checkbox"/> Staff recruitment	<input type="checkbox"/> Outside work activities (paid/unpaid) <i>Please provide Secondary Employment Form if applicable</i>	<input type="checkbox"/> Relationship with external parties	<input type="checkbox"/> Financial interest <i>Please provide Pecuniary Interests Form if applicable</i>	<input type="checkbox"/> Disposal of Council owned assets	<input type="checkbox"/> Gifts/benefits <i>Please provide Gifts, Benefits and Bribes Form if applicable</i>	<input type="checkbox"/> Provision of external consultancy services	<input type="checkbox"/> Personal Interests	<input type="checkbox"/> Procurement of goods and services	<input type="checkbox"/> Other (if you selected other please provide details)	
<input type="checkbox"/> Relationship with family or friends	<input type="checkbox"/> Staff recruitment											
<input type="checkbox"/> Outside work activities (paid/unpaid) <i>Please provide Secondary Employment Form if applicable</i>	<input type="checkbox"/> Relationship with external parties											
<input type="checkbox"/> Financial interest <i>Please provide Pecuniary Interests Form if applicable</i>	<input type="checkbox"/> Disposal of Council owned assets											
<input type="checkbox"/> Gifts/benefits <i>Please provide Gifts, Benefits and Bribes Form if applicable</i>	<input type="checkbox"/> Provision of external consultancy services											
<input type="checkbox"/> Personal Interests	<input type="checkbox"/> Procurement of goods and services											
<input type="checkbox"/> Other (if you selected other please provide details)												
<p>The following actual, potential or perceived conflict of interest has been identified: <i>(please insert and expand on all relevant details)</i></p> <p>Matter under Consideration Click here to enter text.</p>												

Expected role/duties in dealing with this matter

Click here to enter text.

Private interests identified which have the potential to impact on the ability of the councillor/employee/contractor/committee member/ volunteer to carry out, or be seen to carry out, their official duties impartially and in the public interest:

Click here to enter text.

The (actual, potential or perceived) conflict is expected to last: (tick appropriate box)

0–12 months

>12 months or ongoing

The conflict of interest has been identified as: (please tick the appropriate boxes)

Actual Conflict of Interest

Pecuniary interest

Perceived Conflict of Interest

Non- pecuniary interest

Potential Conflict of Interest

I hereby declare that the above details are correct to the best of my knowledge and I make this conflict of interest declaration in good faith.

I hereby declare that I have received and appropriately noted this conflict of interest declaration.

Signature
(Councillor/Officer/Contractor/Volunteer/Committee Member)
Date / /

Signature (GM/Manager/Supervisor/Employer)
Date / /

SECTION 3: CONFLICT OF INTEREST RESOLUTION / MANAGEMENT
To be completed by the GM/ Manager / Supervisor / Employer

In my opinion the details provided: (tick appropriate box)

do not constitute a conflict of interest, and I authorise the employee to continue the activity (go to Section 4).

do constitute an actual, potential or perceived conflict of interest (please provide a detailed action plan below).

If the situation does constitute a conflict of interest, please ensure that the following actions have been considered: (please utilise Appendix 2 LSC Conflict of Interest Policy)

- ensure all information surrounding the conflict has been disclosed and documented
- inform likely affected persons of the conflict, seeking their views where relevant as to whether they object
- reformulate the scope of work or restricting access to certain information
- recruit a third party to oversee part or all of the process
- recommend to relinquish the interest that is causing the conflict
- temporarily remove the person from the process or responsibilities
- monitor the person’s activities closely in relation to the conflict of interest
- take no further action because the conflict is minimal.

I have reviewed the above considerations and request that the Employee / Contractor takes the following action to eliminate/manage the conflict:

Click here to enter text.

I will ensure this action plan is reviewed:

- | | | |
|---|--|---|
| <input type="checkbox"/> Within 1 month | <input type="checkbox"/> Within 3 months | <input type="checkbox"/> Within 6 months |
| <input type="checkbox"/> Within 12 months | <input type="checkbox"/> Other – specify | <input type="checkbox"/> N/A: the conflict is one-off or short duration |

SECTION 4: COUNCILLOR/ COMMITTEE MEMBER/ EMPLOYEE / CONTRACTOR/ VOLUNTEER DECLARATION

To the best of my knowledge and belief any actual, perceived or potential conflicts between my duties with Lachlan Shire Council and my private and/or business interests have been fully disclosed in this form in accordance with the requirements of the Lachlan Shire Council Conflict of Interest Policy and Code of Conduct policies.

I acknowledge, and agree to comply with, any approach identified in this form for removing or managing an actual, perceived or potential conflict of interest.

SIGNATURE:

DATE:

SECTION 5: GM / MANAGER / SUPERVISOR / EMPLOYER	
<p>The actions described in the approach outlined in Section 3 have been put in place to effectively manage any actual, potential or perceived conflict of interest disclosed in Section 2. The approach outlined in Section 3 ensures that Lachlan Shire Council's public interests and reputation is adequately protected.</p>	
NAME:	Click here to enter text.
JOB TITLE / ROLE:	Click here to enter text.
AREA OF RESPONSIBILITY:	Click here to enter text.
DIRECTORATE:	Click here to enter text.
PHONE: Click here to enter text.	EMAIL: Click here to enter text.
SIGNATURE:	DATE:

FRAMPTON FLAT PTY LTD

27 Wattle Street

Tullibigeal NSW 2669

Ph: 02 69729176

Email: office@framptonflat.com.au

5th March 2024

General Manager
Mr Greg Tory
Lachlan Shire Council
PO Box 216
Condobolin NSW 2877

Dear Sir,

I am writing on behalf of Frampton Flat Pty Ltd Tullibigeal. I have recently applied for a DA in regards to a shed that I am building on the property known as "Frampton Flat" Tullibigeal. When I received the tax invoice for the Development Application I was somewhat taken aback when reading S7.12 contribution of \$14,701.50. After doing my home work as to what this S7.12 contribution is, I am asking the Shire to look at my application. \$1470 is a charge on the GST component. \$3125 is a charge of 1% in relation to the installer with the balance coming from the cost of the shed. There is no doubt that every individual has their own opinion of the S7.12 contribution and I obviously have mine.

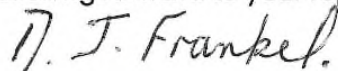
I am a major sponsor of the Tullibigeal Football Club, Picnic Race Club and Gymkhana. As well we also have many smaller contributions towards other organisations within our town. We are a great advocate of the Tullibigeal Swimming Pool and donate grain at harvest time to help keep them going as it is a great asset for our community.

I am asking for the Lachlan Shire to grant an exemption from the S7.12 contribution fee. I feel the contributions that we have provided over decades has been far and beyond.

Apart from NSW Department of Education we are the largest employer in Tullibigeal and I have conducted well over a hundred auctions raising money for charities and committees.

I am lead to believe that there is a chance that the S7.12, which I have already paid, could be spent in other communities within the Lachlan Shire which certainly wouldn't sit well with me.

Looking forward to your reply.



Darren J Frankel

Attachment 2 - Development Application Assessment Report
Development Application No. 2024/6 – Lot: 19 DP: 752341, 513 Tullibigeal Road, Tullibigeal

1. Background

a. Context

The development site falls approximately 5km to the north of Tullibigeal, to the western side of Tullibigeal Road.

The site is zoned RU1 – Primary Production, under *Lachlan Local Environmental Plan 2013*.

The development site is surrounded by primary production uses. The current farming facility comprises a number of farm buildings, which are associated with the primary use as cattle feed lot which was approved under DA2004/92 for 2800 cattle.

b. Site Description

The subject site is legally described as Lot: 19 DP: 752341, Tullibigeal and is known as 513 Tullibigeal Road, Tullibigeal with a total area of approximately 250 hectares.

The site currently has a number of existing farm buildings and has a small amount of vegetation over the site. There is vehicle access to the site via Tullibigeal Road, beyond this there is also access via Kings Lane. Figure 1 below shows site location.



Figure 1 – Site location

c. The Proposal

The proposal is for construction of a farm building: 40m wide, 280m long with a maximum height of 13.4m (6m eave height).

The development represents a fit for purpose facility that will provide improved primary production. The applicant notes the development includes the following which is shown on the development plans:

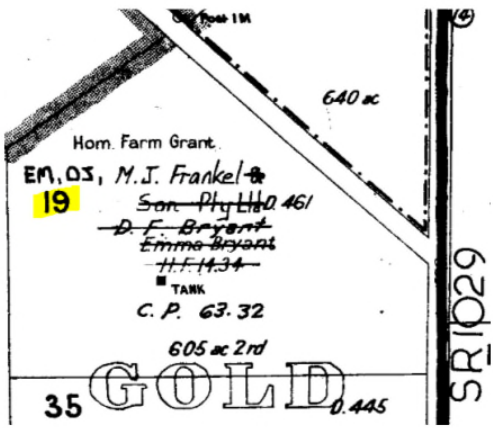
Provide weather protection over an existing feedlot. The building will be a simple steel structure with a ridgeback roof design to improve airflow, keeping animals cooler in summer, whilst reducing mud and the potential for disease during wet periods

Attachment 2 - Development Application Assessment Report
Development Application No. 2024/6 – Lot: 19 DP: 752341, 513 Tullibigeal Road, Tullibigeal

Property Attributes

Property attributes detail the characteristics and any restrictions on the property. Table 1 below outlines the property attributes of the development site.

Table 1 - Property Attributes

Attribute	Comment
Easements, restrictions or fill affected. List applicable attribute and how dealt with.	Lot: 19 DP:752341 The site has no known easements or restrictions. 
Indigenous Heritage	No – AHIMS search showed no items or areas within 250 metres of the site.
Flood Prone under Council’s mapping	No
Bushfire Prone under Council’s mapping	Yes – Assessment below
Potentially contamination Register	Yes – Cattle feed lot
Improvements:	Farm Buildings associated with cattle feedlot
Current Use:	Cattle feed lot and Primary production

Integrated Development

The following outlines which other approvals are required which would constitute “integrated development” for the purpose of Section 4.46 of the EP&A Act.

Issue	Yes	No	Issue	Yes	No
Coal Mine Subsidence Compensation Act 2017	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Petroleum (Onshore) Act 1991	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Fisheries Management Act 1994	<input type="checkbox"/>	<input checked="" type="checkbox"/>	POEO Act 1997	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Heritage Act 1977	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Roads Act 1993	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Mining Act 1992	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Rural Fires Act 1997	<input type="checkbox"/>	<input checked="" type="checkbox"/>
NPWS Act 1974	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Water Management Act 2000	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Attachment 2 - Development Application Assessment Report
Development Application No. 2024/6 – Lot: 19 DP: 752341, 513 Tullibigeal Road, Tullibigeal

Other Matters for Considerations

Issue	Yes	No
Is the development Designated Development (check schedule3 of EP&A Regs)?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Is the development Crown Development (check Division 4.6 EP&A Act)?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Is the development for a Concept DA (check Division 4.4 EP&A Act)?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Is the development Regional Development (check SRD SEPP)?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Is the development State Significant Development (check SRD SEPP)?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Is the development for an existing use (check Division 4.11 EP&A Act)?	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Section 4.14 – Bush Fire Prone Land

Under section 4.14(1) of the Act, the consent authority must be satisfied prior to making a determination for development on bush fire prone land, that the development complies with the document Planning for Bush Fire Protection (PBP) 2019.

The matter was not required to be referred to NSW RFS due to the development being a farm building that the applicant has identified as a class 10 structure:

The NCC defines a Class 10 building as a nonhabitable building or structure such as a:

- a. Class 10a – a non-habitable building being a private garage, carport, shed or the like;*

There is no bush fire protection requirements for Class 10a buildings located more than 6m from a dwelling in bush fire prone areas. Where a Class 10a building is located within 6m of a dwelling it must be constructed in accordance with the NCC.

The development is satisfactory in regards to Section 4.14 and PBP 2019.

2. Assessment

a. Planning Assessment

The consent authority is required to take into consideration the matters referred to in section 4.15 of the *Environmental Planning and Assessment Act 1979* as are of relevance to the development the subject of the application.

Relevant matters for consideration under s4.15 are:

- *State Environmental Planning Policy (Resilience and Hazards) - 2021;*
- *Lachlan Local Environmental Plan 2013;*
- *Lachlan Development Control Plan 2013;*
- *Lachlan Shire 7.12 Contributions Plan 2015;*
- *Lachlan Shire Community Participation Plan 2019;*
- The likely impacts of the development, including environmental impacts on the natural and built environment and social and economic impacts in the locality;
- The suitability of the site for the development;

Attachment 2 - Development Application Assessment Report
Development Application No. 2024/6 – Lot: 19 DP: 752341, 513 Tullibigeal Road, Tullibigeal

- Any submissions made in accordance with the *Environmental Planning and Assessment Act & Environmental Planning and Assessment Regulation (the Regulation)*, and
 - The public interest.
- a. Section 4.15(1)(a) The Provisions Of Any Environmental Planning Instrument

i. State Environmental Planning Policy (Resilience and Hazards) - 2021

Chapter 3 – Hazardous + Offensive Development of the new State Environmental Planning Policy (Resilience + Hazards) 2021 replaces the original State Environmental Planning Policy No. 33 – Hazardous and Offensive Development.

The proposed farm building is not considered ‘potentially hazardous’ under SEPP Resilience and Hazards (SEPP R & H)”.

The development is not potentially hazardous or offensive, and as a result Chapter 3 – Hazardous + Offensive Development of the State Environmental Planning Policy (Resilience + Hazards) 2021 does not apply to this proposal.

Chapter 4 – Remediation of Land State Environmental Planning Policy (Resilience + Hazards) 2021 replaces State Environmental Planning Policy No. 55 – Remediation of Land.

The aim of the SEPP R & H is to provide for the remediation of contaminated land for the purpose of reducing the risk of harm to human health or environment and requiring that any remediation work meet certain standards and notification requirements.

SEPP R & H requires Council to consider whether land is contaminated prior to granting consent to the carrying out of any development on that land. Should the land be contaminated, Council must be satisfied that the land is suitable in a contaminated state for the proposed use.

The site is identified as being potentially contaminated as it’s on Council’s register given it has been used for a cattle feed lot, which is an activity that would be considered potentially contaminating.

A site inspection has confirmed that the location of the farm building is on part of the land previously used for pasture rather than the defined feedlot area. It is not considered necessary to request any investigation reports on the subject site for the proposed development. The site is considered suitable for the proposed use and appropriate conditions will be applied.

ii. Lachlan Local Environmental Plan (LLEP) 2013

Part 2 Permitted or prohibited development & Land Use Table

Development Characterisation	<i>Farm building means a structure the use of which is ancillary to an agricultural use of the landholding on which it is situated and includes a hay shed, stock holding yard, machinery shed, shearing shed, silo, storage tank, outbuilding or the like, but does not include a dwelling.</i>
Land Use Zone	The site is identified on Land Zoning Map as Primary Production
Zone Objectives	<ul style="list-style-type: none"> • <i>To encourage sustainable primary industry production by maintaining and enhancing the natural resource base.</i> • <i>To encourage diversity in primary industry enterprises and systems appropriate for the area.</i>

Attachment 2 - Development Application Assessment Report

Development Application No. 2024/6 – Lot: 19 DP: 752341, 513 Tullibigeal Road, Tullibigeal

	<ul style="list-style-type: none"> To minimise the fragmentation and alienation of resource lands. To minimise conflict between land uses within this zone and land uses within adjoining zones
Land Use Table - Is Proposal Permissible In Zone?	Yes - The proposal as a farm building and ongoing use as a feedlot is listed as permitted with consent within the RU1 – Primary Production Zone.
Is Proposal Consistent With Zone Objectives? (Clause 2.3(2))	<p>Under clause 2.3(2) of LLEP 2013, the consent authority must have regard to the objectives for development in the zone.</p> <p>The development relates to a use that is seen to fit within a wide range of uses, services and facilities for primary production and therefore is consistent with the objective for the zone.</p> <p>Compliance with conditions of consent will ensure the development will have minimal adverse effects on other land surrounding permitted land uses, including residential.</p> <p>The development will not undermine land use objective and is considered to be consistent with the zone objective.</p>

Principal Development Standards (Part 4)

Part 4 Principal Development Standards		
Part 4	Local Provisions Applicable To Development And/Or Site	How Does The Development Comply (Where Applicable)

Nil

Miscellaneous Provisions (Part 5)

Part 5 Miscellaneous Provisions		
Part 5	Local Provisions Applicable To Development And/Or Site	How Does The Development Comply (Where Applicable)
Clause 5.10 – Heritage	<p>The objectives of this clause are as follows:</p> <p>(a) to conserve the environmental heritage of Lachlan,</p> <p>(b) to conserve the heritage significance of heritage items and heritage conservation areas, including associated fabric, settings and views,</p> <p>(c) to conserve archaeological sites,</p> <p>(d) to conserve Aboriginal objects and Aboriginal places of heritage significance.</p>	<p>The site does not contain any listed items and is not located within proximity of any items.</p> <p>The site is also not located within a heritage conservation area.</p> <p>Consequently the proposal is satisfactory with this section including the objectives.</p> <p>A stop works condition has been recommended during works for any unexpected items that may be found during construction works.</p>
Clause 5.18 Intensive Livestock Agriculture	<p>(1) The objectives of this clause are—</p> <p>(a) to ensure appropriate environmental assessment of development for the purpose of intensive livestock agriculture</p>	<p>The proposed farm building will not alter the existing feed lot numbers or operations per DA2004/92 for 2800 cattle.</p>

Attachment 2 - Development Application Assessment Report
Development Application No. 2024/6 – Lot: 19 DP: 752341, 513 Tullibigeal Road, Tullibigeal

	<p>that is permitted with consent under this Plan, and</p> <p>(b) to provide for certain capacity thresholds below which development consent is not required for that development subject to certain restrictions as to location.</p>	<p>The applicant has stated the following:</p> <p><i>The feedlot operations are existing and no intensification of the use is proposed. As such there will be no changes to the management strategies for waste, odour, noise, soil degradation and animal care. The proposed development will improve site conditions by collecting and effectively managing stormwater as opposed to rainfall events flooding feedlot pens.</i></p>
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Additional Local Provisions (Part 6)

Part 6 Additional Local Provisions		
Part 6	Local Provisions Applicable To Development And/Or Site	How Does The Development Comply (Where Applicable)
<p>Clause 6.1 Earthworks</p>	<p>The objective of this clause is to ensure that earthworks for which development consent is required will not have a detrimental impact on environmental functions and processes, neighbouring uses, cultural or heritage items or features of the surrounding land.</p> <p>Before granting development consent for earthworks (or for development involving ancillary earthworks), the consent authority must consider the following matters—</p> <ul style="list-style-type: none"> (a) the likely disruption of, or any detrimental effect on, drainage patterns and soil stability in the locality of the development (b) the effect of the development on the likely future use or redevelopment of the land, (c) the quality of the fill or the soil to be excavated, or both, (d) the effect of the development on the existing and likely amenity of adjoining properties, (e) the source of any fill material and the destination of any excavated material, (f) the likelihood of disturbing relics, (g) the proximity to, and potential for adverse impacts on, any waterway, drinking water catchment or environmentally sensitive area, (h) any appropriate measures proposed to avoid, minimise or mitigate the impacts of the development. 	<p>Earthworks will be required in the form of fill to create a building pad for the farm building.</p> <p>Conditions will be applied to ensure the relevant matters are managed.</p>

Attachment 2 - Development Application Assessment Report
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Part 6 Additional Local Provisions		
Part 6	Local Provisions Applicable To Development And/Or Site	How Does The Development Comply (Where Applicable)
Clause 6.7 – Essential Services	Development consent must not be granted for development unless the consent authority is satisfied that any of the following services that are essential for the development are available or that adequate arrangements have been made to make them available when required: <ol style="list-style-type: none"> a. the supply of water, b. the supply of electricity, c. the disposal and management of sewage, d. stormwater drainage or on-site conservation, e. suitable vehicular access. 	The site contains all essential services required for the proposed development.

b. Section 4.15 (1)(a)(ii) The provisions of any proposed instrument that is or has been the subject of public consultation under *the Act* and that has been notified to the Consent Authority

Nil

c. Section 4.15 (1)(a)(iii) The provisions of any Development Control Plan

Lachlan Shire Development Control Plan 2018 (LDCP)

The proposal has been assessed in regard to compliance with the following chapters:

DCP Provision / Objective	Assessment/Compliance
Chapter 1 – Introduction	
1.3 - Land to which this plan applies This plan applies to all land within Lachlan Shire and subject to Lachlan LEP 2013.	The subject site within the Lachlan Shire and subject to the LLEP 2013.

DCP Provision / Objective	Assessment/Compliance
Chapter 3 – Development	
3.1 – Development on all land This section applies to all land within Lachlan Shire and to all streets and road frontages with the exception of: <ul style="list-style-type: none"> • Lanes in settlements not exceeding 6.5 metres in width, and 	The proposal is generally consistent with the aims of this section and meets the relevant controls of this section.

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DCP Provision / Objective	Assessment/Compliance
<ul style="list-style-type: none"> Land on which a building is proposed to be erected and being of a class 3, 4, 5, 6, 7 or 8 as defined in the Building Code of Australia. 	
<p>3.7 Development of flood prone land</p> <p>3.7.1 – Generally</p> <ul style="list-style-type: none"> All buildings at or below the FPL should be constructed of flood compatible materials. All development applications should demonstrate that the proposed structure can withstand the force of floodwater, debris and buoyancy. <p>On site sewage management facilities should be sited and designed to withstand flooding conditions (including consideration of structural adequacy, avoidance of inundation and flushing/leaking into flowing flood waters)</p>	<p>N/A – Site is not floodprone</p>
<p>3.9 Bushfire prone land</p> <p>This section applies to Development Applications (other than subdivision of land) located on land mapped as Bush Fire Prone on the Lachlan Shire Council’s Bush Fire Prone Lands Map</p>	<p>The site is identified as bushfire prone.</p> <p>The matter was not required to be referred to NSW RFS due to the development being a farm building that the applicant has identified as a class 10a structure that is more than 6m from a dwelling:</p> <p><i>The NCC defines a Class 10 building as a nonhabitable building or structure such as a:</i></p> <p style="padding-left: 40px;"><i>b. Class 10a – a non-habitable building being a private garage, carport, shed or the like;</i></p> <p><i>There is no bush fire protection requirements for Class 10a buildings located more than 6m from a dwelling in bush fire prone areas. Where a Class 10a building is located within 6m of a dwelling it must be constructed in accordance with the NCC.</i></p> <p>The development is satisfactory in regards to Section 4.14 and PBP 2019.</p>

d. Section 4.15 (1)(a)(iia) The provisions of any Planning Agreement

The subject site does not have a Planning Agreement.

e. Section 4.15 (1)(a)(iv) The provisions of the Regulations

The *Environmental Planning & Assessment Regulation 2021* prescribes certain development consent conditions that form part of the development consent conditions imposed.

- **AS 2601** Australian Standard AS 2601—1991: *The Demolition of Structures*
Demolition does form part of this application and consent has been applied for.
- **BCA** The development is capable of complying with the *Building Code of Australia* and relevant Australian Standards.

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f. Section 4.15 (1)(b) The Likely Impacts Of The Development

The proposal has the potential to result in adverse impacts however those impacts are capable of being mitigated by conditions of consent (e.g. traffic, parking, management of facility and social impacts) or can be considered to result in minimal impact within reasonable/acceptable limits. There are likely to be no adverse social and economic impacts associated with the proposal.

	Satisfactory	Not Satisfactory	Not Relevant	Comment
Context & Setting	x			The proposed development is located on an appropriately zoned and sized site. The site has existing buildings and is well developed. It is not uncommon for large farm buildings to be located in this type of area in the Lachlan Shire.
Streetscape	x			The proposal will be in keeping with the existing streetscape of the area.
Traffic, access and parking	x			There will be no increase in traffic generation resulting from the farm building.
Utilities	x			The site is fully serviced due to the existing development. The proposed farm building will connect up to the same services as required.
Heritage	x			The site is not listed on the LLEP 2013 and has no known aboriginal sites. Cultural heritage condition applied.
Water Quality & Stormwater	x			Managed through conditions. No impact to adjoining properties.
Soils, soil erosion	x			A large amount fill ground works are required to ensure the building is at required levels. Appropriate soil and erosion conditions applied.
Flora and Fauna Trees	x			The location of the proposal does not impact any flora or fauna. The allotment is not effected by terrestrial biodiversity. Does not contain or is not adjacent to a national park or wildlife corridor.
Waste	x			Conditions of consent will ensure that the site is kept in an appropriate state during works.
Natural hazards - Flooding - Bushfire Prone	x			The site is identified as bushfire prone. The proposed farm building does not need to meet any BAL construction level requirements since it is not within 6m of a dwelling. The site is not subject to flooding.
Site design and internal design	x			The location and design of the proposal on the site is consist with the LDCP 2018 requirements.
Construction	x			Hours of works and noise to be controlled through standard conditions.
Cumulative Impacts	x			The development of an appropriately zoned site with appropriate access and essential services available. It is seen as satisfactory and will not create any cumulative impacts.
Setbacks, Building Envelopes	x			The proposed building setbacks do not raise any conflicts or concern and will not have a detrimental impact on any other adjoining rural holding or rural activity in the local area.

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g. Section 4.15 (1)(c) The suitability of the site for the development

The subject development site is suitable for the development. There are no physical impediments to the proposal that cannot be overcome by the imposition of suitable development conditions. The land is appropriately zoned to accommodate the improvement works to the existing medical facility.

h. Section 4.15 (1)(d) Any submissions

This application was notified for a period of 14 days in accordance with the requirements of the Lachlan Community Participation Plan between 01 March 2024 and 15 March 2024. This included notification letters being sent to surrounding properties and a notice on Council's website with supporting documentation. No (0) submissions were received during this period.

i. Section 4.15 (1)(e) The public interest

The public interest is a broad consideration relating to many issues which the development has generally satisfied.

The proposal will provide improvements to an important rural business, in the rural zone of the local government area. The proposed development is generally consistent with the relevant statutory requirements and planning objectives.

The application is not expected to have any unreasonable impacts on the environment or the amenity of the locality, with operational matters controlled by conditions. It is considered appropriate with consideration to the zoning and the character of the area and is therefore considered to be in the public interest.

Accordingly, development consent of this proposal will not undermine the public interest subject to appropriate conditions being imposed on any development consent.

3. Consultations

a. Council Referrals

The application was referred to a number of Council internal referral teams. Where required, conditions have been recommended and imposed by the technical assessments.

No external agencies comments were required.

b. Political Donations Disclosure

Under Section 10.4(4) of the *Environmental Planning and Assessment Act, 1979* (the Act), a person who makes a relevant planning application to Council is required to disclose any reportable political donations and gifts made by any person with a financial interest in the application within the period commencing two years before the application is made and ending when the application is determined, including:

- a. all reportable political donations made to any Councillor of this Council
- b. all gifts made to any Councillor or employee of this Council.

Note: Section 10.4(1) of the Act states 'political donations or gifts are not relevant to the determination of any such planning application and the making of political donations or gifts

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does not provide grounds for challenging the determination on any such planning application'.

The Disclosure Statement received by Council indicates that no reportable donations or gifts have been made.

4. Other Matters for Consideration

a. Biodiversity Conservation Act

The *Biodiversity Conservation Act 2016* (BC) contains a number of matters that are required to be considered as part of a DA.

In accordance with the above listed legislation there are a number of tests to determine whether the proposed development results in the need of offsets. Firstly, the test to determine whether proposed development or activity is likely to significantly affect threatened species or ecological communities, or their habitats (7.3).

Given no native vegetation is proposed to be removed, as well as the absence of any recorded endangered flora or fauna on site, there is not anticipated to be any adverse impacts upon ecological communities or habitats of threatened species. Secondly whether the proposed removal of native vegetation exceeds the biodiversity offsets scheme threshold (7.4).

No native vegetation is proposed to be removed. Therefore the threshold will not be impacted.

Thirdly whether the development is within a declared area of outstanding biodiversity value. The published biodiversity values map does not include any declared areas at the subject site.

Based on the above assessment the application does not fall within the biodiversity offset scheme. Relevant matters under the Biodiversity Conservation Act 2016 have been considered.

b. Lachlan Shire 7.12 Contributions Plan 2015

Council's Section 7.12 Contributions Plan applies to all applications for development consent. Pursuant to Council's Section 7.12 Contributions Plan, development with a proposed cost in excess of \$200,000 is subject to a development contribution of 1% of the total applicable development value.

Council's Section 7.12 Contributions Plan states:

This Plan authorises the Council to grant consent to development to which this Plan applies subject to a condition requiring the applicant to pay to the Council a levy of 1% of the proposed cost of carrying out the development, provided that the Council does not also impose on the consent a condition pursuant to section 7.11 of the Act.

The value of the proposed development is \$1,417 which would require a contribution of \$2,140.00 to be paid under Council's Section 7.12 Contributions Plan.

In accordance with Section 1.10 of Council's Section 7.12 Contributions Plan, Council may exempt the following kinds of developments from the levy, authorised to be imposed under the plan:

- *a development by a registered charity, community organisation or service club that will, in the opinion of the Council, provide a material public benefit to the Lachlan Shire community.*
-

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For such claims to be considered, any such development will need to include a comprehensive submission arguing the case for an exemption and include details of the mechanism ensuring that such development is, and will remain in the form proposed.

- Works to raise an existing dwelling to be above the Flood Planning Level
- Public infrastructure to be carried out by or on behalf of any public authority including the Council

The owner’s exemption request states the exemption is based on themselves being a major community contributor over many decades as the major Sponsor of Tullibigeal Football Club, Picnic Race Club, Tullibigeal Swimming Pool and Gymkhana, with many other contributions towards other organisations within the local community. There is also concern that the levy would not go directly to the local Tullibigeal community and rather could fund other projects within Lachlan Shire identified in the Plan.

A review confirms that neither the owner nor the business Frampton Flat Pty Ltd is registered with the Australian Charities and Not-for-profits Commission.

A review of Schedule 1 – Works Schedule identifies that there is project within the Tullibigeal community, which the contribution funds could be linked to:

D	Tullibigeal Park	\$40,000	Short-Medium Term
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The owner has undoubtedly provided great service to the Tullibigeal and Lachlan Shire Council for many decades through sponsorship of community clubs and events as well as employment benefit. Some of which could be considered a material public benefit, including donations to the Tullibigeal Swimming Pool.

Council has most recently provided two (2) exemptions to the Lachlan Section 7.12 Contribution Plan, at the Ordinary Meeting of Council on 27 April 2022, per resolution 2022/124 for DA2021/47 – Transitional Group Home - Catholic Care Wilcannia-Forbes and at the Ordinary Meeting of Council on 29 November 2023, per resolution 2023/263 for DA2023/29 – Medical Centre – Griffith Aboriginal Medical Service. Both applications satisfied the requirements of section 1.10 of Lachlan Section 7.12 Contributions Plan for such an exemption.

It however will not be recommended below the exemption request be granted in this instance, as the proposal does not meet the requirements of section 1.10 of Lachlan Section 7.12 Contributions Plan.

It will be recommended in the conclusion below the exemption request not be granted in this instance.

5. Conclusion

The proposal has appropriately addressed the provisions of Lachlan Local Environmental Plan (LLEP 2013). The proposal is also consistent with the applicable provisions of the relevant state policies.

With respect to the Section 7.12 Contributions Plan exemption, the proposed development has not been able to demonstrate that it meets the requirements within section 1.10 the Plan and the exemption should not be supported.

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In conclusion, the proposal is permitted with consent, is consistent with the objectives of the zone and where necessary conditions have been recommended such as to offset any adverse impacts.

Based on the assessment above, where there are no outstanding issues, it is recommended that DA No. 2024/6 be approved by Council.

6. Recommendation

That Council approve DA No. 2024/6, for the construction of a farm building - at Lot: 19 DP: 752341, 513 Tullibigeal Road, Tullibigeal, subject to the recommended conditions of consent in **Attachment 3**.

END OF REPORT

Attachment 2 – Recommended Conditions of Consent Development Application No. 2023/43 –
14-20 Lachlan Street Condobolin – Akura Pty Ltd

Attachment 2 – Recommended Conditions of Consent

ADMINISTRATIVE CONDITIONS

1. Construction Certificate & PCA Notification

Before any site works, building or use is commenced, the person having the benefit of the development consent must:

- a. obtain a Construction Certificate from Lachlan Shire Council or other accredited certifier, and
- b. appoint a Principal Certifying Authority.

2. Prescribed Conditions

This development consent is subject to the prescribed conditions made under the *Environmental Planning & Assessment Regulation 2021*.

3. Development in Accordance with Plans and Documents

The development shall be carried out in accordance with the approved stamped and signed plans and/or documentation listed below except where modified by any following condition or as amended in red ink.

A current copy of the Development Consent and Construction Certificate (including all plans, specifications and certificates) shall be maintained on the development site at all times until issue of an occupation certificate.

Note 1: Modifications to the approved plans will require the lodgement and consideration by Council of a modification pursuant to Section 4.55 of the Environmental Planning and Assessment Act.

Note 2: The approved plans and supporting documentation may be subject to conditions imposed under section 4.17 of the Act modifying or amending the development (refer to conditions of consent which must be satisfied prior to the issue of any Construction Certificate).

4. Building Code of Australia

All building work must be carried out in accordance with the requirements of the Building Code of Australia (as in force of the date the application for the relevant Construction Certificate was made).

5. Compliance with Consent

The conditions of this Development Consent issued under the Environmental Planning and Assessment Act 1979, are to be complied with. These conditions must be given to the builder and contractors to ensure this development is carried out in accordance with the approval.

6. Compliance with Notations on Drawings

The development must comply with any notations highlighted on the approved plans and specifications.

Attachment 3 – Recommended Conditions of Consent - DA No. 2024/6 – 513 Tullibigeal Road

PRIOR TO ISSUE OF CONSTRUCTION CERTIFICATE**7. Section 7.12 Contributions**

Pursuant to s7.12 of the *Environmental Planning and Assessment Act 1979* and the Lachlan Shire Council Section 7.12 Contributions Plan 2015, a levy in the amount of \$14,701.50 must be paid to Council prior to the commencement of any building works, unless the applicant and Council enter in an agreement for the applicant to provide works-in-kind or a material public benefit to the Council in part or full satisfaction of the levy.

The amount is to be adjusted in accordance with clause 25J(4) of the *Environmental Planning and Assessment Regulation 2000* and section 1.16 of the Lachlan Shire Council Section 7.12 Levy Contributions Plan 2015.

8. Long Service Levy

The Long Service Levy must be paid prior to the issue of the Construction Certificate.

Note: This is a levy imposed by the NSW Government and administered by the Long Service Payments Corporation for the purpose of long service payments to building and construction workers.

9. Erosion and Sediment Control Plan

An Erosion and Sediment Control Plan (ESCP) must be prepared to ensure erosion and sediment is controlled during high rainfall or dust events to prevent impact to downstream waterways. This must meet the standards outlined in the publication *Soils and Construction: Managing Urban Stormwater Fourth Edition Vol. 1* (or subsequent amendments) prepared by Landcom.

PRIOR TO COMMENCEMENT OF WORKS**10. Construction Certificate Requirements**

Prior to commencement of work, the person having the benefit of the Development Consent:

- a. Shall appoint a Principal Certifying Authority (PCA).
- b. Shall ensure a Construction Certificate is issued by the PCA.
- c. Shall notify Council of their intention to commence the site works, at least two days prior to commencement of work.

Where Lachlan Shire Council is nominated as the Principal Certifying Authority, the following requirements shall be satisfied before the commencement of work:

- a. The LSC Principal Certifying Authority Service Agreement shall be completed and signed by the applicant.
- b. The LSC Notice of Commencement of Building Works and Appointment of Principal Certifying Authority shall be completed and issued to Council at least two days before undertaking any work in accordance with the Construction Certificate.
- c. Terms and conditions of the LSC Principal Certifying Authority Service agreement shall be satisfied.

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11. Fencing

Prior to the commencement of any work, security fencing shall be installed around the perimeter of the site to a minimum height of 1.8 metres and in compliance with AS4687 Temporary Fencing and Hoardings and any other applicable WorkCover Guidelines. The fencing must be maintained throughout the construction phase.

