



INVERELL
SHIRE COUNCIL



Mayor Paul Harmon, Member for New England Barnaby Joyce and AAM Investment Group managing director, Garry Edwards tour the IRLX Saleyards to inspect progress on the \$2.5 million works, which is due for completion in September 2020.

Business Paper
Ordinary Meeting of Council
Wednesday, 24 June 2020

INVERELL SHIRE COUNCIL**NOTICE OF ORDINARY MEETING OF COUNCIL**

19 June, 2020

An Ordinary Meeting of Council will be held in the Council Chambers, Administrative Centre, 144 Otho Street, Inverell on Wednesday, 24 June, 2020, commencing at **3.00 PM**.

Your attendance at this Ordinary Meeting of Council would be appreciated.

Please Note: Under the provisions of the Code of Meeting Practice the proceedings of this meeting (including presentations, deputations and debate) will be webcast. An audio recording of the meeting will be uploaded on the Council's website at a later time. Your attendance at this meeting is taken as consent to the possibility that your voice may be recorded and broadcast to the public.

I would like to remind those present that an audio recording of the meeting will be uploaded on the Council's website at a later time and participants should be mindful not to make any defamatory or offensive statements.

P J HENRY PSM

GENERAL MANAGER

Agenda

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Recording of Council Meetings

Council meetings are recorded. By entering the Chambers during an open session of Council, you consent to your attendance and participation being recorded.

The recording will be archived. All care is taken to maintain your privacy; however as a visitor of the public gallery, your presence may be recorded.

Ethical Decision Making and Conflicts of Interest

A guiding checklist for Councillors, officers and community committees

Ethical decision making

- Is the decision or conduct legal?
- Is it consistent with Government policy, Council's objectives and Code of Conduct?
- What will the outcome be for you, your colleagues, the Council, anyone else?
- Does it raise a conflict of interest?
- Do you stand to gain personally at public expense?
- Can the decision be justified in terms of public interest?
- Would it withstand public scrutiny?

Conflict of interest

A conflict of interest is a clash between private interest and public duty. There are two types of conflict:

- **Pecuniary** – regulated by the *Local Government Act 1993* and Office of Local Government
- **Non-pecuniary** – regulated by Codes of Conduct and policy. ICAC, Ombudsman, Office of Local Government (advice only). If declaring a Non-Pecuniary Conflict of Interest, Councillors can choose to either disclose and vote, disclose and not vote or leave the Chamber.

The test for conflict of interest

- Is it likely I could be influenced by personal interest in carrying out my public duty?
- Would a fair and reasonable person believe I could be so influenced?
- Conflict of interest is closely tied to the layperson's definition of 'corruption' – using public office for private gain.
- Important to consider public perceptions of whether you have a conflict of interest.

Identifying problems

- 1st** Do I have private interests affected by a matter I am officially involved in?
2nd Is my official role one of influence or perceived influence over the matter?
3rd Do my private interests conflict with my official role?

Local Government Act 1993 and Model Code of Conduct

For more detailed definitions refer to Sections 442, 448 and 459 or the *Local Government Act 1993* and Model Code of Conduct, Part 4 – conflicts of interest.

Disclosure of pecuniary interests / non-pecuniary interests

Under the provisions of Section 451(1) of the *Local Government Act 1993* (pecuniary interests) and Part 4 of the Model Code of Conduct prescribed by the Local Government (Discipline) Regulation (conflict of interests) it is necessary for you to disclose the nature of the interest when making a disclosure of a pecuniary interest or a non-pecuniary conflict of interest at a meeting.

A Declaration form should be completed and handed to the General Manager as soon as practicable once the interest is identified. Declarations are made at Item 3 of the Agenda: Declarations - Pecuniary, Non-Pecuniary and Political Donation Disclosures, and prior to each Item being discussed: The Declaration Form can be downloaded at [Declaration Form](#)

Quick Reference Guide

Below is a legend that is common between the:

- Inverell Shire Council Strategic Plan;
- Inverell Shire Council Delivery Plan; and
- Inverell Shire Council Operational Plan.





MEETING CALENDAR

October 2019 – September 2020

Ordinary Meetings:

Time: 3.00 pm

Venue: Council Chambers

| OCT | NOV | DEC | JAN | FEB | MAR | APR | MAY | JUNE | JULY | AUG | SEPT |
|-----|-----|-----|------------|-----|-----|-----|-----|------|------|-----|------|
| Wed | Wed | Wed | Wed | Wed | Wed | Wed | Wed | Wed | Wed | Wed | Wed |
| 23 | 27 | 18 | No Meeting | 26 | 25 | 22 | 27 | ^24 | 22 | 26 | 23 |

Major Committee Meetings:

Civil and Environmental Services - 9.00 am

Economic and Community Sustainability - 10.30 am

Venue: Committee Room

| OCT | NOV | DEC | JAN | FEB | MAR | APR | MAY | JUNE | JULY | AUG | SEPT |
|-----|-----|------------|------------|-----|-----|-----|-----|------|------|-----|------|
| Wed | Wed | Wed | Wed | Wed | Wed | Wed | Wed | Wed | Wed | Wed | Wed |
| 9 | 13 | No Meeting | No Meeting | 12 | 11 | 8 | 13 | 10 | 8 | 12 | 9 |

Members of the public are invited to observe meetings of the Council.

Should you wish to address Council, please contact the Office of the General Manager on 6728 8206.

^ Meeting at which the Management Plan for 2020/21 is adopted.



INTERNAL CALENDAR

JULY 2020

| SUN | MON | TUE | WED | THU | FRI | SAT |
|-------------------------------------|--|------------|---|------------|--|------------|
| | | | Financial Statements to be audited within 4 months (s.416(1)) Reminder: lodgement of Pecuniary Interest returns due 30 September for Councillors and designated persons who held office at 30 June (s.449(3)) 1. | 2. | Proposed loan borrowings return to be submitted to TCORP 3. | 4. |
| Sapphire City Markets 5. | 6. | 7. | 9am Civil & Environmental meeting 10:30am Economic & Community Sustainability Meeting 8. | 9. | 10. | 11. |
| 12. | Reports due for Ordinary Meeting by 4:30pm 13. | 14. | 15. | 16. | 17. | 18. |
| Sapphire City Markets 19. | 20. | 21. | 3pm Ordinary Meeting 22. | 23. | 24. | 25. |
| 26. | 27. | 28. | 29. | 30. | GST Certificate to be submitted to OLG Last day for making rates (s.533) Public interest disclosures report due to the NSW Ombudsman (s.6CA of the Public Interest Disclosures Act 1994) 31. | |

 Council office closed

1 APOLOGIES

2 CONFIRMATION OF MINUTES

RECOMMENDATION:

That the Minutes of the Ordinary Meeting of Council held on 27 May, 2020, as circulated to members, be confirmed as a true and correct record of that meeting.

**MINUTES OF INVERELL SHIRE COUNCIL
ORDINARY COUNCIL MEETING
HELD AT THE COUNCIL CHAMBERS, ADMINISTRATIVE CENTRE, 144 OTHO STREET,
INVERELL
ON WEDNESDAY, 27 MAY 2020 AT 3.00 PM**

PRESENT: Cr Paul Harmon (Mayor - Chair), Cr Anthony Michael (Deputy Mayor), Cr Di Baker via Zoom, Cr Stewart Berryman, Cr Kate Dight via Zoom, Cr Paul King OAM, Cr Neil McCosker via Zoom, Cr Mal Peters via Zoom and Cr Jacki Watts.

IN ATTENDANCE: Paul Henry (General Manager), Brett McInnes (Director Civil and Environmental Services), Scott Norman (Director Corporate and Economic Services), Paul Pay (Manager Financial Services), Anthony Alliston (Manager Development Services) and Justin Pay (Manager Civil Engineering).

1 APOLOGIES

Nil

2 CONFIRMATION OF MINUTES

RESOLUTION 2020/41

Moved: Cr Jacki Watts

Seconded: Cr Stewart Berryman

That the Minutes of the Ordinary Meeting of Council held on 22 April, 2020, as circulated to members, be confirmed as a true and correct record of that meeting.

CARRIED

3 DISCLOSURE OF INTERESTS / PECUNIARY AND NON-PECUNIARY INTERESTS

Nil

4 PUBLIC FORUM

Nil

5 NOTICES OF BUSINESS

5.1 NOTICE OF BUSINESS - 'SUNRISE' PROMOTIONAL SEGMENTS ON INVERELL S13.5.3

RESOLUTION 2020/42

Moved: Cr Anthony Michael

Seconded: Cr Jacki Watts

That those members of staff involved in securing the 'Sunrise' promotional segments on Inverell be congratulated for their efforts, as the promotion was a great success.

CARRIED

6 QUESTIONS WITH NOTICE

Nil

7 ADVOCACY REPORTS

Nil

8 COMMITTEE REPORTS**8.1 CIVIL AND ENVIRONMENTAL SERVICES COMMITTEE MINUTES - 13 MAY 2020****RESOLUTION 2020/43**

Moved: Cr Di Baker

Seconded: Cr Stewart Berryman

- i) *That the Minutes of the Civil and Environmental Services Committee held on Wednesday, 13 May, 2020, be received and noted.*
- ii) *The following recommendations of the Economic & Community Sustainability Committee be adopted by Council.*

CARRIED**8.1.1 National Class 1 Load Carrying Vehicle Notices 2020 - Expansion of Over Size Over mass vehicle network**

That the existing B-Double network be approved for inclusion in the Over Size Over Mass Load Carrying Vehicle Network in NSW for the Multi-State Class 1 Load Carrying Vehicle Notice 2020.

8.1.2 Inverell Draft Local Strategic Planning Statement 2036

- 1. *The Draft Local Strategic Planning Statement 2036 be placed on public exhibition for a minimum period of twenty-eight (28) days.*
- 2. *If there are no significant objections or suggested changes to the intent of the document as a result of the exhibition period that the Director Civil and Environmental Services be delegated authority to finalise the Draft LSPS for publication on the Department Planning and Environment "portal" to meet the 1 July 2020 deadline.*

8.1.3 COVID-19 Update

That the information be noted.

8.2 ECONOMIC AND COMMUNITY SUSTAINABILITY COMMITTEE MINUTES - 13 MAY 2020

RESOLUTION 2020/44

Moved: Cr Jacki Watts

Seconded: Cr Paul King OAM

- i) *That the Minutes of the Economic and Community Sustainability Committee held on Wednesday, 13 May, 2020, be received and noted; and*
- ii) *The recommendations of the Economic & Community Sustainability Committee be adopted by Council.*

CARRIED

8.2.1 Expiring Licence Agreement - Paul Mitrega - North West Aviation

That:

1. *Council renew the agreement with Mr Paul Mitrega – North West Aviation Pty Ltd for Part Portion of land (part lot 4 DP 1029079) located at Inverell Aerodrome, Gilgai;*
2. *The licence agreement be for a three (3) year period with a three (3) year option;*
3. *The Licence fee be \$408.06 per annum (GST Inclusive) with a 3% increase per annum; and*
4. *The Licence Agreement be subject to any other terms and conditions as negotiated by Council's General Manager.*

8.2.2 Expiring Licence Agreement - Albert and Robert Baker

That:

1. *Council renew the agreement with Mr Albert and Robert Baker for Drainage Reserve adjoining Lot 124, DP 750113, Nullamanna;*
2. *The licence agreement be for a three (3) year period with a three (3) year option;*
3. *The Licence fee be \$107.47 per annum (GST Inclusive) with an increase of 3% per annum;*
4. *The Licence Agreement be subject to any other terms and conditions as negotiated by Council's General Manager.*

8.2.3 2020/2021 Emergency Services Levy

That Council write to Local Government NSW and the Country Mayors Association of NSW requesting they investigate the increases in the Emergency Services Levy Contributions and lobby for alternate funding arrangements as the recent increases have had a substantial impact on Council's ability to fund ongoing operations.

8.2.4 Inverell Showground Land Manager - Request for Reduction in Sewer charges

That “for the financial year 2020-21 Council make a donation in lieu of sewer rates to the Inverell Showground equivalent to 30% of the Sewerage rates for the Showground Trust – the annual sewer charge is to be paid in full prior to the donation being provided.”

8.2.5 Licence Agreement - Inverell Rotary

That:

- i) The principle of preparing a licence agreement that enables the Inverell Rotary Club to erect a storage shed on Council land located at 4 Bent Street, Inverell be approved;*
- ii) The Club be advised that a development application will be required to be lodged and approved (subject to conditions) prior to a licence agreement being considered by Council; and*
- iii) The proposed licence agreement be presented to Council for consideration, after the required development application has been determined.*

8.2.6 Quarterly Budget and Operational Plan 2019/2020

That:

- i) Council’s Quarterly Operational Plan and Budget Review for 31 March, 2020 be adopted; and*
- ii) The proposed variations to budget votes for the 2019/2020 Financial Year be adopted providing an estimated Cash Surplus at 30 June, 2020 from operations of \$4,241.*

8.2.7 Governance - Monthly Investment Report

That:

- i) the report indicating Council’s Fund Management position be received and noted; and*
- ii) the Certification of the Responsible Accounting Officer be noted.*

**8.3 AQUATIC CENTRE PLANNING SUNSET COMMITTEE MINUTES - 20 MAY 2020
S4.11.24****RESOLUTION 2020/45**

Moved: Cr Jacki Watts

Seconded: Cr Stewart Berryman

That the matter be referred to Closed Council for consideration as the matters and information are:

- d(i) commercial information of a confidential nature that would, if disclosed prejudice the commercial position of the person who supplied it.*

On balance the public interest in preserving the confidentiality of the information outweighs the public interest in openness and transparency in Council decision-making by discussing the matter in open meeting; and all reports and correspondence relevant to the subject business be withheld from access to the media and public as required by section 11(2) of the Local Government Act, 1993.

CARRIED

9 DESTINATION REPORTS

9.1 REQUEST TO LICENCE LAND - LOT 1 DP 124236 WYNDHAM STREET, INVERELL - MACINTYRE HIGH SCHOOL S5.10.33

RESOLUTION 2020/46

Moved: Cr Di Baker

Seconded: Cr Paul King OAM

That:

1. *Council enter into a Licence Agreement with Macintyre High School for Lot 1 DP 124236, Wyndham Street, Inverell for at two (2) year period;*
2. *the Licence fee be \$350.00 per annum (GST Inclusive) with a 3% increase per annum; and*
3. *the Licence Agreement be subject to any other terms and conditions as negotiated by Council's General Manager.*

CARRIED

9.2 SMOKING IN THE INVERELL CBD S24.12.5

RESOLUTION 2020/47

Moved: Cr Paul King OAM

Seconded: Cr Kate Dight

Council investigate the procedure for banning smoking in Otho and Byron Streets and the costs of erecting preventative signage in these streets.