12. Section 68 – Plumbing and Drainage Works

A Section 68 Approval must be obtained by a Licensed Plumber and Drainer prior to any sewer or stormwater work being carried out on the site. Plans must be supplied for assessment and approval as part of the s68 application and must indicate that pipe and pit sizing meets the requirements of AS3500 and the Plumbing Code of Australia. Further, a final inspection must be carried out upon completion of plumbing and drainage work prior to occupation of the development.

13. Sediment and Erosion Controls

Erosion and sediment control devices must be maintained throughout the entire construction phase of the development until the site is stabilised such that sediment will not be washed into the stormwater system during heavy rainfall.

14. Site Requirements

Prior to the commencement of construction works:

- (a) Toilet facilities at or in the vicinity of the work site shall be provided at the rate of one toilet for every 20 persons or part of 20 persons employed at the site. Each toilet provided must be:
 - a standard flushing toilet connected to a public sewer, or
 - if that is not practicable, an accredited sewage management facility approved by the council, or
 - alternatively, any other sewage management facility approved by council.
- (b) All excavations and backfilling associated with the erection or demolition of a building must be executed safely and in accordance with the appropriate professional standards. All excavations associated with the erection or demolition of a building must be properly guarded and protected to prevent them from being dangerous to life or property.
- (c) If an excavation associated with the erection or demolition of a building extends below the level of the base of the footings of a building on an adjoining allotment of land, the person causing the excavation to be made:
 - must preserve and protect the building from damage, and
 - if necessary, must underpin and support the building in an approved manner, and
 - must at least 7 days before excavating below the level of the base of the footings of a building on an adjoining allotment of land, give notice of intention to do so to the owner of the adjoining allotment of land and furnish particulars of the excavation to the owner of the building being erected or demolished. The owner of the adjoining allotment of land is not liable for any part of the cost of work carried out for the purposes of this condition, whether carried out on the allotment of land being excavated or on the adjoining allotment of land, (includes a public road and any other public place).

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(d) If the work involved in the erection or demolition of a building is likely to cause pedestrian or vehicular traffic in a public place to be obstructed or rendered inconvenient, or involves the enclosure of a public place, a hoarding or fence must be erected between the work site and the public place:

- if necessary, an awning is to be erected, sufficient to prevent any substance from, or in connection with, the work falling into the public place,
- the work site must be kept lit between sunset and sunrise if it is likely to be hazardous to persons in the public place, and
- any such hoarding, fence or awning is to be removed when the work has been completed.

DURING WORKS**15. Site Fill – Clean Material**

Any proposed site fill must be of clean material only, free from organic matter, and compacted in horizontal layers not more than 250mm thick to 95% of the standard maximum dry density of the soil. A validation certificate shall be provided to Council verifying that the material to be used is free of contaminants and fit for purpose and re-use in residential, commercial or industrial use, prepared by a qualified Geotechnical Engineer.

NOTE: Soil density tests from a NATA registered laboratory, and conducted in accordance with Australian Standard 1289, will be required, prior to the issue of a Construction Certificate for the erection of a building or the issue of a Subdivision Certificate.

16. Hours of Works

All works that are carried out in accordance with an approved consent that involve the use of heavy vehicles, heavy machinery and other equipment likely to cause offence to adjoining properties shall be restricted to the following hours in accordance with the NSW Environment Protection Authority Noise Control Guidelines:

- Mondays to Fridays, 7am to 6pm
- Saturdays, 7am to 1pm (if inaudible on neighbouring residential premises), otherwise 8am to 1pm
- No work is permitted on Sundays and Public Holidays.

Other construction works carried out inside a building/tenancy and do not involve the use of equipment that emits noise are not restricted to the construction hours stated above.

The provisions of the Protection of the Environment Operations Act, 1997 in regulating offensive noise also apply to all construction works.

17. Site Toilet Facilities

Adequate toilet facilities for workers must be provided at or in the vicinity of the work site.

18. Inspections

The applicant is to obtain a Compliance Certificate from Council or an accredited certifying authority, certifying compliance with the Building Code of Australia, and any other relevant conditions of consent for the stages of construction listed in column 1. For the purpose of obtaining the

Attachment 3 – Recommended Conditions of Consent - DA No. 2024/6 – 513 Tullibigeal Road

compliance certificate the work must be inspected by an accredited certifying authority at the time specified in column 2.

	Column 1	Column 2
A	Footings	When the footings have been excavated and all steel reinforcement has been placed in position.
B	Wall Frame	When the wall frame has been constructed, prior to cladding and hot and cold plumbing completed.
C	Roof Frame	When the roof frame has been constructed, prior to sheeting.
D	External drainage	When all external plumbing work is installed and prior to concealment.
E	Final	Prior to occupation of the building.

19. Stormwater Drainage

Stormwater drainage must be constructed so as to provide satisfactory on-site arrangements and not adversely affect adjacent properties.

20. Maintenance of Erosion & Runoff Controls

The soil and water management controls must be maintained at all times and checked for adequacy daily. The controls must not be removed until the development is completed and the disturbed areas have been stabilised.

Maintenance must include but is not limited to ensuring:

- a. all sediment fences, sediment traps and socks are properly placed and are working effectively
- b. drains, gutters and roads must be maintained clear of sediment at all times.

It is an offence under the *Protection of the Environment Operations Act 1997* to allow soil or other pollutants to fall or be washed into any waters or be placed where it is likely to fall or be washed into any waters. Substantial penalties may be issued for any offence.

Any excavated soil to be disposed of offsite must be assessed by a suitably qualified consultant in accordance with the Waste Classification Guidelines, Part 1: Classifying Waste (EPA 2014) to inform appropriate disposal. All waste requiring offsite disposal must be taken to a licenced waste facility.

21. Licensed Plumber

All plumbing and drainage work shall be carried out by a licensed plumber and drainer and to the requirements of AS/NZS 3500 and the National Plumbing Code of Australia (Volume 3 of the NCC).

Note 1: Notice of Work is to be issued to the Council no later than 2 business days before the work concerned is carried out.

Note 2: A Certificate of Compliance for the plumbing and drainage work identified in Colum 1 at the times specified in Colum 2 must be obtained from Council:

	Column 1	Column 2
A	Stormwater Drainage	When all external stormwater drainage work is installed and prior to concealment.
B	Final	Prior to occupation of the building or structure.

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Note 3: Sewer Diagram is to be issued to the Council and the owner of the land or the owner's agent, on completion of the final inspection.

22. Contamination – Unexpected Finds Protocol

Should any contamination or suspect material be encountered during site preparation, earth works, construction or any other stage of the development, works must cease immediately, and a suitably qualified consultant engaged to conduct a thorough contamination assessment and provide recommended management actions to guide the management of any contamination onsite. Council must be notified if this protocol is required to be enacted.

23. Cultural Heritage Stop Work Protocol

A stop work protocol must be implemented for any potential heritage items found during excavation including ceasing work immediately if any Aboriginal objects are found/uncovered, secure the site and inform Office of Environment and Heritage and Lachlan Shire Council immediately.

24. Dust Mitigation

Construction activities occurring at the premises must be carried out in a manner that will minimise emissions of dust from the premises.

PRIOR TO OCCUPATION/USE**25. Occupation Certificate**

An Occupation Certificate is to be obtained pursuant to Section 6.9 of the Environmental Planning and Assessment Act 1979, from the Principal Certifying Authority on completion of all works and prior to the occupation/use.

The "Final Occupation Certificate" shall not be issued if any conditions of this consent, but not the conditions relating to the operation of the development, are outstanding.

A copy of the Occupation Certificate and all necessary documentation supporting the issue of the Certificate is to be submitted to Lachlan Shire Council, if Council is not the Principal Certifying Authority.

GENERAL AND DURING USE**26. Signage**

No signage is approved as part of the application, no signs or advertising material shall be erected on or in conjunction with the proposed occupation of the site without a subsequent application being approved by Council.

27. Offensive Noise

The use and occupation of the premises including all plant and equipment shall not give rise to any 'offensive noise' as defined under the Protection of the Environment Operations Act 1997 and shall comply with the Noise Policy for Industry (2017) (as amended).

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28. Amenity - General

The development is to be conducted in a manner that will not interfere with the amenity of the locality by reason of the emission of noise, vibration, smell, fumes, smoke, vapour, steam, soot, ash, dust, waste water, waste products, grit, oil, by causing interference to television or radio reception or otherwise.

29. Waste Management and Disposal

Provision shall be made for the disposal, and containment, of waste generated by the development.

30. Stormwater

Stormwater must be managed on-site so as not to adversely affect adjacent properties.

31. Storage and Handling of Flammable and Combustible Liquids

At all times the storage and handling of any flammable and combustible liquids is to be in accordance with *AS 1940-2004 The storage and handling of flammable and combustible liquids*

All above ground storage facilities containing flammable and combustible liquids must be banded, stored and managed in accordance with *AS 1940-2004 The storage and handling of flammable and combustible liquids*.

32. Feed Lot

This proposal does not alter DA2004/92 – “Cattle Feed Lot” including requirements for any applicable approvals and licenses.

Prescribed conditions under the Environmental Planning and Assessment Regulation 2021**Compliance with Building Code of Australia and insurance requirements under the Home Building Act 1989**

1. A development consent for development that involves any building work must be issued subject to the following conditions:
 - (a) that the work must be carried out in accordance with the requirements of the *Building Code of Australia*, in force on the date of the application.
 - (b) in the case of residential building work for which the *Home Building Act 1989* requires there to be a contract of insurance in force in accordance with Part 6 of that Act, that such a contract of insurance must be entered into and be in force before any building work authorised to be carried out by the certificate commences.

Note: In this condition, a reference to the *Building Code of Australia* is a reference to that Code as in force on the date the application for the relevant complying development certificate is made.

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Erection of signs

2. A sign must be erected in a prominent position on any site on which building work, subdivision work or demolition work is being carried out:
 - (a) showing the name, address and telephone number of the principal certifying authority for the work, and
 - (b) showing the name of the principal contractor (if any) for any building work and a telephone number on which that person may be contacted outside working hours, and
 - (c) stating that unauthorised entry to the site is prohibited.

Any such sign is to be maintained while the building work, subdivision work or demolition work is being carried out, but must be removed when the work has been completed.

Note: This condition does not apply in relation to building work, subdivision work or demolition work that is carried out inside an existing building that does not affect the external walls of the building.

Note: This condition does not apply in relation to Crown building work that is certified, in accordance with section 109R of the Act, to comply with the technical provisions of the State's building laws.

Note: This condition applies to a complying development certificate issued before 1 July 2004 only if the building work, subdivision work or demolition work involved had not been commenced by that date.

Note: Principal certifying authorities and principal contractors must also ensure that signs required by this clause are erected and maintained (see clause 227A which currently imposes a maximum penalty of \$1,100).

Notification of [Home Building Act 1989](#) requirements

3. Residential building work within the meaning of the [Home Building Act 1989](#) must not be carried out unless the principal certifying authority for the development to which the work relates (not being the council) has given the council written notice of the following information:
 - (a) in the case of work for which a principal contractor is required to be appointed:
 - (i) the name and licence number of the principal contractor, and
 - (ii) the name of the insurer by which the work is insured under Part 6 of that Act,
 - (b) in the case of work to be done by an owner-builder:
 - (i) the name of the owner-builder, and
 - (ii) if the owner-builder is required to hold an owner-builder permit under that Act, the number of the owner-builder permit.
4. If arrangements for doing the residential building work are changed while the work is in progress so that the information notified under condition 19 above becomes out of date, further work must not be carried out unless the principal certifying authority for the development to which the work relates (not being the council) has given the council written notice of the updated information.

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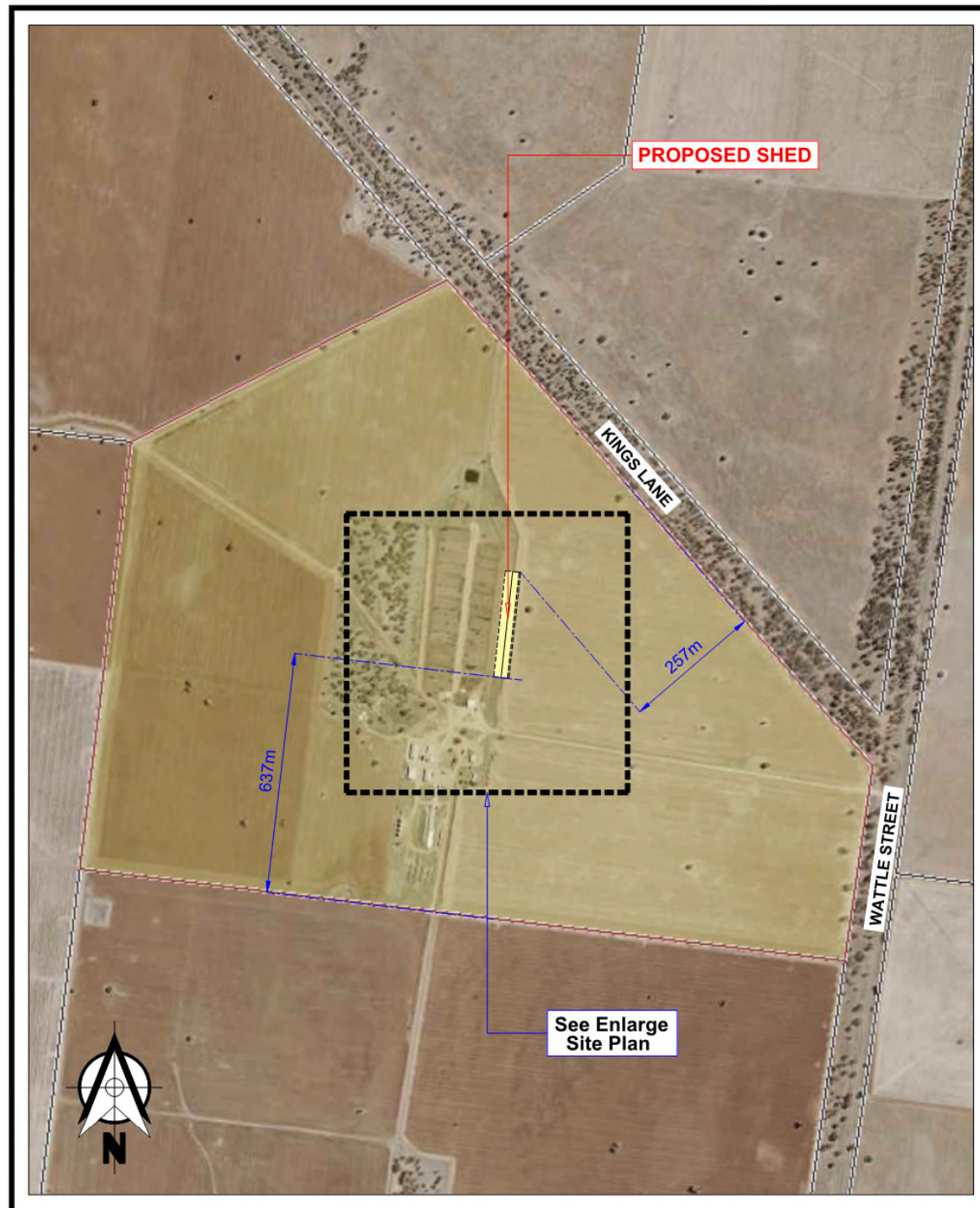
5. Conditions 3 and 4 do not apply in relation to Crown building work that is certified, in accordance with section 109R of the Act, to comply with the technical provisions of the State's building laws.

Condition relating to shoring and adequacy of adjoining property

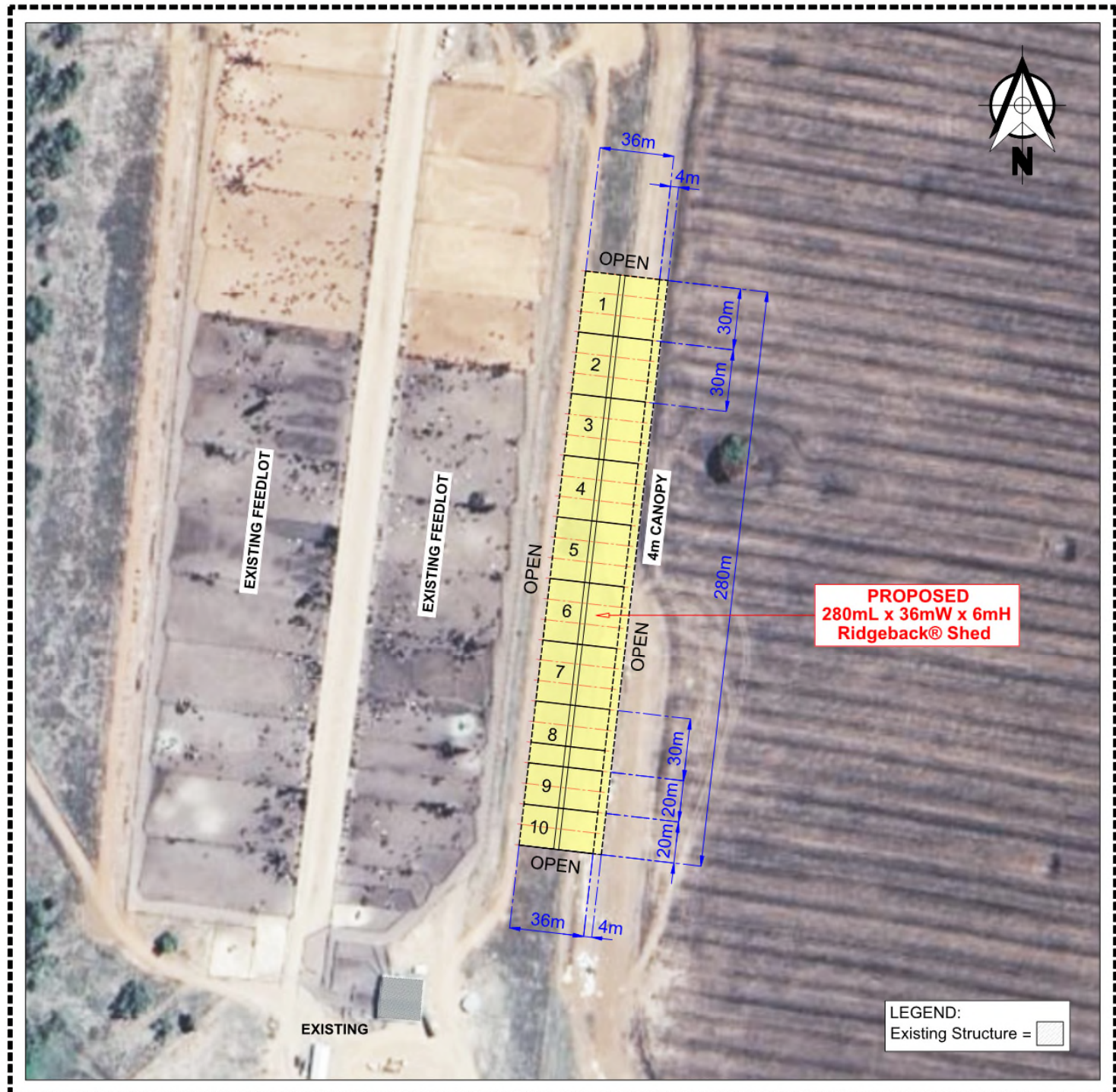
6. Where development involves an excavation that extends below the level of the base of the footings of a building on adjoining land, the person having the benefit of the certificate must at the person's own expense:
- (a) protect and support the adjoining premises from possible damage from the excavation, and
 - (b) where necessary, underpin the adjoining premises to prevent any such damage.

Note: This condition does not apply if the person having the benefit of the complying development certificate owns the adjoining land or the owner of the adjoining land has given consent in writing to that condition not applying.

END OF CONDITIONS



OVERALL SITE PLAN
Scale: 1 : 15000m



ENLARGE SITE PLAN
Scale: 1 : 2500m

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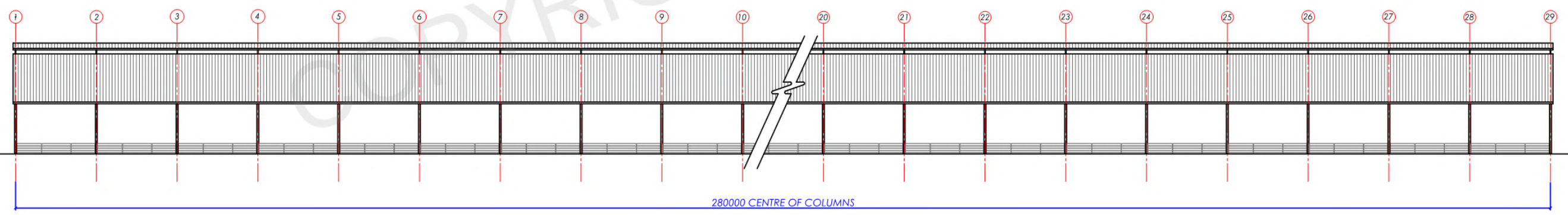
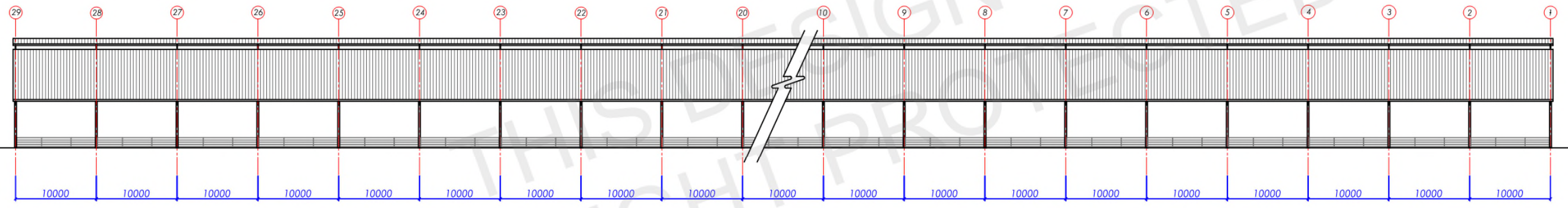
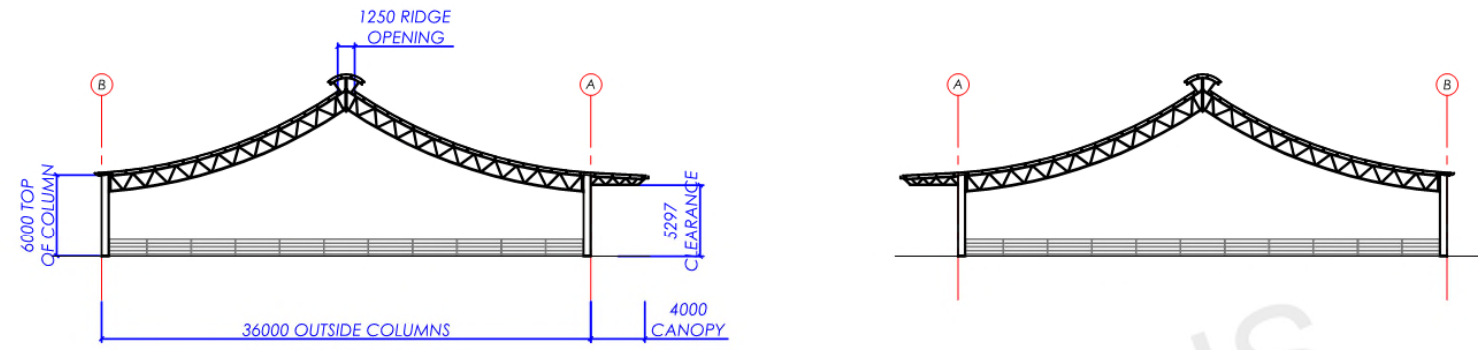


DRAWING NAME: Frampton Flat Ridgeback® Shed	
REV NO:	DATE:
SITE MAP	22/12/2023
SITE MAP	12/01/2024

PROPERTY DETAILS	
Suburb:	TULLIBIGEAL 2669
LGA:	LACHLAN
Lot:	19 Null DP752341
Address:	513 TULLIBIGEAL ROAD TULLIBIGEAL

DRAWING NAME:	SITE PLAN	
DRAWING NO:	SIZE:	A3
PAGE: 1 OF 1	SCALE:	As Shown

PROPOSED 280m x 36m x 6m RIDGEBACK FOR FRAMPTON FLAT - 27 Wattle St, Tullibigeal NSW 2669, Australia



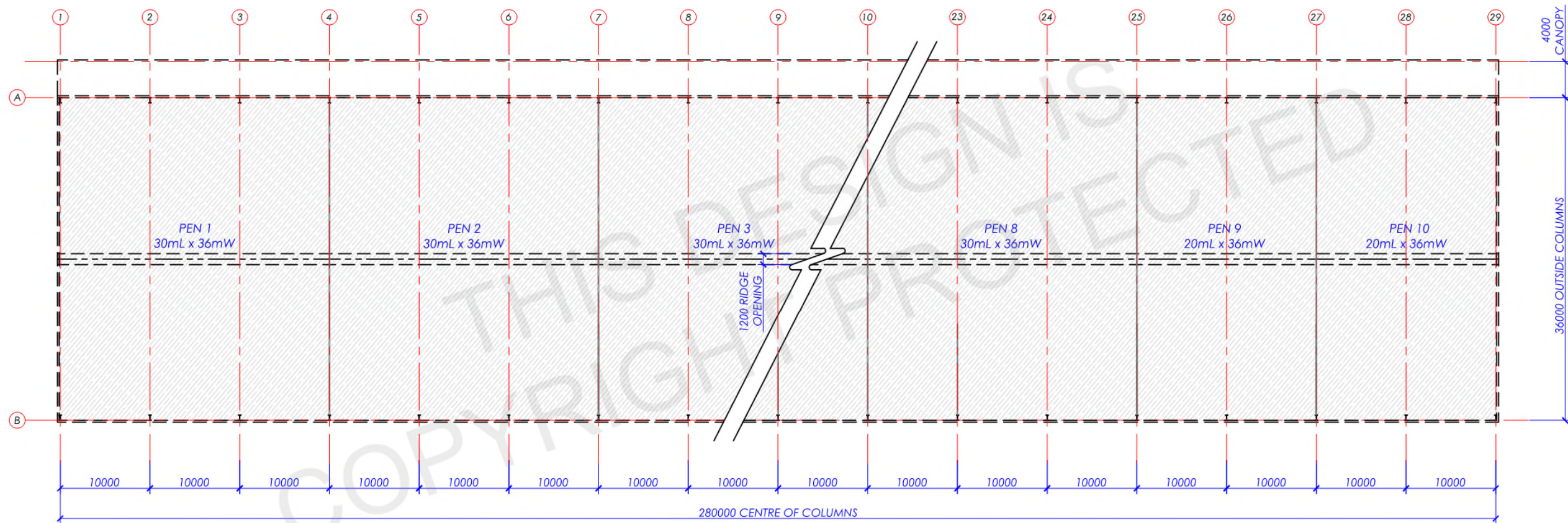
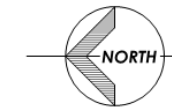
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NOTES:
 CONCEPT ONLY
 UNLESS OTHERWISE STATED ALL DIMENSIONS IN MILLIMETERS

REV NO:	DESCRIPTION	DATE:	DRAWN: KT	DRAWING NAME: ELEVATIONS			
A	PLANNING DRAWINGS	08/01/2024	CHECKED. APPROVED. ISSUED.	DRAWING NO:	SHEET: A02	REV: A	SIZE: A3
B							
C				PAGE: 2 OF 2	SCALE: 1:450	DATE: 08/01/2024	
D							

PROPOSED 280m x 36m x 6m RIDGEBACK FOR FRAMPTON FLAT - 27 Wattle St, Tullibigeal NSW 2669, Australia



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NOTES:
 CONCEPT ONLY
 UNLESS OTHERWISE STATED ALL DIMENSIONS IN MILLIMETERS

REV NO:	DESCRIPTION	DATE:	DRAWN: KT	DRAWING NAME: LAYOUT PLAN			
A	PLANNING DRAWINGS	08/01/2024	CHECKED. APPROVED. ISSUED.	DRAWING NO:	SHEET: A01	REV: A	SIZE: A3
B							
C				PAGE: 1 OF 2	SCALE: 1:450	DATE: 08/01/2024	
D							



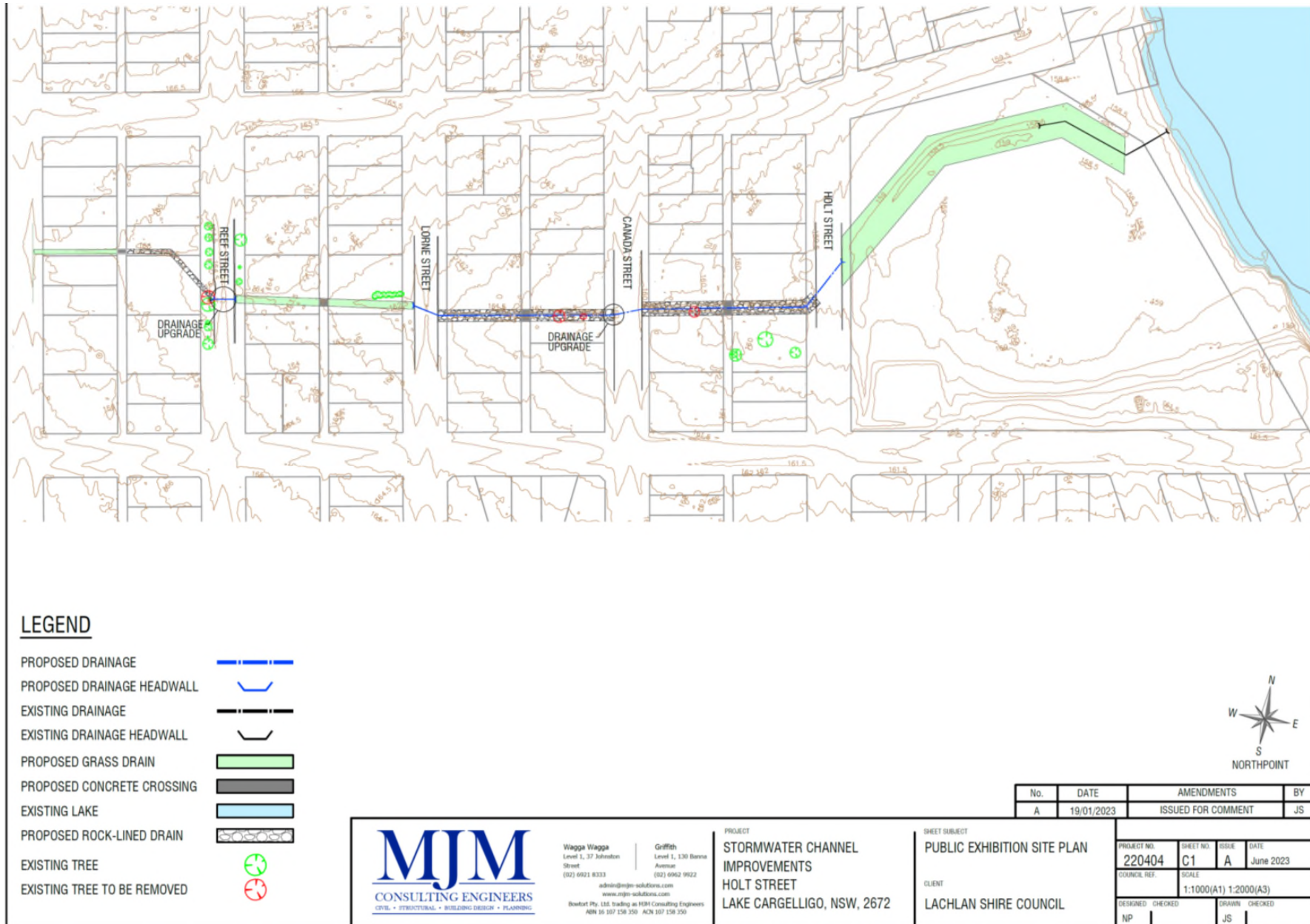
STORMWATER CHANNEL IMPROVEMENTS GRACE TO HOLT STREET LAKE CARGELLIGO

MJM Consulting Engineers have prepared a report outlining design concepts and solutions that will improve the safety, resilience, capacity, and aesthetics of the existing open channel drain of the village of Lake Cargelligo, which is running from west to east, starting from Grace Street to Holt Street and through the Recreation Ground to the Lake. This is a 2-page summary of that report. Considering the existing channel conditions, existing property constraints, stakeholder requests and rainfall data, three design options were developed.

Option	Positives	Negatives
Design Option 1 Large Pipes and Culverts to contain all flows in underground pipes	Does not require regular maintenance. Low visual impact.	Cost estimate \$1.8M Difficult to construct. If stormwater pipes block, there is high risk of damage to person and property.
Design Option 2 Smaller pipes and culverts to contain 1 in 5-year storm and open channel for larger storms	Reduced risk if pipes become blocked, as there is an open channel for large flows. Lower cost than option 1. Lower risk than option 3.	Cost estimate \$1.35M An additional easement would be required between Lorne and Holt Street to construct the channel for the large flows.
Design Option 3 Only an open channel. Erosion control structures	Cost estimate \$240k Lowest cost option. Lowest impact throughout construction.	Ongoing maintenance required. Signage and fencing repairs required to alert the public of risks and reduce access during storms.

Please note these cost estimates are based on 2023 industry costs







Ref: GH89H2123-002

Daryl Lawrence
02 6391 4341
daryl.lawrence@crowmland.nsw.gov.au

The General Manager
Lachlan Shire Council
PO Box 216
CONDOBOLIN NSW 2877

Dear Greg

Lake Cargelligo Sports Club Ltd

I write in follow up to our telephone conversation today.

It is understood that the Lake Cargelligo Sport Club Ltd (the Club) is officially in liquidation and is no longer operating as a registered club with the Office of Liquor and Gaming.

Andrew Bowcher of RSM Australia has been appointed as the Liquidator and is the process of winding up the affairs of the Club.

The Club holds Special Lease 153563 for the purpose of Erection of Buildings over Crown Reserve 96536, comprising Lot 203 DP 43547. See Diagram 1.

The department will continue to investigate options for future management of the site.

The Club is also the appointed Crown Land Manager for Reserve 96552 for Public Recreation, comprising Lot 204 DP 45347 and Lot 71 DP 752355. See Diagram 2.

Under Section 48 *Local Government Act 1993* management of Reserve 96552 will devolve to Council upon termination of the Club's appointment as Crown Land Manager.

The department will continue to investigate options for future management of the recreation reserve and would be pleased to discuss further with you.

Yours sincerely

A handwritten signature in blue ink that reads "D. Lawrence".

Daryl Lawrence
**Group Leader Property Management
Crown Lands, Orange**

01 March 2024

Department of Planning Housing & Infrastructure - Crown Lands
PO Box 2185 Dangar NSW 2309
Tel: 1300 886 235 www.crowmland.nsw.gov.au

Diagram 1 – Special Lease 153563

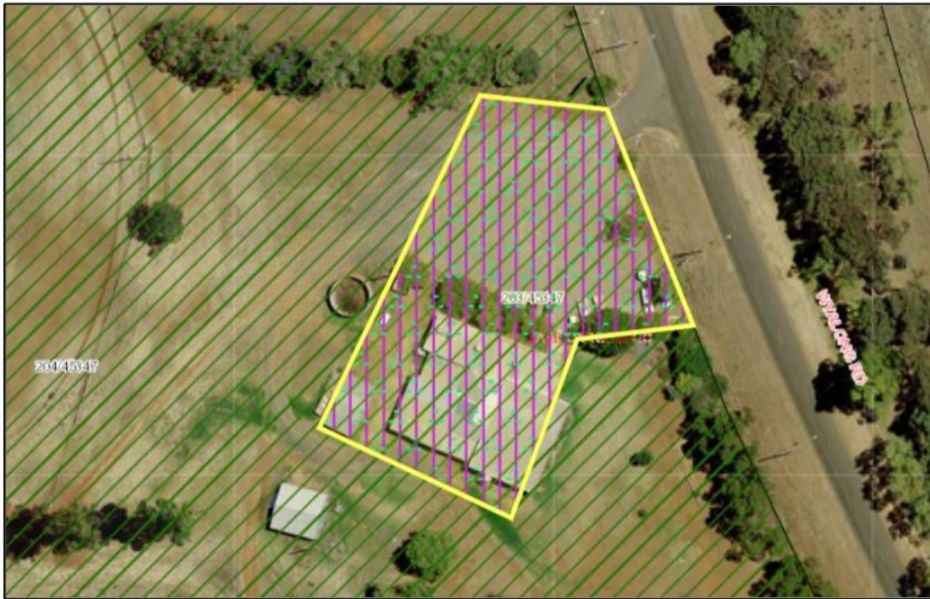


Diagram 2 – Reserve 9652 for Public Recreation



Department of Planning and Environment

Fact sheet



Managing devolved Crown reserves

Councils need to manage devolved Crown land differently to Crown land that they manage as a Crown land manager.

What is devolved land?

Councils manage more than 2,000 Crown reserves in NSW as a devolved manager. Crown reserves dedicated or reserved for public recreation or for a public cemetery devolve to council when they are not under control or vested in any other body or person, or under any lease. These public reserves are managed under section 48 of the *Local Government Act 1993* (LG Act).

It is also possible for a Crown reserve to be devolved under section 48 of the LG Act if the Governor, by proclamation, places the land under the control of the council, or if the Minister administering the *Crown Land Management Act 2016* (CLM Act) declares it by an order published in the Gazette.

Control under section 48 can be removed by declaration made under section 2.22 of the CLM Act.

Councils are not the appointed Crown land manager under the CLM Act for devolved land and must manage it differently to reserves where they are the appointed Crown land manager. Councils are not required to prepare a Plan of Management (PoM) for Crown reserves devolved to them.

Councils need to manage devolved reserves consistent with the reserve purpose and can undertake minor improvements, restoration work, maintenance, or works for public safety. They are unable to grant any tenures over this land.

If a council wants to develop or deal in the devolved land, they should seek to be appointed as the Crown land manager under the CLM Act. Councils can request to be appointed as Crown land manager by [emailing](#) their Regional Crown Lands office.

Department of Planning and Environment

Fact sheet



Difference between land managed by a council Crown land manager and devolved land

	Council Crown land manager	Crown land devolved to council
Legislation	Reserve managed under the CLM Act.	Reserve managed under section 48 of the LG Act.
Management	<p>Council is appointed as Crown land manager under section 3.3 of the CLM Act.</p> <p>Council is responsible for the care, control and management of the Crown reserve.</p> <p>Councils may undertake activities, development, and dealings in-line with an adopted PoM and the provisions of their appointment instrument.</p> <p>Councils must manage the land as if it were community land under the LG Act except as provided under section 3.22(2) and (3) of the CLM Act.</p>	<p>Council has control of the public reserve (default position).</p> <p>Council is responsible for public reserves, where they are not under the control of or vested in any other body or person or are not held under a lease from the Crown.</p> <p>Councils may install public infrastructure and improvements which are consistent with the reserve purpose.</p>
Can council deal in the land?	<p>Yes.</p> <p>Tenures can be authorised under clause 70 of the Crown Land Management Regulation or under an adopted PoM and LG Act provisions.</p> <p>Councils cannot sell the land without the consent of the Minister (section 3.22 of the CLM Act).</p>	<p>Yes, however only in limited circumstances for example for the provision of public utilities.</p> <p>If development or activity on the reserve is likely to fall outside the reserve purpose a licence from the Minister to council is required (under section 2.18 of the CLM Act).</p> <p>Councils cannot tenure or sell the land.</p>

Department of Planning and Environment

Fact sheet



	Council Crown land manager	Crown land devolved to council
Is Landowners consent required for Development Applications?	Only in certain circumstances where deemed consent is not provided. The State Environmental Planning Policy (Transport & Infrastructure) 2021 has certain provisions in which consent is not required, if that development is for the purposes of implementing an adopted PoM.	Yes, for all Development Applications.
Can council issues interments?	Yes, in accordance with the <i>Cemeteries and Crematoria Act 2013</i> .	Yes, in accordance with the <i>Cemeteries and Crematoria Act 2013</i> .
Is the <i>Aboriginal Land Rights Act 1983</i> applicable?	Yes.	Yes.
Is the <i>Native Title Act 1993</i> applicable?	Yes.	Yes.
Ownership of assets on Crown land?	The land is Crown land and fixtures are owned by the Crown. Any proposal for the transfer of assets should be raised at an early stage with the Minister so any power to do so may be explored.	The land is Crown land and fixtures are owned by the Crown. Any proposal for the transfer of assets should be raised at an early stage with the Minister so any power to do so may be explored.

Department of Planning and Environment

Fact sheet



	Council Crown land manager	Crown land devolved to council
Leases and licenses	<p><u>Short-term tenures</u></p> <p>Section 3.17 of the CLM Act allows councils to grant short-term licences up to 1 year under section 2.20 of the CLM Act for the purposes listed in clause 31 of the CLM Regulation.</p> <p>Council Crown land managers are also required (by section 3.21 of the CLM Act) to manage land in accordance with the LG Act.</p> <p><u>Leases/licences</u></p> <p>The LG Act sections 46 & 47 allows councils to issue a lease/licence over a Crown reserve. A lease that exceeds 5 years but is under 21 years requires Ministers consent if an objection has been received. A lease between 21 and 30 years also requires Ministers consent.</p>	<p>Cannot be issued by a council for devolved land.</p>

Disclaimer: This fact sheet is for general purposes and does not constitute legal advice. Therefore, councils should seek to obtain their own legal advice.

**Report from the Mayor attending the
Central NSW Joint Organisation Board meeting
29 February in Condobolin**

Recommendations

That Council note the report from the Mayor on the Central NSW Joint Organisation (CNSWJO) Board meeting 29 February 2024 and

- 1. note the return on investment from Council fees to the CNSWJO is 9.4:1;**
- 2. support the Simtables workshop at Council in disaster readiness;
and**
- 3. note the CNSWJO Draft Statement of Budget and Revenue.**



Picture 1: The Central NSW JO Board Meeting in progress, 29 February 2024, Condobolin

Board members were welcomed to Condobolin by Cr John Medcalf, Deputy Mayor of Lachlan Shire Councillor and immediate past Chair of the CNSWJO Board.

The first order of business was to elect a Chair. Cr Kevin Beatty, Mayor of Cabonne was elected unopposed. Cr Mark Kellam, Mayor of Oberon was elected unopposed as Deputy Chair.

The Board received a presentation from Ms Gerry Collins from Department of Regional NSW regarding Regional Coordination and Delivery Program.

Councillors John Medcalf and David Somerville were recognised for the years of service to the region. The Board also acknowledged the passing of Cr Don Fitzpatrick, former Mayor of Oberon.

On the day, the Board provided feedback that this report should include advice on the substantial value to members of the work the CNSWJO. This report leads with this advice. Please find the draft Minutes of the Meeting attached.

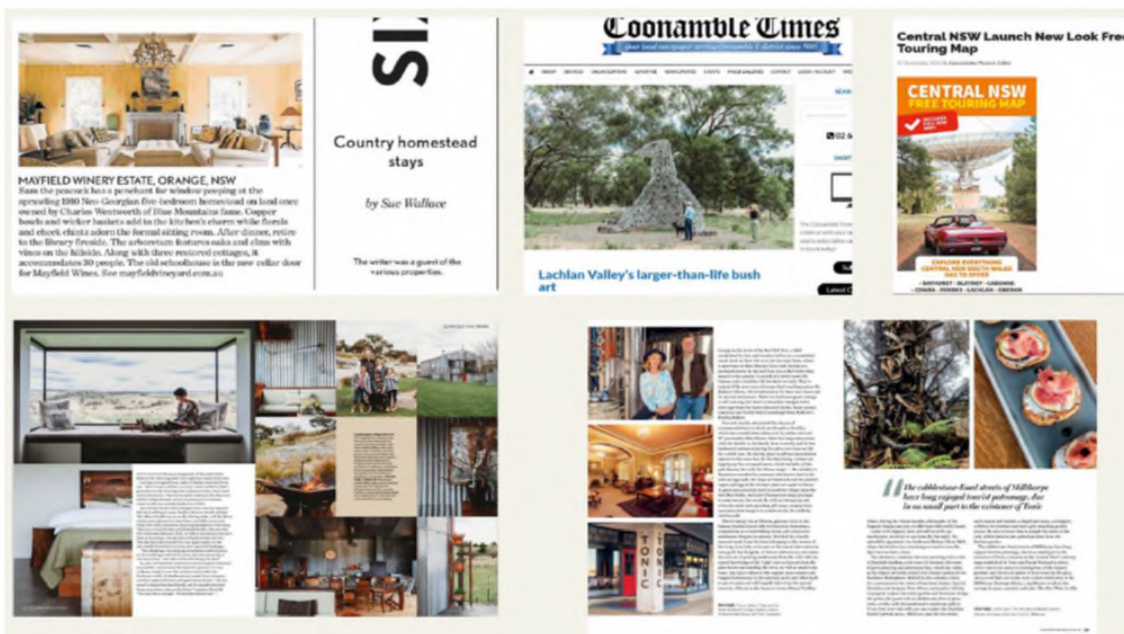
Value to Council

80% of CNSWJO resources are dedicated to providing its operational support program. This program delivers a return on investments of 9.4:1 for every dollar Council spends on its membership fees. This value is made up of grant income, monies saved through the CNSWJO procurement program and public relations value from its tourism marketing.

The work the region does in writing submissions, media, supporting projects and project teams, developing collateral and providing opportunities for members in various forums to represent their views is not included in the above figure of 9.4:1 ROI. However, this value is reported quarterly to the Board. Please go to the CNSWJO website to review past Board agendas at <https://www.centraljo.nsw.gov.au/business-papers-agendas/> or to review last year’s Annual Statement please go to [2023 STATEMENT \(nsw.gov.au\)](https://www.centraljo.nsw.gov.au/2023-STATEMENT)

This work continues year on year and for the 2022/2023 year the value is summarised as:

- 13 [Submissions - Central Joint Organisation \(nsw.gov.au\)](https://www.centraljo.nsw.gov.au/submissions) were lodged in line with CNSWJO policy on matters important to the region;
- 13 Plans, strategies and other collateral that members can leverage for funding, advocacy, forward planning and other purposes;
- \$4.2m in net cost savings across 18 regional contracts from a spend of \$25.3m.
- \$2.05m in grants for members to support training for Fluoride Operators, disaster risk reduction, Business case and Strategy Development JONZAG - Net Zero Acceleration Grant and other energy management, best practice in aggregated procurement, tourism and regional development;
- \$1.4m in public relations value and over \$472k in advertising value which encompassed 11 media releases and various social media metrics. The PR program delivered a major tourism marketing campaign for “Come Out, We’re Open” which formed a large body of work within the PR program in 2023.



Picture 2: Some of the many publications as a result of the CNSWJO PR campaigns



Picture 3 One of the fully funded dull page spreads in the SMH where all member councils were promoted

Grant funded projects for the 2022/2023 year were:

- The Joint Organisation Net Zero Acceleration Program;
- Disaster Risk Reduction Fund program;
- Bridge Assessments;

- Come Out We're Open flood recovery program
- A Business Case for Priority Investment in the Nexus between Net Zero and Energy Security;
- A Regional Centre of Excellence in Water Loss Management;
- Transitioning Integrated Water Cycle Management Plans to Integrated Planning and Reporting;
and
- A Spare Capacity in Housing Project.

Most of these are being finalised this year or are ongoing.

This value is delivered primarily by the various operational teams across the region including the CNSWJO;

- General Managers' Advisory Committee
- Water Utilities' Alliance
- Transport Technical Committee
- Tourism Managers Group
- Planners' Group
- Human Resources Managers Group
- WHS/Risk Management Group
- Training, Learning and Development Group
- Energy Group
- Regional IT Group
- Building Surveyors Skills Shortages Working Group
- Disaster Risk Reduction Steering Committee

Adoption of the Draft Statement of Budget and Revenue

CNSWJO must adopt its Statement of Budget and Revenue (the Statement) at its May meeting having put it on exhibition for 30 days. It resolved to provide it to members as part of this report. Please find the Draft Statement attached. The budget includes a 3% increase in fees, below that of the IPART rate pegged rise for Councils of 4.5% - 5.5%.

Submissions

Submissions lodged

The following submissions have been lodged since the last Board meeting. All have been at the request of members and/or as part of supporting the advocacy policy of the Board. All Submissions can be viewed on the website [Submissions - Central Joint Organisation \(nsw.gov.au\)](https://www.cnswjo.gov.au/submissions)

- [Australian Productivity Commission third inquiry into the National Water Initiative – January 2024](#)
- [Submission to the review of the Regional Development Act](#)
- [Draft NSW Energy Policy Framework](#)
- [Essential Energy Determination 2024-29 – Revised Public Lighting Pricing Proposal](#)
- [Consultation on the Future Drought Fund Investment Strategy & Funding Plan 2024-2028 – December 2023](#)
- [Submission to the NSW vocational education and training \(VET\) review – November 2023](#)

- [Response to the Department of Planning and Environment Lachlan Regional Water Strategy shortlisted actions – November 2023](#)
- [Inquiry into the planning system and the impacts of climate change on the environment and communities – November 2023](#)

Submissions under development

At the time of writing responses are intended for the following calls for submissions:

- DCCEE Draft Restoring the Rivers Framework Consultation;
- the inquiry into the assets, premises and funding of the NSW Rural Fire Service; and
- the draft Terms of Reference for the IPART review of NSW council financial model.

Disaster Risk Reduction Program

Council has received its Disaster Risk Reduction Needs Analysis report. At the time of writing a regional opportunities report is being finalised to identify programming the CNSWJO can deliver to support Council in this work.

Notably, CNSWJO are currently planning community workshops and training sessions aimed at enhancing community preparedness regarding natural disaster risks and vulnerabilities. The Project Steering Committee (PSC) evaluated three technology options: Simtables, SIMS online, and a cross-JO technology scoping study. It was decided to pursue all three options, focusing primarily on Simtables for the workshops. The workshops will introduce Simtables as a pilot program due to its distinctive nature and potential applications in disaster preparedness. The primary objective is to understand the technology's practical applications in disaster preparedness for the region and explore the potential to secure funding through existing Disaster Risk reduction initiative, contingent on a successful pilot. In the event of the success of the pilot and the purchase of the technology, a program will be developed to engage the broader community.

The workshops are tentatively scheduled for various locations in May 2024:

Bathurst – 2 May 2024
Oberon – 13 May 2024
Cowra – 14 May 2024
Lithgow – 15 May 2024
Blayney – 21 May 2024
Weddin – 21 May 2024
Orange – 22 May 2024
Parkes – 22 May 2024
Lachlan – 23 May 2024
Forbes – 23 May 2024
Cabonne – 24 May 2024

The workshops will primarily focus on bushfire preparedness across all Local Government Areas, with added emphasis on flooding scenarios in identified regions; Cabonne, Forbes, Lachlan, Lithgow, and others identified. The success of the workshops relies heavily on coordination and support from member councils, as well as assistance from the PSC and Local Emergency Management Officers

(LEMOs). CNSWJO will circulate an email once the above workshop dates, times, and venues are confirmed.

A recommendation has been made for elected representatives, general managers, and other relevant staff to participate in the upcoming community workshops and training sessions. This recommendation is crucial as it emphasises the importance of community preparedness and the potential benefits that Simtable technology can bring in enhancing disaster preparedness capabilities. Moreover, this initiative aligns well with the recent needs analysis for the region, which identified key opportunities within councils. The Simtable technology may be utilised as a tool to address some of these needs by providing a hands-on approach to understanding and mitigating disaster risks, fostering collaboration among stakeholders, and enhancing decision-making processes.

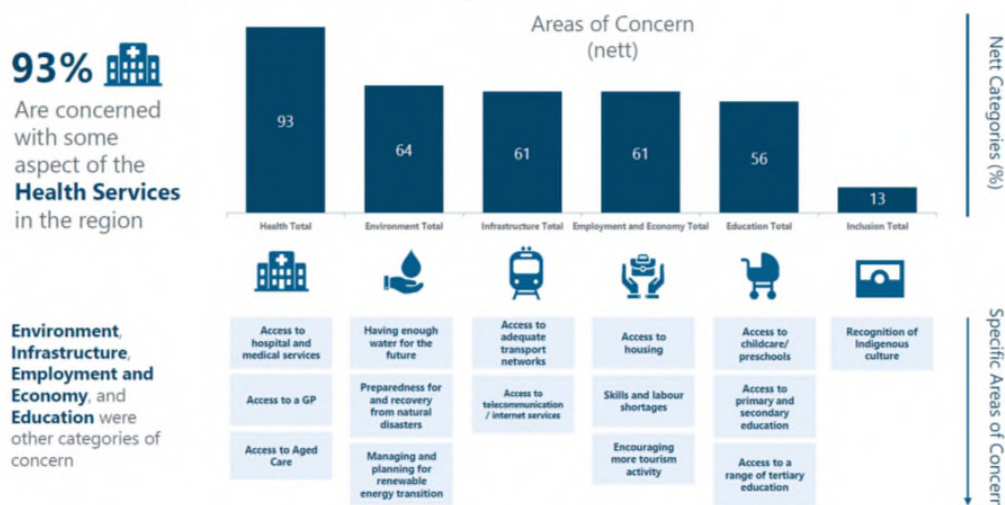
Collaborating on community engagement

There is opportunity to optimise data collection and dissemination in region to support the Community Engagement Strategies for member Councils.

Two projects the region has been collaborating on are Community Sentiment Surveying and Our PlaceMats.

The work on Community Sentiment Surveying was with four member Councils and produced advice on regional priority. Please see the graphic below.

Areas of Key Concern for the Region



I will now read out a list of areas that your Council may or may not be responsible for, but could influence, and I would like you to tell me which 5 out of the 15 areas would be the biggest areas of concern in your community right now? You may think they are all important however which 5 areas would you say are particularly important and need immediate attention?

Figure 1 Priorities of the community members surveyed across four local government areas

CNSWJO has been working with RDA Central West and Regional NSW on two key projects in the last twelve months, these being a repeat of the PlaceMats project providing 48 data sets for Councils they can use in their Community Strategic Planning community consultations and the workshops with NSW Government agencies providing useful data for Councils. Council will receive a report separately to adopt its PlaceMat. To view the regional PlaceMat please go to <https://www.centraljo.nsw.gov.au/co-operative-projects/>

Under the Local Government Act Councils must have Community Engagement Strategy (CES) that determines how they will engage the community in creating and reviewing their Community Strategic Plan. The CNSWJO Board resolved to collaborate with key peak regional agencies to optimise CES going forward.

The following value is provided to members through this project:

- Cost savings through aggregated procurement;
- Regular surveying supported regionally will show for trends;
- Other stakeholders may be interested in collaborating in this process including making a financial contribution. This may result in a greater body of shared data and better relationships between peak agencies;
- Participating in a regional program sets up a discipline for consultation processes.

Water

The Water Report provided:

- an update on the project to transition local water utility strategic planning into the Integrated Planning and Reporting (IP&R) framework;
- advice on the near completion Regional Water Loss Management project grant funded with members able to access funding for water loss management equipment; and
- advice on the completion regional asset management assessments using the National Asset Management Assessment Framework (NAMAF) where participating councils should have their report.

It provided advice on current consultative processes including:

- Joint Select Committee on Protecting Local Water Utilities from Privatisation;
- NSW Productivity Commission review of funding arrangements for Local Water Utilities;
- Australian Productivity Commission third inquiry into the National Water Initiative; and
- Draft Restoring the Rivers Framework, including engagement with the Murray Darling Basin Authority.

Planning is underway with Charles Sturt University for a Productive Water Policy Lab this year. All Councilors will be invited. The Board resolved to ask Phil Donato, Member for Orange, to organise a round table with state and federal representation to progress advocacy on water for the region.

Energy

There is a substantial amount of activity being undertaken to address the energy priority of the CNSWJO. Current work includes;

- Submissions;

Case Study: Compensation for communities impacted by the rewiring of NSW

At the time of writing the NSW Government is giving consideration to a revised energy policy framework. Included in this framework is guidance for voluntary compensation for affected communities. This includes a \$1050 per megawatt hour voluntary benefit sharing arrangement.

Assuming

- A 40% capacity factor for wind renewable energy generation
- The current price for Large Generation Certificate (LGC) is \$46; and
- All LGCs will be realised and they are realised annually as is the case at present.

\$1050 pa equates to just 0.7% of the annual income from only LGCs. The generator then sells its electricity at profit on top of that.

As it stands, renewable energy generation is being significantly incentivised and impacted communities are not being compensated. This is simply not fair.

- implementation of the Joint Organisation Net Zero Program;
- adoption of the Business Case for priority investment in the Nexus between Net Zero and Energy Security;
- advocating on Council's behalf to the Australian Energy Regulator on the costs of streetlighting.

Material advice to Council from this work is that;

- key messaging regarding the Dept of Planning Energy Framework consultation includes the Case Study above on compensating communities for the impacts of rewiring NSW in the context of support for the overall net zero aspiration;
- Council will receive a fully funded net zero fleet strategy;
- The advocacy undertaken by CNSWJO as the lead of the Southern Lights collaboration of councils has shown a substantial reduction in street lighting pricing. The final determination by the Australian Energy Regulator should be known by May of this year.

Conclusion

The CNSWJO continues to deliver very good value to Council. Please contact the Executive Officer Ms Jenny Bennett for more information.

Attachments

1. Draft Minutes of the CNSWJO Board meeting 29 February 2024
2. Draft Statement of Budget and Revenue

CNSW Joint Organisation Board Meeting
 Minutes of Meeting 29 February 2024
 Held in Condobolin at the SRA Pavilion

In Attendance*

Cr J Jennings	Bathurst Regional Council	Cr M Statham	Lithgow City Council
Cr D Sommerville	Blayney Shire Council	Cr A McKibbin	Oberon Council
Cr K Beatty	Cabonne Council	Cr J Hamling	Orange City Council
Cr R Fagan	Cowra Shire Council	Cr N Westcott	Parkes Shire Council
Cr J Medcalf	Lachlan Shire Council	Cr C Bembrick	Weddin Shire Council

Mr D Sherley	Bathurst Regional Council	Cr A Rawson	CTW
Mr M Dicker	Blayney Shire Council	Mr G Rhodes	CTW
Ms H Nicholls	Cabonne Council	Ms K Annis-Brown	OLG
Mr S Loane, OAM	Forbes Shire Council	Ms G Collins	Regional NSW
Mr G Tory	Lachlan Shire Council	Ms J Bennett	CNSWJO
Mr C Butler	Lithgow City Council	Ms M Macpherson	CNSWJO
Mr G Wallace	Oberon Council	Ms K Barker	CNSWJO
Mr D Waddell	Orange City Council	Ms J Webber	CNSWJO
Mr K Boyd, PSM	Parkes Shire Council		
Ms N Vu	Weddin Shire Council		
Ms M Schraeder	Regional NSW		

*Voting members in **bold**

Meeting opened at 9.00am by Chair Cr Kevin Beatty

1. **Welcome**
2. **Acknowledgement of Country**
3. **Apologies, applications for a leave of absence by Joint Voting representatives**
 Cr P Miller, Cr M Kellam, Cr P Phillips, Mr P Devery, Mr D Sherley, Mr M Dicker, Mr B Byrnes, Cr S Ferguson, Cr C Bembrick, Mr J Gordon

Resolved	Cr M Statham / Cr J Hamling
That the apologies for the Central NSW Joint Organisation Board meeting 29 February 2024 listed above be accepted.	

4. Election of Chairperson and Deputy Chairperson

Cr Kevin Beatty was elected as Chair unopposed.

Cr Mark Kellam was elected as Deputy Chair unopposed.

The service to the Board of Cr J Medcalf and Dr D Sommerville was acknowledged.

The passing of Cr Don Fitzpatrick was acknowledged.

5. Conflicts of Interest

Resolved
NIL declared

6. Speakers

- a. Gerry Collins, Director, Western NSW/Regional Coordination & Delivery / Regional Development / Department of Regional NSW.
- b. Katrina Annis-Brown, Office of Local Government

7. Minutes

7a Noting of the GMAC Minutes held 1 February 2024 in Orange

Resolved	Cr R Fagan / Cr N Westcott
That the Minutes of the CNSWJO GMAC Meeting held 1 February 2024 in Orange were noted	

7b Confirmation of the Minutes of the CNSWJO Board Meeting 23 November 2023 in Sydney

Resolved	Cr D Somerville / Cr M Statham
That the Minutes of the CNSWJO Board Meeting held 23 November 2023 in Sydney were noted	

8. Business Arising from the Minutes - Matters in Progress

Resolved	Cr J Hamling /Cr J Jennings
That the Central NSW Joint Organisation Board note the Matters in Progress, making deletions as suggested.	

9. Reports on Statement of Regional Strategic Priority 2022-2025

Priority One: Leveraging our successful collaboration

9a Financial Report

Resolved	Cr J Medcalf / Cr N Westcott
That the Board note the Financial Report.	

9b Budget considerations 2024/2025: The Draft 2024 CNSWJO Statement of Budget and Revenue

Resolved	Cr R Fagan / Cr A McKibbin
That the Board note the Statement of Budget and Revenue Report and;	
<ol style="list-style-type: none"> 1. adopt the draft Statement of Budget and Revenue and place it on exhibition for 30 days; 2. note that the budget for the next financial year includes a fee rise of 3% and a profit for the year of \$55,227; and 3. provide advice in the Mayoral Board report regarding the Statement of Budget and Revenue seeking member feedback. 	

9c Advocacy Report

Resolved	Cr J Jennings / Cr J Medcalf
That the Board note the Advocacy Report and;	
<ol style="list-style-type: none"> 1. note that a report from the workshop with the Rural Doctors' Network has been circulated; 	

2. adopt the Advocacy Plans for
 - a. Transport;
 - b. Water;
 - c. Energy; - receive a report on end of life and ratings on renewable energy generation.
 - d. Regional Prosperity;
 - e. Health; and
 - f. Skills Shortages;
3. endorse the activities of the Opt-in Advocacy Subcommittee of Mayors, those being;
 - a. developing a media campaign on Council sustainability;
 - b. progressing advocacy for a Safe Swift and Secure Link between Sydney and Central NSW; and
 - c. providing oversight of advocacy for the renewable energy transition and council financial sustainability; and
4. endorse the following submissions that have been lodged:
 - a. Australian Productivity Commission third inquiry into the National Water Initiative – January 2024
 - b. [Submission to the review of the Regional Development Act](#)
 - c. [Draft NSW Energy Policy Framework](#)
 - d. [Essential Energy Determination 2024-29 – Revised Public Lighting Pricing Proposal](#)
 - e. [Consultation on the Future Drought Fund Investment Strategy & Funding Plan 2024-2028 – December 2023](#)
 - f. [Submission to the NSW vocational education and training \(VET\) review – November 2023](#)
 - g. [Response to the Department of Planning and Environment Lachlan Regional Water Strategy shortlisted actions – November 2023](#)
 - h. [Inquiry into the planning system and the impacts of climate change on the environment and communities – November 2023](#)
5. Lodge the following submissions under the hand of the Executive
 - a. DCCEEW Draft Restoring the Rivers Framework Consultation;
 - b. the Inquiry into the Assets, Premises and Funding of the NSW Rural Fire Service; and
 - c. the draft Terms of Reference for the IPART review of NSW council financial model.
6. correspondence be sent to Mr Phil Donato/Mr Roy Butler requesting that the Minister for Water, The Hon. Rose Jackson be approached to convene a Regional Water Security Roundtable in the region to include state and federal government representatives.
7. receive a report on leading practice in Regional Governance.

9d Community Engagement Collaboration Report

Resolved	Cr C Bembrick / Cr D Somerville
That the CNSWJO Board note the Community Engagement Collaboration Report and	
1. adopt the Regional Report on community sentiment by Woolcott Research;	
2. note the significance of the findings on community priority for health and request the Portfolio Mayors for Health and Ageing provide feedback on ways in which the JO respond to this; and	
3. adopt the Regional PlaceMat with a proforma report to go to councils on this project.	

9e Regional Procurement and Contracts Report

Resolved	Cr J Medcalf / Cr A McKibbin
That the Board note the Procurement and Contract Management report and; <ol style="list-style-type: none"> 1. approve the updates to the procurement plan; and 2. endorse the updated Procurement Policy to include the sustainable procurement clause noting that implementation of such will occur over a 12-month period under the Best Practice in Aggregated Procurement Program. 	

9f Disaster Risk Reduction Fund Program Report

Resolved	Cr N Westcott / Cr M Statham
That the Board note the Disaster Risk Reduction Fund Program report and; <ol style="list-style-type: none"> 1. request that members nominate key staff members for the opportunity to extend licenses for the Emergency Services Spatial Information Library (ESSIL) platform beyond emergency staff; 2. commend to members that they support a top-down approach within Councils for essential staff to engage in the design and development of a regional Disaster Risk Reduction Integrated Planning and Reporting Framework; and 3. commend to members that Mayors, General Managers, and other relevant staff participate in the upcoming community workshops and training sessions. 	

Priority Five: Regional Transport and Infrastructure and Planning and Prioritisation

9g Transport Report

Resolved	Cr J Medcalf / Cr R Fagan
That the Board note the Transport report and note the progress on the following projects; <ul style="list-style-type: none"> • ‘Fix Me’; • Fixing Country Bridges; and • Grattan Institute. 	

Priority Six: Regional Water Security and Productive Water

9h Regional Water Report

Resolved	Cr D Somerville / Cr J Hamling
That the Board note the Regional Water Report.	

Priority Seven: Transition to a sustainable, secure and affordable energy future

9i Energy Program Report

Resolved	Cr D Somerville / Cr J Medcalf
That the Board note the Energy Program report and; <ol style="list-style-type: none"> 1. endorse the JONZA mid-term report; 2. note the addition of \$59,534 in funding for the JONZA program extension to 30 June 2024; 3. note the regional application for participating councils under the Community Energy Upgrades Fund focusing on pools; 	

- | |
|--|
| <ol style="list-style-type: none"> 4. endorse the draft Zero Emissions Fleet Transition Strategy, particularly the proposed 16 recommended strategic actions for CNSWJO; 5. request that member councils provide feedback on the draft regional zero emissions fleet transition strategy; 6. endorse the Business Case on the Nexus Between Energy Security and Emissions Reduction, the appendices and the Roadmap; and 7. endorse the following submissions: <ol style="list-style-type: none"> a. Energy Policy Framework; and b. AER Determination for 2024-2029 for Public Lighting. |
|--|

9j Quarterly Review of the Central NSW JO Strategic Plan and Statement of Regional Strategic Priority 2022-2025

Resolved	Cr A McKibbin / Cr J Medcalf
That the Board note the Quarterly Review of the Central NSW JO Strategic Plan and Statement of Regional Strategic Priority 2022-2025.	

10. Resolve into Confidential Committee of the Whole

Resolved	Cr J Medcalf / Cr M Statham
That the Board	
<ol style="list-style-type: none"> 1. resolve into closed session to consider business identified, together with any late reports tabled at the meeting; 2. pursuant to section 10A(1)-(3) of the Local Government Act 1993, the media and public be excluded from the meeting on the basis that the business to be considered is classified confidential under the provisions of section 10A(2) as outlined above; and 3. correspondence and reports relevant to the subject business be withheld from access. 	

11. Executive Officer

11a Executive Officer Performance Review 2022-2023

Resolved	Cr R Fagan / Cr J Medcalf
That the Board note the Executive Officer Performance Review 2022-2023 and	
<ol style="list-style-type: none"> 1. note the report regarding the performance management of the Executive Officer and that the performance was better than satisfactory; and 2. note a discretionary increase of 5% to the Executive Officer’s remuneration package, which reflects the performance of the Executive Officer and is in line with the Local Government Award increase from 1 July 2023 of 4.5% and the increase of the Superannuation Guarantee Charge of 0.5%. 	

11b Executive Officer Transition Report

Resolved	Cr N Westcott / Cr M Statham
<p>That the Board note the Executive Officer Transition Report and</p> <ol style="list-style-type: none"> 1. transition all staff to be employed through the Joint Organisation; 2. seek to have payroll and HR functions administered through a member council; 3. adopt a 2IC model for staff management for the next twelve months; 4. note that the Executive Officer will reduce hours to four days a week until December of this calendar year; and 5. review the structure with the incoming Board in December of this year. 	

12. Resolve into Open Session – Cr M Statham/Cr R Fagan

13. Late Reports - Nil

14. Matters raised by Members - Nil

15. Speakers to next meeting

- Essential Energy: Mr David Wilson / Mr Geoff Burgess
- Planning Staff – as advised by Ms G Collins
- Ministers for Transport, Energy
- Minister Housoss (Minister for Finance)
- Transgrid
- Mr Martin Rush (Mining Related Councils)

16. Next meeting

GMAC:

- 2 May 2024 – Oberon

Board:

- 23 May – Lithgow
- 22 August – Federal Parliament
- 28 November – State Parliament

Meeting closed: 12:13

Page 6 is the last page of the Central NSW Joint Organisation meeting 29 February 2024 held at Condobolin



Central NSW Joint Organisation

Budget and Statement of Revenue Policy 2024-2025

Draft for Public Comment

Contents

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3. 2024-2025 Budget	4

DRAFT

Budget and Statement of Revenue Policy 2024-2025

The Central NSW Joint Organisation's revenue and accounting policies are kept in accordance with the Australian Accounting Standards Board. CNSWJO abides by the:

- *Local Government Act (1993)*
- *Local Government (General Regulation 2005)*
- *Local Government Code of Accounting Practice & Financial Reporting*

1. Financial Contributions by Member Councils

Financial contributions by member councils fall into two categories. Firstly, membership fees are levied from all member councils in order to perform the principal functions of delivering on strategic regional priorities, regional leadership and intergovernmental cooperation. The second category is for contributions from participating councils for a program of other functions enhancing strategic capacity and direct service delivery. Strategic work by the Joint Organisation will determine the nature of this program. [Strategic Planning - Central Joint Organisation \(nsw.gov.au\)](https://www.nsw.gov.au/strategic-planning)

As outlined in its Charter, the Central NSW Joint Organisation (CNSWJO) member councils must contribute financially based on the following methodology:

- a. The annual financial contribution required to be made by each member council is to consist of:
 - i. base fee of the same amount for each Member Council; and
 - ii. a capitation fee [based on the population number drawn from ABS census figures].
- b. The annual financial contribution required to be made by each associate member is to be based on a methodology adopted by the Board.
- c. The amount of the base fee, capitation fee and financial contribution by associate members for a financial year is to be determined prior to the start of that year by Resolution of the Board.

For 2024-2025, contributions from member councils of the Joint Organisation of \$964,909 has been determined with the following breakdown:

- Membership & Administration: \$369,984
- Membership of various programs: \$594,925
(Operational, CNSWJO Water Utilities Alliance, Tourism & Western Region Academy of Sport)

2. Fees & Charges

Under the Local Government Act 1993, the CNSWJO may charge and recover an approved fee for its services.

CNSWJO must consider the following when establishing approved fees:

- The cost of provision of the service
- Recommended prices suggested by outside bodies
- The importance of the service
- Legislation that regulates certain fees
- Goods & Services Tax legislation.