PROCEDURAL MOTION

Moved: Cr Mal Peters

Seconded: Cr Anthony Michael

CARRIED

That the motion be put.

CARRIED

9.3 COPETON NORTHERN FORESHORES MANAGERS RESIDENCE/KIOSK TENDER S4.19.17

RESOLUTION 2020/48

Moved: Cr Di Baker

Seconded: Cr Jacki Watts

That the matter be referred to Closed Council for consideration as the matters and information are:

- d(i) commercial information of a confidential nature that would, if disclosed prejudice the commercial position of the person who supplied it.*

On balance the public interest in preserving the confidentiality of the information outweighs the public interest in openness and transparency in Council decision-making by discussing the matter in open meeting; and all reports and correspondence relevant to the subject business be withheld from access to the media and public as required by section 11(2) of the Local Government Act, 1993.

CARRIED

9.4 COPETON NORTHERN FORESHORES AMENITIES BLOCK TENDER S4.19.18

RESOLUTION 2020/49

Moved: Cr Di Baker

Seconded: Cr Anthony Michael

That the matter be referred to Closed Council for consideration as the matters and information are:

- d(i) commercial information of a confidential nature that would, if disclosed prejudice the commercial position of the person who supplied it.*

On balance the public interest in preserving the confidentiality of the information outweighs the public interest in openness and transparency in Council decision-making by discussing the matter in open meeting; and all reports and correspondence relevant to the subject business be withheld from access to the media and public as required by section 11(2) of the Local Government Act, 1993.

CARRIED

9.5 PUBLIC RECREATION RESERVES - TINGHA S5.19.1

RESOLUTION 2020/50

Moved: Cr Jacki Watts

Seconded: Cr Paul King OAM

That:

- a) Council consent to accepting Trustee status for the following parcels of Crown Land in Tingha:*
 - Skatepark*
 - Cricket Oval and adjoining lands, and*
 - Football Oval*
- b) The Tingha Recreation Reserve Trust be utilised as a 'consultation' point and partner for management activities on the recreation areas to be managed by Council.*

CARRIED

10 INFORMATION REPORTS**RESOLUTION 2020/51**

Moved: Cr Anthony Michael

Seconded: Cr Kate Dight

*That the information reports be received and noted.***CARRIED****10.1 STAFF MOVEMENTS – 01 JANUARY 2020 TO 31 MARCH 2020 S22.25.1****10.2 STRATEGIC TASKS - 'SIGN OFF' - MAY 2020 S4.13.2****10.3 SEPTIC TANK APPROVALS FOR APRIL 2020 S29.19.1****10.4 ORDINANCE ACTIVITIES REPORT FOR APRIL 2020 S13.5.2/13****10.5 SUMMARY OF DEVELOPMENT APPLICATIONS, CONSTRUCTION CERTIFICATES AND COMPLYING DEVELOPMENTS DURING APRIL 2020 S13.5.2/13****10.6 STATUS OF TOWN WATER SUPPLIES S32.15.19****11 GOVERNANCE REPORTS**

Nil

12 CONFIDENTIAL MATTERS (COMMITTEE-OF-THE-WHOLE)

At 3.52pm, the Chairperson noted that no members of the public or press were in attendance at the meeting therefore Council proceeded to consider the motion to close the meeting to the press and public.

RESOLUTION 2020/52

Moved: Cr Anthony Michael

Seconded: Cr Di Baker

*That Council proceeds into Closed Council to discuss the matters referred to it, for the reasons stated in the motions of referral.***CARRIED****RESOLUTION 2020/53**

Moved: Cr Anthony Michael

Seconded: Cr Di Baker

*That Council proceeds out of Closed Council into Open Council.***CARRIED**

Upon resuming Open Council at 3.59pm, the Chairperson verbally reported that the Council had met in Closed Council, with the Press and Public excluded, and had resolved to recommend to Council the following:

12.1 CONFIDENTIAL AQUATIC CENTRE PLANNING SUNSET COMMITTEE MINUTES - 20 MAY 2020

- i) That the Minutes of the Aquatic Centre Planning Sunset Committee held on Wednesday, 20 May, 2020, be received and noted; and*
- ii) The following recommendations of the Aquatic Centre Planning Sunset Committee be adopted by Council.*

12.1.2 CONTRACT FOR THE MANAGEMENT AND OPERATION OF THE INVERELL SWIMMING POOL AND THE ASHFORD SWIMMING POOL - EVALUATION OF TENDERS (T-4/2020)

That:

- i) Council accept the Tender from New England Aquatics for the sum of \$291,000 (including GST) over the two (2) year term; and*
- ii) The General Manager be authorised to execute the Contract under the common seal of Council.*

12.2 COPETON NORTHERN FORESHORES MANAGERS RESIDENCE/KIOSK TENDER S4.19.17

That:

- a) the Tender from Uniplan Pty Ltd for the Copeton Northern Foreshores Managers Residence/Kiosk for the Tender price of \$334,853.00 (excluding GST) be accepted; and*
- b) the General Manager be authorised to execute the contract as a Simple Works Contract.*

12.3 COPETON NORTHERN FORESHORES AMENITIES BUILDING TENDER S4.19.18

That:

- a) the Tender from Uniplan Pty Ltd for the Copeton Northern Foreshores Amenities Building for the Tender price of \$269,338.00 (excluding GST) be accepted; and*
- b) the General Manager be authorised to execute the contract as a Simple Works Contract.*

ADOPTION OF RECOMMENDATIONS

RESOLUTION 2020/54

Moved: Cr Jacki Watts

Seconded: Cr Kate Dight

That the recommendations of Closed Council be adopted.

CARRIED

The Meeting closed at 4.01pm.

- 3 DISCLOSURE OF INTERESTS / PECUNIARY AND NON-PECUNIARY INTERESTS**
- 4 PUBLIC FORUM**

5 NOTICES OF BUSINESS**5.1 INVESTIGATE MOVING THE 60KM SIGN FURTHER UP YETMAN ROAD TO TAYLOR AVE.****File Number: S13.5.3 / 20/23242**

I, Councillor Di Baker, give notice that at the next Ordinary Meeting of Council to be held on 24 June 2020, I intend to move the following motion:

MOTION:

That Council Investigate moving the 60km speed restriction sign on Yetman Road to a new location north of Taylor Avenue.

RATIONALE:

The reason for this is the safety of motorists. Living just across from the Fernhill Road intersection I have seen many close calls at the intersection of Fernhill and Yetman Roads. Fernhill area is a growth area. The Yetman Road has a hill just before the intersection and this encourages vehicles to have increased revs going over the top and into the slight decline where the intersection is located.

The number of heavy trucks entering and exiting Taylor Ave, going to Boss Engineering, is increasing as is the number of other vehicles. It is good to see a business doing well but we need to access the safety of the road speed for the traffic.

I commend this Notice of Motion to Council.

CR BAKER

4 June 2020

Local Government (General) Regulation 2005**241 Giving notice of business**

- (1) A council must not transact business at a meeting of the council:
 - (a) unless a councillor has given notice of the business in writing within such time before the meeting as is fixed by the council's code of meeting practice or (if the council does not have a code of meeting practice or its code of meeting practice does not fix that time) as is fixed by resolution of the council, and
 - (b) unless notice of the business has been sent to the councillors in accordance with section 367 of the Act.
- (2) Subclause (1) does not apply to the consideration of business at a meeting if the business:
 - (a) is already before, or directly relates to a matter that is already before, the council, or
 - (b) is the election of a chairperson to preside at the meeting as provided by clause 236 (1), or
 - (c) is a matter or topic put to the meeting by the chairperson in accordance with clause 243, or
 - (d) is a motion for the adoption of recommendations of a committee of the council.
- (3) Despite subclause (1), business may be transacted at a meeting of a council even though due notice of the business has not been given to the councillors. However, this can happen only if:
 - (a) a motion is passed to have the business transacted at the meeting, and

(b) the business proposed to be brought forward is ruled by the chairperson to be of great urgency.

Such a motion can be moved without notice.

(4) Despite clause 250, only the mover of a motion referred to in subclause (3) can speak to the motion before it is put.

ATTACHMENTS:

Nil

5.2 NOTICE OF BUSINESS - DOMESTIC VIOLENCE LEAVE

File Number: S13.5.3 / 20/23768

I, Councillor Di Baker, give notice that at the next Ordinary Meeting of Council to be held on 24 June 2020, I intend to move the following motion:

MOTION:

That Council note that a new clause 21M 'Domestic Violence Leave' has now been included in the Local Government State Award. This clause replicates the intent of Council's policy on assisting staff who are the subject of domestic violence that was introduced in 2017 as part of Council's White Ribbon program.

RATIONALE:

The reason for this updated information is due to the rise in domestic violence during the pandemic. Incidences have doubled according to statistics supplied to the Australian Local Government Women's Association.

NOTE:

This clause 21M permits staff to take up to ten (10) days leave per annum to deal with issues arising out of a domestic violence situation. It is pleasing that all Council staff in NSW will now have this level of support that this Council introduced in 2017.

Council should have a sense of pride that it took the lead on this issue.

COUNCILLOR DI BAKER.

4 June 2020

Local Government (General) Regulation 2005**241 Giving notice of business**

- (1) A council must not transact business at a meeting of the council:
 - (a) unless a councillor has given notice of the business in writing within such time before the meeting as is fixed by the council's code of meeting practice or (if the council does not have a code of meeting practice or its code of meeting practice does not fix that time) as is fixed by resolution of the council, and
 - (b) unless notice of the business has been sent to the councillors in accordance with section 367 of the Act.
- (2) Subclause (1) does not apply to the consideration of business at a meeting if the business:
 - (a) is already before, or directly relates to a matter that is already before, the council, or
 - (b) is the election of a chairperson to preside at the meeting as provided by clause 236 (1), or
 - (c) is a matter or topic put to the meeting by the chairperson in accordance with clause 243, or
 - (d) is a motion for the adoption of recommendations of a committee of the council.
- (3) Despite subclause (1), business may be transacted at a meeting of a council even though due notice of the business has not been given to the councillors. However, this can happen only if:
 - (a) a motion is passed to have the business transacted at the meeting, and

(b) the business proposed to be brought forward is ruled by the chairperson to be of great urgency.

Such a motion can be moved without notice.

(4) Despite clause 250, only the mover of a motion referred to in subclause (3) can speak to the motion before it is put.

ATTACHMENTS:

Nil

6 QUESTIONS WITH NOTICE

Nil

7 ADVOCACY REPORTS

Nil

8 COMMITTEE REPORTS

8.1 CIVIL AND ENVIRONMENTAL SERVICES COMMITTEE MINUTES - 10 JUNE 2020

File Number: S4.11.16/12 / 20/22986

Author: Kristy Paton, Corporate Support Officer - Publishing

SUMMARY:

Meeting held on Wednesday, 10 June, 2020.

For the consideration of Council.

COMMENTARY:

Refer to the attached minutes of the meeting.

RECOMMENDATION:

- i) *That the Minutes of the Civil and Environmental Services Committee held on Wednesday, 10 June, 2020, be received and noted; and*
- ii) *The following recommendations of the Civil & Environmental Services Committee be adopted by Council.*

8.1.1 Adoption of Draft Pedestrian Access Mobility and Bike Plans

RECOMMENDATION:

That the Draft Pedestrian Access and Mobility Plan 2019-2024 be endorsed for the purpose of placing on public exhibition for 28 days.

8.1.2 D-33/1992 - Subdivision off Palaroo Lane - Road Naming

RECOMMENDATION:

That:

- 1. *The appropriate steps be taken to formally name the road running south off Palaroo Lane as "Lorikeet Lane".*
- 2. *Council authorise the General Manager to undertake the road naming in accordance with the NSW Road Regulation 2018.*

8.1.3 Ashford Water Treatment Plant Process Improvements

RECOMMENDATION:

That:

- i) *The report on Ashford Water Treatment Plant Process Improvements be noted; and*
- ii) *Council seek the support and representation of the Local Member the Honourable Adam*

Marshall in securing funding from the NSW Government for the emergency response and process improvement works required to the Ashford Water Treatment Plant to treat poor quality raw water from the Severn River during drought periods.

8.1.4 Governance - Performance Reporting On Road Maintenance Council Contracts

RECOMMENDATION:

That the information be received and noted.

ATTACHMENTS:

- 1. Minutes of Civil and Environmental Services Committee Meeting 10 June, 2020**

**MINUTES OF INVERELL SHIRE COUNCIL
CIVIL AND ENVIRONMENTAL SERVICES COMMITTEE MEETING
HELD AT THE COMMITTEE ROOM, ADMINISTRATIVE CENTRE, 144 OTHO STREET,
INVERELL
ON WEDNESDAY, 10 JUNE 2020 AT 9.00 AM**

PRESENT: Cr Paul Harmon (Mayor) via Zoom, Cr Stewart Berryman, Cr Di Baker via Zoom and Cr Anthony Michael (Deputy Mayor).

IN ATTENDANCE: Cr Jacki Watts, Cr Kate Dight and Cr Paul King OAM.

Paul Henry (General Manager), Brett McInnes (Director Civil & Environmental Services), Scott Norman (Director Corporate & Economic Services), Anthony Alliston (Manager Development Services), Justin Pay (Manager Civil Engineering), Michael Bryant (Manager Environmental Engineering) and David Thirlway (Manager Information Services).

1 APOLOGIES

COMMITTEE RESOLUTION

Moved: Cr Stewart Berryman

Seconded: Cr Paul Harmon

That the apology received from Cr Peters be accepted and leave of absence for personal reasons be granted.

CARRIED

Cr Neil McCosker was unable to join the meeting due to technical problems with Zoom.

2 CONFIRMATION OF MINUTES

COMMITTEE RESOLUTION

Moved: Cr Paul Harmon

Seconded: Cr Stewart Berryman

That the Minutes of the Civil and Environmental Services Committee Meeting held on 13 May, 2020, as circulated to members, be confirmed as a true and correct record of that meeting.

CARRIED

3 DISCLOSURE OF CONFLICT OF INTERESTS/PECUNIARY AND NON-PECUNIARY INTERESTS

Cr Baker declared a non-pecuniary interest in Item #6.2 'DA-59/2020 – 'New Development Application for the construction of the Inverell Police Station Building - 109 Otho Street, Inverell DA-59/2020'. The nature of her interest is that she is a member of the Joint Regional Panel that will consider the DA.

Brett McInnes declared a non-pecuniary interest in item #6.2 'DA-59/2020 - New Development Application for the construction of the Inverell Police Station Building - 109 Otho Street, Inverell DA-59/2020'. The nature of his interest is that he is a member of the Joint Regional Panel that will consider the DA.

4 PUBLIC FORUM

Nil

5 DESTINATION REPORTS

5.1 ADOPTION OF DRAFT PEDESTRIAN ACCESS MOBILITY AND BIKE PLANS S30.11.1

COMMITTEE RESOLUTION

Moved: Cr Stewart Berryman

Seconded: Cr Paul Harmon

That the Committee recommend to Council that the Draft Pedestrian Access and Mobility Plan 2019-2024 be endorsed for the purpose of placing on public exhibition for 28 days.

CARRIED

5.2 D-33/1992 - SUBDIVISION OFF PALAROO LANE - ROAD NAMING D-33/1992

COMMITTEE RESOLUTION

Moved: Cr Paul Harmon

Seconded: Cr Stewart Berryman

That the Committee recommend to Council that:

- 1. The appropriate steps be taken to formally name the road running south off Palaroo Lane as "Lorikeet Lane".*
- 2. Council authorise the General Manager to undertake the road naming in accordance with the NSW Road Regulation 2018.*

CARRIED

5.3 ASHFORD WATER TREATMENT PLANT PROCESS IMPROVEMENTS S32.12.9

COMMITTEE RESOLUTION

Moved: Cr Paul Harmon

Seconded: Cr Stewart Berryman

That the Committee recommend to Council that:

- i) *The report on Ashford Water Treatment Plant Process Improvements be noted; and*
- ii) *Council seek the support and representation of the Local Member the Honourable Adam Marshall in securing funding from the NSW Government for the emergency response and process improvement works required to the Ashford Water Treatment Plant to treat poor quality raw water from the Severn River during drought periods.*

CARRIED

6 INFORMATION REPORTS

6.1 WORKS UPDATE S28.21.1/13

COMMITTEE RESOLUTION

Moved: Cr Paul Harmon

Seconded: Cr Stewart Berryman

That the information report be received and noted.

CARRIED

At 9:15 am, Cr Di Baker left the meeting having previously declared a non-pecuniary interest in Item #6.2 DA-59/2020 – 'New Development Application for the construction of the Inverell Police Station Building - 109 Otho Street, Inverell DA-59/2020'.

Cr Harmon assumed the Chair.

6.2 DA-59/2020 - NEW DEVELOPMENT APPLICATION FOR THE CONSTRUCTION OF THE INVERELL POLICE STATION BUILDING - 109 OTHO STREET, INVERELL DA-59/2020

COMMITTEE RESOLUTION

Moved: Cr Stewart Berryman

Seconded: Cr Paul Harmon

That the information report be received and noted.

CARRIED

At 9:19 am, Cr Di Baker returned to the meeting.

7 GOVERNANCE REPORTS

7.1 GOVERNANCE - PERFORMANCE REPORTING ON ROAD MAINTENANCE COUNCIL CONTRACTS S1.2.3/14

COMMITTEE RESOLUTION

Moved: Cr Stewart Berryman

Seconded: Cr Paul Harmon

That the information be received and noted.

CARRIED

The Meeting closed at 9.22am.

8.2 ECONOMIC AND COMMUNITY SUSTAINABILITY COMMITTEE MINUTES - 10 JUNE 2020**File Number:** S4.11.17/12 / 20/23004**Author:** Kristy Paton, Temporary Corporate Support Officer - Publishing**SUMMARY:**

Meeting held on Wednesday, 10 June, 2020.

For the consideration of Council.

COMMENTARY:

Refer to the attached minutes of the meeting.

RECOMMENDATION:

- i) *That the Minutes of the Economic and Community Sustainability Committee held on Wednesday, 10 June, 2020, be received and noted; and*
- ii) *The following recommendations of the Economic and Community Sustainability Committee be adopted by Council.*

8.2.1 Expiring Licence Agreement - Mr Owen Lewis**RECOMMENDATION:***That:*

- 1. *Council renew the agreement with Mr Owen Lewis for Lots 1, 2, 3, 4 & 5, Section 58, DP 979847, Cameron Park, Inverell;*
- 2. *The licence agreement be for a three (3) year period with a three (3) year option;*
- 3. *The Licence fee be \$77.61 per annum (GST Inclusive) with an increase of 3% per annum;*
- 4. *The Licence Agreement be subject to any other terms and conditions as negotiated by Council's General Manager.*

8.2.2 Expiring Licence Agreement - Inverell Polocrosse Inc.**RECOMMENDATION:***That:*

- i) *Council renew the agreement with Inverell Polocrosse Inc. for part unformed road off Eddy Park Lane, Rob Roy;*
- ii) *the licence agreement be for a two (2) year period with a further two (2) year option;*
- iii) *the Licence fee be \$131.35 per annum (GST Inclusive) with a 3% increase per annum; and*
- iv) *the Licence Agreement be subject to any other terms and conditions as negotiated by Council's General Manager.*

8.2.3 Delivery Plan - Outstanding Issues**RECOMMENDATION:**

That:

- i) The unfunded items on the 2016 - 2020 Delivery Plan be submitted for possible funding under the Federal Government's 'Local Road and Community Fund' and 'Bushfire Recovery Program';*
- ii) Council lobby the State Government to fund the upgrade of the Moore Street entrance from Moore St to Inverell Hospital;*
- iii) The upgrade of the Moore St entrance to the Inverell Hospital be submitted for possible funding under the Federal Government's 'Regional Bushfire Recovery and Development Program'; and*
- iv) The upgrade of the oval lighting at the Ashford Sports Ground be submitted for funding under the "Local Road and Community Fund" or the 'Bushfire Recovery Program'.*

8.2.4 Procurement & Disposal Authority Policy**RECOMMENDATION:**

That:

- 1. The revised Procurement & Disposal Authority Policy be adopted; and*
- 2. The General Manager's financial delegation for authorising the procurement of goods and services be increased to \$250,000.*

8.2.5 Governance - Monthly Investment Report**RECOMMENDATION:**

That:

- i) the report indicating Council's Fund Management position be received and noted; and*
- ii) the Certification of the Responsible Accounting Officer be noted.*

8.2.6 Pricing of Land - Oliver Street**RECOMMENDATION:**

That:

- i) The allotments created by the extension of Oliver Street, Inverell be listed for sale with all Inverell Real Estate Agents, and*
- ii) The price for those allotments be determined by the market price set by Council's authorised real estate Market Appraiser.*

ATTACHMENTS:

- 1. Minutes of Economic and Community Sustainability Committee Meeting 10 June, 2020**

**MINUTES OF INVERELL SHIRE COUNCIL
ECONOMIC AND COMMUNITY SUSTAINABILITY COMMITTEE MEETING
HELD AT THE COMMITTEE ROOM, ADMINISTRATIVE CENTRE, 144 OTHO STREET,
INVERELL
ON WEDNESDAY, 10 JUNE 2020 AT 10.30 AM**

PRESENT: Cr Jacki Watts (Chair), Cr Paul King OAM, Cr Paul Harmon (Mayor) via Zoom, Cr Kate Dight and Cr Anthony Michael (Deputy Mayor).

IN ATTENDANCE: Cr Stewart Berryman, Cr Neil McCosker via Zoom, and Cr Di Baker via Zoom.

Paul Henry (General Manager), Brett McInnes (Director Civil & Environmental Services), Scott Norman (Director Corporate & Economic Services) and David Thirlway (Manager Information Services).

1 APOLOGIES

Nil

2 CONFIRMATION OF MINUTES

COMMITTEE RESOLUTION

Moved: Cr Anthony Michael

Seconded: Cr Paul King OAM

That the Minutes of the Economic and Community Sustainability Committee Meeting held on 13 May, 2020, as circulated to members, be confirmed as a true and correct record of that meeting.

CARRIED

3 DISCLOSURE OF CONFLICT OF INTERESTS/PECUNIARY AND NON-PECUNIARY INTERESTS

Nil

4 DESTINATION REPORTS

4.1 EXPIRING LICENCE AGREEMENT - MR OWEN LEWIS S5.10.31

COMMITTEE RESOLUTION

Moved: Cr Paul King OAM

Seconded: Cr Kate Dight

That the Committee recommend to Council that:

1. *Council renew the agreement with Mr Owen Lewis for Lots 1, 2, 3, 4 & 5, Section 58, DP 979847, Cameron Park, Inverell;*
2. *The licence agreement be for a three (3) year period with a three (3) year option;*
3. *The Licence fee be \$77.61 per annum (GST Inclusive) with an increase of 3% per annum;*
4. *The Licence Agreement be subject to any other terms and conditions as negotiated by Council's General Manager.*

CARRIED

4.2 EXPIRING LICENCE AGREEMENT - INVERELL POLOCROSSE INC. S5.10.128**COMMITTEE RESOLUTION**

Moved: Cr Anthony Michael

Seconded: Cr Paul King OAM

The Committee recommends to Council that:

- i) Council renew the agreement with Inverell Polocrosse Inc. for part unformed road off Eddy Park Lane, Rob Roy;*
- ii) the licence agreement be for a two (2) year period with a further two (2) year option;*
- iii) the Licence fee be \$131.35 per annum (GST Inclusive) with a 3% increase per annum; and*
- iv) the Licence Agreement be subject to any other terms and conditions as negotiated by Council's General Manager.*

CARRIED

4.3 DELIVERY PLAN - OUTSTANDING ISSUES S4.13.2**COMMITTEE RESOLUTION**

Moved: Cr Anthony Michael

Seconded: Cr Kate Dight

The Committee recommends to Council that:

- i) The unfunded items on the 2016 - 2020 Delivery Plan be submitted for possible funding under the Federal Government's 'Local Road and Community Fund' and 'Bushfire Recovery Program';*
- ii) Council lobby the State Government to fund the upgrade of the Moore Street entrance from Moore St to Inverell Hospital;*
- iii) The upgrade of the Moore St entrance to the Inverell Hospital be submitted for possible funding under the Federal Government's 'Regional Bushfire Recovery and Development Program'; and*
- iv) The upgrade of the oval lighting at the Ashford Sports Ground be submitted for funding under the "Local Road and Community Fund" or the 'Bushfire Recovery Program'.*

CARRIED

4.4 PRICING OF LAND - OLIVER STREET S5.2.0/13**COMMITTEE RESOLUTION**

Moved: Cr Anthony Michael

Seconded: Cr Kate Dight

That the matter be referred to Closed Council for consideration as the matters and information are:

- c information that would, if disclosed, confer a commercial advantage on a person with whom the Council is conducting (or proposes to conduct) business.*

On balance the public interest in preserving the confidentiality of the information outweighs the public interest in openness and transparency in Council decision-making by discussing the matter in open meeting; and all reports and correspondence relevant to the subject business be withheld from access to the media and public as required by section 11(2) of the Local Government Act, 1993.

CARRIED

5 INFORMATION REPORTS**COMMITTEE RESOLUTION**

Moved: Cr Anthony Michael

Seconded: Cr Kate Dight

That the information report be received and noted.

CARRIED

5.1 LIBRARY COVID-19 CLOSURE AND ACTIVITIES S4.11.17/12**6 GOVERNANCE REPORTS****6.1 PROCUREMENT & DISPOSAL AUTHORITY POLICY S4.11.17/12****COMMITTEE RESOLUTION**

Moved: Cr Kate Dight

Seconded: Cr Paul King OAM

RECOMMENDATION:

That the Committee recommend to Council that:

- 1. The revised Procurement & Disposal Authority Policy be adopted; and*
- 2. The General Manager's financial delegation for authorising the procurement of goods and services be increased to \$250,000.*

CARRIED

6.2 GOVERNANCE - MONTHLY INVESTMENT REPORT S12.12.2/13**COMMITTEE RESOLUTION**

Moved: Cr Kate Dight
Seconded: Cr Anthony Michael

The Committee recommends to Council that:

- i) the report indicating Council's Fund Management position be received and noted; and*
- ii) the Certification of the Responsible Accounting Officer be noted.*

CARRIED**7 CONFIDENTIAL MATTERS (COMMITTEE-OF-THE-WHOLE)**

At 10.12am, the Chairperson noted that no members of the public or press were in attendance at the meeting therefore the Committee proceeded to consider the motion to close the meeting to the press and public.

COMMITTEE RESOLUTION

Moved: Cr Anthony Michael
Seconded: Cr Kate Dight

That the Committee proceeds into Closed Committee to discuss the matters referred to it, for the reasons stated in the motions of referral.

CARRIED**COMMITTEE RESOLUTION**

Moved: Cr Anthony Michael
Seconded: Cr Kate Dight

That the Committee proceeds out of Closed Committee into Open Committee.

CARRIED

Upon resuming Open Committee at 10.21am, the Chairperson verbally reported that the Committee had met in Closed Committee, with the Press and Public excluded, and had resolved to recommend to Council the following:

7.1 PRICING OF LAND - OLIVER STREET S5.2.0/13

That the Committee recommends to Council that:

- i) The allotments created by the extension of Oliver Street, Inverell be listed for sale with all Inverell Real Estate Agents, and*
- ii) The price for those allotments be determined by the market price set by Council's authorised real estate Market Appraiser.*

CARRIED

ADOPTION OF RECOMMENDATIONS

COMMITTEE RESOLUTION

Moved: Cr Anthony Michael

Seconded: Cr Kate Dight

That the recommendations of Closed Committee be adopted.

CARRIED

The Meeting closed at 10.23am.

8.3 AUDIT RISK AND IMPROVEMENT COMMITTEE MEETING MINUTES - 17 JUNE 2020

File Number: S4.11.21 / 20/23726

Author: Kristy Paton, Corporate Support Officer - Publishing

SUMMARY:

An Audit Risk and Improvement Committee meeting was held at 10.00am, Wednesday, 17 June, 2020. It is intended that the minutes from this meeting be tabled at this Council meeting.