3. 2024-2025 Budget

**Central NSW Joint Organisation Budget
2024/2025**

	Budget 2024/2025
Income	
CNSWJO Membership Fees	369,984
CWUA Best Practice Program	334,440
CNSWJO Regional Tourism Group	122,591
CNSWJO Operational Membership	126,035
WRAS	11,859
	\$964,909
Grant funding - JONZA	\$155,000
Grant funding - Bridges Project Mgmt	\$12,746
Grant funding - Disaster Ready Fund	\$202,195
	\$369,941
CWUA -Smart Approved Watermark	19,767
	\$19,767
HR - Regional Training Service Income	100,000
	\$100,000
Management Fees from Contracts	320,000
Management Fee from LGP	50,000
	\$370,000
Copyright Licence	20,000
Cyber Security (from members)	200,000
Vehicle Lease Back - Net Zero and Operational Programs Mgr	5,000
Interest	20,000
	\$245,000
Total Income	\$2,069,617

Expenditure	
Executive Officer Costs	150,000
Executive Officer Vehicle Costs & Depn	10,000
2IC / Net Zero and Operational Programs Manager incl Vehicle	45,065
Finance Manager	80,300
Project Officer - Procurement (mat leave until April 2025)	36,506
Project Officer - BPAP (and mat leave backfill)	79,928
Project Officer - Operations	60,438
Project Support Officer - Energy and Resilience	2,400
Cybersecurity Project	203,000
Executive Support and Admin Officer	80,000
Productive Water and Advocacy Manager - JO costs	56,000
CWUA - Best Practice Program (inc staff)	334,440
CWUA - Smart Approved Watermark	19,767
Grant - Bridges (inc staff)	12,746
Grant - JONZA (inc staff)	155,000
Grant - Disaster Ready Fund (inc staff)	202,195
Disaster Ready Program (JO costs)	86,655
CNSWJO Regional Tourism Group Marketing	122,591
SSRP review	35,000
Remuneration of the Chair	10,000
WRAS	11,859
HR - Training Service Costs	95,000
Regional Medical Student Scholarship	15,000
Advocacy	15,000
Accounting/Audit/Financial Services Support	29,000
Bank Fees and Sundry Costs	2,500
Computer Software/Licences	2,000
Procurement Software	4,000
Copyright Licence	20,000
Depreciation (excl vehicles)	4,000
Internet Cloud	10,000
Legal	10,000
Operational Teams Costs	10,000
Printing/Stationery/Postage	1,000
Zoom Conferences	1,500
Website Hosting and Costs	1,500
Total Expenditure	\$2,014,390
Net Profit/Loss	\$55,227

Cherise Small

From: Greg Tory
Sent: Thursday, 15 February 2024 4:59 PM
To: Cherise Small
Subject: FW: Invitation to make a submission to Public Accounts Committee inquiry
Attachments: Terms of Reference - Assets, premises and funding of the NSW Rural Fire Service.pdf

Hi Cherise,

Please include this email and the attachment in the correspondence report to the March 2024 Council meeting.

Thanks,

Greg



Greg Tory
General Manager
P: (02) 6895 1901 M: 0427 073 770
PO Box 216 CONDOBOLIN NSW 2877
www.lachlan.nsw.gov.au

From: Council <council@lachlan.nsw.gov.au>
Sent: Thursday, 15 February 2024 4:48 PM
To: Records <Records@lachlan.nsw.gov.au>
Subject: FW: Invitation to make a submission to Public Accounts Committee inquiry

From: PublicAccountsCommittee PAC <PublicAccountsCommittee.PAC@parliament.nsw.gov.au>
Sent: Wednesday, 14 February 2024 2:56 PM
To: PublicAccountsCommittee PAC <PublicAccountsCommittee.PAC@parliament.nsw.gov.au>
Subject: Invitation to make a submission to Public Accounts Committee inquiry

Good afternoon,

The Public Accounts Committee is conducting an inquiry into the assets, premises and funding of the NSW Rural Fire Service. The inquiry terms of reference are on the Committee's [webpage](#).

On behalf of the Committee, I would like to invite your organisation to make a submission to the inquiry. The closing date for submissions is 10 May 2024.

You can make a submission via:

- The Committee's [webpage](#)
- Email to PublicAccountsCommittee.PAC@parliament.nsw.gov.au

- Mail to The Chair, Public Accounts Committee, Parliament House, Macquarie Street, Sydney NSW 2000.

You can view information about [making a submission](#) to Legislative Assembly committee inquiries at the Parliament's [website](#).

If you would like further information about the inquiry or making a submission, please contact the Committee staff on 02 9230 3509.

The Committee would greatly appreciate your contribution to this inquiry.

Yours sincerely

Jason Yat-Sen Li MP
Committee Chair



Public Accounts Committee
Parliament of New South Wales

P +612 9230 3509

M 0437 498 093

E PublicAccountsCommittee.PAC@parliament.nsw.gov.au

Parliament House, Macquarie Street, Sydney, NSW 2000, Australia

www.parliament.nsw.gov.au

Integrity – Excellence – Respect



Acknowledgement of Country The Department of the Legislative Assembly acknowledges the Traditional Custodians of the lands where we work and live. We celebrate the diversity of Aboriginal peoples and their ongoing cultures and connections to the lands and waters of NSW. We pay our respects to Elders past, present and emerging.

This email is solely for the named addressee and may be confidential. You should only read, disclose, transmit, copy, distribute, act in reliance on or commercialise the contents if you are authorised to do so. If you are not the intended recipient of this email, please notify the sender by e-mail immediately and then destroy any copy of this message. Except where otherwise specifically stated, views expressed in this e-mail are those of the individual sender. The Parliament of New South Wales does not guarantee that this communication is free of errors, virus, interception or interference. • **Please consider the environment before printing this email.**



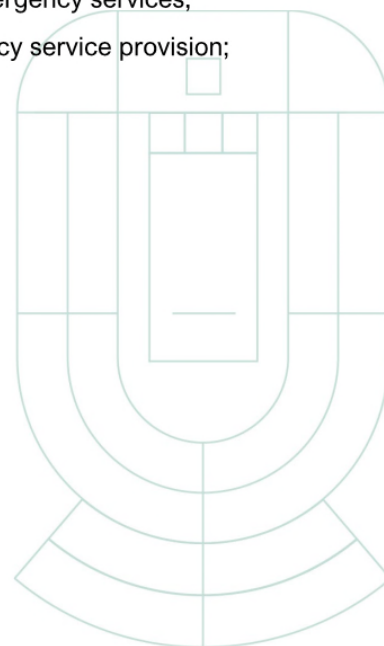
LEGISLATIVE ASSEMBLY
Public Accounts Committee

Inquiry into the assets, premises and funding of the NSW Rural Fire Service

Terms of Reference

That the Public Accounts Committee inquire into and report on:

1. The mechanisms for:
 - a. funding Rural Fire Service assets and premises;
 - b. Maintaining Rural Fire Service assets and premises;
 - c. Accounting for the ownership of Rural Fire Service assets and premises;
 - d. Operational management, including the control of assets and premises, risks, and impacts to local government, and the ability to effect a response to emergencies;
2. Whether the following arrangements between Councils and the Rural Fire Service are fit for purpose:
 - a. Service agreements;
 - b. The division of responsibilities for bushfire management and hazard reduction;
 - c. Upkeep of assets;
 - d. The provision of insurance;
 - e. Provision of land and construction management for RFS premises;
 - f. Bushfire Management Committees
3. The appropriate role for local authorities in the provision of emergency services;
4. the sustainability of local government contributions to emergency service provision;
5. Any other related matters.



Cherise Small

From: Council
Sent: Thursday, 22 February 2024 2:27 PM
To: Records
Subject: FW: NSW Productivity Commission - Review of Funding Models For Local Water Utilities
Attachments: 20240222_Alternative-Funding-Models-for-Local-Water-Utilities_Issues_Paper_accessible.pdf

From: Peter Achterstraat AM <lwureview@treasury.nsw.gov.au>
Sent: Thursday, 22 February 2024 2:00 PM
To: Council <council@lachlan.nsw.gov.au>
Subject: NSW Productivity Commission - Review of Funding Models For Local Water Utilities



Dear Clr Phillips,

I am pleased to share with you the news that the NSW Productivity Commission has today released an Issues Paper as part of our review of alternative funding models for Local Water Utilities.

The Issues Paper is not NSW Government policy, but rather explores a range of issues faced by regional communities in relation to local water utilities.

As a next step, the Productivity Commission will be conducting consultations to inform the final Report to be provided to the Minister later this year. This will include public submissions and feedback, visits to regional centres, and online sessions with stakeholders.

To provide your feedback, please email written submissions to LWUReview@treasury.nsw.gov.au by **28 March 2024**. Submissions may be published on the Commission website unless accompanied by a request for confidentiality, anonymisation, or redaction.

For more information and to read a copy of the Issues Paper, please visit the [Productivity Commission website](#).

Regards,

Peter Achterstraat AM
NSW Productivity Commissioner

Privacy notice:

The information you provide is collected for the purpose of receiving public submissions on the Issues Paper relating to the Local Water Utilities Review.

Your submission will inform the development of a report that will be submitted to the Minister for Water by June 2024. A final review report containing your submission may be published in the future.

Submissions may be published on the Commission website unless accompanied by a request for confidentiality. If you would like your submission to be confidential, anonymous or redacted in any way, please request this via email at lwureview@treasury.nsw.gov.au. Providing us with the requested information is not required by law. You may request access to your information at any time. To access or update your personal information, or for more information on our privacy obligations, please email lwureview@treasury.nsw.gov.au.



NSW Treasury
52 Martin Place
SYDNEY NSW 2000

[Unsubscribe](#)

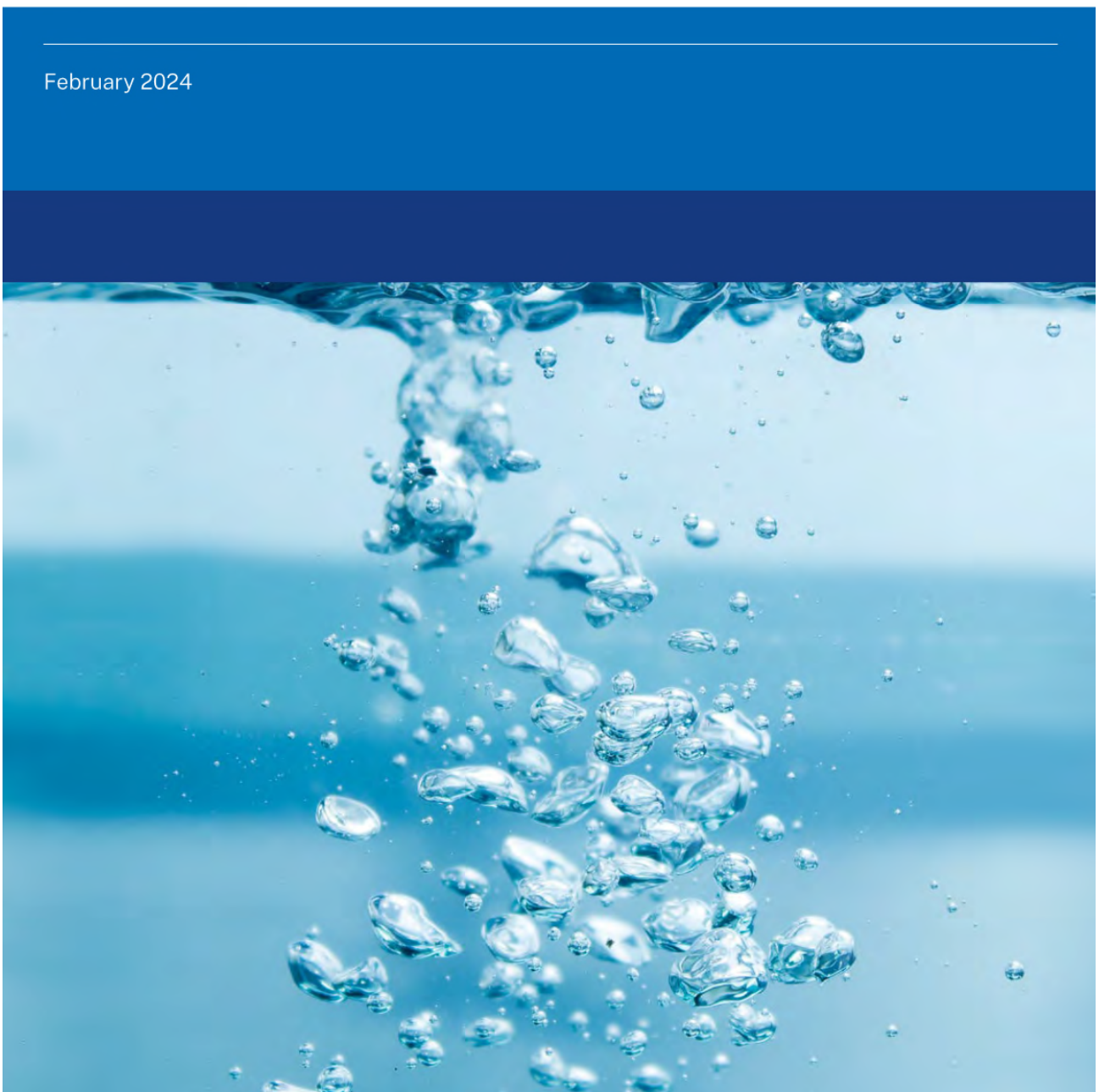
NSW Productivity Commission



Alternative Funding Models for Local Water Utilities

Issues Paper

February 2024



Acknowledgement of Country

We acknowledge that Aboriginal and Torres Strait Islander peoples are the First Peoples and Traditional Custodians of Australia, and the oldest continuing culture in human history.

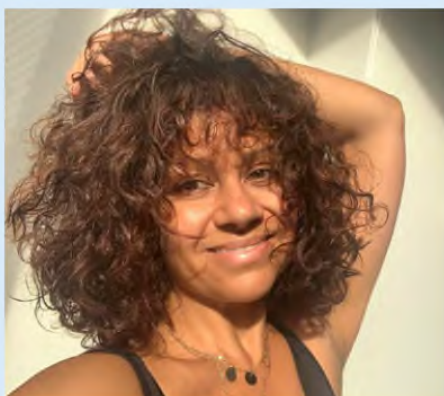
We pay respect to Elders past and present and commit to respecting the lands we walk on, and the communities we walk with.

We celebrate the deep and enduring connection of Aboriginal and Torres Strait Islander peoples to Country and acknowledge their continuing custodianship of the land, seas and sky.

We acknowledge the ongoing stewardship of Aboriginal and Torres Strait Islander peoples, and the important contribution they make to our communities and economies.

We reflect on the continuing impact of government policies and practices, and recognise our responsibility to work together with and for Aboriginal and Torres Strait Islander peoples, families and communities, towards improved economic, social and cultural outcomes.

Artwork:
Regeneration by Josie Rose



Regeneration

Josie Rose is a Gumbaynggirr woman who expresses her contemporary Gumbaynggirr cultural heritage through art. For *Regeneration* her chosen medium is acrylic paint on canvas and the design embodies both creative and cultural expression. The inspiration for her artworks comes from a deep place of spiritual connection to her family, community, culture and respect for Mother Earth. Gumbaynggirr Country is beautiful land with both freshwater and saltwater waterways which inspire her holistic connection to the Ancestors.

Josie Rose
Artist

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Productivity Commissioner's foreword



The people of regional and remote NSW depend on reliable and clean drinking water for their lives and livelihoods. I welcome the opportunity to investigate alternative funding models to strengthen the Local Water Utilities (LWUs) which provide essential water and sewerage services to around 1.8 million people across NSW.

There are over 80 LWUs run by local councils, most servicing fewer than 10,000 households. LWUs face diverse challenges based on where they are located, the area they cover and the number of customers they service.

Meeting the challenge of providing water and sewerage services in regional and remote NSW is no mean feat. Around 20% of the water supply systems in regional and remote NSW are assessed as having high infrastructure-related water quality risk, with over 590,000 people at potential increased risk from water-borne pathogens.

Providing these services to small and isolated communities is also costly, with some customers in remote areas paying around 30% more than their regional counterparts, or about \$540 a year. These are also typically areas of greater social disadvantage.

The problem is, these LWUs lack economies of scale. They need to provide drinking water, sewerage services and maintain a large area of pipes, with only a small population to pay for these costs. The NSW Government's \$1 billion Safe and Secure Water Program is already supporting LWUs with the capital costs of addressing high-risk infrastructure gaps. However, even with this support, some LWUs still face major funding challenges.

LWUs need a funding system that is fair, efficient, and meets the needs of regional and remote communities, while acknowledging different utilities require different levels of support.

The goal of the issues paper is to investigate the lay of the land and develop options that sustainably fund LWUs to deliver the services their communities expect.

I welcome anyone with an interest in how to fund water and wastewater services in regional and remote NSW to make a submission to the NSW Productivity Commission addressing the questions discussed in this paper.

Peter Achterstraat AM
NSW Productivity Commissioner

Executive summary

1



The delivery of water and wastewater services in regional and remote New South Wales (NSW) is challenging. Around 20% of the water supply systems in regional and remote NSW are assessed as having high infrastructure-related water quality risk, with over 590,000 people at potential increased risk from water-borne pathogens.

In September 2023, the Minister for Water asked the NSW Productivity Commission to investigate alternative funding options to reduce risks for LWUs, taking into account:

- current funding arrangements
- minimum service levels

- incentives for performance
- transition path to alternative funding models, leveraging the capabilities of State Owned Corporations
- pensioner rebates.

A critical assumption of this review is the NSW Government's policy of no forced amalgamations of local councils and that ownership of LWUs remain with local councils.

The Terms of Reference for this review are set out in Appendix A.



1.1 Small communities face higher bills and make up more of the higher risk systems

In NSW, customers in small communities often pay higher water and sewerage bills. For example, average bills are almost 30% higher for small, remote LWUs when compared to similar sized LWUs in less remote areas.

Despite having higher water bills, their customers may experience increased risk of drinking water incidents and boil water alerts.

1.2 Minimum service levels are needed to inform funding models

Unlike large metropolitan water utilities, such as Sydney Water, there are no mandatory minimum service levels for LWUs in NSW (or other Australian jurisdictions - see Chapter 4). While some LWUs may set targets for certain aspects of performance, setting minimum service levels could benefit customers. For example, it may incentivise LWUs to improve their performance in critical areas such as water quality, water security, environmental impacts and service reliability.

That said, a balance needs to be found between the desired minimum service levels and the costs of achieving them. Setting higher minimum service levels could involve higher costs for customers and for local and state governments. Further, it needs to be determined whether minimum service levels should apply universally to all towns within the area serviced by a LWU (or even those outside the service area), irrespective of the cost of meeting the standard.

Minimum service levels could be used to inform any decision on community service obligation (CSO) funding, as funding needs to be closely linked to the achievement of outcomes. Introducing independent oversight could complement this process, by transparently assessing how well LWUs are meeting these standards, and therefore encouraging them to adopt a strong focus on outcomes delivery.

1.3 Alternative funding models need to address lack of economies of scale and improve water resilience

Of the 85 LWUs in NSW, almost 72% are relatively small or very small (having less than 10,000 connections).¹ This means LWUs often do not have the financial resources (e.g. they face challenges in cost recovery) or organisational capability to provide more complex functions, such as designing and constructing water infrastructure. Their size may also mean they lack the scale to improve resilience of water systems and ensure water is secure and sustainable for their customers, and to maintain the actions necessary to protect their communities in the long-term.

One solution may be greater collaboration among LWUs when delivering their water and sewerage services. For example, leveraging current collaborative frameworks (e.g. Joint Organisations, county councils and regional alliances) to provide whole of catchment water quality monitoring and share technical expertise. There may also be benefits from broadening collaboration across government agencies, for example between State Owned Corporations, LWUs and regional stakeholders in water reliant industries to better co-ordinate delivery of water services and infrastructure.

Optimising the funding of LWUs may also address economies of scale, as well as improve water resilience and drive better performance. Many smaller and remote LWUs are unable to cover their costs through user charges. However, the current approach to state government funding – focused on capital grants or meeting critical water needs during times of drought – means long term sustainability is not addressed.

Shifting to a more targeted, whole of investment life cycle funding model could assist LWUs provide better water and sewerage services to their customers. It may involve LWUs receiving a mix of capital grants and CSO payments to cover their efficient costs of achieving minimum service levels. Eligibility could be based on system risks or financial need. For example, funding for CSO payments could take into account:

- number of connections
- remoteness and socio-economic score, and
- incentives to improve performance.

This funding could be adjusted to factor in the availability of other funding sources for LWUs, such as TCorp loans. Further, funding could be combined with better operational support for LWUs, such as access to skills training and newer technologies.



¹ Excludes State Owned Corporations, County Council-operated utilities and state water supply authorities.

1.4 Issues paper questions



Challenges from current funding models

1. What are the key factors that affect local water utilities' ability to recover costs through user charges?
2. What might be reasons for some local water utilities with similar size and remoteness to perform differently in terms of level of cost recovery?
3. What are key challenges with obtaining funding for water and sewerage infrastructure upgrades and investment?



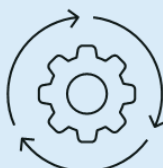
Funding model principles

4. What factors should be taken into account in calculating government subsidies for local water utilities?
5. What might be the typical costs for delivering water and sewerage services for a well-run local water utility?
6. What indicators could be linked to funding to drive ongoing performance improvements and deliver value for money for customers?



Minimum service levels

7. Should the minimum service levels be applied universally to all towns within the area serviced by a local water utility, irrespective of size, remoteness or cost?
8. What metrics should be considered in minimum service levels?
9. What is the existing evidence on current basic service levels, customers' needs for minimum service levels and willingness to pay in regional and remote communities?
10. What are the barriers to setting measurable service levels?
11. What are challenges with monitoring and reporting against minimum service levels?



Alternative funding options

12. What are the desired outcomes for addressing the challenges currently faced by local water utilities?
13. What are obstacles to greater use of loans from financial institutions to fund infrastructure investments in water and sewerage services?
14. What measures would drive investment planning that takes account of climate change risks and ongoing costs of infrastructure maintenance?
15. Who are most at risk from high water bills in regional, remote and metropolitan New South Wales?
16. What are examples of projects or operations associated with a funding model based on regional collaboration for local water utilities? What were the challenges?
17. What has worked well and what have been challenges for local water utilities in leveraging the scale and expertise of State Owned Corporations?
18. How could government and local water utilities better partner with Aboriginal communities to improve their water and sewerage services?

1.5 Have your say



The NSW Productivity Commission is releasing this Issues Paper in response to the Minister for Water’s request for a review of funding options for LWUs.

The Issues Paper is not NSW Government policy, but rather explores a range of issues faced by regional communities in relation to LWUs.

We want meaningful community discussion about why reform is needed, the critical challenges faced by regional communities and the options under consideration. We are releasing this Issues Paper to enable community input into the NSW Productivity Commission’s review of potential funding models for LWUs.

The release of the Issues Paper will also be followed by consultations with councils, LWUs, Joint Organisations of councils, industry groups, NSW Government agencies and the community. This will include public submissions and feedback, planned visits to Dubbo, Ballina, Wagga Wagga, Tamworth and Queanbeyan, and a range of online roundtables, workshops and meetings.

The feedback from the public submissions and stakeholder consultations will be used to inform the Productivity Commission’s analysis of possible funding arrangements. These will be contained in the Final Report, which will be provided to the Minister for Water for their consideration. The Commission encourages interested parties to make written submissions by 28 March 2024. Written submissions can be submitted to LWUReview@treasury.nsw.gov.au or visit [Have your say, NSW Government](#). Submissions may be published on the NSW Productivity Commission website unless accompanied by a request for confidentiality.

Challenges from current funding models

2



Key questions

1. What are the key factors that affect local water utilities' ability to recover costs through user charges?
2. What might be reasons for some local water utilities with similar size and remoteness to perform differently in terms of level of cost recovery?
3. What are key challenges with obtaining funding for water and sewerage infrastructure upgrades and investment?

2.1 Overview

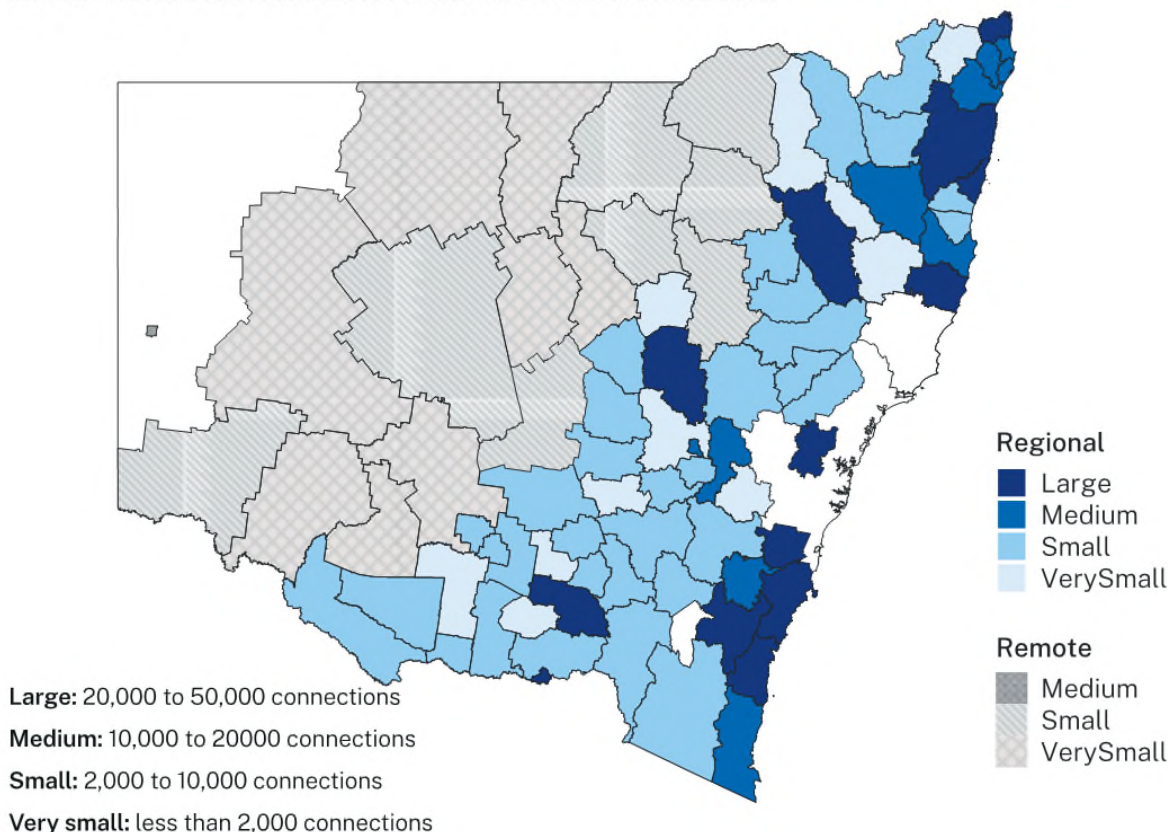
There are 85 council owned local water utilities (LWUs) in New South Wales and almost three-quarters (72%) have less than 10,000 connections.² 19 of the 85 utilities have less than 2,000 connections.

As shown in Figure 1, most LWUs are in areas characterised as regional by the ABS (81%) including all but one of the medium and large utilities with more than 20,000 connections. The remaining 19% of utilities are in remote areas in western NSW.

The NSW Department of Climate Change, Energy, the Environment and Water (DCCEEW) maintains a significant database of local water utilities performance against a range of asset management, operational, and financial metrics.³ This data is the basis of most the analysis in this paper. The data is freely available online; visit [Local water utility performance, Department of Planning and Environment](#). Appendix F outlines the calculations for numerical tables in this paper.

In this chapter we have analysed the risks faced by local water utilities as well as their asset performance, and financial condition. We have generally grouped utilities in our analysis based on the number of customers and remoteness of the utility.⁴ To ensure more accurate and realistic comparisons we have mostly focused our analysis on local government run utilities, rather than County Councils which extend across multiple local government areas, or utilities like Central Coast Council and Essential Energy which are price regulated by IPART.

Figure 1: Map of the location of different sized LWUs in NSW. Utilities in areas classed as regional by the ABS are in solid colours and those in remote areas are in dashed lines.



Source: DCCEEW, ABS, Frontier Economics analysis, NSW Productivity Commission analysis.

2 Excludes State Owned Corporations, County Council-operated utilities and state water supply authorities.
 3 DCCEEW also maintains a service risk database. See section 2.3 for a discussion of these risks.
 4 Frontier Economics analysis showed that the number of customers a utility has tends to correlate closely with its customer density, which is another factor often used to describe performance of local water utilities. Frontier Economics, Financial and operating performance of local water utilities-Final Report, 2022.

2.2 Regulatory performance⁵

NSW DCCEEW currently uses a risk based approach to assess water quality, environmental and water security risk by LWUs, which is used to prioritise government funding for capital investments under the Safe and Secure Water Program.

- Environment: assesses the risk that sewerage management poses risks to public health and waterways. A score of 3 generally means some residual public health risks and a score of 5 means a mismatch of the treatment capacity or technology with level of discharge.

2.2.1 Water quality

LWUs are required to comply with Australian Drinking Water Guidelines and the *NSW Protection of the Environment Operations Act 1997* in the delivery of water and sewerage services.⁶ The NSW DCCEEW risk based approach provides scores from 1 to 5, with 5 being the highest risk, based on the following:

As shown in Table 1, the bulk of LWUs with high water quality and environmental risk scores are small or very small. In part, this is because of the large number of small utilities in NSW.

- Water quality: degree of control applied to contamination risks as assessed through robust operating processes and infrastructure determined by NSW Health (Cryptosporidium, other pathogens). A score of 3 and above generally means improvements are needed to existing barriers and a score of 5 means additional barriers are needed.

Table 1: Percentage of LWUs with an average water quality and environmental risk score above 4, by LWU size

LWU size	Average Main Breaks per 100 km of mains ⁷		Water supply interruptions per 100km mains	
	Regional	Remote	Regional	Remote
Very Small (Less than 2,000 connections)	3%	1%	8%	4%
Small (2,000-10,000 connections)	13%	4%	28%	7%
Medium (10,000-20,000 connections)	4%	NA	11%	NA
Large (20,000-50,000 connections)	3%	NA	12%	NA

Note: The risk scores have not been adjusted to reflect new infrastructure spending. Excludes 15 councils that do not have a water quality risk score as they may be bulk supplied from another LWU or are non-potable. Risk scores are population weighted averages where a council manages multiple water systems.

Source: DCCEEW, NSW Health, NSW Productivity Commission analysis.

Importantly for medium and large utilities, although their average water quality risk scores as a whole are below 4, individual water supply systems might have higher risks. This is because large regional councils often service a large regional city as well as a number of very small outlying communities. As shown in Table 2, sixteen water systems in medium sized

councils and sixteen water systems in large councils have water quality risk scores of 4 or 5. Around 20% of the water systems in regional and remote New South Wales (NSW) are at the highest level of water quality risk, with over 590,000 people at risk of water-borne pathogens.

5 Water quality and environmental risks are regulated by NSW Health and the NSW Environment Protection Authority respectively. While there are no legislative requirements relating to water security risks, DCCEEW's Regulatory and Assurance Framework is designed to ensure LWUs can manage a range of service risks.

6 They also need to comply with the *Public Health Act 2010* and Public Health Regulation 2022.

7 Excludes 15 councils which do not currently have a risk score as they may be bulk supplied from another LWU or are non-potable. Risk scores are population weighted averages where a council manages multiple water systems.

Table 2: Number of water supply systems with water quality risk scores above 4, by LWU size

LWU size	Number of water supply systems with water quality risk scores of 4 or 5 ⁸		Water supply system with a water quality risk score of 4 or 5 (as a percentage of all systems)	
	Regional	Remote	Regional	Remote
Very Small (Less than 2,000 connections)	15	16	7%	7%
Small (2,000-10,000 connections)	71	33	33%	15%
Medium (10,000-20,000 connections)	16	NA	7%	NA
Large (20,000-50,000 connections)	19	NA	9%	NA

Source: NSW Health, NSW Productivity Commission analysis.

The Safe and Secure Water Program has begun to address some of the highest environmental and water quality risks. Currently around 45% of LWUs with an average water quality risk score above 4 have received funding. However, only 35% of LWUs with an environmental risk score above 4 have received funding.

As discussed in Box 2.1 an additional \$288 million is earmarked for addressing systems with high risk scores (including water security risk, see section below). Current funding allocated require local councils to submit a project proposal, which can result in time delays potentially due to limited capacity.

2.2.2 Water security risks are greater for smaller utilities

NSW DCCEEW also uses a risk based approach to assess water security risk by LWUs. The risk based approach provides scores from 1 to 5, with 5 being the highest risk, based on the ratio of water access risk to demand weighted by population size. Access risk is based on the 5/10/10 design rule.

A score of 3 generally means the annual secure yield from existing systems is less than the forecast demand in 2040, and a score of 5 means that there are currently nil or very small storages. The 5/10/10 design rule provides that:⁹

- duration of drought restrictions should be no more than 5% of the time
- frequency of restrictions should not be applied in more than 10% of years
- when restrictions are applied, the water supply system should be able to provide 90% of the unrestricted dry year water demand (i.e. 10% reduction in demand) through a much worse drought than on record (akin to a 1 in 1,000 year drought).

The risk scores are weighted by the size of the community. As the current risk scores are weighted by population size, smaller communities may not be able to access the current round of funding. Very small LWUs are assigned lower risk scores to reflect the smaller consequence of supply failure in communities which can be serviced through alternative methods, such as water carting.

The risk ratings in Table 3 show utilities of all sizes face water security risks, although the utilities at high risk were typically smaller. Water security risk tend to be higher in inland areas; the regions with the most utilities with risk scores above 4 are the Central West (6), the Far West and Orana (5), and Murray (5).

⁸ Excludes 15 councils which do not have risk scores as they may be bulk supplied from another LWU or are non-potable.

⁹ The 5/10/10 design rule was an expectation of DCCEEW under the previous and now replaced best practice management and IWCM strategy framework.

Table 3: Percentage of utilities with average water security risk scores above 4, by LWU size

LWU size	Water security risk – LWUs with average scores above 4 (as a percentage of all LWUs) ¹⁰	
	Regional	Remote
Very Small (Less than 2,000 connections)	5%	3%
Small (2,000-10,000 connections)	16%	4%
Medium (10,000-20,000 connections)	9%	NA
Large (20,000-50,000 connections)	7%	NA

Source: DCCEW, NSW Productivity Commission analysis.

The Safe and Secure Water Program has allocated water security funding to 76% of utilities with risk scores above 4. The NSW government has also provided funding through drought funding programs to address water security risks. The risk scores have been reviewed in the light of the work undertaken for the NSW regional water strategies.¹¹

2.3 Operational performance

The operational performance of LWUs is often viewed in relation to service reliability. In particular, water supply interruptions and main breaks. When compared to similarly sized LWUs in regional areas, some remote LWUs experience around 2-3 times as many main breaks and lose almost twice as much water to leakage compared to similarly sized utilities in regional areas.

See Appendix B for more information on the operational performance of LWUs.¹²

2.4 Financial performance

The ability for a LWU to recover its costs through user charges is generally related to its size and location. Larger LWUs in coastal areas and regional cities generally have much stronger balance sheets due to their larger customer base allowing for economies of scale.

2.4.1 Limited cost recovery for small and remote utilities

Under the NWI, all utilities aim to recover enough revenue from water charges to cover the cost of operating and maintaining their network. Where a utility is unable to recover revenue from customers to cover its costs, due to factors such as size and location, over time this would increase performance risks. Further, as discussed in section 2.4.2, water bills are relatively higher in remote areas, impacting cost of living pressures for vulnerable communities and making cost recovery challenging.

Table 4 shows that LWUs with more than 10,000 customers achieved cost recovery for operational costs. Smaller utilities and those in remote areas had more challenges in cost recovery, with some recovering as little as 80% of their costs from customers, due to lack of economies of scale. Further detailed analysis is provided in Appendix B.

10 Risk scores are population weighted averages where a council manages multiple water systems.

11 Risk scores are also reviewed if a project has been finalised under the Safe and Secure Water Program, to see if the risk score has been reduced due to the intervention. They may also be reassessed if there are other factors that have potentially increased or decreased the risk score.

12 Service measures in relation to wastewater to be further explored.

Table 4: Proportion of utilities achieving cost-recovery between 2016 and 2022, by LWU size

LWU size	Regional		Remote	
	Number of Utilities ¹³	Proportion achieving cost-recovery 2016-2022 ¹⁴	Number of Utilities ¹⁵	Proportion achieving cost-recovery 2016-2022 ¹⁶
Very Small (Less than 2,000 connections)	11	43%	8	50%
Small (2,000-10,000 connections)	34	90%	8	50%
Medium (10,000-20,000 connections)	10	100%	0	NA
Large (20,000-50,000 connections)	14	100%	0	NA
Total	69		16	

Note: We considered a utility achieved cost recovery if its annual ratio of revenue to expenses was greater than one on average over the years 2016 to 2022.

Source: DCCEE, Frontier Economics analysis, NSW Productivity Commission analysis.

Table 5 shows operating costs per connection for small and remote LWUs are almost 70% more than in large utilities.

This means there are higher operating costs per connection and less customers to pay for those operating costs.