RECOMMENDATION:

That a supplementary report on this matter be received.

COMMENTARY:

This report is intended to request Council to accept the tabling of the Audit Risk and Improvement Committee meeting minutes, which was held at 10.00am on Wednesday, 17 June, 2020.

It is intended that a supplementary report will be presented at the Council meeting.

RISK ASSESSMENT:

Nil

POLICY IMPLICATIONS:

Nil

CHIEF FINANCIAL OFFICERS COMMENT:

Nil

LEGAL IMPLICATIONS:

Nil

ATTACHMENTS:

Nil

9 DESTINATION REPORTS

9.1 TERM OF ARIC MEMBERS

File Number: S4.11.21/02 / 20/23340

Author: Scott Norman, Director Corporate and Economic Services

SUMMARY:

The term of the current Audit Risk and Improvement Committee (ARIC) members is due to expire 31 August, 2020; this was to coincide with the original term of the current elected Council. The term of Council has now been extended until September 2021 and Council is asked to consider offering to extend the term of the ARIC members.

RECOMMENDATION:

That Council offer to extend the term of the current Audit Risk and Improvement Committee members until 31 August, 2021.

COMMENTARY:

The NSW local government elections that were to be held in September 2020 were postponed as part of the COVID-19 response. The NSW Government has now announced that the elections will be held on 4 September, 2021. Current councillors will continue to hold their civic offices until the rescheduled elections.

The current Audit Risk and Improvement Committee (ARIC) members were appointed until 31 August, 2020; this was to coincide with the original term of the current elected Council.

Current ARIC members are:

Mr Phil Schwenke – Independent Member and Chair;

Mrs Nicky Lavender – Independent Member; and

Cr Kate Dight – Council Representative.

Given the term of Council has been extended, Council is asked to consider whether to offer to extend the term of the ARIC members until 31 August, 2021.

This initial ARIC term has been one of establishment and capacity building. The Committee is well progressed in implementing the program of work identified early in its term and has been working with the external auditors as part of the process of the annual audit of the financial statements.

The work completed by the Committee includes;

Establishment – review existing systems, establish a framework for the ARIC including a Charter, procedures and program of work. Establish a list of ongoing improvements after attending ARIC training.

Development of Enterprise Risk Management System (ERM) – Review and revise key components of the ERM including Policy, Risk Register and tool kit. Developed a program of improvement for a Compliance Register. Participated in developing risk tolerance statements, audit of workplace health and safety systems procedures and compliance and review of insurable risk.

External Audit – In consultation with the external auditors reviewed the annual financial reporting and audit recommendation. Reviewed the performance audits issued by the NSW Auditor General on the Local Government sector and made recommendations and monitored progress arising from these activities.

Internal Audit Program – developed a program of internal audit prioritised by the revised Risk Register. Completed internal audits on The Risk Management Framework, Procurement and Contract Management and Employee Wellbeing and reviewed an Audit of the Fringe Benefit Tax Procedures.

This work to date means the Committee is well placed to deliver value during an extension of its appointed term. The extended term will take advantage of organisational knowledge already gained, provide timely input into 2019-20 financial reporting and give continuity to the current internal audit program.

The Office of Local Government is due to provide revised ARIC Guidelines. The discussion paper relating to the new Guidelines indicated that direction on committee membership is likely to change, so the opportunity to extend the term of the current membership while waiting for the new guidelines is timely.

ATTACHMENTS:

Nil

9.2 EDDY PARK LANE - POLOCROSSE FIELDS**File Number:** S5.2.0/13 / 20/23695**Author:** Kristy Paton, Corporate Support Officer - Publishing**SUMMARY:**

A confidential report has been prepared on this matter. The Councillors are being asked to refer the matter to a closed Council for consideration.

RECOMMENDATION:

That the matter be referred to Closed Council for consideration as the matters and information are:

- c information that would, if disclosed, confer a commercial advantage on a person with whom the Council is conducting (or proposes to conduct) business.*

On balance the public interest in preserving the confidentiality of the information outweighs the public interest in openness and transparency in Council decision-making by discussing the matter in open meeting; and all reports and correspondence relevant to the subject business be withheld from access to the media and public as required by section 11(2) of the Local Government Act, 1993.

COMMENTARY:

The *Local Government Act 1993* (the Act), and the *Local Government (General) Regulation 2005* makes provision for the closure of meetings to the public and media in specified circumstances. In particular s.10A of the Act provides that Council may close to the public and media so much of a meeting as relates to the discussion and consideration of information identified in s.10A(2). The matters which may be closed to the public and media, as stated in the Act, must involve:

- (a) Personnel matters concerning particular individuals (other than councillors.)*
- (b) The personal hardship of any resident or ratepayer.*
- (c) Information that would, if disclosed, confer a commercial advantage on a person with whom the council is conducting (or proposes to conduct) business.*
- (d) Commercial information of a confidential nature that would, if disclosed:*
 - (i) prejudice the commercial position of the person who supplied it, or*
 - (ii) confer a commercial advantage on a competitor of the council, or*
 - (iii) reveal a trade secret.*
- (e) Information that would, if disclosed, prejudice the maintenance of law.*
- (f) Matters affecting the security of the council, councillors, council staff or council property.*
- (g) Advice concerning litigation, or advice that would otherwise be privileged from production in legal proceedings on the grounds of legal professional privilege.*
- (h) Information concerning the nature and location of a place or an item of Aboriginal significance on community land.*

In considering whether to close a part of a meeting to the public and media, Councillors are also reminded of further provisions of s.10D of the Act which states:

Grounds for closing part of meeting to be specified

- (1) The grounds on which part of a meeting is closed must be stated in the decision to close that part of the meeting and must be recorded in the minutes of the meeting.*
- (2) The grounds must specify the following:*
 - (a) the relevant provision of section 10A (2),*
 - (b) the matter that is to be discussed during the closed part of the meeting,*

- (c) *the reasons why the part of the meeting is being closed, including (if the matter concerned is a matter other than a personnel matter concerning particular individuals, the personal hardship of a resident or ratepayer or a trade secret) an explanation of the way in which discussion of the matter in an open meeting would be, on balance, contrary to the public interest.*

It is recommended that, pursuant to Section 10A(2) of the *Local Government Act 1993* the matter be referred to Closed Committee for consideration as the matters and information are:

- c information that would, if disclosed, confer a commercial advantage on a person with whom the Council is conducting (or proposes to conduct) business.

On balance the public interest in preserving the confidentiality of the information outweighs the public interest in openness and transparency in Council decision-making by discussing the matter in open meeting; and all reports and correspondence relevant to the subject business be withheld from access to the media and public as required by section 11(2) of the *Local Government Act, 1993*.

10 INFORMATION REPORTS**10.1 STRATEGIC TASKS - 'SIGN OFF' - JUNE 2020****File Number:** S4.13.2 / 20/20411**Author:** Kristy Paton, Temporary Corporate Support Officer - Publishing**SUMMARY:**

A part of a successful governance program is a need for administration to indicate to the policy makers that the requirements of the legislation, under which the organisation operates, has been provided. As a result, this information report provides Councillors with a statement of assurance from the General Manager that in accordance with the *Local Government Act, 1993*; the tasks have been complied with.

COMMENTARY:

The June, 2020 tasks required to be undertaken are detailed below. Any of these tasks may be added to as Council becomes familiar with this new initiative.

| Date | Compliance Requirement | Achieved/Not Achieved | Comments |
|--------------|--|--|---|
| 1 June 2020 | Objections to the inclusion of land to be vested in public bodies must be served within two (2) months after the list is furnished (LGA s 600(6)). | Achieved | |
| 30 June 2020 | Valuer General to provide estimates of charges in the value of land for which supplementary valuations are required within one (1) month of date of request (LGA s 513 (2)). | Achieved | Valuer General provide supplementary values on a monthly basis. |
| 30 June 2020 | Operational Plan (2020-21) adopted and Long Term Financial Plan updated (LGA s 405 (1)). | To be adopted at the June 2020 Ordinary Council meeting. | |
| 30 June 2020 | Delivery Program progress reports provided to council at least every six (6) months (LGA s 404 (5)). | Achieved as part of Quarterly Budget Review. | |

I confirm that the performance criteria as set out in the criteria for scheduled tasks have been met for the months of June 2020. I confirm the accuracy and completeness of the information provided above, in that to the best of my knowledge and understanding, all material information has been herein disclosed.

P J HENRY PSM**GENERAL MANAGER****ATTACHMENTS:****Nil**

| |
|---|
| 10.2 SUMMARY OF DEVELOPMENT APPLICATIONS, CONSTRUCTION CERTIFICATES AND COMPLYING DEVELOPMENTS DURING MAY 2020 |
|---|

File Number: S18.10.2/13 / 20/23023

Author: Elaine Kenny, Administration Officer

SUMMARY:

This report is intended to keep Council updated on the Development Applications, Construction Certificates and Complying Development Certificates determined during the month of May 2020.

DEVELOPMENT APPROVALS, REFUSALS AND VARIATIONS DURING MAY 2020

Development Approvals

| <u>Development Application Number</u> | <u>Applicant</u> | <u>Property</u> | <u>Development</u> | <u>\$ Amount</u> |
|---|--|-------------------------------|--|-------------------------|
| DA-27/2020 | John Green Pty Ltd | 2 Max Place, INVERELL | Subdivision and Semi-Detached Dwellings (Duplex) | 405,000 |
| DA-38/2020 | Church Communities Australia | 4188 Gwydir Highway, ELSMORE | Additions to Existing Industry (Sign Manufacturing) Premises | 1,200,000 |
| DA-40/2020 | Mr Phillip Aubrey McIlwain | 30 Mather Street, INVERELL | Use of Carport Addition | 3,500 |
| DA-44/2020 | Elsmore Soldiers Memorial Hall Reserve Trust | 1181 Elsmore Road, ELSMORE | 8.5m x 13.5m x 4.8m Shade Structure | 14,395 |
| DA-45/2020 | Mr Lucas Aron McBean & Mrs Kylie Ann McBean | 19 Gilchrist Street, INVERELL | Alterations and Additions to Dwelling | 65,000 |
| DA-53/2020 | Willowie Pastoral Co Pty Ltd | Bimbadeen Drive, INVERELL | New Shed | 60,000 |
| Monthly estimated value of Approvals: May 2020 | | | 6 | 1,747,895 |

Development Amendments

Nil

Development Refusals

Nil

Variation to Development Standards Approved

As part of the monitoring and reporting requirements established by the NSW Department of Planning, a report of all variations approved under delegation in accordance with Clause 4.6 of the *Inverell Local Environmental Plan 2012* must be provided to a full council meeting.

The following details the variations to development standards approved during May 2020.

INFORMATION:

| <u>Development Application Number</u> | <u>Applicant</u> | <u>Property</u> | <u>Development</u> | <u>\$ Amount</u> |
|--|--|---|---------------------------|-------------------------|
| DA-39/2020 | Mr Bradley James Tindall & Mrs Tracey Jane Tindall | Yetman Road, INVERELL 2360 Bolands Lane, INVERELL 2360 394 Yetman Road, INVERELL 2360 | Subdivision | Nil |
| Monthly estimated value of Variations To Development Standards Approved: May 2020 | | | 1 | Nil |

CONSTRUCTION CERTIFICATES APPROVED AND AMENDED DURING MAY 2020

Construction Certificates approved by Council

| <u>Construction Certificate Number</u> | <u>Applicant</u> | <u>Property</u> | <u>Construction</u> | <u>\$ Amount</u> |
|---|--|-------------------------------|--|-------------------------|
| CC-19/2020 | Public Works Advisory | 10 Tingha Road, INVERELL | Construction of New Amenities Buildings | 624,000 |
| CC-24/2020 | John Green Pty Ltd | 2 Max Place, INVERELL | Subdivision and Semi-Detached Dwellings (Duplex) | 405,000 |
| CC-36/2020 | Elsmore Soldiers Memorial Hall Reserve Trust | 1181 Elsmore Road, ELSMORE | 8.5m x 13.5m x 4.8m Shade Structure | 14,395 |
| CC-37/2020 | Mr Lucas Aron McBean & Mrs Kylie Ann McBean | 19 Gilchrist Street, INVERELL | Alterations and Additions to Dwelling | 65,000 |
| CC-43/2020 | Willowie Pastoral Co Pty Ltd | Bimbadeen Drive, INVERELL | New Shed | 60,000 |
| Monthly estimated value of Approvals: May 2020 | | | 5 | 1,168,395 |

Amended Construction Certificates approved by Council

Nil

Construction Certificates approved by Private Certifier

Nil

Amended Construction Certificates approved by Private Certifier

Nil

COMPLYING DEVELOPMENT CERTIFICATES APPROVED AND AMENDED DURING MAY 2020**Complying Development Certificates Approved by Council**

| <u>Complying Development Certificate Number</u> | <u>Applicant</u> | <u>Property</u> | <u>Construction</u> | <u>\$ Amount</u> |
|--|-------------------------|-----------------------------|---|-------------------------|
| CD-9/2020 | Ms Kerrie Sue Newton | 51 Penola Lane, AUBURN VALE | Internal Alterations - Structural Beams | 5,000 |
| CD-10/2020 | Decon Building | 32 King Street, INVERELL | Carport | 10,227 |
| Monthly estimated value of Approvals: May 2020 | | | 2 | 15,227 |

Amended Complying Development Certificates approved by Council

Nil

Complying Development Certificates approved by Private Certifier

| <u>Complying Development Certificate Number</u> | <u>Applicant</u> | <u>Property</u> | <u>Construction</u> | <u>\$ Amount</u> |
|--|--------------------------|---------------------------|--|-------------------------|
| CD-7/2020 | Mr Peter Desmond Denovan | 259 Old Mill Road, TINGHA | New Shed | Nil |
| CD-8/2020 | Linda Weinspach | 2 Vivian Street, INVERELL | Installation of barriers and automated welcome gates to existing supermarket | 21,300 |
| Monthly estimated value of Approvals: May 2020 | | | 2 | 21,300 |

Amended Complying Development Certificates approved by Private Certifier

Nil

TOTAL BUILDING CONSTRUCTION FOR INVERELL SHIRE DURING MAY 2020:

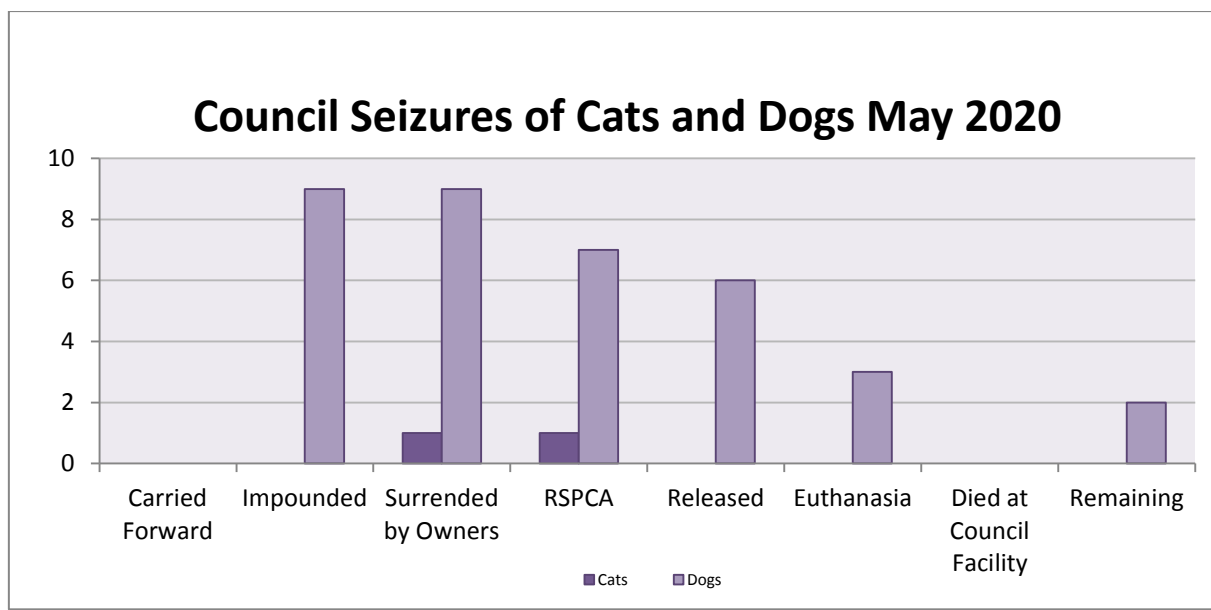
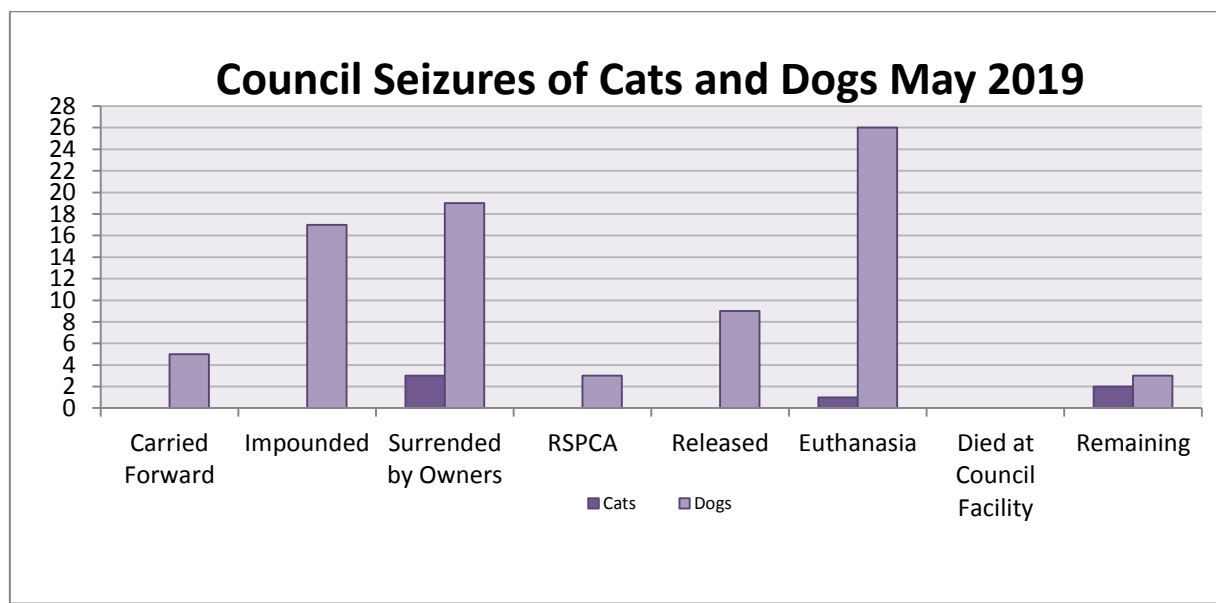
| <u>Type of Consent</u> | <u>Number</u> | <u>\$ Amount</u> |
|---|----------------------|-------------------------|
| Construction Certificates – Council Approved | 5 | 1,168,395 |
| Construction Certificates – Private Certifier | 0 | Nil |
| Complying Development – Council Approved | 2 | 15,227 |
| Complying Development – Private Certifier | 2 | 21,300 |
| Totals | 9 | 1,204,922 |

Estimated Value of Approvals issued in the financial ytd in: **2019/2020** **(118)** **\$19,289,225**
2018/2019 **(140)** **\$16,287,384**

ATTACHMENTS:**Nil**

10.3 ORDINANCE ACTIVITIES REPORT FOR MAY 2020**File Number:** S18.10.1 / 20/23024**Author:** Elaine Kenny, Administration Officer**SUMMARY:**

The following details the number of various Ordinance activities carried out during May 2020, in comparison to the same month in 2019.

INFORMATION:**COMPLIANCE****Inverell Shire Council Pound Monthly Report May 2020****Inverell Shire Council Pound Monthly Report May 2019****ATTACHMENTS:****Nil**

| |
|--|
| 10.4 SEPTIC TANK APPROVALS FOR MAY 2020 |
|--|

File Number: **S29.19.1 / 20/23025**

Author: **Elaine Kenny, Administration Officer**

SUMMARY:

The following details the Septic Tank approvals for May 2020.

INFORMATION:

Nil

ATTACHMENTS:

Nil

10.5 STATUS OF TOWN WATER SUPPLIES**File Number:** S32.15.19 / 20/23120**Author:** Michael Bryant, Manager Environmental Engineering**SUMMARY:**

The purpose of this report is to update Council on the status of all town water supplies with the extended drought impacting water resources in the region over the past two (2) years. The situation has improved with above average rainfall along with cooler weather during the first five (5) months of 2020.

COMMENTARY:

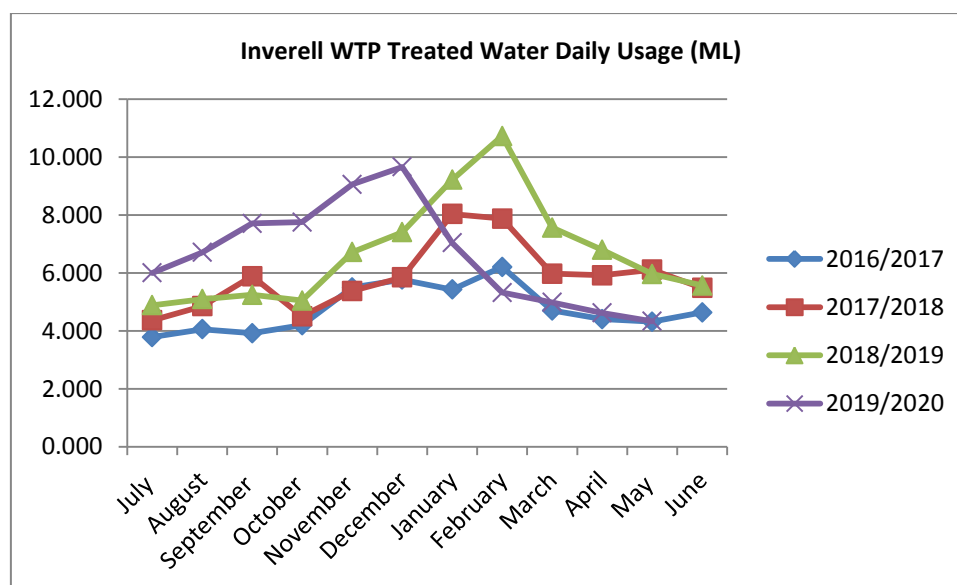
At the November 2019 Ordinary Meeting of Council, it was confirmed that a Status Report on Council water supplies will be provided to monthly Council meetings whilst the drought continues.

Council operates three (3) treated (potable) town water supplies and two (2) raw water supplies. The current status of all water supplies is summarised in the table below. Monthly daily usage trends for the Copeton Scheme are also displayed in a graph.

Above average rainfall up to June 2020 combined with humid cooler weather has reduced demand; however Copeton Dam and Pindari Dam storage levels still remain low.

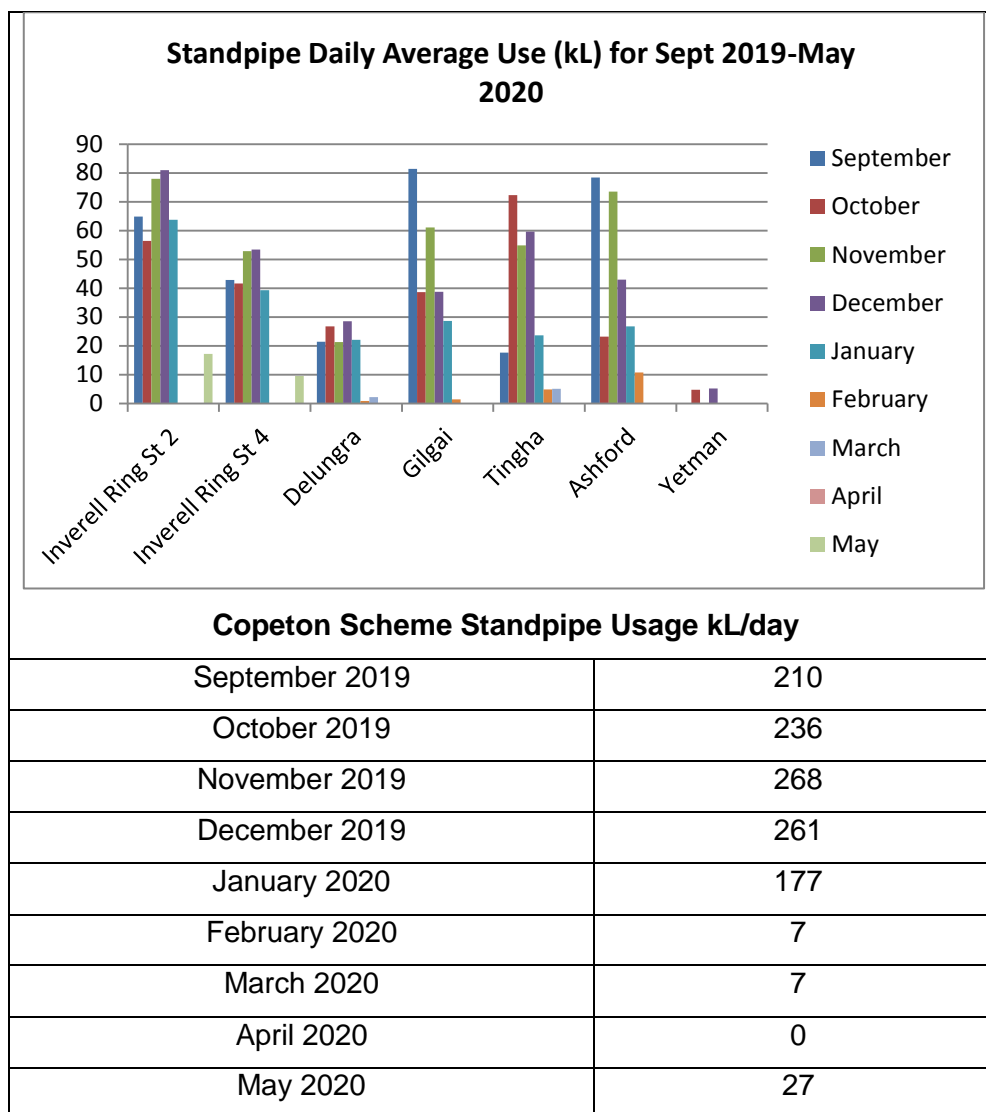
| Status of Water Supplies – 15 June 2020 | | | |
|--|---|--|---|
| Name of Water Supply | Source of Water | Comments on Status of Supply | Remedial Action |
| Copeton Scheme Treated water supply. Supplies Inverell, Gilgai, Tingha, Mt Russell & Delungra. | Copeton Dam. Storage Capacity 1,364,000 ML. Storage level 12.9% and steady, 191,128 ML. Raw water pumped from dam outlet (no transmission losses). | Full allocation under WSP for 2020/2021. May 2020 average consumption 4.3 ML/day. Above average rainfall and cold weather has reduced demand. | Continue monitoring. |
| Ashford Treated Water | Pindari Dam. Storage Capacity 312,000 ML. Storage level 11.9% and falling, 37,422ML. Raw water pumped from Severn River to Ashford WTP. | Full allocation under WSP for 2020/2021. Water NSW currently maintaining 10ML/day flow in Severn River. May 2020 consumption low at 0.26 ML/day | Raw water quality in Severn River has improved. Continue monitoring. |
| Yetman Treated Water. | Ground water – two (2) bores in alluvial aquifer on Macintyre River floodplain. | Full allocation under WSP for 2020/2021. May 2020 consumption 0.04 ML/day. | Continue monitoring ground water levels. |

| | | | |
|--|--|---|----------------------|
| Bonshaw Raw Water – non potable. Restricted flow supply suitable for internal non potable domestic use only, mainly toilet flushing. | Ground water – One (1) bore in alluvial material on Dumaresq River floodplain. | Flow in the Dumaresq River has resulted in the aquifer being recharged and meeting demand. | Continue monitoring. |
| Graman Raw Water – non potable. Restricted flow. | Ground water – one (1) bore adjacent Graman Creek. | Bore was stressed in 2019, however now meeting reduced demand following good rainfall and cooler weather. | Continue monitoring. |



Public Standpipes – Potable Water

Council has standpipes accessible to the public located at Inverell, Gilgai, Tingha, Delungra, Ashford and Yetman. The standpipes provide the opportunity for members of the community to access potable water. The graph and table below summarises standpipe usage. Demand has reduced substantially on 2019 levels.



Conclusion

All treated water supplies within the Council area are improving following above average rainfall during 2020 with demand predicted to remain low over winter.

The town water supplies will continue to be closely monitored.

RISK ASSESSMENT:

It is important that the town water supplies are closely monitored to ensure there is potable water available for the community.

The ISC community is very much dependent upon the judicious management of regional water resources by the NSW Government in ensuring that sufficient water reserves are retained in Copeton Dam and Pindari Dam for town water supplies during extended drought sequences.

POLICY IMPLICATIONS:

Council has a Drought Management Plan in place to manage town water supplies.

CHIEF FINANCIAL OFFICERS COMMENT:

Nil

LEGAL IMPLICATIONS:

Nil

ATTACHMENTS:

Nil

10.6 NEW DATE SET FOR LOCAL GOVERNMENT ELECTIONS 4 SEPTEMBER 2021**File Number:** S13.7.4/04 / 20/23284**Author:** Scott Norman, Director Corporate and Economic Services**SUMMARY:**

The NSW Government has now announced that the local government elections will be held on 4 September, 2021.

COMMENTARY:

The NSW local government elections that were to be held in September 2020 were postponed as part of the COVID-19 response. The NSW Government has now announced that the local government elections will be held on 4 September, 2021.

Current councillors will continue to hold their civic offices until the rescheduled local government elections are held on 4 September, 2021. There will be an election for the position of Mayor and Deputy Mayor at the September 2020 Council Meeting.

An order has been published in the Government Gazette formally postponing the election for 12 months. The order can be found at <https://gazette.legislation.nsw.gov.au>. A second order extending the postponement and setting a new election date will be published in the Government Gazette shortly.

RISK ASSESSMENT:

Nil

POLICY IMPLICATIONS:

Nil

CHIEF FINANCIAL OFFICERS COMMENT:

Funding for the election has been considered during the preparation of the 2020-21 budget.

LEGAL IMPLICATIONS:

At the time of writing the actual date of the election has yet to be gazetted, but it has been advised by way of information from the Office of Local Government.

ATTACHMENTS:

Nil

10.7 FUNDING FOR INVERELL AIRPORT IMPROVEMENTS

File Number: S15.8.25/12 / 20/23527

Author: Paul Henry, General Manager

SUMMARY:

The Australian Government has announced funding from their Regional Airports Program. Details are being provided for the information of Council.

COMMENTARY:

Recently Council submitted two (2) applications to the Australian Government's Regional Airports Program for:

- a) Exclusion Fencing – to complete the installation of security fencing around the perimeter of the airport. Cost: \$82K.
- b) Automatic Weather Station – to provide users of the airport with real time climatic data prevailing at the airport (this project was requested by the RPT Operator, Fly Corporate, to assist with safety and flight reliability issues). Cost: \$137K.

Advice has been received that both applications were successful.

The fencing material will be purchased locally and a local fencing contractor will be engaged to install the fencing.

The automatic weather station is an item that requires a specialist installer that is not located in this region.

It is worthy of noting that the provision of these grant funds (and the many other applications that have been successful during the year) will impact four (4) of the Office of Local Government Financial Benchmarks that need to be reported on at the end of the financial year. The effect of receiving grants is to move each of the benchmarks in a 'negative direction' from the required benchmark. The four (4) benchmarks are:

- Operating Performance Ratio
- Own Source Revenue Ratio
- Debt Service Ratio, and
- Efficiency Ratio.

ATTACHMENTS:

Nil

10.8 INVERELL HOSPITAL

File Number: S24.20.6 / 20/23817

Author: Paul Henry, General Manager

SUMMARY:

Correspondence has been received from Adam Marshall MP, Member for Northern Tablelands regarding the Inverell Hospital. Details are being provided for the information of Council.

COMMENTARY:

Correspondence has been received from Adam Marshall MP, Member for Northern Tablelands enclosing a copy of a Private Members Statement that he had the pleasure of delivering in the NSW Legislative Assembly on Tuesday 2 June, 2020.

Mr Marshall notes 'It was a real honour to have the opportunity to share with my Parliamentary colleagues details of the recently completed Inverell Hospital. What a wonderful community achievement that could not have happened without the efforts of all involved.

'Thank you and I look forward to the continued success in delivering for the Inverell community'.

A copy of the Private Members' Statement is **attached**.

Note: Grant funding for the new Moore Street entrance to the Hospital is currently being sought.

ATTACHMENTS:

1. NSW Legislative Assembly - Extract from Hansard 2 June 2020

NSW Legislative Assembly — Extract from Hansard

Private Member's Statement

2 June 2020

INVERELL HOSPITAL

Mr ADAM MARSHALL (Northern Tablelands—Minister for Agriculture and Western New South Wales) (17:48:20): It is with a great sense of irony that I report to the House in the middle of the COVID-19 pandemic that the largest health infrastructure development underway in the Northern Tablelands has opened its doors and admitted its first patients. On Monday 25 May the new Inverell Hospital building officially went online. After more than 50 years of community campaigning, it took less than two years to construct and deliver to the Inverell community a modern, exceptional, state-of-the-art healthcare facility. The new building, which represents the completion of stage one of an overall \$60 million health precinct redevelopment, boasts a brand-new emergency department; a 38-bed inpatient unit, including specialist paediatric facilities, maternity and birthing facilities; general adult services, including palliative care and medical imaging—for the first time we will have a CT scanner in our public hospital in Inverell—an expanded day surgery unit; and a renal unit. Servicing the Inverell, Glen Innes Severn and Gwydir Shire local government areas, this facility cements Inverell as a leader for rural and remote health in New South Wales.

I take this opportunity to congratulate and thank a number of people, including Mayor Paul Harman, Deputy Mayor Anthony Michael and Inverell Shire Council. The leadership the council has shown working with its local member to ensure this development has been exceptional. It is a community effort. I also thank Bob Bensley, who has been a lifetime campaigner for the redevelopment of this hospital and the betterment of health facilities in general; and Di Baker and her team from "Operation: Operating Room", who have raised hundreds of thousands of dollars and campaigned for many years with Bob and others in the community to make this possible. Richard Crookes Constructions delivered the project. They did a great job of working hand-in-glove with health infrastructure, Hunter New England Local Health District and the many local medical staff and community representatives who have pulled together to make the community's dream come true.

To put into context the demand on Inverell Hospital we need only look at admissions in the first week since it opened. There have already been 142 presentations to the new emergency department [ED], 21 new inpatient admissions as well as eight patients transferred from the old hospital to the new, 28 dialysis sessions in the new and expanded renal unit which has extra chairs, eight general surgeries and one C-section performed in the operating theatre. Four babies were born in the new maternity ward in the first week. While those figures tell one story, it is the testimonials from patients that I take the greatest heart from and that show what this new facility means to people in the local community. The new renal unit has eight chairs, which is up from six in the old unit, and is much more comfortable with space for visitors. That is a lifeline for residents who regularly need this life-saving treatment but live in isolated areas. Long-time renal patient Scott Michel was among the hospital's first patients and commented on how welcoming, spacious and accessible the new facility is.

Baby Demi was the first baby to be born in the new maternity unit and arrived in the early hours of Wednesday 27 May. Her mother, Amy, said it was great to have the privacy of her own room and her own ensuite and that the views overlooking the beautiful Inverell community were very calming. Amy also thanked the midwives, the doctors and the staff, stating the experience at the hospital was "wonderful". Another story to come out of the first week is baby Mackinley, the last baby to be born in the maternity unit of the old hospital and the first inpatient, along with her mum, Savannah, in the new hospital. Mackinley's dad, Tim, has a special connection with the new hospital. As a Richard

Crookes Constructions engineer he was involved in the project since it started the build in mid-2018. Tim said he was proud to be part of a team that delivered the new hospital and it was surreal to be there, not as the engineer but as a patient, visitor and dad.

Now mothers have a specialised birthing suite, operating theatre and private recovery room only metres apart. How times have changed from the seventies and eighties, when mothers who needed a caesarean had to be wheeled from a maternity ward, down an uneven concrete path outside into the operating theatre. The path had no roof so nurses had to carry an umbrella to protect patients from the weather. No more. While stage one is complete with the new hospital, it is only halfway done. We now progress into stage two, which is the gutting, refurbishment and repurposing of the old hospital building into all of the community health facilities. Richard Crookes Constructions is doing that as well. I congratulate the community and the council and thank everyone for a great job. I look forward to the second stage being completed in May next year.

11 GOVERNANCE REPORTS**11.1 ADOPTION OF 2020/2021 OPERATIONAL PLAN AND BUDGET****File Number: S12.5.3 / 20/23144****Author: Paul Pay, Manager Financial Services****SUMMARY:**

Council adopted the 2020/2021 Draft Operational Plan and Budget, Long Term Financial Plan (LTFP) at its April 2020 Meeting. These Documents were subsequently placed on public exhibition for a period of 28 days. The community were invited to provide submissions on the documents in accordance with Section 405 of the *Local Government Act, 1993*.

The purpose of this report is for Council now to adopt the 2020/2021 Operational Plan and Budget, Long Term Financial Plan, to make its rates and charges for 2020/2021, and to vote its expenditure for 2020/2021.

RECOMMENDATION:

That:

1. *Voting for Expenditure for 2020/2021*

That the respective amounts set out in the 2020/2021 Operational Plan and Budget vide Resolution Number 2020/29 be confirmed and voted for the carrying out of the various works and services of the Council for 2020/2021.

2. *Operational Plan*

That the 2020/2021 Operational Plan and Budget as exhibited in accordance with Section 405 of the Local Government Act 1993, be adopted.

3. *Fees and Charges for 2020/2021*

That the Fees and Charges as adopted on 22 April, 2020, Resolution Number 2020/29, be fixed for 2020/2021 including, the Stormwater Management Charge of \$25.00 per residential assessment, \$12.50 per Residential Strata lot and \$25.00 for Business Premises for each 350 square metres or additional part thereof, subject to a maximum on Business Premises of \$200.

4. *Fixing of Rates*

a) *General Activities*

i) *Whereas the Estimates of Income and Expenditure of the Consolidated Fund for the year 2020/2021 were adopted by Council on 22 April, 2020, AND WHEREAS such estimates were advertised on Council's website 1 May 2020, and in accordance with S.535 of the Local Government Act, 1993, it is hereby recommended that:*

RESIDENTIAL – INVERELL

A Residential – Inverell rate of 1.4215 cents in the dollar on the 2019 land value of all rateable residential land in the town of Inverell;

RESIDENTIAL – GENERAL

A Residential - General rate of 0.96753 cents in the dollar on the 2019 land value of all other rateable residential land including the villages of Bonshaw, Wandera, Bukkulla, Graman, Mount Russell, Oakwood, Elsmore, Gum Flat, Little Plain and Nullamanna;

RESIDENTIAL VILLAGES – ASHFORD

A Residential Villages – Ashford rate of 2.7764 cents in the dollar on the 2019 land value of all rateable residential land in the village of Ashford;

RESIDENTIAL VILLAGES – DELUNGRA

A Residential Villages – Delungra rate of 1.82393 cents in the dollar on the 2019 land value of all rateable residential land in the village of Delungra;

RESIDENTIAL VILLAGES – GILGAI

A Residential Villages – Gilgai rate of 1.3252 cents in the dollar on the 2019 land value of all rateable residential land in the village of Gilgai;

RESIDENTIAL - YETMAN

A Residential Villages – Yetman rate of 2.5804 cents in the dollar on the 2019 land value of all rateable residential land in the village of Yetman;

RESIDENTIAL - TINGHA

A Residential Villages – Tingha rate of 7.581 cents in the dollar on the 2019 land value of all rateable residential land in the village of Tingha;

BUSINESS – INVERELL INDUSTRIAL / COMMERCIAL

A Business Inverell / Commercial rate of 3.8555 cents in the dollar on the 2019 land value of all non-residential lands zoned as Industrial or Business in the Shire;

BUSINESS – OTHER

A Business – Other rate of 2.655 in the dollar on the 2019 land value of all other business lands in the Shire;

FARMLAND

A Farmland rate of 0.3505 cents in the dollar on the 2019 land value of all rateable land in the Shire being farmland;

RESIDENTIAL RURAL

A Residential Rural rate of 0.66170 cents in the dollar on the 2019 land value of all rateable land that satisfies the description of Rural Residential land as defined by the Local Government Act, 1993;

MINING

A Mining rate of 2.655 cents in the dollar on the 2019 land value of all rateable land in the Shire being mining land (Coal and Metalliferous Mines);

Now be made for the year ending 30 June, 2021;