Table 5: Operating costs per connection, by LWU size

LWU size	Operating costs per connection	
	Regional	Remote
Very Small (Less than 2,000 connections)	\$656	\$868
Small (2,000-10,000 connections)	\$634	\$794
Medium (10,000-20,000 connections)	\$686	NA
Large (20,000-50,000 connections)	\$511	NA

Note: Operating costs do not include borrowings, asset disposals or depreciation.

Source: DCCEE, NSW Productivity Commission analysis.

Smaller LWUs generally have a larger number of staff per connection, as shown in Table 6. This is due to the large geographic footprint and low economies of scale of smaller LWUs. A base level of labour force is

required to operate and maintain assets that may be disproportionate to the number of customers serviced that are widely dispersed.¹⁷

13 Excludes County Councils and State government utilities.

14 Percentages based on utilities which have reported financial data in the NSW DCCEE dataset. Due to missing data percentages may not reflect the true number.

15 Excludes County Councils and State government utilities.

16 Percentages based on utilities which have reported financial data in the NSW DCCEE dataset. Due to missing data percentages may not reflect the true number.

17 LWUs also face challenges in paying skilled water operators sufficiently high salaries to attract them to regional and remote areas. Berrigan Shire Council, Submission to the Joint Select Committee on Protecting Local Water Utilities from Privatisation, October 2023, p 8.



Table 6: Rate of full-time equivalent staff members, by LWU size

LWU size	FTEs per 1,000 connections		Average number of FTEs per LWU	
	Regional	Remote	Regional	Remote
Very Small (Less than 2,000 connections)	6.8	7.6	19	14
Small (2,000-10,000 connections)	4.4	7.2	41	41
Medium (10,000-20,000 connections)	3.3	NA	88	NA
Large (20,000-50,000 connections)	3.7	NA	198	NA

Source: DCCEEW, Frontier Economics Analysis, NSW Productivity Commission analysis.

2.4.2 Customers in remote areas face higher bills

Councils set their own water bills based on the costs they face and the levels of service their communities expect. As shown in Table 7, LWUs with less than 2,000 connections in remote areas have bills around 37% higher (\$2,332 vs \$1,700) than similar sized LWUs in less remote areas. Bills may be higher in these areas because of higher water usage in dry inland areas, but also reflect higher prices.¹⁸

Very small and remote LWUs also tend to service some of the most socio-economically disadvantaged communities in NSW, as shown by the low average Socio-Economic Indexes for Areas (SEIFA)¹⁹ scores for these LWUs in Table 7. Increasing bills for these very small and remote LWUs to achieve cost recovery in some of these areas would require increasing prices by around 10-20% or hundreds of dollars a year on top of their already high bills.^{20 21} Such an increase would place significant hardship on some customers and have significant impacts on local economies.

18 Note there may be other factors such as geography, water sources, treatment requirement and population density.

19 The Australian Bureau of Statistics' Socio-Economic Indexes for Areas (SEIFA) ranks areas according to their relative socio-economic advantage and disadvantage using Census data. Higher scores indicate an area is more socio-economically advantaged, the average of all areas in Australia is 1,000, with a score of 900 indicating an area is in the 15% least advantaged.

20 Note the estimated increase in prices to achieve cost recovery would only maintain current service levels.

21 Note some councils may be able to raise other own source revenue.

Table 7: Average Socio-Economic Indexes for Areas scores and average annual bills for 2021-22 financial year

LWU size	Average SEIFA score		Average annual bills \$FY2022	
	Regional	Remote	Regional	Remote
Very Small (Less than 2,000 connections)	962	905	\$1,700	\$2,332
Small (2,000-10,000 connections)	957	917	\$1,803	\$2,339
Medium (10,000-20,000 connections)	963	NA	\$1,879	NA
Large (20,000-50,000 connections)	983	NA	\$1,746	NA

Note: Annual bill calculation excludes LWUs which do not provide water, while SEIFA calculation includes all LWUs.

Source: ABS Census 2021, DCCEEW, Frontier Economics analysis, NSW Productivity Commission analysis.

2.4.3 Some utilities have a shrinking customer base

Regional Australia has experienced “two-speed” population growth over the past decade.²² Larger regional centres and coastal areas have generally experienced sustained population growth, while smaller remote towns have typically had stagnant or declining populations.

This is visible in the annual trend in the population and number of connected properties for different sized utilities in Table 8.

Table 8: Compounded annual growth rates in connection numbers, revenue and population, by LWU size and remoteness

LWU size	Compounded annual growth rate in connection numbers		Compounded annual growth rate in real revenue		Compound annual growth rate in population	
	Regional	Remote	Regional	Remote	Regional	Remote
Very Small (Less than 2,000 connections)	-0.3%	-0.7%	3.5%	0.2%	-0.2%	-1.1%
Small (2,000-10,000 connections)	0.5%	-0.6%	1.0%	-0.2%	-0.2%	-0.8%
Medium (10,000-20,000 connections)	0.4%	NA	1.6%	NA	0.6%	NA
Large (20,000-50,000 connections)	1.1%	NA	-0.4%	NA	0.9%	NA

Source: DCCEW, local government financial statements, DHI [NSW Population Projections](#), NSW Productivity Commission analysis.

22 Australian Bureau of Statistics (2021-22), [Regional population](#), accessed 1 February 2024.

Large regional utilities have experienced growth in the number of new connections. This increases the number of customers it can share its costs across and improves its economies of scale. Smaller LWUs have had lower population growth, and very small utilities have lost connections (see Figure 2).

For small and medium LWUs, real revenue appears to have generally grown faster than changes in the number of connections. Large utilities experienced a decline in real revenue between 2016 and 2022, despite growing connections (see Figure 3 and Figure 4).²³ Unexpectedly, very small utilities experienced increases in revenue, despite a decline in connections. Revenue can be impacted by several factors including changes in prices and the volume of water sold to customers.

Figure 2: Change in number of connections (compared to 2015-16 financial year)

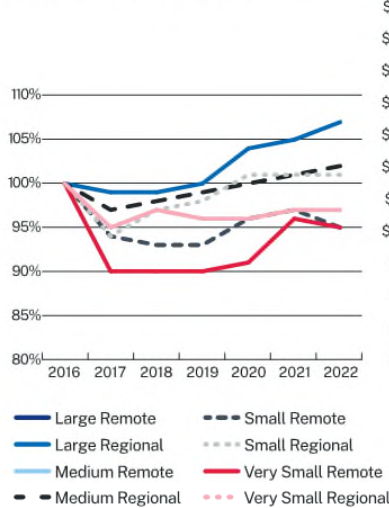


Figure 3: Revenue per connection, 2022 dollars

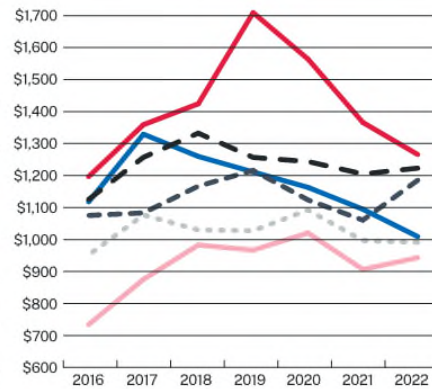
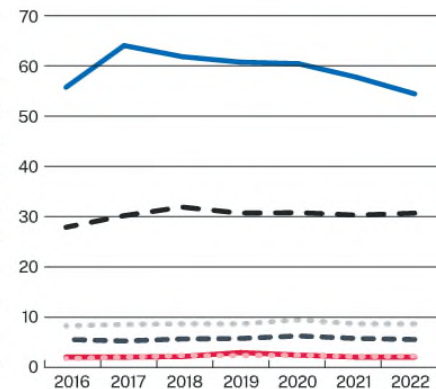


Figure 4: Average revenue per LWU, 2022 dollars, millions



CPI Inflatior for revenue June on June CPI for Sydney All Groups

2.5 Current funding arrangements

LWUs have a number of funding sources available to them including customer bills²⁴, borrowing, grants, and subsidies from councils. Unlike Sydney Water, which funds much of its capital expenditure from borrowings, LWUs tend to have limited use of debt funding.

2.5.1 Low coverage of operating expenses from user charges

Operating costs cover the running of infrastructure on a day to day basis, including labour and materials. Where LWUs purchase bulk water from WaterNSW dams and pipelines, this is also an operating cost.

LWUs require a consistent funding stream to cover their operating costs, pay for staff and immediate expenses. Customer bills are currently the only consistent funding source available, as subsidies or loans are not available for operational costs.

As Table 9 shows, all LWU sizes had enough cash flow from user charges to cover operating costs. However, the level of coverage of operating expenses from user charges in NSW is below 200%, the national average for utilities with more than 10,000 connections.²⁵

When all expenses including depreciation and interest repayments (if any) are included, many utilities, especially small and very small LWUs, struggle to cover these costs through customer bills alone.

23 There are several reasons why a utility could have declining revenue including lower real prices, lower water usage due to improving water efficiency or water conditions, or reduced customer numbers. The impact however will force utilities to reduce expenditure at a time of rising costs due to inflation and aging infrastructure.

24 Charges under *Local Government Act 1993* (annual (fixed) and usage based).

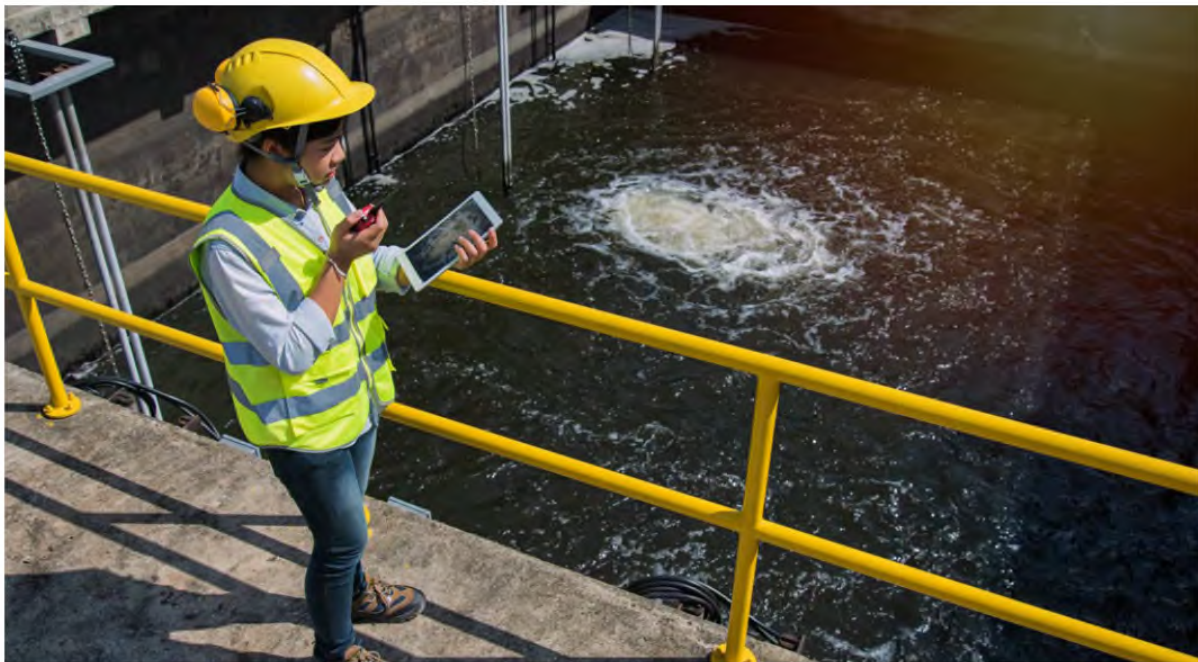


Table 9: Percentage of operating to total expenses, percentage of operating expenses covered by user charges and percentage of total expenses covered by user charges, by LWU size.

LWU size	% of operating to total expenses	% of operating expenses covered by user charges	% of total expenses covered by user charges
Very Small (Less than 2,000 connections)	65	137	90
Small (2,000-10,000 connections)	63	154	97
Medium (10,000-20,000 connections)	63	159	101
Large (20,000-50,000 connections)	56	185	104

Source: DCCEEW, Frontier Economics analysis, NSW Productivity Commission analysis.

2.5.2 Capital investment reliant on government grants

LWUs typically receive grant funding from governments to undertake asset upgrades or investment such as pipes, dams, pumps and treatment plants. Currently, the Safe and Secure Water Program provides NSW Government funding for capital projects, prioritised according to a risk assessment (see Box 2.1). Further, LWUs can receive financial assistance grants from the Australian Government (see Box 2.2).²⁶

Primarily offering capital grants can distort a LWU's investment decisions. For example, a LWU may be incentivised to replace or upgrade its infrastructure through a capital grant. However, it may be more efficient for the LWU to improve the way it operates existing infrastructure (which may not attract a subsidy).

25 Bureau of Meteorology, [National Performance Report 2022](#), accessed 8 February 2024, Productivity Commission analysis.

26 Some LWUs also obtain debt to fund the required capital investment, either from a commercial bank or from TCorp (see section 2.6.4).

Box 2.1: Safe and Secure Water Program and drought capital grants

The NSW Government has historically provided capital grants to LWUs through a series of different programs. There are currently two major capital funding streams to support local utilities: the Safe and Secure Water Program and various drought response programs.

Since 2017 the NSW Government has been providing capital grants to LWUs through the Safe and Secure Water Program (SSWP) to “address key risks to regional water safety and security in NSW to provide safe, secure and sustainable water and wastewater services to regional towns across the state”. Under the \$1 billion program, the NSW Government has currently committed \$408 million to construct the Broken Hill to Murray River pipeline as well \$317 million to around 200 projects across regional NSW. An additional \$288 million is earmarked for high risk LWUs and awaiting project proposals from LWUs (as at January 2024).

SSWP is designed to target funding to utilities facing the greatest risks in three categories: water security, drinking water quality, and environmental performance. This includes grants for water and wastewater infrastructure as well as planning. In most cases the NSW Government provided between 20% and 90% of the funding for projects, with councils funding the remainder. For a small number of projects, the NSW Government provided all the funding.

In addition, the government committed around \$284 million to various water security infrastructure projects as a response to the 2017-19 drought. These programs are now closed to new proposals, but many projects are still under construction.

Based on current funding agreements:

- 91% of LWUs received some funding under the SSWP and drought funding programs, including 93% of utilities with less than 20,000 connections, and 100% of utilities in remote areas.
- Very small utilities in remote areas received around \$2,900 per connection in grants on average, compared to around \$130 per connection for large utilities.
- Funding is very concentrated in large projects in a small number of councils: ten councils received more than 50% of the funding so far.

LWU size	Value of grants \$ millions nominal		Proportion of LWUs receiving at least one grant	
	Regional	Remote	Regional	Remote
Very Small (Less than 2,000 connections)	26	45	82%	100%
Small (2,000-10,000 connections)	138	56	94%	100%
Medium (10,000-20,000 connections)	105	NA	80%	NA
Large (20,000-50,000 connections)	90	NA	86%	NA

Box 2.2: Local Government Financial Assistance Grants

The Australian Government pays grants to local councils to help them deliver services to their communities. In NSW, general purpose grants totalled around \$710 million for the 2023-24 financial year.²⁷ These funds are untied, meaning councils can choose how to best use them and are accountable to their communities.

How are funds allocated to local councils?

The NSW Local Government Grants Commission determines the amount of financial assistance grants each local council is entitled to receive. Its funding model needs to operate within the National Principles set out in the *Local Government (Financial Assistance) Act 1995* (Cth). For example, it must allocate 30% of grants based on population increases/decreases (e.g. councils with a growing population receive more funding).²⁸

The Commission has tried to refine its funding model to allocate a higher proportion of grants to councils with greatest relative disadvantage. It notes these councils are generally rural and remote with small and declining populations and limited capacity to raise revenue.

The Commission factors in relative disadvantage to its funding model using the following measures:

- population
- proportion of Aboriginal and Torres Strait Islanders in the population
- length of local roads
- hectares of environmental land
- index of rainfall, topography and drainage.²⁹



27 Department of Infrastructure, Transport, Regional Development, Communications and the Arts, [Financial Assistance Grant to Local Government](#), accessed 5 February 2024.
 28 *Local Government (Financial Assistance) Act 1995* (Cth) cl 6.
 29 NSW Office of Local Government, [2023-24 Financial Assistance Grants](#).

2.5.3 Pensioner rebates in regional NSW fall behind inflation

Local councils are required to offer rebates to pensioners for their water and wastewater bills, with the NSW Government covering 55% of the cost (through a CSO payment). Currently these rebates are \$87.50 per household for water and \$87.50 per household for wastewater; these amounts are written into legislation and have not been indexed since 1993.³⁰ Since 1993 the real value of LWU pensioner rebates has declined by 55%.

The number of pensioner water and sewerage rebates claimed fell between 2021 and 2023 by around 1.5%, despite the aged over 65 population increasing by 5.3%.³¹ In 2023 the NSW Government spent \$6.5 million less on rebates than expected. In addition, the total value of rebates claimed fell by 13% in real terms between 2021 and 2023, with the largest decreases in large LWUs as shown in Table 10. Most of this decrease was due to inflation.

If the water and sewerage rebates for LWUs increased at the rate of Consumer Price Index they would now be worth around \$390 a year. In comparison, Sydney Water offers a considerably more generous pensioner rebate of around \$650 a year, or around two thirds of a typical customer’s bill.³² While for Hunter Water the pensioner rebate is \$380 a year or around a third of the customer’s typical bill.³³ The full cost of the for Sydney and Hunter Water rebates are funded by the NSW Government through a CSO payment.

The NSW Government has also provided limited operational subsidies to help LWUs manage the cost of emergency drought expenditure such as carting water. Between 2018 and 2022 the government provided LWUs with around \$3 million in emergency operational subsidies.³⁴

Table 10: Changes in pensioner rebates between 2021 and 2023, by LWU size

LWU size	Annual growth rate in eligible households for rebate	Annual change in number of rebates claimed	Annual change in value of rebates
Very Small (Less than 2,000 connections)	1.4%	-1.7%	-6.5%
Small (2,000-10,000 connections)	2.4%	0.6%	-8.2%
Medium (10,000-20,000 connections)	2.7%	2.3%	-6.3%
Large (20,000-50,000 connections)	2.9%	-2.2%	-9.8%

Source: Office of Local Government, ABS Census 2021, NSW Productivity Commission analysis.

30 *Local Government Act 1993* cl 575(3).

31 Department of Planning, Housing, and Infrastructure, *NSW Population Projections*, accessed 6 February 2024.

32 Sydney Water, *Pension rebates*, accessed 5 February 2024.

33 Hunter Water, *Media release: Supporting our customers as water prices rise*, June 2023.

34 NSW DCCEEW.

2.5.4 Limited use of debt funding

Local governments typically have limited use of debt, as they do not have a commercial focus. Given the cash flow challenges faced by smaller LWUs, debt funding is generally difficult to access and is not a common source of funding for capital projects. However, even for those LWUs with more than 10,000 connections, debt funding is a small proportion of their overall funding.

Lenders such as NSW TCorp consider a number of financial ratios when deciding whether to lend to LWUs. The interest cover ratio compares the utilities' income to its annual interest repayments, i.e. if the utility has enough cash flow to pay its debts.³⁶ Most utilities can meet the interest cover benchmark set by TCorp based on their current debt levels, noting this excludes those with no debt.

As Table 11 shows, a sizeable proportion of small and very small utilities have no debt at all. Even for the LWUs which do borrow, they borrow relatively small amounts as shown by the low debt to equity ratios of between 4% and 6%. This is similar to small utilities in other jurisdictions like Victoria and Queensland.³⁵ In comparison Sydney Water has a net debt to equity ratio of around 50%.

Table 11: Debt funding statistics by LWU size - Proportion of utilities with no debt, average gross debt to equity ratio and proportion of utilities that can meet Interest Cover Ratio benchmark.

LWU size	Proportion of LWUs with no debt	Average gross debt to equity ratio ³⁷	Proportion of LWUs that can meet Interest Cover Ratio benchmark ³⁸
Very Small (Less than 2,000 connections)	32%	4%	100%
Small (2,000-10,000 connections)	40%	6%	85%
Medium (10,000-20,000 connections)	0%	6%	100%
Large (20,000-50,000 connections)	0%	5%	91%

Source: DCCEEW, Frontier Economics analysis, NSW Productivity Commission analysis.

35 Bureau of Meteorology, National Performance Report 2022, accessed 8 February 2024.

36 TCorp is generally restricted to fixed-rate, amortising/credit foncier loans, so a key part of their assessment is both interest coverage and debt service coverage. However, we cannot calculate the Debt Service Coverage ratios for LWUs, as they do not typically report principal repayments of loans in their financial statements.

37 Excluding LWUs with no debt.

38 Excluding LWUs with no debt.

Funding model principles

3



Key questions

4. What factors should be taken into account in calculating government subsidies for local water utilities?
5. What might be the typical costs for delivering water and sewerage services for a well-run local water utility?
6. What indicators could be linked to funding to drive ongoing performance improvements and deliver value for money for customers?



3.1 Government responsibility to provide safe and reliable water supplies

Under the National Water Initiative (NWI), all states and territories recognised government's responsibility to service rural and urban communities and agreed to urban water reforms that would provide "healthy, safe and reliable water supplies".³⁹

The Australian Government's Productivity Commission's prior reviews into the progress of states and territories against the NWI have recognised the unique challenges in service delivery in remote and regional communities. These communities face lower service quality than residents of major cities, despite efforts by governments to improve outcomes, due to pressures such as "drought, aging infrastructure, relatively poorer water sources, and the capability and financial sustainability of some smaller providers".⁴⁰ The lack of economies of scale, in particular, is a challenge in regional and remote communities.⁴¹

Several areas for improvement were identified by the Australian Government's Productivity Commission in the service delivery outcomes for regional and remote communities, for example:⁴²

- drinking water quality in remote Aboriginal and Torres Strait Islander Communities
- better collaboration between LWUs to achieve economies of scale
- better transparency and targeted assistance to small utilities through CSOs
- improve reviews of compliance of LWUs with financial performance frameworks for consistency with NWI pricing principles.

39 *Intergovernmental Agreement on a National Water Initiative*, paragraph 90(i).

40 Productivity Commission, *Urban water services: regional and remote communities, Supporting Paper G*, May 2021, p 5.

41 Productivity Commission, *Urban water services: regional and remote communities, Supporting Paper G*, May 2021, p 27.

42 Productivity Commission, *Urban water services: regional and remote communities, Supporting Paper G*, May 2021, pp 17, 18.

In NSW, the Town Water Risk Reduction Program (TWRRP) was established by the former Department of Planning Environment (DPE) in 2020 in response to the Audit Office of NSW report which identified areas for improvement in the former DPE’s coordination for regional town water infrastructure. The program was also set up in response to identified service risks in the Safe and Secure Water Program, and to make systemic changes, including in the regulatory settings, to expect and enable LWUs to manage risks and priorities in town water systems more strategically and effectively.⁴³ The former DPE had a team of regional water inspectors and managers that conduct regulatory assessments and provide operational support for LWUs.⁴⁴ Areas identified by the Audit Office of NSW for improvement included:⁴⁵

- coordination of town water infrastructure planning and investment
- internal procedures, records and data to support the LWU sector in strategic planning.

Under the TWRRP, a new Regulatory and Assurance framework commenced on 1 July 2022. The framework was developed in partnership with the sector and approved by the Minister for Water.

This new framework expects and enables local water utilities to address risks and strategic challenges effectively and efficiently, based on locally developed plans and management systems. The framework includes regulatory and assurance objectives and guiding principles, transparent and accountable regulatory assessment and approval processes, and assurance of local water utility strategic planning. The framework sets expectations of effective, evidence based strategic planning for town water service provided by local water utilities and the provision by NSW DCCEEW of assurance of the effectiveness of utilities’ strategic planning where requested. The NSW DCCEEW also makes available support and advice to help put in place effective strategic planning.

Progress was also made developing a skills and training action plan for the sector and initially providing accredited training for up to 200 water operators by working in partnership with Training Services NSW, and pilots between LWUs (Clarence Valley Council, Orange Council, Tamworth Regional Council, Hay Shire Council, and Murrumbidgee Council) and WaterNSW to reduce dam safety risks and water quality risks.

Box 3.1: Town Water Risk Reduction Program – phase 2

\$24.59m over 2 years (to 2024-25) was allocated to the former DPE to continue the program and deliver longer term outcomes for LWUs:

- Operational support for at least 15 high risk regional water treatment plants not eligible funding from the Safe and Secure Water Program. This includes coaching operators, reviewing alarm controls and monitoring responses. Analysis shows at least 37 of 65 boil water alerts across 44 water supply systems since January 2019 (to October 2022) were potentially avoidable through improved operation of existing water treatment plants.

- Skills and training for water operations, including mandatory training requirements, to address the acute lack of trained water operators in regional NSW.
- Address findings of Dam Safety NSW audits in relation to water quality risks by leveraging the capabilities of WaterNSW. Many LWUs do not have the ability to control the quality and variability of river source water being treated.



43 The NSW Water Strategy also provides a statewide framework for managing water supplies.
 44 DCCEEW Water, along with other regulators, regulates local water utilities in their delivery of water supply and sewerage services for healthy and resilient communities, businesses, and the environment. This includes regulatory assessments, approvals and assurance, performance and risk monitoring as well as education, and strategic and technical support and advice activities as set out in the Regulatory and Assurance Framework for Local Water Utilities (RAF) and the Local Government Act and Water Management Act.
 45 Audit Office of New South Wales, [Support for regional town water infrastructure](#), accessed 5 February 2024.

The NSW government has also developed initiatives that aim to improve access to water and water management for Aboriginal communities:

- The NSW Aboriginal Water Strategy aims to ensure access to water resources for Aboriginal people. This includes ways of increasing water rights and ensure Aboriginal people are empowered to contribute to water management and planning decisions. Regional Aboriginal Water Committees are being established to facilitate the contribution of local Aboriginal people.⁴⁶
- The Aboriginal Communities Water and Sewerage Program is a \$200 million initiative aimed at ensuring the level of water and sewerage services provided to eligible Aboriginal communities are of equivalent standard to nearby non-indigenous towns.⁴⁷

3.2 Full cost recovery, unless economically unviable

The NWI pricing principles provide that “full cost recovery should be the objective for all rural surface and groundwater systems, recognising that there will be some small community services that will never be economically viable but need to be maintained to meet social and public health obligations”.⁴⁸ This means utilities:



Provide CSO: where it is unlikely that cost recovery can be achieved in the long term.⁵¹

Achieve lower bound cost recovery: recover at least its operational costs, taxes, interest, externalities and provisions for asset replacement.⁴⁹

Move towards upper bound cost recovery: should not recover more than the lower bound plus the cost of capital to avoid monopoly rents.⁵⁰

Appendix C sets out how these principles apply to the NWI user-pays model for water utility funding.

NSW DCCEEW’s pricing guidelines similarly have a focus on cost recovery. They indicate that LWU prices should:

- recover the efficient costs of providing water supply and sewerage services to customers
- be cost reflective, fair and equitable, and structured to promote efficient investment and consumption decisions, including the efficient and sustainable provision and use of water supply and sewerage services
- remain reasonably stable over time and consider affordability and impacts on customers.⁵²

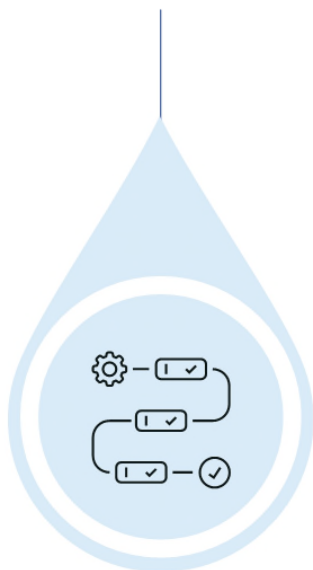
46 Aboriginal Affairs NSW, [Water And Sewerage Program](#), accessed 5 February 2024.
 47 NSW Department of Climate Change, Energy, the Environment and Water, [Aboriginal Communities Water and Sewerage Program](#), accessed 5 February 2024.
 48 [Intergovernmental Agreement on a National Water Initiative](#), paragraph 66(v).
 49 [National Water Initiative Pricing Principles](#), Appendix A, paragraph 5.
 50 [National Water Initiative Pricing Principles](#), Appendix A, paragraph 4.
 51 [National Water Initiative Pricing Principles](#), paragraph 66(v).
 52 NSW Department of Climate Change, Energy, the Environment and Water, [Pricing](#), accessed 5 February 2024.

3.3 Collaboration to achieve economies of scale

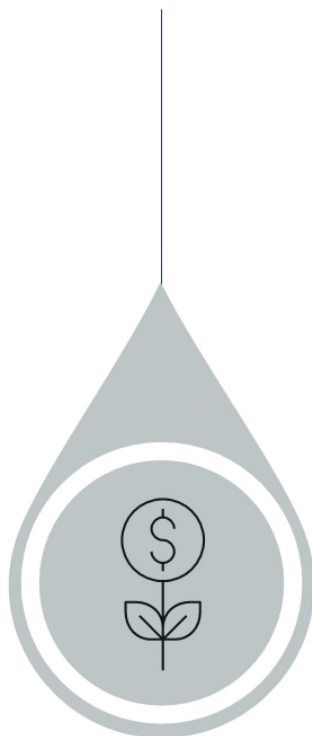
The Joint Organisation (JO) framework as provided under the *Local Government Amendment (Regional Joint Organisations) Act 2018 No 65* is intended to be a forum for local councils to collaborate, align priorities at a regional level and advocate for those priorities. Most councils are currently part of a JO (87 local councils are currently part of 13 JOs).⁵³ The JOs were established through seed funding from the NSW Government (\$300,000 each). It was intended that the JOs would be financial sustainable through member contributions, project delivery, and delivery of shared services across member councils.

The 2021 report from the review into JOs found that about two-thirds of the JOs are operating effectively to delivering against planned strategic objectives, and that a JO's effectiveness is closely related to its financial viability.⁵⁴ Some JOs are sharing staff and services. The key recommendations from the 2021 report into JOs included:

Develop measurable performance targets for each core function which are tailored to the maturity of each JO. Performance against targets should be regularly reviewed to determine opportunities for additional support.



Develop a tailored approach to capacity building and ongoing investment.



Use compliance and audit information to identify processes that require further strengthening.



Chapter 5 provides further details of different collaboration mechanisms currently in use in by local councils.

53 ARTD Consultants, *Joint Organisations Review, Volume 1: Overview Report*, October 2021, p 18.

54 ARTD Consultants, *Joint Organisations Review, Volume 1: Overview Report*, October 2021, p 18.

3.4 Community service obligations where cost recovery is not economically viable

The purpose of CSOs in the context of the NWI is to provide for a basic level of service for more remote regional communities where full cost recovery is not viable.⁵⁵ The Australian Government's Productivity Commission has outlined principles for providing CSOs:⁵⁶

- allow a utility to achieve a basic level of service
- maintain lower bound cost recovery
- maintain affordable prices
- based on credible data on efficient service costs subject to independent oversight
- calculated in a predictable method
- conditional on ongoing improvements.

Based on analysis of data provided by LWUs (see chapter 2), remoteness and size are the key drivers for the level of cost recovery in NSW. For example, 29% (26) of LWUs in NSW have less than 2,000 connections and are also:

- in the most remote areas
- around 50% do not fully recover operating costs
- socio-economically disadvantaged
- the typical residential bill is the highest in remote NSW.

It follows that the calculation of CSOs should take account of remoteness, size, affordability and efficient costs to achieve a basic level of service.

In practice, deriving the efficient costs to achieve a basic level of service is challenging as it is driven by underlying characteristics of the community (such as population density and water source) and the operational management capability of the utility (for example in implementing best practice risk management frameworks). As such, the design of the CSO should allow for this element of "uncertainty", by linking a component of funding to the achievement of specific indicators, and public reporting of financial and operational performance.

3.5 Strong corporate governance to drive performance

Robust corporate governance practice has an important role to play in driving performance improvement and accountability for funds spent.

In relation to regional and remote water services, the Australian Government's Productivity Commission has previously outlined the importance of:⁵⁷

- Financial separation: ring-fencing the finances of the local council general fund from the water utility fund.
- Clarity of roles: defining the respective responsibilities of state versus local government during extreme events.
- Independent oversight: an independent body to monitor utility performance and determine eligibility for CSO payments.
- Performance monitoring and reporting: public reporting of key performance indicators to allow continuous improvement and public accountability.

55 NSW Treasury guidelines on CSOs in the context of State Owned Corporations are contained in [TPG23-19 Guidelines for Community Service Obligations](#), accessed 5 February 2024.

56 Productivity Commission, *Urban water services: regional and remote communities, Supporting Paper G*, May 2021, p 33.

57 Productivity Commission, *Urban water services: regional and remote communities, Supporting Paper G*, May 2021, p 49.

Minimum service levels

4



Key questions

7. Should the minimum service levels be applied universally to all towns within the area serviced by a local water utility, irrespective of size, remoteness or cost?
8. What metrics should be considered in minimum service levels?
9. What is the existing evidence on current basic service levels, customers' needs for minimum service levels and willingness to pay in regional and remote communities?
10. What are the barriers to setting measurable service levels?
11. What are challenges with monitoring and reporting against minimum service levels?



4.1 Principles for setting minimum service levels

Currently, minimum service levels for LWUs in NSW are not set for all aspects of service delivery. Major utilities, in contrast, generally have clearly defined levels of service objectives. In the Australian Government's Productivity Commission's 2020 review of the NWI, the following principles for setting minimum service levels for LWUs are provided:

- Based on clear and specific rationale – the minimum standard could be framed as a basic rights concept to ensure that all communities/towns in NSW receive a defined base level of service (irrespective of the cost of meeting the standard).
- Clear definitions of service – there are different service dimensions that need to be considered (e.g. water quality, water security, environmental impacts and network/asset performance). For each dimension a compliance threshold needs to be established which could also specify the frequency which compliance must be met (e.g. daily or monthly).

- Measurable user outcomes – the minimum standards are measurable by the LWU. This means consideration of data availability and the likely cost of collecting the data.
- Subject to review – LWU performance against standards will need to be subject to review by an independent party. This will ensure that there is a clear governance framework to monitor performance against the minimum standards established.

These principles, and how they relate to LWUs are discussed in further detail in Appendix D, as well as a range of other considerations required to establishing minimum service levels. The sections below discuss the main service dimensions that are often reported.

4.2 Water quality

The Australian Drinking Water Guidelines (ADWG) provides a national framework for the management of drinking water supply to assure safety at the point of use. In the guidelines water quality refers to the:

- Safety from a health point of view – this refers to drinking water being safe to drink for people in most stages of normal life, including children over six months of age and the very old. Safety is fundamental to water quality and there is little scope for variation from the standards.
- Aesthetic quality of water – this relates to water being aesthetically pleasing in regard to appearance, taste and odour and not having a detrimental impact on fixtures and fittings. What is acceptable will ultimately be based on consumer preferences. There may be acceptable trade-offs between the costs and benefits for different levels of aesthetic quality, as even water with poor aesthetic quality may be safe to consume.

NSW Health has regulatory oversight for the safety measures for drinking water under the NSW *Public Health Act 2010* and Public Health Regulation 2022. NSW Health also provides free water quality testing through the NSW Health Drinking Water Monitoring Program of water quality samples collected by LWUs. Each LWU is advised of the minimum number of drinking water samples to be collected and the characteristics to be tested.

Under the Act and Regulation drinking water suppliers are required to have and comply with a risk-based Drinking Water Management System (DWMS) in accordance with the Framework for the Management of Drinking Water Quality from the ADWG. The DWMS must include information about scheduling of internal and external reviews of the DWMS, processes for the reviews and reporting the results of the reviews to external parties. NSW Health has asked LWUs to conduct annual reviews and share the review reports.

Since 2010, NSW Health has assisted LWUs to develop and implement risk-based DWMS which have helped to identify and control risks, particularly for smaller utilities. NSW Health has identified possible infrastructure and operational needs and is working to comprehensively assess implementation of drinking water management systems by all LWUs. In parallel, NSW Health has worked to assess the risk from *Cryptosporidium* in drinking water supplies and to develop a formal audit program.⁵⁸

The regulatory approach in NSW focuses on process service standards, which require specific actions from LWUs, as opposed to specifying a set of required outcomes. This approach to regulating water quality is used widely across jurisdictions, which are also referred to as water safety plans and are promoted by the World Health Organization. However, there are substantive differences in the way these approaches are implemented or regulated, varying in terms of a range of factors including prescriptiveness and governance (e.g. compliance and enforcement). As an analogy, a road compliance certificate for a car just indicates whether the vehicle has complied (or not). However, additional information is required to determine the state of the vehicle and the likelihood of it breaking down.