- ii) *The Base Amount for each rateable assessment be \$225.00 for all categories and sub-categories. The percentage, in conformity with Section 500 is:*

| <u>Category/Sub-category</u> | <u>Percentage of levy for Category/Subcategory raised from base amount (must be < 50%)</u> |
|--|---|
| <i>Residential Inverell</i> | <i>19.18%</i> |
| <i>Residential General</i> | <i>30.76%</i> |
| <i>Residential Villages - Ashford</i> | <i>39.88%</i> |
| <i>Residential Villages - Delungra</i> | <i>38.30%</i> |
| <i>Residential Villages - Gilgai</i> | <i>34.18%</i> |
| <i>Residential Villages – Yetman</i> | <i>38.84%</i> |
| <i>Residential Villages – Tingha</i> | <i>42.18%</i> |
| <i>Business - Inverell Industrial / Commercial</i> | <i>3.80%</i> |
| <i>Business - Other</i> | <i>6.95%</i> |

| | | |
|-------|--|---------------|
| | <i>Farmland</i> | <i>7.34%</i> |
| | <i>Residential Rural</i> | <i>20.96%</i> |
| | <i>Mining</i> | <i>0.00%</i> |
| b) | <i>Water Supply</i> | |
| i) | <i>whereas the estimates of Income and Expenditure for the Consolidated Fund for the year 2020/2021 were adopted by Council on 22 April, 2020, and whereas such estimates including notice of the proposal to make and levy a charge in connection therewith were advertised on Council's website on 1 May, 2020, it is hereby resolved that a Water Supply Charge of \$375.00 on all land rateable to the Water Supply charge in pursuance of Section 552 of the Local Government Act, 1993, be now made for the year ending 30 June, 2020.</i> | |
| ii) | <i>The annual water availability charge for properties with more than one meter be \$375.00 per additional water meter.</i> | |
| iii) | <i>A water charge of \$340.00 per assessment (includes first water meter) be adopted for properties within the Tingha Boundary Adjustment area for 2020/2021.</i> | |
| iv) | <i>A water charge of \$340.00 per additional water meter be adopted for properties within the Tingha Boundary Adjustment area for 2020/2021.</i> | |
| v) | <i>The charge for water consumed and charged for by meter be fixed at \$1.65 per kilolitre for commercial water users.</i> | |
| vi) | <i>The charge for water consumed be charged for by meter and be a stepped tariff at a cost of \$1.65 per kilolitre for water consumption between 0 to 600 kilolitres, and \$1.92 for water consumed over 600 kilolitres for all residential users (excludes raw water users, commercial, Abattoirs, Community Facilities),</i> | |
| vii) | <i>The charge for water consumed and charged for by meter be fixed at \$0.86 cents per kilolitre for Abattoirs, plus a 20% early settlement discount for 2020/2021,</i> | |
| viii) | <i>a charge of \$0.86 per kilolitre be adopted for Community Facilities water consumption; Eligible entities include: Inverell Minor League, Inverell Golf Club, Inverell Tennis Club, Inverell Rugby Club, Gilgai Tennis Club, Inverell Equestrian Council, Inverell Shire Council (Sporting fields and Parks)</i> | |
| ix) | <i>The charge for water consumed and charged for by meter be fixed at \$0.42 cents per kilolitre for raw water users.</i> | |
| c) | <i>Sewerage Services</i> | |
| i) | <i>whereas the Estimates of Income and Expenditure for the Consolidated Fund for the year 2020/2021 were adopted by Council on 22 April, 2020, and whereas such Estimates including notice of the proposal to make and levy a charge in connection therewith were advertised on Council's Website on 1 May, 2020, it is hereby resolved that a Sewerage Charge Occupied of \$525.00 on all land rateable to the sewerage charge in pursuance of Section 552 of the Local Government Act, 1993, now be made, excepting any assessment in respect of land not built upon and not supplied with sewerage in which case a Sewerage Charge Unoccupied of \$328.65 for properties not within the Tingha Boundary Adjustment area. A Sewer Charge Unoccupied of \$270 on all rateable properties within the Tingha Adjustment Area.</i> | |

In accordance with Section 501(1) the following charges be made for the year ending 30 June, 2021, for the provision of other sewerage services:

Hotels/Licenced Clubs Charge \$1,575.00

(Excludes Motels, Clubs, Hostels, Nursing Home Hostels)

Nursing Homes/Supported Aged Care Sewerage Charge \$2,460.00

Charge for Residential Flat or Unit Buildings, Attached and Detached Dual Occupancy developments, Multi Housing developments, Retirement Living Units, and Boarding Houses.

1 Service = 1 Unit/Flat, e.g. a six (6) Unit/Flat development used for residential purposes on a single General Assessment will pay for six (6) services, i.e. \$2,168.25 for 2020/2021. (that is, one unit at Sewerage Charge Occupied - \$525 plus five units at the Sewerage Charge Unoccupied - \$328.65)

One (1) Duplex = two (2) Units.

| <i>Number of Services per Assessment</i> | <i>Annual Charge Per Assessment</i> |
|--|-------------------------------------|
| 1 | \$ 525.00 |
| 2 | \$ 853.65 |
| 3 | \$ 1,182.30 |
| 4 | \$ 1,510.95 |
| 5 | \$ 1,839.60 |
| 6 | \$ 2,168.25 |
| 7 | \$ 2,496.90 |
| 8 | \$ 2,825.55 |
| 9 | \$ 3,154.20 |
| 10 | \$ 3,482.85 |
| 11 | \$ 3,811.50 |
| 12 | \$ 4,140.15 |
| 13 | \$ 4,468.80 |
| 14 | \$ 4,797.45 |
| 15 | \$ 5,126.10 |
| | etc |

Non-rateable Properties Charges

| | |
|-----------------|-----------|
| Schools - w/c's | \$86.90* |
| Other - w/c's | \$144.10* |
| Urinals | \$86.90* |

(these charges are per receptacle).*

Motels Charges

| | |
|-----------------|----------|
| Motel Residence | \$525.00 |
|-----------------|----------|

| | |
|----------------------------------|-----------------|
| <i>Motel Restaurant</i> | <i>\$525.00</i> |
| <i>Ensuite/Room per service*</i> | <i>\$164.50</i> |

** Eg A six (6) room motel will pay for six (6) services, ie \$987.00*

Motel/Hotel Complex Charges

| | |
|----------------------------------|-------------------|
| <i>Hotel</i> | <i>\$1,575.00</i> |
| <i>Motel Residence</i> | <i>\$525.00</i> |
| <i>Ensuite/Room per service*</i> | <i>\$164.50</i> |

** E.g. A six (6) room motel will pay for six (6) services, i.e. \$987.00*

Caravan Parks Charges

| | |
|-------------------------------------|-------------------|
| <i>Caravan Park Residence</i> | <i>\$525.00</i> |
| <i>Caravan Park Amenities Block</i> | <i>\$1,575.00</i> |
| <i>Ensuite Cabin per service</i> | <i>\$164.50</i> |

5. Waste Management Charges

Waste Management Charge

In accordance with Section 501 of the Local Government Act, 1993, a Waste Management Charge of \$90.00 per assessment be made for the year ending 30 June, 2021, on all rateable land not within the Tingha Boundary Adjustment area.

In accordance with Section 501 of the Local Government Act, 1993 a Waste Management Charge of \$75.00 per assessment be made for the year ending 30 June, 2021, on all rateable land within the Tingha Boundary Adjustment area.

Domestic Waste Management

In accordance with Section 496 the following charges be made for the year ending 30 June, 2021, for the provision of domestic waste management services:

- i) Domestic Waste Management Charge – Un-Occupied \$60.00
- ii) Domestic Waste Management Charge - Occupied
(per service per assessment) \$340.00
- iii) Domestic Waste Management Charge - Occupied
Tingha Boundary Adjustment Area – Properties with 140lt garbage bin
(per service per assessment) \$325.00

Other Waste Management Services

In accordance with Section 502 the following charges be made for the year ending 30 June, 2021, for the provision of other waste management services (Collection from Business/Commercial Premises):

- i) Weekly Commercial Waste Management Charge \$340.00
(per service per assessment, GST is charged if applicable)
- ii) Weekly Commercial Recycling Charge \$120.00
per service per assessment, GST is charged if applicable)

| | |
|--|----------------|
| iii) <i>Fortnightly Commercial Recycling Charge</i> | <i>\$65.00</i> |
| <i>per service per assessment, GST is charged if applicable)</i> | |

6. *Interest Charges on Overdue Rates and Charges*

Extra charges on overdue rates and charges will be levied at the rate of zero (0.00%) per cent per annum for the period between 01/07/2020 – 31/12/2020, and a rate of seven (7.00%) per cent per annum for the period between 01/01/2021 – 30/06/2021, on a daily simple interest basis for the year ending 30 June, 2021.

7. *Long Term Financial Plan*

That the 2020-2030 Long Term Financial Plan as exhibited be adopted in accordance with Council's IPART FFF Roadmap approved scenario. .

COMMENTARY:

1. **Voting of Expenditure for 2020/2021**

Council at its meeting on 22, April, 2020, resolved to adopt the Draft 2020/2021 Operational Plan and Budget, and Draft 2020/2030 Long Term Financial Plan. These documents were prepared in accordance with Council's guiding principles, resulting in a "Balanced" and Operationally Sound" budget. This means that the budget documents provide for the continuation of all Council's existing programs and services at the existing service levels with no service cuts. No "Surplus Funds" have been identified for allocation later in 2020/2021 as needs arise, with all revenues being matched to expenditures to maintain the Budget in balance.

The prescribed advertisement was subsequently placed on Council's website and on Council's Facebook page on Friday 1 May, 2020. The Draft Operational Plan and Budget was placed on public display, on Council's website, and a hard copy was made available at Council's Administrative Centre. Attached is a copy of Council's estimated budget results for 2020/2021 for your information.

Operational Plan

In accordance with Section 405 of the *Local Government Act 1993*, the Draft Budget (incorporating Operational Plan) as prepared has been placed on public exhibition. The closing date of submissions in relation to the Operational Plan was Friday 29 May, 2020, at 10.00 am. Council has received no public submissions.

Section 406 of the *Local Government Act 1993*, stipulates that:

"In deciding the final plan to be adopted, Council must take into consideration any submissions that have been made concerning the Draft Operational Plan prepared and exhibited in accordance with this part."

It is now necessary for Council to formally vote the respective amounts established for expenditure in 2020/2021. A recommendation to this effect is detailed above.

2. **Making of Rates and Fixing of Charges for 2020/2021**

At its meeting on 22, April, 2020, Council adopted the various Rates and Charges, for its General, Water and Sewerage activities, and Waste Management Services. In adopting the rates and charges Council utilised the full maximum rate pegging increase of 2.6%. Council also resolved to implement minor increases to water, sewerage and waste management charges during 2020/2021.

To minimise the impact on ratepayers within the Tingha Boundary Adjustment area, Council has chosen to implement a transitional phase in period, over three years, on some annual charges.

Council is now required to formally make these Rates and Charges for the 2020/2021 Budget Year. The necessary resolutions for making the rates and fixing of charges are contained above.

Establishment of Rate of Interest Payable on Overdue Rates

The *Local Government Act 1993* requires Councils to establish the rate of interest that it will charge on any overdue rates during 2020/2021. The interest rate set by Council must not exceed the percentage determined by the Minister in accordance with Section 566 (3). Advice has been received that the rate prescribed for the abovementioned section is:

1. 0% per annum for 1 July 2020 to 31 December 2020; then
2. 7.0% per annum for 1 January 2021 to 30 June 2021

It should be noted that the *Local Government Act 1993*, permits Council to amend the level of interest rates and therefore Council is not committed to maintain the same interest rate for the whole of the rating year. Further, the *Local Government Act 1993* provides a number of means for dealing with approaches from members of the public who claim hardship due to the imposition of interest charges on outstanding rates.

The principle actions available are:

- a) To write off extra charges; and
- b) To accept payments by instalments and write off or reduce extra charges.

The necessary resolution for the setting of the interest rate for overdue rates and charges is contained above.

3. Long Term Financial Plans

In accordance with Section 405 of the *Local Government Act 1993*, the Draft Long Term Financial Plan as prepared has been placed on public exhibition. The closing date of submissions in relation to the Operational Plan was Friday 29 May, 2020, at 10.00 am. Council has received no public submissions.

It is now necessary to formally adopt the 2020-2030 Long Term Financial Plan. A recommendation to this effect is detailed above.

4. Public Submissions

In accordance with the provisions of Section 405 of the *Local Government Act 1993*, to ensure good governance, transparency and to enable sound community consultation, the abovementioned documents were placed on public exhibition for a period of 28 days. This matter was widely publicised on Council's Website and on Council's Facebook page. Hard copies of the documents were also available at Council's administrative centre, and the community were provided with the opportunity to obtain copies of the documents "free of charge".

At the close of the public exhibition period Council had not received any submissions.

RISK ASSESSMENT:

There are many risks pertaining to budgeting. First and foremost is having an annual operational plan aligning with the outcomes of a long term financial strategy. There are also risks pertaining to cost estimates, revenue estimates and aligning capital works projects with the available day labour.

POLICY IMPLICATIONS:

The Operational Plan is one of Council's major Policy Documents. It sets out how Council will discharge its responsibilities to the community. The adoption of the Operational Plan and Budget enables the process of Council setting its Rates and Charges and Voting of its expenditures for 2020/2021.

CHIEF FINANCIAL OFFICERS COMMENT:

The 2020/2021 Operational Plan and Budget provides the basis of Council's operations for the ensuing year. The Budget provides the Finances necessary for Council to conduct its operations during the 2020/2021 Financial Year. The following matters are highlighted.

- A Balanced Budget has been achieved in all Funds,
- The Budget provides for a continuation of all of Council's existing services and works/asset management programs.

LEGAL IMPLICATIONS:

Council is required under the provisions of Sections 401 - 407 of the *Local Government Act, 1993*, to prepare, publicise and adopt an Operational Plan and Budget with respect to Council's works and activities for at least the next three years. Council is required under the NSW State Government Integrated Planning and Reporting Guidelines, 2013 to prepare a Long Term Financial Plan.