New Zealand provides a useful example of where a safety plan based regulatory approach has in the past failed. Following the Havelock North drinking water contamination in 2016, changes have been made to their risk-based management system.⁵⁹ Further information on this historic failure and some of the factors which contributed to it are in Box 4.1.

58 Huynh T., Jarvis L., Henderson W., Bradford-Hartke Z., Leask S., Gajo K., Tickell, J., Wall, K., Byleveld P. *Supporting the implementation of drinking water management systems in NSW*, Journal of Water Health Vol 21 (8), July 2023, pp 1098–1109.

59 See for *Water Services (Drinking Water Standards for New Zealand) Regulations 2022 and Aesthetic Values for Drinking Water Notice 2022 for minimum or maximum allowed values for parameters*.

Box 4.1: Failure of risk-based drinking water regulation in New Zealand

In 2016 there was a widespread outbreak of illness in Havelock North, linked to a contamination of the water supply and *campylobacter* infection. At the time the water supply had an approved Water Safety Plan (WSP). A subsequent government inquiry into the outbreak identified a range of fundamental problems with the existing regulatory regime, noting the WSP model is not itself a problem, rather the regulatory regime creates practical problems.⁶⁰

Key problems with the approach taken in New Zealand at the time included:

- WSPs were largely treated as an exercise in compliance and the concept of water safety planning was not well understood. This resulted in:⁶¹

- WSPs being ‘left on the shelf’ as opposed to being incorporated into everyday operations. The Hastings WSP (covering Havelock North water supply) at the time identified the risks that occurred during the Havelock North outbreak, however mitigative actions were not implemented.
- Outsourcing their development without appropriate involvement or ownership by the water supplier.
- Water suppliers not allocating sufficient resources to implementation and review.
- Overly optimistic wait and see approach in response to water quality, despite regular E. coli detections. There was a focus on achieving the minimum requirement of the regulation, rather than improving and proactively protecting water quality.⁶²
- Poor enforcement by regulators. The NZ Ministry of Health, which was the water quality regulator at the time, took a ‘softly, softly’ approach to compliance and enforcement even when there was persistent non-compliance (no compliance orders or were issued and no prosecution were launched from 2012 to 2017)⁶³

This event and subsequent review resulted in a range of changes to the regulation of water quality in New Zealand. This is discussed further in Appendix D.



60 Government Inquiry into Havelock North Drinking Water. *Report of the Havelock North Drinking Water Inquiry: Stage 2*, 2017, p 179.
 61 Graham, J., Russell, K. and Gilpin, B. *When the implementation of water safety plans fail: rethinking the approach to water safety planning following a serious waterborne outbreak and implications for subsequent water sector reforms*. *Journal of Water and Health*, 21(10), 2023, pp 1562-1571.
 62 McLaren, SJ, Sahli, MW, Selig S. & Masten, SJ. *The drinking water crises of Flint and Havelock North: a failure of public health risk management*. *Journal of Water and Health*. Volume 20, No 9, 2022, p 1314.
 63 Government Inquiry into Havelock North Drinking Water, *Report of the Havelock North Drinking Water Inquiry: Stage 2*, 2017, p. 67.

4.3 Water security

Water security is the ability to safeguard sustainable access to adequate quantities of acceptable quality water for sustaining livelihoods, human well-being, and socio-economic development. There are a number of issues to consider in setting minimum standards for water security services (further discussed in Appendix D):

- the extent to which LWUs control the security
- the extent to which water security standards are set with respect to short term or long term criteria.

Currently there is no specific regulation around water security for LWUs. For LWUs in NSW, there are limited water security obligations. A “reasonable standards test” is applied to the service outcomes based on assessing the sufficiency, appropriateness and robustness of a LWU’s planning process.⁶⁴

The NSW DCCEEW is responsible for the NSW Water Strategy, and the related regional water strategies. These strategies identify a range of actions to improve water security across NSW, which will affect water security for LWUs.

The regulatory arrangements for water security across different jurisdictions are predominantly requirements that water service providers plan for and make capital and operational decisions with regards to water security (see Table 12). Within this planning, there may be a minimum service standard which describes what level of water security should be provided for (i.e. limiting the time spent in water restrictions, or system balance assumption).⁶⁵

Table 12: Water security standards imposed across different jurisdictions in Australia⁶⁶

Standard imposed	NSW LWUs	Sydney Water	Hunter Water	Queensland	Victoria
Emergency drought response plan	X	√	√	√	X
Long term capital and operational plan	X	√	√	X	X
Water Supply Planning	X	√	√	√	X
Asset management planning	X	√	√	√	X

64 NSW DPE. *Regulatory and assurance framework for local water utilities*, July 2022, p 23.

65 The operating licences for Sydney Water and Hunter Water explicitly require the development of a drought response plan and to undertake long term water planning, and to fulfil obligations under the Greater Sydney Water Strategy and the Hunter Water Security Plan respectively. Note that WaterNSW is responsible for the management of the water storage assets. Investment in source augmentation (e.g. desalination plant investments) typically involves a whole of government process.

66 Sydney Water. *Operating Licence 2019-2023*; IPART, *Hunter Water operating licence. Operating Licence 2022-2027*; Queensland Department of Natural Resources, Mines and Energy. *Water security level of service objectives. Guidelines for development*, April 2018. To access the file, visit [Water supply levels of service, Business Queensland](#).

In Queensland, utilities in South East Queensland are required to undertake water supply planning against a legislated water security service standard.⁶⁷ Level of service objectives include statements about how much water the water supply system will typically be able to supply, how often and for how long water restrictions might occur and the possibility of needing an emergency water supply due to prolonged drought. However, in other parts of Queensland, urban water service providers are not subject to service standards, but are required to implement a process to mitigate water security risks.

4.4 Environment

The operations of LWUs may have a range of environmental impacts, including, the extraction of water from rivers or groundwater, land clearing to construct new assets, discharges from sewage treatment plants and greenhouse gas emissions from LWU operations. The NSW Environment Protection Authority (EPA) regulates the quality of discharges from sewage treatment plants under the *Protection of the Environment Operations Act 1997*. Under the Act, NSW EPA regulates the quality of discharges from sewage treatment plants with processing capacity of 2,500 persons equivalent (or 75 kl per day) through a licensing process. There are a range of smaller wastewater networks which are not licenced by the EPA and for which monitoring data may not be readily available. Similarly, dry and wet weather overflows from the sewerage network are also regulated by the EPA, although these are not licenced and regularly monitored except where notices have been issued by the EPA following an incidents.

Refer to Appendix D for other regulatory arrangements that affect the environmental impact of LWUs.

Across jurisdictions, environmental standards typically cover the extraction of water from different sources and also the discharge of sewage to the environment.

For the three large metropolitan water utilities in NSW (Sydney Water, Hunter Water and Central Coast Water), all sewage treatment plants are licenced by the NSW EPA under the *Protection of the Environment Operations Act 1997*. The treatment levels required to be met can differ for each treatment plant based on the assessed environmental risks for each facility.

4.5 Service reliability

Service reliability relates to the performance of the urban water network in terms of the management of assets and the level of service provided to customers. For LWUs, service reliability could mean service interruptions (such as main breaks and leaks response times), water pressure, wastewater overflows in dry weather and how utilities plan and manage their assets.

There are currently no service reliability standards that apply to LWUs. Across jurisdictions there are range of different service reliability standards which are reported (see Table 13).

67 Queensland Department of Natural Resources, Mines and Energy. *Water security level of service objectives, Guidelines for development*, April 2018.

Table 13: Service reliability standards imposed across different jurisdictions in Australia⁶⁸

Standard imposed	Sydney Water/Hunter Water	Queensland	Victoria
Water continuity standard	✓	✓	✓
Water pressure standard	✓	X	✓
Average time taken to attend bursts and leaks	X	✓	✓
Dry Weather Wastewater Overflow standard	✓	X	✓
Sewerage blockages	X	✓	✓
Time taken to rectify sewerage spills blockages	X	✓	✓
Customer service standards for KPIs to be developed and published	X	✓	✓

Service standards for Sydney Water and Hunter Water are outlined in their operating licences, which are issued under the *Sydney Water Act 1994 and Hunter Water Act 1991* respectively.⁶⁹ The scope and substance of these service standards are determined by IPART.

Water service providers in Queensland and Victoria are required to develop and publish customer service standards that set target levels of service for key performance indicators (KPIs).⁷⁰ Service standards are set by each of the water service providers.

4.6 Options for minimum service levels

There are a range of ways in which options for minimum service levels may be structured and these are discussed in more detail in Appendix D.

Taking into account the research across different jurisdictions and the concerns generally expressed by communities in relation to water services, proposed options for minimum service level categories are summarised in Table 14 below.

A balance needs to be found between the desired minimum service levels in these options and the costs of achieving them. Selecting an option with higher minimum service levels could involve higher costs.

Further, when assessing these options, consideration needs to be given as to whether the minimum service levels are ‘basic rights’. That is, whether they should apply universally to all towns within the area serviced by a LWU (or even those outside the service area), irrespective of the cost of meeting the standard.

Water quality and water security standards are proposed across all options as these are generally considered to be of the highest priority by communities. Options also consider including different combinations of environmental and service reliability. Transitional paths could also be considered under each of the options.

68 Sydney Water. *Operating Licence 2019-2023*; IPART. *Hunter Water operating licence. Operating Licence 2022-2027*; Queensland Government. *Water service provider obligations*. <https://www.business.qld.gov.au/industries/mining-energy-water/water/industry-infrastructure/industry-regulation/obligations>, accessed 20 January 2024; Essential Services Commission, *Water Industry Standard – Urban Customer Service. Version 2, 2023*.

69 Sydney Water. *Operating Licence 2019-2023* and IPART. *Hunter Water operating licence: Operating Licence 2022-2027*.

70 Queensland Government. *Water service provider obligations*. <https://www.business.qld.gov.au/industries/mining-energy-water/water/industry-infrastructure/industry-regulation/obligations>, accessed 20 January 2024; Essential Services Commission, *Water Industry Standard – Urban Customer Service. Version 2, 2023*.

Table 14: Options for minimum service levels

Option	Water quality	Water Security	Environment	Service reliability
1	√	√	X	X
2	√	√	√	X
3	√	√	√	√

Within each of the minimum service level categories, there could be further sub-options for the definition of the metrics included under each category. Options under each category are discussed further and summarised in the Table 15 below.

Water quality

While LWUs are required to implement the preventive risk-based ADWG Framework, through drinking water management systems, some councils are more advanced in developing detailed self-sustaining drinking water management systems. There is a requirement to have those DWMS audited and this auditing process is progressing across councils. Within the context of the DWMS, there is a need for appropriate preventive measures, and timely (often continuous) monitoring and reliable control of those preventive measures. Those preventive measures should meet good practice standards and be supported by good operational and asset management practices. These should form part of the drinking water management system, although the degree to which these are implemented differs across LWUs.

Recognising this, two options are proposed that are consistent with the principle of continuous improvement and would move NSW toward approaches adopted in Victoria and other jurisdictions such as New Zealand.

Option WQ.1 reflects the current requirements for LWUs, which includes auditing, compliance reporting requirements and regular (ideally continuous) monitoring of critical control points. This would ensure a strong causal relationship between complying with minimum service standards and the desired water quality outcomes. Where LWUs are not meeting these requirements, additional investments/processes will be required over time to achieve this standard.

Option WQ.2 would include WQ.1 plus seek to use risk based assessment criteria, which is currently used by the NSW Government to identify infrastructure gaps and prioritise capital funding for LWUs.⁷¹

Water security

The development of a water security plan including drought management and long-term asset planning, is included across all water security options. As part of this, a common water security criteria would need to be defined, which would be an integral part of the service standard.

Options WS.2 and WS.3 add to the process standard, with specific parameters to describe water security risks. The two proposed data sources are very similar as yield calculations are likely to be an input to risk based scoring of LWUs.

71 For more detail see: NSW Department of Planning, Industry and Environment. *Risk prioritisation, scoring and reasons fact sheet*, 2020.



Environment

The EPA currently provides regulatory oversight of many LWU treatment plants. Licences are generally not required for smaller sewage treatment systems if they can be operated without causing environmental pollution and where industry guidance can be followed to avoid pollution. Requiring compliance with the requirement is therefore included across options. This minimum standard may have little impact on environmental outcomes where compliance is already high, as licence requirements provide a minimum service standard. The EPA also regulates sewage overflow events but there is limited data on which to set any specific standard, apart from benchmarking (as noted below).

In addition to meeting environmental licence requirements, options include imposing service standards for smaller facilities not covered by NSW EPA licensing. This would use risk based LWU environmental scoring which focuses on sewage treatment. Note this is not the only measure of performance of unregulated assets, as risk scoring also considers assets which are licensed by the NSW EPA.

Service reliability

Service reliability options have been structured to include water continuity and wastewater standards across all options. Across the options the following are considered:

- standards which directly impact customers (pressure and flow standards)
- asset renewal expenditure and performance. This would consist of service standards around the minimum assets investments and renewals required to ensure satisfactory network performance.

Table 15: Options for service standards and minimum service level

Option	Service standard	Minimum service level
Water quality		
WQ.1	<ul style="list-style-type: none"> Requirement to have and comply with a drinking water management system (as per the NSW Public Health Act 2010), that includes information about scheduling of internal and external reviews of the DWMS, processes for the reviews and reporting the results of the reviews to external parties and requirements for regular (and ideally continuous) operational monitoring of process performance e.g. turbidity, chlorine (reporting of process performance occurs through in incident reporting (at the time of the incident) and annual review reporting) 	<ul style="list-style-type: none"> Process service standard
WQ.2	<ul style="list-style-type: none"> WQ.1 plus achieve desired risk level against risk based LWU scoring method (described in Chapter 2) in terms infrastructure gap to achieve ADWG 	<ul style="list-style-type: none"> Benchmarking across LWUs
Water Security		
WS.1	<ul style="list-style-type: none"> Requirement to have a water security plan including drought management and long-term asset planning, based on a defined water security criteria 	<ul style="list-style-type: none"> Process service standard Definition of water security
WS.2	<ul style="list-style-type: none"> Option WS.1, plus Achieve desired risk level against a risk based LWU scoring method (described in Chapter 2) 	<ul style="list-style-type: none"> As per option WS.1, plus Benchmarking across LWUs
WS.3	<ul style="list-style-type: none"> Option WS.1, plus Compliance against water security based on long term yield calculations 	<ul style="list-style-type: none"> As per option WS.1, plus Benchmarking across LWUs
Environment		
E.1	<ul style="list-style-type: none"> Compliance with EPL for sewage treatment plants 	<ul style="list-style-type: none"> EPA set limits based on the environmental risks of each Process service standard
E.2	<ul style="list-style-type: none"> Option E.1, plus Achieve desired risk level against a risk based LWU scoring method (described in Chapter 2) 	<ul style="list-style-type: none"> As per option E.1, plus Benchmarking across LWUs
Service reliability		
SR.1	<ul style="list-style-type: none"> Water continuity standard Wastewater overflow standard 	<ul style="list-style-type: none"> Benchmarking across LWUs and other jurisdictions
SR.2	<ul style="list-style-type: none"> Option SR.1, plus Water pressure standard Water flow standard 	<ul style="list-style-type: none"> As per option E.1, plus Benchmarking pressure and flow across LWUs and other jurisdictions
SR.3	<ul style="list-style-type: none"> Option SR.1, plus Asset renewal spending and performance 	<ul style="list-style-type: none"> As per option E.1, plus Benchmarking asset renewals across LWUs and best practice

Alternative funding options

5





Key questions

12. What are the desired outcomes for addressing the challenges currently faced by local water utilities?

13. What are obstacles to greater use of loans from financial institutions to fund infrastructure investments in water and sewerage services?

14. What measures would drive investment planning that takes account of climate change risks and ongoing costs of infrastructure maintenance?

15. Who are most at risk from high water bills in regional, remote and metropolitan New South Wales?

16. What are examples of projects or operations associated with a funding model based on regional collaboration for local water utilities? What were the challenges?

17. What has worked well and what have been challenges for local water utilities in leveraging the scale and expertise of State Owned Corporations?

18. How could government and local water utilities better partner with Aboriginal communities to improve their water and sewerage services?

5.1 Desired policy outcomes

Potential options for addressing the challenges outlined in Chapter 2 should be assessed against the likelihood that they would achieve the desired policy outcomes. For this review, the following policy outcomes are proposed:

- minimum levels of service can be achieved
- move towards efficient costs for service delivery
- government funding support is targeted to those communities that cannot achieve longer term cost recovery due to size or socio-economic characteristics
- transparency on the achievement of service level outcomes and efficient costs.

Ultimately, a combination of options might be needed to achieve the desired policy outcomes.

5.2 Optimising funding options

There may be scope for LWUs to reduce their service risks through utilising several funding options.

5.2.1 Greater use of commercial products

In NSW, TCorp offers long term loans⁷² to local councils at competitive rates.⁷³ Councils can also access credit from the private sector, which can offer shorter term loans. As noted in Chapter 2, many LWUs meet the key metrics to qualify for these loans, such as interest cover ratios. However, this source of funding is under-utilised, as many LWUs borrow relatively small amounts or have no debt at all.

There is further scope for LWUs to use commercial products like TCorp loans. For example, large LWUs (with greater than 20,000 connections) currently have debt to equity ratios of 6%⁷⁴ on average. Our analysis indicates large LWUs could increase this ratio to 14% on average without adversely affecting their financeability on key metrics.⁷⁵ This would equate to an extra \$947 million in debt funding for large LWUs.⁷⁶

72 Borrowing through T-Corp is technically a financing source rather than a funding source.

73 TCorp, [Local Councils](#), accessed 5 February 2024.

74 Note that there is a small discrepancy with the debt-to-equity ratio in Table 11 due to the calculations being based on a different year of financial data.

75 Financial metrics are listed in Appendix B, Table 25.

76 This analysis was based on four ratios T-Corp utilises as part of its assessment of credit worthiness when lending to local governments: Interest Cover Ratio, Unrestricted Current Asset Ratio, Operating Ratio, and Cash Expense Ratio. Increasing the debt loads for large LWUs did not cause these utilities to breach T-Corp financeability benchmarks for these ratios. T-Corp considers other ratios (such as the Debt Service Coverage Ratio, which we lack the data to calculate) as well as non-financial factors when issuing debt and these ratios are typically for loans issued to LGAs as a whole rather than LWUs. Assumes an interest rate on new borrowing of 5.07% p.a. over a 10 year loan term.

5.2.2 More targeted government grants and subsidies

Existing government grants are focused on capital investments or meeting critical water needs during times of drought. As outlined in section 2.5, there are several limitations with this current approach. Funding may not be prioritised for those very small and remote communities and it may not consider the potential long lead time before projects are completed. Furthermore, the current approach does not appear to factor in a LWU's capacity to obtain funding from other mechanisms outlined in this chapter. This indicates there is scope to revisit the guidelines and processes for obtaining government grants to ensure they are better targeted.

Section 2.5 also outlines that funding LWUs primarily through capital grants can distort investment decisions. It may incentivise LWUs to replace or upgrade infrastructure with capital grants, rather than improve how they manage existing infrastructure (which may not attract a subsidy).

Another issue is that some smaller and remote LWUs, in particular those with less than 2,000 connections, are unable cover their costs through user charges due to lack of economies of scale. Based on NWI principles, a transparent CSO could be used to maintain a minimum level of service for those small remote communities where full cost recovery is unviable.

As discussed in Chapter 3, the amount of the CSO should be based on the efficient cost of achieving a minimum level of service, that can be calculated in a predictable way and be conditional on ongoing improvements. Based on the available information, it is unlikely that efficient costs for specific LWUs can be established without significant cost. Therefore, it is particularly important for an incentive for ongoing improvement to be embedded in any governance structure for regulating LWUs.

Table 16: Illustrative example of a transparent CSO model

Factor	Eligibility	Calculation
Size	Number of connections < x	Least cost of meeting minimum service levels for water quality for size <x connections multiplied by the number of connections minus revenue from user charges
Remoteness	Remoteness score > x	
Socio-economic disadvantage	SEIFA score > 900	
Performance incentive	N/A	X% of calculated shortfall to meeting minimum service level subject to meeting reporting requirements or specific outcomes

Shifting to a more targeted, whole of investment life cycle funding model may assist LWUs to better provide water and sewerage services to their customers. It could involve a mix of targeted capital grants and CSOs, as well drawing on other funding sources, to cover a LWU's efficient operating and capital costs of achieving minimum service levels. This is discussed further in section 5.4.1.

5.2.3 Expanding rebate schemes

Pensioners in NSW can claim a rebate on their water and sewerage charges, which also applies where the service is provided by a council.⁷⁷ These rebates are available to all holders of a Commonwealth Pensioner Concession Card (mostly age and disability pensioners) as well as some veterans. Because these rebates are on council rates, they are available to homeowners but not to renters.

Around 20% of households in areas serviced by LWUs receive a pension (either the age pension or disability support pension).⁷⁸ Around three-quarters of pensioner households are owner-occupiers and would be eligible for a pensioner discount.

The rationale for rebate schemes are to support those members of communities with financial or social challenges, in a mechanism that provides transparency, by separately identifying the costs of the subsidy from the cost of service delivery. Pensioner Concession Cards are means tested by the Commonwealth to ensure benefits are targeted to people on low incomes.

However, the current approach to setting rebates does not include other groups with limited incomes. The scheme could be expanded in several ways to improve the affordability for other vulnerable households:

- **Expanding rebates to renters.** Around a quarter of pensioner households are renters and do not pay rates. However, renters can be required to pay water usage charges which are billed to their landlord. Expanding the rebate to cover renters who pay for water usage could increase access to rebates.
- **Expanding rebates to Healthcare Card Holders:** the Commonwealth Health Care Card is available to recipients of other income support payments such as JobSeeker, Youth Allowance and Parenting Payments. In regional and remote NSW around 11% of households receive a payment that makes them eligible for a Health Care Card, of these around half are homeowners⁷⁹. Extending rebates to homeowners on the Health Care Card would mean up to an additional 6% of total households are eligible for rebates (around 50,000 households).⁸⁰
- **Expanding rebates to low-income households:** around 21% households are in areas serviced by LWU that currently do not receive a pension⁸¹, but still have a household income in the bottom quintile for NSW (less than \$61,355 a year).⁸² Expanding the rebates to all low-income households (excluding renters) would increase the number of properties eligible for rebates by around 70%.

77 Service NSW, [Apply for pensioner council rates rebates](#), accessed 5 February 2024.

78 Calculated based on the number of households whose largest income support payment was the age pension or disability support pension in the 2021 census. This approach may undercount some households which receive income support from multiple different payments.

79 Based on the number of households whose main form of government support was a non-pension allowance in the 2021 Census: the largest being Newstart allowance and Youth allowance. This approach may overcount households which receive multiple payments. The 2021 Census also recorded unusually high numbers of New Start recipients due to the impact of COVID-19 related layoffs.

80 Based on the proportion of health care card eligible households which are also owner occupied in the 2021 Census.

81 Based on 2021 Census data.

82 Income quartiles based on the ABS Australian National Accounts: Distribution of Household Income, Consumption and Wealth 2021-22.

5.2.4 Facilitating social impact investment

Social impact investment is an approach for government to address social issues in collaboration with the for purpose (not-for profit, social enterprise, philanthropy) and for-profit sectors through a focus on outcomes.

Since 2013, the NSW Government has launched a number of initiatives, for example, to achieve better outcomes for families with experience of out-of-home care, reducing recidivism, improving mental health care and reducing youth unemployment and homelessness. These programs operate through outcomes-based contracts between the service provider and the NSW Government, where a part of the funding to service providers is dependent on achievement of outcomes.

A focus on outcomes supports innovation and provides flexibility to better meet the needs of the individuals receiving support. It also ensures accountability and helps to build an evidence base of what works. There is no NSW Government funding currently available for social impact investment in water initiatives.

Appendix E provides an illustrative example of how social impact investment could be applied to improve water quality in regional and remote communities.

5.2.5 Utilising developer charges

Developer charges allow LWUs to pass some of the cost of connecting new properties onto developers and are an important source of capital funding. Between 2016 and 2022, larger utilities and those in regional areas typically received significantly more developer charges because of their higher growth rates.

Over the next 15 years, the population serviced by medium and large LWUs is projected to continue growing strongly, while the population served by smaller utilities is expected to grow more slowly or even fall in some areas (see Table 16). This means smaller utilities will continue to miss out on developer charges as a source of capital funding. However, it also means there is scope for larger utilities to maximise their use of this funding source.

Table 16: Average revenue from developer charges for LWUs and projected population changes

LWU size	Average annual value of developer charges \$'000s 2016-2022 ⁸³		Projected change in population 2023 to 2038 ⁸⁴	
	Regional	Remote	Regional	Remote
Very Small (Less than 2,000 connections)	58	0 ⁸⁵	0%	-19%
Small (2,000-10,000 connections)	489	130	5%	-5%
Medium (10,000-20,000 connections)	3,595	NA	10%	NA
Large (20,000-50,000 connections)	8,407	NA	15%	NA

Source: DCCEEW, Frontier Economics analysis, Productivity Commission analysis.

83 Developer charges includes both cash contributions and gifted capital assets.

84 DHI NSW Population Projections, accessed 8 February 2024

85 It is unlikely that the value of developer contributions for the Very Small and Remote grouping is zero, however, no utilities in this grouping reported a value in NSW performance database.

86 Orana Water Utilities Alliance, Submission to the Joint Select Committee on Protecting Local Water Utilities from Privatisation, November 2023, p 2; Water Directorate, Submission to the Joint Select Committee on Protecting Local Water Utilities from Privatisation, November 2023, p 2.

87 Shoalhaven Water, Submission to the Joint Select Committee on Protecting Local Water Utilities from Privatisation, October 2023, p 2.

5.3 Addressing lack of economies of scale

Regional and remote communities face greater challenges around water bills and service levels, particularly due to their lack of economies of scale. Addressing this issue may involve additional collaboration and increasing geographic pricing boundaries.

5.3.1 Greater use of regional collaboration

LWUs do not always have the scale to provide complex water-related functions,⁸⁶ such as large-scale design and construction services.⁸⁷ In addition, the Commonwealth Productivity Commission recognised it can be unreasonably costly for smaller providers to employ specialist or technical occupations.⁸⁸ Therefore, multiple reviews have recommended greater collaboration among LWUs when delivering their water and sewerage services.⁸⁹

In NSW, there are several examples of greater collaboration occurring across LWUs. These include Regional Alliances⁹⁰, County Councils⁹¹ and Regional Organisations of Councils.⁹² Another example of collaboration is through the Joint Organisation (JO) framework, which was established to improve infrastructure and service delivery to regional communities.⁹³ Local Government NSW noted that regional water alliances through JOs enable efficiencies by “capturing economies of scale, resource sharing and coordinated service planning.”⁹⁴ Whilst the JOs are generally interested in partnering with state agencies to deliver regional projects, there are also potential efficiencies in negotiations at the JO level with the private sector for services.⁹⁵

A 2021 review found there was not always a full understanding by councils or state government agencies of the potential to leverage the JO model.⁹⁶

Further, not all eligible councils have joined their JO.⁹⁷ This would suggest there may be room to better leverage the JO framework or another form of regional collaboration to address.

- procurement of technical services or sharing of technical expertise
- whole of catchment water quality monitoring and reporting
- program management and financial management
- outsourcing operational requirements through long term contracts with the private sector (e.g. to operate water treatment plants)
- development of infrastructure projects.

In addition to more effective collaboration between LWUs, there may be benefits from broadening collaboration across government agencies, LWUs and regional stakeholders in water reliant industries. The Central NSW JO has proposed forming Strategic Regional Water Committees⁹⁸ to implement the NSW regional water strategies⁹⁹ and better coordinate water and sewerage services, particularly in times of extreme weather events.

In areas outside of water there is extensive collaboration by local councils to provide services to regional and remote communities. For example, the NSW Environment Protection Authority funds voluntary regional waste groups. These groups undertake regional waste and recycling projects, which allow them to negotiate cost-effective contracts while share skills and resources.¹⁰⁰

Regional collaboration is occurring in Queensland through the Queensland Water Regional Alliance Program (QWRAP). This industry-led program provides participating local councils with funding support and regional scale for their projects, helping them achieve greater efficiencies in water and sewerage service delivery for their customers (see the box below).

88 Productivity Commission, *Urban water services: regional and remote communities, Supporting Paper G*, May 2021, p 27.

89 Productivity Commission, *Urban water services: regional and remote communities, Supporting Paper G*, May 2021, p 27.

90 Orana Water Utilities Alliance, *OWUA*, accessed 5 February 2024.

91 Riverina Water, *About us*, accessed 5 February 2024.

92 Riverina Eastern Regional Organisation of Councils, *REROC | About us*, accessed 5 February 2024.

93 NSW Office of Local Government NSW, *Joint Organisations*, accessed 5 February 2024.

94 Local Government NSW, *Submission to the Joint Select Committee on Protecting Local Water Utilities from Privatisation*, November 2023, p 6.

95 The importance of the private sector in providing services needed by LWUs was noted by the Water Directorate at the Joint Select Committee on Protecting Local Water Utilities from privatisation. Mr Brendan Guiney, Water Directorate, *Public Hearing for the Joint Select Committee on Protecting Local Water Utilities from Privatisation*, <https://www.parliament.nsw.gov.au/committees/listofcommittees/Pages/committee-details.aspx?pk=321#tab-hearingsandtranscripts>, 8 December 2023, pp 5-6.

96 ARTD Consultants, *Joint Organisations Review, Volume 1: Overview Report*, October 2021, p 11.

97 ARTD Consultants, *Joint Organisations Review, Volume 1: Overview Report*, October 2021, p 11.

98 Central NSW Joint Organisation, *Submission to the Joint Select Committee on Protecting Local Water Utilities from Privatisation*, October 2023, p 3.

99 NSW Department of Climate Change, Energy, the Environment and Water, *Regional water strategies in New South Wales*, accessed 5 February 2024.

100 NSW Environment Protection Authority, *Funding for voluntary regional waste groups*, accessed 5 February 2024.

Box 5.1: Queensland Water Regional Alliance Program

QWRAP is a collaborative program between:

- over 60 participating Queensland local councils
- the Queensland Water Directorate (*qldwater*), a key advocacy and advisory body in the Queensland urban water industry
- LGAQ, the peak body for Queensland local councils
- Queensland Government, through the Department of Regional Development, Manufacturing and Water.¹⁰¹

Established in 2011, QWRAP encourages regionalisation of water and sewerage services. The aim is to strengthen economies of scale, improve strategic planning and investment and encourage competition by comparison among the participating councils.¹⁰²

QWRAP has established a 'Maturity Model'. It sets out the typical stages of regional collaboration. QWRAP directs funding for projects that promote ongoing regionalisation and progression towards greater maturity in collaboration.

To receive funding support from QWRAP for their projects, councils need to consider three or more alternative institutional models for regionalisation. This process encourages greater awareness among councils of ways they can share resources and build expertise to deliver water and sewerage services.¹⁰³ Incentivisation through modest QWRAP funding is a "proven method for accelerating progress through the maturity model and achieving strategic objectives at a regional scale".¹⁰⁴



101 QLD Water, [Queensland Water Regional Alliance Program](#), accessed 5 February 2024.
 102 Queensland Water Regional Alliance Program, [QWRAP Annual Progress Report 2022](#), p 4.
 103 Queensland Water Regional Alliance Program, [QWRAP Annual Progress Report 2022](#), p 6.
 104 Queensland Water Regional Alliance Program, [QWRAP Annual Progress Report 2022](#), p 8.

QWRAP Maturity Model



1

Little Collaboration

- Collaboration ad hoc or in times of mutual disaster or emergency



2

Undertaking Joint Activities

- Two or more councils collaborating regularly
- Priority project(s) underway



3

Basic Collaboration

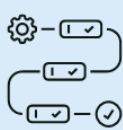
- Scheduled regional meetings
- Joint activities and project(s) in planning and underway



4

Advanced Formal Collaboration

- Council agreed memorandum scoping documentation
- Review of cooperative opportunities
- Projects and activities underway across entire region



5

QWRAP 'Pilot Region'

- Council agreement to consider at least three alternative regional institutional models



6

Water Alliance (Formal Alliance)

- Formal Water Alliance agreed to formed by all participating councils
- Active projects enhancing regional collaboration



7

Considering New Models

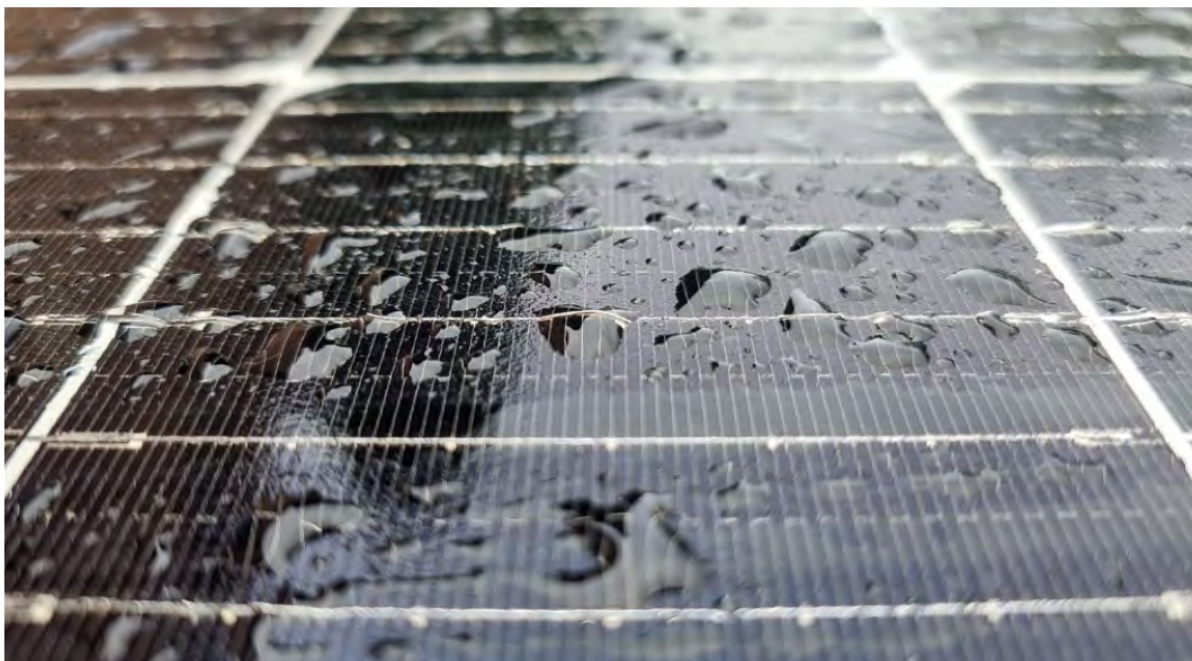
- Joint capital planning, investment or management
- Shared services and staff development
- Pre-feasibility studies on alternative regional entity



8

Alternative Regional Arrangements

- Council controlled entity exists across region
- Projects and strategic activities to address regional sustainability and efficiencies



5.3.2 Broadening the role of State Owned Corporations

In NSW, State Owned Corporations (SOCs) are established on behalf of the people of NSW to provide critical services.¹⁰⁵ Hunter Water Corporation, Sydney Water Corporation, WaterNSW, and Essential Water are SOC that deliver water and sewerage services to metropolitan and regional populations and also provide bulk water for irrigation.

SOCs are set up to replicate the organisational structure, commercial discipline and accountability of the private sector, with the aim of getting better outcomes for customers and taxpayers.¹⁰⁶ For example, they are governed by a board to achieve a rate of return for government shareholders and are required to comply with the NSW Treasury Commercial Policy framework. CSOs are provided to SOC to undertake activities outside the commercial purpose under their respective legislations.