ATTACHMENTS:

1. **Statement of Profit and Loss**
2. **Statement of Cash Flows**
3. **Balance Sheet**

INVERELL SHIRE COUNCIL
CONSOLIDATED PROFIT AND LOSS STATEMENT
(COMBINED GENERAL, WATER AND SEWERAGE FUNDS)

| ESTIMATES FOR | 2020/2021 | 2021/2022 | 2022/2023 | 2023/2024 | 2024/2025 |
|---|------------------|------------------|------------------|------------------|------------------|
| | \$000 | \$000 | \$000 | \$000 | \$000 |
| EXPENSES FROM ORDINARY ACTIVITIES | | | | | |
| Employee Benefits & On Costs | 14,855 | 15,274 | 15,709 | 16,151 | 16,604 |
| Borrowing Costs | 109 | 170 | 134 | 105 | 81 |
| Materials & Contracts | 8,044 | 11,458 | 8,584 | 8,818 | 9,091 |
| Depreciation | 10,434 | 10,524 | 10,544 | 10,564 | 10,584 |
| Other Expenses | 4,699 | 4,668 | 4,776 | 4,886 | 5,135 |
| TOTAL EXPENSES FROM ORDINARY ACTIVITIES | 38,141 | 42,094 | 39,747 | 40,525 | 41,495 |
| REVENUE FROM ORDINARY ACTIVITIES | | | | | |
| Rates & Annual Charges | (22,247) | (22,875) | (23,446) | (24,032) | (24,632) |
| User Charges & Fees | (4,223) | (4,322) | (4,411) | (4,503) | (4,597) |
| Interest & Investment Revenue | (867) | (599) | (599) | (599) | (599) |
| Other Revenue | (544) | (548) | (551) | (555) | (559) |
| Grants & Contributions provided for operating purposes | (10,323) | (13,792) | (10,755) | (10,983) | (11,215) |
| Net Gain/Loss on Disposal of Assets | (102) | (23) | (99) | (49) | (20) |
| TOTAL REVENUE FROM ORDINARY ACTIVITIES BEFORE CAPITAL AMOUNTS | (38,306) | (42,158) | (39,863) | (40,721) | (41,623) |
| (SURPLUS)/DEFICIT FROM ORDINARY ACTIVITIES BEFORE CAPITAL AMOUNTS | (165) | (64) | (116) | (196) | (128) |
| Grants & contributions provided for Capital Purposes | (7,452) | (2,263) | (2,276) | (2,290) | (2,303) |
| (SURPLUS)/DEFICIT FROM ORDINARY ACTIVITIES AFTER CAPITAL AMOUNTS | (7,616) | (2,327) | (2,392) | (2,486) | (2,431) |
| Extraordinary Items | | | | | |
| (SURPLUS)/DEFICIT FROM ORDINARY ACTIVITIES | (7,616) | (2,327) | (2,392) | (2,486) | (2,431) |
| ADD BACK NON-CASH ITEMS | | | | | |
| Depreciation | (10,434) | (10,524) | (10,544) | (10,564) | (10,584) |
| Carrying Amount of Assets Sold (Book Value of Plant & Equipment to be sold) | (579) | (392) | (729) | (614) | (526) |
| TOTAL NON-CASH ITEMS | (11,012) | (10,916) | (11,273) | (11,178) | (11,110) |
| CAPITAL AMOUNTS | | | | | |
| Repayment by Deferred Debtors | - | - | - | - | - |
| Loan Proceeds | - | (2,000) | - | - | - |
| Acquisition of Assets | 18,475 | 20,960 | 13,675 | 13,051 | 12,458 |
| Principal Loan Repayments | 626 | 816 | 786 | 620 | 584 |
| TOTAL CAPITAL AMOUNTS | 19,102 | 19,776 | 14,461 | 13,671 | 13,042 |
| CONSOLIDATED NET (PROFIT)/LOSS | 473 | 6,533 | 796 | 7 | (500) |
| INTERNALLY RESTRICTED ASSET MOVEMENTS | | | | | |
| Net Transfers to/From Internally Restricted Assets | (477) | (6,537) | (802) | (13) | 495 |
| UNALLOCATED CONSOLIDATED NET (PROFIT)/LOSS | (4) | (4) | (5) | (5) | (5) |

INVERELL SHIRE COUNCIL
BUDGETED STATEMENT OF CASH FLOWS
(COMBINED GENERAL, WATER AND SEWERAGE FUNDS)

| ESTIMATES FOR | 2020/2021 | 2021/2022 | 2022/2023 | 2023/2024 | 2024/2025 |
|---|-----------|-----------|-----------|-----------|-----------|
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | | |
| Receipts | | | | | |
| Rates & Annual Charges | (22,247) | (22,875) | (23,446) | (24,032) | (24,632) |
| User Charges & Fees | (4,223) | (4,322) | (4,411) | (4,503) | (4,597) |
| Interest & Investment Revenue | (867) | (599) | (599) | (599) | (599) |
| Other Revenue | (544) | (548) | (551) | (555) | (559) |
| Grants & Contributions provided for operating purposes | (10,323) | (13,792) | (10,755) | (10,983) | (11,215) |
| Grants & Contributions-Capital | (7,452) | (2,263) | (2,276) | (2,290) | (2,303) |
| Payments | | | | | |
| Employee Benefits & On Costs | 14,855 | 15,274 | 15,709 | 16,151 | 16,604 |
| Borrowing Costs | 109 | 170 | 134 | 105 | 81 |
| Materials & Contracts | 8,044 | 11,458 | 8,584 | 8,818 | 9,091 |
| Other Expenses | 4,699 | 4,668 | 4,776 | 4,886 | 5,135 |
| Suspense / Disbursement Accounts | - | - | - | - | - |
| <i>Net Cash provided by (or used in) operating activities</i> | (17,948) | (12,828) | (12,837) | (13,001) | (12,995) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | | |
| Receipts | | | | | |
| Sale of investments | | | | | |
| Sale of Real Estate Assets | | | | | |
| Sale of Property, Plant & Equipment | (681) | (415) | (828) | (663) | (546) |
| Sale of interest in joint ventures/associates | | | | | |
| Other | | | | | |
| Payments | | | | | |
| Purchase of Investments | | | | | |
| Purchase of Property, Plant & Equipment | 18,475 | 20,960 | 13,675 | 13,051 | 12,458 |
| Purchase of Real Estate | | | | | |
| Other | | | | | |
| <i>Net cash provided by (or used in) investing activities</i> | 17,795 | 20,546 | 12,847 | 12,389 | 11,911 |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | | | |
| Receipts | | | | | |
| Borrowings & Advances | - | (2,000) | - | - | - |
| Other | | | | | |
| Payments | | | | | |
| Borrowings & Advances | 626 | 816 | 786 | 620 | 584 |
| Lease Liabilities | | | | | |
| Other | | | | | |
| <i>Net cash provided by (or used in) financing activities</i> | 626 | (1,184) | 786 | 620 | 584 |
| <i>Net Increase/(decrease) in cash assets held</i> | 473 | 6,533 | 796 | 7 | (500) |

COUNCIL OF THE SHIRE OF INVERELL
CONSOLIDATED BALANCE SHEET
(COMBINED GENERAL, WATER AND SEWERAGE FUNDS)

| | Audited Actual 2019 \$'000 | Estimated 2020 \$'000 | Estimated 2021 \$'000 | Estimated 2022 \$'000 | Estimated 2023 \$'000 | Estimated 2024 \$'000 | Estimated 2025 \$'000 |
|--|-------------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| ASSETS | | | | | | | |
| CURRENT ASSETS | | | | | | | |
| Cash and Cash Equivalents | 3,683 | 2,933 | 2,406 | 2,317 | 2,464 | 2,400 | 2,839 |
| Investments | 35,500 | 35,500 | 35,500 | 31,000 | 29,000 | 28,000 | 28,000 |
| Receivables | 5,497 | 5,497 | 5,499 | 5,501 | 5,504 | 5,505 | 5,507 |
| Inventories | 511 | 511 | 511 | 511 | 511 | 511 | 511 |
| Other | 186 | 186 | 186 | 186 | 186 | 186 | 186 |
| Non-Current assets classified as held for sale | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| TOTAL CURRENT ASSETS | 45,377 | 44,627 | 44,102 | 39,515 | 37,665 | 36,602 | 37,043 |
| NON - CURRENT ASSETS | | | | | | | |
| Investments | 20,069 | 20,069 | 20,069 | 20,069 | 21,069 | 22,069 | 22,069 |
| Receivables | 139 | 139 | 137 | 135 | 132 | 131 | 129 |
| Infrastructure, Property, Plant and Equipment | 649,268 | 652,366 | 659,828 | 669,872 | 672,274 | 674,147 | 675,495 |
| Investment Property | 3,280 | 3,280 | 3,280 | 3,280 | 3,280 | 3,280 | 3,280 |
| TOTAL NON - CURRENT ASSETS | 672,756 | 675,854 | 683,314 | 693,356 | 696,755 | 699,627 | 700,973 |
| TOTAL ASSETS | 718,133 | 720,481 | 727,416 | 732,871 | 734,420 | 736,229 | 738,016 |
| LIABILITIES | | | | | | | |
| CURRENT LIABILITIES | | | | | | | |
| Payables | 1,572 | 1,572 | 1,517 | 1,461 | 1,404 | 1,346 | 1,287 |
| Income Received in Advance | 809 | 0 | 0 | 0 | 0 | 0 | 0 |
| Borrowings | 600 | 788 | 823 | 794 | 628 | 593 | 430 |
| Provisions | 4,002 | 4,002 | 4,002 | 4,002 | 4,002 | 4,002 | 4,002 |
| TOTAL CURRENT LIABILITIES | 6,983 | 6,362 | 6,342 | 6,257 | 6,034 | 5,941 | 5,719 |
| NON - CURRENT LIABILITIES | | | | | | | |
| Payables | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Borrowings | 2,964 | 2,176 | 1,515 | 2,728 | 2,108 | 1,524 | 1,102 |
| Provisions | 6,840 | 6,840 | 6,840 | 6,840 | 6,840 | 6,840 | 6,840 |
| TOTAL NON - CURRENT LIABILITIES | 9,804 | 9,016 | 8,355 | 9,568 | 8,948 | 8,364 | 7,942 |
| TOTAL LIABILITIES | 16,787 | 15,378 | 14,697 | 15,825 | 14,982 | 14,305 | 13,661 |
| NET ASSETS | 701,346 | 705,103 | 712,719 | 717,046 | 719,438 | 721,924 | 724,355 |
| EQUITY | | | | | | | |
| Retained Earnings | 528,703 | 532,460 | 540,076 | 544,403 | 546,795 | 549,281 | 551,712 |
| Revaluation Reserves | 172,643 | 172,643 | 172,643 | 172,643 | 172,643 | 172,643 | 172,643 |
| Council equity interest | 701,346 | 705,103 | 712,719 | 717,046 | 719,438 | 721,924 | 724,355 |
| Minority equity interest | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| TOTAL EQUITY | 701,346 | 705,103 | 712,719 | 717,046 | 719,438 | 721,924 | 724,355 |

11.2 AASB 124 RELATED PARTY TRANSACTIONS**File Number:** S12.2.2 / 20/23147**Author:** Paul Pay, Manager Financial Services**SUMMARY:**

The Australian Accounting Standard 124 (AASB 124) require local government authorities to identify and disclose related party transactions that are individually or collectively material.

This report requests that Council's Key Management Personnel (KMP) declare details of any Related Parties and Related Party Transactions by completing Sections 1 and 2 of Council's KMP – Related Party Transaction Questionnaire form.

RECOMMENDATION:

That Council:

- a) Receive and note the report; and*
- b) In accordance with AASB 124, Key Management Personnel (KMP) complete section 1 and 2 of Council's KMP – Related Party Transactions Questionnaire and return completed forms to Council by 8 July, 2020.*

COMMENTARY:

All councils in New South Wales must produce annual financial statements that comply with Australian Accounting Standards.

The Australian Accounting Standard 124 (AASB 124) require local government authorities to identify and disclose related party transactions between Council and its related parties that are individually or collectively material.

The objective of the standard is to ensure that Council's financial statements contain the disclosures necessary to draw attention to the possibility that its financial position and profit or loss may have been affected by the existence of related parties and by transactions and outstanding balances, including commitments, with such parties.

As a result, Council must disclose Related Parties of Key Management Personnel (KMP) and all material and significant Related Party Transactions including outstanding balances and commitments, in its Annual Financial Statements commencing with the reporting period ending 30 June, 2020.

The impact of AASB 124 is on the disclosures within the Annual Financial Statements; there is no financial impact on Council's reported financial position or performance.

KMP's are defined as those persons who have authority and responsibility, either directly or indirectly, for planning, directing and controlling the activities of the Council. KMP's for the Council are therefore considered to include:

- Mayor;
- Councillors;
- General Manager;
- Director of Corporate and Economic Services; and
- Director Civil and Environmental Services.

For the purpose of AASB 124, close family members could include extended members of a family (such as, without limitation, parents, siblings, grandparents, uncles/aunts or cousins) if they could be expected to influence, or be influenced by, the KMP in their dealings with Council.

Related party transactions are a transfer of resources, services or obligations between the Council and a related party, regardless of whether a price is charged. Examples of related party transactions are:

- purchases or sales of goods;
- purchases or sales of property and other assets;
- rendering or receiving of services;
- rendering or receiving of goods;
- leases;
- transfers under licence agreements;
- transfers under finance arrangements (example: loans);
- provision of guarantees (given or received);
- commitments to do something if a particular event occurs or does not occur in the future; and
- Settlement of liabilities on behalf of Council or by Council on behalf of that related party.

Council will need to disclose the nature of the relationship with the related party, as well as sufficient information about the transactions and outstanding balances, including commitments, necessary for users of the financial statements to understand the potential effect of the relationship on the financial statements.

Information provided by KMPs and other related parties will be held for the purpose of compliance with Council's legal obligations and shall be disclosed where required for compliance or legal reasons only. KMP compensation will be disclosed on an aggregated basis only (KMP will not be named).

To assist Council to comply with AASB 124, Council's KMPs will be required to declare full details of any Related Parties and Related Party Transactions by completing Sections 1 and 2 of Council's KMP – Related Party Transaction Questionnaire form. This form will be distributed by the Director Corporate and Economic Services at June 2020 Council Meeting. All sections of the Questionnaire must be completed by providing the appropriate information or a "NIL" response.

It is requested that KMPs return their completed questionnaires by Wednesday, 8 July, 2020 to either the Director Corporate and Economic Services or Manager Financial Services.

It is imperative that all Related Party Questionnaires are completed and returned. It is noted that during 2018/2019 financial audit, Council received a Management Letter point for non compliance with AASB 124 because not all Related Party Questionnaires were returned.

For assistance in completing the questionnaire please contact Council's Manager Financial Services, Paul Pay on 02 67 288 279.

RISK ASSESSMENT:

These declarations are a reporting requirement and do not impact the risk profile of Council beyond that.

POLICY IMPLICATIONS:

Council must comply with AASB 124 and Council's Key Management Personnel (KMP) – Related Party Transactions Policy and declare, where necessary, details of any Related Parties and Related Party Transactions in Council's Annual Financial Statements.

CHIEF FINANCIAL OFFICERS COMMENT:

AASB 124 requires an additional disclosure in the notes to Council's Financial Statements, titled "Note 24 – Related Party Transactions" for the period ending 30 June, 2020. This will not impact Council's financial result and comparatives are not required.

Any financial implications will relate to indirect costs associated with researching, collecting and recording information which are expected to be minimal.

LEGAL IMPLICATIONS:

Nil

ATTACHMENTS:

Nil

12 CONFIDENTIAL MATTERS (COMMITTEE-OF-THE-WHOLE)**RECOMMENDATION:**

That Council considers the confidential report(s) listed below in a meeting closed to the public in accordance with the reasons stated in the referral reports:

12.1 Eddy Park Lane - Polocrosse Fields