Compared to LWUs, water utility SOC generally serve a larger population base and are able to achieve greater economies of scale. Water utility SOC are also able to attract and retain a larger pool of technical expertise in order to maintain and operate assets and deliver the required services. Leveraging the existing expertise of water utility SOC, and expanding on existing collaboration between LWUs and WaterNSW outlined in Chapter 3, could address the challenges LWUs have in attracting and retaining technical expertise.

A greater role for SOC in reducing the risks for LWUs can include:

- Service level agreements on an as needed basis between LWUs and SOC to fill capability gaps in regional and remote communities, such as dam safety, water quality and strategic analysis (described in Chapter 3).
- Long term partnership agreements between LWUs and SOC to deliver water and sewerage services.
- Regional operational hubs which centralise the technical skills and coordinates resourcing across the region.
- Long term lease agreements for SOC to operate the assets for a period of time and recover the associated user charges.

The NSW DCCEEW also has a team of strategic planning and technical experts, and regionally based inspectors and engineers that provide support and advice to LWUs, and this capability would need to be taken into account in the regional operational hubs model.

Appendix E sets out several options to broaden the role of State Owned Corporations in reducing LWU risks. It also summarises some of the key advantages and disadvantages for each option.

¹⁰⁵ NSW Treasury, *State Owned Corporations*, accessed 7 February 2024.

¹⁰⁶ NSW Treasury, *Policy and Guidelines: Ownership and Portfolio Expectations Policy*, February 2022, p 3.

5.3.3 Moving to regionally based usage and service charges

In the Sydney metropolitan area, a ‘postage stamp’ pricing approach is applied for water and sewerage services, which applies the same basis for charges irrespective of location. This approach has advantages from a social equity perspective, and is also arguably more efficient from a regulation perspective, as the cost of deriving efficient costs at specific locations may outweigh the benefits.

Regionally based pricing is currently being used by County Councils in NSW. County Councils are set up to provide a specific function of a local council, such as supplying water.¹⁰⁷ For example, Riverina Water is a County Council that provides drinking water to customers in several local government areas (City of Wagga Wagga and Lockhart Shire Council, as well as parts of Greater Hume Council and Federation Council). It adopts postage stamp pricing for this service.¹⁰⁸

Taking this approach to other regional and remote communities – i.e. applying postage stamp pricing across a wider geographical area than the current local government boundaries – presents advantages and disadvantages. If costs are averaged over different areas, it can make water charges less cost-reflective. This reduces the signal customers receive from prices about the costs of their water service. It could also lead to significant changes compared to current customer bills. Therefore, the advantages outlined above – greater social equity, lower administrative costs – need to be weighed against these other factors.

Our analysis indicates that if postage stamp pricing is established based on Joint Organisation areas, there could be relatively large bills increases (greater than 35%) for some LWUs, to offset bill decreases for other LWUs in the Joint Organisation. Accordingly, other groupings could be explored for regionally based pricing (e.g. small and remote LWUs).

5.4 Improving resilience

Improving resilience for LWUs – ensuring water is safe, secure and sustainable in their areas – benefits and protects their customers. Moving to optimise LWU funding – such as targeted CSOs for small and remote LWUs – provides an opportunity to introduce mechanisms aimed at addressing resilience and driving better performance. These include a focus on innovation, training and education, as well as introducing independent oversight.

5.4.1 Addressing water safety, security and sustainability through a more targeted, whole of investment life cycle funding model

Several reviews have highlighted the critical importance of LWUs having resilient water systems in place that can respond to the changing climate. For example, the Australian Government’s Productivity Commission noted that increasing average temperatures, higher-intensity rainfall and other extreme weather events could threaten long-term water security in regional and remote Australia.¹⁰⁹ Further, it can be difficult for some LWUs to prepare for these challenges due to limited financial resources and organisational capabilities.¹¹⁰

One option may be moving to a more holistic model for funding LWU services. LWUs would receive targeted funding based on their system risks or financial needs. Funds would be drawn from a sustainable, ongoing combination of sources, such as:

- government funding (e.g. CSOs, grants)
- industry contributions
- philanthropic donations.

Where funding is applied towards a project, it would use whole-of-life costing. This means funding would factor in the capital investment, as well as the ongoing operational costs.

¹⁰⁷ Rous County Council, [Our organisation](#), accessed 5 February 2024.

¹⁰⁸ Riverina Water, [Fees & Charges](#), accessed 5 February 2024.

¹⁰⁹ Productivity Commission, [Urban water services: regional and remote communities, Supporting Paper G](#), May 2021, p 15.

¹¹⁰ Productivity Commission, [Urban water services: regional and remote communities, Supporting Paper G](#), May 2021, p 13.

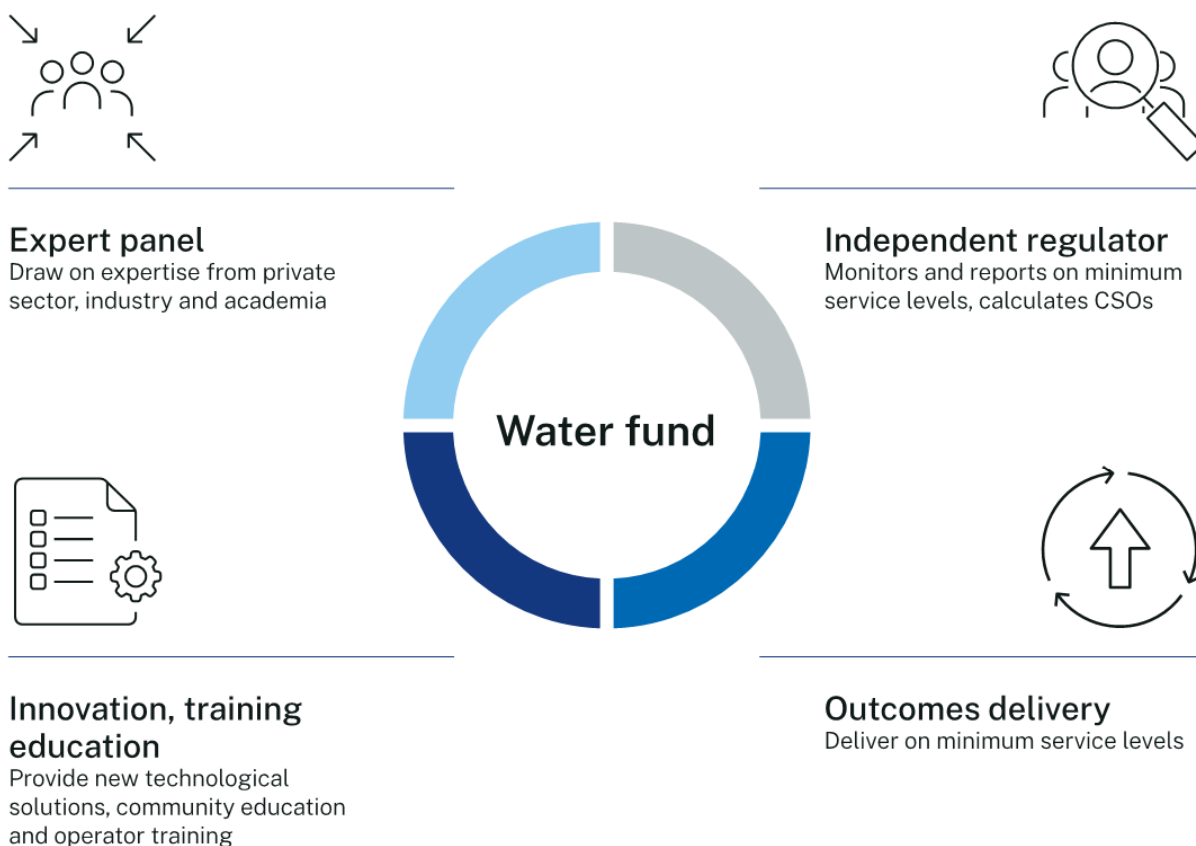
Stakeholders recognise that funding needs to be combined with better operational support, such as access to skills training and newer technologies.¹¹¹ Therefore, having additional mechanisms to complement the water fund could incentivise continuous improvement across LWUs.

As outlined in the diagram below, this could include:

- an expert panel, enabling LWUs to draw on expertise from the private sector, industry and academia

- an independent regulator, which could monitor and report on how LWUs are performing against their minimum service levels, as well as calculate the amount of CSO funding they receive
- a strong focus on outcomes delivery, which may involve a component of CSO funding being linked to LWUs delivering on minimum service levels
- funding to provide greater technological, training and community education support to LWUs.

Figure 5 Illustrative example of a water fund



111 Mr Brendan Guiney, Water Directorate, [Public Hearing for the Joint Select Committee on Protecting Local Water Utilities from Privatisation](#), 8 December 2023, pp 4, 6; Water Directorate, [Submission to the Joint Select Committee on Protecting Local Water Utilities from Privatisation](#), November 2023, p 8.

These mechanisms provide LWUs with resources they could draw on when planning, implementing and maintaining infrastructure. For example, the expert panel could assist LWUs identify a comprehensive set of options that improve water security, ranging from existing technologies to more innovative approaches. Another example is harnessing greater funding for community education, which could broaden customer support for services that improve resilience, such as purified recycled water. A further example is additional training support for LWUs, which could enable them to apply for funding in a timelier way, so their customers receive the benefits of water infrastructure sooner. Local Government NSW has identified that smaller LWUs often do not have the resources needed to prepare funding submissions, creating a barrier to them accessing grants.¹¹²

Stakeholders have noted the challenges of dealing with multiple government agencies when delivering water infrastructure in their regions. Further they have highlighted there are already significant reporting requirements in place for LWUs.¹¹³

Any shift to a more holistic way of funding LWUs, and its associated governance and reporting structure, would need to be mindful of the current requirements on LWUs and the potential overlaps with other government agencies. Stakeholders have also highlighted any new funding model should ensure the application process does not create an undue burden on smaller LWUs.¹¹⁴

Improving water resilience in remote Aboriginal and Torres Strait Islander Communities – in particular, drinking water quality – is a key initiative identified by national reviews. Therefore, any new funding model should ensure it is consistent with the NSW Aboriginal Water Strategy. This strategy identifies ways to increase water rights and ensure Aboriginal people are empowered to contribute to water management and planning decisions.¹¹⁵ See section 3.1 for further information.

5.4.2 Introducing independent oversight to drive continuous improvement and accountability

In NSW, LWUs are currently not subject to the same level of price scrutiny as water utility SOCs, who are regulated by IPART.¹¹⁶ IPART audits whether SOCs are meeting minimum service standards set out in their operating licences, which are designed to protect customers. It also sets prices to ensure customers only pay what SOCs need to efficiently deliver their services.

Advantages of regulation by IPART include the transparency of the process for governments and the emphasis on promoting value for customers. However, the existing regulation is mainly designed for larger scale water utilities. Any independent oversight for LWUs more generally would need to be proportionate to the capacity and resources of those LWUs to meaningfully engage with it.

The Productivity Commission recommended independent oversight to analyse reported information. This would provide greater scrutiny of outcomes, as well as better highlighting where LWU performance is poor and improvement is required.¹¹⁷ It would also provide assurance that LWUs are delivering services efficiently.¹¹⁸

Chapter 4 sets out potential minimum service standards for LWUs, covering water quality, water security, environmental impacts and service reliability. An independent body could monitor the performance of LWUs against these minimum service standards, which provides incentives for improved water resilience and operational performance. Independent oversight could also determine eligibility for CSO payments and ensure accountability for funds spent.

112 Mr David Reynolds, Local Government NSW, [Public Hearing for the Joint Select Committee on Protecting Local Water Utilities from Privatisation](https://www.parliament.nsw.gov.au/ladocs/transcripts/3183/CORRECTED_TRANSCRIPT-8%20December%202023-Joint%20Select%20Committee%20on%20Protecting%20Local%20Water%20Utilities%20from%20Privatisation.pdf), [https://www.parliament.nsw.gov.au/ladocs/transcripts/3183/CORRECTED_TRANSCRIPT-8 December 2023 - Joint Select Committee on Protecting Local Water Utilities from Privatisation.pdf](https://www.parliament.nsw.gov.au/ladocs/transcripts/3183/CORRECTED_TRANSCRIPT-8%20December%202023-Joint%20Select%20Committee%20on%20Protecting%20Local%20Water%20Utilities%20from%20Privatisation.pdf), 8 December 2023, pp 49-50.

113 Mr John Truman, Ballina Shire Council, [Public Hearing for the Joint Select Committee on Protecting Local Water Utilities from Privatisation](https://www.parliament.nsw.gov.au/ladocs/transcripts/3183/CORRECTED_TRANSCRIPT-8%20December%202023-Joint%20Select%20Committee%20on%20Protecting%20Local%20Water%20Utilities%20from%20Privatisation.pdf), 8 December 2023, p 23.

114 Mr David Reynolds, Local Government NSW, [Public Hearing for the Joint Select Committee on Protecting Local Water Utilities from Privatisation](https://www.parliament.nsw.gov.au/ladocs/transcripts/3183/CORRECTED_TRANSCRIPT-8%20December%202023-Joint%20Select%20Committee%20on%20Protecting%20Local%20Water%20Utilities%20from%20Privatisation.pdf), 8 December 2023, pp 49-50.

115 NSW Department of Climate Change, Energy, the Environment and Water, [NSW Aboriginal Water Strategy](https://www.dccceew.nsw.gov.au/aboriginal-water-strategy), accessed 5 February 2024.

116 Note the Central Coast Council is the exception. IPART sets the maximum prices it can charge customers for water, wastewater and stormwater services.

117 Productivity Commission, [National Water Reform](https://www.prc.gov.au/reports-and-publications/national-water-reform), December 2017, p 217.

118 Productivity Commission, [Urban water services: regional and remote communities, Supporting Paper G](https://www.prc.gov.au/reports-and-publications/urban-water-services-regional-and-remote-communities), May 2021, p 49.

Appendix A

Terms of Reference

NSW Productivity Commission Review of funding models for Local Water Utilities

The NSW Productivity Commission should investigate the range of alternative funding arrangements that would help reduce service risks for local water utilities and provide advice to the NSW Government on next steps for a future direction.

The investigation should consider:

- The current funding arrangements for the 89 council-owned local water utilities in NSW and strategies that could better optimise the current funding approaches, including:
 - NSW Government funding programs
 - Existing requirements for user charges and levies.
- The minimum level of service for water supply and sewerage services (see assumptions and limitations).
- The diversity of local water utility performance, financial performance and business models and unresolved service risks
- The extent to which alternative funding arrangements could lift the performance of the most poorly performing, smaller utilities to minimum performance without creating disincentives to the efficient operation of good performers.
- Pathways to transition to a new approach over time, including different levels of NSW Government funding or opportunities to reduce risks by better leveraging the State Government's existing investments in publicly owned state-owned corporations.
- Pensioner rebates, noting this part of the review spans regional and metro settings.

Assumptions and limitations

The NSW Government's policy position is that there shall be no forced amalgamations and that councils will continue as the owners of their water and sewerage assets. Continuation of this policy position is a critical assumption of this investigation.

In order to investigate the options for alternative funding arrangements, and in particular the Community Service Obligation option, the NSW Productivity Commission should consider a minimum service standard for water supply and sewerage services. A complete portfolio of basic service levels is not set in NSW, however for the purposes of this investigation can be assumed that the following policy and regulatory settings would continue:

- **Water quality:** Australian Drinking Water Guidelines as the minimum service level for safe drinking water.
- **Water security:** Risk based water security service levels.
- **Environmental:** Compliance with Environment Protection Licences as the minimum service level for the environmental performance of wastewater treatment.
- **Fluoridation:** All relevant facilities will comply with the Code of Practice for Fluoridation of Public Water Supplies.



Through the consultation the NSW Productivity Commission should consider views as to whether the minimum level of service should change for these assumptions now or over time. Further, whether any key basic service levels are missing from this list. For example, reliability (service interruptions) or water pressure.

In undertaking its review, the Productivity Commission should:

- consult with councils, local water utilities, joint organisations of councils, industry groups, NSW Government agencies, and the community, as appropriate
- leverage from the analysis report from phase 1 of the Town Water Risk Reduction Program, entitled *Financial and operating performance of local water utilities (2022)*, and produced by Frontier Economics, which outlines the historical operational and financial performance of local water utilities
- assemble and analyse any other relevant data
- draw on best practice in other jurisdictions, previous reviews, and published research

Please visit [Review of funding models for local water utilities, NSW Productivity Commission](#) for more details on the timeline and consultations for the Review.

Appendix B

Local water utility performance

Cost recovery analysis

Very Small Regional	Very Small Remote
<p>On average utilities which cost recovered tended to:</p> <ul style="list-style-type: none"> • Have fewer total connections: 2,583 vs 2,721 but more water connections per 100 km of mains (2,571 vs. 2,209). • Have significantly more revenue per connection: \$1,030 vs \$795 • Have somewhat higher total expenses per connection: \$971 vs \$957 and lower operating expenses per connection \$620 vs \$644. • Has fewer FTE per 1000 connections, 5.5 vs 6.7. • Have lower SEIFA scores 939 vs 984, but no trend in location. • Have lower water usage 472 kL vs 480 kL per connection. 	<p>On average utilities which cost recovered tended to:</p> <ul style="list-style-type: none"> • Have more total connections 1,921 vs 1,888 but fewer water connections per 100 km of mains: 1,701 vs. 2,489 • Have significantly higher water usage 1,206 kL vs 1,053 kL per connection and a little more revenue per connection: \$1,320 vs \$1,271 • Have significantly lower total expenses per connection: \$1,219 vs \$1,474, in particular much lower operating expenses per connection (\$773 vs \$1,028). • Have lower SEIFA scores 903 vs 907 and are generally in less remote areas outside western NSW. • Has more FTE per 1000 connections 10.9 vs 6.7.
Small Regional	Small Remote
<p>On average utilities which cost recovered tended to:</p> <ul style="list-style-type: none"> • Have more total connections: 9,905 vs 6,457 but fewer water connections per 100 km of mains (3,259 vs. 2,742). • Have slightly more revenue per connection: \$996 vs \$878, and lower water usage 358 kL vs 404 kL per connection. • Have somewhat higher total expenses per connection: \$929 vs \$855, and lower operating expenses per connection \$646 vs \$679. • Has fewer FTE per 1000 connections 4.3 vs 4.7. • Have higher SEIFA scores 956 vs 951. 	<p>On average utilities which cost recovered tended to:</p> <ul style="list-style-type: none"> • Have fewer total connections: 4,472 vs 5,825 but more water connections per 100 km of mains (2,238 vs. 2,090). • Have significantly more revenue per connection: \$1,538 vs \$1,055, and higher water usage 600 kL vs 505 kL per connection. • Have significantly higher total expenses per connection: \$1,612 vs \$1,193, and higher operating expenses per connection \$933 vs \$887. • Has fewer FTE per 1000 connections 6.5 vs 7.6. • Have lower SEIFA scores 894 vs 940.

Service reliability

LWUs provides regular reporting to NSW DCCEEW as the regulator on key service metrics. Larger LWU's with more than 10,000 connections also report against key metrics to the Bureau of Meteorology's National Performance Report (NPR).

On metrics like main breaks and leaks, LWUs in NSW appear to compare on par with utilities in other jurisdictions based on the NPR. However, NSW LWUs appear to experience more water supply interruptions.

As shown in Table 18 some remote utilities experience around twice as many main breaks and lose almost twice as much water to leakage compared to similarly sized utilities in regional areas.

Table 18: Rates of main breaks, water supply disruptions and leaks, by LWU size

LWU size	Average Main Breaks per 100 km of mains		Water supply interruptions per 1,000 connections		Leaks L/connection/day	
	Regional	Remote	Regional	Remote	Regional	Remote
National median (NPR) for >10,000 connections in 2021-22 ¹¹⁹	12.15		72.9		72.0	
Very Small (Less than 2,000 connections)	18.1	31.0	92.4	299.6	70.6	112.2
Small (2,000-10,000 connections)	12.1	26.7	315.9	127.2	78.2	172.0
Medium (10,000-20,000 connections)	11.3	NA	306.7	NA	75.6	NA
Large (20,000-50,000 connections)	10.4	NA	318.6	NA	68.4	NA

Source: DCCEEW, Bureau of Meteorology National Performance Report 2022, NSW Productivity Commission analysis.

119 Bureau of Meteorology, [National Performance Report 2022](#), accessed 8 February 2024.

Assets condition and maintenance

Smaller utilities appear to spend more on maintenance and renewals than larger utilities, and more remote utilities spend more than regional utilities. Table 19 compares the ratio of the expenditure a LWU has on maintenance and renewals per connection to the amount of money it recovers in revenue from the depreciation of existing assets¹²⁰; a high ratio indicates the utility spends much more on maintenance and renewals than would be expected to maintain existing assets. Ideally depreciation should roughly equal the costs of renewals and maintenance, however there are several reasons a utility could have a high ratio¹²¹:

- existing assets are now required to meet higher service standards
- cost of maintaining and renewing assets have increased significantly over time
- the utility has delayed expected maintenance and renewals and now needs to catch up
- existing assets have degraded faster than anticipated.

Table 19: Ratio of maintenance and renewals to depreciation, by LWU size

LWU size	Ratio of maintenance and renewals to depreciation	
	Regional	Remote
Very Small (Less than 2,000 connections)	1.9x	2.9x
Small (2,000-10,000 connections)	1.7x	2.8x
Medium (10,000-20,000 connections)	1.9x	NA
Large (20,000-50,000 connections)	1.1x	NA

Source: DCCEEW, Frontier Economics analysis, NSW Productivity Commission.

120 This is different to the asset renewal ratio reported by local governments as part of the Integrated Planning and Reporting Framework

121 This ratio is an indicative measure, a high ratio does not mean a utility is managing its assets poorly.

Appendix C

National Water Initiative funding model for water utilities

Table 20 sets how the NWI pricing principles apply to the user-pays model for water utility funding.

Table 20: The NWI user-pays model for water utility funding

Cost	Description	Funding principle based on NWI
Operational, maintenance and administration (OMA)	The day-to-day costs of operating and maintaining a utilities assets, including labour, materials, IT, consultants etc.	Customer bills
Asset renewals (depreciation)	The cost of replacing capital assets like pipelines and treatment plants when they wear-out.	The utility pays the upfront cost through borrowing, retained earnings or capital contributions from its owner. Customers then pay the asset's depreciation cost.
Asset upgrades	New assets or upgrades to existing assets to meet new requirements. For example, upgrading a treatment plant to improve environmental performance, or build a new pipeline to improve water security.	The utility pays the upfront cost through borrowing, retained earnings or capital contributions from its owner. Customers then pay the asset's depreciation cost.
Growth assets	New assets required to provide water or sewerage services to new customers	Developer charges
Return on capital	A profit the utility pays to its owner for the capital it invests in the utility	Customer bills

Appendix D

Minimum service levels

Issues to consider

The concept of minimum service levels applies across a range of different sectors. For example, universal service policies commonly apply in the telecommunication services. Across OECD countries, for example, most have longstanding universal service policies focused on voice-based telecommunications services. The policies generally address the *availability*, *accessibility* and *affordability* of such services. For broadband services, most OECD countries tend to focus their efforts largely on ensuring universal availability.¹²²

In the health sector, the concept of universal health coverage applies meaning that all people have access to the full range of quality health services they need, *when* and *where* they need them, *without financial hardship*. It covers the full continuum of essential health services, from health promotion to prevention, treatment, rehabilitation and palliative care. In Australia, Medicare provides a universal health insurance scheme. It guarantees all Australians (and some overseas visitors) access to a wide range of health and hospital services at low or no cost, but it does not cover all services or locations.

In Tasmania, the regulator has established minimum service standard targets within the Customer Service Code or water and sewerage. The service standards typically relate to number of incidents, response time to incidents and duration of incidents. The “minimum service standards are usually developed following consultation with customers on current levels of service and price implications of alternative levels of service provision”.¹²³

In the UK, the regulator (OFWAT) sets a range of minimum service levels that must be achieved. These include making/keeping customer appointments, response time to customer complaints, response times to supply disruptions, pressure standards, and sewer overflow events. There are penalties for non-compliance.¹²⁴

Service standards may vary in terms of:

- The performance categories which are included in the service standard. That is, which of water quality, water security, environment and service reliability should be covered by the service standard?
- How service standards within each category are defined. This relates to how good or poor performance under the service standard is defined, and is the detailed which underpins what the service standard is and how it can be measured. This detail includes:
 - the data or information used to measure performance against the service standard
 - the threshold used to define the minimum level of service, and compliance with the service standard
 - the frequency with which service standards are measured
 - governance arrangements around demonstrating compliance with minimum service levels and enforcement of those standards

¹²² Productivity Commission, Telecommunications Universal Service Obligation, Inquiry Report, No. 83, 28 April 2017, p 377.

¹²³ <https://www.economicregulator.tas.gov.au/Documents/Water%20and%20Sewerage%202018%20Price%20Determination%20Draft%20Chapter%204.pdf>, p63.

¹²⁴ <https://www.ofwat.gov.uk/wp-content/uploads/2017/03/The-guaranteed-standards-scheme-GSS-summary-of-standards-and-conditions.pdf>

- How service standards are applied. For example, minimum service levels could be allowed to vary (i.e. apply different service standards) depending on LWU characteristics, such as applying different service standards or minimum service levels based on LWU:
 - size¹²⁵
 - location
 - network densities.
- the communities to which service standards apply – for instance whether they apply to areas currently serviced by the LWU or unserved communities within or on the fringe of the urban boundaries.
- the overall governance arrangements for service standards, which includes how they are determined, compliance and enforcement and arrangements to review and update service standards or service levels.

In the following section we provide a range of potential options to apply service standards and minimum service levels to LWUs. They are constructed along two dimensions, in terms of

- the performance categories which are included in the service standard, and how service standards within each category are defined.

There is a trade-off between service levels and cost. Therefore, a balance needs to be found between the desired minimum service levels in the potential options and the costs of achieving them. Selecting an option with higher minimum service levels could involve higher costs.

Coverage to communities in NSW

Currently, LWUs provide services to a wide range of towns/communities in their service area. Some are served by established networks of water/wastewater assets to deliver the service. However, some smaller and remote communities may not have an established network. For example, in some communities wastewater services may be in the form of septic tanks rather than a network, with the households being responsible for the maintenance of these assets. In other cases, towns may rely on household water tanks for their potable supply of water. Again, the maintenance of these tanks would be the responsibility of the property owner. In setting the minimum service standard, consideration will need to be given to whether the standard should apply to all towns/communities (e.g. including those on the fringe of the urban boundary). Applying the minimum standard could also trigger investments to install the network if it currently does not exist.

Some examples where this has occurred in the past include the Priority Sewage Program which funded the extension of a reticulated wastewater network to small villages (within a metropolitan utilities' operational boundary) previously serviced via onsite wastewater disposal systems.¹²⁶ In the early years of the Program it was funded via the whole customer base of the metropolitan utility. The NSW Government's Aboriginal Communities Water and Sewerage Program also sought to provide safe and effective water and sewerage services to communities to receive a similar level of services to nearby non-indigenous communities.¹²⁷

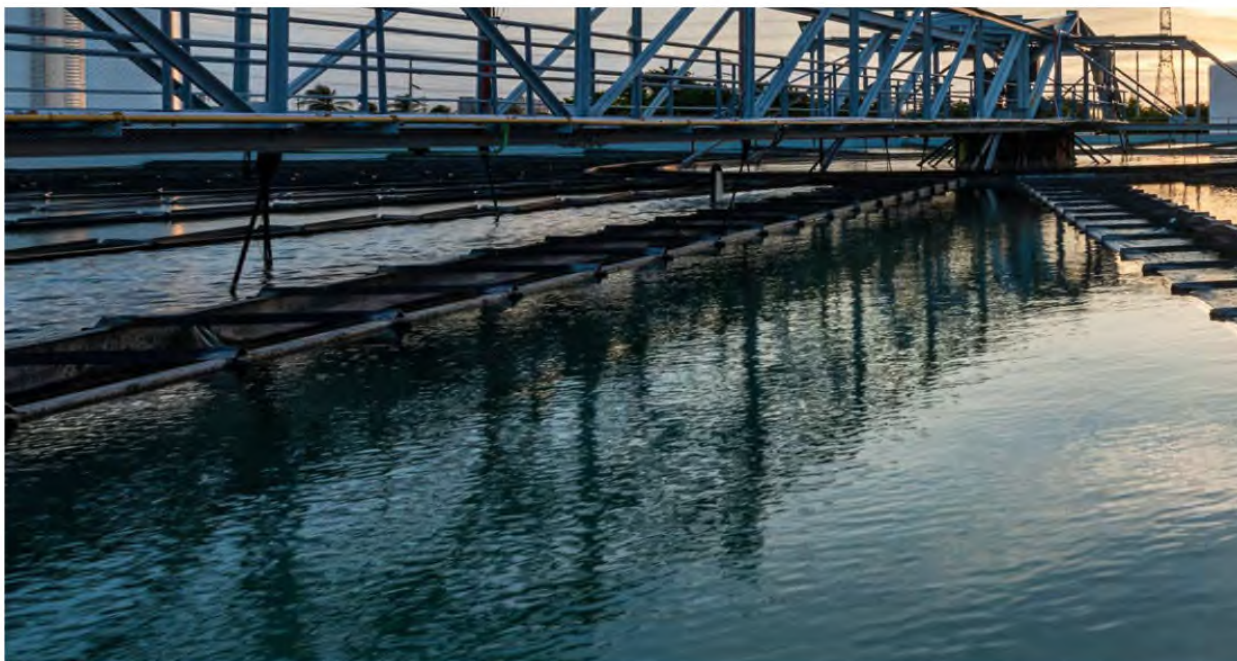
Voluntary or compulsory?

Minimum service standards could be imposed on LWUs on a voluntary basis or could be considered compulsory to achieve (e.g. via defined regulatory obligations). These would need to be considered in the context of the overall governance arrangements. Voluntary adoption is unlikely to incentivise an LWU to achieve the minimum standards. A compulsory standard, on the other hand, may be more challenging for some LWUs where there is a high cost of achieving these standards. In this context, CSO arrangements would need to be considered where it is not profitable to provide the minimum service levels.

¹²⁵ For example, New Zealand's water quality regulations apply different water quality rules depending on population served. See Taumata Arowai 2022, Drinking Water Quality Assurance Rules.

¹²⁶ In the Sydney context this included villages such as Bargo, Buxton, Douglas Park, Wilton and Jamberoo.

¹²⁷ NSW Water, Aboriginal Communities Water and Sewerage Program, accessed 31 January 2024.



Leading, real time and lagging service standards

Service standard indicators could fall into different categories of the point in time which the performance is being measured. The indicators may differ depending on whether the standards are aiming to improve current outcomes or protect from risks into the future. Water security indicators are commonly defined in terms of probabilistic modelling against future events, rather than reflecting current performance. Maintenance and renewals expenditure, for example, may not be observed in current performance levels but may prevent the deterioration of the asset base which is reflected in future performance.

Process and outcome service standards

Broadly speaking there are two types of service applied to LWUs:¹²⁸

- Process service standards – these relate to actions that utilities are required to do. Generally, for these types of service standard are binary (i.e. compliant or non-compliant) based on whether a utility has undertaken a specific action, which results in a desirable outcome. The NZ Drinking Water Assurance Rules defines these as “Assurance Rules”. Examples include:
 - requirement to have a water quality risk management plan
 - requirement to comply with clean drinking water or environmental standards
- Outcome service standards – these are defined by measurable outcomes. These relate to parameters which must be continuously or regularly sampled and may have explicit limits or thresholds for compliance. Examples include, for example:
 - *E. coli* concentrations
 - Number of main breaks.

Both process and outcome service standards have their own strengths and weaknesses. Ultimately regulators and customers care about outcomes. Process service standards with weak or uncertain relationships with outcomes are less useful. However, there are also risks that may not be readily observable in the outcomes indicators (process standards can help capture these risks). Combinations of process and outcomes service standards could be considered, drawing on the relative strengths of each.

¹²⁸ Taumata Arowai 2022, Drinking Water Quality Assurance Rules, released 25 July 2022.



Table 21: Comparison of process and outcome service standards

Category	Strengths	Weaknesses
Process service standards	<ul style="list-style-type: none"> • Potentially easier to determine compliance (in particular when they relate to the existence of a plan of some sort) 	<ul style="list-style-type: none"> • Binary measure (provides little information) • May not be strongly correlated with outcomes • May require additional oversight (e.g. auditing) or analysis to ensure that process translates to desired outcome (i.e. that LWUs follow through plans, or provide evidence that a specific process results in a desirable outcomes)
Outcome service standards	<ul style="list-style-type: none"> • Transparent measure of actual performance • Show how far away from thresholds • Provides data to regulators which may be useful for policy • LWUs record many parameters already (potentially low cost to report these to a regulator) 	<ul style="list-style-type: none"> • Subject to measurement error • May be resource intensive where LWU do not already collect or report data

Source: Analysis based on Taumata Arowai 2022, Drinking Water Quality Assurance Rules, released 25 July 2022.

Water Quality

Current regulatory framework in NSW

Under the NSW Public Health Act 2010 and Public Health Regulation 2022, LWUs are required to have and comply with a risk based drinking water management system in accordance with the Framework for the Management of Drinking Water Quality from the ADWG.¹²⁹ Monitoring requirements are set out in LWUs DWMS and under the NSW Health Drinking Water Monitoring Program, each LWU is advised of the minimum number of drinking water samples to be collected and the characteristics to be tested.

Drinking water management systems and implementation must be reviewed, which will assess how effective current management practices are, and helps identify gaps and improvements. Reviews are required:

- annually as part of an internal review by LWUs, the results of which should be provided to NSW Health
- based on the external audit frequency agreed to with NSW Health. The external audit should be undertaken by an approved auditor. However, these external audits have yet to be widely undertaken in NSW, in contrast to the mature auditing arrangements in place in other jurisdictions, such as Qld and Victoria, and in NZ.

Comparison across jurisdictions

- The regulation of water quality in Australia, is similar across jurisdictions and for large urban water providers, primarily consisting of process service standards, which require utilities to have and implement water quality management systems or management plans based on ADWGs. The main differences appear to be in terms of governance arrangements around how they are implemented.

Table 22: Comparison of water standards imposed across jurisdictions

Standard imposed	NSW LWUs	Sydney Water/ Hunter Water	Queensland	Victoria	NZ	Canada (Alberta)
Requirement to have a water quality management system/plan	√	√	√	√	√	√
Compliance with fluoridation requirements	X	√	X	√	√	√
Monitoring and outcome reporting requirements to regulator	√	√	√	√	√	√
Monitor and outcome reporting requirements to public	√	√	√	√	X	√ (limited)
Compliance against specific drinking water quality standards	√	X	√ (limited)	√ (limited)	√ (extensive)	√ (extensive)

Note: the *Fluoridation of Public Water Supplies Act 1957*, *Fluoridation of Public Water Supplies Regulation 2022* and the *New South Wales Code of Practice for Fluoridation of Public Water Supplies* prescribes the procedures water utilities must follow when adding fluoride including the fluoride concentration that must be maintained. Water utilities must undertake daily fluoride measurements, provide a monthly report of these results to NSW Health, submit monthly samples to a laboratory, and notify NSW Health of incidents including overdosing incidents, underdosing incidents, and when they are not able to fluoridate for more than 24 hours. The *Fluoridation of Public Water Supplies Act 1957* provides enforcement mechanisms. NSW Health’s preferred method to achieve compliance is to work with water utilities to support the safe operation of water fluoridation. There is a drinking water monitoring standard but there no specific requirement to reports results to the public.

Under the NSW Health Drinking Water Monitoring Program, each LWU is advised of the minimum number of drinking water samples to be collected and the characteristics to be tested.

129 NSW Public Health Regulation 2022, Part 5 Safety measures for drinking water – the Act, Part 3, Div 1

The *Public Health Act 2010* (NSW) provides enforcement mechanisms. NSW Health's preferred method to achieve compliance is to work with water utilities to improve outcomes. Local Public Health Units monitor sampling compliance (sample numbers and frequency) and follow up with any non-compliant utilities. Public Health Units also follow up non-compliant test results.

Source: *Public Health Act 2010* (NSW); Public Health Regulation 2022 (NSW); IPART 2022, Sydney Water Reporting Manual; IPART 2022, Hunter Water Reporting Manual; *Safe Drinking Water Act 2003* (Vic); Safe Drinking Water Regulations 2015 (Vic); Public Health Regulation 2018 (Qld); Taumata Arowai 2022, Drinking Water Quality Assurance Rules, released 25 July 2022; <https://www.alberta.ca/drinking-water-overview>.

Some jurisdiction and utilities have additional requirements compared to LWUs, which include:

- Detailed monitoring and reporting requirements
 - Both Sydney Water and Hunter Water have a range of reporting requirements under their operating licences.¹³⁰ This includes requirements to publicly publish water quality information on their websites.
 - Providers in Queensland are obligated to conduct quarterly monitoring and reporting on *E. coli* and fluoride (where added).¹³¹ Reporting on a defined list of parameters is mandatory if they are part of the service provider's routine monitoring program. These include aesthetic parameters like pH, hardness, turbidity; disinfection residuals like chlorine; and health related contaminants including metals, disinfection by products and nitrate, among others.¹³²
 - In Victoria, drinking water is regulated under These regulations also mandate water suppliers to have a Drinking Water Quality Risk Management Plan,¹³³ thereby implementing both process-based and outcomes-based service standards. Water agencies must also prepare an annual report on the quality of drinking water and regulated water.
- Explicit standards for some parameters.
 - the Queensland Public Health Regulation 2018 explicitly requires utilities to test drinking water, under section 52, for
 - *E. coli*, with the frequency of testing outlined based on the number of people supplied by the service. The regulations include acceptable thresholds.
 - each required parameter at the frequency stated in the management plan for the water utility.

The regulations also explicitly state that drinking water should not contain an amount of an ADWG parameter more than the guideline value for health

- In Victoria, drinking water is regulated under *Safe Drinking Water Act 2003* and associated Safe Drinking Water Regulations 2015. Under section 17 of the act water supplier are required to ensure specific parameters are within acceptable values, specified in schedule 2 of the regulations.¹³⁴ The regulations include the relevant sampling frequency for each parameter and the quality standard. This covers the following parameters:
 - *E. coli*
 - total trihalomethanes
 - turbidity.

New Zealand has experienced significant changes in the way water quality is regulated, following the 2016 Havelock North drinking water contamination event. Changes have included removing components from acts related to water quality, which made compliance discretionary in many cases (removing 'all practicable steps' test and removing affordability components) and including more prescriptive requirements for water suppliers. Further information on these new regulations are provided in Box A.

130 IPART 2022, Sydney Water Reporting Manual, accessed https://www.ipart.nsw.gov.au/sites/default/files/cm9_documents/Reporting-Manual-changes-to-Water-Conservation-Report-December-2021.PDF, and IPART 2022, Hunter Water Reporting Manual, https://www.ipart.nsw.gov.au/sites/default/files/cm9_documents/Reporting-Manual--Hunter-Water-2022-2027.PDF.

131 Water Quality and Reporting Guideline for a Drinking Water Service. September 2010. Available at: https://www.rdmw.qld.gov.au/_data/assets/pdf_file/0008/45593/water-quality-reporting-guideline.pdf

132 Explanatory notes and instructions Drinking Water Quality: Quarterly Report. February 2011. Available at: https://www.rdmw.qld.gov.au/_data/assets/pdf_file/0004/45598/wsr501-quarterly-explan-notes.pdf

133 Victorian Legislation. Safe Drinking Water Regulations 2015. Available at: <https://www.legislation.vic.gov.au/in-force/statutory-rules/safe-drinking-water-regulations-2015/001>

134 Safe Drinking Water Regulations 2015. Available at: <https://www.legislation.vic.gov.au/in-force/statutory-rules/safe-drinking-water-regulations-2015/001>

Box A: Water quality standards in New Zealand

Tauma Arowai was established as New Zealand’s water service regulator in 2021. This was followed by the introduction of the Drinking Water Quality Assurance Rules, Drinking Water Standards, Aesthetic Values and Acceptable Solutions on 14 November 2022. This represented a change in how safe drinking water is regulated. This sees local councils and suppliers now having to provide assurance to the regulator that the water they supply is safe¹³⁵, where previously regulations did not impose an absolute duty to comply with drinking water standards.¹³⁶

The Drinking Water Quality Assurance Rules¹³⁷ is the central document of the regulations. The rules are structured into modules, covering:

- general rules, which relate to two types of rules:
 - Monitoring Rules, which relate to demonstrating compliance against water quality parameters and other rules in the regulations (e.g. sampling

frequencies, compliance periods, and reporting periods).

- Assurance rules, that identify activities that utilities must undertake (e.g. demonstrating compliance, delivering water samples, calibrating equipment, using suitably trained personnel etc.). Compliance with assurance rules needs to be reported to Taumata Arowai within 40 days of the end of each calendar year.
- Rules which are specific to the stage of the water treatment process (source, treatment and distribution) and for specific drinking water supply categories. These include both monitoring and assurance rules.
- Specific rules for very small communities defined as up to 25 people, up to 50 people for up to 60 days in any 12 month period. These cover both monitoring and assurance standards.

- Water carrier service rules, which is not likely to be relevant for utilities.
- Rules for Supplies with Varying Population, which only consist of monitoring rules where the base population of a drinking water supply increases for limited periods of time.
- Temporary drinking water supplies, which relate to planned short-term events where people gather, such as music festivals, farm field days, civil defence operations, or military exercises. This is not likely to be relevant for utilities.

The rules which are applied to utilities vary depending on the size of the serviced population, the nature of the water supply (networked, self-supplied buildings).

Minimum or maximum values for parameters are provided in water services or a range of parameters related to safety and aesthetics of drinking water.¹³⁸



135 Media Release. New drinking water Rules and Standards take effect. 14 November 2021. Available at: <https://www.taumataarowai.govt.nz/news/articles/new-drinking-water-rules-and-standards-take-effect/>

136 Government Inquiry into Havelock North Drinking Water 2017, Report of the Havelock North Drinking Water Inquiry: Stage 1. 1

137 Taumata Arowai 2022, Drinking Water Quality Assurance Rules, released 25 July 2022.

138 See for *Water Services (Drinking Water Standards for New Zealand) Regulations 2022* and *Aesthetic Values for Drinking Water Notice 2022* for minimum or maximum allowed values for parameters.

Box B: Case Study: water quality standards in Alberta, Canada

Alberta Ministry of Environment and Protected Areas regulates drinking water quality, in addition to a range of other water services, for small and remote communities.¹³⁹

The Potable Water Regulation (part of the Environment Protection and Enhancement Act (RSA 2000, c.E-12)) mandates that water from regulated waterworks systems in Alberta complies with Health Canada’s Guidelines for Canadian Drinking Water Quality. This regulation stipulates criteria for the design, performance, and operation of waterworks facilities.

Drinking water systems are required to meet government’s design standards and operated according to provincial facility approvals. This is verified through performance assurance, which consist of approvals, compliance and enforcement activities ensure that drinking water providers meet the necessary standards.

- Facility approvals: designated Alberta municipal drinking water and wastewater facilities must be approved to meet consistent, provincewide standards.
- Compliance and enforcement. This imposes consequences for non-compliance, preventing economic benefit from violations and comprises:
 - annual Compliance Assessment and Enforcement Reports highlight key activities and enforcement actions, including fines and penalties.
 - capacity building build capacity to support initiatives such as monitoring (both compulsory and voluntary), reporting, and compliance assessments (including unannounced and announced inspections and performance reviews) to identify and address potential problems proactively.



139 See <https://www.alberta.ca/drinking-water-overview> for further details.

Water Security

A secure water supply will depend on the range of sources that can be accessed. In many areas, water can be sourced from regulated rivers with large storages that collect/store water for long periods. There is also a less secure supply from unregulated rivers and groundwater sources. In some regions there is also competition from other activities (e.g. agriculture, mining) to access the scarce water resources which can impact on water security.

Extent to which the LWU controls security

For minimum standards to be meaningful, LWUs should be able to impact service standards. In some cases, such as with larger storages on regulated rivers, these are the responsibility of WaterNSW. LWUs can provide input the assessment process of options, but it is typically WaterNSW (and the NSW Government) which makes the ultimate investment augmentation decisions around these assets.

However, there are a range of areas where LWUs can directly influence security of supply such as:

- capital investments (e.g. investing in recycled water facilities)
- water conservation investments to reduce demand and also introduce recycled wastewater facilities to reduce demand for potable water
- purchasing entitlements/shares from the trading market (either on a permanent or temporary basis).
- maintaining the network to reduce leakage
- triggering and monitoring water restrictions
- implementing emergency response measures.

Short term versus long term outcomes

Water security measures can be defined as a short term measure or longer term concept.

Short term measures can be directly observed (e.g. storage levels). However, changes to longer term water security risks need to be modelled as part of the broader process (e.g. calculating system yield via a stochastic process). Often this form of data is not readily available and, in particular, it is unlikely to be readily available to characterise water security risks for smaller towns.

Environmental impacts

Water extractors are required to be licenced except in some limited cases where 'basic landholder rights' apply. Extraction is commonly metered and monitored by NRAR, which is an independent regulator responsible for compliance with and enforcement of water management legislation in NSW. This includes granting and managing water licences and works approvals for LWUs and ensuring LWUs' compliance with water access licences. The *Natural Resources Access Regulator Act 2017* constitutes and confers functions although this does not cover all extraction.

Where construction of new assets requires involves land clearing, this will typically be subject to a separate Development Assessment process typically managed by the relevant Local Councils.

There are currently no regulations affecting LWU greenhouse gas emissions, emission data is collected and reported to and published by NSW DCCEEW in their LWU performance monitoring database.

In Victoria, similar requirements also apply to the discharges to the environment from sewage treatment plants. Annual Performance Statements (now called PIPS – Permission Information and Performance Statements) are available on EPA Victoria's website.

Greenhouse gas emissions are reported in Queensland and in NSW, however there are no minimum service standards applied.

Appendix E

Additional information on alternative funding options

Facilitating social impact investment

Box C provides an illustrative example of how social impact investment could be applied to improve water quality in regional and remote communities.

Box C: Illustrative example: social impact investment to achieve improvements in water quality in regional and remote communities

Investment objective:

Improvement in water quality for 5 regional/remote communities, relative to baseline

Investment type: payment by results contract

Contract length: 5 years

Cohort: 5 regional and remote communities that have less than 10,000 connections

Outcome payment metrics: independent audit results show monitoring and reporting processes have improved to meet Australian Drinking Water Guidelines.

Partners:

- Government agency: local councils
- Service provider: TAFE
- Local partner: NSW Department of Climate Change, Energy, the Environment and Water
- Funding partner: Philanthropic foundation



Broadening the role of State Owned Corporations

Table 23 sets out several options to broaden the role of State Owned Corporations in reducing LWU risks. It also summarises some of the key advantages and disadvantages for each option.

Table 23: Key advantages and disadvantages for each of the options

Options	Advantages	Disadvantages
Service level agreements on an as needed basis	<ul style="list-style-type: none"> Tailored to the individual needs of LWUs Reduces capability gaps in regional communities 	<ul style="list-style-type: none"> Higher overall transaction costs due to more negotiations required Lack of knowledge sharing between LWUs No change to level of customers' bills
Long term partnership agreements for SOCs to deliver water and sewerage services at cost: <ul style="list-style-type: none"> Local councils pay agreed amount to SOCs based on, for example number of connections May need CSO for SOCs Agreed key performance measures by SOCs Billing and strategic planning functions subject to service agreement 	<ul style="list-style-type: none"> Lower transaction costs from longer term agreements Use of KPIs and contractual incentives to provide improved services over time Reduces capability gaps in regional communities 	<ul style="list-style-type: none"> Lack of knowledge sharing between LWUs No change to level of customers' bills
Regional operational hubs operated by SOCs that centralises the technical skills and coordinates resourcing across the region: <ul style="list-style-type: none"> Initial set up and ongoing costs funded by council contributions and CSO Agreed key performance metrics Local councils retain billing responsibilities and strategic planning 	<ul style="list-style-type: none"> Greater scope for knowledge sharing from a hub and spoke model Leverage economies of scale from SOCs which may minimise the need for CSOs Greater opportunity for standardisation and improvement of services Reduces capability gaps in regional communities 	<ul style="list-style-type: none"> Initial set up costs Most disadvantaged communities may continue to pay the highest charges
Long term lease agreements <ul style="list-style-type: none"> Agreed lease payments from SOCs to local councils For the period of the agreement, SOCs undertake strategic planning, operational activities, billing etc 	<ul style="list-style-type: none"> Leverage economies of scale from SOCs which may minimise the need for CSOs Long term agreements minimise transaction costs Use of KPIs and contractual incentives to provide improved services over time Reduces capability gaps in regional communities 	<ul style="list-style-type: none"> Most disadvantaged communities may continue to pay the highest charges The terms of the lease need to ensure the ownership of the assets remain with local councils for accounting purposes

Appendix F

Calculations for numerical tables

Size and remoteness groupings

We categorised LWUs into size groups based on the number of water connections they reported in 2022. For LWUs which did not have water customers (e.g. they only provide sewerage services) we estimated the number of connections based on the number of households in the LGA in the 2021 Census.

To determine the remoteness groupings we referred to the Australian Bureau of Statistics Remoteness Areas, which categorise different areas of NSW into five categories: Major Cities, Inner Regional, Outer Regional, Remote, and Very Remote. No LWU was in an area categorised as a major city. LGAs in areas categorised as Inner Regional or Outer Regional we categorised as “Regional”, and LGAs in areas the ABS categorised as Remote or Very Remote we categorised as “Remote”. Where an LGA included both regional and remote areas, we categorised based on the location of major population centres within the LGA.

Inflation

All financial data was inflated into real 2022 dollars (except where noted) using the ABS Sydney all groups consumer price index for the June quarter of the financial year.

Table 24: Calculations for numerical tables

	Calculation	Assumptions
Table 1		
Water quality risk – LWUs with average scores above 4 (as a percentage of all LWUs)	$\frac{\text{Number of LWUs with a water quality risk score above 4 in a size and remoteness grouping}}{\text{Total number of LWUs in a size and remoteness group}}$	Excludes Central Coast Council, State Water Supply authorities, County Councils, and utilities which don't supply water Where a utility has multiple water supply systems, the LWU risk score was calculated as the average risk of each system weighted by population Excludes water supply systems without a water quality score.
Environmental risk – LWUs with average scores above 4 (as a percentage of all LWUs)	$\frac{\text{Number of LWUs with an environmental risk score above 4 in a size and remoteness grouping size and remoteness grouping}}{\text{Total number of LWUs in a size and remoteness group}}$	Excludes Central Coast Council, State Water Supply Authorities, County Councils, and utilities which don't supply water Where a utility has multiple water supply systems, the LWU risk score was calculated as the average risk of each system weighted by population

Calculation	Assumptions
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Table 2

Number of water supply systems with water quality risk scores above 4	Sum of water supply systems with water quality risks of 4 or 5, grouped by the size and remoteness of the LWU which manages the system (i.e. a LWU may have multiple systems with scores of 4 or 5)	Excludes Central Coast Council, State Water Supply Authorities, County Councils, and utilities which don't supply water. Excludes water supply systems without a water quality score.
Water supply system with a water quality risk score of 4 or 5 as a percentage of all systems	$\frac{\text{Number of water supply systems with a water quality risk score of 3 or 4 in a size and remoteness grouping}}{\text{Total number of water supply systems with a water quality risk score}}$	<p>Excludes Central Coast Council, State Water Supply Authorities, County Councils, and utilities which don't supply water.</p> <p>Excludes water supply systems without a water quality score.</p>

Table 3

Percentage of utilities with average water security risk scores above 4	$\frac{\text{Number of LWUs with a water security risk score of more than 4 in a size and remoteness grouping}}{\text{Total number of LWUs in a size and remoteness group}}$	Excludes Central Coast Council, State Water Supply Authorities, County Councils, and utilities which don't supply water. Where a utility has multiple water supply systems, the LWU risk score was calculated as the average risk of each system weighted by population
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Table 4

Proportion of utilities achieving cost-recovery between 2016 and 2022, by LWU size	$\frac{\sum_{\text{size}} \text{Cost recovering}_{\text{LWU size, remoteness}}}{\text{No. of LWU}_{\text{size, remoteness}}}$ <p>Where for each LWU:</p> $\text{Cost recovering}_{\text{LWU}} = \begin{cases} 1, & \frac{\sum_{\text{year}}^{2022} \text{Cost recovery rate}_{\text{year}}}{\text{No. years between 2016 and 2022 with data}} \geq 1 \\ 0, & \text{otherwise} \end{cases}$	Excludes Central Coast Council, State Water Supply Authorities, and County Councils.
	<p>The cost recovery rate was determined by Frontier Economics by dividing a utilities revenue and expenses in a given year.</p>	

Calculation	Assumptions
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Table 5

Operating costs per connection, by LWU size	For each LWU: $\frac{\text{max}_{\text{years with data}} \text{Operational expenditure}}{\text{max}_{\text{years with data}} \text{Water supply connections}}$ Then averaged by LWU size.	Excludes Central Coast Council, State Water Supply Authorities, and County Councils.
Maintenance and renewals expenditure per connection, by LWU size	For each LWU: $\frac{\text{max}_{\text{years with data}} \text{Maint. and renewal costs}}{\text{max}_{\text{years with data}} \text{Water supply connections}}$ Then averaged by LWU size.	Excludes Central Coast Council, State Water Supply Authorities, and County Councils.

Table 6

FTEs per 1000 customers, by LWU size	For each LWU: $\frac{\text{max}_{\text{years with data}} \text{FTEs}}{\text{max}_{\text{years with data}} \text{Connections}}$ Then averaged by LWU size.	Excludes Central Coast Council, State Water Supply Authorities, and County Councils. Only uses data between 2016 and 2020.
Average number of FTEs per LWU, by LWU size	For each LWU: $\text{max}_{\text{years with data}} \text{FTEs}$ Then averaged by LWU size.	Excludes Central Coast Council, State Water Supply Authorities, and County Councils.

Table 7

Average SEIFA score	ISRD score for each LGA then averaged by LWU size and remoteness grouping.	Excludes Central Coast Council, State Water Supply Authorities, and County Councils.
Average annual bills \$FY2022	$\text{Charge}_{\text{usage}} + \text{Charge}_{\text{fixed water}} + \text{Charge}_{\text{fixed sewerage}}$ Then averaged by LWU size.	Excludes Central Coast Council, State Water Supply Authorities, and County Councils. Excludes LWUs which don't supply water.

Calculation	Assumptions
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Table 8

<p>Compounded annual growth rate in connection numbers</p> $\left(\frac{\sum \text{Connections}_{\text{Size, remoteness}} 2022}{\sum \text{Connections}_{\text{Size, remoteness}} 2016} \right)^{\frac{1}{6}} - 1$ <p>Connections were summed across all LWUs in a size and remoteness grouping.</p>	<p>Excludes Central Coast Council, State Water Supply Authorities, and County Councils.</p> <p>LWUs with no data for 2016 were excluded. Where data was missing for 2022 it was interpolated from 2021 data where available, otherwise the LWU was excluded.</p> <p>Connection numbers are both water and sewerage.</p>
<p>Compounded annual growth rate in revenue</p> $\left(\frac{\sum \text{Revenues}_{\text{Size, remoteness}} 2022}{\sum \text{Revenue}_{\text{Size, remoteness}} 2016} \right)^{\frac{1}{6}} - 1$ <p>Revenue summed across all LWUs in a size and remoteness grouping.</p>	<p>Excludes Central Coast Council, State Water Supply Authorities, and County Councils.</p> <p>LWUs with no data for 2016 were excluded. Where data was missing for 2022 it was interpolated from 2021 data where available, otherwise the LWU was excluded.</p> <p>Where revenue numbers were missing from the NSW LWU database they were imputed from LGA financial statements.</p>
<p>Compound annual growth rate in population</p> $\left(\frac{\text{Total population in 2022}}{\text{Total population in 2016}} \right)^{\frac{1}{6}} - 1$ <p>Summed across all size and remoteness groups</p>	<p>Excludes Central Coast Council, State Water Supply Authorities, and County Councils.</p> <p>Population numbers are from the DHI NSW population projections.</p>

	Calculation	Assumptions
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Table 9

% of operating to total expenses	$\frac{\text{2016-2022 average annual expenditure on operating, maintenance, and administration (OMA)}}{\text{2016-2022 average total annual expenditure}}$ <p>Averaged across all LWUs in a size grouping</p>	Excludes Central Coast Council, State Water Supply Authorities, and County Councils.
% of operating expenses covered by user charges	$\frac{\text{2016-2022 average annual revenue from fees and charges}}{\text{2016-2022 average annual expenditure on operating, maintenance, and administration (OMA)}}$ <p>Averaged across all LWUs in a size grouping</p>	<p>Excludes Central Coast Council, State Water Supply Authorities, and County Councils.</p> <p>All values are inflated by CPI to \$2022</p>
% of total expenses covered by user charges	$\frac{\text{2016-2022 average annual revenue from fees and charges}}{\text{2016-2022 average total annual expenditure}}$ <p>Averaged across all LWUs in a size grouping</p>	<p>Excludes Central Coast Council, State Water Supply Authorities, and County Councils.</p> <p>All values are inflated by CPI to \$2022</p>

Box 2.1

Value of grants \$ millions nominal	Sum of capital grants for all LWUs in a size and remoteness grouping between 2016 and 2026.	<p>Excludes Central Coast Council, State Water Supply Authorities, County Councils</p> <p>Only considers infrastructure and capital planning related grants under the Safe and Secure Water Program and Drought Funding programs</p>
Proportion of LWUs receiving grants	$\frac{\text{Number of LWUs in a size and remoteness grouping receiving grant funding between 2016-2022}}{\text{Total number of LWUs in a size and remoteness grouping}}$	<p>Excludes Central Coast Council, State Water Supply Authorities, County Councils</p> <p>Only considers infrastructure and capital planning related grants under the Safe and Secure Water Program and Drought Funding programs</p>

	Calculation	Assumptions
Table 10		
Annual growth rate in eligible households for rebate	$\frac{\left(\frac{PP_{2023} - PP_{2021}}{2} \right)}{PP_{2021}}$ <p>Where PP₂₀₂₁ and PP₂₀₂₃ is the population in an LWU over the age of 65 in 2021 and 2023 respectively. Values are averaged across all LWUs in a size and remoteness grouping.</p>	<p>Excludes Central Coast Council, State Water Supply Authorities, County Councils</p> <p>Population estimates are based on DHI NSW population projections.</p> <p>Assumes the size of pensioner households remained constant over time.</p>
Annual change in number of rebates claimed	$\frac{\left(\frac{NR_{2023} - NR_{2021}}{2} \right)}{NR_{2021}}$ <p>Where NR₂₀₂₁ and NR₂₀₂₃ is the number of rebates claimed in 2021 and 2023 respectively summed across all LWUs in a size and remoteness grouping.</p>	<p>Excludes Central Coast Council, State Water Supply Authorities, County Councils</p> <p>Data provided by OLG</p>
Annual change in value of rebates	$\frac{\left(\frac{VR_{2023} - VR_{2021}}{2} \right)}{VR_{2021}}$ <p>Where VR₂₀₂₁ and VR₂₀₂₃ is the value of rebates claimed in 2021 and 2023 respectively summed across all LWUs in a size and remoteness grouping.</p>	<p>Excludes Central Coast Council, State Water Supply Authorities, County Councils</p> <p>Data provided by OLG</p>

	Calculation	Assumptions
Table 11		
Proportion of LWUs with no debt	$\frac{\text{Number of LWUs in a size grouping}}{\text{Total number of utilities in a size grouping}}$	<p>Excludes Central Coast Council, State Water Supply Authorities, County Councils</p> <p>Based on 2022 data reported in LWU database.</p>
Average gross debt to equity ratio	<p>For each LWU:</p> $\frac{\text{Total borrowings}_{LWU}}{\text{Total borrowings}_{LWU}}$ <p>Then averaged across each LWU size grouping.</p>	<p>Excludes Central Coast Council, State Water Supply Authorities, County Councils</p> <p>Excludes utilities with no debt.</p> <p>Based on 2022 data reported in LWU database.</p>
Proportion of LWUs that can meet Interest Cover Ratio benchmark	<p>For each LWU:</p> $ICR = \frac{\text{Revenue}_{LWU} - \text{OMA}_{LWU}}{\text{Interest expense}_{LWU}}$ <p>If the ICR is greater than 4 the LWU is considered to have met the benchmark.</p> <p>The number utilities in the size grouping that passed the benchmark was then divided by the number of utilities in the size grouping with debt.</p>	<p>Excludes Central Coast Council, State Water Supply Authorities, County Councils</p> <p>Excludes utilities with no debt.</p> <p>Based on 2022 data reported in LWU database.</p>

Calculation	Assumptions
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Table 17

Average annual value of developer charges \$'000s 2016-2022	Average value of developer charges and developer contributed assets for each utility between 2016 and 2022 (inflated into \$2022), summed by LWU size and remoteness grouping and divided by the number of utilities in the grouping with a non-zero value	Excludes Central Coast Council, State Water Supply Authorities, County Councils. Where a council reported a zero value, we assumed this was due to missing data and excluded that year from analysis. Utilities which did not report any developer charges were excluded entirely.
Projected change in population 2023 to 2038	$\frac{\Sigma \text{Projected population}_{2038}}{\Sigma \text{Population}_{2023}} - 1$ <p>Summed by LWU size and remoteness group</p>	Excludes Central Coast Council, State Water Supply Authorities, County Councils. Population estimates based on the NSW Government common planning assumptions

Table 18

Average main breaks per 100 km of mains	<p>For each LWU:</p> $\left(\frac{\sum_{\text{year} = 2016}^{2022} \text{Main breaks}_{\text{year}}}{\text{No. years between 2016 and 2022 with data}} \right)$ <p style="text-align: center; margin-left: 100px;">max years with data Km of mains</p> <p>Then summed by LWU size and remoteness groups.</p>	Excludes Central Coast Council, State Water Supply Authorities, County Councils, and utilities which don't supply water
Water supply interruptions per 1,000 connections	<p>For each LWU:</p> $\left(\frac{\sum_{\text{year} = 2016}^{2022} \text{Interruptions per 1000 connections}_{\text{year}}}{\text{No. years between 2016 and 2022 with data}} \right)$ <p style="text-align: center; margin-left: 100px;">max years with data Km of mains</p> <p>Then summed by LWU size and remoteness groups.</p>	Excludes Central Coast Council, State Water Supply Authorities, County Councils, and utilities which don't supply water
Leaks L/connection/day	<p>For each LWU:</p> $\left(\frac{\sum_{\text{year} = 2016}^{2022} \text{Leakage}_{\text{year}}}{\text{No. years between 2016 and 2022 with leakages >0}} \right)$ <p>Then summed by LWU size and remoteness groups.</p>	Excludes Central Coast Council, State Water Supply Authorities, County Councils, and utilities which don't supply water

Calculation	Assumptions
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Table 19

Ratio of maintenance and renewals to depreciation	<p>For each LWU:</p> $\frac{\left(\frac{\sum_{\text{year} = 2016}^{2022} \text{Maint. \& renewals}_{\text{year}}}{\text{No. years between 2016 and 2022 with data}} \right)}{\left(\frac{\sum_{\text{year} = 2016}^{2022} \text{Depreciation}_{\text{Water, year}} + \sum_{\text{year} = 2016}^{2022} \text{Sewage}_{\text{Water, year}}}{\text{No. years between 2016 and 2022 with data}} \right)}$ <p>Then summed by LWU size and remoteness groups.</p>	Excludes Central Coast Council, State Water Supply Authorities, County Councils, and utilities which don't supply water
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Table 25 TCorp financial ratios used in 5.3.1.

All ratios were calculated based on 2022-23 council special purpose financial statements for their water and sewerage business.

Interest cover ratio	$\frac{\text{Earnings before interest depreciation and amortisation (EBITDA)}}{\text{Interest expense}}$ <p>Also excludes tax equivalentents and government guarantee fees.</p>	4
Unrestricted current ratio	$\frac{\text{Current assets}}{\text{Current liabilities}}$	1.5
Operating Ratio	$\frac{\text{Operating result excluding capital grants + depreciation}}{\text{Total continuing revenue excluding capital grants}}$	Greater than 0
Cash expense ratio	$\frac{\text{Current cash and cash equivalentents x 12 months}}{\text{Operating expenses – depreciation – borrowing costs}}$	3 months

Source: NSW TCorp.

NSW Productivity Commission

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Cherise Small

From: Greg Tory
Sent: Tuesday, 27 February 2024 4:02 PM
To: Cherise Small
Subject: FW: USO Reform Consultation - Material & Helpful Links
Attachments: Fact Sheet _ USO reform regional stakeholder engagement.pdf

Hi,

Can you include the attachment and the email in the March correspondence report please.

Thanks,

Greg



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From: Taylor, Chris J <Christopher.J.Taylor@team.telstra.com>
Sent: Tuesday, 27 February 2024 3:45 PM
To: Greg Tory <Greg.Tory@lachlan.nsw.gov.au>
Cc: Saunderson, David <DavidKevin.Saunderson@team.telstra.com>
Subject: USO Reform Consultation - Material & Helpful Links

Hi Greg,

Thanks for your time last week.

As discussed, please find attached & below in relation to USO reform:

- A Fact Sheet on USO Reform which summarises the material we briefed to you today – I have confirmed that this can be shared by council through your e-newsletters and social platforms
- Some helpful links to the relevant Government websites & other sources of relevant information
- Link to finding payphones locations

Please don't hesitate to contact myself or David if you have any questions.

Where to find more info?

Department Discussion Paper: <https://www.infrastructure.gov.au/sites/default/files/documents/better-delivery-of-universal-services-discussion-paper.pdf>

Minister's speech: <https://minister.infrastructure.gov.au/rowland/speech/national-farmers-federation-conference>

Make a submission: <https://www.infrastructure.gov.au/have-your-say/better-delivery-universal-services>

Info on satellite technologies

<https://www.telstra.com.au/exchange/what-are-leo-satellites-and-how-do-they-work-->

Info on NBN's fixed wireless upgrades

<https://www.nbnco.com.au/utility/nbn-fixed-wireless-and-satellite-upgrade-program>

Info on our assistance for people on a low income or facing financial hardship

<https://www.telstra.com.au/aboutus/community-environment/community-programs/access-for-everyone>

Latest report from our Chief Customer Advocate

<https://www.telstra.com.au/content/dam/tcom/about-us/community-environment/pdf/telstra-chief-customer-advocate-report-on-customer-vulnerability.pdf>

Info on what we're doing about network resilience <https://www.telstra.com.au/exchange/disaster-season-upgrades-2023>

Payphone Locations:

The link below takes you to our information on payphones. You can click on 'Find a free Payphone' & put in a postcode which will generate a map showing the locations in that postcode. You can zoom out on the map to see more.

[Telstra - Payphone services - Consumer Advice](#)

Regards,

Chris Taylor
Regional General Manager
ACT & Southern NSW
Telstra Regional Australia
Team



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W www.telstra.com

<https://www.telstra.com.au/RegionalAustralia>

This email may contain confidential information.
If I've sent it to you by accident, please delete it immediately



General

2



Now is the time to reform the USO

The USO is a longstanding safeguard that ensures all Australians can access fixed phone services and payphones, regardless of where they live.

Telstra is the designated universal service provider and must provide access to fixed phone services and payphones on reasonable request nationally on an equitable basis.

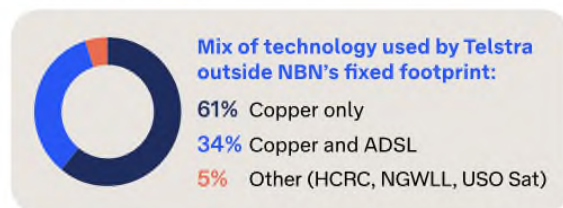
These obligations are supported by a contract between Telstra and the Commonwealth, the *Telstra Universal Service Obligation Performance Agreement* (TUSOPA), that commenced on 1 July 2012 and expires on 30 June 2032.

The connectivity needs of customers in rural and remote Australia and the technology available to meet those needs have evolved significantly since the USO was created.

Without reform, the current approach will lead to regional communities being locked into outdated technologies.

We should use the best technology for the job

The majority of fixed phone services are provided using NBN Co's fixed network. However, outside of NBN Co's fixed network – particularly in regional and remote areas - Telstra uses legacy technologies such as copper, 3G NGWL, GEO Sat and high-capacity radio concentrator (HCRC).



The Copper Continuity Obligation, part of the TUSOPA, requires us to maintain copper technology as an option to supply fixed phone services outside NBN Co's fixed network.

Copper, 3G NGWL and HCRC are ageing and should be retired and replaced by modern alternatives.

Higher capacity, faster and more reliable technologies such as Fixed Wireless and LEO satellite will be able to provide equivalent or better services to regional and remote communities.

Reforms should protect or improve consumer safeguards

This reform process and the move to better technologies is an opportunity to improve on the current consumer protections that aim to ensure customers remain connected, faults are addressed in reasonable timeframes, and alternative connectivity options are offered.

No changes to these protection – particularly the Customer Service Guarantee and Priority Assist – should be made until better, more targeted alternatives are defined and tested with community representatives and customers.

NBN Co investing \$750 million to upgrade of its fixed wireless network - increasing speeds, extending coverage, and enabling around 120,000 former satellite-only eligible premises to access this technology.

Low-Earth orbit satellite (or 'LEO Sat') technology improving, providing low-latency voice services and broadband. Telstra has an agreement with Starlink and will begin offering our customers a LEO Sat product in March.





Reliability and resilience matter more than ever

Voice services are often vital during emergencies to keep regional and remote communities safe, connected and informed.

Having regional and remote Australia served by multiple modern technologies (e.g. fixed-line, fixed wireless and satellite) can improve redundancy, making overall connectivity more resilient to natural disasters.

Having these services provided by a broader number of network operators than available today can also improve resilience by reducing the potential impact disruptions (e.g. a cyber security incident or network failure) to a single organisation create.

Telstra’s payphones are a valuable resource. Since making calls free in 2021, usage has more than doubled, with over 23 million free calls made in Australia in the last 12-months - many to essential and emergency services. We now also offer free Wi-Fi access at over 3,300 Telstra payphones. We’re working to upgrade 1000 payphones in disaster-prone areas.

Telecommunications networks need power to operate, so reliability of power supply from energy networks is key.

We continue to look at options to improve and extend power back up across our network infrastructure in an effort to make it more resilient to energy network outages.

Affordability and inclusion are critical

Affordable telecommunications services are fundamental to digital inclusion. They drive productivity and economic growth, help customers maximise employment and educational opportunities, and enable access to services.

Nationally-consistent pricing ensures that customers pay the same price for a baseline fixed voice service regardless of where they live – even though the costs involved in delivering services to regional and remote locations can be much higher than urban areas.

Research shows digital inclusion diminishes for First Nations people in more remote areas, and access to connectivity in

these areas should be considered on a community basis and not just at a premises level. It is critical that First Nations people are part of decision making on the detail of these potential solutions.

Mobile not the answer for universal services

Mobile connectivity has an important role to play. Coverage and capacity continue to improve. 99.6 per cent of Australians already have access to at least one mobile network.

Coverage in regional and remote areas in particular has been expanding through co-investments like the Mobile Black Spot Program, Regional Connectivity Program, and Peri-Urban Mobile Program.

Despite billions of dollars of investment to reach this point, Australia’s existing mobile networks still only cover about one-third of Australia’s land mass.

Creating a new universal obligation to provide mobile connectivity with indoor and outdoor coverage across 100% of Australia (i.e. a ‘mobile USO’) through existing technology would be extremely challenging technically and financially.

The arrival of Direct To Handset LEO Sat technologies in the next few years may also be able to extend and complement existing mobile coverage.

What should a future USO look like?

1. Uses modern technology to meet regional communities needs for voice services
2. Provides consumer protections and safeguards that are simple and effective
3. Recognises the growing importance of reliability and resilience
4. Delivers an affordable and accessible options to promote inclusion



How to have your say

Department Discussion Paper: <https://www.infrastructure.gov.au/sites/default/files/documents/better-delivery-of-universal-services-discussion-paper.pdf>

Make a submission: <https://www.infrastructure.gov.au/have-your-say/better-delivery-universal-services>

